



GCC BEGINS OPERATING 440,000 MT CEMENT PLANT EXPANSION IN SOUTH DAKOTA

Chihuahua, Mexico, December 20, 2018—Grupo Cementos de Chihuahua, S.A.B. de C.V., or GCC, (BMV: GCC*) announces that the expansion of its Rapid City, South Dakota cement plant became operational, adding 440,000 metric tons (mt) of capacity to the existing plant.

The expansion of the Dacotah cement plant began in 2016, with a total investment of around US\$ 105 million. The expansion increases the plant's production capacity to 1,167,000 mt and is expected to reduce variable production costs. The tie-in of the new facilities was completed in late November. Production, which had been suspended during the tie-in process, has resumed and the new facilities are in the stabilization process.

Enrique Escalante, GCC's CEO, said, "The Rapid City expansion comes at an opportune time, as our U.S. cement plants are running nearly at full capacity, and we expect to see continued, steady growth in demand across our market area. We will be able to serve our customers better and operate our cement logistics network more efficiently with the additional capacity."

GCC has 5.8 million mt of total cement production capacity. Of this, 3.5 million mt is in the U.S., with plants in Pueblo, Colorado; Odessa, Texas; Tijeras, New Mexico; and Trident, Montana, in addition to Rapid City. GCC expects to ramp up the new production capacity at Rapid City gradually over the next 18 to 24 months, in accordance with market conditions.

GCC's cement production capacity in Mexico is 2.3 million mt, with plants in the city of Chihuahua, Juarez, and Samalayuca, all in Chihuahua state. In the third quarter of 2018, GCC reactivated two idled kilns in Chihuahua to increase production of both oil well cement and construction cement.





About GCC

GCC is a leading supplier of cement, concrete, aggregates, and construction-related services in the United States and Mexico, with an annual cement production capacity of 5.8 million metric tons. Founded in 1941, the Company's shares are listed on the Mexican Stock Exchange under the ticker symbol GCC.

Forward Looking Statements

This press release may contain forward-looking statements. All statements that are not clearly historical in nature are forward-looking, and the words "anticipate," "believe," "expect," "estimate," "intend," "project" and similar expressions are generally intended to identify forward-looking statements. These statements are subject to risks and uncertainties including, among others, changes in macroeconomic, political, governmental or business conditions in the markets where GCC operates; changes in interest rates, inflation rates and currency exchange rates; performance of the construction industry; pricing, business strategy, and other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may differ materially from the beliefs, projections, and estimates described herein. GCC assumes no obligation to update the information contained in this press release.

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