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SECURITIES AND EXCHANGE COMMISSION

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Industry Classification Financial Holding Company Activities
Company Type Stock Corporation

Document Information

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COVER SHEET

CS201518815

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

JANNETTE VIRATA SEVILLA

Contact Person

849-3600

Company Telephone Number

1 2

Month

3 1

Day

Fiscal Year

SEC Form 17-C

FORM TYPE

0 6

Month

0 6

Day

First Wednesday of June

Annual Meeting

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

Secondary License Type, if Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

S T A M P S

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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 July 2019**
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
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Common Shares	5,195,395,454
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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 on 26 July 2019 to discuss its 2nd Quarter 2019 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 July 2019 announcing its financial and operating highlights for the 2nd Quarter 2019 (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 July 2019
Date


Jannette Virata Sevilla
Compliance Officer

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CHP SALES GROWS 4% DURING THE FIRST SIX MONTHS OF 2019

- Sales increased by 4% year-over-year during the first half of the year, amounting to PHP 12.4 billion.

MANILA, PHILIPPINES. JULY 26, 2019 – CEMEX HOLDINGS PHILIPPINES, INC. ("CHP") (PSE: CHP), announced today that sales increased by 4% during the first six months of 2019, to PHP 12.4 billion, versus the comparable period in 2018. Sales increased by 2% year-over-year in the second quarter, reaching PHP 6.1 billion.

Domestic cement volumes for the second quarter was 2% lower year-over-year, and 3% lower than the previous quarter. The result reflects a slowdown in construction related to the delayed approval of the national budget and restrictions on building activity surrounding the mid-term elections. Volumes were also affected by Holy Week and election holidays. Adjusting for this impact, average daily sales volumes increased by 3% year-over-year during the quarter.

The company remains positive on industry outlook, as it expects cement demand to increase by 8-12% for the rest of 2019. CHP expects its domestic cement volumes to grow in line with demand for the same period.

Cost of sales during the first six months of 2019 increased by 6% year-over-year, slightly above the growth in sales during the first half. As a percentage of sales, cost of sales was at 59%.

Operating expenses, as a percentage of sales, were lower by 4 percentage points year-over-year during the first half, with the reduction coming from the distribution side. For full year 2019, the company is targeting to lower distribution expenses, as a percentage of sales, by 1 to 2 percentage points.

CHP posted an operating EBITDA of PHP 2.37 billion during the first six months of the year.

Ignacio Mijares, CHP President and CEO, said: "During the first six months of 2019, we faced challenging operational and market circumstances. Nevertheless, we concentrated our efforts on the variables within our control, and we are proud of the progress we have achieved during the first half of 2019. We believe that this moderation in construction activity is temporary as solid macroeconomic fundamentals and the government's drive to build infrastructure will support growth in the second half of the year."

Regarding the company's plans to raise equity capital, CHP's management continues to believe that an increase in the authorized capital stock, followed by a potential equity raising transaction, is the best option for CHP to improve its capital structure, provide balance sheet flexibility, and fund the ongoing Solid Cement Plant expansion.

“As private and public construction activity is expected to pick up, I look forward to the second half of the year as we continue to focus on delivering on our commitments and providing value for all our stakeholders,” 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.

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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.





2Q 2019 RESULTS

July 26, 2019

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

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2019 Updates

- ✓ Major works for **Solid Cement new line expansion** to start in 2019  **Various civil works** already being undertaken by main project contractor
- ✓ **Implement new supply chain initiatives** to lower distribution cost as a percentage to sales by 1 to 2 pp  Achieved **4 pp reduction** year-over-year in the first six months of the year
- ✓ **Further increase in cement production** via lower clinker utilization  **3 pp lower** clinker utilization in the first half compared to full year 2018
- ✓ **Shift in coal mix** for greater cost efficiency  **Full shift to new lower-grade coal mix** in the second half. Utilized remaining hedged coal inventory during 2Q19.

Domestic Cement Volumes and Prices

		6M19 vs. 6M18	2Q19 vs. 2Q18	2Q19 vs. 1Q19
Domestic Cement	Volume	(2%)	(2%)	(3%)
	Price (PHP)	6%	5%	1%

Domestic cement volumes decreased by 2% year-over-year during the second quarter.

- Performance reflects a slowdown in construction activity related to the delayed approval of the national budget and mid-term elections held in May. Sales also affected by Holy Week and election holidays.
- Adjusting for holidays, average daily sales volumes increased by 3% year-over-year during the quarter.
- Demand mainly supported by growth in the non-residential sector driven by continued activity from business-process-outsourcing firms and offshore-gaming operations.

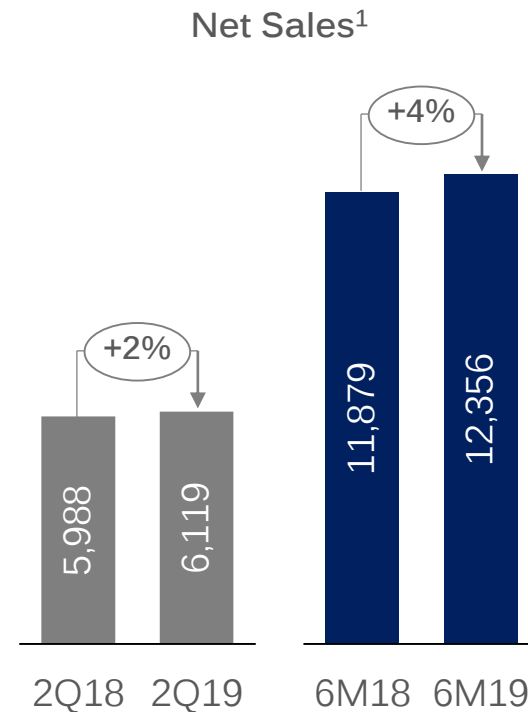
On a year-to-date basis, domestic cement volumes also decreased by 2% compared with the same period last year.

Domestic cement prices were 5% higher year-over-year during the second quarter, a result of price adjustments implemented in 2018.

Sequentially, domestic cement prices were 1% higher, reflecting changes in regional and product mix.

Net Sales

Net sales increased year-over-year by 2% during the second quarter and by 4% during the first six months of the year.



¹ Millions of Philippine Pesos

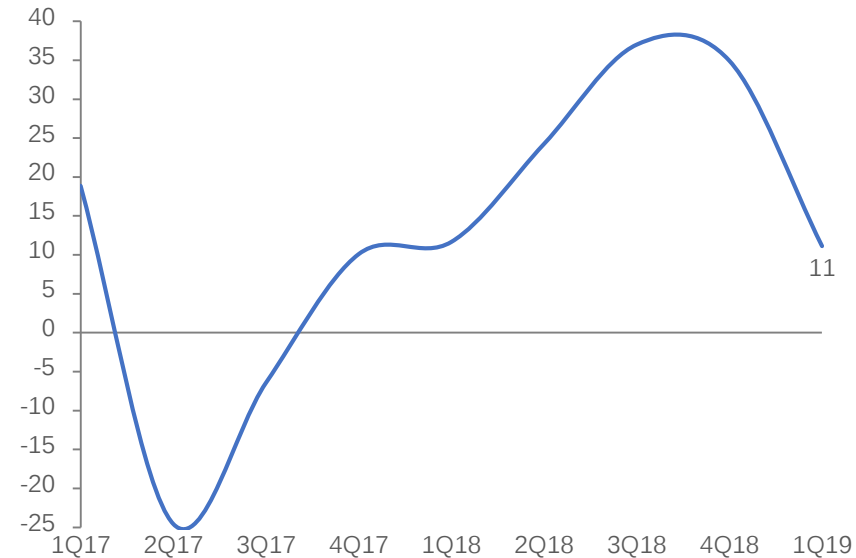
Construction employment increased by 5% year-over-year in 2Q19, slower than the 13% growth in 1Q19 but marking an all-time high at 4.2 million persons.

The **residential sector was stable** during the quarter, but is expected to grow during the rest of the year given favorable macroeconomic conditions such as easing inflation, lower borrowing rates, and higher remittances.

The **non-residential sector** continues to be driven by activity from the outsourcing industry, requirements for flexible office spaces, and operations by offshore gaming firms.

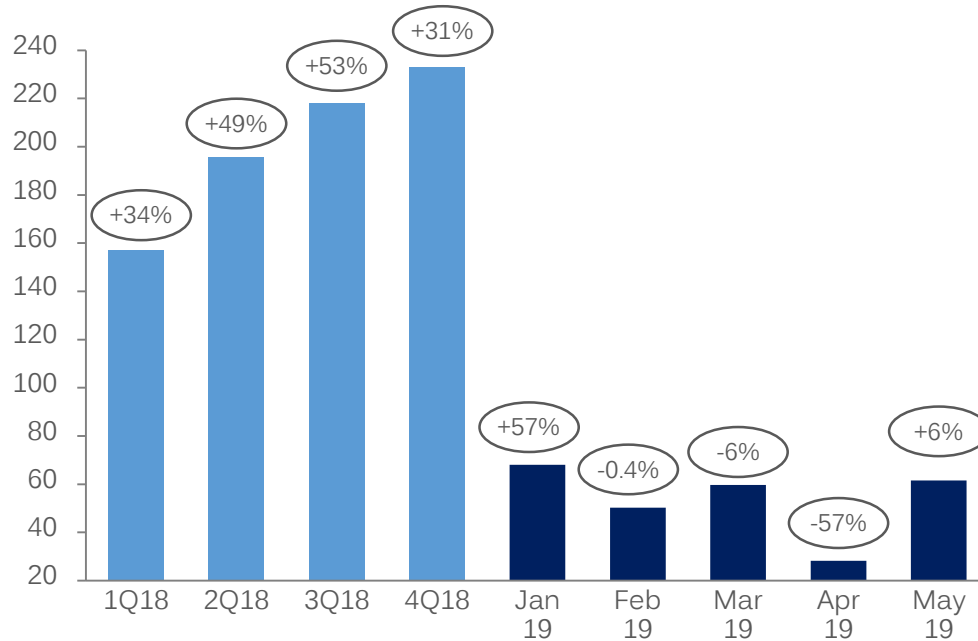
More activity is expected in the second half of the year as the government rolls out infrastructure projects that target to improve linkages creating an attractive environment for private investment.

Total Approved Building Permits
Year-over-year % growth
based on floor area¹



¹ Source: Philippine Statistics Authority

Disbursements on Infrastructure and Capital Outlays
(in PHP billion)¹



% Refers to year-over-year growth

Disbursements on Infrastructure and Capital Outlays slowed down from February to April and gently picked up in May, growing mid single-digits, to net a year-to-date decrease in infrastructure spending by 5% year-over-year.

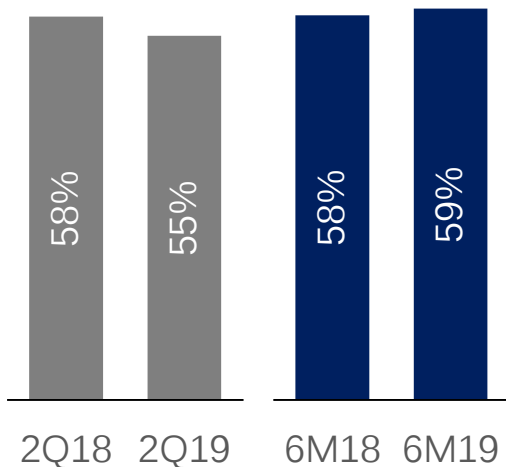
Disbursements are showing signs of improvement with the government trying to catch up on its spending targets, as moderate spending in the first few months of the year was a result of delays in the budget approval and temporary ban in construction activity related to the mid-term elections held in May.

Public spending is expected to stabilize in the second half of the year as the government takes actions to expedite the execution of projects related to the “Build, Build, Build” program, including the implementation of a 24/7 work schedule and accelerating administrative processes.

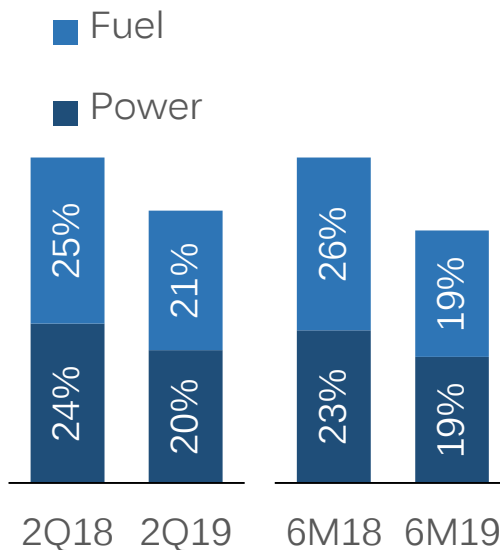
¹ Source: Department of Budget and Management

Cost of Sales

Cost of Sales
(% of net sales)



Fuel and Power
(% of cost of sales)



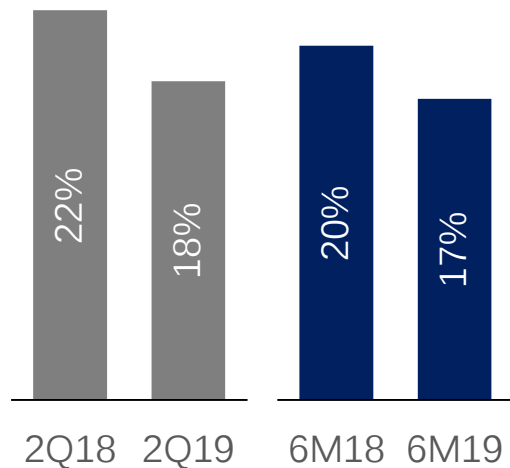
Cost of sales during **6M19** increased by 6% year-over-year, slightly above the growth in sales during the first half. As a percentage of sales, cost of sales was at 59%.

On a unitary basis, **fuel costs** and **power costs** grew mid-single-digits as the use of remaining carry-over hedged coal inventory and more competitive contracted power rates helped mitigate cost increases.

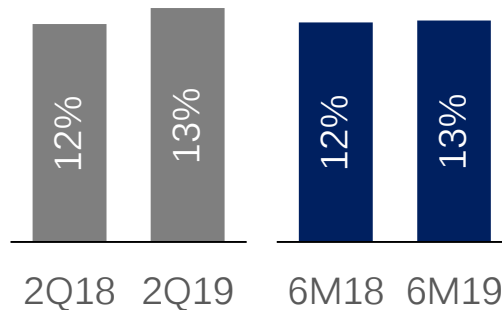
Cost of sales, as a percentage of sales, was 3 pp lower year-over-year in **2Q19** due to timing differences in the charging of APO Cement Plant's scheduled kiln maintenance expenses.

Operating Expenses

Distribution
(% of net sales)



Selling and Administrative
(% of net sales)



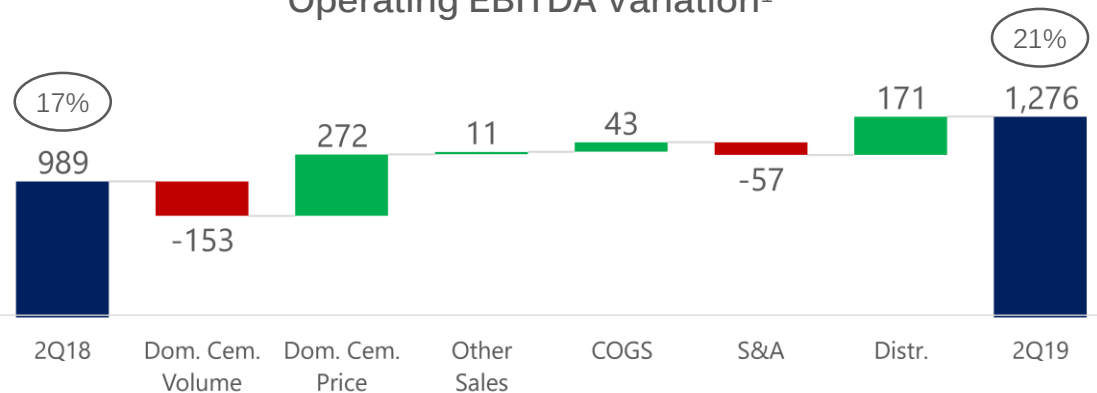
Distribution expenses, as a percentage of sales, decreased by 4* pp year-over-year for the first six months of the year mainly due to higher sales from cement imports, and supply-chain-optimization initiatives.

Selling and administrative expenses, as a percentage of sales, were flat* year-over-year for the first six months of the year.

* Difference due to rounding

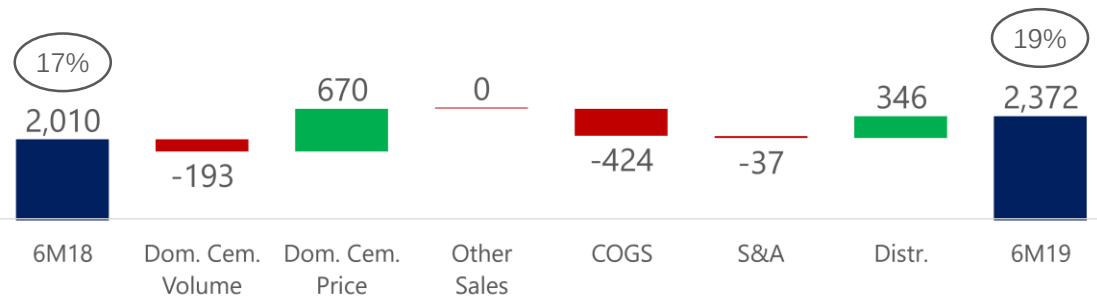
Operating EBITDA and Operating EBITDA Margin

Operating EBITDA Variation¹



Second quarter operating EBITDA increased by 29% year-over-year with an operating EBITDA margin of 21%.

Year-to-date, operating EBITDA increased by 18% year-over-year with an operating EBITDA margin of 19%.



% Refers to operating EBITDA margin

¹ Millions of Philippine Pesos

Net Income

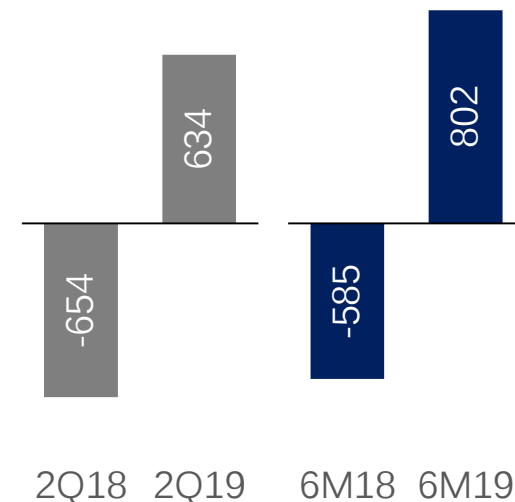
Net income for first six months of the year benefited mainly from foreign exchange gains and lower income tax expenses.

Higher **financial expenses** due to increases in benchmark rates and debt level.

Foreign exchange gains were realized due to the appreciation of the Philippine Peso² during the first six months of the year.

(In Millions of Philippine Pesos)	Second Quarter			January - June		
	2019	2018	% var	2019	2018	% var
Operating earnings	836	513	63%	1,467	1,108	32%
Financial expenses, net	(360)	(278)	(29%)	(715)	(527)	(36%)
Foreign exchange gain (loss), net	292	(187)	N/A	274	(474)	N/A
Net income (loss) before income taxes	768	48	1498%	1,027	107	862%
Income tax benefit (expenses)	(135)	(702)	81%	(225)	(692)	68%
Consolidated net income (loss)	634	(654)	N/A	802	(585)	N/A

Net Income¹



¹ Millions of Philippine Pesos

² PHP/US\$ 51.97 in 6M19 vs PHP/US\$ 52.19 in 6M18



2Q 2019

FREE CASH FLOW
& GUIDANCE



Free Cash Flow

	January - June			Second Quarter		
	2019	2018	% var	2019	2018	% var
Operating EBITDA	2,372	2,010	18%	1,276	989	29%
- Net Financial Expenses	715	527		360	278	
- Maintenance Capex	358	362		268	283	
- Change in Working Capital	(558)	(747)		(274)	(481)	
- Income Taxes Paid	180	243		88	139	
- Other Cash Items (net)	(10)	(14)		(4)	(12)	
Free Cash Flow after Maintenance Capex	1,687	1,639	3%	839	782	7%
- Strategic Capex	399	184		334	70	
Free Cash Flow	1,288	1,455	(11%)	505	712	(29%)

Millions of Philippine Pesos

Free cash flow during the first six months reached PHP 1.7 billion after maintenance CAPEX and PHP 1.3 billion after strategic CAPEX.

Solid Plant Capacity Expansion



Various civil works already being undertaken by main project contractor, CBMI Construction Co., Ltd of China, including site preparation, main platform cutting & levelling, excavations, and construction of ancillary services.

Preparatory activities underway, in connection with the construction of a new power line to **support existing power infrastructure** servicing Solid Plant.

New line expected to **start operations** in the second quarter of 2021.

2019 Guidance

Cement volumes 3-5%

Capital expenditures	PHP 975 million	Maintenance CAPEX
	PHP 6,000 million	Solid Cement Plant Expansion CAPEX
	PHP 6,975 million	Total CAPEX

Update regarding increase in Authorized Capital Stock | HOLDINGS PHILIPPINES

- CHP's management continues to believe that an **equity capital increase of up to US\$ 250 million** is the best option for CHP to **improve its capital structure, provide balance sheet flexibility, and fund the ongoing Solid Cement Plant expansion**. CHP continues to undertake activities with the objective of completing this capital increase.
- CHP also highlights that any transaction would be **fair, transparent and equitable to all shareholders**.
- All relevant approvals will be sought and appropriate disclosures would be made to the Securities and Exchange Commission, Philippine Stock Exchange and the public in accordance with regulatory requirements.



CEMEX | HOLDINGS
PHILIPPINES

Q&A SESSION

2Q 2019 RESULTS



2Q 2019 APPENDIX

Debt-related Information

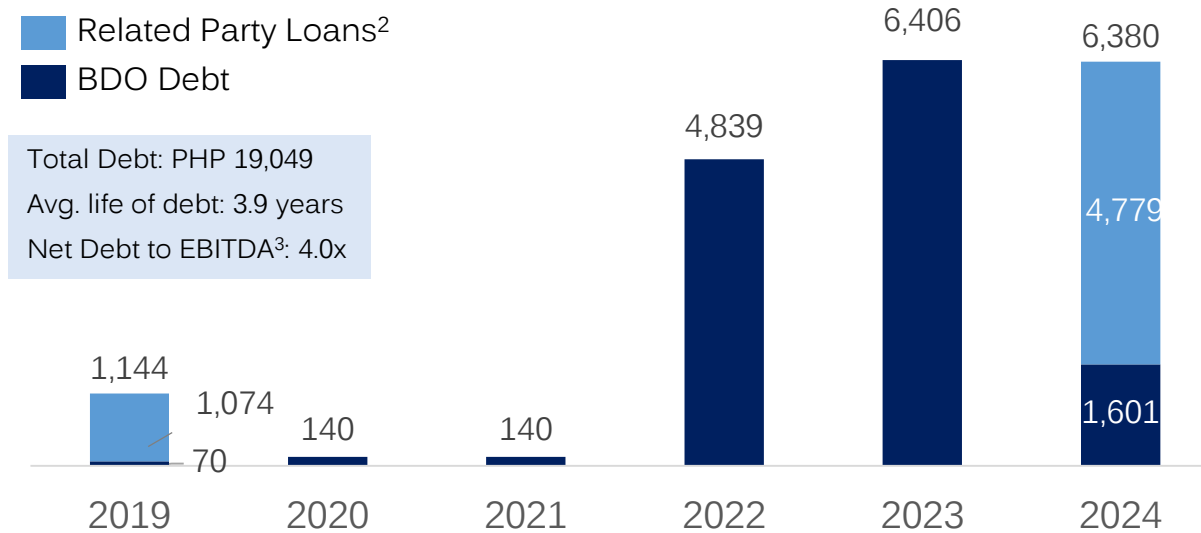
In the second quarter of 2019, CHP reached an agreement with BDO Unibank, Inc. ("BDO") to **amend the BDO Facility Agreement** dated February 1, 2017, as from time to time amended and/or supplemented (the "Facility Agreement"), mainly to:

- (i) conform the Facility Agreement with certain changes required due to PFRS16 entering into effect,
- (ii) exclude from certain financial covenants in the Facility Agreement any principal and interest from certain subordinated loans and advances incurred in relation with the new cement line being built by Solid Cement Corp. that have been made or are to be made to CHP and its subsidiaries by any subsidiary of CEMEX, S.A.B. de C.V. ("CEMEX"), and
- (iii) allow for certain loans taken by CHP and its subsidiaries with any CEMEX subsidiary to be paid with proceeds from any equity fundraising activity of CHP without having to pay a prepayment fee to BDO under the Facility Agreement.

The amendment agreement does not increase the debt level, maturity date or interest cost under the Facility Agreement.

Debt Information

Maturity Profile¹



¹ Millions of Philippine Pesos

² Pertains to loans with CEMEX Asia B.V.

³ Last 12 months Consolidated EBITDA

Definitions

6M19 / 6M18	Results for the first six months of the years 2019 and 2018, 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



Investor Relations

In the Philippines

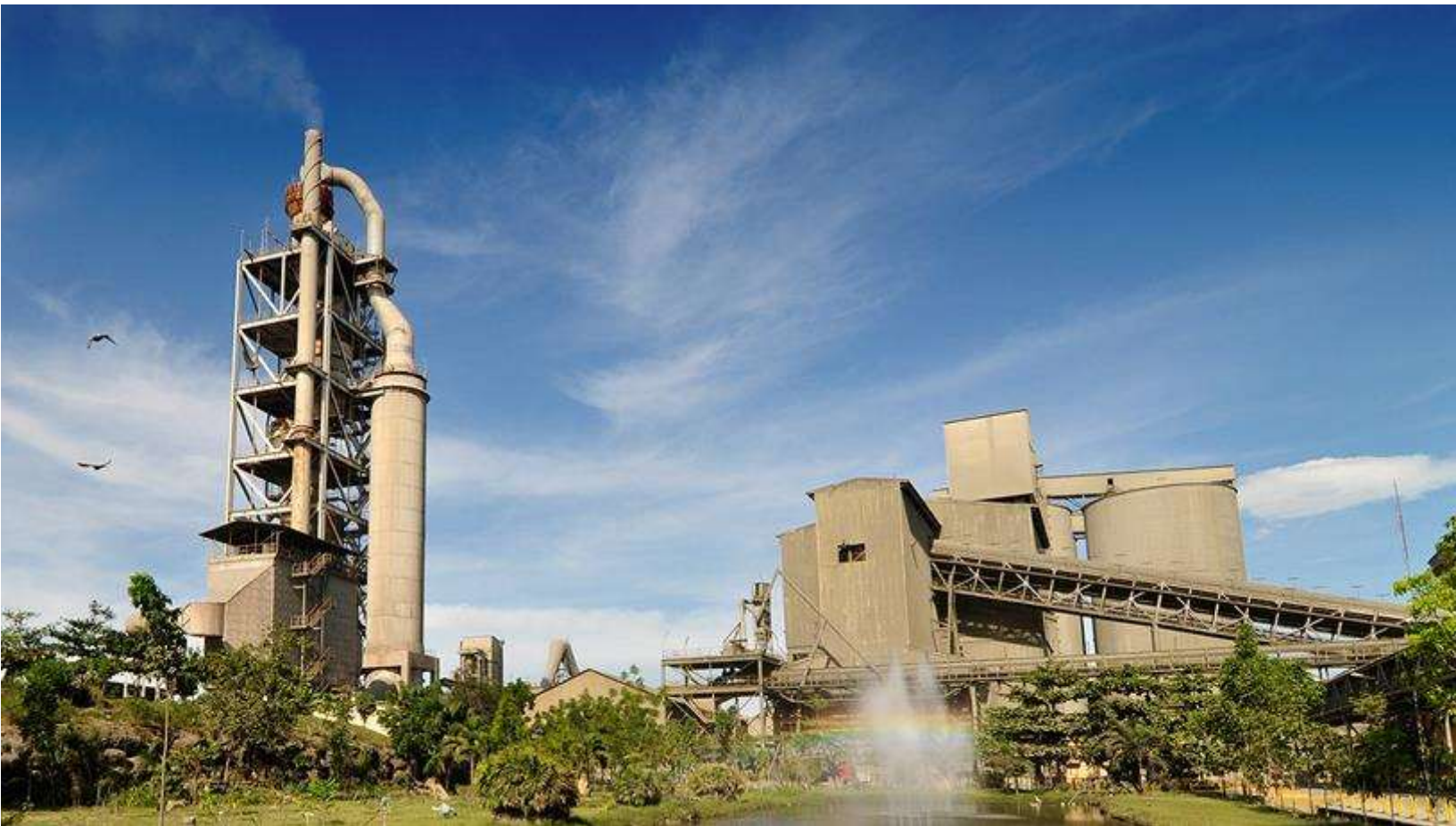
+632 849 3600

chp.ir@cemex.com

Stock Information

PSE:

CHP



2019

SECOND 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 - June			Second Quarter		
	2019	2018	% var	2019	2018	% var
Net sales	12,356	11,879	4%	6,119	5,988	2%
Gross profit	5,081	4,996	2%	2,768	2,531	9%
as % of net sales	41%	42%	(1pp)	45%	42%	3pp
Operating earnings before other expenses, net	1,457	1,094	33%	832	501	66%
as % of net sales	12%	9%	3pp	14%	8%	5pp
Controlling Interest Net Income (Loss)	802	(585)	N/A	634	(654)	N/A
Operating EBITDA	2,372	2,010	18%	1,276	989	29%
as % of net sales	19%	17%	2pp	21%	17%	4pp
Free cash flow after maintenance capital expenditures	1,687	1,639	3%	839	782	7%
Free cash flow	1,288	1,455	(11%)	505	712	(29%)
Net debt ¹	14,775	12,836	15%	14,775	12,836	15%
Total debt ¹	19,050	15,300	25%	19,050	15,300	25%
Earnings per share ²	0.15	(0.11)	N/A	0.12	(0.13)	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 2% year-over-year during the quarter due to higher prices, a result of price adjustments implemented during 2018.

Cost of sales was at 55% of sales during the quarter versus 58% in the same period of 2018. The decline was due to timing differences in the charging of APO Cement Plant's scheduled kiln maintenance expenses.

Operating expenses, as a percentage of sales, during the quarter decreased by 2 pp compared to the same period in 2018.

Distribution expenses, as a percentage of sales, decreased by 3 pp year-over-year during the quarter, mainly due to supply-chain-optimization initiatives, and higher sales from cement imports carried over resulting from the Naga landslide incident.

Selling and administrative expenses, as a percentage of sales, increased by 1 pp year-over-year during the quarter, but stayed flat during the first six months of the year.

Operating EBITDA during the quarter increased by 29% year-over-year.

Operating EBITDA margin during the quarter was at 21%.

Controlling interest net income for the quarter was at PHP 634 million, benefitting mainly from foreign-exchange gains, and lower income tax expenses.

Total debt at the end of June 2019 stood at PHP 19,050 million, of which PHP 13,196 million pertained to long-term debt owed to BDO Unibank, Inc.

Domestic Gray Cement	January - June	Second Quarter	Second Quarter 2019
	2019 vs. 2018	2019 vs. 2018	vs. First Quarter 2019
Volume	(2%)	(2%)	(3%)
Price in PHP	6%	5%	1%

Our domestic cement volumes decreased by 2% year-over-year during the quarter, reflecting a slowdown in construction activity related to the delayed approval of the national budget and mid-term elections held in May. Sales were also affected by Holy Week and election holidays.

Adjusting for holidays, average daily sales volumes increased by 3% year-over-year during the quarter.

Demand was mainly supported by growth in the non-residential sector driven by continued activity from business-process-outsourcing firms and offshore-gaming operations.

Our domestic cement prices were 5% higher year-over-year during the quarter, a result of price adjustments implemented in 2018.

Sequentially, domestic cement prices were 1% higher, reflecting changes in regional and product mix.

Operating EBITDA and Free Cash Flow

	January - June			Second Quarter		
	2019	2018	% var	2019	2018	% var
Operating earnings before other expenses, net	1,457	1,094	33%	832	501	66%
+ Depreciation and operating amortization	915	917		443	488	
Operating EBITDA	2,372	2,010	18%	1,276	989	29%
- Net financial expenses	715	527		360	278	
- Maintenance capital expenditures	358	362		268	283	
- Change in working capital	(558)	(747)		(274)	(481)	
- Income taxes paid	180	243		88	139	
- Other cash items (net)	(10)	(14)		(4)	(12)	
Free cash flow after maintenance capital expenditures	1,687	1,639	3%	839	782	7%
- Strategic capital expenditures	399	184		334	70	
Free cash flow	1,288	1,455	(11%)	505	712	(29%)

In millions of Philippine Pesos

Debt Information

	Second Quarter			First Quarter	Second Quarter	
	2019	2018	% var	2019	2019	2018
Total debt¹	19,050	15,300	25%	19,038	Currency denomination	
Short term	6%	3%		6%	U.S. dollar	25%
Long term	94%	97%		94%	Philippine peso	75%
Cash and cash equivalents	4,275	2,464	73%	3,885	Interest rate	
Net debt	14,775	12,836	15%	15,153	Fixed	34%
					Variable	66%

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.

Income Statement & Balance Sheet Information

CEMEX Holdings Philippines, Inc.

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

INCOME STATEMENT	January - June			Second Quarter		
	2019	2018	% var	2019	2018	% var
Net sales	12,355,927	11,879,333	4%	6,118,500	5,988,074	2%
Cost of sales	(7,274,695)	(6,882,862)	(6%)	(3,350,450)	(3,457,227)	3%
Gross profit	5,081,232	4,996,471	2%	2,768,050	2,530,847	9%
Selling and Administrative expenses	(1,546,207)	(1,478,898)	(5%)	(810,612)	(733,917)	(10%)
Distribution expenses	(2,078,096)	(2,423,879)	14%	(1,125,146)	(1,295,773)	13%
Operating earnings before other expenses, net	1,456,929	1,093,694	33%	832,292	501,157	66%
Other income (expenses), net	10,478	14,321	(27%)	4,086	12,045	(66%)
Operating earnings (loss)	1,467,407	1,108,015	32%	836,378	513,202	63%
Financial expenses, net	(714,803)	(527,107)	(36%)	(359,567)	(278,408)	(29%)
Foreign exchange gain (loss), net	274,401	(474,134)	N/A	291,678	(186,694)	N/A
Net income (loss) before income taxes	1,027,005	106,774	862%	768,489	48,100	1498%
Income tax benefit (expenses)	(224,694)	(691,502)	68%	(134,818)	(701,762)	81%
Consolidated net income (loss)	802,311	(584,728)	N/A	633,671	(653,662)	N/A
Non-controlling interest net income (loss)	12	17	(29%)	6	7	(14%)
Controlling Interest net income (loss)	802,323	(584,711)	N/A	633,677	(653,655)	N/A
Operating EBITDA	2,371,702	2,010,354	18%	1,275,767	988,953	29%
Earnings per share	0.15	(0.11)	N/A	0.12	(0.13)	N/A

BALANCE SHEET	as of June 30			as of December 31	
	2019	2018	% Var	2018	% Var
Total Assets	59,446,204	54,786,591	9%	58,058,770	2%
Cash and Temporary Investments	4,275,083	2,463,598	74%	1,813,665	136%
Derivative Asset	10,946	0		12,875	(15%)
Trade Accounts Receivables	1,080,257	910,784	19%	708,906	52%
Other Receivables	85,330	145,669	(41%)	103,396	(17%)
Insurance Claims and Premium Receivables	512	0		949,983	(100%)
Inventories	3,452,902	2,688,193	28%	3,488,178	(1%)
Assets Held for Sale	0	111,348		0	
Other Current Assets	1,353,796	1,280,548	6%	1,677,671	(19%)
Current Assets	10,258,826	7,600,140	35%	8,754,674	17%
Fixed Assets	17,615,197	17,825,413	(1%)	17,768,023	(1%)
Investments in an Associate and Other Investments	14,097	16,197	(13%)	14,097	0%
Other Assets and Noncurrent Accounts Receivables	985,872	767,264	28%	818,247	20%
Advances to Contractors	1,988,045	0		2,069,601	(4%)
Deferred Income Taxes - net	724,473	717,883	1%	774,434	(6%)
Goodwill	27,859,694	27,859,694	0%	27,859,694	0%
Other Assets	31,572,181	29,361,038	8%	31,536,073	0%
Total Liabilities	30,188,770	25,748,030	17%	29,332,804	3%
Current Liabilities	9,887,544	7,737,439	28%	10,534,046	(6%)
Long-Term Liabilities	17,684,969	14,618,237	21%	16,009,642	10%
Deferred Tax Liability	13,954	71,185	(80%)	147,387	(91%)
Other Liabilities	2,602,303	3,321,169	(22%)	2,641,729	(1%)
Consolidated Stockholders' Equity	29,257,434	29,038,561	1%	28,725,966	2%
Non-controlling Interest	181	205	(12%)	193	(6%)
Stockholders' Equity Attributable to Controlling Interest	29,257,253	29,038,356	1%	28,725,773	2%

Income Statement & Balance Sheet Information

CEMEX Holdings Philippines, Inc.
(Thousands of U.S. Dollars, except per share amounts)

INCOME STATEMENT	January - June			Second Quarter		
	2019	2018	% var	2019	2018	% var
Net sales	237,747	227,606	4%	118,038	113,986	4%
Cost of sales	(139,976)	(131,875)	(6%)	(64,637)	(65,810)	2%
Gross profit	97,771	95,731	2%	53,401	48,176	11%
Selling and Administrative expenses	(29,751)	(28,336)	(5%)	(15,638)	(13,972)	(12%)
Distribution expenses	(39,986)	(46,441)	14%	(21,706)	(24,666)	12%
Operating earnings before other expenses, net	28,034	20,954	34%	16,057	9,538	68%
Other income (expenses), net	202	274	(26%)	79	229	(66%)
Operating earnings (loss)	28,236	21,228	33%	16,136	9,767	65%
Financial expenses, net	(13,754)	(10,099)	(36%)	(6,937)	(5,300)	(31%)
Foreign exchange gain (loss), net	5,280	(9,084)	N/A	5,627	(3,554)	N/A
Net income (loss) before income taxes	19,762	2,045	866%	14,826	913	1524%
Income tax benefit (expenses)	(4,323)	(13,249)	67%	(2,601)	(13,358)	81%
Consolidated net income (loss)	15,439	(11,204)	N/A	12,225	(12,445)	N/A
Non-controlling interest net income (loss)	0	0		0	0	
Controlling Interest net income (loss)	15,439	(11,204)	N/A	12,225	(12,445)	N/A
Operating EBITDA	45,635	38,518	18%	24,612	18,825	31%

BALANCE SHEET	as of June 30			as of December 31	
	2019	2018	% Var	2018	% Var
Total Assets	1,160,152	1,027,120	13%	1,104,199	5%
Cash and Temporary Investments	83,433	46,187	81%	34,493	142%
Derivative Asset	214	0		245	(13%)
Trade Accounts Receivables	21,082	17,075	23%	13,482	56%
Other Receivables	1,665	2,731	(39%)	1,966	(15%)
Insurance Claims and Premium Receivables	10	0		18,067	(100%)
Inventories	67,387	50,397	34%	66,340	2%
Assets Held for Sale	0	2,088		0	
Other Current Assets	26,421	24,007	10%	31,907	(17%)
Current Assets	200,211	142,485	41%	166,502	20%
Fixed Assets	343,778	334,185	3%	337,924	2%
Investments in an Associate and Other Investments	275	304	(9%)	268	3%
Other Assets and Noncurrent Accounts Receivables	19,240	14,384	34%	15,562	24%
Advances to Contractors	38,799	0		39,361	(1%)
Deferred Income Taxes - net	14,139	13,459	5%	14,729	(4%)
Goodwill	543,710	522,304	4%	529,853	3%
Other Assets	616,163	550,451	12%	599,773	3%
Total Liabilities	589,164	482,715	22%	557,870	6%
Current Liabilities	192,965	145,059	33%	200,343	(4%)
Long-Term Liabilities	345,140	274,058	26%	304,482	13%
Deferred Tax Liability	272	1,335	(80%)	2,803	(90%)
Other Liabilities	50,787	62,264	(18%)	50,242	1%
Consolidated Stockholders' Equity	570,988	544,405	5%	546,329	5%
Non-controlling Interest	4	4	(8%)	4	(4%)
Stockholders' Equity Attributable to Controlling Interest	570,985	544,401	5%	546,325	5%

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 2019 and 2018 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, 2019 has been converted at the end of period exchange rate of 51.24 Philippine pesos per US dollar while the consolidated income statement for the six-month period ended June 30, 2019 has been converted at the January to June 2019 average exchange rate of 51.97 Philippine pesos per US dollar. On the other hand, the consolidated income statement for the three-month period ended June 30, 2019 has been converted at the April to June, 2019 average exchange rate of 51.84 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	
	2019 average	2018 average	2019 average	2018 average	2019 End of period	2018 End of period
Philippine peso	51.97	52.19	51.84	52.53	51.24	53.34
Amounts provided in units of local currency per US dollar						