IGNACIO MADRIDEJOS
CEMEX USA PRESIDENT

“CEMEX USA STRIVES FOR EXCELLENCE IN EVERYTHING WE DO. AND 2016 HAS BEEN NO EXCEPTION. MOVING FORWARD, WE’LL CONTINUE TO BUILD ON OUR SUCCESSES BY RECOMMITTING OURSELVES TO THE HEALTH AND SAFETY OF OUR PEOPLE, MAKING CUSTOMER CENTRICITY OUR PASSION, RETURNING OUR COMPANY TO INVESTMENT GRADE AND RELENTLESSLY PURSUING OPERATIONAL EXCELLENCE AS ONE GLOBAL CEMEX.”

USA RESULTS

In the United States, our domestic gray cement and ready-mix volumes decreased by 3% and 4%, respectively, while our aggregates volumes remained flat, during the fourth quarter of 2016 versus the same period last year. During the quarter and on a like-to-like basis, adjusting for the assets sold to GCC, domestic gray cement and ready-mix volumes declined by 2% and 4%, respectively, while aggregates volumes increased by 1%, versus 2015. During the full year and on a like-to-like basis, domestic gray cement, ready-mix and aggregates volumes increased by 3%, 1%, and 2%, respectively, versus 2015. The slight decline in our quarterly like-to-like cement volumes was mainly due to a difficult comparable in the fourth quarter 2015 with unseasonably good weather. In the residential sector, housing starts during the quarter increased 9%. This sector was supported by low interest rates and inventories, strong job creation and household formation. Construction spending for the cement-intensive segments in the industrial-and-commercial sector was up 1% in 2016, reflecting growth in the lodging and office segments, offsetting a decline in energy, agriculture, and manufacturing. On the infrastructure sector, streets-and-highways spending picked up during the fourth quarter after a weak pre-election performance. National streets-and-highways spending for the fourth quarter was up 6% while cement consumption for this sector is estimated to be 1% higher.

Ignacio.Madridejos@cemex.com
twitter.com/IMadridejos

2016 vs. 2015 4Q16 vs. 4Q15 4Q16 vs. 3Q16
Net Sales 3,668 3,665 0% 880 897 (2%)
Op. EBITDA 619 523 18% 183 162 13%
as % net sales 16.9% 14.3% 2.6pp 20.8% 18.0% 2.8pp

Millions of U.S. dollars

Cement 2% (3%) (9%)
Volume Ready mix 1% (4%) (10%)
Aggregates 2% 0% (9%)

Price (LC)
Cement 4% 4% (1%)
Price Ready mix 1% 2% 0%
Aggregates 1% 1% (0%)

USA PRIORITIES

HEALTH & SAFETY
Our ultimate goal for Health and Safety is Zero4Life and Fit4Life. We’ll achieve our goal by reducing our LT1 rate and hold supervisors accountable for implementing the Health & Safety Management System. We need to make health a top priority, as we do safety.

CUSTOMER CENTRICITY
Our ongoing vision is to establish value for our company and our customers through exceptional quality and service. We will achieve this goal by becoming the most recommended company in the industry and improving our prices while maintaining market share within the target range.

RETURN TO INVESTMENT GRADE
We will return our company to investment grade by improving our EBITDA. We will improve operating leverage and reduce costs through maintenance and labor productivity increases, improve our number of working capital days and strive to reach CVA 0 without goodwill.

WORK AS ONE GLOBAL CEMEX & PURSUE OPERATIONAL EXCELLENCE
We will strive to have EBITDA improvement from Operational Excellence projects and become a leader in CEMEX global networks. We will identify the issues that affect our communities, identify our stakeholders, and develop community outreach action plans to address the issues to ensure we become a desired neighbor and an essential part of the community.

EBITDA= Earnings Before Interest, Taxes, Depreciation and Amortization
CVA= Cash Value Added

Don’t forget to follow us!
www.facebook.com/CEMEXUSA
www.twitter.com/CEMEX_USA
www.youtube.com/CEMEXUSA
www.instagram.com/CEMEX_USA
www.CEMEXUSA.com
The 2017 Annual Meeting took place in Bastrop, Texas, on January 26, 2017. Our leaders came together to discuss our 2016 accomplishments and priorities for 2017. We want to thank each of the participants. This year, we will work together to continue building a better future for CEMEX USA.

BUSINESS PRIORITIES: 2016 ACHIEVEMENTS

CEMEX USA President Ignacio Madridejos

BUILDING A BETTER FUTURE FOR OUR PEOPLE AND THEIR FAMILIES

• Leading a Zero4Life Culture
  Vice President, Health and Safety Alan MacVicar

• Becoming a Healthier Organization
  HR Business Partner, Compensation and Benefits Susie Mejia

• Engaging Our People
  HR Business Partner, Planning & Development Eduardo Vazquez

BUILDING A BETTER FUTURE FOR OUR CUSTOMERS

• Customer Centricity
  Vice President, Cement Sales Juan Castillo,
  Vice President, Commercial Development Shelton Lee and Vice
  President, Customer Experience Ven Bontha

• Fair Pricing Process
  Executive Vice President of Commercial and
  Government Affairs Frank Craddock and Florida Region President
  Kirk Light

BUILDING A BETTER FUTURE FOR OUR SHAREHOLDERS

• 2016 Financial Results and 2017 Targets
  Executive Vice President, Strategic Planning Juan Carlos Herrera

• Working Capital Reduction
  Mid-South Regional President Marc Tyson

ONE GLOBAL CEMEX

• Community Engagement Best Practices
  General Counsel and Executive Vice President Environmental
  and Public Affairs Mike Egan

• CEMEX Operational Excellence
  Executive Vice President of Continuous Improvement Rob Cutter

PANEL DISCUSSION WITH OUR U.S. MANAGEMENT TEAM.

• Business Priorities: 2017 Goals
  CEMEX USA President Ignacio Madridejos

2017 IMPROVEMENT PLAN

• Our ultimate goal is Zero4Life
• Hold supervisors accountable for implementing the Health & Safety Management System
• Schedule periodic safety audits
• Train teams on hazard recognition and identification, and encourage every employee to submit safety improvement cards

DRIVECAM WORKS

“IT HAD AN ACCIDENT LAST YEAR, AND WITHOUT THE DRIVECAM IT COULD HAVE BEEN DEEMED MY FAULT. I KNEW IT WASN’T MY FAULT, BUT AT THE SAME TIME IF THE PERSON WHO WAS AT FAULT CAME AFTER ME, THE DRIVECAM CATCHED EVERYTHING. IT SAVES CEMEX TIME AND MONEY. DRIVECAM WORKS.”

-Stanley Henderson, Ready-Mix USA

CEMEX CEO FERNANDO A. GONZÁLEZ DISCUSSED OUR PRIORITIES FOR 2017 AND HELD AN EXCLUSIVE Q&A SESSION WITH OUR ANNUAL MEETING AND LEAD PARTICIPANTS. IT WAS AN HONOR TO HAVE HIM WITH US.
**BECOMING A HEALTHIER ORGANIZATION**

The ultimate goal is to improve the overall well-being of Our People.

**PHYSICAL HEALTH + FINANCIAL HEALTH = ** FitzLife

**BE HEALTHY**

Make health a top priority. It’s more than a number, it’s your tomorrow. Aim for these healthy target ranges!

- **Body Mass Index (BMI)**: 18.5-24.9¹
- **Blood Pressure**: Less than 120/80¹
- **Blood Glucose**: Less than 100 (fasting)²
  - Less than 140 (non-fasting)²
- **Total Cholesterol**: Less than 200¹

CEMEX partners with StayWell to offer you one-on-one telephonic health coaching to help you better understand, and improve, your key health numbers. Call 1-855-847-6810 to talk with a health coach today.

Sources: ¹National Heart, Lung and Blood Institute ²American Diabetes Association

**BE FINANCIALLY FIT**

Stress the importance of saving for retirement. The CEMEX 401k savings plan provides eligible employees* with a company match of $0.80 for every $1.00 you contribute on a pre-tax basis up to 6% of eligible compensation.

*May not apply to certain employees covered under a collective bargaining agreement.

**LEAD BY EXAMPLE**

Our people and their families are counting on you

**SUPPORT YOUR TEAM**

Explain the programs in partnership with your local HR

**ENGAGING OUR PEOPLE**

Employee engagement is key to achieving our business goals. The engagement survey focuses on top engagement drivers such as:

- CEMEX cares about its employees
- My work gives me a feeling of personal accomplishment
- I’m satisfied with the career development opportunities at this company

Several initiatives where deployed in 2016 to improve our employee engagement:

- More career opportunities
- Revamped recognition programs
- Enhanced face-to-face leadership communication
- Engaged in social media
- Improved our front line managers’ skills

**ACTIONS**

Analyze your local results and develop an action plan to improve engagement.

- Available by several cuts as long as there are 10 employees
- There are almost 2,000 comments available

Focus on initiatives that promote retention. Ensure initiatives are tailored to both salaried and hourly employees.

**Susie Mejia**

HR BUSINESS PARTNER, COMPENSATION AND BENEFITS

“WE NEED TO MAKE HEALTH A TOP PRIORITY AS WE DO SAFETY AND MAKE SURE THAT OUR EMPLOYEES KNOW THAT FINANCIAL HEALTH IS JUST AS IMPORTANT AS YOUR PHYSICAL HEALTH, AND STRESS THE IMPORTANCE OF SAVING FOR RETIREMENT. NOW, THE BEST THING WE CAN DO IS LEAD BY EXAMPLE, KNOWING YOUR NUMBERS AND SETTING GOALS TO IMPROVE YOUR HEALTH.”

**Eduardo Vazquez**, HR BUSINESS PARTNER, PLANNING AND DEVELOPMENT

“OUR SHORT-TERM GOAL IS TO REACH AN ENGAGEMENT INDEX OF 77%, AND WE ACHIEVE OUR GOAL THROUGH ANALYZING YOUR LOCAL RESULTS AND DEVELOPING AN ACTION PLAN, FOCUSING ON INITIATIVES THAT PROMOTE RETENTION, AND ENSURING THOSE INITIATIVES ARE TAILORED TO BOTH OUR SALARIED AND HOURLY EMPLOYEES.”

Check out the new CEMEX Benefits page

www.cemexusa.com/Careers/BenefitsWellBeing
OUR CUSTOMERS

CUSTOMER CENTRICITY

What is Customer Centricity at CEMEX?
Customer Centricity at CEMEX is an organizational capability built around a deep understanding of who the right customers are, what is important to them, and how to serve them in a way that both meets their and our needs for profitability and growth.

What are our objectives?
Deliver a superior customer experience, everywhere, every time...

- with a reliable offer
- with agile processes
- with professional service delivered by experts
- with innovative products and services
- becoming the best partner to our clients

FAIR PRICING PROCESS

What is Fair Pricing Process (FPP)?
Fair Pricing Process is a new institutional playbook that provides a step by step process on price changes by establishing a standard, predictable and consistent approach.

What we need to do to accomplish our goals together:

- Execute Fair Pricing Process
- Expected market dynamics provide right environment to execute our pricing strategy
- Stay committed to achieve our goals

"IT ALL STARTS AND ENDS WITH OUR CUSTOMERS AT THE CENTER."
JUAN CASTILLO
VICE PRESIDENT CEMENT SALES

FROM LEFT TO RIGHT: SHELTON LEE, VEN BONTHA, AND JUAN CASTILLO

FROM LEFT TO RIGHT: FRANK CRADDOCK AND KIRK LIGHT
WORKING CAPITAL

What we need to accomplish together

• Believe that negative working capital is possible
• Intensively use our working capital reduction levers
• Work together as ONE team

“WHEN YOU HEAR ‘ZERO WORKING CAPITAL DAYS,’ WE THINK MISSION IMPOSSIBLE, BUT WORKING TOGETHER AS ONE TEAM, ACHIEVING NEGATIVE WORKING CAPITAL IS MISSION POSSIBLE.”

MARC TYSON
MID SOUTH REGIONAL PRESIDENT

For 2017 we will need to:

• Ensure employees know the KPI’s and manage costs daily
• Review your organization, benchmark and eliminate the gaps with the standard organization
• Use Operational Excellence methodologies to improve maintenance practices and labor productivity
• Improve kiln utilization, ready mix truck utilization, and aggregates primary crusher utilization
• Continue identifying opportunities to reduce OPEX and working capital

“IN 2016, WE CONTINUED TO IMPROVE. WE ARE NOT CVA POSITIVE YET, BUT WE ARE HEADING IN THE RIGHT DIRECTION.”

JUAN CARLOS HERRERA
EXECUTIVE VICE PRESIDENT STRATEGIC PLANNING

“WHEN YOU HEAR ‘ZERO WORKING CAPITAL DAYS,’ WE THINK MISSION IMPOSSIBLE, BUT WORKING TOGETHER AS ONE TEAM, ACHIEVING NEGATIVE WORKING CAPITAL IS MISSION POSSIBLE.”

MARC TYSON
MID SOUTH REGIONAL PRESIDENT
COMMUNITY ENGAGEMENT

BEST PRACTICES

What we need to accomplish our goals together:

• Improve our environmental compliance and housekeeping
• Develop community outreach goals
• Plan to achieve
• Implement and track

"WE NEED TO ENSURE OUR STAKEHOLDERS AGREE CEMEX IS AN ESSENTIAL PART OF THEIR COMMUNITY AND OUR COMMITMENT TO SUSTAINABLE ENVIRONMENTAL ACTIVITIES MEANS MORE THAN MERE COMPLIANCE WITH RULES AS PART OF OUR BUILDING A BETTER FUTURE."

MIKE EGAN
GENERAL COUNSEL AND EXECUTIVE VICE PRESIDENT PUBLIC AFFAIRS

OLYMPIA QUARRY RECLAMATION

College students in Northern California learned about restoring the environment by participating in a field trip to CEMEX USA’s retired Olympia Quarry near Santa Cruz. About 25 students from a Restoration and Ecology class from the University of California Santa Cruz toured the site in January to discover the reclamation efforts underway at the facility. Reclamation at the Olympia Quarry began in 2005 after the facility closed. Crews from CEMEX and Ecological Concerns Incorporated are currently restoring native vegetation to the site.

WEST PALM BEACH GIVES BACK

Our West Palm Beach Office took part in the Annual Palm Beach County Regional Science and Engineering Fair this year. More than 900 students from schools all over the county competed in the fair for prizes and scholarships. CEMEX’s own Laura Gross recently attended the awards ceremony and presented Hannah Herbst with the CEMEX Excellence in Senior Engineering award and a $500 cash prize.

NSSGA AWARDS

Six CEMEX USA facilities have received 2017 Community Relations Awards from the NSSGA! In our Florida Region, the Lake Wales Sand Mine received a Gold Award, the 474 & Davenport Sand Mines both received Silver Awards and the FEC Quarry received a Bronze Award. In our West Region, both Lytle Creek and Moorpark Quarries received Bronze Awards. Thanks to the NSSGA for recognizing our facilities, and congratulations to all of our winners.

"WE NEED TO ENSURE OUR STAKEHOLDERS AGREE CEMEX IS AN ESSENTIAL PART OF THEIR COMMUNITY AND OUR COMMITMENT TO SUSTAINABLE ENVIRONMENTAL ACTIVITIES MEANS MORE THAN MERE COMPLIANCE WITH RULES AS PART OF OUR BUILDING A BETTER FUTURE."

MIKE EGAN
GENERAL COUNSEL AND EXECUTIVE VICE PRESIDENT PUBLIC AFFAIRS
Since the launch of Operational Excellence in February 2016, impressive results have been achieved. CI Teams completed over 100 projects, and achieved $20 million in savings. In addition to financial results, 90% of CEMEX business leaders were trained in Operational Excellence Leader and Yellow Belt. And 10% of those leaders completed Leader and Yellow Belt certification.

**Goals for 2017**
- Achieve $40 million in savings
- Use strategy deployment to cascade and align goals from top to bottom and bottom to top
- Identify key initiatives and projects that will get us to our goals
- Execute action and achieve results through the Kaizen approach

**Phoenix Ready Mix**
Our Continuous Improvement (CI) journey started in March 2016 with our first strategy deployment session. Our goal was to identify cost savings opportunities by bringing all of operations together with an aligned focus on reducing cost.

**Key Lessons Learned**
- Improve labor cost by increasing cubic yard per full time equivalent hour
- Reduce variation of processes through standardization
- Identify initiatives at a plant level
- Engage all levels of employees
- Implement simple changes

**Louisville Cement**
In 2013, the plant went from producing and loading one type of cement product to three types. The plant’s terminal was not set up to load different products efficiently. Impactful improvements were necessary.

**Key Lessons Learned**
- Focus on core values - Customer Centricity
- “Slow down to speed up”
- Cost prioritization and reduction
- Improve maintenance productivity through sustainable practices
- Create value, create value and create value
2017 AWARDS CEREMONY
CONGRATULATIONS TO ALL OF THIS YEAR’S AWARD RECIPIENTS!

MILESTONE AWARD
GLEN JORDAN (50 YEARS)  
MARVIN FOWLER (60 YEARS)

PRESIDENT’S AWARD
CLIFF KIRKMYER AND JOEL GALASSINI  
DONNA HAYNES

OUTSTANDING ACHIEVEMENT
DIVESTITURES TEAM: OSCAR FRIAS, ALEX ORTIZ, MYRA MAHONEY, JOHN HEFFERNAN AND J PAT IVEY
CEMEX USA LEGAL TEAM
GABE GUZMAN AND EFREN MONTES

Visit www.facebook.com/cemexusa to see all of the award recipients.

OUR VALUES MAKE UP THE ESSENCE OF OUR CULTURE. THEY EXPRESS WHO WE ARE, HOW WE BEHAVE AND WHAT WE BELIEVE IN. THESE ARE THE VALUES THAT GUIDE US: ENSURE SAFETY, FOCUS ON CUSTOMERS, PURSUE EXCELLENCE, WORK AS ONE CEMEX AND ACT WITH INTEGRITY.

BEST SAFETY PERFORMANCE CEMENT
Balcones Cement Plant
BEST SAFETY PERFORMANCE READY MIX
Sacramento/Reno Ready Mix
BEST SAFETY PERFORMANCE AGGREGATES
East Texas Aggregates
BEST SAFETY PERFORMANCE ANCILLARY BUSINESSES
Logistics West Region
BEST NATIONAL SAFETY SITE
Lytle Creek Quarry

SOUTH ATLANTIC CEMENT GROUP
Carlos DaSilva, Lynn Rasco, Humberto Garza

DEEPANJAN MUKHERJEE
Lance Griffin and the Maintenance Team at Balcones Quarry

KELLY NELSON AND MONICA MANOLAS

BALCONES QUARRY

DUKE ENERGY PROJECT TEAM

WORKING CAPITAL TASKFORCE COORDINATOR AND TRACK LEADERS
Stella Liang, Donna Haynes, Fidel Salazar and Alex Ortiz
WE RENEWED OUR COMMITMENT TO ZERO4LIFE AND FOCUSED ON ACTION-BASED SAFETY DURING OUR 2017 SAFETY WEEK.

We want to thank each of you for your participation. Your active involvement in kicking off 2017 with Safety Week was an essential step on the path to Zero4Life.

“Zero4Life is something we live at CEMEX every single day,” said Ignacio Madridejos, CEMEX USA President. “Safety Week shows how it takes commitment from everyone to have zero recordable injuries, job-related illnesses, preventable vehicle accidents and environmental events. It really takes daily action to make it happen.”

“Everyone has to watch out for each other. Our goal is Zero4Life, and we are working to accomplish that together,” said David Mena, Littleton, Colorado.

“The most important word in operating a mixer truck is safety. In demonstrating safety, we show we care about ourselves, others around us and the ones we work hard for every day,” said Demetrius Woodard, Houston, Texas.

As we look forward to a safer and more successful year at CEMEX, remember that putting Safety into Action every day is essential to achieving Zero4Life.
Congratulations to our operations for achieving LTI-Free safety milestones and helping us pursue our goal of Zero4Life.

Lyons
ZERO recordable injuries in 2016.

Brooksville
ZERO recordable injuries in 2016.

ALICO Quarry
17 years without an LTI.

Clinchfield
ZERO recordable injuries in 2016.

Balcones
ZERO recordable injuries in 2016.

"Let’s remember that safety is our number one priority. There is no job or task that’s too important that we cannot put safety first. Let’s remember safety has no memory, just because we have no incidents or accidents for the last year, doesn’t mean there isn’t one around the corner. Please stay focused and have a healthy, safe and successful 2017.”

Executive Vice President Logistics

Matt Wild

We are looking for ideas related to...
Urban Development
Connectivity
New Construction Trends and Technologies
Reinforcing Project Finance Resources

We are looking for ideas related to...

If your idea is selected, you can directly participate in its incubation into a successful business. We’ll provide the support and resources.

Send your ideas through the CEMEX Ventures Platform to: info@cemexventures.com

If you want to know more about CEMEX Ventures, visit www.cemexventures.com or write an email to: cristina.aparicio@cemexventures.com or ibon.iribar@cemexventures.com.

What we are looking for...

Disruptive Ideas...

Disruptive ideas that shock an industry or market, whether because the business model is different or not.

Urban Development...

Influence and catalyze innovation in major urban/suburban developments throughout the US and worldwide.

Connectivity...

Connect and facilitate coordination among participants in the construction ecosystem through data collection and analysis.

New Construction Trends and Technologies...

Develop and exploit the newest and most innovative technologies in construction, from 3D printing to the use of drones, from robotics to BIM and Augmented Reality.

Reinforcing Project Finance Resources...

Develop new financial resources for future projects (e.g., crowdfunding platforms), new standards for transparency, IFI, data matching, and payment automation techniques.

Ideas selected are invited to participate in these phases...

1. desktop your idea
2. ideas are selected by CEMEX Ventures
3. pre-tested ideas are further developed
4. pitch of ideas to top management
5. incubation of winning ideas
6. commercialization of selected ideas

We are looking for people passionate about innovation and technology.

If you would like to support CEMEX Ventures as an advisor, please send us an email to: info@cemexventures.com
CEMEX CONTRIBUTES TO REDUCED TRAFFIC AND IMPROVED ROAD SAFETY IN ENGLAND

The previous Bedale road went through the towns of Bedale, Leeming Bar and Aiskew, sending 14,000 vehicles through every day. The new Bedale Bypass was designed to offer an alternative route to reduce traffic flow by half.

FRANCE’S OLYMPIQUE LYONNAIS LION STANDS TALL IN BUSH-HAMMERED CONCRETE

The new Olympique Lyonnais football club training and residential center in Meyzieu is envisioned as France’s premier mixed-training facility, with six football fields, training buildings, and more. CEMEX delivered a range of concretes for the structural work and for the artistic facade.

NEW HOUSTON CORPORATE OFFICE

The CEMEX USA Houston Corporate Office has a new home in the Bayou City! CEMEX USA President Ignacio Madridejos was on hand January 27th for a special ribbon-cutting to commemorate the official opening of the beautiful, 82,000-square-foot building, which bears the CEMEX logo.

CEMEX DEVELOPS FLOATING CONCRETE ISLAND WITH PROTOTYPE IN COLOMBIA

Ingenious solution designed in collaboration with APTUM Architecture and Syracuse University uses CEMEX specialty concretes to revitalize mangrove forests while simultaneously preventing flooding in urban areas.

CEMEX’S OPERATIONS ACHIEVE RECOGNITION IN DUBAI

With an aim to continue pursuing excellence and improving the quality of concrete in Dubai, the Dubai Municipality (“DM”) this year launched a new annual award to recognize and incentivize the city’s top concrete companies. In its inaugural year, CEMEX took home the silver prize.
STAY INFORMED.
Sign up for text messages to receive HR and benefits information. You can subscribe by texting CEMEXHR to 23613 from your mobile phone.*

*Text messaging and data rates may apply. Frequency of alerts depends on account preference. For additional information and terms and conditions, go to http://benetxt.com/cemexhr.