



**Report given by the Chairman of the Board of CEMEX S.A.B de C.V.
to the Ordinary General Shareholders Meeting
April 5, 2018**

Ladies and gentlemen shareholders:

On behalf of the Board of Directors, our management team and everyone at CEMEX – it is an honor to welcome you to this Annual Shareholders Meeting to present the results we obtained in 2017.

ORGANIZATION FOCUSED ON CREATING VALUE

First of all, I would like to start by referring to the tragic natural disasters occurring last year – specially the hurricanes that struck the United States and the Caribbean, including Puerto Rico, as well as the earthquakes that registered in Mexico.

As you all know, our main offices in the United States are located in the city of Houston, and the flooding caused by hurricane “Harvey” were very severe, as well as the flooding produced by hurricane “Maria” in the island of Puerto Rico. Fortunately, we did not have to lament any human loss amongst our colleagues, although many suffered considerable material damages to their properties.

Meanwhile, the earthquakes that registered last September in Mexico, mainly affected communities in the states of Chiapas, Oaxaca, Morelos, Puebla – and the City and state of Mexico.

Faced with these woeful situations, many of our colleagues in the United States, Mexico and Puerto Rico joined the initial relief efforts – and one more time, the solidarity of our whole organization was evidenced. Besides the time invested by many of our collaborators, we held a collection amongst our employees worldwide, where the company matched the collected amount.

Additionally, CEMEX provided support to the authorities of the United States, Puerto Rico and Mexico, by providing specialized machinery to help the rescue work, as well as donations of various materials, among many other actions. Here in Mexico, we allocated financial and in-kind support mainly to the victims in the states that where most affected by the earthquakes.



I mention the foregoing, because I want to highlight that – in CEMEX our first priority is the health and security of all our employees and providers – and that we are committed to contributing to the well-being of our communities. We are a global organization dedicated to building lasting value for you, for our clients and for all of our stakeholders.

CONTEXT

Due to the aforementioned natural phenomenon and other geopolitical and economic factors – the business environment during last year was one of contrasts.

On one hand, in many of the markets in which we are present, the demand for our products and integral services was propelled by relatively stable macroeconomic conditions, and even much better than anticipated at the beginning of last year – particularly in regions such as Europe.

On the other hand, economic activity was affected not only by the natural disasters I have already mentioned – but also by factors such as the lack of advancement in infrastructure development governmental programs in some of our key markets, as well as volatility in some foreign exchange rates of some of the currency in the countries in which we operate.

RESULTS

Notwithstanding this complex business environment, in 2017 we obtained good results again. Our total sales increased and our pricing strategy allowed us to compensate in a great way the very significant increase in costs of many of our supplies, - meanwhile our successful divestment of assets and our financial strategy allowed us to have more resources to reduce our debt and leverage level, as well as improve our debt profile.

All of this has been undoubtedly recognized by the markets – as evidenced by, for example, the fact that Standard and Poor's raised our credit rating two times during the year – with which we are now just two levels from regaining our credit rating.

I would like to specially highlight that in 2017 even with a challenging business environment, we exceeded last year's net profit, which reflects not only our firm commitment with excellence in the operation of our business – but also with our purpose of reaffirming ourselves as the global company with the most innovative construction solutions which are also closest to the client.



As will be briefly detailed by our Chief Executive Officer, last year we took very important steps to implement our digital transformation strategy – with platforms that without a doubt are positioning us in the industry’s vanguard- and that allow us to better serve our customers.

PERSPECTIVE

Ladies and Gentlemen shareholders:

In 2017 we feel proud to celebrate the 25th Anniversary of the beginning of our international expansion process.

After consolidating as the number one company inside of our industry in Mexico, we successfully arrived to Spain in 1992 – and since then we have expanded our operations in the Americas, Europe, the Middle East and Asia.

Today, we are a global organization, that works as a single CEMEX according to the same values and operating principles – united first and foremost by our invariable commitment to excellence. For this year, in CEMEX we are optimist about the business environment.

Although there are complex external factors – such as the elections that will take place in various markets in which we are present – we are still concentrated in those variables over which we can exert control.

In summary, this means keeping a very strict discipline to reduce costs and improve our profit margins – striving always to generate the best possible profitability for you, and – I reiterate – create lasting value.

Thank you again for your trust in CEMEX — and I now I give the floor to Fernando González Olivieri so that he shares with us the Chief Executive Officer report.

Thank you for your attention.

Monterrey, N.L, April 5. 2018

Ing. Rogelio Zambrano Lozano
Chairman of the Board of Directors