COVER SHEET

CS201518815
S.E.C. Registration Number

CEMEX HOLDINGS PHILIPPINES, INC.

34th Floor Petron Mega Plaza
Building, 358 Sen. Gil J. Puyat
Avenue, Makati City

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

JANNETTE VIRATA SEVILLA	**849-3750**
Contact Person	Company Telephone Number

1 2	3 1	**SEC Form 17-A (Annual Report) For the year ended December 31, 2018**	0 6	0 5
Month	*Day*	FORM TYPE	*Month*	*Day*
Fiscal Year			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 Amount of Borrowings

20		
Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the year ended **December 31, 2018**

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. Exact name of registrant as specified in its charter **CEMEX HOLDINGS PHILIPPINES, INC.**

5. **Metro Manila, Philippines**
Province, Country or other jurisdiction of incorporation or organization

6. (SEC Use Only)
Industry Classification Code:

7. **34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
Address of principal office Postal Code

8. **+632-849-3600**
Issuer's telephone number, including area code

9. **Not Applicable**
Former name, former address, and former fiscal year, if changed since last report.

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common Shares	5,195,395,454

11. Are any or all of the securities listed on a Stock Exchange?

Yes **[X]** No [ ]
Stock Exchange: Philippine Stock Exchange (Main Board)
Securities Listed: Common Shares

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [X] No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [X] No [ ]

13. State the aggregated market value of the voting stock held by non-affiliates of the registrant.

₱ 5,564,268,535.28, based on 2,337,927,956 common shares held by non-affiliates of the registrant @ ₱2.38 per share (which is the closing market price at which the stock was sold on February 28, 2019)

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

Not Applicable

Yes [ ]   No [ ]

15. The following documents are incorporated by reference, briefly describe them and identify the part of SEC Form 17-A into which the document is incorporated:

The latest audited financial statement of the Company which is attached as exhibit in this Form 17-A (Annual Report) is incorporated by reference in ITEM 1 (2)(viii) of PART I (Transactions with Related Parties), ITEM 2 of PART I (Properties), ITEM 6 of PART II (Management's Discussion and Analysis), ITEM 7 of PART II (Financial Statements), ITEM 8 of PART II (Information on Independent Accountant and other Related Matters) and ITEM 12 of PART III (Certain Relationships and Related Transactions):

- *Consolidated Financial Statements of the Company as at and for years ended December 31, 2018 and December 31, 2017*

PART I – BUSINESS AND GENERAL INFORMATION

ITEM 1. Business

(1) History and Business Development

(a) Organization

CEMEX Holdings Philippines, Inc., a subsidiary of CEMEX Asian South East Corporation ("CASEC"), was incorporated as a stock corporation on September 17, 2015 under Philippine laws with a corporate life of fifty (50) years, primarily to invest in or purchase real or personal property; and to acquire and own, hold, use, sell, assign, transfer, mortgage all kinds of properties such as shares of stock, bonds, debentures, notes, or other securities and obligations; provided that it shall not engage either in the stock brokerage business or in the dealership of securities, and in the business of an open-end investment company as defined in Republic Act 2629, Investment Company Act.

CASEC is a wholly-owned indirect subsidiary of CEMEX España, S.A., which in turn is indirectly owned by CEMEX, S.A.B. de C.V. ("CEMEX"), a company incorporated in Mexico with address of its principal executive office at Avenida Ricardo Margain Zozaya #325, Colonia Valle del Campestre, Garza Garcia, Nuevo León, Mexico. CEMEX is one of the largest cement companies in the world based on annual installed cement production capacity. The shares of CEMEX are listed on the Mexican Stock Exchange under the symbol "CEMEXCPO" and the New York Stock Exchange under the symbol "CX".

The term "Parent Company" used in this Form 17-A (Annual Report) refers to CEMEX Holdings Philippines, Inc. without its subsidiaries. The term "Company" refers to CEMEX Holdings Philippines, Inc. together with its consolidated subsidiaries.

The Parent Company's two principal operating subsidiaries, i.e., APO Cement Corporation ("APO Cement") and Solid Cement Corporation ("Solid Cement"), are involved in the production, marketing, distribution and sale of cement and other cement products in the Philippines with well-established brands, such as "APO", "Island", and "Rizal", each of which has a multi-decade history in the Philippines.

On January 1, 2016, the Company acquired, directly and indirectly through intermediate holding companies, a 100% equity interest in each of Solid Cement and APO Cement as a result of the following acquisitions:

(a) 1,112,934,284 preferred shares of APO Cement representing 40% of the outstanding capital stock of APO Cement from CEMEX Asia Holdings, Ltd;

(b) 500,000 common shares of Solid Cement representing 10% of the outstanding capital stock of Solid Cement from CEMEX Asia Pacific Investments B.V.;

(c) 1,500,000 common shares of Solid Cement, representing a 30% equity interest in Solid, from CEMEX Asia B.V. (in addition to CEMEX Asia B.V.'s minority interest in two shares that it owned jointly with Sandstone Strategic Holdings, Inc.);

(d) 458,500 common shares of Edgewater Ventures Corporation representing 100% of the outstanding capital stock of Edgewater Ventures Corporation from CEMEX Asia Holdings, Ltd.;

(e) 2,360,000 common shares of Triple Dime Holdings, Inc. representing 40% of the outstanding capital stock of Triple Dime Holdings, Inc. from CEMEX Asia Holdings, Ltd.;

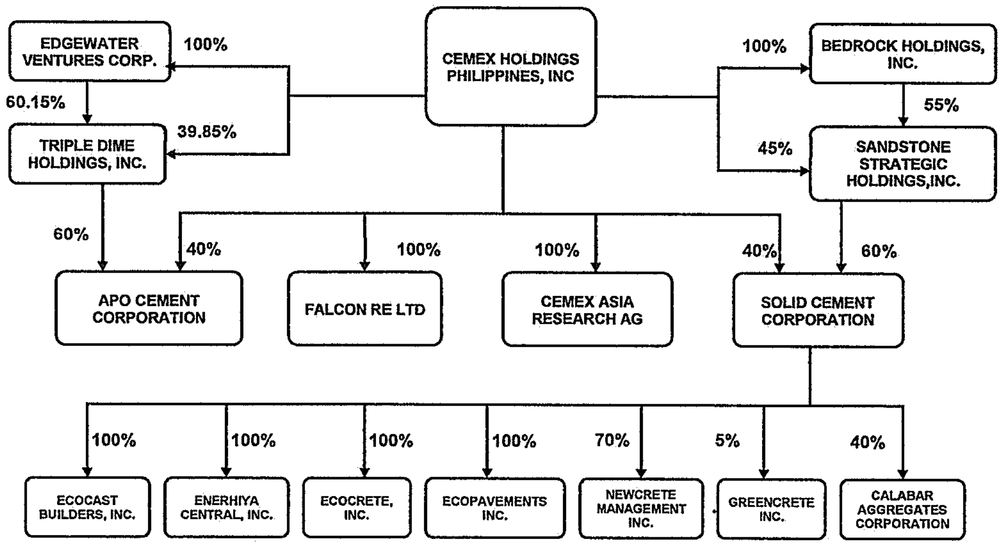
(f) 120,000 common shares of Bedrock Holdings, Inc. representing 100% of the outstanding capital stock of Bedrock Holdings, Inc. from CEMEX Asia Holdings, Ltd.; and

(g) 4,660,966 common shares of Sandstone Strategic Holdings, Inc. representing 45% of the outstanding capital stock of Sandstone Strategic Holdings, Inc. from CEMEX Asia Holdings, Ltd.

On June 17, 2016, the Securities and Exchange Commission of the Philippines (SEC) issued a Pre-effective Clearance for Registration covering 5,195,395,454 common shares of the Parent Company broken down as follows: (a) 2,337,927,954 common shares that shall be offered and sold to the public by way of primary offering ("IPO") and (b) 2,857,467,500 issued and outstanding shares which shall not be included in the offer. In view of the SEC Pre-effective Clearance for Registration and the Parent Company's compliance with other conditions imposed by the Board of the Philippine Stock Exchange (PSE), the PSE approved on June 17, 2016 the initial listing of up to 5,195,395,454 common shares under the Main Board of the Exchange.

On June 30, 2016, the SEC resolved to render effective the Registration Statement of the Parent Company and issued a Certificate of Permit to Offer Securities for Sale in favor of the Parent Company. On July 18, 2016, the total outstanding shares of the Parent Company consisting of 5,195,395,454 common shares were listed on the Main Board of the Philippine Stock Exchange.

The following diagram provides a summary of the Company's organizational and ownership structure as of December 31, 2018:



(b) Subsidiaries and Associates

The following are brief descriptions of the Company's operating subsidiaries:

- ***APO Cement Corporation.*** APO Cement was incorporated in the Philippines on December 27, 1961 primarily to engage in the production and marketing of cement. The Parent Company owns a direct 40% equity interest in APO Cement as well as an indirect 60% equity interest through its equity interest in Triple Dime Holdings, Inc. APO Cement owns and operates the APO Cement plant and primarily produces products which carry the APO cement brand.
- ***Solid Cement Corporation* and its subsidiaries.** Solid Cement was incorporated in the Philippines on September 14, 1987. The Parent Company owns a direct 40% equity interest in Solid

Cement as well as an indirect 60% equity interest through its equity interest in Sandstone Strategic Holdings, Inc. Solid Cement owns and operates the Solid Cement plant and primarily produces products which carry the Island and Rizal cement brands. Solid Cement also owns a 100% equity interest in each of the following subsidiaries:

- ***Ecocast Builders, Inc.*** and ***Ecopavements Inc.*** Ecocast Builders, Inc. and Ecopavements Inc. were each incorporated in the Philippines on October 16, 2014 to primarily provide its customers with materials and solutions for cement-intensive housing and pavement projects, respectively. Ecopavement Inc.'s Board of Directors confirmed plans to close the business operations of the company effective on December 31, 2017 and subsequently during a joint special meeting of Ecopavements Inc.'s Board of Directors and Shareholders on August 31, 2018, the shortening of the corporate term of the Company to December 31, 2019 was approved.
- ***Ecocrete, Inc.*** Ecocrete, Inc. was incorporated in the Philippines on February 13, 2013 to primarily manufacture, develop and sell ready-mix concrete and other construction related products materials. Ecocrete, Inc.'s Board of Directors confirmed plans to close the business operations of the company effective on December 31, 2017, and subsequently during a joint special meeting of Ecocrete, Inc.'s Board of Directors and Shareholders on August 31, 2018, the shortening of the corporate term of the Company to December 31, 2019 was approved.

- ***Falcon Re Ltd.*** – Falcon Re Ltd. was incorporated in Barbados on May 9, 2016. The Parent Company owns a direct 100% equity interest in Falcon Re Ltd., which reinsures third-party insurers of the Company covering risks association with property insurance coverage, with political violence and non-damage business interruption programs, liability program and cyber risks.

- ***CEMEX Asia Research A.G.*** – CEMEX Asia Research AG was incorporated in Switzerland on December 18, 2015. The Parent Company owns a direct 100% equity interest in CEMEX Asia Research A.G., which is the licensee for the certain licensed trademarks and intangible assets to which the Company has access through several agreements with CEMEX and its affiliate, CEMEX Research Group A.G.

The following are brief descriptions of the Company's investment holding company subsidiaries and other subsidiaries that have not started commercial operations:

- ***Edgewater Ventures Corporation*** and ***Triple Dime Holdings, Inc.*** Edgewater Ventures Corporation was incorporated in the Philippines on April 23, 1998 and Triple Dime Holdings, Inc. was incorporated in the Philippines on May 13, 1998. The Parent Company owns a 100% equity interest in Edgewater Ventures Corporation, which is an investment holding company that owns a direct 60.15% equity interest in Triple Dime Holdings, Inc. which is also an investment holding company. The Parent Company owns directly the remaining 39.85% equity interest in Triple Dime Holdings, Inc. Triple Dime Holdings Inc. owns a direct 60% equity interest in APO Cement.

- ***Bedrock Holdings, Inc.*** and ***Sandstone Strategic Holdings, Inc.*** Bedrock Holdings, Inc. was incorporated in the Philippines on October 30, 1998 and Sandstone Strategic Holdings, Inc. was incorporated in the Philippines on November 12, 1998. The Parent Company owns a direct 100% equity interest in Bedrock Holdings, Inc., which is an investment holding company that owns a direct 55% equity interest in Sandstone Strategic Holdings, Inc., which is also an investment holding company. The Parent Company directly owns the remaining 45% equity interest in Sandstone Strategic Holdings, Inc. Sandstone Strategic Holdings, Inc. owns a direct 60% equity interest in Solid Cement.

- ***Enerhiya Central, Inc.*** Enerhiya Central, Inc. was incorporated in the Philippines on February 26, 2013, to primarily sell, broker market and/or aggregate electricity to industrial, commercial and institutional clients. Enerhiya Central, Inc. has not yet started commercial operations. The Parent Company owns an indirect 100% equity interest in Enerhiya Central, Inc. through its 100% equity interest in Solid Cement.

- *Newcrete Management Inc.* Newcrete Management Inc. was incorporated in the Philippines on November 14, 2012, to provide management services related to technical support, concrete sales, concrete products, special building materials and other related products and services. Newcrete Management Inc. has not yet started commercial operations. The Parent Company owns an indirect 70% equity interest in Newcrete Management Inc. through its 100% equity interest in Solid Cement.

The following are brief descriptions of companies in which Solid Cement has minority investments:

- *Calabar Aggregates Corporation.* Calabar Aggregates Corporation was incorporated in the Philippines on January 31, 1991. Calabar Aggregates Corporation is a company in which the Parent Company owns an indirect 40% equity interest through its 100% equity interest in Solid Cement. This company is currently inactive.

- *Greencrete Inc.* Greencrete Inc. was incorporated in the Philippines on November 14, 2012. The Parent Company owns an indirect 5% equity interest in Greencrete Inc. through its 100% equity interest in Solid Cement. Greencrete Inc. has not yet started commercial operations.

(c) Material Reclassification, Merger and Consolidation

There was no material reclassification, merger or consolidation undertaken by the Company in 2017.

(2) General Business Description

The Company has two cement plants with aggregate installed annual capacity[1] of 5.7 million tonnes of cement as of December 31, 2018. APO Cement's cement production plant is located in Naga City, Cebu and currently has three grinding lines and has an installed annual capacity of 3.8 million tonnes of cement, and serves its customers in the Visayas and Mindanao regions through its marine and land distribution network. Solid Cement's cement production plant is located in Antipolo City, Rizal and currently has three grinding lines and an installed annual capacity of 1.9 million tonnes of cement.

In October 2018, the principal project agreements were entered into with CBMI Construction Co., Ltd of China for the procurement, construction and installation of a 1.5 million metric tons per year new integrated cement production line[2] at Solid Cement's plant. The Company targets the commencement of operations of this expanded/new integrated line to take place during the fourth quarter of 2020.

Solid Cement's plant principally serves the National Capital Region. The operations of the ready-mix plant located in Manila were discontinued in December 2017.

In 2018, the Company sold gray ordinary Portland cement, masonry or mortar cement, blended cement and ready-mix concrete. The Company's cement products are principally sold under the APO, Island

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[1] cement grinding capacity

[2] On 1 February 2019, the Board of Investments duly registered Solid Cement Corporation as a New Producer of Cement on a Pioneer Status but with Non-Pioneer Incentives for its. 1.5 million metric tons per year new integrated cement production line located in Antipolo City, Rizal. The incentives granted to this registered project include, among others, (1) a 4-year income-tax holiday period commencing from December 2020 or actual start of commercial operations (whichever is earlier) and (2) importation *at zero duty* of capital equipment, spare parts and accessories directly needed and exclusively used in the operations of the registered project. The income qualified for income-tax holiday shall be limited to the income directly attributable to the eligible revenue generated from this registered project.

and Rizal brand names. The Island and Rizal brands are primarily sold to customers in Luzon, whereas the APO brand cement is primarily sold to customers in the Visayas and Northern Mindanao.

(i) Products

Principal Product – Cement

Cement is a binding agent that, when mixed with sand, stone or other aggregates and water, produces either ready-mix concrete or mortar. The Company provides its customers with high-quality branded cement products and services in both bagged and bulk formats. The Company relies on professional knowledge and experience to develop customized products that fulfill its customers' specific requirements and foster efficient and sustainable construction. The Company sells a large proportion of its cement in bags. Sales of cement and cement products accounted for 86.15% of consolidated net sales for 2018 before eliminations. The principal groups of related products and services are gray ordinary Portland cement, blended cement and masonry cement. The Company delivers its bagged, branded product to a large number of distribution outlets so that its cement is available to end-users in a point of sale near to where the product will be used.

Product	Brands	Description	Product Specifications and National Standards Met
Gray Ordinary Portland	APO Portland Cement	General-purpose Type I Portland cement made for high performance applications. It passes the specifications of Type II cement as moderately sulfate resistant and is suitable for applications near bodies of water.	PNS 07:2005 ASTM C150:2009
	Island Portland Cement	General-purpose Portland cement made for high performance applications. Achieves higher compressive strength in less time compared to other Portland cement.	PNS 07:2005 ASTM C150:2009
Masonry or mortar	Rizal Masonry Cement APO Masonry Cement	Type M masonry cements. Minimizes the carbon footprint of regular Portland cement by up to 32% and allows better moisture retention and adhesion strength.	PNS ASTM C91:2005
	Palitada King Masonry	Type S masonry cement. Superior properties for use in masonry applications, as it's less prone to rapid dehydration during dry, hot, or windy days. Minimizes shrinkage and stresses that lead to cracking.	PNS ASTM C91:2005
Blended	Rizal Portland Super	All-purpose Type 1P cement formulated with natural minerals that add beneficial properties, such as increased strength and durability over time. Used for general construction applications where structures are exposed to moderate sulfate environments.	PNS 63:2006 ASTM C595:2009
	APO Portland Premium		PNS 63:2006 ASTM C595:2009

Others

The Company sold ready-mix concrete and admixtures to third parties in 2018. The Company also occasionally provided housing solutions to its customers. These transactions accounted to not more than 0.1% of the total consolidated net sales of the Company for the year.

(ii) Export Revenue

The export revenue for cement as of December 31, 2018 amounted to approximately ₱95.6 million which is 0.4% of total revenue of the Company for the fiscal year. The cement was exported to the Pacific Islands.

(iii) Distribution Methods

In 2018, the Company's distribution infrastructure utilized 5 marine distribution terminals and 23 land distribution centers/warehouses located across the Philippines. The Company distributes its products using a fleet which is managed directly by its subsidiaries or by third-party transport providers. As of December 31, 2018, the Company leased 787 trucks for the distribution of bag and bulk cement, chartered 49 marine vessels for the waterborne distribution of bag cement in the Philippines, and contracted five marine vessels for the distribution of bulk cement.

(iv) Product Development

The Company continues to work with its current portfolio of products with the objective of developing products to suit customers' specific requirements or specifications.

(v) Competition

As of December 31, 2018, the Company's major competitors in the Philippine cement market were Holcim Philippines, Inc., Republic Cement Group, Taiheiyo Cement Philippines, Inc., Northern Cement Corporation, Goodfound Cement Corporation, Mabuhay FilCement Inc. and Eagle Cement Corporation as local producers and also imported cement mainly from Vietnam, China, Thailand and other countries of the region. The Company competes through a wide section of the Philippine archipelago, primarily on the basis of quality, market presence, distribution network, diversity of product offerings, sales strategy, brand image and pricing.

(vi) Sources and Availability of Raw Materials and Supplies

The primary raw materials used in the Company's cement production are limestone, pozzolan, clay and gypsum. Raw materials costs represented approximately 11% of the Company's consolidated costs of sales and services for fiscal year 2018 and 12% of the Company's consolidated costs of sales and services for fiscal year 2017.

The raw materials are delivered directly to the Company's production facilities by trucks and conveyor belts. The Company purchases the majority of its limestone, pozzolan and clay requirements from APO Land & Quarry Corporation ("ALQC") and Island Quarry and Aggregates Corporation ("IQAC") pursuant to long-term supply agreements, each having 20-year terms commencing on January 1, 2016 and automatic renewals for successive periods of two years.

ALQC is an entity that is wholly-owned by Impact Assets Corporation, a corporation in which CASEC owns a 40% equity interest. IQAC is an entity that is wholly-owned by Albatross Holdings, Inc., a corporation in which CASEC owns a 40% equity interest.

Most of the quarries from which ALQC and IQAC mine raw materials, such as limestone, pozzolan and clay are located near the Company's cement production plants, which reduces the Company's pre-production transport time and costs.

The Company sources electricity by purchasing grid electricity from third parties, from in-house generators at its plants and, with respect to Solid's cement production plant, through the waste-heat-to-energy facility of SINOMA Energy Conservation Ltd (SINOMA). The cost of electricity purchased from the grid are among the highest in Asia. Electricity costs in the Philippines are among the highest in Asia. Electricity cost and availability are also impacted by the limited numbers of suppliers, a complex regulatory framework, low grid reliability, the geography of the Philippines which makes distribution costly, the climate and weather conditions in the Philippines which regularly impacts power supply and quality, and dependence on fuel imports.

The power generation plant at APO Cement plant has a rated capacity of approximately 67.2 megawatts, and APO Cement plant when running at full utilization requires approximately 48 megawatts of power. The power generation plant at Solid Cement plant has a rated capacity of approximately 15.9 megawatts of power, and Solid Cement plant when running at full utilization requires up to approximately 24 megawatts of power.

In January 2012, Solid Cement entered into a 15-year build-and-operate arrangement with SINOMA, to implement a waste heat recovery system at Solid Cement plant. SINOMA's facility captures waste heat generated by the plant's kilns and converts it into electricity. Pursuant to this arrangement, SINOMA owns the facility and is responsible for the maintenance, repairs and operations of the facility and, subject to certain conditions, is obligated to deliver all of the electricity generated by the facility to SOLID Cement plant. Moreover, subject to certain conditions, Solid Cement is obligated to purchase all of the electricity generated by the facility. This waste-heat-to-energy facility has a rated capacity of approximately 6 megawatts of power. In March 2017, the Company entered into a similar 15-year build-and-operate arrangement with SINOMA to implement a waste-heat-to-energy facility at APO Cement plant.

In 2018, each of APO Cement and Solid Cement plants purchased grid electricity for its respective power needs from San Miguel Electric Corporation, depending on the cost of grid electricity compared with electricity produced from its power generation plants.

The Company primarily uses coal to fire its kilns and alternative fuels, including refuse-derived fuel, rubber tires, waste plastic, rice husks, among others. The Company obtains all of its imported coal from Transenergy, Inc., a CEMEX subsidiary that sources coal, petroleum coke and other products on a CEMEX group-wide basis with a view to obtaining favorable pricing. The Company hedged its exposure to the spot price of a majority of its coal requirements in 2018.

The Company continues to focus on the use of alternative fuels to manage its fuel costs. It seeks to optimize its fuel mix with available alternative fuels, using refuse-derived fuel, rubber tires, waste plastic, rice husks and other alternative fuels. In 2018, the usage of alternative fuels at Solid Cement plant amounted to approximately 20% of the overall fuel used to fire its kiln.

The Company primarily uses heavy fuel oil for the electricity generators at its various plants, and the trucks and vessels used in the distribution of its products run primarily on diesel. The Company obtains its supply of heavy fuel oil and diesel from domestic suppliers. The Company hedged its exposure to the spot price of a majority of its heavy fuel requirements for power generation in 2018.

(vii) Dependence on a single or a few customers

The Company sells cement directly to retailers such as hardware stores. The Company also sells cement directly to institutional customers such as contractors, developers and ready-mix operators. Many of the customers resell the Company's products to a variety of end-users, such as households, small and large contractors and ready-mix concrete producers, while the cement products which the Company sells directly to institutional customers are used in a variety of private and public infrastructure projects. The business of the Company does not depend on any single or few customers, and no single customer represented more than 20% of the Company's consolidated net sales.

(viii) Transactions with Related Parties

Refer to Item 12, Part III of this SEC Form 17-A (Annual Report) and Note 13 - Balances and Transactions with Related Parties of the Notes to the Consolidated Financial Statements as of and for the years ended December 31, 2018 and 2017 in the accompanying Audited Financial Statements filed as part of this Form 17-A.

(ix) Intellectual Properties

The Company relies on trademarks to establish and protect its business interests. As a subsidiary of a multinational corporation, all of the trademarks and intellectual property of CEMEX and its member subsidiaries, as well as the protection and enforcement thereof, are managed centrally by the CEMEX head office in Mexico with the assistance of the local operating companies. The Company has license rights to use the "CEMEX" name, and the "APO", "Island" and "Rizal" brands from CEMEX and its subsidiary based in Switzerland, CEMEX Research Group, AG (CRG). In exchange for the right to use the tradename or brands owned by CEMEX, the Company incurred royalty fees payable to CEMEX for the fiscal year 2018 amounting to ₱ 30.4 million, which accounted for 0.13% of the Company's consolidated net sales.

On the other hand, CRG is also the legal owner of certain intangible assets, including but not limited to, know-how, processes, software and best practices over which the Company has a non-exclusive right to use, exploit and enjoy. The Company relies on these intangible assets for continuous improvements, enhancements and variations considering industry evolution and the particular needs of the Philippine market, and has entered into license agreements that allow its operating subsidiaries to use these intangible assets. In exchange for the intangible assets and tools made available by CRG to the Company, as well as the right to use trademarks or brands, the Company incurred royalty fees payable to CRG for the fiscal year 2018 amounting to ₱ 853 million, which accounted for 3.64% of the Company's consolidated net sales.

The Company owns "Semento Filipino" and "Pioneer Cement" trademarks.

(x) Governmental approval of principal products

APO Cement and Solid Cement possess licenses issued by the Bureau of Product Standards – Department of Trade and Industry which allows them to use the Philippine Standard (PS) Quality Mark for its various products.

(xi) Governmental Regulations

The principal areas in which the Company is subject to regulation are product quality standards, environmental compliance, its methods of distribution, labor, taxation, antitrust and health and safety. For example, the Occupational Safety and Health Standards promulgated by the Department of Labor and Employment, prescribes the minimum set of standards, rules, and regulations for the welfare and protection of workers in all places of employment. Apart from domestic rules, the Company is also guided by global benchmarks and standards on occupational health and safety, which is a key focus of management. There are management policies and rules in accordance with applicable laws and regulations such as production safety measures, the handling of hazardous materials, guidelines on high risk operations, and the Company also conducts regular training on occupational health and safety.

(xii) Research and Development

CEMEX's research and development efforts, led by CRG based in Switzerland, help the Company to anticipate and understand society's trends in order to create innovative, sustainable construction solutions intended to satisfy customers' current and future needs, while challenging the current technological landscape. CEMEX's innovative, sustainable construction solutions have been conceptualized and engineered to positively impact the jobsite safety, promote efficient construction practices, sensibly preserve natural resources vital to life, and improve the quality of life in rapidly transforming cities. Underlying CEMEX's R&D philosophy is a growing culture of global collaboration and coordination, where the global R&D collaboration network identifies and promotes novel collaboration practices, and mobilizes its adoption throughout the CEMEX organization. Pursuant to several license agreements the Company is able to access the research and development capabilities of CRG through the Company's enjoyment and utilization in the Philippines of certain licensed trademarks and intangible assets developed and owned by CRG. In the event that the Company incurs costs for research and development activities undertaken in the Philippines, such costs are reimbursed to the Company by CRG.

(xiii) Compliance with Environmental Law

The Company is subject to a broad range of environmental laws and regulations in the Philippines, such as the Philippine Clean Air Act of 1999, the Philippine Clean Water Act of 2004 and the regulatory framework established by the Philippine Environmental Impact Statement System. These laws and regulations impose increasingly stringent environmental protection standards regarding, among other things, air emissions, wastewater discharges, the use and handling of hazardous waste or materials, waste disposal practices and the remediation of environmental damage or contamination.

The Company allocates resources to government-mandated social development funds in compliance with environmental laws and regulations. For instance, in 2018, the Company allocated approximately ₱16.96 million for projects implemented pursuant to the Social Development and Management Program.

(xiv) Employees

As at December 31, 2018, the Company employed a total of 682 full-time employees in the Philippines. A breakdown of the employees in the Philippines is shown below:

Area	Number of Employees
Corporate and Administration	133
Cement Business (commercial sales & administration, cement operations & technology, and logistics)	536
Other Businesses	13

As at December 31, 2018, the Parent Company's foreign subsidiaries employed a total of 6 employees.

The Company does not currently anticipate any significant increase or decrease in the number of its employees over the next twelve months.

For non-managerial employees of Solid Cement plant and APO Cement plant, labor conditions, including wages and benefits, are governed by collective bargaining agreements negotiated at the plant level. These employees are represented by labor unions. Solid Cement plant has a rank and file union as well as a supervisors union, and APO Cement plant has two rank and file unions. Each of these unions is associated with the Trade Union Congress of the Philippines. Under the Philippine Labor Code, a labor union serves as the certified collective bargaining representative of the relevant bargaining unit (i.e., rank and file; supervisors unit) for a period of five years, whereby the bargaining unit will then conduct a certification election to determine who its collective bargaining agent will be for the next five years. Accordingly, APO Cement and Solid Cement negotiate collective bargaining agreements with the newly elected collective bargaining representative every five years for the general and political terms. The economic terms, such as the salary, allowances and all monetary and non-monetary benefits to which the collective bargaining members are entitled, can be renegotiated after a period of three years from the execution of the collective bargaining agreement. The collective bargaining agreement with the supervisors' union at the Solid Cement's plant will expire on December 31, 2022, while the rank and file union agreement at Solid Cement plant will expire on February 28, 2023. The agreement with the unions at the APO Cement plant will expire on December 31, 2021. There has been no strike affecting Solid Cement plant or APO Cement plant during the past eighteen years.

(xv) Major Risks Affecting the Business

Substantially all of the Company's manufacturing business and assets are located in the Philippines. Accordingly, economic conditions in the Philippines may adversely affect its business, prospects, financial condition and results of operations.
The results of the Company's operations depend, to a significant extent, on the performance of the Philippine economy. The Philippines has experienced periods of slow or negative growth, high inflation, significant depreciation of the peso and the imposition of exchange controls.

The Company's growth prospects are largely dependent upon the economic growth in the Philippines. Factors that may adversely affect the Philippine economy include:

- decreases in business, industrial, manufacturing or financial activity in the Philippines or globally;
- scarcity of credit or other financing;
- exchange rate fluctuations;
- a prolonged period of inflation or increase in interest rates;
- an increase in unemployment levels or decrease in consumer confidence;
- a decrease in remittances from overseas Filipino workers;
- changes in the taxation policies and laws;
- natural disasters, including typhoons, earthquakes, fires, floods, landslides and similar events;
- political instability, terrorism or military conflict in the Philippines, other countries in the region or globally; and
- political or economic developments in or affecting the Philippines.

In addition, the strength of the Philippine economy (and demand for the Company's products in particular) is influenced and affected by global factors, including the performance of the global and regional economies, including in particular the United States and China, and the global economy, in general. If these economies were to suffer periods of prolonged weakness, it could adversely affect the Company's business, prospects, financial condition and results of operations.

A reduction or delay in public or private construction projects may have a material adverse effect on the Company's business, financial condition and results of operations.
The Company's principal business is reliant on levels of public and private construction activity in the Philippines. Significant interruptions or delays in, or the termination of, public or private construction projects may adversely affect the Company's business, financial condition and results of operations.

The Company is dependent on the continuing operation of the Company's two cement plants.
The principal manufacturing facilities are at two cement plants. The Solid Cement plant is located in Rizal in Luzon and the APO Cement plant is located in Cebu in the Visayas. These plants are subject to the normal risks of industrial production, including equipment breakdowns, labor stoppages, natural disasters, directives from Government agencies and power interruptions.

The Company operates in highly competitive markets
The markets in which the Company operate are highly competitive and are served by a variety of established companies with recognized brand names, as well as new market entrants such as new brand introductions by local manufacturers and importers. Companies in these markets compete based on a variety of factors, often employing aggressive pricing strategies to gain or protect their share of the market.

The construction industry is generally cyclical and variations in supply (including by increase of capacities) and demand (including from a decrease in construction activities) may result in overcapacity and a corresponding reduction in the utilization of the cement plants.
The Company is affected by the cyclical nature of the construction industry, which is characterized by periods of growth and slowdown or decline caused by variations in supply and demand. Such fluctuations may lead to periods of overcapacity where cement supply exceeds cement demand. Overcapacity could be due to (i) a decrease in demand and a failure by the industry to adjust supply or (ii) the industry adding capacity in excess of that required to satisfy demand.

Higher electricity and fuel costs, or the reduction or interruption in supply thereof, may adversely affect the Company's business, prospects, financial condition and results of operations.
The Company's operations consume significant amounts of electricity and fuel. The cement plants use electricity from the electricity grid, in addition to electricity produced from in-house generators fired by heavy fuel oil and waste production heat.

The results of operations could be affected by fluctuations in interest rates
The Company is exposed to interest rate risk primarily in connection with certain long-term loans which are subject to variable interest rate. There can be no assurance that fluctuations in interest rates will not adversely impact the Company's business, financial condition and results of operations.

The Company's operations can be affected by adverse weather conditions.
Construction activity, and thus demand for the Company's products, decreases substantially when heavy or sustained rainfalls occur. Consequently, demand for the Company's products is significantly lower during the rainy season in the Philippines or during periods of unexpected heavy or sustained rainfalls. Adverse weather conditions can adversely affect the Company's results of operations and profitability especially if they occur with unusual intensity, during unexpected periods or last longer than usual, especially during peak construction periods. This was the case in September 2018 when the operations of the APO Cement plant was affected by the landslide in Naga, Cebu which took place during the rainy season.

The development or implementation of the Company's various projects may not be completed on schedule or within the allocated budget.
The time taken and the costs incurred in connection with the development or implementation of the Company's various projects (including Solid Cement's new cement production line) may be affected by many factors which include, among others, problems and circumstances which are generally beyond the control of the Company:

- delays or inability to obtain all necessary location, zoning, land use, building, development and other required governmental and regulatory licenses, permits, approvals and authorizations;
- change in legislation or governmental policy,
- construction risks, which include delays in construction and cost overruns (whether from variation to original design plans or any other reason), a shortage or increase in the cost of construction and building materials, equipment or labor as a result of inflation or otherwise, inclement weather conditions, unforeseen engineering, environmental or geological problems, defective materials or building methods, default by contractors and other third-party providers of their obligations, or financial difficulties faced by such persons, disputes between counterparties to a construction or construction-related contract, work stoppages, strikes, accidents, among others; and
- possible shortage of available cash to fund construction and capital improvements, as the Company may need to make significant capital expenditures without receiving revenue and cash flow from these properties until future periods, and the related possibility that financing for these capital improvements may not be available on acceptable terms or at all.

New regulatory developments may increase costs of doing business or restrict operations.
The principal areas in which the Company is subject to regulation are product quality standards, environmental compliance, the Company's methods of distribution, labor, taxation, antitrust and health and safety. The Company may also be adversely affected by regulations applicable to ALQC and IQAC, or to other third parties that provide the Company with products and services. The adoption of new laws or regulations or a stricter interpretation or enforcement thereof in the Philippines may increase the Company's operating costs or impose restrictions on the Company's operations.

Currency fluctuations
The Company is exposed to foreign exchange fluctuations to the extent the Company incurs monetary assets and/or liabilities, or recognizes income or expenses, in a currency different from its functional currency, which is the Philippine Peso.

ITEM 2. Properties

(1) The Company does not own land. Majority of the Company's property, consisting of plant and equipment, are located in Naga City, Cebu; Antipolo City, Rizal; Batangas City, Batangas; La Paz, Iloilo City; and Tondo, Manila. The production plants and distribution infrastructure are strategically located to serve key markets in the Philippines. APO Cement production plant is located in Naga City, Cebu. Solid Cement plant is located in Antipolo City, Rizal.

The following table sets forth certain information concerning the land and floor space leased by the Company from ALQC, IQAC and other entities for the Company's cement plants, offices and other facilities as of December 31, 2018.

	Land and/or Floor Space (approx square meters)
APO Cement plant	453,884
Solid Cement plant	635,013
Marine distribution centers	60,724
Land distribution centers/warehouse	40,476
Company headquarters	2,192
Sales offices	136

Under the lease agreements of APO Cement and Solid Cement with ALQC and IQAC, respectively, each of APO Cement and Solid Cement as lessee uses the leased premises for its various business activities including the manufacture of cement and other cement products as well as the temporary storage and distribution of its products and raw materials. The term of the lease agreements is 25 years, effective from January 1, 2016, and extendable for another 25 years, unless the lessee opts not to renew. The lease between Solid Cement and IQAC (as amended) covers an approximate aggregate area of 650,013 square meters, and annual rent payments of approximately ₱28.8 million plus VAT are due for the first two years of the lease. The lease between APO cement and ALQC covers an approximate aggregate area of 453,884 square meters, and annual rental payments of approximately ₱58.2 million plus VAT are due for the first two years of the lease. For every two-year period thereafter, the annual rental fee will be reviewed and adjusted if necessary to ensure that the rental fee reflects market conditions.

For additional information relating to material lease arrangements, see Note 27 of the Notes to the Company's Consolidated Financial Statements as at December 31, 2018 in the accompanying Audited Financial Statements filed as part of this Form 17-A (Annual Report).

(2) The table below summarizes fixed assets portfolio of the Company as of December 31, 2018:

(In Thousand Pesos)	Amount (₱)
Buildings and improvements	4,177,729
Machinery and equipment	13,053,684
Construction in progress	2,031,337
Sub-total	19,262,750
Less: Accumulated depreciation, depletion and allowance for impairment loss	(3,645,385)
Total	15,617,365

(3) The Company's properties are not mortgaged or encumbered.

ITEM 3. Legal Proceedings

On September 20, 2018, a landslide occurred in Sitio Sindulan, Barangay Tina-an, Naga City, Cebu, Philippines (the "Landslide"), a site located within an area covered by the mining rights of ALQC. ALQC is a principal raw material supplier of APO Cement. The Parent Company does not own any equity stake (directly or indirectly) in ALQC or its parent company, Impact Assets Corporation. CASEC, an indirect subsidiary of CEMEX, S.A.B. de C.V. which is a majority shareholder of the Parent Company, owns a minority 40% stake in Impact Assets Corporation.

The Landslide prompted local and national authorities to order the suspension of the mining operations of ALQC. Business continuity plans were put in place by APO Cement and implemented to address the disruption in the supply arrangement with ALQC.

On November 19, 2018, the Parent Company and APO Cement were served summons concerning an environmental class action lawsuit filed by 40 individuals and one legal entity (on behalf of 8,000 individuals allegedly affected by the Landslide) at the Regional Trial Court of Talisay, Cebu, against the Parent Company, APO Cement, ALQC, the Mines and Geosciences Bureau of the Department of Environment and Natural Resources, the City Government of Naga, and the Province of Cebu, for "Restitution of Damage of the Natural and Human Environment, Application for the Issuance of Environmental Protection Order against Quarry Operations in Cebu Island with Prayer for Temporary Protection Order, Writ of Continuing Mandamus for Determination of the Carrying Capacity of Cebu Island and Rehabilitation and Restoration of the Damaged Ecosystems". As at December 31, 2018, ALQC has not yet received summons concerning the class action.

In the complaint, among other allegations, plaintiffs (i) claim that the Landslide occurred as a result of the defendants' gross negligence; and (ii) seek, among other relief, (a) monetary damages in the amount of approximately 4.3 billion Philippine Pesos, (b) the establishment of a 500 million Philippine Pesos rehabilitation fund, and (c) the issuance of a Temporary Environment Protection Order against ALQC while the case is still pending. In the complaint, ALQC, APO Cement and the Parent Company are made solidarily liable for payment of monetary damages and establishment of a rehabilitation fund.

As of December 31, 2018, among other defenses and based on a report by the Mines and Geosciences Bureau of the Department of Environment and Natural Resources, the Parent Company, APO Cement and ALQC hold the position that the Landslide occurred due to natural causes and deny liability. In the event a final adverse resolution is issued in this matter, plaintiffs will have the option to proceed against any one of ALQC, APO Cement or the Parent Company for satisfaction of the entirety of the potential judgement award, without the need to proceed against any other private defendant beforehand. Thus, ALQC's, APO Cement's or the Parent Company's assets alone could be exposed to execution proceedings.

As of December 31, 2018, because of the current status and preliminary nature of the lawsuit, considering all possible defenses available, the Company cannot assess with certainty the likelihood of an adverse result in this lawsuit, and in turn, the Company cannot assess if a final adverse resolution, if any, would have a material adverse impact on the Company's results of operations, liquidity and financial condition.

In addition to the above proceedings, several of the subsidiaries of the Parent Company are involved in various legal proceedings that have arisen in the ordinary course of business. These proceedings involve: 1) national and local tax assessments; 2) labor claims; and 3) other diverse civil actions. The Parent Company believes these matters will be resolved without any material significant effect on its business, consolidated financial position or consolidated financial performance.

ITEM 4. Submission of Matters to a Vote of Security Holders

No matter was submitted during the fourth quarter of 2018 to a vote of security holders.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

ITEM 5. Market for Issuer's common Equity and Related Stockholder Matters

(1) Market information

The common stocks of the Company are traded at the Philippine Stock Exchange (PSE). For the year ended December 31 2018[3], the high and low market prices for each quarter are shown below:

Quarter period	2018 High	2018 Low
January to March	₱ 5.53	₱ 3.57
April to June	₱ 3.78	₱ 2.86
July to September	₱ 3.64	₱ 2.29
October to December	₱ 2.70	₱ 1.61

(2) Shareholders

There are five billion one hundred ninety five million three hundred ninety five thousand and four hundred fifty four (5,195,395,454) issued and outstanding common shares of stock of the Parent Company.

The top twenty (20) stockholders of record of the Parent Company, including the number and percentage of total common shares outstanding held by each as of December 31, 2018 are as follows:

Title of Class	Names of Stockholders	Nationality	No. of Shares Held	% to Total Outstanding Shares
Common Shares	CEMEX Asian South East Corporation[(a)]	Non-Filipino (incorporated in the Philippines but wholly owned by a Netherlands company)	2,857,467,493	55.000%
Common Shares	PCD Nominee Corporation (Non-Filipino)[(b)(c)]	Non-Filipino	1,286,829,824	24.769%
Common Shares	PCD Nominee Corporation (Filipino)[(b)(d)]	Filipino	1,049,261,224	20.196%
Common Shares	Cai Yu Xi	Chinese	1,000,000	0.019%
Common Shares	Alfonso Sy Teh or Connie Sia Cheng Teh	Filipino	400,000	0.008%
Common Shares	Bob Dy Gothong	Filipino	208,600	0.004%
Common Shares	Tristan Q. Perper	Filipino	100,000	0.002%
Common Shares	Elvira M. Cruz and Bernardo A. Cruz	Filipino	90,000	0.002%

[3] *For the first quarter of 2019, the high and low market prices of the Company shares were ₱2.92 and ₱1.88, respectively.*

Common Shares	Myra P. Villanueva	Filipino	29,300	0.001%
Common Shares	Anita Uy Mustera or Nicolas R. Mustera	Filipino	2,700	0.000%
Common Shares	Milagros P. Villanueva	Filipino	2,500	0.000%
Common Shares	Myrna P. Villanueva	Filipino	2,500	0.000%
Common Shares	Christine F. Herrera	Filipino	1,000	0.000%
Common Shares	Shareholders Association of the Philippines, Inc.	Filipino	100	0.000%
Common Shares	Jesus San Luis Valencia	Filipino	100	0.000%
Common Shares	Bartholomew Dybuncio Young	Filipino	100	0.000%
Common Shares	Owen Nathaniel S. Au ITF: Li Marcus Au	Filipino	10	0.000%
Common Shares	Botschaft N. Cheng or Sevila Ngo	Taiwanese	1	0.000%
Common Shares	Alfredo Panlilio[c]	Filipino	1	0.000%
Common Shares	Pedro Roxas[d]	Filipino	1	0.000%

[a] In addition to the indicated shareholdings of CASEC, each of the following five individuals holds one share which is beneficially owned by CASEC: Joaquin Miguel Estrada Suarez, Ignacio Alejandro Mijares Elizondo, Maria Virginia O. Eala, Alejandro Garcia Cogollos, and Antonio Ivan Sanchez. Four out of the five shares are part of the shares recorded under the account *PCD Nominee Corporation (Non-Filipino)*, while the remaining one share is part of the shares recorded under the account *PCD Nominee Corporation (Filipino)*.

[b] Based on the Top 100 PDTC Participants Report (consolidated) of the Philippine Depository & Trust Corporation for the month of December 2018, the *PCD Nominee Corporation (Non-Filipino)* and the *PCD Nominee Corporation (Filipino)* accounts include the following:

(1) The Hongkong and Shanghai Banking Corp. Ltd.- Clients' Acct – 569,989,440 shares corresponding to approximately 10.97% of total outstanding shares of CHP
(2) COL Financial Group, Inc. – 248,117,074 shares corresponding to approximately 4.77% of total outstanding shares of CHP
(3) Deutsche Bank Manila-Clients A/C – 216,934,313 shares corresponding to approximately 4.17% of total outstanding shares of CHP
(4) Citibank, N.A. – 181,978,106 shares corresponding to approximately 3.50% of total outstanding shares of CHP
(5) Standard Chartered Bank – 166,871,556 shares corresponding to approximately 3.21% of total outstanding shares of CHP

Based on SEC Form 18-A dated 28 December 2016 that was initially filed by Wellington Management Group LLP (declarant), the declarant stated that it beneficially owned 277,299,574 shares which represent approximately 5.34% of the issued and outstanding shares of stock of the Parent Company. In an SEC Form 18-A dated 27 June 2018 filed by declarant, it stated that it beneficially owned 258,839,897 shares which represents 4.98% of the issued and outstanding shares of stock of the Parent Company.

[c] In addition to the indicated one share, Mr. Panlilio owns 1,000 shares which are part of the shares recorded under the account *PCD Nominee Corporation (Filipino)*.

[d] In addition to the indicated one share, Mr. Roxas owns 1,000 shares which are part of the shares recorded under the account *PCD Nominee Corporation (Filipino)*.

As of December 31, 2018, an estimated 45% of the total outstanding shares of stock of the Parent Company is held by the public.

(3) Dividends declaration, if any

The Parent Company has not declared any dividends on its common equity from the time of its initial listing and any subsequent interim period for which financial statements are required to be presented by SRC Rule 68.

(4) Sales of Unregistered Securities within the last three (3) years

There are no securities of the Company sold by it from the time of its IPO which were not registered under the Securities Regulation Code (SRC).

ITEM 6. Management's Discussion and Analysis

The following is a discussion and analysis of the Company's consolidated financial condition and results of operations as at and for the years ended December 31, 2018 and 2017, and certain trends, risks and uncertainties that may affect the Company's business.

Results of Operations

As at and for the years ended December 31, 2018 and 2017:

Revenue
The consolidated revenue for the years ended December 31, 2018 and 2017 amounted to ₱23.4 billion and ₱21.8 billion, respectively. Revenue was generated mainly from sale of cement products as a result of the Company's ordinary activities.

The breakdown of revenue after elimination of transactions between consolidated entities for the year ended December 31, 2018 and 2017 were as follows:

	For the year ended December 31, 2018		For the year ended December 31, 2017	
Segment	***Amount****	***% Revenue***	***Amount****	***%Revenue***
Cement	₱23,400	100%	₱21,571	99%
Other business	18	0%	213	1%
Total	₱23,418	**100%**	₱21,784	**100%**

**Amounts in millions*

Cost of Sales and Services
Consolidated cost of sales and services for the years ended December 31, 2018 and 2017, amounted to ₱14.3 billion and ₱12.4 billion, respectively. Costs arose mainly from power and fuel consumption, raw materials and supplies used during production, depreciation and other expenses directly attributable to the manufacturing of finished goods.

As a percentage of revenue, cost of sales and services increased by 4 percentage points year-on-year, mainly caused by higher power and fuel prices, and higher usage of purchased clinker during the last quarter of the year due to the suspension of mining operations of APO Land & Quarry Corporation (ALQC), a major supplier of raw materials of APO Cement.

Power and fuel represented approximately 21.3% each, of cost of sales and services in 2018 and 21.3% and 22.0%, respectively, of cost of sales and services in 2017.

Gross Profit
As a result of the above conditions, gross profit for the years ended December 31, 2018 and 2017, reached ₱9.1 billion and ₱9.4 billion, respectively. Gross profit as a percentage of revenue for the year ended December 31, 2018 and 2017, represented 38.9% and 43.1%, respectively.

Operating Expense
Operating expenses amounted to ₱7.7 billion and ₱7.4 billion for the years ended December 31, 2018 and 2017, respectively. Operating expenses were composed of administrative, selling, and distribution expenses. Administrative and selling expenses amounted to ₱3.0 billion and ₱3.1 billion or 12.8% and 14.1% of revenue in 2018 and 2017. These include: a) license fees amounting to ₱883.5 million and ₱827.8 million, respectively; b) insurance amounting to ₱226.8 million and ₱154.1 million, respectively; c) salaries and wages amounting to ₱653.0 million and ₱590.9 million; and d) administrative fees amounting to ₱425.0 million and ₱625.8 million, respectively. Distribution

expenses amounted to ₱4.7 billion and ₱4.3 billion, respectively, in 2018 and 2017, which accounted for 20.2% and 19.8% of revenue, respectively.

Other expenses included in operating expenses cover utilities and supplies, taxes and license, depreciation, advertising and travel expenses, rental, and others.

Operating Income before Other Expenses, Net
For the reasons discussed above, operating income before other expenses - net amounted to ₱1.4 billion and ₱2.0 billion for the years ended December 31, 2018 and 2017, respectively. These comprised of 5.8% and 9.1% of revenue, respectively.

Other Expenses, Net
Other expenses, net for the years ended December 31, 2018 and 2017 were ₱42.7 million and ₱226.2 million, respectively. See Note 9 of the Notes to the Company's Consolidated Financial Statements as at and for the years ended December 31, 2018 and 2017 in the accompanying Audited Financial Statements filed as part of this Form 17-A (Annual Report).

Financial Expenses, Net
Net financial expenses for the years ended December 31, 2018 and 2017 amounted to ₱951.9 million and ₱895.3 million, respectively. See Notes 10 and 13 of the Notes to the Company's Consolidated Financial Statements as at and for the years ended December 31, 2018 and 2017 in the accompanying Audited Financial Statements filed as part of this Form 17-A (Annual Report).

Foreign Exchange Loss
Loss of ₱331.0 million and ₱66.7 million were reported in 2018 and 2017, respectively. Foreign exchange losses were incurred mainly due to: (a) deposit agreements between the Parent Company and its foreign subsidiaries; and (b) depreciation of the peso against the US *dollar* from ₱49.93 as at December 31, 2017 to ₱52.58 as at December 31, 2018[4].

- On 1 August 2016, the Parent Company signed deposit agreements with Falcon Re Ltd. and CEMEX Asia Research A.G., respectively, in which the mentioned subsidiaries may deposit and withdraw the amount placed at any time and date, according to the conditions established in the deposit agreement. The agreements shall be valid and binding until August 1, 2021. The principal under the Falcon Re Ltd deposit agreement shall bear interest calculated daily at a rate equal to Western Asset Institutional Liquid Reserve Fund (WAILRF) minus 10 basis points. The principal under the CEMEX Asia Research A.G. deposit agreement was subject to an initial interest rate of 2.25%, which interest was subsequently increased to 2.5% per annum effective in July 2017 and then to 3% per annum starting March 2018.

Income Tax
As a result of operations, the Company's income tax expense for the years ended December 31, 2018 and 2017 amounted to ₱971.0 million and ₱139.5 million, respectively. The higher income tax expense recorded was due mainly to the utilization of deferred tax assets following the receipt of dividends by the Parent Company from its foreign subsidiaries.

Net Profit (Loss)
As a result of the abovementioned concepts, net profit (loss) for the years ended December 31, 2018 and 2017 amounted to (₱930.2 million) and ₱658.8 million, respectively.

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[4] *Refer to Note 21 of the Notes to the Consolidated Financial Statements as of and for the years ended December 31, 2018 and 2017 in the accompanying Audited Financial Statements filed as part of this Form 17-A which specifies the relevant closing exchange rates used in said financial statements.*

The utilization of Net Operating Loss Carry-Over (NOLCO) against intra-group dividends during the first half of 2018 is the main component of the decrease in amount of deferred tax assets, which led to an income tax expense significantly higher than the first half of 2017.

Dividends which were declared by the Parent Company's foreign subsidiaries during 2018 amounted to an aggregate of P1.9 billion.

Financial Position

As at December 31, 2018 and December 31, 2017

Cash and Cash Equivalents
Cash and cash equivalents amounted to ₱1.8 billion and ₱1.1 billion as at December 31, 2018 and December 31, 2017, respectively. As at December 31, 2018, cash and cash equivalents of ₱1.8 billion include ₱1.7 billion cash on hand and in banks and ₱66.2 million short-term investments which are readily convertible to cash. As at December 31, 2017, cash and cash equivalents of ₱1.1 billion include ₱629.1 million cash on hand and in banks and ₱429.2 million short-term investments which are readily convertible to cash.

Trade Receivables - Net
Accounts receivables amounted to ₱708.9 million and ₱833.3 million as at December 31, 2018 and December 31, 2017, net of allowance for impairment losses amounting to ₱24.1 million and ₱36.1 million, respectively, which mainly pertained to receivables from customers.

Due from Related Parties
Related party balances amounted to ₱30.3 million and ₱26.4 million as at December 31, 2018 and December 31, 2017, respectively, resulting primarily from the sale of goods, invoicing of administrative fees, and advances and loans between related parties.

Other Current Accounts Receivable
Other accounts receivables amounted to ₱73.1 million and ₱74.6 million as at December 31, 2018 and December 31, 2017, respectively, which mainly pertained to short term deposits, receivables from contractors and employees and loan receivables.

Insurance Claims and Premium Receivables
As at December 31, 2018, outstanding insurance claims related to the loss incurred during the "Landslide" amounted to ₱345.1 million. Total insurance claimed by the Company amounted to ₱662.2 million of which ₱317.2 million was already collected.

The premium receivable amounting to ₱604.9 million was related to non-damage business interruption insurance that remain outstanding as at December 31, 2018.

Inventories
Inventories amounted to ₱3.5 billion and ₱3.3 billion as at December 31, 2018 and December 31, 2017, respectively. Inventories consisting of raw materials, cement and work in process amounted to ₱1.8 billion and ₱1.7 billion for the year 2018 and 2017, respectively, and the remaining balance referred to spare parts. Inventories are measured at cost or net realizable value, whichever is lower.

Prepayments and Other Current Assets
Other current assets amounted to ₱1.7 billion and ₱1.4 billion as at December 31, 2018 and December 31, 2017, which referred primarily to prepayments of insurance, ₱529.8 million and ₱542.7 million, respectively, and prepayment of taxes, ₱525.3 million and ₱548.9 million, respectively, and advances to suppliers, ₱444.9 million and ₱116.8 million, respectively.

Investment in an Associate and Other Investments
Investments in Associates cover minority equity investments in Greencrete Inc., Calabar Aggregates Corporation and others.

Other Assets and Noncurrent Accounts Receivable
Other assets amounting to ₱818.2 million and ₱716.7 million as at December 31, 2018 and December 31, 2017, respectively, primarily consisted of long-term prepayments amounting to ₱41.7 million and ₱47.8 million, respectively, long-term performance deposits of ₱115.7 million and ₱122.4 million, respectively, and debt reserve account and guarantee bonds used in operations amounting to ₱601.2 million and ₱485.5 million, respectively. The rest mainly referred to noncurrent portion of the unamortized transportation allowances of employees.

Advances to Contractors for Plant Construction
In November 2018, the Company entered into a revolving facility agreement with CEMEX Asia, B.V. wherein the former received loan proceeds, a portion of which amounting to $40.7 million (approximately ₱2.1 billion). The amount was used as down payment to a third party for the construction and installation of Solid Cement's new cement production line. This amount is presented under noncurrent assets of the consolidated statements of financial position.

Property, Machinery and Equipment -net
Property, machinery and equipment had a balance of ₱15.6 billion as at December 31, 2018 and December 31, 2017, respectively. As at December 31, 2018 and December 31, 2017, ₱1.1 billion and ₱844.4 million, respectively, were incurred for maintenance capital expenditures and ₱295.3 million and ₱484.6 million, respectively, for strategic capital expenditures.

Deferred Income Tax
The Company's deferred income tax asset amounted to ₱720.4 million and ₱1.0 billion, while deferred income tax liability amounted to ₱156.0 million and ₱101.7 million, as at December 31, 2018 and December 31, 2017, respectively. Deferred income tax is mainly related to future tax benefit from operating losses, excess MCIT over RCIT and other future deductible expenses.

Goodwill
The Company's goodwill arose from the business combinations when the Parent Company acquired its subsidiaries.

Trade Payables
Trade payables as at December 31, 2018 and December 31, 2017 amounted to ₱4.9 billion and ₱2.3 billion, respectively, which were related to purchases of raw materials and other goods, and services provided by third parties.

Due to Related Parties
Short-term payable to related parties had a balance of ₱2.7 billion and ₱2.3 billion as at December 31, 2018 and December 31, 2017, respectively. Long-term payable to related parties amounted to ₱2.5 billion and ₱1.1 billion as at December 31, 2018 and December 31, 2017, respectively. The increase in long-term payable to related parties were mainly due to new revolving loan agreement of the Company with CEMEX Asia, B.V.

Contract Liabilities, Other Accounts Payable and Accrued Expenses, and Income Tax Payable
Other payables and accruals which amounted to ₱2.3 billion and ₱2.1 billion as at December 31, 2018 and December 31, 2017, respectively, pertained mainly to contract liabilities, advances from customers, provisions, and tax payables.

Retirement Benefit Liability
Retirement Benefit Liability amounting to ₱715.2 million and ₱761.0 million as at December 31, 2018 and December 31, 2017, respectively, pertained to the provision recognized by the Company associated with employees' defined benefit pension plans.

Long-term Bank Loan
The total outstanding balance of the Parent Company's unsecured peso long-term facility with BDO Unibank, Inc.[5] was ₱13.8 billion and ₱13.9 billion as at December 31, 2018 and December 31, 2017, respectively. The debt issuance cost of this long-term bank loan, corresponding to ₱138.2 million and ₱166.6 million, on unamortized basis, was deducted from the total loan liability as at December 31, 2018 and December 21, 2017, respectively. Short-term portion of the bank loans amounted to ₱140.1 million as at December 31, 2018 and December 31, 2017.

Other Noncurrent Liabilities
Other noncurrent liabilities of ₱20.6 million as at December 31, 2018 and December 31, 2017 referred to provision for asset retirement obligation.

Common Stock
As at December 31, 2018, the total authorized capital stock of the Parent Company consisted of 5,195,395,454 common shares at a par value of ₱1 per share, and the total issued and outstanding capital stock was 5,195,395,454 common shares at a par value of ₱1 per share.

Other Equity Reserves
The amount referred to the cumulative effects of items and transactions that were, temporarily or permanently, recognized directly to stockholders' equity which included share-based compensation, remeasurement of retirement benefits liability, net of tax, cumulative currency translation of a foreign subsidiary and unrealized gains and losses arising from diesel hedge contract accounted for as cash flow hedge.

Retained Earnings
Retained earnings of ₱1.1 billion and ₱2.1 billion as at December 31, 2018 and December 31, 2017, respectively, included the Company's cumulative net results of operations.

Company Performance Indicators and Liquidity

Key Performance Indicators
The Company sets certain performance measures to gauge its operating performance periodically and to assess its overall state of corporate health. Listed below are the major performance measures, which the Company has identified as reliable performance indicators. Analyses are employed by comparisons and measurements on a consolidated basis based on the financial data as at December 31, 2018 and 2017.

Key Financial Indicators	**Formula**	**2018**	2017
Current Ratio	Current Asset/Current Liabilities	**0.9 : 1**	1.0 : 1
Solvency Ratio	Profit + Depreciation and Amortization/Total Liabilities	**0.0 : 1**	0.1:1
Net debt to Equity Ratio	Debt*/Total Equity	**0.9 : 1**	0.7 : 1
Asset to Equity Ratio	Total Assets/Total Equity	**1.9 : 1**	1.8 : 1

[5] *On February 1, 2017, the Parent Company signed a senior unsecured peso long-term loan facility with BDO Unibank, Inc. for an amount of up to the Philippine Peso equivalent of U.S. dollar 280 million, to refinance a majority of the Parent Company's outstanding long-term loan with New Sunward Holding B.V. (NSH), a subsidiary of CEMEX. During the 1st quarter of 2017, this long-term loan with NSH was fully repaid.*

**The debt is net of cash and cash equivalents.*

Key Financial Indicators	**Formula**	**2018**	2017
Interest Rate Coverage Ratio	Operating income before other expenses/interest	**1.5 : 1**	2.3 : 1
Profitability Ratio	Operating Margin/Net sales	**0.1 : 1**	0.1 : 1

The Company does not have any off-balance sheet arrangements that are reasonably likely to have a material effect on its financial condition, operating results and liquidity or capital resources.

Liquidity

The Company's operations are exposed to risks from changes in price, interest rates, inflation, foreign exchange, governmental spending, social instability and other political, economic and/or social developments in Philippines, any one of which may materially impact its net income and cash from operations. Consequently, in order to meet liquidity needs, the Company relies on cost-efficiency, profitability management and operating improvements to optimize capacity utilization and maximize profitability, as well as advances or borrowing under credit facilities, proceeds of debt and proceeds from asset sales. The Company also participates in liquidity management program pursuant to which it invests excess liquidity and has certain flexibility to undertake borrowings (intragroup or with CEMEX) to meet its own liquidity needs. Amounts that are invested or borrowed under this liquidity management program are often denominated in U.S. dollars.

Material Commitments for Capital Expenditures for 2019

The Company has budgeted about ₱7,450 million for capital expenditures and investments for calendar year 2019, which substantially consists of the following: ₱975 million - maintenance CAPEX and ₱6,775 - Solid Cement's new cement production line. Expected sources of funds in 2019 for these expenditures will be revenue or cashflow from operations, debt from any subsidiary of CEMEX, debt from one or more financial institutions and/or proceeds from one or more capital market transactions.

No assurance can be given that the Company's capital expenditure plans will not change or that the amount of capital expenditures for any project or as a whole will not change in the future from current expectations.

Bank Loan

On February 1, 2017, the Parent Company signed a senior unsecured peso long-term loan facility with BDO Unibank, Inc. (BDO) for an amount of up to the Philippine Peso equivalent of US$ 280 million, to refinance a majority of the Parent Company's outstanding long-term loan with New Sunward Holding B.V. (NSH), a subsidiary of CEMEX. During the 1st quarter of 2017, this long-term loan with NSH was fully repaid.

On December 8, 2017, the Parent Company entered into a Supplemental Agreement to the foregoing facility agreement with BDO pursuant to which, more notably, it was agreed that (i) the commencement date for compliance with certain financial covenants under the facility agreement would be until June 2020; (ii) debt service reserve accounts were created; and (iii) additional debt incurrence restrictions be put in place. On December 14, 2018, the Parent Company entered into another Supplemental Agreement to the facility agreement that provides an option, only for certain potential events of default under the facility agreement, for the Parent Company's ultimate parent company, CEMEX, S.A.B. de C.V., or any affiliate of CEMEX, S.A.B. de C.V. which is not a direct or indirect subsidiary of the Parent Company, to pay all amounts outstanding under the facility agreement before they become due and payable prior to their maturity in certain events.

As of December 31, 2018, the Parent Company is in compliance with the applicable restrictions and covenants of the facility agreement; however, the Parent Company cannot give assurance that it will be able to comply with the restrictions and covenants contained in the said facility agreement, as supplemented, including if its interest coverage ratio will decline and constrain Parent Company's ability to incur additional debt for general corporate purposes. The Parent Company may need to seek waivers, amendments and/or further supplement the facility agreement in the future. Even though the Parent Company has been able to supplement the facility agreement in the past, there is no assurance that that any future waivers, amendments and/or supplements, if requested, will be obtained or entered into.

Trend Information

Other than as disclosed elsewhere in this Form 17-A (Annual Report) or in the Company's Consolidated Financial Statements as at and for the years ended December 31, 2018 and 2017 in the accompanying Audited Financial Statements filed as part of this Form 17-A (Annual Report), the Parent Company is not aware of any trends, uncertainties, demands, commitments or events for the year ended December 31, 2018 that are reasonably likely to have a material and adverse effect on the Company's net sales, income, profitability, liquidity or capital resources, or that would cause the disclosed financial information to be not necessarily indicative of future results of operations or financial conditions, or that would trigger direct or contingent financial obligation, including any default or acceleration of an obligation.

Refer to the discussion on major risks affecting the business in ITEM 1 of PART I of this Form 17-A (Annual Report).

ITEM 7. Financial Statement

The Company's Consolidated Financial Statements as of years ended December 31, 2018 and 2017 in the accompanying Audited Financial Statements are filed as part of this Form 17-A (Annual Report).

ITEM 8. Information on Independent Accountant and other Related Matters

(A) External Audit Fees and Services

The external auditor of the Company is R.G. Manabat & Co. (RGM&Co.).

The fees billed for professional services rendered to the Company by R.G. Manabat & Co. since the Parent Company's incorporation on September 17, 2015 (exclusive of out-of-pocket expenses) consisted of the following:

Nature of Work	2018	2017	2016	2015
(a)(1) Audit of annual financial statements or services that are normally engaged by external auditor in connection with statutory and regulatory filings or engagements	₱6,058,500.00	₱ 6,100,700.00	₱ 8,294,048.00	₱ 642,992.00
(a)(2) Other audit-related services	₱2,469,000.00	₱ 2,619,000.00	-	-
(b) Other non-audit related services (eg. for tax accounting, compliance, advice, planning and other form of tax services)		₱ 465,077.75	-	-

(c) Other Services – services related to the Parent Company's reports on the "Use of IPO Proceeds" for the period ended September 30, 2016 and for the year ended December 31, 2016		-	₱ 112,000.00	-

(B) Changes in and disagreements with accountants on accounting and financial disclosures

The accounting policies adopted in the preparation of the consolidated financial statements of the Company and its subsidiaries for year ended December 31, 2018 have been applied consistently to all years presented therein, except that certain amendments to accounting standards have been adopted as at January 1, 2018 and applied in the preparation of the consolidated financial statements. A brief discussion of these changes is found in Note 3 of the Notes to the Company's Consolidated Financial Statements as of year ended December 31, 2018 in the accompanying Audited Financial Statements filed as part of this Form 17-A (Annual Report).

There were no disagreements with accountants on accounting and financial disclosures.

PART III - CONTROL AND COMPENSATION INFORMATION

ITEM 9. Directors and Executive Officers of CEMEX Holdings Philippines, Inc.

(1) Directors and Executive Officers

Basic information and a brief description of the business experience of each of the Directors and Executive Officers of the Parent Company as of December 31, 2019 including directorships held in reporting companies, if any, are provided below:

Members of the Board of Directors

A. Independent Directors

Alfredo Panlilio, 55, Filipino, holds a B.S. degree in Business Administration in 1984 from San Francisco State University in California and a Master of Business Administration degree from the J.L. Kellogg School of Management at Northwestern University in Illinois, USA and from The Hong Kong University of Science and Technology in 2009. From 1992 to 1997, Mr. Panlilio worked at IBM as an executive lead in various industries, including manufacturing, transportation, travel, and utilities. He then spent two years with ABS CBN, the Philippines' biggest TV network, where he marshaled synergies among the network's various subsidiaries. In 1999, Mr. Panlilio became the Senior Vice President and head of the Corporate Business Group of the Philippine Long Distance Telephone Company ("PLDT"), the Philippines' leading telecommunications firm, a role he served until 2002. In 2003, he was appointed to lead PLDT's Carrier Business Group, where he managed the formulation and implementation of domestic and international inter-carrier requirements. In 2004, Mr. Panlilio became the President and CEO of PLDT Global Corporation to grow the international retail business and maximize revenue potential of the PLDT Group of Companies. In 2010, PLDT acquired the Philippines' largest distribution utility, Manila Electric Company ("Meralco"), and Mr. Panlilio was appointed as Senior Vice President of Meralco (since September 2010) and continues to serve as Meralco's Head of Customer Retail Services and Corporate Communications. He is also a member of the Boards of Directors of various subsidiaries and affiliates of Meralco, including CIS Bayad Center, Inc., Meralco Industrial Engineering Services Corporation , e-Meralco Ventures, Inc., and PowerSource First Bulacan Solar, Inc. Mr. Panlilio also serves as president of the MVP Sports Foundation, the umbrella sports advocacy organization of the Metro Pacific Group, President of Samahang Basketbol ng Pilipinas, PBA Governor for the Meralco Bolts, and the Treasurer of the National Golf Association of the Philippines. Mr. Panlilio was a Governor for the Management Association of the Philippines (January 2015 to December 2016). Mr. Panlilio is an independent director of the Parent Company. He was initially elected to the Board of Directors on June 3, 2016 and assumed office effective from July 14, 2016. He was re-elected as independent director during the annual stockholders' meetings of the Parent Company held on June 7, 2017 and on June 6, 2018.

Pedro Roxas, 62, Filipino, holds a B.S. Degree in Business Administration from the University of Notre Dame. Since 1978, Mr. Roxas has been a member of the board of directors of Roxas Holdings Inc. ("RHI"), the largest integrated sugar business in the Philippines. In 1995, he was appointed as Chairman of both the board of directors and executive committee of RHI. Mr. Roxas later became the Chief Executive Officer and Chairman of the board of directors of Roxas and Company, Inc., the holding company of RHI. In addition to his leadership at RHI, Mr. Roxas has extensive experience serving as an independent director for companies such the Philippine Long Distance Telephone Company, Manila Electric Co., BDO Private Bank, Brightnote Assets Corporation and Mapfre Insular Insurance Corporation. He is Chairman of the board of directors of Hawaiian-Phil Co., the President of Philippine Sugar Millers Association, and a member of the board of directors & the President of Fundacion Santiago. Mr. Roxas is a Trustee and the Treasurer of the Philippine Business for Social Progress, and Trustee of the Roxas Foundation, Inc. Mr. Roxas serves as an independent director of the Parent Company. He was initially elected to the Board of Directors on June 3, 2016 and assumed office effective from July 14, 2016. He was re-elected as independent director during the annual stockholders' meetings of the Parent Company held on June 7, 2017 and on June 6, 2018.

B. Other Directors

Joaquin Miguel Estrada Suarez, 53, Spaniard, holds a degree in economics from the Universidad de Zaragoza and holds an M.B.A. from the Instituto de Empresa. Mr. Estrada joined CEMEX in 1992 and has held several executive positions, including head of operations in Egypt and Spain, as well as head of trading for Europe, the Middle East and Asia. He is president of CEMEX Asia, Middle East and Africa and is also responsible for CEMEX global trading activities. From 2008 to 2011, he served as a member of the board of directors of COMAC (Comercial de Materiales de Construcción S.L.), president and member of the board of OFICEMEN (Agrupación de Fabricantes de Cemento de España), and member of the board of IECA (Instituto Español del Cemento y sus Aplicaciones), he was also the president of CEMA (Fundaciòn Laboral del Cemento y el Medioambiente) from 2010 to 2011. Mr. Estrada serves as Chairman of the Board of Directors of the Parent Company, a position he has held since October 25, 2016. He was initially elected to the Board of Directors of the Parent Company on February 29, 2016, and was re-elected as director during the annual stockholders' meetings of the Parent Company held on June 7, 2017 and on June 6, 2018.

Ignacio Alejandro Mijares Elizondo, 44, Mexican, holds a Bachelor's degree in Industrial Engineering from Instituto Tecnologico y de Estudios Superiores de Monterrey, and obtained a Master of Business Administration degree from Stanford Graduate School of Business in 2000. He joined CEMEX in 2001 and has held several management positions, including President of CEMEX Puerto Rico (2010 – 2011) and Vice President for Planning and Administration for CEMEX Mexico (2011 – 2017). He also served as a member of the Executive Committee and Board member of ABC Capital (2011 - 20017) and was a member of the Executive Committee and Board member of Grupo Cementos Chihuahua (2013 - 2017). Mr. Mijares was appointed as country head for CEMEX in the Philippines effective from 1 July 2017. On 4 July 2017, he was elected to the Board of Directors of the Parent Company and elected as President & Chief Executive Officer. He was re-elected as member of the Board of Directors during the annual stockholders' meeting of the Parent Company held June 6, 2018. He serves as President & Chief Executive of the Parent Company. He is also the Chairman of the Board of Directors of the following subsidiaries: APO Cement Corporation, Solid Cement Corporation, Triple Dime Holdings, Inc., Edgewater Ventures Corporation, Sandstone Strategic Holdings, Inc., Bedrock Holdings, Inc., Ecocrete, Inc., Enerhiya Central Inc., Ecocast Builders, Inc., Ecopavements, Inc., and Newcrete Management, Inc. Mr. Mijares is a Chairman of the Board of Directors and President of Cemex Asian South East Corporation and Cemex Strategic Philippines, Inc., affiliates of the Parent Company. He is also a member of the Board of Directors of Impact Assets Corporation and Albatross Holdings, Inc.

Antonio Ivan Sanchez Ugarte, 48, Spaniard, holds a law degree from Deusto University (Bilbao, Spain) and obtained a Master of Laws (Executive LLM) degree with honors from the Northwestern University Pritzker School of Law (Chicago, USA). After several years of private law practice, he joined CEMEX as International Legal Counsel in 2001 based in Madrid, Spain. In September 2017, he was appointed as the Head of CEMEX Legal for Asia, Middle East and Africa Region. On December 6, 2017, he was elected as a member of the Board of Directors of the Parent Company, in view of the retirement of Mr. Vincent Paul Piedad from the organization. The election of Mr. Sanchez as Director of the Parent Company was effective on January 1, 2018.

Ma. Virginia Ongkiko Eala[6], 50, Filipino, holds a Master of Laws degree from the University of Michigan in Ann Arbor, U.S.A. Ms. Ongkiko-Eala obtained her Bachelor of Laws degree from the

[6] *Ms. Eala resigned from the Board of Directors effective 2 April 2019.*

University of the Philippines in Diliman where she also has a degree in Psychology (*Cum Laude*). She started her career in private practice by working as an associate for Carpio Villaraza & Cruz law firm from 1993-1997, and with the Ongkiko Kalaw Manhit & Acorda Law Offices from 1997-2000. She specialized in Litigation and Criminal Law. Ms. Ongkiko-Eala joined CEMEX in 2000 as a Senior Legal Manager and later was appointed as an Executive in Development. In 2004, she was appointed as Vice President for Human Resources of the CEMEX Philippines group of companies. Ms. Ongkiko-Eala serves as the Parent Company's Vice President for Human Resources, a position she has held since September 22, 2015. On December 6, 2017, she was elected as a member of the Board of Directors of the Parent Company, in view of the retirement of Mr. Paul Vincent Arcenas from the organization; her election as member of the Board of Directors of the Parent Company was effective on January 1, 2018. She is also a member of the Board of Directors of the following subsidiaries: APO Cement Corporation, Solid Cement Corporation, Triple Dime Holdings, Inc., Edgewater Ventures Corporation, Sandstone Strategic Holdings, Inc., Bedrock Holdings, Inc., Ecocast Builders, Inc., Ecocrete, Inc., Enerhiya Central Inc. and Ecopavements, Inc. She is also a member of the Board of Directors of Cemex Asian South East Corporation and Cemex Strategic Philippines, Inc., affiliates of the Parent Company.

Alejandro Garcia Cogollos, 44, Spaniard, holds a Bachelor's degree in Management and Business Administration from the Universidad Carlos III de Madrid, and obtained an MBA from Escuela de Administración de Empresas (EAE) (Barcelona). Mr. Garcia joined CEMEX Spain in 1999. He became the Controllership Manager of various subsidiaries of the CEMEX Group based in the Netherlands in 2001, a position he held until 2006 when he was assigned to assume the position of Controllership Manager of the CEMEX operations in the United Arab Emirates. Since 2011, he was the Planning & Administration Director for CEMEX UAE. In view of the retirement of Mr. Hugo Losada from the organization and his resignation from the Board of Directors and as an executive officer of the Parent Company, the Board of Directors of the Parent Company on April 25, 2018, at a meeting during which a majority of the members were present, elected Mr. Garcia as a new member of the Board of Directors and the Audit Committee vice Mr. Losada and as Vice President for Planning and Administration.

The members of the Board of Directors hold office for a term of one (1) year until their successors are elected and qualified.

Other Principal Executive Officers (in alphabetical order)

Adrian V. Bancoro, 41, Filipino, is a licensed attorney and a certified public accountant. He holds a Bachelor of Laws degree and Bachelor of Science degree in Accountancy. Prior to joining CEMEX, Mr. Bancoro worked as Tax Manager with PricewaterhouseCoopers - Manila from 2003 to 2008. In 2008, he became the Tax and Corporate Counsel of Filinvest Land, Inc., a position he held until 2012. He has participated in CEMEX's Achieve Leadership Program and the Management Development Program of the Asian Institute of Management. He is a member of the Integrated Bar of the Philippines, Philippine Institute of Certified Public Accountants and Tax Management Association of the Philippines. In 2012, Mr. Bancoro became the Tax Director of the CEMEX Philippines group of companies. Mr. Bancoro serves as the Parent Company's Tax Director, a position he has held since February 29, 2016.

Ma. Virginia Lacson - Del Rosario, 50, Filipino, obtained a Bachelor of Science degree in Commerce, Major in Business Management and a Master of Business Administration degree. She completed the Management Development Programs of the Asian Institute of Management and Training Institute for Managerial Excellence, Inc. She joined CEMEX Philippines in 2001 as Commercial Administration Manager, and her major responsibilities since then included among others, the design and implementation of credit processes and procedure and managing the team of credit analysts responsible for evaluation transactional risks. On October 24, 2017, the Board of Directors of the Parent Company appointed Ms. Del Rosario as Customer Experience Director.

Antonio Desmay Jimenez[7], 53, Mexican, holds a Bachelor of Science degree in Chemical Engineering and a Master of Business Administration degree. Mr. Desmay joined CEMEX Spain in 1990 and since 2003 occupied the senior position of Procurement Director overseeing several key regions in the CEMEX organization, including Mexico and South America. On December 6, 2017, the Board of Directors of the Parent Company appointed Mr. Desmay as Procurement Director effective on January 1, 2018.

Ma. Virginia Ongkiko Eala[8], 50, Filipino, holds a Master of Laws degree from the University of Michigan in Ann Arbor, U.S.A. Ms. Ongkiko-Eala obtained her Bachelor of Laws degree from the University of the Philippines in Diliman where she also has a degree in Psychology (*Cum Laude*). She started her career in private practice by working as an associate for Carpio Villaraza & Cruz law firm from 1993-1997, and with the Ongkiko Kalaw Manhit & Acorda Law Offices from 1997-2000. She specialized in Litigation and Criminal Law. Ms. Ongkiko-Eala joined CEMEX in 2000 as a Senior Legal Manager and later was appointed as an Executive in Development. In 2004, she was appointed as Vice President for Human Resources of the CEMEX Philippines group of companies. Ms. Ongkiko-Eala serves as the Parent Company's Vice President for Human Resources, a position she has held since September 22, 2015. On December 6, 2017, she was elected as a member of the Board of Directors of the Parent Company, in view of the retirement of Mr. Paul Vincent Arcenas from the organization; her election as member of the Board of Directors of the Parent Company was effective on January 1, 2018. She is also a member of the Board of Directors of the following subsidiaries: APO Cement Corporation, Solid Cement Corporation, Triple Dime Holdings, Inc., Edgewater Ventures Corporation, Sandstone Strategic Holdings, Inc., Bedrock Holdings, Inc., Ecocast Builders, Inc., Ecocrete, Inc., Enerhiya Central Inc. and Ecopavements, Inc. She is also a member of the Board of Directors of Cemex Asian South East Corporation and Cemex Strategic Philippines, Inc., affiliates of the Parent Company.

Jose Mauro Gallardo Valdes, 34, Mexican, holds a Bachelor's degree in Business Administration and Marketing and a Diploma in International Marketing. In 2005, he joined operations of CEMEX in Mexico and assumed responsibilities in various areas in sales administration, information management, customer service, commercial strategy and development. In June 2014, he was Financial Planning Manager and supported the operations of CEMEX Mexico. On June 6, 2018, the Parent Company's Board of Directors appointed him as Enterprise Risk Management (ERM) Manager.

Kristine G. Gayem, 38, Filipino, holds a Bachelor of Science degree in Management and a Master's degree in Business Administration. She completed the Management Development Program of the Asian Institute of Management. She joined CEMEX Philippines in 2007 as a Planning Analyst and supported key projects of CEMEX Philippines and other operations in Asia. In 2013, she was promoted to Energy Manager. On July 24, 2018, she was appointed by the Board of Directors of the Parent Company as Energy Director.

Edwin P. Hufemia, 46, Filipino, holds a degree in Bachelor of Science (Chemical Engineering) and a Master of Engineering (Industrial Systems Engineering) degree. He joined CEMEX Philippines in 2001 when he was appointed as Logistics Planning Manager and has since held several management positions, including Vice President for Commercial and Logistics for CEMEX Philippines from 2004 to 2010, and Managing Director for CEMEX Bangladesh. On October 24, 2017, he was appointed as Vice President for Supply Chain. He is also a member of the Board of Directors of the following subsidiaries - APO Cement Corporation, Solid Cement Corporation, Triple Dime Holdings, Inc., Edgewater Ventures Corporation, Sandstone Strategic Holdings, Inc., Bedrock Holdings, Inc., and a member of the Board and President of the other subsidiaries - Ecocast Builders, Inc., Ecocrete, Inc., Enerhiya Central Inc., Ecopavements, Inc. and Newcrete Management, Inc. Mr. Hufemia is a member of the Board of Directors of Cemex Asian South East

[7] *Mr. Desmay resigned effective on January 30, 2019.*
[8] *Ms. Eala will be retiring effective on April 30, 2019.*

Corporation, an affiliate of the Parent Company. He is also a member of the Board of Directors of Impact Assets Corporation and Albatross Holdings, Inc.

Roberto Martin Javier, 43, Filipino, holds a degree in Bachelor of Science and Commerce, Major in Marketing Management. Throughout his career of over 15 years with CEMEX, Mr. Javier has accumulated extensive experience in sales, marketing, commercial administration and commercial strategy. Mr. Javier has participated in the CEMEX Global Leadership programs and other executive programs from the Asian Institute of Management. In 2014, Mr. Javier became the Vice President for Commercial (Cement) for the CEMEX Philippines group of companies. On February 29, 2016, Mr. Javier was appointed as the Company's Vice President for Commercial and, on October 24, 2017, he assumed the new position of Vice President for Commercial – Institutional Segment. He is also a member of the Board of Directors of the following subsidiaries: APO Cement Corporation, Solid Cement Corporation, Triple Dime Holdings, Inc., Edgewater Ventures Corporation, Sandstone Strategic Holdings, Inc., Bedrock Holdings, Inc., Ecocast Builders, Inc., Ecocrete, Inc., Enerhiya Central Inc., Ecopavements, Inc. and Newcrete Management, Inc. He is also a member of the Board of Directors of Cemex Strategic Philippines, Inc., an affiliate of the Parent Company.

John Benette B. Mamañgun, 41, Filipino, obtained his Bachelor of Arts degree in Philosophy and Master's degree in Economics. He spent more than a decade of his career in the capital markets industry having been part of the executive management of the Philippine Stock Exchange, Inc. (PSE) He served as head of the Corporate Planning and Investor Relations Division and was also in charge of the Capital Markets Development Division of the PSE, and was also appointed as PSE's first Investor Relations Officer. He also served as a civil servant having worked for various government agencies prior to his work at the PSE. He was appointed by the Board of Directors as Investor Relations Director effective on April 2, 2018.

Chito S. Maniago, 38, Filipino, holds a Bachelor of Arts degree in Legal Management. He completed the Management Development Program (MDP) of the Asian Institute of Management and Integrated Marketing Communications diploma course at the De La Salle University – Graduate School of Business. He joined CEMEX Philippines Group in 2012 as Director for Corporate Communications and Public Affairs. He is at present the President of the Philippine Association of National Advertisers (PANA) and was previously the Vice-Chairman and Board of Trustees member of the League of Corporate Foundations (LCF) - Philippines, and Vice-President of the Public Relations Society of the Philippines (PRSP). He is the Director for Corporate Communications and Public Affairs of the CEMEX Philippines Group and the Executive Director of the CEMEX Philippines Foundation, Inc. He was appointed as the Parent Company's Director for Corporate Communications and Public Affairs on June 6, 2018.

Arturo Manrique Ramos, 50, Mexican, holds a Bachelor's degree in Electronic Engineering and obtained a Master of Business Administration. He began his career with CEMEX in 1996 as an Operations Manager of CEMEX USA and since 2002 he has fulfilled key management positions overseeing cement operations in Mexico of various cement plants with different capacities and technologies. On September 27, 2017, Mr. Manrique was appointed by the Board of Directors as Vice President for Cement Operations and Technical.

Dino Martin Wilson Segundo, 47, Filipino, obtained his Bachelor of Arts Degree in Economics in 1993 and, thereafter, his Bachelor of Laws Degree in 1998. After passing the 1999 Philippine bar exams, he immediately joined the Soo, Gutierrez, Leogardo & Lee Law Offices as Associate Attorney, focusing on Labor Law, Civil Law, and Criminal Law. Between 2001 and 2007, he was a Senior Associate Attorney at the Carag, Caballes, Jamora & Somera Law Offices, adding Intellectual Property Law and Maritime Law to his fields of specialization. Mr. Segundo joined CEMEX in 2007 as Senior Legal Manager and currently serves as the Company's Legal Director. He participated in CEMEX's Management Development Program at the Asian Institute of Management in 2017. Mr. Segundo is a member of the Board of Directors of the following subsidiaries of the Company: APO Cement Corporation, Solid Cement Corporation, Triple Dime Holdings, Inc., Edgewater Ventures Corporation, Sandstone Strategic Holdings, Inc., Bedrock Holdings, Inc., Enerhiya Central, Inc., Ecocast Builders, Inc., and Ecopavements, Inc. He is also a member of the Board of Directors of Cemex Asian South East Corporation and Cemex Strategic Philippines, Inc., affiliates of the Parent Company.

Jannette Virata Sevilla, 56, Filipino, obtained her Bachelor of Laws and Bachelor of Arts (cum laude) degrees in 1987 and 1983, respectively. She was admitted to the Philippine Bar in 1988 and the New York State Bar in 1996. She is currently engaged in the private practice of law, and is also an external legal consultant of CEMEX Asia Pte. Ltd. - Philippine Headquarters. She was previously employed as Regional Legal Counsel for Asia and Vice President for Legal for the CEMEX Philippines group of companies until November 2008. She was formerly a Senior Associate Attorney at Carpio Villaraza & Cruz Law Offices; a Director in the Office of the Chief Presidential Legal Counsel, Office of the President of the Republic of the Philippines; an associate attorney at Bautista Picazo Buyco Tan & Fider Law Offices; and a Law Clerk/Confidential Attorney, Office of Associate Justice Irene R. Cortes, Supreme Court of the Philippines. Ms. Sevilla is the Corporate Secretary and Compliance Officer of the Parent Company, positions she has held since September 17, 2015 and August 24, 2016 respectively. She also serves as Corporate Secretary of the various subsidiaries. She is a member of the Board of Directors of Solid Cement Corporation. Ms. Sevilla is also a member of the Board of Directors and the Corporate Secretary of Cemex Asian South East Corporation and Cemex Strategic Philippines, Inc., affiliates of the Parent Company.

Michael Martin Teotico[9], 44, Filipino, holds a Bachelor's degree in Human Resource Management. Mr. Teotico has acquired expertise in Logistics, Supply Chain and Transportation, having held various positions in these fields for more than ten years. He also has held positions in Sales and Marketing. Mr. Teotico has received management trainings from the Asian Institute of Management, and CEMEX's global leadership programs. In 2014, Mr. Teotico became the Vice President of Logistics for the CEMEX Philippines group of companies. On February 29, 2016, Mr. Teotico was appointed as the Parent Company's Vice President of Logistics, and on October 24, 2017, he assumed the new position of Vice President for Commercial – Distribution Segment.

Rolando S. Valentino, 44, Filipino, is a certified public accountant and a certified enterprise-wide risk manager. He obtained a Master of Business Administration in 2016 and holds a Bachelor of Science degree in Accountancy. In 1995, Mr. Valentino worked as an associate with Punongbayan and Auraullo (Grant Thornton International) before joining Solid Cement in 1997. Throughout his career of over 20 years with CEMEX, Mr. Valentino held various positions in Accounting, Process and Continuous Improvement, Logistics, Internal Control, and Risk Management. In 2011, he was appointed Regional Internal Control Manager for CEMEX Philippines group of companies. Mr. Valentino has received management training from the Asian Institute of Management (honorable mention) and in 2015, he obtained his CERM certification from Asia Risk Management Institute - Singapore. He is a member of the Institute of Internal Auditors - Philippines. In 2015, Mr. Valentino was appointed Regional Internal Control and Risk Manager for CEMEX Philippines group of companies. Mr. Valentino serves as Internal Auditor of the Parent Company, a position he has held since August 24, 2016.

Steve Kuansheng Wu, 52, Taiwanese, holds an MBA (Finance), an MBA (Accounting), and a Bachelor's degree in Business Mathematics. He has participated in CEMEX's Achieve Leadership Program and its International Management Program, and since 2001 he has held positions in the accounting areas for several business units of CEMEX in Asia. In 2011 he became Asia Management Financial Service Manager based in CEMEX Philippines. On December 6, 2017, he was appointed as Treasurer & Chief Financial Officer and Business Services Organization Director of the Parent Company, in view of the retirement of Mr. Vincent Paul Piedad from the organization.

[9] *Mr. Teotico resigned effective on February 15, 2019.*

He is also Treasurer & Chief Financial Officer and Business Services Organization Director of the various subsidiaries.

(2) Significant Employees

No single person is expected to make a significant contribution to the business since the Company considers the collective efforts of all of the Company's employees as instrumental to the overall success of the Company's performance.

(3) Family Relationships

There are no family relationships among the members of the Board of Directors and Executive Officers up to the fourth civil degree of consanguinity or affinity.

(4) Involvement in Certain Legal Proceedings of Directors and Executive Officers

Based on the knowledge and belief of the Company, during the past five (5) years, none of the members of the Board of Directors, nor any of the Executive Officers of the Parent Company, (i) has filed any bankruptcy petitions or have had bankruptcy petitions filed against them; (ii) has been convicted by final judgment of any offense punishable by the laws of the Republic of the Philippines or of any other nation or country (excluding minor offenses); (iii) has been or is are subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; or (iv) has been found by a domestic or foreign court of competent jurisdiction (in a civil action), the Philippine SEC or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation.

ITEM 10. Executive Compensation

(1) Directors' Compensation

Under the Parent Company's by-laws, the members of the Board shall receive compensation for the discharge of the duties of supervision and collegiate decision-making proper to said management body. The Board of Directors approved in a special meeting held on June 3, 2016 the following honorarium fee/per diem for independent directors of the Parent Company: (i) an honorarium fee/ per diem equivalent to ₱450,000.00 (computed on an annual basis) for acting as director and (ii) an honorarium fee/per diem equivalent to ₱ 90,000.00 (computed on an annual basis) per Committee membership.

(2) Executive Compensation

The following table summarizes the aggregate compensation of the President/Chief Executive Officer ("CEO") and the four most highly compensated Executive Officers (the "NEOs") of the Parent Company, as well as the other executive officers of the Parent Company during the last two completed fiscal years and the ensuing fiscal year are as follows:

Name and Principal Position	Year	Salary *(in millions of Philippine Pesos)*	Bonus[10] *(in millions of Philippine Pesos)*	Other Compensation *(in millions of Philippine Pesos)*
CEO and NEOs 1. Ignacio Alejandro Mijares Elizondo (current President and CEO), Pedro Jose Palomino (former President and CEO who resigned during the 3rd quarter of 2017) 2. Paul Vincent Arcenas Investor Relations Officer and Vice President for Communications, Marketing and Investor Relations 3. Edwin P. Hufemia Vice President for Supply Chain 4. Hugo Losada Barriola Vice President for Strategic Planning 5. Maria Virginia Ongkiko Eala Vice President for Human Resources	Actual 2017	₱50.5	₱29.4	₱32.6
CEO and NEOs 1. Ignacio Alejandro Mijares Elizondo President and CEO 2. Arturo Manrique Ramos Vice President for Cement Operations & Technical 3. Edwin P. Hufemia Vice President for Supply Chain 4. Antonio Desmay Jimenez Procurement Director 5. Steve Kuan-Sheng Wu BSO Director	Actual 2018	₱56.4	₱27.0	₱42.2
CEO and NEOs 1. Ignacio Alejandro Mijares Elizondo President and CEO 2. Arturo Manrique Ramos Vice President for Cement Operations & Technical 3. Alejandro Garcia Cogollos Vice President for Planning & Admin. 4. Juan Carlos Soto Carbajal Procurement Director 5. Everardo Sanchez Banuet Vice President for Commercial – Distribution Segment	Projected 2019	₱52.9 (est)	₱49.8 (est)	₱65.7 (est)
All other executive officers as a group unnamed.	Actual 2017	₱36.5	₱6.9	₱15.9
	Actual 2018	₱61.4	₱20.5	₱30.25
	Projected 2019	₱61.4	₱21.3	₱22.95

[10] *Bonus includes the value of benefits received in connection with variable compensation or long-term incentive plans applicable to eligible executives.*

Certain executive officers of the Parent Company or its subsidiaries have received compensation in the form of restricted shares of CEMEX S.A.B. de C.V. (CEMEX's Ordinary Participation Certificates) pursuant to the terms of variable compensation plan applicable to these executives under which the eligible executives are allocated annually with a specific number of restricted shares as a long-term incentive compensation to be vested over a specific period of time.

Certain executive officers of the Parent Company or its subsidiaries received in 2018 compensation in the form of cash pursuant to the terms of a variable long-term incentive plan approved by the Parent Company's Board of Directors on April 25, 2018 under which the eligible executives are allocated cash amounts (to be released in four annual installments) which shall be used by these executives to purchase a specific number of shares of the Parent Company from the market.

(3) Employment Contracts Between the Parent Company and CEO and NEOs

The Parent Company has no special employment contracts with CEO and NEOs.

(4) Warrants and Options Outstanding

The Parent Company has not issued any warrants or options which are held by the CEO, the NEOs, and all officers and directors as a group.

(5) Employee Restricted Stock and Other Incentive Plans

The Parent Company has not yet established an employee restricted stock or other incentive stock plan of its shares or otherwise linked to the value of its shares.

ITEM 11. Security Ownership of Certain Beneficial Owners and Management

(1) Security Ownership of Certain Record and Beneficial Owners

As of December 31, 2018, the Parent Company is not aware of any one who beneficially owns in excess of 5% of the Parent Company's common shares, except as set forth in the table below:

Title of Class	Names and Addresses of Record Owners	Names of beneficial owner	Nationality	No. of Shares Held	% to Total Shares
Common Shares	CEMEX Asian South East Corporation 34TH Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City, Metro Manila	Same as record holder[(a)]	Non-Filipino (incorporated in the Philippines but wholly owned by a Netherlands company)	2,857,467,493	55%
Common Shares	PCD Nominee Corporation (Non-Filipino) G/F Makati Stock Exchange 6767 Ayaa Avenune, Makati City	PCD Participants and clients[(b)]	Non-Filipino	1,286,829,824	24.769%
Common Shares	PCD Nominee Corporation (Filipino) G/F Makati Stock Exchange 6767 Ayala Avenue, Makati City	PCD Participants and clients[(b)]	Filipino	1,049,261,224	20.196%

[(a)] In addition to the indicated shareholdings of CASEC, each of the following five individuals holds one share which is beneficially owned by CASEC: Joaquin Miguel Estrada Suarez, Ignacio Alejandro Mijares Elizondo, Maria Virginia O. Eala, Alejandro Garcia Cogollos, and Antonio Ivan Sanchez. Four out of the five shares are part of the shares recorded under the account *PCD Nominee Corporation (Non-Filipino)*, while the remaining one share is part of the shares recorded under the account *PCD Nominee Corporation (Filipino)*.

(b) Based on the Top 100 PDTC Participants Report (consolidated) of the Philippine Depository & Trust Corporation for the month of December 2018, the *PCD Nominee Corporation (Non-Filipino)* and the *PCD Nominee Corporation (Filipino)* accounts include the following:

(1) The Hongkong and Shanghai Banking Corp. Ltd.- Clients' Acct – 569,989,440 shares corresponding to approximately 10.97% of total outstanding shares of CHP

(2) COL Financial Group, Inc. – 248,117,074 shares corresponding to approximately 4.77% of total outstanding shares of CHP

(3) Deutsche Bank Manila-Clients A/C – 216,934,313 shares corresponding to approximately 4.17% of total outstanding shares of CHP

(4) Citibank, N.A. – 181,978,106 shares corresponding to approximately 3.50% of total outstanding shares of CHP

(5) Standard Chartered Bank – 166,871,556 shares corresponding to approximately 3.21% of total outstanding shares of CHP

Based on SEC Form 18-A dated 28 December 2016 that was initially filed by Wellington Management Group LLP (declarant), the declarant stated that it beneficially owned 277,299,574 shares which represent approximately 5.34% of the issued and outstanding shares of stock of the Parent Company. In an SEC Form 18-A dated 27 June 2018 filed by declarant, it stated that it beneficially owned 258,839,897 shares which represents 4.98% of the issued and outstanding shares of stock of the Parent Company.

(2) Security Ownership of Management

As of December 31, 2018 the number of shares owned of record and/or beneficially owned by the Directors, the CEO and NEOs are set forth below:

Title of Class	Name of Record Owner	Name of Beneficial Owner	Amount	Nationality	% to Total Shares
Common	Alfredo Panlilio	Same as record owner	1,001	Filipino	0.00%
Common	Pedro Roxas	Same as record owner	1,001	Filipino	0.00%
Common	Joaquin Miguel Estrada Suarez	CEMEX Asian South East Corporation	1 (director's qualifying share)	Spaniard	0.00%
Common	Ignacio Alejandro Mijares Elizondo	Same as record owner (except 1 share beneficially owned by CEMEX Asian South East Corporation)	250,001 (includes 1 director's qualifying share)	Mexican	0.00%
Common	Maria Virginia O. Eala	Same as record owner (except 1 share beneficially owned by CEMEX Asian South East Corporation)	90,844 (includes 1 director's qualifying share)	Filipino	0.00%
Common	Antonio Ivan Sanchez Ugarte	CEMEX Asian South East Corporation	1 (director's qualifying share)	Spaniard	0.00%
Common	Alejandro Garcia Cogollos	Same as record owner (except 1 share beneficially owned by CEMEX Asian South East Corporation)	75,787 (includes 1 director's qualifying share)	Spaniard	0.00%
Common	Edwin P. Hufemia	Same as record owner	309,782	Filipino	0.00%
Common	Antonio Desmay Jimenez	Same as record owner	116,425	Mexican	0.00%
-	Arturo Manrique Ramos	-	0	Mexican	-
-	Steve Kuansheng Wu	-	0	Taiwanese	-

(3) Voting Trust Holders of 5% or More

The Parent Company is not aware of any voting trust or similar arrangement among persons holding more than 5% of the shares.

(4) Changes in Control

At the beginning of the last fiscal year, CASEC beneficially owned 55% of the outstanding capital stock of the Parent Company. The Parent Company is not aware of the existence of any change in control agreements.

ITEM 12. Certain Relationships and Related Transactions

Save for transactions with affiliated companies or other related parties of the Parent Company (including subsidiaries of CEMEX) mentioned or referenced to in the discussions below or in the Company's Consolidated Financial Statements as of years ended December 31, 2018 and 2017 in the accompanying Audited Financial Statements filed as part of this Form 17-A (Annual Report), there has been no material related transactions during the last two years with the Parent Company or any of its subsidiaries in which a Director or Executive Officer of the Parent Company, or a security holder owning at least ten percent (10%) or more of the outstanding shares of stock of the Parent Company, and members of their respective immediate family had or is to have a direct or indirect material interest.

In 2018, Solid Cement executed a revolving facility agreement dated November 21, 2018 with CEMEX Asia B.V., a subsidiary of CEMEX, allowing the Company to withdraw in one or several installments a sum of up to U.S.$75,000,000.00[11]. The principal amount shall bear a fixed interest based on the Company's consolidated leverage ratio. The revolving facility agreement with CEMEX Asia B.V. has a term of six (6) years from the date of the agreement. The proceeds of this revolving facility will be used for general corporate purposes including the refinancing of existing debt and the funding of the construction and installation of Solid Cement's new production line.

General Commercial Arrangements

The Company (whether directly or indirectly through any of its operating subsidiaries) engaged with affiliated companies or other related companies in various commercial arrangements in the ordinary course and on arm's-length terms, including:

- supply agreements or spot purchases of cement or other construction materials;
- freight contracts pursuant to which said related companies transport to the Company any products or goods purchased by the Company from related companies or third parties but using vessels owned or contracted by said related companies;
- spot purchases of carbon, petroleum coke or other fuels required by us and offered or arranged by said related companies or offered by the Company to said related companies, such as the coal supply contract with Transenergy, Inc. (a CEMEX subsidiary that sources coal, petroleum coke and other products on a CEMEX group-wide basis), as well as any hedges for such transactions; and
- the sale or purchase or lease of construction equipment, including machinery, vehicles used for construction, etc., between related companies and the Company.

For further information on related party transactions, including outstanding advance balances, see Note 13 of the Notes to the Company's Consolidated Financial Statements as of and for the years ended

[11] *In February 2019, the parties signed an amendment agreement, increasing the available principal amount under the revolving facility from US$ 75,000,000.00 to US$ 100,000,000.00.*

December 31, 2018 and 2017 in the accompanying Audited Financial Statements filed as part of this Form 17-A (Annual Report).

Notably, APO Cement and Solid Cement purchase the majority of their respective limestone, pozzolan and clay requirements from ALQC and IQAC pursuant to long-term supply agreements effective as of January 1, 2016. These supply agreements each have 20-year terms and automatic renewals of two years. All of the principal manufacturing installations of APO Cement and Solid Cement are located on land owned by ALQC or IQAC. Under the lease agreements, ALQC and IQAC have various customary rights as landlord. Each of these lease agreements expires in December 2040 and is extendable for another 25 years.

License Agreements

Pursuant to separate license agreements entered into by the Parent Company's subsidiary, CEMEX Asia Research AG (CAR), with CEMEX and CEMEX Research Group AG (CRG), respectively, the Parent Company's subsidiaries are allowed the non-exclusive use in the Philippines of different trademarks, names and intellectual property assets owned and developed by CEMEX, such as the name "CEMEX" and brands "APO", "Island" and "Rizal", and other related names and trademarks, processes and information technology, software, industrial models, procurement, commercial and distribution systems. These license agreements became effective with retroactive effect to 1 January 2016 upon completion of the IPO, and have an initial term of five years, automatically renewable for subsequent five-year terms unless terminated by either of the parties thereto by providing one-month written notice prior to the end of the applicable term. These agreements may also be terminated if CAR would cease to be a direct or indirect subsidiary of CEMEX. As consideration for the use of these trademarks, names and intellectual property assets, CAR pays to the licensors a royalty fee determined at an arm's length basis.

Framework Agreement with CEMEX

On March 9, 2016, the Parent Company entered into a Framework Agreement with CEMEX and its principal shareholder to avoid conflicts of interest between the Parent Company and CEMEX. The Framework Agreement became effective upon commencement of trading of the Parent Company's shares on the PSE last July 2016, and may be amended by written agreement between CEMEX, the principal shareholder and the Parent Company, provided that any modification by the Parent Company shall be authorized by the Parent Company's independent directors. In addition, the Framework Agreement will cease to be in effect if the Parent Company is no longer a subsidiary of CEMEX or if CEMEX ceases to account for its investment in the Parent Company on a consolidated basis or under the participation method for accounting purposes (or any other method that applies similar principles).

The Framework Agreement shall be construed and governed by the laws of the Republic of the Philippines and governs, among other things, the Parent Company's ability to undertake certain actions including, but not limited to, the incurrence of indebtedness above certain levels, the disposition and acquisition of assets in excess of certain amounts and the making of capital expenditures in excess of certain amounts. In addition, the Framework Agreement contains provisions relating to competition, solicitation of employees, corporate opportunities, compliance with CEMEX's debt agreements, financial information, regulatory status, compliance with policies and procedures, share transfer rights, equity purchase rights, litigation, dispute resolution, and further actions and assurances.

PART IV – CORPORATE GOVERNANCE

ITEM 13. Basic Corporate Governance Policies

(1) *Manual of Corporate Governance*

The Parent Company adopted its Manual of Corporate Governance (the "Manual") on March 7, 2016. This Manual was amended on October 25, 2016 and May 10, 2017. The Parent Company's policy of corporate governance is principally based on the Manual. The Manual lays down the principles of good corporate governance in the entire organization. The Manual provides that it is the Board's responsibility to initiate compliance to the principles of good corporate governance, to foster long-term success and to secure sustained competitiveness in a manner consistent with the Board's fiduciary responsibility. Upon favorable endorsement of the Audit Committee, the Board of Directors approved to amend the Revised Manual of Corporate Governance on February 6, 2018 and, thereafter, on March 22, 2018.

There are two independent directors namely, Messrs. Alfred Panlilio and Pedro Roxas, on the Board of Directors of the Parent Company.

The Manual embodies the policies on disclosure and transparency, and mandates the conduct of communication and training programs on corporate governance. The Manual further provides for the rights of all shareholders and the protection of the interests of minority shareholders. Any violation of the Manual is punishable by a penalty ranging from reprimand to dismissal, depending on the frequency of commission as well as the gravity thereof.

The Manual expressly provides that any material amendment or revision to the provisions defining the (i) royalty/license fee or service fee, as applicable, payable to CEMEX pursuant to, or (ii) the duration or term of, any of the Company's license agreements involving the trademark and other intellectual properties of CEMEX or the service agreements with CEMEX shall require the affirmative vote of two independent directors.

The Manual recognizes the authority of the Board of Directors to create an internal self-rating system that can measure the performance of the Board and Management in accordance with the criteria provided for in the Manual[12]. The organization has a performance rating system for executives and employees.

The Parent Company is not aware of any deviation from or violation of the provisions of the Manual.

The Parent Company undertakes to further improve its corporate governance practices as may be required by law or the exigency of the business.

(2) *CEMEX Code of Ethics and Business Conduct*

The Company adheres to the CEMEX Code of Ethics and Business Conduct (Code) which was established to ensure that all employees of CEMEX worldwide abide by the same high standards of conduct in their daily interactions. This Code is designed to govern the Company's relationships with all of its stakeholders, workplace safety, health, environmental responsibility, protection of confidential information, conflicts of interest, financial controls and records, and preservation of assets. Through the organization's ethics committees, training programs, and secure internal communications channels, the Company ensures awareness and enforcement of this Code. Among several implementing global policies of CEMEX being observed by the Company are the Global Anti-Trust Compliance Policy,

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[12] *The Board of Directors adopted on January 30, 2019 a Framework for a Self-Rating Performance System which provides the process and criteria for self-assessment of performance of the members of the Board of Directors and board committees.*

CEMEX Anti-Bribery/Anti-Corruption Policy and CEMEX Insider Trading Policy. The Code and the various implementing global policies of CEMEX are periodically evaluated and, where deemed necessary or appropriate, updated.

In 2018, the employees of the Company received training on various topics governed by the Code of Ethics and Business Conduct, dedicating more than 3000 training manhours related to, among others, Anti-Corruption and Anti-Bribery, Competition and Anti-Trust, Corporate Governance, Health & Safety, Code of Ethics and Business Conduct, and ETHOS Awareness.

(3) *Board Committees*

The Parent Company's Board has constituted two committees to more effectively manage the operations: (i) the Audit Committee and (ii) the Nomination Committee.

(a) The Audit Committee will carry out, among other things, the following functions: (i) assist the Board of Directors in the performance of its oversight responsibility for: the company's financial reporting process; its system of internal control; its audit process and the monitoring of compliance with applicable laws, rules and regulations; (ii) supervise the effectiveness of its internal control procedures and corporate risk management systems; (iii) perform oversight functions over its internal and external auditors, ensuring that the internal and external auditors act independently from each other, and that each are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions; (iv) review the annual internal audit plan to ensure its conformity with the company's objectives; (v) organize an internal audit department, and consider the appointment of an independent internal auditor and the terms and conditions of its engagement and removal; (vi) monitor and evaluate the adequacy and effectiveness of its internal control system, including financial reporting control and information technology security; (vii) review the reports submitted by the internal and external auditors; (viii) review the quarterly, half-year and annual financial statements before their submission to the Board of Directors; (ix) coordinate, monitor and facilitate compliance with laws, rules and regulations; (x) evaluate and determine non-audit work, if any, required of the external auditor, and periodically review the non-audit fees paid to the external auditor in relation to their significance to the total annual income of the external auditor and to the company's overall consultancy expenses and (xi) establish and identify the reporting line of the internal auditor to enable them to properly fulfill their duties and responsibilities.

The Audit Committee is comprised of three members, two of whom are the independent directors. The Audit Committee reports directly to the Board of Directors. Following the favorable endorsement of the Audit Committee, the Board of Directors approved the Charter for the Audit Committee on October 25, 2016 and approved the Internal Audit Charter on February 6, 2018.

The members of the Audit Committee and the Board of Directors of the Parent Company are informed about the internal controls and procedure observed by the Company, and are regularly updated about and have reviewed the results/ findings of the audit and monitoring processes. The Audit Committee and the Board of Directors have not detected material weaknesses in the internal controls and risk management system currently in place. However, in support of the oversight function of the Board of Directors, the Audit Committee is tasked to consider improvements to further enhance the effectiveness of the internal controls and risk management system of the Company.

(b) The Nomination Committee will carry out, among other things, the following functions: (i) be responsible for providing shareholders with an independent and objective evaluation of and assurance that the members of the Board of Directors are competent and will foster the company's long-term success and secure its competitiveness; (ii) review and evaluate the qualifications of persons nominated to the Board of Directors as well as other appointments that require the approval of the Board of Directors and (iii) assess the effectiveness of the processes and procedures of the Board of Directors in the election or replacement of directors.

The Nomination Committee is comprised of three members, two of whom are the independent directors. The Nomination Committee reports directly to the Board of Directors. Following the favorable endorsement of the Nomination Committee, the Board of Directors approved the Charter for the Nomination Committee on October 25, 2016

ITEM 14. Attendance of Directors

Board	Name	Date of Election [initial date / re-election date(s)]	No. of Meetings Held during tenure in 2018	No. of Meetings Attended
Chairman	Joaquin Miguel Estrada Suarez	29 February 2016 /7 June 2017/ 6 June 2018	8	8
Independent Director	Alfredo S. Panlilio	3 June 2016 /7 June 2017/ 6 June 2018	8	7
Independent Director	Pedro Roxas	3 June 2016 /7 June 2017/ 6 June 2018	8	7
Member	Ignacio Alejandro Mijares Elizondo	4 July 2017/6 June 2018	8	8
Member	Alejandro Garcia Cogollos	25 April 2018	5	5
Member	Maria Virginia O. Eala	6 December 2017 (effective on 1 January 2018)	8	6
Member	Antonio Ivan Sanchez Ugarte	6 December 2017 (effective on 1 January 2018)	8	8

PART V - EXHIBITS AND SCHEDULES

ITEM 15. Exhibits and Reports on SEC Form 17-C

(a) Exhibits

A - List of Subsidiaries of Parent Company
B - Consolidated Financial Statements of the Company as at and for years ended December 31, 2018 and as at December 31, 2017 and Supplementary Schedules
C - SEC Form 17-Q for Quarter Ended 31 March 2018 (1st Quarter 2018)
D - SEC Form 17-Q for Quarter Ended 30 June 2018 (2nd Quarter 2018)
E - SEC Form 17-Q for Quarter Ended 30 September 2018 (3rd Quarter 2018)

(b) Reports on SEC Form 17-C

List of Disclosures under SEC Form 17-C for the period from 1 January 2018 to 31 December 2018

Date of Report	Description
12 January 2018	Retirement of Officer
3 February 2018	Notice of Conference Call/Webcast for 4th Quarter 2017 Results
9 February 2018	Briefing Materials for the Conference Call/Webcast for 4th Quarter 2017 Results
15 March 2018	CEMEX Day Event of CEMEX S.A.B. de C.V.
22 March 2018	Notice on Various Matters Relating to Annual Stockholders Meeting for 2018
20 April 2018	Notice of Conference Call/Webcast for 1st Quarter 2018 Results
25 April 2018	Organizational Changes: Election of New Directors and Appointment of New Officers
27 April 2018	Briefing Materials for the Conference Call/Webcast for 1st Quarter 2018 Results
6 June 2018	Results of the Annual Stockholders' Meeting
6 June 2018	Results of the Organizational Meeting of the Board of Directors
29 June 2018	Organizational Changes: Appointment of New Officer
21 July 2018	Notice of Conference Call/Webcast for 2nd Quarter 2018 Results
24 July 2018	Organizational Changes: Appointment of New Officer
25 July 2018	SEC Approval of Amendment of Articles of Incorporation
27 July 2018	Briefing Materials for the Conference Call/Webcast for 2nd Quarter 2018 Results
31 August 2018	Subsidiaries approve amendment of their respective Articles of Incorporation to shorten corporate term
20 September 2018	Clarification on News Reports on Cebu Landslide Incident
21 September 2018	Update on one of the principal raw material suppliers of APO Cement Corporation, i.e., APO Land & Quarry Corporation
28 September 2018	Statement on Business Continuity Plans
1 October 2018	Update on one of the principal raw material suppliers of SOLID Cement Corporation i.e., Island Quarry and Aggregates Corporation
18 October 2018	SOLID Cement Corporation and CBMI Contract Signing for SOLID's new integrated cement line
19 October 2018	Notice of Conference Call/Webcast for 3rd Quarter 2018 Results
26 October 2018	Briefing Materials for the Conference Call/Webcast for 3rd Quarter 2018 Results
19 November 2018	Environmental Class Suit in Cebu
21 November 2018	Update on APO Cement Corporation
26 November 2018	Revolving Facility with CEMEX Asia, B.V.
29 November 2018	Attendance at Corporate Governance Training
12 December 2018	Update on APO Cement Corporation
14 December 2018	Attendance at Corporate Governance Training Seminar

SIGNATURES

Pursuant to the requirements of Section 17 of the Securities Regulation Code, this report is signed on behalf of CEMEX HOLDINGS PHILIPPINES, INC. by the undersigned, thereunto duly authorized, in the City of Makati on 15 APR 2019.

CEMEX HOLDINGS PHILIPPINES, INC.

By:

IGNACIO ALEJANDRO MIJARES ELIZONDO
President and Chief Executive Officer

STEVE KUANSHENG WU
Treasurer and Chief Financial Officer

JANNETTE VIRATA SEVILLA
Corporate Secretary

MAKATI CITY

SUBSCRIBED AND SWORN to before me on 15 APR 2019 in Makati City, Metro Manila, affiant(s) exhibiting to me the following documents:

NAMES	IDENTIFICATION DOCS	PLACE/DATE OF ISSUE
Ignacio Alejandro Mijares Elizondo	Mexican Passport No. G23177265	Mexico/18 November 2016
Steve Kuansheng Wu	Republic of China Passport No. 3084998707	Taiwan/30 December 2013
Jannette Virata Sevilla	Philippine Passport No. EC 5001771	Manila, Philippines/August 13, 2015

Doc. No. 323
Page No. 66
Book No. LV;
Series of 2019.

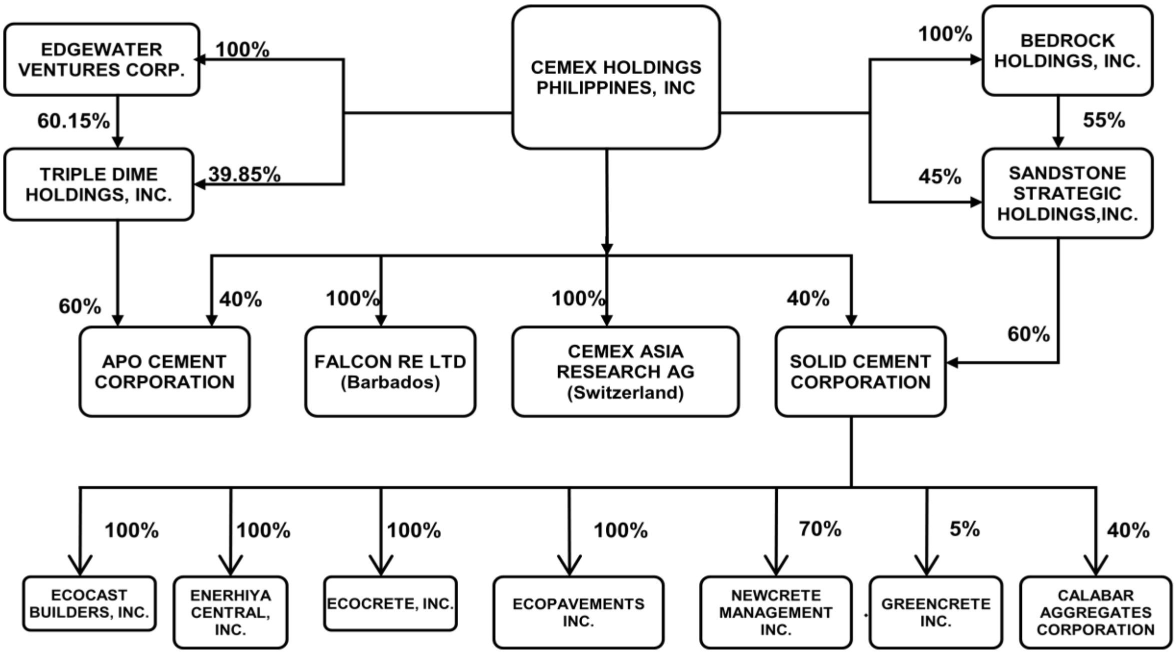
ATTY. GERVACIO B. ORTIZ, JR.
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2020
PTR NO. 7333104 / 01-03-2019 MAKATI
IBP NO 656155 LIFETIME MEMBER
APPT. NO. M104 / 2017 / ROLL NO. 4009
MCLE COMPLIANCE NO. V-0006934
UNIT 102 PENINSULA COURT BLDG
8735 MAKATI AVE., MAKATI CITY

EXHIBIT A

List Of Subsidiaries Of Parent Company

CEMEX HOLDINGS PHILIPPINES, INC.
SEC FORM 17-A

LIST OF SUBSIDIARIES AND ASSOCIATES OF CEMEX HOLDINGS PHILIPPINES, INC.



The following are brief descriptions of the Company's operating subsidiaries:

- ***APO Cement Corporation***. APO Cement was incorporated in the Philippines on December 27, 1961 primarily to engage in the production and marketing of cement. The Parent Company owns a direct 40% equity interest in APO Cement as well as an indirect 60% equity interest through its equity interest in Triple Dime Holdings, Inc. APO Cement owns and operates the APO Cement plant.

- ***Solid Cement Corporation* and its subsidiaries**. Solid Cement was incorporated in the Philippines on September 14, 1987. The Parent Company owns a direct 40% equity interest in Solid Cement as well as an indirect 60% equity interest through its equity interest in Sandstone Strategic Holdings, Inc. Solid Cement owns and operates the Solid Cement plant. Solid Cement also owns a 100% equity interest in each of the following subsidiaries:

  \- ***Ecocast Builders, Inc.*** and ***Ecopavements, Inc.*** Ecocast Builders, Inc. and Ecopavements, Inc. were each incorporated in the Philippines on October 16, 2014 to primarily provide its customers with materials and solutions for cement-intensive housing and pavement projects, respectively. Ecopavement, Inc.'s Board of Directors confirmed plans to close the business operations of the company effective on December 31, 2017. During a joint special meeting of Ecopavements, Inc.'s Board of Directors and Shareholders on August 31, 2018, the shortening of the corporate term of the company to December 31, 2019 was approved.

  \- ***Ecocrete, Inc.*** Ecocrete, Inc. was incorporated in the Philippines on February 13, 2013 to primarily manufacture, develop and sell ready-mix concrete and other construction related products materials. Ecocrete, Inc.'s Board of Directors confirmed plans to close the business operations of the company effective on December 31, 2017. During a joint special meeting of Ecocrete, Inc.'s Board of Directors and Shareholders on August 31, 2018, the shortening of the corporate term of the company to December 31, 2019 was approved.

- ***Falcon Re Ltd***. – Falcon Re Ltd. was incorporated in Barbados on May 9, 2016. The Parent Company owns a direct 100% equity interest in Falcon Re Ltd., which reinsures third-party insurers of the Company covering risks associated with property insurance coverage, with political violence and non-damage business interruption programs, liability program and cyber risks.

- ***CEMEX Asia Research A.G***. – CEMEX Asia Research AG was incorporated in Switzerland on December 18, 2015. The Parent Company owns a direct 100% equity interest in CEMEX Asia Research A.G., which is the licensee for certain licensed trademarks and intangible assets to which the Company has access through several agreements with CEMEX and its affiliate, CEMEX Research Group A.G.

The following are brief descriptions of the Company's investment holding company subsidiaries and other subsidiaries that have not started commercial operations:

- ***Edgewater Ventures Corporation*** and ***Triple Dime Holdings, Inc.*** Edgewater Ventures Corporation was incorporated in the Philippines on April 23, 1998 and Triple Dime Holdings, Inc. was incorporated in the Philippines on May 13, 1998. The Parent Company owns a 100% equity interest in Edgewater Ventures Corporation, which is an investment holding company that owns a direct 60.15% equity interest in Triple Dime Holdings, Inc. which is also an investment holding company. The Parent Company owns directly the remaining 39.85% equity interest in Triple Dime Holdings, Inc. Triple Dime Holdings Inc. owns a direct 60% equity interest in APO Cement.

- ***Bedrock Holdings, Inc.*** and ***Sandstone Strategic Holdings, Inc.*** Bedrock Holdings, Inc. was incorporated in the Philippines on October 30, 1998 and Sandstone Strategic Holdings, Inc. was incorporated in the Philippines on November 12, 1998. The Parent Company owns a direct 100% equity interest in Bedrock Holdings, Inc., which is an investment holding company that owns a direct 55% equity interest in Sandstone Strategic Holdings, Inc., which is also an investment holding company. The Parent Company directly owns the remaining 45% equity interest in Sandstone Strategic Holdings, Inc. Sandstone Strategic Holdings, Inc. owns a direct 60% equity interest in Solid Cement.

- ***Enerhiya Central, Inc.*** Enerhiya Central, Inc. was incorporated in the Philippines on February 26, 2013, to primarily sell, broker market and/or aggregate electricity to industrial, commercial and institutional clients. Enerhiya Central, Inc. has not yet started commercial operations. The Parent Company owns an indirect 100% equity interest in Enerhiya Central, Inc. through its 100% equity interest in Solid Cement.

- ***Newcrete Management Inc.*** Newcrete Management Inc. was incorporated in the Philippines on November 14, 2012, to provide management services related to technical support, concrete sales, concrete products, special building materials and other related products and services. Newcrete Management Inc. has not yet started commercial operations. The Parent Company owns an indirect 70% equity interest in Newcrete Management Inc. through its 100% equity interest in Solid Cement.

The following are brief descriptions of companies in which Solid Cement has minority investments:

- ***Calabar Aggregates Corporation*****.** Calabar Aggregates Corporation was incorporated in the Philippines on January 31, 1991. Calabar Aggregates Corporation is a company in which the Parent Company owns an indirect 40% equity interest through its 100% equity interest in Solid Cement. This company is currently inactive.

- ***Greencrete Inc.*** Greencrete Inc. was incorporated in the Philippines on November 14, 2012. The Parent Company owns an indirect 5% equity interest in Greencrete Inc. through its 100% equity interest in Solid Cement. Greencrete Inc. has not yet started commercial operations.

EXHIBIT B

Consolidated Financial Statements
as at and for year ended December 31, 2018 and as at
December 31, 2017
(with Supplementary Schedules)

CEMEX HOLDINGS PHILIPPINES, INC.
SEC FORM 17-A

COVER SHEET
For
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C S 2 0 1 5 1 8 8 1 5

COMPANY NAME

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City

Form Type	Department requiring the report	Secondary License Type, If Applicable
AAFS		

COMPANY INFORMATION

Company's email Address	Company's Telephone Number/s	Mobile Number
	849 - 3600	

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
20 (as of 31 Dec 2018)	1st Wednesday of June	December 31

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Steve Kuansheng Wu	steve.wu@cemex.com	(02) 849 3647	

CONTACT PERSON's ADDRESS

34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City

Note 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

CEMEX HOLDINGS PHILIPPINES, INC.
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2018 and 2017

R.G. Manabat & Co.
The KPMG Center, 9/F
6787 Ayala Avenue, Makati City
Philippines 1226
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Fax +63 (2) 894 1985
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REPORT OF INDEPENDENT AUDITORS

The Stockholders and Board of Directors
CEMEX Holdings Philippines, Inc.
34/F Petron Mega Plaza Building
358 Sen. Gil J. Puyat Avenue
Brgy. Bel-Air, Makati City

Opinion

We have audited the consolidated financial statements of CEMEX Holdings Philippines, Inc. and Subsidiaries (the "Group"), which comprise the consolidated statements of financial position as at December 31, 2018 and 2017, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2018, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2018 and 2017, and its consolidated financial performance and its consolidated cash flows for each of the years in the period ended December 31, 2018, in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<u>Goodwill Impairment Assessment</u>
Refer to Note 3L to the consolidated financial statements for the Group's policy on impairment of Goodwill.

The Group has goodwill amounting to P27.86 billion as at December 31, 2017 which arose from the Group's business acquisition transactions in 2016. Such goodwill has been allocated to the Group's cash-generating units (CGUs), comprising APO Cement Corporation and Solid Cement Corporation. Management has undertaken an annual impairment review in respect of this goodwill in accordance with the requirements of PFRSs, and concluded that no impairment arose as at December 31, 2018.

The Risk
In assessing impairment of goodwill, complex and subjective judgments in determining a number of key assumptions, such as growth rate, discount rate and other economic assumption (i.e. inflation rate), are made to determine its value-in-use. We focused on this area due to both the significance of the carrying amount of the goodwill and because management's assessment of the value-in-use of the Group's CGUs involves significant judgments about the future results of the business and the discount rates applied to future cash flow forecasts.

Our Response
Our procedures included assessment of the consistency and appropriateness of the allocation of goodwill to CGUs identified by the Group. We evaluated management's future cash flow forecast and the process by which they were prepared and approved, including checking the mathematical accuracy of the underlying calculations. With the involvement of our valuation specialists, we assessed the methodology and key assumptions used by the Group in preparing the discounted cash flow for each CGU. We evaluated the key assumptions applied by comparing them to historical results and external economic forecasts, with the consideration of the potential risk of management bias. We performed our own sensitivity analysis on the key assumptions, such as discount rates and growth rates, used to assess the extent of change that individually would be required for the goodwill to be impaired. We also evaluated the adequacy of the disclosures in respect of the impairment assessment in the consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2018, but does not include the consolidated financial statements and our auditors' report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2018 are expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Emerald Anne C. Bagnes.

R.G. MANABAT & CO.

EMERALD ANNE C. BAGNES
Partner
CPA License No. 0083761
SEC Accreditation No. 0312-AR-4, Group A, valid until June 20, 2021
Tax Identification No. 102-082-332
BIR Accreditation No. 08-001987-012-2018
Issued November 29, 2018; valid until November 28, 2021
PTR No. MKT 7333606
Issued January 3, 2019 at Makati City

April 2, 2019
Makati City, Metro Manila

CEMEX
PHILIPPINES

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The Management of **CEMEX Holdings Philippines, Inc. and Subsidiaries** (the "Company") is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, as at December 31, 2018 and 2017 and for each of the three years in the period ended December 31, 2018, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free form material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the consolidated financial statements including the schedules attached therein, and submits the same to the stockholders.

R. G. Manabat & Co., the independent auditor appointed by the stockholders, has audited the consolidated financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.

Signature **JOAQUIN MIGUEL ESTRADA SUAREZ**
Chairman of the Board

Signature **IGNACIO ALEJANDRO MIJARES ELIZONDO**
President/Chief Executive Officer

Signature **STEVE KUANSHENG WU**
Treasurer/Chief Financial Officer

Signed this 2nd day of April 2019

APR 12 2019

SUBSCRIBED AND SWORN TO BEFORE ME THIS ____ AFFIANT EXHIBITING TO ME HIS/HER ____ AT MAKATI CITY ____ NO. ____ ISSUED ____ AT ____

ATTY. VIRGILIO R. BATALLA
NOTARY PUBLIC CITY OF MAKATI CITY
APPT NO. M-87 UNTIL DEC. 31, 2020

DOC. NO. 274
PAGE NO. 56
BOOK NO. 28
SERIES NO. 2019

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CERTIFICATE ON THE COMPILATION SERVICES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

I hereby certify that I am the Certified Public Accountant who performed the compilation services related to the preparation and presentation of financial information of an entity in accordance with an applicable financial reporting framework and reports as required by accounting and auditing standards for **CEMEX Holdings Philippines, Inc. And Subsidiaries** for the period ending **December 31, 2018**.

In discharging this responsibility, I hereby declare that:

_______ I, am the ____________________, of ______________.

___✓___ I, am the **Assistant Manager** of **Solid Cement Corporation** and was contracted to perform this service.

Furthermore, in my compilation services for preparation of the Financial Statements and notes to the Financial Statements, I was not assisted by or did not avail of the services of **R.G. Manabat & Co.** who is the external auditor who rendered the audit opinion for the said Financial Statements and notes to the Financial Statements

I hereby declare, under penalties of perjury and violation of the Revised Accountancy Law, that my statements are true and correct.

SIGNATURE OVER PRINTED NAME: **MELANIE C. LEGASPI**

PROFESSIONAL IDENTIFICATION CARD NUMBER 0074287
VALID UNTIL: January 17, 2020

ACCREDITATION NUMBER: 2016 - 3034
VALID UNTIL: January 17, 2020

APR 12 2019

SUBSCRIBED AND SWORN TO BEFORE ME THIS ________ AT MAKATI CITY ... EXHIBITED TO ME HIS/HER ______ NO. ______ ISSUED ______ AT ______

ATTY. VIRGILIO R. BATALLA
NOTARY PUBLIC FOR MAKATI CITY
APPT NO. M-37 UNTIL DEC. 31, 2020
ROLL OF ATTY NO. 48348
MCLE COMPLIANCE NO. V-0026676/4-11-2018
IBP O.R No.706762-LIFETIME MEMBER JAN. 29, 2007
PTR No. 7333020 JAN 03, 2019 MAKATI CITY
EXECUTIVE BLDG. CENTER MAKATI AVE., COR. JUPITER ST MAKATI CITY

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CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands)

	Note	December 31 2018	2017
ASSETS			
Current Assets			
Cash and cash equivalents	11, 21	P1,813,665	P1,058,267
Trade receivables - net	12, 21	708,906	833,259
Due from related parties	13, 21	30,326	26,386
Insurance claims and premium receivables	15, 21, 30	949,983	–
Other current accounts receivable	15, 21	73,070	74,616
Inventories	16	3,488,178	3,258,252
Derivative asset	21	12,875	–
Prepayments and other current assets	17	1,677,671	1,401,133
Total Current Assets		8,754,674	6,651,913
Noncurrent Assets			
Investment in an associate and other investments	14	14,097	15,407
Advances to contractors	18	2,069,601	–
Other assets and noncurrent accounts receivable	15, 21	818,247	716,700
Property, machinery and equipment - net	18	15,617,365	15,582,732
Deferred income tax assets - net	24	720,373	1,026,941
Goodwill	19	27,859,694	27,859,694
Total Noncurrent Assets		47,099,377	45,201,474
		P55,854,051	P51,853,387
LIABILITIES AND EQUITY			
Current Liabilities			
Trade payables		P4,934,535	P2,318,979
Due to related parties	13	2,683,051	2,273,404
Current portion of long-term bank loan	21, 23	140,123	140,123
Contract liabilities	6	375,224	–
Unearned revenue, other accounts payable and accrued expenses	20	1,882,169	2,108,767
Income tax payable		65,283	32,279
Total Current Liabilities		10,080,385	6,873,552
Noncurrent Liabilities			
Long-term bank loan - net of current portion	21, 23	13,488,728	13,600,475
Long-term payable to a related party	13, 21	2,520,914	1,073,635
Retirement benefit liability	13, 22	715,184	761,008
Deferred income tax liabilities - net	24	155,950	101,711
Other noncurrent liabilities		20,610	20,610
Total Noncurrent Liabilities		16,901,386	15,557,439
Total Liabilities		26,981,771	22,430,991
Stockholders' Equity			
Controlling interest:			
Common stock	25A	5,195,395	5,195,395
Additional paid-in capital		21,959,159	21,959,159
Other equity reserves	25B	589,907	199,929
Retained earnings	25E	1,127,626	2,067,692
Total controlling interest		28,872,087	29,422,175
Non-controlling interest	25C	193	221
Total Equity		28,872,280	29,422,396
		P55,854,051	P51,853,387

The accompanying notes are part of these consolidated financial statements.

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in Thousands, Except Per Share Data)

		Years Ended December 31		
	Note	**2018**	2017	2016
Revenue	*6*	**P23,417,697**	P21,784,450	P24,286,753
Costs of sales and services	*7*	**(14,307,126)**	(12,400,901)	(11,885,883)
GROSS PROFIT		**9,110,571**	9,383,549	12,400,870
Administrative and selling expenses	*7*	**(3,008,799)**	(3,079,349)	(3,493,594)
Distribution expenses	*8*	**(4,735,330)**	(4,317,633)	(3,961,636)
TOTAL OPERATING EXPENSES		**(7,744,129)**	(7,396,982)	(7,455,230)
OPERATING INCOME BEFORE OTHER EXPENSES - Net		**1,366,442**	1,986,567	4,945,640
Other expenses - net	*9*	**(42,653)**	(226,179)	(319,783)
OPERATING INCOME AFTER OTHER EXPENSES - Net		**1,323,789**	1,760,388	4,625,857
Financial expenses	*13, 23*	**(919,852)**	(858,449)	(1,236,021)
Foreign exchange loss - net		**(331,009)**	(66,738)	(1,379,892)
Other financial expenses - net	*10*	**(32,093)**	(36,846)	(32,734)
EARNINGS BEFORE INCOME TAX		**40,835**	798,355	1,977,210
Income tax expense	*24*	**(970,993)**	(139,544)	(563,744)
PROFIT (LOSS)		**(930,158)**	658,811	1,413,466
OTHER COMPREHENSIVE INCOME				
Item that will not be reclassified subsequently to profit or loss				
Gain on remeasurements on retirement benefit liability	22	**196,092**	106,474	16,046
Tax effect	24	**(58,782)**	(31,942)	(4,814)
		137,310	74,532	11,232
Items that will be reclassified subsequently to profit or loss				
Currency translation gain (loss) of foreign subsidiaries		**238,945**	(13,525)	90,898
Cash flow hedges - effective portion of changes in fair value		**(6,458)**	–	18,821
Cash flow hedges - reclassified to profit or loss		**–**	(6,805)	(12,016)
		232,487	(20,330)	97,703
TOTAL OTHER COMPREHENSIVE INCOME		**369,797**	54,202	108,935
TOTAL COMPREHENSIVE INCOME		**(560,361)**	713,013	1,522,401
Non-controlling interest comprehensive loss		**28**	25	24
CONTROLLING INTEREST IN CONSOLIDATED COMPREHENSIVE INCOME (LOSS)		**(P560,333)**	P713,038	P1,522,425
Basic/Diluted Earnings (Loss) Per Share	*26*	**(P0.18)**	P0.13	P0.50

The accompanying notes are part of these consolidated financial statements.

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Amounts in Thousands)

								Years Ended December 31
	Note	Common Stock	Additional Paid-in Capital	Other Equity Reserves	Retained Earnings (Deficit)	Total Controlling Interest	Non-controlling Interest	Total Equity
As at January 1, 2016		P9,400	P–	(P34)	(P4,634)	P4,732	P–	P4,732
Transactions with owners of the Company								
Issuance of capital stock	*25A*	5,185,995	22,794,798	–	–	27,980,793	–	27,980,793
Share issuance cost		–	(835,639)	–	–	(835,639)	–	(835,639)
Changes in non-controlling interest due to business combination	*25C*	–	–	–	–	–	270	270
Share-based compensation	*25D*	–	–	11,655	–	11,655	–	11,655
Total comprehensive income								
Profit for the year		–	–	–	1,413,490	1,413,490	(24)	1,413,466
Other comprehensive income for the year		–	–	108,935	–	108,935	–	108,935
		5,185,995	21,959,159	120,590	1,413,490	28,679,234	246	28,679,480
As at December 31, 2016		5,195,395	21,959,159	120,556	1,408,856	28,683,966	246	28,684,212
Transactions with owners of the Company								
Share-based compensation	*25D*	–	–	25,171	–	25,171	–	25,171
Total comprehensive income								
Profit for the year		–	–	–	658,836	658,836	(25)	658,811
Other comprehensive income for the year		–	–	54,202	–	54,202	–	54,202
		–	–	79,373	658,836	738,209	(25)	738,184
As at December 31, 2017		5,195,395	21,959,159	199,929	2,067,692	29,422,175	221	29,422,396
Adjustment on initial application of PFRS 9	*3A*	–	–	–	(10,088)	(10,088)	–	(10,088)
As at January 1, 2018, as restated		5,195,395	21,959,159	199,929	2,057,604	29,412,087	221	29,412,308
Transactions with owners of the Company								
Share-based compensation	*25D*	–	–	20,333	–	20,333	–	20,333
Total comprehensive loss								
Loss for the year		–	–	–	(930,130)	(930,130)	(28)	(930,158)
Other comprehensive income for the year		–	–	369,797		369,797	–	369,797
Other adjustment		–	–	(152)	152	–	–	–
		–	–	389,978	(929,978)	(540,000)	(28)	(540,028)
As at December 31, 2018		P5,195,395	P21,959,159	P589,907	P1,127,626	P28,872,087	P193	P28,872,280

The accompanying notes are part of these consolidated financial statements.

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in Thousands)

		Years Ended December 31		
	Note	**2018**	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss)		**(P930,158)**	P658,811	P1,413,466
Allocation for non-controlling interest		–	–	270
Adjustments for:				
Depreciation of property, machinery and equipment	*5*	**1,416,423**	1,269,233	1,221,272
Financial expenses, other financial expenses and for foreign exchange result		**1,028,777**	998,479	2,422,547
Income tax expense	*24*	**970,993**	139,544	563,744
Net provisions (reversal of provisions) during the year	*16, 20, 21, 22*	**144,535**	179,163	(165,732)
Stock-based compensation expense	*25*	**20,333**	25,171	11,655
Impairment loss on property, machinery and equipment	*9*	**3,669**	175,230	–
Loss (gain) on disposal of investments, asset held for sale, and property, machinery and equipment	*9, 17*	**(18,254)**	4,602	24,263
Loss from early extinguishment of debt	*9*	–	64,603	–
Operating profit before working capital changes		**2,636,318**	3,514,836	5,491,485
Net changes in operating assets and liabilities:				
Decrease (increase) in:				
Trade receivables		**99,415**	50,005	(92,357)
Due from related parties		**(3,940)**	164,187	(144,842)
Insurance claims and premium receivables	*15, 30*	**(949,983)**	–	–
Other current accounts receivable		**33,003**	53,679	(139,803)
Inventories		**(267,275)**	(722,775)	(297,353)
Prepayments and other current assets		**(432,593)**	(18,820)	502,805
Increase (decrease) in:				
Trade payables		**2,432,061**	(29,250)	(75,313)
Due to related parties		**(464,182)**	471,769	314,857
Contract liabilities		**(51,775)**	–	–
Unearned revenue, other accounts payable and accrued expenses		**130,874**	66,859	(232,738)
Cash generated from operations		**3,161,923**	3,550,490	5,326,741
Payment received from transferred retirement benefit liability	*22*	**88,525**	–	–
Interest received		**24,145**	3,034	8,570
Interest paid		**(803,713)**	(860,786)	(311,430)
Income taxes paid		**(500,196)**	(553,370)	(1,239,764)
Benefits paid to employees	*22*	**(45,720)**	(21,561)	(36,305)
Net cash provided by operating activities		**1,924,964**	2,117,807	3,747,812

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	Note	Years Ended December 31 2018	2017	2016
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of:				
Assets held for sale		**P73,083**	P–	P–
Investments in shares of stock		**17,832**	–	1,476,056
Property, machinery and equipment		**–**	15,280	1,102
Investment property		**–**	–	508,165
Advances to contractors	*18*	**(2,069,601)**	–	–
Additions to:				
Property, machinery and equipment	*18*	**(1,254,527)**	(1,148,213)	(722,210)
Investments in shares of stock	*14*	**(790)**	(134)	–
Decrease (increase) in other noncurrent assets		**(101,547)**	(396,211)	23,654
Acquisition of subsidiaries, net of cash acquired	*19*	**–**	–	(44,137,515)
Net cash used in investing activities		**(3,335,550)**	(1,529,278)	(42,850,748)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from:				
Long-term loan from related parties (net of transaction cost)	*13*	**2,279,121**	849,900	40,760,694
Bank loan drawdown (net of transaction cost)	*23*	**–**	13,831,596	–
Issuance of common stock (net of issuance cost)	*25A*	**–**	–	27,145,155
Payments of:				
Bank loan	*23*	**(140,123)**	(105,092)	–
Long-term payable to a related party	*13*	**–**	(15,458,475)	(27,439,418)
Net cash provided by (used in) financing activities		**2,138,998**	(882,071)	40,466,431
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**728,412**	(293,542)	1,363,495
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**26,986**	14,654	(31,262)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**1,058,267**	1,337,155	4,922
CASH AND CASH EQUIVALENTS AT END OF YEAR	*11*	**P1,813,665**	P1,058,267	P1,337,155

The accompanying notes are part of these consolidated financial statements

NOTE 1 - DESCRIPTION OF BUSINESS

CEMEX Holdings Philippines, Inc. (the "Parent Company"), a subsidiary of CEMEX Asian South East Corporation (CASEC), was incorporated as a stock corporation on September 17, 2015 under Philippine laws with a corporate life of fifty (50) years, primarily to invest in or purchase real or personal property; and to acquire and own, hold, use, sell, assign, transfer, mortgage all kinds of properties, such as shares of stock, bonds, debentures, notes, or other securities and obligations; provided that the Parent Company shall not engage either in the stock brokerage business or in the dealership of securities, and in the business of an open-end investment company as defined in Republic Act 2629, Investment Company Act.

CASEC was incorporated as a stock corporation on August 25, 2015 under Philippine laws.

On a consolidated group basis, the Parent Company is an indirect subsidiary of CEMEX, S.A.B. de C.V. (CEMEX), a company incorporated in Mexico with address of its principal executive office at Avenida Ricardo Margain Zozaya #325, Colonia Valle del Campestre, Garza Garcia, Nuevo León, Mexico.

The term "Parent Company" used in these accompanying notes to the consolidated financial statements refers to CEMEX Holdings Philippines, Inc. without its subsidiaries. The term "Company" refers to CEMEX Holdings Philippines, Inc., together with its consolidated subsidiaries.

On January 1, 2016, the Parent Company became the holding company of the consolidated entities, majority of whom are doing business in the Philippines. The Parent Company's two principal manufacturing subsidiaries, i.e., APO Cement Corporation (APO) and Solid Cement Corporation (Solid), are involved in the production, marketing, distribution and sale of cement and other cement products. APO and Solid are both stock corporations organized under the laws of the Philippines. The Parent Company holds APO directly and indirectly, through Edgewater Ventures Corporation and Triple Dime Holdings, Inc., whereas the Parent Company holds Solid and Solid's subsidiaries directly and indirectly, through Bedrock Holdings, Inc. and Sandstone Strategic Holdings, Inc. (see Note 29).

The Company also includes CEMEX Asia Research AG (CAR), a wholly-owned subsidiary incorporated in December 2015 under the laws of Switzerland. Pursuant to license agreements that CAR entered into with CEMEX Research Group AG (CRG) and CEMEX, respectively, CAR became a licensee for certain trademarks, including the CEMEX trademark, and other intangible assets forming part of the intellectual property portfolio owned and developed by CRG and CEMEX. CAR is engaged primarily in the development, maintenance and customization of these intangible assets for the Asia Region and it in turn provides non-exclusive licenses to Solid and APO to use the CEMEX trademark and other trademarks and intangible assets of CEMEX. CRG, an entity under common control of CEMEX, was organized under the laws of Switzerland. CRG develops and manages CEMEX's research and development initiatives.

In May 2016, the Parent Company incorporated a wholly-owned subsidiary named Falcon Re Ltd. (Falcon) under the Companies Act of Barbados. Falcon is registered to conduct general insurance business, all risk property insurance, political risks insurance and non-damage business interruption insurance, and received its license to operate as an insurance company in July 2016. Falcon acts as a re-insurer to the extent of 10% of the risks associated with the property insurance coverage and 100% of the risks associated with political violence and non-damage business interruption programs, professional liability program, and cyber risks for the operating subsidiaries of the Parent Company.

On June 30, 2016, the Philippine Securities and Exchange Commission (SEC) resolved to render effective the Registration Statement of the Parent Company and issued a Certificate of Permit to Offer Securities for Sale in favor of the Parent Company. On July 18, 2016, the Parent Company's initial public offering (IPO) of 2,337,927,954 common shares at P10.75 per share culminated with the listing and trading of shares of stocks under the Main Board of the Philippine Stock Exchange (PSE), resulting in an increase in capital stock of P2,337,928 and additional paid-in capital of P21,959,159, net of P835,639 transaction cost that is accounted for as a reduction in equity.

Based on the lists of stockholders registered with the stock transfer agent of the Parent Company, the Parent Company had 20 and 16 stockholders as at December 31, 2018 and 2017, respectively, with each of PCD Nominee Corporation (Filipino) and PCD Nominee Corporation (Non-Filipino) recorded as a stockholder.

The Parent Company's principal office is at 34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City, Philippines.

NOTE 2 - BASIS OF PREPARATION

A) STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRSs). PFRSs are based on International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB). PFRSs, which are issued by the Philippine Financial Reporting Standards Council (FRSC), consist of PFRSs, Philippine Accounting Standards (PASs), and Philippine Interpretations.

B) BASIS OF MEASUREMENT

The consolidated financial statements have been prepared on the historical cost basis of accounting, except for retirement benefit liability which is measured at the present value of the defined benefit obligation less the fair value of plan assets and derivative financial asset and equity investments at FVTPL and FVOCI that are measured at fair value.

C) DEFINITION OF TERMS

When reference is made to "P", it means Philippine Peso. Unless otherwise indicated, the Philippine Peso amounts in the consolidated financial statements and the accompanying notes are stated in thousands. When reference is made to "$" or dollar and "€" or euro, it means thousands of dollars of the United States of America (the "United States" or "U.S.") and euros of the European Union, respectively.

D) FUNCTIONAL AND PRESENTATION CURRENCY

The consolidated financial statements of the Company are presented in Philippine Peso, the functional currency of the Parent Company and each of its subsidiaries, except for Falcon and CAR whose functional currencies are both in U.S. dollar. All values are rounded to the nearest thousand, except when otherwise stated.

E) STATEMENTS OF COMPREHENSIVE INCOME

The line item "Other expenses - net" in the consolidated statements of comprehensive income consists primarily of income and expenses not directly related to the Company's main activity, or which are non-recurring in nature, such as impairment loss on property, machinery and equipment, reorganization expenses, back office and other support service and losses related to the landslide, among others.

F) STATEMENTS OF CASH FLOWS

The consolidated statements of cash flows present cash inflows and outflows, excluding unrealized foreign exchange result and the following that did not represent sources or uses of cash:

a) The increases in other equity reserves associated with CEMEX's Ordinary Participation Certificates (CPOs) granted in 2018, 2017 and 2016 as part of the executive's long-term share-based compensation programs for P20,333, P25,171 and P11,655, respectively, as described in Note 25D.

b) The Company capitalized decommissioning cost amounting to P5,805 in 2017. This capitalized cost pertains to its estimated cost of restoring the plant site at the end of its useful life.

c) The Company has incurred liability amounting to P163,200, P180,783 and P573,836, respectively, arising from the acquisition of various property, machinery and equipment in 2018, 2017 and 2016, respectively.

The accompanying consolidated financial statements were authorized for issue by the Board of Directors (BOD) on April 2, 2019.

(Amounts in Thousands, Except Number of Shares and Per Share Data)

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES

A) CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted have been applied consistently to all years presented in these consolidated financial statements, except for the following relevant new and amendments to standards and interpretation, which were adopted on January 1, 2018 and have been applied in preparing these consolidated financial statements. Except as otherwise indicated, the adoption of these amendments to standards did not have any significant impact on the Company's consolidated financial statements.

1. Adoption of New and Amendments to Standards and Interpretation

1.1 PFRS 9, *Financial Instruments* (2014)

PFRS 9 (2014) replaces PAS 39, *Financial Instruments: Recognition and Measurement,* and supersedes the previously published versions of PFRS 9 that introduced new classifications and measurement requirements (in 2009 and 2010) and a new hedge accounting model (in 2013).

PFRS 9 includes revised guidance on the classification and measurement of financial assets that reflects the business model in which assets are managed and their cash flow characteristics, including a new forward-looking expected credit loss (ECL) model for calculating impairment, and guidance on own credit risk on financial liabilities measured at fair value. PFRS 9 incorporates new hedge accounting requirements that present a major overhaul of hedge accounting and introduces significant improvements by aligning the accounting more closely with risk management.

Additionally, the Company has adopted consequential amendments to PFRS 7, *Financial Instruments: Disclosures,* that are applied to disclosures for 2018 but have not been generally applied to comparative information.

Impact of the Adoption of PFRS 9
Classification and Measurement. PFRS 9 contains three principal classification categories for financial assets: (1) measured at amortized cost; (2) measured at fair value through other comprehensive income (FVOCI); and (3) measured at fair value through profit or loss (FVTPL). The classification of financial assets under PFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. PFRS 9 eliminates the previous PAS 39 categories of held-to-maturity (HTM) investments, loans and receivables and available-for-sale (AFS) financial assets. For an explanation of how the Company classifies and measures financial instruments and accounts for related gains and losses under PFRS 9, see Note 3E.

The following table and the accompanying notes below explain the original measurement categories under PAS 39 and the new measurement categories under PFRS 9 for each class of the Company's financial assets as at January 1, 2018. The effect of adopting PFRS 9 on the carrying amounts of financial assets at January 1, 2018 relates solely to the new impairment requirements.

	Original classification under PAS 39	**New classification under PFRS 9**	Original carrying amount under PAS 39	**New carrying amount under PFRS 9**
Cash and cash equivalents	Loans and receivables	**Amortized cost**	P1,058,267	**P1,058,267**
Trade receivables	Loans and receivables	**Amortized cost**	833,259	**818,847**
Due from related parties	Loans and receivables	**Amortized cost**	26,386	**26,386**
Other current accounts receivable	Loans and receivables	**Amortized cost**	74,616	**74,616**
Long-term time and guaranty deposits*	Loans and receivables	**Amortized cost**	607,862	**607,862**
Equity investment**	AFS	**FVTPL - equity instrument**	2,100	**2,100**
Equity investments**	AFS	**FVOCI - equity instrument**	1,491	**1,491**
			P2,603,981	**P2,589,569**

**recognized under "Other assets and noncurrent accounts receivable" account*
***recognized under "Investment in an associate and other investments" account*

(Amounts in Thousands, Except Number of Shares and Per Share Data)

Financial assets that were previously classified as loans and receivables were all classified and measured at amortized cost as the Company intends to hold these assets to maturity to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding. Equity investments represent investments that the Company intends to hold for the long term for strategic purposes. As permitted by PFRS 9, the Company has designated its investment in golf club shares amounting to P2,100 at the date of initial application as measured at FVTPL. The remaining equity investments were designated as measured at FVOCI. Since these equity instruments do not have quoted market price in active market and the fair value cannot be reliably measured, these were measured at cost prior to the adoption of PFRS 9. However, the Company assessed that the fair value of these equity investments approximates their costs at the date of initial application.

The Company has not designated any financial liabilities as at FVTPL. There are no changes in classification and measurement of the Company's financial liabilities.

Impairment of Financial Assets. Under the new impairment model based on ECL, impairment losses resulting either from (1) possible default events within the twelve (12) months after the reporting date; or (2) all possible default events over the expected life of financial assets, are recognized on initial recognition, and at each subsequent reporting period, even in the absence of a credit event or if the loss has not yet been incurred, considering for their measurement past events and current conditions, as well as reasonable and supportable forecasts affecting collectability. The new impairment model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

The Company has determined that the application of PFRS 9's impairment requirements at January 1, 2018 results in additional allowance for impairment loss on trade receivables. The effects are detailed below:

		As reported as at December 31, 2017	Adjustments due to new impairment requirement by PFRS 9	Opening balance at January 1, 2018
Trade receivables - net	P	833,259	(14,412)	818,847
Deferred income tax assets - net		1,026,941	4,324	1,031,265
Retained earnings		2,067,692	(10,088)	2,057,604

The Company has assessed that the impact of providing ECL on other financial assets classified at amortized cost is immaterial, thus, no additional impairment loss is recognized. Additional information about how the Company measures the allowance for impairment on financial assets is described in Note 3E.

Hedge
In connection with hedge accounting under PFRS 9, among other changes, there is a relief for entities in performing: a) the retrospective effectiveness test at inception of the hedging relationship; and b) the requirement to maintain a prospective effectiveness ratio between 0.8 and 1.25 at each reporting date for purposes of sustaining the hedging designation, both are requirements of PAS 39. Under PFRS 9, a hedging relationship can be established to the extent the entity considers, based on the analysis of the overall characteristics of the hedging and hedged items, that the hedge will be highly effective in the future and the hedge relationship at inception is aligned with the entity's reported risk management strategy. PFRS 9 maintains the same hedge accounting categories of cash flow hedge, fair value hedge and hedge of a net investment established in PAS 39, as well as the requirement of recognizing the ineffective portion of a cash flow hedge immediately in profit or loss. The Company has no recognized hedging instrument as at the date of initial application, hence, the adoption of PFRS 9 has no impact on the balances as at January 1, 2018 in this regard.

Transition
Changes in accounting policies resulting from the adoption of PFRS 9 have been applied retrospectively, except as described below:

- The Company has used an exemption not to restate comparative information for prior periods with respect to classification and measurement (including impairment) requirements. Differences in the carrying amounts of financial assets resulting from the adoption of PFRS 9, if any, are recognized in retained earnings as at January 1, 2018. Accordingly, the information presented for 2017 does not generally reflect the requirements of PFRS 9, but rather those of PAS 39.

- The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application:
  - The determination of the business model within which a financial asset is held; and
  - The designation of certain investments in equity instruments not held for trading as at FVOCI.
- If an investment in a debt security has low credit risk at the date of initial application of PFRS 9, then the Company has assumed that the credit risk on the asset had not increased significantly since its initial recognition.

1.2 PFRS 15, *Revenue from Contracts with Customers*

PFRS 15 replaces PAS 11, *Construction Contracts*, PAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programmes*, IFRIC 18, *Transfer of Assets from Customers*, and SIC-31, *Revenue - Barter Transactions Involving Advertising Services.*

The new standard introduces a new and more comprehensive revenue recognition model for contracts with customers which specifies that revenue should be recognized when (or as) a company transfers control of goods or services to a customer at the amount to which the company expects to be entitled.

PFRS 15 requires a contract with a customer to be legally enforceable and to meet certain criteria to be within the scope of the standard and for the general model to apply. It introduces detailed guidance on identifying performance obligations which requires entities to determine whether promised goods or services are distinct. It also introduces detailed guidance on determining transaction price, including guidance on variable consideration and consideration payable to customers. The transaction price will then be generally allocated to each performance obligation in proportion to its stand-alone selling price. Depending on whether certain criteria are met, revenue is recognized over time, in a manner that best reflects the entity's performance, or at a point in time, when control of the goods or services is transferred to the customer.

The standard does not apply to insurance contracts, financial instruments or lease contracts, which fall in the scope of other PFRSs. It also does not apply if two companies in the same line of business exchange non-monetary assets to facilitate sales to other parties. Furthermore, if a contract with a customer is partly in the scope of another PFRSs, then the guidance on separation and measurement contained in the other PFRSs takes precedence.

The Company has adopted PFRS 15 using the cumulative effect method (without practical expedients) with the effect of initially applying this standard recognized at the date of initial application (i.e., January 1, 2018). Accordingly, the information presented for 2017 has not been restated - i.e., it is presented, as previously reported, under PAS 18, PAS 11 and related interpretations. Additionally, the disclosure requirements in PFRS 15 have not generally been applied to comparative information.

Sale of Goods
Under PAS 18, revenue was recognized when the goods were delivered to the customers' premises, which was taken to be at the time at which the customer accepts the goods and the related risks and rewards of ownership were transferred. Under PFRS 15, revenue is recognized when the control of the goods has transferred to the customer. Based on the management's assessment, the transfer of the control over the goods is at a point in time and coincides with its delivery and acceptance by the customer. The management assessed that the application of PFRS 15 did not result in a significant impact on the recognition of revenue from the sale of goods.

Customer Loyalty Programme
In previous accounting periods, the consideration received from the sale of goods was allocated to the points and the goods sold using the residual method. Under this method, a part of the consideration equalling the fair value of the points was allocated to the points and the residual part of the consideration was allocated to the goods. Under PFRS 15, the total consideration must be allocated to the points based on the relative stand-alone selling prices. Using this new method, the amounts allocated to the goods sold are, on average, higher than the amounts allocated than the residual value method. As a consequence, the amount of the contract liability recognized in relation to the customer loyalty programme is lower than the amount being recognized as unearned revenue under the previous policy. However, the changes did not result in significant impact on the consolidated financial statements of the Company.

Construction Contracts
Under PFRS 15, the Company's construction contracts qualify for an over-time revenue recognition as the performance obligations commonly pertain to construction of an asset on properties controlled by the customer. The management assessed that the impact on the measure of progress is not significant as the Company's current recognition policy recognizes construction revenue using the percentage-of-completion method on the basis of the actual cost incurred as a percentage of the estimated cost at completion of the contract and does not ordinarily result in material amounts of work-in-progress recorded as an asset. Contract revenue also includes the initial amount agreed in the contract plus any variations in contract work and claims, to the extent that it is probable that they will result in revenue and can be measured reliably. When variation is recognized, the measure of contract progress or contract price is revised and the cumulative contract position is reassessed at each reporting date. The practice is expected to remain similar when applying the contract modification guidance of PFRS 15, considering common contracts of the Company. Hence, the Company assessed that the application of PFRS 15 have no significant impact on its revenue recognition on construction contracts.

1.3 Classification and Measurement of Share-based Payment Transactions (Amendments to PFRS 2, *Share-based Payment*)

The amendments cover the following areas:

- *Measurement of cash-settled awards.* The amendments clarify that a cash-settled share-based payment is measured using the same approach as for equity-settled share-based payments - i.e. the modified grant date method.

- *Classification of awards settled net of tax withholdings.* The amendments introduce an exception stating that, for classification purposes, a share-based payment transaction with employees is accounted for as equity-settled if:

  - the terms of the arrangement permit or require a company to settle the transaction net by withholding a specified portion of the equity instruments to meet the statutory tax withholding requirement (the net settlement feature); and

  - the entire share-based payment transaction would otherwise be classified as equity-settled if there were no net settlement feature.

  The exception does not apply to equity instruments that the company withholds in excess of the employee's tax obligation associated with the share-based payment.

- *Modification of awards from cash-settled to equity settled.* The amendments clarify that when a share-based payment is modified from cash-settled to equity-settled, at modification date, the liability for the original cash-settled share-based payment is derecognized and the equity-settled share-based payment is measured at its fair value, recognized to the extent that the goods or services have been received up to that date. The difference between the carrying amount of the liability derecognized, and the amount recognized in equity, is recognized in profit or loss immediately.

1.4 *Annual Improvements to PFRSs 2014 - 2016 Cycle*

This cycle of improvements contains amendments to three standards. Following is the relevant improvements or amendments to PFRSs effective for annual periods beginning on or after January 1, 2018:

- Measuring an associate or joint venture at fair value (Amendments to PAS 28, *Investments in Associates and Joint Ventures*). The amendments provide that a venture capital organization, or other qualifying entity, may elect to measure its investments in an associate or joint venture at fair value through profit or loss. This election can be made on an investment-by-investment basis. The amendments also provide that a non-investment entity investor may elect to retain the fair value accounting applied by an investment entity associate or investment entity joint venture to its subsidiaries. This election can be made separately for each investment entity associate or joint venture. The amendments are applied retrospectively, with early application permitted.

(Amounts in Thousands, Except Number of Shares and Per Share Data)

1.5 Philippine Interpretation IFRIC-22, *Foreign Currency Transactions and Advance Consideration*

The interpretation clarifies that the transaction date to be used for translation for foreign currency transactions involving an advance payment or receipt is the date on which the entity initially recognizes the prepayment or deferred income arising from the advance consideration. For transactions involving multiple payments or receipts, each payment or receipt gives rise to a separate transaction date. The interpretation applies when an entity pays or receives consideration in a foreign currency and recognizes a non-monetary asset or liability before recognizing the related item.

2. Standards Issued But Not Yet Adopted

A number of new standards and amendments to standards are effective for annual periods beginning after January 1, 2018. However, the Company has not early adopted the following new or amended standards in preparing these consolidated financial statements. Unless otherwise stated, none of these are expected to have a significant impact on the Company's consolidated financial statements. The Company will adopt the following new and amendments to standards in their respective effective dates.

2.1 Effective January 1, 2019

a) PFRS 16, Leases, supersedes PAS 17, *Leases,* and the related Philippine Interpretations. The new standard introduces a single lease accounting model for lessees under which all major leases are recognized on-balance sheet, removing the lease classification test. Lease accounting for lessors essentially remains unchanged except for a number of details including the application of the new lease definition, new sale-and-leaseback guidance, new sub-lease guidance and new disclosure requirements.

Practical expedients and targeted reliefs were introduced including an optional lessee exemption for short-term leases (leases with a term of 12 months or less) and low-value items, as well as the permission of portfolio-level accounting instead of applying the requirements to individual leases. New estimates and judgmental thresholds that affect the identification, classification and measurement of lease transactions, as well as requirements to reassess certain key estimates and judgments at each reporting date were introduced.

PFRS 16 is effective for annual periods beginning on or after January 1, 2019 with several transition approaches and individual options and practical expedients that can be elected independently for each other. Earlier application is permitted for entities that apply PFRS 15 at or before the date of initial application of PFRS 16.

As at December 31, 2018, by means of analyses of its outstanding lease contracts and other contracts that may have embedded the use of an asset and the assessment of the most relevant characteristics of such contracts (types of assets, committed payments, maturity dates, renewal clauses, etc.), the Company has substantially concluded the inventory and measurement of its leases for purposes of adopting PFRS 16 and is on its final review. Moreover, the Company has defined its accounting policy under PFRS 16 and will apply the recognition exemptions for short-term leases and low-value assets, as well as the practical expedient not to separate the non-lease component from the lease component included in the same contract. The Company will adopt PFRS 16 using the full retrospective approach pursuant to which prior periods will be restated. Upon adoption of PFRS 16, the Company has determined the impact of adjustments on the following dates:

Opening Balance at January 1, 2018

Consolidated Statement of Financial Position		As reported as at December 31, 2017	Adjustments due to adoption of PFRS 16	Opening balance at January 1, 2018
Assets for the right-of-use	P	-	1,035,445	1,035,445
Lease liabilities		-	1,144,631	1,144,631
Deferred income tax assets - net		1,026,941	32,756	1,059,697
Retained earnings		2,067,692	(76,430)	1,991,262

(Amounts in Thousands, Except Number of Shares and Per Share Data)

For the year ended December 31, 2017

Consolidated Statement of Comprehensive Income		As reported for the year ended December 31, 2017	Adjustments due to adoption of PFRS 16	As adjusted for the year ended December 31, 2017
Costs of sales and services	P	12,400,901	(239)	12,400,662
Operating expenses		7,396,982	(64,089)	7,332,843
Financial expense		858,449	68,588	927,037
Foreign exchange loss - net		66,738	4,114	70,852
Income tax expense		139,544	(2,512)	137,032

As at and for the year ended December 31, 2018

Consolidated Statement of Financial Position		As reported as at December 31, 2018	Adjustments due to adoption of PFRS 16	As adjusted as at December 31, 2018
Assets for the right-of-use	P	-	1,042,503	1,042,503
Lease liabilities		-	1,188,832	1,188,832
Deferred income tax assets - net		720,373	43,842	764,215
Retained earnings		1,127,626	(102,487)	1,025,139

Consolidated Statement of Comprehensive Income		As reported for the year ended December 31, 2018	Adjustments due to adoption of PFRS 16	As adjusted for the year ended December 31, 2018
Costs of sales and services	P	14,307,126	(243)	14,306,883
Operating expenses		7,744,129	(90,519)	7,653,610
Financial expense		919,852	77,471	997,323
Foreign exchange loss - net		331,009	50,434	381,443
Income tax expense		970,993	(11,086)	959,907

b) Philippine Interpretation IFRIC-23, Uncertainty over Income Tax Treatments, clarifies how to apply the recognition and measurement requirements in PAS 12, *Income Taxes,* when there is uncertainty over income tax treatments. Under the interpretation, whether the amounts recorded in the financial statements will differ to that in the tax return, and whether the uncertainty is disclosed or reflected in the measurement, depends on whether it is probable that the tax authority will accept the Company's chosen tax treatment. If it is not probable that the tax authority will accept the Company's chosen tax treatment, the uncertainty is reflected using the measure that provides the better prediction of the resolution of the uncertainty – either the most likely amount or the expected value.

The interpretation also requires the reassessment of judgements and estimates applied if facts and circumstances change - e.g., as a result of examination or action by tax authorities, following changes in tax rules or when a tax authority's right to challenge a treatment expires.

The interpretation is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted. The interpretation can be initially applied retrospectively applying PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*, if possible without the use of hindsight, or retrospectively with cumulative effect recognized at the date of initial application without restating comparative information. The Company is currently assessing the potential impact on its consolidated financial statements resulting from the application of this interpretation.

c) Prepayment Features with Negative Compensation (Amendments to PFRS 9). The amendments cover the following areas:

- *Prepayment features with negative compensation.* The amendment clarifies that a financial asset with a prepayment feature could be eligible for measurement at amortized cost or FVOCI irrespective of the event or circumstance that causes the early termination of the contract, which may be within or beyond the control of the parties, and a party may either pay or receive reasonable compensation for that early termination.

  The amendment is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted. Retrospective application is required, subject to relevant transitional reliefs.

- *Modification of financial liabilities.* The amendment to the Basis for Conclusions on PFRS 9 clarifies that the standard provide an adequate basis for an entity to account for modifications and exchanges of financial liabilities that do not result in derecognition and the treatment is consistent with the requirements for adjusting the gross carrying amount of a financial asset when a modification does not result in the derecognition of the financial asset - i.e., the amortized cost of the modified financial liability is recalculated by discounting the modified contractual cash flows using the original effective interest rate and any adjustment is recognized in profit or loss.

  If the initial application of PFRS 9 results in a change in accounting policy for these modifications or exchanges, then retrospective application is required, subject to relevant transition reliefs.

d) Long-term Interests in Associates and Joint Ventures (Amendments to PAS 28). The amendment requires the application of PFRS 9 to other financial instruments in an associate or joint venture to which the equity method is not applied. These include long-term interests (LTIs) that, in substance, form part of the entity's net investment in an associate or joint venture.

The amendment explains the annual sequence in which PFRS 9 and PAS 28 are to be applied. In effect, PFRS 9 is first applied ignoring any prior years' PAS 28 loss absorption. If necessary, prior years' PAS 28 loss allocation is trued-up in the current year which may involve recognizing more prior years' losses, reversing these losses or re-allocating them between different LTI instruments. Any current year PAS 28 losses are allocated to the extent that the remaining LTI balance allows and any current year PAS 28 profits reverse any unrecognized prior years' losses and then allocations against LTI.

The amendment is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted. Retrospective application is required, subject to relevant transitional reliefs.

e) Plan Amendment, Curtailment or Settlement (Amendments to PAS 19, Employee Benefits). The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, an entity now uses updated actuarial assumptions to determine its current service cost and net interest for the period. The effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income (OCI).

The amendments apply for plan amendments, curtailments or settlements that occur on or after the beginning of the first annual reporting period that begins on or after January 1, 2019. Earlier application is permitted.

f) Annual Improvements to PFRSs 2015 - 2017 Cycle. This cycle of improvements contains amendments to four standards. The following are the improvements relevant to the Company:

- *Income tax consequences of payments on financial instruments classified as equity (Amendments to PAS 12).* The amendments clarify that all income tax consequences of dividends, including payments on financial instruments classified as equity, are recognized consistently with the transactions that generated the distributable profits, i.e., in profit or loss, OCI or equity.

  The amendments are effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted. When an entity first applies those amendments, it shall apply them to the income tax consequences of dividends recognized on or after the beginning of the earliest comparative period.

- *Borrowing costs eligible for capitalization (Amendments to PAS 23, Borrowing Costs).* The amendments clarify that the general borrowings pool used to calculate eligible borrowing costs excludes only borrowings that specifically finance qualifying assets that are still under development or construction. Borrowings that were intended to specifically finance qualifying assets that are now ready for their intended use or sale are included in that general pool.

  The amendments are effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted. The amendments are applied to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies the amendments.

2.2 Effective January 1, 2020

a) Amendments to References to Conceptual Framework in PFRS Standards sets out amendments to PFRS Standards, their accompanying documents and PFRS practice statements to reflect the issuance of the revised Conceptual Framework for Financial Reporting in 2018 (2018 Conceptual Framework). The 2018 Conceptual Framework includes:

- a new chapter on measurement;
- guidance on reporting financial performance;
- improved definitions of an asset and a liability, and guidance supporting these definitions; and
- clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting.

Some Standards, their accompanying documents and PFRS practice statements contain references to, or quotations from, the International Accounting Standards Committee (IASC)'s Framework for the Preparation and Presentation of Financial Statements adopted by the IASB in 2001 or the Conceptual Framework for Financial Reporting issued in 2010. The amendments update some of those references and quotations so that they refer to the 2018 Conceptual Framework, and makes other amendments to clarify which version of the Conceptual Framework is referred to in particular documents.

These amendments are effective for annual reporting periods beginning on or after January 1, 2020.

b) Definition of Material (Amendments to PAS 1, Presentation of Financial Statements and PAS 8). The amendments refine the definition of material. The amended definition of material states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The amendments clarify the definition of material and its application by:

- raising the threshold at which information becomes material by replacing the term 'could influence' with 'could reasonably be expected to influence;
- including the concept of 'obscuring information' alongside the concept of 'omitting' and 'misstating' information in the definition;
- clarifying that the users to which the definition refers are the primary users of general purpose financial statements referred to in the Conceptual Framework;
- clarifying the explanatory paragraphs accompanying the definition; and
- aligning the wording of the definition of material across PFRS Standards and other publications.

The amendments are expected to help entities make better materiality judgments without substantively changing existing requirements.

The amendments apply prospectively for annual periods beginning on or after January 1, 2020. Earlier application is permitted.

2.3 Deferral of the local implementation of Amendments to PFRS 10, *Consolidated Financial Statements* and PAS 28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The amendments address an inconsistency between the requirements in PFRS 10 and in PAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The amendments require that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

Originally, the amendments apply prospectively for annual periods beginning on or after January 1, 2016 with early adoption permitted. However, on January 13, 2016, the FRSC decided to postpone the effective date of these amendments until the IASB has completed its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

B) PRINCIPLES OF CONSOLIDATION

The consolidated financial statements includes those of the Parent Company and those of the subsidiaries in which the Parent Company exercises control (see Note 29), by means of which the Parent Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. In assessing control, potential voting rights that are presently exercisable or convertible are taken into account. Among other factors, control is evidenced when the Parent Company: a) holds directly or through subsidiaries, more than 50% of an entity's common stock; or b) has the power, directly or indirectly, to govern the administrative, financial and operating policies of an entity.

When the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Company's voting rights and potential voting rights.

The financial statements of the subsidiaries are included in the consolidated financial statements from the date when the Company obtains control and continue to be consolidated until the date that such control ceases.

The consolidated financial statements of the Company are prepared for the same reporting period as the Parent Company, using uniform accounting policies for like transactions and other events in similar circumstances. Non-controlling interest is the equity in a subsidiary not attributable, directly or indirectly, to a parent. It is measured at its proportionate share of the acquiree's identifiable net assets at the acquisition date. Changes in the Parent Company's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the Company.

If the Company loses control over a subsidiary, it:

- derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- derecognizes the carrying amount of any non-controlling interest;
- derecognizes the related OCI recorded in equity and recycles the same to profit or loss or retained earnings;
- recognizes the fair value of the consideration received;
- recognizes the fair value of any investment retained; and
- recognizes any surplus or deficit in profit or loss in the consolidated statements of comprehensive income.

The Company has P193 and P221 non-controlling interest as at December 31, 2018 and 2017, respectively (see Note 25C).

All intragroup transactions, balances and income and expenses are eliminated in consolidation. Each subsidiary is a legally responsible separate entity and maintains custody of its own financial resources.

C) USE OF JUDGMENTS, ESTIMATES AND CRITICAL ASSUMPTIONS

The preparation of consolidated financial statements in accordance with PFRSs requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, as well as the reported amounts of revenues and expenses during the period. These assumptions are reviewed on an ongoing basis using available information. Actual results could differ from these estimates.

Judgments
In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, that have the most significant effect on the amounts recognized in the consolidated financial statements:

Determining Functional Currency

PAS 21, *The Effects of Changes in Foreign Exchange Rates*, requires the management to use its judgment to determine an entity's functional currency such that it most faithfully represents the economic effects of the underlying transactions, events and conditions that are relevant to the entity. In making this judgment, each of the consolidated entities in the Company considers the following:

a) The currency that mainly influences sales prices for financial instruments and services (this will often be the currency in which sales prices for its financial instruments and services are denominated and settled);
b) The currency in which funds from financing activities are generated; and
c) The currency in which receipts from operating activities are usually retained.

In case of a subsidiary, the principal consideration of management is whether it is an extension of the Parent Company and performing the functions of the Parent Company - i.e., whether its role is simply to hold the investment in, or provide finance to, the foreign operation on behalf of the Parent Company or whether its functions are essentially an extension of a local operation (e.g., performing selling, payroll or similar activities for that operation) or indeed it is undertaking activities on its own account. In the former case, the functional currency of the entity is the same with that of the Parent Company; while in the latter case, the functional currency of the entity would be assessed separately.

Determining Whether the Company has Control over its Investee Companies

The Parent Company uses judgment in determining control over its investee companies. The Parent Company controls the entity when it is exposed, or has rights, to variable returns from its involvement with the investee; has the ability to affect those returns through its power over the investee; and there is a link between power and returns. Thus, the principle of control sets out the following three elements of control:

- power over the relevant activities of the investee;
- exposure, or rights, to variable returns from involvement with the investee; and
- the ability to use power over the investee to affect the amount of the investor's returns.

The Parent Company assessed that it has control over its investee companies disclosed in Note 29 and treats these investee companies as its subsidiaries.

Determining Whether an Arrangement Contains a Lease

The Company uses its judgment in determining whether an arrangement contains a lease, based on the substance of the arrangement at inception date and makes an assessment of whether it is dependent on the use of a specific asset or assets and conveys a right to use the asset.

Leases

The Company has entered into various lease arrangements as lessee. The Company has determined that the lessor retains all significant risks and rewards of ownership of these properties which are leased out under operating lease agreements.

Determining Whether the Company is Acting as a Principal or an Agent

Determining whether an entity is acting as a principal or as an agent depends on certain facts and circumstances and requires judgment by management. Features that, individually or in combination, indicate that an entity is acting as a principal include:

- the entity is primarily responsible for fulfilling the promise to provide the specified good or service;
- the entity has inventory risk before the specified good or service has been transferred to a customer or after transfer of control to the customer; and
- the entity has discretion in establishing the price for the specified good or service.

An entity is acting as a principal if it controls the promised goods or services before transferring them to the customer. The Company assessed that it is acting as principal on all of its revenue transactions.

Classifying Financial Instruments

The Company exercises judgment in classifying a financial instrument, or its component parts, on initial recognition as either a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification in the consolidated statements of financial position.

In addition, classification of financial assets depends on the results of the solely payments of principal and interest test and the business model test. The Company determines the business model at the level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including the risks that affect the performance of the assets and how these are managed. The Company monitors financial assets measured at amortized cost or FVOCI to understand the reason for any disposal prior to maturity and determine whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Financial assets are classified as financial assets at amortized cost or at FVTPL, debt investments at FVOCI and equity investment at FVOCI. Financial liabilities, on the other hand, are classified as either financial liabilities at FVTPL or other financial liabilities.

Distinction between Held for Sale and Owner-Occupied Property

The Company determines whether a property qualifies as held for sale. In making its judgment, the Company considers whether the property is not occupied substantially for use by, or in operations by the Company, but is expected to be recovered through sale. Owner-occupied properties generate cash flows that are attributable not only to the property, but also to the other assets used in the production or supply process.

The Company assessed that its machinery and equipment which were previously being used for concrete operations, its marine vessels, and other machinery and equipment qualify as "assets held for sale" as at December 31, 2017 (see Note 17).

Assessing Whether the Insurance Contract with the Third Party Insurer and Reinsurance Contract of Falcon are Linked Transactions

The Company, through Solid and APO, insures certain risks with a third party insurer in which Falcon takes some of the risk back into the Company. It was assessed that the insurance transactions between the third party insurer and Solid and APO are interdependent with the reinsurance transaction to Falcon. Since Falcon does not have the regulatory approval required to issue direct insurance contract to Philippine entities, the third party insurer acts as a conduit for Falcon, the captive insurer. This makes the transactions, in substance, form a single arrangement that achieves an overall commercial effect of self-insurance. In addition, the reinsurance contract by Falcon were entered in contemplation of the insurance contracts entered by Solid and APO with the third party insurer. Thus, the insurance expense of Solid and APO and revenue from insurance contracts of Falcon were offset during consolidation.

Assessing Whether the Business Combination Transaction has Commercial Substance

PFRS 3, *Business Combinations*, does not include in its scope transactions among entities under common control. The Company assesses whether a business combination transaction of the Parent Company has commercial substance pursuant to the Company's accounting policy discussed in Note 3K. Since the Parent Company's acquisition of the entities comprising the Philippine operations was undertaken as an integral part of its IPO, the Company assessed such transaction as having commercial substance. Hence, the Company accounted for such business combination transaction using acquisition method of accounting.

Estimates and Assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty as at reporting date that have the most significant risk of resulting in a material adjustment to the carrying amounts of assets, liabilities and equity within the next financial year are as follows:

Impairment of Trade Receivables

In 2018, the loss allowances for trade receivables are based on assumptions about risk of default and ECL rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. Details of key assumptions and inputs and other information about the Company's ECL are disclosed in Note 21. As at December 31, 2018, the carrying amount of trade receivables amounted to P708,906.

Impairment of Goodwill

The Company performed its annual impairment test on its goodwill as at the reporting date. The recoverable amount of goodwill was determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The assumptions that were applied to the cash flow projections are disclosed in Note 19 to the consolidated financial statements. The following bases were used to develop the assumptions used in computing value-in-use, among others:

Growth rate estimates - growth rates were based on experiences and strategies developed for the various subsidiaries. The prospect for the industry was also considered in estimating the growth rates.

Discount rates - discount rates were estimated based on the industry weighted average cost of capital, which includes the cost of equity and debt after considering the gearing ratio.

Calculated value-in-use for goodwill impairment testing is most sensitive to changes in discount rate and terminal growth rate. The carrying amount of goodwill as at December 31, 2018 and 2017 amounted to P27,859,694. No impairment on goodwill has been recognized in 2018 and 2017.

Estimating Realizability of Deferred Income Tax Assets

The Company reviews its deferred income tax assets at each reporting date and reduces the deferred income tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. The deferred income tax assets include an amount which relates to the carried forward tax losses of the Parent Company and its local subsidiaries (see Note 24B). The Parent Company has incurred the tax losses over the last three years. They relate mainly to the expenses incurred by the Parent Company during the IPO, interest expenses and realized foreign exchange loss during its loan refinancing. These carried forward tax losses have an expiration of three years from the taxable year when such tax losses were incurred. The foreign subsidiaries are expected to generate profit in the succeeding years which will be available for dividend declaration to the Parent Company and will eventually form part of the Parent Company's taxable income in which the said carried forward tax losses may be applied. However, the Company has concluded that they will only benefit from a portion of the said tax losses before they eventually expire. The assessment was based on the level of estimated profit that the foreign subsidiaries will generate in the subsequent years which is based on their past results and future expectations of revenues and expenses. For the carried forward tax losses of the local subsidiaries, deferred income tax assets were recognized only up to the extent of forecasted taxable income in subsequent periods. Each forecast was based on the subsidiaries' past results and future expectations of revenue and expenses. As at December 31, 2018 and 2017, net deferred income tax assets amounted to P720,373 and P1,026,941, respectively (see Note 24B). The Company has unrecognized deferred income tax assets in respect of its net operating loss carryover (NOLCO) and deductible temporary differences amounting to P4,383,832 and P2,646,805 as at December 31, 2018 and 2017, respectively, which mostly pertain to NOLCO. The outcomes within the next financial year with respect to the results of operations of the foreign and local subsidiaries that are different from the assumption could require a material adjustment to the carrying amount of the Company's deferred income tax assets.

Assessing the Probability of an Outflow from Legal Proceedings

Pending legal cases are reviewed continuously to assess whether an outflow of resources has become probable. If the recognition criteria in the Company's policy (see Note 3M) are met, then the liability is recognized in the consolidated statements of financial position in the period in which the probability occurs. Further information about the Company's assessment on its legal proceedings are disclosed on Notes 28 and 30.

D) FOREIGN CURRENCY

Foreign Currency Transactions

Transactions in foreign currencies are translated into the respective functional currencies of each of the consolidated entities in the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities that are denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss.

However, foreign currency differences arising from the transaction of the following items are recognized in OCI:

- FVOCI/available-for-sale equity investments (except on impairment on available-for-sale equity investments, in which case foreign currency differences that have been recognized in OCI are reclassified to profit or loss); and
- qualifying cash flow hedges to the extent that the hedges are effective.

Foreign currency gains and losses are reported on a net basis. During the period, there was no hyperinflationary economy, which is generally considered to exist when the cumulative inflation rate over the last three years is approaching, or exceeds 100%. In a hyperinflationary economy, the accounts of the entity's income statements should be restated to constant amounts as at the reporting date.

Foreign Operation

The assets and liabilities of foreign operation with functional currency other than the Philippine peso are translated into Philippine peso at the exchange rates at the reporting date. The income, expenses and cash flows of foreign operations are translated into Philippine peso at the monthly weighted average exchange rates for the period. Capital transactions of the foreign operations are translated to Philippine Peso at the exchange rates at the dates of the relevant transactions. Foreign currency differences are recognized in OCI and accumulated in "Other equity reserves" account in equity, except to the extent that the translation difference is allocated to the non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control is lost, the cumulative amount in the "Other equity reserves" account in the consolidated statements of comprehensive income related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Company disposes of part of its interest in a subsidiary but retains control, the relevant proportion of the cumulative amount is reattributed to non-controlling interest.

E) FINANCIAL INSTRUMENTS

Recognition and Initial Measurement
Financial instruments within the scope of PFRS 9 are recognized in the consolidated statements of financial position when the Company becomes a party to the contractual provisions of the instrument. In the case of a regular way purchase or sale of financial assets, recognition and derecognition, as applicable, is done using trade date accounting.

A financial asset (unless it is a receivable without a financing component) or financial liability is initially measured at fair value. Except for financial instruments classified or designated at FVTPL, the initial measurement of financial assets includes directly attributable transaction costs. A receivable without a significant financing component is initially measured at the transaction price.

Classification and Subsequent Measurement
(Financial assets - Policy applicable from January 1, 2018)
The Company determines the classification of its financial assets on initial recognition. The Company classifies its financial assets into the following categories: financial assets at amortized cost, financial assets at FVTPL, debt investments at FVOCI and equity investments at FVOCI. The classification depends on the Company's business model for managing financial instruments and the contractual cash flow characteristics of the financial instruments. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

As at December 31, 2018, the Company has no debt investments at FVOCI.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Impairment losses on trade receivables are recognized under selling expenses. Any gain or loss on derecognition is recognized in profit or loss. Financial assets at amortized cost are classified as current assets if maturity is within 12 months from the reporting date. Otherwise, these are classified as noncurrent assets.

The Company's cash and cash equivalents, trade receivables, due from related parties, insurance claims and premium receivables, other current accounts receivable and noncurrent accounts receivable are included in this category.

Cash equivalents are mainly represented by short-term investments of high liquidity, which are easily convertible into cash, and which are not subject to significant risks of changes in their values, including overnight investments, which yield fixed returns and have maturities of less than three months from the investment date. Cash and cash equivalents exclude those which are restricted from Company's use in operations. Cash and cash equivalents are stated at face value which includes accrued interest. Interest income accruing from cash and cash equivalents are recognized as part of "Other financial expenses - net" account in the consolidated statements of comprehensive income.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss. Included in this category is the Company's other investments.

All financial assets not classified and measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business Model Assessment
The Company makes an assessment of the objective of the business model in which a financial asset is held at portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the standard policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets; and
- the frequency, volume and timing of sales of financial assets in prior period, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Assessment Whether Contractual Cash Flows are Solely Payments of Principal and Interest
For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g., non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

(Financial assets - Policy applicable before January 1, 2018)
The Company classifies its financial assets into the following categories: financial assets at FVTPL, HTM investments, AFS financial assets and loans and receivables. The classification depends on the purpose for which the investments were acquired and whether they are quoted in an active market. Management determines the classification of its investments at initial recognition and, where allowed and appropriate, re-evaluates such designation at every reporting date.

As at December 31, 2017, the Company has no financial assets and financial liabilities at FVPL and HTM investments.

Loans and receivables are measured at amortized cost using the effective interest method, less impairment losses. The Company's cash and cash equivalents, trade receivables, due from related parties, other current accounts receivable and long-term time and guaranty deposits (under "Other assets and noncurrent accounts receivable" account in the consolidated statements of financial position) were included in this category.

AFS financial assets are non-derivative financial assets that are designated in this category or are not classified in any of the other categories. They are purchased and held indefinitely, and may be sold in response to liquidity requirements of changes in market conditions. AFS financial assets are generally measured at fair value and changes therein, other than impairment losses, interest income and foreign currency differences on debt instruments, were recognized in OCI and accumulated in the fair value reserve within equity. AFS financial assets that do not have quoted market price in active market and whose fair value cannot be measured reliably are measured at cost. When these assets were derecognized, the gain or loss accumulated in equity was reclassified to profit or loss. Included in this category was the Company's other investments.

Classification and Subsequent Measurement - Financial Liabilities
Trade payables, due to related parties, other accounts payable and accrued expenses (excluding advances from customers and liabilities covered by other PFRSs, such as statutory liabilities), long-term payable to a related party and bank loan, are recognized initially at fair value, less directly attributable transaction cost and subsequently measured at their amortized cost. Interest accrued on financial instruments is recognized in the consolidated statements of financial position within "Unearned revenue, other accounts payable and accrued expenses", "Long-term payable to a related party" or "Bank loan" against financial expenses. As at December 31, 2018 and 2017, the Company did not have financial liabilities classified as at FVTPL, or associated to fair value hedge strategies with derivative financial instruments. Direct costs incurred in debt issuances or borrowings are deducted from the fair value of the financial liability at initial recognition and amortized as interest expense as part of the effective interest rate of each transaction over its maturity. When a loan is repaid, the related unamortized debt issuance costs at the date of repayment are charged against profit or loss.

Derivative Financial Instruments and Hedge Accounting

(Policy applicable from January 1, 2018)
Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss. The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in commodity prices. At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other. To qualify for hedge accounting the hedging relationship must comply with the strict requirements such as the eligibility of both the hedging instrument and hedged item must have formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge, and the hedging relationship has to meet the following hedge accounting requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item. However, that designation shall not reflect an imbalance between the weightings of the hedged item and the hedging instrument that would create hedge ineffectiveness (irrespective of whether recognised or not) that could result in an accounting outcome that would be inconsistent with the purpose of hedge accounting.

Cash flow hedges
When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognized in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in profit or loss.

The Company designates only the change in fair value of the intrinsic value of the purchased option contract as the hedging instrument in cash flow hedging relationships. The change in fair value of the time value ('forward points') of the purchased option contract is separately accounted for as a cost of hedging and recognized in costs of hedging reserve within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item, such as inventory, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognized.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

(Policy applicable before January 1, 2018)
The policy applied in the comparative information presented for 2017 is similar to that applied for 2018. However, for all cash flow hedges, including hedges of transactions resulting in the recognition of non-financial items, and the amounts accumulated in the cash flow hedge reserve were reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affected profit or loss. Furthermore, for cash flow hedges that were terminated before 2017, forward points were recognized immediately in profit or loss.

'Day 1' Profit

Where the transaction price in a non-active market is different from the fair value of other observable current market transactions of the same instrument or based on a valuation technique whose variables include only data from observable market, the Company recognizes the difference between the transaction price and fair value (a 'Day 1' profit) in profit or loss. In cases where no observable data are used, the difference between the transaction price and model value is only recognized in profit or loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Company determines the appropriate method of recognizing the 'Day 1' profit amount.

Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount presented in the consolidated statements of financial position when, and only when, the Company has an enforceable legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements and the related assets and liabilities are presented gross in the consolidated statements of financial position.

Derecognition of Financial Instruments

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the financial asset have expired;
- the Company retains the right to receive cash flows from the financial asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Company has transferred its rights to receive cash flows from the financial asset and either: (a) has transferred substantially all the risks and rewards of the financial asset; or (b) has neither transferred nor retained substantially all the risks and rewards of the financial asset, but has transferred control of the financial asset.

When the Company has transferred its rights to receive cash flows from a financial asset or has entered into a 'pass-through' arrangement, and has neither transferred nor retained substantially all the risks and rewards of the financial asset nor transferred control of the financial asset, the financial asset is recognized to the extent of the Company's continuing involvement in the financial asset. Continuing involvement that takes the form of a guarantee over the transferred financial asset is measured at the lower of the original carrying amount of the financial asset and the maximum amount of consideration that the Company could be required to repay.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired. The difference between the carrying amount of financial liability (or part of a financial liability) extinguished and the consideration paid is recognized in profit or loss. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the carrying amount of the original liability and the recognition of a new liability at fair value, and any resulting difference in the respective carrying amounts is recognized in profit or loss.

F) BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The Company discloses balances and transactions with related parties. These balances and transactions resulted primarily from: i) the sale and purchase of goods and equipment between related parties; ii) the invoicing of administrative services, rentals, royalties and other services rendered between related parties; and iii) loans and advances between related parties.

G) INVENTORIES

Inventories are valued using the lower of their acquisition cost and net realizable value (NRV). The cost of inventories is based on the moving average method and includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. NRV of inventories, other than spare parts, is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The NRV of spare parts is the replacement cost. The Company analyzes its inventory balances to determine if, as a result of internal events, such as physical damage, or external events, such as technological changes or market conditions, certain portions of such balances have become obsolete or impaired.

When an impairment situation arises, the inventory balance is adjusted to its NRV, whereas, if an obsolescence situation occurs, the inventory obsolescence reserve is increased. In both cases, these adjustments are recognized against the results for the period. Advances to suppliers of inventory are presented as part of "Prepayments and other current assets" account in the consolidated statements of financial position.

When the inventories are sold, the carrying amounts of those inventories are recognized under "Costs of sales and services" account in profit or loss in the period when the related revenue is recognized.

H) PREPAYMENTS AND OTHER CURRENT ASSETS

Prepayments

Prepayments are carried at cost. Prepaid insurance and prepaid rent are subsequently amortized over the terms of the contract to which the payment applies. Advances to suppliers of raw materials and spare parts and prepaid freight cost are subsequently recognized as inventories or expense when the goods are received or services are rendered. Prepaid taxes represent creditable withholding taxes which are deducted from income tax payable.

Assets Held for Sale

Noncurrent assets that are expected to be recovered primarily through sale rather through continuing use are classified as held for sale. Immediately before classification as held for sale, the assets, or components of a disposal group, are remeasured in accordance with the Company's accounting policies on the particular account from which the asset was previously classified. Thereafter, generally the assets, or disposal group, are measured at the lower of their carrying amounts and fair value less costs to sell. Impairment losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognized in profit or loss. Gains for any subsequent increase in fair value less costs to sell of the asset are not recognized in excess of any cumulative impairment loss that has been recognized. Any gain or loss from the derecognition of assets held for sale is recognized in profit or loss.

I) INVESTMENT IN AN ASSOCIATE

An associate is an entity in which the Company has significant influence, but not control or joint control, over the financial and operating policies. Interest in an associate is accounted for using the equity method. It is initially recorded at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Company's share in the profit or loss and OCI of the associate, until the date on which the significant influence ceases.

J) PROPERTY, MACHINERY AND EQUIPMENT

An item of property, machinery and equipment is initially recognized at its cost, which consists of its purchase price and any directly attributable cost in bringing the asset to the location and condition of its intended use. Property, machinery and equipment are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

The acquisition or construction cost includes all expenditures directly attributable to bringing the assets to a working condition for their intended use. Major components of an item of property, machinery and equipment with different useful lives are accounted for as separate items.

Depreciation of property, machinery and equipment is recognized as part of "Costs of sales and services" and "Operating Expenses" accounts in the consolidated statements of comprehensive income and is calculated using the straight-line method over the estimated useful lives of the assets.

As at December 31, 2018 and 2017, the Company's maximum estimated useful lives by category of property, machinery and equipment were as follows:

	Years
Buildings and improvements	50
Machinery and equipment	
Plant Machinery and equipment	10 - 35
Ready-mix trucks and motor vehicles	5
Office equipment and other assets	3

The assets' residual values, useful lives and method of depreciation are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from the items of property, machinery and equipment. Any change in the expected residual values, useful lives and method of depreciation are adjusted prospectively from the time the change was determined necessary.

The Company capitalizes, as part of the historical cost of property, machinery and equipment, interest expense arising from existing debt during the construction or installation period of significant property, machinery and equipment, considering the Company's corporate average interest rate and the average balance of investments in process for the period.

Construction in-progress represents property, machinery and equipment under construction and is recognized at cost. This includes cost of construction and other direct costs. Construction in-progress is not depreciated until such time that the relevant assets are completed and available for operational use but tested for impairment.

Costs incurred in respect of operating property, machinery and equipment that result in future economic benefits, such as an extension in their useful lives, an increase in their production capacity or in safety, as well as those costs incurred to mitigate or prevent environmental damage, are capitalized as part of the carrying amount of the related assets. The capitalized costs are depreciated over the remaining useful lives of such property, machinery and equipment. Other costs, including periodic maintenance on property, machinery and equipment, are expensed as incurred. Advances to suppliers of property, machinery and equipment are presented as part of "Other assets and noncurrent accounts receivable" account in the consolidated statements of financial position.

Major spare parts and stand-by equipment items that the Company expects to use over more than one period and can be used only in connection with an item of property, machinery and equipment are accounted for as property, machinery and equipment. Depreciation on these major spare parts and stand-by equipment commence once these have become available for use (i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Company).

An item of property, machinery and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising from derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the consolidated statements of comprehensive income in the period the item is derecognized.

K) BUSINESS COMBINATIONS AND GOODWILL

Business combinations are accounted using the acquisition method of accounting when control is transferred to the Parent Company. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable assets, liabilities and contingent liabilities (that satisfy certain recognition criteria) acquired. The consideration is allocated to all identifiable assets acquired and liabilities assumed, based on their estimated fair values at acquisition date. Intangible assets acquired are identified and recognized at fair value. Any unallocated portion of the consideration transferred represents goodwill, which is not amortized and is subject to periodic impairment tests (see Note 3L). Goodwill can be adjusted for any correction to the preliminary assessment given to the assets acquired and/or liabilities assumed within the twelve-month period after purchase. Costs associated with the acquisition are expensed in profit or loss as incurred.

For business combination transactions among entities under common control, the Company applies the provisions of the Philippine Interpretations Committee Questions and Answers No. 2011-02, *Common Control Business Combinations,* in assessing whether a transaction has commercial substance and qualifies for acquisition method of accounting under PFRS 3.

Goodwill acquired in a business combination from the acquisition date is allocated to each of the Company's cash-generating units (CGUs), or groups of CGUs that are expected to benefit from the synergies of the combination, irrespective of whether the assets or liabilities of the Company are assigned to those units or groups of units.

Each unit or group of units to which the goodwill is allocated:

- represents the lowest level within the Company at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on the Company's operating segments as determined in accordance with PFRS 8, *Operating Segments.*

Following initial recognition, goodwill is measured at cost, less any accumulated impairment loss. Goodwill is reviewed for impairment annually or more frequently, if events or changes in circumstances indicate that the carrying value may be impaired (see Note 3L).

Where goodwill forms part of a CGU and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

L) IMPAIRMENT

Non-derivative Financial Assets

(Policy applicable from January 1, 2018)
The Company recognizes loss allowances for ECLs on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI; and
- contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities and other receivables (i.e., insurance claims and premium receivable) that are determined to have low credit risk at the reporting date; and
- other debt securities, other receivables and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when: (1) the borrower is unlikely to pay its obligations to the Company in full, without recourse by the Company to actions such as realizing any collateral; or (2) the financial asset is more than 90 days past due.

The Company considers a debt security to have low credit risk when: i) the debt security has a low risk of default; ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired Financial Assets
At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of Allowance for ECL in the Consolidated Statements of Financial Position
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off
The gross carrying amount of a financial asset is written-off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company categorizes a financial asset for write-off when the debtor fails to make contractual payments more than 365 days past due. The Company expects no significant recovery from the amount written-off.

(Policy applicable before January 1, 2018)
Financial assets not classified as at FVTPL were assessed at each reporting date to determine whether there was objective evidence of impairment.

Objective evidence that financial assets were impaired included:

- default or delinquency by a debtor;
- restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
- indications that a debtor or issuer would enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- the disappearance of an active market for a security because of financial difficulties; or
- observable data indicating that there was a measurable decrease in the expected cash flows from a group of financial assets.

Loans and Receivables
The Company first assesses whether objective evidence of impairment exists individually for loans and receivables that are individually significant, and collectively for such financial assets that are not individually significant.

If there is objective evidence that an impairment loss on loans and receivables carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. Interest income continues to be accrued on the reduced carrying amount based on the original effective interest rate of the asset. The financial assets, together with the associated allowance accounts, are written-off when there is no realistic prospect of future recovery and all collateral, if any, has been realized or has been transferred to the Company.

If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtor's ability to pay all amounts due according to the contractual terms of the assets being evaluated. Financial assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in profit or loss to the extent that the carrying amount of the asset does not exceed its amortized cost at the reversal date.

The Company performs a regular review of the age and status of these accounts, designed to identify accounts with objective evidence of impairment and provide the appropriate allowance for impairment loss. The review is accomplished using a combination of specific and collective assessment approaches, with the impairment loss being determined for each risk grouping identified by the Company.

AFS Financial Assets
If there is objective evidence that an impairment loss has been incurred on an equity instrument that does not have a quoted price in an active market and that is not carried at fair value because its fair value cannot be reliably measured, the amount of impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Property, Machinery and Equipment and Investment in an Associate

Property, machinery and equipment and investment in an associate are tested for impairment upon the occurrence of factors, such as a significant adverse event, changes in the Company's operating environment, changes in projected use or in technology, as well as expectations of lower operating results for each CGU, in order to determine whether their carrying amounts may not be recovered, in which case an impairment loss is recognized in profit or loss for the period when such determination is made within "Other expenses - net" account in the consolidated statements of comprehensive income.

The impairment loss of an asset results from the excess of the asset's carrying amount over its recoverable amount, corresponding to the higher between the fair value of the asset, less costs of disposal, and its value-in-use, the latter represented by the net present value of estimated cash flows related to the use or disposal of the asset.

Significant judgment by management is required to appropriately assess the fair values and value-in-use of these assets. The main assumptions utilized to develop these estimates are a discount rate that reflects the risk of the cash flows associated with the assets evaluated and the estimations of generation of future income. Those assumptions are evaluated for reasonableness by comparing such discount rates to market information available and by comparing to third-party expectations of industry growth, such as governmental agencies or industry chambers of commerce.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss in the consolidated statements of comprehensive income. After such a reversal, the depreciation expense is adjusted in future years to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Goodwill

Goodwill is tested for impairment when needed due to significant adverse changes or at least once a year by determining the recoverable amount of the group of CGUs to which goodwill was allocated, which consists of the higher between the CGU's fair value, and their value-in-use, represented by the discounted amount of estimated future cash flows to be generated by such CGUs to which those net assets relate. The Company determines discounted cash flows over a 5-year period. If the value-in-use of any CGU is lower than their respective carrying amount, the Company determines the fair value of its CGUs using a methodology widely accepted in the market to determine the value of entities, such as multiples of Operating Earnings Before Income Tax, Depreciation and Amortization (EBITDA) and by reference to other market transactions, among others. An impairment loss is recognized in profit or loss within "Other expenses - net" account in the consolidated statements of comprehensive income, if the recoverable amount is lower than the carrying amount of the group of CGUs to which goodwill was allocated. Impairment charges recognized on goodwill are not reversed in subsequent periods.

The Company operates through its major operating subsidiaries, Solid and APO, which represents the Company's groups of CGUs to which goodwill has been allocated for purposes of testing goodwill for impairment and represents the lowest level at which goodwill is monitored for internal management purposes.

Impairment tests are significantly sensitive, among other factors, to the estimation of future prices of the Company's products, the development of operating expenses, economic trends in the relevant construction industry, the long-term growth expectations in the market, as well as to the discount rate and the growth rate in perpetuity applied. For purposes of estimating future prices, the Company uses, to the extent available, historical data plus the expected increase or decrease according to information issued by trusted external sources and/or governmental economic expectations. Operating expenses are estimated taking into account past experience. However, such operating expenses are also reviewed and adjusted considering inflation and other external information sources in respect to inputs that behave according to international prices, such as gas and oil that may have an impact on future costs.

The Company uses pre-tax discount rates which are applied to discount pre-tax cash flows. The amounts of estimated undiscounted cash flows are significantly sensitive to the growth rate in perpetuity applied. Likewise, the amounts of discounted estimated future cash flows are significantly sensitive to the weighted average cost of capital (discount rate) applied. The higher the growth rate in perpetuity applied, the higher the amount obtained of undiscounted future cash flows by CGU. Conversely, the higher the discount rate applied, the lower the amount obtained of discounted estimated future cash flows by CGU.

M) PROVISIONS AND CONTINGENCIES

The Company recognizes provisions when it has a legal or constructive obligation resulting from past events, whose resolution would imply probable and reliably measurable cash outflows or delivery of other resources owned by the Company. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to passage of time is recognized as a borrowing cost.

Restructuring

The Company recognizes provisions for restructuring costs only when the restructuring plans have been properly finalized and authorized by management, and have been communicated to the third parties involved and/or affected by the restructuring prior to the reporting date. These provisions may include costs not associated with the Company's ongoing activities.

Asset Retirement Obligations

Unavoidable obligations, legal or constructive, to restore operating sites upon retirement of long-lived assets at the end of their useful lives are measured at the net present value of estimated future cash flows to be incurred in the restoration process, and are initially recognized against the related assets' carrying amount. The increase in the assets' carrying amount is depreciated during its remaining useful life. The increase in the liability related to the passage of time is charged to profit or loss. Adjustments to the liability for changes in estimations are recognized against the related property, machinery and equipment and depreciation is modified prospectively. Once the related asset is fully depreciated over its useful life, all subsequent changes in the liability shall be recognized in profit or loss as they occur. These liabilities relate mainly to the future costs of demolition, cleaning and rehabilitation and vacating from, under certain conditions, production or operating sites, including maritime terminals.

Costs Related to Remediation of the Environment

Provisions associated with environmental damage represent the estimated future cost of remediation, which are recognized at their nominal value when the time schedule for the disbursement is not clear, or when the economic effect for the passage of time is not significant; otherwise, such provisions are recognized at their discounted values. Reimbursements from insurance companies are recognized as assets only when their recovery is virtually certain. In that case, such reimbursement assets are not offset against the provision for remediation costs.

Commitments and Contingencies

Obligations or losses related to contingencies are recognized as liabilities in the consolidated statements of financial position when present obligations exist resulting from past events that are expected to result in an outflow of resources and the amount can be measured reliably. Otherwise, a qualitative disclosure is included in the notes to the consolidated financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. The effects of long-term commitments established with third parties, such as supply contracts with suppliers or customers, are recognized in the consolidated financial statements on an incurred or accrued basis, after taking into consideration the substance of the agreements. Relevant commitments are disclosed in the notes to the consolidated financial statements. The Company does not recognize contingent revenues, income or assets.

Reimbursements and Compensation

Reimbursements related to provision is recognized as a separate asset when recovery is virtually certain. The loss and the recovery are recognized at the same time. However, if the party that will make the reimbursement cannot be identified, then the reimbursement is not considered as virtually certain and is not recognized. If the only uncertainty regarding the recovery of an insured loss is the amount of the recovery, then the reimbursement amount will qualify to be recognized as an asset. Receivable from compensation for lost income is recognized when the Company has an unconditional right to receive the compensation. The Company's unconditional contractual right to receive compensation is established when: (1) the Company has an insurance contract under which it can make a claim for compensation; and (2) the loss event that creates a right for the Company to assert a claim at the reporting date has occurred and the claim is not disputed by the insurer. The compensation receivable should be measured based on the amount and timing of the expected cash flows discounted at a rate that reflects the credit risk of the insurer. Income arising from compensation is offset against the loss recognized from where such right to compensation arises.

N) FAIR VALUE MEASUREMENTS

The Company applies the guidance of PFRS 13, *Fair Value Measurement*, for its fair value measurements of financial assets and financial liabilities recognized or disclosed at fair value. Under PFRS 13, fair value represents an "Exit Price," which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, considering the counterparty's credit risk in the valuation. The concept of exit value is premised on the existence of a market and market participants for the specific asset or liability. When there is no market and/or market participants willing to make a market, PFRS 13 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement), secondly, to inputs other than quoted prices in active markets that are observable for the asset or liability, either directly or indirectly (Level 2 measurement), and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurement). The Company recognizes transfers between levels of fair value hierarchy at the end of the reporting period during which the change has occurred.

O) EMPLOYEE BENEFITS

Defined Benefit Pension Plans

Pursuant to PAS 19, *Employee Benefits*, the Company recognizes the costs associated with employees' defined benefit pension plans as services are rendered, based on actuarial estimations of the benefits' present value with the advice of external actuaries. The actuarial assumptions consider the use of nominal rates.

The service cost, corresponding to the increase in the obligation for additional benefits earned by employees during the period, is recognized as part of "Costs of sales and services" and "Operating Expenses" accounts in the consolidated statements of comprehensive income. The interest cost related to the increase in the liability by the passage of time is recognized in profit or loss within "Other financial expenses - net" account in the consolidated statements of comprehensive income.

The effects from modifications to the pension plans that affect the cost of past services are recognized as part of "Costs of sales and services" and "Operating Expenses" accounts in the consolidated statements of comprehensive income during the period in which such modifications occur or when any related restructuring or termination benefits are recognized, if earlier. Likewise, the effects from curtailments and/or settlements of obligations occurred during the period, associated with events that significantly reduce the cost of future services and/or reduce significantly the population subject to pension benefits, respectively, are recognized as part of "Costs of sales and services" and "Operating Expenses" accounts in the consolidated statements of comprehensive income.

Remeasurements such as the return on plan assets, excluding amounts included in net interest on the net defined benefit liability, and actuarial gains and losses, related to differences between the previous actuarial assumptions and actual occurrences, and changes in actuarial assumptions at the end of the period, are recognized in the period in which they are incurred as part of OCI for the period within equity. Termination benefits, not associated with a restructuring event, which mainly represent severance payments by law, are recognized in profit or loss for the period in which they are incurred.

Short-term Employee Benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present, legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Transportation Allowance

The Company grants transportation allowance to "entitled executives" for the purpose of purchasing a motor vehicle and to cover other transportation-related expenses such as, but not limited to, maintenance cost, gasoline, registration expenses and insurance premiums on motor vehicle for a period of five (5) years from the date of grant. The amount paid to executives in respect of the Company's transportation allowances is recorded as an asset carried at cost (the current portion is part of "Prepayments and other current assets" account, while the noncurrent portion is part of "Other assets and noncurrent accounts receivable" account in the consolidated statements of financial position) and subsequently amortized as an expense over the term of the contract.

Termination Benefits

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either an entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.

A liability and expense for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of those benefits and when the entity recognizes related restructuring costs. Initial recognition and subsequent changes to termination benefits are measured in accordance with the nature of the employment benefit, as either post-employment benefits, short-term employee benefits, or other long-term employee benefits.

P) BORROWING COSTS

Interest and other finance costs incurred on borrowings used to finance property development are capitalized if they are directly attributable to the acquisition or construction of a qualifying asset. The capitalization of borrowing costs: (a) commences when the activities to prepare the assets are in progress and expenditures and borrowing costs are incurred; (b) is suspended during extended periods in which active development, improvement and construction of the assets are interrupted; and (c) ceases when substantially all activities necessary to prepare the assets are completed. These costs are amortized using the straight-line method over the estimated useful life of the related property, machinery and equipment to which it is capitalized. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method. Other borrowing costs are generally expensed in the period in which these are incurred.

Q) TAXES

Income Taxes

Based on PAS 12, the effects reflected in profit or loss for income taxes include the amounts payable or recoverable in respect of taxable profit or loss during the period and the amounts of deferred income taxes pertaining to amounts payable or recoverable in future periods, determined according to the income tax law applicable to each entity. Consolidated deferred income taxes represent the addition of the amounts determined in each legal entity by applying the enacted statutory income tax rate to the total temporary differences resulting from comparing the book and taxable amounts of assets and liabilities, considering tax loss carryforwards as well as other recoverable taxes and tax credits, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred income taxes for the period represent the difference between balances of deferred income taxes at the beginning and at the end of the period. Deferred income tax assets and liabilities relating to different tax jurisdictions are not offset. Pursuant to PFRSs, all items charged or credited directly in equity or as part of OCI for the period are recognized net of their current and deferred income tax effects. The effect of a change in enacted statutory tax rates is recognized in the period in which the change is officially enacted.

Deferred income tax assets are recognized for all deductible temporary differences, carryforward benefits of unused tax credits from unused excess minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT) and unused NOLCO, to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, and the carryforward benefits of unused tax credits from excess MCIT and unused NOLCO can be utilized except:

- where the deferred income tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor future taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and future taxable profit will be available against which the temporary differences can be utilized.

Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred income tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Parent Company and of the individual subsidiaries in the Company. Deferred income tax assets are reviewed at each reporting date and reduced to the extent that it is not considered probable that the related tax benefit will be realized. In conducting such assessment, the Company analyzes the aggregate amount of self-determined tax loss carryforwards included in its income tax returns in each country where the Company believes, based on available evidence, that the tax authorities would not reject; and the likelihood of the recoverability of such tax loss carryforwards prior to their expiration through an analysis of estimated future taxable income. If the Company believes that it would not be able to use a tax loss carryforward before its expiration or any other deferred income tax asset, the Company will not recognize such deferred income tax assets.

Both situations would result in additional income tax expense for the period in which such determination is made. In order to determine whether it is probable that deferred income tax assets will ultimately be realized, the Company takes into consideration all available positive and negative evidence, including factors such as market conditions, industry analysis, expansion plans, projected taxable income, carryforward periods, current tax structure, potential changes or adjustments in tax structure, tax planning strategies, future reversals of existing temporary differences, etc. Likewise, every reporting period, the Company analyzes its actual results versus the Company's estimates, and adjusts its estimations as necessary. If actual results vary from the Company's estimates, the deferred income tax asset may be affected and necessary adjustments will be made based on relevant information. Any adjustments recorded will affect the Company's profit or loss in such period.

Excess income tax payments are recognized as "Prepaid taxes" under "Prepayments and other current assets" account in the consolidated statements of financial position and are carried at cost.

Value-added Tax (VAT)

Revenues, expenses and assets are recognized net of the amount of VAT, except:

- where the sales tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as a part of the expense item as applicable; and
- receivables and payables that are stated with the amount of VAT included.

The net amount of sales tax recoverable from, or payable to, the tax authority is included as part of "Prepayments and other current assets" or "Unearned revenue, other accounts payable and accrued expenses" accounts, respectively, in the consolidated statements of financial position.

R) STOCKHOLDERS' EQUITY

Common Stock and Additional Paid-in Capital

Common stock is classified as equity. Common stock is recognized as issued when the stock is paid for or subscribed under a binding subscription agreement, net of any subscription receivable, and is measured at par value. The transaction costs incurred as a necessary part of completing an equity transaction are accounted for as a part of that transaction and are deducted from equity, net of related tax benefits. Considerations received in excess of the par value of shares issued are recognized in "Additional paid-in capital" account in the consolidated statements of financial position.

Other Equity Reserves

Represent the horizontal sum of each consolidated entity's cumulative effects of items and transactions that are, temporarily or permanently, recognized directly to equity, and includes the elements presented in the OCI for the period, which includes certain changes in stockholders' equity during a period not resulting from investments by owners and distributions to owners. As at December 31, 2018 and 2017, the "Other equity reserves" account in the consolidated statements of financial position represents the share-based compensation, remeasurements on retirement benefit liability, changes in fair value of the derivative instrument in an effective cash flow hedge and cumulative currency translation of foreign subsidiaries.

Retained Earnings

Represent the horizontal sum of each consolidated entity's cumulative results of prior accounting periods, net of dividends declared to stockholders.

S) EXECUTIVE STOCK-BASED COMPENSATION

Certain executives of the Company receive compensation under CEMEX's Long-Term Incentive Program using CPOs. Pursuant to the guidance of PFRS 2, stock awards based on the ultimate parent company's shares granted to the Company's executives are treated as equity instruments, considering that services received from employees are settled by delivering such CEMEX's shares. The cost of equity instruments represents the estimated fair value at the date of grant and is recognized in profit or loss during the period in which the exercise rights of the employees become vested against other equity reserves.

T) REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company's consolidated revenue represents the value of products sold by the consolidated entities, net of VAT on sales, as a result of their ordinary activities, after the elimination of transactions between consolidated entities, and is measured at the consideration specified in a contract with a customer. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer.

Revenue from Sale of Cement and Cement Products
(Policy applicable from January 1, 2018)
Customers obtain control of the cement or cement products when these goods are delivered to and have been accepted at their premises. Hence, revenue is recognized at that point in time. Invoices are usually payable within 30 to 60 days. No discounts are provided for the sale of cement and cement products, but customers may earn loyalty points instead which they can redeem against future orders or other packages defined in the program.

(Policy applicable before January 1, 2018)
Revenue was recognized when the goods were delivered to the customers' premises, which was taken to be at the time at which the customer accepts the goods and the related risks and rewards of ownership were transferred.

Customer Loyalty Programme
The Company has a customer loyalty programme whereby customers are awarded credits known as "Points" entitling customers to redeem against any future purchases of the Group's cement goods. The Company grants Points to a customer as part of the sales transaction and subject to condition set-out in the programme. These Points has an expiration of 15 months from the date of grant.

(Policy applicable from January 1, 2018)
The Company allocates a portion of the consideration received to the Points. This allocation is based on the relative stand-alone selling prices, taking into account the expected forfeiture rate. The amount allocated to the Points is deferred, and is recognized as revenue when the Points are redeemed or the right to redeem the Points expires. The deferred revenue is recognized as "Contract liabilities" under current liabilities in the consolidated statements of financial position.

(Policy applicable before January 1, 2018)
Revenue was allocated between the Points and the other components of the sale using the residual approach. The amount allocated to the Points is measured by reference to the peso amount of such Points granted based on the product type purchased by the customer. The amount allocated to the Points was recorded as "Unearned revenue from customer loyalty programs" under "Unearned revenue, other accounts payable and accrued expenses" account in the consolidated statements of financial position. Revenue was then recognized when the Company fulfilled its obligations to supply the free or discounted products under the terms of the programme or when the right to redeem the Points expires.

Revenue for Construction Contracts
(Policy applicable from January 1, 2018)
The Company becomes entitled to invoice customers for construction contracts based on achieving a series of performance-related milestones. When a particular milestone is reached, the customer is sent a relevant statement of work and an invoice for the related milestone payment. Prior to invoicing, the Company recognizes a contract asset for the value of work performed. Any amount previously recognized as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the milestone payment exceeds the revenue recognized to date under the cost–to–cost method then the Company recognizes a contract liability for the difference. There is no significant financing component in construction contracts with customers as the payments at each milestone is generally expected to approximate cash selling price of performance to date, and no significant time intervals are expected in between milestones. To determine whether the contract modification shall be treated as a separate contract or as part of the original contract, the Company also assesses whether the contract modification add distinct goods or services that are priced commensurate with their stand-alone selling prices. If not, the Company then assesses whether the remaining goods or services are distinct from those already transferred.

(Policy applicable before January 1, 2018)
Revenue associated with construction contracts of building houses and other structures is recognized in the period in which the work is performed by using the percentage-of-completion method of accounting and is measured principally on the basis of the estimated completion of the contract work based on cost incurred, considering that the following have been defined: a) each party's enforceable rights regarding the asset to be constructed; b) the consideration to be exchanged; c) the manner and terms of settlement; d) actual costs incurred and contract costs required to complete the asset which are effectively controlled; and e) the probability that the economic benefits associated with the contract will flow to the Company. Contract expenses were recognized as they were incurred and the expected loss on a contract was recognized immediately in profit or loss.

Contract Balances
Trade receivables
Trade receivables represent the Company's right to consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of Trade receivables in Notes 3E and 3L.

Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier).

U) INSURANCE CONTRACTS

An insurance contract is an agreement whereby one party, called the insurer, undertakes for a consideration paid by the other party, called the insured, promises to pay money, or its equivalent or to do some act valuable to the latter, upon happening of a loss, liability or disability arising from an unknown or contingent event.

Premiums from insurance contracts are recognized as revenue over the period of the contracts. The portion of the premiums written that relate to the unexpired periods of the policies at each reporting date is accounted for as "Unearned revenue" and is presented under current liabilities section of the consolidated statements of financial position. The net changes in this account between reporting dates are credited to or charged against profit or loss. Insurance revenue is presented as an offset to insurance expense in the consolidated statements of comprehensive income.

Benefits and Claims

Benefits and claims consist of all costs incurred during the year, which are recognized when the Company receives notification from policyholders. Estimates have to be made as at the reporting date both for the expected ultimate cost of claims reported and for the expected ultimate cost of the claims incurred but not yet reported (IBNR). The primary technique adopted by management in estimating the cost of notified and IBNR claims is that of using past claim settlement trends to project future claims settlement trends. At each reporting date, prior year claims estimates are reassessed for adequacy and changes made are charged to profit or loss against insurance liability. Claims provisions are not discounted for the time value of money.

V) COSTS OF SALES AND SERVICES, ADMINISTRATIVE AND SELLING EXPENSES AND DISTRIBUTION EXPENSES

Cost of sales represents the production cost of goods sold. Such cost of sales includes power and fuel, raw materials and supplies, personnel expenses, depreciation of property, machinery and equipment involved in production, as well as freight expenses of raw material in plants. Cost of sales excludes expenses related to personnel, equipment and services involved in sale activities and storage of product at points of sales and costs related to warehousing of products at the selling points, which are included as part of administrative and selling expenses, as well as freight expenses of finished products between plants and points of sale and freight expenses between points of sales and the customers' facilities, which are included as part of the distribution expenses line item in the consolidated statements of comprehensive income. Cost of construction contracts are recognized when incurred.

W) LEASES

The determination of whether an arrangement is, or contains a lease is, based on the substance of the arrangement at inception date, and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset. A reassessment is made after inception of the lease only if one of the following applies:

a) There is a change in contractual terms, other than a renewal or extension of the arrangement;
b) A renewal option is exercised or extension granted, unless that term of the renewal or extension was initially included in the lease term;
c) There is a change in determination of whether fulfillment is dependent on a specified asset; or
d) There is a substantial change to the asset.

Where a reassessment is made, lease accounting shall commence or cease from the date when the change in circumstances gave rise to the reassessment for scenarios (a), (c) or (d) above, and at the date of renewal or extension period for scenario (b). Lease which do not transfer to the Company substantially all the risks and rewards of ownership of the asset are classified as operating leases. Operating lease payments are recognized as an expense in profit or loss on a straight-line basis over the lease term.

X) BASIC AND DILUTED EARNINGS (LOSS) PER SHARE

Pursuant to PAS 33, *Earnings Per Share*, basic earnings (loss) per share is calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of shares outstanding (the denominator) during the period. Shares that would be issued depending only on the passage of time should be included in the determination of the basic weighted average number of shares outstanding. Diluted earnings (loss) per share should reflect in both, the numerator and denominator, the assumption that convertible instruments are converted, that options or warrants are exercised, or that ordinary shares are issued upon the satisfaction of specified conditions, to the extent that such assumption would lead to a reduction in basic earnings per share or an increase in basic loss per share, otherwise, the effects of potential shares are not considered because they generate anti-dilution.

Y) EVENTS AFTER THE REPORTING DATE

Post year-end events, up to the approval of the consolidated financial statements by the BOD, that provide additional information about the Company's consolidated financial position at the reporting date (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed on the notes to the consolidated financial statements when material.

NOTE 4 - SEGMENT INFORMATION

The Company applies PFRS 8 for the disclosure of its operating segments, which are defined as the components of an entity that engage in business activities from which they may earn revenues and incur expenses; whose operating results are regularly reviewed by the entity's top management to make decisions about resources to be allocated to the segments and assess their performance; and for which discrete financial information is available. The Company's results and performance is evaluated for decision-making purposes and allocation of resources is made on a per country basis. Hence, the Company represents a single geographical operating segment. The Company's main activity is oriented to the construction industry through the production, distribution, marketing and sale of cement, ready-mix concrete and other construction materials. For the years ended December 31, 2018, 2017 and 2016, the cement sector represented approximately 86.15%, 84.50% and 85.88%, respectively, of total net revenues before eliminations resulting from consolidation, and 147.19%, 134.26% and 109.60% respectively, of Operating EBITDA.

The main indicator used by the Company's management to evaluate performance is "Operating EBITDA", representing operating earnings before other expenses - net, interest, tax, depreciation and amortization, considering that such amount represents a relevant measure for the Company's management as an indicator of the ability to internally fund capital expenditures, as well as a widely accepted financial indicator to measure the Company's ability to service or incur debt. Operating EBITDA should not be considered as an indicator of the Company's financial performance, as an alternative to cash flow, as a measure of liquidity, or as being comparable to other similarly titled measures of other companies.

(Amounts in Thousands, Except Number of Shares and Per Share Data)

NOTE 5 - DEPRECIATION

Depreciation charges for the years ended December 31, 2018, 2017 and 2016 are detailed as follows:

		2018	2017	2016
Depreciation expense related to assets used in the production process	P	**1,360,582**	1,145,032	1,128,248
Depreciation expense related to assets used in administrative and selling activities		**55,841**	124,201	93,024
	P	**1,416,423**	1,269,233	1,221,272

NOTE 6 - REVENUE

Disaggregation of Revenue from Contracts with Customers
Revenue for the years ended December 31, 2018 and 2017 and 2016 are detailed by major product lines and timing of revenue recognition as follows:

	Timing of revenue recognition		2018	2017	2016
Sale of goods					
Cement	At a point in	P	**23,399,750**	21,571,211	23,893,481
Ready-mix concrete	At a point in		**11,169**	175,711	333,041
Admixtures	At a point in		**6,345**	16,824	13,516
			23,417,264	21,763,746	24,240,038
Construction services	Over time		**433**	20,704	46,715
		P	**23,417,697**	21,784,450	24,286,753

Breakdown of cement sales per customer is as follows:

		2018	2017	2016
Retailers	P	**18,746,316**	17,359,547	19,659,746
Institutional		**4,540,657**	4,048,021	4,152,817
Others		**112,777**	163,643	80,918
Total	P	**23,399,750**	21,571,211	23,893,481

The Company does not depend on any single or few customers, and no single customer represented more than 10% of the Company's consolidated Revenue. Export sales are mainly from the sale of cement to the Pacific Islands amounting to P95.6 million, P84.8 million and P80.9 million in 2018, 2017 and 2016, respectively.

Contract Balances
The following table provides information about receivables and contract liabilities from contracts with customers:

		December 31, 2018	January 1, 2018
Trade receivables	P	**708,906**	833,259
Contract liabilities		**375,224**	426,999

The contract liabilities include unredeemed customer loyalty points and advances from customers. These will be recognized as revenue when the points are redeemed by customers or when the goods are delivered to the customer, which is expected to occur the following year. The amount recognized in contract liabilities at January 1, 2018 has been fully recognized as revenue in 2018. There are no other unperformed obligation other than those already included in contract liabilities.

(Amounts in Thousands, Except Number of Shares and Per Share Data)

NOTE 7 - COSTS AND EXPENSES

Costs of sales and services, administrative and selling expenses for the years ended December 31, 2018, 2017 and 2016 are detailed as follows:

		Costs of Sales and Services		
		2018	2017	2016
Power, fuels, raw materials and production supplies	P	**9,699,937**	8,298,147	7,744,997
Depreciation		**1,360,582**	1,145,032	1,128,248
Cement purchases		**807,799**	710,481	786,859
Repairs and maintenance		**633,594**	549,769	671,819
Outside services		**513,389**	545,245	503,230
Rental		**512,867**	349,512	358,963
Salaries and wages [1]		**487,509**	466,936	454,948
Others [2]		**291,449**	335,779	236,819
	P	**14,307,126**	12,400,901	11,885,883

[1] Includes retirement benefit expense amounting to P40,670, P39,192 and P41,390 in 2018, 2017 and 2016, respectively (see Note 22).
[2] Others pertain to insurance expense, taxes and licenses, transportation and communication expenses and other costs that are individually immaterial.

		Administrative Expenses		
		2018	2017	2016
Administrative fees	P	**424,957**	625,833	671,490
Salaries and wages [1]		**538,464**	434,081	212,977
Insurance		**220,268**	143,506	695,506
Travel expenses		**70,123**	40,397	50,443
Utilities and supplies		**36,662**	30,208	37,814
Rental		**22,854**	31,626	28,810
Depreciation		**20,617**	33,019	61,679
Taxes and licenses		**11,790**	8,542	12,425
Others		**61,325**	4,227	41,921
	P	**1,407,060**	1,351,439	1,813,065

[1] Includes retirement benefit expense amounting to P20,122, P44,832 and P33,433 in 2018, 2017 and 2016, respectively (see Note 22).

		Selling Expenses		
		2018	2017	2016
License fees	P	**883,458**	827,829	942,985
Administrative fees		**231,902**	252,756	180,588
Salaries and wages		**114,518**	156,814	150,204
Utilities and supplies		**70,544**	71,454	62,562
Rental		**58,234**	79,797	51,791
Advertising and travel		**50,792**	137,865	157,461
Taxes and licenses		**35,535**	38,582	39,553
Depreciation		**35,224**	91,182	31,345
Impairment losses on receivables (Note 21)		**10,526**	26,403	10,615
Insurance		**6,574**	10,608	2,790
Others [1]		**104,432**	34,620	50,635
	P	**1,601,739**	1,727,910	1,680,529

[1] Includes packaging materials, fuel, representation and entertainment and freight insurance.

(Amounts in Thousands, Except Number of Shares and Per Share Data)

NOTE 8 - DISTRIBUTION EXPENSES

Distribution expenses for the years ended December 31, 2018 and 2017 and 2016 are detailed as follows:

		2018	2017	2016
Trucks, barge and charter hire	P	**3,568,955**	3,311,631	3,065,909
Fuel for vessel		**561,869**	498,273	366,850
Handling expenses		**518,573**	418,259	428,530
Harbor services		**76,737**	74,880	95,465
Others		**9,196**	14,590	4,882
	P	**4,735,330**	4,317,633	3,961,636

NOTE 9 - OTHER EXPENSES - Net

Net other expenses for the years ended December 31, 2018 and 2017 and 2016 are detailed as follows:

		2018	2017	2016
Other losses related to the landslide[6]	P	**71,716**	–	–
Impairment loss on property, machinery and equipment[1]		**3,669**	175,230	–
Gain on sale of golf club shares (Note 14)		**(15,732)**	–	–
Gain on sale of scraps		**(12,052)**	(20,625)	(11,399)
Loss (gain) on disposal of property, machinery and equipment and assets held for sale		**(2,522)**	4,602	24,263
Reorganization expenses[2]		–	139,409	–
Loss from early extinguishment of debt[3]		–	64,603	–
Freight on disposal of property, machinery and equipment		–	1,086	–
Back office and other support service[4]		–	(136,647)	–
Costs related to listing of shares[5]		–	–	287,930
Miscellaneous expense (income)		**(2,426)**	(1,479)	18,989
	P	**42,653**	226,179	319,783

[1] Refer to Note 18 to the consolidated financial statements.
[2] Reorganization costs consist of severance and other post-termination benefit costs resulting from the cost reduction efforts of the Company.
[3] Unamortized portion of documentary stamp tax arising from the Parent Company's loan with New Sunward Holding B.V., an entity under common control of CEMEX, written-off due to early settlement (see Note 13).
[4] Income generated by Solid for the back office and other support service provided to related parties (see Note 13).
[5] Costs related to the listing of shares include legal fees, stock exchange listing fees, roadshow presentation, among others.
[6] Refer to Note 30.

NOTE 10 - OTHER FINANCIAL EXPENSES - Net

Net other financial expenses for the years ended December 31, 2018, 2017 and 2016 are detailed as follows:

		2018	2017	2016
Interest expense on retirement benefit plan (Note 22)	P	**53,204**	40,132	29,964
Bank charges		**3,982**	3,606	36,485
Interest income		**(25,093)**	(6,892)	(33,715)
	P	**32,093**	36,846	32,734

NOTE 11 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31 consisted of:

		2018	2017
Cash on hand and in banks	P	**1,747,453**	629,089
Short-term investments		**66,212**	429,178
	P	**1,813,665**	1,058,267

(Amounts in Thousands, Except Number of Shares and Per Share Data)

Cash in banks earns interest at the prevailing bank deposit rates. Short-term investments are made for varying periods of up to three months, depending on the immediate cash requirements of the Company, and earn interest ranging from 1.3% to 2.4% per annum and 0.6% to 1.3% per annum in 2018 and 2017, respectively.

In 2018, 2017 and 2016, interest income on cash and cash equivalents amounted to P16,444, P3,034 and P6,067, respectively.

As mentioned in Note 3E, as at December 31, 2018 and 2017, the following cash equivalents, which include deposits to a related party, are considered highly liquid investments readily convertible to cash:

		2018	2017
Lomez International B.V. (Lomez) (Note 13)	P	**66,212**	–
New Sunward Holding B.V. (NSH) (Note 13)		–	380,178
Local banks		–	49,000
	P	**66,212**	429,178

The short-term investment in NSH is due on demand and bear interest at a rate equivalent to the higher of Western Asset Institutional Liquid Reserves Fund (WAILRF) rate minus 10 basis points and zero interest. On March 1, 2018, NSH assigned and transferred all its rights and obligations under the deposit agreement to Lomez.

The Company's exposures to credit risk, foreign currency risk, and interest rate risk related to cash and cash equivalents are disclosed in Note 21 to the consolidated financial statements.

NOTE 12 - TRADE RECEIVABLES - Net

Trade receivables as at December 31 consisted of:

		2018	2017
Trade receivables - gross	P	**733,054**	869,357
Allowance for impairment losses		**(24,148)**	(36,098)
	P	**708,906**	833,259

The Company's exposure to credit risk related to trade receivables is disclosed in Note 21 to the consolidated financial statements.

NOTE 13 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Related party relationship exists when the other party (i) has control or joint control of the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. A related party relationship is deemed to exist when one party has the ability to control, directly or indirectly, through one or more intermediaries, the other party or exercise significant influence over the other party in making the financial and/or operating decisions. Another criteria recognizes a related party relationship, whether or not the ability to control exists, if any of the following conditions applies to an entity: (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others); (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member); (iii) both entities are joint ventures of the same third party; (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity; or (v) the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity (If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity).

As at December 31, 2018 and 2017, balances of related party receivables and payables which are generally expected to be settled in cash, are detailed as follows:

Short-term investments		2018	2017
***Other related party*[19]**			
Lomez (Note 11)	P	**66,212**	–
NSH (Note 11)		–	380,178
	P	**66,212**	380,178

(Amounts in Thousands, Except Number of Shares and Per Share Data)

Receivables - current		2018	2017
***Other related parties*[19]**			
Topmix LLC [1]	P	**14,738**	–
Beijing CXP Import & Export Co. [2]		**7,277**	–
CEMEX Central, S.A. de C.V. [3]		**3,424**	6,404
CRG [4]		**2,593**	–
CEMEX International Trading LLC [5]		**1,126**	–
APO Land & Quarry Corporation [6]		**886**	1,450
Island Quarry and Aggregates Corporation [7]		**203**	4,720
CEMEX Paving Solutions Ltd. [8]		**–**	13,682
Others [18]		**79**	130
	P	**30,326**	26,386

Payables - current		2018	2017
Ultimate Parent			
CEMEX [10]	P	**26,290**	6,864
***Other related parties*[19]**			
CEMEX Asia B.V. (CABV) [12]		**1,074,083**	215,224
Transenergy, Inc. [13]		**674,721**	1,066,157
CEMEX Construction Materials South, LLC (CCM)[14]		**599,881**	567,135
CEMEX Central, S.A. de C.V. [3]		**198,108**	114,666
Sunbulk Shipping, N.V. [5]		**37,810**	–
APO Land & Quarry Corporation (ALQC) [15]		**25,553**	28,909
Island Quarry and Aggregates Corporation (IQAC) [16]		**17,443**	36,633
CEMEX Asia Pte., Ltd. - Philippine Headquarters (CAPL-PHQ) [17]		**15,506**	8,308
CEMEX Mexico, S.A. de C.V. [9]		**9,772**	9,413
Beijing CXP Import & Export Co. [2]		**2,837**	10,050
CEMEX Internacional, S.A. de C.V. [11]		**715**	–
CRG [4]		**42**	210,045
Others [18]		**290**	–
	P	**2,683,051**	2,273,404

Payables - non-current		2018	2017
***Other related parties*[19]**			
CABV [12]	P	**2,520,914**	1,073,635

[1] The balance, which is unimpaired, unsecured, noninterest-bearing and has a 30-day term, includes sale of concrete equipment of the Company and shipping costs on transportation equipment sold.

[2] The receivable balance pertains to advances which are unsecured, noninterest-bearing and due on demand; while the balance payable pertains to the outstanding liability for the purchases of materials and spare parts, which is unsecured, noninterest-bearing and due on demand.

[3] The receivable balance, which is unimpaired, unsecured, noninterest-bearing and due on demand, pertains to reimbursement of fringe benefit tax on share-based compensation; while the balance payable, which is unsecured, noninterest-bearing and due on demand, pertains to business support services received by the Company. In 2009, Solid and APO entered into separate service agreements with CAPL-PHQ, whereby the latter through CAPL-PHQ shall provide to Solid and APO services relating to, among others, general administration and planning; business planning and coordination; marketing control and; sales promotion and business development. In the implementation of these service agreements, CAPL-PHQ also arranged for certain services to be performed by CEMEX Central, S.A. de C.V. and, accordingly, CAPL-PHQ collected from each of Solid and APO as reimbursement of the fees billed by CEMEX Central, S.A. de C.V. for services rendered. In 2017, the arrangement between CAPL-PHQ and CEMEX Central, S.A. de C.V. was changed resulting in Solid and APO entering into separate service agreements directly with CEMEX Central, S.A. de C.V. wherein the latter shall provide to the companies those particular services previously performed by CEMEX Central, S.A. de C.V. through the service agreements with CAPL-PHQ.

[4] The receivable balance pertain to overpayment of royalties/license fees of the Company to CRG, which is unimpaired, unsecured, noninterest-bearing and due on demand. The liability balance pertain to unpaid royalties/license fees which is unsecured, noninterest-bearing and due on demand.

[5] The balance, which is unimpaired, unsecured, noninterest-bearing and has a 30-day term pertains to international freight services.

[6] The balance, which is unimpaired, unsecured, noninterest-bearing and due on demand includes a) receivables from service agreement amounting to P713 and P1,446 as at December 31, 2018 and 2017, respectively; and b) others amounting to P173 and P4 as at December 31, 2018 and 2017, respectively. In 2016, each of Solid and APO entered into an agreement with ALQC wherein Solid and APO shall provide back-office and other support services to the latter. Fees are calculated at cost incurred plus fixed mark-up.

[7] The receivable balance, which is unimpaired, unsecured, noninterest-bearing and due on demand includes: a) receivables arising from the sale of goods with a 30-day term and without interest amounting to nil and P2,272 as at December 31, 2017; b) receivables from service agreements amounting to P177 and P2,299 as at December 31 2018 and, 2017, respectively; and c) others amounting to P26 and P149 as at December 31 2018 and, 2017, respectively. In 2016, Solid entered into an agreement with IQAC wherein the former shall provide back-office and other support services to the latter. Fees are calculated at cost incurred plus fixed mark-up.

[8] The balance, which is unimpaired, unsecured, noninterest-bearing and due on demand, pertains to the sale of paving equipment of the Company in 2017.

[9] The balance, which is unsecured, noninterest-bearing and due on demand, pertains to purchase of equipment from CEMEX Mexico, S.A. de C.V.

(Amounts in Thousands, Except Number of Shares and Per Share Data)

[10]The payable balance pertains to the use of CEMEX "marks" which is payable in 30 days after receipt of invoice and is unsecured and noninterest-bearing. On January 1, 2016, CAR entered into an agreement with CEMEX for the right to use of its "marks" and to further license the "marks" with other CEMEX group companies operating in the Asia territories.
[11]The balance pertains to purchase of fuel with a 30-day term as at December 31, 2018 which is unsecured and noninterest-bearing.
[12]The balance includes a) interest on short-term loan with the Company amounting to P448 and P525 as at December 31, 2018 and 2017, respectively; b) short-term loan with the Company amounting to P1,073,635 which bears interest at 7.68% per annum for APO and P214,699 which bears interest at an annual rate equal to 6-month LIBOR plus 369 basis points for Solid as at December 31, 2018 and 2017, respectively; c) on November 21, 2018, Solid executed a revolving facility agreement with CABV, a subsidiary of CEMEX, allowing Solid to withdraw in one or several installments a sum of up to U.S.$75,000. The principal amount of P2,520,914 shall bear a fixed interest based on the Company's consolidated leverage ratio. This revolving facility agreement with CABV has a term of six (6) years from the date of the agreement. On September 1, 2017, APO and CABV changed the currency of the outstanding loan from $21.0 million to P1.1 billion. The loan is unsecured and is due to be paid in 2024 and 2019 by Solid and APO, respectively.
[13]The balance pertains to purchase of coal with a term of 30 days, noninterest-bearing and unsecured.
[14]The balance, which is unsecured, noninterest-bearing and due on demand, pertains to the purchase of equipment for the expansion of Solid plant.
[15]The balance includes a) purchase of raw materials with a 30-day term amounting to P25,510 and P28,774 as at December 31, 2018 and 2017, respectively; b) reimbursable expenses amounting to P43 as at December 31, 2018 and c) advances amounting to P135 as at December 31, 2017. These transactions are unsecured and are noninterest-bearing. APO purchases majority of its limestone, pozzolan and clay requirements from ALQC pursuant to a long-term supply agreement.
[16]The balance includes a) unsecured payable arising from purchase of raw materials with a 30-day term and noninterest-bearing amounting to P14,967 and P29,063 as at December 31, 2018 and 2017, respectively; b) reimbursable expenses amounting to P38 as at December 31, 2018; c) rental of equipment amounting to P7,570 as at December 31, 2017; and d) collections from housing loan owned by IQAC amounting to P2,438 in 2018, which is unsecured, noninterest-bearing and due on demand. Solid purchases majority of its limestone, pozzolan and clay requirements from IQAC pursuant to a long-term supply agreement.
[17]The balance includes a) corporate and administrative service fees received by the Company which is unsecured, noninterest-bearing, and has a term of 30 days amounting to P8,308 as at December 31, 2017 and b) overpayment of transferred pension amounting to P15,506 as at December 31, 2018 (see Note 22). The service agreement was terminated in December 2017.
[18]The balance pertains to reimbursable expenses, which is unsecured, noninterest-bearing and due on demand.
[19]Other related parties pertain to entities under common control of CEMEX, except for IQAC and ALQC.

The reconciliation of opening and closing balances of loans from a related party payables follows:

		2018	2017
Balance as at January 1	P	**1,288,859**	15,919,322
Proceeds from drawdowns (net of transaction costs)		**2,279,121**	849,900
Interest expense		**145,786**	252,827
Effect of exchange rate changes		**(5,745)**	44,713
Loss from early extinguishment of debt (Note 9)		**–**	64,603
Payments of:			
Interest		**(113,024)**	(384,031)
Principal		**–**	(15,458,475)
Balance as at December 31	P	**3,594,997**	1,288,859

The main transactions entered by the Company with related parties for the years ended December 31, 2018, 2017 and 2016 are shown below:

Transaction with ultimate parent		2018	2017	2016
Hedging transaction				
CEMEX [2]	P	**–**	–	12,016

Transactions with other related parties[11]

		2018	2017	2016
Purchases of raw materials				
Transenergy, Inc.[1]	P	**2,022,607**	2,709,300	1,853,913
ALQC [1]		**263,004**	253,483	312,103
IQAC [1]		**242,042**	306,812	303,383
Beijing CXP Import & Export Co. [1]		**26,340**	29,848	2,517
CEMEX Admixtures GmbH [10]		**–**	–	265
	P	**2,553,993**	3,299,443	2,472,181
Loan drawdowns				
CABV [1]	P	**2,295,194**	849,900	617,784
NSH [1]		**–**	–	40,142,910
	P	**2,295,194**	849,900	40,760,694

(Amounts in Thousands, Except Number of Shares and Per Share Data)

		2018	2017	2016
Royalties and trademarks				
CRG [1]	P	**853,031**	797,320	908,074
CEMEX [1]		**30,427**	30,509	34,911
	P	**883,458**	827,829	942,985
Freight services				
Sunbulk Shipping, N.V.[1].		**334,469**	–	–
Cemex International Trading LLC[1]	P	**163,777**	–	–
	P	**498,246**	–	–
Corporate services and administrative services				
CEMEX Central, S.A. de C.V. [1]	P	**287,306**	258,861	–
ALQC [1]		**7,779**	5,639	3,032
IQAC [1]		**7,719**	5,708	3,179
CAPL-PHQ [1]		–	145,124	469,121
CEMEX Strategic Philippines, Inc. [1]		–	57,346	85,906
	P	**302,804**	472,678	561,238
Interest expense				
CABV [1]				
Short-term	P	**98,353**	84,085	–
Long-term		**47,433**	18,797	32,976
NSH				
Long-term [1]		–	149,945	861,318
Short-term [8]		–	–	271,044
	P	**145,786**	252,827	1,165,338
Land rental				
ALQC [3]	P	**58,210**	58,210	58,210
IQAC [3]		**28,789**	24,651	32,929
	P	**86,999**	82,861	91,139
Sale of equipment				
Topmix LLC[1]	P	**30,753**	–	–
CEMEX Paving Solutions Ltd. [1]		–	13,682	–
	P	**30,753**	13,682	–
Interest income				
LOMEZ [7]	P	**7,199**	–	–
NSH[7]		**502**	2,913	22,092
ALQC [5]		–	–	435
Others [6]		–	–	68
	P	**7,701**	2,913	22,595
Sales of goods				
ALQC [4]	P	**242**	115	184
IQAC [4]		**159**	64,832	108,197
CEMEX Cement Bangladesh Ltd. [4]		–	–	4,411
	P	**401**	64,947	112,792
Reimbursements				
CEMEX Concrete (Malaysia) Sdn Bhd. [9]	P	–	136,647	1,084
Purchase of equipment				
CCM [1]	P	–	–	573,836
CEMEX Mexico, S.A. de C.V. [1]		–	9,413	–
	P	–	9,413	573,836

(Amounts in Thousands, Except Number of Shares and Per Share Data)

		2018	2017	2016
Transactions with Key Management Personnel				
Short-term employee benefits	P	**210,439**	138,788	215,818
Post-employment and other long-term employee benefits		**46,768**	33,775	47,892
Share-based compensation (Note 25D)		**20,333**	25,171	11,655
	P	**277,540**	197,734	275,365

[1] Please refer to the footnotes provided on the outstanding balances of related party receivables and payables.
[2] In 2016, the Company entered into a commodity swap transaction to hedge its risk exposure on fuel price volatility. The hedge qualifies for hedge accounting. The commodity swap is a contractual agreement to buy fuel at a fixed price and sell fuel at market rate with notional quantity of 10,371 liters for 2016.
[3] These land rentals have a 30-day term, and are both noninterest-bearing and unsecured. The principal manufacturing installations of APO and Solid are located on land owned by IQAC or ALQC, under long-term lease agreements.
[4] These sale transactions have a 30-day term, and are both noninterest-bearing and unsecured.
[5] This amount pertains to the interest from loan drawdowns that bear interest at 4.625% annually. The total outstanding balance from which this interest income relates to, including interest accrued, were paid in 2016.
[6] This amount pertains to the interest from loan drawdowns that bear interest at fixed rates annually. The total outstanding balance from which this interest income relates to, including interest accrued, were paid in 2016.
[7] The amount pertains to the interest income on short-term investments (see Note 11).
[8] The amount pertains to the interest on short-term loan from NSH which has been fully paid in 2016.
[9] The amount pertains to income generated by Solid for the back office and other support service (see Note 9) and reimbursement of expenses.
[10] The amount pertains to purchases of raw materials and spareparts.
[11] Other related parties pertain to entities under common control of CEMEX, except for IQAC and ALQC.

Transactions with the Retirement Fund

The Company established a retirement plan for its qualified employees. The control and administration of the retirement plan is vested in its Board of Trustees (BOT). The retirement plan's accounting and administrative functions are undertaken by the Bank of the Philippine Islands Asset Management Trust Group (BPI AMTG), the Company's duly appointed trust fund manager.

The Company's funding policy is to contribute to the Plan's fund as required under actuarial principles to maintain the fund in sound condition. In addition, the Company reserves the right to discontinue, suspend or change the rate and amount of its contribution to the fund at any time due to business necessity or economic conditions. The Company has no contributions to the retirement fund in 2018, 2017 and 2016. There are also no other transactions entered into by the Company with the plan for the year. As at December 31, 2018 and 2017, the fund's unfunded status amounted to P715,184 and P761,008, respectively. The retirement plan consists of unit investment trust fund, mutual funds, debt instruments and others (cash, government securities, foreign currency time deposits, US sovereigns, receivables and others), which accounted for 34%, 3%, 15% and 48%, respectively, of plan assets in 2018 and 56%, 34%, 8% and 2%, respectively, of plan assets in 2017 (see Note 22).

Balances and transactions between consolidated entities eliminated during consolidation

The following are the transactions and balances among related parties which are eliminated in the consolidated financial statements:

Amounts owed by	Amounts owed to		2018	2017
Parent Company [10]	CAR	P	**3,741,492**	2,590,674
Parent Company [10]	Falcon		**852,967**	2,184,613
APO [5]	CAR		**327,578**	365,166
SOLID [5]	CAR		**192,313**	202,789
Sandstone Strategic Holdings, Inc. [6]	Bedrock Holdings, Inc.		**109,817**	109,817
Solid [1]	APO		**29,862**	41,005
APO [11]	Parent Company		**15,628**	35,765
Solid [11]	Parent Company		**10,862**	19,335
APO [2]	Solid		**17,053**	80,281
Ecocrete, Inc. [3]	Solid		**44,202**	43,512

Forward

(Amounts in Thousands, Except Number of Shares and Per Share Data)

Amounts owed by	Amounts owed to		2018	2017
Ecocast Builders, Inc. [7]	Ecopavements, Inc.	P	**46,766**	45,206
Solid [8]	Ecocast Builders, Inc.		**14,865**	14,865
Parent Company [12]	Solid		**424**	89
Ecocrete, Inc.	Parent Company		**290**	–
Solid [9]	Ecocrete, Inc.		**81**	11
Ecocast Builders, Inc. [4]	Solid		–	43,178
Solid [6]	Ecopavements, Inc.		–	7
		P	**5,404,200**	5,776,313

[1] Amount includes a) P29,602 and P40,994 as at December 31, 2018 and 2017, respectively, from sale of goods, which has a 30-day term, noninterest-bearing and unsecured; and b) reimbursable expenses amounting to P260 and P11 as at December 31, 2018 and 2017, respectively, which are due on demand, noninterest-bearing and unsecured.
[2] Amount includes a) P7,613 and P39,590 as at December 31, 2018 and 2017, respectively, from sale of goods, which has a 30-day term, noninterest-bearing and unsecured; and b) reimbursable expenses amounting to P9,440 and P40,691 as at December 31, 2018 and 2017, respectively, which are due on demand, noninterest-bearing and unsecured.
[3] Amount includes a) P3 and P622 as at December 31, 2018 and 2017, respectively, from sale of goods, which has a 30-day term, noninterest-bearing and unsecured; b) P8 and P81 as at December 31, 2018 and 2017 from reimbursable expenses, which is due on demand, noninterest-bearing and unsecured; c) loan and interest amounting to P44,041 and P42,809 as at December 31, 2018 and 2017, respectively, which is due in one year, with interest at 3.63% per annum and unsecured; and d) advances amounting to P150 as at December 31, 2018.
[4] Amount includes a) P290 as at December 31, 2018 arising from pension liability related to transferred employees to the Company; and b) P43,178 as at December 31, 2017 arising from sale of equipment, which has a 30-day term, noninterest-bearing and unsecured.
[5] Amounts were related to royalties and trademarks that have 30-day term, noninterest-bearing and unsecured.
[6] Amounts are from cash advances or reimbursable expenses, which are due on demand, noninterest-bearing and unsecured.
[7] Amount includes a) P45,000 loan as at December 31, 2018 and 2017, respectively, which is due in one year, with interest at 2.6% per annum and unsecured; and b) interest on loan amounting to P1,766 and P206 as at December 31, 2018 and 2017, which is due on demand, noninterest-bearing and unsecured.
[8] Amount pertains to construction services which has a 30-day term, noninterest-bearing and unsecured.
[9] Amount pertains to reimbursements amounting to P11 as at December 31, 2017.
[10] Amount pertains to long-term unsecured loans which are due to be paid in 2021, with interest at 2.5% per annum, which increased to 3% per annum starting March 2018 for CAR and at WAILRF minus 10 basis points annually for Falcon.
[11] Amounts pertain to advisory services in connection with various areas, including general administration and management, which has a 60-day term, noninterest bearing, and unsecured.
[12] Amounts pertain to a) service agreement of Solid with the Parent Company amounting to P100 and P87 as at December 31, 2018 and 2017, respectively; and b) reimbursements of P324 and P2 as at December 31, 2018 and 2017, respectively, which has a 30-day term, noninterest bearing, and unsecured.
[13] Amount pertains to reimbursable expenses as at December 31, 2018.

Royalties and technical assistance	Selling and administrative expenses		2018	2017
CAR	APO	P	**1,779,924**	1,769,562
CAR	Solid		**948,415**	955,371
		P	**2,728,339**	2,724,933

Please refer to the footnotes provided on the outstanding balances of related party receivables and payables eliminated during consolidation.

Dividend declared by	Dividend received by		2018	2017
Falcon	Parent Company	P	**1,568,700**	–
CARG	Parent Company		**330,687**	–
		P	**1,899,387**	–

Please refer to the footnotes provided on the outstanding balances of related party receivables and payables eliminated during consolidation.

Sales	Purchases		2018	2017
APO	Solid	P	**611,149**	359,165
Solid	APO		**220,739**	319,545
Solid	Ecocast Builders, Inc.		–	3,451
Ecocast Builders, Inc.	Solid		–	951
		P	**831,888**	683,112

Please refer to the footnotes provided on the outstanding balances of related party receivables and payables eliminated during consolidation.

(Amounts in Thousands, Except Number of Shares and Per Share Data)

Service Income	Selling and administrative expenses		2018	2017
Parent Company	APO	P	**262,479**	36,495
Parent Company	Solid		**138,948**	19,703
		P	**401,427**	56,198

Please refer to the footnotes provided on the outstanding balances of related party receivables and payables eliminated during consolidation.

Interest income	Interest expense		2018	2017
CAR	Parent Company	P	**107,411**	59,130
Falcon	Parent Company		**30,753**	20,636
Ecopavements	Ecocast		**1,560**	1,223
Solid	Ecocrete, Inc.		**1,232**	1,224
APO	Solid		**–**	110
		P	**140,956**	82,323

Please refer to the footnotes provided on the outstanding balances of related party receivables and payables eliminated during consolidation.

NOTE 14 - INVESTMENT IN AN ASSOCIATE AND OTHER INVESTMENTS

Investment in an associate and other investments as at December 31 are detailed as follows:

	Activity	Country	%		2018	2017
Calabar Aggregates Corporation	Aggregates	Philippines	40.0	P	**11,816**	11,816
Greencrete, Inc.	–	Philippines	5.0		**156**	156
Others	–	–	–		**2,125**	3,435
				P	**14,097**	15,407

The investments above are mainly investments of Solid and APO which were acquired by the Parent Company upon business combination. Others include golf club shares and other investment in shares. In 2018, the Company sold its golf club shares amounting to P2,100 and made additional investment amounting to P790.

NOTE 15 - OTHER ACCOUNTS RECEIVABLE

15A) INSURANCE CLAIMS AND PREMIUM RECEIVABLES

		2018	2017
Insurance premiums receivable	P	**604,933**	–
Claims from insurance (Note 30)		**345,050**	–
	P	**949,983**	–

Insurance premiums receivable, which is related to non-damage business interruption insurance, consists of premiums receivable from third party insurance company. Premiums receivable represents premiums on written policies which are collectible within the Company's credit term.

15B) OTHER CURRENT ACCOUNTS RECEIVABLE

Other current accounts receivable as at December 31 consisted of:

		2018	2017
Loan receivable [1]	P	**38,140**	37,192
Receivable from contractors		**13,032**	8,806
Short-term deposits		**12,920**	16,026
Receivable from employees		**6,807**	11,690
Others		**2,171**	902
	P	**73,070**	74,616

[1] Loan receivable pertains to the amount provided by the Company to CEMEX Philippines Foundation, Inc., with fixed interest at 2.96% per annum and is due on demand.

(Amounts in Thousands, Except Number of Shares and Per Share Data)

15C) OTHER ASSETS AND NONCURRENT ACCOUNTS RECEIVABLE

Other assets and noncurrent accounts receivable as at December 31 consisted of:

		2018	2017
Long-term time deposits [1]	P	**601,241**	485,476
Rental guaranty deposits		**115,664**	122,386
Long-term prepayments [2]		**41,696**	47,769
Right of way		**21,429**	26,190
Others[3]		**38,217**	34,879
	P	**818,247**	716,700

[1] Long-term time deposits are restricted cash pertaining to: a) debt service reserve account amounting to P506,189 and P390,424 as at December 31 2018 and 2017, respectively, arising from the Company's supplemental agreement with BDO Unibank, Inc. (BDO) in relation to refinancing of the U.S. dollar 280 million loan with NSH (see Note 23); and b) cash bonds deposited by customers as collateral and cash restricted for related party tax cases amounting to P95,052 as at December 31, 2018 and 2017.

[2] Long-term prepayments primarily pertain to a) prepaid mining and quarry royalty fees related to the purchase of raw materials amounting to P27,937 as at December 31, 2018 and 2017; b) option fee to purchase a vessel amounting to P5,292 and P7,203 as at December 31, 2018 and 2017, respectively; c) charter hire amounting to P3,960 as at December 31, 2017; and d) unamortized portion of the SEC filing fee amounting to P8,467 and P8,669 as at December 31, 2018 and 2017, respectively.

[3] Others primarily pertain to prepaid transportation allowance amounting to P38,075 and P34,214 as at December 31, 2018 and 2017, respectively.

NOTE 16 - INVENTORIES

Inventories as at December 31 consisted of:

		2018	2017
At NRV:			
Materials and spare parts	P	**1,693,611**	1,591,842
Finished goods		**615,141**	359,002
Work-in-process inventory		**612,589**	992,288
Raw materials		**212,679**	314,288
At Cost:			
Inventory in transit		**354,158**	832
	P	**3,488,178**	3,258,252

In 2018 and 2017, the Company recognized in the consolidated statements of comprehensive income the cost of inventories sold amounting to P14,307,126 and P12,400,901 (see Note 7). As at December 31, 2018 and 2017, inventory write-down to NRV amounted to P137,994 and P56,203, respectively. Write-down (reversal of write-down) of inventories to NRV included under "Costs of Sales and Services" account in the consolidated statements of comprehensive income amounted to (P2,053) and P48,199 in 2018 and 2017, respectively. The reversal of write-down in 2018 was due inventories which were assessed to be useable in the operations. In 2018, the Company recognized additional provisions amounting to P83,844 related to loss on materials buried during the landslide (see Note 30). Such loss incurred was claimed from insurance.

(Amounts in Thousands, Except Number of Shares and Per Share Data)

NOTE 17 - PREPAYMENTS AND OTHER CURRENT ASSETS

Prepayments and other current assets as at December 31 consisted of:

		2018	2017
Prepayments:			
Prepaid insurance [1]	P	**529,806**	542,709
Prepaid taxes [2]		**525,286**	548,850
Advances to suppliers [3]		**444,862**	116,802
Prepaid freight cost		**152,602**	79,059
Prepaid rent		**13,809**	9,162
Advances to employees		**10,106**	9,797
Noncurrent assets held for sale [4]		**–**	90,629
Others		**1,200**	4,125
	P	**1,677,671**	1,401,133

[1] Prepaid insurance pertains to unamortized portion of payments on property, non-damage business interruption and political risks insurance.
[2] Prepaid taxes include input VAT, property taxes, creditable withholding taxes, and licenses.
[3] Advances to suppliers include advance payments for clinker and other raw materials.
[4] (a) In December 2017, the Company ceased its ready-mix concrete operations located in Manila Harbour Center. Accordingly, the Company decided to sell the machinery and equipment which were previously being used for the concrete operations. It was assessed by the management that these assets are not impaired before these were reclassified from property, machinery and equipment. As at December 31, 2017, the fair value less costs to sell of these assets is not lower than their carrying amount of P40,160; (b) In 2017, management decided to sell two of its marine vessels. The marine vessels were written-down to their recoverable amount before they were reclassified to noncurrent asset held for sale (see Note 18). As at December 31, 2017, the fair value less costs to sell is not lower than the vessels' carrying amount of P47,932. In 2018, the vessels were sold to third parties at a loss of P3,277 (see Note 18); and (c) The Company also identified other machinery and equipment as held for sale. It was assessed by the management that these assets are not impaired before these were reclassified from property, machinery and equipment. The fair value less costs to sell is not lower than their carrying amount of P2,537. In 2018, machinery and equipment previously used for the concrete operations and was classified as held for sale in 2017 amounting to P22,653 was reverted back to property, machinery and equipment as the Company no longer expects that the related assets will be recovered through sale (see Note 18).

NOTE 18 - PROPERTY, MACHINERY AND EQUIPMENT - Net

The movements for each class of property, machinery and equipment are as follows:

		Buildings and Improvements	Machinery and Equipment	Constructions in-Progress	Total
Gross Carrying Amount					
January 1, 2017	P	3,982,565	11,915,071	1,025,207	16,922,843
Additions		61,951	516,857	750,187	1,328,995
Disposals		(211)	(29,752)	(319)	(30,282)
Reclassifications to assets held for sale		–	(376,718)	–	(376,718)
Reclassifications		27,925	166,360	(194,285)	–
December 31, 2017		4,072,230	12,191,818	1,580,790	17,844,838
Additions		87,992	364,666	965,069	1,417,727
Disposals		(14,826)	(7,642)	–	(22,468)
Transfers		32,333	482,189	(514,522)	–
Reclassification from asset held for sale		–	22,653	–	22,653
December 31, 2018		**4,177,729**	**13,053,684**	**2,031,337**	**19,262,750**
Accumulated Depreciation and Impairment					
January 1, 2017		(153,493)	(954,539)	–	(1,108,032)
Depreciation for the year		(183,818)	(1,091,515)	–	(1,275,333)
Impairment of asset held for sale		–	146,660	–	146,660
Reclassifications to assets held for sale		–	139,429	–	139,429
Impairment		–	(175,230)	–	(175,230)
Disposals		211	10,189	–	10,400
December 31, 2017		(337,100)	(1,925,006)	–	(2,262,106)
Depreciation for the year		(306,302)	(1,092,785)	–	(1,399,087)
Disposals		14,156	5,322	–	19,478
Impairment		–	(3,670)	–	(3,670)
December 31, 2018		**(629,246)**	**(3,016,139)**	**–**	**(3,645,385)**
Carrying Amounts					
December 31, 2017	P	3,735,130	10,266,812	1,580,790	15,582,732
December 31, 2018	**P**	**3,548,483**	**10,037,545**	**2,031,337**	**15,617,365**

(Amounts in Thousands, Except Number of Shares and Per Share Data)

In 2018, 2017 and 2016, there were no interest expense arising from borrowings that have been capitalized as part of property, machinery and equipment.

The Company recognized impairment loss on property, machinery and equipment amounting to P3,669 and P175,230 in 2018 and 2017, respectively. In 2017, management has decided to sell two of its marine vessels. Before reclassifying the asset as held for sale, the Company tested the said asset for impairment and recognized an impairment loss of P146,660. The Company's management also identified machinery and equipment that are already obsolete and are no longer used in the Company's operations. Accordingly, impairment loss was recognized on these machinery and equipment amounting to P28,570 in 2017.

The recoverable amount of the vessels reclassified to assets held for sale amounting to P47,932 in 2017 pertains to its fair value less costs to sell. The Company used market comparison technique for measuring the fair value of these vessels. Under this method, the valuation is based on the recent sale of a comparable vessel adjusted for age, cargo carrying capacity and vessel specifications. The fair value measurement has been categorized as Level 2 of the fair value hierarchy based on the inputs to the valuation technique used. The recoverable amount of the obsolete machinery and equipment was assessed to be nil which pertains to its fair value less costs to sell.

Impairment losses are recognized under "Other expenses - net" account in the consolidated statements of comprehensive income.

The Company made a downpayment amounting to P2,069,601 to a third party for the construction and installation of Solid's new production line and is presented under noncurrent assets in the consolidated statements of financial position.

NOTE 19 - ACQUISITION OF SUBSIDIARIES AND GOODWILL

As part of CEMEX's overall current priorities, CEMEX has been focusing in strengthening its capital structure. One way of doing so is through the optimization of CEMEX's global corporate structure which should lead to less administration costs and facilitate the implementation of CEMEX's business strategy. Considering these premises and in line with the Parent Company's IPO, the Parent Company was created and on January 1, 2016, the Parent Company acquired interest in the economic benefit of the entities listed in Note 29 (except for CAR, which was incorporated by the Parent Company in 2015 and Falcon, which was incorporated by the Parent Company in 2016). The acquisition price of P47,825,147 was initially financed through accounts payable to a related party, which was eventually paid from the proceeds from short-term and long-term loans from a local bank and a related party.

The Company incurred acquisition-related costs in 2016 amounting to P9,569 on documentary stamp taxes and other costs, which were recognized as part of "Administrative and selling expenses" account in the consolidated statements of comprehensive income.

The amounts of revenue and profit of the acquiree in 2016 included in the consolidated statements of comprehensive income follow:

		Amount
Revenue	P	24,286,753
Profit		1,413,466

(Amounts in Thousands, Except Number of Shares and Per Share Data)

The following table summarizes the recognized amounts and assets acquired and liabilities assumed at the date of the acquisition:

Assets (liabilities)		**Amounts**
Cash and cash equivalents	P	3,687,632
Trade receivables		813,392
Due from related parties		999,896
Other current accounts receivable		1,459,014
Inventories		2,250,415
Prepayments and other current assets		1,205,663
Investment in an associate and other investments		15,273
Other assets and noncurrent accounts receivable		344,134
Property, machinery and equipment - net		15,796,474
Trade payables		(2,258,403)
Due to related parties		(619,705)
Income tax payable		(249,284)
Other accounts payable and accrued expenses		(1,608,339)
Long-term payable to related parties		(987,027)
Retirement benefit liabilities		(716,903)
Deferred income tax liabilities		(138,473)
Other noncurrent liabilities		(28,306)
Total identifiable net assets acquired	P	19,965,453

The valuation techniques used for measuring the fair value of assets acquired were as follows:

Assets acquired	Valuation technique
Property, machinery and equipment	Market comparison technique and cost technique: The valuation model considers quoted market prices for similar items when they are available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.

The trade receivables comprise gross contractual amounts due of P883,990, of which P70,598 was expected to be uncollectible at the date of the acquisition. The carrying amount of the acquired property, machinery and equipment acquired in the books of the acquirees at the date of acquisition amounted to P14,026,454.

Goodwill arising from the acquisition has been recognized as follows:

		Amount
Amount of the consideration	P	47,825,147
Fair value of the identifiable net assets		19,965,453
Goodwill	P	27,859,694

The goodwill is attributable mainly to the synergy with other subsidiaries, assembled work force and dealer network. None of the goodwill recognized is expected to be deductible for tax purposes.

As mentioned in Note 3L, the consolidated entities test their goodwill balances for impairment at the level of the CGUs to which goodwill has been allocated, which are commonly composed of the operating subsidiaries of the Company in the country. The Company's cash flow projections for five years to determine the value-in-use of its CGU consider the use of long-term economic assumptions. The Company believes that its discounted cash flow projections and the discount rates used reasonably reflect current economic conditions at the time of the calculations, considering, among other factors that: a) the cost of capital reflects current risks and volatility in the markets; and b) the cost of debt represents the actual interest rates recognized by the CGUs in their outstanding interest-bearing debt. The Company performed its annual goodwill impairment test, and based on the analysis, the Company does not need to recognize impairment loss on goodwill. For purposes of impairment testing, goodwill has been allocated to the Company's CGUs (significant operating divisions) as follows:

		Amount
APO	P	17,648,162
Solid		10,211,532
	P	27,859,694

(Amounts in Thousands, Except Number of Shares and Per Share Data)

In 2018 and 2017, the Company's pre-tax discount rates and expected growth rates in perpetuity used in the Company's impairment tests, to determine the discounted cash flows in both the CGUs with the main goodwill balances, were as follows:

	APO		Solid	
	2018	2017	**2018**	2017
Discount rate	**9.6%**	9.4%	**9.4%**	9.7%
Growth rate	**6.5%**	6.8%	**6.5%**	6.8%

In connection with the Company's assumptions as at December 31, 2018 and 2017, included in the table above, the Company made sensitivity analyses to changes in assumptions, affecting the value-in-use of all CGUs. The following table shows the amount (in percentage) by which these two assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

	APO		Solid	
	2018	2017	**2018**	2017
Discount rate	**1.9**	0.4	**6.0**	3.3
Growth rate	**(0.3)**	(0.4)	**(4.9)**	(2.9)

As at December 31, 2018 and 2017, the estimated recoverable amount of the Company's CGUs exceeds carrying amount by P66,856,273 and P37,302,135, respectively.

NOTE 20 - UNEARNED REVENUE, OTHER ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Unearned revenue, other accounts payable and accrued expenses as at December 31 consisted of:

		2018	2017
Accrued expenses [2]	P	**784,889**	864,463
Unearned revenue from reinsurance premiums [1]		**499,539**	453,555
Taxes payable		**336,201**	298,278
Advances from customers		–	352,831
Unearned revenue from customer loyalty programs		–	74,168
Others		**261,540**	65,472
	P	**1,882,169**	2,108,767

1 Unearned revenue from reinsurance premiums pertain to the portion of reinsurance premiums written by Falcon that relate to unexpired period of the policies.

2 Accrued expenses includes a) interest on loans amounting to P132,907 in 2018 and P98,079 in 2017; b) utilities and supplies amounting to P330,025 in 2018 and P335,965 in 2017; c) salaries and employee benefits amounting to P141,213 in 2018 and P252,764 in 2017; d) freight cost amounting to P157,592 in 2018 and P147,940 in 2017; e) outside services amounting to P16,774 in 2018 and P23,336 in 2017; and f) royalty fees amounting to P6,379 in 2018 and 2017.

For the years ended December 31, 2018 and 2017, the roll-forward analyses of unearned revenue from reinsurance premiums are as follows:

		2018	2017
Balance at beginning of year	P	**453,555**	793,320
Policies written during the year		**1,082,461**	711,945
Premiums earned during the year		**(1,056,854)**	(1,064,605)
Effect of translation to Philippine peso		**20,377**	12,895
Balance at end of year	P	**499,539**	453,555

For the years ended December 31, 2018 and 2017, the roll-forward analyses of provisions (under "Taxes payable" account) are as follows:

		2018	2017
Balance at beginning of year	P	**9,717**	29,312
Net reversals made during the year		–	(19,595)
Balance at end of year	P	**9,717**	9,717

(Amounts in Thousands, Except Number of Shares and Per Share Data)

NOTE 21 - FINANCIAL RISK AND INSURANCE RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial Risk Management Framework

This note presents information on the financial risk exposure of the Company relating to credit risk, foreign currency risk, commodity price risk and liquidity risk; goals, policies and procedures of the Company to measure and manage such risks and the administration of the Company's resources.

The Company's management has overall responsibility for the development, implementation and monitoring of the conceptual framework and policies for an effective risk management.

The Company's risk management policies are intended to: a) identify and analyze the risks faced by the Company; b) implement appropriate risk limits and controls; and c) monitor the risks and the compliance with the limits. Policies and risk management systems are regularly reviewed to reflect changes in market conditions and in the Company's activities. By means of its policies and procedures for risk management, the Company aims to develop a disciplined and constructive control environment where all employees understand their roles and obligations.

Credit Risk

Credit risk is the risk of financial loss faced by the Company if a customer or counterparty of a financial instrument does not meet its contractual obligations and originates mainly from trade receivables. As at December 31, 2018 and 2017, the maximum exposure to credit risk is represented by the balance of financial assets (excluding equity investments). Management has developed policies for the authorization of credit to customers. The exposure to credit risk is monitored constantly according to the behavior of payment of the debtors. Credit is assigned on a customer-by-customer basis and is subject to assessments which consider the customers' payment capacity, as well as past behavior regarding due dates, balances past due and delinquent accounts. In cases deemed necessary, the Company's management requires guarantee deposits from its customers and financial counterparties with regard to financial assets, which can be called upon if the counterparty is in default under the terms of the agreement.

The Company's management has established a policy which analyzes the creditworthiness of each new client individually before offering the general conditions of payment terms and delivery, and the review includes external ratings, when references are available, and in some cases bank references. Threshold of credit limits are established for each client, which represent the maximum credit amount that requires different levels of approval. Customers who do not meet the levels of solvency requirements imposed by the Company can only carry out transactions with the Company by paying cash in advance.

The carrying amount of financial assets below represents the maximum credit exposure. The maximum exposure to credit risk as at December 31 is as follows:

		2018	2017
Cash and cash equivalents (excluding cash on hand)	P	**1,813,595**	1,058,147
Trade receivables		**708,906**	833,259
Due from related parties		**30,326**	26,386
Insurance claims and premium receivables		**949,983**	–
Other current accounts receivable		**73,070**	74,616
Derivative asset		**12,875**	–
Long-term time deposits and rental guaranty deposits (under other assets and noncurrent accounts receivable)		**716,905**	607,862
	P	**4,305,660**	2,600,270

Other than trade receivables, the amounts above represent the gross carrying amount of these financial assets.

Trade receivables

The Company applied the simplified approach in measuring ECLs which uses a lifetime expected loss allowance for all trade receivables. To measure the ECLs, trade receivables have been grouped by shared credit risk characteristics based on customer type and determines for each group an average ECL, considering actual credit loss experience over the last 12 months and the Company's view of economic conditions over the expected lives of the trade receivables. The ECL rate that is used to arrive at the ECL arising from the current year credit sales is computed as the percentage of prior year's credit sales that eventually became more than 365 days overdue. The ECL rate is 100% for the trade receivables that are 365 and more days past due. The Company has identified the GDP growth rate to be the most relevant macroeconomic factor that affects the ability of the customers to settle the receivables. However, it was assessed that the adjustment for forward-looking information is not material.

(Amounts in Thousands, Except Number of Shares and Per Share Data)

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at December 31, 2018:

As at December 31, 2018		Current	1 to 30 days	31 to 60 days	More than 60 days	Total
Average expected credit loss rates		0.19%	6.45%	58.28%	26.23%	3.29%
Trade receivables - gross carrying amount	P	630,107	25,670	3,249	74,028	733,054
Allowance for impairment losses		1,179	1,657	1,893	19,419	24,148

Other Financial Assets (excluding Equity Instruments)
Impairment on cash and cash equivalents and restricted cash (recognized under "Other assets and noncurrent accounts receivable" account in the consolidated statements of financial position) has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that these financial assets, as well as derivative assets, have low credit risk as these are held with reputable banks and financial institutions. All other debt investments and other receivables (i.e., insurance claims and premium receivable) that are measured at amortized cost are considered to have low credit risk, because they have low risk of default as the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. Credit risk on these financial assets has not increased significantly since their initial recognition. Hence, the loss allowance calculated was therefore limited to 12 months expected losses. The Company has determined an insignificant amount of ECL on these financial assets because of the zero-instance of default from the counterparties and the effect of forward-looking information on macro-economic factors affecting the ability of the counterparties to settle the receivables were assessed to have an insignificant impact.

Comparative information under PAS 39

		Neither past due nor impaired	Past due but not impaired				
As at December 31, 2017			1 to 30 days	31 to 60 days	More than 60 days	Impaired	Total
Cash and cash equivalents (excluding cash on hand)	P	1,058,147	–	–	–	–	1,058,147
Trade receivables		638,816	61,689	17,215	115,539	36,098	869,357
Due from related parties		26,386	–	–	–	–	26,386
Other current accounts receivable		74,616	–	–	–	–	74,616
Long-term time and guaranty deposits		607,862	–	–	–	–	607,862
		2,405,827	61,689	17,215	115,539	36,098	2,636,368
Less allowance for impairment losses		–	–	–	–	36,098	36,098
	P	2,405,827	61,689	17,215	115,539	–	2,600,270

Cash in banks, short-term investments and long-term time and guarantee deposits are of high grade quality as these are deposited in reputable financial entities. Of the total trade receivables, due from related parties and other current accounts receivable, 76% are neither past due nor impaired, and are considered of high grade quality as at December 31, 2017. Other financial assets that are not considered of high grade quality are considered standard grade quality financial assets. High grade quality financial assets are those assessed as having minimal credit risk, otherwise they are of standard quality. Standard grade quality financial assets are those assessed as having minimal to regular instances of payment default due to ordinary/common collection issues. These accounts are typically not impaired as the counterparties generally respond to credit actions and update their payments accordingly.

The credit qualities of financial assets that were neither past due nor impaired are determined as follows:

- Cash in banks, cash equivalents and long-term time and guaranty deposits are based on the credit standing or rating of the counterparty.

- Trade receivables, due from related parties and other current accounts receivable are based on a combination of credit standing or rating of the counterparty, historical experience and specific and collective credit risk assessment.

The Company sells its products primarily to retailers in the construction industry, with no specific geographic concentration of credit within the country in which the Company operates. As at December 31, 2018 and 2017, no single customer individually accounted for a significant amount of the reported amounts of sales or the balances of trade receivables.

Movements in the allowance for impairment losses in Trade receivables
Changes in the allowance for impairment losses for the years ended December 31, 2018 and 2017 are as follows:

		2018	2017
Balance at beginning of year under PAS 39	P	**36,098**	10,615
Adjustment on initial application of PFRS 9		**14,412**	–
Balance at beginning of year under PFRS 9		**50,510**	10,615
Charged to selling expenses (Note 7)		**10,526**	26,403
Write-off of trade receivables		**(36,888)**	(920)
Allowance for impairment losses at end of year	P	**24,148**	36,098

Foreign Currency Risk

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate in relation to changes in exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates to its operational and financing activities. The objective of foreign currency risk management is to manage and control exposures within acceptable parameters while optimizing the return. The Company's revenue and costs are generated and settled mainly in Philippine Peso. For the years ended December 31, 2018 and 2017, approximately less than 5% of the Company's net sales, before eliminations, were generated in U.S. dollars.

The Company had an exposure arising from the dollar-denominated financial obligations as compared to the currency in which the majority of the Company's revenues are generated. The Company's only revenue denominated in U.S. dollars to cover such dollar-denominated obligations are those generated by exports. As at December 31, 2018 and 2017, the Company has not implemented any derivative financing hedging strategy to address this foreign currency risk.

Foreign exchange fluctuations occur when any member of the Company incur monetary assets and liabilities in a currency different from its functional currency. These translation gains and losses are recognized in the consolidated statements of comprehensive income.

As at December 31, 2018 and 2017, a summary of the quantitative information of the exposure of the Company due to foreign currencies is provided to the top management on the basis of its risk management policy as follows:

	2018		2017	
Amounts in thousands of dollars	**in U.S. dollar**	**in Euro**	**in U.S. dollar**	**in Euro**
Cash and cash equivalents	**$10,015**	**€–**	$9,919	€–
Due from related parties	**555**	**–**	402	–
Trade payables	**(30,001)**	**(1,677)**	(3,855)	(301)
Due to related parties	**(77,741)**	**–**	(43,842)	–
Net liabilities denominated in foreign currency	**($97,172)**	**(€1,677)**	($37,376)	(€301)

(Amounts in Thousands, Except Number of Shares and Per Share Data)

The Company is also exposed to foreign currency risks on eliminated foreign currency denominated intragroup balances as follows:

Amounts owned by	Amounts owned to	2018	2017
Parent Company	CAR	**($71,158)**	($51,886)
Parent Company	Falcon	**(16,222)**	(43,754)
APO	CAR	**(6,230)**	(7,314)
Solid	CAR	**(3,657)**	(4,061)
		($97,267)	($107,015)

The most significant closing exchange rates and the approximate average exchange rates of Philippine Peso per U.S. dollar and Euro used in the consolidated financial statements were as follows:

	2018		2017	
Currency	**Closing**	**Average**	Closing	Average
U.S. dollar	**52.58**	**52.69**	49.93	50.38
Euro	**60.25**	**62.15**	59.93	57.27

Sensitivity analysis on Foreign Currency Risk

The following table demonstrates the sensitivity to a reasonably possible change in various foreign currencies, with all other variables held constant, of the Company's earnings before income tax and equity as at December 31, 2018 and 2017:

USD	Strengthening (Weakening) of Philippine Peso	Effect on Earnings before Income Tax	Effect on Equity
2018	**+5.3%**	**P270,793**	**P189,555**
	-5.3%	**(270,793)**	**(189,555)**
2017	+0.4%	7,882	5,517
	-0.4%	(7,882)	(5,517)

EUR	Strengthening (Weakening) of Philippine Peso	Effect on Earnings before Income Tax	Effect on Equity
2018	**+0.5%**	**P505**	**P354**
	-0.5%	**(505)**	**(354)**
2017	+14.6%	2,632	1,842
	-14.6%	(2,632)	(1,842)

Sensitivity Analysis Pertaining to Eliminated Intragroup Balances

USD	Strengthening (Weakening) of Philippine Peso	Effect on Earnings before Income Tax	Effect on Equity
2018	**+5.3%**	**P271,058**	**P189,740**
	-5.3%	**(271,058)**	**(189,740)**
2017	+0.4%	21,373	14,961
	-0.4%	(21,373)	(14,961)

(Amounts in Thousands, Except Number of Shares and Per Share Data)

Interest Rate Risk

As at December 31, 2018 and 2017, the Company is exposed to interest rate risk primarily on the floating interest rate tranche corresponding to P8 billion of the long-term bank loan with BDO (see Note 23), short-term investments in LOMEZ amounting to P66 million as at December 31, 2018 and NSH amounting to P380 million as at December 31, 2017, and long-term loan payable to CABV amounting to P2.5 billion and P215 million as at December 31, 2018 and 2017, respectively. The short-term investments in LOMEZ and NSH bear interest at a rate equivalent to the higher of WAILRF rate minus 10 basis points and zero interest (see Note 11). The long-term loan from CABV bears interest at a fixed rate to be revalued semiannually based on the Company's financial ratios and at an annual rate equal to 6-month LIBOR plus 369 basis points in 2018 and 2017, respectively (see Note 13).

Sensitivity analysis on Interest Rate Risk

As at December 31, 2018 and 2017, a hypothetical 1% increase in interest rate, with all other variables held constant, the Company's profit for the years ended December, 31, 2018 and 2017 would have decreased by approximately P75,029 and P57,165, respectively. Conversely, a hypothetical 1% decrease in interest rate would have the opposite effect.

Commodity Price Risk

In the ordinary course of business, the Company is exposed to commodity price risk, including the exposure from diesel fuel prices, and expose the Company to variations in prices of the underlying commodity. The Company established specific policies oriented to obtain hedge with the objective of fixing diesel fuel prices. In 2018 and 2017, the Company has purchased option contract and a commodity swap transactions, respectively, to hedge the price of diesel fuel. By means of these contracts, the Company fixed the price of diesel over certain volume representing a portion of the estimated consumption of diesel fuel in the operations. These contracts have been designated as cash flow hedges of diesel fuel consumption, and as such, changes in fair value are recognized temporarily through OCI and are recycled to profit or loss as the related diesel volumes are consumed.

As at December 31, 2018, there are no balances remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied.

The following amounts relating to items designated as hedging instruments as at December 31, 2018 were as follows:

	Notional amount	Carrying amount
Purchase option contract - Inventory purchases	P385,795	P12,875

For the years 2018 and 2017 and 2016, changes in fair value of these contracts recognized in OCI amounted to (P6,458), nil and P18,821, respectively. The amount reclassified from hedge reserve to profit or loss (because the hedged item has affected profit or loss) are nil, (P6,805) and P(12,016) in 2018, 2017 and 2016, respectively. There are no hedge ineffectiveness recognized in profit or loss in 2018, 2017 and 2016.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient funds available to meet its obligations. The Company has fulfilled its operational liquidity needs primarily through its own operations and expects to continue to do so for both the short and long-term liabilities. Although cash flow from the Company's operations has historically covered its overall liquidity needs for operations, servicing debt and funding capital expenditures and acquisitions. In order to meet its liquidity needs, the Company also relies on cost-control and operating improvements to optimize capacity utilization and maximize profitability. The Company's consolidated net cash flows provided by operating activities, as presented in its consolidated statements of cash flows, was P1,924,964 and P2,117,807 as at December 31, 2018 and 2017, respectively. The Company's trade payables, due to related parties, taxes payable and other accounts payable and accrued expenses are expected to be settled within one year. Trade payables are noninterest-bearing and are normally settled on a 30-days' term. There is no significant concentration of a specific supplier relating to the purchase of raw materials. The maturities of the Company's long-term contractual obligations are included in Note 27 to the consolidated financial statements.

(Amounts in Thousands, Except Number of Shares and Per Share Data)

Insurance Risk Management

As mentioned in Note 1, the Parent Company incorporated Falcon to create its own reserves and reinsure in respect of the Company's property, non-damage business interruption and political risks insurance. Falcon is expected to retain 10% of the risk in connection with property insurance and 100% of the risk in connection with earthquake and wind stop loss, non-damage business interruption and political risks insurance of the Parent Company's operating subsidiaries. As a result of these arrangements, the Company will effectively self-insure these risks to the extent of Falcon's retained liability. There can be no assurance that the reserves established by Falcon will exceed any losses in connection with the Company's self-insured risks.

In addition, the Company's insurance coverage is subject to periodic renewal. If the availability of insurance coverage is reduced significantly for any reason, the Company may become exposed to certain risks for which it is not and, in some cases could not be, insured. Moreover, if the Company's losses exceed its insurance coverage, or if the Company's losses are not covered by the insurance policies it has taken up, or if Falcon is required to pay claims to its insurer pursuant to the reinsurance arrangements, the Company may be liable to cover any shortfall or losses. The Company's insurance premiums may also increase substantially because of such claim from the Company's insurers.

The foregoing risk exposure is mitigated, through making reasonable approximation after an evaluation of reported claims in the past of the Parent Company's operating subsidiaries, by retaining only insurance risk from insurance policies in which the operating subsidiaries have low probability of incurring losses.

Fair Values of Financial Assets and Financial Liabilities

The fair values of cash and cash equivalents, trade receivables, amounts due from and due to related parties, other current accounts receivable, other accounts payable and accrued expenses reasonably approximate their carrying amounts considering the short-term maturities of these financial instruments.

As at December 31, 2018 and 2017, the carrying amounts of financial assets and liabilities and their respective fair values are as follows:

		2018				2017		
		Carrying amount	Fair value	Fair value hierarchy level		Carrying amount	Fair value	Fair value hierarchy level
Financial assets								
Long-term time and guaranty deposits	P	716,905	716,905	Level 2	P	607,862	607,862	Level 2
Derivative Asset		12,875	12,875	Level 2		-	-	
	P	729,780	729,780		P	607,862	607,862	
Financial liabilities								
Bank loan	P	13,628,851	14,089,868	Level 2	P	13,740,598	14,688,476	Level 2
Payable to a related party		2,520,914	2,520,914	Level 2		1,288,858	1,472,950	Level 2
	P	16,149,765	16,610,782		P	15,029,456	16,161,426	

The estimated fair value of the Company's long-term time and guaranty deposits, long-term payable to a related party and bank loan are either based on estimated market prices for such or similar instruments, considering interest rates currently available for the Company to negotiate debt with the same maturities, or determined by discounting future cash flows using market-based interest rates currently available to the Company. The estimated fair value of the derivative asset is determined by measuring the effect of the future economic variables according to the yield curved shown on the market as at the reporting date.

NOTE 22 - RETIREMENT BENEFIT LIABILITY

The Company has a funded, noncontributory, defined benefit retirement plan covering substantially all of its regular and permanent employees. Contributions and costs are determined in accordance with the actuarial studies made for the plan. Annual cost is determined using the projected unit credit method. The Company's latest actuarial valuation date was made on December 31, 2018. Valuations are obtained on an annual basis.

(Amounts in Thousands, Except Number of Shares and Per Share Data)

The retirement plan of the Company entitled a regular and permanent employee to avail of the "Normal Retirement, Early Retirement and Late Retirement Benefit" and "Voluntary Separation Benefit". In addition, the retirement plan also provides "Total and Permanent Disability and Death Benefit" for the qualified employees and beneficiaries.

Normal Retirement, Early Retirement and Late Retirement

In 2017, the Company had an agreement to revise the retirement package for union members. The total benefit that will be received by a retired non-union member employee and a union member (**) employee is based on his final plan salary and years of service (YOS), which is summarized on the retirement benefit formula table below:

YOS	Retirement Benefit*
20 & Below	100% of the plan salary for every year of credited service
Above 20 to 25	119% of the plan salary for every year of credited service
Above 25	139% of the plan salary for every year of credited service

covering Normal, Early and Late Retirement
**for YOS rendered before January 1, 2011*

The following retirement benefit formula table applies to a union member employee for services rendered on or after January 1, 2011:

YOS	Retirement Benefit*
20 & Below	110% of the plan salary for every year of credited service
Above 20 to 25	130% of the plan salary for every year of credited service
Above 25	150% of the plan salary for every year of credited service

covering Normal, Early and Late Retirement

An employee may be entitled only to an early retirement benefit provided that he reached the age of fifty-five (55) and has completed at least ten (10) years of credited service unless approved by the Company. The late retirement may be availed only beyond age sixty (60) but not beyond sixty-five (65), on a case-to-case and yearly extension basis and subject to the consent of the Company.

Voluntary Separation

The total benefit that will be received by a retired employee is based on his final salary and YOS, which is summarized on the retirement benefit formula table below:

YOS	Retirement Benefit
10 to 15	79% of the plan salary for every year of credited service
16 to 20	99% of the plan salary for every year of credited service
21 to 25	119% of the plan salary for every year of credited service
Above 25	139% of the plan salary for every year of credited service

Total and Permanent Disability and Death Benefit

In the event that a qualified employee dies or is required by the Company to retire due to total and permanent disability, his benefit should be equal to an amount based on the retirement benefit formula. In the case of disability, the employee should have completed at least five (5) years and three (3) years of credited service for Solid and APO, respectively.

The plan is registered with the Bureau of Internal Revenue (BIR) as tax-qualified plan under Republic Act No. 4917, as Amended. The control and administration of the retirement plan is vested in its BOT. The retirement plan's accounting and administrative functions are undertaken by BPI AMTG, and its duly appointed trust fund manager.

(Amounts in Thousands, Except Number of Shares and Per Share Data)

a) Movement in Retirement Benefit Liability

The following table shows reconciliation from the opening balances to the closing balances for retirement benefit liability and its components:

	Note	Present Value of Defined Benefit Obligation		Fair Value of Plan Assets		Retirement Benefit Liability	
		2018	2017	2018	2017	2018	2017
Balance at January 1		P849,836	P849,055	(P88,828)	(P79,715)	P761,008	P769,340
Included in profit or loss							
Service costs:							
Current service cost		60,792	57,918	–	–	60,792	57,918
Past service cost [1]		–	26,882	–	–	–	26,882
Interest cost, net		56,716	47,467	(3,512)	(7,335)	53,204	40,132
Settlement gain		–	(776)	–	–	–	(776)
		117,508	131,491	(3,512)	(7,335)	113,996	124,156
Included in OCI							
Actuarial loss (gain) from:							
Change in financial assumptions		(75,370)	(37,717)	–	–	(75,370)	(37,717)
Change in demographic assumptions		(6,353)	(320)	–	–	(6,353)	(320)
Experience adjustments		(118,215)	(66,659)	–	–	(118,215)	(66,659)
Return on plan assets excluding interest income		–	–	3,846	(1,778)	3,846	(1,778)
		(199,938)	(104,696)	3,846	(1,778)	(196,092)	(106,474)
Others							
Benefits paid		(41,267)	(21,561)	–	–	(41,267)	(21,561)
Benefits to be paid		(10,986)	(4,453)	–	–	(10,986)	(4,453)
Net acquired (transferred) obligation	13	90,077	–	(1,552)	–	88,525	–
		37,824	(26,014)	(1,552)	–	36,272	(26,014)
Balance at December 31		P805,230	P849,836	(P90,046)	(P88,828)	P715,184	P761,008

[1] The past service cost in 2017 is the result of the amendment on the retirement benefit plan for union members in 2017.

b) Plan Assets

Plan assets consisted of the following:

		2018	2017
Foreign currency time deposits	P	26,038	82
Unit investment trust fund (UITF)			
Equities - local currency		21,109	35,833
Money market		6,053	4,977
Fixed income - local currency		3,754	9,238
US sovereigns		11,799	–
Debt instruments			
Local currency		7,713	7,125
Foreign currency		5,479	–
Receivables		3,996	–
Mutual funds		3,150	30,255
Government securities		426	1,133
Cash in bank		1	117
Others		528	68
	P	90,046	88,828

Equity UITF investments are placed in a concentrated portfolio of stocks listed in the PSE which are generally invested in holding firms, industrial companies, financial institutions, mining and real estate corporations. Fixed income UITF investments are placed mainly in portfolio of bonds and other similar fixed-income securities, such as special deposit accounts from the BSP and treasury notes with weighted average term to maturity of up to five (5) years.

Mutual funds are invested in listed equity instruments which are actively traded in globally developed markets. Other mutual funds are invested in debt instruments with terms generally ranging from five (5) to more than ten (10) years which were issued by low and middle income developing countries and are rated mostly at "BBB," "BB" and "B" by Standard and Poor's Financial Services. Investments in bonds have quoted prices in active market and are rated "Aaa," based on ratings made by Philippine Rating Services Corporation.

(Amounts in Thousands, Except Number of Shares and Per Share Data)

US sovereigns include treasury bills, notes and bonds which are fixed income investments issued by the U.S. Department of the Treasury. Local and foreign currency debt instruments are financial instruments issued by the government or corporate entity in the domicile or country of origin. Foreign currency time deposits were made to a reputable bank which is rated Baa2 based on Moody's credit rating.

The BOT reviews the level of funding required for the retirement fund with inputs from the Company's accredited actuary. Such a review includes the asset-liability matching (ALM) strategy and investment risk management policy. The objective of BPI AMTG is to manage the portfolio in accordance with the objectives set forth by both the Company and BPI AMTG, and to be able to provide and fund benefits as they fall due.

c) Defined Benefit Obligation

(i) Assumptions

The principal actuarial assumptions, at the reporting date, used to determine the retirement benefits are as follows (expressed as weighted averages):

	CHPI		Solid		APO		Ecocrete, Inc.		Ecocast Builders, Inc.	
	2018	2017	**2018**	2017	**2018**	2017	**2018**	2017	**2018**	2017
Discount rate	**7.25%**	–	**7.29%**	5.75%	**7.26%**	5.76%	–	5.80%	–	5.80%
Future salary growth	**6.00%**	–	**6.00%**	6.00%	**6.00%**	6.00%	–	6.00%	–	6.00%

The following are the turnover rate assumption in 2018 and 2017:

Age	2018	2017
18 – 30	10 to <12	5 to <7
31 – 34	8 to <10	4 to <5
35 – 37	7 to <8	3 to <4
38 – 42	5 to <7	2 to <3
42 – 50	3 to <5	1 to <2
51 – 59	1 to <3	0 to <1

Mortality rates in 2018 and 2017 are based on the "2017 Philippine Intercompany Mortality Study" from the Actuarial Society of the Philippines. Disability rate is based on "1952 Disability Study," Period 2, Benefit 5.

ii) Sensitivity Analysis

Reasonable possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as at December 31, 2018 and 2017 by the amounts shown below:

	2018		2017	
	Increase	**Decrease**	Increase	Decrease
Discount rate (0.5% movement)	**(P28,707)**	**P30,543**	(P40,853)	P44,088
Future Salary Increase rate (0.5% movement)	**33,519**	**(31,742)**	46,225	(43,182)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumption shown.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk, and market (investment) risk.

d) Maturity Analysis

Maturity analysis of the benefit follow:

	Carrying Amount	Contractual Cash Flows	Within >1 Year	Within 1 - 5 Years	More than 5 Years
2018	**P805,230**	**P3,161,610**	**P80,829**	**P271,677**	**P2,809,104**
2017	P849,836	P4,021,872	P42,641	P164,730	P3,814,501

(Amounts in Thousands, Except Number of Shares and Per Share Data)

As at December 31, 2018 and 2017, the weighted average duration in years of the defined benefit obligation are as follows:

	2018	2017
Solid	**15.93**	19.09
APO	**14.45**	17.14
CHPI	**14.00**	–
Ecocrete, Inc.	–	28.08
Ecocast Builders, Inc.	–	23.39

The Company does not expect to contribute to its pension plan in 2019. Effective January 1, 2018, all employees from Ecocrete Inc. and Ecocast Builders, Inc. were all transferred to Solid.

e) Retirement Benefit Expense

Retirement benefit expense is recognized in the following line items in the consolidated statements of comprehensive income:

		2018	2017	2016
Costs of sales and services	P	**40,670**	39,192	41,390
Administrative expenses		**20,122**	44,832	33,433
Other financial expenses - net.		**53,204**	40,132	29,964
	P	**113,996**	124,156	104,787

NOTE 23 - BANK LOAN

On February 1, 2017, the Parent Company signed a Senior Unsecured Peso Term Loan Facility Agreement (Facility Agreement) with BDO for an amount of up to the Philippine Peso equivalent of 280 million U.S. dollars to refinance a majority of the Parent Company's outstanding long-term loan with NSH. The term loan provided by BDO has a tenor of seven (7) years from the date of the initial drawdown on the facility and consists of a fixed rate and a floating rate tranche based on market rates plus spread. The borrowings or drawdowns under the Facility Agreement amounted to P14 billion. Short-term portion of the bank loan amounted to P140,123 as of December 31, 2018 and 2017.

The debt issuance cost of the loan under the Facility Agreement, corresponding to P138,215 and P166,591 on unamortized basis, was deducted from the total loan liability as at December 31, 2018 and 2017, respectively. Interest expense incurred in 2018 and 2017, excluding amortized direct cost, amounted to P719,174 and P571,808 million, respectively, which is recognized under "Financial expenses" account in the consolidated statements of comprehensive income.

The Facility Agreement also provides certain covenants. Compliance with these covenants shall be tested semi-annually.

On December 8, 2017, the Parent Company entered into a Supplemental Agreement to the Facility Agreement with BDO pursuant to which, more notably, it was agreed that (i) the commencement date for compliance with certain financial covenants under the Facility Agreement would be on June 2020; (ii) debt service reserve accounts were created; and (iii) additional debt incurrence restrictions be put in place. One of these debt incurrence restrictions agreed is based on a financial ratio that measures, on a consolidated basis, the Parent Company's ability to cover its interest expense using its Operating EBITDA (interest coverage ratio) and is measured by dividing Operating EBITDA by the financial expense for the last twelve months as of the calculation date. Operating EBITDA equals operating income before other expenses, net plus depreciation and amortization. On December 14, 2018, the Parent Company entered into another Supplemental Agreement to the Facility Agreement that provides an option, only for certain potential events of default under the Facility Agreement, for the Parent Company's ultimate parent company, CEMEX, S.A.B. de C.V., or any affiliate of CEMEX, S.A.B. de C.V. which is not a direct or indirect subsidiary of the Parent Company, to pay all amounts outstanding under the Facility Agreement before they become due and payable prior to their maturity in certain events.

As at December 31, 2018, the Parent Company is in compliance with the applicable restrictions and covenants of the Facility Agreement.

(Amounts in Thousands, Except Number of Shares and Per Share Data)

The reconciliation of opening and closing balances of bank loan follows:

		Bank Loan	Accrued Interest	Total
Balance as at January 1, 2017	P	–	–	–
Proceeds		13,831,596	–	13,831,596
Interest expense		14,094	571,808	585,902
Payment of:				
Principal		(105,092)	–	(105,092)
Interest		–	(473,729)	(473,729)
Balance as at January 1, 2018		**13,740,598**	**98,079**	**13,838,677**
Proceeds				
Interest expense		**28,376**	**719,174**	**747,550**
Payment of:				
Principal		**(140,123)**	**–**	**(140,123)**
Interest		**–**	**(684,346)**	**(684,346)**
Balance as at December 31, 2018	P	**13,628,851**	**132,907**	**13,761,758**

Accrued interest from this bank loan amounting to P132,907 and P98,079 as at December 31, 2018 and 2017, respectively, are recognized under "Unearned revenue, other accounts payable and accrued expenses" account in the consolidated statements of financial position (see Note 20).

NOTE 24 - INCOME TAXES

24A) INCOME TAXES FOR THE PERIOD

The amounts of income taxes recognized in profit or loss for the years ended December 31, 2018, 2017 and 2016 are as follows:

		2018	2017	2016
Current income tax expense	P	**664,644**	652,115	1,151,631
Deferred income tax benefit arising from origination and reversal of temporary differences		**(300,604)**	(642,186)	(587,887)
Write-down of previously recognized deferred income tax asset		**606,953**	129,615	–
	P	**970,993**	139,544	563,744

The Company has NOLCO that can be claimed as deductions from future taxable income as follows:

Year Incurred	Valid until		Amount	Addition During the Period	Expired/Utilized During the Period	Ending Balance
2018	2021	P	–	1,290,309	–	1,290,309
2017	2020		2,363,198	–	(2,375)	2,360,823
2016	2019		2,590,598	–	(869,383)	1,721,215
2015	2018		27,433	–	(27,433)	–
		P	**4,981,229**	**1,290,309**	**(899,191)**	**5,372,347**

The Company has MCIT that can be claimed as tax credits against regular future income tax liabilities as follows:

Year Incurred	Valid until		Amount	Additions During the Period	Expired/Utilized During the Period	Ending Balance
2018	2021	P	–	192,550	–	192,550
2017	2020		199,428	31	–	199,459
2016	2019		69	–	–	69
		P	**199,497**	**192,581**	**–**	**392,078**

(Amounts in Thousands, Except Number of Shares and Per Share Data)

24B) DEFERRED INCOME TAXES

For the years ended December 31, 2018 and 2017, the income tax effects of the temporary differences, NOLCO and MCIT that resulted in deferred income tax assets and liabilities are presented below:

2018		Balance at January 1 (As restated – see Note 3A)	Recognized in Profit or Loss	Recognized in OCI	Balance at December 31
Deferred tax assets:					
NOLCO	P	702,130	(286,226)	–	415,904
Accrued retirement benefit liability and past service cost		229,651	46,909	(58,782)	217,778
Unrealized foreign exchange loss		13,847	51,522	–	65,369
Write-down of:					
Property, machinery and equipment to recoverable amount		69,405	(4,658)	–	64,747
Inventories to NRV		34,846	5,728	–	40,574
Allowance for impairment losses on receivables		32,671	3,403	–	36,074
Contract liabilities from loyalty points		22,251	(2,387)	–	19,864
Provisions		6,603	(380)	–	6,223
MCIT		199,342	(199,242)	–	100
Accrued employee severance pay		3	–	–	3
Fair value adjustment on property, machinery and equipment		(366,503)	64,365	–	(302,138)
Accrued documentary stamp tax		(18,658)	4,643	–	(14,015)
Other items		3,966	9,974	–	13,940
	P	929,554	(306,349)	(58,782)	564,423

2017		Balance at January 1	Recognized in Profit or Loss	Recognized in OCI	Balance at December 31
Deferred tax assets (liabilities):					
NOLCO	P	278,061	424,069	–	702,130
Accrued retirement benefit liability and past service cost		229,379	32,214	(31,942)	229,651
MCIT		90	199,252	–	199,342
Write-down of:					
Property, machinery and equipment to recoverable amount		9,232	60,173	–	69,405
Inventories to NRV		23,451	11,395	–	34,846
Allowance for impairment losses on receivables		24,365	3,982	–	28,347
Unearned revenue		12,145	10,106	–	22,251
Unrealized foreign exchange loss		303,694	(289,847)	–	13,847
Provisions		5,340	1,263	–	6,603
Accrued employee severance pay		3	–	–	3
Fair value adjustment on property, machinery and equipment		(447,060)	80,557	–	(366,503)
Accrued documentary stamp tax		–	(18,658)	–	(18,658)
Other items		5,901	(1,935)	–	3,966
	P	444,601	512,571	(31,942)	925,230

Net deferred income tax assets (liabilities) presented in the consolidated statements of financial position on a net basis by entity are as follows:

Deferred Income Tax Assets		2018	2017
APO	P	553,763	482,333
Parent Company		165,997	538,985
Ecocast Builders, Inc.		613	5,623
	P	720,373	1,026,941

Deferred Income Tax Liabilities		2018	2017
Solid	P	153,970	100,537
Edgewater Ventures Corporation		1,901	1,069
Sandstone Holdings, Inc.		65	63
Triple Dime Holdings, Inc.		13	9
Bedrock Holldings, Inc.		1	1
Ecocrete, Inc.		-	32
	P	155,950	101,711

(Amounts in Thousands, Except Number of Shares and Per Share Data)

Deferred income tax assets have not been recognized in respect of the following items because it is not probable that future taxable income will be available against which the Company can utilize the benefits therefrom:

	2018		2017	
	Gross amount	Tax effect	Gross amount	Tax effect
NOLCO	**P3,986,001**	**P1,195,800**	P2,640,797	P792,239
Excess MCIT over RCIT	**391,978**	**391,978**	155	155
Allowance for impairment losses on accounts receivable	**4,790**	**1,437**	4,790	1,437
Allowance for write-down of inventories	**626**	**188**	626	188
Accrued retirement benefit liability	**347**	**104**	347	104
Unrealized foreign exchange losses	**3**	**1**	3	1
Others	**87**	**26**	87	26
	P4,383,832	**P1,589,534**	P2,646,805	P794,150

As at December 31, 2018 and 2017, based on the forecasts of future cash flows and operating results, the Company believes that sufficient taxable income will be generated so that it is probable that it will realize the tax benefits associated with the recognized deferred income tax assets related to tax loss carryforwards prior to their expiration. In addition, the Company concluded that the deferred income tax liabilities that were considered in the analysis of recoverability of its deferred income tax assets will reverse in the same period and tax jurisdiction of the related recognized deferred income tax assets. In the event that present conditions change, and it is determined that future operations would not generate sufficient taxable income, currently recognized deferred income tax assets would be evaluated and derecognized if necessary against the results of the period.

24C) EFFECTIVE TAX RATE

Differences between the financial basis and the corresponding tax basis of assets and liabilities and the different income tax rates and laws applicable to the Company, among other factors, give rise to permanent differences between the average statutory tax rate of the entities included in the consolidated financial statements, and the effective tax rate presented in the consolidated statements of comprehensive income, which were as follows:

	2018	2017	2016
Statutory income tax rate	30.00%	30.00%	30.00
Taxable income eliminated at consolidated level	1329.65	–	–
Movement in NOLCO	1006.01	35.46	13.63
MCIT	959.45	–	–
Non-deductible expenses	130.76	6.62	0.61
CAR and FALCON tax rate difference	(1011.21)	(53.19)	(14.01)
Non-taxable income	(19.39)	(1.69)	(0.10)
Others	(47.43)	0.28	(1.62)
Consolidated effective income tax rate	2377.84%	17.48%	28.51

(Amounts in Thousands, Except Number of Shares and Per Share Data)

24D) SIGNIFICANT TAX PROCEEDINGS

Certain subsidiaries of the Company are the subject of tax investigations. As at April 2, 2019, below is the status of the said tax investigations:

Entities	Period	Covered taxes	Status
Solid	2017	All internal revenue taxes	On-going
	2016	VAT	On-going
APO	2017	All internal revenue taxes	On-going
	2016	VAT	On-going
Ecocrete, Inc.	2013-2015	All internal revenue taxes	The assessment notices issued by the BIR were duly protested.
Ecocast Builders, Inc.	2016-2017	VAT	On-going
Parent Company	Jan-Jun 2018	VAT	On-going

The Company's assessment on the impact of the above tax proceedings in the consolidated financial statements is disclosed in Note 28.

24E) IMPACT OF NEW TAX LAW

Republic Act (RA) No.10963 or the Tax Reform for Acceleration and Inclusion Act (TRAIN) was signed into law on December 19, 2017 and took effect January 1, 2018.

The TRAIN Law, which took effect on January 1, 2018, represents Package 1 of the comprehensive tax reform program of the current administration that aims to correct gaps in the present tax system, allowing it to be more effective and equitable. Below are the salient points of the TRAIN Law:

- Reduction in personal income taxes
- Changes in capital income taxes
  - Final withholding tax on interest from foreign-currency deposits increased to 15% (from 7.5%)
  - Capital gains tax on unlisted/untraded shares increased to 15% (from 5%/10%)
  - Stock transaction tax on listed/traded shares increased to 6/10 of 1% (from ½ of 1%)
- Amendments to other taxes
  - VAT
    - Certain VAT zero-rated transactions to become subject to 12% VAT upon implementation of VAT refund system
    - VAT exemption threshold for sale of goods and services increased to P3.0 million (from P1.9 million)
    - Included in VAT-exempt transactions, among others: transfers of properties pursuant to a tax-free merger; association dues, membership fees, and other assessments and charges collected by homeowners associations and condominium corporations
  - Increased documentary stamp taxes (DST) rates by 50% to 100% on certain transactions
  - Excise taxes
    - Revised excise tax rates on cigars and cigarettes, manufactured oils and other fuels, petroleum products, automobiles, and minerals
    - Expanded scope of excise tax to include non-essential services and sweetened beverages

(Amounts in Thousands, Except Number of Shares and Per Share Data)

NOTE 25 - STOCKHOLDERS' EQUITY

25A) COMMON STOCK

As at December 31, 2018, 2017 and 2016, information on the Parent Company's common stock is summarized as follows:

	Authorized			Issued and Outstanding		
	Number of Shares	Par Value	Amount	Number of Shares	Par Value	Amount
Balance at January 1, 2016	1,504,000	P100	P150,400	94,000	P100	P9,400
Full payment of previously subscribed common stock	-	-	-	282,000	100	28,200
Effect of decrease in par value on previously authorized and subscribed shares	148,896,000	-	-	37,224,000	-	-
Effect of increase in authorized capital stock	5,044,995,454	1	5,044,995	2,819,867,500	1	2,819,867
Shares issued during IPO	-	-	-	2,337,927,954	1	2,337,928
Balance at December 31, 2016	5,195,395,454	P1	P5,195,395	5,195,395,454	P1	P5,195,395
Balance at December 31, 2017	5,195,395,454	P1	P5,195,395	5,195,395,454	P1	P5,195,395
Balance at December 31, 2018	**5,195,395,454**	**P1**	**P5,195,395**	**5,195,395,454**	**P1**	**P5,195,395**

On September 17, 2015, CASEC subscribed to 376,000 shares of stock of the Parent Company at P100 par value per share. Of the agreed subscription price of P37,600, only P9,400 was paid in 2015, while the remainder of P28,200 was paid in 2016. In 2016, the Parent Company's BOD approved the amendment of and increase in the authorized capital stock of the Parent Company from P150,400, divided into 1,504,000 common shares with par value of P100 per share, to P5,195,395, divided into 5,195,395,454 common shares with par value of P1 per share.

On May 20, 2016, the SEC approved the Parent Company's application for the amendment of and increase in its authorized capital stock. Accordingly, the original subscription of CASEC changed from 376,000 common shares, with par value of P100 per share, to 37,600,000 common shares, with par value of P1 per share. Furthermore, in connection with the increase in authorized capital stock, CASEC subscribed to an additional 2,819,867,500 shares at P1 par value per share or a total par value of P2,819,867 which was fully paid. During the IPO which culminated in the listing of all of the outstanding shares of stock of the Parent Company on July 18, 2016, the Parent Company issued additional 2,337,927,954 shares at P1 par value per share or a total par value of P2,337,928 at the offer price of P10.75 per share (see Note 1).

25B) OTHER EQUITY RESERVES

Other equity reserves as at December 31 consisted of:

		2018	2017
Cumulative translation of foreign subsidiaries	P	**316,283**	77,339
Remeasurements on retirement benefit liability		**222,923**	85,764
Share-based compensation reserve		**57,159**	36,826
Hedge reserve		**(6,458)**	–
	P	**589,907**	199,929

25C) NON-CONTROLLING INTERESTS

Non-controlling interest represents the 30% share of non-controlling stockholders in the results and equity of Newcrete Management, Inc. As at December 31, 2018 and 2017, non-controlling interest in equity amounted to approximately P193 and P221, respectively.

(Amounts in Thousands, Except Number of Shares and Per Share Data)

25D) SHARE - BASED PAYMENTS

As part of CEMEX's share-based payments programs, a group of the Company's executives participates in the long-term share-based compensation program providing for the grant of CEMEX's CPOs, pursuant to which new CPOs are issued by the ultimate parent company under each annual program over a four (4) year period. By agreement with the executives, the CPOs of the annual grant, which is equivalent to 25% of the CPOs related to each plan, are placed in a trust established for the benefit of the executives to comply with a one (1) year restriction on sale.

Under these programs, CEMEX issued new shares to certain executives of the Company for approximately 1,798,264, 429,761 and 765,586 CPOs in 2018, 2017 and 2016, respectively, that were subscribed and pending for payment in the ultimate parent company's treasury. As at December 31, 2018 and 2017, there are approximately 4,287,065 and 634,636 CPOs, respectively, associated with these annual programs that are expected to be issued in the future as the Company's executives render services.

The compensation expense related to these programs for the years ended December 31, 2018, 2017 and 2016 for approximately P20,333, P25,171 and P11,655, respectively, corresponding to the fair value of the number of CEMEX's CPOs at the date of grant, was recognized in the Company's profit or loss against other equity reserves. The weighted average fair value, which pertains to the market price of CPOs granted, is 13.61, 14.28 and 13.79 Mexican Pesos in 2018, 2017 and 2016, respectively. As at December 31, 2018 and 2017, the Company did not have outstanding commitments or options to make cash payments to executives on the exercise date of awards based on changes in CEMEX's own stock (intrinsic value).

25E) RETAINED EARNINGS (DEFICIT)

As at December 2018 and 2017, the Company's retained earnings include unappropriated retained earnings (deficit) of its significant operating subsidiaries, Solid and APO, amounting to (P853,355) and P831,756, respectively, which pertains to the result of the operations of both Solid and APO from the date the Parent Company obtained control over these subsidiaries. Such amount was offset by the net results of the Parent Company and its remaining subsidiaries. The retained earnings of both Solid and APO are not available for distribution as dividends by the Parent Company until declared by the respective investees.

25F) CAPITAL MANAGEMENT

The Company's objectives when managing capital are to increase the value of shareholders' investment and maintain high growth by applying free cash flow to selective investments. The Company sets strategies for the Company with the objective of establishing a versatile and resourceful financial management and capital structure.

The BOD has overall responsibility for the monitoring of capital in proportion to risk. Profiles for capital ratios are set in the light of changes in the Company's external environment and the risks underlying the Company's business operations and industry. The Company's capital is defined as "Stockholders' Equity" as shown in the consolidated statements of financial position.

The Company is not subject to externally imposed capital requirements. The Company's net debt to equity ratio at the reporting dates is as follows:

		2018	2017
Total liabilities	P	**26,981,771**	22,430,991
Less cash and cash equivalents		**(1,813,665)**	(1,058,267)
Net debt	P	**25,168,106**	21,372,724
Total equity	P	**28,872,280**	29,422,396
Net debt to equity ratio	P	**0.87:1**	0.73:1

(Amounts in Thousands, Except Number of Shares and Per Share Data)

NOTE 26 - BASIC AND DILUTED EARNINGS PER SHARE

The amounts considered for the calculation of earnings per share (EPS) for 2018, 2017 and 2016 are as follows:

		2018	2017	2016
Profit (loss) (a)	P	**(930,158)**	658,811	1,413,466
Add: non-controlling interest profit (loss)		**28**	25	24
Controlling interest in profit (loss)		**(930,130)**	658,836	1,413,490
Weighted average number of shares outstanding - Basic/Diluted (b)		**5,195,395,454**	5,195,395,454	2,845,589,135
Basic/Diluted earnings (loss) per share (a/b)	P	**(0.18)**	0.13	0.50

The EPS calculation reflects the effect of the stock split resulting from the increase in par value of the common stock from P100 per share to P1 per share, which was approved by the SEC on May 20, 2016.

As at December 31, 2018, 2017 and 2016, the Company has no dilutive equity instruments.

NOTE 27 - COMMITMENTS AND CONTRACTUAL OBLIGATIONS

As at December 31, 2018 and 2017, the Company had the following contractual obligations. The interest payments on floating rate bank loans reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change. Except for this financial liability, it is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

		2018			
		Less than 1 year	**1-5 Years**	**More than 5 Years**	**Total**
Bank loan	P	**860,926**	**16,017,161**	**–**	**16,878,087**
Payable to a related party [1]		**1,395,586**	**3,751,481**	**–**	**5,147,067**
Operating leases [2]					
Land lease		**87,002**	**435,010**	**1,479,036**	**2,001,048**
Warehouse lease		**72,896**	**213,167**	**47,365**	**333,428**
Vessel lease		**431,990**	**623,604**	**–**	**1,055,594**
Office lease		**17,342**	**97,179**	**22,446**	**136,967**
Housing lease		**805**	**–**	**–**	**805**
Retirement plans and other benefits [3]		**80,829**	**882,659**	**2,198,122**	**3,161,610**
Total contractual obligations	P	**2,947,376**	**22,020,261**	**3,746,969**	**28,714,606**

		2017			
		Less than 1 year	1-5 Years	More than 5 Years	Total
Bank loan	P	786,759	14,847,076	1,682,734	17,316,569
Long-term payable to a related party [1]		326,601	1,147,467	–	1,474,068
Operating leases [2]					
Land lease		87,002	435,010	1,566,038	2,088,050
Warehouse lease		77,073	879,642	150,376	1,107,091
Vessel lease		141,523	107,137	–	248,660
Office lease		16,491	92,551	43,823	152,865
Retirement plans and other benefits [3]		42,641	164,730	3,814,501	4,021,872
Total contractual obligations	P	1,478,090	17,673,613	7,257,472	26,409,175

1 The payables pertain to the Company's loan from CABV. The loan bears interest at a fixed rate to be revalued semi-annually based on the Company's financial ratio in 2018 for Solid and fixed rate for APO. The loan is unsecured and is due to be paid in 2024 and 2019 for Solid and APO, respectively (see Note 13).

2 The Company leases vessels, land, warehouses and office premises under operating leases with periods ranging from 1 - 25 years. Total rental expenses pertaining solely to minimum lease payments recognized in profit or loss by the Company from these operating leases amounted to P593,955 and P460,935 for the years ended December 31, 2018 and 2017, respectively. The amounts of payments under operating leases have been determined on the basis of nominal cash flows. Some of these operating leases with a term of more than one (1) year have escalation clauses, whereby rental fees increase over the lease term. In addition, these lease agreements provided renewal options subject to the mutual agreement of both the lessor and the Company.

3 Represents the estimated payments for retirement benefits over the expected maturity of the retirement and other benefit liabilities (see Note 22). Future payments include an estimation of new pensioned personnel over those years.

(Amounts in Thousands, Except Number of Shares and Per Share Data)

NOTE 28 - CONTINGENCIES FROM LEGAL PROCEEDINGS

As at December 31, 2018 and 2017, the Company is involved in other various legal proceedings of minor impact that have arisen in the ordinary course of business. These proceedings involve: 1) national and local tax assessments; 2) labor claims; and 3) other diverse civil actions. The Company considers that in those instances in which obligations have been incurred, the Company has accrued adequate provisions to cover the related risks. The Company believes these matters will be resolved without any significant effect on its business, consolidated financial position or consolidated financial performance. In addition, in relation to ongoing legal proceedings, the Company is able to make a reasonable estimate of the expected loss or range of possible loss, as well as disclose any provision accrued for such loss. However, for a limited number of ongoing proceedings, the Company may not be able to make a reasonable estimate of the expected loss or range of possible loss or may be able to do so but believes that disclosure of such information on a case-by-case basis would seriously prejudice Company's position in the ongoing legal proceedings or in any related settlement discussions. Accordingly, in these cases, the Company has disclosed qualitative information with respect to the nature and characteristics of the contingency but has not disclosed the estimate of the range of potential loss.

NOTE 29 - MAIN SUBSIDIARIES

The Parent Company's direct and indirect subsidiaries as at December 31, 2018 and 2017 are as follows:

Entities	Country of Incorporation	Main activity	% of interest
CAR	Switzerland	Services	100.0
Falcon	Barbados	Insurance	100.0
Edgewater Ventures Corporation	Philippines	Holdings	100.0
Triple Dime Holdings, Inc.	Philippines	Holdings	100.0
APO	Philippines	Cement	100.0
Bedrock Holdings, Inc.	Philippines	Holdings	100.0
Sandstone Strategic Holdings, Inc.	Philippines	Holdings	100.0
Solid	Philippines	Cement/Concrete	100.0
Ecocast Builders, Inc.	Philippines	Construction	100.0
Ecocrete, Inc.	Philippines	Services	100.0
Ecopavements, Inc.	Philippines	Construction	100.0
Enerhiya Central Inc.	Philippines	Energy	100.0
Newcrete Management, Inc.	Philippines	Services	70.0

NOTE 30 - RELEVANT INFORMATION REGARDING THE IMPACT OF THE LANDSLIDE

Impact on the Operations

On September 20, 2018, a landslide occurred in Sitio Sindulan, Barangay Tina-an, Naga City, Cebu, Philippines (the "Landslide"), a site located within an area covered by the mining rights of ALQC. ALQC is a principal raw material supplier of APO. The Company does not own any equity stake (directly or indirectly) in ALQC or Impact Assets Corporation, its parent company. CASEC, an indirect subsidiary of CEMEX, S.A.B. de C.V. which is a majority shareholder of the Parent Company, owns a minority 40% stake in Impact Assets Corporation.

The Landslide prompted local and national authorities to order the suspension of the mining operations of ALQC. Business continuity plans were put in place by APO and implemented to address the disruption in the supply arrangement with ALQC. As a result, the Company incurred incremental costs of raw materials in production and other expenses. In addition, the Company incurred losses amounting to P83,844 on inventories which were buried during the incident. However, substantial portion of such incremental costs and losses were offset by the insurance claims recognized amounting to P662,210. Other losses as result of the landslide amounting to P71,716 were not covered by the insurance. In December 2018 and February 2019, the Company received portion of its insurance claims amounting to P317,160 and P206,800, respectively. As at December 31, 2018, outstanding claims from insurance amounted to P345,050, which are recognized under "Insurance claims and premiums receivables" in the consolidated statements of financial position (see Note 15A).

Lawsuit
On November 19, 2018, the Parent Company and APO were served summons concerning an environmental class action lawsuit filed by 40 individuals and one legal entity (on behalf of 8,000 individuals allegedly affected by the Landslide) at the Regional Trial Court of Talisay, Cebu, against the Parent Company, APO, ALQC, the Mines and Geosciences Bureau of the Department of Environment and Natural Resources, the City Government of Naga, and the Province of Cebu, for "Restitution of Damage of the Natural and Human Environment, Application for the Issuance of Environmental Protection Order against Quarry Operations in Cebu Island with Prayer for Temporary Protection Order, Writ of Continuing Mandamus for Determination of the Carrying Capacity of Cebu Island and Rehabilitation and Restoration of the Damaged Ecosystems". As at December 31, 2018, ALQC has not yet received summons concerning the class action.

In the complaint, among other allegations, (i) plaintiffs claim that the Landslide occurred as a result of the defendants' gross negligence; and (ii) seek, among other relief, (a) monetary damages in the amount of approximately P4.3 billion, (b) the establishment of a P500 million rehabilitation fund, and (c) the issuance of a Temporary Enviroment Protection Order against ALQC while the case is still pending. In the complaint, ALQC, APO and the Parent Company are made solidarily liable for payment of monetary damages and establishment of a rehabilitation fund.

As at December 31, 2018, among other defenses and based on a report by the Mines and Geosciences Bureau of the Department of Environment and Natural Resources, the Parent Company, ALQC and APO hold the position that the landslide occurred due to natural causes and deny liability. In the event a final adverse resolution is issued in this matter, plaintiffs will have the option to proceed against any one of ALQC, APO or the Parent Company for satisfaction of the entirety of the potential judgement award, without the need to proceed against any other private defendant beforehand. Thus, ALQC's, APO's or the Parent Company's assets alone could be exposed to execution proceedings.

As at December 31, 2018, because of the current status and preliminary nature of the lawsuit, considering all possible defenses available, the Company cannot assess with certainty the likelihood of an adverse result in this lawsuit, and in turn, the Company cannot assess if a final adverse resolution, if any, would have a material adverse impact on its results of operations, liquidity and financial condition.

NOTE 31 - SUBSEQUENT EVENTS

In relation to the revolving loan agreement with CABV executed on November 21, 2018 (see Note 13), the Company advanced additional funds to settle trade and insurance payables totaling to $41.8 million in January and February 2019. As at April 2, 2019, long-term payable of Solid to CABV amounted to P4,653,000.

During its meeting on April 2, 2019, the BOD of the Parent Company approved the amendment of the Seventh Article of the Amended Articles of Incorporation, increasing the authorized capital stock of the Parent Company from P5,195,395, divided into 5,195,395,454 common shares with a par value of P1 per share, to P18,310,395, divided into 18,310,395,454 common shares with a par value of P1 per share.

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REPORT OF INDEPENDENT AUDITORS

The Stockholders and Board of Directors
CEMEX Holdings Philippines, Inc.
34/F Petron Mega Plaza Building
358 Sen. Gil J. Puyat Avenue
Brgy. Bel-Air, Makati City

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of CEMEX Holdings Philippines, Inc. (the "Company") and Subsidiaries as at December 31, 2018 and 2017 and for each of the three years in the period ended December 31, 2018, included in this Form 17-A, and have issued our report thereon dated April 2, 2019.

Our audits were made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included in the following accompanying additional components is the responsibility of the Company's management. Such additional components include:

- Schedule of Reconciliation of Retained Earnings Available for Dividend Declaration;
- Map of Group of Companies within which the Group belongs;
- Schedule of Philippine Financial Reporting Standards and Interpretations; and
- Supplementary Schedules of Annex 68-E.

This supplementary information is presented for purposes of complying with the Securities Regulation Code Rule 68, As Amended, and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

R.G. MANABAT & CO.

EMERALD ANNE C. BAGNES
Partner
CPA License No. 0083761
SEC Accreditation No. 0312-AR-4, Group A, valid until June 20, 2021
Tax Identification No. 102-082-332
BIR Accreditation No. 08-001987-012-2018
Issued November 29, 2018; valid until November 28, 2021
PTR No. MKT 7333606
Issued January 3, 2019 at Makati City

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April 2, 2019
Makati City, Metro Manila

CEMEX HOLDINGS PHILIPPINES, INC.
34th Floor, Petron Mega Plaza Building
358 Sen. Gil J. Puyat Avenue, Makati City
RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION

Unappropriated Retained Earnings, January 1, 2018		**P3,453,273,951**
Adjustments:		
Adjustments in previous years' reconciliation		**(566,139,379)**
Unappropriated Retained Earnings, as adjusted, January 1, 2018		**2,887,134,572**
Add: Net income actually earned/realized during the year		
Net income during the period closed to Retained Earnings	P356,008,765	
Less: Non-actual/unrealized income net of tax		
Equity in net income (loss) of associate/ joint venture	-	
Unrealized actuarial gain	-	
Fair value adjustment (M2M gains)	-	
Fair value adjustment of Investment Property resulting in gain	-	
Adjustment due to deviation from PFRS/GAAP - gain	-	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-	
Add: Non-actual losses		
Unrealized foreign exchange loss - net (except those attributable to cash and cash equivalents)	91,034,792	
Depreciation on revaluation increment (after tax)	-	
Adjustment due to deviation from PFRS/GAAP - loss	-	
Loss on fair value adjustment of investment property (after tax)	-	
Deferred income tax expense for the year	360,608,369	
Net income actually earned/realized during the year		**807,651,926**
Add (Less):		
Dividends declaration during the period		-
Appropriation of retained earnings during the period		-
Reversal of appropriations		-
Effect of prior period adjustments		-
Treasury shares		-
TOTAL RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION, DECEMBER 31, 2018		**P3,694,786,498**

BUREAU OF INTERNAL REVENUE
North Makati
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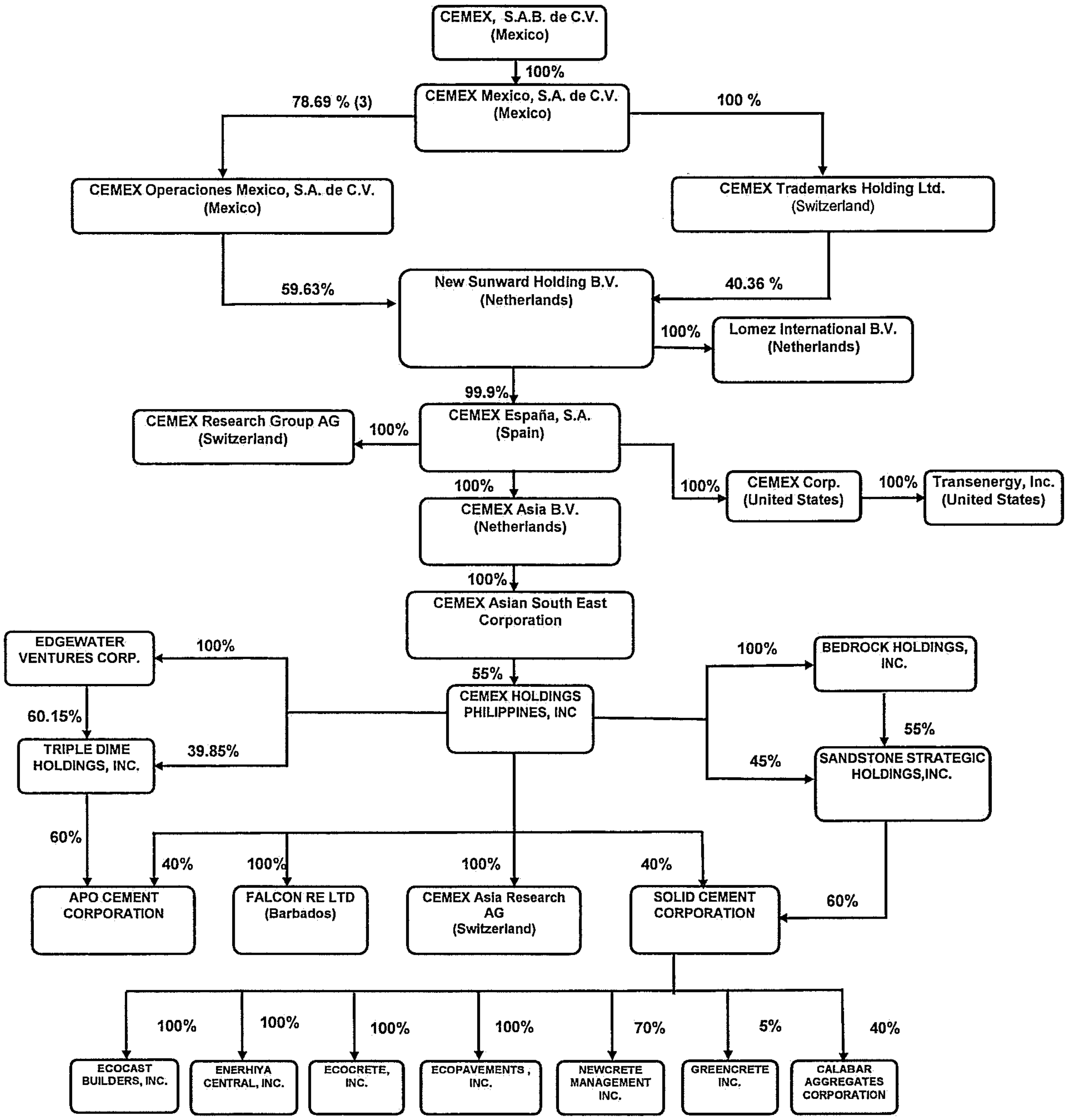
CEMEX Holdings Philippines, Inc. and Subsidiaries

Map of the Group of Companies Within which the Company Belongs
As at December 31, 2018



Note: The diagram provides the organizational and ownership structure as at December 31, 2018 and has been simplified to show the relevant intermediate holding companies of CEMEX, S.A.B. de C.V.

CEMEX Holdings Philippines, Inc. and Subsidiaries

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2018		Adopted	Not Adopted	Not Applicable
Philippine Financial Reporting Standards				
PFRS 1 (Revised)	First-time Adoption of Philippine Financial Reporting Standards			✓
	Amendments to PFRS 1 and PAS 27: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate			✓
	Amendments to PFRS 1: Additional Exemptions for First-time Adopters			✓
	Amendment to PFRS 1: Limited Exemption from Comparative PFRS 7 Disclosures for First-time Adopters			✓
	Amendments to PFRS 1: Severe Hyperinflation and Removal of Fixed Date for First-time Adopters			✓
	Amendments to PFRS 1: Government Loans			✓
	Annual Improvements to PFRSs 2009 - 2011 Cycle: First-time Adoption of Philippine Financial Reporting Standards - Repeated Application of PFRS 1			✓
	Annual Improvements to PFRSs 2009 - 2011 Cycle: Borrowing Cost Exemption			✓
	Annual Improvements to PFRSs 2011 - 2013 Cycle: PFRS version that a first-time adopter can apply			✓
	Annual Improvements to PFRSs 2014 - 2016 Cycle: Deletion of short-term exemptions for first-time adopters			✓
PFRS 2	Share-based Payment	✓		
	Amendments to PFRS 2: Vesting Conditions and Cancellations	✓		
	Amendments to PFRS 2: Group Cash-settled Share-based Payment Transactions			✓
	Annual Improvements to PFRSs 2010 - 2012 Cycle: Meaning of 'vesting condition'	✓		
	Amendments to PFRS 2: Classification and Measurement of Share-based Payment Transactions	✓		
PFRS 3 (Revised)	Business Combinations	✓		
	Annual Improvements to PFRSs 2010 - 2012 Cycle: Classification and measurement of contingent consideration			✓
	Annual Improvements to PFRSs 2011 - 2013 Cycle: Scope exclusion for the formation of joint arrangements			✓
	Annual Improvements to PFRSs 2015-2017 Cycle: Amendments to PFRS 3 and PFRS 11 - Previously held interest in a joint operation			✓
	Amendments to PFRS 3: Definition of a Business		✓	
PFRS 4	Insurance Contracts	✓		
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts	✓		
	Amendments to PFRS 4: Applying PFRS 9, Financial Instruments with PFRS 4, Insurance Contracts			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2018		Adopted	Not Adopted	Not Applicable
PFRS 5	Non-current Assets Held for Sale and Discontinued Operations	✓		
	Annual Improvements to PFRSs 2012 - 2014 Cycle: Changes in method for disposal	✓		
PFRS 6	Exploration for and Evaluation of Mineral Resources			✓
PFRS 7	Financial Instruments: Disclosures	✓		
	Amendments to PFRS 7: Transition	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets - Effective Date and Transition	✓		
	Amendments to PFRS 7: Improving Disclosures about Financial Instruments	✓		
	Amendments to PFRS 7: Disclosures - Transfers of Financial Assets	✓		
	Amendments to PFRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities	✓		
	Amendments to PFRS 7: Mandatory Effective Date of PFRS 9 and Transition Disclosures	✓		
	Annual Improvements to PFRSs 2012 - 2014 Cycle: 'Continuing involvement' for servicing contracts			✓
	Annual Improvements to PFRSs 2012 - 2014 Cycle: Offsetting disclosures in condensed interim financial statements	✓		
PFRS 8	Operating Segments	✓		
	Annual Improvements to PFRSs 2010 - 2012 Cycle: Disclosures on the aggregation of operating segments			✓
PFRS 9	Financial Instruments (2014)	✓		
	Amendments to PFRS 9: Prepayment Features with Negative Compensation		✓	
PFRS 10	Consolidated Financial Statements	✓		
	Amendments to PFRS 10, PFRS 11, and PFRS 12: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance	✓		
	Amendments to PFRS 10, PFRS 12, and PAS 27 (2011): Investment Entities			✓
	Amendments to PFRS 10 and PAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture		✓	
	Amendments to PFRS 10, PFRS 12 and PAS 28: Investment Entities: Applying the Consolidation Exception			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2018		Adopted	Not Adopted	Not Applicable
PFRS 11	Joint Arrangements			✓
	Amendments to PFRS 10, PFRS 11, and PFRS 12: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance			✓
	Amendments to PFRS 11: Accounting for Acquisitions of Interests in Joint Operations			✓
	Annual Improvements to PFRSs 2015-2017 Cycle: Amendments to PFRS 3 and PFRS 11 - Previously held interest in a joint operation			✓
PFRS 12	Disclosure of Interests in Other Entities	✓		
	Amendments to PFRS 10, PFRS 11, and PFRS 12: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance	✓		
	Amendments to PFRS 10, PFRS 12, and PAS 27 (2011): Investment Entities			✓
	Amendments to PFRS 10, PFRS 12 and PAS 28: Investment Entities: Applying the Consolidation Exception			✓
	Annual Improvements to PFRSs 2014 - 2016 Cycle: Clarification of the scope of the standard	✓		
PFRS 13	Fair Value Measurement	✓		
	Annual Improvements to PFRSs 2010 - 2012 Cycle: Measurement of short-term receivables and payables	✓		
	Annual Improvements to PFRSs 2011 - 2013 Cycle: Scope of portfolio exception	✓		
PFRS 14	Regulatory Deferral Accounts			✓
PFRS 15	Revenue from Contracts with Customers	✓		
PFRS 16	Leases		✓	
PFRS 17	Insurance Contracts		✓	
Philippine Accounting Standards				
PAS 1 (Revised)	Presentation of Financial Statements	✓		
	Amendment to PAS 1: Capital Disclosures	✓		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation			✓
	Amendments to PAS 1: Presentation of Items of Other Comprehensive Income	✓		
	Annual Improvements to PFRSs 2009 - 2011 Cycle: Presentation of Financial Statements - Comparative Information beyond Minimum Requirements	✓		
	Annual Improvements to PFRSs 2009 - 2011 Cycle: Presentation of the Opening Statement of Financial Position and Related Notes	✓		
	Amendments to PAS 1: Disclosure Initiative	✓		
	Amendments to PAS 1 and PAS 8: Definition of Material		✓	
PAS 2	Inventories	✓		
PAS 7	Statement of Cash Flows	✓		
	Amendments to PAS 7: Disclosure Initiative	✓		

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2018		Adopted	Not Adopted	Not Applicable
PAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	✓		
	Amendments to PAS 1 and PAS 8: Definition of Material		✓	
PAS 10	Events after the Reporting Period	✓		
PAS 12	Income Taxes	✓		
	Amendment to PAS 12: Deferred Tax: Recovery of Underlying Assets			✓
	Amendments to PAS 12: Recognition of Deferred Tax Assets for Unrealized Losses	✓		
	Annual Improvements to PFRSs 2015-2017 Cycle: Amendments to PAS 12 - Income tax consequences of payments on financial instruments classified as equity		✓	
PAS 16	Property, Plant and Equipment	✓		
	Annual Improvements to PFRSs 2009 - 2011 Cycle: Property, Plant and Equipment - Classification of Servicing Equipment	✓		
	Annual Improvements to PFRSs 2010 - 2012 Cycle: Restatement of accumulated depreciation (amortization) on revaluation (Amendments to PAS 16 and PAS 38)	✓		
	Amendments to PAS 16 and PAS 38: Clarification of Acceptable Methods of Depreciation and Amortization	✓		
	Amendments to PAS 16 and PAS 41: Agriculture: Bearer Plants			✓
PAS 17	Leases	✓		
PAS 19 (Amended)	Employee Benefits	✓		
	Amendments to PAS 19: Defined Benefit Plans: Employee Contributions			✓
	Annual Improvements to PFRSs 2012 - 2014 Cycle: Discount rate in a regional market sharing the same currency - e.g. the Eurozone	✓		
	Amendments to PAS 19: Plan Amendment, Curtailment or Settlement		✓	
PAS 20	Accounting for Government Grants and Disclosure of Government Assistance			✓
PAS 21	The Effects of Changes in Foreign Exchange Rates	✓		
	Amendment: Net Investment in a Foreign Operation	✓		
PAS 23 (Revised)	Borrowing Costs	✓		
	Annual Improvements to PFRSs 2015-2017 Cycle: Amendments to PAS 23 - Borrowing costs eligible for capitalization		✓	
PAS 24 (Revised)	Related Party Disclosures	✓		
	Annual Improvements to PFRSs 2010 - 2012 Cycle: Definition of 'related party'	✓		
PAS 26	Accounting and Reporting by Retirement Benefit Plans			✓
PAS 27 (Amended)	Separate Financial Statements			✓
	Amendments to PFRS 10, PFRS 12, and PAS 27 (2011): Investment Entities			✓
	Amendments to PAS 27: Equity Method in Separate Financial Statements			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2018		Adopted	Not Adopted	Not Applicable
PAS 28 (Amended)	Investments in Associates and Joint Ventures	✓		
	Amendments to PFRS 10 and PAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture		✓	
	Amendments to PFRS 10, PFRS 12 and PAS 28: Investment Entities: Applying the Consolidation Exception			✓
	Annual Improvements to PFRSs 2014 - 2016 Cycle: Measuring an associate or joint venture at fair value	✓		
	Amendments to PAS 28: Long-term Interests in Associates and Joint Ventures		✓	
PAS 29	Financial Reporting in Hyperinflationary Economies			✓
PAS 32	Financial Instruments: Disclosure and Presentation	✓		
	Amendments to PAS 32 and PAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation			✓
	Amendment to PAS 32: Classification of Rights Issues			✓
	Amendments to PAS 32: Offsetting Financial Assets and Financial Liabilities	✓		
	Annual Improvements to PFRSs 2009 - 2011 Cycle: Financial Instruments Presentation - Income Tax Consequences of Distributions	✓		
PAS 33	Earnings per Share	✓		
PAS 34	Interim Financial Reporting	✓		
	Annual Improvements to PFRSs 2009 - 2011 Cycle: Interim Financial Reporting - Segment Assets and Liabilities	✓		
	Annual Improvements to PFRSs 2012 - 2014 Cycle: Disclosure of information "elsewhere in the interim financial report'	✓		
PAS 36	Impairment of Assets	✓		
	Amendments to PAS 36: Recoverable Amount Disclosures for Non-Financial Assets	✓		
PAS 37	Provisions, Contingent Liabilities and Contingent Assets	✓		
PAS 38	Intangible Assets	✓		
	Annual Improvements to PFRSs 2010 - 2012 Cycle: Restatement of accumulated depreciation (amortization) on revaluation (Amendments to PAS 16 and PAS 38)			✓
	Amendments to PAS 16 and PAS 38: Clarification of Acceptable Methods of Depreciation and Amortization			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2018		Adopted	Not Adopted	Not Applicable
PAS 39	Financial Instruments: Recognition and Measurement	✓		
	Amendments to PAS 39: Transition and Initial Recognition of Financial Assets and Financial Liabilities	✓		
	Amendments to PAS 39: Cash Flow Hedge Accounting of Forecast Intragroup Transactions	✓		
	Amendments to PAS 39: The Fair Value Option	✓		
	Amendments to PAS 39 and PFRS 4: Financial Guarantee Contracts	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets	✓		
	Amendments to PAS 39 and PFRS 7: Reclassification of Financial Assets - Effective Date and Transition	✓		
	Amendments to Philippine Interpretation IFRIC-9 and PAS 39: Embedded Derivatives	✓		
	Amendment to PAS 39: Eligible Hedged Items	✓		
	Amendment to PAS 39: Novation of Derivatives and Continuation of Hedge Accounting	✓		
PAS 40	Investment Property			✓
	Annual Improvements to PFRSs 2011 - 2013 Cycle: Inter-relationship of PFRS 3 and PAS 40 (Amendment to PAS 40)	✓		
	Amendments to PAS 40: Transfers of Investment Property			✓
PAS 41	Agriculture			✓
	Amendments to PAS 16 and PAS 41: Agriculture: Bearer Plants			✓
Philippine Interpretations				
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	✓		
IFRIC 2	Members' Share in Co-operative Entities and Similar Instruments			✓
IFRIC 4	Determining Whether an Arrangement Contains a Lease	✓		
IFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds			✓
IFRIC 6	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment			✓
IFRIC 7	Applying the Restatement Approach under PAS 29 Financial Reporting in Hyperinflationary Economies			✓
IFRIC 10	Interim Financial Reporting and Impairment	✓		
IFRIC 12	Service Concession Arrangements			✓
IFRIC 14	PAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	✓		
	Amendments to Philippine Interpretations IFRIC- 14, Prepayments of a Minimum Funding Requirement			✓
IFRIC 16	Hedges of a Net Investment in a Foreign Operation			✓
IFRIC 17	Distributions of Non-cash Assets to Owners	✓		
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments			✓
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine			✓
IFRIC 21	Levies	✓		

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2018		Adopted	Not Adopted	Not Applicable
IFRIC 22	Foreign Currency Transactions and Advance Consideration	✓		
IFRIC 23	Uncertainty over Income Tax Treatments		✓	
SIC-7	Introduction of the Euro			✓
SIC-10	Government Assistance - No Specific Relation to Operating Activities			✓
SIC-15	Operating Leases - Incentives	✓		
SIC-25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders	✓		
SIC-27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	✓		
SIC-29	Service Concession Arrangements: Disclosures.			✓
SIC-32	Intangible Assets - Web Site Costs			✓
Philippine Interpretations Committee Questions and Answers				
PIC Q&A 2006-01	PAS 18, Appendix, paragraph 9 - Revenue recognition for sales of property units under pre-completion contracts			✓
PIC Q&A 2006-02	PAS 27.10(d) - Clarification of criteria for exemption from presenting consolidated financial statements			✓
PIC Q&A 2007-02	PAS 20.24.37 and PAS 39.43 - Accounting for government loans with low interest rates			✓
PIC Q&A 2007-03	PAS 40.27 - Valuation of bank real and other properties acquired (ROPA)			✓
PIC Q&A 2008-01-Revised	PAS 19.78 - Rate used in discounting post-employment benefit obligations	✓		
PIC Q&A 2009-01	Framework.23 and PAS 1.23 - Financial statements prepared on a basis other than going concern			✓
PIC Q&A 2010-02	PAS 1R.16 - Basis of preparation of financial statements	✓		
PIC Q&A 2010-03	PAS 1 Presentation of Financial Statements - Current/non-current classification of a callable term loan	✓		
PIC Q&A 2011-02	PFRS 3.2 - Common Control Business Combinations	✓		
PIC Q&A 2011-03	Accounting for Inter-company Loans	✓		
PIC Q&A 2011-04	PAS 32.37-38 - Costs of Public Offering of Shares	✓		
PIC Q&A 2011-05	PFRS 1.D1-D8 - Fair Value or Revaluation as Deemed Cost			✓
PIC Q&A 2011-06	PFRS 3, Business Combinations (2008), and PAS 40, Investment Property - Acquisition of Investment properties - asset acquisition or business combination?	✓		
PIC Q&A 2012-01	PFRS 3.2 - Application of the Pooling of Interests Method for Business Combinations of Entities Under Common Control in Consolidated Financial Statements	✓		
PIC Q&A 2012-02	Cost of a New Building Constructed on the Site of a Previous Building			✓
PIC Q&A 2013-02	Conforming Changes to PIC Q&As - Cycle 2013	✓		
PIC Q&A 2013-03	PAS 19 - Accounting for Employee Benefits under a Defined Contribution Plan subject to Requirements of			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2018		Adopted	Not Adopted	Not Applicable
(Revised)	Republic Act (RA) 7641, The Philippine Retirement Law			
PIC Q&A 2015-01	Conforming Changes to PIC Q&As - Cycle 2015	✓		
PIC Q&A 2016-01	Conforming Changes to PIC Q&As - Cycle 2016	✓		
PIC Q&A 2016-02	PAS 32 and PAS 38 - Accounting Treatment of Club Shares Held by an Entity	✓		
PIC Q&A 2016-03	Accounting for Common Areas and the Related Subsequent Costs by Condominium Corporations			✓
PIC Q&A 2016-04	Application of PFRS 15 "Revenue from Contracts with Customers" on Sale of Residential Properties under Pre-Completion Contracts	✓		
PIC Q&A 2017-01	Conforming Changes to PIC Q&As - Cycle 2017	✓		
PIC Q&A 2017-02	PAS 2 and PAS 16 - Capitalization of operating lease cost as part of construction costs of a building	✓		
PIC Q&A 2017-03	PAS 28 - Elimination of profits and losses resulting from transactions between associates and/or joint ventures	✓		
PIC Q&A 2017-04	PAS 24 - Related party relationships between parents, subsidiary, associate and non-controlling shareholder	✓		
PIC Q&A 2017-05	PFRS 7 - Frequently asked questions on the disclosure requirements of financial instruments under PFRS 7, Financial Instruments: Disclosures	✓		
PIC Q&A 2017-06	PAS 2, 16 and 40 - Accounting for Collector's Items			✓
PIC Q&A 2017-07	PFRS 10 - Accounting for reciprocal holdings in associates and joint ventures			✓
PIC Q&A 2017-08	PFRS 10 - Requirement to prepare consolidated financial statements where an entity disposes of its single investment in a subsidiary, associate or joint venture	✓		
PIC Q&A 2017-09	PAS 17 and Philippine Interpretation SIC-15 - Accounting for payments between and among lessors and lessees	✓		
PIC Q&A 2017-10	PAS 40 - Separation of property and classification as investment property	✓		
PIC Q&A 2017-11	PFRS 10 and PAS 32 - Transaction costs incurred to acquire outstanding non-controlling interest or to sell non-controlling interest without a loss of control			✓
PIC Q&A 2017-12	Subsequent Treatment of Equity Component Arising from Intercompany Loans			✓
PIC Q&A 2018-01	Voluntary changes in accounting policy	✓		
PIC Q&A 2018-02	Non-controlling interests and goodwill impairment test	✓		
PIC Q&A 2018-03	Fair value of PPE and depreciated replacement cost	✓		
PIC Q&A 2018-04	Inability to measure fair value reliably for biological assets within the scope of PAS 41			✓
PIC Q&A 2018-05	Maintenance requirement of an asset held under lease	✓		
PIC Q&A 2018-06	Cost of investment in subsidiaries in SFS when pooling is applied			✓

PHILIPPINE FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS Effective as of December 31, 2018		Adopted	Not Adopted	Not Applicable
PIC Q&A 2018-07	Cost of an associate, joint venture, or subsidiary in separate financial statements			✓
PIC Q&A 2018-08	Accounting for the acquisition of non-wholly owned subsidiary that is not a business			✓
PIC Q&A 2018-09	Classification of deposits and progress payments as monetary or non-monetary items	✓		
PIC Q&A 2018-10	Scope of disclosure of inventory write-down	✓		
PIC Q&A 2018-11	Classification of land by real estate developer			✓
PIC Q&A 2018-12	PFRS 15 implementation issues affecting the real estate industry			✓
PIC Q&A 2018-13	Conforming Changes to PIC Q&As - Cycle 2018	✓		
PIC Q&A 2018-14	PFRS 15 - Accounting for Cancellation of Real Estate Sales			✓
PIC Q&A 2018-15	PAS 1- Classification of Advances to Contractors in the Nature of Prepayments: Current vs. Non-current	✓		
PIC Q&A 2018-16	PFRS 13 - Level of fair value hierarchy of government securities using Bloomberg's standard rule on fair value hierarchy			✓
PIC Q&A 2019-01	Accounting for service charges under PFRS 15, Revenue from Contracts with Customers			✓
PIC Q&A 2019-02	Accounting for cryptographic assets			✓
PIC Q&A 2019-03	Revenue recognition guidance for sugar millers			✓

Legend:

Adopted *- means a particular standard or interpretation is relevant to the operations of the entity (even if it has no effect or no material effect on the financial statements), for which there may be a related particular accounting policy made in the financial statements and/or there are current transactions the amounts or balances of which are disclosed on the face or in the notes of the financial statements.*

Not Adopted *- means a particular standard or interpretation is effective but the entity did not adopt it due to either of these two reasons: 1) The entity has deviated or departed from the requirements of such standard or interpretation; or 2) The standard provides for an option to early adopt it but the entity decided otherwise.*

Not Applicable *- means the standard or interpretation is not relevant at all to the operations of the entity.*

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
SCHEDULE A. FINANCIALS ASSETS
December 31, 2018
(Amounts in Thousands)

Name of Issuing entity and association of each issue (i)	Number of shares or principal amount of bonds and notes	Amount shown in the balance sheet (ii)	Valued based on market quotation at balance sheet date (iii)	Income received and accrued

NOT APPLICABLE

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES

SCHEDULE B. AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS (OTHER THAN AFFILIATES).

December 31, 2018

(Amounts in Thousands)

Name and Designation of debtor (i)	Balance at beginning of period	Additions	Amounts collected (ii)	Amounts written off (iii)	Current	Not Current	Balance at end of period
VIDAL, APRIL	P6,100,220	P-	(P1,000,000)	P-	P5,100,220	P-	P5,100,220
RAMOS, ARTURO	3,825,796	-	(3,825,796)	-	-	-	-
CARPIO, EDMUND	795,167	-	-	-	795,167	-	795,167
BLANCO, HERMINIA	406,936	-	(406,936)	-	-	-	-
SORONGON, JOAN	139,750	-	(139,750)	-	-	-	-
FESTEJO, ALEXANDER	130,802	-	(130,802)	-	-	-	-
HUFEMIA, EDWIN	-	302,035	(139,776)	-	162,259	-	162,259
URRIZA, RALPH ANDREW	-	180,000	(26,250)	-	153,750	-	153,750
	P11,398,671	P482.035	(5,669,310)	P-	6,211,396	P-	P6,211,396

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES

SCHEDULE C. AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF SEPARATE FINANCIAL STATEMENTS

December 31, 2018

(Amounts in Thousands)

Name and Designation of debtor	Balance at beginning of period	Additions	Amounts collected (i)	Amounts written off (ii)	Current	Not Current	Balance at end of period
CEMEX Holdings Philippines, Inc.	P55,100	P505,942	(P534,262)	P -	P26,780	P -	P 26,780
Solid Cement Corporation	167,060	258,888	(364,269)	-	61,679	-	61,679
APO Cement Corporation	41,005	621,295	(632,438)	-	29,862	-	29,862
Bedrock Holdings, Inc.	109,817	-	-	-	200	109,617	109,817
Ecocast Builders, Inc.	14,865	-	-	-	14,865	-	14,865
Ecopavements, Inc.	45,213	1,553	-	-	1,766	45,000	46,766
Ecocrete, Inc.	11	775	(705)	-	81	-	81
Cemex Asia Research AG	3,158,629	4,156,052	(3,053,298)	-	4,261,383	-	4,261,383
Falcon Re Ltd.	2,184,613	144,574	(1,476,220)	-	852,967	-	852,967
	P5,776,313	P5,689,079	(P6,061,192)	P -	P5,249,583	P154,617	P5,404,200

CEMEX HOLDINGS PHILIPPINES, INC. AND A SUBSIDIARIES
SCHEDULE D. INTANGIBLE ASSETS - OTHER ASSETS
December 31, 2018
(Amounts in Thousands)

Description (i)	Beginning balance	Additions at cost (ii)	Charged to cost and expenses	Charged to other accounts	Other changes additions (deductions) (iii)	Ending balance
Goodwill	P27,859,694	P-	P-	P-	P-	P27,859,694

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
SCHEDULE E. LONG TERM DEBT
December 31, 2018
(Amounts in Thousands)

Title of Issue and type of obligation (i)	Lender	Outstanding Balance	Amount shown under caption "Current portion of long-term debt" in related balance sheet (ii)	Amount shown under caption "Long-Term Debt" in related balance sheet (iii)	Interest Expense	Number of Periodic Installments	Final Maturity Date
Senior Unsecured Peso Term Loan Facility Agreement	BDO Unibank, Inc.	P13,628,851	P140,123	P13,488,728	P719,174 (Fixed rate tranche - as agreed by the parties; Floating rate tranche - based on prevailing market rate plus spread)	28	February 2, 2024

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
SCHEDULE F. INDEBTEDNESS TO RELATED PARTIES (LONG TERM LOANS FROM RELATED PARTIES)
December 31, 2018
(Amounts in Thousands)

Name of Related Parties (i)	Balance at beginning of period	Balance at end of period (ii)
CEMEX Asia B.V.	P1,288,334	3,594,549

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
SCHEDULE G. GUARANTEES OF SECURITIES OF OTHER ISSUERS
December 31, 2018
(Amounts in Thousands)

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding (i)	Amount owned by person for which statement is filed	Nature of guarantee (ii)

NOTHING TO REPORT

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
SCHEDULE H. CAPITAL STOCK
December 31, 2018

Title of Issue	Number of Shares authorized	Number of shares issued and outstanding at shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by affiliates	Directors, officers and employees	Others
Common shares	5,195,395,454	5,195,395,454	Not applicable	2,857,467,498	1,586,891	2,336,341,065

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
AS AT AND FOR THE YEAR ENDED DECEMBER 31, 2018

	2018	2017
Current ratio (Current assets over current liabilities)	**0.9:1**	1.0:1
Solvency ratio (Profit plus depreciation and amortization over total liabilities)	**0.018:1**	0.1:1
Bank debt-to-equity ratio (Bank debt over total equity)	**0.5:1**	0.5:1
Asset-to-equity ratio (Total assets over total equity)	**1.9:1**	1.8:1
Interest rate coverage ratio (Operating income before other expenses over interest expense)	**1.5:1**	2.3:1
Operating profit margin (Operating profit over net sales)	**6%**	9%
Net profit margin (Profit over net sales)	**-4%**	3%

EXHIBIT C

SEC Form 17-Q for Quarter Ended 31 March 2018
(1st Quarter 2018)

CEMEX HOLDINGS PHILIPPINES, INC.
SEC FORM 17-A

COVER SHEET

SEC Registration Number

CS201518815

COMPANY NAME

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

34th Floor, Petron Mega Plaza
358 Sen. Gil J. Puyat Avenue
Makati City

Form Type	Department requiring the report	Secondary License Type, If Applicable
SEC Form 17-Q 1st Quarter 2018		

COMPANY INFORMATION

Company's email Address	Company's Telephone Number/s	Mobile Number
	849 – 3600	

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
18	**First Wednesday of June -** **June 6, 2018**	**December 31**

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Steve Kuansheng Wu	steve.wu@cemex.com	(02) 849 3647	

CONTACT PERSON's ADDRESS

34th Floor, Petron Mega Plaza, 358 Sen. Gil J. Puyat Avenue, Makati City

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended **March 31, 2018**
2. SEC Identification Number. **CS201518815**
3. BIR Tax Identification No. **009-133-917-000**
4. Exact name of registrant as specified in its charter. **CEMEX HOLDINGS PHILIPPINES, INC.**
5. Province, country or other jurisdiction of incorporation or organization **Metro Manila, Philippines**
6. Industry Classification Code: ______ (SEC Use Only)
7. Address of issuer's principal office and postal code **34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
8. Issuer's telephone number, including area code **(02) 849-3600**
9. Former name, former address and former fiscal year, if changed since last report - **Not applicable**
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common Shares	5,195,395,454

11. Are any or all of the securities listed on a Stock Exchange?

Yes [X] No [ ]

Stock Exchange: Philippine Stock Exchange
Securities Listed: Common Shares

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [X] No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days. Yes [X] No [ ]

FINANCIAL INFORMATION

Item 1. Financial Statements

The unaudited condensed consolidated interim financial statements as at and for the three months ended March 31, 2018 and the audited consolidated statement of financial position as at December 31, 2017 and unaudited statement of profit or loss and other comprehensive income for the three months ended March 31, 2017, and the related notes to the unaudited condensed consolidated interim financial statements of CEMEX Holdings Philippines, Inc. and its Subsidiaries as at March 31, 2018 are filed as part of this Form 17-Q as Appendix I.

The term "Parent Company" used in this report refers to CEMEX Holdings Philippines, Inc. without its Subsidiaries. The term "Company" refers to the Parent Company together with its consolidated Subsidiaries.

On a consolidated group basis, the Parent Company is an indirect subsidiary of CEMEX, S.A.B. de C.V. ("CEMEX"), a company incorporated in Mexico with address of its principal executive office at Avenida Ricardo Margain Zozaya #325, Colonia Valle del Campestre, Garza Garcia, Nuevo León, Mexico.

The Company presents comparative unaudited condensed consolidated interim financial statements for the three months ended March 31, 2018 and unaudited financial statements for the three months ended March 31, 2017.

On January 1, 2016 the Parent Company acquired, directly and indirectly through intermediate holding companies, a 100% equity interest in each of Solid Cement Corporation ("Solid") and APO Cement Corporation ("APO"). Solid has several subsidiaries. The Company also includes CEMEX Asia Research AG ("CAR"), a wholly-owned subsidiary incorporated in December 2015 under the laws of Switzerland. Pursuant to license agreements that CAR entered into with CEMEX Research Group AG ("CRG") and CEMEX, respectively, CAR became a licensee for certain trademarks, including the CEMEX trademark, and other intangible assets forming part of the intellectual property portfolio owned and developed by CEMEX. CAR is engaged primarily in the development, maintenance and customization of these intangible assets for the Asia Region and it in turn provides non-exclusive licenses to Solid and APO to use the CEMEX trademark and other trademarks and intangible assets of CEMEX.

In May 2016, the Parent Company incorporated a wholly-owned subsidiary named Falcon Re Ltd. ("Falcon") under the Companies Act of Barbados. Falcon is registered to conduct general insurance business, all risk property insurance, political risks insurance and non-damage business interruption insurance, and received its license to operate as an insurance company in July 2016. Falcon acts as a re-insurer to the extent of 10% of the risks associated with property insurance coverage and 100% of the risks associated with political violence and non-damage business interruption programs of the operating subsidiaries of the Parent Company.

On July 18, 2016, the Parent Company's initial public offering ("IPO") of 2,337,927,954 common shares at P10.75 per share culminated with the listing and trading under the Main Board of the Philippine Stock Exchange of all of the outstanding shares of capital stock of the Parent Company consisting of 5,195,395,454 common shares.

During the first quarter of 2017, the remaining balance of the proceeds from the IPO were used in the first quarter of 2017 to partially repay amounts outstanding under the long-term loan with New Sunward Holding B.V. ("NSH Long-term Loan"). New Sunward Holding B.V. is a subsidiary of CEMEX.

On February 1, 2017, the Parent Company signed a senior unsecured peso term loan facility agreement with BDO Unibank, Inc. for an amount of up to the Philippine Peso equivalent of US$280 Million ("BDO Refinancing Loan"), to refinance a majority of the Parent Company's outstanding balance due under the NSH Long-term Loan. Following its availment of the BDO Refinancing Loan, the Parent Company completely repaid the NSH Long-term Loan.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following is a discussion and analysis of our unaudited condensed consolidated interim financial condition and results of operations as at and for the three months ended March 31, 2018, the audited consolidated financial condition as at December 31, 2017, and unaudited consolidated interim results of operations for the three months ended March 31, 2017, and certain trends, risks and uncertainties that may affect our business.

Financial Performance

For the three months ended March 31, 2018 and 2017:

Revenue

Revenue for the three-month period ended March 31, 2018 and 2017 amounted to P5.9 billion and P5.4 billion, respectively. The breakdown of revenue after elimination of transactions between consolidated entities for the three months ended March 31, 2018 and 2017 were as follows:

	For the three months ended March 31, 2018		**For the three months ended March 31, 2017**	
Segment	***Amount****	***% Sales***	***Amount****	***% Sales***
Cement sales	P5,886	99.9%	P5,294	98.7%
Other business	P5	0.1%	P68	1.3%
Total	**P5,891**	**100.0%**	**P5,362**	**100.0%**

****Amounts in millions***

For the three months ended March 31, 2018, domestic gray cement volume increased 16% and our average selling price for domestic gray cement declined 5% against same period last year.

Cost of Sales

Cost of sales for the three-month period ended March 31, 2018 and 2017 amounted to P3.4 billion and P2.8 billion, respectively. As a percentage of revenue, cost of sales increased by 6.4 percentage points year-on-year, mainly due to lower average cement selling price.

Power and fuel represented approximately 22.2% and 26.4% of cost of sales for the three months ended March 31, 2018, respectively and 21.3% and 19.5%, respectively, of cost of sales for the three months ended March 31, 2017.

Gross Profit

As a result of the above conditions, gross profit for the three months ended March 31, 2018 and 2017 reached P2.4 billion and P2.6 billion, respectively. Gross profit as a percentage of revenue for the three months ended March 31, 2018 and 2017 represented 41.5% and 48.0%, respectively.

Operating Expenses

Operating expenses amounted to P1.9 billion and P1.8 billion, respectively, for the three months ended March 31, 2018 and 2017. Operating expenses were composed of administrative and selling and distribution expenses. Administrative and selling expenses amounted to P747.4 million and

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P755.9 million or 12.7% and 14.1% of revenue for the first three months of 2018 and 2017. These include: a) license fees amounting to P229.5 million and P198.6 million, respectively; b) insurance amounting to P57.4 million and P45.6 million, respectively; and c) salaries and wages amounting to P178.9 million and P131.6 million, respectively. Distribution expenses amounted to P1.1 billion and P1.0 billion, respectively, for the three months ended March 31, 2018 and 2017, which accounted for 19.4% and 19.6%, respectively, of revenue.

Other expenses included in operating expenses covered administrative fees, utilities and supplies, taxes and licenses, depreciation, advertising and travel expenses, and others.

Operating income before other expenses-net
For the reasons discussed above, profit from operations amounted to P556.7 million and P768.1 million, respectively, for the three months ended March 31, 2018 and 2017. These comprised 9.4% and 14.3% of revenue, respectively.

Financial Expenses
Net financial expenses for the three months ended March 31, 2018 and 2017 amounted to P207.7 million and P258.5 million, respectively.

Foreign Exchange Loss, net
Net foreign exchange loss of P247.8 million and P88.0 million were reported for the three months ended March 31, 2018 and 2017, respectively. Significant increase of foreign exchange loss pertains to weakening of Philippine Peso against US dollar.

Other Income, Net
Net other income for the three-month period ended March 31, 2018 and 2017 was P2.3 million and P19.2 million, respectively.

Income Tax
As a result of operations, our income tax expense for the three months ended March 31, 2018 and 2017 amounted to P3.2 million and P91.2 million, respectively.

Profit
As a result of the abovementioned concepts, profit for the three months ended March 31, 2018 and 2017 amounted to P100.3 million and P349.5 million, respectively.

Financial Position

As at March 31, 2018 and December 31, 2017:

Cash and Cash Equivalents
Cash and cash equivalents amounted to P1.9 billion and P1.1 billion as at March 31, 2018 and December 31, 2017, respectively. As at March 31, 2018, cash and cash equivalents of P1.9 billion include P1.2 billion cash on hand and in banks and P681.7 million short-term investments which are readily convertible to cash. As at December 31, 2017, cash and cash equivalents of P1.1 billion include P629.1 million cash on hand and in banks and P429.2 million short-term investments which are readily convertible to cash.

Trade Receivables - Net
Accounts receivables amounted to P986.3 million and P833.3 million as at March 31, 2018 and December 31, 2017, net of allowance for impairment losses amounting to P26.2 million and P36.1 million, respectively, which mainly pertained to receivables from customers.

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Due from Related Parties
Related party balances amounted to P284.1 million and P26.4 million as at March 31, 2018 and December 31, 2017, respectively, resulting primarily from the sale of goods, invoicing of administrative fees, and advances and loans between related parties. Please see Note 9 in the attached unaudited condensed consolidated interim financial statements as at and for the three months ended March 31, 2018 and the audited consolidated financial position as at December 31, 2017 and unaudited statement of profit or loss and other comprehensive income for the three months ended March 31, 2017.

Other Current Accounts Receivable
Other accounts receivables amounted to P72.9 million and P74.6 million as at March 31, 2018 and December 31, 2017, respectively.

Inventories
Inventories amounted to P2.7 billion and P3.3 billion as at March 31, 2018 and December 31, 2017, respectively. Inventories consisting of raw materials, cement and work in process amounted to P1.5 billion and P1.7 billion for the year 2018 and 2017, respectively, and the remaining balance referred to spare parts. Inventories are measured at cost or net realizable value, whichever is lower.

Prepayments and Other Current Assets
Other current assets amounted to P1.7 billion and P1.4 billion as at March 31, 2018 and December 31, 2017, respectively which referred primarily to prepayments of insurance, P826.4 million and P542.7 million, respectively, and prepayment of taxes, P491.2 million and P548.9 million, respectively.

Investment in an Associate and Other Investments
Investments in Associates cover minority equity investments in Greencrete Inc. and Calabar Aggregates Corporation.

Other Assets and Noncurrent Accounts Receivable
Other assets amounting to P724.9 million and P716.7 million as at March 31, 2018 and December 31, 2017, respectively, primarily consisted of long-term performance deposits of P122.4 million for both periods and debt reserve account amounting to P490.1 million and P485.5 million, respectively. The rest mainly referred to noncurrent portion of the unamortized transportation allowances of employees and other long-term prepayments.

Property, Machinery and Equipment - Net
Property, machinery and equipment had a balance of P15.5 billion and P15.6 billion as at March 31, 2018 and December 31, 2017, respectively. As at March 31, 2018 and December 31, 2017, P79.7 million and P844.4 million, respectively, were incurred for maintenance capital expenditures and P114.5 million and P484.6 million, respectively, for strategic capital expenditures.

Deferred Income Tax Assets - Net
The Company's deferred income tax asset amounted to P1.1 billion and P925.2 million as at March 31, 2018 and December 31, 2017, respectively which mainly represented future tax benefits from operating losses.

Goodwill
The Company's goodwill arose from the business combinations when the Parent Company acquired its subsidiaries.

Trade Payables
Trade payables as at March 31, 2018 and December 31, 2017 amounted to P2.7 billion and P2.3 billion, respectively, which were related to purchases of raw materials and other goods, and services provided by third parties.

Due to Related Parties
Short-term payable to related parties had a balance of P2.1 billion and P2.3 billion as at March 31, 2018 and December 31, 2017, respectively. Long-term payable to related parties amounted to P1.1 billion as at March 31, 2018 and December 31, 2017.

Income Tax Payable, Other Accounts Payable and Accrued Expenses, Unearned Revenue, and Provisions
Other payables and accruals which amounted to P2.5 billion and P2.1 billion as at March 31, 2018 and December 31, 2017, respectively, pertained mainly to accruals, advances from customers, provisions, and tax payables.

Retirement Benefits Liability
Retirement benefits liability amounting to P889.2 million and P761.0 million as at March 31, 2018 and December 31, 2017, respectively, pertained to the provision recognized by the Company associated with employees' defined benefit pension plans.

Long-term Bank Loan
The current balance of the BDO Refinancing Loan was P13.7 billion as at March 31, 2018 and December 31, 2017. The debt issuance cost of this long-term bank loan, corresponding to P159.5 million and P166.6 million on unamortized basis, was deducted from the total loan liability as at March 31, 2018 and December 31, 2017, respectively. Short-term portion of the bank loan amounted to P105.1 million and P140.1 million as at March 31, 2018 and December 31, 2017, respectively.

Other Noncurrent Liabilities
Other noncurrent liabilities of P20.6 million as at March 31, 2018 and December 31, 2017, referred to provision for asset retirement obligation.

Common Stock
As at March 31, 2018 and December 31, 2017, the total authorized capital stock of the Parent Company consisted of 5,195,395,454 common shares at a par value of P1 per share, and the total issued and outstanding capital stock was 5,195,395,454 common shares at a par value of P1 per share.

Other Equity Reserves
The amount referred to the cumulative effects of items and transactions that were, temporarily or permanently, recognized directly to stockholders' equity which included share-based compensation, remeasurement of retirement benefits liability, net of tax, cumulative currency translation of a foreign subsidiary and unrealized gains and losses arising from coal hedge contract accounted for as cash flow hedge.

Retained Earnings
Retained earnings of P2.2 billion and P2.1 billion as at March 31, 2018 and December 31, 2017, respectively, included the Company's cumulative net results of operations.

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Key Performance Indicators

The Company sets certain performance measures to gauge its operating performance periodically and to assess its overall state of corporate health. Listed below are the major performance measures, which the Company has identified as reliable performance indicators. Analyses are employed by comparisons and measurements on a consolidated basis based on the financial data as at the relevant periods indicated in the tables below.

Key Financial Indicators	Formula	For the three-month period ended March 31, 2018	For the year ended December 31, 2017
Current Ratio	Current Assets/Current Liabilities	1.0 : 1	1.0 : 1
Solvency Ratio	Profit + Depreciation and Amortization/Total Liabilities	0.02 : 1	0.1 : 1
Net debt to Equity Ratio	Debt*/Total Equity	0.7 : 1	0.7 : 1
Asset to Equity Ratio	Total Assets/Total Equity	1.8 : 1	1.8 : 1

**Debt is net of cash and cash equivalents.*

Key Financial Indicators	Formula	For the three-month period ended March 31, 2018	For the three-month period ended March 31, 2017
Interest Rate Coverage Ratio	Operating income before other expenses/Interest	2.9 : 1	3.1 : 1
Profitability Ratio	Operating income before other expenses-net/Revenue	0.1 : 1	0.1 : 1

Aging of Accounts Receivables

As at March 31, 2018 the aging analysis of various accounts receivable are as follows:

	Neither past due nor impaired	Past due but not impaired			Impaired	Total
		1 to 30 days	31 to 60 days	More than 60 days		
Trade receivables	P832,165	P66,958	P8,009	P79,121	P26,244	P1,012,497
Receivables from related parties	284,077	–	–	–	–	284,077
Other current accounts receivables	72,924	–	–	–	–	72,924
	1,189,166	66,958	8,009	79,121	26,244	1,369,498
Allowance for impairment losses	–	–	–	–	(26,244)	(26,244)
	P1,189,166	P66,958	P8,009	P79,121	P–	P1,343,254

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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 thereunto duly authorized.

CEMEX HOLDINGS PHILIPPINES, INC.

By:

IGNACIO ALEJANDRO MIJARES ELIZONDO
President & Chief Executive Officer
Date: 27 APR 2018

STEVE KUANSHENG WU
Treasurer
Date: 02 MAY 2018

Item 1. Financial Statements.

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands)

	Note	**March 31, 2018 (Unaudited)**	December 31, 2017 (Audited)
ASSETS			
Current Assets			
Cash and cash equivalents	*6, 12*	**P1,850,878**	P1,058,267
Trade receivables - net	*12*	**986,253**	833,259
Due from related parties	*9, 12*	**284,077**	26,386
Other current accounts receivables	*12*	**72,924**	74,616
Inventories		**2,692,510**	3,258,252
Prepayments and other current assets		**1,718,310**	1,401,133
Total Current Assets		**7,604,952**	6,651,913
Noncurrent Assets			
Investments in an associate and other investments		**15,407**	15,407
Other assets and noncurrent accounts receivables	*12*	**724,870**	716,700
Property, machinery and equipment - net	*7*	**15,464,533**	15,582,732
Deferred income taxes - net		**1,089,517**	925,230
Goodwill		**27,859,694**	27,859,694
Total Noncurrent Assets		**45,154,021**	45,099,763
		P52,758,973	P51,751,676
LIABILITIES AND EQUITY			
Current Liabilities			
Trade payables		**P2,684,491**	P2,318,979
Due to related parties	*9*	**2,111,822**	2,273,404
Unearned revenue, other accounts payable and accrued expenses		**2,390,982**	2,108,767
Current portion of long-term bank loan		**105,092**	140,123
Income tax payable		**146,638**	32,279
Total Current Liabilities		**7,439,025**	6,873,552
Noncurrent Liabilities			
Long-term bank loan	*11*	**13,607,569**	13,600,475
Long-term payable to related parties	*9*	**1,073,635**	1,073,635
Retirement benefits liability		**889,197**	761,008
Other noncurrent liabilities		**20,610**	20,610
Total Noncurrent Liabilities		**15,591,011**	15,455,728
Total Liabilities		**23,030,036**	22,329,280

	Note	March 31, 2018 (Unaudited)	December 31, 2017 (Audited)
Equity			
Controlling interest:			
Common stock	*8*	**P5,195,395**	P5,195,395
Additional paid-in capital		**21,959,159**	21,959,159
Other equity reserves		**416,276**	199,929
Retained earnings		**2,157,896**	2,067,692
Total controlling interest		**29,728,726**	29,422,175
Non-controlling interest		**211**	221
Total Equity		**29,728,937**	29,422,396
Total Liabilities and Equity		**P52,758,973**	P51,751,676

See Notes to the Condensed Consolidated Interim Financial Statements.

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(Amounts in Thousands, Except Per Share Data)
(Unaudited)

	Note	For The Three Months Ended March 31, 2018	For The Three Months Ended March 31, 2017
REVENUE		**P5,891,259**	P5,362,377
COST OF SALES		**(3,445,425)**	(2,789,516)
GROSS PROFIT		**2,445,834**	2,572,861
OPERATING EXPENSES			
Administrative and selling expenses		**(747,380)**	(755,940)
Distribution expenses		**(1,141,756)**	(1,048,808)
TOTAL OPERATING EXPENSES		**(1,889,136)**	(1,804,748)
OPERATING INCOME BEFORE OTHER EXPENSES – Net		**556,698**	768,113
OTHER INCOME - Net		**2,276**	19,166
OPERATING INCOME AFTER OTHER EXPENSES - Net		**558,974**	787,279
FINANCIAL EXPENSES		**(207,744)**	(258,478)
FOREIGN EXCHANGE LOSS - Net		**(247,784)**	(88,045)
EARNINGS BEFORE INCOME TAX		**103,446**	440,756
INCOME TAX EXPENSE		**(3,164)**	(91,217)
PROFIT	*5*	**100,282**	349,539
OTHER COMPREHENSIVE INCOME (LOSS)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of employee benefits liability		**(307)**	1,312
Income tax recognized directly in other comprehensive income		**92**	(394)
		(215)	918
Items that will be reclassified subsequently to profit or loss			
Currency translation of a foreign subsidiary		**216,562**	22,185
Cash flow hedge		**-**	(8,775)
		216,562	13,410
		216,347	14,328
COMPREHENSIVE INCOME		**316,629**	363,867
Non-controlling interest comprehensive loss		**10**	8
CONTROLLING INTEREST IN CONSOLIDATED COMPREHENSIVE INCOME		**P316,639**	P363,875
Basic / Diluted Earnings Per Share	*5*	**P0.02**	P0.07

See Notes to the Condensed Consolidated Interim Financial Statements.

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Amounts in Thousands)
(Unaudited)

For The Three Months Ended March 31, 2018

	Common Stock (see Note 8)	Additional Paid-in Capital	Other Equity Reserves	Retained Earnings (Deficit)	Total Controlling Interest	Non-controlling Interest	Total Stockholders' Equity
As at January 1, 2018	P5,195,395	P21,959,159	P199,929	P2,067,692	P29,422,175	P221	P29,422,396
Effect of IFRS 9 adoption	–	–	–	(10,088)	(10,088)	–	(10,088)
Total comprehensive income for the period	–	–	216,347	100,292	316,639	(10)	316,629
As at March 31, 2018	**P5,195,395**	**P21,959,159**	**P416,276**	**P2,157,896**	**P29,728,726**	**P211**	**P29,728,937**

For The Three Months Ended March 31, 2017

	Common Stock	Additional Paid-in Capital	Other Equity Reserves	Retained Earnings (Deficit)	Total Controlling Interest	Non-controlling Interest	Total Stockholders' Equity
As at January 1, 2017	P5,195,395	P21,959,159	P120,556	P1,408,856	P28,683,966	P246	P28,684,212
Total comprehensive income for the period	–	–	14,328	349,547	363,875	(8)	363,867
As at March 31, 2017	P5,195,395	P21,959,159	P134,884	P1,758,403	P29,047,841	P238	P29,048,079

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

(Amounts in Thousands)
(Unaudited)

	Note	**For The Three Months Ended March 31, 2018**	For The Three Months Ended March 31, 2017
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit		**P100,282**	P349,539
Adjustments for:			
Financial expenses, other financial expenses and unrealized foreign exchange result		**432,707**	304,994
Depreciation of property, machinery and equipment	7	**329,752**	313,736
Retirement benefit expense		**27,964**	24,513
Income tax expense		**3,164**	91,217
Provisions during the period		**1,666**	8,344
Impairment losses on trade receivables		**792**	2,140
Stock-based compensation expense		**-**	-
Results from the sale of assets		**(6,466)**	698
Operating profit before working capital changes		**889,861**	1,095,181
Changes in working capital, excluding income taxes:			
Decrease (increase) in:			
Trade receivables - net		**(168,198)**	(103,735)
Due from related parties		**107,729**	146,169
Other current accounts receivable		**1,973**	(247,562)
Inventories		**544,119**	(152,422)
Other current assets		**(308,661)**	(4,371)
Increase (decrease) in:			
Trade payables		**467,768**	(55,917)
Due to related parties		**(626,991)**	(405,708)
Unearned revenue, other accounts payable and accrued expenses		**260,029**	(13,113)
Cash generated from operations		**1,167,629**	258,522
Interest received		**1,962**	1,318
Interest paid		**(168,171)**	(375,486)
Income taxes paid		**(103,993)**	(102,038)
Benefits paid to employees		**(4,647)**	-
Net cash (used in) provided by operating activities		**892,780**	(217,684)

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	Note	For The Three Months Ended March 31, 2018	For The Three Months Ended March 31, 2017
CASH FLOWS FROM FINANCING ACTIVITIES			
Collection from sale of asset held for sale		**P56,405**	P-
Decrease in other asset and noncurrent accounts receivable		**(8,170)**	2,018
Additions to property, machinery and equipment	7	**(288,210)**	(79,753)
Net cash (used in) provided by investing activities		**(239,975)**	(77,735)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds on loan from related parties	9	**152,115**	520,870
Payment of bank loan		**(35,031)**	-
Proceeds from bank loan		-	14,012,281
Payment of loan to related parties		-	(14,790,972)
Net cash (used in) provided by financing activities		**117,084**	(257,821)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		**769,889**	(553,240)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**22,722**	(1,831)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		**1,058,267**	1,337,155
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**P1,850,878**	P782,084

See Notes to the Condensed Consolidated Interim Financial Statements.

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1. Reporting Entity

CEMEX Holdings Philippines, Inc. (the "Parent Company"), a subsidiary of CEMEX Asian South East Corporation ("CASEC"), was incorporated as a stock corporation on September 17, 2015 under Philippine laws with a corporate life of fifty (50) years, primarily to invest in or purchase real or personal property; and to acquire and own, hold, use, sell, assign, transfer, mortgage all kinds of properties such as shares of stock, bonds, debentures, notes, or other securities and obligations; provided that the Parent Company shall not engage either in the stock brokerage business or in the dealership of securities, and in the business of an open-end investment company as defined in Republic Act 2629, Investment Company Act.

CASEC was incorporated as a stock corporation on August 25, 2015 under Philippine laws.

On a consolidated group basis, the Parent Company is an indirect subsidiary of CEMEX, S.A.B. de C.V. ("CEMEX"), a company incorporated in Mexico with address of its principal executive office at Avenida Ricardo Margain Zozaya #325, Colonia Valle del Campestre, Garza Garcia, Nuevo León, Mexico.

The term "Parent Company" used in these accompanying notes to the condensed consolidated interim financial statements refers to CEMEX Holdings Philippines, Inc. without its subsidiaries. The term "Company" refers to CEMEX Holdings Philippines, Inc., together with its consolidated subsidiaries.

On January 1, 2016, the Parent Company became the holding company of the consolidated entities, majority of whom are doing business in the Philippines. The Parent Company's two principal manufacturing subsidiaries, i.e., APO Cement Corporation ("APO") and Solid Cement Corporation ("Solid"), are involved in the production, marketing, distribution and sale of cement and other cement products. APO and Solid are both stock corporations organized under the laws of the Philippines. The Parent Company holds APO directly and indirectly, through Edgewater Ventures Corporation and Triple Dime Holdings, Inc., whereas the Parent Company holds Solid and Solid's subsidiaries directly and indirectly, through Bedrock Holdings, Inc. and Sandstone Strategic Holdings, Inc.

The Company also includes CEMEX Asia Research AG ("CAR"), a wholly-owned subsidiary incorporated in December 2015 under the laws of Switzerland. Pursuant to license agreements that CAR entered into with CEMEX Research Group AG ("CRG") and CEMEX, respectively, CAR became a licensee for certain trademarks, including the CEMEX trademark, and other intangible assets forming part of the intellectual property portfolio owned and developed by CEMEX. CAR is engaged primarily in the development, maintenance and customization of these intangible assets for the Asia Region and it in turn provides non-exclusive licenses to Solid and APO to use the CEMEX trademark and other trademarks and intangible assets of CEMEX.

In May 2016, the Parent Company incorporated a wholly-owned subsidiary named Falcon Re Ltd. ("Falcon") under the Companies Act of Barbados. Falcon is registered to conduct general insurance business, all risk property insurance, political risks insurance and non-damage business interruption insurance, and received its license to operate as an insurance company in July 2016. Falcon acts as a re-insurer to the extent of 10% of the risks associated with the property of insurance coverage and 100% of the risks associated with political violence and non-damage business interruption programs of the operating subsidiaries of the Parent Company.

On June 30, 2016, the Philippine Securities and Exchange Commission ("SEC") resolved to render effective the Registration Statement of the Parent Company and issued a Certificate of Permit to Offer Securities for Sale in favor of the Parent Company. On July 18, 2016, the Parent Company's initial public offering ("IPO") of 2,337,927,954 common shares at P10.75 per share culminated with the listing and trading of shares of stocks under the Main Board of the Philippine Stock Exchange, resulting in an increase in capital stock of P2,337,927 and additional paid-in capital of P21,959,159, net of P835,639 transaction costs that is accounted for as a reduction in equity.

The Parent Company's principal office is located at 34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City, Philippines.

2. Basis of Preparation

Statement of Compliance
These condensed consolidated interim financial statements have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting.* These condensed consolidated interim financial statements do not include all of the information required for a complete set of financial statements and should be read in conjunction with the annual consolidated financial statements of the Company as at and for the year ended December 31, 2017.

Basis of Measurement
The condensed consolidated interim financial statements have been prepared on a historical basis of accounting, except for retirement benefits liability which is measured at the present value of the defined benefit obligation less the fair value of plan assets and certain derivative asset that is measured at fair value.

Functional and Presentation Currency
These condensed consolidated interim financial statements are presented in Philippine peso, which is the Company's functional currency. All amounts have been rounded-off to the nearest thousands, except per share data, number of shares and when otherwise indicated.

Use of Judgments and Estimates
The preparation of the condensed consolidated interim financial statements requires management to make judgments, estimates and use assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments and estimates made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the annual financial statements.

During the three months ended March 31, 2018, management reassessed its estimates in respect of the allowance for impairment losses on receivables. As at March 31, 2018 and December 31, 2017, allowance for impairment losses on receivables amounted to P26.2 million and P36.1 million respectively (see Note 12).

3. Significant Accounting Policies

The significant accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the annual financial statements.

Changes in Accounting Policies

The following amendments to standards are effective for the three months ended March 31, 2018, and have been applied in preparing these condensed consolidated interim financial statements. Except as otherwise indicated, the adoption of these amendments to standards did not have any significant impact on the Company's condensed consolidated interim financial statements:

Adoption of New and Amendments to Standards

PFRS 9, *Financial Instruments* (2014). PFRS 9 (2014) replaces PAS 39, *Financial Instruments: Recognition and Measurement*, and supersedes the previously published versions of PFRS 9 that introduced new classifications and measurement requirements (in 2009 and 2010) and a new hedge accounting model (in 2013). PFRS 9 includes revised guidance on the classification and measurement of financial assets, including a new expected credit loss (ECL) model for calculating impairment, guidance on own credit risk on financial liabilities measured at fair value and supplements the new general hedge accounting requirements published in 2013. PFRS 9 incorporates new hedge accounting requirements that represent a major overhaul of hedge accounting and introduces significant improvements by aligning the accounting more closely with risk management.

Impairment of Financial Assets. Under the new impairment model based on ECL, impairment losses resulting either from (1) possible default events within the twelve (12) months after the reporting date; or (2) all possible default events over the expected life of financial assets, are recognized on initial recognition, and at each subsequent reporting period, even in the absence of a credit event or if the loss has not yet been incurred, considering for their measurement past events and current conditions, as well as reasonable and supportable forecasts affecting collectability. The Company has assessed the estimated impact that the initial adoption of PFRS 9 will have on its condensed consolidated interim financial statements. The Company reviewed its existing financial instruments and determined that the amended standard has significant impact on its allowance for impairment losses on receivables. The Company computed the impact to condensed consolidated interim financial statements upon adoption of the standard following a methodology consistent with PFRS 9. The effects are detailed below:

	As reported as at December 31, 2017	Estimated adjustments due to adoption of PFRS 9	Estimated adjusted opening balance at January 1, 2018
Trade receivables - net	P833,259	(P14,412)	P818,847
Deferred income tax assets - net	925,230	4,324	929,554
Retained earnings	2,067,692	(10,088)	2,057,604

The adjustments to the opening balance of the Company's equity at January 1, 2018 is primarily due to additional impairment from ECL on trade receivables. The ECL was based on historical collection result of previous years' credit sales, as well as the credit risk and expected developments for each group of customers. Accounts that were not collected and have eventually become overdue for more than 365 days were identified to compute for the ECL factor. The ECL factor was then used to determine the ECL on the current year's credit sales. The effect of the ECL on other financial assets were estimated to be not material.

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Classification and Measurement. PFRS 9 changes the classification categories for financial assets and replaces them with categories that reflect the measurement method, the contractual cash flow characteristics and the entity's business model for managing the financial asset: 1) amortized cost; 2) fair value through other comprehensive income; and 3) fair value through profit or loss.

- *Classification and Measurement of Share-based Payment Transactions (Amendments to PFRS 2).* The amendments cover the following areas:

  - *Measurement of cash-settled awards.* The amendments clarifies that a cash-settled share-based payment is measured using the same approach as for equity-settled share-based payments –i.e. the modified grant date method.

  - *Classification of awards settled net of tax withholdings.* The amendments introduce an exception stating that, for classification purposes, a share-based payment transaction with employees is accounted for as equity-settled if:

    - the terms of the arrangement permit or require a company to settle the transaction net by withholding a specified portion of the equity instruments to meet the statutory tax withholding requirement (the net settlement feature); and

    - the entire share-based payment transaction would otherwise be classified as equity-settled if there were no net settlement feature.

    The exception does not apply to equity instruments that the company withholds in excess of the employee's tax obligation associated with the share-based payment.

  - *Modification of awards from cash-settled to equity settled.* The amendments clarify that when a share-based payment is modified from cash-settled to equity-settled, at modification date, the liability for the original cash-settled share-based payment is derecognized and the equity-settled share-based payment is measured at its fair value, recognized to the extent that the goods or services have been received up to that date. The difference between the carrying amount of the liability derecognized, and the amount recognized in equity, is recognized in profit or loss immediately.

- *PFRS 15, Revenue from Contracts with Customers*, replaces PAS 11, *Construction Contracts*, PAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programmes*, IFRIC 18, *Transfer of Assets from Customers*, and SIC-31, *Revenue - Barter Transactions Involving Advertising Services*. The new standard introduces a new revenue recognition model for contracts with customers which specifies that revenue should be recognized when (or as) a company transfers control of goods or services to a customer at the amount to which the company expects to be entitled. Depending on whether certain criteria are met, revenue is recognized over time, in a manner that best reflects the company's performance, or at a point in time, when control of the goods or services is transferred to the customer. The standard does not apply to insurance contracts, financial instruments or lease contracts, which fall in the scope of other PFRSs. It also does not apply if two companies in the same line of business exchange non-monetary assets to facilitate sales to other parties. Furthermore, if a contract with a customer is partly in the scope of another IFRS, then the guidance on separation and measurement contained in the other PFRS takes precedence.

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- *Philippine Interpretation IFRIC-22 Foreign Currency Transactions and Advance Consideration.* The amendments clarifies that the transaction date to be used for translation for foreign currency transactions involving an advance payment or receipt is the date on which the entity initially recognizes the prepayment or deferred income arising from the advance consideration. For transactions involving multiple payments or receipts, each payment or receipt gives rise to a separate transaction date. The interpretation applies when an entity pays or receives consideration in a foreign currency and recognizes a non-monetary asset or liability before recognizing the related item.

- *Annual Improvements to PFRSs 2014 - 2016 Cycle.* This cycle of improvements contains amendments to three standards. The following is the said improvements or amendments to PFRSs effective for annual periods beginning on or after January 1, 2018, which is applicable to the Company. Such improvements or amendments has no significant effect on the condensed consolidated interim financial statements of the Company:

    - *Measuring an associate or joint venture at fair value (Amendments to PAS 28, Investments in Associates and Joint Ventures).* The amendments provide that a venture capital organization, or other qualifying entity, may elect to measure its investments in an associate or joint venture at fair value through profit or loss. This election can be made on an investment-by-investment basis. The amendments also provide that a non-investment entity investor may elect to retain the fair value accounting applied by an investment entity associate or investment entity joint venture to its subsidiaries. This election can be made separately for each investment entity associate or joint venture. The amendments are applied retrospectively, with early application permitted.

<u>Standards Issued But Not Yet Adopted</u>
The new standards and amendments to standards discussed below is effective for annual periods beginning after January 1, 2018, and have not been applied in preparing these condensed consolidated interim financial statements.

Effective January 1, 2019

- *PFRS 16, Leases*, supersedes PAS 17, *Leases*, and the related Philippine Interpretations. The new standard introduces a single lease accounting model for lessees under which all major leases are recognized on-balance sheet, removing the lease classification test. Lease accounting for lessors essentially remains unchanged except for a number of details including the application of the new lease definition, new sale-and-leaseback guidance, new sub-lease guidance and new disclosure requirements. Practical expedients and targeted reliefs were introduced including an optional lessee exemption for short-term leases (leases with a term of 12 months or less) and low-value items, as well as the permission of portfolio-level accounting instead of applying the requirements to individual leases. New estimates and judgmental thresholds that affect the identification, classification and measurement of lease transactions, as well as requirements to reassess certain key estimates and judgments at each reporting date were introduced.

  PFRS 16 is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted for entities that apply PFRS 15 at or before the date of initial application of PFRS 16. The Company has completed the initial assessment of the potential impact on its condensed consolidated interim financial statements but has not yet completed its detailed assessment. The actual impact of applying PFRS 16 on the condensed consolidated interim financial statements in the period of initial application will depend on future economic conditions, including the Company's borrowing rate at

January 1, 2019, the composition of the Company's lease portfolio at that date, the Company's latest assessment of whether it will exercise any lease renewal options and the extent to which the Company chooses to use practical expedients and recognition exemptions.

- Philippine Interpretation *IFRIC-23, Uncertainty over Income Tax Treatments,* clarifies how to apply the recognition and measurement requirements in PAS 12 when there is uncertainty over income tax treatments. Under the interpretation, whether the amounts recorded in the financial statements will differ to that in the tax return, and whether the uncertainty is disclosed or reflected in the measurement, depends on whether it is probable that the tax authority will accept the Company's chosen tax treatment. If it is not probable that the tax authority will accept the Company's chosen tax treatment, the uncertainty is reflected using the measure that provides the better prediction of the resolution of the uncertainty – either the most likely amount or the expected value. The interpretation also requires the reassessment of judgements and estimates applied if facts and circumstances change – e.g. as a result of examination or action by tax authorities, following changes in tax rules or when a tax authority's right to challenge a treatment expires.

  The interpretation is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted. The Company is currently assessing the potential impact on its condensed consolidated interim financial statements resulting from the application of this interpretation.

- *Prepayment Features with Negative Compensation (Amendments to PFRS 9).* The amendments cover the following areas:

  - *Prepayment features with negative compensation.* The amendment clarifies that a financial asset with a prepayment feature could be eligible for measurement at amortized cost or fair value through other comprehensive income (OCI) irrespective of the event or circumstance that causes the early termination of the contract, which may be within or beyond the control of the parties, and a party may either pay or receive reasonable compensation for that early termination.

    The amendment is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted. Retrospective application is required, subject to relevant transitional reliefs.

  - *Modification of financial liabilities.* The amendment to the Basis for Conclusions on PFRS 9 clarifies that the standard provide an adequate basis for an entity to account for modifications and exchanges of financial liabilities that do not result in derecognition and the treatment is consistent with the requirements for adjusting the gross carrying amount of a financial asset when a modification does not result in the derecognition of the financial asset - i.e. the amortized cost of the modified financial liability is recalculated by discounting the modified contractual cash flows using the original effective interest rate and any adjustment is recognized in profit or loss.

    If the initial application of PFRS 9 results in a change in accounting policy for these modifications or exchanges, then retrospective application is required, subject to relevant transition reliefs.

- *Long-term Interests in Associates and Joint Ventures (Amendments to PAS 28).* The amendment requires the application of PFRS 9 to other financial instruments in an associate or joint venture to which the equity method is not applied. These include long-term interests (LTIs) that, in substance, form part of the entity's net investment in an

Qh

associate or joint venture. The amendment explains the annual sequence in which PFRS 9 and PAS 28 are to be applied. In effect, PFRS 9 is first applied ignoring any prior years'PAS 28 loss absorption. If necessary, prior years' PAS 28 loss allocation is trued-up in the current year which may involve recognizing more prior years' losses, reversing these losses or re-allocating them between different LTI instruments. Any current year PAS 28 losses are allocated to the extent that the remaining LTI balance allows and any current year PAS 28 profits reverse any unrecognized prior years' losses and then allocations against LTI.

The amendment is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted. Retrospective application is required, subject to relevant transitional reliefs.

- Deferral of the local implementation of Amendments to PFRS 10, *Consolidated Financial Statements,* and PAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture. The amendments address an inconsistency between the requirements in PFRS 10 and in PAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

  The amendments require that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

  Originally, the amendments apply prospectively for annual periods beginning on or after January 1, 2016 with early adoption permitted. However, on January 13, 2016, the FRSC decided to postpone the effective date of these amendments until the IASB has completed its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

4. Seasonality of Operations

The Company's sales are subject to seasonality. Sales are generally higher in the hot, dry months from March through May and lower during the wetter monsoon months of June through November. While these factors lead to a natural seasonality on the Company's sales, unseasonable weather could also significantly affect sales and profitability compared to previous comparable periods. Low sales are likewise experienced around the Christmas and New Year holiday period in December through early January. Consequently, the Company's operating results may fluctuate. In addition, the Company's results may be affected by unforeseen circumstances, such as production interruptions. Due to these fluctuations, comparisons of sales and operating results between periods within a single year, or between different periods in different financial years, are not necessarily meaningful and should not be relied on as indicators of the Company's performance.

5. Basic/Diluted Earnings Per Share

Basic and diluted earnings per share are computed as follows:

	For the Three Months Ended March 31 2018 (Unaudited)	For the Three Months Ended March 31 2017 (Unaudited)
Profit	**P100,282**	P349,539
Add: non-controlling interest net loss	**10**	8
Controlling interest in net income (a)	**P100,292**	P349,547
Weighted average number of shares outstanding - Basic/Diluted (b)	**5,195,395,454**	5,195,395,454
Basic/Diluted EPS (a/b)	**P0.02**	P0.07

As at March 31, 2018 and 2017, the Company has no dilutive equity instruments.

6. Cash and Cash Equivalents

Consolidated cash and cash equivalents as at March 31, 2018 and December 31, 2017, consisted of:

	2018 (Unaudited)	2017 (Audited)
Cash and cash in banks	**P1,169,195**	P629,089
Short-term investments	**681,683**	429,178
	P1,850,878	P1,058,267

Cash in banks earns interest at the prevailing bank deposit rates. Short-term investments are made for varying periods of up to three months, depending on the immediate cash requirements of the Company, and earn interest ranging from 1.3% to 1.7% and 0.6% to 0.7% for the three months ended March 31, 2018 and 2017, respectively. For the three months ended March 31, 2018 and 2017, interest income amounted to P2,196 and P1,317, respectively.

As of March 31, 2018 and as of December 31, 2017, Short-term investments include deposits of the Company with related parties which are considered highly liquid investments readily convertible to cash, as follows:

	2018 (Unaudited)	2017 (Audited)
Lomez International B.V. [2]	**P632,683**	P-
Local banks	**49,000**	49,000
New Sunward Holding B.V. [1]	**-**	380,178
	P681,683	P429,178

[1] The investment are due on demand and bear interest at a rate equivalent to the higher of Western Asset Institutional Liquid Reserves Fund (WAILRF) rate minus 10 basis points or zero interest.

[2] Effective March 1, 2018, the short term investments with New Sunward Holding B.V. were transferred to Lomez International B.V. by way of novation between parties bearing the same interest rate.

The Company's exposure to credit risk related to cash and cash equivalents is disclosed in Note 12 to the condensed consolidated interim financial statements.

7. Property, Machinery and Equipment

The movements in this account are as follows:

	Building	Machinery and equipment	Construction In-progress	Total
Gross Carrying Amount				
December 31, 2016	**3,982,565**	**11,915,071**	**1,025,207**	**16,922,843**
Additions	61,951	516,857	750,187	1,328,995
Disposals	(211)	(29,752)	(319)	(30,282)
Reclassifications to assets held for sale	–	(376,718)	–	(376,718)
Reclassifications	27,925	166,360	(194,285)	–
December 31, 2017	4,072,230	12,191,818	1,580,790	17,844,838
Additions	–	357	193,804	194,161
Disposals	(684)	(3,120)	–	(3,804)
Reclassifications and transfers	7,858	53,431	(61,289)	–
March 31, 2018 (Unaudited)	**4,079,404**	**12,242,486**	**1,713,305**	**18,035,196**
Accumulated depreciation				
December 31, 2016	(153,493)	(954,539)	–	(1,108,032)
Depreciation for the period	(183,818)	(1,091,515)	–	(1,275,333)
Reclassifications to assets held for sale	–	286,089	–	286,089
Impairment	–	(175,230)	–	(175,230)
Disposals	211	10,189	–	10,400
December 31, 2017	(337,100)	(1,925,006)	–	(2,262,106)
Depreciation for the period	(43,509)	(265,751)	–	(309,260)
Disposals	53	651	–	704
March 31, 2018 (Unaudited)	**(380,556)**	**(2,190,106)**	–	**(2,570,662)**
Carrying Amounts				
December 31, 2017	P3,735,130	P10,266,812	P1,580,790	P15,582,732
March 31, 2018 (Unaudited)	**P3,698,848**	**P10,052,380**	**P1,713,305**	**15,464,533**

8. Equity

Common Stock

This account consists of:

	March 31, 2018 (Unaudited)		December 31, 2017 (Audited)	
	Shares	Amount	Shares	Amount
Authorized - P1.00 par value per share	**5,195,395,454**	**P5,195,395**	5,195,395,454	P5,195,395
Issued, fully paid and outstanding balance at beginning/end of period	**5,195,395,454**	**P5,195,395**	5,195,395,454	P5,195,395

On September 17, 2015, CASEC subscribed to 376,000 shares of stock of the Parent Company at P100 par value. Of the agreed subscription price of P37,600, only P9,400 was paid in 2015, while the remainder of P28,200 was paid in 2016. In 2016, the Parent Company's Board of Directors approved the amendment of and increase in the authorized

Qh

capital stock of the Parent Company from P150,400, divided into 1,504,000 common shares with par value of P100 per share, to P5,195,395, divided into 5,195,395,454 common shares with par value of P1 per share.

On May 20, 2016, the SEC approved the Parent Company's application for the amendment of and increase in its authorized capital stock. Accordingly, the original subscription of CASEC changed from 376,000 common shares with par value of P100 per share to 37,600,000 common shares with par value of P1 per share. Furthermore, in connection with the increase in authorized capital stock, CASEC subscribed to an additional 2,819,867,500 shares at P1 par value per share or a total par value of P2,819,868 which was fully paid. During the IPO which culminated in the listing of all of the outstanding shares of stock of the Parent Company on July 18, 2016, the Parent Company issued additional 2,337,927,954 shares at P1 par value per share or a total par value of P2,337,928 at the offer price of P10.75 per share (see Note 1).

Capital Management

The Company's objectives when managing capital are to increase the value of shareholders' investment and maintain high growth by applying free cash flow to selective investments. The Company sets strategies with the objective of establishing a versatile and resourceful financial management and capital structure.

The Board of Directors has overall responsibility for the monitoring of capital in proportion to risk. Profiles for capital ratios are set in the light of changes in the Company's external environment and the risks underlying the Company's business operations and industry. The Company's capital is defined as "Total Equity" as shown in the condensed consolidated interim statements of financial position.

The Company is not subject to externally imposed capital requirements. The Company's net debt to equity ratio at the reporting dates is as follows:

	March 31 2018 (Unaudited)	December 31 2017 (Audited)
Total liabilities	**P23,030,036**	P22,329,280
Less cash and cash equivalents	**(1,850,878)**	(1,058,267)
Net debt	**P21,179,158**	P21,271,013
Total equity	**P29,728,937**	P29,422,396
Net debt to equity ratio	**P0.71:1**	P0.72:1

9. Related Party Transactions

Related party relationship exists when the other party (i) has control or joint control of the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. A related party relationship is deemed to exist when one party has the ability to control, directly or indirectly, through one or more intermediaries, the other party or exercise significant influence over the other party in making the financial and/or operating decisions. Another criteria recognizes a related party relationship, whether or not the ability to control exists, if any of the following conditions applies to an entity: (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others, (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a

Qh

member), (iii) both entities are joint ventures of the same third party, (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity, or (v) the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity (If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity).

Related party transactions are shown under the appropriate accounts in the condensed consolidated interim financial statements as at and for the period ended March 31, 2018 and December 31, 2017 are as follows:

Receivables – current	**2018 (Unaudited)**	2017 (Audited)
CEMEX Asia Pte. Ltd. -Philippine headquarter [1]	**P138,371**	P–
Torino Re. [2]	**99,666**	–
Topmix LLC [3]	**28,275**	–
Beijing CXP Import & Export Co. [4]	**15,944**	–
Island Quarry and Aggregates Corporation [5]	**1,236**	4,720
APO Land & Quarry Corporation [6]	**570**	1,450
CEMEX Paving Solutions Ltd. [7]	**–**	13,682
CEMEX Central, S.A. de C.V. [8]	**–**	6,404
Others	**15**	130
Total accounts receivable from related parties	**P284,077**	P26,386

Payables – current	**2018 (Unaudited)**	2017 (Audited)
Ultimate Parent		
CEMEX, S.A.B de CV [9]	**P7,931**	P6,864
Other related parties		
Transenergy, Inc. [10]	**695,969**	1,066,157
CEMEX Construction Materials South, LLC [11]	**593,690**	567,135
CEMEX Asia, B.V. [12]	**406,791**	215,224
CEMEX Research Group AG [13]	**220,589**	210,045
Cemex Central, S.A. de C.V. ("CEMEX Central") [8]	**108,817**	114,666
APO Land & Quarry Corporation [17]	**33,115**	28,909
Island Quarry and Aggregates Corporation [16]	**24,501**	36,633
Cemex México, S.A. de C.V. [14]	**9,413**	9,413
CEMEX Asia Pte Ltd ("CAPL - PHQ") [1]	**7,970**	8,308
CEMEX Paving Solutions Ltd. [7]	**2,731**	–
CEMEX Strategic Philippines, Inc. [15]	**127**	–
Beijing CXP Import & Export Co. [4]	**–**	10,050
Others	**178**	–
	2,111,822	2,273,404
Payable - non current		
CEMEX Asia, B.V. [12]	**1,073,635**	1,073,635
Total accounts payable to related parties	**P3,185,457**	P3,347,039

[1] The balance in receivables, which is unsecured, with no impairment, noninterest-bearing and due on demand, pertains (a) accrued pension liabilities of employees transferred to the Company amounting to P104.0 million and (b) severance payments amounting to P34.4 million paid by the Company in behalf of CAPL – PHQ; while the payable balance, which is unsecured, noninterest-bearing, and has a term of 30 days, includes corporate and administrative services received by the Company;
[2] The balance, which is unsecured, unimpaired, noninterest-bearing and due on demand pertains to third party reinsurance premium payments to Torino Re. which were eventually ceded by the latter to the Company;
[3] The balance, which is unimpaired, unsecured, noninterest-bearing and 30-days term, pertains to the sale of concrete equipment of the Company;
[4] The receivable balance in 2018 pertains to the advance payment of purchases of materials and spare parts, which is unsecured, noninterest-bearing and due on demand; while the payable balance in 2017 pertains to the outstanding liability for the purchases of materials and spare parts, which is unsecured, noninterest-bearing and due on demand;
[5] The receivable balance, which is unimpaired, unsecured, noninterest-bearing and due on demand includes: a) receivables arising from the sale of goods with a 30-day term and without interest amounting to nil and P2,272 as at March 31, 2018 and December 31, 2017, respectively; b) receivables from service agreements amounting to P1,236 and P2,299 as at March 31, 2018 and December 31, 2017, respectively; and c) others amounting to nil and P149 as at March 31, 2018 and December 31, 2017, respectively. In 2016, Solid entered into an agreement with Island Quarry and Aggregates Corporation wherein the former shall provide back-office and other support services to the latter. Fees are calculated at cost incurred plus fixed mark-up;

[6] The balance, which is unimpaired, unsecured, noninterest-bearing and due on demand includes a) receivables from service agreement amounting to P570 and P1,446 as at March 31, 2018 and December 31, 2017 respectively; and b) others amounting to nil and P4 as at March 31, 2018 and December 31, 2017 respectively. In 2016, each of Solid and APO entered into an agreement with APO Land & Quarry Corporation wherein Solid and APO shall provide back-office and other support services to the latter;
[7] The balance, which is unimpaired, unsecured, noninterest-bearing and due on demand, pertains to the sale of paving equipment of the Company;
[8] The receivable balance in 2017, which is unimpaired, unsecured, noninterest-bearing and due on demand, pertains to reimbursement of fringe benefit tax on share-based compensation; while the payable balance, which is unsecured, noninterest-bearing and due on demand, pertains to

Qh

business support services received by the Company. In 2009, Solid and APO entered into separate service agreements with CEMEX Asia Pte., Ltd., whereby the latter through CAPL-PHQ shall provide to Solid and APO services relating to, among others, general administration and planning; business planning and coordination; marketing control and; sales promotion and business development. In the implementation of these service agreements, CAPL-PHQ also arranged for certain services to be performed by CEMEX Central, S.A. de C.V. and accordingly, CAPL-PHQ collected from each of Solid and APO as reimbursement, the fees billed by CEMEX Central, S.A. de C.V. for services rendered. In 2017, the arrangement between CAPL-PHQ and CEMEX Central, S.A. de C.V. was changed resulting in Solid and APO entering into separate service agreements directly with CEMEX Central, S.A. de C.V. wherein the latter shall provide to the companies those particular services previously performed by CEMEX Central, S.A. de C.V. through the service agreements with CAPL-PHQ;

[9] The payable balance pertains to the use of CEMEX "marks" which payable in 30 days after receipt of invoice and is unsecured and noninterest-bearing. On January 1, 2016, CAR entered into an agreement with CEMEX for the right to use of its "marks" and to further license the "marks" with other CEMEX group companies operating in the Asia territory;

[10] The balance pertains to purchase of coal with a term of 30 days, noninterest-bearing and unsecured;

[11] The balance, which is unsecured, noninterest-bearing and due on demand, pertains to the purchase of equipment for the expansion of Solid plant;

[12] The balance includes a) interest on short-term loan amounting to P26,023 and P525 as at March 31, 2018 and December 31, 2017 respectively; b) short term portion of loan amounting to P380,768 and P214,699 as at March 31, 2018 and December 31, 2017; and c) long-term loan that bears interest at an annual rate equal to 6-month LIBOR plus 369 basis points basis points in 2018 and 2017, respectively, for Solid and fixed interest rate for APO. On September 1, 2017, APO and CEMEX Asia, B.V. changed the currency of the loan from $21.0 million to P1.1 billion. The loan is unsecured and is due to be paid in 2018 and 2019 for Solid and APO, respectively;

[13] The balance pertains to the royalties/license fees of the Company, which is unimpaired, unsecured, noninterest-bearing and due on demand;

[14] The balance, which is unsecured, noninterest-bearing and due on demand, pertains to purchase of equipment from CEMEX Mexico, S.A. de C.V;

[15] The balance, which is unsecured, noninterest-bearing, and has a term of 30 days, includes corporate and administrative services received by the Company;

[16] The balance includes a) unsecured payable arising from purchase of raw materials with a 30-day term and noninterest-bearing amounting to P24,455 and P29,063 as at March 31, 2018 and December 31, 2017, respectively; b) reimbursable expenses amounting to P46 as at March 31, 2018 and c) rental of equipment amounting to P7,570 as at December 31, 2017, which is unsecured, noninterest-bearing and due on demand. Solid purchases the majority of its limestone, pozzolan and clay requirements from Island Quarry and Aggregates Corporation pursuant to a long-term supply agreement;

[17] The balance includes a) purchase of raw materials with a 30-day term amounting to P33,115 and P28,774 as at March 31, 2018 and December 31, 2017, respectively; and b) advances amounting to P135 as at December 31, 2017, respectively. These transactions are unsecured and are noninterest-bearing. APO purchases the majority of its limestone, pozzolan and clay requirements from APO Land & Quarry Corporation pursuant to a long-term supply agreement.

The reconciliation of opening and closing balances of long-term related party payables follows:

		Amount
Balance as at January 1, 2017	P	15,919,322
Proceeds from drawdowns		849,900
Interest expense		252,827
Loss from early extinguishment of debt (Note 9)		64,603
Effect of exchange rate changes		44,713
Payments of:		
Principal		(15,458,475)
Interest		(384,031)
Balance as at December 31, 2017		1,288,859
Proceeds from drawdowns		152,115
Interest expense		29,965
Effect of exchange rate changes		14,107
Payment of interest		(4,620)
Balance as at March 31, 2018	P	1,480,426

The main transactions entered by the Company with related parties for the three months ended March 31, 2018 and 2017 are shown below:

		2018	2017
Purchases of raw materials			
Transenergy, Inc.	P	294,299	359,987
APO Land & Quarry Corporation		79,256	68,809
Island Quarry and Aggregates Corporation.		50,955	83,578
Beijing CXP Import & Export Co.		19,750	–
	P	444,260	512,374

Land Rental			
APO Land & Quarry Corporation	P	14,553	14,552
Island Quarry and Aggregates Corporation.		7,197	3,061
	P	21,750	17,613

Royalties and trademarks

		2018	2017
CEMEX Research Group AG	P	221,542	198,558
CEMEX S.A.B de C.V.		7,964	–
	P	229,506	198,558
Corporate services and administrative services			
Cemex Central, S.A. de C.V.	P	66,785	71,493
Island Quarry and Aggregates Corporation		3,231	2,020
APO Land & Quarry Corporation		1,840	997
CEMEX Asia Pte. Ltd. - Philippine Headquarters		–	39,404
CEMEX Strategic Philippines, Inc.		–	23,227
	P	71,856	137,141
Sale of equipment			
Topmix LLC	P	28,275	–
Sales of goods			
Island Quarry and Aggregates Corporation	P	–	23,355
APO Land & Quarry Corporation		–	46
	P	–	23,401
Interest income			
Lomez International B.V.	P	306	–
New Sunward Holding B.V		–	109
	P	306	109
Interest expense			
CEMEX Asia, B.V.	P	29,965	28,049
New Sunward Holding B.V.		–	144,327
	P	29,965	172,376

10. Segment Information

The Company applies PFRS 8 for the disclosure of its operating segments, which are defined as the components of an entity that engage in business activities from which they may earn revenues and incur expenses; whose operating results are regularly reviewed by the entity's top management to make decisions about resources to be allocated to the segments and assess their performance; and for which discrete financial information is available. The Company's main activity is oriented to the construction industry through the production, distribution, marketing and sale of cement, ready-mix concrete and other construction materials. For the three months ended March 31, 2018 and December 31, 2017 the cement sector represented approximately 85.8% and 84.5% of total net revenues before elimination of transactions between consolidated entities.

The main indicator used by the Company's management to evaluate performance is "Operating EBITDA", representing operating earnings before other expenses - net, interest, tax, depreciation and amortization, considering that such amount represents a relevant measure for the Company's management as an indicator of the ability to internally fund capital expenditures, as well as a widely accepted financial indicator to measure the Company's ability to service or incur debt. Operating EBITDA should not be considered as an indicator of the Company's financial performance, as an alternative to cash flow, as a measure of liquidity, or as being comparable to other similarly titled measures of other companies.

11. Long-term bank loan

On February 1, 2017, the Parent Company signed a Senior Unsecured Peso Term Loan Facility Agreement (Facility Agreement) with BDO for an amount of up to the Philippine Peso equivalent of U.S. dollar 280 million to refinance a majority of the Parent Company's outstanding long-term loan with New Sunward Holding B.V. The term loan provided by BDO has a tenor of seven (7) years from the date of the initial drawdown on the facility and consists of a fixed rate and a floating rate tranche based on market rates plus spread. The borrowings or drawdowns on this facility amounted to P14 billion in 2017. Short-term portion of the bank loan amounted to P105,092 and P140,123 as at March 31, 2018 and December 31, 2017.

The debt issuance cost of this bank loan, corresponding to P159,497 and P166,591 on unamortized basis, was deducted from the total loan liability as at March 31, 2018 and December 31, 2017, respectively. Interest expense incurred as at March 31, 2018 and 2017, excluding amortized direct cost, amounted to P160.0 million and P76.4 million, respectively, which is recognized under "Financial expenses" account in the condensed consolidated interim statements of profit or loss and other comprehensive income.

The reconciliation of opening and closing balances of bank loan follows:

		Bank Loan	Accrued Interest	Total
Balance as at January 1, 2017	P	–	–	–
Proceeds		13,831,596	–	13,831,596
Interest expense		14,094	571,808	585,902
Payment of:				
Principal		(105,092)	–	(105,092)
Interest		–	(473,729)	(473,729)
Balance as at December 31, 2017		13,740,598	98,079	13,838,677
Interest expense		7,094	160,266	167,360
Payment of:				
Principal		(35,031)	–	(35,031)
Interest		–	(162,275)	(162,275)
Balance as at March 31, 2018	P	13,762,661	96,070	13,808,731

Accrued interest from this bank loan amounting to P96,070 and P98,079 as at March 31, 2018 and December 31, 2017 are recognized under "Unearned revenue, other accounts payable and accrued expenses" account in the condensed consolidated interim statements of financial position.

12. Financial Instruments and Financial Risk Management

This note presents information on the exposure of the Company for credit risk, foreign currency risk and liquidity risk; goals, policies and procedures of the Company to measure and manage risk and the administration of the Company's resources.

Risk management framework
The Company's management has overall responsibility for the development, implementation and monitoring of the conceptual framework and policies for an effective risk management.

The Company's risk management policies are intended to: a) identify and analyze the risks faced by the Company; b) implement appropriate risk limits and controls; and c) monitor the risks and the compliance with the limits. Policies and risk management systems are regularly reviewed to reflect changes in market conditions and in the Company's activities. By means of its policies and procedures for risk management, the Company aims to develop a disciplined and constructive control environment where all employees understand their roles and obligations.

Credit risk
Credit risk is the risk of financial loss faced by the Company if a customer or a counterparty of a financial instrument does not meet its contractual obligations and originates mainly from trade accounts receivable. As at March 31, 2018 and December 31, 2017 the maximum

exposure to credit risk is represented by the balance of financial assets. Management has developed policies for the authorization of credit to customers. The exposure to credit risk is monitored constantly according to the behavior of payment of the debtors. Credit is assigned on a customer-by-customer basis and is subject to assessments which consider the customers' payment capacity, as well as past behavior regarding due dates, balances past due and delinquent accounts. In cases deemed necessary, the Company's management requires guarantees from its customers and financial counterparties with regard to financial assets.

The Company's management has established a policy of low risk which analyzes the creditworthiness of each new client individually before offering the general conditions of payment terms and delivery, the review includes external ratings, when references are available, and in some cases bank references. Threshold of credit limits are established for each client, which represent the maximum credit amount that requires different levels of approval. Customers who do not meet the levels of solvency requirements imposed by the Company can only carry out transactions with the Company by paying cash in advance.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2018 and December 31, 2017 is as follows:

	2018 (Unaudited)	2017 (Audited)
Cash and cash equivalents (excluding cash on hand)	**P1,850,808**	P1,058,147
Trade receivables - net	**986,253**	833,259
Receivables from related parties	**284,077**	26,386
Other current accounts receivables	**72,924**	74,616
Long-term guarantee deposits (under other assets and noncurrent receivables)	**612,448**	607,862
	P3,806,510	P2,600,270

As at March 31, 2018 and December 31, 2017, respectively, the aging analyses per class of financial assets are as follows:

As at March 31, 2018 (Unaudited)	**Neither past due nor impaired**	**Past due but not impaired: 1 to 30 days**	**31 to 60 days**	**More than 60 days**	**Impaired**	**Total**
Cash and cash equivalents (excluding cash on hand)	**P1,850,808**	**P–**	**P–**	**P–**	**P–**	**P1,850,808**
Trade receivables	**832,165**	**66,958**	**8,009**	**79,121**	**26,244**	**1,012,497**
Due from related parties	**284,077**	**–**	**–**	**–**	**–**	**284,077**
Other current accounts receivables	**72,924**	**–**	**–**	**–**	**–**	**72,924**
Long-term deposits (under other noncurrent accounts receivables)	**612,448**	**–**	**–**	**–**	**–**	**612,448**
	3,652,422	**66,958**	**8,009**	**79,121**	**26,244**	**3,832,754**
Less: allowance for impairment losses	**–**	**–**	**–**	**–**	**(26,244)**	**(26,244)**
	P3,652,422	**P66,958**	**P8,009**	**P79,121**	**P–**	**P3,806,510**

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As at December 31, 2017 (Audited)	Neither past due nor impaired	Past due but not impaired 1 to 30 days	31 to 60 days	More than 60 days	Impaired	Total
Cash and cash equivalents (excluding cash on hand)	P1,058,147	P–	P–	P–	P–	P1,058,147
Trade receivables	638,816	61,689	17,215	115,539	36,098	869,357
Due from related parties	26,386	–	–	–	–	26,386
Other current accounts receivables	74,616	–	–	–	–	74,616
Long-term deposits (under other noncurrent accounts receivables)	607,862	–	–	–	–	607,862
	P2,405,827	61,689	17,215	115,539	36,098	2,636,368
Allowance for impairment losses	–	–	–	–	(36,098)	(36,098)
	P2,405,827	P61,689	P17,215	P115,539	P–	P2,600,270

As at March 31, 2018 and December 31, 2017 the amount of allowance for impairment losses of the Company's subsidiaries amounted to P26,244 and P36,098 considering the Company's best estimates of potential losses based on an analysis of aging and considering management's recovery efforts.

Cash in banks, short-term investments and long-term and guarantee deposits are of high grade quality as these are deposited in reputable financial entities. Of the total trade receivables, due from related parties and other current accounts receivable, 87% and 76% are neither past due nor impaired, and are considered of high grade quality as of March 31, 2018 and December 31, 2017, respectively. Other financial assets that are not considered of high grade quality are considered standard grade quality financial assets. High grade quality financial assets are those assessed as having minimal credit risk, otherwise they are of standard quality. Standard grade quality financial assets are those assessed as having minimal to regular instances of payment default due to ordinary/common collection issues. These accounts are typically not impaired as the counterparties generally respond to credit actions and update their payments accordingly.

The credit qualities of financial assets that were neither past due nor impaired are determined as follows:

- Cash in banks, short-term investments and long-term guarantee time deposits are based on the credit standing or rating of the counterparty.

- Trade receivables, amounts due from related parties and other current accounts receivable are based on a combination of credit standing or rating of the counterparty, historical experience and specific and collective credit risk assessment.

Foreign currency risk
Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate in relation to changes in exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates mainly to its operational and financing activities. The objective of foreign currency risk management is to manage and control exposures within acceptable parameters while optimizing the return. The Company's revenues and costs are generated and settled mainly in Philippine peso. For the three months ended March 31, 2018 and as at December 31, 2017 approximately less than 5% of the Company's net sales, before eliminations, were generated in dollars.

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The Company had an exposure arising from the foreign currency denominated financial obligations as compared to the currency in which the majority of the Company's revenues are generated. The Company's only revenues denominated in dollars to cover such dollar-denominated obligations are those generated by exports. As at March 31, 2018 and December 31, 2017 the Company does not have any derivative financing hedge for foreign currency denominated financial obligation to address this foreign currency risk.

Foreign exchange fluctuations occur when any member of the Company incur monetary assets and liabilities in a currency different from its functional currency. These translation gains and losses are recognized in the condensed consolidated interim statements of profit or loss.

As at March 31, 2018 and December 31, 2017, a summary of the quantitative information of the exposure of the Company due to foreign currencies is provided to the administration on the basis of its risk management policy as follows:

	As at March 31, 2018	
Amounts in thousands of dollars	***(in USD)***	***(in EUR)***
Cash and cash equivalents	**$13,417**	**€–**
Receivable from related parties*	**2,759**	**–**
Trade payables	**(4,120)**	**1,619**
Payable to related parties	**(39,224)**	**–**
Net assets denominated in foreign currency	**($27,168)**	**€1,619**

**Pertains to related party transactions with entities outside the Company*

	As at December 31, 2017	
Amounts in thousands of dollars	*(in USD)*	*(in EUR)*
Cash and cash equivalents	$9,919	€–
Receivable from related parties*	402	–
Trade payables	(3,855)	(301)
Payable to related parties	(43,842)	–
Net assets denominated in foreign currency	($37,376)	(€301)

**Pertains to related party transactions with entities outside the Company*

Sensitivity Analysis

USD	**Strengthening (Weakening) of Philippine Peso**	**Effect on Profit before Income Tax**	**Effect on Equity**
2018	**+4.5%**	**P63,769**	**P44,638**
	-4.5%	**(63,769)**	**(44,638)**
2017	+0.4%	7,882	5,517
	-0.4%	(7,882)	(5,517)

Amount includes intercompany balances with entities outside the Company

EUR	**Strengthening (Weakening) of Philippine Peso**	**Effect on Profit before Income Tax**	**Effect on Equity**
2018	**+7.0%**	**(7,272)**	**(5,091)**
	-7.0%	**7,272**	**5,091**
2017	+14.6%	2,632	1,842
	-14.6%	(2,632)	(1,842)

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The company is also exposed to foreign currency risks on eliminated foreign currency denominated intragroup balances as follows:

		March 31, 2018	December 31, 2017
Amount owed by	**Amount owed to**	(in USD)	
Parent Company	CAR	**$58,536**	$51,886
Parent Company	Falcon	**43,910**	43,754
Apo	CAR	**7,478**	7,314
Solid	CAR	**4,177**	4,061
		$114,101	$107,015

Sensitivity Analysis

USD	Strengthening (Weakening) of Philippine Peso	Effect on Profit before Income Tax	Effect on Equity
2018	**+4.5%**	**P267,818**	**P187,472**
	-4.5%	**(267,818)**	**(187,472)**
2017	+0.4%	21,373	14,961
	-0.4%	(21,373)	(14,961)

Pertains to eliminated intragroup balances only.

Interest rate risk

Interest rate risk is the risk that changes in interest rates will affect the Company's income or the value of its holdings of financial instruments. As at March 31, 2018, the Company is exposed to interest rate risk primarily on the floating interest rate tranche corresponding to P8.4 billion of the long-term bank loan with BDO (see Note 11), short-term investments in Lomez International B.V., and long-term loan payable to CEMEX Asia B.V. The short-term investments in Lomez International B.V. bear interest at a rate equivalent to the higher of WAILRF rate minus 10 basis points and zero interest (see Note 6). The long-term loan from CEMEX Asia B.V. bears interest at an annual rate equal to 6-month LIBOR plus 369 basis points in 2018 (see Note 9).

Sensitivity Analysis

As at March 31, 2018 and December 31, 2017, a hypothetical 1% increase in interest rate, with all other variables held constant, the Company's profit for the three months ended March 31, 2018 and for the year ended December 31, 2017 would have decreased by approximately P56,415 and P57,165 net of tax, respectively. Conversely, a hypothetical 1% decrease in interest rate would have the opposite effect.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient funds available to meet its obligations. The Company has fulfilled its operational liquidity needs primarily through its own operations and expects to continue to do so for both the short and long-term liabilities. Although cash flow from the Company's operations has historically covered its overall liquidity needs for operations, servicing debt and funding capital expenditures and acquisitions, the consolidated entities are exposed to risks from changes in foreign currency exchange rates, prices and currency controls, interest rates, inflation, governmental spending, social instability and other political, economic and/or social developments in the countries in which they operate, any one of which may materially decrease the Company's net income and reduce cash flows from operations. Accordingly, in order to meet its liquidity needs, the

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Company also relies on cost-control and operating improvements to optimize capacity utilization and maximize profitability. The Company's consolidated net cash flows provided by and used in operating activities, as presented in its unaudited condensed consolidated interim statement of cash flows, was P892,780 and P217,684 as at March 31, 2018 and 2017, respectively. The Company's trade payables, due to related parties, taxes payable and other accounts payable and accrued expenses are expected to be settled within one year. Trade payables are noninterest-bearing and are normally settled on a 30-days term. In addition, there is no significant concentration of a specific supplier relating to the purchase of raw materials.

The table below summarizes the maturity profile of the Company's long-term loans with bank and related parties as at March 31, 2018 and December 31, 2017.

				March 31, 2018 (Unaudited)	
	Carrying Amount	**Contractual Cash Flow**	**One year or less**	**More than one year but less than five years**	**More than five years**
Bank loan	P13,712,661	P17,119,262	P589,452	P14,847,076	P1,682,734
Long-term payable to related parties	1,454,403	1,620,169	472,702	1,147,467	-
	P15,167,064	P18,739,431	P1,062,154	15,994,543	P1,682,734

				December 31, 2017 (Audited)	
	Carrying Amount	Contractual Cash Flow	One year or less	More than one year but less than five years	More than five years
Bank loan	P13,740,598	P17,316,569	P786,759	P14,847,076	P1,682,734
Long-term payable to related parties	1,288,334	1,474,068	326,601	1,147,467	-
	P15,028,932	P18,790,637	P1,113,360	P15,994,543	P1,682,734

Insurance Risk management

As mentioned in Note 1, the Parent Company incorporated Falcon to create its own reserves and reinsure in respect of the Company's property, non-damage business interruption and political risks insurance. Falcon is expected to retain 10% of the risk in connection with property insurance and 100% of the risk in connection with earthquake and wind stop loss, non-damage business interruption and political risks insurance of the Parent Company's operating subsidiaries. As a result of these arrangements, the Company will effectively self-insure these risks to the extent of Falcon's retained liability. There can be no assurance that the reserves established by Falcon will exceed any losses in connection with the Company's self-insured risks. In addition, the Company's insurance coverage is subject to periodic renewal. If the availability of insurance coverage is reduced significantly for any reason, the Company may become exposed to certain risks for which it is not and, in some cases could not be, insured. Moreover, if the Company's losses exceed its insurance coverage, or if the Company's losses are not covered by the insurance policies it has taken up, or if Falcon is required to pay claims to its insurer pursuant to the reinsurance arrangements, the Company may be liable to cover any shortfall or losses. The Company's insurance premiums may also increase substantially because of such claim from the Company's insurers. The foregoing risk exposure is mitigated, through making reasonable approximation after an evaluation of reported claims in the past of the Parent Company's operating subsidiaries, by retaining only insurance risk from insurance policies in which the operating subsidiaries have low probability of incurring losses.

13. Fair values of financial assets and financial liabilities

The fair values of cash and cash equivalents, trade receivables, amounts due from and due to

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related parties, other current accounts receivable, other accounts payable and accrued expenses reasonably approximate their carrying amounts considering the short-term maturities of these financial instruments. The fair value of the long-term payable to CEMEX Asia B.V., which is based on the present value of future cash flows discounted at market rate of interest at the reporting date (discounted cash flows under level 2 of the fair value hierarchy), approximates its carrying amount as at March 31, 2018 and December 31, 2017 as the said financial instruments bear interest at LIBOR rates, which is approximately similar to the market interest rate. The fair values of short term investments to Lomez International B.V. and New Sunward Holding B.V., which are also based on the present value of future cash flows discounted at market rate of interest (discounted cash flows under level 2 of the fair value hierarchy), approximate their carrying amounts as at March 31, 2018 and December 31, 2017, respectively, as these financial instruments bear interest at rates which are approximately similar to market interest rates. The fair value of the rental guaranty deposits approximate its carrying amount since the Company does not anticipate its carrying amount to be significantly different from the actual amount that the rental guarantee deposits would eventually be collected.

The bank loan provided by BDO consists of a fixed rate and a floating rate tranche based on market rates plus spread. The following is the comparison of the carrying amount and fair value of bank loan:

Bank loan	**March 31, 2018**	December 31, 2017
Carrying amount	P **13,712,661**	P13,740,598
Fair value	**14,612,309**	14,688,476

The fair value of bank loan is based on the present value of expected cash flows using the discount rates based on current market rates of similar instruments and categorized as Level 2 of the fair value hierarchy.

14. Contingencies

As at March 31, 2018, the Company is involved in various legal proceedings of minor impact that have arisen in the ordinary course of business. These proceedings involve: 1) national and local tax assessments; 2) labor claims; and 3) other diverse civil actions. The Company considers that in those instances in which obligations have been incurred, the Company has accrued adequate provisions to cover the related risks. The Company believes these matters will be resolved without any significant effect on its business, consolidated financial position or consolidated financial performance. In addition, in relation to ongoing legal proceedings, the Company is able to make a reasonable estimate of the expected loss or range of possible loss, as well as disclose any provision accrued for such loss. However, for a limited number of ongoing proceedings, the Company may not be able to make a reasonable estimate of the expected loss or range of possible loss or may be able to do so but believes that disclosure of such information on a case-by-case basis would seriously prejudice Company's position in the ongoing legal proceedings or in any related settlement discussions. Accordingly, in these cases, the Company has disclosed qualitative information with respect to the nature and characteristics of the contingency, but has not disclosed the estimate of the range of potential loss.

EXHIBIT D

SEC Form 17-Q for Quarter Ended 30 June 2018
(2nd Quarter 2018)

CEMEX HOLDINGS PHILIPPINES, INC.
SEC FORM 17-A

108132018002833

SECURITIES AND EXCHANGE COMMISSION

SECBuilding,EDSA,Greenhills,MandaluyongCity,MetroManila,Philippines
Tel:(632) 726-0931 to 39 Fax:(632) 725-5293 Email: mis@sec.gov.ph

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Company Information

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

Document Information

Document ID	108132018002833
Document Type	17-Q (FORM 11-Q:QUARTERLY REPORT/FS)
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Department	CFD
Remarks	

COVER SHEET

SEC Registration Number

CS201518815

COMPANY NAME

CEMEX HOLDINGS PHILIPPINES, INC.

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

34th Floor, Petron Mega Plaza
358 Sen. Gil J. Puyat Avenue
Makati City

Form Type	Department requiring the report	Secondary License Type, If Applicable
SEC Form 17-Q 2ND Quarter 2018		Issuer of Securities under SEC MSRD Order No. 9 series of 2016

COMPANY INFORMATION

Company's email Address	Company's Telephone Number/s	Mobile Number
N/A	849 – 3600	N/A

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
18	First Wednesday of June - June 6, 2018	December 31

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Steve Kuansheng Wu	steve.wu@cemex.com	(02) 849 3647	

CONTACT PERSON's ADDRESS

34th Floor, Petron Mega Plaza, 358 Sen. Gil J. Puyat Avenue, Makati City

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended **June 30, 2018**

2. SEC Identification Number. **CS201518815**

3. BIR Tax Identification No. **009-133-917-000**

4. Exact name of registrant as specified in its charter. **CEMEX HOLDINGS PHILIPPINES, INC.**

5. Province, country or other jurisdiction of incorporation or organization **Metro Manila, Philippines**

6. Industry Classification Code: __________ (SEC Use Only)

7. Address of issuer's principal office and postal code **34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**

8. Issuer's telephone number, including area code **(02) 849-3600**

9. Former name, former address and former fiscal year, if changed since last report – **Not Applicable**

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	**Number of shares of common stock outstanding and amount of debt outstanding**
Common Shares	5,195,395,454

11. Are any or all of the securities listed on a Stock Exchange?

    Yes [X] No [ ]

    Stock Exchange: Philippine Stock Exchange
    Securities Listed: Common Shares

12. Indicate by check mark whether the registrant:

    (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

    Yes [X] No [ ]

    (b) has been subject to such filing requirements for the past ninety (90) days. Yes [X] No [ ]

FINANCIAL INFORMATION

Item 1. Financial Statements

The unaudited condensed consolidated interim financial statements as at and for the six months ended June 30, 2018 and the audited consolidated statement of financial position as at December 31, 2017 and unaudited statement of profit or loss and other comprehensive income for the six months ended June 30, 2017, and the related notes to the unaudited condensed consolidated interim financial statements of CEMEX Holdings Philippines, Inc. and its Subsidiaries as at June 30, 2018 are filed as part of this Form 17-Q as Appendix I.

The term "Parent Company" used in this report refers to CEMEX Holdings Philippines, Inc. without its Subsidiaries. The term "Company" refers to the Parent Company together with its consolidated Subsidiaries.

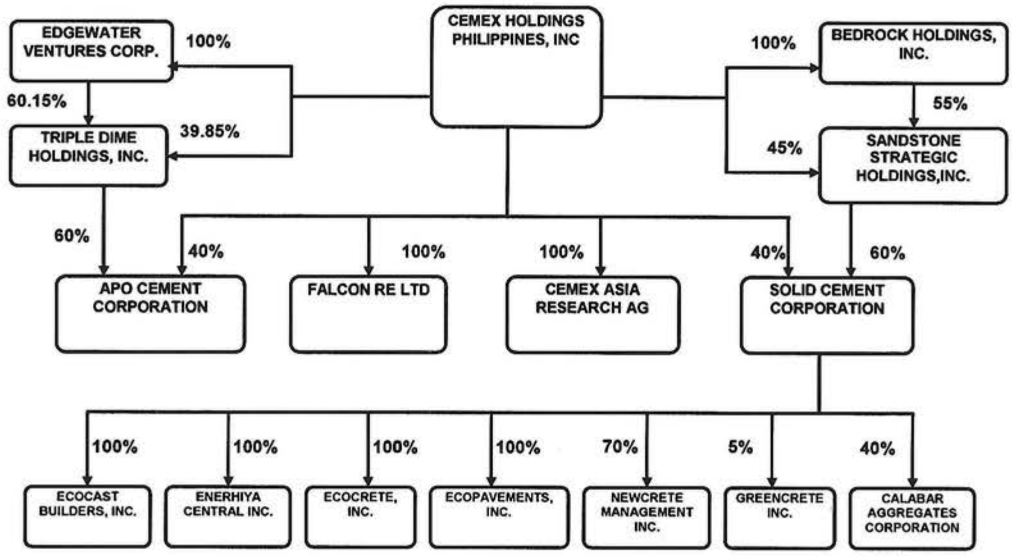
On a consolidated group basis, the Parent Company is an indirect subsidiary of CEMEX, S.A.B. de C.V. ("CEMEX"), a company incorporated in Mexico with address of its principal executive office at Avenida Ricardo Margain Zozaya #325, Colonia Valle del Campestre, Garza Garcia, Nuevo León, Mexico.

The Company presents comparative unaudited condensed consolidated interim financial statements for the six months ended June 30, 2018 and unaudited financial statements for the six months ended June 30, 2017.

On January 1, 2016 the Parent Company acquired, directly and indirectly through intermediate holding companies, a 100% equity interest in each of Solid Cement Corporation ("Solid") and APO Cement Corporation ("APO"). Solid has several subsidiaries. The Company also includes CEMEX Asia Research AG ("CAR"), a wholly-owned subsidiary incorporated in December 2015 under the laws of Switzerland. Pursuant to license agreements that CAR entered into with CEMEX Research Group AG ("CRG") and CEMEX, respectively, CAR became a licensee for certain trademarks, including the CEMEX trademark, and other intangible assets forming part of the intellectual property portfolio owned and developed by CEMEX. CAR is engaged primarily in the development, maintenance and customization of these intangible assets for the Asia Region and it in turn provides non-exclusive licenses to Solid and APO to use the CEMEX trademark and other trademarks and intangible assets of CEMEX.

In May 2016, the Parent Company incorporated a wholly-owned subsidiary named Falcon Re Ltd. ('Falcon') under the Companies Act of Barbados. Falcon is registered to conduct general insurance business, all risk property insurance, political risks insurance and non-damage business interruption insurance, and received its license to operate as an insurance company in July 2016. Falcon acts as a re-insurer to the extent of 10% of the risks associated with property insurance coverage and 100% of the risks associated with political violence and non-damage business interruption programs, professional liability program, and cyber risks for the operating subsidiaries of the Parent Company.

The following diagram provides a summary of the Company's organizational and ownership structure as of June 30, 2018:



On July 18, 2016, the Parent Company's initial public offering ('IPO') of 2,337,927,954 common shares at P10.75 per share culminated with the listing and trading under the Main Board of the Philippine Stock Exchange of all of the outstanding shares of capital stock of the Parent Company consisting of 5,195,395,454 common shares.

During the first quarter of 2017, the remaining balance of the proceeds from the IPO were used in the first quarter of 2017 to partially repay amounts outstanding under the long-term loan with New Sunward Holding B.V. ("NSH Long-term Loan"). New Sunward Holding B.V. is a subsidiary of CEMEX.

On February 1, 2017, the Parent Company signed a senior unsecured peso term loan facility agreement with BDO Unibank, Inc. for an amount of up to the Philippine Peso equivalent of US$280 Million ("BDO Refinancing Loan"), to refinance a majority of the Parent Company's outstanding balance due under the NSH Long-term Loan. Following its availment of the BDO Refinancing Loan, the Parent Company completely repaid the NSH Long-term Loan.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following is a discussion and analysis of our unaudited condensed consolidated interim financial condition and results of operations as at and for the six months ended June 30, 2018, the audited consolidated financial condition as at December 31, 2017, and unaudited consolidated interim results of operations for the six months ended June 30, 2017, and certain trends, risks and uncertainties that may affect our business.

Financial Performance

For the six months ended June 30, 2018 and 2017:

Revenue
Revenue for the six-month period ended June 30, 2018 and 2017 amounted to P11.9 billion and P11.0 billion, respectively. The breakdown of revenue after elimination of transactions between consolidated entities for the six months ended June 30, 2018 and 2017 were as follows:

	For the six months ended June 30, 2018		**For the six months ended June 30, 2017**	
Segment	***Amount****	***% Sales***	***Amount****	***% Sales***
Cement sales	P11,872	99.9%	P10,849	98.7%
Other business	7	0.1%	140	1.3%
Total	**P11,879**	**100%**	**P10,989**	**100%**

****Amounts in thousands***

For the six months ended June 30, 2018, domestic gray cement volume increased 12% and our average selling price for domestic gray cement declined 3% against same period last year. During the second quarter, our domestic cement sales volumes increased by 8% and our average selling price for cement was flat, in each case compared with the same period of the prior year.

Cost of Sales
Cost of sales for the six-month period ended June 30, 2018 and 2017 amounted to P6.9 billion and P6.1 billion, respectively. As a percentage of revenue, cost of sales increased by 3 percentage points year-on-year, due, among others, to higher coal prices and power rates.

Gross Profit
As a result of the above conditions, gross profit for the six months ended June 30, 2018 and 2017 reached P5.0 billion and P4.9 billion, respectively. Gross profit as a percentage of revenue for the six months ended June 30, 2018 and 2017 were at 42% and 45%, respectively.

Operating Expenses
Operating expenses amounted to P3.9 billion and P3.7 billion, respectively, for the six months ended June 30, 2018 and 2017. Operating expenses were composed of administrative, selling, and distribution expenses. Administrative and selling expenses amounted to P1.5 billion and P1.6 billion or 12% and 14% of revenue for the first six months of 2018 and 2017. These include: a) license fees amounting to P460.4 million and P406.3 million, respectively; b) administrative services amounting to P324.5 million and P465.3 million, respectively; and c) salaries and wages amounting to P344.7 million and P284.8 million, respectively. Distribution expenses amounted to P2.5 billion and P2.1 billion, respectively, for the six months ended June 30, 2018 and 2017, which accounted for 21% and 19%, respectively, of revenue.

Other expenses included in operating expenses covered insurance, utilities and administrative supplies, taxes and licenses, depreciation, advertising, travel expenses and others.

Operating Income Before Other Income, Net
For the reasons discussed above, profit from operations amounted to P1.0 billion and P1.2 billion, respectively, for the six months ended June 30, 2018 and 2017. These comprised 9% and 11% of revenue, respectively.

Financial Expenses
Net financial expenses for the six months ended June 30, 2018 and 2017 amounted to P444.7 million and P458.6 million, respectively. For the second quarter of 2018 and 2017, net financial expenses amounted to P236.9 million and P200.1 million, respectively.

Foreign Exchange Loss, Net
Net foreign exchange loss of P411.1 million and P129.3 million were reported for the six months ended June 30, 2018 and 2017, respectively.

Other Income, Net
Net other income for the six month period ended June 30, 2018 and 2017 was P14.3 million and P21.8 million, respectively.

Income Tax
As a result of operations, our income tax expense for the six months ended June 30, 2018 and 2017 amounted to P712.8 million and P150.5 million, respectively. The higher income tax expense recorded was due mainly to the utilization of deferred tax assets following the receipt of dividends by CHP from its foreign subsidiaries.

Profit (Loss)
As a result of the abovementioned concepts, profit (loss) for the six months ended June 30, 2018 and 2017 amounted to (P534.8 million) and P486.1 million, respectively.

The utilization of Net Operating Loss Carry-Over (NOLCO) against intra-group dividends during the first half of 2018 is the main component of the decrease in amount of deferred tax assets, which led to an income tax expense significantly higher than the first half of 2017. In addition, the continued depreciation of the peso against the US dollar resulted in additional unrealized foreign exchange losses.

Dividends which were declared by the Parent Company's foreign subsidiaries during the first six months of 2018 amounted to an aggregate of P1.9 billion.

Financial Position

As at June 30, 2018 and December 31, 2017:

Cash and Cash Equivalents
Cash and cash equivalents amounted to P2.5 billion and P1.1 billion as at June 30, 2018 and December 31, 2017, respectively. As at June 30, 2018, cash and cash equivalents of P2.5 billion include P1.5 billion cash on hand and in banks and P965.0 million short-term investments which were readily convertible to cash. As at December 31, 2017, cash and cash equivalents of P1.1 billion include P629.1 million cash on hand and in banks and P429.2 million short-term investments which were readily convertible to cash.

Trade Receivables - Net
Accounts receivables amounted to P910.8 million and P833.3 million as at June 30, 2018 and December 31, 2017, net of allowance for impairment losses amounting to P15.6 million and P36.1 million, respectively, which mainly pertained to receivables from customers.

Due from Related Parties
Related party balances amounted to P76.9 million and P26.4 million as at June 30, 2018 and December 31, 2017, respectively, resulting primarily from the sale of goods, invoicing of administrative fees, and advances and loans between related parties. Please see Note 9 in the attached unaudited condensed consolidated interim financial statements as at and for the six months ended June 30, 2018 and the audited consolidated financial position as at December 31, 2017 and unaudited statement of profit or loss and other comprehensive income for the six months ended June 30, 2017.

Other Current Accounts Receivable
Other accounts receivables amounted to P68.8 million and P74.6 million as at June 30, 2018 and December 31, 2017, respectively.

Inventories
Inventories amounted to P2.7 billion and P3.3 billion as at June 30, 2018 and December 31, 2017, respectively. Inventories consisting of raw materials, cement and work in process amounted to P1.2 billion and P1.7 billion as at June 30 2018 and December 31, 2017, respectively, and the remaining balance referred to spare parts. Inventories are measured at cost or net realizable value, whichever is lower.

Prepayments and Other Current Assets
Other current assets amounted to P1.4 billion as at June 30, 2018 and December 31, 2017 which referred primarily to prepayments of insurance, P489.6 million and P542.7 million, respectively, and prepayment of taxes, P601.9 million and P548.9 million, respectively.

Investment in an Associate and Other Investments
Investments in Associates cover minority equity investments in Greencrete Inc. and Calabar Aggregates Corporation.

Other Assets and Noncurrent Accounts Receivable
Other assets amounting to P767.3 million and P716.7 million as at June 30, 2018 and December 31, 2017, respectively, primarily consisted of long-term performance deposits of P123.1 million and P122.4 million and debt reserve account amounting to P535.9 million and P485.5 million, respectively. The rest mainly referred to noncurrent portion of the unamortized transportation allowances of employees and other long-term prepayments.

Property, Machinery and Equipment - Net
Property, machinery and equipment had a balance of P15.5 billion and P15.6 billion as at June 30, 2018 and December 31, 2017, respectively. As at June 30, 2018 and December 31, 2017, P362.3 million and P844.4 million, respectively, were incurred for maintenance capital expenditures and P184.4 million and P484.6 million, respectively, for strategic capital expenditures.

Deferred Income Tax Assets - Net
The Company's deferred income tax asset amounted to P580.0 million and P925.2 million as at June 30, 2018 and December 31, 2017, respectively, which mainly represented pension and minimum corporate income tax in 2018 and future tax benefits from operating losses. Significant reduction of deferred income tax assets was due to utilization of NOLCO against intragroup dividends and derecognition of NOLCO.

Goodwill
The Company's goodwill arose from the business combinations when the Parent Company acquired its subsidiaries.

Trade Payables
Trade payables as at June 30, 2018 and December 31, 2017 amounted to P3.2 billion and P2.3 billion, respectively, which were related to purchases of raw materials and other goods, and services provided by third parties.

Due to Related Parties
Short-term payable to related parties had a balance of P2.1 billion and P2.3 billion as at June 30, 2018 and December 31, 2017, respectively. Long-term payable to related parties amounted to P1.1 billion as at June 30, 2018 and December 31, 2017.

Income Tax Payable, Other Accounts Payable and Accrued Expenses, Unearned Revenue, and Provisions
Other payables and accruals which amounted to P2.1 billion as at June 30, 2018 and December 31, 2017, pertained mainly to accruals, advances from customers, provisions, and tax payables.

Retirement Benefits Liability
Retirement benefits liability amounting to P915.3 million and P761.0 million as at June 30, 2018 and December 31, 2017, respectively, pertained to the provision recognized by the Company associated with employees' defined benefit pension plans.

Long-term Bank Loan
The current balance of the BDO Refinancing Loan was P13.7 billion as at June 30, 2018 and December 31, 2017. The debt issuance cost of this long-term bank loan, corresponding to P152.4 million and P166.6 million on an unamortized basis, was deducted from the total loan liability as at June 30, 2018 and December 31, 2017, respectively. Short-term portion of the bank loan amounted to P140.1 million as at June 30, 2018 and December 31, 2017.

Other Noncurrent Liabilities
Other noncurrent liabilities of P20.6 million as at June 30, 2018 and December 31, 2017, referred to provision for asset retirement obligation.

Common Stock
As at June 30, 2018 and December 31, 2017, the total authorized capital stock of the Parent Company consisted of 5,195,395,454 common shares at a par value of P1 per share, and the total issued and outstanding capital stock was 5,195,395,454 common shares at a par value of P1 per share.

Other Equity Reserves
The amount referred to the cumulative effects of items and transactions that were, temporarily or permanently, recognized directly to stockholders' equity which included share-based compensation, remeasurement of retirement benefits liability, net of tax and cumulative currency translation of foreign subsidiaries.

Retained Earnings
Retained earnings of P1.5 billion and P2.1 billion as at June 30, 2018 and December 31, 2017, respectively, included the Company's cumulative net results of operations.

Key Performance Indicators

The Company sets certain performance measures to gauge its operating performance periodically and to assess its overall state of corporate health. Listed below are the major performance measures, which the Company has identified as reliable performance indicators. Analyses are employed by comparisons and measurements on a consolidated basis based on the financial data as at the relevant periods indicated in the tables below.

Key Financial Indicators	Formula	For the six-month period ended June 30, 2018	For the year ended December 31, 2017
Current Ratio	Current Assets/Current Liabilities	1.0 : 1	1.0 : 1
Solvency Ratio	Profit (Loss) + Depreciation and Amortization/Total Liabilities	0.01 : 1	0.1 : 1
Net debt to Equity Ratio	Debt*/Total Equity	0.7 : 1	0.7 : 1
Asset to Equity Ratio	Total Assets/Total Equity	1.8 : 1	1.8 : 1

**Debt is net of cash and cash equivalents.*

Key Financial Indicators	Formula	For the period ended June 30, 2018	For the period ended June 30, 2017
Interest Rate Coverage Ratio	Operating income before other expenses-net/Interest	2.3 : 1	2.6 : 1
Profitability Ratio	Operating income before other expenses-net/Revenue	0.09: 1	0.11 : 1

Aging of Accounts Receivables

As at June 30, 2018 the aging analysis of various accounts receivable are as follows:

	Neither past due nor impaired	Past due but not impaired			Impaired	Total
		1 to 30 days	31 to 60 days	More than 60 days		
Trade receivables	P767,245	P37,050	P12,093	P94,396	P15,604	P926,388
Receivables from related parties	76,877	–	–	–	–	76,877
Other current accounts receivables	68,792	–	–	–	–	68,792
	912,914	37,050	12,093	94,396	15,604	1,072,057
Allowance for impairment losses	–	–	–	–	(15,604)	(15,604)
	P912,914	P37,050	P12,093	P94,396	P–	1,056,453

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 thereunto duly authorized.

CEMEX HOLDINGS PHILIPPINES, INC.

By:

IGNACIO ALEJANDRO MIJARES ELIZONDO
President & Chief Executive Officer
Date: 13 AUG 2018

STEVE KUANSHENG WU
Treasurer & Chief Financial Officer
Date: 10 AUG 2018

Item 1. Financial Statements.

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands)

	Note	**June 30, 2018 (Unaudited)**	December 31, 2017 (Audited)
ASSETS			
Current Assets			
Cash and cash equivalents	*6, 12*	**P2,463,598**	P1,058,267
Trade receivables - net	*12*	**910,784**	833,259
Due from related parties	*9, 12*	**76,877**	26,386
Other current accounts receivables	*12*	**68,792**	74,616
Inventories		**2,688,193**	3,258,252
Prepayments and other current assets		**1,391,896**	1,401,133
Total Current Assets		**7,600,140**	6,651,913
Noncurrent Assets			
Investments in an associate and other investments		**16,197**	15,407
Other assets and noncurrent accounts receivables	*12*	**767,264**	716,700
Property, machinery and equipment - net	*7*	**15,454,036**	15,582,732
Deferred income taxes - net		**580,021**	925,230
Goodwill		**27,859,694**	27,859,694
Total Noncurrent Assets		**44,677,212**	45,099,763
		P52,277,352	P51,751,676
LIABILITIES AND EQUITY			
Current Liabilities			
Trade payables		**P3,189,051**	P2,318,979
Due to related parties	*9*	**2,098,950**	2,273,404
Unearned revenue, other accounts payable and accrued expenses		**2,076,695**	2,108,767
Current portion of long-term bank loan	*11*	**140,123**	140,123
Income tax payable		**24,151**	32,279
Total Current Liabilities		**7,528,970**	6,873,552
Noncurrent Liabilities			
Long-term bank loan	*11*	**13,544,602**	13,600,475
Long-term payable to related parties	*9*	**1,073,635**	1,073,635
Retirement benefits liability		**915,301**	761,008
Other noncurrent liabilities		**20,610**	20,610
Total Noncurrent Liabilities		**15,554,148**	15,455,728
Total Liabilities		**23,083,118**	22,329,280

	Note	June 30, 2018 (Unaudited)	December 31, 2017 (Audited)
Equity			
Controlling interest:			
Common stock	*8*	**P5,195,395**	P5,195,395
Additional paid-in capital		**21,959,159**	21,959,159
Other equity reserves		**516,544**	199,929
Retained earnings		**1,522,931**	2,067,692
Total controlling interest		**29,194,029**	29,422,175
Non-controlling interest		**205**	221
Total Equity		**29,194,234**	29,422,396
Total Liabilities and Equity		**P52,277,352**	P51,751,676

See Notes to the Condensed Consolidated Interim Financial Statements.

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CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(Amounts in Thousands, Except Per Share Data)
(Unaudited)

	Note	For the Six Months Ended June 30		For the Three Months Ended June 30	
		2018	2017	**2018**	2017
REVENUE		**P11,879,333**	P10,989,341	**P5,988,074**	P5,626,964
COST OF SALES		**(6,922,603)**	(6,096,885)	**(3,477,178)**	(3,307,369)
GROSS PROFIT		**4,956,730**	4,892,456	**2,510,896**	2,319,595
OPERATING EXPENSES					
Administrative and selling expenses		**(1,483,781)**	(1,571,976)	**(736,401)**	(816,036)
Distribution expenses		**(2,453,461)**	(2,117,743)	**(1,311,705)**	(1,068,935)
TOTAL OPERATING EXPENSES		**(3,937,242)**	(3,689,719)	**(2,048,106)**	(1,884,971)
OPERATING INCOME BEFORE OTHER INCOME - Net		**1,019,488**	1,202,737	**462,790**	434,624
OTHER INCOME - Net		**14,319**	21,780	**12,043**	2,614
OPERATING INCOME AFTER OTHER INCOME - Net		**1,033,807**	1,224,517	**474,833**	437,238
FINANCIAL EXPENSES		**(444,663)**	(458,612)	**(236,919)**	(200,134)
FOREIGN EXCHANGE LOSS - Net		**(411,142)**	(129,327)	**(163,358)**	(41,282)
EARNINGS BEFORE INCOME TAX		**178,002**	636,578	**74,556**	195,822
INCOME TAX EXPENSE		**(712,842)**	(150,525)	**(709,678)**	(59,308)
PROFIT (LOSS)		**(534,840)**	486,053	**(635,122)**	136,514
OTHER COMPREHENSIVE INCOME (LOSS)					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of employee benefits liability		**(2,174)**	2,649	**(1,867)**	1,337
Income tax recognized directly in other comprehensive income		**652**	(795)	**560**	(401)
		(1,522)	1,854	**(1,307)**	936
Items that will be reclassified subsequently to profit or loss					
Currency translation of a foreign subsidiary		**318,137**	46,429	**101,575**	24,244
Cash flow hedge		**-**	(6,805)	**-**	1,970
		318,137	39,624	**101,575**	26,214
		316,615	41,478	**100,268**	27,150
COMPREHENSIVE INCOME (LOSS)		**(218,225)**	527,531	**(534,854)**	163,664
Non-controlling interest comprehensive loss		**16**	15	**6**	7
CONTROLLING INTEREST IN CONSOLIDATED COMPREHENSIVE INCOME (LOSS)		**(P218,209)**	P527,546	**(P534,848)**	P163,671
Basic / Diluted Earnings (Loss) Per Share	5	**(P0.10)**	P0.09	**(P0.12)**	P0.03

See Notes to the Condensed Consolidated Interim Financial Statements.

2h

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Amounts in Thousands)
(Unaudited)

	For The Six Months Ended June 30, 2018						
	Common Stock (see Note 8)	Additional Paid-in Capital	Other Equity Reserves	Retained Earnings (Deficit)	Total Controlling Interest	Non-controlling Interest	Total Stockholders' Equity
As at January 1, 2018	P5,195,395	P21,959,159	P199,929	P2,067,692	P29,422,175	P221	P29,422,396
Loss for the period	–	–	–	(534,824)	(534,824)	(16)	(534,840)
Other comprehensive income for the period	–	–	316,615	151	316,766	–	316,766
Effect of IFRS 9 adoption	–	–	–	(10,088)	(10,088)	–	(10,088)
As at June 30, 2018	**P5,195,395**	**P21,959,159**	**P516,544**	**P1,522,931**	**P29,194,029**	**P205**	**P29,194,234**

	For The Six Months Ended June 30, 2017						
	Common Stock (see Note 8)	Additional Paid-in Capital	Other Equity Reserves	Retained Earnings (Deficit)	Total Controlling Interest	Non-controlling Interest	Total Stockholders' Equity
As at January 1, 2017	P5,195,395	P21,959,159	P120,556	P1,408,856	P28,683,966	P246	P28,684,212
Profit for the period	–	–	–	486,068	486,068	(15)	486,053
Other comprehensive income for the period	–	–	41,478	–	41,478	–	41,478
As at June 30, 2017	**P5,195,395**	**P21,959,159**	**P162,034**	**P1,894,924**	**P29,211,512**	**P231**	**P29,211,743**

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CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM
STATEMENTS OF CASH FLOWS
(Amounts in Thousands)
(Unaudited)

	Note	For The Six Months Ended June 30 2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (Loss)		**(P534,840)**	P486,053
Adjustments for:			
Financial expenses, other financial expenses and unrealized foreign exchange result		**713,227**	543,418
Income tax expense		**712,842**	150,525
Depreciation of property, machinery and equipment	*7*	**704,739**	655,183
Retirement benefit expense		**56,462**	43,479
Provisions during the period		**4,349**	61,984
Loss (gain) on disposal of assets		**(1,542)**	591
Operating profit before working capital changes		**1,655,237**	1,941,233
Changes in working capital, excluding income taxes:			
Decrease (increase) in:			
Trade receivables - net		**(93,129)**	(103,250)
Due from related parties		**(50,491)**	199,755
Other current accounts receivables		**6,307**	65,398
Inventories		**534,470**	(601,545)
Prepayments and other current assets		**(185,981)**	(4,257)
Increase (decrease) in:			
Trade payables		**963,364**	324,257
Due to related parties		**(318,301)**	325,130
Unearned revenue, other accounts payable and accrued expenses		**(84,467)**	(282,019)
Cash generated from operations		**2,427,009**	1,864,702
Financial expenses paid		**(382,287)**	(482,549)
Financial income received in cash		**7,805**	1,825
Retirement payment received from intercompany		**104,031**	–
Benefits paid		**(8,758)**	–
Income taxes paid		**(243,459)**	(306,450)
Net cash provided by operating activities		**1,904,341**	1,077,528

Forward

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	Note	For The Six Months Ended June 30 2018	2017
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, machinery and equipment	*7*	**(P641,284)**	(P381,708)
Collection from sale of assets held for sale		**73,059**	162
Decrease in other asset and noncurrent accounts receivable		**(50,564)**	–
Additional investments on Manila Polo Club		**(790)**	–
Net cash used in investing activities		**(619,579)**	(381,546)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from bank loan	*11*	**–**	14,012,281
Proceeds on loan from related parties	*9*	**152,115**	520,870
Payment of loan to related parties		**–**	(15,353,834)
Payment of bank loan		**(70,062)**	(35,031)
Net cash provided by (used in) financing activities		**82,053**	(855,714)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**1,366,815**	(159,732)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**38,516**	(4,384)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		**1,058,267**	1,337,155
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**P2,463,598**	P1,173,039

See Notes to the Condensed Consolidated Interim Financial Statements.

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CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Amounts in Thousands, Except per Share Data, Number of Shares and When Otherwise Stated)

1. Reporting Entity

CEMEX Holdings Philippines, Inc. (the "Parent Company"), a subsidiary of CEMEX Asian South East Corporation ("CASEC"), was incorporated as a stock corporation on September 17, 2015 under Philippine laws with a corporate life of fifty (50) years, primarily to invest in or purchase real or personal property; and to acquire and own, hold, use, sell, assign, transfer, mortgage all kinds of properties such as shares of stock, bonds, debentures, notes, or other securities and obligations; provided that the Parent Company shall not engage either in the stock brokerage business or in the dealership of securities, and in the business of an open-end investment company as defined in Republic Act 2629, Investment Company Act.

CASEC was incorporated as a stock corporation on August 25, 2015 under Philippine laws.

On a consolidated group basis, the Parent Company is an indirect subsidiary of CEMEX, S.A.B. de C.V. ("CEMEX"), a company incorporated in Mexico with address of its principal executive office at Avenida Ricardo Margain Zozaya #325, Colonia Valle del Campestre, Garza Garcia, Nuevo León, Mexico.

The term "Parent Company" used in these accompanying notes to the condensed consolidated interim financial statements refers to CEMEX Holdings Philippines, Inc. without its subsidiaries. The term "Company" refers to CEMEX Holdings Philippines, Inc., together with its consolidated subsidiaries.

On January 1, 2016, the Parent Company became the holding company of the consolidated entities, majority of whom are doing business in the Philippines. The Parent Company's two principal manufacturing subsidiaries, i.e., APO Cement Corporation ("APO") and Solid Cement Corporation ("Solid"), are involved in the production, marketing, distribution and sale of cement and other cement products. APO and Solid are both stock corporations organized under the laws of the Philippines. The Parent Company holds APO directly and indirectly, through Edgewater Ventures Corporation and Triple Dime Holdings, Inc., whereas the Parent Company holds Solid and Solid's subsidiaries directly and indirectly, through Bedrock Holdings, Inc. and Sandstone Strategic Holdings, Inc.

The Company also includes CEMEX Asia Research AG ("CAR"), a wholly-owned subsidiary incorporated in December 2015 under the laws of Switzerland. Pursuant to license agreements that CAR entered into with CEMEX Research Group AG ("CRG") and CEMEX, respectively, CAR became a licensee for certain trademarks, including the CEMEX trademark, and other intangible assets forming part of the intellectual property portfolio owned and developed by CEMEX. CAR is engaged primarily in the development, maintenance and customization of these intangible assets for the Asia Region and it in turn provides non-exclusive licenses to Solid and APO to use the CEMEX trademark and other trademarks and intangible assets of CEMEX.

In May 2016, the Parent Company incorporated a wholly-owned subsidiary named Falcon Re Ltd. ("Falcon") under the Companies Act of Barbados. Falcon is registered to conduct general insurance business, all risk property insurance, political risks insurance and non-damage business interruption insurance, and received its license to operate as an insurance company in July 2016. Falcon acts as a re-insurer to the extent of 10% of the risks associated with the property of insurance coverage and 100% of the risks associated with political violence and non-damage business interruption programs, professional liability program, and cyber risks for the operating subsidiaries of the Parent Company.

On June 30, 2016, the Philippine Securities and Exchange Commission ("SEC") resolved to render effective the Registration Statement of the Parent Company and issued a Certificate of Permit to Offer Securities for Sale in favor of the Parent Company. On July 18, 2016, the Parent Company's initial public offering ("IPO") of 2,337,927,954 common shares at P10.75 per share culminated with the listing and trading of shares of stocks under the Main Board of the Philippine Stock Exchange, resulting in an increase in capital stock of P2,337,927 and additional paid-in capital of P21,959,159, net of P835,639 transaction costs that is accounted for as a reduction in equity.

The Parent Company's principal office is located at 34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City, Philippines.

2. Basis of Preparation

Statement of Compliance
These condensed consolidated interim financial statements have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting.* These condensed consolidated interim financial statements do not include all of the information required for a complete set of financial statements and should be read in conjunction with the annual consolidated financial statements of the Company as at and for the year ended December 31, 2017.

Basis of Measurement
The condensed consolidated interim financial statements have been prepared on a historical basis of accounting, except for retirement benefits liability which is measured at the present value of the defined benefit obligation less the fair value of plan assets and certain derivative asset that is measured at fair value.

Functional and Presentation Currency
These condensed consolidated interim financial statements are presented in Philippine peso, which is the Company's functional currency. All amounts have been rounded-off to the nearest thousands, except per share data, number of shares and when otherwise indicated.

Use of Judgments and Estimates
The preparation of the condensed consolidated interim financial statements requires management to make judgments, estimates and use assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments and estimates made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the annual financial statements.

During the six months ended June 30, 2018, management reassessed its estimates in respect of the allowance for impairment losses on receivables. As at June 30, 2018 and December 31, 2017, allowance for impairment losses on receivables amounted to P15.6 million and P36.1 million, respectively (see Note 12).

3. Significant Accounting Policies

The significant accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the annual financial statements.

Changes in Accounting Policies
The following amendments to standards are effective for the six months ended June 30, 2018, and have been applied in preparing these condensed consolidated interim financial statements. Except as otherwise indicated, the adoption of these amendments to standards did not have any significant impact on the Company's condensed consolidated interim financial statements:

Adoption of New and Amendments to Standards

PFRS 9, *Financial Instruments* (2014). PFRS 9 (2014) replaces PAS 39, *Financial Instruments: Recognition and Measurement*, and supersedes the previously published versions of PFRS 9 that introduced new classifications and measurement requirements (in 2009 and 2010) and a new hedge accounting model (in 2013). PFRS 9 includes revised guidance on the classification and measurement of financial assets, including a new expected credit loss (ECL) model for calculating impairment, guidance on own credit risk on financial liabilities measured at fair value and supplements the new general hedge accounting requirements published in 2013. PFRS 9 incorporates new hedge accounting requirements that represent a major overhaul of hedge accounting and introduces significant improvements by aligning the accounting more closely with risk management.

Impairment of Financial Assets. Under the new impairment model based on ECL, impairment losses resulting either from (1) possible default events within the twelve (12) months after the reporting date; or (2) all possible default events over the expected life of financial assets, are recognized on initial recognition, and at each subsequent reporting period, even in the absence of a credit event or if the loss has not yet been incurred, considering for their measurement past events and current conditions, as well as reasonable and supportable forecasts affecting collectability. The Company has assessed the estimated impact that the initial adoption of PFRS 9 will have on its condensed consolidated interim financial statements. The Company reviewed its existing financial instruments and determined that the amended standard has significant impact on its allowance for impairment losses on receivables. The Company computed the impact to condensed consolidated interim financial statements upon adoption of the standard following a methodology consistent with PFRS 9. The effects are detailed below:

	As reported as at December 31, 2017	Estimated adjustments due to adoption of PFRS 9	Estimated adjusted opening balance at January 1, 2018
Trade receivables - net	P833,259	(P14,412)	P818,847
Deferred income tax assets - net	925,230	4,324	929,554
Retained earnings	2,067,692	(10,088)	2,057,604

The adjustments to the opening balance of the Company's equity at January 1, 2018 is primarily due to additional impairment from ECL on trade receivables. The ECL was based on historical collection result of previous years' credit sales, as well as the credit risk and expected developments for each group of customers. Accounts that were not collected and have eventually become overdue for more than 365 days were identified to compute for the ECL factor. The ECL factor was then used to determine the ECL on the current year's credit sales. The effect of the ECL on other financial assets were estimated to be not material.

Classification and Measurement. PFRS 9 changes the classification categories for financial assets and replaces them with categories that reflect the measurement method, the contractual cash flow characteristics and the entity's business model for managing the financial asset: 1) amortized cost; 2) fair value through other comprehensive income; and 3) fair value through profit or loss.

- *Classification and Measurement of Share-based Payment Transactions (Amendments to PFRS 2).* The amendments cover the following areas:

  - *Measurement of cash-settled awards.* The amendments clarifies that a cash-settled share-based payment is measured using the same approach as for equity-settled share-based payments –i.e. the modified grant date method.

  - *Classification of awards settled net of tax withholdings.* The amendments introduce an exception stating that, for classification purposes, a share-based payment transaction with employees is accounted for as equity-settled if:

    - the terms of the arrangement permit or require a company to settle the transaction net by withholding a specified portion of the equity instruments to meet the statutory tax withholding requirement (the net settlement feature); and

    - the entire share-based payment transaction would otherwise be classified as equity-settled if there were no net settlement feature.

    The exception does not apply to equity instruments that the company withholds in excess of the employee's tax obligation associated with the share-based payment.

  - *Modification of awards from cash-settled to equity settled.* The amendments clarify that when a share-based payment is modified from cash-settled to equity-settled, at modification date, the liability for the original cash-settled share-based payment is derecognized and the equity-settled share-based payment is measured at its fair value, recognized to the extent that the goods or services have been received up to that date. The difference between the carrying amount of the liability derecognized, and the amount recognized in equity, is recognized in profit or loss immediately.

- *PFRS 15, Revenue from Contracts with Customers*, replaces PAS 11, *Construction Contracts*, PAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programmes*, IFRIC 18, *Transfer of Assets from Customers*, and SIC-31, *Revenue - Barter Transactions Involving Advertising Services*. The new standard introduces a new revenue recognition model for contracts with customers which specifies that revenue should be recognized when (or as) a company transfers control of goods or services to a customer at the amount to which the company expects to be entitled. Depending on whether certain criteria are met, revenue is recognized over time, in a manner that best reflects the company's performance, or at a point in time, when control of the goods or services is transferred to the customer. The standard does not apply to insurance contracts, financial instruments or lease contracts, which fall in the scope of other PFRSs. It also does not apply if two companies in the same line of business exchange non-monetary assets to facilitate sales to other parties. Furthermore, if a contract with a customer is partly in the scope of another IFRS, then the guidance on separation and measurement contained in the other PFRS takes precedence.

- *Philippine Interpretation IFRIC-22 Foreign Currency Transactions and Advance Consideration.* The amendments clarifies that the transaction date to be used for translation for foreign currency transactions involving an advance payment or receipt is the date on which the entity initially recognizes the prepayment or deferred income arising from the advance consideration. For transactions involving multiple payments or receipts, each payment or receipt gives rise to a separate transaction date. The interpretation applies when an entity pays or receives consideration in a foreign currency and recognizes a non-monetary asset or liability before recognizing the related item.

- *Annual Improvements to PFRSs 2014 - 2016 Cycle.* This cycle of improvements contains amendments to three standards. The following is the said improvements or amendments to PFRSs effective for annual periods beginning on or after January 1, 2018, which is applicable to the Company. Such improvements or amendments has no significant effect on the condensed consolidated interim financial statements of the Company:

    - *Measuring an associate or joint venture at fair value (Amendments to PAS 28, Investments in Associates and Joint Ventures).* The amendments provide that a venture capital organization, or other qualifying entity, may elect to measure its investments in an associate or joint venture at fair value through profit or loss. This election can be made on an investment-by-investment basis. The amendments also provide that a non-investment entity investor may elect to retain the fair value accounting applied by an investment entity associate or investment entity joint venture to its subsidiaries. This election can be made separately for each investment entity associate or joint venture. The amendments are applied retrospectively, with early application permitted.

Standards Issued But Not Yet Adopted

The new standards and amendments to standards discussed below is effective for annual periods beginning after January 1, 2018, and have not been applied in preparing these condensed consolidated interim financial statements.

Effective January 1, 2019

- *PFRS 16, Leases*, supersedes PAS 17, *Leases*, and the related Philippine Interpretations. The new standard introduces a single lease accounting model for lessees under which all major leases are recognized on-balance sheet, removing the lease classification test. Lease accounting for lessors essentially remains unchanged except for a number of details including the application of the new lease definition, new sale-and-leaseback guidance, new sub-lease guidance and new disclosure requirements. Practical expedients and targeted reliefs were introduced including an optional lessee exemption for short-term leases (leases with a term of 12 months or less) and low-value items, as well as the permission of portfolio-level accounting instead of applying the requirements to individual leases. New estimates and judgmental thresholds that affect the identification, classification and measurement of lease transactions, as well as requirements to reassess certain key estimates and judgments at each reporting date were introduced.

  PFRS 16 is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted for entities that apply PFRS 15 at or before the date of initial application of PFRS 16. The Company has completed the initial assessment of the potential impact on its condensed consolidated interim financial statements but has not yet completed its detailed assessment. The actual impact of applying PFRS 16 on the condensed consolidated interim financial statements in the period of initial application

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will depend on future economic conditions, including the Company's borrowing rate at January 1, 2019, the composition of the Company's lease portfolio at that date, the Company's latest assessment of whether it will exercise any lease renewal options and the extent to which the Company chooses to use practical expedients and recognition exemptions.

- Philippine Interpretation *IFRIC-23, Uncertainty over Income Tax Treatments,* clarifies how to apply the recognition and measurement requirements in PAS 12 when there is uncertainty over income tax treatments. Under the interpretation, whether the amounts recorded in the financial statements will differ to that in the tax return, and whether the uncertainty is disclosed or reflected in the measurement, depends on whether it is probable that the tax authority will accept the Company's chosen tax treatment. If it is not probable that the tax authority will accept the Company's chosen tax treatment, the uncertainty is reflected using the measure that provides the better prediction of the resolution of the uncertainty – either the most likely amount or the expected value. The interpretation also requires the reassessment of judgements and estimates applied if facts and circumstances change – e.g. as a result of examination or action by tax authorities, following changes in tax rules or when a tax authority's right to challenge a treatment expires.

  The interpretation is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted. The Company is currently assessing the potential impact on its condensed consolidated interim financial statements resulting from the application of this interpretation.

- *Prepayment Features with Negative Compensation (Amendments to PFRS 9).* The amendments cover the following areas:

  - *Prepayment features with negative compensation.* The amendment clarifies that a financial asset with a prepayment feature could be eligible for measurement at amortized cost or fair value through other comprehensive income (OCI) irrespective of the event or circumstance that causes the early termination of the contract, which may be within or beyond the control of the parties, and a party may either pay or receive reasonable compensation for that early termination.

    The amendment is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted. Retrospective application is required, subject to relevant transitional reliefs.

  - *Modification of financial liabilities.* The amendment to the Basis for Conclusions on PFRS 9 clarifies that the standard provide an adequate basis for an entity to account for modifications and exchanges of financial liabilities that do not result in derecognition and the treatment is consistent with the requirements for adjusting the gross carrying amount of a financial asset when a modification does not result in the derecognition of the financial asset - i.e. the amortized cost of the modified financial liability is recalculated by discounting the modified contractual cash flows using the original effective interest rate and any adjustment is recognized in profit or loss.

    If the initial application of PFRS 9 results in a change in accounting policy for these modifications or exchanges, then retrospective application is required, subject to relevant transition reliefs.

- *Long-term Interests in Associates and Joint Ventures (Amendments to PAS 28).* The amendment requires the application of PFRS 9 to other financial instruments in an

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associate or joint venture to which the equity method is not applied. These include long-term interests (LTIs) that, in substance, form part of the entity's net investment in an associate or joint venture. The amendment explains the annual sequence in which PFRS 9 and PAS 28 are to be applied. In effect, PFRS 9 is first applied ignoring any prior years'PAS 28 loss absorption. If necessary, prior years' PAS 28 loss allocation is trued-up in the current year which may involve recognizing more prior years' losses, reversing these losses or re-allocating them between different LTI instruments. Any current year PAS 28 losses are allocated to the extent that the remaining LTI balance allows and any current year PAS 28 profits reverse any unrecognized prior years' losses and then allocations against LTI.

The amendment is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted. Retrospective application is required, subject to relevant transitional reliefs.

- Deferral of the local implementation of Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture. The amendments address an inconsistency between the requirements in PFRS 10 and in PAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

  The amendments require that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

  Originally, the amendments apply prospectively for annual periods beginning on or after January 1, 2016 with early adoption permitted. However, on January 13, 2016, the FRSC decided to postpone the effective date of these amendments until the IASB has completed its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

4. Seasonality of Operations

The Company's sales are subject to seasonality. Sales are generally higher in the hot, dry months from March through May and lower during the wetter monsoon months of June through November. While these factors lead to a natural seasonality on the Company's sales, unseasonable weather could also significantly affect sales and profitability compared to previous comparable periods. Low sales are likewise experienced around the Christmas and New Year holiday period in December through early January. Consequently, the Company's operating results may fluctuate. In addition, the Company's results may be affected by unforeseen circumstances, such as production interruptions. Due to these fluctuations, comparisons of sales and operating results between periods within a single year, or between different periods in different financial years, are not necessarily meaningful and should not be relied on as indicators of the Company's performance.

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5. Basic/Diluted Loss Per Share

Basic and diluted loss per share is computed as follows:

	For the Six Months Ended June 30 2018 (Unaudited)	For the Six Months Ended June 30 2017 (Unaudited)
Net profit (loss)	**(P534,840)**	P486,053
Add: non-controlling interest net loss	**16**	15
Controlling interest in net income (a)	**(534,824)**	P486,068
Weighted average number of shares outstanding - Basic/Diluted (b)	**5,195,395,454**	5,195,395,454
Basic/Diluted EPS (a/b)	**(P0.10)**	P0.09

As at June 30, 2018 and 2017, the Company has no dilutive equity instruments.

6. Cash and Cash Equivalents

Consolidated cash and cash equivalents as at June 30, 2018 and December 31, 2017, consisted of:

	2018 (Unaudited)	2017 (Audited)
Cash and cash in bank	P1,498,578	P629,089
Short-term investments	965,020	429,178
	P2,463,598	P1,058,267

Cash in banks earns interest at the prevailing bank deposit rates. Short-term investments are made for varying periods of up to three months, depending on the immediate cash requirements of the Company, and earn interest ranging from 1.46% to 1.91% and 0.6% to 1.1% for the six months ended June 30, 2018 and 2017. For the six months ended June 30, 2018 and 2017, interest income amounted to P7,805 and P2,616, respectively.

As of June 30, 2018 and as of December 31, 2017, Short-term investments include deposits of the Company with related parties which are considered highly liquid investments readily convertible to cash, as follows:

	2018 (Unaudited)	2017 (Audited)
Lomez International B.V. [2]	**916,020**	P-
Local banks	**49,000**	49,000
New Sunward Holding B.V. [1]	-	380,178
	P965,020	P429,178

[1] The investment are due on demand and bear interest at a rate equivalent to the higher of Western Asset Institutional Liquid Reserves Fund (WAILRF) rate minus 10 basis points or zero interest.

[2] Effective March 1, 2018, the short term investments with New Sunward Holding B.V. were transferred to Lomez International B.V. by way of novation between parties bearing the same interest rate.

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The Company's exposure to credit risk related to cash and cash equivalents is disclosed in Note 12 to the condensed consolidated interim financial statements.

7. Property, Machinery and Equipment

The movements in this account are as follows:

	Building	Machinery and equipment	Construction In-progress	Total
Gross Carrying Amount				
December 31, 2016	P3,982,565	P11,915,071	P1,025,207	P16,922,843
Additions	61,951	516,857	750,187	1,328,995
Disposals	(211)	(29,752)	(319)	(30,282)
Reclassifications to assets held for sale	–	(376,718)	–	(376,718)
Reclassifications	27,925	166,360	(194,285)	–
December 31, 2017	4,072,230	12,191,818	1,580,790	17,844,838
Additions	700	6,926	539,068	546,694
Disposals	(684)	(3,927)	–	(4,611)
Reclassifications and transfers	7,632	392,117	(399,749)	–
June 30, 2018 (Unaudited)	**4,079,878**	**12,586,934**	**1,720,109**	**18,386,921**
Accumulated depreciation				
December 31, 2016	(153,493)	(954,539)	–	(1,108,032)
Depreciation for the period	(183,818)	(1,091,515)	–	(1,275,333)
Reclassifications to assets held for sale	–	286,089	–	286,089
Impairment	–	(175,230)	–	(175,230)
Disposals	211	10,189	–	10,400
December 31, 2017	(337,100)	(1,925,006)	–	(2,262,106)
Depreciation for the period	(142,074)	(529,700)	–	(671,774)
Disposals	53	942	–	995
June 30, 2018 (Unaudited)	**(479,121)**	**(2,453,764)**	**–**	**(2,932,885)**
Carrying Amounts				
December 31, 2017	P3,735,130	P10,266,812	P1,580,790	P15,582,732
June 30, 2018 (Unaudited)	**P3,600,757**	**P10,133,170**	**P1,720,109**	**15,454,036**

8. Equity

Common Stock

This account consists of:

	June 30, 2018 (Unaudited)		December 31, 2017 (Audited)	
	Shares	Amount	Shares	Amount
Authorized - P1.00 par value per share	**5,195,395,454**	**P5,195,395**	5,195,395,454	P5,195,395
Issued, fully paid and outstanding balance at beginning/end of period	**5,195,395,454**	**P5,195,395**	5,195,395,454	P5,195,395

On September 17, 2015, CASEC subscribed to 376,000 shares of stock of the Parent Company at P100 par value. Of the agreed subscription price of P37,600, only P9,400 was paid in 2015, while the remainder of P28,200 was paid in 2016. In 2016, the Parent

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Company's Board of Directors approved the amendment of and increase in the authorized capital stock of the Parent Company from P150,400, divided into 1,504,000 common shares with par value of P100 per share, to P5,195,395, divided into 5,195,395,454 common shares with par value of P1 per share.

On May 20, 2016, the SEC approved the Parent Company's application for the amendment of and increase in its authorized capital stock. Accordingly, the original subscription of CASEC changed from 376,000 common shares with par value of P100 per share to 37,600,000 common shares with par value of P1 per share. Furthermore, in connection with the increase in authorized capital stock, CASEC subscribed to an additional 2,819,867,500 shares at P1 par value per share or a total par value of P2,819,868 which was fully paid. During the IPO which culminated in the listing of all of the outstanding shares of stock of the Parent Company on July 18, 2016, the Parent Company issued additional 2,337,927,954 shares at P1 par value per share or a total par value of P2,337,928 at the offer price of P10.75 per share (see Note 1).

Capital Management

The Company's objectives when managing capital are to increase the value of shareholders' investment and maintain high growth by applying free cash flow to selective investments. The Company sets strategies with the objective of establishing a versatile and resourceful financial management and capital structure.

The Board of Directors has overall responsibility for the monitoring of capital in proportion to risk. Profiles for capital ratios are set in the light of changes in the Company's external environment and the risks underlying the Company's business operations and industry. The Company's capital is defined as "Total Equity" as shown in the condensed consolidated interim statements of financial position.

The Company is not subject to externally imposed capital requirements. The Company's net debt to equity ratio at the reporting dates is as follows:

	June 30 2018 (Unaudited)	December 31 2017 (Audited)
Total liabilities	**P23,083,118**	P22,329,280
Less cash and cash equivalents	**(2,463,598)**	(1,058,267)
Net debt	**P20,619,520**	P21,271,013
Total equity	**P29,194,234**	P29,422,396
Net debt to equity ratio	**P0.71:1**	P0.72:1

9. Related Party Transactions

Related party relationship exists when the other party (i) has control or joint control of the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. A related party relationship is deemed to exist when one party has the ability to control, directly or indirectly, through one or more intermediaries, the other party or exercise significant influence over the other party in making the financial and/or operating decisions. Another criteria recognizes a related party relationship, whether or not the ability to control exists, if any of the following conditions applies to an entity: (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others, (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member), (iii) both entities are joint ventures of the same third party, (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity, or (v) the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity (If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity).

Related party transactions are shown under the appropriate accounts in the condensed consolidated interim financial statements as at and for the period ended June 30, 2018 and December 31, 2017 are as follows:

Receivables – current	**2018 (Unaudited)**	2017 (Audited)
Sunbulk Shipping, N.V. [1]	**P32,493**	P–
Topmix LLC [2]	**28,275**	–
Beijing CXP Import & Export Co. [3]	**13,882**	–
Island Quarry and Aggregates Corporation [4]	**934**	4,720
CEMEX Central, S.A. de C.V. ("CEMEX Central") [5]	**733**	6,404
APO Land & Quarry Corporation [6]	**554**	1,450
CEMEX Paving Solutions Ltd. [7]	**–**	13,682
Others	**6**	130
Total accounts receivable from related parties	**P76,877**	P26,386

Payables – current	**2018 (Unaudited)**	2017 (Audited)
Ultimate Parent		
CEMEX, S.A.B de C.V. [8]	**P8,035**	P6,864
Other related parties		
CEMEX Construction Materials South, LLC [9]	**607,741**	567,135
Transenergy, Inc. [10]	**563,070**	1,066,157
CEMEX Asia, B.V. [11]	**389,671**	215,224
CEMEX Research Group AG [12]	**222,599**	210,045
Cemex Central, S.A. de C.V. [5]	**179,459**	114,666
Sunbulk Shipping, N.V[1]	**48,608**	–
Island Quarry and Aggregates Corporation [13]	**28,163**	36,633
APO Land & Quarry Corporation [14]	**23,650**	28,909
Beijing CXP Import & Export Co. [3]	**16,445**	10,050
Cemex México, S.A. de C.V. [15]	**9,914**	9,413
CEMEX Asia Pte., Ltd. – Philippine Headquarters ("CAPL - PHQ") [16]	**1,377**	8,308
CEMEX Strategic Philippines, Inc. [17]	**40**	–
Others	**178**	–
	2,098,950	2,273,404
Payable - non current		
CEMEX Asia, B.V. [11]	**1,073,635**	1,073,635
Total accounts payable to related parties	**P3,172,585**	P3,347,039

[1] The balance pertains to international freight services on imported cement;
[2] The balance, which is unimpaired, unsecured, noninterest-bearing and 30-days term, pertains to the sale of concrete equipment of the Company;
[3] The receivable balance in 2018 pertains to the advance payment of purchases of materials and spare parts, which is unsecured, noninterest-bearing and due on demand; while the payable balance in 2018 pertains to the outstanding liability for the purchases of materials and spare parts, which is unsecured, noninterest-bearing and due on demand;
[4] The receivable balance, which is unimpaired, unsecured, noninterest-bearing and due on demand includes: a) receivables arising from the sale of goods with a 30-day term and without interest amounting to nil and P2,272 as at December 31, 2017, respectively; b) receivables from service agreements amounting to P854 and P2,299 as at June 30, 2018 and December 31, 2017, respectively; and c) others amounting to P80 and P149 as at June 30, 2018 and December 31, 2017, respectively. In 2016, Solid entered into an agreement with Island Quarry and Aggregates Corporation wherein the former shall provide back-office and other support services to the latter. Fees are calculated at cost incurred plus fixed mark-up;
[5] The receivable balance, which is unimpaired, unsecured, noninterest-bearing and due on demand, pertains to reimbursement of fringe benefit tax on share-based compensation; while the payable balance, which is unsecured, noninterest-bearing and due on demand, pertains to business support services received by the Company. In 2009, Solid and APO entered into separate service agreements with CAPL-PHQ, whereby the latter through CAPL-PHQ shall provide to Solid and APO services relating to, among others, general administration and planning; business planning and coordination; marketing control and; sales promotion and business development. In the implementation of these service agreements, CAPL-PHQ also arranged for certain services to be performed by CEMEX Central and accordingly, CAPL-PHQ collected from each of Solid and APO as reimbursement, the fees billed by CEMEX Central for services rendered. In 2017, the arrangement between CAPL-PHQ and CEMEX Central was changed resulting in Solid and APO entering into separate service agreements directly with CEMEX Central

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wherein the latter shall provide to the companies those particular services previously performed by CEMEX Central, S.A. de C.V. through the service agreements with CAPL-PHQ;

[6] The balance, which is unimpaired, unsecured, noninterest-bearing and due on demand includes a) receivables from service agreement amounting to P554 and P1,446 as at June 30, 2018 and December 31, 2017 respectively; and b) others amounting to nil and P4 as at June 30, 2018 and December 31, 2017 respectively. In 2016, each of Solid and APO entered into an agreement with APO Land & Quarry Corporation wherein Solid and APO shall provide back-office and other support services to the latter;

[7] The balance, which is unimpaired, unsecured, noninterest-bearing and due on demand, pertains to the sale of paving equipment of the Company;

[8] The payable balance pertains to the use of CEMEX "marks" which payable in 30 days after receipt of invoice and is unsecured and noninterest-bearing. On January 1, 2016, CAR entered into an agreement with CEMEX for the right to use of its "marks" and to further license the "marks" with other CEMEX group companies operating in the Asia territory;

[9] The balance, which is unsecured, noninterest-bearing and due on demand, pertains to the purchase of equipment for the expansion of Solid plant;

[10] The balance pertains to purchase of coal with a term of 30 days, noninterest-bearing and unsecured;

[11] The balance includes a) interest on short-term loan amounting to P289 and P525 as at June 30, 2018 and December 31, 2017 respectively; b) short term portion of loan amounting to P389,382 and P214,699 as at June 30, 2018 and December 31, 2017; and c) long-term loan that bears interest at an annual rate equal to 6-month LIBOR plus 369 basis points basis points in 2018 and 2017, respectively, for Solid and fixed interest rate for APO. On September 1, 2017, APO and CEMEX Asia, B.V. changed the currency of the loan from $21.0 million to P1.1 billion. The loan is unsecured and is due to be paid in 2018 and 2019 for Solid and APO, respectively;

[12] The balance pertains to the royalties/license fees of the Company, which is unimpaired, unsecured, noninterest-bearing and due on demand;

[13] The balance includes a) unsecured payable arising from purchase of raw materials with a 30-day term and noninterest-bearing amounting to P28,125 and P29,063 as at June 30, 2018 and December 31, 2017, respectively; b) reimbursable expenses amounting to P38 as at June 30, 2018 and c) rental of equipment amounting to P7,570 as at December 31, 2017, which is unsecured, noninterest-bearing and due on demand. Solid purchases the majority of its limestone, pozzolan and clay requirements from Island Quarry and Aggregates Corporation pursuant to a long-term supply agreement;

[14] The balance includes a) purchase of raw materials with a 30-day term amounting to P23,630 and P28,774 as at June 30, 2018 and December 31, 2017, respectively; b) reimbursable expenses amounting to P20 as at June 30, 2018 and c) advances amounting to P135 as at December 31, 2017, respectively. These transactions are unsecured and are noninterest-bearing. APO purchases the majority of its limestone, pozzolan and clay requirements from APO Land & Quarry Corporation pursuant to a long-term supply agreement.

[15] The balance, which is unsecured, noninterest-bearing and due on demand, pertains to purchase of equipment from CEMEX Mexico, S.A. de C.V;

[16] The balance, which is unsecured, noninterest-bearing, and has a term of 30 days, includes corporate and administrative services received by the Company;

[17] The balance, which is unsecured, noninterest-bearing, and has a term of 30 days, includes corporate and administrative services received by the Company;

The reconciliation of opening and closing balances of long-term related party payables follows:

		Amount
Balance as at January 1, 2017	P	15,919,322
Proceeds from drawdowns		849,900
Interest expense		252,827
Loss from early extinguishment of debt		64,603
Effect of exchange rate changes		44,713
Payments of:		
Principal		(15,458,475)
Interest		(384,031)
Balance as at December 31, 2017		1,288,859
Proceeds from drawdowns		152,115
Interest expense		60,796
Effect of exchange rate changes		22,790
Payment of interest		(61,254)
Balance as at June 30, 2018	P	1,463,306

The main transactions entered by the Company with related parties for the six months ended June 30, 2018 and 2017 are shown below:

		2018	2017
Purchases of raw materials			
Transenergy, Inc.	P	677,988	1,236,101
Island Quarry and Aggregates Corporation.		164,177	152,510
APO Land & Quarry Corporation		119,990	120,592
Beijing CXP Import & Export Co		26,340	–
	P	988,495	1,509,203
Royalties and trademarks			
CEMEX Research Group AG.	P	444,391	406,294
CEMEX S.A.B de C.V.		15,968	–
	P	460,359	406,294
Land Rental			
APO Land & Quarry Corporation	P	29,105	29,105
Island Quarry and Aggregates Corporation.		14,395	10,259
	P	43,500	39,364

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Corporate services and administrative services			
Cemex Central, S.A. de C.V.	P	**133,607**	144,195
Island Quarry and Aggregates Corporation		**6,210**	3,355
APO Land & Quarry Corporation		**3,822**	3,330
CEMEX Asia Pte. Ltd. - Philippine Headquarters		**-**	78,523
CEMEX Strategic Philippines, Inc.		**-**	41,285
	P	**143,639**	270,688
Freight services			
Sunbulk Shipping, N.V.	P	**48,289**	-
Sale of equipment			
Topmix LLC.	P	**28,275**	-
Loan drawdown			
CEMEX Asia, B.V.	P	**152,115**	-
Interest expense			
CEMEX Asia, B.V.	P	**60,796**	53,296
New Sunward Holding B.V.		**-**	144,327
	P	**60,796**	197,623
Interest income			
Lomez International B.V.	P	**2,619**	-
New Sunward Holding B.V		**-**	789
	P	**2,619**	789
Sales of goods			
Island Quarry and Aggregates Corporation.	P	**-**	41,432
APO Land & Quarry Corporation		**-**	79
	P	**-**	41,511
Reimbursements			
CEMEX Concrete (Malaysia) Sdn Bhd	P	**-**	136,647
Purchase of equipment			
CEMEX Construction Materials South, LLC.	P	**-**	27,420
Cemex México, S.A. de C.V.		**-**	4,420
	P	**-**	31,840

10. Segment Information

The Company applies PFRS 8 for the disclosure of its operating segments, which are defined as the components of an entity that engage in business activities from which they may earn revenues and incur expenses; whose operating results are regularly reviewed by the entity's top management to make decisions about resources to be allocated to the segments and assess their performance; and for which discrete financial information is available. The Company's main activity is oriented to the construction industry through the production, distribution, marketing and sale of cement, ready-mix concrete and other construction materials. For the six months ended June 30, 2018 and December 31, 2017 the cement sector represented approximately 85.9% and 84.5% of total net revenues before elimination of transactions between consolidated entities.

The main indicator used by the Company's management to evaluate performance is "Operating EBITDA", representing operating earnings before other expenses - net, interest, tax, depreciation and amortization, considering that such amount represents a relevant measure for the Company's management as an indicator of the ability to internally fund capital expenditures, as well as a widely accepted financial indicator to measure the Company's ability to service or incur debt. Operating EBITDA should not be considered as an indicator of the Company's financial performance, as an alternative to cash flow, as a measure of liquidity, or as being comparable to other similarly titled measures of other companies.

11. Long-term bank loan

On February 1, 2017, the Parent Company signed a Senior Unsecured Peso Term Loan Facility Agreement (Facility Agreement) with BDO for an amount of up to the Philippine Peso equivalent of U.S. dollar 280 million to refinance a majority of the Parent Company's outstanding long-term loan with New Sunward Holding B.V. The term loan provided by BDO has a tenor of seven (7) years from the date of the initial drawdown on the facility and consists of a fixed rate and a floating rate tranche based on market rates plus spread. The borrowings or drawdowns on this facility amounted to P14 billion in 2017. Short-term portion of the bank loan amounted to P140,123 as at June 30, 2018 and December 31, 2017.

The debt issuance cost of this bank loan, corresponding to P152,404 and P166,591 on unamortized basis, was deducted from the total loan liability as at June 30, 2018 and December 31, 2017, respectively. Interest expense incurred as at June 30, 2018 and 2017, excluding amortized direct cost, amounted to P334.6 million and P241.4 million, respectively, which is recognized under "Financial expenses" account in the condensed consolidated interim statements of profit or loss and other comprehensive income.

The reconciliation of opening and closing balances of bank loan follows:

		Bank Loan	Accrued Interest	Total
Balance as at January 1, 2017	P	–	–	–
Proceeds		13,831,596	–	13,831,596
Interest expense		14,094	571,808	585,902
Payment of:				
Principal		(105,092)	–	(105,092)
Interest		–	(473,729)	(473,729)
Balance as at December 31, 2017		13,740,598	98,079	13,838,677
Interest expense		14,188	334,638	348,826
Payment of:				
Principal		(70,062)	–	(70,062)
Interest		–	(318,835)	(318,835)
Balance as at June 30, 2018	P	13,684,724	113,882	13,798,606

Accrued interest from this bank loan amounting to P113,882 and P98,079 as at June 30, 2018 and December 31, 2017 are recognized under "Unearned revenue, other accounts payable and accrued expenses" account in the condensed consolidated interim statements of financial position.

12. Financial Instruments and Financial Risk Management

This note presents information on the exposure of the Company for credit risk, foreign currency risk and liquidity risk; goals, policies and procedures of the Company to measure and manage risk and the administration of the Company's resources.

Risk management framework
The Company's management has overall responsibility for the development, implementation and monitoring of the conceptual framework and policies for an effective risk management.

The Company's risk management policies are intended to: a) identify and analyze the risks faced by the Company; b) implement appropriate risk limits and controls; and c) monitor the risks and the compliance with the limits. Policies and risk management systems are

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regularly reviewed to reflect changes in market conditions and in the Company's activities. By means of its policies and procedures for risk management, the Company aims to develop a disciplined and constructive control environment where all employees understand their roles and obligations.

Credit risk
Credit risk is the risk of financial loss faced by the Company if a customer or a counterparty of a financial instrument does not meet its contractual obligations and originates mainly from trade accounts receivable. As at June 30, 2018 and December 31, 2017 the maximum exposure to credit risk is represented by the balance of financial assets. Management has developed policies for the authorization of credit to customers. The exposure to credit risk is monitored constantly according to the behavior of payment of the debtors. Credit is assigned on a customer-by-customer basis and is subject to assessments which consider the customers' payment capacity, as well as past behavior regarding due dates, balances past due and delinquent accounts. In cases deemed necessary, the Company's management requires guarantees from its customers and financial counterparties with regard to financial assets.

The Company's management has established a policy of low risk which analyzes the creditworthiness of each new client individually before offering the general conditions of payment terms and delivery, the review includes external ratings, when references are available, and in some cases bank references. Threshold of credit limits are established for each client, which represent the maximum credit amount that requires different levels of approval. Customers who do not meet the levels of solvency requirements imposed by the Company can only carry out transactions with the Company by paying cash in advance.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at June 30, 2018 and December 31, 2017 is as follows:

	2018 (Unaudited)	2017 (Audited)
Cash and cash equivalents (excluding cash on hand)	**P2,463,528**	P1,058,147
Trade receivables - net	**910,784**	833,259
Receivables from related parties	**76,877**	26,386
Other current accounts receivables	**68,792**	74,616
Long-term guarantee deposits (under other assets and noncurrent receivables)	**658,989**	607,862
	P4,178,970	P2,600,270

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As at June 30, 2018 and December 31, 2017, respectively, the aging analyses per class of financial assets are as follows:

As at June 30, 2018 (Unaudited)	Neither past due nor impaired	Past due but not impaired 1 to 30 Days	31 to 60 days	More than 60 days	Impaired	Total
Cash and cash equivalents (excluding cash on hand)	**P2,463,528**	**P–**	**P–**	**P–**	**P–**	**P2,463,528**
Trade receivables	**767,245**	**37,050**	**12,093**	**94,396**	**15,604**	**926,388**
Due from related parties	**76,877**	–	–	–	–	**76,877**
Other current accounts receivables	**68,792**	–	–	–	–	**68,792**
Long-term deposits (under other noncurrent accounts receivables)	**658,989**	–	–	–	–	**658,989**
	4,035,431	**37,050**	**12,093**	**94,396**	**15,604**	**4,194,574**
Less: allowance for impairment losses	–	–	–	–	**(15,604)**	**(15,604)**
	P4,035,431	**P37,050**	**P12,093**	**P94,396**	**P–**	**P4,178,970**

As at December 31, 2017 (Audited)	Neither past due nor impaired	Past due but not impaired 1 to 30 days	31 to 60 days	More than 60 days	Impaired	Total
Cash and cash equivalents (excluding cash on hand)	P1,058,147	P–	P–	P–	P–	P1,058,147
Trade receivables	638,816	61,689	17,215	115,539	36,098	869,357
Due from related parties	26,386	–	–	–	–	26,386
Other current accounts receivables	74,616	–	–	–	–	74,616
Long-term deposits (under other noncurrent accounts receivables)	607,862	–	–	–	–	607,862
	P2,405,827	61,689	17,215	115,539	36,098	2,636,368
Allowance for impairment losses	–	–	–	–	(36,098)	(36,098)
	P2,405,827	P61,689	P17,215	P115,539	P–	P2,600,270

As at June 30, 2018 and December 31, 2017 the amount of allowance for impairment losses of the Company's subsidiaries amounted to P15,604 and P36,098 considering the Company's best estimates of potential losses based on an analysis of aging and considering management's recovery efforts.

Cash in banks, short-term investments and long-term and guarantee deposits are of high grade quality as these are deposited in reputable financial entities. Of the total trade receivables, due from related parties and other current accounts receivable, 85% and 76% are neither past due nor impaired, and are considered of high grade quality as of June 30, 2018 and December 31, 2017, respectively. Other financial assets that are not considered of high grade quality are considered standard grade quality financial assets. High grade quality financial assets are those assessed as having minimal credit risk, otherwise they are of standard quality. Standard grade quality financial assets are those assessed as having minimal to regular instances of payment default due to ordinary/common collection issues. These accounts are typically not impaired as the counterparties generally respond to credit actions and update their payments accordingly.

The credit qualities of financial assets that were neither past due nor impaired are determined as follows:

- Cash in banks, short-term investments and long-term guarantee time deposits are based on the credit standing or rating of the counterparty.

- Trade receivables, amounts due from related parties and other current accounts receivable are based on a combination of credit standing or rating of the counterparty, historical experience and specific and collective credit risk assessment.

Foreign currency risk
Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate in relation to changes in exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates mainly to its operational and financing activities. The objective of foreign currency risk management is to manage and control exposures within acceptable parameters while optimizing the return. The Company's revenues and costs are generated and settled mainly in Philippine peso. For the six months ended June 30, 2018 and as at December 31, 2017 approximately less than 5% of the Company's net sales, before eliminations, were generated in dollars.

The Company had an exposure arising from the foreign currency denominated financial obligations as compared to the currency in which the majority of the Company's revenues are generated. The Company's only revenues denominated in dollars to cover such dollar-denominated obligations are those generated by exports. As at June 30, 2018 and December 31, 2017 the Company does not have any derivative financing hedge for foreign currency denominated financial obligation to address this foreign currency risk.

Foreign exchange fluctuations occur when any member of the Company incur monetary assets and liabilities in a currency different from its functional currency. These translation gains and losses are recognized in the condensed consolidated interim statements of profit or loss.

As at June 30, 2018 and December 31, 2017, a summary of the quantitative information of the exposure of the Company due to foreign currencies is provided to the administration on the basis of its risk management policy as follows:

	As at June 30, 2018	
Amounts in thousands of dollars	***(in USD)***	***(in EUR)***
Cash and cash equivalents................................	**$19,215**	**€–**
Receivable from related parties*......................	**1,413**	**–**
Trade payables	**(4,073)**	**(620)**
Payable to related parties....................	**(38,352)**	**–**
Net assets denominated in foreign currency ..	**($21,797)**	**(€620)**

****Pertains to related party transactions with entities outside the Company***

	As at December 31, 2017	
Amounts in thousands of dollars	*(in USD)*	*(in EUR)*
Cash and cash equivalents................................	$9,919	€–
Receivable from related parties*......................	402	–
Trade payables	(3,855)	(301)
Payable to related parties....................	(43,842)	–
Net assets denominated in foreign currency ..	($37,376)	(€301)

****Pertains to related party transactions with entities outside the Company***

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Sensitivity Analysis

USD	Strengthening (Weakening) of Philippine Peso	Effect on Profit before Income Tax	Effect on Equity
2018	**+6.8%**	**P79,060**	**P55,342**
	-6.8%	**(79,060)**	**(55,342)**
2017	+0.4%	7,882	5,517
	-0.4%	(7,882)	(5,517)

Amount includes intercompany balances with entities outside the Company

EUR	Strengthening (Weakening) of Philippine Peso	Effect on Profit before Income Tax	Effect on Equity
2018	**+4.0%**	**P1,545**	**P1,082**
	-4.0%	**(1,545)**	**(1,082)**
2017	+14.6%	2,632	1,842
	-14.6%	(2,632)	(1,842)

The company is also exposed to foreign currency risks on eliminated foreign currency denominated intragroup balances as follows:

		June 30, 2018	December 31, 2017
Amount owed by	**Amount owed to**	(in USD)	
Parent Company	CAR	**$56,915**	$51,886
Parent Company	Falcon	**16,050**	43,754
Apo	CAR	**7,722**	7,314
Solid	CAR	**4,054**	4,061
		$84,741	$107,015

Sensitivity Analysis

USD	Strengthening (Weakening) of Philippine Peso	Effect on Profit before Income Tax	Effect on Equity
2018	**+6.8%**	**P307,366**	**P215,156**
	-6.8%	**(307,366)**	**(215,156)**
2017	+0.4%	21,373	14,961
	-0.4%	(21,373)	(14,961)

Pertains to eliminated intragroup balances only.

<u>*Interest rate risk*</u>

Interest rate risk is the risk that changes in interest rates will affect the Company's income or the value of its holdings of financial instruments. As at June 30, 2018, the Company is exposed to interest rate risk primarily on the floating interest rate tranche corresponding to P8.4 billion of the long-term bank loan with BDO (see Note 11), short-term investments in Lomez International B.V., and long-term loan payable to CEMEX Asia B.V. The short-term investments in Lomez International B.V. bear interest at a rate equivalent to the higher of WAILRF rate minus 10 basis points and zero interest (see Note 6). The long-term loan from CEMEX Asia B.V. bears interest at an annual rate equal to 6-month LIBOR plus 369 basis points in 2018 (see Note 9).

Sensitivity Analysis
As at June 30, 2018 and December 31, 2017, a hypothetical 1% increase in interest rate, with all other variables held constant, the Company's profit for the six months ended June 30, 2018 and for the year ended December 31, 2017 would have decreased by approximately P54,343 and P57,165 net of tax, respectively. Conversely, a hypothetical 1% decrease in interest rate would have the opposite effect.

Liquidity risk
Liquidity risk is the risk that the Company will not have sufficient funds available to meet its obligations. The Company has fulfilled its operational liquidity needs primarily through its own operations and expects to continue to do so for both the short and long-term liabilities. Although cash flow from the Company's operations has historically covered its overall liquidity needs for operations, servicing debt and funding capital expenditures and acquisitions, the consolidated entities are exposed to risks from changes in foreign currency exchange rates, prices and currency controls, interest rates, inflation, governmental spending, social instability and other political, economic and/or social developments in the countries in which they operate, any one of which may materially decrease the Company's net income and reduce cash flows from operations. Accordingly, in order to meet its liquidity needs, the Company also relies on cost-control and operating improvements to optimize capacity utilization and maximize profitability. The Company's consolidated net cash flows provided by and used in operating activities, as presented in its unaudited condensed consolidated interim statement of cash flows, was P1,904,341 and P1,077,528 as at June 30, 2018 and 2017, respectively. The Company's trade payables, due to related parties, taxes payable and other accounts payable and accrued expenses are expected to be settled within one year. Trade payables are noninterest-bearing and are normally settled on a 30-days term. In addition, there is no significant concentration of a specific supplier relating to the purchase of raw materials.

The table below summarizes the maturity profile of the Company's long-term loans with bank and related parties as at June 30, 2018 and December 31, 2017.

				June 30, 2018 (Unaudited)	
	Carrying Amount	**Contractual Cash Flow**	**One year or less**	**More than one year but less than five years**	**More than five years**
Bank loan	**P13,684,724**	**P17,317,305**	**P870,602**	**P16,446,703**	**P-**
Long-term payable to related parties	**1,463,017**	**1,635,654**	**488,187**	**1,147,467**	**-**
	P15,147,741	**P18,952,959**	**P1,358,789**	**17,594,170**	**P-**

				December 31, 2017 (Audited)	
	Carrying Amount	Contractual Cash Flow	One year or less	More than one year but less than five years	More than five years
Bank loan	P13,740,598	P17,316,569	P786,759	P14,847,076	P1,682,734
Long-term payable to related parties	1,288,334	1,474,068	326,601	1,147,467	-
	P15,028,932	P18,790,637	P1,113,360	P15,994,543	P1,682,734

Insurance Risk management
As mentioned in Note 1, the Parent Company incorporated Falcon to create its own reserves and reinsure in respect of the Company's property, non-damage business interruption and political risks insurance. Falcon is expected to retain 10% of the risk in connection with property insurance and 100% of the risk in connection with earthquake and wind stop loss, non-damage business interruption and political risks insurance, and cyber risks and professional liabilities of the Parent Company's operating subsidiaries. As a result of these

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arrangements, the Company will effectively self-insure these risks to the extent of Falcon's retained liability. There can be no assurance that the reserves established by Falcon will exceed any losses in connection with the Company's self-insured risks. In addition, the Company's insurance coverage is subject to periodic renewal. If the availability of insurance coverage is reduced significantly for any reason, the Company may become exposed to certain risks for which it is not and, in some cases could not be, insured. Moreover, if the Company's losses exceed its insurance coverage, or if the Company's losses are not covered by the insurance policies it has taken up, or if Falcon is required to pay claims to its insurer pursuant to the reinsurance arrangements, the Company may be liable to cover any shortfall or losses. The Company's insurance premiums may also increase substantially because of such claim from the Company's insurers. The foregoing risk exposure is mitigated, through making reasonable approximation after an evaluation of reported claims in the past of the Parent Company's operating subsidiaries, by retaining only insurance risk from insurance policies in which the operating subsidiaries have low probability of incurring losses.

13. Fair values of financial assets and financial liabilities

The fair values of cash and cash equivalents, trade receivables, amounts due from and due to related parties, other current accounts receivable, other accounts payable and accrued expenses reasonably approximate their carrying amounts considering the short-term maturities of these financial instruments. The fair value of the long-term payable to CEMEX Asia B.V., which is based on the present value of future cash flows discounted at market rate of interest at the reporting date (discounted cash flows under level 2 of the fair value hierarchy), approximates its carrying amount as at June 30, 2018 and December 31, 2017 as the said financial instruments bear interest at LIBOR rates, which is approximately similar to the market interest rate. The fair values of short term investments to Lomez International B.V. and New Sunward Holding B.V., which are also based on the present value of future cash flows discounted at market rate of interest (discounted cash flows under level 2 of the fair value hierarchy), approximate their carrying amounts as at June 30, 2018 and December 31, 2017, respectively, as these financial instruments bear interest at rates which are approximately similar to market interest rates. The fair value of the rental guaranty deposits approximate its carrying amount since the Company does not anticipate its carrying amount to be significantly different from the actual amount that the rental guarantee deposits would eventually be collected.

The bank loan provided by BDO consists of a fixed rate and a floating rate tranche based on market rates plus spread. The following is the comparison of the carrying amount and fair value of bank loan:

Bank loan	**June 30, 2018**	December 31, 2017
Carrying amount	P **13,684,724**	P13,740,598
Fair value	**14,413,506**	14,688,476

The fair value of bank loan is based on the present value of expected cash flows using the discount rates based on current market rates of similar instruments and categorized as Level 2 of the fair value hierarchy.

14. Contingencies

As at June 30, 2018, the Company is involved in various legal proceedings of minor impact that have arisen in the ordinary course of business. These proceedings involve: 1) national and local tax assessments; 2) labor claims; and 3) other diverse civil actions. The Company considers that in those instances in which obligations have been incurred, the Company has accrued adequate provisions to cover the related risks. The Company believes these matters will be resolved without any significant effect on its business, consolidated financial position or consolidated financial performance. In addition, in relation to ongoing legal proceedings, the Company is able to make a reasonable estimate of the expected loss or range of possible loss, as well as disclose any provision accrued for such loss. However, for a limited number of ongoing proceedings, the Company may not be able to make a reasonable estimate of the expected loss or range of possible loss or may be able to do so but believes that disclosure of such information on a case-by-case basis would seriously prejudice Company's position in the ongoing legal proceedings or in any related settlement discussions. Accordingly, in these cases, the Company has disclosed qualitative information with respect to the nature and characteristics of the contingency, but has not disclosed the estimate of the range of potential loss.

EXHIBIT E

SEC Form 17-Q for Quarter Ended 31 September 2018
(3rd Quarter 2018)

CEMEX HOLDINGS PHILIPPINES, INC.
SEC FORM 17-A

111122018001717

SECURITIES AND EXCHANGE COMMISSION

SECBuilding,EDSA,Greenhills,MandaluyongCity,MetroManila,Philippines
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Company Information

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Company Name	CEMEX HOLDINGS PHILIPPINES, INC.
Industry Classification	Financial Holding Company Activities
Company Type	Stock Corporation

Document Information

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COVER SHEET

CS201518815
S.E.C. Registration Number

CEMEX HOLDINGS PHILIPPINES, INC.

34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City

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

STEVE KUANSHENG WU
Contact Person

849-3600
Company Telephone Number

1 2	3 1	**SEC Form 17-Q (Quarter Report)** **3rd Quarter of 2018**	0 6 / 0 6
Month	*Day*	FORM TYPE	*Month* / *Day*

First Wednesday of June

Fiscal Year

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 Amount of Borrowings

19*

Total No. of Stockholders
***As of 30 September 2018**

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended **September 30, 2018**
2. SEC Identification Number. **CS201518815**
3. BIR Tax Identification No. **009-133-917-000**
4. Exact name of registrant as specified in its charter. **CEMEX HOLDINGS PHILIPPINES, INC.**
5. Province, country or other jurisdiction of incorporation or organization **Metro Manila, Philippines**
6. Industry Classification Code: ________ (SEC Use Only)
7. Address of issuer's principal office and postal code **34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
8. Issuer's telephone number, including area code **(02) 849-3600**
9. Former name, former address and former fiscal year, if changed since last report – **Not Applicable**
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common Shares	5,195,395,454

11. Are any or all of the securities listed on a Stock Exchange?

Yes [X] No [ ]

Stock Exchange: Philippine Stock Exchange
Securities Listed: Common Shares

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [X] No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days. Yes [X] No [ ]

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

The unaudited condensed consolidated interim financial statements as at and for the nine months ended September 30, 2018 and the audited consolidated statement of financial position as at December 31, 2017 and unaudited statement of profit or loss and other comprehensive income for the six months ended September 30, 2017, and the related notes to the unaudited condensed consolidated interim financial statements of CEMEX Holdings Philippines, Inc. and its Subsidiaries as at September 30, 2018 are filed as part of this Form 17-Q as Appendix I.

The term "Parent Company" used in this report refers to CEMEX Holdings Philippines, Inc. without its Subsidiaries. The term "Company" refers to the Parent Company together with its consolidated Subsidiaries.

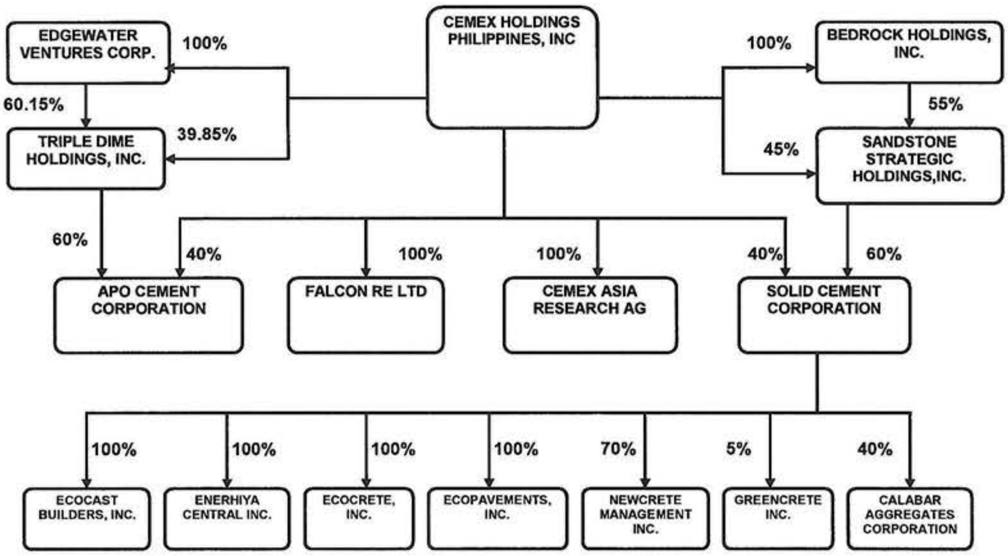
On a consolidated group basis, the Parent Company is an indirect subsidiary of CEMEX, S.A.B. de C.V. ("CEMEX"), a company incorporated in Mexico with address of its principal executive office at Avenida Ricardo Margain Zozaya #325, Colonia Valle del Campestre, Garza Garcia, Nuevo León, Mexico.

The Company presents comparative unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2018 and unaudited financial statements for the nine months ended September 30, 2017.

On January 1, 2016 the Parent Company acquired, directly and indirectly through intermediate holding companies, a 100% equity interest in each of Solid Cement Corporation ("Solid") and APO Cement Corporation ("APO"). Solid has several subsidiaries. The Company also includes CEMEX Asia Research AG ("CAR"), a wholly-owned subsidiary incorporated in December 2015 under the laws of Switzerland. Pursuant to license agreements that CAR entered into with CEMEX Research Group AG ("CRG") and CEMEX, respectively, CAR became a licensee for certain trademarks, including the CEMEX trademark, and other intangible assets forming part of the intellectual property portfolio owned and developed by CEMEX. CAR is engaged primarily in the development, maintenance and customization of these intangible assets for the Asia Region and it in turn provides non-exclusive licenses to Solid and APO to use the CEMEX trademark and other trademarks and intangible assets of CEMEX.

In May 2016, the Parent Company incorporated a wholly-owned subsidiary named Falcon Re Ltd. ('Falcon') under the Companies Act of Barbados. Falcon is registered to conduct general insurance business, all risk property insurance, political risks insurance and non-damage business interruption insurance, and received its license to operate as an insurance company in July 2016. Falcon acts as a re-insurer to the extent of 10% of the risks associated with property insurance coverage and 100% of the risks associated with political violence and non-damage business interruption programs, professional liability program and cyber risks for the operating subsidiaries of the Parent Company.

The following diagram provides a summary of the Company's organizational and ownership structure as of September 30, 2018:



On July 18, 2016, the Parent Company's initial public offering ('IPO') of 2,337,927,954 common shares at P10.75 per share culminated with the listing and trading under the Main Board of the Philippine Stock Exchange of all of the outstanding shares of capital stock of the Parent Company consisting of 5,195,395,454 common shares.

During the first quarter of 2017, the remaining balance of the proceeds from the IPO were used in the first quarter of 2017 to partially repay amounts outstanding under the long-term loan with New Sunward Holding B.V. ("NSH Long-term Loan"). New Sunward Holding B.V. is a subsidiary of CEMEX.

On February 1, 2017, the Parent Company signed a senior unsecured peso term loan facility agreement with BDO Unibank, Inc. for an amount of up to the Philippine Peso equivalent of US$280 Million ("BDO Refinancing Loan"), to refinance a majority of the Parent Company's outstanding balance due under the NSH Long-term Loan. Following its availment of the BDO Refinancing Loan, the Parent Company completely repaid the NSH Long-term Loan.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following is a discussion and analysis of our unaudited condensed consolidated interim financial condition and results of operations as at and for the nine months ended September 30, 2018, the audited consolidated financial condition as at December 31, 2017, and unaudited consolidated interim results of operations for the nine months ended September 30, 2017, and certain trends, risks and uncertainties that may affect our business.

Financial Performance

For the nine months ended September 30, 2018 and 2017:

Revenue
Revenue for the nine-month period ended September 30, 2018 and 2017 amounted to P17.9 billion and P16.6 billion, respectively. The breakdown of revenue after elimination of transactions between consolidated entities for the nine months ended September 30, 2018 and 2017 were as follows:

	For the nine months ended September 30, 2018		For the nine months ended September 30, 2017	
Segment	***Amount****	***% Sales***	***Amount****	***% Sales***
Cement sales	P17,891	99.9%	P16,378	99.0%
Other business	14	0.1%	183	1.0%
Total	**P17,905**	**100.0%**	**P16,561**	**100.0%**

****Amounts in millions***

For the nine months ended September 30, 2018, domestic gray cement volume increased 10% and our average selling price for domestic gray cement declined 1% against same period last year. During the third quarter, our domestic cement sales volumes increased by 5% and our average selling price for cement increased by 4% compared with the same period of the prior year.

Cost of Sales
Cost of sales for the nine-month period ended September 30, 2018 and 2017 amounted to P10.7 billion and P9.3 billion, respectively. As a percentage of revenue, cost of sales increased by 3 percentage points year-on-year, due, among others, to the regular maintenance of the APO Kiln, and increased fuel and power costs resulting from higher global fuel prices, depreciation of Philippine Peso and tax reform impact.

Gross Profit
As a result of the above conditions, gross profit for the nine months ended September 30, 2018 and 2017 reached P7.2 billion. Gross profit as a percentage of revenue for the nine months ended September 30, 2018 and 2017 were at 40.3% and 43.6%, respectively.

Operating Expenses
Operating expenses amounted to P5.9 billion and P5.5 billion, respectively, for the nine months ended September 30, 2018 and 2017. Operating expenses were composed of administrative, selling, and distribution expenses. Administrative and selling expenses amounted to P2.2 billion and P2.3 billion or 12.3% and 13.9% of revenue for the first nine months of 2018 and 2017. These include: a) license fees amounting to P713.8 million and P612.5 million, respectively; b) salaries and wages amounting to P515.7 million and P436.5 million, respectively; and c) administrative services amounting to P441.7 million and P689.2 million, respectively. Distribution expenses amounted to P3.7 billion and P3.2 billion, respectively, for the nine months ended September 30, 2018 and 2017, which accounted for 20.6% and 19.6%, respectively, of revenue.

Other expenses included in operating expenses covered insurance, utilities and administrative supplies, taxes and licenses, depreciation, advertising, travel expenses and others.

Operating Income Before Other Income, Net
For the reasons discussed above, profit from operations amounted to P1.3 billion and P1.7 billion, respectively, for the nine months ended September 30, 2018 and 2017. These comprised 7.4% and 10.1% of revenue, respectively.

Financial Expenses
Net financial expenses for the nine months ended September 30, 2018 and 2017 amounted to P676.5 million and P667.1 million, respectively. For the third quarter of 2018 and 2017, net financial expenses amounted to P231.9 million and P208.5 million, respectively.

Foreign Exchange Loss, Net
Net foreign exchange loss of P470.5 million and P157.2 million were reported for the nine months ended September 30, 2018 and 2017, respectively.

Other Income, Net
Net other income for the nine-month period ended September 30, 2018 and 2017 was P8.2 million and P31.1 million, respectively.

Income Tax
As a result of operations, our income tax expense for the nine months ended September 30, 2018 and 2017 amounted to P789.5 million and P189.9 million, respectively. The higher income tax expense recorded was due mainly to the utilization of deferred tax assets following the receipt of dividends by CHP from its foreign subsidiaries.

Profit (Loss)
As a result of the abovementioned concepts, profit (loss) for the nine months ended September 30, 2018 and 2017 amounted to (P604.7 million) and P688.0 million, respectively.

The utilization of Net Operating Loss Carry-Over (NOLCO) against intra-group dividends during the first half of 2018 is the main component of the decrease in amount of deferred tax assets, which led to an income tax expense significantly higher than the first half of 2017. In addition, the continued depreciation of the peso against the US dollar resulted in additional unrealized foreign exchange losses.

Dividends which were declared by the Parent Company's foreign subsidiaries during 2018 amounted to an aggregate of P1.9 billion.

Financial Position

As at September 30, 2018 and December 31, 2017:

Cash and Cash Equivalents
Cash and cash equivalents amounted to P2.5 billion and P1.1 billion as at September 30, 2018 and December 31, 2017, respectively. As at September 30, 2018, cash and cash equivalents of P2.5 billion include P1.5 billion cash on hand and in banks and P995.0 million short-term investments which were readily convertible to cash. As at December 31, 2017, cash and cash equivalents of P1.1 billion include P629.1 million cash on hand and in banks and P429.2 million short-term investments which were readily convertible to cash.

Trade Receivables - Net
Accounts receivables amounted to P981.6 million and P833.3 million as at September 30, 2018 and December 31, 2017, net of allowance for impairment losses amounting to P17.2 million and P36.1 million, respectively, which mainly pertained to receivables from customers.

Due from Related Parties
Related party balances amounted to P29.7 million and P26.4 million as at September 30, 2018 and December 31, 2017, respectively, resulting primarily from the sale of goods, invoicing of administrative fees, and advances and loans between related parties. Please see Note 9 in the attached unaudited condensed consolidated interim financial statements as at and for the nine months ended September 30, 2018 and the audited consolidated financial position as at December 31, 2017 and unaudited statement of profit or loss and other comprehensive income for the nine months ended September 30, 2017.

Other Current Accounts Receivable
Other accounts receivables amounted to P63.5 million and P74.6 million as at September 30, 2018 and December 31, 2017, respectively.

Inventories
Inventories amounted to P3.1 billion and P3.3 billion as at September 30, 2018 and December 31, 2017, respectively. Inventories consisting of raw materials, cement and work in process amounted to P1.2 billion and P1.8 billion as at September 30, 2018 and December 31, 2017, respectively, and the remaining balance referred to spare parts. Inventories are measured at cost or net realizable value, whichever is lower.

Prepayments and Other Current Assets
Other current assets amounted to P1.0 billion and P1.4 billion as at September 30, 2018 and December 31, 2017, respectively which referred primarily to prepayments of insurance, P156.8 million and P542.7 million, respectively, and prepayment of taxes, P491.7 million and P548.9 million, respectively.

Investment in an Associate and Other Investments
Investments in Associates cover minority equity investments in Greencrete Inc. and Calabar Aggregates Corporation.

Other Assets and Noncurrent Accounts Receivable
Other assets amounting to P749.0 million and P716.7 million as at September 30, 2018 and December 31, 2017, respectively, primarily consisted of long-term performance deposits of P120.2 million and P122.4 million and debt reserve account and restricted cash totaling P521.7 million and P485.5 million, respectively. The rest mainly referred to noncurrent portion of the unamortized transportation allowances of employees and other long-term prepayments.

Property, Machinery and Equipment - Net
Property, machinery and equipment had a balance of P15.3 billion and P15.6 billion as at September 30, 2018 and December 31, 2017, respectively. As at September 30, 2018 and December 31, 2017, P493.1 million and P844.4 million, respectively, were incurred for maintenance capital expenditures and P233.1 million and P484.6 million, respectively, for strategic capital expenditures.

Deferred Income Tax Assets - Net
The Company's deferred income tax asset amounted to P621.2 million and P925.2 million as at September 30, 2018 and December 31, 2017, respectively, which mainly represented pension and minimum corporate income tax in 2018 and future tax benefits from operating losses in 2017. Significant reduction of deferred income tax assets was due to utilization of NOLCO against intragroup dividends and derecognition of NOLCO.

Goodwill
The Company's goodwill arose from the business combinations when the Parent Company acquired its subsidiaries.

Trade Payables
Trade payables as at September 30, 2018 and December 31, 2017 amounted to P3.0 billion and P2.3 billion, respectively, which were related to purchases of raw materials and other goods, and services provided by third parties.

Due to Related Parties
Short-term payable to related parties had a balance of P2.6 billion and P2.3 billion as at September 30, 2018 and December 31, 2017, respectively. Long-term payable to related parties amounted to P1.1 billion as at September 30, 2018 and December 31, 2017.

Income Tax Payable, Other Accounts Payable and Accrued Expenses, Unearned Revenue, and Provisions
Other payables and accruals which amounted to P1.8 billion and P2.1 billion as at September 30, 2018 and December 31, 2017, respectively, pertained mainly to accruals, advances from customers, provisions, and tax payables.

Retirement Benefits Liability
Retirement benefits liability amounting to P892.9 million and P761.0 million as at September 30, 2018 and December 31, 2017, respectively, pertained to the provision recognized by the Company associated with employees' defined benefit pension plans.

Long-term Bank Loan
The current balance of the BDO Refinancing Loan was P13.7 billion as at September 30, 2018 and December 31, 2017. The debt issuance cost of this long-term bank loan, corresponding to P145.3 million and P166.6 million on an unamortized basis, was deducted from the total loan liability as at September 30, 2018 and December 31, 2017, respectively. Short-term portion of the bank loan amounted to P140.1 million as at September 30, 2018 and December 31, 2017.

Other Noncurrent Liabilities
Other noncurrent liabilities of P20.6 million as at September 30, 2018 and December 31, 2017, referred to provision for asset retirement obligation.

Common Stock
As at September 30, 2018 and December 31, 2017, the total authorized capital stock of the Parent Company consisted of 5,195,395,454 common shares at a par value of P1 per share, and the total issued and outstanding capital stock was 5,195,395,454 common shares at a par value of P1 per share.

Other Equity Reserves
The amount referred to the cumulative effects of items and transactions that were, temporarily or permanently, recognized directly to stockholders' equity which included share-based compensation, remeasurement of retirement benefits liability, net of tax and cumulative currency translation of foreign subsidiaries.

Retained Earnings
Retained earnings of P1.5 billion and P2.1 billion as at September 30, 2018 and December 31, 2017, respectively, included the Company's cumulative net results of operations.

Key Performance Indicators

The Company sets certain performance measures to gauge its operating performance periodically and to assess its overall state of corporate health. Listed below are the major performance measures, which the Company has identified as reliable performance indicators. Analyses are employed by comparisons and measurements on a consolidated basis based on the financial data as at the relevant periods indicated in the tables below.

Key Financial Indicators	**Formula**	**For the six-month period ended September 30, 2018**	**For the year ended December 31, 2017**
Current Ratio	Current Assets/Current Liabilities	1.0 : 1	1.0 : 1
Solvency Ratio	Profit (Loss) + Depreciation and Amortization/Total Liabilities	0.02 : 1	0.1 : 1
Net debt to Equity Ratio	Debt*/Total Equity	0.7 : 1	0.7 : 1
Asset to Equity Ratio	Total Assets/Total Equity	1.8 : 1	1.8 : 1

**Debt is net of cash and cash equivalents.*

Key Financial Indicators	**Formula**	**For the period ended September 30, 2018**	**For the period ended September 30, 2017**
Interest Rate Coverage Ratio	Operating income before other expenses-net/Interest	2.0 : 1	2.5 : 1
Profitability Ratio	Operating income before other expenses-net/Revenue	0.07: 1	0.10 : 1

Aging of Accounts Receivables

As at September 30, 2018 the aging analysis of various accounts receivable are as follows:

	Neither past due nor impaired	**Past due but not impaired**			**Impaired**	**Total**
		1 to 30 days	**31 to 60 days**	**More than 60 days**		
Trade receivables	P827,600	P51,160	P19,089	P83,764	P17,172	P998,785
Receivables from related parties	29,722	–	–	–	–	29,722
Other current accounts receivables	63,480	–	–	–	–	63,480
	920,802	51,160	19,089	83,764	17,172	1,091,987
Allowance for impairment losses	–	–	–	–	(17,172)	(17,172)
	P920,802	P51,160	P19,089	P83,764	P–	1,074,815

PART II - OTHER INFORMATION

A massive landslide occurred in Naga, Cebu last September 20, 2018, which prompted local and national authorities to order the suspension of the mining operations of APO Land & Quarry Corporation (ALQC), a major supplier of raw materials of APO. Business continuity plans have been put in place by APO and are currently being implemented to address the disruption in the supply arrangement with ALQC.

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 thereunto duly authorized.

CEMEX HOLDINGS PHILIPPINES, INC.

By:

IGNACIO ALEJANDRO MIJARES ELIZONDO
President & Chief Executive Officer
Date: NOV 12 2018

STEVE KUANSHENG WU
Treasurer
Date: NOV 12 2018

Item 1. Financial Statements.

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands)

	Note	September 30, 2018 (Unaudited)	December 31, 2017 (Audited)
ASSETS			
Current Assets			
Cash and cash equivalents	*6, 12*	**P2,517,344**	P1,058,267
Trade receivables - net	*12*	**981,613**	833,259
Due from related parties	*9, 12*	**29,722**	26,386
Other current accounts receivables	*12*	**63,480**	74,616
Inventories		**3,123,916**	3,258,252
Prepayments and other current assets		**996,510**	1,401,133
Total Current Assets		**7,712,585**	6,651,913
Noncurrent Assets			
Investments in an associate and other investments		**14,097**	15,407
Other assets and noncurrent accounts receivables	*12*	**748,991**	716,700
Property, machinery and equipment - net	*7*	**15,269,140**	15,582,732
Deferred income taxes - net		**621,193**	925,230
Goodwill		**27,859,694**	27,859,694
Total Noncurrent Assets		**44,513,115**	45,099,763
		P52,225,700	P51,751,676
LIABILITIES AND EQUITY			
Current Liabilities			
Trade payables		**P3,017,323**	P2,318,979
Due to related parties	*9*	**2,573,661**	2,273,404
Unearned revenue, other accounts payable and accrued expenses		**1,780,334**	2,108,767
Current portion of long-term bank loan	*11*	**140,123**	140,123
Income tax payable		**18,176**	32,279
Total Current Liabilities		**7,529,617**	6,873,552
Noncurrent Liabilities			
Long-term bank loan	*11*	**13,516,665**	13,600,475
Long-term payable to related parties	*9*	**1,073,635**	1,073,635
Retirement benefits liability		**892,873**	761,008
Other noncurrent liabilities		**20,610**	20,610
Total Noncurrent Liabilities		**15,503,783**	15,455,728
Total Liabilities		**23,033,400**	22,329,280

	Note	September 30, 2018 (Unaudited)	December 31, 2017 (Audited)
Equity			
Controlling interest:			
Common stock	*8*	**P5,195,395**	P5,195,395
Additional paid-in capital		**21,959,159**	21,959,159
Other equity reserves		**584,495**	199,929
Retained earnings		**1,453,051**	2,067,692
Total controlling interest		**29,192,100**	29,422,175
Non-controlling interest		**200**	221
Total Equity		**29,192,300**	29,422,396
Total Liabilities and Equity		**P52,225,700**	P51,751,676

See Notes to the Condensed Consolidated Interim Financial Statements.

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(Amounts in Thousands, Except Per Share Data)
(Unaudited)

	Note	For the Nine Months Ended September 30		For the Three Months Ended September 30	
		2018	2017	2018	2017
REVENUE		**P17,905,121**	P16,561,253	**P6,025,788**	P5,571,912
COST OF SALES		**(10,692,260)**	(9,346,142)	**(3,769,657)**	(3,249,257)
GROSS PROFIT		**7,212,861**	7,215,111	**2,256,131**	2,322,655
OPERATING EXPENSES					
Administrative and selling expenses		**(2,201,944)**	(2,301,036)	**(718,163)**	(729,060)
Distribution expenses		**(3,687,345)**	(3,242,962)	**(1,233,884)**	(1,125,219)
TOTAL OPERATING EXPENSES		**(5,889,289)**	(5,543,998)	**(1,952,047)**	(1,854,279)
OPERATING INCOME BEFORE OTHER INCOME - Net		**1,323,572**	1,671,113	**304,084**	468,376
OTHER INCOME - Net		**8,238**	31,100	**(6,081)**	9,320
OPERATING INCOME AFTER OTHER INCOME - Net		**1,331,810**	1,702,213	**298,003**	477,696
FINANCIAL EXPENSES		**(676,545)**	(667,103)	**(231,882)**	(208,491)
FOREIGN EXCHANGE LOSS - Net		**(470,473)**	(157,208)	**(59,331)**	(27,881)
EARNINGS BEFORE INCOME TAX		**184,792**	877,902	**6,790**	241,324
INCOME TAX EXPENSE		**(789,517)**	(189,941)	**(76,675)**	(39,416)
PROFIT (LOSS)		**(604,725)**	687,961	**(69,885)**	201,908
OTHER COMPREHENSIVE INCOME (LOSS)					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of employee benefits liability		**(673)**	2,873	**1,501**	224
Income tax recognized directly in other comprehensive income		**202**	(862)	**(450)**	(67)
		(471)	2,011	**1,051**	157
Items that will be reclassified subsequently to profit or loss					
Currency translation of a foreign subsidiary		**385,037**	73,133	**66,900**	26,704
Cash flow hedge		**-**	(6,805)	**-**	-
		385,037	66,328	**66,900**	26,704
		384,566	68,339	**67,951**	26,861
COMPREHENSIVE INCOME (LOSS)		**(220,159)**	756,300	**(1,934)**	228,769
Non-controlling interest comprehensive loss		**21**	21	**5**	6
CONTROLLING INTEREST IN CONSOLIDATED COMPREHENSIVE INCOME (LOSS)		**(P220,138)**	P756,321	**(P1,929)**	P228,775
Basic / Diluted Earnings (Loss) Per Share	5	**(P0.12)**	P0.13	**(P0.01)**	P0.04

See Notes to the Condensed Consolidated Interim Financial Statements.

CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

(Amounts in Thousands)
(Unaudited)

	For The Nine Months Ended September 30, 2018						
	Common Stock (see Note 8)	Additional Paid-in Capital	Other Equity Reserves	Retained Earnings (Deficit)	Total Controlling Interest	Non-controlling Interest	Total Stockholders' Equity
As at January 1, 2018	P5,195,395	P21,959,159	P199,929	P2,067,692	P29,422,175	P221	P29,422,396
Loss for the period	–	–	–	(604,704)	(604,704)	(21)	(604,725)
Other comprehensive income for the period	–	–	384,566	151	384,717	–	384,717
Effect of PFRS 9, *Financial Instruments Adoption*	–	–	–	(10,088)	(10,088)	–	(10,088)
As at September 30, 2018	**P5,195,395**	**P21,959,159**	**P584,495**	**P1,453,051**	**P29,192,100**	**P200**	**P29,192,300**

	For The Nine Months Ended September 30, 2017						
	Common Stock (see Note 8)	Additional Paid-in Capital	Other Equity Reserves	Retained Earnings (Deficit)	Total Controlling Interest	Non-controlling Interest	Total Stockholders' Equity
As at January 1, 2017	P5,195,395	P21,959,159	P120,556	P1,408,856	P28,683,966	P246	P28,684,212
Profit for the period	–	–	–	687,982	687,982	(21)	687,961
Other comprehensive income for the period	–	–	68,339	–	68,339	–	68,339
As at September 30, 2017	**P5,195,395**	**P21,959,159**	**P188,895**	**P2,096,838**	**P29,440,287**	**P225**	**P29,440,512**

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CEMEX HOLDINGS PHILIPPINES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

(Amounts in Thousands)

(Unaudited)

	Note	For The Nine Months Ended September 30 2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (Loss)		**(P604,725)**	P687,961
Adjustments for:			
Financial expenses, other financial expenses and unrealized foreign exchange result		**920,726**	750,587
Income tax expense		**789,517**	189,941
Depreciation of property, machinery and equipment	7	**1,086,811**	977,891
Retirement benefit expense		**87,093**	73,538
Provisions during the period		**5,299**	55,531
Impairment loss on receivables		**–**	31,511
Gain on disposal of assets		**(16,022)**	(165)
Operating profit before working capital changes		**2,268,699**	2,766,795
Changes in working capital:			
Decrease (increase) in:			
Trade receivables - net		**(165,526)**	(121,519)
Due from related parties		**(3,336)**	196,949
Other current accounts receivables		**11,851**	63,543
Inventories		**79,486**	(516,464)
Prepayments and other current assets		**260,516**	687,825
Increase (decrease) in:			
Trade payables		**777,145**	93,899
Due to related parties		**174,490**	371,056
Unearned revenue, other accounts payable and accrued expenses		**(391,993)**	(664,498)
Cash generated from operations		**3,011,332**	2,877,586
Financial expenses paid		**(575,756)**	(607,726)
Financial income received in cash		**15,500**	2,341
Retirement payment received from intercompany		**88,525**	–
Benefits paid to employees		**(30,869)**	(11,315)
Income taxes paid		**(420,007)**	(424,195)
Net cash provided by operating activities		**2,088,725**	1,836,691

Forward

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		For The Nine Months Ended September 30	
	Note	**2018**	2017
CASH FLOWS FROM INVESTING ACTIVITIES			
Collection from sale of:			
Investment in shares of stock		**P18,500**	P–
Assets held for sale		**72,391**	728
Additions to property, machinery and equipment	*7*	**(807,495)**	(698,003)
Decrease in other asset and noncurrent accounts receivable		**(32,291)**	–
Additions to other investments		**(790)**	–
Net cash used in investing activities		**(749,685)**	(697,275)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds on loan from related parties	*9*	**152,115**	520,870
Payment of bank loan		**(105,092)**	(70,061)
Proceeds from bank loan	*11*	**–**	14,012,281
Payment of loan to related parties		**–**	(15,350,037)
Net cash provided by (used in) financing activities		**47,023**	(886,947)
NET INCREASE IN CASH AND CASH EQUIVALENTS		**1,386,063**	252,469
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**73,014**	(3,279)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		**1,058,267**	1,337,155
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**P2,517,344**	P1,586,345

See Notes to the Condensed Consolidated Interim Financial Statements.

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1. Reporting Entity

CEMEX Holdings Philippines, Inc. (the "Parent Company"), a subsidiary of CEMEX Asian South East Corporation ("CASEC"), was incorporated as a stock corporation on September 17, 2015 under Philippine laws with a corporate life of fifty (50) years, primarily to invest in or purchase real or personal property; and to acquire and own, hold, use, sell, assign, transfer, mortgage all kinds of properties such as shares of stock, bonds, debentures, notes, or other securities and obligations; provided that the Parent Company shall not engage either in the stock brokerage business or in the dealership of securities, and in the business of an open-end investment company as defined in Republic Act 2629, Investment Company Act.

CASEC was incorporated as a stock corporation on August 25, 2015 under Philippine laws.

On a consolidated group basis, the Parent Company is an indirect subsidiary of CEMEX, S.A.B. de C.V. ("CEMEX"), a company incorporated in Mexico with address of its principal executive office at Avenida Ricardo Margain Zozaya #325, Colonia Valle del Campestre, Garza Garcia, Nuevo León, Mexico.

The term "Parent Company" used in these accompanying notes to the condensed consolidated interim financial statements refers to CEMEX Holdings Philippines, Inc. without its subsidiaries. The term "Company" refers to CEMEX Holdings Philippines, Inc., together with its consolidated subsidiaries.

On January 1, 2016, the Parent Company became the holding company of the consolidated entities, majority of whom are doing business in the Philippines. The Parent Company's two principal manufacturing subsidiaries, i.e., APO Cement Corporation ("APO") and Solid Cement Corporation ("Solid"), are involved in the production, marketing, distribution and sale of cement and other cement products. APO and Solid are both stock corporations organized under the laws of the Philippines. The Parent Company holds APO directly and indirectly, through Edgewater Ventures Corporation and Triple Dime Holdings, Inc., whereas the Parent Company holds Solid and Solid's subsidiaries directly and indirectly, through Bedrock Holdings, Inc. and Sandstone Strategic Holdings, Inc.

The Company also includes CEMEX Asia Research AG ("CAR"), a wholly-owned subsidiary incorporated in December 2015 under the laws of Switzerland. Pursuant to license agreements that CAR entered into with CEMEX Research Group AG ("CRG") and CEMEX, respectively, CAR became a licensee for certain trademarks, including the CEMEX trademark, and other intangible assets forming part of the intellectual property portfolio owned and developed by CEMEX. CAR is engaged primarily in the development, maintenance and customization of these intangible assets for the Asia Region and it in turn provides non-exclusive licenses to Solid and APO to use the CEMEX trademark and other trademarks and intangible assets of CEMEX.

In May 2016, the Parent Company incorporated a wholly-owned subsidiary named Falcon Re Ltd. ("Falcon") under the Companies Act of Barbados. Falcon is registered to conduct general insurance business, all risk property insurance, political risks insurance and non-damage business interruption insurance, and received its license to operate as an insurance company in July 2016. Falcon acts as a re-insurer to the extent of 10% of the risks associated with the property of insurance coverage and 100% of the risks associated with political violence and non-damage business interruption programs, professional liability program, and cyber risks for the operating subsidiaries of the Parent Company.

On June 30, 2016, the Philippine Securities and Exchange Commission ("SEC") resolved to render effective the Registration Statement of the Parent Company and issued a Certificate of Permit to Offer Securities for Sale in favor of the Parent Company. On July 18, 2016, the Parent Company's initial public offering ("IPO") of 2,337,927,954 common shares at P10.75 per share culminated with the listing and trading of shares of stocks under the Main Board of the Philippine Stock Exchange, resulting in an increase in capital stock of P2,337,927 and additional paid-in capital of P21,959,159, net of P835,639 transaction costs that is accounted for as a reduction in equity.

The Parent Company's principal office is located at 34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City, Philippines.

2. Basis of Preparation

Statement of Compliance
These condensed consolidated interim financial statements have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting.* These condensed consolidated interim financial statements do not include all of the information required for a complete set of financial statements and should be read in conjunction with the annual consolidated financial statements of the Company as at and for the year ended December 31, 2017.

Basis of Measurement
The condensed consolidated interim financial statements have been prepared on a historical basis of accounting, except for retirement benefits liability which is measured at the present value of the defined benefit obligation less the fair value of plan assets and certain derivative asset that is measured at fair value.

Functional and Presentation Currency
These condensed consolidated interim financial statements are presented in Philippine peso, which is the Company's functional currency. All amounts have been rounded-off to the nearest thousands, except per share data, number of shares and when otherwise indicated.

Use of Judgments and Estimates
The preparation of the condensed consolidated interim financial statements requires management to make judgments, estimates and use assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments and estimates made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the annual financial statements.

During the nine months ended September 30, 2018, management reassessed its estimates in respect of the allowance for impairment losses on receivables. As at September 30, 2018 and December 31, 2017, allowance for impairment losses on receivables amounted to P17.2 million and P36.1 million, respectively (see Note 12).

3. Significant Accounting Policies

The significant accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the annual financial statements.

Changes in Accounting Policies

The following amendments to standards are effective for the nine months ended September 30, 2018, and have been applied in preparing these condensed consolidated interim financial statements. Except as otherwise indicated, the adoption of these amendments to standards did not have any significant impact on the Company's condensed consolidated interim financial statements:

Adoption of New and Amendments to Standards

PFRS 9, *Financial Instruments* (2014). PFRS 9 (2014) replaces PAS 39, *Financial Instruments: Recognition and Measurement*, and supersedes the previously published versions of PFRS 9 that introduced new classifications and measurement requirements (in 2009 and 2010) and a new hedge accounting model (in 2013). PFRS 9 includes revised guidance on the classification and measurement of financial assets, including a new expected credit loss (ECL) model for calculating impairment, guidance on own credit risk on financial liabilities measured at fair value and supplements the new general hedge accounting requirements published in 2013. PFRS 9 incorporates new hedge accounting requirements that represent a major overhaul of hedge accounting and introduces significant improvements by aligning the accounting more closely with risk management.

Impairment of Financial Assets. Under the new impairment model based on ECL, impairment losses resulting either from (1) possible default events within the twelve (12) months after the reporting date; or (2) all possible default events over the expected life of financial assets, are recognized on initial recognition, and at each subsequent reporting period, even in the absence of a credit event or if the loss has not yet been incurred, considering for their measurement past events and current conditions, as well as reasonable and supportable forecasts affecting collectability. The Company has assessed the estimated impact that the initial adoption of PFRS 9 will have on its condensed consolidated interim financial statements. The Company reviewed its existing financial instruments and determined that the amended standard has significant impact on its allowance for impairment losses on receivables. The Company computed the impact to condensed consolidated interim financial statements upon adoption of the standard following a methodology consistent with PFRS 9. The effects are detailed below:

	As reported as at December 31, 2017	Estimated adjustments due to adoption of PFRS 9	Estimated adjusted opening balance at January 1, 2018
Trade receivables - net	P833,259	(P14,412)	P818,847
Deferred income tax assets - net	925,230	4,324	929,554
Retained earnings	2,067,692	(10,088)	2,057,604

The adjustments to the opening balance of the Company's equity at January 1, 2018 is primarily due to additional impairment from ECL on trade receivables. The ECL was based on historical collection result of previous years' credit sales, as well as the credit risk and expected developments for each group of customers. Accounts that were not collected and have eventually become overdue for more than 365 days were identified to compute for the ECL factor. The ECL factor was then used to determine the ECL on the current year's credit sales. The effect of the ECL on other financial assets were estimated to be not material.

Classification and Measurement. PFRS 9 changes the classification categories for financial assets and replaces them with categories that reflect the measurement method, the contractual cash flow characteristics and the entity's business model for managing the financial asset: 1) amortized cost; 2) fair value through other comprehensive income; and 3) fair value through profit or loss.

- *Classification and Measurement of Share-based Payment Transactions (Amendments to PFRS 2).* The amendments cover the following areas:

  - *Measurement of cash-settled awards.* The amendments clarifies that a cash-settled share-based payment is measured using the same approach as for equity-settled share-based payments –i.e. the modified grant date method.

  - *Classification of awards settled net of tax withholdings.* The amendments introduce an exception stating that, for classification purposes, a share-based payment transaction with employees is accounted for as equity-settled if:

    - the terms of the arrangement permit or require a company to settle the transaction net by withholding a specified portion of the equity instruments to meet the statutory tax withholding requirement (the net settlement feature); and

    - the entire share-based payment transaction would otherwise be classified as equity-settled if there were no net settlement feature.

    The exception does not apply to equity instruments that the company withholds in excess of the employee's tax obligation associated with the share-based payment.

  - *Modification of awards from cash-settled to equity settled.* The amendments clarify that when a share-based payment is modified from cash-settled to equity-settled, at modification date, the liability for the original cash-settled share-based payment is derecognized and the equity-settled share-based payment is measured at its fair value, recognized to the extent that the goods or services have been received up to that date. The difference between the carrying amount of the liability derecognized, and the amount recognized in equity, is recognized in profit or loss immediately.

- *PFRS 15, Revenue from Contracts with Customers*, replaces PAS 11, *Construction Contracts*, PAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programmes*, IFRIC 18, *Transfer of Assets from Customers*, and SIC-31, *Revenue - Barter Transactions Involving Advertising Services*. The new standard introduces a new revenue recognition model for contracts with customers which specifies that revenue should be recognized when (or as) a company transfers control of goods or services to a customer at the amount to which the company expects to be entitled. Depending on whether certain criteria are met, revenue is recognized over time, in a manner that best reflects the company's performance, or at a point in time, when control of the goods or services is transferred to the customer. The standard does not apply to insurance contracts, financial instruments or lease contracts, which fall in the scope of other PFRSs. It also does not apply if two companies in the same line of business exchange non-monetary assets to facilitate sales to other parties. Furthermore, if a contract with a customer is partly in the scope of another IFRS, then the guidance on separation and measurement contained in the other PFRS takes precedence.

- *Philippine Interpretation IFRIC-22 Foreign Currency Transactions and Advance Consideration.* The amendments clarifies that the transaction date to be used for translation for foreign currency transactions involving an advance payment or receipt is the date on which the entity initially recognizes the prepayment or deferred income arising from the advance consideration. For transactions involving multiple payments or receipts, each payment or receipt gives rise to a separate transaction date. The interpretation applies when an entity pays or receives consideration in a foreign currency and recognizes a non-monetary asset or liability before recognizing the related item.

- *Annual Improvements to PFRSs 2014 - 2016 Cycle.* This cycle of improvements contains amendments to three standards. The following is the said improvements or amendments to PFRSs effective for annual periods beginning on or after January 1, 2018, which is applicable to the Company. Such improvements or amendments has no significant effect on the condensed consolidated interim financial statements of the Company:

    - *Measuring an associate or joint venture at fair value (Amendments to PAS 28, Investments in Associates and Joint Ventures).* The amendments provide that a venture capital organization, or other qualifying entity, may elect to measure its investments in an associate or joint venture at fair value through profit or loss. This election can be made on an investment-by-investment basis. The amendments also provide that a non-investment entity investor may elect to retain the fair value accounting applied by an investment entity associate or investment entity joint venture to its subsidiaries. This election can be made separately for each investment entity associate or joint venture. The amendments are applied retrospectively, with early application permitted.

Standards Issued But Not Yet Adopted

The new standards and amendments to standards discussed below is effective for annual periods beginning after January 1, 2018, and have not been applied in preparing these condensed consolidated interim financial statements.

Effective January 1, 2019

- *PFRS 16, Leases*, supersedes PAS 17, *Leases*, and the related Philippine Interpretations. The new standard introduces a single lease accounting model for lessees under which all major leases are recognized on-balance sheet, removing the lease classification test. Lease accounting for lessors essentially remains unchanged except for a number of details including the application of the new lease definition, new sale-and-leaseback guidance, new sub-lease guidance and new disclosure requirements. Practical expedients and targeted reliefs were introduced including an optional lessee exemption for short-term leases (leases with a term of 12 months or less) and low-value items, as well as the permission of portfolio-level accounting instead of applying the requirements to individual leases. New estimates and judgmental thresholds that affect the identification, classification and measurement of lease transactions, as well as requirements to reassess certain key estimates and judgments at each reporting date were introduced.

  PFRS 16 is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted for entities that apply PFRS 15 at or before the date of initial application of PFRS 16. The Company has completed the initial assessment of the potential impact on its condensed consolidated interim financial statements but has not yet completed its detailed assessment. The actual impact of applying PFRS 16 on the condensed consolidated interim financial statements in the period of initial application will depend on future economic conditions, including the Company's borrowing rate at

January 1, 2019, the composition of the Company's lease portfolio at that date, the Company's latest assessment of whether it will exercise any lease renewal options and the extent to which the Company chooses to use practical expedients and recognition exemptions.

- Philippine Interpretation *IFRIC-23, Uncertainty over Income Tax Treatments,* clarifies how to apply the recognition and measurement requirements in PAS 12 when there is uncertainty over income tax treatments. Under the interpretation, whether the amounts recorded in the financial statements will differ to that in the tax return, and whether the uncertainty is disclosed or reflected in the measurement, depends on whether it is probable that the tax authority will accept the Company's chosen tax treatment. If it is not probable that the tax authority will accept the Company's chosen tax treatment, the uncertainty is reflected using the measure that provides the better prediction of the resolution of the uncertainty – either the most likely amount or the expected value. The interpretation also requires the reassessment of judgements and estimates applied if facts and circumstances change – e.g. as a result of examination or action by tax authorities, following changes in tax rules or when a tax authority's right to challenge a treatment expires.

  The interpretation is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted. The Company is currently assessing the potential impact on its condensed consolidated interim financial statements resulting from the application of this interpretation.

- *Prepayment Features with Negative Compensation (Amendments to PFRS 9).* The amendments cover the following areas:

  - *Prepayment features with negative compensation.* The amendment clarifies that a financial asset with a prepayment feature could be eligible for measurement at amortized cost or fair value through other comprehensive income (OCI) irrespective of the event or circumstance that causes the early termination of the contract, which may be within or beyond the control of the parties, and a party may either pay or receive reasonable compensation for that early termination.

    The amendment is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted. Retrospective application is required, subject to relevant transitional reliefs.

  - *Modification of financial liabilities.* The amendment to the Basis for Conclusions on PFRS 9 clarifies that the standard provide an adequate basis for an entity to account for modifications and exchanges of financial liabilities that do not result in derecognition and the treatment is consistent with the requirements for adjusting the gross carrying amount of a financial asset when a modification does not result in the derecognition of the financial asset - i.e. the amortized cost of the modified financial liability is recalculated by discounting the modified contractual cash flows using the original effective interest rate and any adjustment is recognized in profit or loss.

    If the initial application of PFRS 9 results in a change in accounting policy for these modifications or exchanges, then retrospective application is required, subject to relevant transition reliefs.

- *Long-term Interests in Associates and Joint Ventures (Amendments to PAS 28).* The amendment requires the application of PFRS 9 to other financial instruments in an associate or joint venture to which the equity method is not applied. These include long-term interests (LTIs) that, in substance, form part of the entity's net investment in an

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associate or joint venture. The amendment explains the annual sequence in which PFRS 9 and PAS 28 are to be applied. In effect, PFRS 9 is first applied ignoring any prior years'PAS 28 loss absorption. If necessary, prior years' PAS 28 loss allocation is trued-up in the current year which may involve recognizing more prior years' losses, reversing these losses or re-allocating them between different LTI instruments. Any current year PAS 28 losses are allocated to the extent that the remaining LTI balance allows and any current year PAS 28 profits reverse any unrecognized prior years' losses and then allocations against LTI.

The amendment is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted. Retrospective application is required, subject to relevant transitional reliefs.

- Deferral of the local implementation of Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture. The amendments address an inconsistency between the requirements in PFRS 10 and in PAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

  The amendments require that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

  Originally, the amendments apply prospectively for annual periods beginning on or after January 1, 2016 with early adoption permitted. However, on January 13, 2016, the FRSC decided to postpone the effective date of these amendments until the IASB has completed its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

4. Seasonality of Operations

The Company's sales are subject to seasonality. Sales are generally higher in the hot, dry months from March through May and lower during the wetter monsoon months of June through November. While these factors lead to a natural seasonality on the Company's sales, unseasonable weather could also significantly affect sales and profitability compared to previous comparable periods. Low sales are likewise experienced around the Christmas and New Year holiday period in December through early January. Consequently, the Company's operating results may fluctuate. In addition, the Company's results may be affected by unforeseen circumstances, such as production interruptions. Due to these fluctuations, comparisons of sales and operating results between periods within a single year, or between different periods in different financial years, are not necessarily meaningful and should not be relied on as indicators of the Company's performance.

5. Basic/Diluted Loss Per Share

Basic and diluted loss per share is computed as follows:

	For the Nine Months Ended September 30 2018 (Unaudited)	For the Nine Months Ended September 30 2017 (Unaudited)
Net profit (loss)	**(P604,725)**	P687,961
Add: non-controlling interest net loss	**21**	21
Controlling interest in net income (a)	**(P604,704)**	P687,982
Weighted average number of shares outstanding - Basic/Diluted (b)	**5,195,395,454**	5,195,395,454
Basic/Diluted EPS (a/b)	**(P0.12)**	P0.13

As at September 30, 2018 and 2017, the Company has no dilutive equity instruments.

6. Cash and Cash Equivalents

Consolidated cash and cash equivalents as at September 30, 2018 and December 31, 2017, consisted of:

	2018 (Unaudited)	2017 (Audited)
Cash on hand and cash in banks	P1,522,345	P629,089
Short-term investments	994,999	429,178
	P2,517,344	P1,058,267

Cash in banks earns interest at the prevailing bank deposit rates. Short-term investments are made for varying periods of up to three months, depending on the immediate cash requirements of the Company, and earn interest ranging from 1.5% to 2.1% and 0.6% to 1.1% for the nine months ended September 30, 2018 and 2017.

For the nine months ended September 30, 2018 and 2017, interest income on cash and cash equivalents amounted to P15,500 and P4,437, respectively.

As of September 30, 2018 and as of December 31, 2017, Short-term investments include deposits of the Company with related parties which are considered highly liquid investments readily convertible to cash, as follows:

	2018 (Unaudited)	2017 (Audited)
Lomez International B.V.[2]	**P660,999**	P-
Local banks	**334,000**	49,000
New Sunward Holding B.V.[1]	-	380,178
	P994,999	P429,178

[1] The investment are due on demand and bear interest at a rate equivalent to the higher of Western Asset Institutional Liquid Reserves Fund (WAILRF) rate minus 10 basis points or zero interest.

[2] Effective March 1, 2018, the short term investments with New Sunward Holding B.V. were transferred to Lomez International B.V. by way of novation between parties bearing the same interest rate.

The Company's exposure to credit risk related to cash and cash equivalents is disclosed in Note 12 to the condensed consolidated interim financial statements.

7. Property, Machinery and Equipment

The movements in this account are as follows:

	Building	Machinery and equipment	Construction In-progress	Total
Gross Carrying Amount				
December 31, 2016	P3,982,565	P11,915,071	P1,025,207	P16,922,843
Additions	61,951	516,857	750,187	1,328,995
Disposals	(211)	(29,752)	(319)	(30,282)
Reclassifications to assets held for sale	–	(376,718)	–	(376,718)
Reclassifications	27,925	166,360	(194,285)	–
December 31, 2017	4,072,230	12,191,818	1,580,790	17,844,838
Additions	914	59,314	665,892	726,120
Disposals	(684)	(3,927)	–	(4,611)
Reclassifications and transfers	7,632	449,751	(457,383)	–
September 30, 2018 (Unaudited)	**4,080,092**	**12,696,956**	**1,789,299**	**18,566,347**
Accumulated depreciation				
December 31, 2016	(153,493)	(954,539)	–	(1,108,032)
Depreciation for the period	(183,818)	(1,091,515)	–	(1,275,333)
Reclassifications to assets held for sale	–	286,089	–	286,089
Impairment	–	(175,230)	–	(175,230)
Disposals	211	10,189	–	10,400
December 31, 2017	(337,100)	(1,925,006)	–	(2,262,106)
Depreciation for the period	(226,997)	(809,099)	–	(1,036,096)
Disposals	53	942	–	995
September 30, 2018 (Unaudited)	**(564,044)**	**(2,733,163)**	**–**	**(3,297,207)**
Carrying Amounts				
December 31, 2017	P3,735,130	P10,266,812	P1,580,790	P15,582,732
September 30, 2018 (Unaudited)	**P3,516,048**	**P9,963,793**	**P1,789,299**	**P15,269,140**

8. Equity

Common Stock

This account consists of:

	September 30, 2018 (Unaudited)		December 31, 2017 (Audited)	
	Shares	Amount	Shares	Amount
Authorized - P1.00 par value per share	**5,195,395,454**	**P5,195,395**	5,195,395,454	P5,195,395
Issued, fully paid and outstanding balance at beginning/end of period	**5,195,395,454**	**P5,195,395**	5,195,395,454	P5,195,395

On September 17, 2015, CASEC subscribed to 376,000 shares of stock of the Parent Company at P100 par value. Of the agreed subscription price of P37,600, only P9,400 was paid in 2015, while the remainder of P28,200 was paid in 2016. In 2016, the Parent Company's Board of Directors approved the amendment of and increase in the authorized capital stock of the Parent Company from P150,400, divided into 1,504,000 common shares with par value of P100 per share, to P5,195,395, divided into 5,195,395,454 common shares with par value of P1 per share.

On May 20, 2016, the SEC approved the Parent Company's application for the amendment of and increase in its authorized capital stock. Accordingly, the original subscription of CASEC changed from 376,000 common shares with par value of P100 per share to 37,600,000 common shares with par value of P1 per share. Furthermore, in connection with the increase in authorized capital stock, CASEC subscribed to an additional 2,819,867,500 shares at P1 par value per share or a total par value of P2,819,868 which was fully paid. During the IPO which culminated in the listing of all of the outstanding shares of stock of the Parent Company on July 18, 2016, the Parent Company issued additional 2,337,927,954 shares at P1 par value per share or a total par value of P2,337,928 at the offer price of P10.75 per share (see Note 1).

Capital Management

The Company's objectives when managing capital are to increase the value of shareholders' investment and maintain high growth by applying free cash flow to selective investments. The Company sets strategies with the objective of establishing a versatile and resourceful financial management and capital structure.

The Board of Directors has overall responsibility for the monitoring of capital in proportion to risk. Profiles for capital ratios are set in the light of changes in the Company's external environment and the risks underlying the Company's business operations and industry. The Company's capital is defined as "Total Equity" as shown in the condensed consolidated interim statements of financial position.

The Company is not subject to externally imposed capital requirements. The Company's net debt to equity ratio at the reporting dates is as follows:

	September 30 2018 (Unaudited)	December 31 2017 (Audited)
Total liabilities	**P23,033,400**	P22,329,280
Less cash and cash equivalents	**(2,517,344)**	(1,058,267)
Net debt	**P20,516,056**	P21,271,013
Total equity	**P29,192,300**	P29,422,396
Net debt to equity ratio	**P0.70:1**	P0.72:1

9. Related Party Transactions

Related party relationship exists when the other party (i) has control or joint control of the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. A related party relationship is deemed to exist when one party has the ability to control, directly or indirectly, through one or more intermediaries, the other party or exercise significant influence over the other party in making the financial and/or operating decisions. Another criteria recognizes a related party relationship, whether or not the ability to control exists, if any of the following conditions applies to an entity: (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others, (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member), (iii) both entities are joint ventures of the same third party, (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity, or (v) the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity (If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity).

Related party transactions are shown under the appropriate accounts in the condensed consolidated interim financial statements as at and for the period ended September 30, 2018 and December 31, 2017 are as follows:

	2018 (Unaudited)	2017 (Audited)
Receivables – current		
Topmix LLC [1]	**P28,275**	P–
APO Land & Quarry Corporation [2]	**1,117**	1,450
Island Quarry and Aggregates Corporation [3]	**318**	4,720
CEMEX Central, S.A. de C.V. ("CEMEX Central") [4]	–	6,404
CEMEX Paving Solutions Ltd. [5]	–	13,682
Others	**12**	130
Total accounts receivable from related parties	**P29,722**	P26,386

	2018 (Unaudited)	2017 (Audited)
Payables – current		
Ultimate Parent		
CEMEX, S.A.B de C.V. [6]	**P7,260**	P6,864
Other related parties		
Transenergy, Inc. [7]	**922,185**	1,066,157
CEMEX Construction Materials South, LLC [8]	**612,521**	567,135
CEMEX Asia, B.V. [9]	**421,953**	215,224
CEMEX Research Group AG [10]	**240,826**	210,045
CEMEX Central, S.A. de C.V. ("CEMEX Central") [4]	**184,635**	114,666
Cemex International Trading LLC [11]	**83,300**	–
Island Quarry and Aggregates Corporation [13]	**25,918**	36,633
Sunbulk Shipping, N.V [11]	**23,394**	–
APO Land & Quarry Corporation [12]	**19,418**	28,909
CEMEX Asia Pte., Ltd. – Philippine Headquarters (''CAPL - PHQ'') [14]	**15,557**	8,308
Cemex México, S.A. de C.V. [15]	**10,040**	9,413
Beijing CXP Import & Export Co. [16]	**5,691**	10,050
Cemex Internacional, S.A. De C.V. [11]	**675**	–
Others	**288**	–
	2,573,661	2,273,404
Payable - non current		
CEMEX Asia, B.V. [9]	**1,073,635**	1,073,635
Total accounts payable to related parties	**P3,647,296**	P3,347,039

[1] The balance, which is unimpaired, unsecured, noninterest-bearing and 30-days term, pertains to the sale of concrete equipment of the Company;
[2] The balance, which is unimpaired, unsecured, noninterest-bearing and due on demand includes a) receivables from service agreement amounting to P574 and P1,446 as at September 30, 2018 and December 31, 2017, respectively; and b) others amounting to P543 and P4 as at September 30, 2018 and December 31, 2017, respectively. In 2016, each of Solid and APO entered into an agreement with APO Land & Quarry Corporation wherein Solid and APO shall provide back-office and other support services to the latter. Fees are calculated at cost incurred plus fixed mark-up;
[3] The receivable balance, which is unimpaired, unsecured, noninterest-bearing and due on demand includes: a) receivables arising from the sale of goods with a 30-day term and without interest amounting to nil and P2,272 as at September 30, 2018 and December 31, 2017, respectively; b) receivables from service agreements amounting to P259 and P2,299 as at September 30, 2018 and December 31, 2017, respectively; and c) others amounting to P59 and P149 as at September 30, 2018 and December 31, 2017, respectively. In 2016, Solid entered into an agreement with Island Quarry and Aggregates Corporation wherein the former shall provide back-office and other support services to the latter. Fees are calculated at cost incurred plus fixed mark-up;
[4] The receivable balance, which is unimpaired, unsecured, noninterest-bearing and due on demand, pertains to reimbursement of fringe benefit tax on share-based compensation; while the payable balance, which is unsecured, noninterest-bearing and due on demand, pertains to business support services received by the Company. In 2009, Solid and APO entered into separate service agreements with CAPL-PHQ, whereby the latter through CAPL-PHQ shall provide to Solid and APO services relating to, among others, general administration and planning; business planning and coordination; marketing control and; sales promotion and business development. In the implementation of these service agreements, CAPL-PHQ also arranged for certain services to be performed by CEMEX Central and, accordingly, CAPL-PHQ collected from each of Solid and APO as reimbursement the fees billed by CEMEX Central for services rendered. In 2017, the arrangement between CAPL-PHQ and CEMEX Central was changed resulting in Solid and APO entering into separate service agreements directly with CEMEX Central wherein the latter shall

provide to the companies those particular services previously performed by CEMEX Central, S.A. de C.V. through the service agreements with CAPL-PHQ;

[5] The balance, which is unimpaired, unsecured, noninterest-bearing and due on demand, pertains to the sale of paving equipment of the Company;

[6] The payable balance pertains to the use of CEMEX "marks" which payable in 30 days after receipt of invoice and is unsecured and noninterest-bearing. On January 1, 2016, CAR entered into an agreement with CEMEX for the right to use of its "marks" and to further license the "marks" with other CEMEX group companies operating in the Asia territory;

[7] The balance pertains to purchase of coal with a term of 30 days, noninterest-bearing and unsecured;

[8] The balance, which is unsecured, noninterest-bearing and due on demand, pertains to the purchase of equipment for the expansion of Solid plant;

[9] The balance includes a) interest on short-term loan amounting to P27,607 and P525 as at September 30, 2018 and December 31, 2017, respectively; b) short term portion of loan amounting to P394,346 and P214,699 as at September 30, 2018 and December 31, 2017, respectively; and c) long-term loan that bears interest at an annual rate equal to 6-month LIBOR plus 369 basis points basis points in 2018 and 2017, respectively, for Solid and fixed interest rate for APO. On September 1, 2017, APO and CEMEX Asia, B.V. changed the currency of the loan from $21.0 million to P1.1 billion. The loan is unsecured and is due to be paid in 2018 and 2019 for Solid and APO, respectively;

[10] The balance pertains to the royalties/license fees of the Company, which is unimpaired, unsecured, noninterest-bearing and due on demand;

[11] The balance pertains to international freight services on imports;

[12] The balance includes a) purchase of raw materials with a 30-day term amounting to P19,407 and P28,774 as at September 30, 2018 and December 31, 2017, respectively; b) reimbursable expenses amounting to P11 as at September 30, 2018 and c) advances amounting to P135 as at December 31, 2017. These transactions are unsecured and are noninterest-bearing. APO purchases the majority of its limestone, pozzolan and clay requirements from APO Land & Quarry Corporation pursuant to a long-term supply agreement.

[13] The balance includes a) unsecured payable arising from purchase of raw materials with a 30-day term and noninterest-bearing amounting to P25,915 and P29,063 as at September 30, 2018 and December 31, 2017, respectively; b) reimbursable expenses amounting to P3 as at September 30, 2018 and c) rental of equipment amounting to P7,570 as at December 31, 2017, which is unsecured, noninterest-bearing and due on demand. Solid purchases the majority of its limestone, pozzolan and clay requirements from Island Quarry and Aggregates Corporation pursuant to a long-term supply agreement;

[14] The balance includes a) corporate and administrative services received by the Company which is unsecured, noninterest-bearing, and has a term of 30 days amounting to P51 and P8,308 as at September 30, 2018 and December 31, 2017, respectively, and b) overpayment of transferred pension amounting to P15,506 as at September 30, 2018;

[15] The balance, which is unsecured, noninterest-bearing and due on demand, pertains to purchase of equipment from CEMEX Mexico, S.A. de C.V;

[16] The receivable balance in 2018 pertains to the advance payment of purchases of materials and spare parts, which is unsecured, noninterest-bearing and due on demand; while the payable balance in 2018 pertains to the outstanding liability for the purchases of materials and spare parts, which is unsecured, noninterest-bearing and due on demand.

The reconciliation of opening and closing balances of long-term related party payables follows:

		Amount
Balance as at January 1, 2017	P	15,919,322
Proceeds from drawdowns		849,900
Interest expense		252,827
Loss from early extinguishment of debt		64,603
Effect of exchange rate changes		44,713
Payments of:		
Principal		(15,458,475)
Interest		(384,031)
Balance as at December 31, 2017		1,288,859
Proceeds from drawdowns		152,115
Interest expense		92,867
Effect of exchange rate changes		27,531
Payment of interest		(65,784)
Balance as at September 30, 2018	P	1,495,588

The main transactions entered by the Company with related parties for the three months ended September 30, 2018 and 2017 are shown below:

		2018	2017
Purchases of raw materials			
Transenergy, Inc.	P	1,651,711	1,992,954
Island Quarry and Aggregates Corporation		243,499	235,463
APO Land & Quarry Corporation		183,595	189,267
Beijing CXP Import & Export Co.		26,340	–
	P	2,105,145	2,417,684
Royalties and trademarks			
CEMEX Research Group AG	P	690,392	588,697
CEMEX S.A.B de C.V.		23,362	23,769
	P	713,754	612,466
Land Rental			
APO Land & Quarry Corporation	P	43,657	43,657
Island Quarry and Aggregates Corporation		21,592	17,456
	P	65,249	61,113

Corporate services and administrative services			
Cemex Central, S.A. de C.V.	P	**182,692**	217,121
Island Quarry and Aggregates Corporation		**7,171**	4,423
APO Land & Quarry Corporation...		**5,668**	4,379
CEMEX Asia Pte. Ltd. - Philippine Headquarters		**-**	116,970
CEMEX Strategic Philippines, Inc...		**-**	55,450
	P	**195,531**	398,343
Freight services			
Cemex International Trading LLC	P	**163,423**	–
Sunbulk Shipping, N.V		**111,060**	–
	P	**274,483**	–
Sale of equipment			
Topmix LLC	P	**28,275**	–
Loan drawdown			
CEMEX Asia, B.V..	P	**152,115**	–
Interest expense			
CEMEX Asia, B.V.	P	**92,867**	72,995
New Sunward Holding B.V.		**-**	144,327
	P	**92,867**	217,322
Interest income			
Lomez International B.V.	P	**5,997**	–
New Sunward Holding B.V		**–**	2,093
	P	**5,997**	2,093
Sales of goods			
Island Quarry and Aggregates Corporation.	P	**–**	55,779
APO Land & Quarry Corporation		**–**	91
	P	**–**	55,870
Reimbursements			
CEMEX Concrete (Malaysia) Sdn Bhd	P	**–**	136,647
Purchase of equipment			
CEMEX Construction Materials South, LLC.	P	**–**	27,420
Cemex México, S.A. de C.V.		**–**	4,420
	P	**–**	31,840

10. Segment Information

The Company applies PFRS 8 for the disclosure of its operating segments, which are defined as the components of an entity that engage in business activities from which they may earn revenues and incur expenses; whose operating results are regularly reviewed by the entity's top management to make decisions about resources to be allocated to the segments and assess their performance; and for which discrete financial information is available. The Company's main activity is oriented to the construction industry through the production, distribution, marketing and sale of cement, ready-mix concrete and other construction materials. For the nine months ended September 30, 2018 and December 31, 2017 the cement sector represented approximately 86.0% and 84.5% of total net revenues before elimination of transactions between consolidated entities.

The main indicator used by the Company's management to evaluate performance is "Operating EBITDA", representing operating earnings before other expenses - net, interest, tax, depreciation and amortization, considering that such amount represents a relevant measure for the Company's management as an indicator of the ability to internally fund capital expenditures, as well as a widely accepted financial indicator to measure the Company's ability to service or incur debt. Operating EBITDA should not be considered as an indicator of the Company's financial performance, as an alternative to cash flow, as a measure of liquidity, or as being comparable to other similarly titled measures of other companies.

11. Long-term bank loan

On February 1, 2017, the Parent Company signed a Senior Unsecured Peso Term Loan Facility Agreement (Facility Agreement) with BDO for an amount of up to the Philippine Peso equivalent of U.S. dollar 280 million to refinance a majority of the Parent Company's outstanding long-term loan with New Sunward Holding B.V. The term loan provided by BDO has a tenor of seven (7) years from the date of the initial drawdown on the facility and consists of a fixed rate and a floating rate tranche based on market rates plus spread. The borrowings or drawdowns on this facility amounted to P14 billion in 2017. Short-term portion of the bank loan amounted to P140,123 as at September 30, 2018 and December 31, 2017.

The debt issuance cost of this bank loan, corresponding to P145,309 and P166,591 on unamortized basis, was deducted from the total loan liability as at September 30, 2018 and December 31, 2017, respectively. Interest expense incurred as at September 30, 2018 and 2017, excluding amortized direct cost, amounted to P516.0 million and P241.4 million, respectively, which is recognized under "Financial expenses" account in the condensed consolidated interim statements of profit or loss and other comprehensive income.

The reconciliation of opening and closing balances of bank loan follows:

		Bank Loan	Accrued Interest	Total
Balance as at January 1, 2017	P	–	–	–
Proceeds		13,831,596	–	13,831,596
Interest expense		14,094	571,808	585,902
Payment of:				
Principal		(105,092)	–	(105,092)
Interest		–	(473,729)	(473,729)
Balance as at December 31, 2017		13,740,598	98,079	13,838,677
Interest expense		21,282	515,966	537,248
Payment of:				
Principal		(105,092)	–	(105,092)
Interest		–	(506,640)	(506,640)
Balance as at September 30, 2018	P	13,656,788	107,405	13,764,193

Accrued interest from this bank loan amounting to P107,405 and P98,079 as at September 30, 2018 and December 31, 2017 are recognized under "Unearned revenue, other accounts payable and accrued expenses" account in the condensed consolidated interim statements of financial position.

12. Financial Instruments and Financial Risk Management

This note presents information on the exposure of the Company for credit risk, foreign currency risk and liquidity risk; goals, policies and procedures of the Company to measure and manage risk and the administration of the Company's resources.

Risk management framework
The Company's management has overall responsibility for the development, implementation and monitoring of the conceptual framework and policies for an effective risk management.

The Company's risk management policies are intended to: a) identify and analyze the risks faced by the Company; b) implement appropriate risk limits and controls; and c) monitor the risks and the compliance with the limits. Policies and risk management systems are regularly reviewed to reflect changes in market conditions and in the Company's activities. By means of its policies and procedures for risk management, the Company aims to develop a disciplined and constructive control environment where all employees understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss faced by the Company if a customer or a counterparty of a financial instrument does not meet its contractual obligations and originates mainly from trade accounts receivable. As at September 30, 2018 and December 31, 2017 the maximum exposure to credit risk is represented by the balance of financial assets. Management has developed policies for the authorization of credit to customers. The exposure to credit risk is monitored constantly according to the behavior of payment of the debtors. Credit is assigned on a customer-by-customer basis and is subject to assessments which consider the customers' payment capacity, as well as past behavior regarding due dates, balances past due and delinquent accounts. In cases deemed necessary, the Company's management requires guarantees from its customers and financial counterparties with regard to financial assets.

The Company's management has established a policy of low risk which analyzes the creditworthiness of each new client individually before offering the general conditions of payment terms and delivery, the review includes external ratings, when references are available, and in some cases bank references. Threshold of credit limits are established for each client, which represent the maximum credit amount that requires different levels of approval. Customers who do not meet the levels of solvency requirements imposed by the Company can only carry out transactions with the Company by paying cash in advance.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at September 30, 2018 and December 31, 2017 is as follows:

	2018 (Unaudited)	2017 (Audited)
Cash and cash equivalents (excluding cash on hand)	P2,517,274	P1,058,147
Trade receivables - net	981,613	833,259
Receivables from related parties	29,722	26,386
Other current accounts receivables	63,480	74,616
Long-term guarantee deposits (under other assets and noncurrent receivables)	641,871	607,862
	P4,233,960	P2,600,270

As at September 30, 2018 and December 31, 2017, respectively, the aging analyses per class of financial assets are as follows:

As at September 30, 2018 (Unaudited)	**Neither past due nor impaired**	**Past due but not impaired**				
		1 to 30 Days	**31 to 60 days**	**More than 60 days**	**Impaired**	**Total**
Cash and cash equivalents (excluding cash on hand)	**P2,517,274**	**P–**	**P–**	**P–**	**P–**	**P2,517,274**
Trade receivables	**827,600**	**51,160**	**19,089**	**83,764**	**17,172**	**998,785**
Due from related parties	**29,722**	**–**	**–**	**–**	**–**	**29,722**
Other current accounts receivables	**63,480**	**–**	**–**	**–**	**–**	**63,480**

As at September 30, 2018 (Unaudited)	Neither past due nor impaired	Past due but not impaired 1 to 30 Days	31 to 60 days	More than 60 days	Impaired	Total
Long-term deposits (under other noncurrent accounts receivables)	**641,871**	**–**	**–**	**–**	**–**	**641,871**
	4,079,947	**51,160**	**19,089**	**83,764**	**17,172**	**4,251,132**
Less: allowance for impairment losses	**–**	**–**	**–**	**–**	**(17,172)**	**(17,172)**
	P4,079,947	**P51,160**	**P19,089**	**P83,764**	**P–**	**P4,233,960**

As at December 31, 2017 (Audited)	Neither past due nor impaired	Past due but not impaired 1 to 30 days	31 to 60 days	More than 60 days	Impaired	Total
Cash and cash equivalents (excluding cash on hand)	P1,058,147	P–	P–	P–	P–	P1,058,147
Trade receivables	638,816	61,689	17,215	115,539	36,098	869,357
Due from related parties	26,386	–	–	–	–	26,386
Other current accounts receivables	74,616	–	–	–	–	74,616
Long-term deposits (under other noncurrent accounts receivables)	607,862	–	–	–	–	607,862
	P2,405,827	61,689	17,215	115,539	36,098	2,636,368
Allowance for impairment losses	–	–	–	–	(36,098)	(36,098)
	P2,405,827	P61,689	P17,215	P115,539	P–	P2,600,270

As at September 30, 2018 and December 31, 2017 the amount of allowance for impairment losses of the Company's subsidiaries amounted to P17,172 and P36,098 considering the Company's best estimates of potential losses based on an analysis of aging and considering management's recovery efforts.

Cash in banks, short-term investments and long-term and guarantee deposits are of high grade quality as these are deposited in reputable financial entities. Of the total trade receivables, due from related parties and other current accounts receivable, 84% and 76% are neither past due nor impaired, and are considered of high grade quality as of September 30, 2018 and December 31, 2017, respectively. Other financial assets that are not considered of high grade quality are considered standard grade quality financial assets. High grade quality financial assets are those assessed as having minimal credit risk, otherwise they are of standard quality. Standard grade quality financial assets are those assessed as having minimal to regular instances of payment default due to ordinary/common collection issues. These accounts are typically not impaired as the counterparties generally respond to credit actions and update their payments accordingly.

The credit qualities of financial assets that were neither past due nor impaired are determined as follows:

- Cash in banks, short-term investments and long-term guarantee time deposits are based on the credit standing or rating of the counterparty.

- Trade receivables, amounts due from related parties and other current accounts receivable are based on a combination of credit standing or rating of the counterparty, historical experience and specific and collective credit risk assessment.

Foreign currency risk
Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate in relation to changes in exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates mainly to its operational and financing activities. The objective of foreign currency risk management is to manage and control exposures within acceptable parameters while optimizing the return. The Company's revenues and costs are generated and settled mainly in Philippine peso. For the nine months ended September 30, 2018 and as at December 31, 2017 approximately less than 5% of the Company's net sales, before eliminations, were generated in dollars.

The Company had an exposure arising from the foreign currency denominated financial obligations as compared to the currency in which the majority of the Company's revenues are generated. The Company's only revenues denominated in dollars to cover such dollar-denominated obligations are those generated by exports. As at September 30, 2018 and December 31, 2017 the Company does not have any derivative financing hedge for foreign currency denominated financial obligation to address this foreign currency risk.

Foreign exchange fluctuations occur when any member of the Company incur monetary assets and liabilities in a currency different from its functional currency. These translation gains and losses are recognized in the condensed consolidated interim statements of profit or loss.

As at September 30, 2018 and December 31, 2017, a summary of the quantitative information of the exposure of the Company due to foreign currencies is provided to the administration on the basis of its risk management policy as follows:

	As at September 30, 2018	
Amounts in thousands of dollars	***(in USD)***	***(in EUR)***
Cash and cash equivalents	**$20,982**	**€–**
Receivable from related parties*	**523**	**–**
Trade payables	**(3,978)**	**(592)**
Payable to related parties	**(46,121)**	**–**
Net assets denominated in foreign currency	**($28,594)**	**(€592)**

**Pertains to related party transactions with entities outside the Company*

	As at December 31, 2017	
Amounts in thousands of dollars	*(in USD)*	*(in EUR)*
Cash and cash equivalents	$9,919	€–
Receivable from related parties*	402	–
Trade payables	(3,855)	(301)
Payable to related parties	(43,842)	–
Net assets denominated in foreign currency	($37,376)	(€301)

**Pertains to related party transactions with entities outside the Company*

Sensitivity Analysis

USD	Strengthening (Weakening) of Philippine Peso	Effect on Profit before Income Tax	Effect on Equity
2018	**+8.2%**	**P126,661**	**P88,663**
	-8.2%	**(126,661)**	**(88,663)**
2017	+0.4%	7,882	5,517
	-0.4%	(7,882)	(5,517)

Amount includes intercompany balances with entities outside the Company

EUR	Strengthening (Weakening) of Philippine Peso	Effect on Profit before Income Tax	Effect on Equity
2018	**+4.6%**	**P1,707**	**P1,195**
	-4.6%	**(1,707)**	**(1,195)**
2017	+14.6%	2,632	1,842
	-14.6%	(2,632)	(1,842)

The company is also exposed to foreign currency risks on eliminated foreign currency denominated intragroup balances as follows:

		September 30, 2018	December 31, 2017
Amount owed by	**Amount owed to**	(in USD)	
Parent Company	CAR	**($64,747)**	($51,886)
Parent Company	Falcon	**(16,132)**	(43,754)
Apo	CAR	**(7,220)**	(7,314)
Solid	CAR	**(3,397)**	(4,061)
		($91,496)	($107,015)

Sensitivity Analysis

USD	Strengthening (Weakening) of Philippine Peso	Effect on Profit before Income Tax	Effect on Equity
2018	**+8.2%**	**P405,294**	**P283,706**
	-8.2%	**(405,294)**	**(283,706)**
2017	+0.4%	21,373	14,961
	-0.4%	(21,373)	(14,961)

Pertains to eliminated intragroup balances only.

Interest rate risk

Interest rate risk is the risk that changes in interest rates will affect the Company's income or the value of its holdings of financial instruments. As at September 30, 2018, the Company is exposed to interest rate risk primarily on the floating interest rate tranche corresponding to P8.4 billion of the long-term bank loan with BDO (see Note 11), short-term investments in Lomez International B.V., and long-term loan payable to CEMEX Asia B.V. The short-term investments in Lomez International B.V. bear interest at a rate equivalent to the higher of WAILRF rate minus 10 basis points and zero interest (see Note 6). The long-term loan from CEMEX Asia B.V. bears interest at an annual rate equal to 6-month LIBOR plus 369 basis points in 2018 (see Note 9).

Sensitivity Analysis
As at September 30, 2018 and December 31, 2017, a hypothetical 1% increase in interest rate, with all other variables held constant, the Company's profit for the nine months ended September 30, 2018 and for the year ended December 31, 2017 would have decreased by approximately P56,060 and P57,165 net of tax, respectively. Conversely, a hypothetical 1% decrease in interest rate would have the opposite effect.

Liquidity risk
Liquidity risk is the risk that the Company will not have sufficient funds available to meet its obligations. The Company has fulfilled its operational liquidity needs primarily through its own operations and expects to continue to do so for both the short and long-term liabilities. Although cash flow from the Company's operations has historically covered its overall liquidity needs for operations, servicing debt and funding capital expenditures and acquisitions, the consolidated entities are exposed to risks from changes in foreign currency exchange rates, prices and currency controls, interest rates, inflation, governmental spending, social instability and other political, economic and/or social developments in the countries in which they operate, any one of which may materially decrease the Company's net income and reduce cash flows from operations. Accordingly, in order to meet its liquidity needs, the Company also relies on cost-control and operating improvements to optimize capacity utilization and maximize profitability. The Company's consolidated net cash flows provided by and used in operating activities, as presented in its unaudited condensed consolidated interim statement of cash flows, was P2,088,725 and P1,077,528 as at September 30, 2018 and 2017, respectively. The Company's trade payables, due to related parties, taxes payable and other accounts payable and accrued expenses are expected to be settled within one year. Trade payables are noninterest-bearing and are normally settled on a 30-days term. In addition, there is no significant concentration of a specific supplier relating to the purchase of raw materials.

The table below summarizes the maturity profile of the Company's long-term loans with bank and related parties as at September 30, 2018 and December 31, 2017.

					September 30, 2018 (Unaudited)
	Carrying Amount	**Contractual Cash Flow**	**One year or less**	**More than one year but less than five years**	**More than five years**
Bank loan	**P13,656,788**	**P17,094,469**	**P862,767**	**P16,231,702**	**P -**
Long-term payable to related parties	**1,467,981**	**1,572,667**	**425,200**	**1,147,467**	**-**
	P15,124,769	**P18,667,136**	**P1,287,967**	**P17,379,169**	**P-**

					December 31, 2017 (Audited)
	Carrying Amount	Contractual Cash Flow	One year or less	More than one year but less than five years	More than five years
Bank loan	P13,740,598	P17,316,569	P786,759	P14,847,076	P1,682,734
Long-term payable to related parties	1,288,334	1,474,068	326,601	1,147,467	-
	P15,028,932	P18,790,637	P1,113,360	P15,994,543	P1,682,734

Insurance Risk management
As mentioned in Note 1, the Parent Company incorporated Falcon to create its own reserves and reinsure in respect of the Company's property, non-damage business interruption and political risks insurance. Falcon is expected to retain 10% of the risk in connection with

property insurance and 100% of the risk in connection with earthquake and wind stop loss, non-damage business interruption and political risks insurance, and cyber risks and professional liabilities of the Parent Company's operating subsidiaries. As a result of these arrangements, the Company will effectively self-insure these risks to the extent of Falcon's retained liability. There can be no assurance that the reserves established by Falcon will exceed any losses in connection with the Company's self-insured risks. In addition, the Company's insurance coverage is subject to periodic renewal. If the availability of insurance coverage is reduced significantly for any reason, the Company may become exposed to certain risks for which it is not and, in some cases could not be, insured. Moreover, if the Company's losses exceed its insurance coverage, or if the Company's losses are not covered by the insurance policies it has taken up, or if Falcon is required to pay claims to its insurer pursuant to the reinsurance arrangements, the Company may be liable to cover any shortfall or losses. The Company's insurance premiums may also increase substantially because of such claim from the Company's insurers. The foregoing risk exposure is mitigated, through making reasonable approximation after an evaluation of reported claims in the past of the Parent Company's operating subsidiaries, by retaining only insurance risk from insurance policies in which the operating subsidiaries have low probability of incurring losses.

13. Fair values of financial assets and financial liabilities

The fair values of cash and cash equivalents, trade receivables, amounts due from and due to related parties, other current accounts receivable, other accounts payable and accrued expenses reasonably approximate their carrying amounts considering the short-term maturities of these financial instruments. The fair value of the long-term payable to CEMEX Asia B.V., which is based on the present value of future cash flows discounted at market rate of interest at the reporting date (discounted cash flows under level 2 of the fair value hierarchy), approximates its carrying amount as at September 30, 2018 and December 31, 2017 as the said financial instruments bear interest at LIBOR rates, which is approximately similar to the market interest rate. The fair values of short term investments to Lomez International B.V. and New Sunward Holding B.V., which are also based on the present value of future cash flows discounted at market rate of interest (discounted cash flows under level 2 of the fair value hierarchy), approximate their carrying amounts as at September 30, 2018 and December 31, 2017, respectively, as these financial instruments bear interest at rates which are approximately similar to market interest rates. The fair value of the rental guaranty deposits approximate its carrying amount since the Company does not anticipate its carrying amount to be significantly different from the actual amount that the rental guarantee deposits would eventually be collected.

The bank loan provided by BDO consists of a fixed rate and a floating rate tranche based on market rates plus spread. The following is the comparison of the carrying amount and fair value of bank loan:

Bank loan	**September 30, 2018**	December 31, 2017
Carrying amount	**P13,656,788**	P13,740,598
Fair value	**14,223,434**	14,688,476

The fair value of bank loan is based on the present value of expected cash flows using the discount rates based on current market rates of similar instruments and categorized as Level 2 of the fair value hierarchy.

14. Contingencies

As at September 30, 2018, the Company is involved in various legal proceedings of minor impact that have arisen in the ordinary course of business. These proceedings involve: 1) national and local tax assessments; 2) labor claims; and 3) other diverse civil actions. The Company considers that in those instances in which obligations have been incurred, the Company has accrued adequate provisions to cover the related risks. The Company believes these matters will be resolved without any significant effect on its business, consolidated financial position or consolidated financial performance. In addition, in relation to ongoing legal proceedings, the Company is able to make a reasonable estimate of the expected loss or range of possible loss, as well as disclose any provision accrued for such loss. However, for a limited number of ongoing proceedings, the Company may not be able to make a reasonable estimate of the expected loss or range of possible loss or may be able to do so but believes that disclosure of such information on a case-by-case basis would seriously prejudice Company's position in the ongoing legal proceedings or in any related settlement discussions. Accordingly, in these cases, the Company has disclosed qualitative information with respect to the nature and characteristics of the contingency, but has not disclosed the estimate of the range of potential loss.

A massive landslide occurred in Naga, Cebu last September 20, 2018, which prompted local and national authorities to order the suspension of the mining operations of APO Land & Quarry Corporation (ALQC), a major supplier of raw materials of APO Cement Corporation. Business continuity plans have been put in place by APO Cement Corporation and are currently being implemented to address the disruption in the supply arrangement with ALQC.

101152018001520

SECURITIES AND EXCHANGE COMMISSION

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Company Information

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Company Name	CEMEX HOLDINGS PHILIPPINES, INC.
Industry Classification	Financial Holding Company Activities
Company Type	Stock Corporation

Document Information

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COVER SHEET

CS201518815

S.E.C. Registration Number

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A v e n u e ,   M a k a t i   C i t y

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

JANNETTE VIRATA SEVILLA

Contact Person

849-3600

Company Telephone Number

1 2	3 1	SEC Form 17-C - Item 4 Change in Directors/Officers	0 6	0 7
Month	*Day*	FORM TYPE	*Month*	*Day*

First Wednesday of June

Fiscal Year

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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **12 January 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. ☐ (SEC Use Only)

   Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Ave., Makati City 1200**
   Address of principal office — Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

11. Indicate the item numbers reported herein: **Item 4 -**

The Technical Director of CEMEX Holding Philippines ("CHP"), Mr. Jens Christian Enemark Lund, retired from the organization. At the CHP level, this retirement is effective on 12 January 2018.

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.	12 January **2018**
Issuer	Date

Jannette Virata Sevilla
Compliance Officer

102052018002091

SECURITIES AND EXCHANGE COMMISSION

SECBuilding,EDSA,Greenhills,MandaluyongCity,MetroManila,Philippines
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Company Information

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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Remarks	

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **3 February 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. [ ] (SEC Use Only)

   Province, country or other jurisdiction of incorporation   Industry Classification Code:

7. **34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office   Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	**5,195,395,454**

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

CEMEX Holding Philippines, Inc. ("CHP") will be presenting its 4th Quarter 2017 results on Friday, February 9, 2018 at 10:00AM GMT+08, by way of hosting a conference call and webcast presentation to discuss these results. The live presentation can be accessed at www.cemexholdingsphilippines.com, or interested parties may access the audio-only conference call by connecting to a dial-in number.

The attached Press Release dated 5 February 2018 has further details.

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.	**3 February 2018**
Issuer	Date

Jannette Virata Sevilla

Jannette Virata Sevilla
Compliance Officer

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CEMEX | HOLDINGS PHILIPPINES

CEMEX HOLDINGS PHILIPPINES TO PRESENT FOURTH QUARTER 2017 RESULTS ON FEBRUARY 9, 2018

MANILA, PHILIPPINES, FEBRUARY 5, 2018 – CEMEX Holdings Philippines, Inc. ("CHP") (PSE: CHP) announced that it will present its fourth quarter 2017 results on Friday, February 9, 2018.

CHP will host a conference call and webcast presentation on this same date at 10:00 AM GMT+08 to discuss these results. The live presentation can be accessed at www.cemexholdingsphilippines.com, or interested parties may access the audio-only conference call through the following details:

Dial-in Numbers:

Philippines	180016510607
International	+65 67135090
Passcode:	8888615

The briefing materials for the presentation will be posted prior to the scheduled conference call on www.cemexholdingsphilippines.com, after the same have been posted on edge.pse.com.ph. CHP reserves the right to revise the time or postpone the conference call in the event that circumstances necessitate the change.

###

The information to be disclosed in the event referenced in this press release contains 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. 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.

102092018002221

SECURITIES AND EXCHANGE COMMISSION

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Company Information

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

Document Information

Document ID	102092018002221
Document Type	17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code	17-C
Period Covered	February 09, 2018
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

C E M E X   H O L D I N G S   P H I L I P P I N E S ,   I N C .

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A v e n u e ,   M a k a t i   C i t y

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

JANNETTE VIRATA SEVILLA
Contact Person

849-3600
Company Telephone Number

1 2	3 1	SEC Form 17-C	0 6	0 6
Month	*Day*	FORM TYPE	*Month*	*Day*

First Wednesday of June

Fiscal Year

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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **9 February 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. ☐ (SEC Use Only)

   Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office — Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

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 9 February 2018 to discuss the 4th Quarter 2017 results of CHP. These materials were posted prior to the conference call/webcast on edge.pse.com.ph and CHP's website, www.cemexholdingsphilippines.com.

CHP also issued its Press Release dated 9 February 2018 announcing its financial and operating highlights for the 4th Quarter 2017 (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.	**9 February 2018**
Issuer	Date

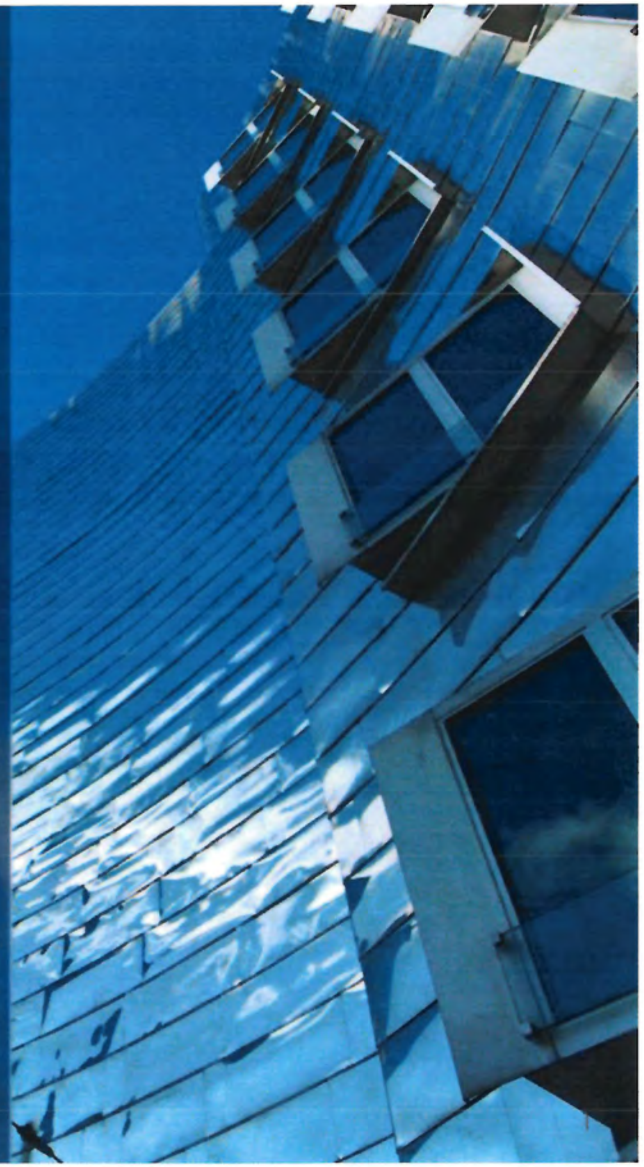
Jannette Virata Sevilla

Jannette Virata Sevilla
Compliance Officer

CEMEX | HOLDINGS PHILIPPINES

4Q 2017 RESULTS

February 9, 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.

Presentation of Pro Forma Financial Information

(For the purpose of the below clarification, the term "Company" refers to CEMEX Holdings Philippines, Inc., "CHP" refers to the Company and its subsidiaries, and "CEMEX" refers CEMEX, S.A.B. de C.V. and its subsidiaries excluding CHP.)

CEMEX Holdings Philippines, Inc. was incorporated on September 17, 2015 for purposes of the initial equity offering concluded on July 18, 2016 (the "IPO"). For accounting purposes, the group reorganization by means of which the Company acquired its consolidated subsidiaries was effective January 1, 2016. Several strategies discussed in the CHP primary offer prospectus ("the Prospectus") were implemented upon conclusion of the initial equity offering: a) the royalty scheme was implemented in July 2016 with retroactive effects as of January 1, 2016, and b) the reinsurance scheme was incorporated prospectively effective August 1, 2016. These strategies are already in full effect in 2017.

Nevertheless and for the convenience of the reader, and in order to present a comprehensive comparative operating information for the twelve-month and the three-month periods ended December 31, 2017, CHP continued to use pro forma selected consolidated income statement information for the twelve-month and the three-month periods ended December 31, 2016, intended in all cases and to the extent possible, to present the operating performance of CHP on a like-to-like basis under a "normalized" expected ongoing operation; therefore, as if the new royalty scheme and insurance agreements would have been effective from the beginning of 2016.

In addition:

(1) beginning fiscal year of 2017, a change in accounting treatment of the effects from the reinsurance agreements is adopted recognizing the same as a reduction in operating expenses instead of an increase of revenue (which was the accounting treatment utilized in 2016).

This change in accounting treatment is presented in this report's pro forma and actual consolidated income statement information for the twelve-month and the three-month periods ended December 31, 2016. This difference in presentation does not have an effect on the reported Pro Forma operating income, reported Pro Forma Operating EBITDA or reported Pro Forma net income for the twelve-month and the three-month periods ended December 31, 2016.

(2) the Pro Forma selected consolidated income statement information for the twelve-month and the three-month periods ended December 31, 2016 appearing in this report was prepared by (a) removing interest payments on short-term debt, and (b) annualizing long-term debt.

2017 Achievements

CEMEX | HOLDINGS PHILIPPINES

- ✓ **Highest all-time quarterly volume** in the third quarter of 2017.
- ✓ **Highest all-time second half volume** in the second half of 2017.
- ✓ Established **customer experience office**, enhancing our ability to respond to specific customer needs.
- ✓ Plants continued to produce at **high-efficiency**, above 90%.
- ✓ **Solid Cement Plant** kiln was the most efficient in the entire CEMEX system.
- ✓ Increased kiln production capability in **APO Cement Plant** by implementing modifications to the clinker cooling process.
- ✓ **Refinanced and fully repaid** U.S.-dollar related-party loan from New Sunward Holding, a CEMEX affiliate, with proceeds from senior unsecured peso term loan facility.

2018 Updates

CEMEX HOLDINGS PHILIPPINES

- ✓ Obtained approval for the **Environmental Compliance Certificate** of Solid Cement Plant's expansion from the Department of Environment and Natural Resources.
- ✓ Initiatives in the pipeline to **debottleneck production and supply chain process**, enabling throughput increase of half a million tons.
- ✓ Secured majority of **coal requirements** for 2018 at lower than current spot rates.
- ✓ CAPEX allocated for preliminary works of **waste heat recovery facility project in APO Cement Plant**.
- ✓ **Working capital benefit** by year-end approximately PHP 1.5 to 2.0 billion.
- ✓ **No additional debt** expected to be incurred in 2018.

Domestic Cement Volumes and Prices

		2017 vs. 2016	4Q17 vs. 4Q16	4Q17 vs. 3Q17
Domestic Cement	Volume	0%	10%	(5%)
	Price (USD)	(15%)	(12%)	(1%)
	Price (PHP)	(10%)	(9%)	(1%)

Domestic cement volumes increased 10% year-over-year during the fourth quarter.

- In line with industry growth, as per our estimates.
- Strong growth in public infrastructure compensated for a weakening in private sector construction activity.

1% sequential decline in average daily cement volumes mainly due to unfavorable weather conditions.

For 2017, domestic cement volumes flat versus 2016 as volumes recovered in the second half.

- 6 additional loading-port downtime days in 4Q17 vs. 4Q16. Loading-port downtime days in 4Q17 highest in three years.
- 26 additional loading-port downtime days in 2017 vs. 2016. Loading-port downtime days in 2017 highest in three years.

Domestic cement prices declined year-over-year by 9% and 10%, respectively, for the fourth quarter and full year of 2017.

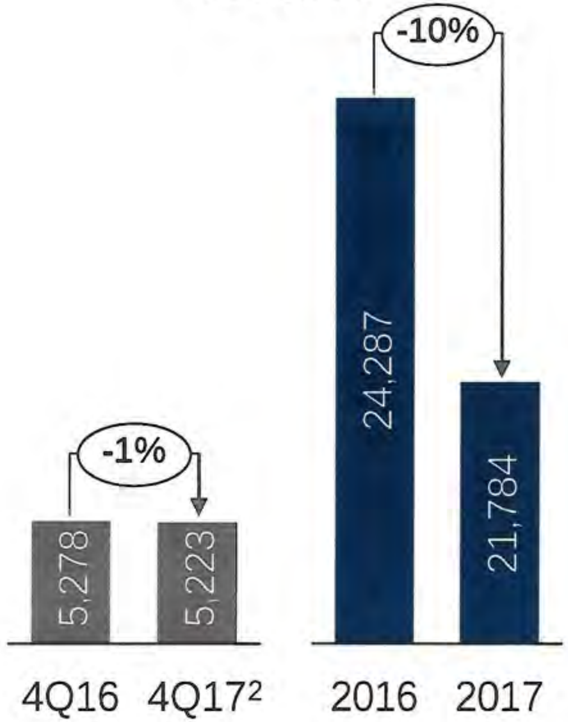
1% sequential decline in the fourth quarter, although prices remained relatively flat for the last five months of the year.

Net Sales

Net sales declined year-over-year by 1% and 10%, respectively, for the fourth quarter and full year of 2017.

In both cases, reflecting lower cement prices.

Net Sales[1]



[1] Millions of Philippine Pesos
[2] 4Q17 net sales breakdown: 99% cement, 1% others

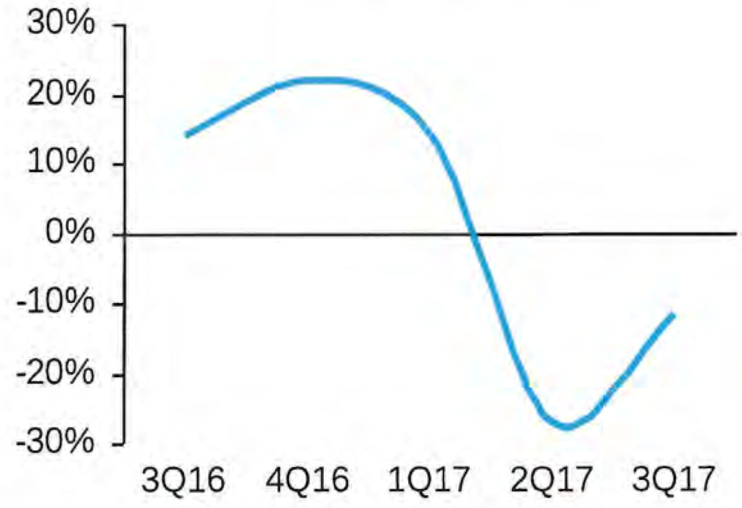
Residential Sector

The residential sector appears to have **contracted** in the fourth quarter of 2017.

Persistent housing deficit and increasing urbanization continue to drive residential demand.

The sector's growth will be supported by **the income-boosting tax reform, remittances from overseas** Filipino workers, and the government's emphasis on affordable housing.

Approved Residential Building Permits based on floor area[1]



[1]Source: Philippine Statistics Authority

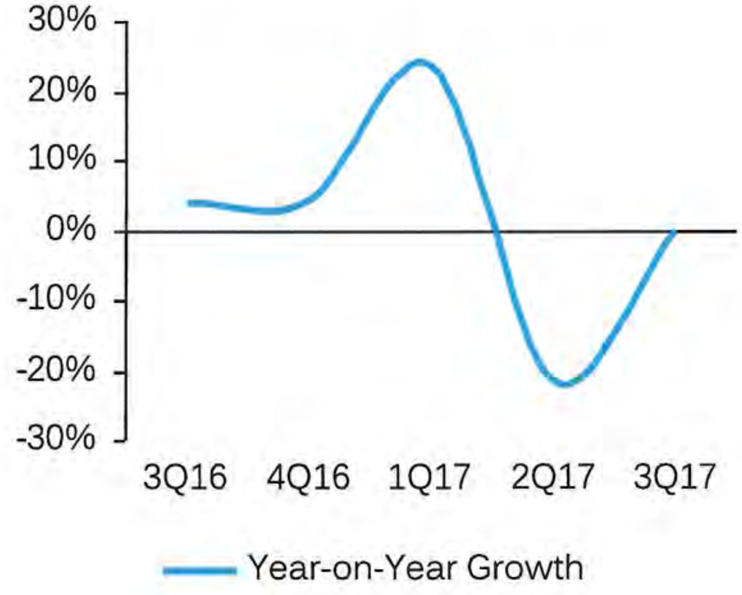
Industrial-and-Commercial Sector

Industrial and commercial construction appears to have been **flat** in the fourth quarter compared to the same period last year.

Lower office take-up from the business process outsourcing sector was partially offset by demand from the offshore gaming and traditional companies.[1]

In 2018, amendments to the country's foreign investment restrictions and fiscal incentives for priority industries are expected to support the sector's growth.

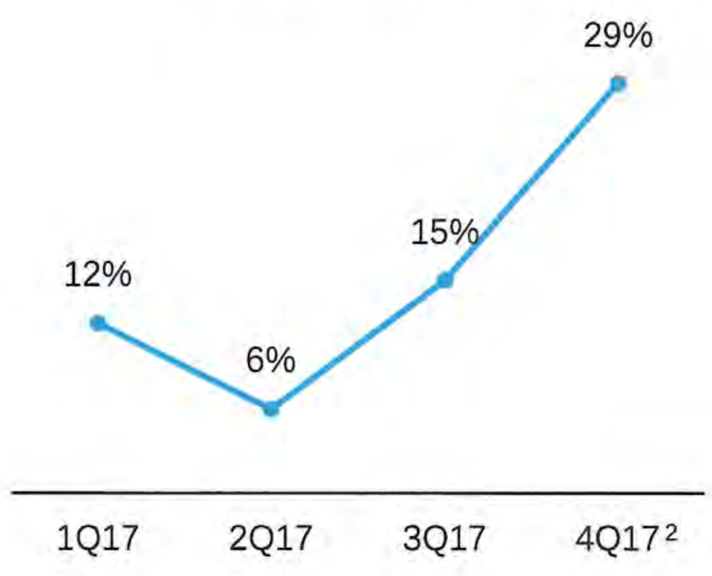
Approved Non-Residential Building Permits based on floor area[1]



[1]Source: Philippine Statistics Authority

Infrastructure Sector

2017 National Government Disbursement on Infrastructure and Capital Outlay Year-on-Year Growth[1]



Infrastructure construction **picked up in the fourth quarter** as the government accelerated the approval and implementation of its projects.

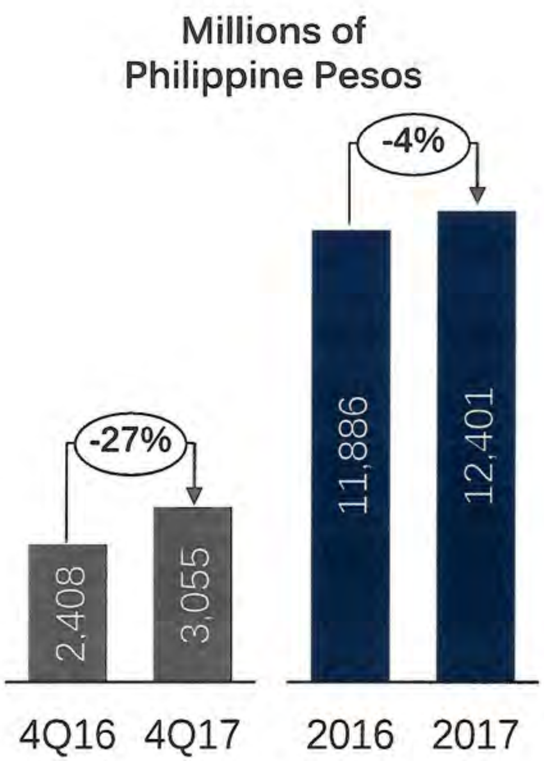
In 2018, the rollout of several big-ticket infrastructure projects and the rehabilitation of Marawi city will continue to boost the sector.

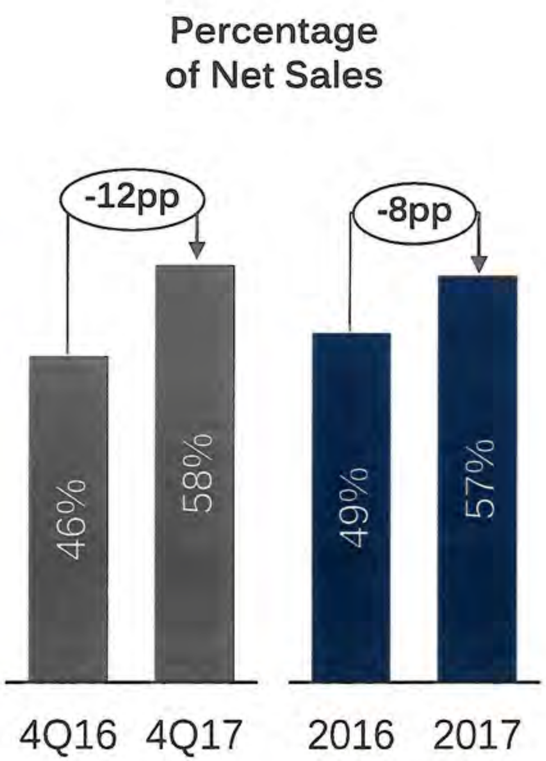
The recently-implemented tax reform will be supportive of investments on infrastructure and economic growth.

[1] Source: Department of Budget and Management; (DBM)
[2] Comparison of October-November 2016 and 2017; December 2017 data not yet available

Cost of Sales

CEMEX HOLDINGS PHILIPPINES

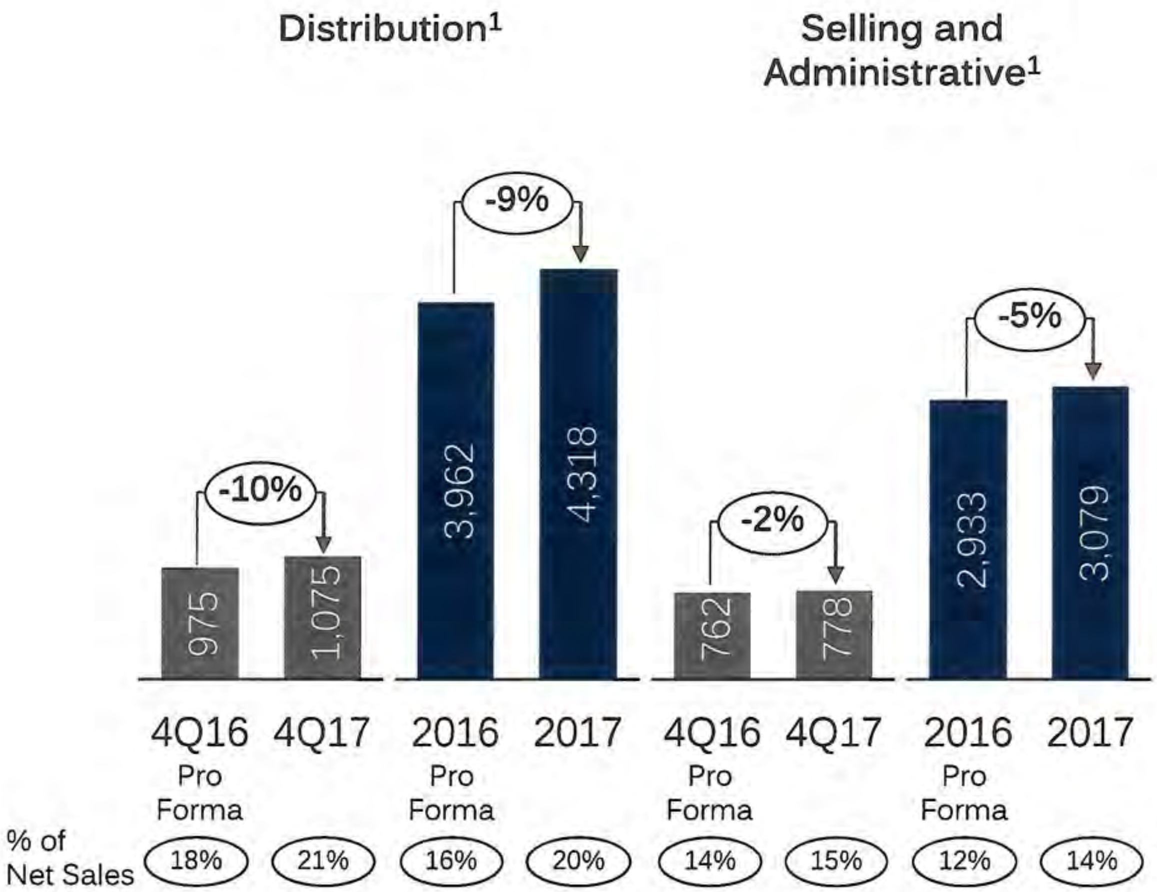




Cost of sales, as a percentage to sales, increased year-over-year by 12 percentage points during the quarter and by 8 percentage points in 2017.

Higher fuel prices and a lower base of revenue were the main drivers for this increase.

Operating Expenses



Distribution expenses, on a unitary basis, were relatively flat for the quarter on a year-over-year and sequential basis.

2017 absolute distribution expenses increased 9% versus 2016, as a result of higher fuel cost and lower economies of scale in fleet utilization.

Selling and administrative expenses remained stable during the fourth quarter.

2017 absolute selling and administrative expenses was 5% higher versus 2016 due to organizational realignment initiatives.

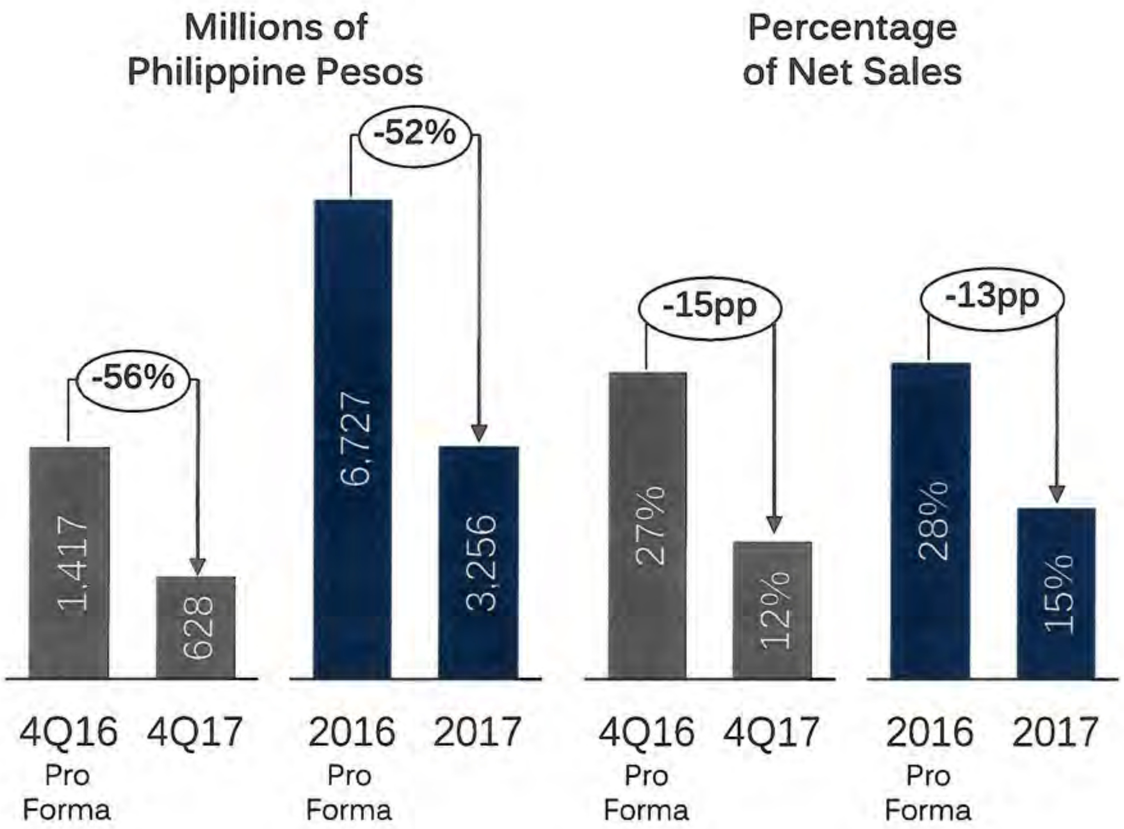
As a percentage to sales, operating expenses also increased due to a lower revenue base.

For 2018, we have initiatives to debottleneck production and supply chain process, enabling dispatch of more volumes throughout the year.

We continue to search for opportunities to scale down operational expenses and improve our cost-efficiency.

[1] Millions of Philippine Pesos
NOTE: Refer to slide 3 for information on pro forma adjustments

Operating EBITDA and Operating EBITDA Margin



Operating EBITDA declined on a year-over-year basis by 56% and 52%, respectively, for the fourth quarter and full year of 2017. Lower prices was the main reason for the decrease, as well as higher fuel and distribution costs.

Operating EBITDA margin compared to pro forma 2016 declined by 15 percentage points during the fourth quarter and by 13 percentage points in 2017. Lower prices accounted for ~2/3 of the margin decrease.

NOTE: Refer to slide 3 for information on pro forma adjustments

Net Income

Net income for 2017 declined 65% mainly due to lower operating earnings before other expenses, net.

Financial expenses declined 36% in 2017 as a result of the refinancing of our U.S. dollar denominated loan with local debt.

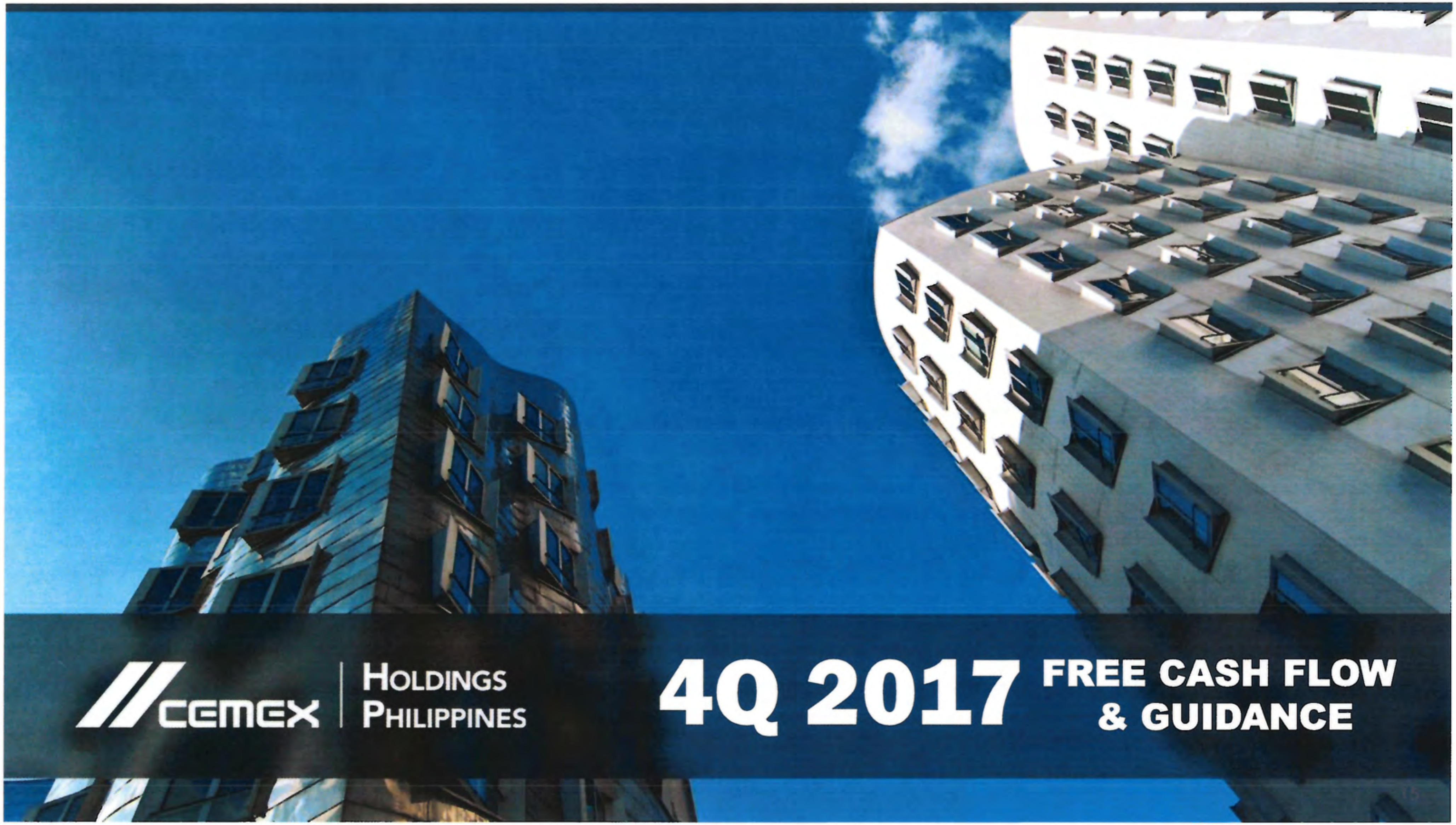
With the conversion and denomination to local currency, **foreign exchange losses** also declined 95% during 2017.

Other income (expenses), net reflects expenses related to asset impairments and severance payments.

Effective tax rate for 2017 was at 17% versus a pro forma of 30% and actual of 29% last year.

Net Income[1]

[1] Millions of Philippine Pesos


CEMEX
HOLDINGS
PHILIPPINES
4Q 2017
FREE CASH FLOW
& GUIDANCE

Free Cash Flow

CEMEX HOLDINGS PHILIPPINES

	January - December			Fourth Quarter		
	2017	2016 Pro Forma	% var	2017	2016 Pro Forma	% var
Operating EBITDA	**3,256**	**6,727**	**(52%)**	**628**	**1,417**	**(56%)**
- Net Financial Expenses	895	1,404		228	339	
- Maintenance Capex	844	534		431	341	
- Change in Working Capital	(116)	(378)		232	306	
- Taxes Paid	553	1,240		129	388	
- Other Cash Items (net)	(153)	32		(122)	35	
Free Cash Flow after Maintenance Capex	**1,232**	**3,896**	**(68%)**	**(270)**	**7**	**N/A**
- Strategic Capex	485	796		43	145	
Free Cash Flow	**747**	**3,099**	**(76%)**	**(314)**	**(138)**	**(127%)**

Millions of Philippine Pesos

Free cash flow for 2017 was positive at PHP 1,232 million after maintenance CAPEX and PHP 747 million after deducting strategic CAPEX.

Improvement in working capital due to initiatives to extend payment terms with suppliers.

Free cash flow for the fourth quarter was negative mainly due to lower operating EBTIDA.

NOTE: Refer to slide 3 for information on pro forma adjustments

Update on Senior Unsecured Peso Term Loan Facility with BDO Unibank, Inc.

CEMEX HOLDINGS PHILIPPINES

In December 2017, we signed a Supplemental Agreement with BDO Unibank, Inc. for the 7-year Senior Unsecured Peso Term Loan which we entered into last February 2017.

Under this Supplemental Agreement, both parties mainly agreed to fix the commencement date of compliance by CHP with financial covenants under the Loan to June 2020, to include debt service reserve accounts, and to include additional debt incurrence restrictions.

This Supplemental Agreement does not increase the level of debt or interest cost under the Facility Agreement.

Solid Plant Capacity Expansion

CEMEX HOLDINGS PHILIPPINES

In December 2017, the Department of Environment and Natural Resources (DENR) granted the **Environmental Compliance Certificate (ECC)** covering Solid Cement Plant's expansion.

Next Step: Finalize negotiations with suppliers and contractors.

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

Expected total investment: **US$ 225 million**

2018 Guidance

CEMEX HOLDINGS PHILIPPINES

Cement volumes	8%	
Capital expenditures	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**
Working capital	Reduction of approximately PHP 1,500 -2,000 million	


CEMEX | HOLDINGS PHILIPPINES
Q&A
SESSION
4Q 2017 RESULTS
20

CEMEX | HOLDINGS PHILIPPINES

4Q 2017 APPENDIX

Income Statement Information

CEMEX HOLDINGS PHILIPPINES

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

INCOME STATEMENT	January - December 2017	2016 Pro Forma[1]	% var	2016 Actual	Fourth Quarter 2017	2016 Pro Forma[1]	% var	2016 Actual
Net sales	21,784,450	24,286,753	(10%)	24,286,753	5,223,198	5,278,223	(1%)	5,278,223
Cost of sales	(12,400,901)	(11,885,883)	(4%)	(11,885,883)	(3,054,759)	(2,408,348)	(27%)	(2,408,348)
Gross profit	**9,383,549**	**12,400,870**	**(24%)**	**12,400,870**	**2,168,439**	**2,869,875**	**(24%)**	**2,869,875**
Operating expenses	(7,396,982)	(6,894,661)	(7%)	(7,455,230)	(1,852,985)	(1,736,850)	(7%)	(1,736,850)
Operating earnings before other expenses, net	**1,986,567**	**5,506,209**	**(64%)**	**4,945,640**	**315,454**	**1,133,025**	**(72%)**	**1,133,025**
Other income (expenses), net	(226,179)	(31,853)	(610%)	(319,783)	(257,280)	(34,796)	(639%)	(10,239)
Operating earnings	**1,760,388**	**5,474,356**	**(68%)**	**4,625,857**	**58,174**	**1,098,229**	**(95%)**	**1,122,786**
Financial expenses, net	(895,295)	(1,404,319)	36%	(1,268,755)	(228,192)	(338,957)	33%	(338,957)
Foreign exchange loss, net	(66,738)	(1,379,892)	95%	(1,379,892)	90,470	(504,852)	N/A	(504,852)
Net income (loss) before income taxes	**798,355**	**2,690,145**	**(70%)**	**1,977,210**	**(79,548)**	**254,420**	**N/A**	**278,977**
Income tax	(139,544)	(818,294)	83%	(563,744)	50,397	(261,601)	N/A	(268,968)
Consolidated net income (loss)	**658,811**	**1,871,851**	**(65%)**	**1,413,466**	**(29,151)**	**(7,181)**	**(306%)**	**10,009**
Non-controlling interest net income (loss)	25	24	4%	24	4	5	(20%)	5
Controlling Interest net income (loss)	**658,836**	**1,871,875**	**(65%)**	**1,413,490**	**(29,147)**	**(7,176)**	**(306%)**	**10,014**
Operating EBITDA	**3,255,800**	**6,727,481**	**(52%)**	**6,166,913**	**628,342**	**1,416,710**	**(56%)**	**1,416,710**
Earnings per share	**0.13**	**0.66**	**(81%)**	**0.50**	**(0.01)**	**(0.00)**	**306%**	**0.00**

[1] Refer to slide 3 for information on pro forma adjustments

Income Statement Information

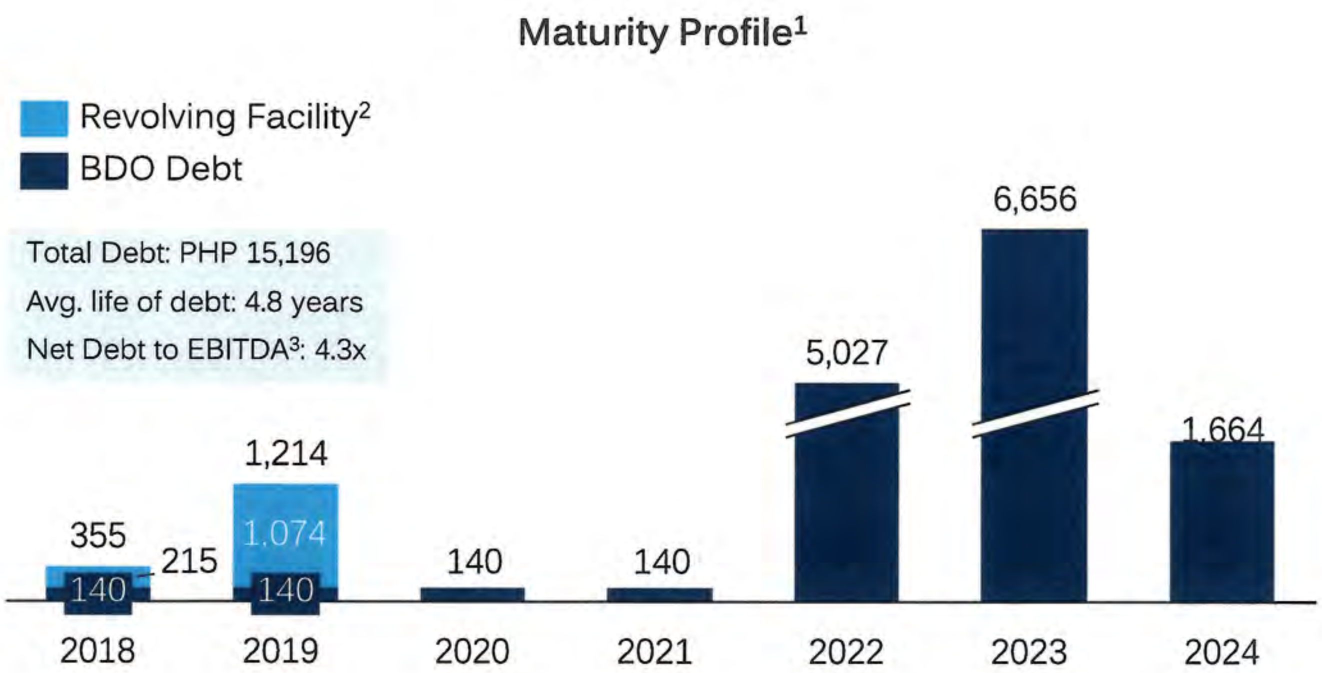
CEMEX | HOLDINGS PHILIPPINES

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

	January - December				Fourth Quarter			
INCOME STATEMENT	2017	2016 Pro Forma[1]	% var	2016 Actual	2017	2016 Pro Forma[1]	% var	2016 Actual
Net sales	432,388	509,499	(15%)	509,499	103,218	107,096	(4%)	107,096
Cost of sales	(246,139)	(249,348)	1%	(249,348)	(60,367)	(48,866)	(24%)	(48,866)
Gross profit	**186,249**	**260,151**	**(28%)**	**260,151**	**42,851**	**58,230**	**(26%)**	**58,230**
Operating expenses	(146,819)	(144,639)	(2%)	(156,399)	(36,618)	(35,241)	(4%)	(35,241)
Operating earnings before other expenses, net	**39,430**	**115,512**	**(66%)**	**103,752**	**6,233**	**22,989**	**(73%)**	**22,989**
Other income (expenses), net	(4,489)	(668)	(572%)	(6,709)	(5,084)	(706)	(620%)	(208)
Operating earnings	**34,941**	**114,844**	**(70%)**	**97,043**	**1,149**	**22,283**	**(95%)**	**22,781**
Financial expenses, net	(17,770)	(29,460)	40%	(26,617)	(4,509)	(6,877)	34%	(6,877)
Foreign exchange loss, net	(1,325)	(28,948)	95%	(28,948)	1,788	(10,244)	N/A	(10,244)
Net income (loss) before income taxes	**15,846**	**56,436**	**(72%)**	**41,478**	**(1,572)**	**5,162**	**N/A**	**5,660**
Income tax	(2,770)	(17,167)	84%	(11,826)	996	(5,308)	N/A	(5,457)
Consolidated net income (loss)	**13,076**	**39,269**	**(67%)**	**29,652**	**(576)**	**(146)**	**(295%)**	**203**
Non-controlling interest net income (loss)								
Controlling Interest net income (loss)	**13,076**	**39,270**	**(67%)**	**29,653**	**(576)**	**(146)**	**(295%)**	**203**
Operating EBITDA	**64,623**	**141,132**	**(54%)**	**129,372**	**12,417**	**28,745**	**(57%)**	**28,745**
Earnings per share								

[1] Refer to slide 3 for information on pro forma adjustments

Debt Information



[1] Millions of Philippine Pesos
[2] Pertains to Philippine Peso-denominated revolving facility with CEMEX Asia B.V.
[3] Last 12 months Consolidated EBITDA

Definitions

CEMEX HOLDINGS PHILIPPINES

PHP	Philippine Pesos
Pp	Percentage points
Prices	All references to pricing initiatives, price increases or decreases, refer to our prices for our products.
Operating EBITDA	Operating earnings before other expenses, net, plus depreciation and operating amortization.
Free Cash Flow	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	Total debt minus cash and cash equivalents.

Contact Information

CEMEX Holdings Philippines

Investor Relations

In the **Philippines**
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Stock Information

PSE:
CHP

CEMEX | HOLDINGS PHILIPPINES

2017

FOURTH QUARTER RESULTS

- **Stock Listing Information**
  Philippine Stock Exchange
  Ticker: CHP

- **Investor Relations**
  + 632 849 3600
  E-Mail:
  chp.ir@cemex.com

	January - December				Fourth Quarter			
	2017	2016 Pro Forma[1]	% var	2016 Actual	2017	2016 Pro Forma[1]	% var	2016 Actual
Cement volume[2]	5.1	5.1	1%	5.1	1.3	1.1	10%	1.1
Net sales	21,784	24,287	(10%)	24,287	5,223	5,278	(1%)	5,278
Gross profit	9,384	12,401	(24%)	12,401	2,168	2,870	(24%)	2,870
as % of net sales	43%	51%	(8pp)	51%	42%	54%	(12pp)	54%
Operating earnings before other expenses, net	1,987	5,506	(64%)	4,946	315	1,133	(72%)	1,133
as % of net sales	9%	23%	(14pp)	20%	6%	22%	(16pp)	22%
Controlling Interest Net Income (Loss)	659	1,872	(65%)	1,413	(29)	(7)	(306%)	10
Operating EBITDA	3,256	6,727	(52%)	6,167	628	1,417	(56%)	1,417
as % of net sales	15%	28%	(13pp)	25%	12%	27%	(15pp)	27%
Free cash flow after maintenance capital expenditures	1,232	3,896	(68%)	3,335	(270)	7	N/A	7
Free cash flow	747	3,099	(76%)	2,539	(314)	(138)	(127%)	(138)
Net debt[3]	14,138	14,406	(2%)	14,406	14,138	14,406	(2%)	14,406
Total debt[3]	15,196	15,743	(3%)	15,743	15,196	15,743	(3%)	15,743
Earnings per share[4]	0.13	0.66	(81%)	0.50	(0.01)	(0.00)	306%	0.00

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

[1] Refer to page 7 for information on pro forma adjustments

[2] Cement volume is in millions of metric tons. It includes domestic and export volume of gray cement, white cement, special cement, mortar and clinker

[3] 2016 U.S. dollar debt converted using end-of-period exchange rate of PHP 49.72

[4] In Philippine Pesos

Net sales declined by 1% and 10%, respectively, for the fourth quarter and full year of 2017 versus the same periods of the previous year. In both cases, mainly reflecting lower cement prices.

Cost of sales, as a percentage to sales, increased year-over-year by 12 pp during the fourth quarter and by 8 pp in 2017. Higher fuel prices and a lower base of revenue were the main drivers for this increase. As a percentage of cost of sales, power and fuels accounted for 21% and 22%, respectively, for the full year.

Operating expenses, as a percentage to sales, increased year-over-year by 2 pp during the fourth quarter and by 6 pp in 2017.

Distribution expenses during the fourth quarter were 10% higher versus last year. However, on a unitary basis, they remained relatively flat both on a year-over-year and on a sequential basis. For the full year, distribution expenses increased by 9% versus 2016. This was a result of higher fuel costs and lower economies of scale in fleet utilization.

Selling and administrative expenses remained stable during the fourth quarter and was 5% higher for the full year mainly due to organizational realignment initiatives.

As a percentage to sales, operating expenses were also higher, reflecting a lower revenue base.

Operating EBITDA declined on a year-over-year basis by 56% during the fourth quarter, and by 52% during the full year of 2017.

Operating EBITDA margin compared to pro-forma 2016 figures declined by 15 pp during the fourth quarter and by 13 pp in 2017. Lower prices accounted for about two-thirds of the margin decrease, with the other third explained mainly by fuel and distribution costs.

Controlling interest net income declined 65% in 2017 mainly due to lower operating earnings before other expenses, net.

Total debt at the end of December 2017 stood at PHP 15,196 million, of which PHP 13,907 million pertained to long-term debt owed to BDO Unibank, Inc.

Domestic Gray Cement	January - December 2017 vs. 2016	Fourth Quarter 2017 vs. 2016	Fourth Quarter 2017 vs. Third Quarter 2017
Volume	0%	10%	(5%)
Price in USD	(15%)	(12%)	(1%)
Price in PHP	(10%)	(9%)	(1%)

Our domestic cement volumes increased by 10% year-over-year during the fourth quarter of 2017, in line with industry growth, as per our estimates.

Public infrastructure spending continued to increase in the last three months of the year, driving demand for our products, and compensated for a slowdown in private construction activity.

On a sequential basis, our average daily cement volumes declined by 1% due to unfavorable weather conditions.

Volume recovery in the second half of 2017 resulted in full-year domestic cement volumes ending flat versus 2016.

Due to unfavorable weather conditions, we had 6 and 26 additional loading-port downtime days during the fourth quarter and full year 2017, respectively, versus the comparable periods of the previous year. Our weather-related downtime days during the fourth quarter and full year 2017 were the worst in the last three years for their respective periods.

Our domestic cement prices in local-currency terms decreased by 9% during the quarter and by 10% during the full year, on a year-over-year basis.

On a sequential basis, our fourth quarter prices declined by 1%. However, for the last five months of the year, our prices remained flat.

Operating EBITDA and Free Cash Flow

	January - December 2017	2016 Pro Forma[1]	% var	2016 Actual	Fourth Quarter 2017	2016 Pro Forma[1]	% var	2016 Actual
Operating earnings before other expenses, net	**1,987**	**5,506**	**(64%)**	**4,946**	**315**	**1,133**	**(72%)**	**1,133**
+ Depreciation and operating	1,269	1,221		1,221	313	284		284
Operating EBITDA	**3,256**	**6,727**	**(52%)**	**6,167**	**628**	**1,417**	**(56%)**	**1,417**
- Net financial expenses	895	1,404		1,404	228	339		339
- Capital expenditures for maintenance	844	534		534	431	341		341
- Change in working Capital	(116)	(378)		(378)	232	306		306
- Taxes paid	553	1,240		1,240	129	388		388
- Other cash items (Net)	(153)	32		32	(122)	35		35
Free cash flow after maintenance capital	**1,232**	**3,896**	**(68%)**	**3,335**	**(270)**	**7**	**N/A**	**7**
- Strategic Capital expenditures	485	796		796	43	145		145
Free cash flow	**747**	**3,099**	**(76%)**	**2,539**	**(314)**	**(138)**	**(127%)**	**(138)**

In millions of Philippine Pesos, except volumes and percentages

[1] Refer to page 7 for information on pro forma adjustments

Debt Information

	Fourth Quarter 2017	2016[1]	% var	Third Quarter 2017[1]
Total debt	**15,196**	**15,743**	**(3%)**	**15,016**
Short term	2%	0%		0%
Long term	98%	100%		100%
Cash and cash equivalents	1,058	1,337	(21%)	1,586
Net debt	**14,138**	**14,406**	**(2%)**	**13,430**

In millions of Philippine Pesos, except percentages

[1] U.S. dollar debt converted using end-of-period exchange rate

	Fourth Quarter 2017	2016
Currency denomination		
U.S. dollar	1%	100%
Philippine peso	99%	0%
Interest rate		
Fixed	44%	91%
Variable	56%	9%

Income Statement & Balance Sheet Information

CEMEX Holdings Philippines, Inc.
(Thousands of Philippine Pesos in nominal terms, except per share amounts)

	January - December				Fourth Quarter			
INCOME STATEMENT	2017	2016 Pro Forma[1]	% var	2016 Actual	2017	2016 Pro Forma[1]	% var	2016 Actual
Net sales	21,784,450	24,286,753	(10%)	24,286,753	5,223,198	5,278,223	(1%)	5,278,223
Cost of sales	(12,400,901)	(11,885,883)	(4%)	(11,885,883)	(3,054,759)	(2,408,348)	(27%)	(2,408,348)
Gross profit	**9,383,549**	**12,400,870**	**(24%)**	**12,400,870**	**2,168,439**	**2,869,875**	**(24%)**	**2,869,875**
Operating expenses	(7,396,982)	(6,894,661)	(7%)	(7,455,230)	(1,852,985)	(1,736,850)	(7%)	(1,736,850)
Operating earnings before other expenses, net	**1,986,567**	**5,506,209**	**(64%)**	**4,945,640**	**315,454**	**1,133,025**	**(72%)**	**1,133,025**
Other income (expenses), net	(226,179)	(31,853)	(610%)	(319,783)	(257,280)	(34,796)	(639%)	(10,239)
Operating earnings	**1,760,388**	**5,474,356**	**(68%)**	**4,625,857**	**58,174**	**1,098,229**	**(95%)**	**1,122,786**
Financial expenses, net	(895,295)	(1,404,319)	36%	(1,268,755)	(228,192)	(338,957)	33%	(338,957)
Foreign exchange loss, net	(66,738)	(1,379,892)	95%	(1,379,892)	90,470	(504,852)	N/A	(504,852)
Net income (loss) before income taxes	**798,355**	**2,690,145**	**(70%)**	**1,977,210**	**(79,548)**	**254,420**	**N/A**	**278,977**
Income tax	(139,544)	(818,294)	83%	(563,744)	50,397	(261,601)	N/A	(268,968)
Consolidated net income (loss)	**658,811**	**1,871,851**	**(65%)**	**1,413,466**	**(29,151)**	**(7,181)**	**(306%)**	**10,009**
Non-controlling interest net income (loss)	25	24	4%	24	4	5	(20%)	5
Controlling Interest net income (loss)	**658,836**	**1,871,875**	**(65%)**	**1,413,490**	**(29,147)**	**(7,176)**	**(306%)**	**10,014**
Operating EBITDA	**3,255,800**	**6,727,481**	**(52%)**	**6,166,913**	**628,342**	**1,416,710**	**(56%)**	**1,416,710**
Earnings per share	**0.13**	**0.66**	**(81%)**	**0.50**	**(0.01)**	**(0.00)**	**306%**	**0.00**

[1] Refer to page 7 for information on pro forma adjustments

	as of December 31		
BALANCE SHEET	2017	2016	% Var
Total Assets	**51,751,676**	**51,041,884**	**1%**
Cash and Temporary Investments	1,058,267	1,337,155	(21%)
Trade Accounts Receivables	833,259	909,667	(8%)
Other Receivables	101,002	342,561	(71%)
Inventories	3,258,252	2,577,577	26%
Assets held for sale	90,629	0	
Other Current Assets	1,310,504	1,420,056	(8%)
Current Assets	6,651,913	6,587,016	1%
Fixed Assets	15,582,732	15,814,811	(1%)
Other Assets	29,517,031	28,640,057	3%
Total Liabilities	**22,329,280**	**22,357,672**	**(0%)**
Current Liabilities	6,873,552	5,654,205	22%
Long-Term Liabilities	14,674,110	15,919,322	(8%)
Other Liabilities	781,618	784,145	(0%)
Consolidated Stockholders' Equity	**29,422,396**	**28,684,212**	**3%**
Non-controlling Interest	221	246	(10%)
Stockholders' Equity Attributable to Controlling Interest	29,422,175	28,683,966	3%

Income Statement & Balance Sheet Information

CEMEX Holdings Philippines, Inc.
(Thousands of U.S. Dollars, except per share amounts)

INCOME STATEMENT	January - December 2017	2016 Pro Forma[1]	% var	2016 Actual	Fourth Quarter 2017	2016 Pro Forma[1]	% var	2016 Actual
Net sales	432,388	509,499	(15%)	509,499	103,218	107,096	(4%)	107,096
Cost of sales	(246,139)	(249,348)	1%	(249,348)	(60,367)	(48,866)	(24%)	(48,866)
Gross profit	**186,249**	**260,151**	**(28%)**	**260,151**	**42,851**	**58,230**	**(26%)**	**58,230**
Operating expenses	(146,819)	(144,639)	(2%)	(156,399)	(36,618)	(35,241)	(4%)	(35,241)
Operating earnings before other expenses, net	**39,430**	**115,512**	**(66%)**	**103,752**	**6,233**	**22,989**	**(73%)**	**22,989**
Other income (expenses), net	(4,489)	(668)	(572%)	(6,709)	(5,084)	(706)	(620%)	(208)
Operating earnings	**34,941**	**114,844**	**(70%)**	**97,043**	**1,149**	**22,283**	**(95%)**	**22,781**
Financial expenses, net	(17,770)	(29,460)	40%	(26,617)	(4,509)	(6,877)	34%	(6,877)
Foreign exchange loss, net	(1,325)	(28,948)	95%	(28,948)	1,788	(10,244)	N/A	(10,244)
Net income (loss) before income taxes	**15,846**	**56,436**	**(72%)**	**41,478**	**(1,572)**	**5,162**	**N/A**	**5,660**
Income tax	(2,770)	(17,167)	84%	(11,826)	996	(5,308)	N/A	(5,457)
Consolidated net income (loss)	**13,076**	**39,269**	**(67%)**	**29,652**	**(576)**	**(146)**	**(295%)**	**203**
Non-controlling interest net income (loss)								
Controlling Interest net income (loss)	**13,076**	**39,270**	**(67%)**	**29,653**	**(576)**	**(146)**	**(295%)**	**203**
Operating EBITDA	**64,623**	**141,132**	**(54%)**	**129,372**	**12,417**	**28,745**	**(57%)**	**28,745**
Earnings per share								

[1] Refer to page 7 for information on pro forma adjustments

BALANCE SHEET	as of December 31 2017	2016	% Var
Total Assets	**1,036,485**	**1,026,587**	**1%**
Cash and Temporary Investments	21,195	26,894	(21%)
Trade Accounts Receivables	16,689	18,296	(9%)
Other Receivables	2,023	6,890	(71%)
Inventories	65,256	51,842	26%
Assets held for sale	1,815	0	
Other Current Assets	26,247	28,561	(8%)
Current Assets	133,225	132,483	1%
Fixed Assets	312,092	318,077	(2%)
Other Assets	591,168	576,027	3%
Total Liabilities	**447,212**	**449,672**	**(1%)**
Current Liabilities	137,664	113,722	21%
Long-Term Liabilities	293,894	320,179	(8%)
Other Liabilities	15,654	15,771	(1%)
Consolidated Stockholders' Equity	**589,273**	**576,915**	**2%**
Non-controlling Interest	4	5	(20%)
Stockholders' Equity Attributable to Controlling Interest	589,269	576,910	2%

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 2017 and 2016 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 December 31, 2017 has been converted at the end of period exchange rate of 49.93 Philippine pesos per US dollar while the consolidated income statement for the twelve-month period ended December 31, 2017 has been converted at the January to December, 2017 average exchange rate of 50.38 Philippine pesos per US dollar. On the other hand, the consolidated income statement for the three-month period ended December 31, 2017 has been converted at the October to December, 2017 average exchange rate of 50.60 Philippine pesos per US dollar.

Pro forma financial information included in the report

For the purpose of the below clarification, the term "Company" refers to CEMEX Holdings Philippines, Inc., "CHP" refers to the Company and its subsidiaries, and "CEMEX" refers CEMEX, S.A.B. de C.V. and its subsidiaries excluding CHP.

CEMEX Holdings Philippines, Inc. was incorporated on September 17, 2015 for purposes of the initial equity offering concluded on July 18, 2016 (the "IPO"). For accounting purposes, the group reorganization by means of which the Company acquired its consolidated subsidiaries was effective January 1, 2016. Several strategies discussed in the CHP primary offer prospectus ("the Prospectus") were implemented upon conclusion of the initial equity offering: a) the royalty scheme was implemented in July 2016 with retroactive effects as of January 1, 2016, and b) the reinsurance scheme was incorporated prospectively effective August 1, 2016. These strategies are already in full effect in 2017.

Nevertheless and for the convenience of the reader, and in order to present a comprehensive comparative operating information for the twelve-month and the three-month periods ended December 31, 2017, CHP continued to use pro forma selected consolidated income statement information for the twelve-month and the three-month periods ended December 31, 2016, intended in all cases and to the extent possible, to present the operating performance of CHP on a like-to-like basis under a "normalized" expected ongoing operation; therefore, as if the new royalty scheme and insurance agreements would have been effective from the beginning of 2016.

In addition:

(1) beginning fiscal year of 2017, a change in accounting treatment of the effects from the reinsurance agreements is adopted recognizing the same as a reduction in operating expenses instead of an increase of revenue (which was the accounting treatment utilized in 2016).

This change in accounting treatment is presented in this report's pro forma and actual consolidated income statement information for the twelve-month and the three-month periods ended December 31, 2016. This difference in presentation does not have an effect on the reported Pro Forma operating income, reported Pro Forma Operating EBITDA or reported Pro Forma net income for the twelve-month and the three-month periods ended December 31, 2016.

(2) the Pro Forma selected consolidated income statement information for the twelve-month and the three-month periods ended December 31, 2016 appearing in this report was prepared by (a) removing interest payments on short-term debt, and (b) annualizing long-term debt.

Definition of Terms and Disclosures

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.

	January - December		Fourth Quarter		January - December	
	2017 average	2016 average	2017 average	2016 average	2017 End of period	2016 End of period
Philippine peso	50.38	47.67	50.60	49.29	49.93	49.72

Amounts provided in units of local currency per US dollar

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CEMEX HOLDINGS PHILIPPINES REPORTS FOURTH-QUARTER AND FULL-YEAR 2017 RESULTS

- Fourth quarter domestic cement volume grew by 10% year-over-year
- Debottlenecking initiatives to increase throughput by half a million tons to serve growing demand amidst bullish outlook for 2018

MANILA, PHILIPPINES. FEBRUARY 9, 2018 – CEMEX HOLDINGS PHILIPPINES, INC. ("CHP") (PSE: CHP), announced today that domestic cement volume sales for the fourth quarter increased 10% year-on-year, despite challenging weather conditions. For 2017, domestic cement volumes were flat compared to 2016.

Net sales for the fourth quarter reached PHP 5.2 billion, 1% lower year-over-year. Operating EBITDA was at PHP 628 million compared to PHP 1.4 billion in 2016 due to lower prices and higher fuel and distribution expenses.

The Company announced that in December 2017, it obtained the main environmental permit from the Department of Environment and Natural Resources for the 1.5 million ton expansion of its Solid Cement Plant.

In addition, for 2017, the company reported the following highlights:

- Domestic cement sales volume in the second half of 2017 was the all-time highest second half volume for The Company.
- Operations of the Solid Cement Plant kiln was the most efficient in the entire CEMEX system.
- Net sales reached PHP 21.8 billion, from 24.3 billion in 2016 mainly due to its lower cement prices.
- Operating EBITDA was at PHP 3.3 billion, from PHP 6.7 billion in the previous year.
- Free Cash Flow was positive at PHP 1.2 billion after maintenance CAPEX and PHP 747 million after deducting strategic CAPEX.

Ignacio Mijares, President & CEO of CHP, said, "CHP remains positive on the prospects of Philippine construction, with expectations of sustained economic expansion in 2018. We remain focused on executing our capacity expansion plan in Solid Cement Plant. In addition, we are undertaking efforts to debottleneck our operations, achieve higher customer service levels, and reduce costs to drive growth for our business."

CHP 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," each of which has 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.

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This press release contains 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.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **15 March 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. [ ] (SEC Use Only)

   Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office — Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	**5,195,395,454**

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

CEMEX, S.A.B. de C.V. ("CEMEX"), the ultimate parent company of CEMEX Holdings Philippines, Inc. ("CHP"), will be discussing on March 15, 2018 at its "CEMEX Day" event in New York City, NY, USA, different topics, including the CEMEX group's business, financial and operational strategy, which includes information related to CHP's operations contained in the enclosed presentation. The presentations for the CEMEX Day event will be available on CEMEX's website.

The "CEMEX Day" can be accessed live at www.cemex.com<http://www.cemex.com>.

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.	**15 March 2018**
Issuer	Date

Jannette Virata Sevilla

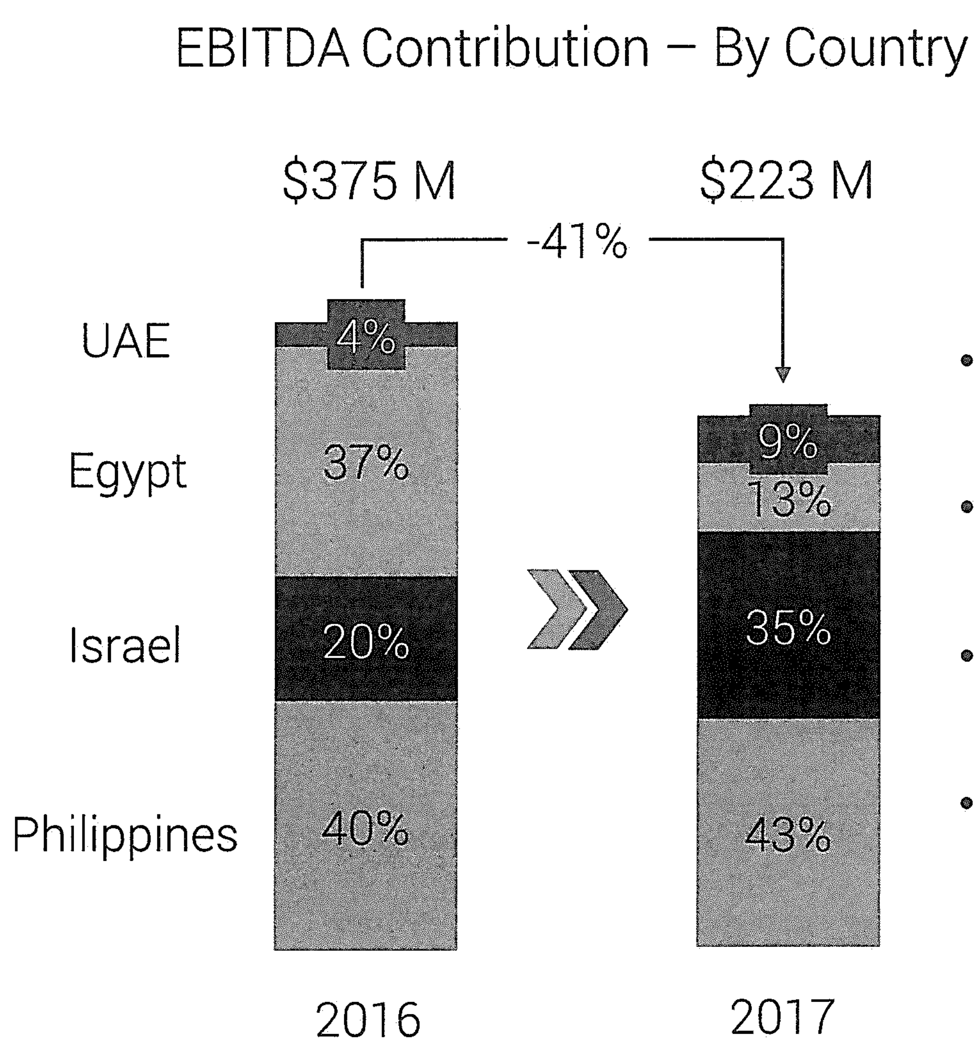
Jannette Virata Sevilla
Compliance Officer


Sapir Tower Office Building Pour, Israel
CEMEX
DAY 2018
Joaquín Estrada
President CEMEX Asia, Middle East & Africa

These presentations contain forward-looking statements within the meaning of the U.S. federal securities laws. CEMEX, S.A.B. de C.V. and its direct and indirect subsidiaries ("CEMEX") intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in the U.S. federal securities laws. 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 CEMEX's current expectations and projections about future events based on CEMEX'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 CEMEX'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 CEMEX or its subsidiaries, include the cyclical activity of the construction sector; CEMEX's exposure to other sectors that impact CEMEX's business, such as but not limited to the energy sector; competition; general political, economic and of anti-trust laws and as such, among business conditions in the markets in which CEMEX operates or that affects our operations; the regulatory environment, including environmental, tax, antitrust and acquisition-related rules and regulations; CEMEX's ability 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; the impact of CEMEX's below investment grade debt rating on CEMEX's cost of capital; CEMEX's ability to consummate asset sales, fully integrate newly acquired businesses, achieve cost-savings from CEMEX's cost-reduction initiatives and implement CEMEX's global pricing initiatives for CEMEX's products; the increasing reliance on information technology infrastructure for CEMEX's invoicing, procurement, financial statements and other processes that can adversely affect our sales and 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 CEMEX's public filings. Readers are urged to read these presentations and carefully consider the risks, uncertainties and other factors that affect CEMEX's business. The information contained in these presentations is subject to change without notice, and CEMEX is not obligated to publicly update or revise forward-looking statements. Readers should review future reports filed by CEMEX, S.A.B. de C.V. with the U.S. Securities and Exchange Commission. CEMEX assumes no obligation to update or correct the information contained in these presentations. CEMEX acts in strict compliance of antitrust laws and as such, among other measures, maintains an independent pricing policy that has been independently developed and its core element is to price CEMEX's products and services based upon their quality and characteristics as well as their value to CEMEX's customers. CEMEX does not accept any communications or agreements of any type with competitors regarding the determination of CEMEX's prices for CEMEX's products and services. Unless the context indicates otherwise, all references to pricing initiatives, price increases or decreases, refer to CEMEX's prices for CEMEX's products.

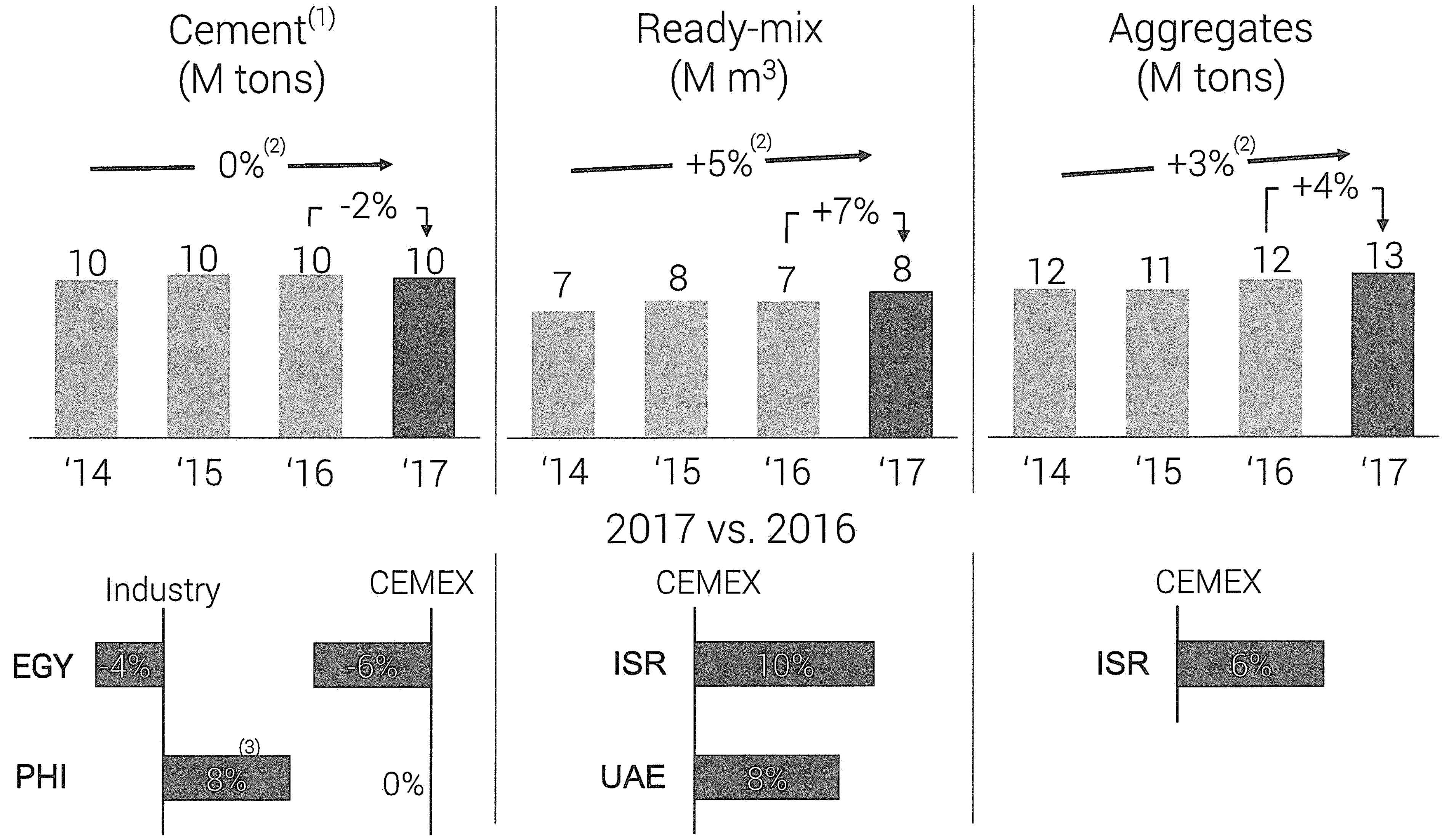
UNLESS OTHERWISE NOTED, ALL FIGURES ARE PRESENTED IN DOLLARS.

2017 was a bumpy year in our main markets



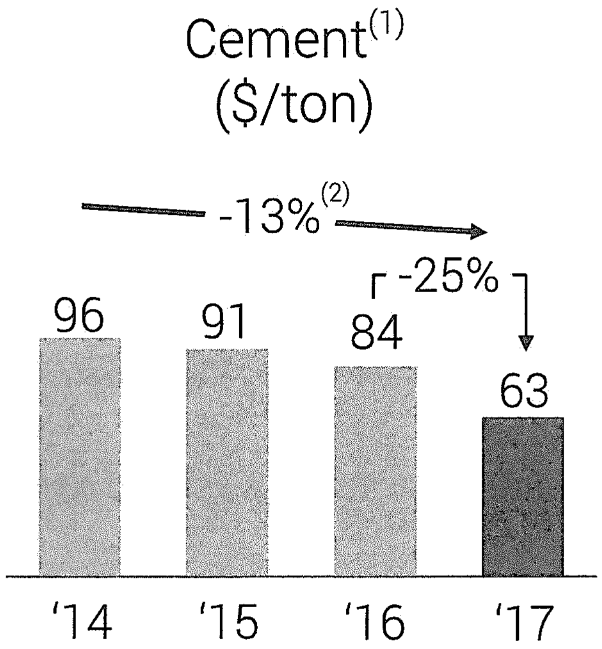
- Pricing pressures in Philippines
- Egypt impacted by EGP devaluation
- Record volumes in Israel
- Growth and high productivity in UAE

Market fundamentals remained healthy…

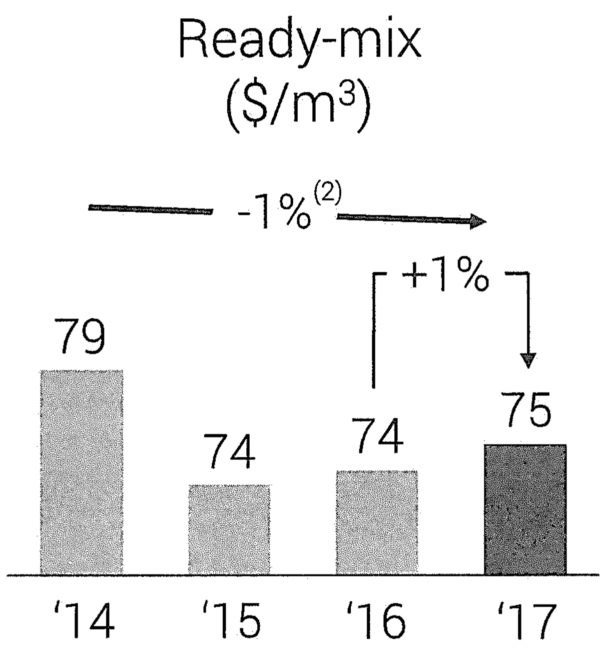


1) Domestic gray cement 2) CAGR from 2014 to 2017 3) CEMEX estimates

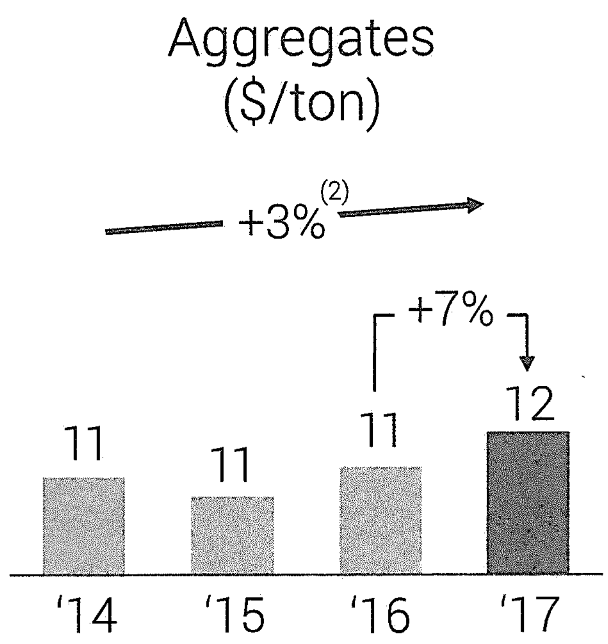
… and cement prices are stabilizing



- Egypt hit by devaluation, but prices up 10% in LC
- Pressure on prices in Philippines



- Fostering value added products and services

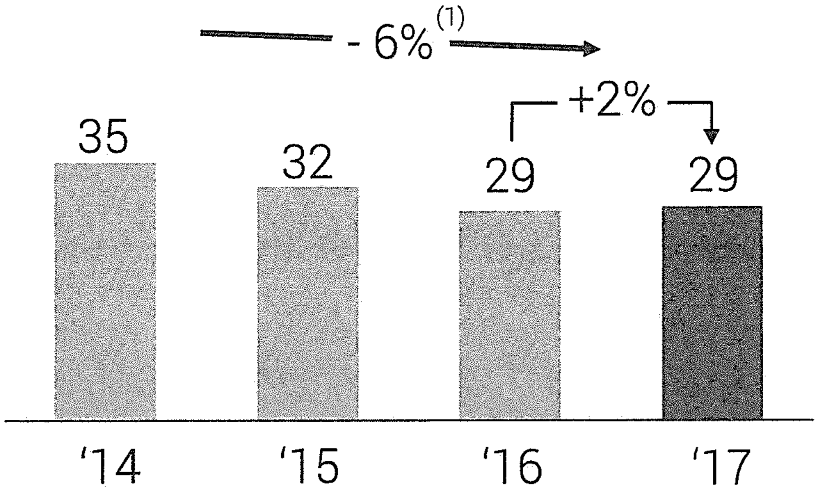


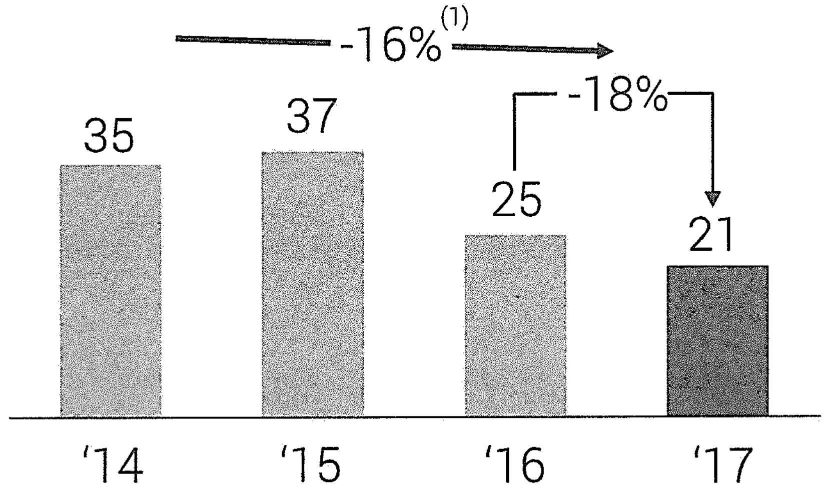
- Robust pricing supported by sustainable demand

1) Domestic gray cement
2) CAGR from 2014 to 2017. Data considers CIF prices

Proactive cost management

Cement Unitary Production Cost





	Philippines '14	'15	'16	'17		Egypt '14	'15	'16	'17
Kiln Efficiency	90%	90%	92%	**94%**		91%	91%	94%	**92%**

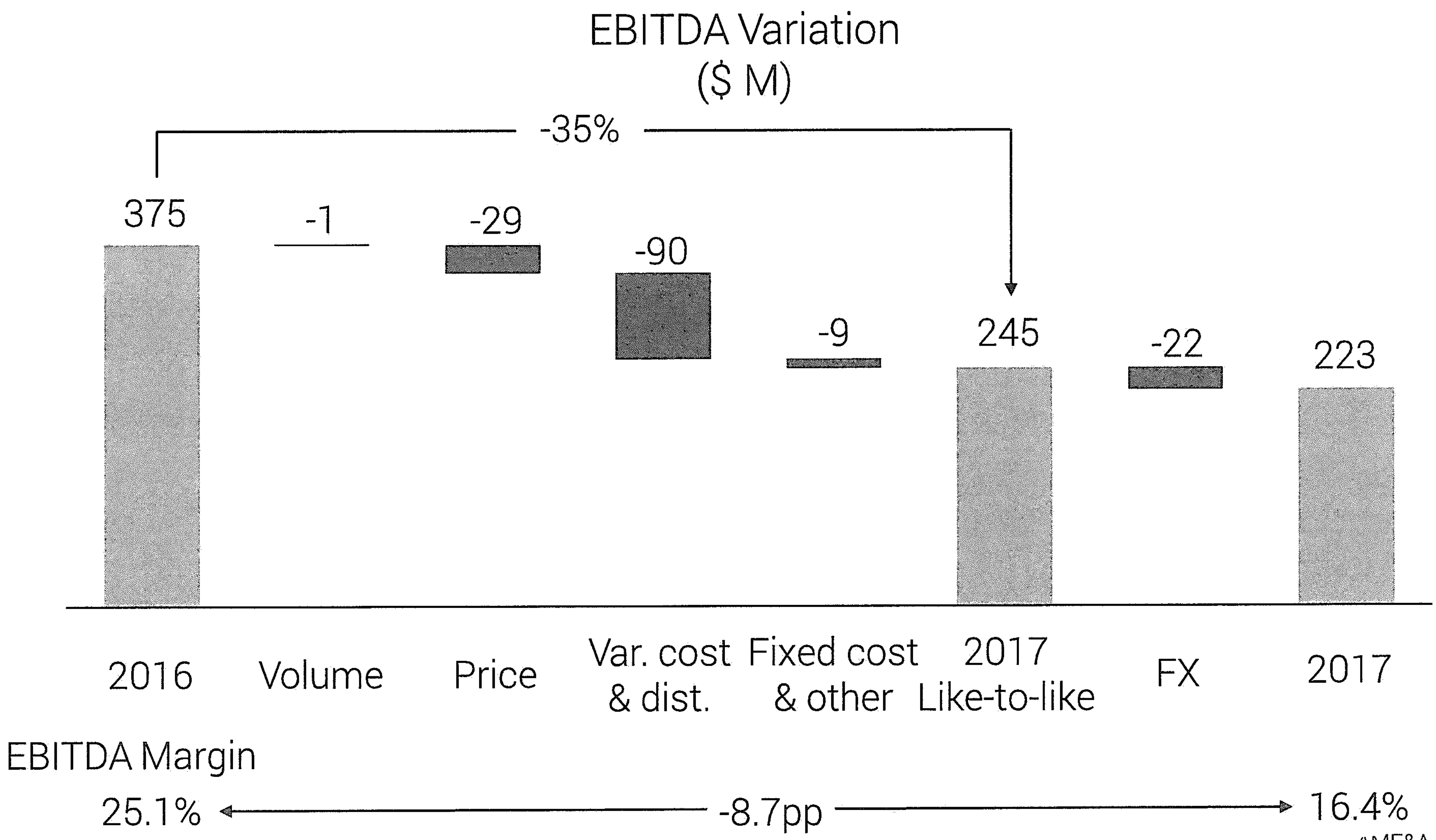
- Highest kiln efficiency in CEMEX
- Timely coal hedging strategy

- Maintaining high kiln efficiency
- Agile and flexible fuel mix

1) CAGR from 2014 to 2017

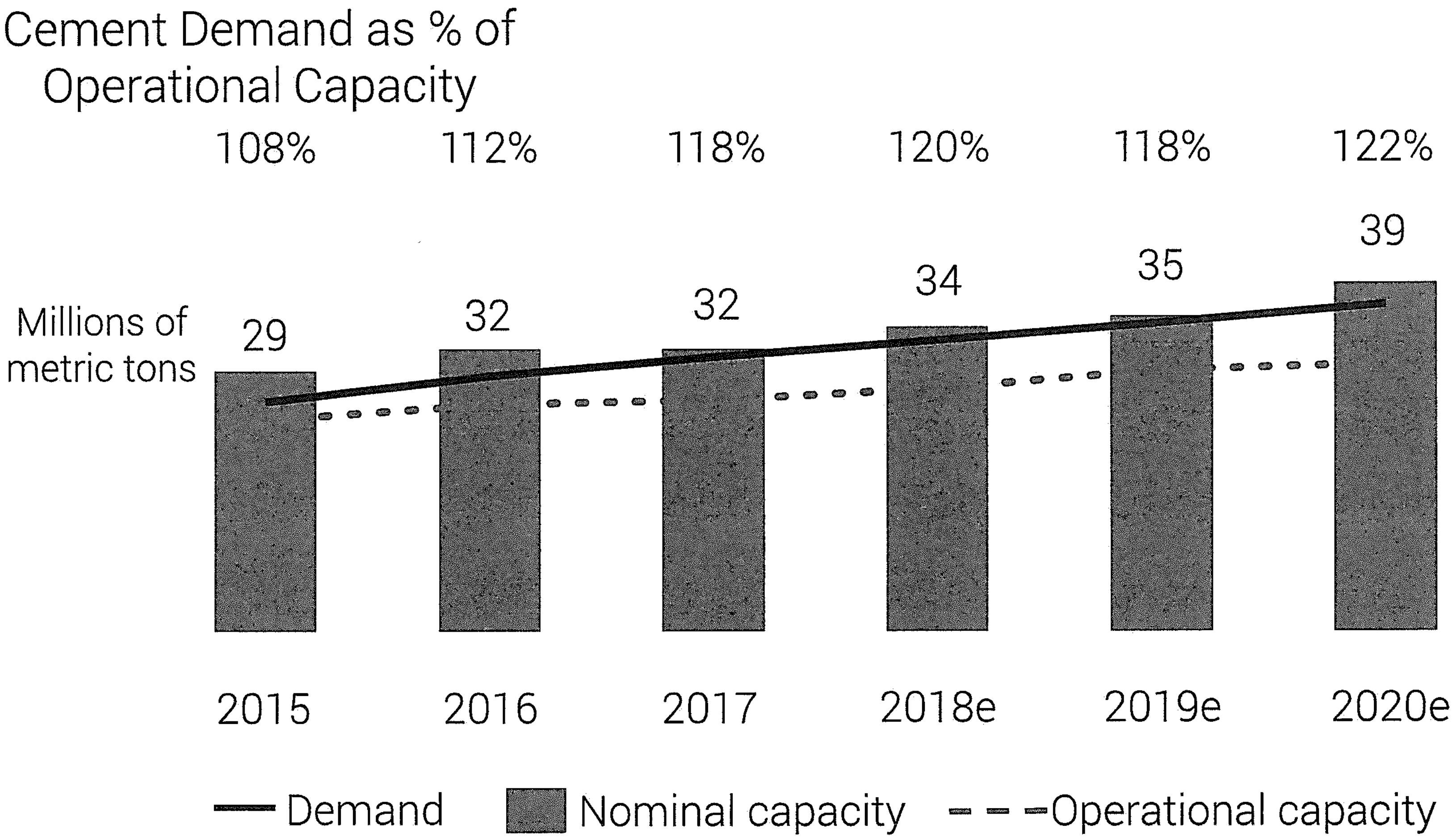
CEMEX DAY 2018

2017 results impacted by Egyptian devaluation and energy costs



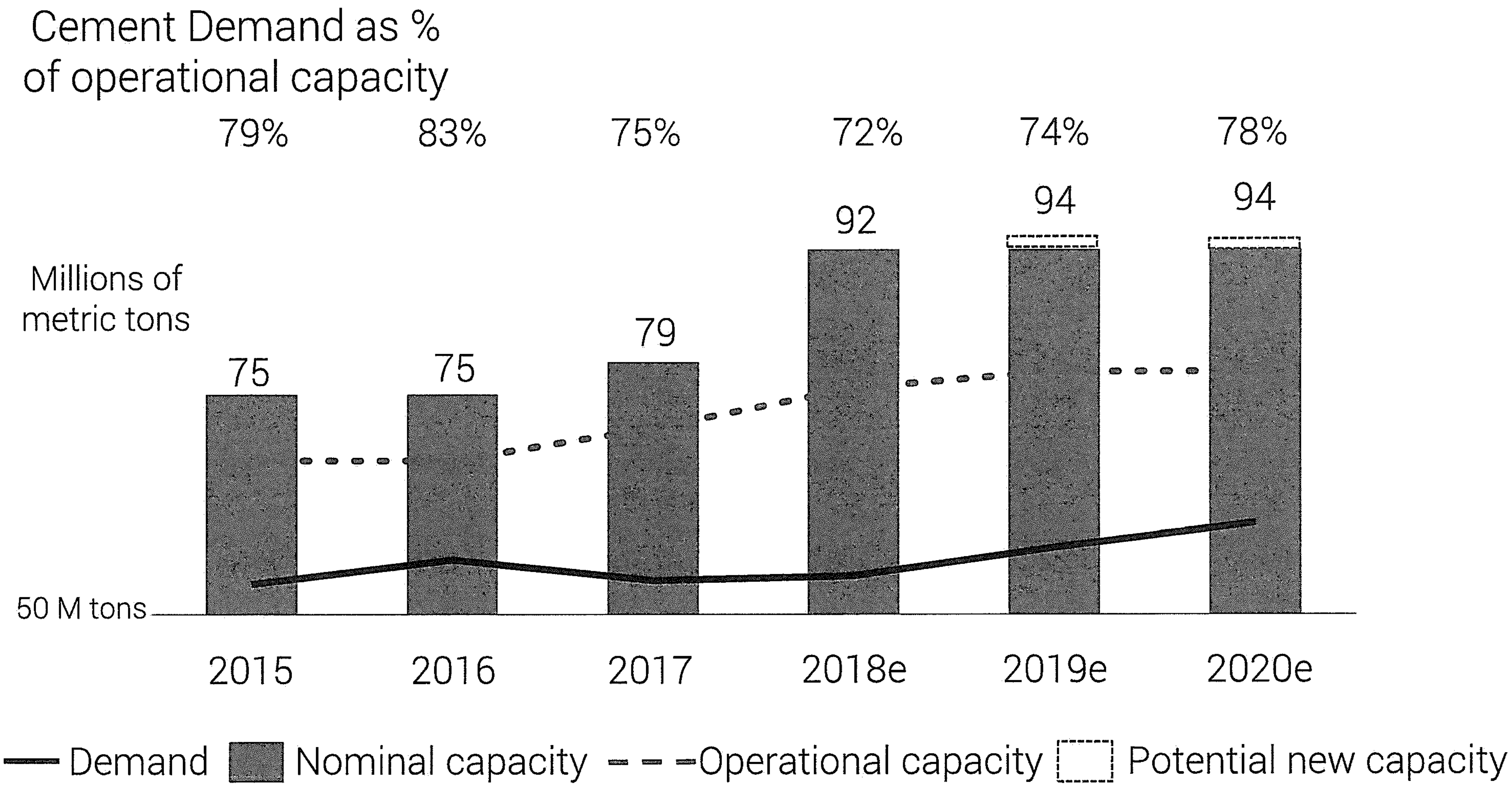
CEMEX DAY 2018

Philippines: Investing in new capacity to take advantage of strong demand growth



Source: CEMEX estimates

Egypt: Resilient demand with challenging supply dynamics



Source: CEMEX estimates

Medium term outlook

Philippines

- Positive cement demand drivers
- Capacity expansion and debottlenecking
- Challenges for margin expansion due to imports

Egypt

- Sustainable tailwinds in the Egyptian economy
- Positive cement demand fundamentals
- Uncertain behavior of new competition

Israel

- Stable economic backdrop
- Improving our footprint

UAE

- Positive macroeconomic outlook
- Excellent productivity with room for improvement

What you should expect from us

- Achieve and sustain Zero for Life
- Offer superior services and value added products, at premium prices
- Launch new digital solutions to expand value creation
- Maintain the highest kiln efficiency
- Debottleneck in Philippines to capture value in advance
- $225 M investment in the Solid cement plant expansion (1Q20)
- Develop our footprint in Israel

CEMEX DAY 2018

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SECURITIES AND EXCHANGE COMMISSION

SECBuilding,EDSA,Greenhills,MandaluyongCity,MetroManila,Philippines
Tel:(632) 726-0931 to 39 Fax:(632) 725-5293 Email: mis@sec.gov.ph

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Company Information

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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Department	CFD
Remarks	

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CS201518815
S.E.C. Registration Number

C E M E X H O L D I N G S P H I L I P P I N E S , I N C .

3 4 t h F l o o r P e t r o n M e g a P l a z a
B u i l d i n g , 3 5 8 S e n . G i l J . P u y a t
A v e n u e , M a k a t i C i t y

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

JANNETTE VIRATA SEVILLA
Contact Person

849-3600
Company Telephone Number

1 2	3 1	SEC Form 17-C	0 6	0 6
Month	*Day*	FORM TYPE	*Month*	*Day*

First Wednesday of June

Fiscal Year

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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **22 March 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. (SEC Use Only)

   Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office — Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

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

During the meeting of the Board of Directors of CEMEX Holding Philippines, Inc. ("CHP") held on March 22, 2018, the Board of Directors approved or confirmed, as the case may be,the following:

1. The Annual Meeting of Stockholders ("AMS") shall be held on June 6, 2018 (Wednesday) at I'M HOTEL located at 7862 Makati Avenue, Makati City, Metro Manila, Philippines. The AMS will start at 9:00am and registration for attendees will open at 8:00am.

2. The record date for determination of the stockholders entitled to notice of and to vote at the said AMS shall be April 11, 2018.

3. The deadline for the submission by stockholders of proxies or instruments authorizing their respective attorneys-in-fact to attend and vote during the AMS shall be on May 28, 2018 at 5:00pm. Said proxies or instruments must be submitted to the Corporate Secretary at the principal office of CHP.

4. Written nominations for directors to CHP's Board of Directors for election during the AMS must be submitted to the Corporate Secretary at the principal office of CHP no later than 5:00pm on April 19, 2018.

The Board of Directors also passed and approved the resolutions pertaining to the following matters which shall be included among the items on the agenda for the AMS for the approval of shareholders:

(a) authorizing the amendment of the SIXTH Article of the Amended Articles of Incorporation of CHP to increase the number of directors from seven (7) to eight (8);
(b) approving the audited Consolidated Financial Statements of CHP and its subsidiaries and the Separate Financial Statements of CHP, as at and for the year ended December 31, 2017 and December 31, 2016 (and CHP's SEC Form 17-A (the Annual Report) which shall be filed with the Securities and Exchange Commission, the Bureau of Internal Revenue and the Philippine Stock Exchange;
(c) approving the nomination of R.G. Manabat & Co. as the external auditor of CHP and its subsidiaries for the year 2018.

The final agenda for the AMS will be confirmed in due course.

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.	**22 March 2018**
Issuer	Date

Jannette Virata Sevilla
Corporate Secretary

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

Securities and Exchange Commission
Electronic Records Management Division
APR 23 2018
BY:
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1. **20 April 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

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Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	**5,195,395,454**

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

CEMEX Holding Philippines, Inc. ("CHP") will be presenting its 1st Quarter 2018 results on Friday, April 27, 2018 at 10:00AM GMT+08, by way of hosting a conference call and webcast presentation to discuss these results. The live presentation can be accessed at www.cemexholdingsphilippines.com, or interested parties may access the audio-only conference call by connecting to a dial-in number.

The attached Press Release dated 23 April 2018 contains further details.

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.	**20 April 2018**
Issuer	Date

Jannette Virata Sevilla
Compliance Officer

Media Relations
Chito Maniago
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CEMEX | HOLDINGS PHILIPPINES

CEMEX HOLDINGS PHILIPPINES TO PRESENT FIRST QUARTER 2018 RESULTS ON APRIL 27, 2018

MANILA, PHILIPPINES, APRIL 23, 2018 – CEMEX Holdings Philippines, Inc. ("CHP") (PSE: CHP) announced that it will present its First Quarter 2018 results on Friday, April 27, 2018.

CHP will host a conference call and webcast presentation on this same date at 10:00 AM GMT+08 to discuss these results. The live presentation can be accessed at www.cemexholdingsphilippines.com, or interested parties may access the audio-only conference call through the following details:

Dial-in Numbers:
Philippines 180016510607
International +65 67135090

Passcode: 4696788

The briefing materials for the presentation will be posted prior to the scheduled conference call on www.cemexholdingsphilippines.com, after the same have been posted on edge.pse.com.ph. CHP reserves the right to revise the time or postpone the conference call in the event that circumstances necessitate the change.

###

The information to be disclosed in the event referenced in this press release contains 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. 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.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **25 April 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

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Common Shares	**5,195,395,454**

11. Indicate the item numbers reported herein: **Item 4 -**

During the meeting of the Board of Directors of CEMEX Holding Philippines ("CHP") held on 25 April 2018, the Board of Directors acknowledged the retirement of Mr. Hugo Enrique Losada Barriola from the CEMEX organization, and in this regard, approved the following organizational changes at CHP:

> **(a) acceptance of the resignation of Mr. Losada as a member of the Board of Directors, member of the Audit Committee and Vice President for Strategic Planning and Administration with immediate effect;**
>
> **(b) election of Mr. Alejandro Garcia Cogollos as new member of the Board of Directors (and member of the Audit Committee) for the unexpired term of Mr. Losada's directorship; and**
>
> **(c) election of Mr. Alejandro Garcia Cogollos as Vice President for Planning and Administration**

The election of Mr. Garcia as Vice President for Planning and Administration shall become *effective* upon securing the corresponding work permit and visa for said position from the Department of Labor and Employment and the Bureau of Immigration, respectively.

The Board of Directors of CHP also approved the appointment of Mr. John Benette Bacani Mamañgun as Investor Relations Director of the Corporation, effective retroactively from April 2, 2018.

As of the date of this report, each of Mr. Garcia and Mr. Mamangun does not hold beneficial ownership over any shares of CHP.

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	**25 April 2018** Date

Jannette Virata Sevilla
Compliance Officer

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
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Securities and Exchange Commission
APR 27 2018
32

1. **27 April 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

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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 April 2018 to discuss the 1st Quarter 2018 results of CHP. These materials were posted prior to the conference call/webcast on edge.pse.com.ph and CHP's website, www.cemexholdingsphilippines.com.

CHP also issued its Press Release dated 27 April 2018 announcing its financial and operating highlights for the 1st 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.	**27 April 2018**
Issuer	Date

Jannette Virata Sevilla
Compliance Officer

CEMEX | HOLDINGS PHILIPPINES

1Q 2018 RESULTS

April 27, 2018

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First Quarter 2018 Achievements

CEMEX HOLDINGS PHILIPPINES

- ✓ All-time highest **quarterly sales volume**
- ✓ All-time highest **monthly sales volume** in March
- ✓ Record **cement production for Solid Plant and APO Plant** in March
- ✓ Record **bagging output for Solid Plant** in March
- ✓ Record **dispatch for Solid Plant** in March
- ✓ Initial progress from debottlenecking efforts as **loading rates at port operations have significantly improved**

Domestic Cement Volumes and Prices

		3M18 vs. 3M17	1Q18 vs. 1Q17	1Q18 vs. 4Q17
Domestic Cement	Volume	16%	16%	11%
	Price (USD)	(8%)	(8%)	0%
	Price (PHP)	(5%)	(5%)	2%

Net Sales[1]

Domestic cement volumes increased 16% year-over-year during the first quarter.

- Supported by 19% increase in domestic cement production
- Higher dispatched volumes due to our debottlenecking efforts
- Growth across all sectors, led by improved infrastructure activity from higher government spending
- Favorable weather conditions
- Low base of comparison versus the same period last year

Domestic cement prices increased 2% sequentially.

- March 2018 prices 5% higher than December 2017 due to nationwide price increase implemented during the quarter.

5% year-over-year decline in the first quarter reflecting heightened competitive dynamics.

Net sales during the first quarter grew 10% year-over-year.

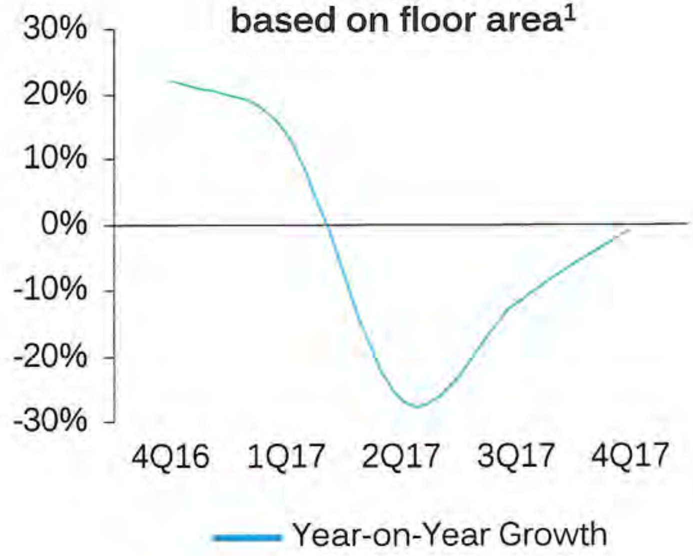
[1] Millions of Philippine Pesos

Residential Sector

The residential sector appears to have **picked up** in the first quarter of 2018.

The sector's growth will be supported by **remittances from overseas** Filipino workers, demand from the growing middle class and foreign markets, and the government's emphasis on low-income/socialized housing.

Approved Residential Building Permits based on floor area[1]



[1]Source: Philippine Statistics Authority

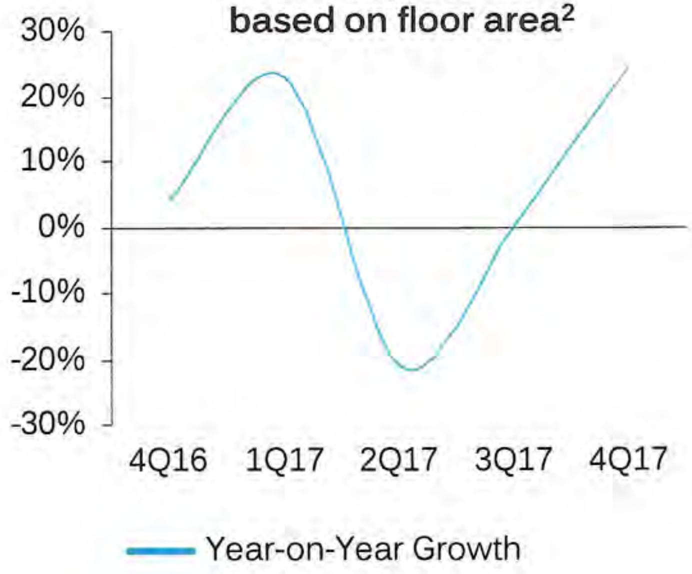
Industrial-and-Commercial Sector

Industrial and commercial activity **grew** in the first quarter compared to the same period last year.

Take-up from the business process outsourcing sector recovered in the first quarter, and supplemented demand from the offshore gaming and traditional companies.[1]

In 2018, steady expansion in manufacturing, consumer spending, and tourism sectors will support the segment's growth.

Approved Non-Residential Building Permits based on floor area[2]



[1]Source: Pronove Tai
[2]Source: Philippine Statistics Authority

Infrastructure Sector

CEMEX HOLDINGS PHILIPPINES

2017 National Government Disbursement on Infrastructure and Capital Outlay Year-on-Year Growth[1]

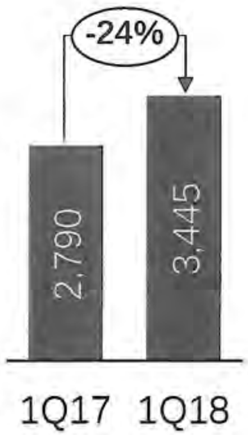
Infrastructure construction **surged in the first quarter** as the government accelerated the approval and implementation of its projects.

For 2018, infrastructure sector expected to be a main driver of construction demand. According to the National Economic and Development Authority, several flagship projects that have secured funding are expected to start construction this year.

[1] Source: Department of Budget and Management; (DBM)

Cost of Sales

Millions of Philippine Pesos



Percentage of Net Sales

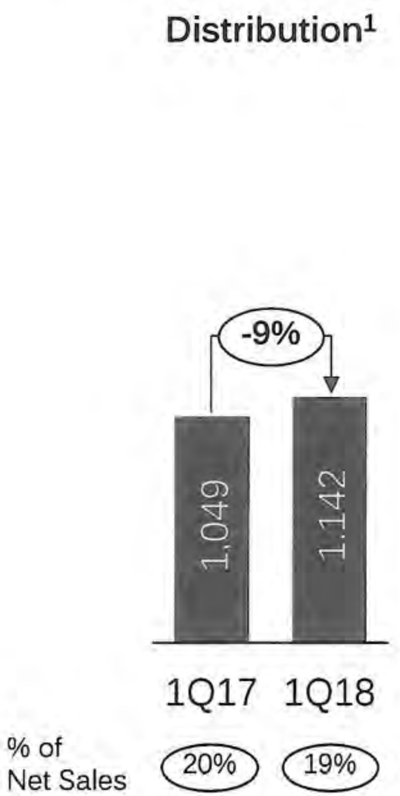
Cost of sales, as a percentage to sales, increased 6 pp year-over-year during the first quarter.

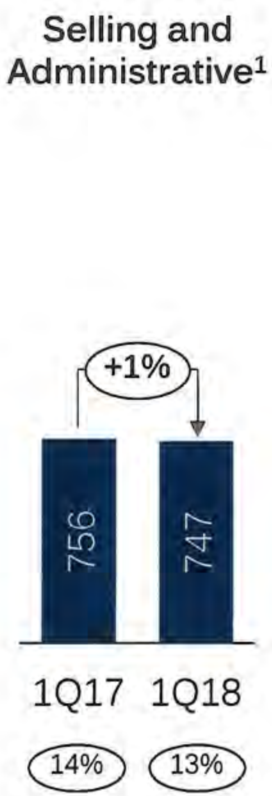
Fuel costs accounted for 26% of cost of sales vs. 19% same period last year. Increase mainly driven by timing differences in usage of our coal inventory, and higher excise taxes on coal and liquid fuels.

For the rest of the year, we expect the impact of fuel costs to lessen as our coal costs, having been fully contracted for 2018, converge closer to 2017 levels.

Power costs accounted for 22% of cost of sales vs. 21% same period last year. Higher grid rates in both plants resulted to this increase.

Operating Expenses





Distribution expenses increased by 9% year-over-year.

On a unitary basis, distribution expenses decreased by 6% year-over-year and by 4% sequentially. Improved efficiency was driven by higher dispatched volumes and improved utilization of logistics assets.

Selling and administrative expenses remained stable year-over-year and were 4% lower sequentially.

As a percentage of sales, declined by 1 pp year-over-year and 2 pp sequentially.

[1] Millions of Philippine Pesos

Operating EBITDA and Operating EBITDA Margin

Operating EBITDA[1]

First quarter Operating EBITDA and Operating EBITDA margin **highest in the last four quarters** (or since the second quarter of 2017).

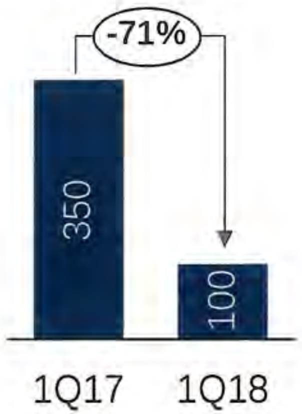
Operating EBITDA declined by 17% year-over-year.

Operating EBITDA margin declined by 5 pp year-over-year. Lower cement prices continued to put pressure on margins during the first quarter together with higher energy costs.

[1] Millions of Philippine Pesos

Net Income

Net Income[1]

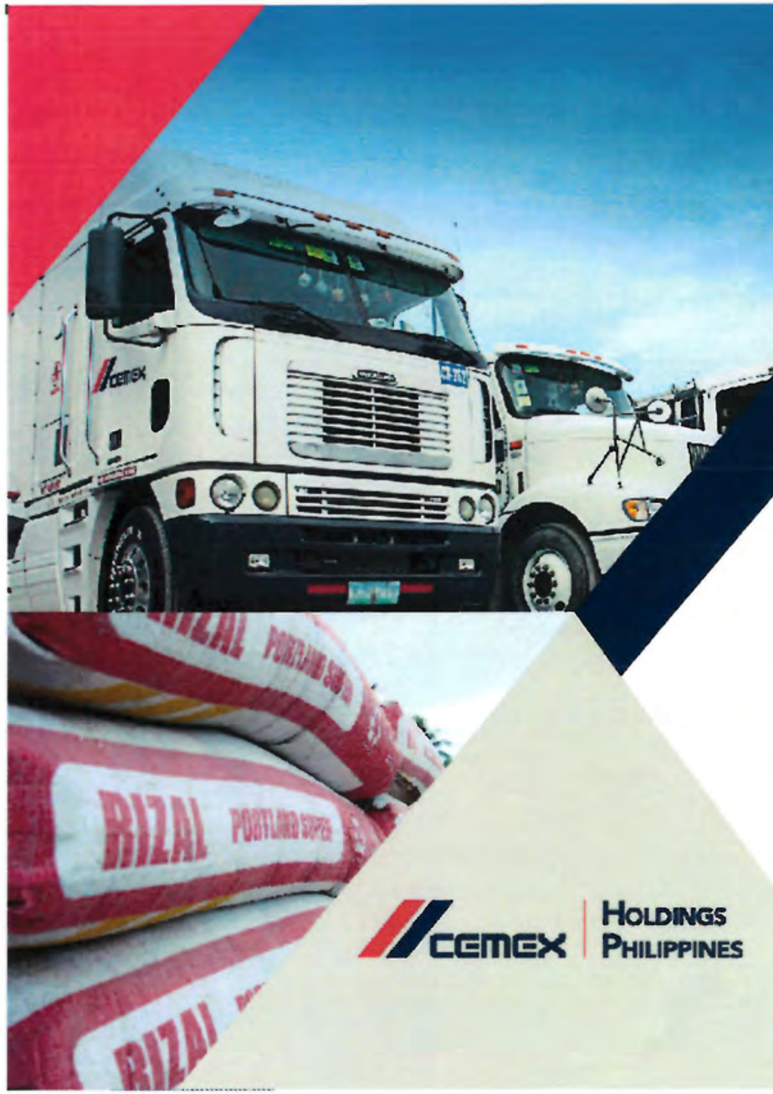


Like-to-like Net Income[2]

Net income during the first quarter decreased by 71% mainly due to lower operating earnings before other expenses and higher unrealized foreign exchange losses. These foreign exchange losses were mainly a result of intragroup borrowings between CHP and subsidiaries.

On a like-to-like basis, excluding foreign exchange impact, net income decreased by 20%.

[1] In Millions of Philippine Pesos, excluding foreign exchange gains or losses
[2] In Millions of Philippine Pesos



1Q 2018

FREE CASH FLOW & GUIDANCE

CEMEX | HOLDINGS PHILIPPINES

Free Cash Flow

CEMEX Holdings Philippines

	January - March			First Quarter		
	2018	2017	% var	2018	2017	% var
Operating EBITDA	**886**	**1,071**	**(17%)**	**886**	**1,071**	**(17%)**
- Net Financial Expenses	208	258		208	258	
- Maintenance Capex	80	49		80	49	
- Change in Working Capital	(223)	920		(223)	920	
- Taxes Paid	104	102		104	102	
- Other Cash Items (net)	(2)	(19)		(2)	(19)	
Free Cash Flow after Maintenance Capex	**721**	**(239)**	**N/A**	**721**	**(239)**	**N/A**
- Strategic Capex	114	74		114	74	
Free Cash Flow	**606**	**(313)**	**N/A**	**606**	**(313)**	**N/A**

Millions of Philippine Pesos

Free cash flow during the quarter reached PHP 721 million after maintenance CAPEX and PHP 606 million after strategic CAPEX.

Year-over-year improvement, from negative to positive, mainly the result of lower inventories and continued efforts to improve working capital position.

EBITDA to free cash flow conversion for the quarter was at 68%.

Solid Plant Capacity Expansion

CEMEX | HOLDINGS PHILIPPINES

Expected total investment: **US$ 225 million**

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

2018 Guidance

CEMEX HOLDINGS PHILIPPINES

Cement volumes	8-12%	
Capital expenditures	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**
Working capital	Reduction of approximately PHP 1,500 -2,000 million	

CEMEX HOLDINGS PHILIPPINES

Q&A SESSION

1Q 2018 RESULTS

CEMEX Holdings Philippines

1Q 2018

APPENDIX

Debt Information

Total Debt: PHP 15,327
Avg. life of debt: 4.5 years
Net Debt to EBITDA[3]: 4.4x

[1] Millions of Philippine Pesos
[2] Pertains to loans with CEMEX Asia B.V.
[3] Last 12 months Consolidated EBITDA

Definitions

3M18 / 3M17	Results for the first three months of the years 2018 and 2017, respectively
PHP	Philippine Pesos
Pp	Percentage points
Prices	All references to pricing initiatives, price increases or decreases, refer to our prices for our products.
Operating EBITDA	Operating earnings before other expenses, net, plus depreciation and operating amortization.
Free Cash Flow	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	Total debt minus cash and cash equivalents.

Contact Information

CEMEX | HOLDINGS PHILIPPINES

Investor Relations

In the **Philippines**
+632 849 3600

chp.ir@cemex.com

Stock Information

PSE:
CHP

2018
FIRST QUARTER RESULTS

- **Stock Listing Information**
  Philippine Stock Exchange
  Ticker: CHP

- **Investor Relations**
  + 632 849 3600
  E-Mail:
  chp.ir@cemex.com

Operating and Financial Highlights

	January - March			First Quarter		
	2018	2017	% var	2018	2017	% var
Net sales	5,891	5,362	10%	5,891	5,362	10%
Gross profit	2,446	2,573	(5%)	2,446	2,573	(5%)
as % of net sales	42%	48%	(6pp)	42%	48%	(6pp)
Operating earnings before other expenses, net	557	768	(28%)	557	768	(28%)
as % of net sales	9%	14%	(5pp)	9%	14%	(5pp)
Controlling Interest Net Income (Loss)	100	350	(71%)	100	350	(71%)
Operating EBITDA	886	1,071	(17%)	886	1,071	(17%)
as % of net sales	15%	20%	(5pp)	15%	20%	(5pp)
Free cash flow after maintenance capital expenditures	721	(239)	N/A	721	(239)	N/A
Free cash flow	606	(313)	N/A	606	(313)	N/A
Net debt[1]	13,476	14,865	(9%)	13,476	14,865	(9%)
Total debt[1]	15,327	15,647	(2%)	15,327	15,647	(2%)
Earnings per share[2]	0.02	0.07	(71%)	0.02	0.07	(71%)

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

[1] 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.

[2] In Philippine Pesos

Net sales grew by 10% year-over-year during the first quarter as a result of higher volumes, mitigated by lower prices.

Cost of sales went up by 24%. As a percentage of sales, this resulted to an increase of 6 pp year-over-year during the first quarter.

Fuel costs accounted for 26% of cost of sales, up from 19% during the same period last year. This increase was mainly driven by timing differences in the usage of our coal inventory, and higher excise taxes on coal and liquid fuels.

For the rest of the year, we expect the impact of fuel costs to lessen as our coal costs, having been fully contracted for 2018, start to converge closer to 2017 levels.

Power costs accounted for 22% 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 5%. As a percentage of sales, this resulted to an increase of 2 pp year-over-year during the first quarter.

Distribution expenses were 9% higher year-over-year and 6% higher sequentially due to higher sales volume. However, on a unitary basis, distribution expenses declined by 6% year-over-year and by 4% sequentially. This improved efficiency was driven by higher dispatched volumes and improved utilization of logistics assets.

Selling and administrative expenses during the first quarter remained stable year-over-year and were 4% lower sequentially. As a percentage of sales, selling and administrative expenses declined by 1 pp year-over-year and by 2 pp sequentially.

Operating EBITDA during the first quarter was the highest in the last four quarters or since the second quarter of 2017. On a year-over-year basis, operating EBITDA decreased by 17%.

Operating EBITDA margin during the first quarter was also the highest in the last four quarters or since the second quarter of 2017. Operating EBITDA margin decreased by 5 pp compared to the same period last year. Lower cement prices year-over-year continued to put pressure on margins together with higher energy costs.

Controlling interest net income declined 71% during the first quarter mainly due to lower operating earnings before other expenses and higher unrealized foreign exchange losses. These foreign exchange losses were mainly a result of intragroup borrowings between CHP and subsidiaries.

Total debt at the end of March 2017 stood at PHP 15,327 million, of which PHP 13,872 million pertained to long-term debt owed to BDO Unibank, Inc.

Domestic Gray Cement	January - March 2018 vs. 2017	First Quarter 2018 vs. 2017	First Quarter 2018 vs. Fourth Quarter 2017
Volume	16%	16%	11%
Price in USD	(8%)	(8%)	0%
Price in PHP	(5%)	(5%)	2%

Our domestic cement volumes increased by 16% year-over-year during the first quarter, supported by a 19% increase in our domestic cement production, as well as higher dispatched volumes due to our debottlenecking efforts.

Growth across all sectors, led by improved infrastructure activity from higher government spending, favorable weather conditions, and a low base of comparison versus the same period last year were the main drivers for our performance.

Our domestic cement prices in local-currency terms increased by 2% sequentially. Prices as of the end of March were 5% higher than those in December, resulting from a nationwide price increase implemented during the quarter.

On a year-over-year basis, our first quarter prices are still lower by 5% reflecting the heightened competitive dynamics in the industry.

Operating EBITDA and Free Cash Flow

	January - March			First Quarter		
	2018	2017	% var	2018	2017	% var
Operating earnings before other expenses, net	**557**	**768**	**(28%)**	**557**	**768**	**(28%)**
+ Depreciation and operating amortization	330	303		330	303	
Operating EBITDA	**886**	**1,071**	**(17%)**	**886**	**1,071**	**(17%)**
- Net financial expenses	208	258		208	258	
- Maintenance capital expenditures	80	49		80	49	
- Change in working capital	(223)	920		(223)	920	
- Taxes paid	104	102		104	102	
- Other cash items (net)	(2)	(19)		(2)	(19)	
Free cash flow after maintenance capital expenditures	**721**	**(239)**	**N/A**	**721**	**(239)**	**N/A**
- Strategic capital expenditures	114	74		114	74	
Free cash flow	**606**	**(313)**	**N/A**	**606**	**(313)**	**N/A**

In millions of Philippine Pesos

Debt Information

	First Quarter			Fourth Quarter
	2018[1]	2017[1]	% var	2017[1]
Total debt	**15,327**	**15,647**	**(2%)**	**15,196**
Short term	3%	0%		2%
Long term	97%	100%		98%
Cash and cash equivalents	1,851	782	137%	1,058
Net debt	**13,476**	**14,865**	**(9%)**	**14,138**

	First Quarter	
	2018	2017
Currency denomination		
U.S. dollar[2]	2%	10%
Philippine peso	98%	90%
Interest rate		
Fixed	43%	36%
Variable	57%	64%

In millions of Philippine Pesos, except percentages

[1] U.S. dollar debt converted using end-of-period exchange rate. See Exchange Rates on page 7 for more detail.

[2] 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)

	January - March			First Quarter		
INCOME STATEMENT	2018	2017	% var	2018	2017	% var
Net sales	5,891,259	5,362,377	10%	5,891,259	5,362,377	10%
Cost of sales	(3,445,425)	(2,789,516)	(24%)	(3,445,425)	(2,789,516)	(24%)
Gross profit	**2,445,834**	**2,572,861**	**(5%)**	**2,445,834**	**2,572,861**	**(5%)**
Operating expenses	(1,889,136)	(1,804,749)	(5%)	(1,889,136)	(1,804,749)	(5%)
Operating earnings before other expenses, net	**556,698**	**768,112**	**(28%)**	**556,698**	**768,112**	**(28%)**
Other income (expenses), net	2,276	19,166	(88%)	2,276	19,166	(88%)
Operating earnings	**558,974**	**787,278**	**(29%)**	**558,974**	**787,278**	**(29%)**
Financial expenses, net	(207,744)	(258,479)	20%	(207,744)	(258,479)	20%
Foreign exchange loss, net	(247,784)	(88,045)	(181%)	(247,784)	(88,045)	(181%)
Net income (loss) before income taxes	**103,446**	**440,754**	**(77%)**	**103,446**	**440,754**	**(77%)**
Income tax	(3,164)	(91,217)	97%	(3,164)	(91,217)	97%
Consolidated net income (loss)	**100,282**	**349,537**	**(71%)**	**100,282**	**349,537**	**(71%)**
Non-controlling interest net income (loss)	10	9	11%	10	9	11%
Controlling Interest net income (loss)	**100,292**	**349,546**	**(71%)**	**100,292**	**349,546**	**(71%)**
Operating EBITDA	**886,450**	**1,070,695**	**(17%)**	**886,450**	**1,070,695**	**(17%)**
Earnings per share	**0.02**	**0.07**	**(71%)**	**0.02**	**0.07**	**(71%)**

	as of March 31		
BALANCE SHEET	2018	2017	% Var
Total Assets	**52,758,973**	**50,795,952**	**4%**
Cash and Temporary Investments	1,850,878	782,084	137%
Trade Accounts Receivables	986,253	1,002,487	(2%)
Other Receivables	357,001	201,490	77%
Inventories	2,692,510	2,729,999	(1%)
Assets held for sale	111,348	0	
Other Current Assets	1,606,962	1,750,714	(8%)
Current Assets	7,604,952	6,466,774	18%
Fixed Assets	15,464,533	15,623,365	(1%)
Other Assets	29,689,488	28,705,813	3%
Total Liabilities	**23,030,036**	**21,747,872**	**6%**
Current Liabilities	7,439,025	5,293,500	41%
Long-Term Liabilities	14,681,204	15,647,027	(6%)
Other Liabilities	909,807	807,345	13%
Consolidated Stockholders' Equity	**29,728,937**	**29,048,080**	**2%**
Non-controlling Interest	211	238	(11%)
Stockholders' Equity Attributable to Controlling Interest	29,728,726	29,047,842	2%

Income Statement & Balance Sheet Information

CEMEX Holdings Philippines, Inc.
(Thousands of U.S. Dollars, except per share amounts)

	January - March			First Quarter		
INCOME STATEMENT	2018	2017	% var	2018	2017	% var
Net sales	113,618	107,148	6%	113,618	107,148	6%
Cost of sales	(66,448)	(55,738)	(19%)	(66,448)	(55,738)	(19%)
Gross profit	**47,170**	**51,410**	**(8%)**	**47,170**	**51,410**	**(8%)**
Operating expenses	(36,433)	(36,061)	(1%)	(36,433)	(36,061)	(1%)
Operating earnings before other expenses, net	**10,737**	**15,349**	**(30%)**	**10,737**	**15,349**	**(30%)**
Other income (expenses), net	44	383	(89%)	44	383	(89%)
Operating earnings	**10,781**	**15,732**	**(31%)**	**10,781**	**15,732**	**(31%)**
Financial expenses, net	(4,007)	(5,165)	22%	(4,007)	(5,165)	22%
Foreign exchange loss, net	(4,779)	(1,759)	(172%)	(4,779)	(1,759)	(172%)
Net income (loss) before income taxes	**1,995**	**8,808**	**(77%)**	**1,995**	**8,808**	**(77%)**
Income tax	(61)	(1,823)	97%	(61)	(1,823)	97%
Consolidated net income (loss)	**1,934**	**6,985**	**(72%)**	**1,934**	**6,985**	**(72%)**
Non-controlling interest net income (loss)	0	0		0	0	
Controlling Interest net income (loss)	**1,934**	**6,985**	**(72%)**	**1,934**	**6,985**	**(72%)**
Operating EBITDA	**17,096**	**21,394**	**(20%)**	**17,096**	**21,394**	**(20%)**

	as of March 31		
BALANCE SHEET	2018	2017	% Var
Total Assets	**1,011,484**	**1,012,678**	**(0%)**
Cash and Temporary Investments	35,485	15,592	128%
Trade Accounts Receivables	18,908	19,986	(5%)
Other Receivables	6,844	4,017	70%
Inventories	51,620	54,426	(5%)
Assets held for sale	2,135	0	
Other Current Assets	30,808	34,903	(12%)
Current Assets	145,800	128,924	13%
Fixed Assets	296,483	311,471	(5%)
Other Assets	569,201	572,283	(1%)
Total Liabilities	**441,527**	**433,570**	**2%**
Current Liabilities	142,619	105,532	35%
Long-Term Liabilities	281,465	311,942	(10%)
Other Liabilities	17,443	16,096	8%
Consolidated Stockholders' Equity	**569,957**	**579,108**	**(2%)**
Non-controlling Interest	4	5	(20%)
Stockholders' Equity Attributable to Controlling Interest	569,953	579,103	(2%)

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 March 31, 2018 has been converted at the end of period exchange rate of 52.16 Philippine pesos per US dollar while the consolidated income statement for the three-month period ended March 31, 2018 has been converted at the January to March, 2018 average exchange rate of 51.85 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 - March		First Quarter		January - March	
	2018 average	2017 average	2018 average	2017 average	2018 End of period	2017 End of period
Philippine peso	51.85	50.05	51.85	50.05	52.16	50.16

Amounts provided in units of local currency per US dollar

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CHP POSTS RECORD VOLUME SALES IN Q1 2018

- Record sales volume posted in the first quarter behind strong demand
- First quarter 2018 EBITDA highest since second quarter 2017

MANILA, PHILIPPINES. APRIL 27, 2018 – CEMEX HOLDINGS PHILIPPINES, INC. ("CHP") (PSE: CHP), announced today that it posted higher operating EBITDA during the first quarter of 2018 compared to the past three quarters, driven by record quarterly domestic cement volume sales. For the first quarter, CHP cement sales volume picked up by 16 percent from the same period last year and were higher by 11 percent versus the fourth quarter of 2017.

This growth in volumes resulted to a 10 percent increase in net sales to P5.9 billion during the first quarter of the year from P5.4 billion in the same period in 2017. The company saw cost of sales also increasing, however, at a faster pace at 24 percent driven by higher fuel and power costs compared to the same period last year. This resulted in a first quarter EBITDA of P886 million, up by 41 percent from the fourth quarter of 2017 but down by 17 percent from the first quarter of last year.

After deducting financial expenses and higher unrealized foreign exchange losses, CHP's net income was recorded at P100 million, down from P350 million during the same period last year.

Ignacio Mijares, President and CEO of CHP, said, "We are very focused on supplying the needs of the market, given the growing Philippine economy and what we believe will be a robust construction sector for many years to come. Our results showed our ability as a company to deliver on the country's needs."

"Strong local demand presents both opportunities and challenges for the industry. The execution of our expansion project, and the attainment of greater operational efficiencies will be important for us to continue growing," Mr. Mijares added.

The company has embarked on debottlenecking activities this year to increase its annual throughput by half a million tons.

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.

###

This press release contains 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.

106062018009618

SECURITIES AND EXCHANGE COMMISSION

SECBuilding,EDSA,Greenhills,MandaluyongCity,MetroManila,Philippines
Tel:(632)726-0931 to 39 Fax:(632)725-5293 Email: mis@sec.gov.ph

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Company Information

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

Document Information

Document ID	106062018009618
Document Type	17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code	17-C
Period Covered	June 06, 2018
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

CEMEX HOLDINGS PHILIPPINES, INC.

34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City

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

JANNETTE VIRATA SEVILLA	**849-3600**
Contact Person	Company Telephone Number

12	31	SEC Form 17-C	06	06
Month	*Day*	FORM TYPE	*Month*	*Day*
			First Wednesday of June	

Fiscal Year

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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **6 June 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. ______ (SEC Use Only)

   Province, country or other jurisdiction of incorporation   Industry Classification Code:

7. **34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office   Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

11. Indicate the item numbers reported herein:

Item 4 - Resignation, Removal or Election of Registrant's Directors or Officers
Item 9 - Other events

Please refer to the attachment listing the results of the Annual Stockholders' Meeting of CEMEX HOLDINGS PHILIPPINES, INC. held on 6 June 2018.

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	**6 June 2018** Date

Jannette Virata Sevilla
Corporate Secretary

CEMEX | HOLDINGS PHILIPPINES

RESULTS OF THE ANNUAL MEETING OF STOCKHOLDERS

Background/Description of the Disclosure:
Results of the Annual Meeting of Stockholders held on 6 June 2018

List of elected directors for the ensuring year with their corresponding shareholdings in CHP:

Name of Person	Shareholdings in the Listed Company		Nature of Indirect Ownership/Other Remarks
	Direct	Indirect	
Maria Virginia Ongkiko Eala	1	0	in PCD Nominee Corp account; held in trust/qualifying share
Joaquin Miguel Estrada Suarez	1	0	in PCD Nominee Corp account; held in trust/qualifying share
Alejandro Garcia Cogollos	1	0	in PCD Nominee Corp account; held in trust/qualifying share
Ignacio Alejandro Mijares Elizondo	200,001	0	In PCD Nominee Corp account; 1 share held in trust/qualifying share
Alfredo S. Panlilio	1001	0	1000 in PCD Nominee Corp account
Pedro Roxas	1001	0	1000 in PCD Nominee Corp account
Antonio Ivan Sanchez Ugarte	1	0	In PCD Nominee Corp account; held in trust/qualifying share

Messrs Alfredo S. Panlilio and Pedro Roxas are independent directors.

External Auditor appointed for fiscal year 2018: **R.G. Manabat & Co.**

List of other material resolutions, transactions and corporate actions approved by the stockholders:

1. **Approval of the Minutes of the Annual Meeting of Stockholders held on June 7, 2017**
2. **Approval of the 2017 Annual Report and the Audited Financial Statements as of December 31, 2017**
3. **Ratification and Approval of the Acts of the Board of Directors and Management since the Annual Meeting of Stockholders held on June 7, 2017**
4. **Amendment of the *SIXTH* Article of CHP's Amended Articles of Incorporation, increasing the number of members of the Board of Directors from seven (7) to eight (8)**

106062018009602

SECURITIES AND EXCHANGE COMMISSION

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Company Information

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

Document Information

Document ID	106062018009602
Document Type	17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code	17-C
Period Covered	June 06, 2018
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

CEMEX HOLDINGS PHILIPPINES, INC.

34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City

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

JANNETTE VIRATA SEVILLA
Contact Person

849-3600
Company Telephone Number

12	31	SEC Form 17-C	06	06
Month	*Day*	FORM TYPE	*Month*	*Day*
Fiscal Year			**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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **6 June 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. [ ] (SEC Use Only)

   Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office — Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

11. Indicate the item numbers reported herein:

Item 4 - Resignation, Removal or Election of Registrant's Directors or Officers
Item 9 - Other events

Please refer to the attachment listing the results of the Organizational Meeting of the Board of Directors of CEMEX HOLDINGS PHILIPPINES, INC. held on 6 June 2018.

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.	**6 June 2018**
Issuer	Date

Jannette Virata Sevilla
Corporate Secretary

HOLDINGS PHILIPPINES

RESULTS[1] OF THE ORGANIZATIONAL MEETING OF THE BOARD OF DIRECTORS

Background/Description of the Disclosure:
Results of the Organizational Meeting of the Board of Directors held on 6 June 2018

Election of the Chairman of the Board of Directors: Joaquin Miguel Estrada Suarez

Election of Members of Board Committees:

A. **Audit Committee**
Chairman - Pedro Roxas (independent director)
Member - Alfredo S. Panlilio (independent director)
Member - Alejandro Garcia Cogollos

B. **Nomination Committee**
Chairman - Alfredo S. Panlilio (independent director)
Member - Pedro Roxas (independent director)
Member - Maria Virginia Ongkiko Eala

Appointment of Executive Officers of CHP for the Ensuing Year with their corresponding shareholdings in CHP:

Name of Person	Position/Designation	Shareholdings in the Listed Company		Nature of Indirect Ownership/Other Remarks
		Direct	Indirect	
Ignacio Alejandro Mijares Elizondo	President & Chief Executive Officer	200,001	0	In PCD Nominee Corp account; 1 share held in trust/qualifying share
Steve Kuansheng Wu	Treasurer & Chief Financial Officer and Business Services Organization Director	0	0	
Alejandro Garcia Cogollos	Vice President for Planning and Administration	1	0	in PCD Nominee Corp account; held in trust/qualifying share
Maria Virginia Ongkiko Eala	Vice President for Human Resources	1	0	in PCD Nominee Corp account; held in trust/qualifying share
Roberto Martin Javier	Vice President for Commercial (Institutional Segment)	0	0	
Michael Martin Teotico	Vice President for Commercial (Distribution Segment)	0	0	
Edwin P. Hufemia	Vice President for Supply Chain	192,300	0	in PCD Nominee Corp account
Arturo Manrique Ramos	Vice President For	0	0	

[1] Other Matters: Approved resolution for third party certification required by AXA Phil in connection with group life Insurance coverage for the employees of CHP

	Cement Operations and Technical			
Chito Maniago	Corporate Communications and Public Affairs Director	0	0	
Adrian V. Bancoro	Tax Director	149,900	0	in PCD Nominee Corp account
Ma. Virginia Lacson-del Rosario	Customer Experience Director	55,900	0	in PCD Nominee Corp account
Rolando Valentino	Investor Auditor	0	0	
Antonio Desmay Jimenez	Procurement Director	0	0	
Eduardo Bernardo Pons Martinez	Energy Director	0	0	
John Benette Bacani Mamangun	Investor Relations Director	0	0	
Jose Mauro Gallardo Valdes	Enterprise Risk Management (ERM) Manager	0	0	
Jannette Virata Sevilla	Corporate Secretary and Compliance Officer	0	0	
Dino Martin Segundo*	Assistant Corporate Secretary and Legal Director	25,600	0	in PCD Nominee Corp account

** Elvira C. Oquendo has tendered her resignation as Assistant Corporate Secretary and Legal Director effective on June 15, 2018. The Board of Directors appointed Dino Martin Segundo as Assistant Corporate Secretary and Legal Director vice Ms. Oquendo effective on June 15, 2018*

106292018007224

SECURITIES AND EXCHANGE COMMISSION

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Company Information

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

Document Information

Document ID	106292018007224
Document Type	17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code	17-C
Period Covered	June 29, 2018
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

CEMEX HOLDINGS PHILIPPINES, INC.

34th Floor Petron Mega Plaza
Building, 358 Sen. Gil J. Puyat
Avenue, Makati City

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

JANNETTE VIRATA SEVILLA	849-3600
Contact Person	Company Telephone Number

12	31	SEC Form 17-C	06	06
Month	*Day*	FORM TYPE	*Month*	*Day*
			First Wednesday of June	
Fiscal Year			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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **29 June 2018**
Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. (SEC Use Only)

Province, country or other jurisdiction of incorporation   Industry Classification Code:

7. **34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Ave., Makati City 1200**
Address of principal office   Postal Code

8. **+632 849-3600**
Issuer's telephone number, including area code

9. **N/A**
Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

11. Indicate the item numbers reported herein: **Item 4** -

The Energy Director of CEMEX Holding Philippines, Mr. Eduardo Bernardo Pons Martinez, resigned effective on 28 June 2018. He will be assuming other functions in the CEMEX organization.

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.	29 June **2018**
Issuer	Date

Jannette Virata Sevilla
Compliance Officer

107232018002798

SECURITIES AND EXCHANGE COMMISSION

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Company Information

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

Document Information

Document ID	107232018002798
Document Type	17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code	17-C
Period Covered	July 21, 2018
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

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3 4 t h   F l o o r   P e t r o n   M e g a   P l a z a
B u i l d i n g ,   3 5 8   S e n . G i l   J .   P u y a t
A v e n u e ,   M a k a t i   C i t y

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

JANNETTE VIRATA SEVILLA
Contact Person

849-3600
Company Telephone Number

1 2	3 1	SEC Form 17-C	0 6	0 6
Month	*Day*	FORM TYPE	*Month*	*Day*
Fiscal Year			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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **21 July 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. ☐ (SEC Use Only)

   Province, country or other jurisdiction of incorporation
   Industry Classification Code:

7. **34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	**5,195,395,454**

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

CEMEX Holding Philippines, Inc. ("CHP") will be presenting its 2nd Quarter 2018 results on Friday, July 27, 2018 at 10:00AM GMT+08, by way of hosting a conference call and webcast presentation to discuss these results. The live presentation can be accessed at www.cemexholdingsphilippines.com, or interested parties may access the audio-only conference call by connecting to a dial-in number.

The attached Press Release dated 21 July 2018 contains further details.

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.	**21 July 2018**
Issuer	Date

Jannette Virata Sevilla
Compliance Officer

Media Relations
Chito Maniago
+63 (2) 849-3757
chito.maniago@cemex.com

Investor Relations
Pierre Co
+63 (2) 849-3757
pierre.co@cemex.com

CEMEX HOLDINGS PHILIPPINES TO PRESENT SECOND QUARTER 2018 RESULTS ON JULY 27, 2018

MANILA, PHILIPPINES, JULY 21, 2018 – CEMEX Holdings Philippines, Inc. ("CHP") (PSE: CHP) announced that it will present its Second Quarter 2018 results on Friday, July 27, 2018.

CHP will host a conference call and webcast presentation on this same date at 10:00 AM GMT+08 to discuss these results. The live presentation can be accessed at www.cemexholdingsphilippines.com, or interested parties may access the audio-only conference call through the following details:

Dial-in Numbers:
Philippines 180016120306
International +65 67135090

Passcode: 6858489

The briefing materials for the presentation will be posted prior to the scheduled conference call on www.cemexholdingsphilippines.com, after the same have been posted on edge.pse.com.ph. CHP reserves the right to revise the time or postpone the conference call in the event that circumstances necessitate the change.

###

The information to be disclosed in the event referenced in this press release contains 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. 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.

107252018002186

SECURITIES AND EXCHANGE COMMISSION

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Company Information

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

Document Information

Document ID	107252018002186
Document Type	17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code	17-C
Period Covered	July 24, 2018
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

CEMEX HOLDINGS PHILIPPINES, INC.

34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City

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

JANNETTE VIRATA SEVILLA	**849-3600**
Contact Person	Company Telephone Number

1 2	3 1	SEC Form 17-C	0 6	0 6
Month	*Day*	FORM TYPE	*Month*	*Day*

Fiscal Year

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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **24 July 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. ______ (SEC Use Only)

   Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Ave., Makati City 1200**
   Address of principal office — Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

11. Indicate the item numbers reported herein: **Item 4 -**

During the meeting of the Board of Directors of CEMEX Holding Philippines ("CHP") held on 24 July 2018, the Board of Directors formally acknowledged and accepted the resignation of Mr. Eduardo Bernardo Pons Martinez as Energy Director of CHP, and appointed Ms. Kristine G. Gayem as the new Energy Director of the organization, effectively immediately.

As of the date of this report, Ms. Gayem owns 40,000 shares of CHP.

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	**24 July 2018** Date

Jannette Virata Sevilla
Compliance Officer

107272018003662

SECURITIES AND EXCHANGE COMMISSION

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Company Information

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

Document Information

Document ID	107272018003662
Document Type	17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code	17-C
Period Covered	July 25, 2018
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

C E M E X   H O L D I N G S   P H I L I P P I N E S ,   I N C .

3 4 t h   F l o o r   P e t r o n   M e g a   P l a z a
B u i l d i n g ,   3 5 8   S e n .   G i l   J .   P u y a t
A v e n u e ,   M a k a t i   C i t y

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

JANNETTE VIRATA SEVILLA
Contact Person

849-3600
Company Telephone Number

1 2	3 1	SEC Form 17-C	0 6	0 6
Month	*Day*	FORM TYPE	*Month*	*Day*
			First Wednesday of June	
Fiscal Year			Annual Meeting	

Issuer of Securities under SEC MSRD Order No. 9 series of 2016
Secondary License Type, If Applicable

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Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

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Document I.D.

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **25 July 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. ☐ (SEC Use Only)

   Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Ave., Makati City 1200**
   Address of principal office — Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

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

CEMEX Holding Philippines, Inc. ("CHP") received today a copy of the *Certificate of Filing of the Amended Articles of Incorporation* issued by the Securities and Exchange Commission, approving the amendment of Article VI of the Articles of Incorporation of CHP which increased the total number of members of the Board of Directors from seven (7) to eight (8). The date of the SEC approval is 19 July 2018.

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	**25 July 2018** Date

Jannette Virata Sevilla
Compliance Officer

REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
Ground Floor. Secretariat Building, PICC
City Of Pasay, Metro Manila

COMPANY REG. NO. CS201518815

CERTIFICATE OF FILING
OF
AMENDED ARTICLES OF INCORPORATION

KNOW ALL PERSONS BY THESE PRESENTS:

This is to certify that the amended articles of incorporation of the

CEMEX HOLDINGS PHILIPPINES, INC.
(Amending Article VI thereof)

copy annexed, adopted March 22, 2018 by majority vote of the Board of Directors and on June 06, 2018 by the vote of the stockholders owning or representing at least two-thirds of the outstanding capital stock, and certified under oath by the Corporate Secretary and a majority of the Board of Directors of the corporation was approved by the Commission on this date pursuant to the provision of Section 16 of the Corporation Code of the Philippines, Batas Pambansa Blg. 68, approved on May 1, 1980, and copies thereof are filed with the Commission.

Unless this corporation obtains or already has obtained the appropriate Secondary License from this Commission, this Certificate does not authorize it to undertake business activities requiring a Secondary License from this Commission such as, but not limited to acting as: broker or dealer in securities, government securities eligible dealer (GSED), investment adviser of an investment company, close-end or open-end investment company, investment house, transfer agent, commodity/financial futures exchange/broker/merchant, financing company and time shares/club shares/membership certificates issuers or selling agents thereof. Neither does this Certificate constitute as permit to undertake activities for which other government agencies require a license or permit.

IN WITNESS WHEREOF, I have set my hand and caused the seal of this Commission to be affixed to this Certificate at Pasay City, Metro Manila, Philippines, this 19th day of July, Twenty Eighteen.

FERDINAND B. SALES
Director
Company Registration and Monitoring Department

COVER SHEET
for Applications at
COMPANY REGISTRATION AND MONITORING DEPARTMENT

Nature of Application	SEC Registration Number
AMEND AOI	CS201518815

Former Company Name

CEMEX HOLDINGS PHILIPPINES INC.

AMENDED TO:
New Company Name

Principal Office (No./Street/Barangay/City/Town)Province)

34TH FLR. PETRON MEGA PLAZA BLDG.
358 SEN. GIL PUYAT AVE. MAKATI CITY

Company's Telephone Number/s

849-3600

Contact Person	Contact Person's Telephone Number
JANNETTE VIRATA SEVILLA	849-3600

Contact Person's Address

34TH FLOOR, PETRON MEGA PLAZA BLDG. 358 SEN. GIL PUYAT AVE. MAKATI CITY

To be accomplished by CRMD Personnel

		Date	Signature
Assigned Processor			

Document I.D.

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AMENDED ARTICLES OF INCORPORATION

OF

CEMEX HOLDINGS PHILIPPINES, INC.

KNOW ALL MEN BY THESE PRESENTS:

That we, all of legal age, majority of whom are residents of the Republic of the Philippines, have this day voluntarily associated ourselves together for the purpose of forming a corporation under the laws of the Philippines.

AND WE HEREBY CERTIFY:

FIRST: That the name of the said corporation shall be:

CEMEX HOLDINGS PHILIPPINES, INC.

SECOND: That the purposes for which said corporation is formed are:

PRIMARY PURPOSE

To invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, mortgage, real or personal property of every kind and description (except land), including shares of stock, bonds, debentures, notes, evidence of indebtedness, and other securities or obligations of any corporation or corporations, association or associations, domestic or foreign, and to pay therefor in money or by exchanging therefor stocks, bonds or other evidences of indebtedness or securities of this or any other corporation, and while the owner or holder of any such real or personal property, stocks, bonds, debentures, contracts, or obligations, to receive, collect, and dispose of the interest, dividends, and income arising from such property; and to posses and exercise in respect thereof all the rights, powers, and privileges of ownership, including all voting powers of any stock so owned, and to assume or undertake or guarantee or secure loans; and to guarantee or provide a mortgage, pledge, or other security over all or part of its assets or provide financial support or accommodation to secure the whole or any part of the indebtedness and obligations of any of itself, its subsidiaries and/or affiliates, provided that it shall not engage either in the stock brokerage business or in the dealership of securities, of a financing company or lending investor, and in the business of an open-end investment company as a defined in RA 2629.

SECONDARY PURPOSES

1. To the extent permitted by law, to acquire by purchase, lease, contract, concession, or otherwise, any and all real and personal properties of every kind and description whatsoever (except land), which the Corporation may deem necessary or appropriate in connection with the conduct of the corporate business, and to own, hold, operate, improve, develop, manage, grant, lease, sell, exchange, or otherwise dispose of the whole or any part thereof;

2. To borrow or raise money for not more than nineteen (19) lenders, including shareholders, necessary for any of the purposes of the Corporation, and from time to time, draw, make, accept, endorse, transfer, assign, execute, and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable and transferable instruments and evidence of indebtedness, to give guarantees and indemnities, to secure indebtedness of third persons or other secured persons, and for the purpose of securing any of its obligations or contracts, to convey, transfer, assign, deliver, mortgage, and/or pledge all or any part of the property or assets at any time held or owned by the Corporation, on such terms and conditions as the Board of Directors of the Corporation

or its duly authorized officers or agents shall determine and as may be permitted by law;

3. To manufacture, produce, purchase, sell, distribute, transport, conduct marketing without engaging in advertising, export and import of cement, aggregates, concrete, mortar, and any other building materials and any other products related to the cement industry, whether directly or indirectly;

4. To purchase or acquire, hold, assign, mortgage, pledge, and sell or otherwise dispose of shares of stock, receivables, bonds, securities, or other evidence of indebtedness issued or created by any other corporation, partnership, or company, whether domestic or foreign, and while the holder of any such share of stock, to exercise all the rights and privileges of ownership, including the right to vote without, however, engaging as a stock broker or dealer in securities;

5. To invest and deal with the money and properties of the Corporation in such manner as may, from time to time, be considered wise or expedient for the advancement of its interest and to sell, dispose, or transfer the business, properties, and goodwill of the Corporation or any part thereof for such consideration and under such terms as it shall see fit to accept;

6. To aid in any manner, any corporation, association or trust estate, domestic or foreign, or any form or individual, in which any shares of stock or bonds, debentures, notes, securities, evidence of indebtedness, contracts, or obligations of which are held by or for the Corporation, directly or indirectly or through other corporations or otherwise;

7. To enter into any lawful arrangement for sharing profits, union of interest, reciprocal concession, or cooperation, with any corporation, association, partnership, syndicate, entity, person, or governmental, municipal, or public authority, domestic or foreign, in the carrying out of any of the purposes of the Corporation;

8. To acquire or obtain from any government or authority, or any corporation, company, or partnership or person, such charter, contracts, franchise, privilege, exemption, license, or concession as may be conducive to any of the objects of the Corporation;

9. To own, license, operate, manage, develop, administer, hold, and protect intellectual and industrial properties;

10. To conduct research and development activities in the field of building materials;

11. To structure, issue, offer, and to conduct placement of shares and fixed or variable rate securities in capital markets both local and foreign;

12. In general, to perform all acts and things necessary, or proper for the accomplishment of any of the purposes, or the attainment of any one or more of the objects herein enumerated or which shall at any time appear conducive to the protection or benefit of the Corporation, including the exercise of the powers and authorities conferred upon corporations organized under the laws of the Philippines in general and upon domestic corporations of like nature.

THIRD: That the place where the principal office of the Corporation is to be established is at at 8/F Petron Mega Plaza Building, 358 Sen Gil J. Puyat Avenue, Barangay Bel-Air, Makati City.

FOURTH: That the term for which the Corporation is to exist is fifty (50) years from and after the date of the issuance of the certificate of incorporation.

FIFTH: That the names, nationalities, and residences of the incorporators are as follows:

Name	Nationality	Address
Pedro Jose Palomino TIN: 204-674-687	Spanish	10F One Roxas Triangle, Paseo de Roxas, Makati City
Paul Vincent Arcenas TIN: 102-080-637	Filipino	105 Matahimik Street, Diliman, Quezon City
Maria Virginia O. Eala TIN No. 161-879-521	Filipino	Unit 11-V Eurovilla 3, 154 Leviste Street, Salcedo Village, Makati City
Roberto Martin Javier TIN: 907-378-420	Filipino	39 Valentine Street, Merville Park, Parañaque City
Jannette Virata Sevilla TIN: 107-043-155	Filipino	5326 Amorsolo Street, Dasmariñas Village, Makati City

SIXTH: That the number of directors of the Corporation shall be eight (8) and that the names, nationality, and residences of the Directors of the Corporation who are to serve until their successors are elected and qualified, as provided by the By-Laws are as follows, to wit: (*As approved by the Board of Directors on 22 March 2018 and the Stockholders on 6 June 2018*)

Name	Nationality	Address
Pedro Jose Palomino TIN: 204-674-687	Spanish	10F One Roxas Triangle, Paseo de Roxas, Makati City
Paul Vincent Arcenas TIN: 102-080-637	Filipino	105 Matahimik Street, Diliman, Quezon City
Maria Virginia O. Eala TIN No. 161-879-521	Filipino	Unit 11-V Eurovilla 3, 154 Leviste Street, Salcedo Village, Makati City
Roberto Martin Javier TIN: 907-378-420	Filipino	39 Valentine Street, Merville Park, Parañaque City
Vincent Paul Piedad TIN: 112-218-784	Filipino	Unit 1802A Three Salcedo Place Condominium, Tordesillas Street, SalcedoVillage, Makati City
Elvira Oquendo TIN: 151-336-044	Filipino	19 Cornus Street, St. Dominic 6, Tandang Sora, Quezon City
Jannette Virata Sevilla TIN: 107-043-155	Filipino	5326 Amorsolo Street, Dasmariñas Village, Makati City

SEVENTH: That the authorized capital stock of the Corporation is Five Billion One Hundred Ninety Five Million Three Hundred Ninety Five Thousand Four Hundred Fifty Four Pesos (PhP5,195,395,454.00) in lawful money of the Philippines, divided into 5,195,395,454 common shares with par value of One Peso (PhP1.00) per share.

The holder of common shares shall not be entitled to pre-emptive rights to subscribe to any new issues of such common stock, nor dispositions of existing stocks, whether issued from its unissued capital or its treasury shares. (*As approved by the Board of Directors and the Stockholders on 7 March 2016*)

EIGHTH: That the amount of capital stock which has been actually subscribed is 376,000 common shares with par value of One Hundred Pesos (PhP 100.00) per share at the total issue value of Thirty Seven Million Six Hundred Thousand Pesos (PhP37,600,000.00). The following persons have subscribed for the number of shares and the amount of capital stock set out after their respective names:

Name	Nationality	No. of Shares Subscribed	Amount Subscribed (Php)
CEMEX ASIAN SOUTH EAST CORPORATION TIN:	Netherlands (incorporated in the Philippines)	375,993	37,599,300.00
Pedro Jose Palomino TIN: 204-674-687	Spanish	1	100.00
Paul Vincent Arcenas TIN: 102-080-637	Filipino	1	100.00
Maria Virginia O. Eala TIN No. 161-879-521	Filipino	1	100.00
Roberto Martin Javier TIN: 907-378-420	Filipino	1	100.00
Vincent Paul Piedad TIN: 112-218-784	Filipino	1	100.00
Elvira Oquendo TIN: 151-336-044	Filipino	1	100.00
Jannette Virata Sevilla TIN: 107-043-155	Filipino	1	100.00
Total		376,000	37,600,000.00

NINTH: The following persons have paid on the shares of capital stock for which they have subscribed the amounts set out after their respective names:

Name	Nationality	Amount Paid-Up (Php)
CEMEX ASIAN SOUTH EAST CORPORATION TIN:	Netherlands (incorporated in the Philippines)	9,399,300.00
Pedro Jose Palomino TIN: 204-674-687	Spanish	100.00
Paul Vincent Arcenas TIN: 102-080-637	Filipino	100.00
Maria Virginia O. Eala TIN No. 161-879-521	Filipino	100.00
Roberto Martin Javier TIN: 907-378-420	Filipino	100.00
Vincent Paul Piedad TIN: 112-218-784	Filipino	100.00
Elvira Oquendo TIN: 151-336-044	Filipino	100.00
Jannette Virata Sevilla TIN: 107-043-155	Filipino	100.00
Total		9,400,000.00

TENTH: That Vincent Paul Piedad has been elected by the subscribers as treasurer of the Corporation to act as such until his/her successor is duly elected and qualified in accordance with the By-Laws; and that as such Treasurer, he/she has been authorized to receive for and in the name and for the benefit of the Corporation, all subscriptions paid in by the subscribers.

ELEVENTH: That no transfer of stock or interest which would reduce the ownership of Filipino citizens to less than the required percentage of the capital stock as provided by existing laws shall be allowed or permitted to be recorded in the books of the corporation and this restriction shall be indicated in all the stock certificates issued by the corporation.

In connection with the initial public offering and initial listing of shares by the Corporation with the Philippine Stock Exchange, the corporation shall strictly comply with the following lock-up requirements prescribed by the rules and regulations of the Philippine Stock Exchange as may be amended from time to time in accordance with amendments to the Rules of the Exchange:

(i) The corporation shall cause its existing stockholders who own an equivalent of at least ten per cent (10%) of the issued and outstanding shares of stock of the Corporation at the time of listing of such shares to refrain from selling, assigning or in any manner disposing of their shares for a period of Three Hundred Sixty Five (365) days after the listing of said shares;

(ii) If there is any issuance or transfer of shares (i.e., private placements, asset for shares swap or a similar transaction) or instruments which lead to issuance of shares (i.e., convertible bonds, warrants or a similar instrument) done and fully paid for within One hundred eighty (180) days prior to the start of the offering period, and the transaction price is lower than that of the offer price in the Initial Public Offering, all shares availed of shall be subject to a lock-up period of at least Three Hundred Sixty Five (365) days from full payment of the aforesaid shares. (*As approved by the Board of Directors and the Stockholders on 7 March 2016*)

TWELFTH: That the incorporators undertake to change the name of the corporation immediately upon receipt of notice or directive from the Securities and Exchange Commission that another corporation, partnership or person has acquired a prior right to the use of that name or that name has been declared misleading, deceptive, confusingly similar to a registered name, or contrary to public morals, good customs or public policy.

IN WITNESS WHEREOF, we have set our hands this SEP 02 2015 at the City of Makati.

(Sgd.)	(Sgd.)
PEDRO JOSE PALOMINO TIN: 204-674-687	PAUL VINCENT ARCENAS TIN: 102-080-637
(Sgd.)	(Sgd.)
MARIA VIRGINIA O. EALA TIN: 161-879-521	ROBERTO MARTIN JAVIER TIN: 907-378-420
(Sgd.)	
JANNETTE VIRATA SEVILLA TIN: 107-043-155	

SIGNED IN THE PRESENCE OF:

(Sgd.) (Sgd.)

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) S.S.

BEFORE ME, a Notary Public in and for the City of Makati, on SEP 02 2015, personally appeared the following, who are satisfactorily proven to me their identity:

Name	Identification Card	Official Issuing Agency
Pedro Jose Palomino	XDC050064	19/02/2025 C.G. MANILA
Paul Vincent Arcenas	EB9711053	28/11/2018 DFA MANILA
Maria Virginia O. Eala	EB6420976	25/09/2017 DFA NCR EAST
Roberto Martin Javier	EB4961086	15/03/2017 DFA MANILA
Jannette Virata Sevilla	EC5001771	12/08/2020 DFA MANILA

that they are the same persons who executed and voluntarily signed the foregoing Articles of Incorporation which they acknowledged before me as their free and voluntary act and deed.

WITNESS MY HAND AND SEAL, this SEP 02 2015 in City of Makati.

Sgd.
ATTY. JOSE C. SALVOSA
Commission No. M-289
Notary Public for Makati City
Until December 31, 2015
21st Flr. Philamlife Tower
8767 Paseo de Roxas, Makati City
Roll No. 52751
PTR No.4756096/06-Jan-2015,Makati City
IBP No. 977642/05-Jan-2015/Quezon City

Doc. No. 128;
Page No. 027;
Book No. IX;
Series of 2015.

JUL 1 3 2018

DIRECTORS' CERTIFICATE OF AMENDMENT OF THE AMENDED ARTICLES OF INCORPORATION OF CEMEX HOLDINGS PHILIPPINES, INC.

We, the undersigned, being a majority of the members of the Board of Directors of **CEMEX HOLDINGS PHILIPPINES, INC.** (the "Corporation") and the Corporate Secretary thereof, do hereby certify under oath that:

At a Meeting of the Board of Directors held on 22 March 2018 and Stockholders of the Corporation held on 6 June 2018 at I'M Hotel, Makati Avenue, Makati City, a majority of the Board of Directors and Stockholders of the Corporation owning or representing more than two-thirds (2/3) of the issued and outstanding capital stock of the Corporation, resolved to amend the following provision of the Articles of Incorporation of the Corporation, as follows:

> "RESOLVED, that the Sixth Article of the Amended Articles of Incorporation of the Corporation be as it is hereby amended to read as follows:
>
> > SIXTH: That the number of directors of the Corporation shall be eight (8) and that the names, nationality, and residences of the Directors of the Corporation who are to serve until their successors are elected and qualified, as provided by the By-Laws are as follows, to wit: xxx
>
> "RESOLVED FURTHER, that the Corporation be, and it is hereby authorized to file an application with the Securities and Exchange Commission for the approval of the foregoing amendment to the Amended Articles of Incorporation of the Corporation."

We further certify that the attached is a true, complete and correct copy of the Amended Articles of Incorporation.

IN WITNESS WHEREOF, we have hereunto set our hands this 0 8 JUN 2018 in Makati City, Metro Manila.

Ignacio Alejandro Mijares Elizondo President/Director TIN No. 703-242-961	**Antonio Ivan Sanchez Ugarte** Director TIN No. 717-766-320
Maria Virginia Ongkiko Eala Director TIN No. 161-879-521	**Alejandro Garcia Cogollos** Director TIN No. 720-617-938

Attested by:

Jannette Virata Sevilla
Corporate Secretary
TIN No. 107-043-155

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY) S.S.

BEFORE ME, a Notary Public in and for MAKATI CITY, this JUN 08 2018 personally appeared the following, who have satisfactorily proven to me their identity through the following identifications:

NAME	GOVERNMENT ISSUED ID NO.
Ignacio Alejandro Mijares Elizondo	Mexican Passport# G23177265 TIN No. 703-242-961
Antonio Ivan Sanchez Ugarte	Spanish Passport# AAI799179 TIN No. 717-766-320
Alejandro Garcia Cogollos	Spanish Passport# PAB173554 TIN No. 720-617-938
Jannette Virata Sevilla	Philippine Passport# EC5001771 TIN No. 107-043-155

And that they are the same persons who executed and voluntarily signed the foregoing instruments which they acknowledged before me as their free and voluntary act and deed.

IN WITNESS WHEREOF, I hereunto my and seal this JUN 08 2018 in MAKATI City, Philippines.

Doc. No. 225
Page No. 47
Book No. 111;
Series of 2018.

Republic of the Philippines)
City of Makati) S.S.

SECRETARY'S CERTIFICATE

I, **JANNETTE VIRATA SEVILLA,** of legal age, Filipino, with office address at 34/F Petron Mega Plaza Building, 358 Sen Gil J. Puyat Avenue, Barangay Bel-Air, Makati City, being duly sworn, depose and state that:

1. I am the Corporate Secretary of **CEMEX HOLDINGS PHILIPPINES, INC.** (the "**Corporation**"), a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office address 34/F Petron Mega Plaza Building, 358 Sen Gil J. Puyat Avenue, Barangay Bel-Air, Makati City after having been duly sworn in accordance with the law, hereby certify that:

2. To the best of my knowledge, no action or proceeding has been filed or is pending before any Court involving an intra-corporate dispute and/or claim by any person or group against the Board of Directors, individual directors and/or major corporate officers of the Corporation as its duly elected and/or appointed directors or officers or vice versa.

IN WITNESS WHEREOF, I have hereunto set my hand this 8th day of June 2018 in Makati City, Metro Manila.

JANNETTE VIRATA SEVILLA
Corporate Secretary

MAKATI CITY

SUBSCRIBED AND SWORN TO before me this JUN 08 2018 in Makati City, Metro Manila, Philippines, affiant who is personally known to me exhibiting to me her Philippine Passport No. EC5001771 valid until 12 August 2010 and Philippine Driver's License No. N03-83-003294 valid until 9 March 2022.

Doc. No. 226
Page No. 47
Book No. VII;
Series of 2018.

ATTY. GERVACIO B. ORTIZ JR.
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2018
PTR NO. [illegible] 03-2017/MAKATI
IBP NO. [illegible] LIFETIME MEMBER
APPT. NO. M-334 (2017-2018) ROLL NO. 40091
MCLE COMPLIANCE NO. V-0006934
UNIT 102 PENINSULA COURT BLDG.
735 MAKATI AVE., MAKATI CITY

107272018003673

SECURITIES AND EXCHANGE COMMISSION

SECBuilding,EDSA,Greenhills,MandaluyongCity,MetroManila,Philippines
Tel:(632)726-0931 to 39 Fax:(632)725-5293 Email: mis@sec.gov.ph

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Company Representative

Doc Source

Company Information

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

Document Information

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

C E M E X   H O L D I N G S   P H I L I P P I N E S ,   I N C .

3 4 t h   F l o o r   P e t r o n   M e g a   P l a z a
B u i l d i n g ,   3 5 8   S e n . G i l   J .   P u y a t
A v e n u e ,   M a k a t i   C i t y

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

JANNETTE VIRATA SEVILLA
Contact Person

849-3600
Company Telephone Number

1 2	3 1	SEC Form 17-C	0 6	0 6
Month	*Day*	FORM TYPE	*Month*	*Day*
Fiscal Year			**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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **27 July 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. ☐ (SEC Use Only)

   Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office — Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

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 2nd Quarter 2018 results. These materials were posted prior to the conference call/webcast on edge.pse.com.ph and CHP's website, www.cemexholdingsphilippines.com.

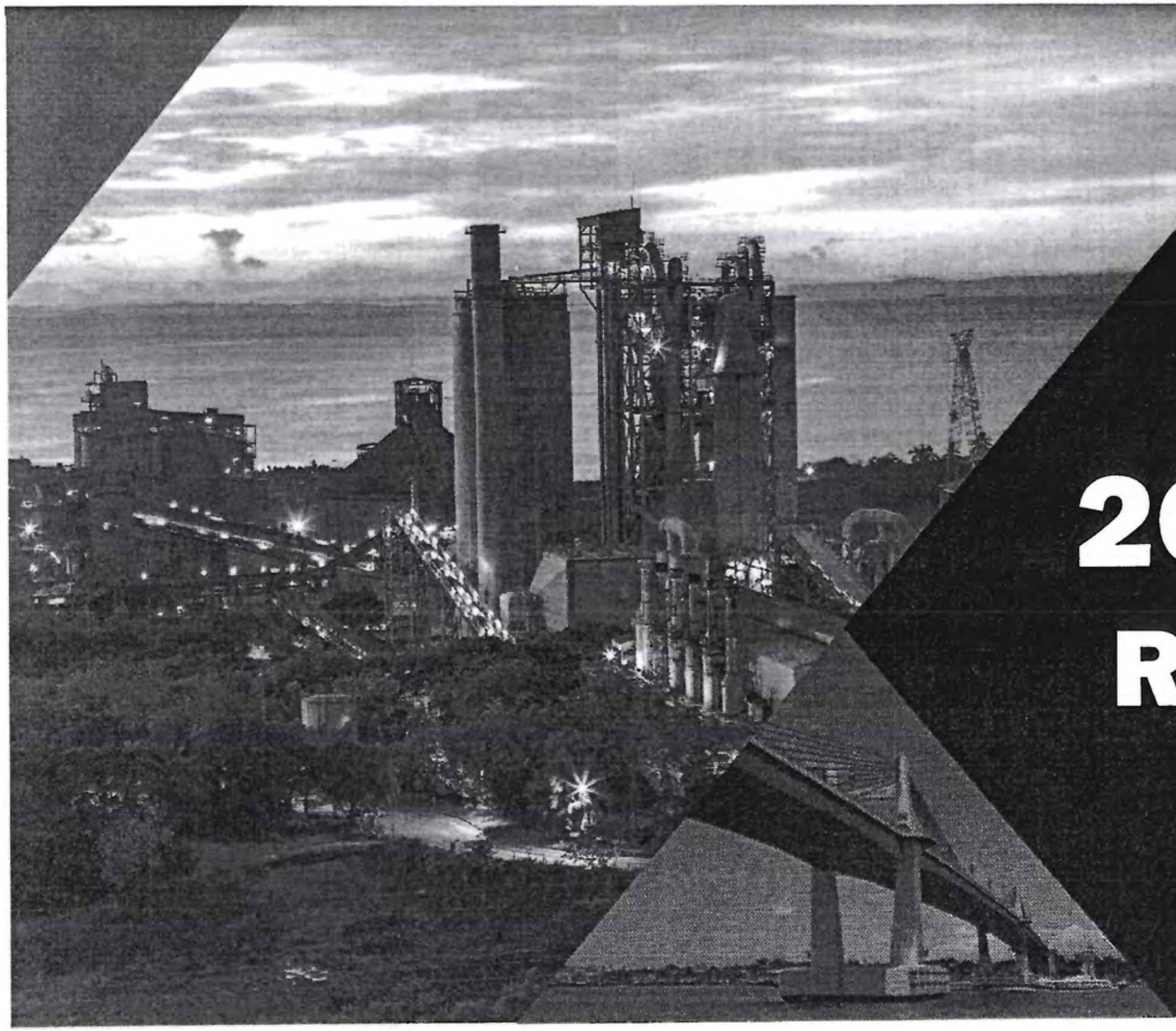
CHP also issued its Press Release dated 27 July 2018 announcing its financial and operating highlights for the 2nd Quarter 2018 (also attached).

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.	**27 July 2018**
Issuer	Date

Jannette Virata Sevilla
Compliance Officer



CEMEX | 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.

Second Quarter 2018 Achievements

CEMEX HOLDINGS PHILIPPINES

- ✓ 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

CEMEX Holdings Philippines

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

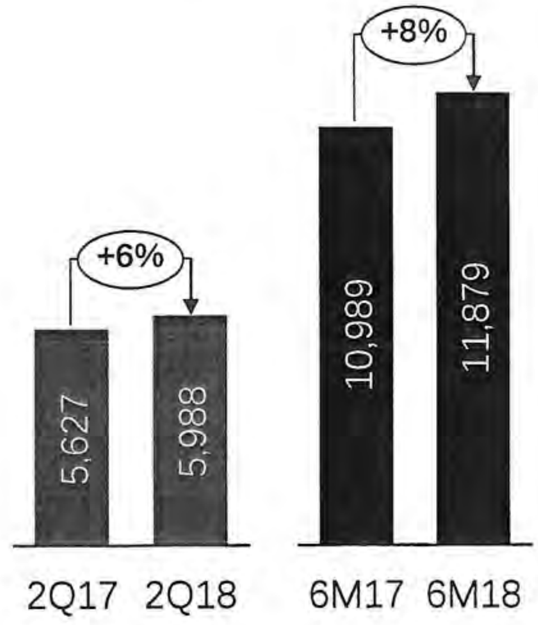
Year-over-year, domestic cement prices were flat during the quarter and 3% lower during the first half compared to prior year.

Net Sales

CEMEX HOLDINGS PHILIPPINES

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

Net Sales[1]



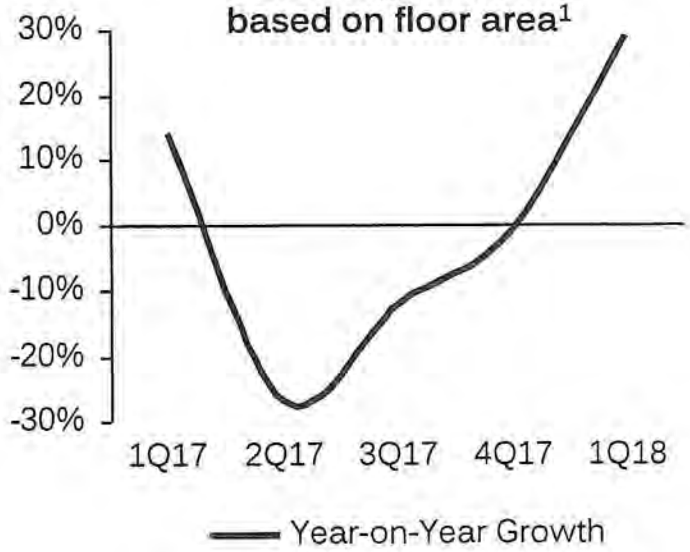
[1] Millions of Philippine Pesos

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.

Approved Residential Building Permits based on floor area[1]



[1]Source: Philippine Statistics Authority

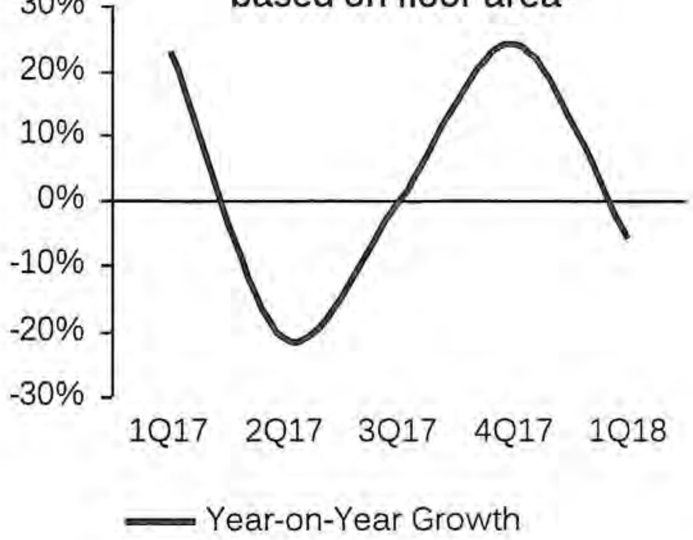
Industrial-and-Commercial Sector

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.[1]

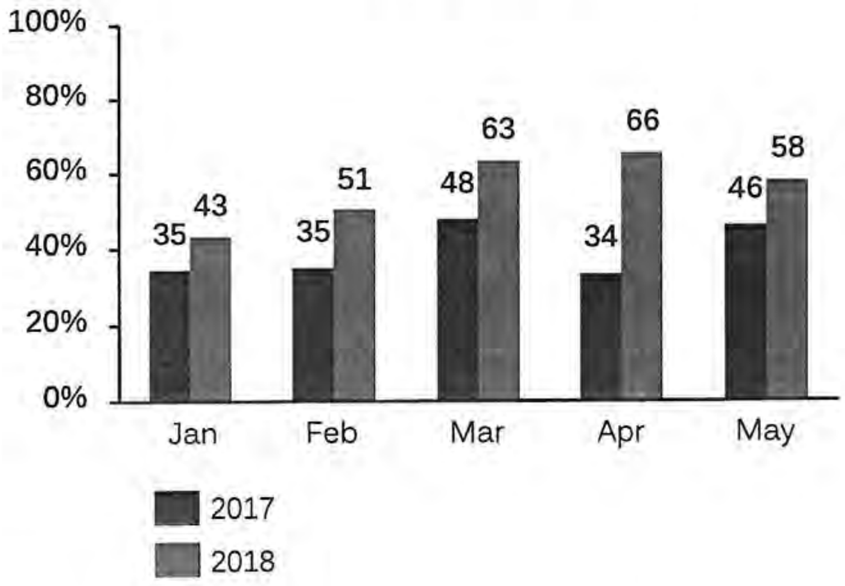
Approved Non-Residential Building Permits based on floor area[2]



[1]Source: Leechiu Property Consultants
[2]Source: Philippine Statistics Authority

Infrastructure Sector

2018 National Government Disbursement on Infrastructure and Capital Outlay (in PhP billion)[1]

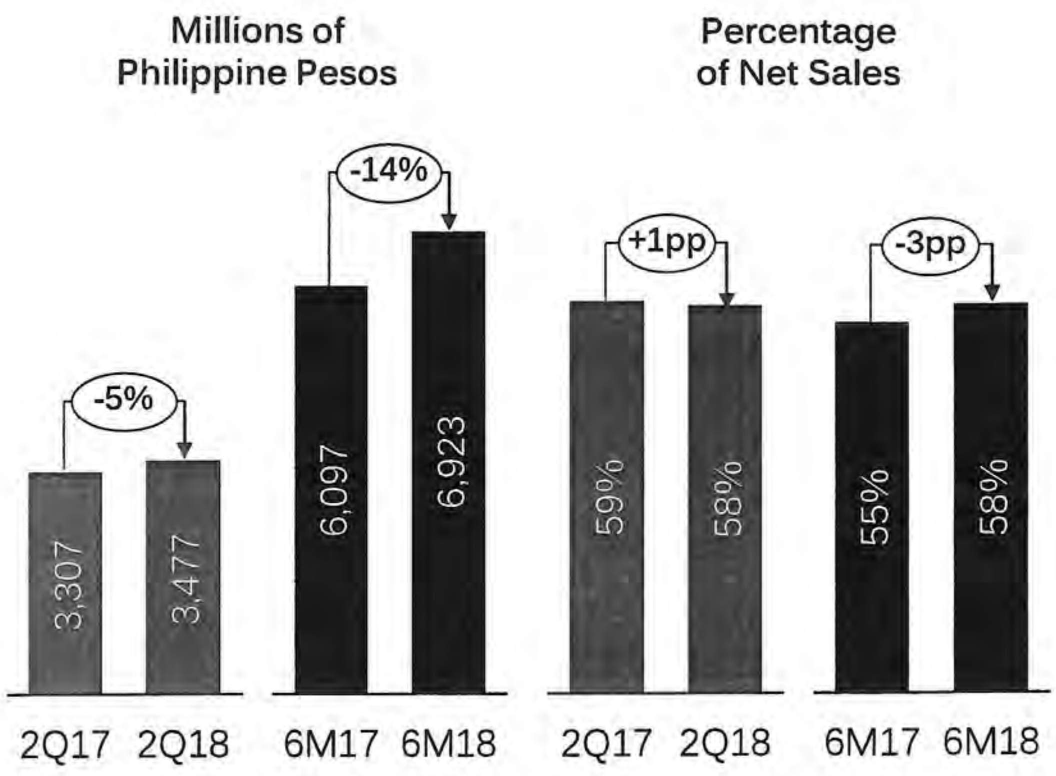


Infrastructure construction growth **accelerated in the second quarter** as the government fast-tracked the implementation and completion of its projects. Disbursements grew by 96% an 26% y-o-y in April and May, respectively.

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.

[1] 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.

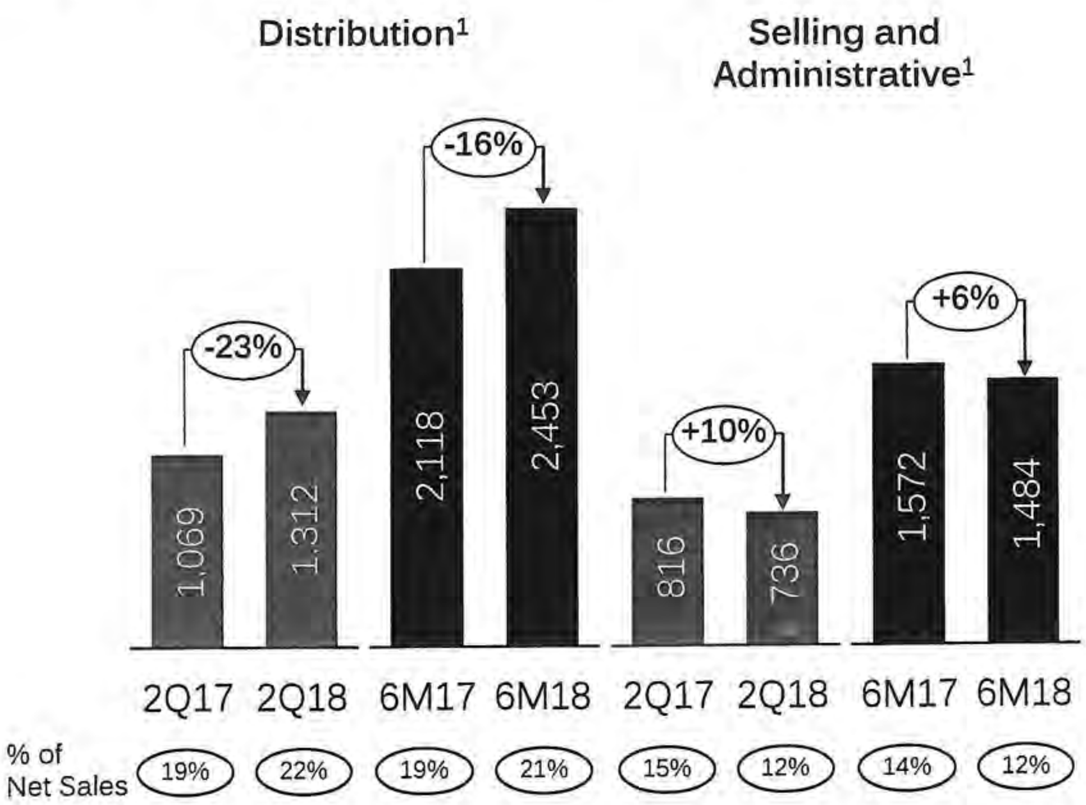
- However, on a sequential basis, fuel costs as a percentage of cost of sales decreased as our coal costs continue to converge closer to 2017 levels.

- **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 benefitting 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.

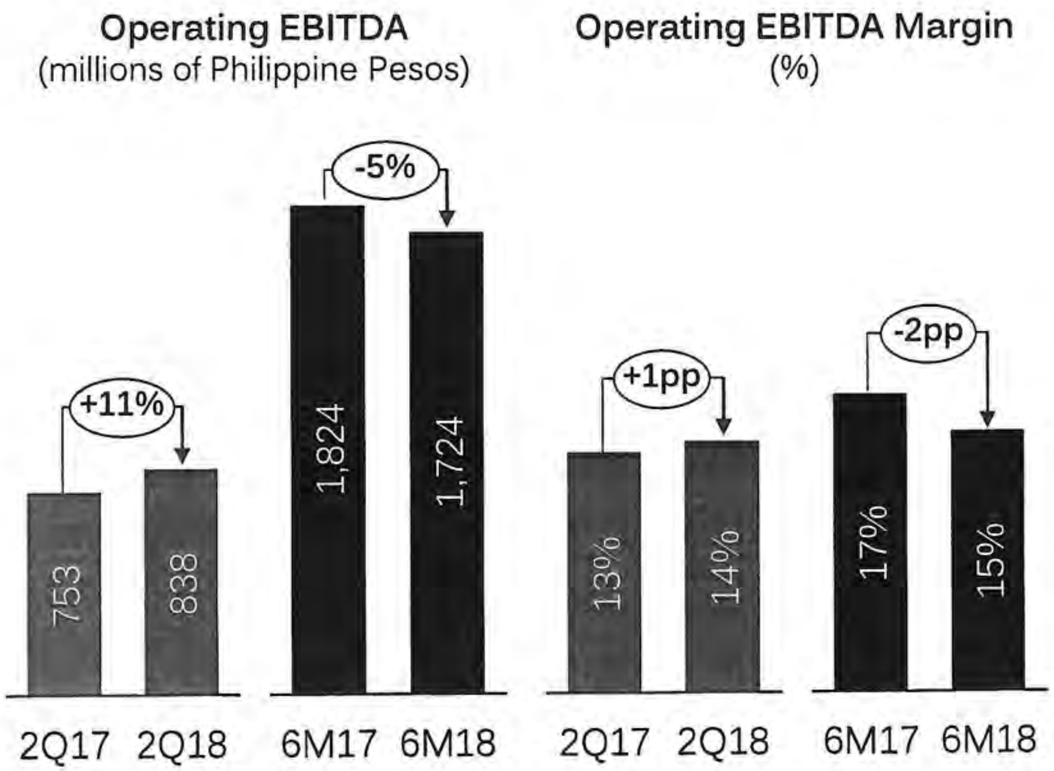
As a percentage of sales, selling and administrative expenses declined from 15% to 12%.

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%.

[1] Millions of Philippine Pesos

Operating EBITDA and Operating EBITDA Margin

CEMEX HOLDINGS PHILIPPINES



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%.

Net Income

CEMEX | HOLDINGS PHILIPPINES

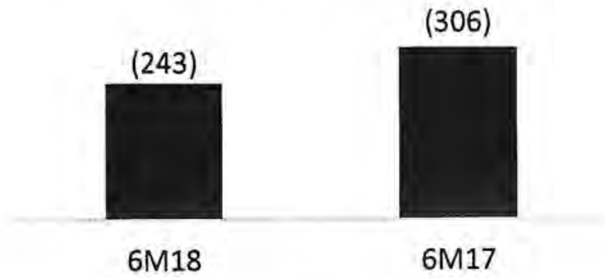
	January - June			Second Quarter			First Quarter		
	2018	2017		2018	2017		2018	2017	
Net income (loss) before income taxes	**178**	**637**	**(72%)**	**75**	**196**	**(62%)**	**103**	**441**	**(77%)**
Income tax expenses	(713)	(151)	(374%)	(710)	(59)	(1097%)	(3)	(91)	97%
Consolidated net income (loss)	**(535)**	**486**	**N/A**	**(635)**	**137**	**N/A**	**100**	**350**	**(71%)**

Net income was negative PHP 635 million during the quarter, and negative PHP 535 million for the first six months of the year, due to higher income tax expense mainly from the utilization of NOLCO[1] credits for tax on intra-group dividends and subsequent decrease in amount of deferred tax assets (non-cash expenses).

Breakdown of Income Tax Expenses

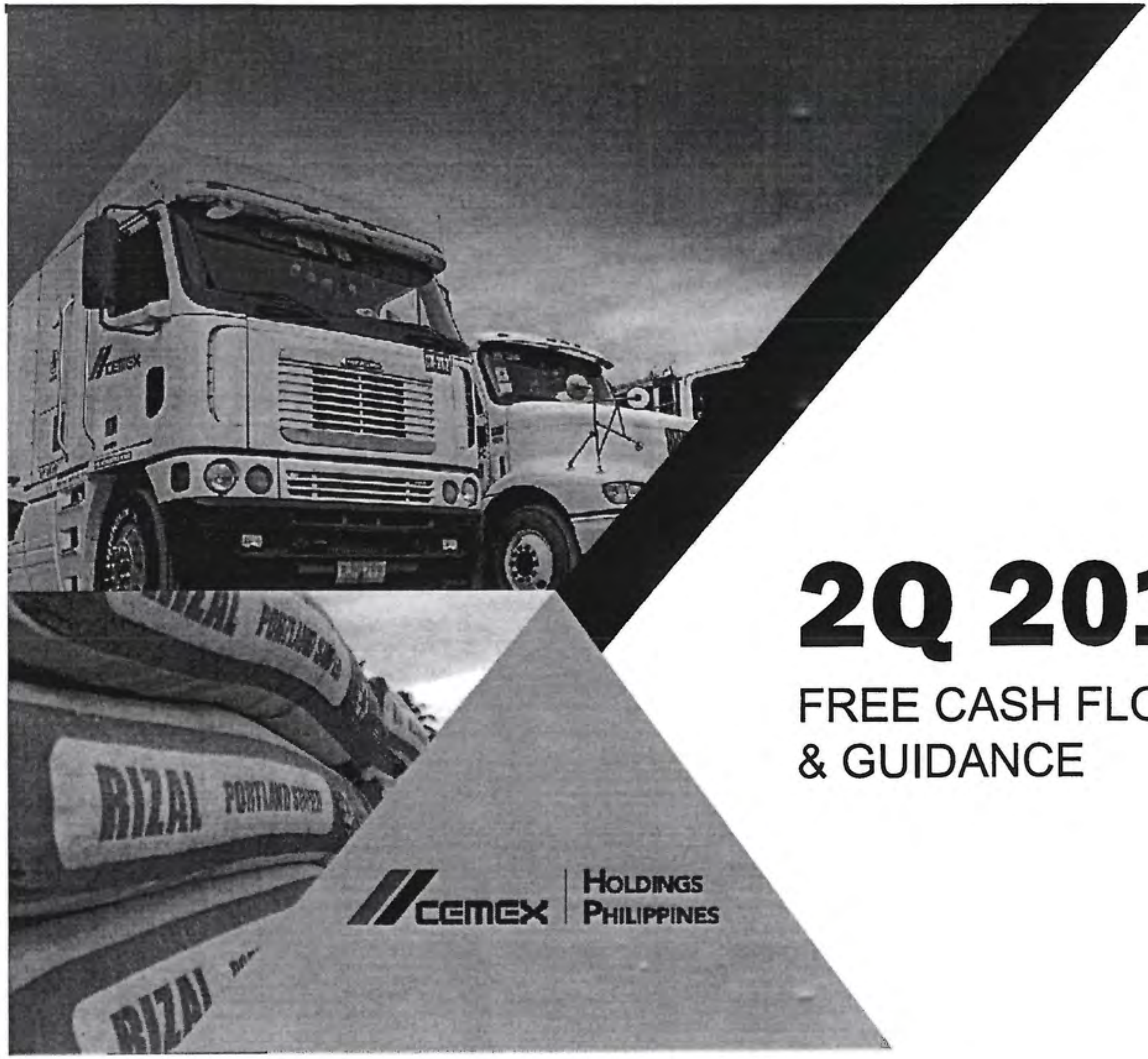
	January - June	
	2018	**2017**
Current Year Income Tax	(363)	(334)
Deferred Tax Assets (DTA)	(350)	184
Income tax	**(713)**	**(151)**

Cash Income Taxes Paid



See slide FCF slide for more information (slide 14)

[1] NOLCO refers to Net Operating Loss Carry-Over
All amounts in Millions of Philippine Pesos



2Q 2018

FREE CASH FLOW
& GUIDANCE

Free Cash Flow

CEMEX HOLDINGS PHILIPPINES

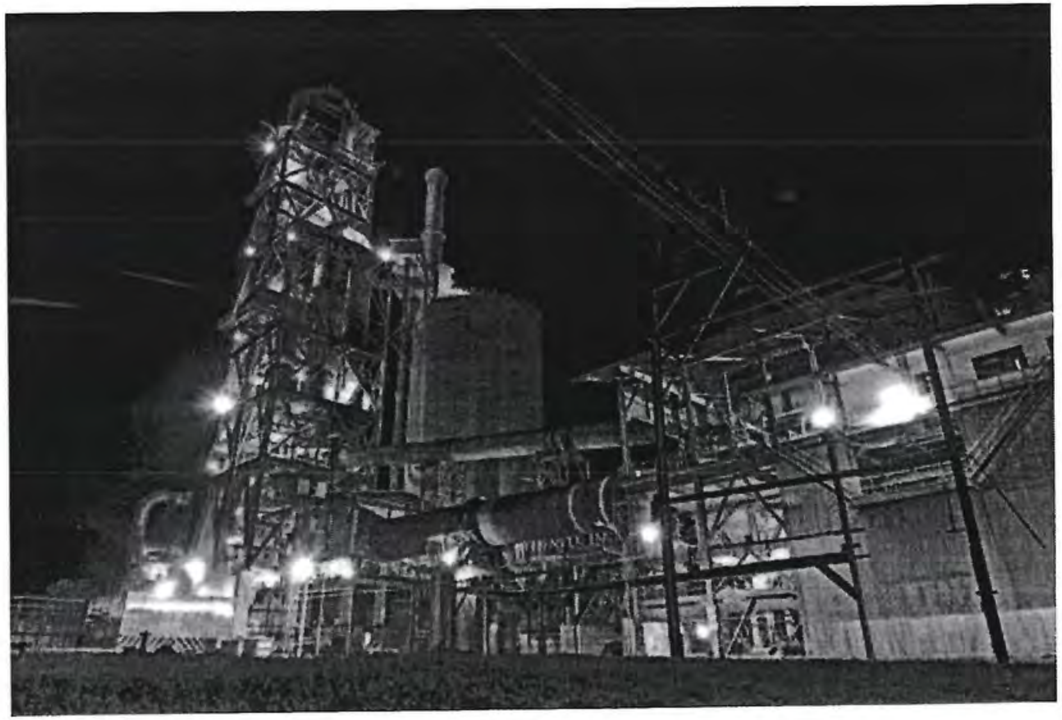
	January - June			Second Quarter		
	2018	2017	% var	2018	2017	% var
Operating EBITDA	**1,724**	**1,824**	**(5%)**	**838**	**753**	**11%**
- Net Financial Expenses	445	459		237	200	
- Maintenance Capex	362	196		283	147	
- Change in Working Capital	(747)	58		(524)	(862)	
- Income Taxes Paid	243	306		139	204	
- Other Cash Items (net)	(14)	(22)		(12)	(3)	
Free Cash Flow after Maintenance Capex	**1,435**	**827**	**74%**	**715**	**1,067**	**(33%)**
- Strategic Capex	184	237		70	163	
Free Cash Flow	**1,251**	**591**	**112%**	**645**	**904**	**(29%)**

Millions of Philippine Pesos

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

Solid Plant Capacity Expansion

CEMEX | HOLDINGS PHILIPPINES



Expected total investment: **US$ 225 million**

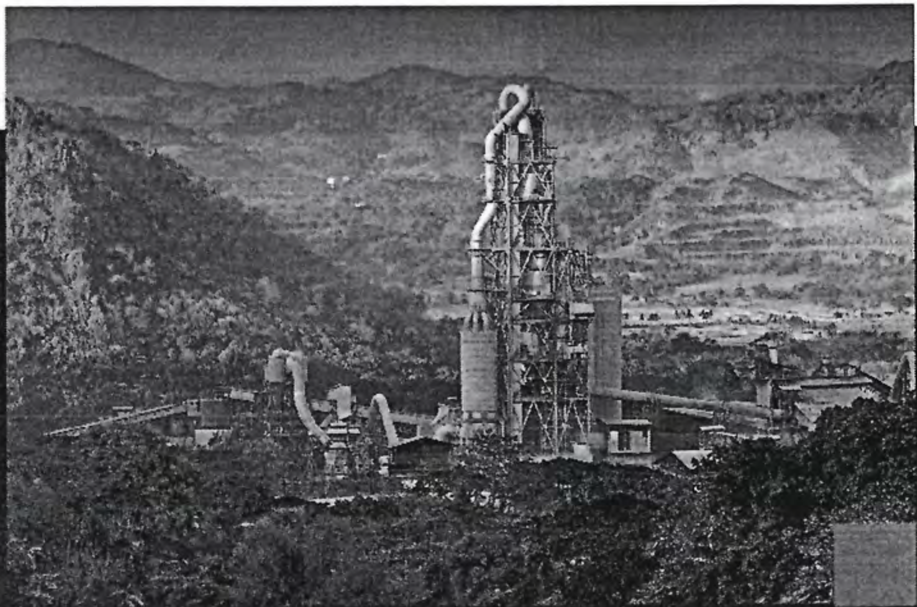
New line expected to **start operations** in the first quarter of 2020.

2018 Guidance

CEMEX | HOLDINGS PHILIPPINES

Cement volumes	8-12%	
Capital expenditures	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**
Working capital	Reduction of approximately PHP 1,500 -2,000 million	

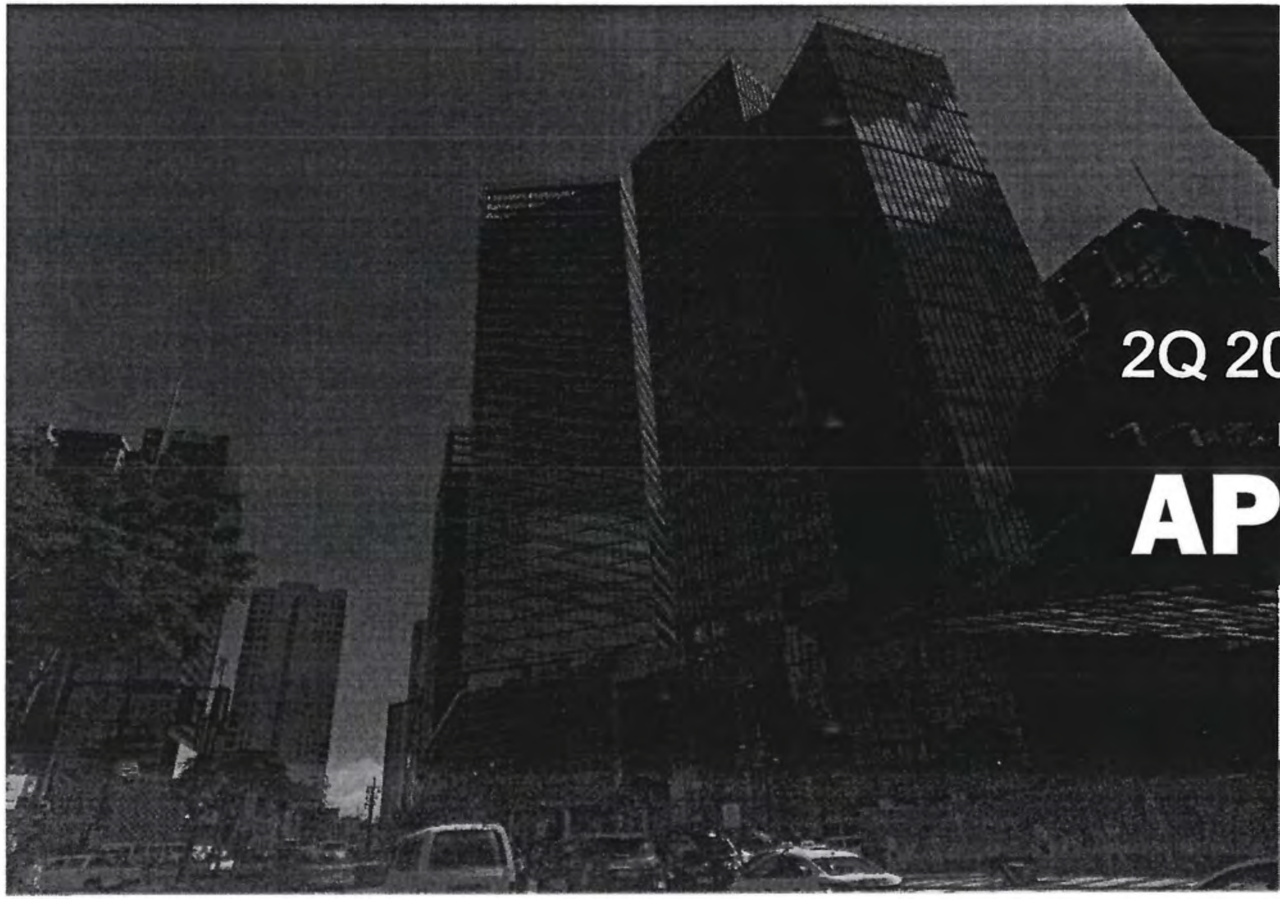
CEMEX | HOLDINGS PHILIPPINES



Q&A SESSION

2Q 2018 RESULTS

CEMEX | HOLDINGS PHILIPPINES

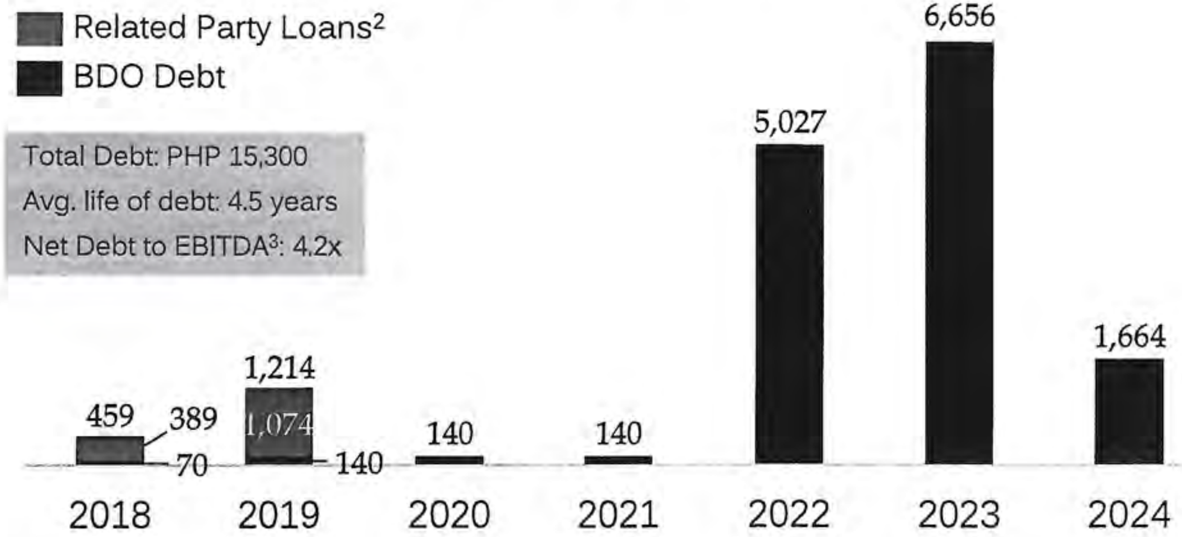


2Q 2018

APPENDIX

Debt Information

Maturity Profile[1]



[1] Millions of Philippine Pesos
[2] Pertains to loans with CEMEX Asia B.V.
[3] Last 12 months Consolidated EBITDA

Definitions

6M18 / 6M17	Results for the first six months of the years 2018 and 2017, respectively
PHP	Philippine Pesos
Pp	Percentage points
Prices	All references to pricing initiatives, price increases or decreases, refer to our prices for our products.
Operating EBITDA	Operating earnings before other expenses, net, plus depreciation and operating amortization.
Free Cash Flow	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	Total debt minus cash and cash equivalents.

Contact Information

CEMEX | HOLDINGS PHILIPPINES

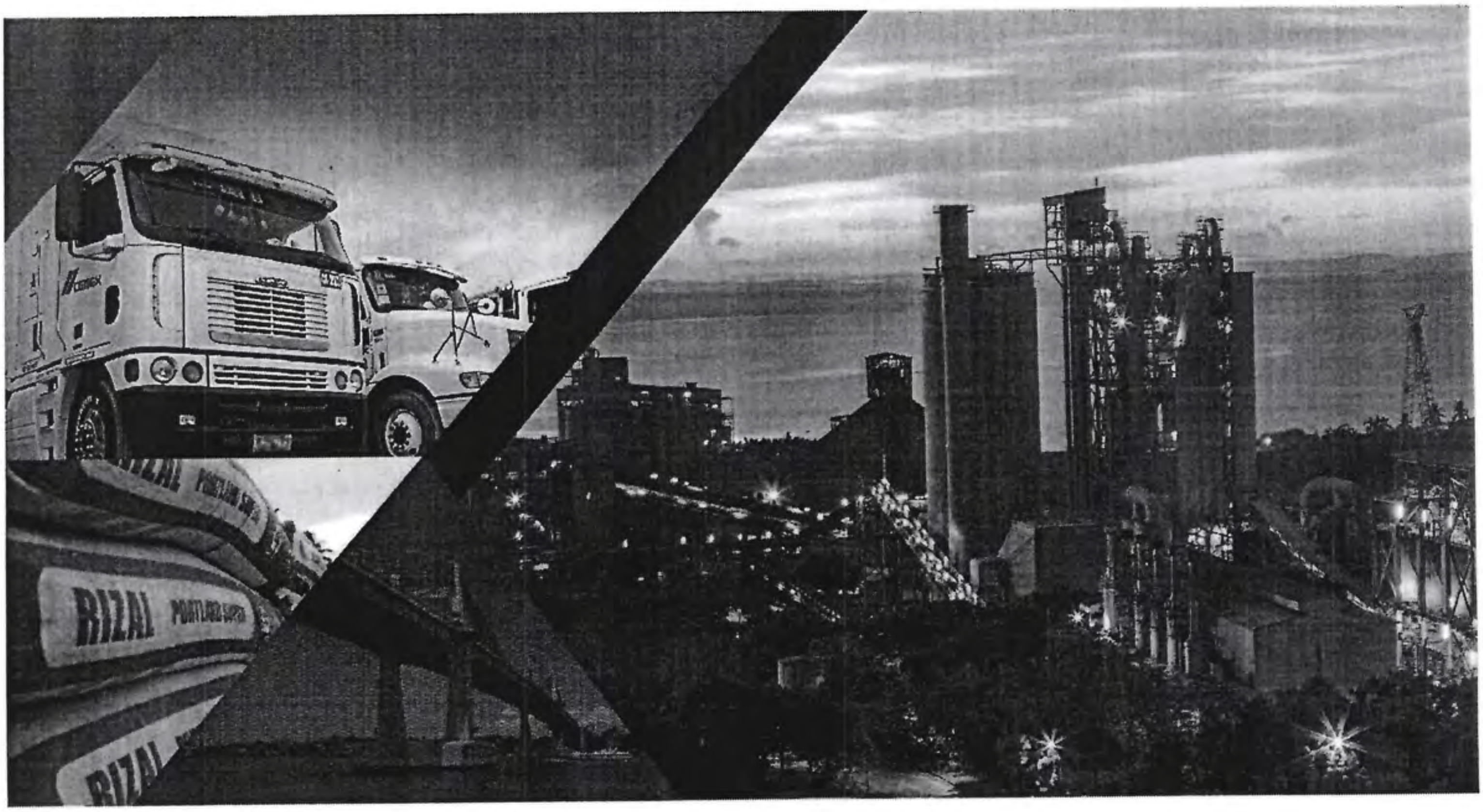
Investor Relations

In the **Philippines**
+632 849 3600

chp.ir@cemex.com

Stock Information

PSE:
CHP



CEMEX | 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

	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[1]	12,836	13,863	(7%)	12,836	13,863	(7%)
Total debt[1]	15,300	15,036	2%	15,300	15,036	2%
Earnings per share[2]	(0.10)	0.09	N/A	(0.12)	0.03	N/A

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

[1] 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.

[2] 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 2018 vs. 2017	Second Quarter 2018 vs. 2017	Second Quarter 2018 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	
Operating EBITDA	**1,724**	**1,824**	**(5%)**	**838**	**753**	**11%**
- Net financial expenses	445	459		237	200	
- Maintenance capital expenditures	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)	
Free cash flow after maintenance capital expenditures	**1,435**	**827**	**74%**	**715**	**1,067**	**(33%)**
- Strategic capital expenditures	184	237		70	163	
Free cash flow	**1,251**	**591**	**112%**	**645**	**904**	**(29%)**

In millions of Philippine Pesos

Debt Information

	Second Quarter			First Quarter
	2018	2017	% var	2018
Total debt[1]	**15,300**	**15,036**	**2%**	**15,327**
Short term	3%	0%		3%
Long term	97%	100%		97%
Cash and cash equivalents	2,464	1,173	110%	1,851
Net debt	**12,836**	**13,863**	**(7%)**	**13,476**

	Second Quarter	
	2018	2017
Currency denomination		
U.S. dollar[2]	3%	7%
Philippine peso	97%	93%
Interest rate		
Fixed	43%	37%
Variable	57%	63%

In millions of Philippine Pesos, except percentages

[1] U.S. dollar debt converted using end-of-period exchange rate. See Exchange Rates on page 7 for more detail.

[2] 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)

	January - June			Second Quarter		
INCOME STATEMENT	**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%)
Gross profit	**4,956,730**	**4,892,456**	**1%**	**2,510,896**	**2,319,595**	**8%**
Operating expenses	(3,937,242)	(3,689,719)	(7%)	(2,048,106)	(1,884,971)	(9%)
Operating earnings before other expenses, net	**1,019,488**	**1,202,737**	**(15%)**	**462,790**	**434,624**	**6%**
Other income (expenses), net	14,319	21,780	(34%)	12,043	2,614	361%
Operating earnings	**1,033,807**	**1,224,517**	**(16%)**	**474,833**	**437,238**	**9%**
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%)
Net income (loss) before income taxes	**178,002**	**636,578**	**(72%)**	**74,556**	**195,822**	**(62%)**
Income tax expenses	(712,842)	(150,525)	(374%)	(709,678)	(59,308)	(1097%)
Consolidated net income (loss)	**(534,840)**	**486,053**	**N/A**	**(635,122)**	**136,514**	**N/A**
Non-controlling interest net income (loss)	16	15	7%	6	7	(14%)
Controlling Interest net income (loss)	**(534,824)**	**486,068**	**N/A**	**(635,116)**	**136,521**	**N/A**
Operating EBITDA	**1,724,225**	**1,824,128**	**(5%)**	**837,777**	**753,433**	**11%**
Earnings per share	**(0.10)**	**0.09**	**N/A**	**(0.12)**	**0.03**	**N/A**

	as of June 30	as of June 30		as of December 31	
BALANCE SHEET	**2018**	**2017**	**% Var**	**2017**	**% Var**
Total Assets	**52,277,352**	**51,340,280**	**2%**	**51,751,676**	**1%**
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%
Current Assets	7,600,140	6,860,569	11%	6,651,913	14%
Fixed Assets	15,454,036	15,592,084	(1%)	15,582,732	(1%)
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%
Other Assets	29,223,176	28,887,627	1%	29,517,031	(1%)
Total Liabilities	**23,083,118**	**22,128,537**	**4%**	**22,329,280**	**3%**
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%
Consolidated Stockholders' Equity	**29,194,234**	**29,211,743**	**(0%)**	**29,422,396**	**(1%)**
Non-controlling Interest	205	231	(11%)	221	(7%)
Stockholders' Equity Attributable to Controlling Interest	29,194,029	29,211,512	(0%)	29,422,175	(1%)

Income Statement & Balance Sheet Information

CEMEX Holdings Philippines, Inc.
(Thousands of U.S. Dollars, except per share amounts)

	January - June			Second Quarter		
INCOME STATEMENT	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%)
Gross profit	**94,970**	**97,743**	**(3%)**	**47,796**	**46,335**	**3%**
Operating expenses	(75,437)	(73,715)	(2%)	(38,987)	(37,653)	(4%)
Operating earnings before other expenses, net	**19,533**	**24,028**	**(19%)**	**8,809**	**8,682**	**1%**
Other income (expenses), net	274	435	(37%)	229	52	340%
Operating earnings	**19,807**	**24,463**	**(19%)**	**9,038**	**8,734**	**3%**
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%)
Net income (loss) before income taxes	**3,410**	**12,717**	**(73%)**	**1,418**	**3,911**	**(64%)**
Income tax expenses	(13,658)	(3,007)	(354%)	(13,509)	(1,185)	(1040%)
Consolidated net income (loss)	**(10,248)**	**9,710**	**N/A**	**(12,091)**	**2,726**	**N/A**
Non-controlling interest net income (loss)	0	0	0%	0	0	0%
Controlling Interest net income (loss)	**(10,248)**	**9,710**	**N/A**	**(12,091)**	**2,726**	**N/A**
Operating EBITDA	**33,036**	**36,443**	**(9%)**	**15,948**	**15,050**	**6%**

	as of June 30	as of June 30		as of December 31	
BALANCE SHEET	2018	2017	% Var	2017	% Var
Total Assets	**980,078**	**1,017,243**	**(4%)**	**1,036,485**	**(5%)**
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%)
Current Assets	142,485	135,933	5%	133,225	7%
Fixed Assets	289,727	308,938	(6%)	312,092	(7%)
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%)
Other Assets	547,866	572,372	(4%)	591,168	(7%)
Total Liabilities	**432,754**	**438,449**	**(1%)**	**447,212**	**(3%)**
Current Liabilities	141,151	124,065	14%	137,664	3%
Long-Term Liabilities	274,058	297,923	(8%)	293,894	(7%)
Other Liabilities	17,546	16,461	7%	15,654	12%
Consolidated Stockholders' Equity	**547,323**	**578,794**	**(5%)**	**589,273**	**(7%)**
Non-controlling Interest	4	5	(23%)	4	(13%)
Stockholders' Equity Attributable to Controlling Interest	547,320	578,789	(5%)	589,268	(7%)

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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CEMEX | HOLDINGS PHILIPPINES

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.

###

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.

108312018001983

SECURITIES AND EXCHANGE COMMISSION

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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

Document ID	108312018001983
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Period Covered	August 31, 2018
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Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

CEMEX HOLDINGS PHILIPPINES, INC.

34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City

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

JANNETTE VIRATA SEVILLA
Contact Person

849-3600
Company Telephone Number

12	31	SEC Form 17-C	06	06
Month	*Day*	FORM TYPE	*Month*	*Day*
Fiscal Year			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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **31 August 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. ______ (SEC Use Only)

   Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office — Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

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

On 31 August 2018, during the *Joint Special Meetings of the Board of Directors and Stockholders* held for each of the below-listed subsidiaries of SOLID Cement Corporation (a subsidiary of CEMEX HOLDINGS PHILIPPINES, INC.), approvals were obtained for the amendment of the respective Articles of Incorporation of the subsidiaries in order to shorten the corporate term to "31 December 2019":

(a) Ecocrete, Inc.
(b) Ecopavements, Inc.

The business operations of these subsidiaries have been closed since 31 December 2017.

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.	**31 August 2018**
Issuer	Date

Jannette Virata Sevilla
Compliance Officer

109212018002973

SECURITIES AND EXCHANGE COMMISSION

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Company Information

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Company Name	CEMEX HOLDINGS PHILIPPINES, INC.
Industry Classification	Financial Holding Company Activities
Company Type	Stock Corporation

Document Information

Document ID	109212018002973
Document Type	17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code	17-C
Period Covered	September 20, 2018
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

C E M E X   H O L D I N G S   P H I L I P P I N E S ,   I N C .

3 4 t h   F l o o r   P e t r o n   M e g a   P l a z a
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A v e n u e ,   M a k a t i   C i t y

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

JANNETTE VIRATA SEVILLA
Contact Person

849-3600
Company Telephone Number

1 2 | 3 1
Month *Day*
Fiscal Year

SEC Form 17-C
FORM TYPE

0 6 | 0 6
Month *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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **20 September 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. ☐ (SEC Use Only)

   Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office — Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

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

We wish to clarify a news item today concerning the landslide that occurred this morning in Sitio Sindulan, Barangay Tina-an, Naga, Cebu which was reportedly triggered by heavy downpour of rains that started the night before. We understand that the affected site is located within the area covered by mining rights of APO Land & Quarry Corporation ("ALQC"), and that the site is neither an active nor an abandoned quarry area of ALQC. The news item erroneously reported that ALQC is 40% owned by CEMEX HOLDINGS PHILIPPINES, INC. (CHP).

ALQC is a principal raw material supplier of APO Cement Corporation, a wholly-owned subsidiary of CHP. CHP does not own any equity stake (directly or indirectly) in ALQC or its parent company, Impact Assets Corporation. ALQC and its parent company are not part of the CHP group. CEMEX Asian South East Corporation, which is a majority shareholder of CHP, owns a minority 40% stake in Impact Assets Corporation.

CHP has been coordinating with ALQC which we understand is closely working with authorities and the community on their rescue and relief efforts. Updates on this ongoing situation will be provided as may be necessary for the guidance of the public.

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

20 September 2018
Date

jannette virata sevilla

Jannette Virata Sevilla
Compliance Officer

109242018003172

SECURITIES AND EXCHANGE COMMISSION

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Company Information

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Company Name	CEMEX HOLDINGS PHILIPPINES, INC.
Industry Classification	Financial Holding Company Activities
Company Type	Stock Corporation

Document Information

Document ID	109242018003172
Document Type	17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code	17-C
Period Covered	September 21, 2018
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

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A v e n u e ,   M a k a t i   C i t y

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

JANNETTE VIRATA SEVILLA
Contact Person

849-3600
Company Telephone Number

1 2	3 1	SEC Form 17-C	0 6	0 6
Month	*Day*	FORM TYPE	*Month*	*Day*

First Wednesday of June

Fiscal Year

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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **21 September 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. [ ] (SEC Use Only)

   Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office — Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

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

CEMEX HOLDINGS PHILIPPINES, INC. ("CHP") was informed today by APO Land & Quarry Corporation ("ALQC"), one of the principal suppliers of APO Cement Corporation ("APO Cement"), a subsidiary of CHP, that an executive order has been issued by the Mayor of Naga, Cebu ordering all companies, entities and individuals to cease and desist from further doing mining operations and activities, small scale quarries, sand and gravel extractions and other similar related activities in the City of Naga, Cebu in light of the recent landslide incident in Sitio Sindulan, Barangay Tina-an, City of Naga which affected portions of Barangays Tina-an, Naalad, Mainit and Inoburan. The executive order provides, among others, that the cease and desist order shall be lifted once reversed by the Director of the Department of Environment and Natural Resources ("DENR")-Mines and Geosciences Bureau. ALQC's quarrying activities are located in the City of Naga, Cebu.

ALQC also notified that the Secretary of DENR has suspended all quarry operations of ALQC.

CHP is now conducting an assessment on the effect of the cease and desist order on the raw materials sourced from Naga City and consequently, on the production output of APO Cement. CHP is also considering, at this time, alternative measures to address the situation.

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	**21 September 2018** Date

Jannette Virata Sevilla
Compliance Officer

110012018001237

SECURITIES AND EXCHANGE COMMISSION

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Industry Classification	Financial Holding Company Activities
Company Type	Stock Corporation

Document Information

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Period Covered	September 28, 2018
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Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

CEMEX HOLDINGS PHILIPPINES, INC.

34th Floor Petron Mega Plaza
Building, 358 Sen. Gil J. Puyat
Avenue, Makati City

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

JANNETTE VIRATA SEVILLA
Contact Person

849-3600
Company Telephone Number

12	31	SEC Form 17-C	06	06
Month	*Day*	FORM TYPE	*Month*	*Day*
Fiscal Year			**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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **28 September 2018**
Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. ____ (SEC Use Only)

Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
Address of principal office — Postal Code

8. **+632 849-3600**
Issuer's telephone number, including area code

9. **N/A**
Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

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

CEMEX Holdings Philippines, Inc. ("CHP") issues this statement to clarify to the public the impact on CHP of the suspension of the quarry operations of the principal raw material suppliers to CHP's main operating subsidiaries that operate in Naga City, Cebu and Antipolo City, Rizal, respectively.

APO Cement Corporation and SOLID Cement Corporation continue to operate their respective cement plants and are implementing various measures designed to maintain availability of products to its customers.

CHP is closely monitoring the situation and working with affected communities. Updates will be provided as necessary for the guidance of the public.

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

28 September 2018
Date

Jannette Virata Sevilla
Compliance Officer

110022018002167

SECURITIES AND EXCHANGE COMMISSION

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Company Name	CEMEX HOLDINGS PHILIPPINES, INC.
Industry Classification	Financial Holding Company Activities
Company Type	Stock Corporation

Document Information

Document ID	110022018002167
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Period Covered	October 01, 2018
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

CEMEX HOLDINGS PHILIPPINES, INC.

34th Floor Petron Mega Plaza
Building, 358 Sen. Gil J. Puyat
Avenue, Makati City

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

JANNETTE VIRATA SEVILLA	849-3600
Contact Person	Company Telephone Number

12	31	SEC Form 17-C	06	06
Month	*Day*	FORM TYPE	*Month*	*Day*
Fiscal Year			First Wednesday of June Annual Meeting	

Issuer of Securities under SEC MSRD Order No. 9 series of 2016
Secondary License Type, If Applicable

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Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **1 October 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. [ ] (SEC Use Only)

   Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office — Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

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

CEMEX HOLDINGS PHILIPPINES, INC. ("CHP") was informed today that the Department of Environment and Natural Resources - Mines and Geosciences Bureau lifted the suspension of quarry operations covering a quarry area located in Sitio Tagbac, Brgy San Jose, Antipolo City which is one of the sources of raw materials of SOLID Cement Corporation.

SOLID Cement Corporation is one of CHP's main operating subsidiaries.

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.	**1 October 2018**
Issuer	Date

Jannette Virata Sevilla
Compliance Officer

110182018002096

SECURITIES AND EXCHANGE COMMISSION

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Company Representative

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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

Document ID	110182018002096
Document Type	17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code	17-C
Period Covered	October 18, 2018
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

C E M E X   H O L D I N G S   P H I L I P P I N E S , I N C .

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B u i l d i n g ,   3 5 8   S e n . G i l   J .   P u y a t
A v e n u e ,   M a k a t i   C i t y

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

JANNETTE VIRATA SEVILLA
Contact Person

849-3600
Company Telephone Number

1 2 | 3 1
Month | Day
Fiscal Year

SEC Form 17-C
FORM TYPE

0 6 | 0 6
Month | 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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **18 October 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. (SEC Use Only)

   Province, country or other jurisdiction of incorporation Industry Classification Code:

7. **34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	**5,195,395,454**

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

On 18 October 2018, SOLID Cement Corporation ("SOLID"), which is one of the main subsidiaries of CEMEX Holdings Philippines, Inc. ("CHP"), entered into the principal project agreements with CBMI Construction Co., Ltd of China for the procurement, construction and installation of the 1.5 million metric tons per year expanded/new integrated cement production line at SOLID's cement plant located in Antipolo City, Rizal. As of October 18, 2018, the estimated investment in the new integrated cement production line is approximately US$ 235 million. Upon completion, it is expected that this new line will represent a 26% increase in CHP's cement capacity in the Philippines. CHP currently estimates the new line to start operations by the fourth quarter of 2020. CHP expects that the investment in the new line could be sourced from one and/or any combination of the following options: free cash flow, debt from any subsidiary of CEMEX, S.A.B. de C.V. (the ultimate parent company of CHP), debt from one or more financial institutions and/or proceeds from one or more capital market transactions.

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.	**18 October 2018**
Issuer	Date

Jannette Virata Sevilla
Compliance Officer

110222018000831

SECURITIES AND EXCHANGE COMMISSION

SECBuilding,EDSA,Greenhills,MandaluyongCity,MetroManila,Philippines
Tel:(632) 726-0931 to 39 Fax:(632) 725-5293 Email: mis@sec.gov.ph

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Company Information

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

Document Information

Document ID	110222018000831
Document Type	17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code	17-C
Period Covered	October 19, 2018
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

C E M E X   H O L D I N G S   P H I L I P P I N E S ,   I N C .

3 4 t h   F l o o r   P e t r o n   M e g a   P l a z a
B u i l d i n g ,   3 5 8   S e n . G i l   J .   P u y a t
A v e n u e ,   M a k a t i   C i t y

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

JANNETTE VIRATA SEVILLA	849-3600
Contact Person	Company Telephone Number

1 2	3 1	SEC Form 17-C	0 6	0 6
Month	*Day*	FORM TYPE	*Month*	*Day*
Fiscal Year			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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **19 October 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. (SEC Use Only)

   Province, country or other jurisdiction of incorporation

   Industry Classification Code:

7. **34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

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Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	**5,195,395,454**

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

CEMEX Holding Philippines, Inc. ("CHP") will be presenting its 3rd Quarter 2018 results on Friday, October 26, 2018 at 10:00AM GMT+08, by way of hosting a conference call and webcast presentation to discuss these results. The live presentation can be accessed at www.cemexholdingsphilippines.com, or interested parties may access the audio-only conference call by connecting to a dial-in number.

The attached Press Release dated 19 October 2018 contains further details.

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.	**19 October 2018**
Issuer	Date

jannette vila

Jannette Virata Sevilla
Compliance Officer

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CEMEX HOLDINGS PHILIPPINES TO PRESENT THIRD QUARTER 2018 RESULTS ON OCTOBER 26, 2018

MANILA, PHILIPPINES, OCTOBER 19, 2018 – CEMEX Holdings Philippines, Inc. ("CHP") (PSE: CHP) announced that it will present its Third Quarter 2018 results on Friday, October 26, 2018.

CHP will host a conference call and webcast presentation on this same date at 10:00 AM GMT+08 to discuss these results. The live presentation can be accessed at www.cemexholdingsphilippines.com, or interested parties may access the audio-only conference call through the following details:

Dial-in Numbers:

Philippines	180016120306
International	+65 67135090

Passcode: 7486847

The briefing materials for the presentation will be posted prior to the scheduled conference call on www.cemexholdingsphilippines.com, after the same have been posted on edge.pse.com.ph. CHP reserves the right to revise the time or postpone the conference call in the event that circumstances necessitate the change.

###

The information to be disclosed in the event referenced in this press release contains 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. 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.

110262018001316

SECURITIES AND EXCHANGE COMMISSION

SECBuilding,EDSA,Greenhills,MandaluyongCity,MetroManila,Philippines
Tel:(632) 726-0931 to 39 Fax:(632) 725-5293 Email: mis@sec.gov.ph

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Company Information

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

Document Information

Document ID	110262018001316
Document Type	17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code	17-C
Period Covered	October 26, 2018
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

C E M E X   H O L D I N G S   P H I L I P P I N E S ,   I N C .

3 4 t h   F l o o r   P e t r o n   M e g a   P l a z a
B u i l d i n g ,   3 5 8   S e n . G i l   J .   P u y a t
A v e n u e ,   M a k a t i   C i t y

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

JANNETTE VIRATA SEVILLA
Contact Person

849-3600
Company Telephone Number

1 2	3 1	SEC Form 17-C	0 6	0 6
Month	*Day*	FORM TYPE	*Month*	*Day*
Fiscal Year			**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.

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File Number

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Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **26 October 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
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Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

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 26 October 2018 to discuss its 3rd Quarter 2018 results. These materials were posted prior to the conference call/webcast on edge.pse.com.ph and CHP's website, www.cemexholdingsphilippines.com.

CHP also issued its Press Release dated 26 October 2018 announcing its financial and operating highlights for the 3rd 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	**26 October 2018** Date

Jannette Virata Sevilla
Compliance Officer

CEMEX | HOLDINGS PHILIPPINES

3Q 2018 RESULTS

October 26, 2018

CEMEX | HOLDINGS PHILIPPINES

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.

Third Quarter 2018 Highlights

All-time-highest **cement sales volume in a quarter** (3Q18)

Record cement sales volume to the **institutional segment** (August and September)

+10%

Growth in **Domestic Cement Volume** (9M18)

+8%

Growth in **Net Sales** (9M18)

Domestic Cement Volumes and Prices

CEMEX HOLDINGS PHILIPPINES

		9M18 vs. 9M17	3Q18 vs. 3Q17	3Q18 vs. 2Q18
Domestic Cement	Volume	10%	5%	2%
	Price (PHP)	(1%)	4%	(1%)

Domestic cement volumes increased 5% year-over-year during the third quarter.

- All-time-highest quarterly sales volume in 3Q18
- Demand mainly driven by sustained infrastructure activity and growth in the residential sector
- Cement sales to institutional clients hit record levels in August and September

On a year-to-date basis, domestic cement volumes grew 10% compared with the same period last year.

Domestic cement prices were 4% higher during the third quarter versus the same period last year.

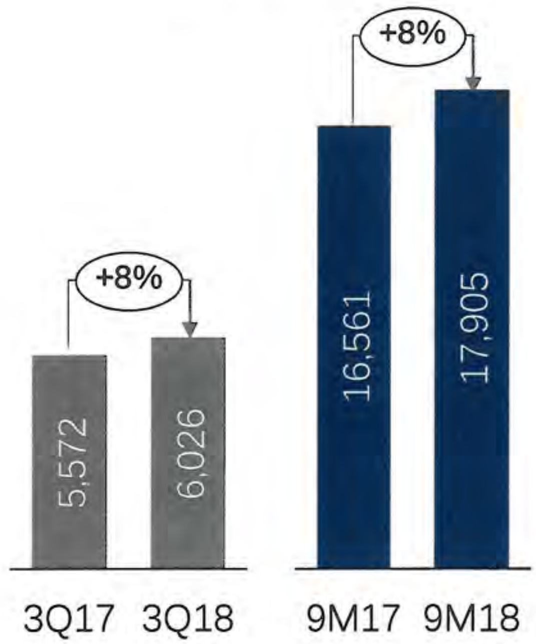
- Prices for the month of September were 4% higher in local-currency than December 2017 levels

Sequentially, domestic cement prices were 1% lower, reflecting a higher percentage of picked-up versus delivered cement.

Net Sales

Net sales increased year-over-year by 8% both during the third quarter and the first nine months of the year.

Net Sales[1]



[1] Millions of Philippine Pesos

Private Sector

Residential sector continued its growth in the third quarter of 2018.

The sector's performance should be sustained by demand from the growing offshoring and outsourcing (O&O) work force and sustained remittances.

Non-residential construction activity remained positive in the third quarter of 2018.

Analysts reported record-high commercial space net take-up during the first half of 2018, driven by demand from offshoring and outsourcing (O&O) firms and start-ups requiring flexible working spaces. Additionally, expansion of the manufacturing sector should support industrial growth for the rest of the year.

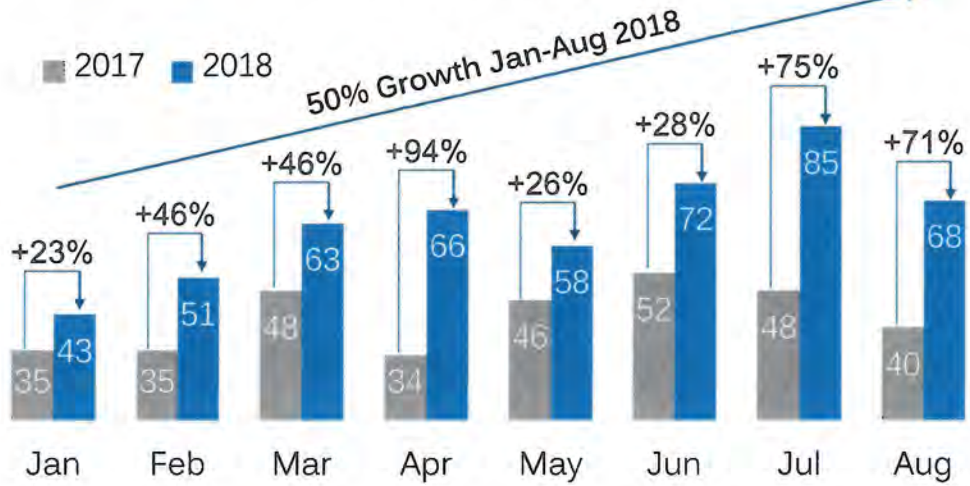
Investment in Private Construction
Year-over-year growth[1]

1Q18	2Q18	6M18
6.7%	7.9%	7.3%

[1]Source: Philippine Statistics Authority

Public Sector

Disbursement on Infrastructure and Capital Outlays
(in PHP billion)[1]



Infrastructure activity continued to accelerate in the third quarter of 2018 supported by 50% year-over-year growth in infrastructure and capital outlays for the first eight months of 2018.

The Department of Finance announced that 10 of 75 flagship projects of the "Build, Build, Build" program are slated to start within the year. Strong growth for the sector is expected for the rest of 2018.

Public Construction, grew by 21% year-over-year during the second quarter, accounting for 40.5% of total construction investments.

Investment in Public Construction

Year-over-year growth[2]

1Q18	2Q18	6M18
24.9%	21.0%	22.1%

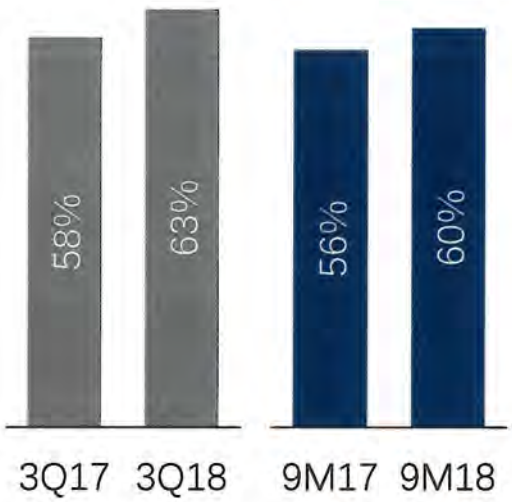
% of Total Construction Investments[2]

1Q18	2Q18	6M18
20.8%	40.5%	32.0%

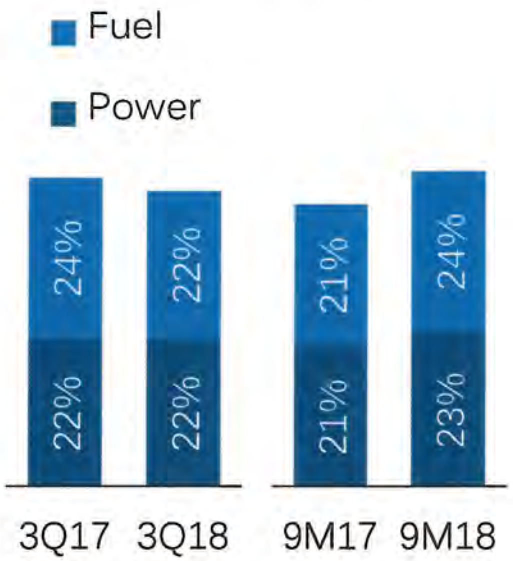
Source: [1] Department of Budget and Management; Department of Finance;
[2] Philippine Statistics Authority

Cost of Sales

Cost of Sales
(% of net sales)



Fuel and Power
(% of cost of sales)



Cost of sales, as a percentage of sales, increased to 60% during **9M18** due to increased fuel and power costs, as a result of higher global fuel prices, depreciation of the Philippine Peso, and impact of tax reform.

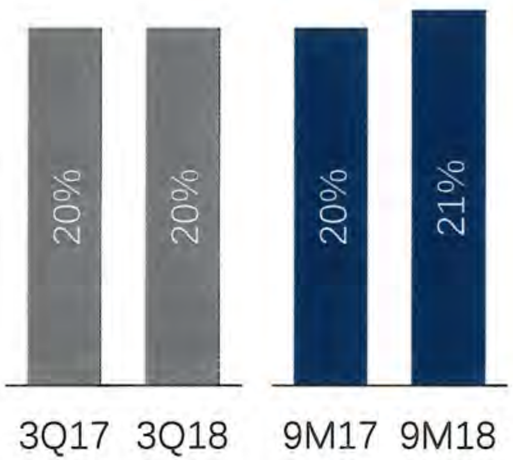
Cost of sales, as a percentage of sales, was 4 pp* higher in **3Q18** year-over-year as annual maintenance shutdown expenses were mostly reflected during the quarter. In 2017, shutdown-related expenses were done mainly in 2Q.

- **Fuel costs** accounted for 22% of cost of sales during the quarter, a decrease of 2 pp year-over-year.
- **Power costs** accounted for 22% of cost of sales during the quarter, flat vs. the same period last year, as lower power requirements due to mill maintenance mitigated higher grid rates.

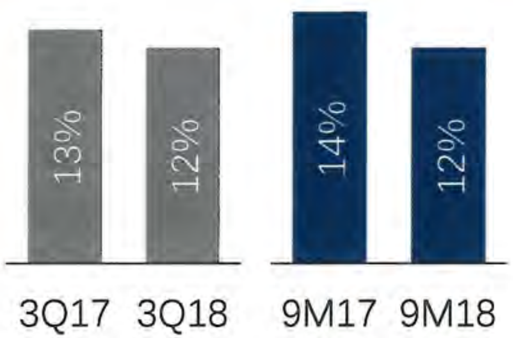
**Difference due to rounding*

Operating Expenses

Distribution
(% of net sales)



Selling and Administrative
(% of net sales)



Distribution expenses, as a percentage of sales, increased by 1 pp year-over-year for the first nine months of the year. Initiatives to increase operational efficiency mitigated higher fuel costs and other inputs.

Sequentially, distribution expenses, as a percentage of sales, decreased by 2 pp in 3Q18, from 22% to 20%.

Selling and administrative expenses, as a percentage of sales, declined by 2 pp during the first nine months of the year and by 1 pp during the quarter, on a year-over-year basis.

Operating EBITDA and Operating EBITDA Margin

Operating EBITDA Variation[1]

[1] Millions of Philippine Pesos

Third quarter operating EBITDA decreased 15% year-over-year.

Operating EBITDA margin during the quarter was 11%, 3 pp lower than 3Q17.

Expenses grew at a higher rate than revenues given annual maintenance shutdown expenses in the third quarter of this year which were not present same period last year.

Year-to-date, operating EBITDA decreased 8% compared to the same period last year.

Operating EBITDA margin for the first nine months of the year was 14%.

Net Income

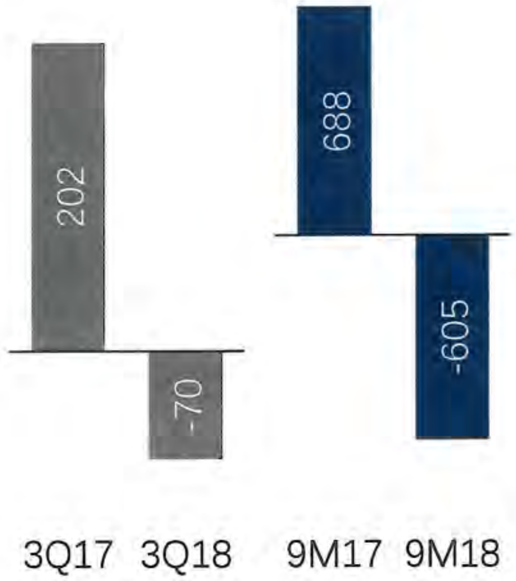
CEMEX | HOLDINGS PHILIPPINES

Net income for the quarter was at a loss of PHP 70 million, due to lower operating EBITDA, higher financial expenses and foreign exchange losses.

During the first nine months of the year, the company incurred a loss of PHP 605 million due to higher income tax expenses recorded in the second quarter.

	Third Quarter			January - September		
in million pesos	2018	2017	% var	2018	2017	% var
Operating earnings	298	478	(38%)	1,332	1,702	(22%)
Financial income (expense), net	(232)	(208)	(11%)	(677)	(667)	(1%)
Foreign exchange gain (loss), net	(59)	(28)	(113%)	(470)	(157)	(199%)
Income (loss) before income tax	7	241	(97%)	185	878	(79%)
Income tax (expense) benefit	(77)	(39)	(95%)	(790)	(190)	(316%)
Consolidated net income (loss)	(70)	202	N/A	(605)	688	N/A

Net Income[1]



[1] Millions of Philippine Pesos

3Q 2018

FREE CASH FLOW
& GUIDANCE

Free Cash Flow

CEMEX HOLDINGS PHILIPPINES

	January - September			Third Quarter		
	2018	2017	% var	2018	2017	% var
Operating EBITDA	**2,410**	**2,627**	**(8%)**	**686**	**803**	**(15%)**
- Net Financial Expenses	677	667		232	208	
- Maintenance Capex	493	413		131	218	
- Change in Working Capital	(778)	(348)		(30)	(406)	
- Income Taxes Paid	420	424		177	118	
- Other Cash Items (net)	(8)	(31)		6	(9)	
Free Cash Flow after Maintenance Capex	**1,607**	**1,502**	**7%**	**171**	**675**	**(75%)**
- Strategic Capex	233	441		49	204	
Free Cash Flow	**1,373**	**1,061**	**29%**	**122**	**470**	**(74%)**

Millions of Philippine Pesos

Free cash flow during the first nine months reached PHP 1.6 billion after maintenance CAPEX and PHP 1.3 billion after strategic CAPEX.

Solid Plant Capacity Expansion

CEMEX | HOLDINGS PHILIPPINES

On Oct. 18, 2018, Solid Cement Corporation signed an agreement with CBMI Construction Co., Ltd of China, for the **procurement, construction and installation** of the new line.

Expected total investment: **US$ 235 million**

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

Updates and Developments

- CEMEX Go, a digital end-to-end solution that will provide a seamless experience for order placement, tracking of shipments, and managing invoices and payments for CHP's main products, was launched in the Philippines on Oct. 15, 2018. The initiative is aligned with CEMEX's global digital transformation.
- Net promoter score (NPS) allows us to measure how our customers experience our products and services

2018 Guidance

CEMEX HOLDINGS PHILIPPINES

Cement volumes	10-11%	
Capital expenditures	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**
Working capital	Reduction of approximately P1,200 – 1,400 million	

Sustaining Growth

CEMEX | HOLDINGS PHILIPPINES

Favorable Macroeconomic Fundamentals

Growing Cement Demand

Improve Customer Experience

- CEMEX Go
- Net Promoter Score

Capture growth

- Solid expansion
- Debottlenecking

Operational Excellence

- Productivity
- Alternative Fuels

Empowered to serve and deliver

CEMEX HOLDINGS PHILIPPINES

Q&A SESSION

3Q 2018 RESULTS

CEMEX | HOLDINGS PHILIPPINES

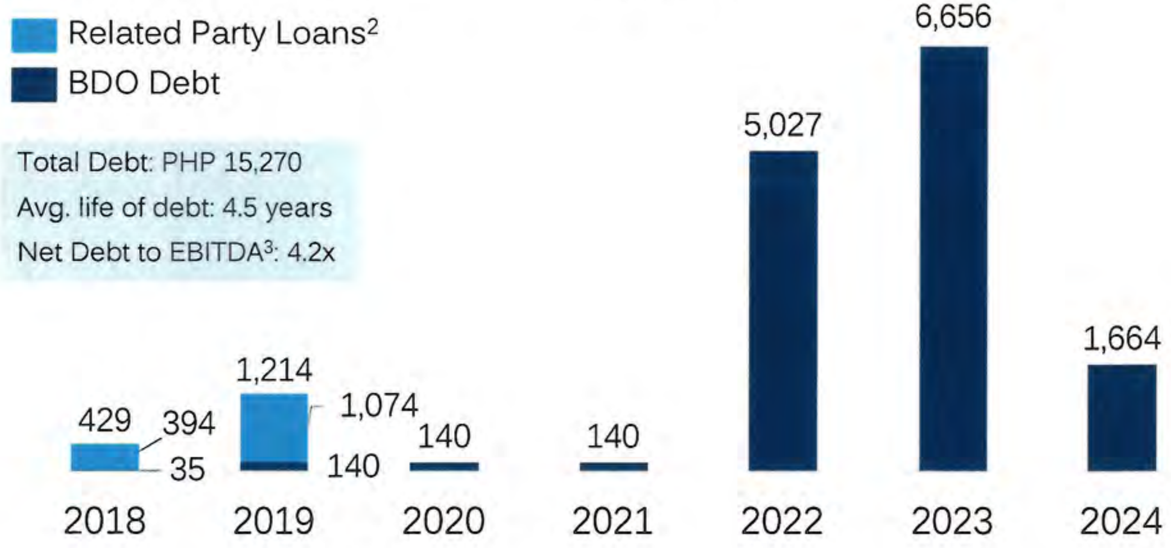
3Q 2018

APPENDIX

Debt Information

CEMEX | HOLDINGS PHILIPPINES

Maturity Profile[1]



Total Debt: PHP 15,270
Avg. life of debt: 4.5 years
Net Debt to EBITDA[3]: 4.2x

[1] Millions of Philippine Pesos
[2] Pertains to loans with CEMEX Asia B.V.
[3] Last 12 months Consolidated EBITDA

Definitions

6M18 / 6M17	Results for the first six months of the years 2018 and 2017, respectively
9M18 / 9M17	Results for the first nine months of the years 2018 and 2017, respectively
PHP	Philippine Pesos
Pp	Percentage points
Prices	All references to pricing initiatives, price increases or decreases, refer to our prices for our products.
Operating EBITDA	Operating earnings before other expenses, net, plus depreciation and operating amortization.
Free Cash Flow	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	Total debt minus cash and cash equivalents.

Contact Information

CEMEX HOLDINGS PHILIPPINES

Investor Relations

In the **Philippines**
+632 849 3600

chp.ir@cemex.com

Stock Information

PSE:
CHP

CEMEX HOLDINGS PHILIPPINES

2018

THIRD QUARTER RESULTS

- **Stock Listing Information**

Philippine Stock Exchange

Ticker: CHP

- **Investor Relations**

+ 632 849 3600

E-Mail:

chp.ir@cemex.com

	January - September			Third Quarter		
	2018	2017	% var	2018	2017	% var
Net sales	17,905	16,561	8%	6,026	5,572	8%
Gross profit	7,213	7,215	(0%)	2,256	2,323	(3%)
as % of net sales	40.3%	43.6%	(3pp)	37.4%	41.7%	(4pp)
Operating earnings before other expenses, net	1,324	1,671	(21%)	304	468	(35%)
as % of net sales	7%	10%	(3pp)	5%	8%	(3pp)
Controlling Interest Net Income (Loss)	(605)	688	N/A	(70)	202	N/A
Operating EBITDA	2,410	2,627	(8%)	686	803	(15%)
as % of net sales	14%	16%	(2pp)	11%	14%	(3pp)
Free cash flow after maintenance capital expenditures	1,607	1,502	7%	171	675	(75%)
Free cash flow	1,373	1,061	29%	122	470	(74%)
Net debt[1]	12,753	13,430	(5%)	12,753	13,430	(5%)
Total debt[1]	15,270	15,016	2%	15,270	15,016	2%
Earnings per share[2]	(0.12)	0.13	N/A	(0.01)	0.04	N/A

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

[1] 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.

[2] In Philippine Pesos

Net sales increased by 8% year-over-year during the quarter resulting from higher volumes and prices. The first nine months of the year also reflected this same increase compared with the same period last year.

Cost of sales, as a percentage of sales, increased to 60% during the first nine months of the year due to increased fuel and power costs, resulting from higher global fuel prices, depreciation of the Philippine Peso, and the impact of tax reform in the country.

Cost of sales, as a percentage of sales, was 4 pp higher in the third quarter on a year-over-year basis as annual maintenance shutdown expenses were mostly reflected during this period. In 2017, shutdown related expenses were booked mainly in the second quarter.

Fuel costs accounted for 22% of cost of sales during the quarter, a decrease of 2 pp year-over-year.

Power costs accounted for 22% of cost of sales during the quarter, flat versus the same period last year, as lower power requirements due to mill maintenance mitigated higher grid rates.

Operating expenses, as a percentage of sales, during the first nine months of the year remained at a similar level compared with those of last year.

Distribution expenses, as a percentage of sales, increased by 1 pp year-over-year during the first nine months of the year. Initiatives to increase operational efficiency mitigated higher fuel costs and other inputs.

Sequentially, distribution expenses, as a percentage of sales, decreased by 2 pp during the quarter, from 22% to 20%.

Selling and administrative expenses, as a percentage of sales, declined by 2 pp during the first nine months and by 1 pp during the third quarter, on a year-over-year basis.

Operating EBITDA decreased by 15% during the quarter. Year-to-date, operating EBITDA decreased by 8% compared to the same period last year.

Operating EBITDA margin during the quarter was 11%, 3 pp lower than in the same period last year. Expenses grew at a higher rate than revenues given annual maintenance shutdown expenses in the third quarter of this year which were not present same period last year. Operating EBITDA margin for the first nine months of the year was 14%.

Controlling interest net income for the quarter was at a loss of PHP 70 million due to lower operating EBITDA, higher financial expenses and foreign exchange losses. For first nine months of the year, the company incurred a loss of PHP 605 million due to higher income tax expenses recorded in the second quarter.

Total debt at the end of September 2018 stood at PHP 15,270 million, of which PHP 13,802 million pertained to long-term debt owed to BDO Unibank, Inc.

Domestic Gray Cement	January - September 2018 vs. 2017	Third Quarter 2018 vs. 2017	Third Quarter 2018 vs. Second Quarter 2018
Volume	10%	5%	2%
Price in PHP	(1%)	4%	(1%)

Our domestic cement volumes increased by 5% year-over-year during the quarter, driven by sustained infrastructure activity and growth in the residential sector. We achieved our all-time highest quarterly sales volume during this period. In addition, our institutional cement sales volumes hit record levels in August and September.

On a year-to-date basis, domestic cement volumes grew 10% versus the same period of the prior year. This performance reflects increased construction activity from both public and private sectors, and progress from our debottlenecking efforts.

Our domestic cement prices were 4% higher during the quarter versus the same period last year. Prices for the month of September were 4% higher than in the month of December last year.

Sequentially, domestic cement prices were 1% lower compared to previous quarter, reflecting a higher percentage of picked-up versus delivered cement, in line with our efforts to bring down distribution costs.

Operating EBITDA and Free Cash Flow

	January - September			Third Quarter		
	2018	2017	% var	2018	2017	% var
Operating earnings before other expenses, net	**1,324**	**1,671**	**(21%)**	**304**	**468**	**(35%)**
+ Depreciation and operating amortization	1,087	956		382	335	
Operating EBITDA	**2,410**	**2,627**	**(8%)**	**686**	**803**	**(15%)**
- Net financial expenses	677	667		232	208	
- Maintenance capital expenditures	493	413		131	218	
- Change in working capital	(778)	(348)		(30)	(406)	
- Income taxes paid	420	424		177	118	
- Other cash items (net)	(8)	(31)		6	(9)	
Free cash flow after maintenance capital expenditures	**1,607**	**1,502**	**7%**	**171**	**675**	**(75%)**
- Strategic capital expenditures	233	441		49	204	
Free cash flow	**1,373**	**1,061**	**29%**	**122**	**470**	**(74%)**

In millions of Philippine Pesos

Debt Information

	Third Quarter			Second Quarter
	2018	2017	% var	2018
Total debt[1]	**15,270**	**15,016**	**2%**	**15,300**
Short term	4%	0%		3%
Long term	96%	100%		97%
Cash and cash equivalents	2,517	1,586	59%	2,464
Net debt	**12,753**	**13,430**	**(5%)**	**12,836**

	Third Quarter	
	2018	2017
Currency denomination		
U.S. dollar[2]	3%	0%
Philippine peso	97%	100%
Interest rate		
Fixed	46%	44%
Variable	54%	56%

In millions of Philippine Pesos, except percentages

[1] U.S. dollar debt converted using end-of-period exchange rate. See Exchange Rates on page 7 for more detail.

[2] 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)

	January - September			Third Quarter		
INCOME STATEMENT	2018	2017	% var	2018	2017	% var
Net sales	17,905,121	16,561,253	8%	6,025,788	5,571,912	8%
Cost of sales	(10,692,260)	(9,346,142)	(14%)	(3,769,657)	(3,249,257)	(16%)
Gross profit	**7,212,861**	**7,215,111**	**(0%)**	**2,256,131**	**2,322,655**	**(3%)**
Selling and Administrative expenses	(2,201,944)	(2,301,036)	4%	(718,163)	(729,060)	1%
Distribution expenses	(3,687,345)	(3,242,962)	(14%)	(1,233,884)	(1,125,219)	(10%)
Operating earnings before other expenses, net	**1,323,572**	**1,671,113**	**(21%)**	**304,084**	**468,376**	**(35%)**
Other income (expenses), net	8,238	31,100	(74%)	(6,080)	9,320	N/A
Operating earnings	**1,331,810**	**1,702,213**	**(22%)**	**298,004**	**477,696**	**(38%)**
Financial expenses, net	(676,545)	(667,103)	(1%)	(231,882)	(208,491)	(11%)
Foreign exchange loss, net	(470,473)	(157,208)	(199%)	(59,331)	(27,881)	(113%)
Net income (loss) before income taxes	**184,792**	**877,902**	**(79%)**	**6,791**	**241,324**	**(97%)**
Income tax expenses	(789,517)	(189,941)	(316%)	(76,676)	(39,416)	(95%)
Consolidated net income (loss)	**(604,725)**	**687,961**	**N/A**	**(69,885)**	**201,908**	**N/A**
Non-controlling interest net income (loss)	22	21	5%	5	6	(17%)
Controlling Interest net income (loss)	**(604,703)**	**687,982**	**N/A**	**(69,880)**	**201,914**	**N/A**
Operating EBITDA	**2,410,383**	**2,627,458**	**(8%)**	**686,157**	**803,331**	**(15%)**
Earnings per share	**(0.12)**	**0.13**	**N/A**	**(0.01)**	**0.04**	**N/A**

	as of September 30			as of December 31	
BALANCE SHEET	2018	2017	% Var	2017	% Var
Total Assets	**52,225,700**	**51,162,429**	**2%**	**51,751,676**	**1%**
Cash and Temporary Investments	2,517,344	1,586,345	59%	1,058,267	138%
Trade Accounts Receivables	981,613	999,675	(2%)	833,259	18%
Other Receivables	93,202	76,556	22%	101,002	(8%)
Inventories	3,123,916	3,046,854	3%	3,258,252	(4%)
Assets held for sale	22,653	0		90,629	(75%)
Other Current Assets	973,857	756,107	29%	1,310,504	(26%)
Current Assets	7,712,585	6,465,537	19%	6,651,913	16%
Fixed Assets	15,269,140	15,690,808	(3%)	15,582,732	(2%)
Investments in an associate and other investments	14,097	15,273	(8%)	15,407	(9%)
Other assets and noncurrent accounts receivables	748,991	376,922	99%	716,700	5%
Deferred income taxes - net	621,193	754,195	(18%)	925,230	(33%)
Goodwill	27,859,694	27,859,694	0%	27,859,694	0%
Other Assets	29,243,975	29,006,084	1%	29,517,031	(1%)
Total Liabilities	**23,033,400**	**21,721,917**	**6%**	**22,329,280**	**3%**
Current Liabilities	7,529,617	6,030,449	25%	6,873,552	10%
Long-Term Liabilities	14,590,300	14,842,169	(2%)	14,674,110	(1%)
Other Liabilities	913,483	849,299	8%	781,618	17%
Consolidated Stockholders' Equity	**29,192,300**	**29,440,512**	**(1%)**	**29,422,396**	**(1%)**
Non-controlling Interest	200	225	(11%)	221	(10%)
Stockholders' Equity Attributable to Controlling Interest	29,192,100	29,440,287	(1%)	29,422,175	(1%)

Income Statement & Balance Sheet Information

CEMEX Holdings Philippines, Inc.
(Thousands of U.S. Dollars, except per share amounts)

	January - September			Third Quarter		
INCOME STATEMENT	2018	2017	% var	2018	2017	% var
Net sales	340,154	329,199	3%	112,568	109,651	3%
Cost of sales	(203,127)	(185,779)	(9%)	(70,421)	(63,943)	(10%)
Gross profit	**137,027**	**143,420**	**(4%)**	**42,147**	**45,708**	**(8%)**
Selling and Administrative expenses	(41,832)	(45,740)	9%	(13,416)	(14,348)	6%
Distribution expenses	(70,051)	(64,462)	(9%)	(23,050)	(22,143)	(4%)
Operating earnings before other expenses, net	**25,144**	**33,218**	**(24%)**	**5,681**	**9,217**	**(38%)**
Other income (expenses), net	157	618	(75%)	(114)	183	N/A
Operating earnings	**25,301**	**33,836**	**(25%)**	**5,567**	**9,400**	**(41%)**
Financial expenses, net	(12,853)	(13,260)	3%	(4,332)	(4,103)	(6%)
Foreign exchange loss, net	(8,938)	(3,125)	(186%)	(1,108)	(549)	(102%)
Net income (loss) before income taxes	**3,510**	**17,451**	**(80%)**	**127**	**4,748**	**(97%)**
Income tax expenses	(14,999)	(3,776)	(297%)	(1,432)	(776)	(85%)
Consolidated net income (loss)	**(11,489)**	**13,675**	**N/A**	**(1,305)**	**3,972**	**N/A**
Non-controlling interest net income (loss)	0	0		0	0	
Controlling Interest net income (loss)	**(11,489)**	**13,675**	**N/A**	**(1,305)**	**3,972**	**N/A**
Operating EBITDA	**45,791**	**52,228**	**(12%)**	**12,818**	**15,809**	**(19%)**

	as of September 30			as of December 31	
BALANCE SHEET	2018	2017	% Var	2017	% Var
Total Assets	**966,784**	**1,006,838**	**(4%)**	**1,036,485**	**(7%)**
Cash and Temporary Investments	46,600	31,218	49%	21,195	120%
Trade Accounts Receivables	18,171	19,673	(8%)	16,689	9%
Other Receivables	1,725	1,507	14%	2,023	(15%)
Inventories	57,829	59,960	(4%)	65,256	(11%)
Assets held for sale	419	0		1,815	(77%)
Other Current Assets	18,029	14,880	21%	26,247	(31%)
Current Assets	142,773	127,238	12%	133,225	7%
Fixed Assets	282,657	308,783	(8%)	312,092	(9%)
Investments in an associate and other investments	261	301	(13%)	309	(15%)
Other assets and noncurrent accounts receivables	13,865	7,417	87%	14,354	(3%)
Deferred income taxes - net	11,499	14,842	(23%)	18,531	(38%)
Goodwill	515,729	548,257	(6%)	557,975	(8%)
Other Assets	541,354	570,817	(5%)	591,168	(8%)
Total Liabilities	**426,387**	**427,471**	**(0%)**	**447,212**	**(5%)**
Current Liabilities	139,386	118,674	17%	137,664	1%
Long-Term Liabilities	270,091	292,082	(8%)	293,894	(8%)
Other Liabilities	16,910	16,715	1%	15,654	8%
Consolidated Stockholders' Equity	**540,397**	**579,367**	**(7%)**	**589,273**	**(8%)**
Non-controlling Interest	4	4	0%	4	(10%)
Stockholders' Equity Attributable to Controlling Interest	540,393	579,363	(7%)	589,268	(8%)

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 September 30, 2018 has been converted at the end of period exchange rate of 54.02 Philippine pesos per US dollar while the consolidated income statement for the nine-month period ended September 30, 2018 has been converted at the January to September, 2018 average exchange rate of 52.64 Philippine pesos per US dollar. On the other hand, the consolidated income statement for the three-month period ended September 30, 2018 has been converted at the July to September, 2018 average exchange rate of 53.53 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 - September		Third Quarter		January - September	
	2018 average	2017 average	2018 average	2017 average	2018 End of period	2017 End of period
Philippine peso	52.64	50.31	53.53	50.82	54.02	50.82

Amounts provided in units of local currency per US dollar

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CHP ACHIEVES RECORD CEMENT SALES VOLUMES IN THE THIRD QUARTER OF 2018

- Record cement sales volumes during the third quarter driven by strong demand
- Net sales for 3Q 2018 up by 8 percent year-over-year

MANILA, PHILIPPINES. OCTOBER 26, 2018 – CEMEX HOLDINGS PHILIPPINES, INC. ("CHP") (PSE: CHP), announced today that it achieved record quarterly cement sales volumes during the third quarter behind strong domestic demand. Cement sales volumes grew by 5% during the quarter and by 10% in the first nine months of this year compared with the same period in 2017.

CHP also reported an 8% increase in net sales during the quarter, reaching P6.0 billion. During the first nine months of the year, revenues were also up by 8%, amounting to P17.9 billion compared with P16.6 billion in the same period in 2017.

"Cement demand in the country remains strong and reinforces our commitment to be a partner in the development of infrastructure in the country. In line with this, we recently formalized the agreement with CBMI Construction Company of China for the construction of a new cement-production line in our Solid Cement Plant in Antipolo, Rizal which will increase CHP's cement production capacity by 1.5 million tons," CHP President and CEO Ignacio Mijares explained.

EBITDA reached P686 million during the third quarter and P2.4 billion during the first nine months of the year, a decline of 8% and 15%, respectively, compared with the same periods in 2017. Lower EBITDA during the quarter was mainly due to higher input costs and shutdown-related expenses.

CHP reported a consolidated net loss of P70 million during third quarter, compared with a net income of P202 million in the same period in 2017.

"Higher input-cost inflation continues to be a challenge for the Company. We are implementing several initiatives to improve our profitability and deliver value for our customers and shareholders. One initiative is the recent launch of CEMEX Go in the Philippines, a first-of-its-kind, end-to-end, digital commerce platform that provides a seamless experience for CHP's customers in placing and tracking orders, invoicing and payments. CEMEX Go provides an effective, easy and enjoyable way for our customers to interact with us," 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.

###

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.

111212018000330

SECURITIES AND EXCHANGE COMMISSION

SECBuilding,EDSA,Greenhills,MandaluyongCity,MetroManila,Philippines
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Company Information

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

Document Information

Document ID	111212018000330
Document Type	17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code	17-C
Period Covered	November 19, 2018
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815

S.E.C. Registration Number

CEMEX HOLDINGS PHILIPPINES, INC.	(Company's Full Name)

34th Floor Petron Mega Plaza
Building, 358 Sen. Gil J. Puyat
Avenue, Makati City

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

JANNETTE VIRATA SEVILLA	849-3600
Contact Person	Company Telephone Number

1 2	3 1	SEC Form 17-C	0 6	0 6
Month	*Day*	FORM TYPE	*Month*	*Day*
			First Wednesday of June	
Fiscal Year			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 Amount of Borrowings

Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

**CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER**

1. **19 November 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. [ ] (SEC Use Only)

   Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office — Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

11. Indicate the item numbers reported herein: **Item 5 - Legal Proceedings**

CEMEX Holdings Philippines, Inc. ("CHP") informs that it and one of its principal operating subsidiaries, APO Cement Corporation ("APO"), received on November 19, 2018 summons concerning an enviromental class suit that was filed at the Regional Trial Court of Talisay, Cebu against CHP and APO. The filed class suit also identifies as defendants a company which is not a direct or indirect subsidiary of CHP and/or APO, named APO Land & Quarry Corporation ("ALQC"), which is one of APO's main aggregates provider, as well as Philippine governmental and administrative authorities (the Mines Geosciences Bureau-Department of Environment and Natural Resources Region 7, City Government of Naga, Cebu and the Provincial Government of Cebu).

The class suit seeks the restitution of damage of natural and human environment, application for the issuance of an Environment Protection Order against quarry operations in Cebu Island with prayer for Temporary Protection Order, Writ of Continuing Mandamus for the determination of the carrying capacity of Cebu Island and rehabilitation and restoration of the damaged ecosystems. In terms of monetary damages claimed in the class suit, the plaintiffs and those similarly situated with them in the class suit are seeking an award of total damages in the amount of Php4,334,200,000.00.

As of today, for the most part based on a previous report released by the Mines and Geosciences Bureau of the Department of Environment and Natural Resources of the Philippines that ruled the landslide was due to natural causes, CHP and APO believe that they should have sound basis to defend themselves against this class suit and as such will pursue all available legal actions available to them, but considering (i) that CHP and APO have just received the summons regarding the class suit, (ii) that the corresponding overall analysis of the class suit is being made, (iii) that there is no certainty on how damages, if any, would be allocated between the defendants, and (iv) that CHP and APO's strategy on defending the claim is still to be defined, CHP and APO, at this time, are not able to determine the probability of receiving a final adverse resolution resulting from this class suit. However, if CHP and/or APO were to receive a final adverse resolution against them with regard to the class suit, any such final adverse resolution could have a material adverse impact on CHP's results of operations, business, liquidity and financial condition. Also, at this time, CHP is not able to assess what impact, if any, the filing of this class suit against CHP and APO, among the other defendants, would have with any other CHP stakeholders.

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.	**19 November 2018**
Issuer	Date

Jannette Virata Sevilla

Jannette Virata Sevilla
Compliance Officer

111212018002093

SECURITIES AND EXCHANGE COMMISSION

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Industry Classification	Financial Holding Company Activities
Company Type	Stock Corporation

Document Information

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No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

C E M E X   H O L D I N G S   P H I L I P P I N E S ,   I N C .

3 4 t h   F l o o r   P e t r o n   M e g a   P l a z a
B u i l d i n g ,   3 5 8   S e n . G i l   J .   P u y a t
A v e n u e ,   M a k a t i   C i t y

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

JANNETTE VIRATA SEVILLA
Contact Person

849-3600
Company Telephone Number

1 2 | 3 1
Month | Day

Fiscal Year

SEC Form 17-C
FORM TYPE

0 6 | 0 6
Month | 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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **21 November 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. (SEC Use Only)

   Province, country or other jurisdiction of incorporation
   Industry Classification Code:

7. **34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

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

CEMEX Holdings Philippines, Inc. ("CHP") informs today that due to the current situation in Naga, City, which originated with the landslide that occurred on September 20, 2018 at Barangay Tinaan, City of Naga, Cebu Province (the "Landslide"), CHP's main subsidiary operating in Cebu, APO Cement Corporation ("APO"), is incurring considerable costs from having to source the raw materials from different regions of the Philippines and from outside of the Philippines. The need to source the raw materials from more expensive sources is a result of the suspension of the quarry operations of APO's principal raw material provider (APO Land & Quarry Corporation, which is not a subsidiary of CHP) following the Landslide.

As a consequence of the above, the organization has been constrained to take measures to reduce the impact of the current situation on its results of operations, business, liquidity and financial condition. As such, in order to manage costs, APO has decided to temporarily layoff approximately 30% of its regular employees and 38% of its contractual workers. Furthermore, APO will be closing down its Davao cement terminal, and indefinitely suspending the operation of one of its two kilns in Cebu. With the anticipated depressed output of APO's cement plant, APO will be implementing also a reduced workweek to decrease its fixed costs and expenses.

CHP and APO are cooperating with its principal raw materials provider and the corresponding national and local authorities to find a solution.

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.	**21 November 2018**
Issuer	Date

Jannette Virata Sevilla
Compliance Officer

111262018001782

SECURITIES AND EXCHANGE COMMISSION

SECBuilding,EDSA,Greenhills,MandaluyongCity,MetroManila,Philippines
Tel:(632) 726-0931 to 39 Fax:(632) 725-5293 Email: mis@sec.gov.ph

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Company Representative

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Company Information

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

Document Information

Document ID	111262018001782
Document Type	17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code	17-C
Period Covered	November 26, 2018
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

CEMEX HOLDINGS PHILIPPINES, INC.

34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City

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

JANNETTE VIRATA SEVILLA	**849-3600**
Contact Person	Company Telephone Number

1 2	3 1	SEC Form 17-C	0 6	0 6
Month	Day	FORM TYPE	Month	Day
Fiscal Year			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 Amount of Borrowings

Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **26 November 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. [ ] (SEC Use Only)

   Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office — Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

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

CEMEX Holding Philippines, Inc. ("CHP") informs that SOLID Cement Corporation ("SOLID"), one of its principal operating subsidiaries, has availed of a subordinated revolving credit facility from a related company, CEMEX Asia, B.V., for a principal amount of up to United States Dollars: Seventy Five Million (US$ 75,000,000.00). The proceeds of this facility will be used for general corporate purposes including the refinancing of existing debt and the funding of the construction and installation of the 1.5 million metric tons per year expanded/new integrated cement production line at SOLID's cement plant located in Antipolo City, Rizal. The borrowings contemplated under this facility will have a tenor of six (6) years and will carry a fixed interest rate depending on CHP's consolidated leverage (Net debt/Consolidated EBITDA) which will range from 8.2% to 10.2% per annum. SOLID is entitled to prepay the loan with any other proceeds (aside from a new loan from a related company outside the CHP group) at any given time and with no prepayment penalty whatsoever. Payments under this facility are subordinated to the Facility Agreement dated February 1, 2017 (as may be amended, modified, supplemented and/or restated, the "Facility Agreement") signed between CHP and BDO Unibank, Inc., and subject to the restrictions that exist in the Facility Agreement. Today, SOLID has made an initial drawdown on this facility equivalent to approximately US $40.7 Million.

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.	**26 November 2018**
Issuer	Date

Jannette Virata Sevilla
Compliance Officer

111292018001545

SECURITIES AND EXCHANGE COMMISSION

SECBuilding,EDSA,Greenhills,MandaluyongCity,MetroManila,Philippines
Tel:(632) 726-0931 to 39 Fax:(632) 725-5293 Email: mis@sec.gov.ph

Barcode Page

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Company Representative

Doc Source

Company Information

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

Document Information

Document ID	111292018001545
Document Type	17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code	17-C
Period Covered	November 29, 2018
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

CEMEX HOLDINGS PHILIPPINES, INC.

34th Floor Petron Mega Plaza
Building, 358 Sen. Gil J. Puyat
Avenue, Makati City

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

JANNETTE VIRATA SEVILLA	**849-3600**
Contact Person	Company Telephone Number

1 2	3 1	SEC Form 17-C	0 6	0 6
Month	Day	FORM TYPE	Month	Day
Fiscal Year			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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **29 November 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. [ ] (SEC Use Only)

   Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office — Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

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

We submit (under cover letter to the SEC dated 29 November 2018) copies of the Certificates of Attendance of the following members of the Board of Directors and key officers of CEMEX HOLDINGS PHILIPPINES, INC. (the "Company") in connection with several Corporate Governance Training Programs conducted by the Institute of Corporate Directors:

1. **Joaquin Miguel Estrada - Chairman of the Board of Directors**
2. **Ignacio Alejandro Mijares- Member of the Board of Directors; President & CEO**
3. **Antonio Ivan Sanchez - Member of the Board of Directors**
4. **Alejandro Garcia - Member of the Board of Directors; Vice President**
5. **Ma. Virginia Ongkiko Eala - Vice President**
6. **Roberto Martin Javier - Vice President**
7. **Michael Martin Teotico - Vice President**
8. **Edwin Hufemia - Vice President**
9. **Arturo Manrique - Vice President**
10. **Steve Kuan-sheng Wu - Treasurer & CFO; Director BSO**
11. **Rolando Valentino - Internal Auditor**
12. **Antonio Desmay - Director (Procurement)**
13. **Ma Virginia Del Rosario - Director (Customer Experience)**
14. **John Benette Mamañgun - Director (Investor Relations)**
15. **Jose Mauro Gallardo - ERM Manager**
16. **Dino Martin W. Segundo - Director (Legal)**
17. **Kristine Gayem - Director (Legal)**
18. **Jannette Virata Sevilla - Corporate Secretary & Compliance Officer**

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.	**29 November 2018**
Issuer	Date

Jannette Virata Sevilla
Compliance Officer

CEMEX | HOLDINGS PHILIPPINES

29 November 2018

SECURITIES AND EXCHANGE COMMISSION
Secretariat Building, PICC Complex
Roxas Boulevard, Pasay City

Attention: Rachel Esther J. Gumtang-Remalante
Officer-In-Charge, Corporate Governance and Finance Department

Vicente Graciano P. Felizmenio, Jr.
Director, Markets and Securities Regulation Department

Re: Corporate Governance Training Program

Gentlemen:

We wish to inform your good office that the following members of the Board of Directors and key officers of CEMEX HOLDINGS PHILIPPINES, INC. (the "Company") completed Corporate Governance Training conducted by the Institute of Corporate Directors:

	Name	Position	Date
1	Joaquin Miguel Estrada	Chairman of the Board of Directors (BOD)	28-Nov-18
2	Antonio Ivan Sanchez	Member of BOD	28-Nov-18
3	Ignacio Alejandro Mijares	Member of BOD; President & CEO	28-Nov-18
4	Alejandro Garcia	Member of BOD; Vice-President	20-Nov-18
5	Maria Virginia O. Eala	Member of BOD; Vice-President	28-Nov-18
6	Roberto Martin Javier	Vice President	28-Nov-18
7	Michael Martin Teotico	Vice President	28-Nov-18
8	Edwin Hufemia	Vice President	28-Nov-18
9	Arturo Manrique	Vice President	28-Nov-18
10	Steve Kuan-Sheng Wu	Treasurer & CFO; Director BSO	28-Nov-18
11	Rolando Valentino	Internal Auditor	28-Nov-18
12	Antonio Desmay	Director (Procurement)	14-Nov-18
13	Ma. Virginia Del Rosario	Director (Customer Experience)	28-Nov-18
14	John Benette Mamañgun	Director (Investor Relations)	28-Nov-18
15	Jose Mauro Gallardo	ERM Manager	20-Nov-18
16	Dino Martin W. Segundo	Legal Director	28-Nov-18
17	Kristine Gayem	Energy Director	20-Nov-18
18	Jannette Virata Sevilla	Corporate Secretary & Compliance Officer	28-Nov-18

Attached are copies of the Certificates of Attendance issued by the Institute of Corporate Directors confirming attendance.

We trust that you will find the foregoing to be in order.

Very truly yours,

Jannette Virata Sevilla
Compliance Officer

Institute of Corporate Directors

presents this

Certificate of Participation

to

Joaquin Miguel Estrada

CEMEX Holdings Philippines, Inc.

for having participated in

Advanced Corporate Governance Training

held on

Wednesday, 28 November 2018

at 34th Floor Petron Mega Plaza,

Makati City, Metro Manila, Philippines.

Alfredo E. Pascual

Chief Executive Officer

Institute of Corporate Directors

presents this

Certificate of Participation

to

Antonio Ivan Sanchez

CEMEX Holdings Philippines, Inc.

for having participated in

Advanced Corporate Governance Training

held on

Wednesday, 28 November 2018

at 34th Floor Petron Mega Plaza,

Makati City, Metro Manila, Philippines.

Alfredo E. Pascual

Chief Executive Officer

Institute of
Corporate Directors

presents this

Certificate of Participation

to

Ignacio Alejandro Mijares

CEMEX Holdings Philippines, Inc.

for having participated in

Advanced Corporate Governance Training

held on

Wednesday, 28 November 2018

at 34th Floor Petron Mega Plaza,

Makati City, Metro Manila, Philippines.

Alfredo E. Pascual

Chief Executive Officer

Institute of Corporate Directors

presents this

Certificate of Participation

to

Alejandro C. Garcia

CEMEX Holdings Philippines, Inc.

for having participated in

Corporate Governance Orientation Program

held on
Tuesday, 20 November 2018
at Discovery Primea,
Makati City, Metro Manila, Philippines.

Alfredo E. Pascual
Chief Executive Officer

Institute of Corporate Directors

presents this

Certificate of Participation

to

Maria Virginia Eala

CEMEX Holdings Philippines, Inc.

for having participated in

Advanced Corporate Governance Training

held on
Wednesday, 28 November 2018
at 34th Floor Petron Mega Plaza,
Makati City, Metro Manila, Philippines.

Alfredo E. Pascual
Chief Executive Officer

Institute of Corporate Directors

presents this

Certificate of Participation

to

Roberto Martin Javier

CEMEX Holdings Philippines, Inc.

for having participated in

Advanced Corporate Governance Training

held on
Wednesday, 28 November 2018
at 34th Floor Petron Mega Plaza,
Makati City, Metro Manila, Philippines.

Alfredo E. Pascual
Chief Executive Officer

Institute of Corporate Directors

presents this

Certificate of Participation

to

Michael Martin Teotico

CEMEX Holdings Philippines, Inc.

for having participated in

Advanced Corporate Governance Training

held on

Wednesday, 28 November 2018

at 34^{th} Floor Petron Mega Plaza,

Makati City, Metro Manila, Philippines.

Alfredo E. Pascual

Chief Executive Officer

Institute of Corporate Directors

presents this

Certificate of Participation

to

Edwin Hufemia

CEMEX Holdings Philippines, Inc.

for having participated in

Advanced Corporate Governance Training

held on

Wednesday, 28 November 2018

at 34th Floor Petron Mega Plaza,

Makati City, Metro Manila, Philippines.

Alfredo E. Pascual

Chief Executive Officer

Institute of
Corporate Directors

presents this

Certificate of Participation

to

Arturo Manrique
CEMEX Holdings Philippines, Inc.

for having participated in

Advanced Corporate Governance Training

held on
Wednesday, 28 November 2018
at 34th Floor Petron Mega Plaza,
Makati City, Metro Manila, Philippines.

Alfredo E. Pascual
Chief Executive Officer

Institute of
Corporate Directors

presents this

Certificate of Participation

to

Steve Kuan-Sheng Wu

CEMEX Holdings Philippines, Inc.

for having participated in

Advanced Corporate Governance Training

held on
Wednesday, 28 November 2018
at 34^{th} Floor Petron Mega Plaza,
Makati City, Metro Manila, Philippines.

Alfredo E. Pascual
Chief Executive Officer

Institute of Corporate Directors

presents this

Certificate of Participation

to

Rolando Valentino

CEMEX Holdings Philippines, Inc.

for having participated in

Advanced Corporate Governance Training

held on
Wednesday, 28 November 2018
at 34th Floor Petron Mega Plaza,
Makati City, Metro Manila, Philippines.

Alfredo E. Pascual
Chief Executive Officer

Institute of
Corporate Directors

presents this

Certificate of Participation

to

Antonio J. Desmay
CEMEX Holdings Philippines, Inc.

for having participated in

Corporate Governance Orientation Program

held on
Wednesday, 14 November 2018
at Discovery Primea,
Makati City, Metro Manila, Philippines.

Alfredo E. Pascual
Chief Executive Officer

Institute of Corporate Directors

presents this

Certificate of Participation

to

Ma. Virginia Del Rosario

CEMEX Holdings Philippines, Inc.

for having participated in

Advanced Corporate Governance Training

held on
Wednesday, 28 November 2018
at 34^{th} Floor Petron Mega Plaza,
Makati City, Metro Manila, Philippines.

Alfredo E. Pascual
Chief Executive Officer

Institute of Corporate Directors

presents this

Certificate of Participation

to

John Benette Mamañgun

CEMEX Holdings Philippines, Inc.

for having participated in

Advanced Corporate Governance Training

held on

Wednesday, 28 November 2018

at 34th Floor Petron Mega Plaza,

Makati City, Metro Manila, Philippines.

Alfredo E. Pascual

Chief Executive Officer

Institute of Corporate Directors

presents this

Certificate of Participation

to

Jose Mauro V. Gallardo

CEMEX Holdings Philippines, Inc.

for having participated in

Corporate Governance Orientation Program

held on

Tuesday, 20 November 2018

at Discovery Primea,

Makati City, Metro Manila, Philippines.

Alfredo E. Pascual

Chief Executive Officer

Institute of Corporate Directors

presents this

Certificate of Participation

to

Dino Martin Segundo
CEMEX Holdings Philippines, Inc.

for having participated in

Advanced Corporate Governance Training

held on
Wednesday, 28 November 2018
at 34^{th} Floor Petron Mega Plaza,
Makati City, Metro Manila, Philippines.

Alfredo E. Pascual
Chief Executive Officer

Institute of Corporate Directors

presents this

Certificate of Participation

to

Kristine G. Gayem

CEMEX Holdings Philippines, Inc.

for having participated in

Corporate Governance Orientation Program

held on
Tuesday, 20 November 2018
at Discovery Primea,
Makati City, Metro Manila, Philippines.

Alfredo E. Pascual
Chief Executive Officer

Institute of Corporate Directors

presents this

Certificate of Participation

to

Jannette Virata Sevilla

CEMEX Holdings Philippines, Inc.

for having participated in

Advanced Corporate Governance Training

held on

Wednesday, 28 November 2018

at 34th Floor Petron Mega Plaza,

Makati City, Metro Manila, Philippines.

Alfredo E. Pascual

Chief Executive Officer

112122018002075

SECURITIES AND EXCHANGE COMMISSION

SECBuilding,EDSA,Greenhills,MandaluyongCity,MetroManila,Philippines
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Company Representative

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Company Information

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

Document Information

Document ID	112122018002075
Document Type	17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code	17-C
Period Covered	December 12, 2018
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

CEMEX HOLDINGS PHILIPPINES, INC.

34th Floor Petron Mega Plaza
Building, 358 Sen. Gil J. Puyat
Avenue, Makati City

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

JANNETTE VIRATA SEVILLA
Contact Person

849-3600
Company Telephone Number

12 31
Month *Day*
Fiscal Year

SEC Form 17-C
FORM TYPE

06 06
Month *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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **12 December 2018**
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines** 6. [ ] (SEC Use Only)

   Province, country or other jurisdiction of incorporation — Industry Classification Code:

7. **34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City 1200**
   Address of principal office — Postal Code

8. **+632 849-3600**
   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

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

As an update to its disclosure dated 21 November 2018, CEMEX Holdings Philippines, Inc. ("CHP") informs today that APO Cement Corporation ("APO Cement"), CHP's main operating subsidiary in Cebu, has resumed the operation of the two kilns in its cement plant and will be cancelling the implementation of the temporary layoff of regular employees and contractual workers and the closure of its terminal in Davao City.

APO Cement continues to cooperate with its principal raw materials provider, i.e., APO Land & Quarry Corporation, and the corresponding national and local authorities to address the situation in Naga, Cebu.

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.	**12 December 2018**
Issuer	Date

Jannette Virata Sevilla
Compliance Officer

112172018000126

SECURITIES AND EXCHANGE COMMISSION

SECBuilding,EDSA,Greenhills,MandaluyongCity,MetroManila,Philippines
Tel:(632)726-0931 to 39 Fax:(632)725-5293 Email: mis@sec.gov.ph

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Company Representative

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Company Information

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

Document Information

Document ID	112172018000126
Document Type	17-C (FORM 11-C:CURRENT DISCL/RPT)
Document Code	17-C
Period Covered	December 14, 2018
No. of Days Late	0
Department	CFD
Remarks	

COVER SHEET

CS201518815
S.E.C. Registration Number

CEMEX HOLDINGS PHILIPPINES, INC.

34th Floor Petron Mega Plaza
Building, 358 Sen. Gil J. Puyat
Avenue, Makati City

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

JANNETTE VIRATA SEVILLA
Contact Person

849-3600
Company Telephone Number

Fiscal Year		Form Type	Annual Meeting	
12	31	SEC Form 17-C	06	06
Month	*Day*	FORM TYPE	*Month*	*Day*

First Wednesday of June

Fiscal Year

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 Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. 14 December 2018
   Date of Report (Date of earliest event reported)

2. SEC Identification Number **CS201518815** 3. BIR Tax Identification No. **009-133-917-000**

4. **CEMEX HOLDINGS PHILIPPINES, INC.**
   Exact name of issuer as specified in its charter

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   Province, country or other jurisdiction of incorporation — Industry Classification Code:

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   Issuer's telephone number, including area code

9. **N/A**
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	**5,195,395,454**

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

We submit our letter to the Securities and Exchange Commission dated 14 December 2018, regarding the participation of the below-named key officers of CEMEX HOLDINGS PHILIPPINES, INC. (the "Company") in a Corporate Governance Training Program conducted by the Institute of Corporate Directors last 6 December 2018:

1. **Adrian Bancoro - Tax Director**
2. **Chito Maniago - Corporate Communications and Public Affairs Director**

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.	**14 December 2018**
Issuer	Date

Jannette Virata Sevilla
Compliance Officer

HOLDINGS PHILIPPINES

14 December 2018

SECURITIES AND EXCHANGE COMMISSION
Secretariat Building, PICC Complex
Roxas Boulevard, Pasay City

Attention: Rachel Esther J. Gumtang-Remalante
Officer-In-Charge, Corporate Governance and Finance Department

Vicente Graciano P. Felizmenio, Jr.
Director, Markets and Securities Regulation Department

Re: Corporate Governance Training Program

Gentlemen:

We wish to inform your good office that the following key officers of CEMEX HOLDINGS PHILIPPINES, INC. (the "Company") participated in a Corporate Governance Training conducted by the Institute of Corporate Directors on 6 December 2018:

1. Adrian Bancoro - Tax Director
2. Chito Maniago - Corporate Communications and Public Affairs Director

We shall submit copies of their Certificates of Participation issued by the Institute of Corporate Directors confirming their attendance in due course.

Very truly yours,

Jannette Virata Sevilla
Compliance Officer

COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C S 2 0 1 5 1 8 8 1 5

COMPANY NAME

C E M E X H O L D I N G S P H I L I P P I N E S ,
I N C .

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

3 4 t h F l o o r P e t r o n M e g a P l a z a
B u i l d i n g , 3 5 8 S e n . G i l J .
P u y a t A v e n u e , B r g y . B e l - A i r
M a k a t i C i t y

Form Type	Department requiring the report	Secondary License Type, If Applicable
A A F S		

COMPANY INFORMATION

Company's email Address	Company's Telephone Number/s	Mobile Number
	849 - 3600	

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
20	15th day of May	December 31

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Steve Kuan-Sheng Wu	steve.wu@cemex.com	(02) 849 3647	

CONTACT PERSON's ADDRESS

34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City

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Note 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

CEMEX HOLDINGS PHILIPPINES, INC.

SEPARATE FINANCIAL STATEMENTS
December 31, 2018 and 2017

KPMG

R.G. Manabat & Co.
The KPMG Center, 9/F
6787 Ayala Avenue, Makati City
Philippines 1226
Telephone +63 (2) 885 7000
Fax +63 (2) 894 1985
Internet www.kpmg.com.ph
Email ph-inquiry@kpmg.com.ph

REPORT OF INDEPENDENT AUDITORS

The Stockholders and Board of Directors
CEMEX Holdings Philippines, Inc.
34/F Petron Mega Plaza Building
358 Sen. Gil J. Puyat Avenue
Brgy. Bel-Air, Makati City

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of CEMEX Holdings Philippines, Inc. (the "Company"), which comprise the separate statements of financial position as at December 31, 2018 and 2017, and the separate statements of comprehensive income, separate statements of changes in equity and separate statements of cash flows for the years then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the unconsolidated financial position of the Company as at December 31, 2018 and 2017, and its unconsolidated financial performance and its unconsolidated cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Separate Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), together with the ethical requirements that are relevant to our audit of the separate financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with PFRSs, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on the Supplementary Information Required Under Revenue Regulations No. 15-2010 of the Bureau of Internal Revenue

Our audits were conducted for the purpose of forming an opinion on the basic separate financial statements taken as a whole. The supplementary information in Note 18 to the separate financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic separate financial statements. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in our audits of the basic separate financial statements. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic separate financial statements taken as a whole.

The engagement partner on the audit resulting in this independent auditor's report is Emerald Anne C. Bagnes.

R.G. MANABAT & CO.

EMERALD ANNE C. BAGNES
Partner
CPA License No. 0083761
SEC Accreditation No. 0312-AR-4, Group A, valid until June 20, 2021
Tax Identification No. 102-082-332
BIR Accreditation No. 08-001987-012-2018
  Issued November 29, 2018; valid until November 28, 2021
PTR No. MKT 7333606
  Issued January 3, 2019 at Makati City

April 2, 2019
Makati City, Metro Manila

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Revenue District Office No. 49
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REPORT OF INDEPENDENT AUDITORS
TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING
WITH THE SECURITIES AND EXCHANGE COMMISSION

The Stockholders and Board of Directors
CEMEX Holdings Philippines, Inc.
34/F Petron Mega Plaza Building
358 Sen. Gil J. Puyat Avenue
Brgy. Bel-Air, Makati City

We have audited the accompanying separate financial statements of CEMEX Holdings Philippines, Inc. (the "Company") as at and for the year ended December 31, 2018, on which we have rendered our report dated April 2, 2019.

In compliance with Securities Regulation Code Rule 68, As Amended, we are stating that the said Company has sixteen (16) stockholders owning one hundred (100) or more shares.

R.G. MANABAT & CO.

EMERALD ANNE C. BAGNES
Partner
CPA License No. 0083761
SEC Accreditation No. 0312-AR-4, Group A, valid until June 20, 2021
Tax Identification No. 102-082-332
BIR Accreditation No. 08-001987-012-2018
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April 2, 2019
Makati City, Metro Manila

CEMEX
PHILIPPINES

STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR THE SEPARATE FINANCIAL STATEMENTS

The management of **CEMEX Holdings Philippines, Inc.** (the "Company") is responsible for the preparation and fair presentation of the separate financial statements including the schedules attached therein, as at and for the years ended December 31, 2018 and 2017, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of the separate financial statements that are free form material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the separate financial statements including the schedules attached therein, and submits the same to the stockholders.

R. G. Manabat & Co., the independent auditor appointed by the stockholders, has audited the separate financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.

Signature **JOAQUIN MIGUEL ESTRADA SUAREZ**
Chairman of the Board

Signature **IGNACIO ALEJANDRO MIJARES ELIZONDO**
President/Chief Executive Officer

Signature **STEVE KUANSHENG WU**
Treasurer/Chief Financial Officer

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Signed this 2nd day of April 2019

SUBSCRIBED AND SWORN TO BEFORE ME THIS APR 12 2019 EXHIBITED TO ME HIS/HER
AT MAKATI CITY

ATTY.VIRGILIO R. BATALLA
NOTARY PUBLIC FOR MAKATI CITY
APPT NO. M-87- UNTIL DEC. 31, 2020
ROLL OF ATTY. NO 48348
MCLE COMPLIANCE NO. V-0026676/4-11-2018
IBP O.R No.706762-LIFETIME MEMBER JAN 29, 2007
PTR No.7333020- JAN 03, 2019 MAKATI CITY
EXECUTIVE BLDG. CENTER MAKATI AVE., COR., JUPITER ST
MAKATI CITY

DOC. NO. 275
PAGE NO. 56
BOOK NO. 28
SERIES NO. 2019

CERTIFICATE ON THE COMPILATION SERVICES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

I hereby certify that I am the Certified Public Accountant who performed the compilation services related to the preparation and presentation of financial information of an entity in accordance with an applicable financial reporting framework and reports as required by accounting and auditing standards for **CEMEX Holdings Philippines, Inc.** for the period ending **December 31, 2018.**

In discharging this responsibility, I hereby declare that:

_______ I, am the ____________________, of _______________.

___✓___ I, am the **Assistant Manager** of **Solid Cement Corporation** and was contracted to perform this service.

Furthermore, in my compilation services for preparation of the Financial Statements and notes to the Financial Statements, I was not assisted by or did not avail of the services of **R.G. Manabat & Co.** who is the external auditor who rendered the audit opinion for the said Financial Statements and notes to the Financial Statements

I hereby declare, under penalties of perjury and violation of the Revised Accountancy Law, that my statements are true and correct.

SIGNATURE OVER PRINTED NAME: **MELANIE C. LEGASPI**

PROFESSIONAL IDENTIFICATION CARD NUMBER 0074287
VALID UNTIL: January 17, 2020

ACCREDITATION NUMBER: 2016 - 3034
VALID UNTIL: January 17, 2020

SUBSCRIBED AND SWORN TO BEFORE ME THIS ________ AT MAKATI CITY ________ AFFIANT EXHIBITED TO ME HIS/HER ________ NO. ________ ISSUED ________ AT ________

ATTY. VIRGILIO R. BATALLA
NOTARY PUBLIC FOR MAKATI CITY
APPT. NO. M-87 UNTIL DEC. 31, 2020
ROLL OF ATTY. NO. 48348
MCLE COMPLIANCE NO. V-0026676/4-14-2019
IBP O.R No. 706762-LIFETIME MEMBER
PTR No. 7333020 JAN 03 2019 MAKATI
EXECUTIVE BLDG. CENTER MAKATI AVE.
MAKATI CITY

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Page No. 56
Book No. 28
Series of 2019

CEMEX HOLDINGS PHILIPPINES, INC.
SEPARATE STATEMENTS OF FINANCIAL POSITION

	Note	December 31 2018	2017
ASSETS			
Current Assets			
Cash	4, 16	**P856,144,081**	P269,733,665
Due from related parties	5, 16	**54,702,161**	55,495,475
Other current accounts receivable	16	**6,624,504**	7,819,926
Prepaid expenses and other current assets	6	**63,849,198**	24,061,511
Total Current Assets		**981,319,944**	357,110,577
Noncurrent Assets			
Investments in shares of stock	7	**47,971,178,835**	47,970,388,835
Long-term time deposit	9, 16	**506,188,660**	390,423,504
Deferred income tax assets - net	15	**165,996,524**	538,985,100
Other noncurrent asset	6	**25,486,904**	2,981,266
Total Noncurrent Assets		**48,668,850,923**	48,902,778,705
		P49,650,170,867	P49,259,889,282
LIABILITIES AND EQUITY			
Current Liabilities			
Trade payables	16	**P4,332,445**	P2,939,981
Due to related parties	5, 16	**4,635,718,552**	4,775,374,631
Accrued expenses and other payables	8, 9,16	**213,130,400**	131,912,696
Current portion of long-term bank loan	9, 16	**140,122,810**	140,122,810
Total Current Liabilities		**4,993,304,207**	5,050,350,118
Noncurrent Liabilities			
Long-term bank loan - net of current portion	9, 16	**13,488,728,304**	13,600,474,913
Retirement benefit liability	10	**157,284,083**	-
Total Noncurrent Liabilities		**13,646,012,387**	13,600,474,913
Total Liabilities		**18,639,316,594**	18,650,825,031
Equity			
Common stock	11	**5,195,395,454**	5,195,395,454
Additional paid-in capital	11	**21,959,159,068**	21,959,159,068
Share-based compensation reserve	5	**18,129,885**	1,235,778
Remeasurement on retirement benefit liability	10	**28,887,150**	-
Retained earnings		**3,809,282,716**	3,453,273,951
Total Equity		**31,010,854,273**	30,609,064,251
		P49,650,170,867	P49,259,889,282

See Notes to the Separate Financial Statements.

CEMEX HOLDINGS PHILIPPINES, INC.
SEPARATE STATEMENTS OF COMPREHENSIVE INCOME

		Years Ended December 31	
	Note	**2018**	2017
SERVICE FEES	*5*	**P401,427,322**	P56,198,467
COST OF SERVICES	*12*	**364,933,929**	50,694,026
GROSS PROFIT		**36,493,393**	5,504,441
OPERATING EXPENSES			
Personnel cost	*10, 13*	**25,294,144**	-
Taxes and licenses		**15,881,774**	47,281
Professional fees		**10,531,795**	6,161,284
Outside services		**3,603,591**	2,338,203
Utilities		**1,237,182**	-
Insurance		**-**	3,056,952
Miscellaneous		**1,683,874**	1,633,957
		58,232,360	13,237,677
LOSS FROM OPERATIONS		**(21,738,967)**	(7,733,236)
OTHER INCOME (CHARGES)			
Dividend income	*5*	**1,899,387,000**	-
Financial expense	*5, 9, 16*	**(885,714,280)**	(832,679,633)
Foreign exchange loss - net	*16*	**(245,710,822)**	(33,456,888)
Financial expense on retirement benefits	*10*	**(12,532,480)**	-
Other expenses - net	*14*	**(17,073,317)**	(77,337,225)
		738,356,101	(943,473,746)
INCOME (LOSS) BEFORE INCOME TAX		**716,617,134**	(951,206,982)
INCOME TAX EXPENSE	*15*	**360,608,369**	10,842,178
PROFIT (LOSS)		**356,008,765**	(962,049,160)
OTHER COMPREHENSIVE INCOME			
Item that will not be reclassified subsequently to profit or loss			
Gain on remeasurement on retirement benefit liability, net of tax	*10*	**28,887,150**	-
TOTAL COMPREHENSIVE INCOME (LOSS)		**P384,895,915**	(P962,049,160)

See Notes to the Separate Financial Statements.

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CEMEX HOLDINGS PHILIPPINES, INC.
SEPARATE STATEMENTS OF CHANGES IN EQUITY

Years Ended December 31

	Note	Common Stock (see Note 11)	Additional Paid-in Capital	Share-based Compensation Reserve	Remeasurement on Retirement Benefit Liability	Retained Earnings	Total Equity
Balance at January 1, 2017		P5,195,395,454	P21,959,159,068	P -	P -	P4,415,323,111	P31,569,877,633
Total comprehensive loss for the year		-	-	-		(962,049,160)	(962,049,160)
Transactions with Owners of the Company							
Share-based compensation	5	-	-	1,235,778	-	-	1,235,778
Balance at December 31, 2017		5,195,395,454	21,959,159,068	1,235,778	-	3,453,273,951	30,609,064,251
Transactions with owners of the Company							
Share-based compensation	5	-	-	16,894,107	-	-	16,894,107
Total comprehensive income for the year							
Profit		-	-	-	-	356,008,765	356,008,765
Other comprehensive income for the year							
Gain on remeasurements on retirement benefit liability, net of tax		-	-	-	28,887,150	-	28,887,150
Total Comprehensive Income		-	-	-	28,887,150	356,008,765	384,895,915
Balance at December 31, 2018		**P5,195,395,454**	**P21,959,159,068**	**P18,129,885**	**P28,887,150**	**P3,809,282,716**	**P31,010,854,273**

See Notes to the Separate Financial Statements.

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CEMEX HOLDINGS PHILIPPINES, INC.
SEPARATE STATEMENTS OF CASH FLOWS

	Note	Years Ended December 31 2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES			
Income (loss) before income tax		**P716,617,134**	(P951,206,982)
Adjustments for:			
Interest expense	*5, 9, 16*	**885,714,280**	832,679,633
Net unrealized foreign exchange loss	*16*	**86,456,344**	33,490,165
Retirement benefit expense	*10*	**26,998,092**	-
Share-based compensation expense	*5*	**16,894,107**	1,235,778
Amortization of transportation allowance		**882,339**	373,733
Dividend income	*5*	**(1,899,387,000)**	-
Interest income	*14*	**(9,114,894)**	(989,945)
Loss from early extinguishment of debt	*5, 14*	**-**	64,602,505
Operating loss before working capital changes		**(174,939,598)**	(19,815,113)
Decrease (increase) in:			
Due from related parties		**65,860,822**	(55,495,475)
Other current accounts receivable		**2,855,710**	(7,819,926)
Prepaid expenses and other current assets		**(5,944,968)**	(18,501,100)
Increase in:			
Trade payables		**1,392,776**	2,784,461
Due to related parties		**142,514,481**	86,791
Accrued expenses and other payables		**20,623,440**	15,489,329
Cash generated from (absorbed by) operations		**52,362,663**	(83,271,033)
Dividends received		**367,640,000**	-
Payment received from transferred retirement benefit liability		**163,418,361**	-
Interest received		**7,204,606**	989,945
Interest paid		**(684,345,964)**	(804,135,400)
Benefits paid	*10*	**(14,040,859)**	-
Net cash used in operating activities		**(107,761,193)**	(886,416,488)
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in:			
Other noncurrent asset		**(115,765,156)**	(3,354,999)
Investments in shares of stock		**(790,000)**	(133,928)
Long-term time deposit		**-**	(390,423,504)
Cash used in investing activities		**(116,555,156)**	(393,912,431)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from:			
Loans from related parties	*5*	**1,213,671,127**	1,759,588,066
Bank loan drawdown - net of transaction cost	*9*	**-**	13,831,596,323
Payment of:			
Loans from related parties	*5*	**(267,400,000)**	(14,677,844,057)
Bank loan	*9*	**(140,122,810)**	(105,092,108)
Net cash provided by financing activities		**806,148,317**	808,248,224
NET INCREASE (DECREASE) IN CASH		**581,831,968**	(472,080,695)
EFFECT OF EXCHANGE RATE CHANGES ON CASH		**4,578,448**	(11,049,960)
CASH AT BEGINNING OF YEAR		**269,733,665**	752,864,320
BALANCE AT END OF YEAR	*4*	**P856,144,081**	P269,733,665

See Notes to the Separate Financial Statements.

CEMEX HOLDINGS PHILIPPINES, INC.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

1. Reporting Entity

CEMEX Holdings Philippines, Inc. (the "Company" or "Parent Company"), a subsidiary of CEMEX Asian South East Corporation (CASEC), was incorporated as a stock corporation on September 17, 2015 under Philippine laws with a corporate life of fifty (50) years, primarily to invest in or purchase real or personal property; and to acquire and own, hold, use, sell, assign, transfer, mortgage all kinds of properties such as shares of stock, bonds, debentures, notes, or other securities and obligations; provided that the Company shall not engage either in the stock brokerage business or in the dealership of securities, and in the business of an open-end investment company as defined in Republic Act (RA) 2629, *Investment Company Act*.

CASEC was incorporated as a stock corporation on August 25, 2015 under Philippine laws.

On a consolidated group basis, the Company is an indirect subsidiary of CEMEX, S.A.B. de C.V. (CEMEX), a company incorporated in Mexico and with address of its principal executive office at Avenida Ricardo Margain Zozaya #325, Colonia Valle del Campestre, Garza Garcia, Nuevo León, Mexico.

On June 30, 2016, the Philippine Securities and Exchange Commission (SEC) resolved to render effective the Registration Statement of the Company and issued a Certificate of Permit to Offer Securities for Sale in favor of the Company. On July 18, 2016, the Company's initial public offering (IPO) of 2,337,927,954 common shares at P10.75 per share culminated with the listing and trading of subsidiaries under the Main Board of the Philippine Stock Exchange, resulting in an increase in capital stock of P2,337,927,954 and additional paid-in capital of P21,959,159,068 net of P835,638,484 transaction costs that is accounted for as a reduction in equity.

Based on the lists of stockholders registered with the stock transfer agent of the Parent Company, the Parent Company has 20 and 16 stockholders as at December 31, 2018 and 2017, respectively, with each of PCD Nominee Corporation (Filipino) and PCD Nominee Corporation (Non-Filipino) recorded as a stockholder.

The Company's principal office is located at 34th Floor Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Brgy. Bel-Air, Makati City.

2. Basis of Preparation

Statement of Compliance

The separate financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRSs). PFRSs are based on International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB). PFRSs which are issued by the Philippine Financial Reporting Standards Council (FRSC), consist of PFRSs, Philippine Accounting Standards (PASs), and Philippine Interpretations.

In accordance with Paragraph 4 of PFRS 10, *Consolidated Financial Statements,* the Company prepares consolidated financial statements in which the Company consolidates the financial statements accounts of its subsidiaries. Such consolidated financial statements provide information about the economic activities of the Company and its subsidiaries, with the Company as the parent entity. The consolidated financial statements, which have been prepared in accordance with PFRSs, are available through the Philippine SEC.

The separate financial statements were approved and authorized for issue by the Company's Board of Directors (the "Board") on April 2, 2019.

Basis of Measurement
The separate financial statements have been prepared on a historical cost basis of accounting, except for retirement benefit liability which is measured at the present value of the defined benefit obligation less the fair value of plan assets.

Functional and Presentation Currency
The separate financial statements are presented in Philippine peso, which is the Company's functional currency. All financial information presented in Philippine peso has been rounded off to the nearest peso, except when otherwise indicated.

Use of Judgments and Estimates
The preparation of separate financial statements in conformity with PFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the amounts reported in the separate financial statements. The estimates and assumptions used in the accompanying separate financial statements are based on management's evaluation of relevant facts and circumstances as at the reporting date. Actual results may differ from these estimates.

Judgments, estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Judgments
In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, that have the most significant effect on the amounts recognized in the separate financial statements:

Determining Functional Currency
Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency has been determined to be the Philippine peso. It is the currency that mainly influences the operations of the Company.

Determining Whether the Company has Control over its Investee Companies
The Company uses judgment in determining control over its investee companies. The Company controls the entity when it is exposed, or has rights, to variable returns from its involvement with the investee; has the ability to affect those returns through its power over the investee and there is a link between power and returns. Thus, the principle of control sets out the following three elements of control:

- power over the relevant activities of the investee;
- exposure, or rights, to variable returns from involvement with the investee; and

- the ability to use power over the investee to affect the amount of the investor's returns.

The Company assessed that it has control over its investee companies and accounts for this investee companies as subsidiaries.

Determination of Whether the Company is Acting as a Principal or an Agent
Determining whether an entity is acting as a principal or as an agent depends on certain facts and circumstances and requires judgment by management. Features that, individually or in combination, indicate that an entity is acting as a principal include:

- the entity is primarily responsible for fulfilling the promise to provide the specified good or service;
- the entity has inventory risk before the specified good or service has been transferred to a customer or after transfer of control to the customer; and
- the entity has discretion in establishing the price for the specified good or service.

An entity is acting as a principal if it controls the promised goods or services before transferring them to the customer. The Company assessed that it is acting as principal on its revenue transactions.

Classifying Financial Instruments
The Company exercises judgment in classifying a financial instrument, or its component parts, on initial recognition as either a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification in the separate statements of financial position.

In addition, classification of financial assets depends on the results of the solely payments of principal and interest test and the business model test. The Company determines the business model at the level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including the risks that affect the performance of the assets and how these are managed. The Company monitors financial assets measured at amortized cost or fair value through other comprehensive income (FVOCI) to understand the reason for any disposal prior to maturity and determine whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Financial assets are classified as financial assets at amortized cost or at fair value through profit or loss (FVTPL), debt investment at FVOCI and equity investment at FVOCI. Financial liabilities, on the other hand, are classified as either financial liabilities at FVTPL or other financial liabilities.

Estimate
The key assumption concerning the future and other key sources of estimation uncertainty as at reporting date that has the most significant risk of resulting in a material adjustment to the carrying amounts of assets, liabilities and equity within the next financial year is as follows:

Estimating Realizability of Deferred Income Tax Assets
The Company reviews its deferred income tax assets at each reporting date and reduces the deferred income tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

The deferred income tax assets include an amount which relates to the carryforward tax losses. They relate mainly to the expenses incurred by the Company during the IPO, interest expense and realized foreign exchange loss during its loan refinancing. These carryforward tax losses has an expiration of three years from the taxable year when the tax loss was incurred. The foreign subsidiaries are expected to generate profit in the following years that will be available for declaration as dividend to the Company that will eventually form part of its taxable income from where the said carryforward tax losses may be applied. However, the Company has concluded that they will only benefit from a portion of the said tax losses before they eventually expire. The assessment was based on the level of estimated profit that the foreign subsidiaries will generate in the subsequent years which is based on their past results and future expectations of revenues and expenses. As at December 31, 2018 and 2017, net deferred income tax assets amounted to P165,996,524 and P538,985,100, respectively. As at December 31, 2018 and 2017, the Company has deductible temporary difference and unused tax losses in which deferred income tax assets have not been recognized amounting to P3,275,563,043 and P2,614,345,597, respectively (see Note 15).

The outcomes within the next financial year with respect to the results of operations of the foreign subsidiaries that are different from the assumption could require a material adjustment to the carrying amount of the Company's deferred income tax assets.

Assessing the Probability of an Outflow from Legal Proceedings
Pending legal cases are reviewed continuously to assess whether an outflow of resources has become probable. If the recognition criteria in the Company's policy (see Note 3) are met, then the liability is recognized in the separate statements of financial position in the period in which the probability occurs. Further information about the Company's assessment on its legal proceedings are disclosed in Note 17.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all years presented in these separate financial statements:

Adoption of New and Amendments to Standards
The Company has adopted the following relevant new and amendments to standards starting January 1, 2018 and accordingly, changed its accounting policies. Except as otherwise indicated, the adoption of these amendments to standards did not have any significant impact on the Company's separate financial statements.

- PFRS 9, *Financial Instruments (2014).* PFRS 9 (2014) replaces PAS 39, *Financial Instruments: Recognition and Measurement,* and supersedes the previously published versions of PFRS 9 that introduced new classifications and measurement requirements (in 2009 and 2010) and a new hedge accounting model (in 2013).

  PFRS 9 includes revised guidance on the classification and measurement of financial assets that reflects the business model in which assets are managed and their cash flow characteristics, including a new forward-looking expected credit loss (ECL) model for calculating impairment, and guidance on own credit risk on financial liabilities measured at fair value. PFRS 9 incorporates new hedge accounting requirements that represent a major overhaul of hedge accounting and introduces significant improvements by aligning the accounting more closely with risk management.

  Additionally, the Company has adopted consequential amendments to PFRS 7, *Financial Instruments: Disclosures,* that are applied to disclosures for 2018 but have not been generally applied to comparative information.

  The Company's cash, due from related parties, other current accounts receivables and long-term time deposit previously classified as loans and receivables under PAS 39 are classified as financial assets at amortized cost under PFRS 9. The Company has no debt investments at FVOCI and at FVTPL.

  The assessment of the Company's business model was made at the initial date of initial application, January 1, 2018, and then applied retrospectively to those financial assets that were not recognized before January 1, 2018. The assessment of whether contractual cash flow of a debt instrument solely comprised principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

  The Company has not designated any financial liabilities at FVTPL. There are no changes in classification and measurement of the Company's financial liabilities.

  Under the new impairment model based on ECL, impairment losses resulting either from (1) possible default events within the twelve (12) months after the reporting date; or (2) all possible default events over the expected life of financial assets, are recognized on initial recognition, and at each subsequent reporting period, even in the absence of a credit event or if the loss has not yet been incurred, considering for their measurement past events and current conditions, as well as reasonable and supportable forecasts affecting collectability. The new impairment model applies to financial assets measured at amortized cost. The Company assessed that impact of providing ECL in its financial assets is immaterial, thus, no additional impairment loss is recognized.

The Company has not entered into hedge accounting, thus, this has no impact on the separate financial statements.

- PFRS 15, *Revenue from Contracts with Customers.* PFRS 15 replaces PAS 11, *Construction Contracts*, PAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programmes*, IFRIC 18, *Transfer of Assets from Customers*, and SIC-31, *Revenue - Barter Transactions Involving Advertising Services.*

  The new standard introduces a new and more comprehensive revenue recognition model for contracts with customers which specifies that revenue should be recognized when (or as) a company transfers control of goods or services to a customer at the amount to which the company expects to be entitled.

  PFRS 15 requires a contract with a customer to be legally enforceable and to meet certain criteria to be within the scope of the standard and for the general model to apply. It introduces detailed guidance on identifying performance obligations which requires entities to determine whether promised goods or services are distinct. It also introduces detailed guidance on determining transaction price, including guidance on variable consideration and consideration payable to customers. The transaction price will then be generally allocated to each performance obligation in proportion to its stand-alone selling price. Depending on whether certain criteria are met, revenue is recognized over time, in a manner that best reflects the entity's performance, or at a point in time, when control of the goods or services is transferred to the customer.

  The standard does not apply to insurance contracts, financial instruments or lease contracts, which fall in the scope of other PFRSs. It also does not apply if two companies in the same line of business exchange non-monetary assets to facilitate sales to other parties. Furthermore, if a contract with a customer is partly in the scope of another PFRSs, then the guidance on separation and measurement contained in the other PFRSs takes precedence.

  The Company has adopted PFRS 15 using the cumulative effect method (without practical expedients), with the effect of initially applying this standard recognized at the date of initial application (i.e., January 1, 2018). Accordingly, the information presented for 2017 has not been restated - i.e., it is presented, as previously reported, under PAS 18, PAS 11 and related interpretations. Additionally, the disclosure requirements in PFRS 15 have not generally been applied to comparative information.

  The Company provides advisory services to its related parties. Service fees are generally recognized as services are rendered. The Company assessed that the application of PFRS 15 did not result in a significant impact on the recognition of the Company's revenue from the rendering its services.

- Classification and Measurement of Share-based Payment Transactions (Amendments to PFRS 2, *Share-based Payment*). The amendments cover the following areas:

  - *Measurement of cash-settled awards.* The amendments clarify that a cash-settled share-based payment is measured using the same approach as for equity-settled share-based payments - i.e. the modified grant date method.

- *Classification of awards settled net of tax withholdings.* The amendments introduce an exception stating that, for classification purposes, a share-based payment transaction with employees is accounted for as equity-settled if:

  - the terms of the arrangement permit or require a company to settle the transaction net by withholding a specified portion of the equity instruments to meet the statutory tax withholding requirement (the net settlement feature); and

  - the entire share-based payment transaction would otherwise be classified as equity-settled if there were no net settlement feature.

  The exception does not apply to equity instruments that the company withholds in excess of the employee's tax obligation associated with the share-based payment.

- *Modification of awards from cash-settled to equity settled.* The amendments clarify that when a share-based payment is modified from cash-settled to equity-settled, at modification date, the liability for the original cash-settled share-based payment is derecognized and the equity-settled share-based payment is measured at its fair value, recognized to the extent that the goods or services have been received up to that date. The difference between the carrying amount of the liability derecognized, and the amount recognized in equity, is recognized in profit or loss immediately.

- Philippine Interpretation IFRIC-22, *Foreign Currency Transactions and Advance Consideration*. The interpretation clarifies that the transaction date to be used for translation for foreign currency transactions involving an advance payment or receipt is the date on which the entity initially recognizes the prepayment or deferred income arising from the advance consideration. For transactions involving multiple payments or receipts, each payment or receipt gives rise to a separate transaction date. The interpretation applies when an entity pays or receives consideration in a foreign currency and recognizes a non-monetary asset or liability before recognizing the related item.

Standards Issued but Not Yet Adopted

A number of amendments to standards and interpretations are effective for annual periods beginning after January 1, 2018. However, the Company has not applied the following new or amended standards in preparing these separate financial statements. Unless otherwise stated, none of these are expected to have a significant impact on the Company's separate financial statements.

The Company will adopt the following relevant amendments to standards and interpretations on their respective effective dates.

Effective January 1, 2019

- Philippine Interpretation IFRIC-23, *Uncertainty over Income Tax Treatments,* clarifies how to apply the recognition and measurement requirements in PAS 12, *Income Taxes,* when there is uncertainty over income tax treatments. Under the interpretation, whether the amounts recorded in the financial statements will differ to that in the tax return, and whether the uncertainty is disclosed or reflected in the measurement, depends on whether it is probable that the tax authority will accept the Company's chosen tax treatment. If it is not probable that the tax authority will accept the Company's chosen tax treatment, the uncertainty is reflected using the measure that provides the better prediction of the resolution of the uncertainty - either the most likely amount or the expected value.

  The interpretation also requires the reassessment of judgements and estimates applied if facts and circumstances change - e.g. as a result of examination or action by tax authorities, following changes in tax rules or when a tax authority's right to challenge a treatment expires.

  The interpretation is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted. The interpretation can be initially applied retrospectively applying PAS 8, if possible without the use of hindsight, or retrospectively with the cumulative effect recognized at the date of initial application without restating comparative information.

- Prepayment Features with Negative Compensation (Amendments to PFRS 9).The amendments cover the following areas:

  - Prepayment features with negative compensation. The amendment clarifies that a financial asset with a prepayment feature could be eligible for measurement at amortized cost or fair value through other comprehensive income irrespective of the event or circumstance that causes the early termination of the contract, which may be within or beyond the control of the parties, and a party may either pay or receive reasonable compensation for that early termination.

    The amendment is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted. Retrospective application is required, subject to relevant transitional reliefs.

  - Modification of financial liabilities. The amendment to the Basis for Conclusions on PFRS 9 clarifies that the standard provide an adequate basis for an entity to account for modifications and exchanges of financial liabilities that do not result in derecognition and the treatment is consistent with the requirements for adjusting the gross carrying amount of a financial asset when a modification does not result in the derecognition of the financial asset - i.e. the amortized cost of the modified financial liability is recalculated by discounting the modified contractual cash flows using the original effective interest rate and any adjustment is recognized in profit or loss.

    If the initial application of PFRS 9 results in a change in accounting policy for these modifications or exchanges, then retrospective application is required, subject to relevant transition reliefs.

The amendment is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted. Retrospective application is required, subject to relevant transitional reliefs.

- Plan Amendment, Curtailment or Settlement (Amendments to PAS 19, *Employee Benefits*). The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, an entity now uses updated actuarial assumptions to determine its current service cost and net interest for the period. The effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income.

  The amendments apply for plan amendments, curtailments or settlements that occur on or after the beginning of the first annual reporting period that begins on or after January 1, 2019. Earlier application is permitted.

Effective January 1, 2020

- Amendments to References to Conceptual Framework in PFRS Standards sets out amendments to PFRS Standards, their accompanying documents and PFRS practice statements to reflect the issuance of the revised Conceptual Framework for Financial Reporting in 2018 (2018 Conceptual Framework). The 2018 Conceptual Framework includes:

  - a new chapter on measurement;
  - guidance on reporting financial performance;
  - improved definitions of an asset and a liability, and guidance supporting these definitions; and
  - clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting.

  Some Standards, their accompanying documents and PFRS practice statements contain references to, or quotations from, the International Accounting Standards Committee (IASC)'s Framework for the Preparation and Presentation of Financial Statements adopted by the IASB in 2001 or the Conceptual Framework for Financial Reporting issued in 2010. The amendments update some of those references and quotations so that they refer to the 2018 Conceptual Framework, and makes other amendments to clarify which version of the Conceptual Framework is referred to in particular documents.

  These amendments are effective for annual reporting periods beginning on or after January 1, 2020.

- Definition of Material (Amendments to PAS 1, *Presentation of Financial Statements* and PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*). The amendments refine the definition of material. The amended definition of material states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The amendments clarify the definition of material and its application by:

  - raising the threshold at which information becomes material by replacing the term 'could influence' with 'could reasonably be expected to influence';
  - including the concept of 'obscuring information' alongside the concept of 'omitting' and 'misstating' information in the definition;

- clarifying that the users to which the definition refers are the primary users of general purpose financial statements referred to in the Conceptual Framework;
- clarifying the explanatory paragraphs accompanying the definition; and
- aligning the wording of the definition of material across PFRS Standards and other publications.

The amendments are expected to help entities make better materiality judgments without substantively changing existing requirements. The amendments apply prospectively for annual periods beginning on or after January 1, 2020. Earlier application is permitted.

Financial Instruments

Recognition and Initial Measurement

Financial instruments within the scope of PFRS 9 are recognized in the separate statements of financial position when the Company becomes a party to the contractual provisions of the instrument. In the case of a regular way purchase or sale of financial assets, recognition and derecognition, as applicable, is done using trade date accounting.

A financial asset (unless it is a receivable without a financing component) or financial liability is initially measured at fair value. Except for financial instruments classified or designated at FVTPL, the initial measurement of financial assets includes directly attributable transaction costs. A receivable without a significant financing component is initially measured at the transaction price.

Classification and Subsequent Measurement

(Financial Assets - Policy Applicable from January 1, 2018)

The Company determines the classification of its financial assets on initial recognition. The Company classifies its financial assets into the following categories: financial assets at amortized cost or financial assets at FVTPL, debt investments at FVOCI and equity investments at FVOCI. The classification depends on the Company's business model for managing financial instruments and the contractual cash flow characteristics of the financial instruments. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

As at December 31, 2018, the Company has no debt investments at FVOCI and at FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Impairment losses on financial assets are recognized under operating expenses. Any gain or loss on derecognition is recognized in profit or loss. Financial assets at amortized cost are classified as current assets if maturity is within 12 months from the reporting date. Otherwise, these are classified as noncurrent assets.

The Company's cash, due from related parties, other current accounts receivable and long-term time deposit are included in this category.

Cash is stated at face value which includes accrued interest. Interest income accruing from cash is recognized as part of "Other expenses - net" account in the separate statements of comprehensive income.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income (OCI). This election is made on an investment-by-investment basis. These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss. Included in this category is the Company's other investments.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business Model Assessment
The Company makes an assessment of the objective of the business model in which a financial asset is held at portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the standard policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets; and
- the frequency, volume and timing of sales of financial assets in prior period, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Assessment Whether Contractual Cash Flows are Solely Payments of Principal and Interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

(Financial Assets - Policy Applicable before January 1, 2018)

The Company classifies its financial assets into the following categories: financial assets at FVTPL, held-to-maturity (HTM) investments, available-for-sale (AFS) financial assets and loans and receivables. The classification depends on the purpose for which the investments were acquired and whether they are quoted in an active market. Management determines the classification of its investments at initial recognition and, where allowed and appropriate, re-evaluates such designation at every reporting date.

As at December 31, 2017, the Company has no financial assets and financial liabilities at FVTPL and HTM investments.

Loans and receivables are measured at amortized cost using the effective interest method, less impairment losses. The Company's cash, due from related parties, other current accounts receivable and long-term time deposit were included in this category.

AFS financial assets are non-derivative financial assets that are designated in this category or are not classified in any of the other categories. They are purchased and held indefinitely, and may be sold in response to liquidity requirements of changes in market conditions. AFS financial assets are generally measured at fair value and changes therein, other than impairment losses, interest income and foreign currency differences on debt instruments, were recognized in OCI and accumulated in the fair value reserve. AFS financial assets that do not have quoted market price in active market and whose fair value cannot be measured reliably are measured at cost. When these assets were derecognized, the gain or loss accumulated in equity was reclassified to profit or loss. Included in this category was the Company's other investments.

Classification and Subsequent Measurement - Financial Liabilities
Trade payables, due to related parties, accrued expenses and other payables (excluding liabilities covered by other PFRSs, such as statutory liabilities) and bank loan are recognized initially at fair value, less directly attributable transaction cost and subsequently measured at their amortized cost. Interest accrued on financial instruments is recognized in the separate statements of financial position within "Accrued expenses and other payables" account against financial expense. As at December 31, 2018 and 2017, the Company did not have financial liabilities classified as at FVTPL, or associated to fair value hedge strategies with derivative financial instruments. Direct costs incurred in debt issuances or borrowings are deducted from the fair value of the financial liability at initial recognition and amortized as interest expense as part of the effective interest rate of each transaction over its maturity. When a loan is repaid, the related unamortized debt issuance costs at the date of repayment are charged against profit or loss.

Offsetting Financial Instruments
Financial assets and liabilities are offset and the net amount presented in the separate statements of financial position when, and only when, the Company has an enforceable legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements and the related assets and liabilities are presented gross in the separate statements of financial position.

Derecognition of Financial Instruments
A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the financial asset have expired;
- the Company retains the right to receive cash flows from the financial asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Company has transferred its rights to receive cash flows from the financial asset and either: (a) has transferred substantially all the risks and rewards of the financial asset; or (b) has neither transferred nor retained substantially all the risks and rewards of the financial asset, but has transferred control of the financial asset.

When the Company has transferred its rights to receive cash flows from a financial asset or has entered into a 'pass-through' arrangement, and has neither transferred nor retained substantially all the risks and rewards of the financial asset nor transferred control of the financial asset, the financial asset is recognized to the extent of the Company's continuing involvement in the financial asset. Continuing involvement that takes the form of a guarantee over the transferred financial asset is measured at the lower of the original carrying amount of the financial asset and the maximum amount of consideration that the Company could be required to repay.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired. The difference between the carrying amount of financial liability (or part of a financial liability) extinguished and the consideration paid is recognized in profit or loss. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the carrying amount of the original liability and the recognition of a new liability at fair value, and any resulting difference in the respective carrying amounts is recognized in profit or loss.

'Day 1' Profit
Where the transaction price in a non-active market is different from the fair value of other observable current market transactions of the same instrument or based on a valuation technique whose variables include only data from observable market, the Company recognizes the difference between the transaction price and fair value (a 'Day 1' profit) in profit or loss. In cases where no observable data are used, the difference between the transaction price and model value is only recognized in profit or loss when the inputs become observable or when the instrument is derecognized. For each transaction, the Company determines the appropriate method of recognizing the 'Day 1' profit amount.

Fair Value Measurement
A number of the Company's accounting policies and disclosures require the measurement of fair value for both financial and non-financial assets and liabilities. Fair value is measured as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price), regardless of whether that price is directly observable or estimated using another valuation technique. Where applicable, the Company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair values are categorized into different levels of the fair value hierarchy based on the inputs used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes has occurred.

Investments in Subsidiaries
A subsidiary is an entity in which the Company has control. The Company has control over an investee when it is exposed, or has rights, to variable returns from its involvement with that investee; when it has the ability to affect those returns through its power over its investee; and where there is link between power and returns. An investment in a subsidiary is accounted for at cost less impairment losses, if any. The Company recognizes income from the investments when its right to receive dividend is established. The Company accounts for its investments in subsidiaries at cost. When the Company loses control over a subsidiary, any interest retained in the former subsidiary is measured at fair value.

Impairment
Financial Assets

(Policy Applicable from January 1, 2018)
The Company recognizes loss allowances for ECLs on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI; and
- contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when: (1) the borrower is unlikely to pay its obligations to the Company in full, without recourse by the Company to actions such as realizing any collateral; or (2) the financial asset is more than 90 days past due.

The Company considers a debt security to have low credit risk when i) the debt security has a low risk of default; ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired Financial Assets
At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of Allowance for ECL in the Separate Statement of Financial Position
Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognized in OCI.

Write-off
The gross carrying amount of a financial asset is written-off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company categorizes a financial asset for write-off when the debtor fails to make contractual payments more than 365 days past due. The Company expects no significant recovery from the amount written-off.

(Policy Applicable before January 1, 2018)
A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor;
- restructuring of an amount due to the Company on the terms that the Company would not consider otherwise;
- indications that a debtor or issuer will enter bankruptcy;
- adverse changes in the payment status of the borrowers or issuers;
- the disappearance of an active market for a security because of financial difficulties; or
- observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

If there is an objective evidence that an impairment loss on loans and receivables carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. Time value is generally not considered when the effect of the discounting is not material. The carrying amount of the asset is reduced through the use of an allowance account. Interest income continues to be accrued on the reduced carrying amount based on the original effective interest rate of the asset. The financial assets, together with the associated allowance accounts, are written-off when there is no realistic prospect of future recovery and all collateral, if any, has been realized or has been transferred to the Company. Impairment loss is recognized in profit or loss.

The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed, either directly or by adjusting an allowance account. Any subsequent reversal is recognized in profit or loss, to the extent that the carrying amount of the asset does not exceed its amortized cost at the reversal date.

Investments in Subsidiaries
The carrying amount of the Company's investments in subsidiaries is reviewed at each reporting date to determine whether there is any indication of impairment. If any indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognized in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an investment in a subsidiary is the greater of its fair value less costs of disposal and its value in use. The fair value is the price that would be received to sell the investment or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Value in use is the present value of the future cash flows expected to be derived from the asset. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

A previously recognized impairment loss is reversed only if there has been a change in estimate used to determine the recoverable amount of the asset, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized in profit or loss.

Common Stock and Additional Paid-in Capital
Common stock is classified as equity. Common stock is recognized as issued when the stock is paid for or subscribed under a binding subscription agreement, net of any subscription receivable, and is measured at par value. The transaction costs incurred as a necessary part of completing an equity transaction are accounted for as a part of that transaction and are deducted from equity, net of related tax benefits. Considerations received in excess of the par value of shares issued are recognized in "Additional paid-in capital" account in the separate statements of financial position.

Retained Earnings
Retained Earnings represents the accumulated balance of periodic income (loss), net of any dividends declared to stockholders.

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's separate financial statements in the period in which the dividends are approved by the Company's Board.

Revenue from Contracts with Customers
Revenue is recognized to the extent that is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured based on the consideration specified in the contract with the customer. The Company recognizes revenue when it transfers control over a service to a customer.

The Company's revenue (i.e., service fees) mainly pertains to advisory services provided by the Company to its related parties under mark-up based contracts. Revenue from such services is recognized based on the work performed for a particular customer and is calculated based on the actual costs incurred plus mark-up. The mark-up is calculated in accordance with the service agreement. Revenue from such services are also recognized overtime as the services are received and the benefits are consumed by the customer simultaneously.

If the services rendered by the Company exceed payment, a contract asset if recognized. If payments exceeded the services rendered, a contract liability is recognized.

Receivables arising from the Company's revenue contracts recognized in "Due from related parties" account in the separate statements of financial position represent the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Dividend Income
Dividend income is recognized when the Company's right to receive the payment is established. Dividends received are classified as part of cash flows from operating activities.

Interest
Interest is recognized as it accrues, taking into account the effective yield on the asset, net of final tax.

Cost and Expense Recognition

Expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decreases in equity other than those relating to distributions to equity participants. Expenses are generally recognized when the services are rendered or the expenses are incurred.

Cost of Services

Cost of services includes direct salaries and wages and travel expense directly attributable to the services rendered. This is recognized when the services are rendered or the expenses are incurred.

Operating Expenses

Expenses incurred in the direction and general administration of day-to-day operation of the Company and are generally recognized when the services are rendered or the expenses are incurred.

Employee Benefits

Short-term Employee Benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined Benefit Pension Plans

Pursuant to PAS 19, the Company recognizes the costs associated with employees' defined benefit pension plans as services are rendered, based on actuarial estimations of the benefits' present value with the advice of external actuaries. The actuarial assumptions consider the use of nominal rates.

The service cost, corresponding to the increase in the obligation for additional benefits earned by employees during the period, is recognized as part of "Cost of Services" and "Operating Expenses" accounts in the separate statements of comprehensive income. The interest cost related to the increase in the liability by the passage of time is recognized in profit or loss under "Financial expense on retirement benefits" account in the separate statements of comprehensive income.

The effects from modifications to the pension plans that affect the cost of past services are recognized as part of "Cost of Services" and "Operating Expenses" accounts in the separate statements of comprehensive income during the period in which such modifications occur or when any related restructuring or termination benefits are recognized, if earlier. Likewise, the effects from curtailments and/or settlements of obligations occurred during the period, associated with events that significantly reduce the cost of future services and/or reduce significantly the population subject to pension benefits, respectively, are recognized as part of "Cost of Services" and "Operating Expenses" accounts in the separate statements of comprehensive income.

Remeasurements such as the return on plan assets, excluding amounts included in net interest on the net defined benefit liability, and actuarial gains and losses, related to differences between the previous actuarial assumptions and actual occurrences, and changes in actuarial assumptions at the end of the period, are recognized in the period in which they are incurred as part of OCI for the period within equity. Termination benefits, not associated with a restructuring event, which mainly represent severance payments by law, are recognized in profit or loss for the period in which they are incurred.

Transportation Allowance
The Company grants transportation allowance to "entitled executives" for the purpose of purchasing a motor vehicle and to cover other transportation-related expenses such as, but not limited to, maintenance cost, gasoline, registration expenses and insurance premiums on motor vehicle for a period of five (5) years from the date of grant. The amount paid to executives in respect of the Company's transportation allowances is recorded as an asset carried at cost (the current portion is part of "Prepaid expenses and other current assets" account while the noncurrent portion is part of "Other noncurrent asset" account in the separate statements of financial position) and subsequently amortized as an expense over the term of the contract.

Foreign Currency Transactions
Foreign currency transactions are recorded in Philippine peso based on exchange rates prevailing at transaction dates. Outstanding foreign currency denominated monetary assets is translated to Philippine peso using the prevailing rates at the reporting date. Exchange rate differences arising from the settlement of monetary items at rates different from those at which they were initially recorded during the periods are recognized in profit or loss in the period in which they arise. Foreign currency gains and losses are reported on a net basis.

Income Taxes
Income tax expense is composed of current and deferred income tax. Income tax expense is recognized in profit or loss, except to the extent that it relates to items recognized directly in equity or in OCI, in which case it is recognized in equity or in OCI.

Current Income Tax
Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Deferred Income Tax
Deferred income tax assets and liabilities are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes and the carryforward tax benefit of unused net operating loss carryover (NOLCO).

Deferred income tax is not recognized for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The carrying amounts of deferred income tax assets are reviewed at each reporting date. A deferred income tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and the carryforward benefit of unused NOLCO can be utilized. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plan of the Company. Deferred income tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Unrecognized deferred income tax assets are reassessed at each reporting date, and are recognized to the extent that it has become probable that future taxable income will allow the deferred income tax assets to be recognized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred income tax assets and liabilities are offset if there is a legally enforceable right to set-off current income tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, and they intend to settle current income tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Value-added Tax (VAT)

Revenues, expenses and assets are recognized net of the amount of VAT, except:

- where the sales tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as a part of the expense item as applicable; and
- receivables and payables that are stated with the amount of VAT included.

The net amount of sales tax recoverable from, or payable to, the tax authority is included as part of "Prepaid expenses and other current assets" or "Accrued expenses and other payables" accounts, respectively, in the separate statements of financial position and are carried at cost.

Provisions and Contingencies

Provisions

A provision is a liability of uncertain timing or amount. It is recognized when the Company has a legal or constructive obligation as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

Contingencies

Contingent liabilities are not recognized in the separate financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the separate financial statements but are disclosed when an inflow of economic benefits is probable.

Events After the Reporting Date
Post year-end events up to the date of approval of the separate financial statements by the Board that provide additional information about the Company's unconsolidated financial position as at the reporting date (adjusting events) are recognized in the separate financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the separate financial statements when material.

4. Cash

The Company's cash comprises cash in bank amounting to P856,144,081 and P269,733,665 as at December 31, 2018 and 2017, respectively.

Cash in banks earns annual interest at the prevailing bank deposit rates (see Note 14).

The Company's exposures to credit and foreign currency risks related to cash are disclosed in Note 16 to the separate financial statements.

5. Related Party Transactions

Related party relationship exists when the other party (i) has control or joint control of the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. A related party relationship is deemed to exist when one party has the ability to control, directly or indirectly, through one or more intermediaries, the other party or exercise significant influence over the other party in making the financial and/or operating decisions. Another criteria recognizes a related party relationship, whether or not the ability to control exists, if any of the following conditions applies to an entity: (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others, (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member), (iii) both entities are joint ventures of the same third party, (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity, or (v) the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity (If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity).

As at December 31, 2018 and 2017, balances of due from/to related parties are detailed as follows:

Receivables - current	**2018**	2017
Subsidiaries:		
Solid Cement Corporation (Solid)[6]	**P36,322,756**	19,334,797
APO Cement Corporation (APO)[5]	**15,627,598**	P35,765,188
Ecocrete, Inc. (Ecocrete)[4]	**48,197**	-
Other related parties[10]:		
CEMEX Central, S.A. de C.V. (CEMEX Central)[7]	**2,624,880**	395,490
CEMEX Asia Pte., Ltd. Philippine Headquarters (CAPL-PHQ) [4]	**78,730**	-
	P54,702,161	P55,495,475

Payables - current	2018	2017
Subsidiaries:		
CEMEX Asia Research AG (CAR)[2]	**P3,741,492,379**	P2,590,674,475
Falcon Re Ltd. (Falcon)[1]	**852,967,046**	2,184,613,365
Ecocast[9]	**1,279,955**	-
Solid[3]	**424,158**	86,791
Other related parties[10]		
CAPL-PHQ[8]	**39,445,036**	-
New Sunward Holding B.V. (NSH)[4]	**109,978**	-
	P4,635,718,552	P4,775,374,631

[1]The balance pertains to the deposit agreement between Falcon and the Company, in which Falcon (depositor), upon giving notice, may withdraw the funds. The Company should reimburse any outstanding balance not later than August 2021. The deposits bear interest calculated daily at a rate equal to Western Asset Institutional Liquid Reserve Fund (WAILRF) minus 10 basis points (see Note 16).

[2]The balance pertains to the deposit agreement between CAR and the Company, in which CAR (depositor), upon giving notice, may withdraw the funds. The Company should reimburse any outstanding balance not later than August 2021. The deposits bear interest at 2.5% per annum, which increased to 3% per annum starting March 2018.

[3]The balance includes a) cash advances amounting to P100,168 and P86,791 as at December 31, 2018 and 2017, respectively; and b) reimbursable expenses amounting to P323,990 which are both unsecured, noninterest-bearing, and payable on demand.

[4]Amount pertains to reimbursable expenses which are unimpaired, unsecured, noninterest-bearing and payable due on demand.

[5]The balance includes (a) advisory services amounting P15,520,449 and P35,765,188 as at December 31, 2018 and 2017, respectively, which have a 60-day term, unimpaired, noninterest-bearing and unsecured. The term of the agreement is two (2) years subject to renewal by mutual agreement of the parties; and (b) reimbursable expenses amounting to P107,149 as at December 31, 2018 which is unimpaired, unsecured, noninterest-bearing and payable on demand.

[6]The balance includes (a) advisory services amounting to P10,862,323 and P19,334,797 as at December 31, 2018 and 2017, respectively, which have a 60-day term, unimpaired, noninterest-bearing and unsecured. The term of the agreement is two (2) years subject to renewal by mutual agreement of the parties; and (b) receivable amounting to P25,460,433 as at December 31, 2018 due to pension transferred to Solid which is unsecured, noninterest-bearing, unimpaired and due on demand.

[7]The balance pertains to fringe benefit tax paid by the Company in relation to the share-based compensation that was claimed as reimbursable expense from CEMEX Central, which is unsecured, noninterest-bearing, unimpaired and due on demand.

[8]The balance pertains to overpayment of pension transferred from CAPL-PHQ, which is unsecured, noninterest-bearing, unimpaired and due on demand.

[9]Amount pertains to reimbursable expenses which are unimpaired, unsecured, noninterest-bearing and payable on demand.

[10]Other related parties pertain to entities under common control of CEMEX.

The reconciliation of opening and closing balances of due to related parties that arise from financing activities follows:

	Note	2018	2017
Balance as at January 1		**P4,775,374,631**	P17,694,320,773
Proceeds from drawdowns		**1,213,671,127**	1,759,588,066
Effect of exchange rate changes		**251,916,662**	22,440,205
Interest expense		**138,163,748**	224,092,830
Cash advance from Solid		**13,376**	86,791
Loss from early extinguishment of debt	*14*	**-**	64,602,505
Amortization of debt issue cost		**-**	18,493,854
Payment of:			
Principal		**(1,767,688,300)**	(14,677,844,057)
Interest		**(16,891,652)**	(330,406,336)
Balance as at December 31		**P4,594,559,592**	P4,775,374,631

Falcon and CAR approved and declared dividends amounting to P1.6 billion (US$30.0 million) and P330.7 million (US$6.30 million), respectively, P1.2 billion (US$23.0 million) and P297.6 million (US$5.7 million), respectively, of which was paid and settled as a distribution in kind by means of compensation against Falcon's and CAR's account receivable under deposit agreement with the Company dated as of August 24, 2016. This is the Company's non-cash transaction in 2018.

The main transactions entered by the Company with related parties for the years ended December 31, 2018 and 2017 are shown below:

Dividend Income Received	**2018**	2017
Subsidiaries:		
Falcon	**P1,568,700,000**	P -
CAR	**330,687,000**	-
	P1,899,387,000	P -

Proceeds from Deposits	**2018**	2017
Subsidiaries:		
CAR	**P1,213,671,127**	P1,053,562,518
Falcon	**-**	706,025,548
	P1,213,671,127	P1,759,588,066

Service Fees	**2018**	2017
Subsidiaries:		
APO	**P262,478,958**	P36,495,090
Solid	**138,948,364**	19,703,377
	P401,427,322	P56,198,467

Interest Expense	**2018**	2017
Subsidiaries:		
CAR	**P107,410,990**	P59,130,004
Falcon	**30,752,758**	20,635,734
Other related party:		
NSH:		
Short-term	**-**	144,327,092
	P138,163,748	P224,092,830

Reimbursable Expenses	**2018**	2017
Subsidiaries:		
Solid	**P4,281,177**	P1,989
APO	**107,149**	-
Other related parties:		
CEMEX Central	**2,624,880**	395,490
NSH	**109,978**	-
	P7,123,184	P397,479

Advances	**2018**	2017
Solid	**P13,376**	P86,791

Transaction with Key Management Personnel	**2018**	2017
Short-term employee benefits	**P198,164,541**	P28,177,723
Long-term employee benefits	**40,065,747**	2,067,133
Share-based compensation	**16,894,107**	1,235,778

Retirement Liability Transferred from Related Parties	**2018**	2017
Solid	**P104,368,129**	P -
CAPL-PHQ	**64,585,494**	-
APO	**19,925,171**	-
	P188,878,794	P -

As part of CEMEX's share-based payments programs, a group of the Company's executives participates in the long-term share-based compensation program providing for the grant of CEMEX's CPOs, pursuant to which new CPOs are issued by the ultimate parent company under each annual program over a four (4) year period. By agreement with the executives, the CPOs of the annual grant, which is equivalent to 25% of the CPOs related to each plan, are placed in a trust established for the benefit of the executives to comply with a one (1) year restriction on sale.

Under these programs, CEMEX issued new shares to certain executives of the Company for approximately 1,258,188 and 429,761 CPOs in 2018 and 2017, respectively, that were subscribed and pending for payment in the ultimate parent company's treasury. As at December 31, 2018 and 2017, there are approximately 3,181,481 and 634,636 CPOs, respectively, associated with these annual programs that are expected to be issued in the future as the Company's executives render services.

The compensation expense related to these programs for the years ended December 31, 2018 and 2017 for approximately P16,894,107 and P1,235,778 corresponding to the fair value of the number of CEMEX's CPOs at the date of grant, was recognized in the Company's profit or loss against share-based compensation reserve. The weighted average fair value, which pertains to the market price of CPOs granted, is 13.61 and 14.28 Mexican Pesos in 2018 and 2017, respectively. As at December 31, 2018 and 2017, the Company did not have outstanding commitments or options to make cash payments to executives on the exercise date of awards based on changes in CEMEX's own stock (intrinsic value).

Terms and Conditions of Transactions with Related Parties
Outstanding balances as at period-end are unsecured and are expected to be settled in cash. There are no impairment on any related party receivables. There are also no guarantees provided for any related party payables.

The Company's exposures to credit risk, foreign currency risk, interest rate risk and liquidity risk related to the outstanding related party balances are disclosed in Note 16 to the separate financial statements.

Transactions with the Retirement Fund
The Company established a retirement plan for its qualified employees. The control and administration of the retirement plan is vested in its Board of Trustees (BOT). The retirement plan's accounting and administrative functions are undertaken by the Bank of the Philippine Islands Asset Management Trust Group (BPI AMTG), the Company's duly appointed trust fund manager.

The Company's funding policy is to contribute to the Plan's fund as required under actuarial principles to maintain the fund in sound condition. In addition, the Company reserves the right to discontinue, suspend or change the rate and amount of its contribution to the fund at any time due to business necessity or economic conditions. The Company has no contributions to the retirement fund in 2018.

There are also no other transactions entered into by the Company with the plan for the year. As at December 31, 2018, the fund's unfunded status amounted to P157,284,083. The retirement plan consists of unit investment trust fund, mutual funds, debt instruments and others (cash, government securities, foreign currency deposits, US sovereigns, receivables and others), which accounted for 34%, 3%, 15%, and 48%, respectively, of the plan assets in 2018 (see Note 10).

6. Prepaid Expenses and Other Current Assets

This account consists of:

	2018	2017
Prepaid taxes	**P42,247,303**	P17,678,449
Transportation allowance	**12,655,883**	1,205,293
Prepaid rent	**8,741,786**	4,664,286
Prepaid insurance	**93,080**	-
Others	**111,146**	513,483
	P63,849,198	P24,061,511

Prepaid taxes include Input VAT and creditable withholdings taxes.

The noncurrent portion of transportation allowance amounting to P25,486,904 and P2,981,267 as at December 31, 2018 and 2017 is recognized in "Other noncurrent asset" account in the separate statements of financial position.

7. Investments in Shares of Stock

The details of investments in share of stock of subsidiaries, which were incorporated under Philippine Laws, are as follows:

	Effective Percentage of Ownership	**2018**	Effective Percentage of Ownership	2017
Subsidiaries				
Triple Dime Holdings, Inc. (Triple Dime)	**100%**	**P17,898,216,400**	100%	P17,898,216,400
APO	**100%**	**12,409,217,267**	100%	12,409,217,267
Sandstone Strategic Holdings, Inc. (Sandstone)	**100%**	**8,715,027,617**	100%	8,715,027,617
Solid	**100%**	**6,316,382,707**	100%	6,316,382,707
Edgewater Ventures Corporation (Edgewater)	**100%**	**1,726,783,116**	100%	1,726,783,116
Bedrock Holdings Corporation (Bedrock)	**100%**	**759,519,600**	100%	759,519,600
Falcon	**100%**	**140,380,200**	100%	140,380,200
CAR	**100%**	**4,728,000**	100%	4,728,000
		47,970,254,907		47,970,254,907
Others		**923,928**		133,928
		P47,971,178,835		P47,970,388,835

The Company holds APO directly (40%) and indirectly (60%), through Edgewater and Triple Dime, and holds Solid directly (40%) and indirectly (60%), through Bedrock and Sandstone.

The movements in investments in shares of stock are as follows:

	2018	2017
Balance at beginning of year	**P47,970,388,835**	P47,970,254,907
Additions during the year	**790,000**	133,928
Balance at end of year	**P47,971,178,835**	P47,970,388,835

Following are the information relating to the Company's subsidiaries:

- Triple Dime

  Triple Dime was incorporated as a stock corporation in May 1998 under Philippine laws with a corporate life of fifty (50) years, primarily to invest in real or personal property. Triple Dime's principal office address is located at 34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City, Metro Manila.

- APO

  APO, a subsidiary of Triple Dime, was incorporated as a stock corporation under Philippine laws in December 1961 primarily to engage in the production and marketing of cement. APO is also registered to engage in the generation, supply or sale of power from its own power plant. APO's principal office is in APO Cement Plant Compound, Tina-an, Naga City, Cebu, which is also the location of its production plant.

- Sandstone

  Sandstone was incorporated as a stock corporation in November 1998 under Philippine laws with a corporate life of fifty (50) years, primarily to invest in real or personal property. Sandstone's principal office address is located at 34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City, Metro Manila.

- Solid

  Solid was incorporated as a stock corporation in September 1987 under Philippine laws primarily to engage in the manufacturing, developing, processing, exploiting, purchasing and selling of cement and/or other products derived therefrom. Its production plant is located in Antipolo City, Rizal and its principal office is located at 34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City, Metro Manila.

- Edgewater

  Edgewater was incorporated and registered with the SEC as a stock corporation in April 1998 with a corporate life of fifty (50) years, primarily to invest in real or personal property. Edgewater's principal office address is located at 34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City, Metro Manila.

- Bedrock

  Bedrock was incorporated as a stock corporation in October 1998 under Philippine laws with a corporate life of fifty (50) years, primarily to invest in real or personal property. Bedrock's principal office address is located at 34th Floor, Petron Mega Plaza Building, 358 Sen. Gil J. Puyat Avenue, Makati City, Metro Manila.

- Falcon

  Falcon is registered under the Companies of Barbados to conduct general insurance business, all risk property insurance, political risks insurance and non-damage business interruption insurance and received its license to operate as an insurance company in July 2016. Falcon acts as a re-insurer to third party insurers of operating subsidiaries of the Company covering property, non-damage business interruption, political risk insurance, professional liability program and cyber risks.

- CAR

  CAR was incorporated as a stock corporation in December 2015 under Switzerland laws, primarily to engage in the ownership, licensing, utilization, management, development, administration, maintenance and protection of intellectual and industrial property rights and of assets derived therefrom for the Asian market. CAR's principal place of business is located at Brügg BE, Switzerland.

Below is the summarized financial information pertaining to the Company's investments in subsidiaries as at and for the years ended December 31, 2018 and 2017:

December 31, 2018	Current Assets	Noncurrent Assets	Current Liabilities	Noncurrent Liabilities	Revenue	Profit (Loss)	Total Comprehensive Income (Loss)
			(In Thousands of Peso)				
Triple Dime	P50,627	P7,293,300	P104	P13	P -	P196	P196
APO	4,842,211	11,398,564	6,424,782	268,031	15,855,663	(1,222,636)	(1,188,160)
Sandstone	129	3,984,204	109,957	65	-	(51)	(51)
Solid	1,828,920	6,328,003	3,354,963	2,831,393	8,393,505	(506,278)	(438,834)
Edgewater	57,695	1,419,429	130	1,901	-	2,918	2,918
Bedrock	114,579	56,283	1,911	1	-	(50)	(50)
Falcon	936,238	-	499,539	-	1,054,824	1,027,770	1,027,770
CAR	4,372,169	-	17,070	-	2,728,338	1,432,676	1,432,676

December 31, 2017	Current Assets	Noncurrent Assets	Current Liabilities	Noncurrent Liabilities	Revenue	Profit (Loss)	Total Comprehensive Income (Loss)
			(In Thousands of Peso)				
Triple Dime	P50,499	P7,293,300	P177	P9	P -	P82	P82
APO	4,113,303	11,719,539	3,712,057	1,383,032	14,576,294	(449,007)	(429,992)
Sandstone	250	3,984,204	110,030	63	-	(63)	(63)
Solid	2,058,170	3,774,126	2,947,175	470,699	7,869,612	(252,057)	(203,452)
Edgewater	54,012	1,419,429	197	1,069	-	215	215
Bedrock	114,704	56,283	1,986	1	-	(61)	(61)
Falcon	18,408	2,182,510	453,555	-	1,064,605	1,074,420	1,074,420
CAR	3,328,466	-	232,592	-	2,724,933	1,403,096	1,403,096

8. Accrued Expenses and Other Payables

This account consists of:

	Note	**2018**	2017
Accrued interest on bank loan	9	**P132,906,955**	P98,078,588
Salaries and wages and other employee benefits		**45,733,812**	17,715,211
Taxes payable		**22,793,427**	8,710,039
Accrued professional fees		**1,978,254**	-
Advances from employees		**829,734**	-
Others		**8,888,218**	7,408,858
		P213,130,400	P131,912,696

The Company's exposure to liquidity risk arising from accrued expenses and other payables is disclosed in Note 16 to the separate financial statements.

9. Long-term Bank Loan

On February 1, 2017, the Parent Company signed a Senior Unsecured Peso Term Loan Facility Agreement (Facility Agreement) with Banco de Oro - Unibank (BDO) for an amount of up to the Philippine Peso equivalent of 280 million U.S. dollars to refinance a majority of the Parent Company's outstanding long-term loan with NSH. The term loan provided by BDO has a tenor of seven (7) years from the date of the initial drawdown on the facility and consists of a fixed rate and a floating rate tranche based on market rates plus spread. The borrowings or drawdowns under the Facility Agreement amounted to P14,012,280,999. Short-term portion of the bank loan amounted to P140,122,810 as of December 31, 2018 and 2017.

The reconciliation of opening and closing balances of debt issue cost deducted from total loan liability as at December 31, 2018 and 2017 follows:

	2018	2017
Unamortized debt issue cost	**P180,684,676**	P180,684,676
Amortization of debt issue cost:		
Beginning balance	**14,093,508**	-
Amortization during the year	**28,376,201**	14,093,508
Ending balance	**42,469,709**	14,093,508
Unamortized balance as at December 31	**P138,214,967**	P166,591,168

Interest expense incurred in 2018 and 2017, excluding amortized direct cost, amounted to P719,174,331 and P571,807,652, respectively, which is recognized as part of "Financial expenses" under "Other Income (Charges)" account in the separate statements of comprehensive income.

The Facility Agreement also provides certain covenants. Compliance with these covenants shall be tested semi-annually.

On December 8, 2017, the Company entered into a Supplemental Agreement to the Facilities Agreement with BDO pursuant to which, more notably, it was agreed that (i) the commencement date for compliance with certain financial covenants under the Facility Agreement would be on June 2020; (ii) debt service reserve accounts were created; and (iii) additional debt incurrence restrictions be put in place. One of these debt incurrence restrictions agreed is based on a financial ratio that measures, on a consolidated basis, the Company's ability to cover its interest expense using its Operating EBITDA (interest coverage ratio) and is measured by dividing Operating EBITDA by the financial expense for the last twelve months as of the calculation date. Operating EBITDA equals operating income before other expenses, net plus depreciation and amortization. On December 14, 2018, the Company entered into another Supplemental Agreement to the Facilities Agreement that provides an option, only for certain potential events of default under the Facility Agreement, for the Company's ultimate parent company, CEMEX, S.A.B. de C.V., or any affiliate of CEMEX, S.A.B. de C.V. which is not a direct or indirect subsidiary of the Company, to pay all amounts outstanding under the Facility Agreement before they become due and payable prior to their maturity in certain events. The Supplemental Agreement required the Company to maintain a debt service reserve account amounting to P506 million and P390 million as at December 31, 2018 and 2017. The said cash is restricted from the Company's use in its operation.

As of December 31, 2018, the Parent Company is in compliance with the applicable restrictions and covenants of the Facility Agreement.

The reconciliation of opening and closing balances of bank loan follows:

	Bank Loan	Accrued Interest	Total
Balance as at January 1, 2017	P -	P -	P -
Proceeds	13,831,596,323	-	13,381,596,323
Interest expense	14,093,508	571,807,652	585,901,160
Payment of:			
Principal	(105,092,108)	-	(105,092,108)
Interest	-	(473,729,064)	(473,729,064)
Balance as at January 1, 2018	13,740,597,723	98,078,588	13,838,676,311
Interest expense	28,376,201	719,174,331	747,550,532
Payment of:			
Principal	(140,122,810)	-	(140,122,810)
Interest	-	(684,345,964)	(684,345,964)
Balance as at December 31, 2018	**P13,628,851,114**	**P132,906,955**	**P13,761,758,069**

Accrued interest from this bank loan amounting to P132,906,955 and P98,078,588 as at December 31, 2018 and 2017, respectively, are recognized under "Accrued expenses and other payables" account in the separate statements of financial position.

10. Retirement Benefit Liability

The Company has a funded, noncontributory, defined benefit retirement plan covering substantially all of its regular and permanent employees. Contributions and costs are determined in accordance with the actuarial studies made for the plan. Annual cost is determined using the projected unit credit method. The Company's latest actuarial valuation date was made on December 31, 2018. Valuations are obtained on an annual basis.

The retirement plan of the Company entitled a regular and permanent employee to avail of the "Normal Retirement, Early Retirement and Late Retirement Benefit" and "Voluntary Separation Benefit". In addition, the retirement plan also provides "Total and Permanent Disability and Death Benefit" for the qualified employees and beneficiaries.

Normal Retirement, Early Retirement and Late Retirement
The total benefit that will be received by a retired non-union member employee and a union member (**) employee is based on his final plan salary and years of service (YOS), which is summarized on the retirement benefit formula table below:

YOS	Retirement Benefit*
20 & Below	100% of the plan salary for every year of credited service
Above 20 to 25	119% of the plan salary for every year of credited service
Above 25	139% of the plan salary for every year of credited service

covering Normal, Early and Late Retirement
**for YOS rendered before January 1, 2011*

The following retirement benefit formula table applies to a union member employee for services rendered on or after January 1, 2011:

YOS	Retirement Benefit*
20 & Below	110% of the plan salary for every year of credited service
Above 20 to 25	130% of the plan salary for every year of credited service
Above 25	150% of the plan salary for every year of credited service

covering Normal, Early and Late Retirement

An employee may be entitled only to an early retirement benefit provided that he reached the age of fifty-five (55) and has completed at least ten (10) years of credited service unless approved by the Company. The late retirement may be availed only beyond age sixty (60) but not beyond sixty-five (65), on a case-to-case and yearly extension basis and subject to the consent of the Company.

Voluntary Separation
The total benefit that will be received by a retired employee is based on his final salary and YOS, which is summarized on the retirement benefit formula table below:

YOS	Retirement Benefit
10 to 15	79% of the plan salary for every year of credited service
16 to 20	99% of the plan salary for every year of credited service
21 to 25	119% of the plan salary for every year of credited service
Above 25	139% of the plan salary for every year of credited service

Total and Permanent Disability and Death Benefit
In the event that a qualified employee dies or is required by the Company to retire due to total and permanent disability, his benefit should be equal to an amount based on the retirement benefit formula. In the case of disability, the employee should have completed at least five (5) years and three (3) years of credited service for Solid and APO, respectively.

The plan is registered with the Bureau of Internal Revenue (BIR) as tax-qualified plan under Republic Act No. 4917, as Amended. The control and administration of the retirement plan is vested in its BOT. The retirement plan's accounting and administrative functions are undertaken by BPI AMTG, and its duly appointed trust fund manager.

a) Movement in Retirement Benefit Liability

The following table shows reconciliation from the opening balances to the closing balances for retirement benefit liability and its components as at December 31, 2018:

	Present Value of Defined Benefit Obligation	**Fair Value of Plan Assets**	**Retirement Benefit Liability**
Balance at January 1	P -	P -	P -
Included in profit or loss			
Current service cost	14,465,612	-	14,465,612
Interest cost	12,910,156	(377,676)	12,532,480
	27,375,768	(377,676)	26,998,092
Included in OCI			
Actuarial loss from experience adjustments	(41,707,260)	-	(41,707,260)
Return on plan assets excluding interest income	-	439,903	439,903
	(41,707,260)	439,903	(41,267,357)
Others			
Net acquired (transferred obligation)	205,733,939	(16,855,145)	188,878,794
Benefits paid	(14,040,859)	-	(14,040,859)
Benefits to be paid	(3,284,587)	-	(3,284,587)
Balance at December 31	**P174,077,001**	**(P16,792,918)**	**P157,284,083**

Effective January 1, 2018, some employees from Solid, Ecocrete and Ecocast were transferred to the Company resulting in net acquired obligation of P188,878,794 (see Note 5).

b) Plan Assets

As at December 31, 2018, plan assets consisted of the following:

	Amount
Foreign currency time deposits	**P4,855,927**
Unit Investment Trust Fund (UITF):	
Equities - local currency	**3,936,659**
Money market	**1,128,762**
Fixed income - local currency	**700,064**
US sovereigns	**2,200,411**
Debt instruments:	
Local currency	**1,438,490**
Foreign currency	**1,021,721**
Receivables	**745,179**
Mutual funds	**587,357**
Government securities	**79,517**
Cash in bank	**254**
Others	**98,578**
	P16,792,919

Equity UITF investments are placed in a concentrated portfolio of stocks listed in the PSE which are generally invested in holding firms, industrial companies, financial institutions, mining and real estate corporations. Fixed income UITF investments are placed mainly in portfolio of bonds and other similar fixed-income securities such as special deposit accounts from the BSP and treasury notes with weighted average term to maturity of up to five (5) years.

Mutual funds are invested in listed equity instruments which are actively traded in globally developed markets. Other mutual funds are invested in debt instruments with terms generally ranging from five (5) to more than ten (10) years which were issued by low and middle income developing countries and are rated mostly at "BBB," "BB" and "B" by Standard and Poor's Financial Services. Investments in bonds have quoted prices in active market and are rated "Aaa," based on ratings made by Philippine Rating Services Corporation.

US sovereigns include treasury bills, notes and bonds which are fixed income investments issued by the U.S. Department of the Treasury. Local and foreign currency debt instruments are financial instruments issued by the government or corporate entity in the domicile or country of origin. Foreign currency time deposits were made to a reputable bank which is rated Baa2 based on Moody's credit rating.

The BOT reviews the level of funding required for the retirement fund with inputs from the Company's accredited actuary. Such a review includes the asset-liability matching (ALM) strategy and investment risk management policy. The objective of BPI AMTG is to manage the portfolio in accordance with the objectives set forth by both the Company and BPI AMTG, and to be able to provide and fund benefits as they fall due.

c) *Defined Benefit Obligation*

(i) *Assumptions*

The principal actuarial assumptions, at the reporting date, used to determine the retirement benefits are as follows (expressed as weighted averages):

	2018
Discount rate	**7.25%**
Future salary growth	**6.00%**

The following are the turnover rate assumption in 2018:

Age	**2018**
18 - 30	**10 to <12**
31 - 34	**8 to <10**
35 - 37	**7 to <8**
38 - 42	**5 to <7**
42 - 50	**4 to <5**
51 - 59	**1 to <4**

Mortality rates in 2018 are based on the "2017 Philippine Intercompany Mortality Study" from the Actuarial Society of the Philippines. Disability rate is based on "1952 Disability Study," Period 2, Benefit 5.

Sensitivity Analysis
Reasonable possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as at December 31, 2018 by the amounts shown below:

	2018	
	Increase	**Decrease**
Discount rate (0.5% movement)	**(P6,911,169)**	**P7,361,359**
Future salary increase rate (0.5% movement)	**8,036,218**	**(7,600,465)**

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumption shown.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk, and market (investment) risk.

Maturity Analysis
Maturity analysis of the benefit follow:

	Carrying Amount	Contractual Cash Flows	Within >1 Year	Within 1 - 5 Years	More than 5 Years
2018	**P174,077,001**	**P716,630,865**	**P21,371,925**	**P33,307,620**	**P661,951,320**

As at December 31, 2018, the weighted average duration in years of the defined benefit obligation is 14 years.

Based on the latest study, the Company does not expect to contribute to its retirement benefit plan in 2019, subject, however to changes on any relevant actuarial assumptions or imminent impact from actuarial risks.

d) *Retirement Benefit Expense*

In 2018, retirement benefit expense is recognized in the following line items in the separate statements of comprehensive income:

	Note	Amount
Personnel cost	*13*	**P13,242,118**
Operating expenses		**1,223,494**
Financial expense on retirement benefits		**12,532,480**
		P26,998,092

11. Stockholder's Equity

As at December 31, 2018 and 2017, information on the Company's common stock is summarized as follows:

	Authorized			Issued and Outstanding		
(In Thousands of Peso)	Number of Shares	Par Value	Amount	Number of Shares	Par Value	Amount
Balance at December 31, 2017	5,195,395,454	P1	P5,195,395	5,195,395,454	P1	P5,195,395
Balance at December 31, 2018	**5,195,395,454**	**P1**	**P5,195,395**	**5,195,395,454**	**P1**	**P5,195,395**

On September 17, 2015, CASEC subscribed to 376,000 shares of stock of the Parent Company at P100 par value. Of the agreed subscription price of P37,600,000, only P9,400,000 was paid in 2015 while the remainder of P28,200,000 was paid in 2016. In 2016, the Parent Company's Board approved the amendment of and increase in the authorized capital stock of the Parent Company from P150,400,000 divided into 1,504,000 common shares with par value of P100 per share, to P5,195,395,454 divided into 5,195,395,454 common shares with par value of P1 per share.

On May 20, 2016, the SEC approved the Company's application for the amendment of and increase in its authorized capital stock. Accordingly, the original subscription of CASEC changed from 376,000 common shares with par value of P100 per share to 37,600,000 common shares with par value of P1 per share. Furthermore, in connection with the increase in authorized capital stock, CASEC subscribed to an additional 2,819,867,500 shares at P1 par value per share or a total par value of P2,819,867,500 of which was fully paid. During the IPO, which culminated in the listing of all of the outstanding shares of stock of the Company on July 18, 2016, the Company issued additional 2,337,927,954 shares at P1 par value per share or a total par value of P2,337,927,954 at the offer price of P10.75 per share (see Note 1).

During the Board's meeting on April 2, 2019, the Board of the Parent Company approved the amendment of the Seventh Article of the Amended Articles of incorporation, increasing the authorized capital stock of the Parent Company from P5,195,395,454, divided into 5,195,395,454 common shares with a par value of P1 per share, to P18,310,395,454, divided into 18,310,395,454 common shares with a par value of P1 per share.

12. Cost of Services

This account consists of:

	Note	**2018**	2017
Personnel cost	*13*	**P337,349,828**	P46,952,621
Travel expenses		**14,737,393**	3,741,405
Others		**12,846,708**	-
		P364,933,929	P50,694,026

Others include legal fees, insurance, representation and entertainment, utilities and other expenses which are individually immaterial.

13. Personnel Cost

Personnel cost consists of:

	Note	**2018**	2017
Salaries and allowances		**P348,178,360**	P46,952,621
Retirement benefit expense	*10*	**14,465,612**	-
		P362,643,972	P46,952,621

The amounts above are distributed as follows:

	Note	2018	2017
Cost of services	*12*	**P337,349,828**	P46,952,621
Operating expenses		**25,294,144**	-
		P362,643,972	P46,952,621

14. Other Expenses - net

Net other expenses for the years ended December 31, 2018 and 2017 are detailed as follows:

	Note	2018	2017
Reorganization expenses		**P23,008,264**	P11,400,000
Bank charges		**3,179,947**	2,324,665
Interest income from bank deposits		**(9,114,894)**	(989,945)
Loss from early extinguishment of debt	*5*	**-**	64,602,505
		P17,073,317	P77,337,225

Reorganization expenses consist of severance and other post-termination benefit costs resulting from the cost reduction efforts of the Company.

Loss from early extinguishment of debt pertains to unamortized portion of documentary stamp tax arising from the Company's loan with NSH which was written-off due to early settlement.

15. Income Taxes

Deferred income tax expense for the years ended December 31, 2018 and 2017 are presented below:

	2018	2017
Write-down of previously recognized deferred income tax assets	**P198,365,234**	P129,614,572
Origination and reversal of temporary differences and recognition of tax benefit from NOLCO	**162,243,135**	(118,772,394)
	P360,608,369	P10,842,178

For the year ended December 31, 2018, the income tax effects of the temporary differences that resulted in deferred income tax assets are presented below:

2018	Balance at January 1	Recognized in Profit or Loss	Recognized in OCI	Balance at December 31
NOLCO	P525,074,533	(P460,172,329)	P -	P64,902,204
Unrealized foreign exchange loss	30,301,013	25,936,903	-	56,237,916
Accrued retirement benefit expense	-	60,478,376	(12,380,207)	48,098,169
Provision for fringe benefit tax expense	379,613	(379,613)	-	-
Unamortized documentary stamp tax	(18,658,486)	4,642,973	-	(14,015,513)
Other items	1,888,427	8,885,321	-	10,773,748
	P538,985,100	(P360,608,369)	(P12,380,207)	P165,996,524

For the year ended December 31, 2017, the income tax effects of the temporary differences that resulted in deferred income tax assets are presented below:

2017	Balance at January 1	Recognized in Profit or Loss	Balance at December 31
NOLCO	P266,675,813	P258,398,720	P525,074,533
Unrealized foreign exchange loss	283,151,465	(252,850,452)	30,301,013
Provision for fringe benefit tax expense	-	379,613	379,613
Unamortized documentary stamp tax	-	(18,658,486)	(18,658,486)
Other items	-	1,888,427	1,888,427
	P549,827,278	(P10,842,178)	P538,985,100

The amount of tax losses for which deferred income tax assets have not been recognized as at December 31, 2018 and 2017 amounted to P3,275,563,043 and P2,614,345,597, respectively, because the management assessed that it is not probable that future taxable income will be available against which the Company can utilize the benefits therefrom.

As at December 31, 2018, the Company has NOLCO that can be claimed as deductions from future taxable income as follows:

Year Incurred	Valid Until	Amount	Additions During the Period	Expired/Utilized During the Period	Ending Balance
2017	December 31, 2020	P1,776,905,780	P -	P -	P1,776,905,780
2016	December 31, 2019	2,583,085,065	-	(868,087,123)	1,714,997,942
2015	December 31, 2018	4,603,196	-	(4,603,196)	-
		P4,364,594,041	**P -**	**(P872,690,319)**	**P3,491,903,722**

The reconciliation of the income tax expense (benefit) computed at statutory income tax rate to the income tax expense shown in the separate statements of comprehensive income follows:

	2018	2017
Income (loss) before income tax	**P716,617,134**	(P951,206,982)
Expected tax at 30% for statutory rate	**P214,985,140**	(P285,362,095)
Additions to (reductions in) income tax resulting from the tax effects of:		
Changes in unrecognized deferred income tax assets	**198,365,234**	274,673,014
Nondeductible expenses	**6,204,055**	21,531,275
Deferred tax on transferred retirement benefit liability	**(56,591,206)**	-
Interest income subjected to final tax	**(2,734,468)**	(16)
Others	**379,614**	-
	P360,608,369	P10,842,178

New Law on Taxation

Republic Act (RA) No.10963 or the Tax Reform for Acceleration and Inclusion Act (TRAIN) was signed into law on December 19, 2017 and took effect January 1, 2018.

The TRAIN Law, which took effect on January 1, 2018, represents Package 1 of the comprehensive tax reform program of the current administration that aims to correct gaps in the present tax system, allowing it to be more effective and equitable. Below are the salient points of the TRAIN Law:

- Reduction in personal income taxes
- Changes in capital income taxes
  - Final withholding tax on interest from foreign-currency deposits increased to 15% (from 7.5%)
  - Capital gains tax on unlisted/untraded shares increased to 15% (from 5%/10%)
  - Stock transaction tax on listed/traded shares increased to 6/10 of 1% (from ½ of 1%)
- Amendments to other taxes
  - VAT
    - Certain VAT zero-rated transactions to become subject to 12% VAT upon implementation of VAT refund system
    - VAT exemption threshold for sale of goods and services increased to P3.0 million (from P1.9 million)
    - Included in VAT-exempt transactions, among others: transfers of properties pursuant to a tax-free merger; association dues, membership fees, and other assessments and charges collected by homeowners associations and condominium corporations
  - Increased documentary stamp taxes (DST) rates by 50% to 100% on certain transactions
  - Excise taxes
    - Revised excise tax rates on cigars and cigarettes, manufactured oils and other fuels, petroleum products, automobiles, and minerals
    - Expanded scope of excise tax to include non-essential services and sweetened beverages

16. Financial Risk and Capital Management Objectives and Policies

This note presents information on the financial risk exposure of the Company relating to credit risk, foreign currency risk and liquidity risk; goals, policies and procedures of the Company to measure and manage such risks and the administration of the Company's resources.

The Company's management has overall responsibility for the development, implementation and monitoring of the conceptual framework and policies for an effective risk management.

The Company's risk management policies are intended to: a) identify and analyze the risks faced by the Company; b) implement appropriate risk limits and controls; and c) monitor the risks and the compliance with the limits. Policies and risk management systems are regularly reviewed to reflect changes in market conditions and in the Company's activities. By means of its policies and procedures for risk management, the Company aims to develop a disciplined and constructive control environment where all employees understand their roles and obligations.

<u>Credit Risk</u>
Credit risk is the risk of financial loss faced by the Company if a counterparty of a financial instrument does not meet its contractual obligations and originates mainly from cash in banks. The exposure to credit risk is monitored constantly according to the behavior of payment of the counterparty. The Company's management has established a policy which analyzes the creditworthiness of each counterparty.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at December 31 is as follows:

	Note	**2018**	2017
Cash	*4*	**P856,144,081**	P269,733,665
Due from related parties	*5*	**54,702,161**	55,495,475
Other current accounts receivable		**6,624,504**	7,819,926
Long-term time deposit	*9*	**506,188,660**	390,423,504
		P1,423,659,406	P723,472,570

The amounts above represent the gross carrying amount of these financial assets.

Other current accounts receivable consists of receivable from employees arising from personal loans and other miscellaneous receivables.

Impairment on cash and long-term time deposit has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that these financial assets have low credit risk as these are held with reputable banks and financial institutions. All other debt investments at amortized cost are considered to have low credit risk, because they have low risk of default as the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. Credit risk on these financial assets has not increased significantly since their initial recognition. Hence, the loss allowance calculated was therefore limited to 12 months expected losses. The Company has determined an insignificant amount of ECL on these financial assets because of the zero-instance of default from the counterparties and the effect of forward-looking information on macro-economic factors affecting the ability of the counterparties to settle the receivables were assessed to have an insignificant impact.

All of the Company's financial assets as at December 31, 2018 and 2017 are neither past due nor impaired. The Company's exposure to credit risk arises from default of the counterparty. The Company's credit risk is concentrated on its cash in bank and long-term time deposit. Cash in bank and long-term time deposit are of high grade quality as these are deposited in reputable banks. Due from related parties and other current accounts receivable are also of high grade quality. High grade quality financial assets are those assessed as having minimal credit risk.

The credit qualities of financial assets are determined as follows:

- Cash in bank and long-term time deposit are based on credit standing or rating of the counterparty.
- Due from related parties and other current accounts receivable are based on a combination of credit standing or rating of the counterparty, historical experience and specific and collective credit assessment.

The management does not expect any counterpart to fail in meeting its obligations.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company manages liquidity risk by forecasting projected cash flows and maintaining a balance between continuity of funding and flexibility in operations. The management of the Company ensures that sufficient cash is maintained to cover daily operational and working capital requirements. Management closely monitors the Company's future and contingent obligations and sets up required cash reserves as necessary in accordance with internal requirements. As necessary, cash advances are extended by related parties to ensure payments of currently maturing liabilities.

As at December 31, 2018 and 2017, the Company's trade payables and accrued expenses and other payables are noninterest-bearing and are payable within twelve (12) months from reporting date.

The following are the contractual maturities, including estimated interest payments, of financial liabilities:

	As at December 31, 2018				
	Carrying Amount	Contractual Cash Flow	12 Months or Less	1 - 5 Years	Over 5 Years
	(In Thousands of Peso)				
Trade payables	P4,332	P4,332	P4,332	P -	P -
Accrued expenses and other payables*	190,337	190,337	190,337	-	-
Long-term bank loan	13,628,851	16,878,087	860,926	16,017,161	-
Due to related parties	4,635,719	5,000,764	5,000,764	-	-
	P18,459,239	P22,073,520	P6,056,359	P16,017,161	P -

Excludes government-related payables amounting to P22.79 million.

	As at December 31, 2017				
	Carrying Amount	Contractual Cash Flow	12 Months or Less	1 - 5 Years	Over 5 Years
	(In Thousands of Peso)				
Trade payables	P2,940	P2,940	P2,940	P -	P -
Accrued expenses and other payables*	123,203	123,203	123,203	-	-
Long-term bank loan	13,740,598	17,316,569	786,759	14,847,076	1,682,734
Due to related parties	4,775,375	5,164,363	5,164,363	-	-
	P18,642,116	P22,607,075	P6,077,265	P14,847,076	P1,682,734

Excludes government-related payables amounting to P8.71 million.

The interest payments on floating rate bank loans and short-term deposit from Falcon reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change. Except for these financial liabilities, it is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate in relation to changes in exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates to its operational and financing activities. The objective of foreign currency risk management is to manage and control exposures within acceptable parameters while optimizing the return. The Company's income and expenses are generated and settled mainly in Philippine Peso. The Company had an exposure arising from the dollar-denominated financial obligations to its related parties. Unrealized foreign exchange loss in 2018 and 2017 amounted to P86,456,344 and P33,490,165, respectively.

As at December 31, 2018 and 2017, a summary of the quantitative information of the exposure of the Company due to foreign currencies on the basis of its risk management policy is as follows:

in U.S. dollar	**2018**	2017
Cash	**$8,608,351**	$2,050,153
Due from related parties	**49,920**	7,921
Trade payables	**(113)**	(33,553)
Due to related parties	**(87,382,370)**	(95,639,652)
	($78,724,212)	($93,615,131)

The applicable foreign exchange rates are as follows:

	2018		2017	
Currency	**Closing**	**Average**	Closing	Average
U.S. dollar	**P52.58**	**P52.69**	P49.930	P50.382

Sensitivity Analysis on Foreign Currency Risk
For the management of foreign currency risks, the Company intends to reduce the impact of short-term fluctuations in its income. The following table demonstrates the sensitivity to a reasonably possible change in U.S. dollar, with all other variables held constant, of the Company's income before income tax and equity as at December 31, 2018 and 2017:

USD	**Strengthening (Weakening) of Philippine Peso**	**Effect on Profit before Income Tax**	**Effect on Equity**
2018	**+5.3%**	**P219,383,910**	**P153,568,737**
	-5.3%	**(219,383,910)**	**(153,568,737)**
2017	+0.4%	19,742,211	13,819,548
	-0.4%	(19,742,211)	(13,819,548)

Interest Rate Risk
As at December 31, 2018 and 2017, the Company is exposed to interest rate risk primarily on the floating interest rate tranche corresponding to P8.2 billion and P8.4 billion of the long-term bank loan with BDO (see Note 9) and from its deposits from Falcon with a rate equivalent to the higher of WAILRF rate minus 10 basis points as at December 31, 2018 and 2017 (see Note 5).

Sensitivity Analysis on Interest Rate Risk
As at December 31, 2018 and 2017, a hypothetic 1% increase in interest rate, with all other variables held constant, profit for the years ended December 31, 2018 and 2017 would have decreased by approximately P63,706,558 and P73,615,724, net of tax, respectively. Conversely, a hypothetical 1% decrease in interest rate would have the opposite effect.

Fair Values of Financial Asset and Financial Liabilities
The fair values of the Company's cash, due from related parties, other current accounts receivable, trade payables, accrued expenses and other payables and due to related parties as at December 31, 2018 and 2017 approximate their carrying amounts due to the short-term nature of the said financial instruments.

The fair value of the short-term deposit from Falcon which is based on the present value of future cash flows discounted at market rate of interest of similar instrument at the reporting date (discounted cash flows under level 2 of the fair value hierarchy), approximate its carrying amounts as at December 31, 2018 and 2017 as this financial instrument bears interest at rate which is approximately similar to market interest rate.

The following is the comparison of the carrying amount and fair value of the short-term deposit from CAR, a related party:

Deposit	*Note*	2018	2017
Carrying amount	*5*	**P3,741,492,379**	P2,590,674,475
Fair value		**3,412,672,756**	2,689,757,702

The fair value of the short-term deposit is based on the present value of expected cash flows using the discount rates based on current market rates of similar instruments and categorized as Level 2 of the fair value hierarchy.

The bank loan provided by BDO consists of a fixed rate and a floating rate tranche based on market rates plus spread. The following is the comparison of the carrying amount and fair value of bank loan:

Bank Loan	*Note*	2018	2017
Carrying amount	*9*	**P13,628,851,114**	P13,740,597,723
Fair value		**14,089,867,995**	14,688,475,681

The fair value of bank loan is based on the present value of expected cash flows using the discount rates based on current market rates of similar instruments and categorized as Level 2 of the fair value hierarchy.

As at December 31, 2018 and 2017, the Company has no other financial instruments measured at levels 1, 2 and 3 of the fair value hierarchy.

Capital Management

The Company's objectives when managing capital are to increase the value of shareholders' investment and maintain high growth by applying free cash flow to selective investments. The Company sets strategies with the objective of establishing a versatile and resourceful financial management and capital structure.

The Board has overall responsibility for the monitoring of capital in proportion to risk. Profiles for capital ratios are set in the light of changes in the Company's external environment and the risks underlying the Company's business operations and industry. The Company's capital is defined as "Total Equity" as shown in the separate statements of financial position.

The Company is not subject to externally imposed capital requirements. The Company's net debt to equity ratio as at December 31, 2018 and 2017 are as follow:

	2018	2017
Total liabilities	**P18,639,316,594**	P18,650,825,031
Less cash	**856,144,081**	269,733,665
Net debt	**P17,783,172,513**	P18,381,091,366
Total equity	**P31,010,854,273**	P30,609,064,251
Net debt to equity ratio at December 31	**P0.57:1**	P0.60:1

17. Relevant Information Regarding the Impact of the Landslide

On September 20, 2018, a landslide occurred in Sitio Sindulan, Barangay Tina-an, Naga City, Cebu, Philippines (the "Landslide"), a site located within an area covered by the mining rights of APO Land and Quarry Corporation (ALQC). ALQC is a principal raw material supplier of APO. The Company does not own any equity stake (directly or indirectly) in ALQC or Impact Assets Corporation, its parent company. CASEC, an indirect subsidiary of CEMEX, S.A.B. de C.V. which is a majority shareholder of the Parent Company, owns a minority 40% stake in Impact Assets Corporation.

On November 19, 2018, the Parent Company and APO were served summons concerning an environmental class action lawsuit filed by 40 individuals and one legal entity (on behalf of 8,000 individuals allegedly affected by the Landslide) at the Regional Trial Court of Talisay, Cebu, against the Parent Company, APO, ALQC, the Mines and Geosciences Bureau of the Department of Environment and Natural Resources, the City Government of Naga, and the Province of Cebu, for "Restitution of Damage of the Natural and Human Environment, Application for the Issuance of Environmental Protection Order against Quarry Operations in Cebu Island with Prayer for Temporary Protection Order, Writ of Continuing Mandamus for Determination of the Carrying Capacity of Cebu Island and Rehabilitation and Restoration of the Damaged Ecosystems". As at December 31, 2018, ALQC has not yet received summons concerning the class action.

In the complaint, among other allegations, (i) plaintiffs claim that the Landslide occurred as a result of the defendants' gross negligence; and (ii) seek, among other relief, (a) monetary damages in the amount of approximately P4.3 billion, (b) the establishment of a P500 million rehabilitation fund, and (c) the issuance of a Temporary Environment Protection Order against ALQC while the case is still pending. In the complaint, ALQC, APO and the Parent Company are made solidarily liable for payment of monetary damages and establishment of a rehabilitation fund.

As at December 31, 2018, among other defenses and based on a report by the Mines and Geosciences Bureau of the Department of Environment and Natural Resources, the Parent Company, ALQC and APO hold the position that the Landslide occurred due to natural causes and deny liability. In the event a final adverse resolution is issued in this matter, plaintiffs will have the option to proceed against any one of ALQC, APO or the Parent Company for satisfaction of the entirety of the potential judgment award, without the need to proceed against any other private defendant beforehand. Thus, ALQC's, APO's or the Parent Company's assets alone could be exposed to execution proceedings.

As at December 31, 2018, because of the current status and preliminary nature of the lawsuit, considering all possible defenses available, the Company cannot assess with certainty the likelihood of an adverse result in this lawsuit, and in turn, the Company cannot assess if a final adverse resolution, if any, would have a material adverse impact on its results of operations, liquidity and financial condition.

18. Supplementary Information Required Under Revenue Regulations No. 15-2010 of the BIR

In addition to the disclosures mandated under PFRSs, and such other standards and/or conventions as may be adopted, companies are required by the BIR to provide in the notes to the separate financial statements, certain supplementary information for the taxable year. The amounts relating to such supplementary information may not necessarily be the same with those amounts disclosed in the separate financial statements which were prepared in accordance with PFRSs. Following are the tax information/disclosures required for the taxable year ended December 31, 2018:

A. VAT

	Amount
1. Output VAT	**P51,817,550**
Basis of the Output VAT:	
Vatable sales	**P431,812,917**
2. Input VAT	
Balance from previous period	**P13,629,752**
Current year's domestic purchases:	
a. Goods for resale/manufacture or further processing/other than for resale or manufacture	**14,873**
b. Services lodged under cost of goods sold/under other accounts	**3,893,751**
Total allowable input VAT	**17,538,376**
VAT payments for the year	**34,279,174**
Balance at the end of the year, net of Output VAT	**P -**

B. Documentary Stamp Tax

	Amount
On loan	**P10,001,490**
On lease agreements	**5,686**
	P10,007,176

C. *Withholding Taxes*

	Amount
Tax on compensation and other benefits	**P106,853,944**
Final withholding taxes	**16,891,652**
Creditable withholding taxes	**1,362,015**
	P125,107,611

D. *All Other Taxes (Local and National)*

	Amount
Other taxes paid during the year shown under "Others" in Note 12 to the financial statements and "Taxes and Licenses" in the Separate Statement of Comprehensive Income"	
License and permit fees	**P175,886**

E. Tax Assessments and Cases

The Company is the subject of the tax investigation conducted by the BIR covering VAT for the period from January 1, 2018 to June 30, 2018. As at April 2, 2019, the BIR has not issued any preliminary findings or issues in connection with this investigation.

Information on amounts of custom duties, tariff fees, and excise taxes is not applicable since the Company has no transaction in 2018 that could be subjected to these taxes.