



PROPOSAL FOR REDUCTION AND INCREASE OF CAPITAL STOCK IN ITS VARIABLE PART

(subject to the approval by the Ordinary General Shareholders Meeting to be held on March 28, 2019)

The following proposals for decreases and increase of the capital in its variable part will be subject to the approval of the Ordinary General Shareholders' Meeting:

- (a) Decrease in share capital.
Decrease in variable capital by \$5,477,536.94 mexican pesos through the cancellation of 1,972,742,640 treasury shares, of which 1,315,161,760 are Series "A" and 657,580,880 Series "B", which supported the issuance of the convertible bonds issued in March 2011 due March 2018.
- (b) Decrease in share capital.
Decrease in variable capital by \$1,279,493.15 mexican pesos through the cancellation of 460,811,259 own shares, of which 307,207,506 are Series "A" and 153,603,753 Series "B", which were acquired through the repurchase program in 2018 fiscal year.
- (c) Increase in share capital.
Increase in the variable capital stock by \$416,491.50 mexican pesos, through the issuance of 150,000,000 shares, of which 100,000,000 will be Series "A" and 50,000,000 Series "B", with the same characteristics and with the same rights as the currently in circulation, which will be conserved in treasury in order to preserve the conversion rights of the holders of convertible bonds due March 2020, by adjustment for the cash dividend.

Additionally, the adoption of the following resolutions will be subject to the approval of the Ordinary General Shareholders Meeting:

- i. That the shares representing the capital increase are represented by Cemex.CPO to be issued by Banco Nacional de México, S.A. in his capacity as Trustee of trust No. 111033-9, issuing up to 50,000,000 Cemex.CPO. For these purposes, the shares representing the capital increase will be issued in the name of said fiduciary institution.
- ii. That the securities representing the shares to be issued, whether provisional certificates or definitive certificates, may be signed by any two Board Members, under the terms provided in the Bylaws, with up to 12 coupons with the corresponding consecutive numbering.
- iii. That Fernando González Olivieri, José Antonio González Flores, Roger Saldaña Madero and René Delgadillo Galván be granted powers of attorney to jointly or separately submit the notices and make the publications required to do so, as well as to formalize agreements, contracts or minutes, on behalf of the Company, that are required for the issuance of the Cemex.CPO, as well as to determine and update the conversion factor of the bonds issued by the Company and to subscribe on behalf of the Company any instruments, contracts, agreements or acts that may be required.