



2020

FOURTH QUARTER EARNINGS REPORT



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GCC REPORTS FOURTH QUARTER AND FULL YEAR 2020 AUDITED RESULTS

Chihuahua, Mexico, May 4, 2021 – GCC, S.A.B. de C.V. (BMV: GCC*), a leading supplier and producer of cement and concrete in the United States, Mexico, and Canada, today announced its results for the fourth quarter and full year 2020 based on the audited financial statements approved by the Annual Shareholders' Meeting held on April 29, 2021.

FY 2020 HIGHLIGHTS

- U.S. cement volumes grew 5%, excluding oil well cement. Total cement volumes decreased 3%, while concrete volumes increased 4.3%
- Mexico sales increased 8% in local currency as cement volumes increased 3.3%. Mexico sales decreased 3% in U.S. dollars
- Consolidated net sales totaled US\$937.8 million for the full year
- EBITDA increased 5.6% to US\$308.3 million with a 32.9% EBITDA margin and a 160 basis-point increase
- Free cash flow totaled US\$250.6 million with an 81.3% conversion rate from EBITDA
- Cash and equivalents reached a record high US\$562 million
- Earnings per share increased 11.5% year-on-year to US\$0.3913
- Cost-and-expense reduction plan amounted to US\$24.3 million in savings
- Net leverage (net debt/EBITDA) ratio dropped to 0.24x as of December 2020
- A dividend of Ps. 0.94 per share was declared in the Annual Shareholders' Meeting, representing a 15% year-on-year increase
- A long-term agreement was signed with an energy provider to supply wind power to Rapid City's cement plant, covering approximately 50% of the electricity consumed at the plant

Q4 2020 HIGHLIGHTS

- Mexico cement volumes increased 13.5%
- Consolidated net sales increased 1.7%, to US\$232.5 million
- EBITDA decreased 5.9% to US\$81.3 million, with a 35.0% EBITDA margin; a 280 basis-point decrease
- Free cash flow totaled US\$99.6 million, with a 122.5% conversion rate from EBITDA
- Earnings per share decreased 29% year-on-year, to US\$0.0831

KEY FIGURES (millions of dollars)

	Q4 20	Q4 19	Q4 20 vs. Q4 19	2020	2019	2020 vs. 2019
Net sales	232.5	228.6	1.7%	937.8	934.1	0.4%
Operating income before other expenses, net	56.7	60.4	-6.1%	211.3	183.6	15.1%
EBITDA*	81.3	86.4	-5.9%	308.3	292.0	5.6%
EBITDA margin	35.0%	37.8%		32.9%	31.3%	
Free cash flow**	99.6	82.9	20.1%	250.6	137.9	81.8%
Net income	27.5	39.0	-29.4%	129.7	116.7	11.1%
Earnings per share (US\$)**	0.0831	0.1171	-29.0%	0.3913	0.3510	11.5%

*EBITDA: operating income before other expenses + depreciation and amortization

**Free cash flow before growth and strategic CapEx

***Earnings per share calculated based on average number of outstanding shares during the quarter

FINANCIAL RESULTS

Consolidated net sales for the fourth quarter of 2020 increased by 1.7% to US\$232.5 million from US\$228.6 million in the fourth quarter 2019. This was primarily due to increased cement volumes in Mexico and a favorable price environment in both markets. This increase was partially offset by lower cement and concrete volumes in the U.S. on the back of a high comparative base and the depreciation of the Mexican peso.

For comparative purposes, consolidated net sales excluding the depreciation of the Mexican peso against the U.S. dollar during the quarter increased by 4.1%.

Twelve months: Consolidated net sales totaled US\$937.8 million, compared to US\$934.1 million in the prior year despite the disruption created by the COVID-19 pandemic. This was due to higher cement volumes in Mexico, higher concrete volumes in the United States and a favorable price environment in both markets. These were partially offset by lower cement volumes in the United States, lower concrete volumes in Mexico and the depreciation of the Mexican peso.

For comparative purposes, consolidated net sales excluding the depreciation of the Mexican peso against the U.S. dollar during 2020 increased by 3.4%.

NET SALES (millions of dollars)

	Q4 20	Q4 19	Q4 20 vs. Q4 19	2020	2019	2020 vs. 2019
Consolidated	232.5	228.6	1.7%	937.8	934.1	0.4%
United States	165.2	167.0	-1.1%	693.1	681.9	1.7%
Mexico	67.3	61.6	9.3%	244.6	252.3	-3.0%
	Q4 20 vs. Q4 19		2020 vs. 2019			
	Volumes	Prices*	Volumes	Prices*		
Cement						
United States	-3.7%	0.5%	-3.0%	1.3%		
Mexico	13.5%	2.2%	3.3%	3.7%		
Concrete						
United States	-8.7%	1.4%	4.3%	3.9%		
Mexico	0.2%	3.6%	-6.6%	2.4%		

*Prices in local currency

U.S. sales represented 71% of GCC's fourth quarter 2020 consolidated net sales and decreased by 1.1% to US\$165.2 million. This was due to a 3.7% and 8.7% decrease in cement and concrete volumes, respectively, which were partially offset by a 1.4% price increase in concrete.

The decrease in cement sales volumes was primarily due to a tough comparison against an all-time-high fourth quarter and a drop in oil well cement volumes. Excluding the oil well market, U.S. cement volumes would have increased by 5% as sales were supported by favorable weather and a strong backlog during the fourth quarter 2020.

The most dynamic market segments during the quarter were housing and infrastructure construction in Colorado, industrial warehouses, and wind farm projects in the Upper Midwest.

Twelve months: U.S. sales increased 1.7%, to US\$693.1 million. This was primarily due to a 4.3% increase in concrete volumes as well as a 1.3% and 3.9% price increase in cement and concrete, respectively. These were partially offset by a 3% decrease in cement volumes.

Mexico sales, which represented 29% of GCC's consolidated net sales, increased 9.3% in the fourth quarter 2020 to US\$67.3 million. Mexico sales were heavily impacted by the depreciation of the Mexican peso against the U.S. dollar during the quarter, which reduced sales by US\$5.4 million. For comparative purposes, Mexico sales, excluding the depreciation of the Mexican peso, would have increased by 18.1%. This was due to a 13.5% increase in cement volumes and a 2.2% and 3.6% increase in cement and concrete prices, respectively. The increase in cement prices reflected an increase in bagged cement sales.

Mexico sales during the quarter were primarily driven by demand related to industrial warehouse construction, mining projects and the self-construction segment.

Twelve months: Mexico sales decreased 3% to US\$244.6 million due to a 6.6% decrease in concrete volumes. That was partially offset by a 3.3% increase in cement volumes and a 3.7% and 2.4% price increase in cement and concrete, respectively.

Sales also were impacted by the depreciation of the Mexican peso against the U.S. dollar, which reduced sales by US\$28.2 million. For comparative purposes, Mexico sales, excluding the depreciation of the Mexican peso, would have increased by 8.2%.

Cost of sales totaled US\$156.6 million in the fourth quarter 2020, representing 67.4% of total sales, compared to 65.6% in the fourth quarter 2019. This increase was primarily due to:

- A change in sales mix due to a lower share of higher-margin U.S. cement sales
- The absence of year-end accrual reversals against 2019
- Unfavorable production expenses in both divisions

Twelve months: Cost of sales was 69.1% of revenues, a 2.3 percentage-point decrease from the same period in 2019. The full-year decrease was primarily due to:

- Favorable selling prices in both markets
- Execution of the cost-and-expense reduction plan
- Lower purchases of cement and coal from third parties

Selling, general and administrative expenses totaled US\$19.2 million in the fourth quarter 2020, equivalent to 8.2% of consolidated net sales - a 20 basis-point increase.

Twelve months: Selling, general and administrative expenses totaled US\$78.5 million. These were equivalent to 8.4% of sales; a 50 basis-point decrease, mainly due to the successful execution of the cost and expense reduction plan and the depreciation of the Mexican peso relative to the U.S. dollar. GCC saved US\$24.3 million, 20% more than the original US\$20 million target.

Operating income before other expenses decreased 6.1%, to US\$56.7 million in the fourth quarter 2020.

Twelve months: Operating income before other expenses increased 15.1%, to US\$211.3 million.

Other expenses were US\$12.1 million, compared to US\$6.6 million in the prior year period. This was a result of the sale of assets related to the remaining ready-mix business in Arkansas.

Twelve months: Other expenses totaled US\$23.6 million, compared to US\$7.3 million in the prior year as a result of the same reasons as the fourth quarter.

Operating income decreased 17.1% to US\$44.6 million in the fourth quarter 2020.

Twelve months: Operating income increased 6.5% to US\$187.7 million.

EBITDA decreased 5.9% to US\$81.3 million, while the EBITDA margin contracted 2.8 percentage points to 35.0%.

In the fourth quarter of 2020, 74% of EBITDA was generated by the Company's U.S. operations and 26% by its Mexico operations.

Twelve months: EBITDA increased 5.6% to US\$308.3 million, with a 32.9% margin; 1.6 percentage points above the prior year period.

GCC's U.S. operations generated 76% of EBITDA, and Mexico generated 24% of EBITDA in the full year 2020.

Net financial expenses totaled US\$11.2 million in the fourth quarter, compared to US\$6.3 million in the prior year period. This was due to a higher debt balance as GCC drew down a revolving credit line. The balance was partially offset by lower interest rates on the variable portion of the Company's financial debt.

Twelve months: Net financial expenses decreased 21.5%, to US\$28.5 million, as a result of lower interest rates on the variable portion of the Company's financial debt. This was partially offset by a higher debt balance as GCC drew down a revolving credit line in April, which was paid back by the end of the year.

Income tax totaled US\$6.3 million in the fourth quarter 2020, a 30.2% decrease.

Twelve months: Income tax totaled US\$31.2 million; a 22.7% year-on-year increase, mainly due to higher income before taxes, partially offset by a higher share of the U.S. pre-tax income in the consolidated results, which carries a lower income tax rate.

Consolidated net income was US\$27.5 million for the fourth quarter 2020, compared to US\$39 million in Q4 2019; representing a 29.4% decrease.

Twelve months: Consolidated net income increased 11.1% and totaled US\$129.7 million in the full year 2020, compared to US\$116.7 million for 2019.

Earnings per share was US\$0.0831, compared to US\$0.1171 in Q4-19, a 29% decrease.

Twelve months: Earnings per share reached US\$0.3913, as compared to US\$0.3510 in the full year 2019, a 11.5% increase.

Free cash flow was US\$99.6 million in the fourth quarter 2020, compared to US\$82.9 million for the same period in 2019. This is a reflection of lower interest expenses and maintenance CapEx, partially offset by lower EBITDA generation after operating leases (IFRS-16) and higher cash taxes.

Twelve months: Free cash flow was US\$250.6 million, compared to US\$137.9 million in 2019. This was due to higher EBITDA generation after operating leases (IFRS-16), lower interest expenses, decreased working capital requirements, as well as lower cash taxes and maintenance CapEx.

FREE CASH FLOW (millions of dollars)

	Q4 20	Q4 19	Var	2020	2019	Var
Operating income before other expenses	56.7	60.4	-6.1%	211.3	183.6	15.1%
Depreciation and amortization	24.6	26.0	-5.5%	96.9	108.4	-10.6%
EBITDA	81.3	86.4	-5.9%	308.3	292.0	5.6%
Interest (expense)	(8.4)	(9.0)	-7.2%	(21.2)	(24.6)	-13.6%
Decrease (increase) in working capital	52.3	52.7	-0.7%	26.6	(19.0)	n.m.
Taxes	(2.4)	(1.2)	96.6%	(15.3)	(21.2)	-27.8%
Prepaid expenses	(1.9)	(3.1)	-40.5%	(0.1)	(2.7)	-96.6%
Accruals and other accounts	(12.3)	(31.7)	-61.1%	(1.8)	(25.1)	-93.0%
Operating leases (IFRS16 effect)	(4.3)	(4.8)	-8.7%	(19.0)	(20.8)	-8.5%
Operating cash flow	104.2	89.2	16.8%	277.4	178.6	55.4%
Maintenance CapEx	(4.6)	(6.3)	-26.6%	(26.8)	(40.7)	-34.1%
Free cash flow	99.6	82.9	20.1%	250.6	137.9	81.8%
Strategic & Growth CapEx	(4.1)	(10.9)	-62.8%	(5.6)	(24.0)	-76.7%
Share repurchase, net	0.0	(0.3)	0.0%	(5.2)	(1.2)	332.4%
Sale of assets	2.6	1.2	122.8%	2.6	1.2	122.8%
Revolving credit line, net	(50.0)	0.0	100.0%	0.0	0.0	0.0%
Debt amortization, net	(10.0)	(2.0)	400.0%	(25.4)	(4.4)	477.8%
Dividends paid	0.0	0.0	0.0%	(7.0)	(13.9)	-49.6%
FX effect	13.2	2.9	357.4%	1.7	3.2	-48.3%
Initial cash balance	510.9	276.9	84.5%	350.5	251.8	39.2%
Final cash balance	562.1	350.5	60.4%	562.1	350.5	60.4%
FCF conversion rate*	122.5%	95.9%		81.3%	47.2%	

*Free cash flow conversion rate: free cash flow after maintenance CapEx/EBITDA

Total debt was US\$632 million as of December 31, 2020, based on contractual balances; a 3.9% year-on-year decrease.

Short-term debt was US\$92 million. This represented 14.6% of the total debt.

As of December 31, 2020, 100% of GCC's debt was denominated in U.S. dollars.

Net leverage (net debt/EBITDA) at the end of the fourth quarter 2020 was 0.24 times, compared to 0.61 as of September 30, 2020, appropriately aligned with contractual obligations.

INTEREST-BEARING DEBT* (millions of dollars)

	December 2020	December 2019	2020 vs. 2019
Total	632.0	657.4	-3.9%
Short-term	92.0	25.4	261.8%
Long-term	540.0	632.0	-14.6%

*Excludes amortizable commissions and issuance expenses

BASIS OF PREPARATION FOR FINANCIAL STATEMENTS

Financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) and use the U.S. dollar as the presentation currency.

Currency translations from pesos into U.S. dollars use the average monthly exchange rates published by Banco de México, as shown below.

EXCHANGE RATES (pesos per U.S. dollar)

	2020	2019
Fourth quarter average	20.6042	19.2734
As of December 31	19.9487	18.8452
Accumulated average	21.4916	19.2594

Unless otherwise stated, all percentage changes refer to the fourth quarter (or twelve months) of 2020 compared to the corresponding periods of 2019.

ANALYST COVERAGE

Analysts at the following brokerages currently cover GCC's shares:

1. Actinver
2. Bank of America Merrill Lynch
3. Data Based Analysis
4. GBM - Grupo Bursátil Mexicano
5. Grupo Financiero Banorte
6. Grupo Financiero Ve por Más
7. INVEX, Grupo Financiero
8. Itaú BBA
9. J.P. Morgan
10. Morgan Stanley
11. Nau Securities Limited
12. Santander
13. Scotiabank
14. UBS

MATERIAL EVENTS

GCC obtained a favorable resolution in the annulment of the damages award. All legal proceedings in Bolivia have been exhausted.

GCC announced on November 12, 2020, that the Company obtained a favorable resolution with the annulment of the “Damages Award” in the arbitration process by Compañía de Inversiones Mercantiles, S.A. (“CIMSA”) against the Company and pursuant to the Inter-American Commission on International Commercial Arbitration.

The highest constitutional justice authority in Bolivia set aside the previous award on October 29, 2020. Consequently, all legal proceedings filed in the country of Bolivia have been resolved in favor of GCC.

Based on this resolution, the Company moved forward with the corresponding legal proceedings in the United States to reverse the ruling from the District Court of Colorado.

Income Statement

(Thousands of dollars)

	4Q 2020	%	4Q 2019	%	Q20 / Q19
Net sales	232,464	100.0%	228,570	100.0%	1.7%
US sales	165,162	71.0%	167,014	73.1%	-1.1%
Mexico sales	67,302	29.0%	61,556	26.9%	9.3%
Cost of sales	156,627	67.4%	149,834	65.6%	4.5%
Gross income	75,837	32.6%	78,736	34.4%	-3.7%
Selling, general and administrative expenses	19,151	8.2%	18,339	8.0%	4.4%
Operating income before other expenses, net	56,686	24.4%	60,397	26.4%	-6.1%
Other (income) expenses	12,102	5.2%	6,603	2.9%	83.3%
Operating income	44,584	19.2%	53,794	23.5%	-17.1%
Financial income	1,594	0.7%	2,223	1.0%	-28.3%
Financial expenses	(8,190)	-3.5%	(5,051)	-2.2%	62.1%
Exchange gain (loss), net	(4,568)	-2.0%	(3,479)	-1.5%	31.3%
Net financing expenses	(11,164)	-4.8%	(6,307)	-2.8%	77.0%
Share of profit of associates and joint venture	422	0.2%	530	0.2%	-20.4%
Income before income taxes	33,842	14.6%	48,017	21.0%	-29.5%
Income taxes (benefit)	6,317	2.7%	9,047	4.0%	-30.2%
Consolidated net income	27,525	11.8%	38,970	17.0%	-29.4%
Controlling interest	27,525	11.8%	38,970	17.0%	-29.4%
Non-controlling interest	-	0.0%	-	0.0%	0.0%
EBITDA	81,255	35.0%	86,388	37.8%	-5.9%
Free cash flow	99,555	42.8%	82,873	36.3%	20.1%

Cumulative Income Statement to December

(Thousands of dollars)

	2020	%	2019	%	2020 / 2019
Net sales	937,750	100.0%	934,115	100.0%	0.4%
US sales	693,139	73.9%	681,863	73.0%	1.7%
Mexico sales	244,611	26.1%	252,252	27.0%	-3.0%
Cost of sales	647,890	69.1%	667,201	71.4%	-2.9%
Gross income	289,860	30.9%	266,914	28.6%	8.6%
Selling, general and administrative expenses	78,524	8.4%	83,348	8.9%	-5.8%
Operating income before other expenses, net	211,336	22.5%	183,566	19.7%	15.1%
Other (income) expenses	23,640	2.5%	7,289	0.8%	224.3%
Operating income	187,696	20.0%	176,277	18.9%	6.5%
Financial income	6,363	0.7%	8,849	0.9%	-28.1%
Financial expenses	(35,814)	-3.8%	(41,002)	-4.4%	-12.7%
Exchange gain (loss), net	944	0.1%	(4,141)	-0.4%	-122.8%
Net financing expenses	(28,507)	-3.0%	(36,294)	-3.9%	-21.5%
Share of profit of associates and joint venture	1,703	0.2%	2,163	0.2%	-21.3%
Income before income taxes	160,892	17.2%	142,146	15.2%	13.2%
Income taxes (benefit)	31,185	3.3%	25,409	2.7%	22.7%
Consolidated net income	129,707	13.8%	116,737	12.5%	11.1%
Controlling interest	129,706	13.8%	116,733	12.5%	11.1%
Non-controlling interests	1	0.0%	4	0.0%	-75.0%
EBITDA	308,281	32.9%	291,972	31.3%	5.6%
Free cash flow	250,646	26.7%	137,881	14.8%	81.8%

2020 Income Statement

(Thousands of dollars)

	1Q 2020	%	2Q 2020	%	3Q 2020	%	4Q 2020	%	2020
Net sales	181,400	100.0%	242,761	100.0%	281,125	100.0%	232,464	100.0%	937,750
US sales	119,671	66.0%	191,043	78.7%	217,263	89.5%	165,162	68.0%	693,139
Mexico sales	61,729	34.0%	51,718	21.3%	63,862	26.3%	67,302	27.7%	244,611
Cost of sales	139,043	76.6%	166,033	68.4%	186,187	76.7%	156,627	64.5%	647,890
Gross income	42,357	23.4%	76,728	31.6%	94,938	39.1%	75,837	31.2%	289,860
Selling, general and administrative expenses	21,725	12.0%	18,422	7.6%	19,226	7.9%	19,151	7.9%	78,524
Operating income before other expenses	20,632	11.4%	58,306	24.0%	75,712	31.2%	56,686	23.4%	211,336
Other income	208	0.1%	4,806	2.0%	6,524	2.7%	12,102	5.0%	23,640
Operating income	20,424	11.3%	53,500	22.0%	69,188	28.5%	44,584	18.4%	187,696
Financial income	1,785	1.0%	1,899	0.8%	1,085	0.4%	1,594	0.7%	6,363
Financial expenses	(9,820)	-5.4%	(10,098)	-4.2%	(7,706)	-3.2%	(8,190)	-3.4%	(35,814)
Exchange gain (loss), net	8,237	4.5%	(1,312)	-0.5%	(1,413)	-0.6%	(4,568)	-1.9%	944
Net financing expenses	202	0.1%	(9,511)	-3.9%	(8,034)	-3.3%	(11,164)	-4.6%	(28,507)
Share of profit of associates and joint venture	540	0.3%	294	0.1%	447	0.2%	422	0.2%	1,703
Income before income taxes	21,166	11.7%	44,283	18.2%	61,601	25.4%	33,842	13.9%	160,892
Income taxes (benefit)	4,701	2.6%	11,123	4.6%	9,044	3.7%	6,317	2.6%	31,185
Consolidated net income	16,465	9.1%	33,160	13.7%	52,557	21.6%	27,525	11.3%	129,707
Controlling interest	16,464	9.1%	33,160	13.7%	52,557	21.6%	27,525	11.3%	129,706
Non-controlling interest	1	0.0%	-	0.0%	-	0.0%	-	0.0%	1
EBITDA	45,304	25.0%	81,825	33.7%	99,897	41.2%	81,255	33.5%	308,281

Statement of Financial Position

(Thousands of dollars)

	December 2020	December 2019	Variation
Total assets	2,135,989	2,057,634	3.8%
Current Assets	830,136	653,718	27.0%
Cash and cash equivalents	562,144	350,523	60.4%
Accounts receivable, net	75,214	92,345	-18.6%
Other accounts receivable, net	44,983	57,637	-22.0%
Due from related parties	2,530	2,526	0.2%
Inventories	96,522	102,810	-6.1%
Urban land	36,216	35,478	2.1%
Prepaid expenses	12,527	12,399	1.0%
Non-current assets	1,305,853	1,403,916	-7.0%
Investment in associates	19,090	18,313	4.2%
Property, machinery and equipment, net	955,592	1,015,909	-5.9%
Long-term right of use assets	27,954	40,531	-31.0%
Goodwill	212,598	240,545	-11.6%
Intangible assets, net	66,766	68,508	-2.5%
Other non-current assets	23,853	20,110	18.6%
Total liabilities	960,847	983,097	-2.3%
Current liabilities	286,913	206,907	38.7%
Current portion of long-term debt	92,000	25,425	261.8%
Trade accounts payable	89,079	83,625	6.5%
Due to related parties	2,205	1,164	89.4%
Short-term - employee benefits	35,639	31,852	11.9%
Accrued expenses and taxes	47,477	41,402	14.7%
Provisions	2,116	2,651	-20.2%
Short-term right of use liabilities	18,397	20,788	-11.5%
Long-term liabilities	673,934	776,190	-13.2%
Long-term debt	536,851	624,566	-14.0%
Long-term right of use liabilities	8,114	20,661	-60.7%
Employee benefits	49,937	45,944	8.7%
Provision for environmental restoration	18,921	22,677	-16.6%
Other long-term liabilities	576	267	115.7%
Income taxes payable	4,302	11,132	-61.4%
Deferred income taxes	55,233	50,943	8.4%
Total equity	1,175,142	1,074,537	9.4%
Controlling interest	1,174,512	1,074,504	9.3%
Capital stock	32,070	32,071	0.0%
Additional paid-in capital	148,365	148,365	0.0%
Reserves	22,659	22,659	0.0%
Retained earnings	1,141,420	1,040,722	9.7%
Consolidated net income	129,706	116,733	11.1%
Other comprehensive income	(299,708)	(286,046)	-4.8%
Non-controlling interest	630	33	1809.1%
Total Liabilities and Equity	2,135,989	2,057,634	3.8%

ABOUT GCC

GCC is a leading supplier and producer of cement, concrete, aggregates and construction-related services in the United States, Mexico and Canada. The Company has an annual cement production capacity of 5.85 million metric tons.

Founded in 1941, the Company's shares are listed on the Mexican Stock Exchange under the ticker symbol GCC*.

This earnings report 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, legal, public health crises including COVID-19, 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; and 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 earnings release. Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.