



PROPOSAL TO (A) EXTEND THE CURRENT RESTRICTED STOCK COMPENSATION PLAN FOR EMPLOYEES, OFFICERS AND MANAGERS; AND (B) INCREASE THE CAPITAL STOCK OF THE COMPANY IN ITS VARIABLE PORTION THROUGH ISSUANCE OF TREASURY SHARES TO BE SUSCRIBED AND PAID PURSUANT TO THE TERMS AND CONDITIONS OF THE PLAN, WITHOUT PREEMPTIVE RIGHTS BEING APPLICABLE AS PER ARTICLE 8 OF CEMEX'S BY-LAWS

(subject to the approval by the Ordinary General Shareholders Meeting to be held on April 5, 2018)

A proposal will be presented to the Shareholders Meeting to: (A) extend the Company and its subsidiaries' current Restricted Stock Compensation Plan for Employees, Officers and Managers (formerly the Stock Option Plan); and (B) increase the capital stock as follows:

- (A) Pursuant to the resolutions of the Extraordinary General Shareholders Meeting held on April 1996, the implementation of a Stock Purchase Option Plan for Employees, Officers and Managers for the Company and its subsidiaries employees, officers and managers was authorized, with a duration of 15 years, having to assign the options during this period (the "Plan").

The Ordinary General Shareholders Meeting held on February 2011 decided to extend the Plan until December 31, 2013, while the Ordinary General Shareholders Meeting held in February 2012 decided to extend the Plan until December 31, 2018.

With the objective of ensuring wage competitiveness in the market and maintain the talent retention strategy and alignment of interests with shareholders, a proposal will be presented to the Shareholders Meeting to extend the current Restricted Stock Compensation Plan for Employees, Officers and Managers (formerly the Stock Purchase Option Plan) of Cemex, S.A.B. de C.V. and its subsidiaries until December 31, 2023.

- (B) Increase the capital stock of Cemex, S.A.B. de C.V. in its variable part in the amount of \$2'082,457.50 Mexican pesos (two million eighty two thousand four hundred and fifty seven Mexican pesos 50/100), through the issuance of up to 750'000,000 (seven hundred and fifty million) nominative ordinary common shares without expression of nominal value, of which up to 500'000,000 (five hundred million) will be Series A, and up to 250'000,000 (two hundred and fifty million) will be Series B, with the same characteristics and the same rights than the currently outstanding shares, which will be kept in treasury to be subscribed and paid pursuant to the terms and conditions of the Plan, without preemptive rights being applicable for shareholders.

Shares representing the capital increase will be represented by Ordinary Participation Certificates ("Cemex.CPO") to be issued by Banco Nacional de México, S.A. as trustee of Trust No. 111033-9, issuing up to 250'000,000 (two hundred and fifty million) Cemex.CPO which will each be referred to 2 (two) Series A ordinary shares and 1 (one) Series B ordinary share. For these purposes, shares representing the capital increase will be issued on behalf of such financial institution.



Building a better future

The certificates representing the shares to be issued, whether temporary or definitive certificates, will include 12 coupons with the corresponding consecutive numeration and could be executed by any two directors pursuant to the Company's by-laws.

The Board of Directors will be authorized to determine the terms and conditions which have not been decided by the Shareholders Meeting, as well as the terms and conditions which are to be fulfilled in order to have a right to acquire the shares and the persons who will participate in the Plan.