cotiza en Bolsa Mexicana
GCC

4Q and Full Year 2018 Results

GCC

Building together®

Disclaimer

This presentation has been prepared by Grupo Cementos de Chihuahua, S.A.B. de C.V. (together with its subsidiaries, “GCC”). Nothing in this presentation is intended to be taken by any person as investment advice, a recommendation to buy, hold or sell any security, or an offer to sell or a solicitation of offers to purchase any security.

Information related with the market and the competitive position of GCC was obtained from public sources that GCC believes to be reliable; however, GCC does not make any representation as to its accuracy, validity, timeliness or completeness. GCC is not responsible for errors and/or omissions with respect to the information contained herein.

Forward Looking Statements

This presentation includes forward looking statements or information. These forward-looking statements may relate to GCC’s financial condition, results of operations, plans, objectives, future performance and business. 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. The information in this presentation, including but not limited to forward-looking statements, applies only as of the date of this presentation. GCC expressly disclaims any obligation or undertaking to update or revise the information, including any financial data and forward-looking statements.

Any projections have been prepared based on GCC’s views as of the date of this presentation and include estimates and assumptions about future events which may prove to be incorrect or may change over time. The projections have been prepared for illustrative purposes only, and do not constitute a forecast. While the projections are based on assumptions that GCC believes are reasonable, they are subject to uncertainties, changes in economic, operational, political, legal, and other circumstances and other risks, including, but not limited to, broad trends in business and finance, legislation affecting our securities, exchange rates, interest rates, inflation, foreign trade restrictions, and market conditions, which may cause the actual financial and other results to be materially different from the results expressed or implied by such projections.

EBITDA

We define EBITDA as consolidated net income after adding back or subtracting, as the case may be: (1) depreciation and amortization; (2) net financing expense; (3) other non-operating expenses; (4) taxes; and (5) share of earnings in associates. In managing our business, we rely on EBITDA as a means of assessing our operating performance. We believe that EBITDA enhances the understanding of our financial performance and our ability to satisfy principal and interest obligations with respect to our indebtedness as well as to fund capital expenditures and working capital requirements. We also believe EBITDA is a useful basis of comparing our results with those of other companies because it presents results of operations on a basis unaffected by capital structure and taxes. EBITDA, however, is not a measure of financial performance under IFRS or U.S. GAAP and should not be considered as an alternative to net income as a measure of operating performance or to cash flows from operating activities as a measure of liquidity. Our calculation of EBITDA may not be comparable to other companies’ calculation of similarly titled measures.

Currency translations / physical volumes

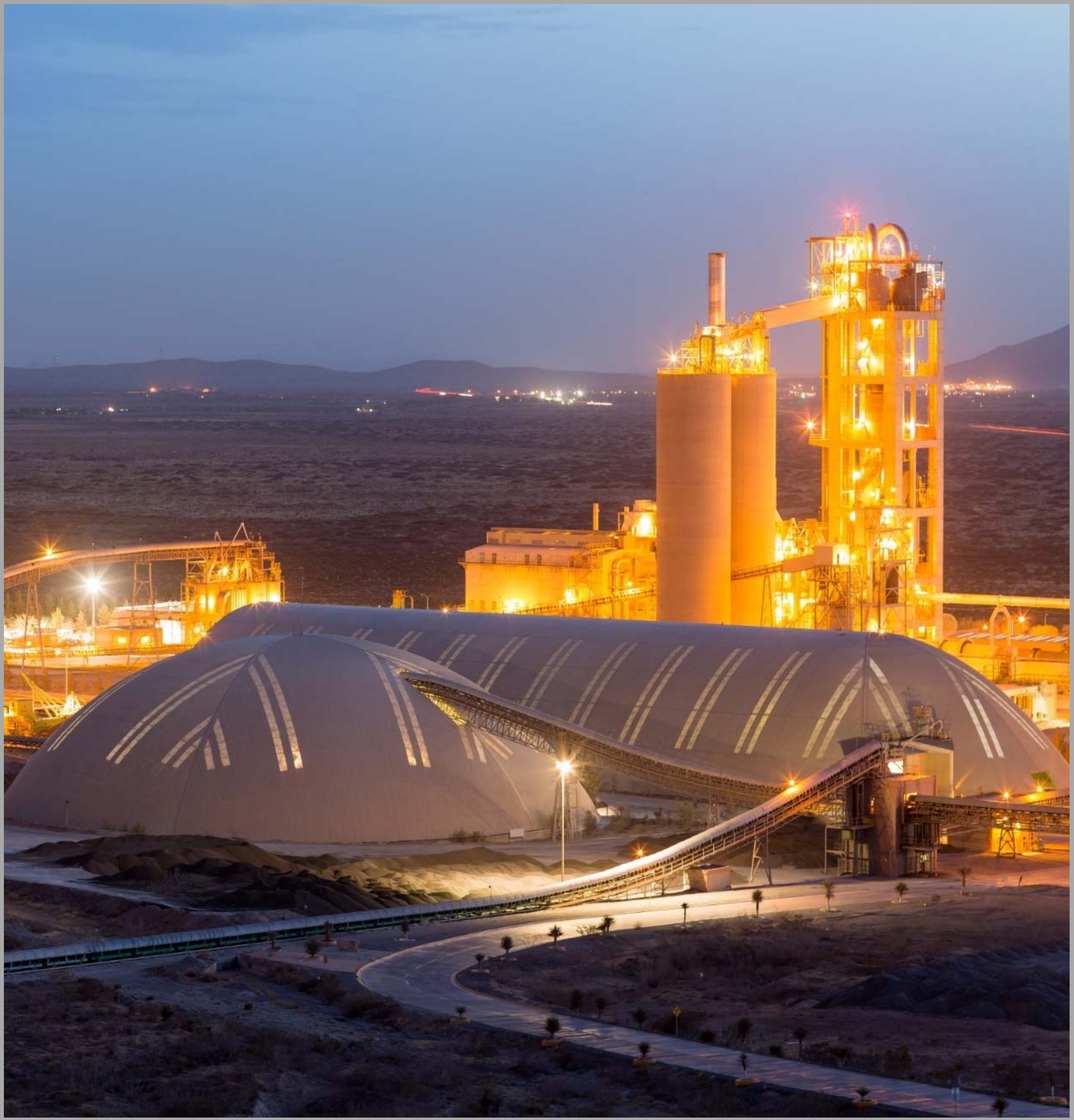
All monetary amounts in this presentation are expressed in U.S. Dollars ($ or US$). Currency translations from pesos into U.S. dollars use the average monthly exchange rates published by Banco de México. These translations do not purport to reflect the actual exchange rates at which cross-currency transactions occurred or could have occurred.

The average exchange rates (Pesos per U.S. dollar) used for recent periods are: 4Q18: 19.84 - 4Q17: 18.95 - 2018: 19.24 - 2017: 18.93

Physical volumes are stated in metric tons (mt), millions of metric tons (mmt), cubic meters (m^3), or millions of cubic meters (mm^3).

Investment highlights

1. Leading position in attractive U.S. regional markets and in Chihuahua, Mexico
2. Mexico operations also provide a strong base, and add operational flexibility and export capacity
3. Vertically integrated, with state of the art production facilities and logistics
4. Experienced management team with track record of successful integration of new operations and solid business plan
5. Increased free float and stronger balance sheet improve positive outlook for value realization



Four-plus years of operational and financial transformation

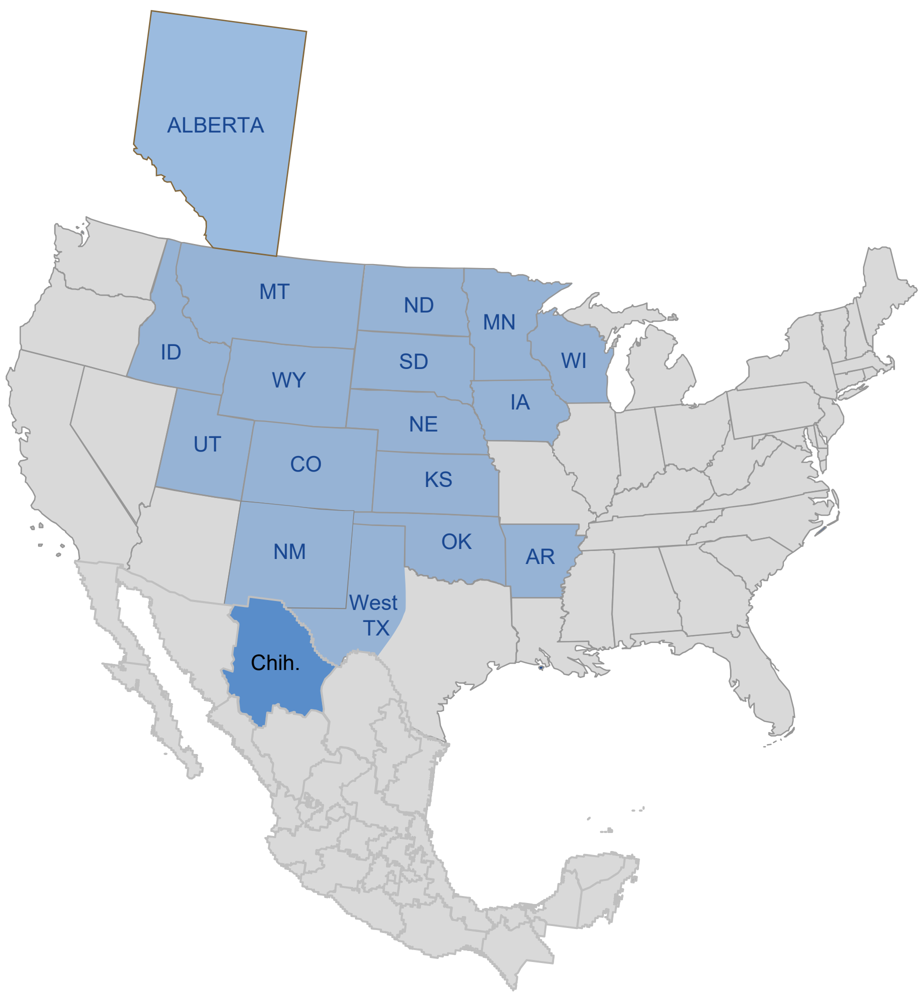
- **Disciplined expansion**
- **Customer focus**
- **Operational excellence**
- **Prudent balance sheet management**
- **Increased shareholder value**

As of December 2018 vs 2014

Cement Capacity	EBITDA USD	EBITDA Margin	Leverage	Free float	Share Price (02/13/19)
+1.3mmt +28%	+66%	+860 bp	2.28 → 1.59 x	25% → 48%	+156%

GCC at a Glance: a Unique Market Presence

Geographic footprint in "Center Cut" of North America from northern Mexico to U.S. and Canada border



- **5.8 MMT[1] cement production capacity**
  - **3.5 MMT in U.S. + 2.3 MMT in Mexico**
- **#1 or #2 in core markets**
  - **Landlocked states, insulated from seaborne competition**
- **8 cement plants, 19 terminals, 2 distribution centers and 92 ready-mix plants**
- **77 years of operation – 26 in the U.S.**
- **Listed on Mexican Stock Exchange: GCC**
- **Included in MSCI Indexes**
- **Included in S&P/BMV IPC Index**

2018 results (US$)

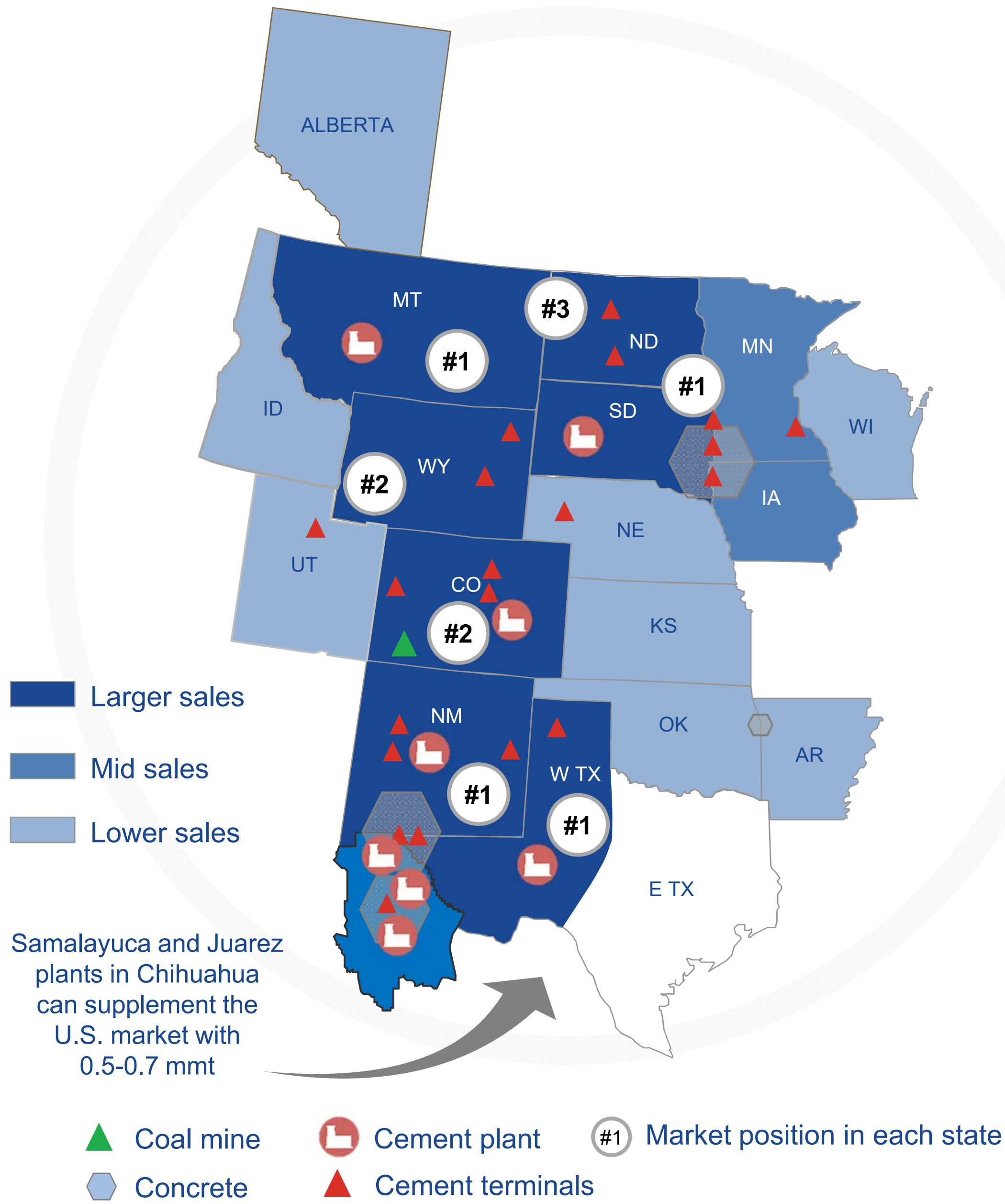
$883 million Sales – 73% U.S. / 27% Mexico

$256 mm EBITDA – 62% U.S. / 38% Mexico

29.0% EBITDA margin

[1]MMT = million metric tons

1 Regional leader in U.S. mid-continent markets …

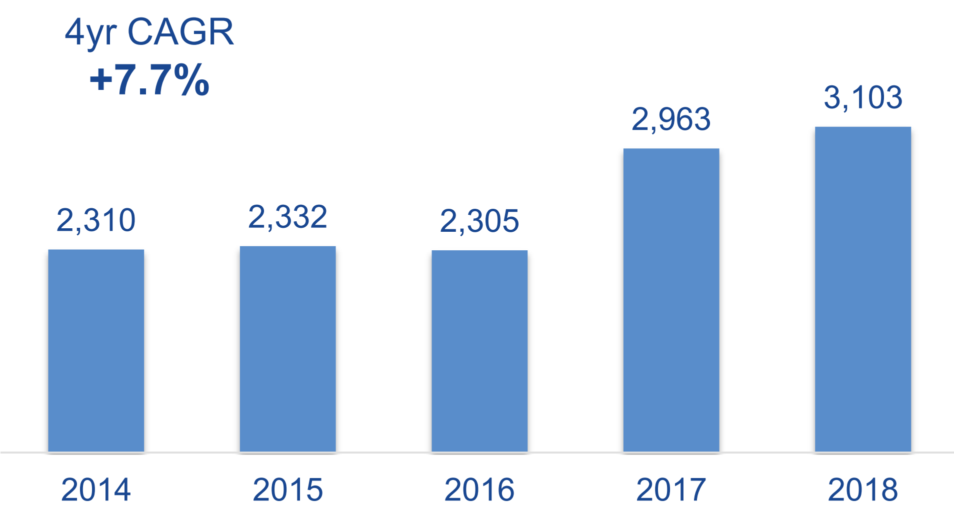


Well-positioned to capture U.S. growth and construction industry recovery

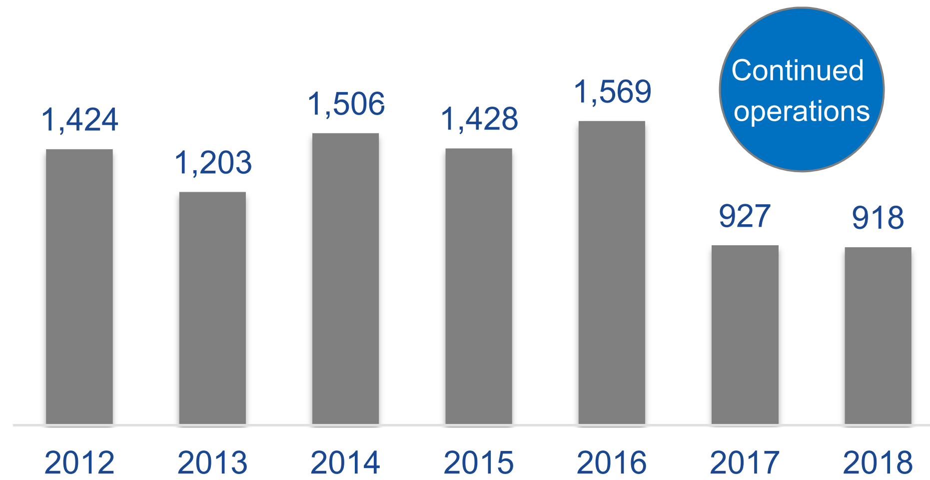
- Leadership position in 15 contiguous states
  - CO, SD, NM, W.TX, MT and ND are our core markets, with 80% of U.S. sales
- No other producer competes with GCC across all our markets
- Diversified regional economies with low unemployment, offering clear upside to U.S. construction recovery
- Pricing upswing since 2013
  - Limited prospects for greenfield capacity expansion
  - Well-protected from seaborne imports
- Rapid City, SD plant expansion (+ 0.4 MMT) increased U.S. cement capacity to 3.5 MMT per year
- Trident cement plant acquisition

1 … Markets with demonstrated volume and price recovery …

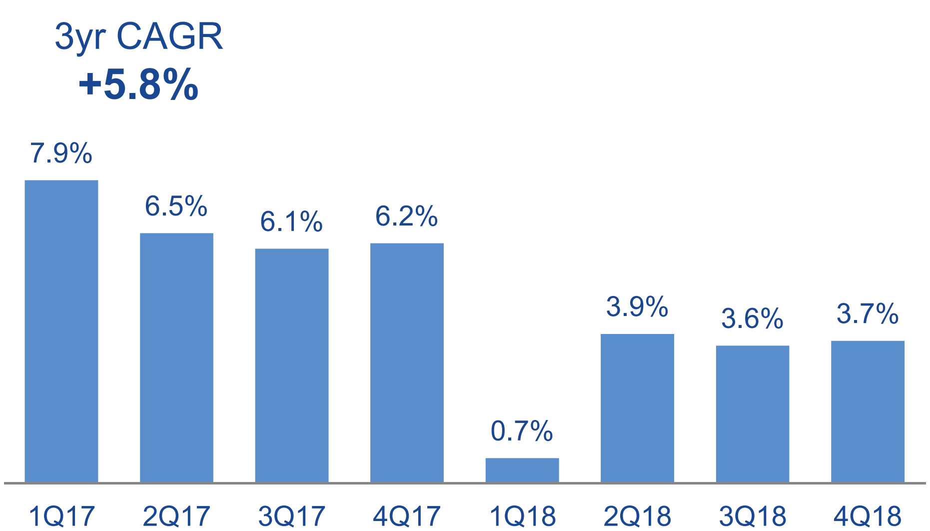
GCC U.S. Cement Sales ('000 mt)



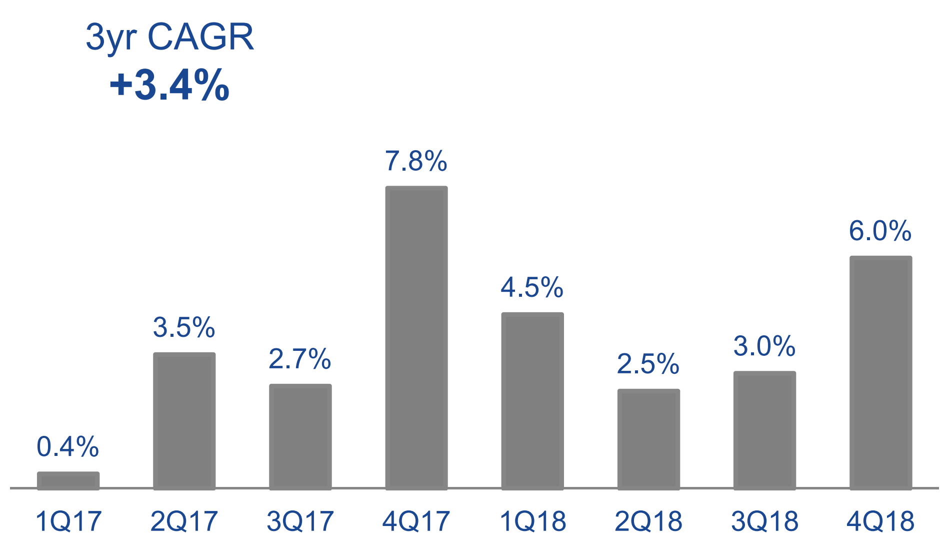
GCC U.S. Concrete Sales ('000 m³ / year)



GCC U.S. Cement Prices (Change, year-over-year)



GCC U.S. Concrete Prices (Change, year-over-year)



GCC

* Excludes recent acquisitions

1 … Where GCC faces fragmented competition and has a diversified business mix …

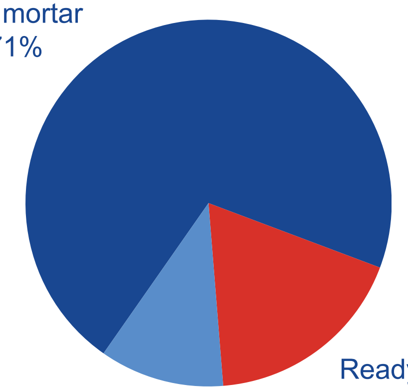
GCC market position and competitors in core markets

	Colorado	N Mexico	N Dakota	S Dakota	W Texas	Wyoming	Montana
GCC market position	**#2**	**#1**	**#3**	**#1**	**#1**	**#2**	**#1**
GCC cement plant in state	✓	✓	—	✓	✓	—	✓
Competitor in-state plant	LHN, CX	**none**	**none**	**none**	BZU*	EXP	CRH
Other principal competitors	EXP	LHN	HEI, LHN CRH	LHN, CRH	**	—	—

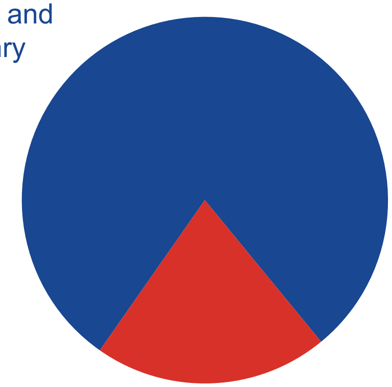
* Refers to West Texas only

** Aprox. 12 mmt of capacity in E and Central Texas

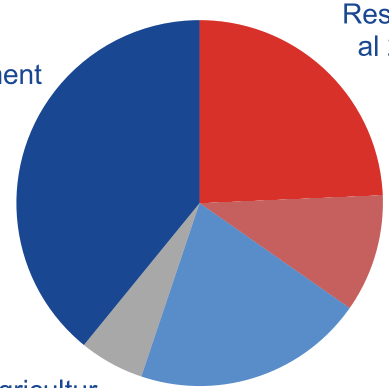
U.S. 2018 sales mix



U.S. 2018 volume by cement type



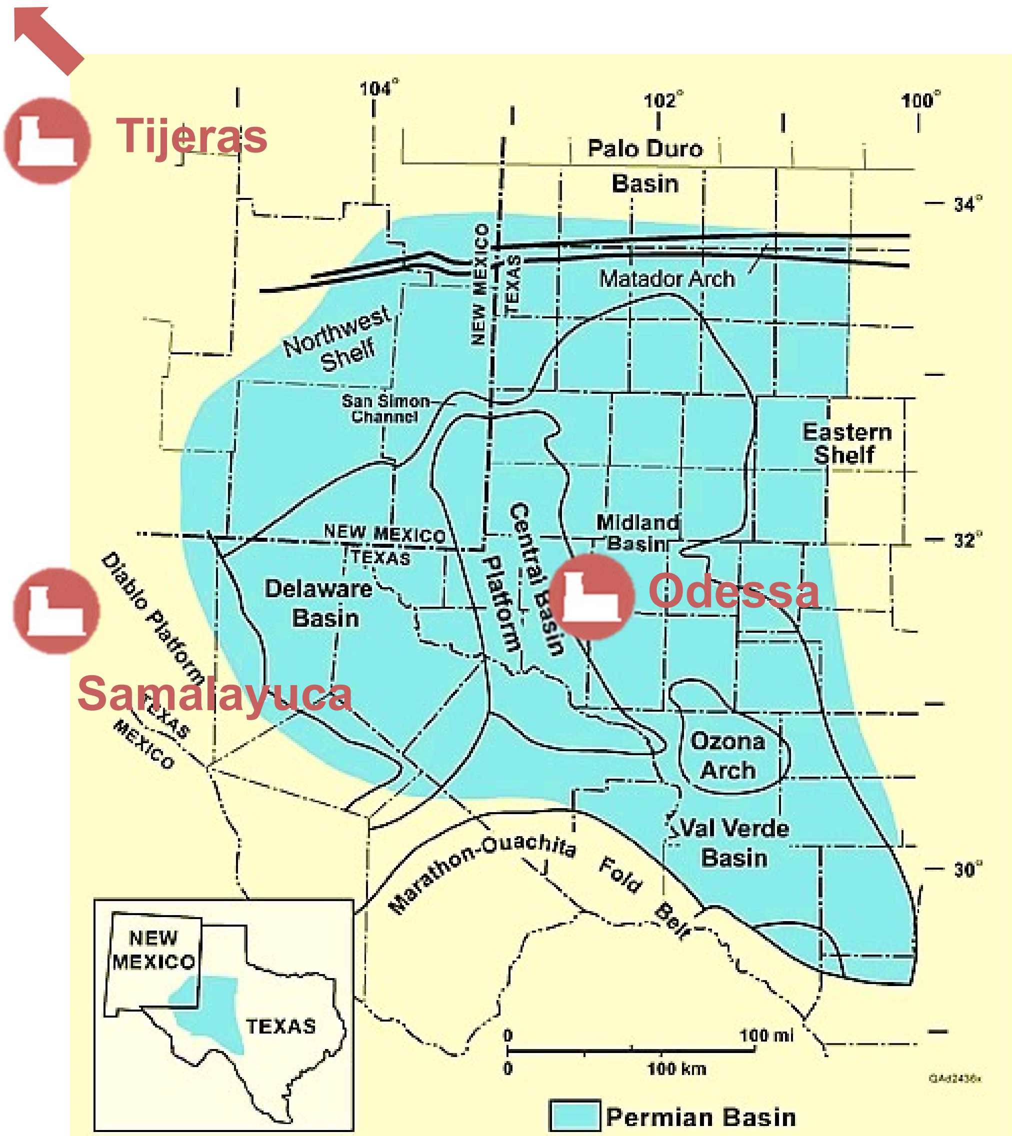
U.S. 2018 sectors[1]



GCC

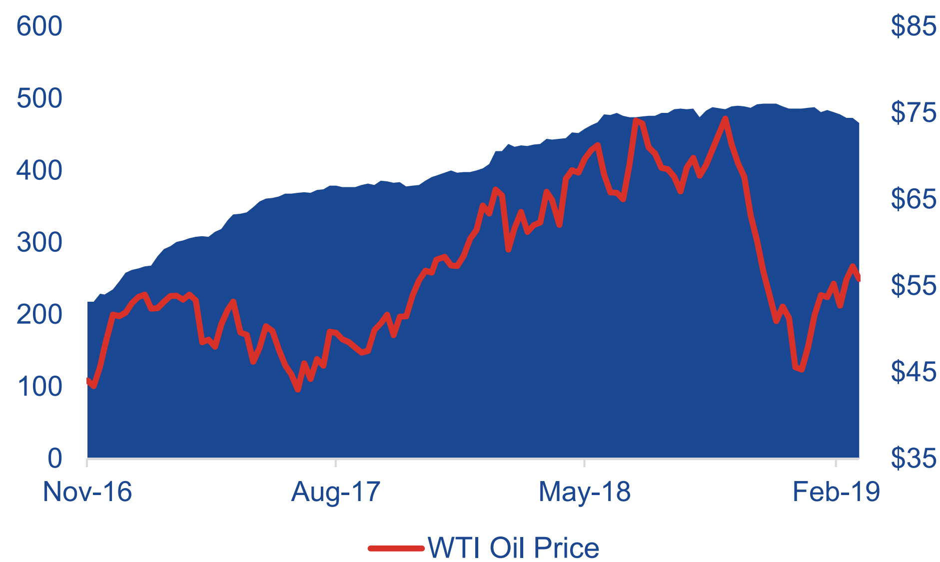
[1] Sales by segment, weighted GCC sales by state. PCA Winter forecast 2018

1 …With a centralized location to supply the booming Permian Basin oil patch of W. Texas and New Mexico …



- Permian basin has the lowest development cost of any field in the U.S. due to favorable geology and existing pipeline infrastructure
- Rig count in the basin has increased nearly 348% since April 2016; from 134 to 466 rigs (Mar 2019)
- Odessa (fully dedicated) and Tijeras (supplementing) plants produce oil well cement; Samalayuca addresses Portland grey cement demand in W. Texas
- Permian Basin becoming the world's[1] largest oil patch

Rotary drilling rig count in the Permian Basin

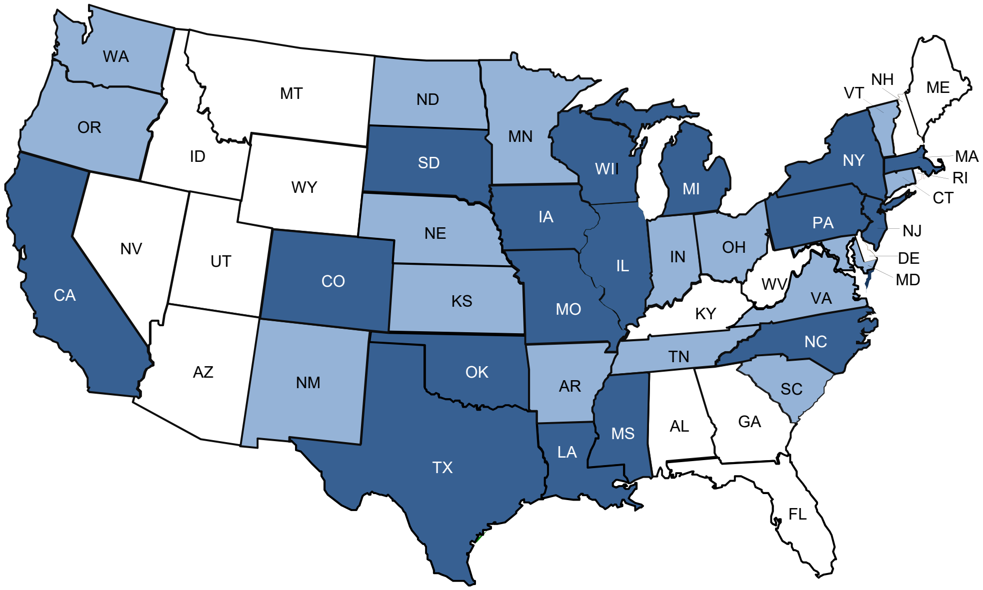


Sources: U.S. DOE (map); Baker Hughes, North American Rotary Rig Count. Retrieved from www.bhge.com, www.nytimes.com
[1] Bloomberg News, April 2018. Permian Basin is growing into the largest oil patch in the world.

1 …And a clear need for increased infrastructure spending…

Deficient roads[1]

Lane miles rated 'poor' as a share of total lane miles



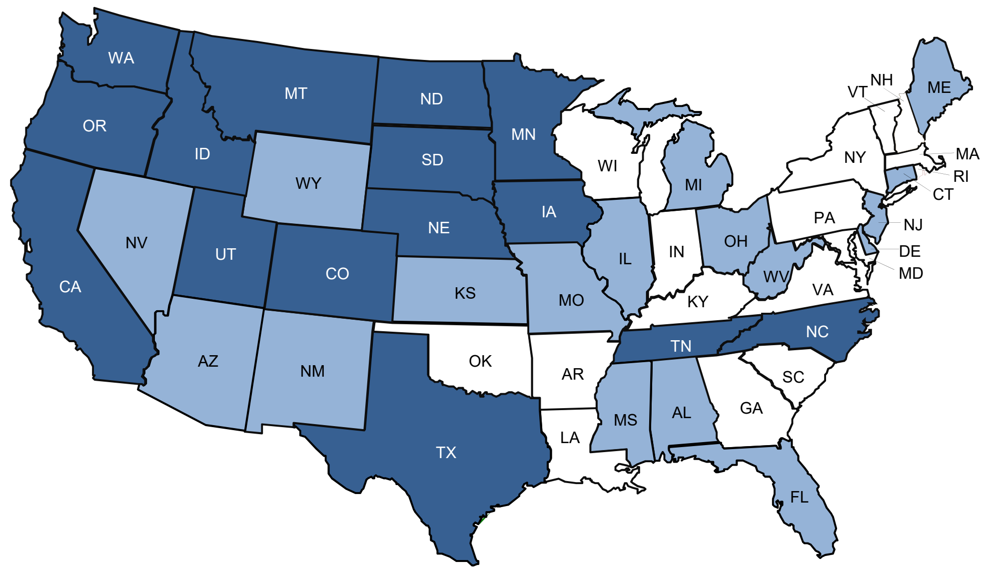
Highest Concentration

Average Concentration

Lowest Concentration

Cement fundamentals[2]

Based on PCA Sector Composite Rankings*



Above Average

Average

Below Average

GCC

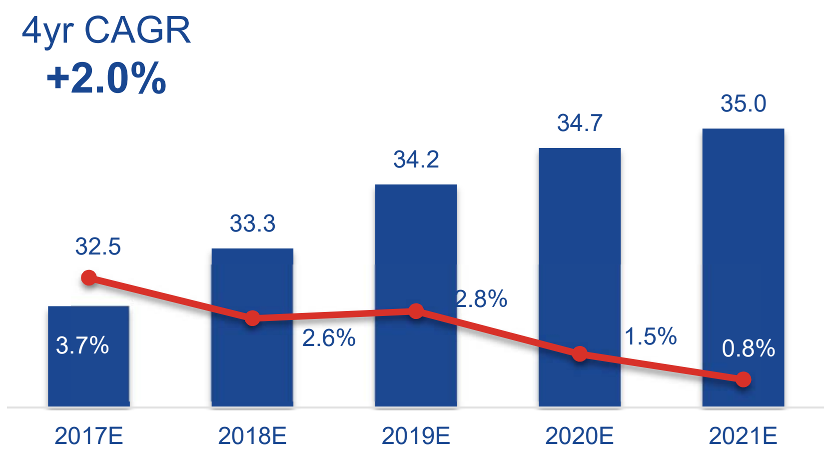
[1]Source: PCA United States' Cement Outlook
[2]Source: PCA Market Intelligence

*Res: Mortgage Delinquency and Unemployment Rates, Home Prices
Non Res: Manufacturing, Office, Retail and Hospitality (Jobs Recovered)
Public: Fiscal Health, Transportation Capital Expenditures, Employment, Long-Term Public Debt

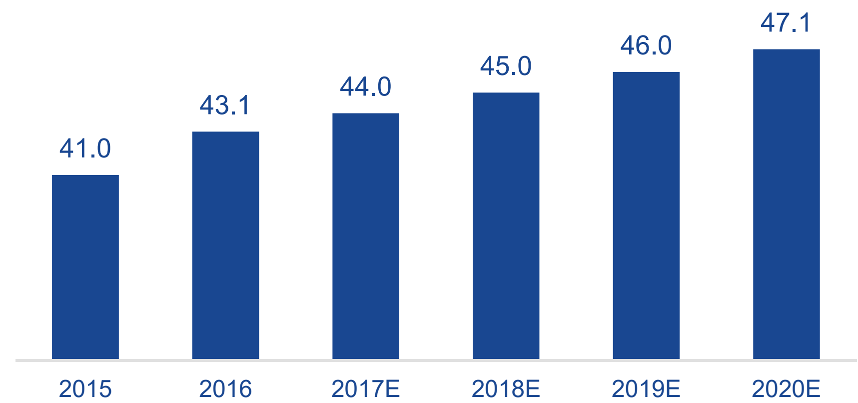
1

…Leading to a positive outlook, driven by an expected increase in infrastructure spending …

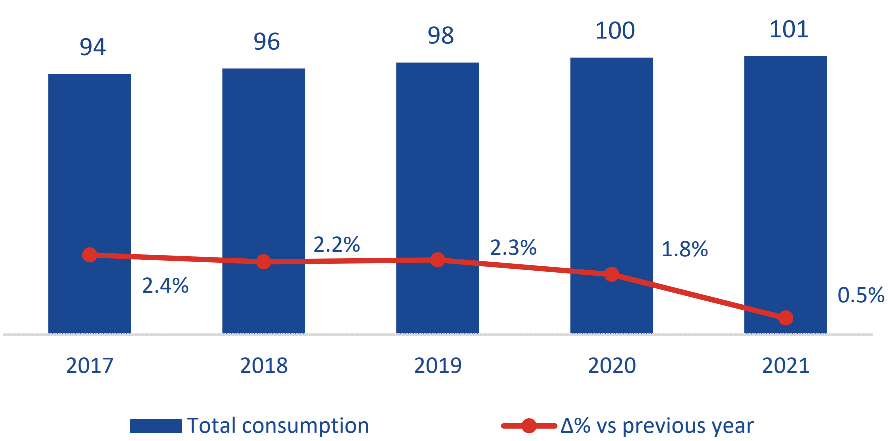
Forecast cement consumption in all GCC U.S. markets (MMT) [2]



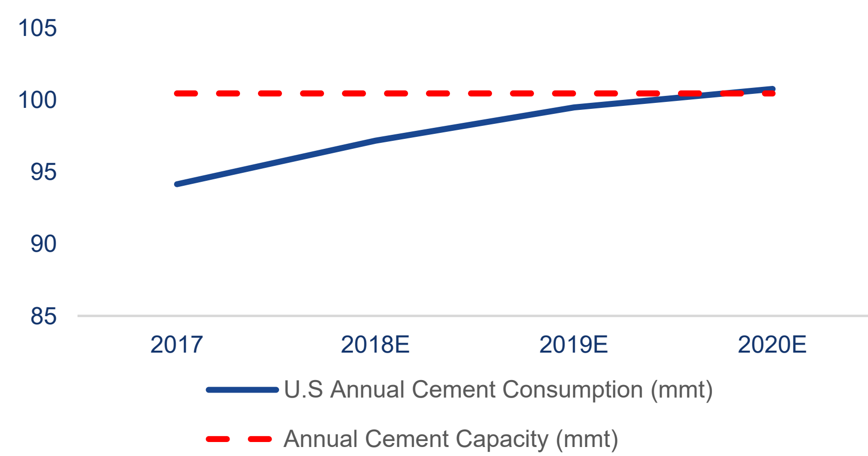
Highway budget authorizations included in the FAST[1] Act ($ bb)



Forecast total U.S. cement consumption (mmt) [3]



U.S cement demand will outpace supply by 2019 Imports will be a critical source of supply



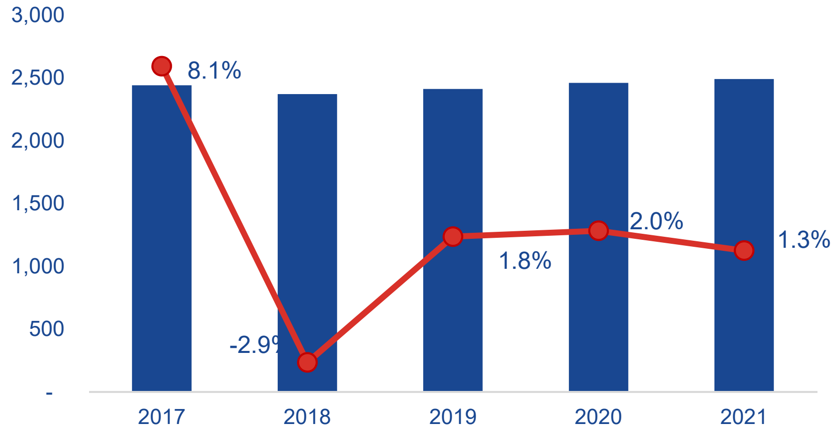
GCC

Sources: U.S. DOT Federal Highway Administration, PCA, and DBA
[1] Fixing America's Surface Transportation Act, signed into law 2015
[2] PCA Winter 2018 Forecast Analysis
[3] PCA Spring 2019 Forecast Analysis

…With a solid outlook in key states

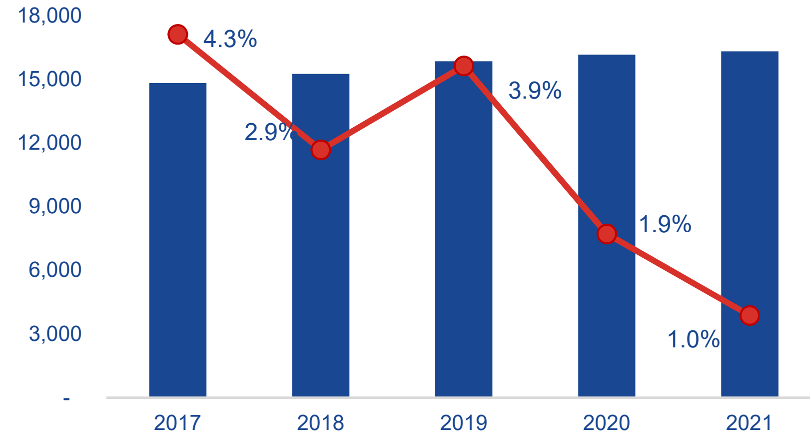
Portland Cement Association (PCA) Winter 2018 Forecast and main consumers

Colorado



1- Residential
2- Government
3- Commercial

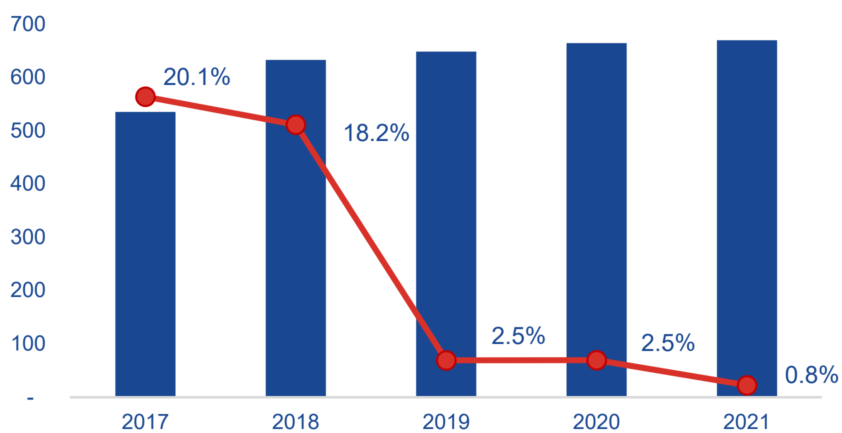
Texas



1- Government
2- Residential/Commercial
3- Oil Rig/Well*

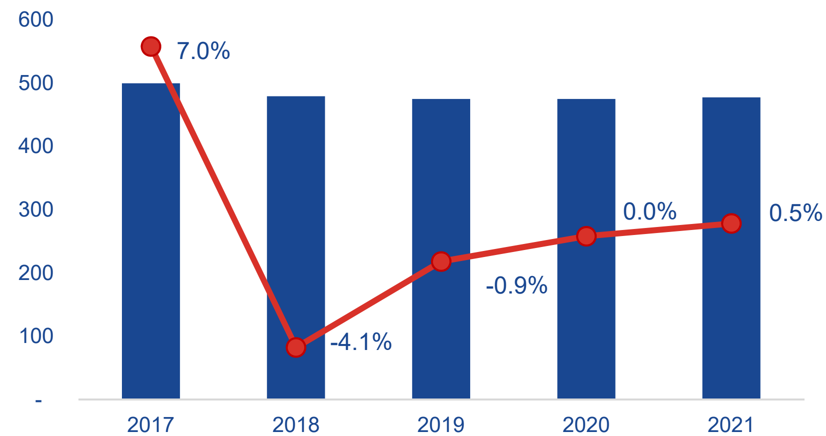
Total Consumption (´000 mt)
Δ% vs previous year

New Mexico



1- Residential
2- Oil Rig/Well
3- Government

South Dakota



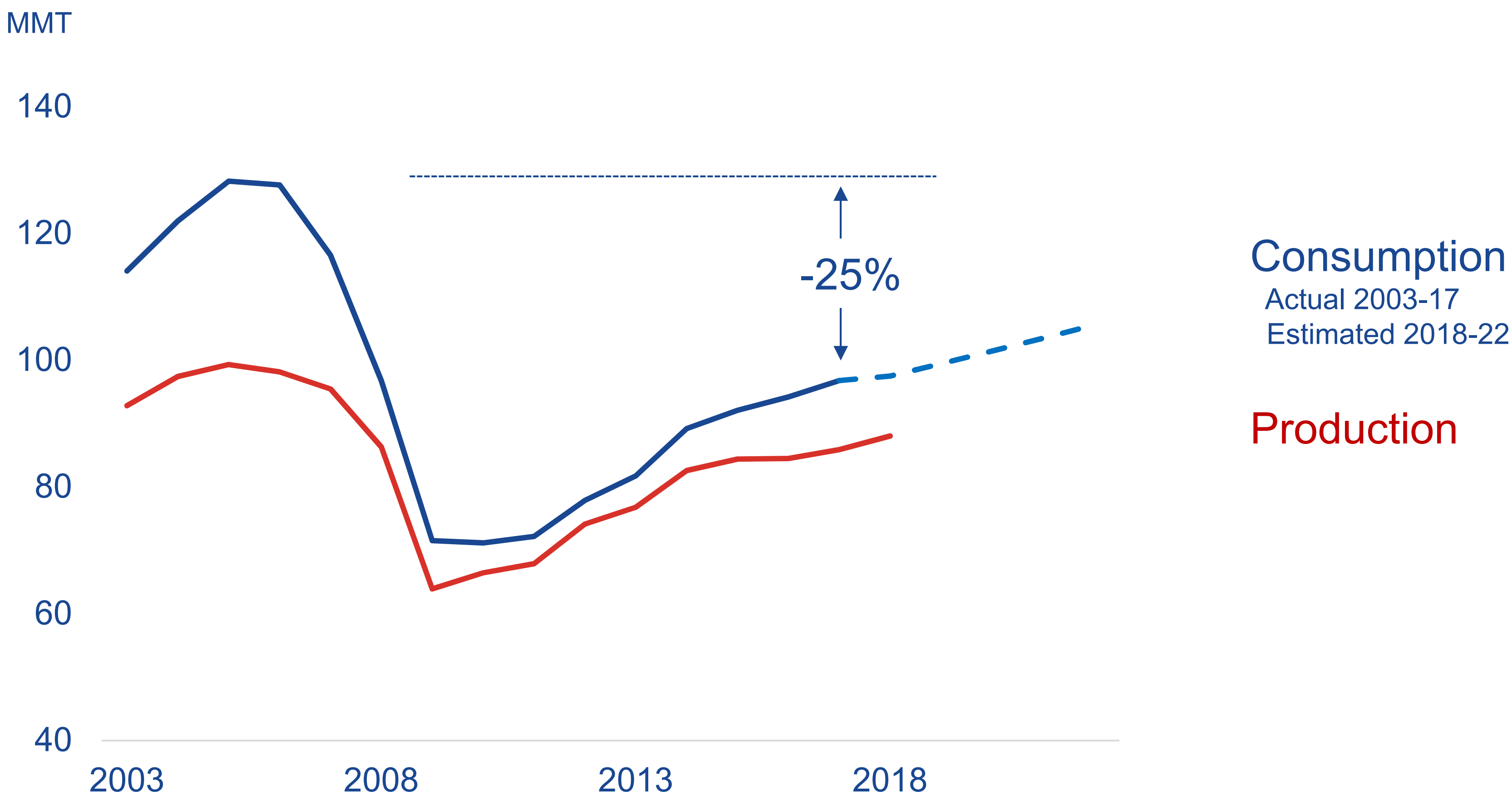
1- Government
2- Residential
3- Non-residential

Source: PCA Winter 2018 Forecast Analysis
* Includes West and East Texas

1 … And in a favorable phase of the U.S. cement cycle

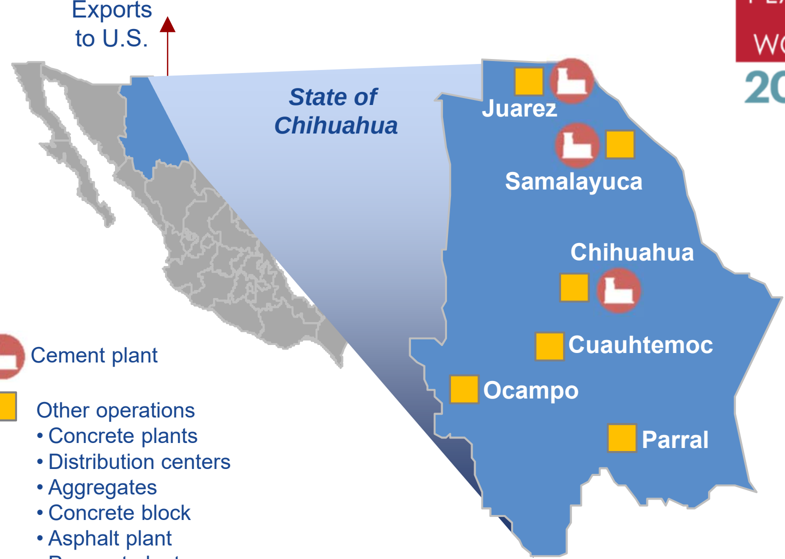
- 2017 U.S. apparent consumption is still 25% below 2005 peak
- Current expansion is 8 years and counting, compared to the median 13 year expansion in previous 4 cycles
- Import share is about 12% of consumption, compared to 25% share in 2006

U.S. Cement Production and Consumption



Source: USGS, GCC

2 Leading producer in the state of Chihuahua, with significant export capacity



Cement plant

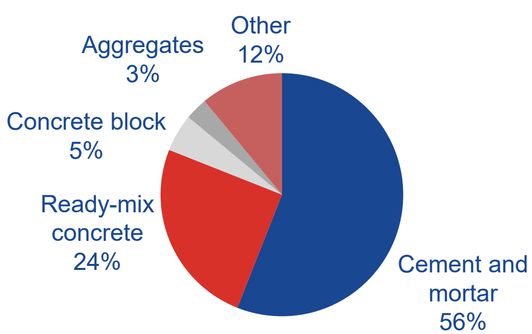
Other operations
- Concrete plants
- Distribution centers
- Aggregates
- Concrete block
- Asphalt plant
- Pre-cast plant

GREAT PLACE TO WORK® 2017

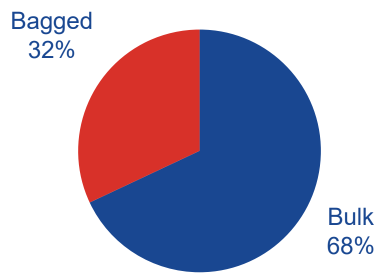
Mexico cement capacity: 2.3 mmt

2018 sales mix

Products



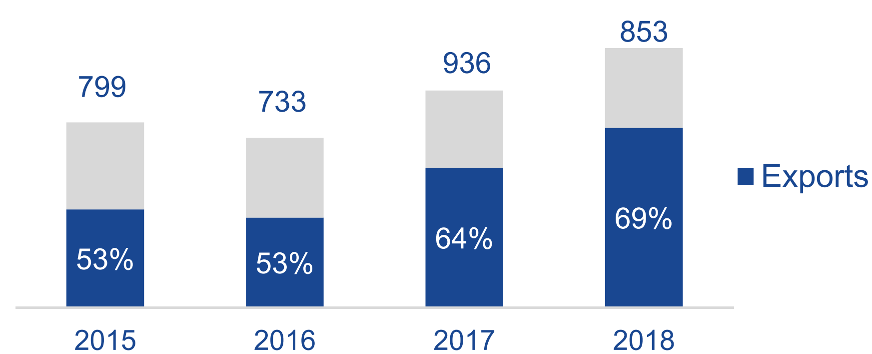
Format



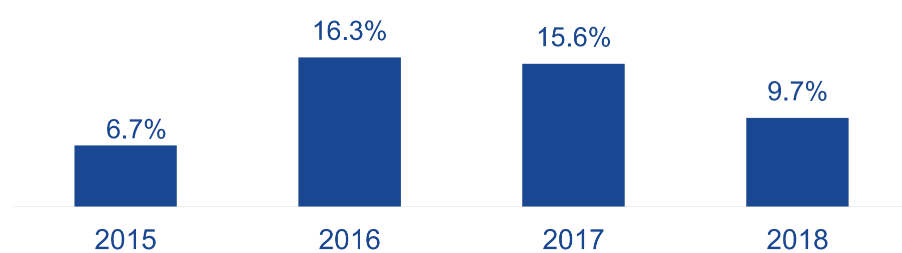
Strong market fundamentals

- GCC is sole producer of cement and the leading producer of ready-mix concrete in Chihuahua
- Close economic ties between Chihuahua and the U.S.
  - Cyclical recovery benefit
  - Foreign direct investment target
- Demand growth driven by private sector
- Flexibility to supply Texas and New Mexico demand from Samalayuca and Juarez

Export share of Samalayuca and Juarez production ('000 mt)



Cement pricing trends (% change year-on-year)[1]



GCC

[1] Price changes in pesos

Vertically integrated operations ...

3

GCC is present at all the stages of the cement and ready-mix supply chain

Thermal energy	✓	Coal mine in Colorado provides a significant source of fuel for GCC cement plants, lowering costs and reducing price volatility
Raw materials	✓	GCC owns most of the limestone quarries needed to supply cement, ready-mix and aggregates operations over the long-term
Cement	✓	8 plants in the U.S. and Mexico, close to raw materials sources
Ready-mix	✓	92 plants. GCC cement plants supply almost a 100% of the cement used in our ready-mix operations
Cement terminals	✓	19 cement terminals, 2 distribution centers, and transfer stations from Chihuahua to the U.S. – Canadian border
Transport	✓	More than 2,200 railcars and 900+ mixer and haul trucks to transport cement, concrete and aggregates

3 ...With state of the art production facilities ...

Pueblo, CO
1.1 MMT
2008 startup

Chihuahua, Chih.
1.1 MMT

1941 startup
2009 modernized

Rapid City, SD
1.1 MMT
2018 expansion

Samalayuca, Chih.
1.1 MMT

1995 startup
2002 modernized

United States: 3.5 MMT

5.8 MMT

Available Capacity
0.9 MMT
(December 2018)

Mexico: 2.3 MMT

Tijeras, NM
0.4 MMT
2015 modernized

Juarez, Chih.
0.1 MMT
Specialty cements

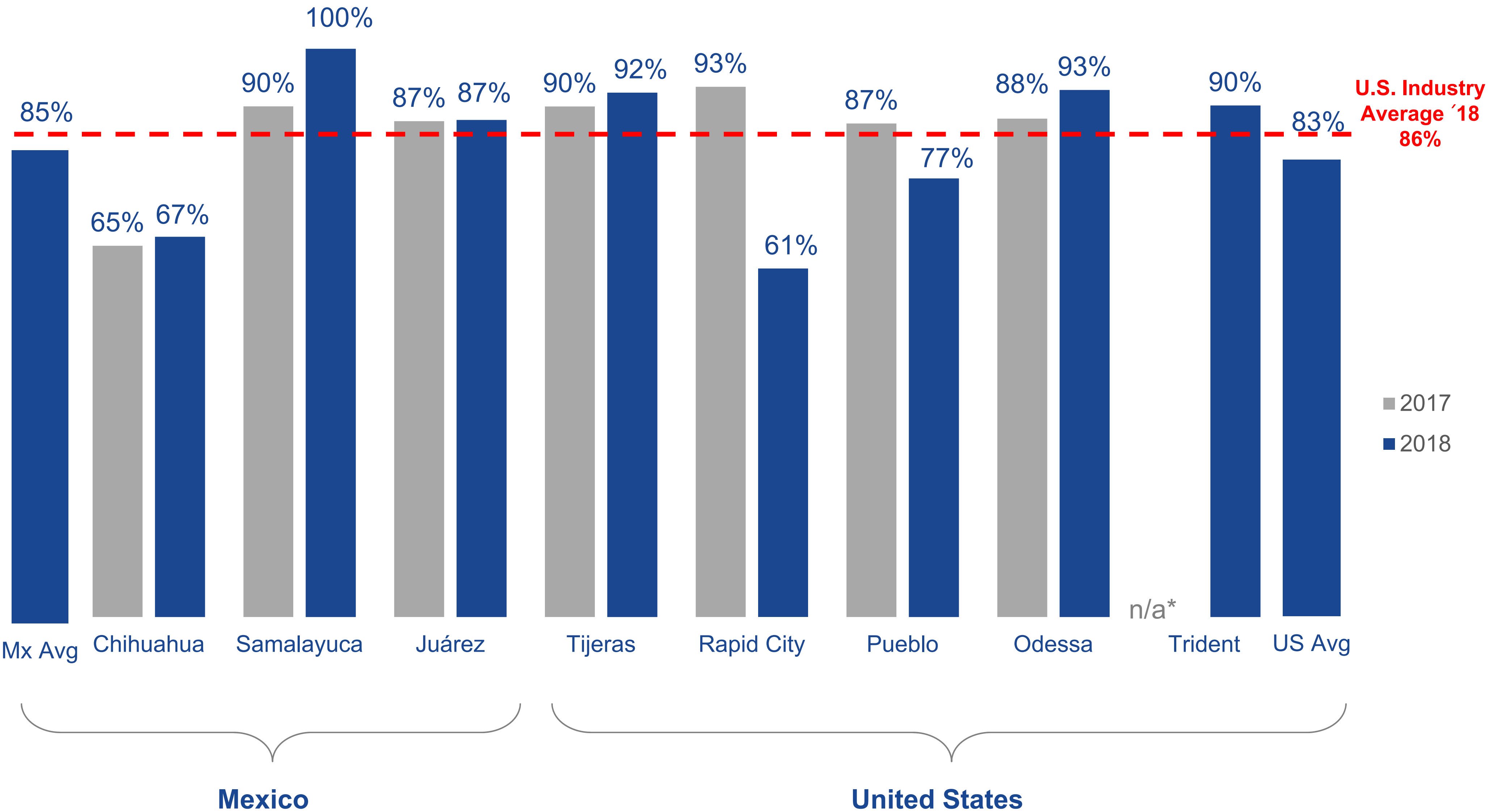
1972 startup
2000 modernized

Odessa, TX
0.5 MMT
Oil well cements
2016 acquired

Trident, MMT
0.3 MMT
2018 acquired

GCC

3 … Operating at near optimal capacity utilization levels …



GCC

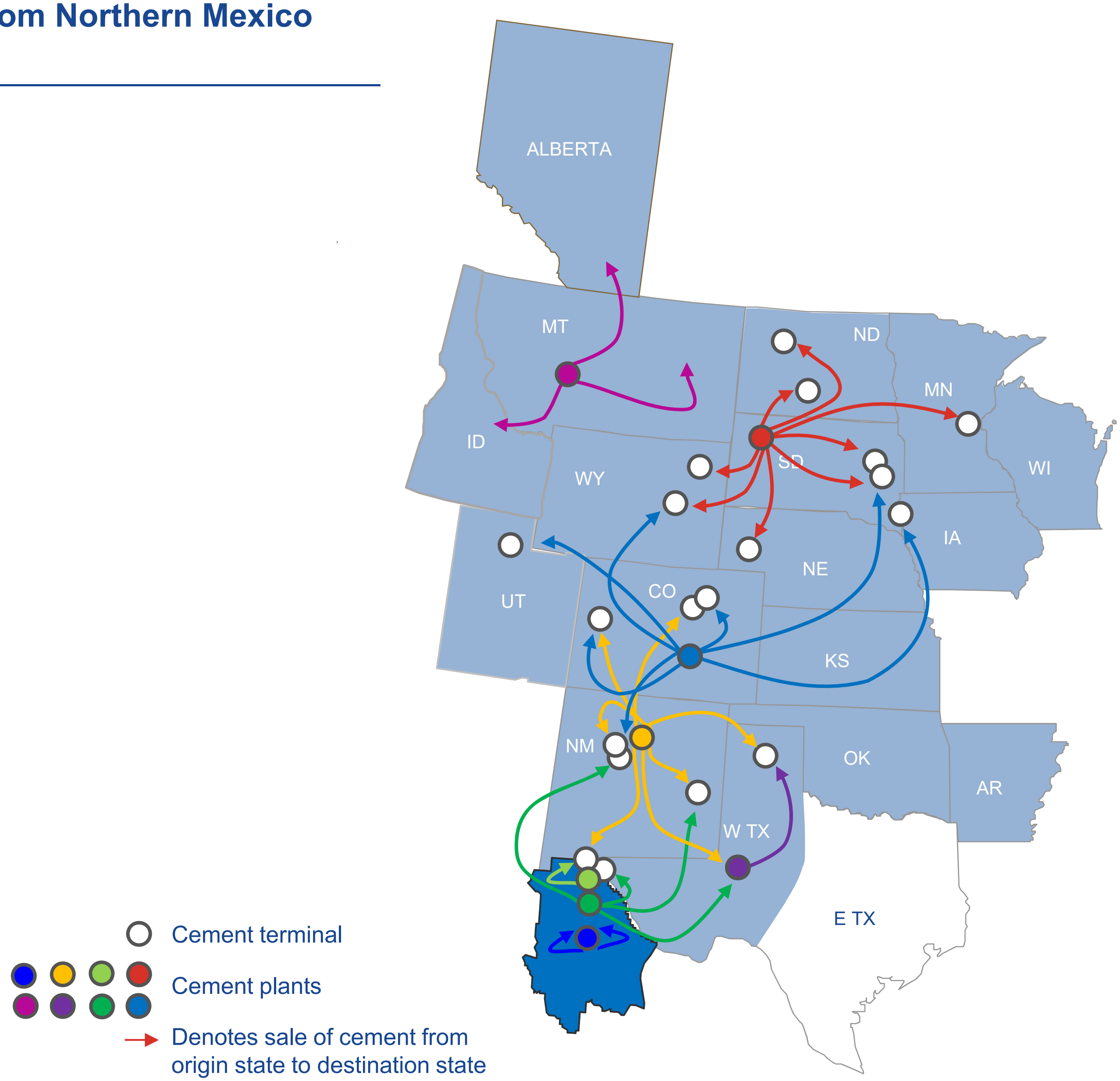
* 2017 information not available

3 …Linked by sophisticated distribution network that leverages contiguous market footprint

Robust logistics platform stretches from Northern Mexico to the U.S. border with Canada

- Operational flexibility
- Cost efficiency
- Faster delivery time
- Advanced logistics
- Reduced supply disruption risk
- Hard to replicate
- Brand loyalty and client trust

- **19 cement terminals, 2 distribution centers, and transfer stations**
- **2,200 rail cars**
- **900+ mixer and haul trucks**



4 Experienced management team, with sound corporate governance …

Enrique Escalante, CEO
GCC since 1999; 19 years in industry

Luis Carlos Arias, CFO
GCC since 1996; 23 years in industry

Ron Henley, U.S. Division President
GCC since 2012; 33 years in industry

Rogelio González, Mexico Division President
GCC since 1973; 46 years in the industry

GCC´s senior management team averages ~30 years cement industry experience

****** Note that GCC currently has an ownership threshold of 3% or more of GCC's total outstanding shares; a position greater than 3% requires prior autorization by GCC's Board***

GCC

- **48.4%** **Free float**
- **51.6%** **CAMCEM**
  - 100%: **Chihuahua Investors** **60%** + CEMEX **40%**

Board of Directors

Proprietary, Chihuahua investors	6
Proprietary, Cemex	4
Independent	4

Audit and Corporate Practices Committee

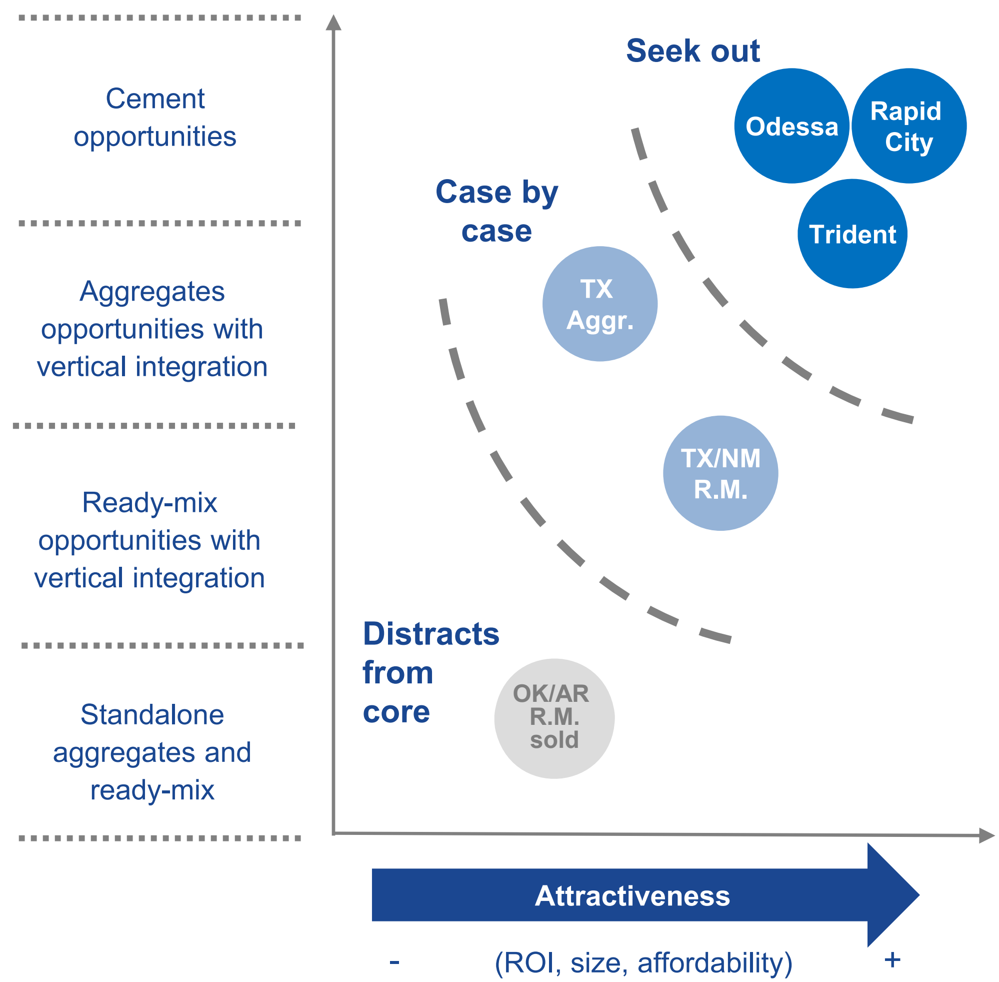
- All 3 committee members are independent
- Assists the Board in carrying out its oversight duties and conducting corporate practices in accordance with the Mexican Securities Market Law
- Monitors compliance with internal policies and applicable laws and regulations regarding related party transactions and significant transactions

4 …With a disciplined approach to acquisition and growth investments…

Framework

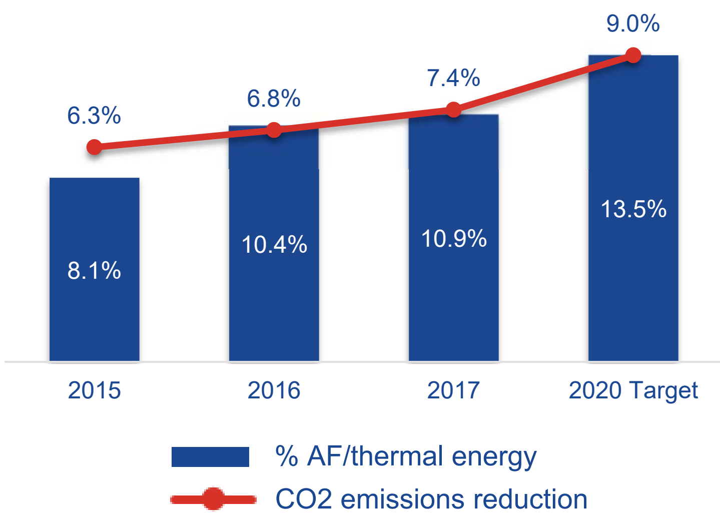
1 Increase presence in existing markets	■ Increase market share ■ Vertical integration ■ Value-added products
2 Increase productivity	■ Efficient investment strategy ■ Expand and scale capacity in a disciplined manner ■ Improve distribution network utilization
3 Enter new markets	■ Continue successful U.S. expansion ■ Focus on synergic contiguous markets
4 Value accretive M&A	■ Analyze opportunities that can generate shareholder value ■ Apply successful experience in integrating acquisitions to add synergies

Strategic priorization and evaluation of alternatives



4 … Supported by sustainability initiatives resulting in direct economic and environmental benefits

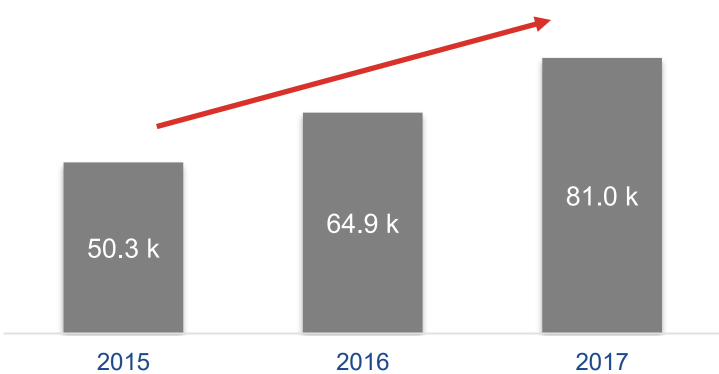
Alternative Fuels (AF) usage and CO2 emissions reduction



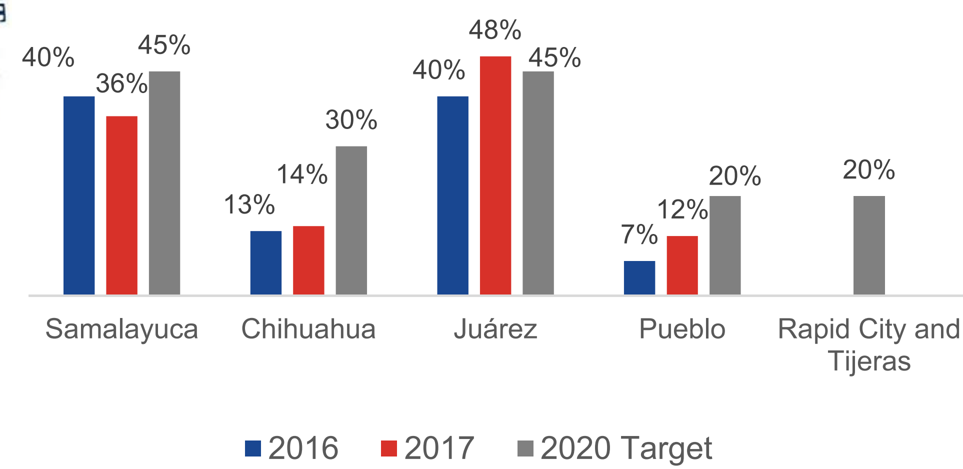
AF provide significant cost advantages

- In 2017, AF provided 10.9% of total thermal energy and reduced CO_2 emissions by 7.4%
- GCC saved more than US$5.0 million using AF in 2017
- AF is 50% cheaper than coal, on average
- Rapid City & Tijeras environmental permits applied for

Usage of AF (mt)



AF usage by plant



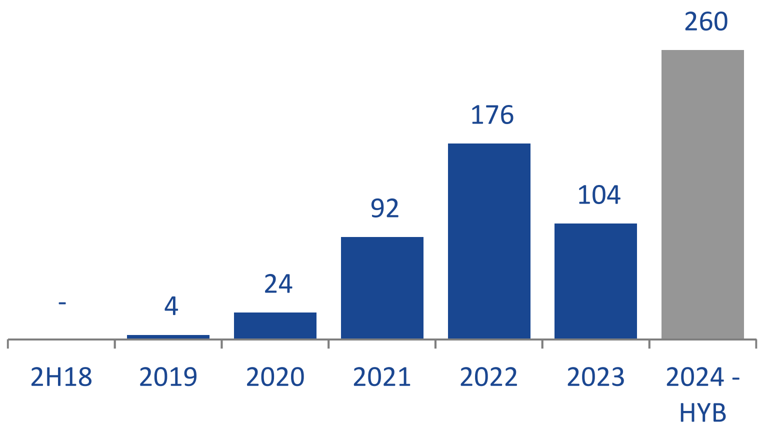
5 Bond and bank debt refinancings strengthen financial position

Reduction of annual interest expenses by US$18M

- Bond interest coupon decreased to 5.250% from 8.125%
  - Savings on financial expenses = US$ 7.5 million per year
  - Extended maturity 4 years
- Bank debt refinancing yields an estimated US$ 10 million in annualized interest expense savings

Agency	Rating	Outlook	Date
S&P	BB+	Stable	05/18
Fitch	BB+	Stable	02/19

Maturity profile (US$ million)



Debt Composition (September, 2018, US$ million)

Securities Debt	Bank Debt
Notes due 2024, $260	2018 Refinancing, $400

Interest rates

5.25%	5y: Libor + 1.75% (variable) Blended: 4.69%

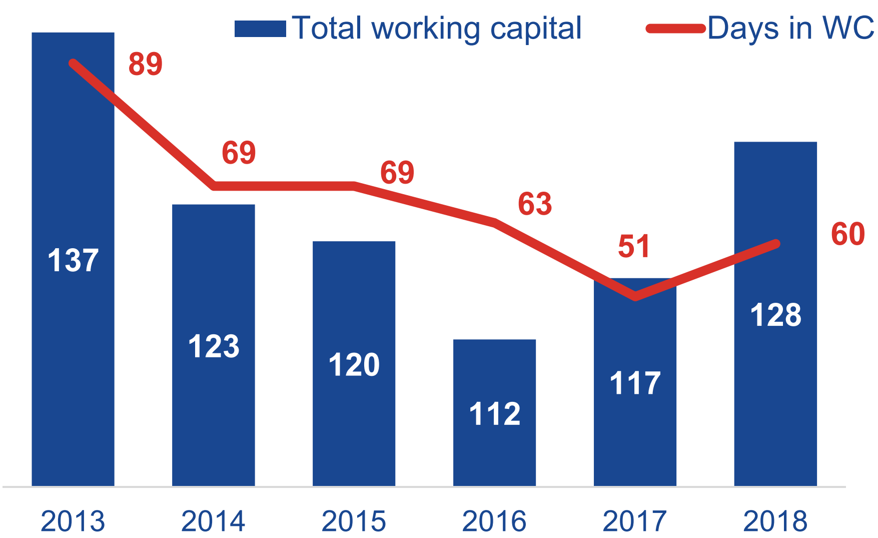
Debt ratios (Dec 30, 2018)

Net Debt / EBITDA
1.59 x

EBITDA / Net Interest Expense
8.78 x

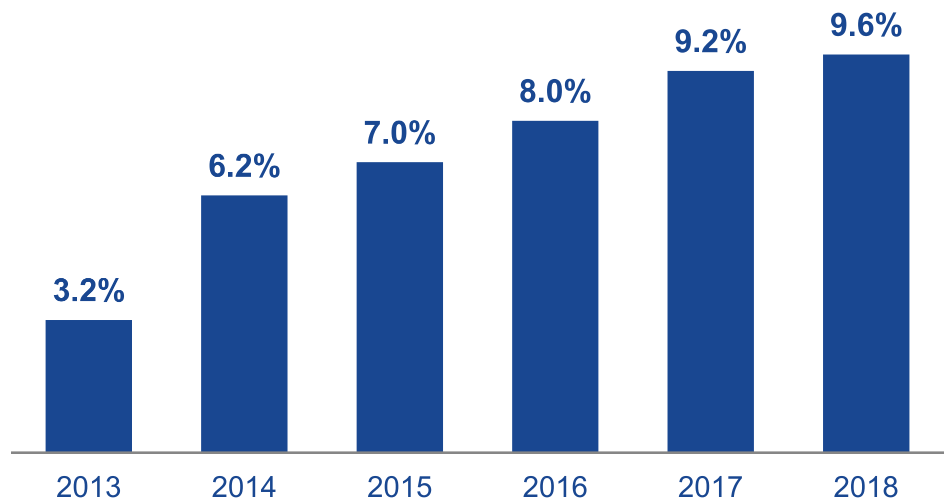
Debt and capital efficiency indicators steadily improving

Working capital (US$ million)

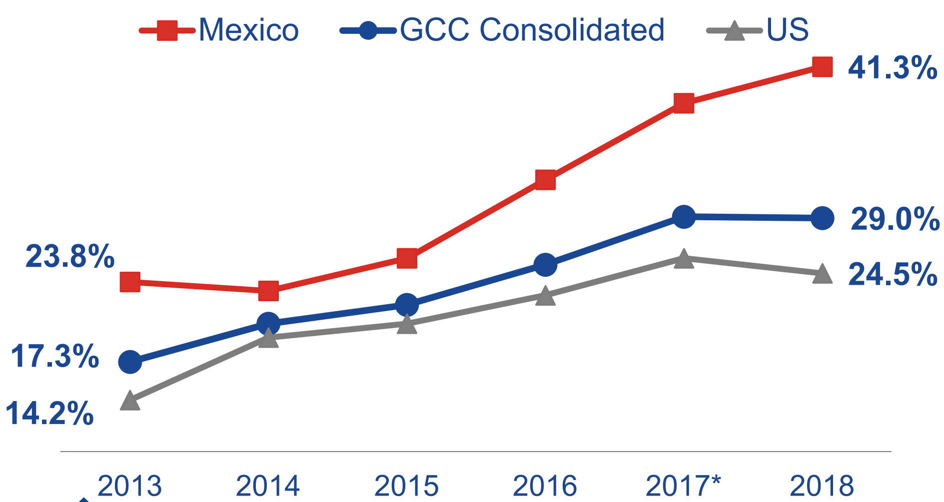


ROIC

(NOPAT/Avg. Invested Capital)

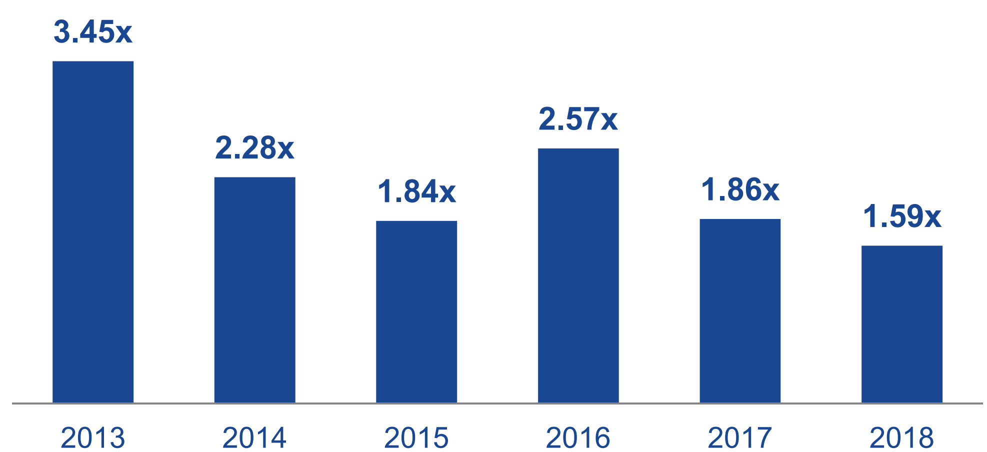


EBITDA margin (US$ million)



Net leverage ratio

(Net Debt / EBITDA)



GCC

* Proforma after asset swap

5 Capital markets transactions increased share float and liquidity; valuation remains attractive

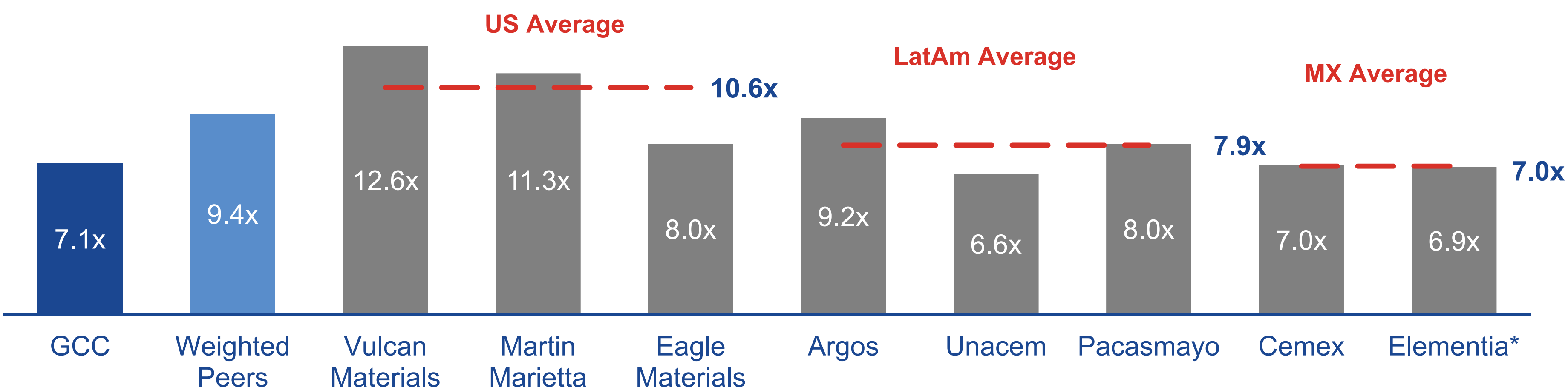
Transactions benefit public market shareholders

- Transparent control group shareholdings
- Float increased to 48% of shares
- Increased liquidity on BMV

Shares still trade below peer group multiples

- Even after 55% price increase since 2017
- Trading at a 25% discount to weighted peers [2]
- 33% discount to U.S. average
- 11% discount to LATAM average

2019 estimated EV/EBITDA multiples[1]



1 Source: Santander and Bloomberg estimates. 01/08/19
2 Weighted implies: 67% US Peers + 33% Mexican Peers
* Elementia includes only Cement Operations via SOP valuation Multiples
PO MXN $155

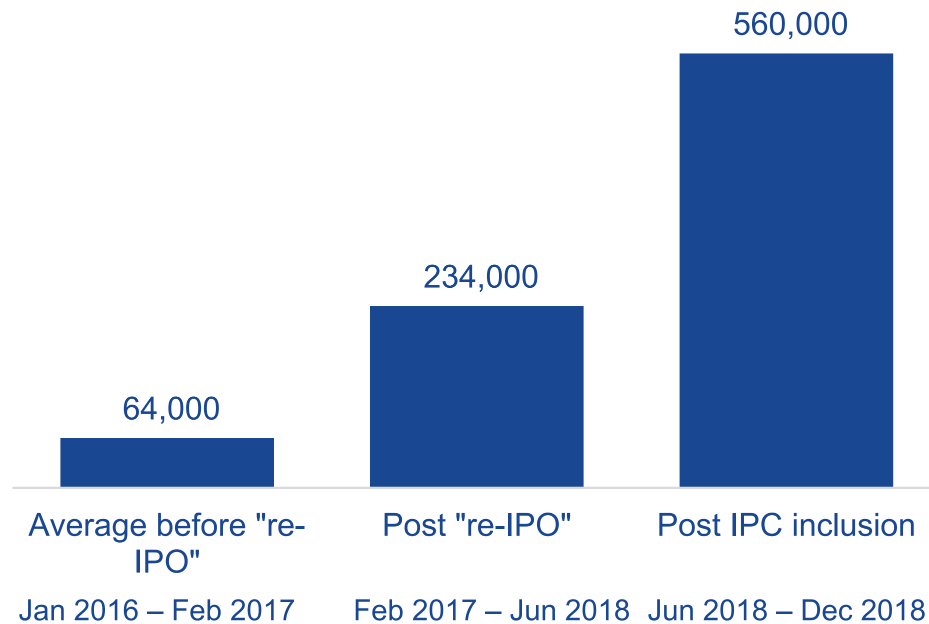
5 Liquidity enhancing events

Liquidity has increased significantly as a result of corporate developments and stock market positioning

- "Re-IPO," February 2017
- MSCI Index inclusion, June 2018
- IPC Index inclusion, September 2018
- Shareholder's partial early termination of equity forward, September 2018

	Coverage	´19 Target Price	Rating
1	Actinver	$155	Buy
2	Bank of America	$150	Buy
3	Banorte	$135	Buy
4	Citi	$149	Buy
5	Data Based Analysis	Not Authorized	Not Authorized
6	GBM	$150	Outperformer
7	Invex	$122	Buy
8	Itaú	$147	Outperformer
9	JPMorgan	$145	Overweight
10	Nau Securities	$146	Buy
11	Santander	$150	Buy
12	Scotiabank	$170	Outperformer
13	UBS	$146	Buy
	Average	**$149**	**Buy**

Average Daily Trading Volume, Shares[1]



GCC

1 Source: BMV; GCC calculations.
1 Averages exclude trading volumes at time of re-IPO and partial early termination of equity forward.

5

Recent developments enhance GCC's value proposition

Cement Capacity Growing

+514k mt
Odessa
at end-2016

+440k mt
Rapid City
In 2018

+315k mt
Trident
In 2018

EBITDA Growing

+36.0%
EBITDA growth
since 2016

29.0%
2018 margin

Debt Falling

1.59x
Leverage

BB+
S&P and Fitch
rating

$18 mm
Annual interest
savings

GCC stock More Liquid

+23%
Free Float

48%
of total shares
on BMV

MSCI
Index inclusion

S&P/BMV IPC
Index inclusion

FTSE
Index inclusion
March 15

5 …Reinforcing a positive 2019 outlook

United States

- Volumes
  - Cement, like-to-like: 2% - 3%
  - Cement: 4% - 6%
  - Concrete: 6% - 8%
- Prices:
  - Cement: 4% - 5%
  - Concrete: 2% - 4%

Mexico

- Volumes
  - Cement: flat
  - Concrete: flat
- Prices:
  - Cement: 3% – 5%
  - Concrete: 3% – 5%

GCC Consolidated

EBITDA	20% - 23%
EBITDA without IFRS-16	12% - 15%
FCF Conversion Rate	> 50%
Working capital investment:	slight decrease
Total CAPEX:	US$ 70 million
Maintenance	60
2018 carry-over	10
Net Debt / EBITDA, by end-2019	< 1x

Enrique Escalante, CEO 4Q and full year 2018 quote

Enrique Escalante, GCC's Chief Executive Officer, commented: *"We executed several transactions during 2018 which put GCC in a very solid position moving forward. We completed a purchase-sale transaction exchanging GCC's ready-mix plants in Oklahoma and Northwest Arkansas, which were not integrated into our cement distribution network, for a cement plant in Montana representing a strategic addition to our system that will also improve our profitability. This plant, along with the completion of capacity expansion at our South Dakota cement plant in Rapid City, will enable us to continue to benefit from the robust pace of growth in the U.S. economy. Additionally, we further strengthened our balance sheet with a very efficient debt refinancing executed ahead of the Presidential elections in Mexico and which significantly improves our amortization schedule.*

Despite the many challenges we experienced throughout the year, we delivered both strong operational results for 2018 and received positive customer feedback. While the one-time effect of our Rapid City tie-in delay adversely impacted fourth quarter results, this was resolved, and the operational ramp up is ongoing. Importantly, moving forward, GCC's Rapid City plant will provide considerable benefits, addressing our prior capacity deficit with reduced logistics and production costs while enabling us to identify and service new customers without our prior limitations."

"We are on the path of operational and financial transformation, as is evidenced by our recently announced Fitch upgrade from BB to BB+ with a stable outlook; further, over the past five years GCC has delivered 860 basis points of EBITDA margin expansion and we remain committed to achieving our long-term goals."

Mr. Escalante continued, "GCC's strong balance sheet and a robust free cash flow generation today make GCC one of the best positioned companies in the industry to capitalize on the growing U.S. economy, weather a challenging environment or act on potential strategic acquisitions aligned with our strict criteria that these be well-priced, complementary, integrated and value added."

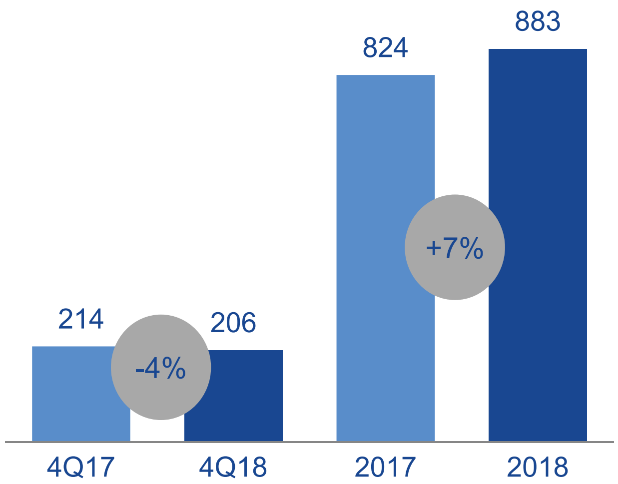
GCC

GRUPO CEMENTOS DE CHIHUAHUA

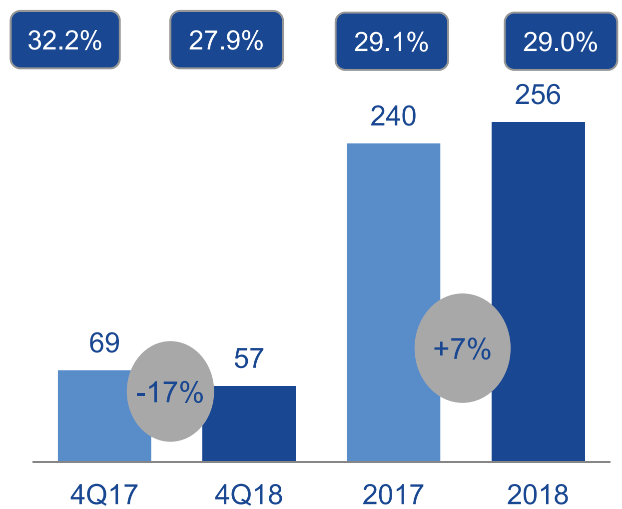
Appendix: 4Q18 Results

4Q18 and 2018 results

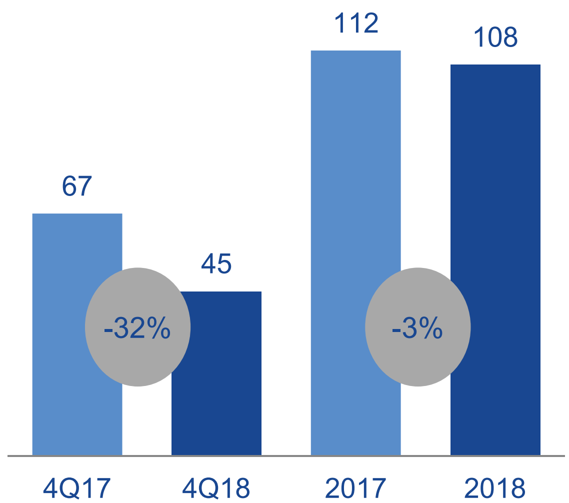
Sales (US$ million)



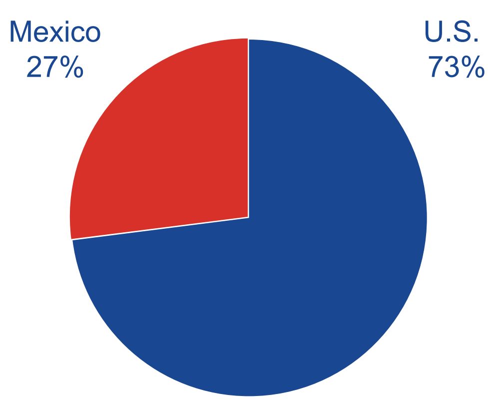
EBITDA & EBITDA margin (US$ million)



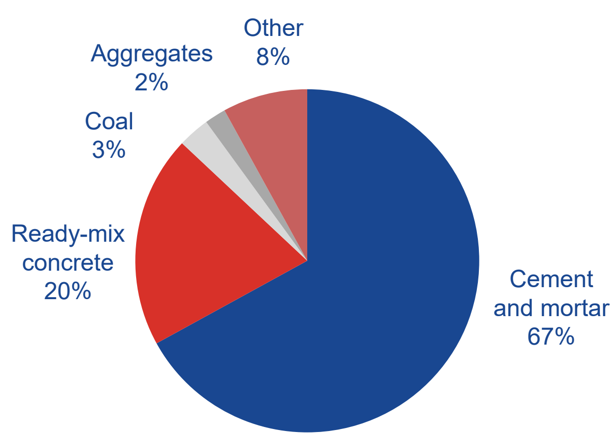
Free Cash Flow (US$ million)[1]



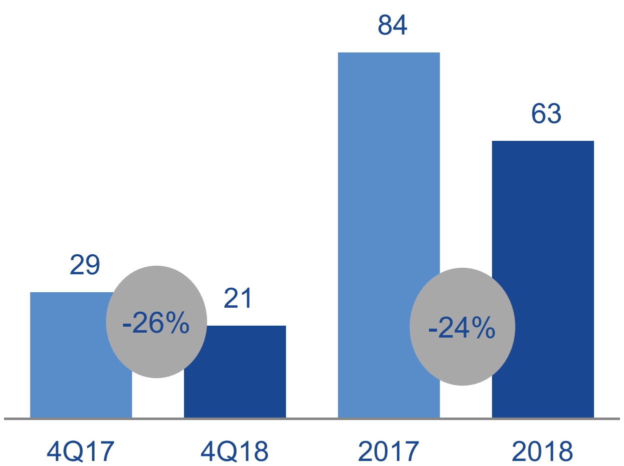
Net Sales by country (2018)



Sales Mix (2018)



Net Income (US$ million)



[1] Operating cash flow maintenance Capex

4Q18 Results Highlights

Millions of dollars	4Q18	4Q17	Var. %	2018	2017	Var. %
Net Sales	205.9	214.2	3.9%	883.2	824.1	7.2%
Operating Income before other expenses	28.8	49.3	-41.6%	169.5	160.8	5.4%
EBITDA	57.4	69.0	-16.9%	256.0	239.8	6.7%
EBITDA margin	*27.9%*	*32.2%*		*29.0%*	*29.1%*	
Consolidated Net Income	21.3	28.9	-26.4%	63.5	83.7	-24.2%

- Sales decreased 3.9% in 4Q18 and increased 7.2% in 2018
- Cement prices increased in both U.S. and Mexico
- EBITDA reached decreased 16.9% in the fourth quarter and increased 6.7% in 2018
- EBITDA margin reached 27.9% in quarter and 29.0% in 2018
  - U.S. division fourth quarter EBITDA margin of 23.7%
  - Mexico division fourth quarter EBITDA margin of 38.3%
- Net leverage (Net debt/EBITDA) ratio decreased to 1.59x in December 2018
- EBITDA to Free Cash Flow conversion was 79% in the fourth quarter and 42% in 2018

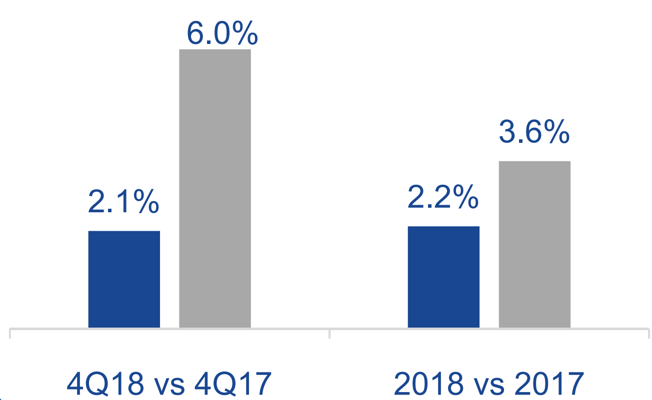
Sales volumes and prices

	4Q18	4Q17	Var. %	2018	2017	Var. %
Cement sales ('000 mt)	**1,021.2**	**1,075.8**	***-5.1%***	**4,361.2**	**4,189.9**	***4.1%***
U.S.	708.9	759.7	*-6.7%*	3,103.3	2,962.9	*4.7%*
U.S. like-to-like	643.4	759.7	*-15.3%*	2,928.2	2,962.9	*-1.2%*
Mexico	312.2	316.1	*-1.2%*	1,257.9	1,227.0	*2.5%*
Concrete sales ('000 m^3)	**429.1**	**489.9**	***-12.4%***	**1,823.4**	**1,873.6**	***-2.7%***
U.S.	202.3	225.9	*-10.4%*	917.7	927.0	*-1.0%*
Mexico	226.8	264.0	*-14.1%*	905.7	946.6	*-4.3%*

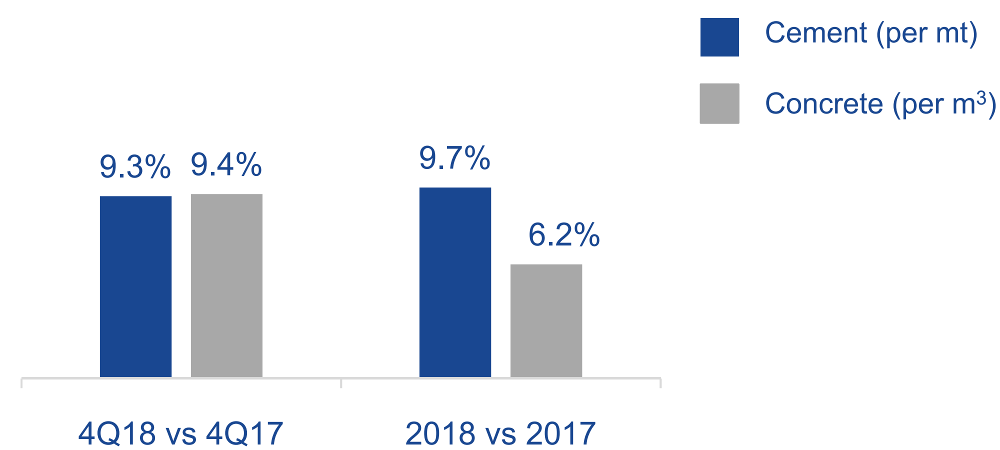
- U.S. cement sales volumes were primarily impacted by a one-time event related to the tie-in process of Rapid City, SD plant expansion affecting cement production. In addition, challenging weather conditions in Texas and the northern U.S. markets contributed to the sales volumes decline.
- Mexico concrete volumes reflect difficult comps as the prior year period benefitted from increased demand related to the final construction stages of several important industrial projects, including a brewery and glass bottle manufacturing plant.

GCC Average Selling Prices, % change

United States (U.S. dollars)



Mexico (Pesos)



Percentage changes are based on actual results, before rounding.

Sales

	4Q18	4Q17	Var. %	2018	2017	Var. %
Dollars million						
Consolidated	205.9	214.2	-3.9%	883.2	824.1	7.2%
U.S.	147.1	155.8	-5.6%	646.7	603.6	7.1%
U.S Like to Like	138.9	155.8	-10.9%	624.2	603.6	3.4%
Mexico	**58.7**	**58.4**	**0.6%**	**236.5**	**220.5**	**7.2%**

U.S. Sales

- The most dynamic market segments in the U.S. were oil well drilling and other construction in the Texas Permian Basin, as well as housing and development of poultry and pork processing plants and wind farms in the northern Midwest and Plains states.

Mexico Sales

- Projects supporting demand included real estate and commercial developments, middle income housing, mining projects, and industrial warehouse construction

Income Statement - Dollars

Dollars million	4Q18	4Q17	Var. %	2018	2017	Var. %
Net Sales	**205.9**	**214.2**	***-3.9%***	**883.2**	**824.1**	***7.2%***
U.S.	147.1	155.8	*-5.6%*	646.7	603.6	*7.1%*
Mexico	58.7	58.4	*0.6%*	236.5	220.5	*7.2%*
Cost of sales	157.8	145.8	*8.2%*	637.6	585.5	*8.9%*
Operating expenses	19.2	19.1	*0.8%*	76.1	77.8	*-2.3%*
Other expenses, net	0.4	15.6	*-97.1%*	8.3	16.2	*-48.6%*
Operating Income	**28.3**	**33.7**	***-15.9%***	**161.2**	**144.6**	***11.5%***
Operating margin	*13.8%*	*15.7*		*18.3%*	*17.5%*	
Net financing (expense)	(8.3)	(9.3)	*-10.5%*	(44.5)	(55.8)	*-20.4%*
Earnings in associates	1.2	.8	*57.4%*	4.4	2.1	*110.0%*
Income taxes	(0.1)	(2.7)	*-96.6%*	16.6	12.1	*37.6%*
Income from continuing operations	21.3	27.8	*-23.5*	104.5	78.7	*32.7%*
Discontinued operations	(0.01)	1.1		(41.0)	5.0	
Consolidated net income	**21.3**	**28.9**	***-26.4%***	**63.5**	**83.7**	***-24.2%***
EBITDA	**57.4**	**69.0**	***-16.9%***	**256.0**	**239.8**	***6.7%***
EBITDA margin	*27.9%*	*32.2%*		*29.0%*	*29.1%*	

Percentage changes are based on actual results, before rounding.

Free cash flow - dollars

Dollars million	4Q18	4Q17	Var. %	2018	2017	Var. %
Operating income before other expenses	28.8	49.3	-41.6%	169.5	160.8	5.4%
Depreciation and amortization	28.6	19.7	45.0%	86.4	79.0	9.4%
EBITDA	**57.4**	**69.0**	**-16.9%**	**256.0**	**239.8**	**6.7%**
Interest income (expense)	(9.6)	(12.0)	-20.0%	(40.7)	(61.5)	-33.8%
(Increase) in working capital	36.3	51.4	-29.5%	(11.0)	(4.7)	133.6%
Taxes	(6.4)	(0.9)	629.5%	(21.8)	(12.7)	71.9%
Other	(22.9)	(27.9)	-17.8%	(23.5)	(14.0)	68.0%
Flow from continuing operations, net	**54.7**	**79.7**	**-31.3%**	**158.9**	**146.9**	**8.2%**
Flow from discontinued operations	(0.1)	2.2	n.m	1.5	9.7	-84.0%
Operating cash flow	**54.6**	**81.9**	**-33.4%**	**160.4**	**156.6**	**2.5%**
Maintenance Capex*	(9.3)	(15.3)	-38.8%	(52.8)	(45.0)	17.3%
Free cash flow	**45.3**	**66.7**	**-32.1%**	**107.7**	**111.6**	**-3.5%**
Share Repurchase (net)	(1.3)	0.0	100%	(1.3)	0.0	100%
Growth capex and related	(14.4)	(7.9)	81.1%	(52.3)	(30.3)	72.3%
Sale of assets	0.0	0.0	0.0%	118.5	0.0	100%
Purchase of assets	0.0	0.0	0.0%	(107.5)	0.0	100%
Debt amortizations, net	0.0	(1.8)	-100%	(34.9)	(3.8)	805.5%
Dividends paid	0.0	00	0.0%	(12.6)	(11.6)	8.8%
FX effect	(1.6)	(3.3)	-52.3%	1.3	3.1	-58.1%
Initial cash balance	223.8	179.3	24.8%	232.9	164.0	42.0%
Final cash balance	**251.8**	**232.9**	**8.1%**	**251.8**	**232.9**	**8.1%**

* Excludes capex for growth and expansion

- Decrease in Free Cash Flow in 4Q18 reflects:
  - Lower EBITDA
  - Temporary increase in working capital requirements
  - Higher cash taxes
  - Lower financial expenses
  - Lower maintenance CapEx
- Decrease in Free Cash Flow in 2018 reflects:
  - Increase in working capital requirements
  - Higher cash taxes
  - Increase maintenance CapEx
  - Lower financial expenses
  - Higher EBITDA

Balance Sheet

Dollars million	Dec 2018	Dec 2017	Var. %
Total Assets	**1,907.6**	**1,907.9**	**0.0%**
Current Assets	**539.5**	**495.6**	**8.8%**
Cash	251.9	232.9	8.1%
Other current assets	287.7	262.7	9.5%
Non-current assets	**1,368.1**	**1,412.2**	**-3.1%**
Plant, property, & equipment	1,025.1	936.4	9.5%
Goodwill and intangibles	322.9	448.3	-30.0%
Other non-current assets	20.1	15.4	30.5%
Deferred taxes	0.0	12.1	-100%
Total Liabilities	**921.2**	**978.9**	**-5.9%**
Current Liabilities	**153.8**	**183.4**	**-16.1%**
Short-term debt	4.4	17.2	-74.3%
Other current liabilities	149.4	166.2	-10.1%
Long-term liabilities	**767.4**	**795.5**	**-3.5%**
Long-term debt	645.9	665.7	-3.0%
Other long-term liabilities	73.2	79.2	-7.6%
Deferred taxes	48.2	50.6	-4.7%
Total equity	**986.4**	**929.0**	**6.2%**

- Successful full integration of the Trident Plant in Montana, with onboarding proceeding well, and significant synergies have been identified
- Completion of Rapid City plant expansion tie-in process, operational ramp up in progress
- S&P Global Ratings (S&P) long-term corporate rating raised to BB+ from BB, with a stable outlook. S&P also raised the rating on GCC's senior unsecured notes due 2024 to BB+
- Net leverage (Net debt/EBITDA) ratio decreased to 1.59x in December 2018 from 1.86x in December 2017

Percentage changes are based on actual results, before rounding.

Grupo Cementos de Chihuahua

www.gcc.com

+52 (614) 442 3176

Contact:

Luis Carlos Arias, Chief Financial Officer larias@gcc.com

Ricardo Martinez, Investor Relations rmartinezg@gcc.com