

Chairman's
Message

Health
and Safety

Caring for
the Environment

Environmental
Protection and Culture

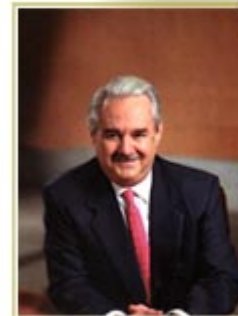
Growth and
Continuous Improvement

Directory

*We take care
of those things
we know*

Chairman's Message

During 1998 we were pleased to witness that our Industrial Safety programs produced a 10% decrease in the accident rate of our operations as compared to the previous year. Now, through the effort and involvement of everyone working at CEMEX, we will continue to move ahead in accident prevention, improving the well being of our employees, communities, and environment.



*Lorenzo H. Zambrano
Chairman & CEO*

This year we also reached a new milestone in health and Quality of Life, as we established the corporate area that will set forth the general criteria for developing a culture of health education and promotion - one of the strategic values necessary to maintain the high dynamics of world-class companies.

Additionally, we made significant progress in the use of natural cementing materials and in implementing in-house technology to minimize energy use in the calcination process.

Finally, in keeping with our geographic diversification strategy, we acquired plants in the Philippines, one of the largest cement markets in Southeast Asia, where we have already implemented operational and technological improvements in the areas of environment, health and safety.

Thus, we continue to focus on our mission of being the most efficient, profitable, and safe

multinational cement company in the world.

Lorenzo H. Zambrano
Chairman & CEO

Health and Safety



RESULTS

In 1998, the annual accident rate per 100 workers fell 10%, from 4.0 to 3.6. Our cement - producing operations performed particularly well, reporting a 34% reduction in this indicator compared with the previous year. In addition, 18 of our concrete operating units and two cement plants achieved the objective of **zero accidents** during the year, and 134 of our work centers, representing 52% of CEMEX's human resources, achieved our primary goal of an annual accident rate below 1%. These results represent significant progress toward our vision of being "the world's safest multinational cement company".

USE OF ELECTRONIC MEDIA

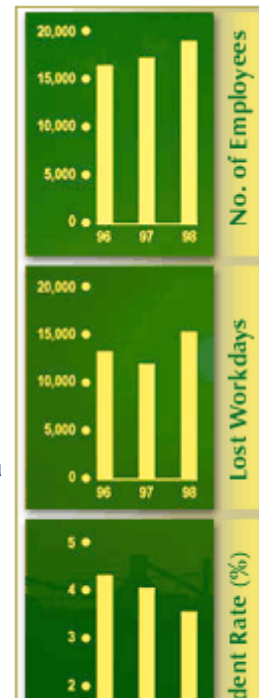
We have a special system within the **CEMEX Intranet** to share indicators, reports, and relevant health and safety facts among all our business units, helping to optimize projects and **prevent accidents**.



QUALITY OF LIFE

At the beginning of the year, we created a special Corporate Department of Health and Quality of Life, because at CEMEX we believe that this area is a strategic factor for maintaining the rhythm of activities required by a world-class company.

*make sure
Today is
accident
free*



Caring for the Environment

INNOVATION AND TECHNOLOGICAL UPDATING

During 1998, the in-house technology introduced into the calcination process at our **Monterrey, Mexico plant enabled us to reduce the consumption of energy by 4%**. This process is a real example of ecoefficiency because lowering energy use and gas emissions results in both economic and environmental benefits.



We have also continued to **update the technology** used in all our business units. In Colombia, we began operating a new cement plant where we took advantage of our wide experience in the design and construction of such facilities to **optimize the consumption of raw materials and fuel**.



USE OF NATURAL CEMENTING MATERIALS

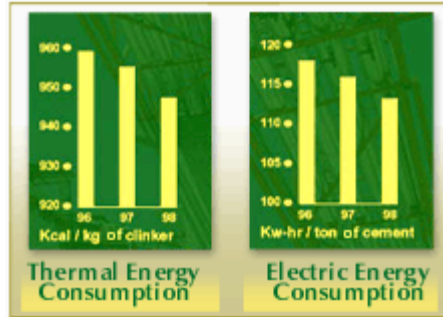
During the past year, we made great progress in our **use of natural cementing** materials, commonly called pozzolana. These materials, **which may be added to cement in quantities up to 20% without affecting its quality**, reduce the energy used in the production process because they do not require calcination. We have already begun to use pozzolana in a program in Panama and at the new plant in Colombia.

*ecoefficiency
is a bridge between
productivity and nature
conservation*



CULTURE OF ECOEFFICIENCY

During the year, we extended our ecoefficiency programs to our administrative offices, focusing on **paper recycling and water - and energy - saving initiatives**.



Environmental Protection and Culture



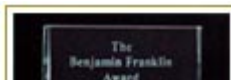
SPONSORING PUBLICATIONS

In 1998, we continued our **ecological book** program. At the request of the organizers of the **Lisbon 1998 World Expo**, we produced a **commemorative book**, "Celebration of the Seas." **Almost 10,000 copies were donated in ten different nations** to support numerous environmental conservation projects. Through **Nature's Best** magazine, in 1998 **CEMEX gave a prize for the best nature photograph**, in support of the use of visual images to encourage environmental awareness and to promote caring for wildlife.



COMMUNITY PARTICIPATION

We continued our **good-neighbor program**, with **organized visits** to our facilities and **joint projects** with the community. In Mexico, we made significant progress with our low-income housing **development and medical services projects**, while in Colombia we continued to support the establishment of micro-companies, and in Venezuela we implemented programs for **maintining and preserving selected beaches and parks**.



*support and recognition
of nature conservation
efforts*



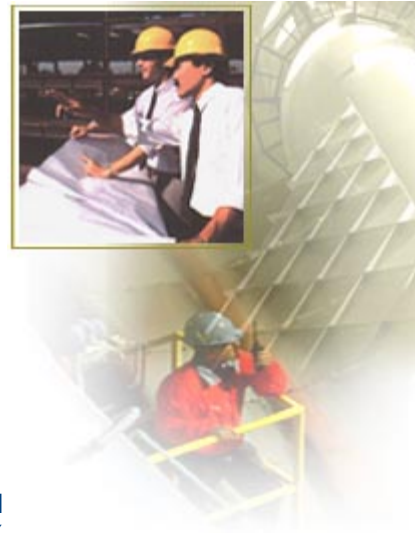
TRAINING

Training all our personnel in the area of safety was one of our priorities during 1998. The programs we established have been integrated into our regular induction courses to ensure **that training and empowerment in accident prevention** is continuously carried out in all our operations.

In the environmental area **we held both internal and community events** to promote a **culture of environmental awareness and the conservation of our natural resources**.

In the area of **health and quality of life**, during the year we began a corporate program to disseminate basic health care issues, such as the need for exercise, **regular medical check-ups, and good eating habits**.

*Growth
and Continuous
Improvement*



GROWTH

In January 1998, we began **operations in the Philippines** and started the process of implementing the **CEMEX Environmental, Health and Safety systems**. **Our ecological book program was extended to this country**, and we donated copies to support local nature conservation projects.

ISO 14000

Three more of CEMEX's Mexican cement plants were given ISO 14001 certification in 1998, implying significant progress toward our goal of certifying all our Mexican plants by the year 2000. The certification process was also initiated in Spain, and we are currently evaluating its implementation in Panama, Colombia, Venezuela, and the United States.



*multinational
development
with world-class
standards*

Directory



COLOMBIA

Environment

Miguel Angel Cortés Díaz
Carrera 14 No. 93B-32, Piso
2
Santa Fe de Bogotá,
Colombia
Tel. (571) 634 0030, 634
0130, 634 0330, Ext. 2221
Fax. (571) 634 0333, Ext.
2221, 860 0505
e-mail:
macortes@diasam.com

Health and Safety

Juan Carlos Guerrón Jiménez
Carrera 14 No. 93B-32, Piso
2
Santa Fe de Bogotá,
Colombia
Tel. (571) 632 1520
Fax. (571) 860 0505

CORPORATE COMMUNICATIONS

Av. Gómez Morín 350 Edif.
Plaza Internacional, 7th floor
Col. Valle del Campestre
C.P.66265
Garza García, N.L., México
Tel. (528) 152 2747
Fax. (528) 152 2749
e-mail:
webmaster@cemex.com

MEXICO

Health and Safety

Raúl Rodríguez Ponce
Av. Isidro Fabela Norte 1534
Col. Industrial
Toluca, Edo. de México,
México
Tel. (5272) 72 1750, Ext.
6114
Fax. (5272) 72 1750
e-mail: raulrp@cemex.com

Environment

Luis Carranza García
Av. Independencia 1150 Ote.

Health and Safety

Amando Onesimo B. Vergundia
Tagbak, San Jose, Antipolo City
Philippines
Tel. (632) 650 2696 to 98, Ext.
207
Fax. (632) 817 5502
e-mail:
amando_vergundia@cemexasia.com

SPAIN

Health and Safety

Pedro Javier Lapeña
Hernández de Tejada #1
Madrid, Spain 28027
Tel. (3491) 377 9455
Fax. (3491) 377 9300
e-mail: plapena@valcem.es

Environment

Javier Merle
Hernandez de Tejada #1
Madrid, Spain 28027
Tel. (3491) 377 9351
Fax. (3491) 377 9378
e-mail: jmerle@valcem.es

TRADING

Environment, Health and Safety

Francisco Gutiérrez Caballero
Boulevard Constitución 1884
Pte.
Oficinas en el Parque 7o. Piso
C.P. 64650
Monterrey, N.L., México
Tel. (528) 389 1050
Fax. (528) 389 1019
e-mail: fgutieca@cemex.com

UNITED STATES

Environment, Health and Safety

Kevin Keegan
One Riverway, Suite 2100
Houston, Texas 77056, USA
Tel. (713) 881 1097
Fax. (713) 881 1118
e-mail: kkeegan@cemex.com

VENEZUELA

C.P. 64520
Monterrey, N.L., México
Tel. (528) 305 1689
Fax. (528) 305 1636
e-mail:
lucarranz@cemex.com

PANAMA
Environment, Health and Safety

John Sinclair
Edificio Plaza Panamá, Calle
50, Piso 28
Panama City, Republic of
Panamá
Tel. (507) 210 1300, 210
1400
Fax. (507) 210 1325
e-mail: jsinclair@bayana.com

PHILIPPINES

Environment

Celestino Garces De Leon,
Jr.
25th Floor, Technical
Department
Petron Mega Plaza
358 Sen. Gil Puyat Avenue
Makati City, Philippines 1200
Tel. (632) 849 3667, 846
3600, 849 3700, Ext. 3667
Fax. (632) 849 379
e-mail:
cdeleon@cemexasia.com

VENEZUELA

Environment

Ninoska Cilento
Carretera Guanta-Cumaná,
Sector Pertigalete
Municipio Guanta, Estado
Anzoátegui, Venezuela
Tel. (5881) 64 7105, 64 7102
Fax. (5881) 64 7103
e-mail:
ninoska_cilento@vencemos.com

Health and Safety

Enzo González
Carretera Guanta-Cumaná,
Sector Pertigalete
Municipio Guanta, Estado
Anzoátegui, Venezuela
Tel. (5881) 64 7033, 64 7034
Fax. (5881) 64 7032
e-mail:
egonzalez@vencemos.com

CORPORATE EHS

Environment, Health and Safety

Miguel A. González
Av. Independencia 901-A Ote.
Col. Cementos C.P. 64520
Monterrey, N.L., México
Tel. (528) 305 1882, 305 1500,
Ext. 1274
Fax. (528) 351 8350
e-mail: mags@cemex.com