



SAFE HARBOR STATEMENT

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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 nonoperating 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:

Q1-20: 19.91 - Q1-19: 19.21 2019: 19.26 - 2018: 19.24

Physical volumes are stated in metric tons (mt), millions of metric tons (mmt), cubic meters (m3), or millions of cubic meters (mm3).



REFLECTION OF THE EXECUTION OF THE STRATEGY SINCE 2016

Deleveraging as soon as possible

ONE OF THE

STRONGEST

PLAYERS IN

THE INDUSTRY

Maintaining a healthy cash balance

Refinancing bank debt and notes, extending maturities and reducing the average cost of debt

Swapping non-integrated ready-mix assets for Montana cement plant without increasing debt

Succesfully completing Rapid City cement plant expansion

Maintaining strict M&A criteria with a focus on value for purchase, at a cost within strict pre-determined parameters



ACTION PLAN TO MITIGATE

COVID-19 IMPACT

PEOPLE AND BUSINESS CONTINUITY

- Developed specific health and safety protocols for each of GCC's operations
- Enacted "work from home" protocols for the majority of employees
- Established skeleton crews wherever possible
- Ensured that every employee receives their full salary and benefits
 Continuously monitoring and assessing market demand, economic fundamentals
 and government regulations
- Established contingency plans to ensure a safe operation and uninterrupted supply to customers, supported by GCC's robust manufacturing and distribution network
- Working closely with cement and concrete associations in both Mexico and the U.S.







CASH, LIQUIDITY
AND BALANCE

SHEET

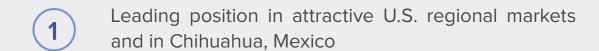
- Cost and expense reductions throughout the organization
 - Variable costs and distribution efficiencies
 - Identified US\$ 15M in savings e.g. hiring freeze, not filling vacant positions and limiting external service providers
 - US\$ 7M deferral from the Cares Act
- Reduction of 2020 capex to US\$ 45 million from US\$ 70 million
- Deferred all non-essential projects
- Withdrew US\$ 50 million of revolving credit lines in April 2020
 Approximately US\$ 25M still available in revolving credit lines
- Suspended temporarily GCC's share buyback program starting April
- Continue with dividend distribution, with flexibility in setting the payment date A dividend of Ps. 0.94 per share was declared by the General Shareholders' Meeting
- Cash and equivalents totaled US\$ 339 million in Q1-20
 Highest first quarter in the last 15 years
- Net debt/EBITDA stood at 1.1x
- No significant debt maturities in 2020 nor in 2021
- Strong balance sheet, result of the strategy of maintaining an efficient and prudent capital structure





INVESTMENT HIGHLIGHTS

TICKER: BMV: GCC



- Mexico operations also provide a strong base, and add operational flexibility with export capacity
- Vertically integrated, with state of the art production facilities and logistics
- 4 Increased free float and liquidity
- Healthy balance sheet and strong free cash flow drive value creation



MORE THAN FIVE YEARS OF OPERATIONAL AND FINANCIAL TRANSFORMATION

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

AS OF
DECEMBER
2019 VS 2014

Cement
Capacity
+1.4mmt
+33%

EBITDA Growth

+90%

EBITDA
Margin
+1,087bp

Net Debt/ EBITDA

2.28x →

1.11x

Free Float

25% →

48%

Share Price (05/29/20)

+114%



GCC AT A GLANCE: A **UNIQUE** MARKET PRESENCE

- 5.8 MMT¹ cement production capacity
 - 3.5 MMT in U.S. + 2.3 MMT in Mexico
- #1 or #2 share in core markets
 Landlocked states, insulated from seaborne competition
- 8 cement plants, 24 terminals, 2 distribution centers and 95 ready-mix plants
- 78 years of operation 25 in the U.S.
- Listed on Mexican Stock Exchange: GCC*
- Included in: MSCI IndexesFTSE IndexesFTSE BIVA

KEY RESULTS LTM Q1 2020

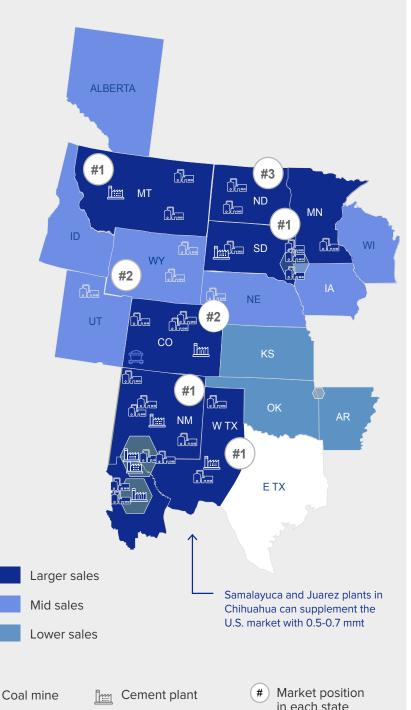
US\$ 952 million sales - 73% U.S. / 27% Mexico
US\$ 299 mm EBITDA - 71% U.S. / 29% Mexico
31.4% EBITDA margin
Net leverage of 1.12x

¹MMT = million metric tons

CEMENT AND READY-MIX CONCRETE OPERATIONS ACROSS THE "CENTER CUT" OF NORTH AMERICA







Cement terminals

Concrete

REGIONAL LEADER IN U.S. MID-CONTINENT MARKETS

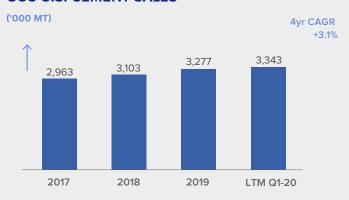
WELL-POSITIONED TO CAPTURE U.S. GROWTH AND CONSTRUCTION INDUSTRY RECOVERY

- Leadership position in 18 contiguous states
 - CO, SD, NM, W.TX, MT, MN and ND are our core markets, with 87% 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 (finished 4Q18)
- Trident, MT cement plant acquisition (June 2018)



MARKETS WITH DEMONSTRATED VOLUME AND PRICE RECOVERY

GCC U.S. CEMENT SALES



GCC U.S. CONCRETE SALES



GCC U.S. CEMENT PRICES



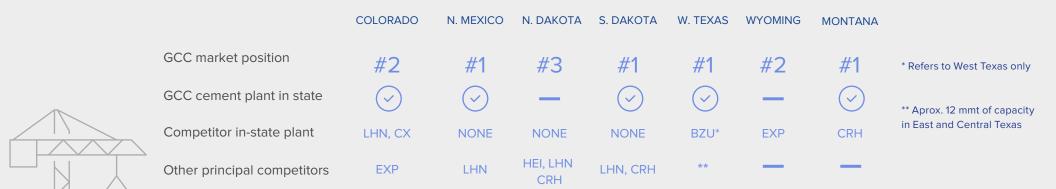
GCC U.S. CONCRETE PRICES



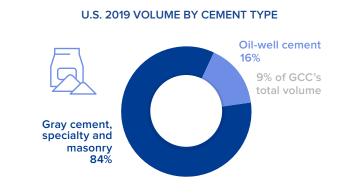


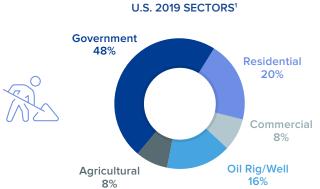
WHERE GCC FACES FRAGMENTED COMPETITION AND HAS A DIVERSIFIED BUSINESS MIX

GCC MARKET POSITION AND COMPETITORS IN CORE MARKETS



Cement and mortar 72% Cement 9% Other 9%



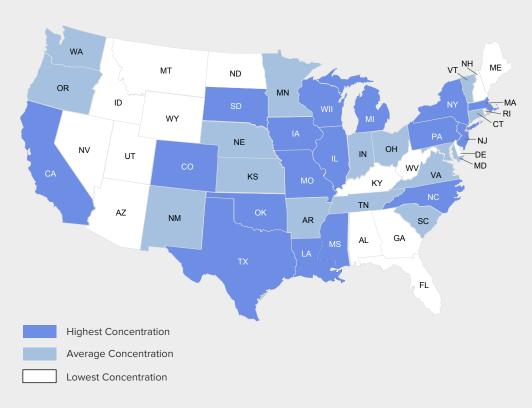




AND A CLEAR NEED FOR INCREASED INFRASTRUCTURE SPENDING

DEFICIENT ROADS

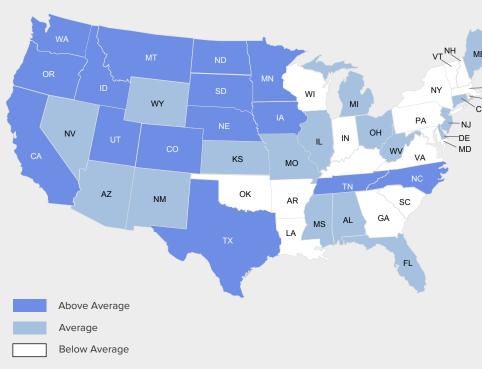
LANE MILES RATED 'POOR'
AS A SHARE OF TOTAL LANE MILES



¹Source: PCA United States' Cement Outlook

CEMENT FUNDAMENTALS²

BASED ON PCA SECTOR COMPOSITE RANKINGS*



*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

²Source: PCA Market Intelligence



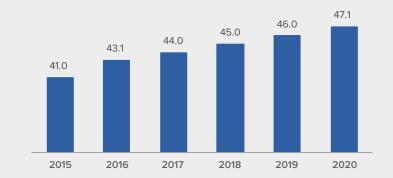
LEADING TO A
POSITIVE OUTLOOK,
DRIVEN BY AN
EXPECTED INCREASE
IN INFRASTRUCTURE
SPENDING

FORECAST CEMENT CONSUMPTION IN ALL GCC U.S. MARKETS (MMT) 1

4yr CAGR +2.0%



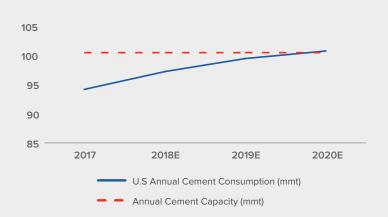
HIGHWAY BUDGET AUTHORIZATIONS INCLUDED IN THE FAST ACT (\$ BB) ²



FORECAST TOTAL U.S. CEMENT CONSUMPTION (MMT)³

99 101 103 103 104 2.5% 2.3% 2.4% 2.4% 1.4% 2017 2018 2019 2020E 2021E

U.S CEMENT DEMAND WILL OUTPACE SUPPLY BY 2020 IMPORTS WILL BE A CRITICAL SOURCE OF SUPPLY



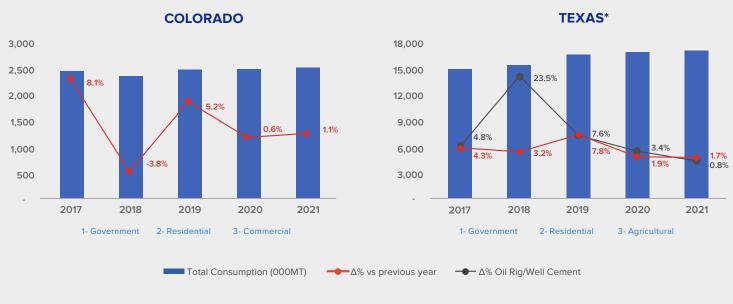
Sources: U.S. DOT Federal Highway Administration, PCA, and DBA | ¹PCA Winter 2019 Forecast Analysis

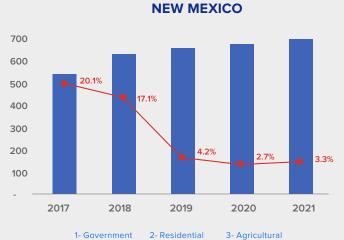
² Fixing America's Surface Transportation Act, signed into law 2015 | ³ PCA Winter 2019 Forecast Analysis

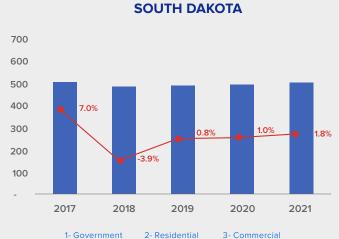


PORTLAND CEMENT ASSOCIATION (PCA) WINTER 2020 FORECAST AND MAIN CONSUMERS

WITH A SOLID OUTLOOK IN KEY STATES







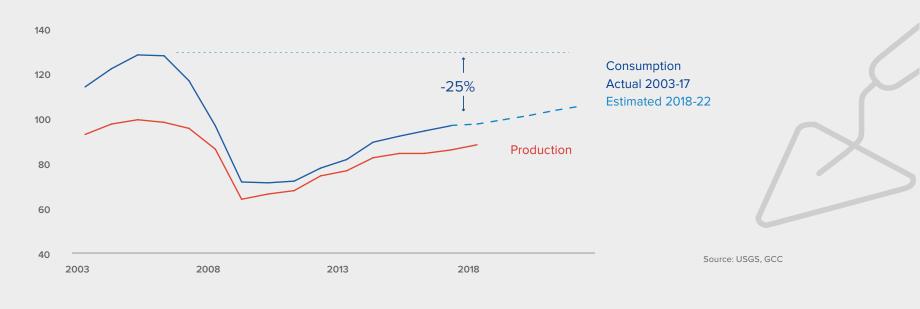
Source: PCA Winter 2019 Forecast Analysis

^{*} Includes West and East Texas



WHILE IN A FAVORABLE PHASE OF THE U.S. CEMENT CYCLE

U.S. CEMENT PRODUCTION AND CONSUMPTION





- 2019 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 15% of consumption, compared to 25% share in 2006

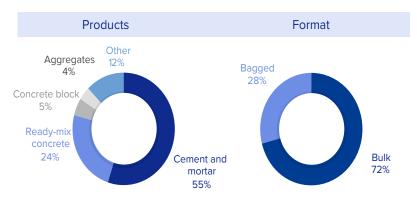


GCC IS THE LEADING PRODUCER IN THE STATE OF CHIHUAHUA, WITH SIGNIFICANT EXPORT CAPACITY

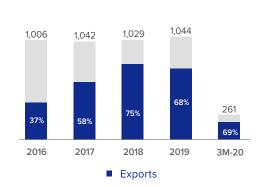


- GCC is sole producer of cement and the leading producer of ready-mix concrete in Chihuahua.
- Close economic ties between Chihuahua and the U.S.
 - Cyclical recovery benefit
 - Foreign direct investment target
- Demand growth driven by private sector
- Flexibility to supply Texas and New Mexico demand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

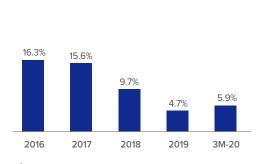
Q1-20 SALES MIX



EXPORT SHARE OF SAMALAYUCA AND JUAREZ PRODUCTION (1000 MT)



CEMENT PRICING TRENDS (% CHANGE YEAR-ON-YEAR)¹

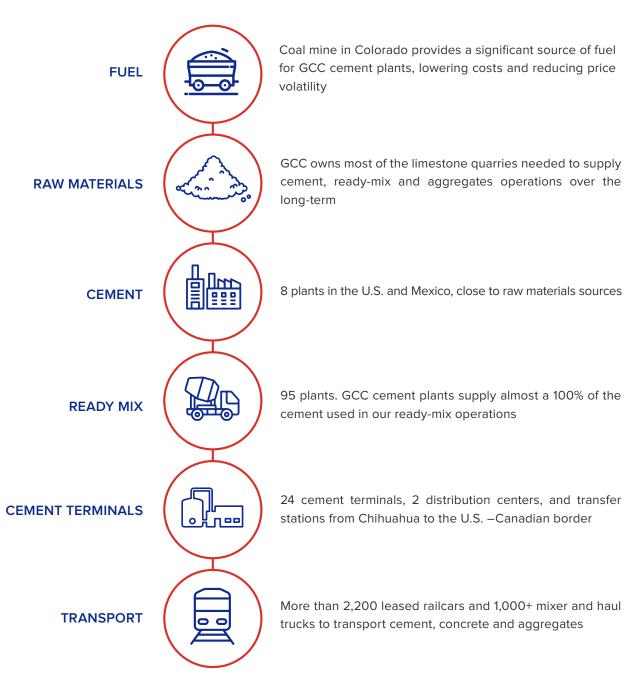


¹ Price changes in local currency



VERTICALLY INTEGRATED OPERATIONS

GCC IS PRESENT AT ALL
STAGES OF THE CEMENT AND
READY-MIX SUPPLY CHAIN





WITH STATE OF THE ART PRODUCTION FACILITIES





OPERATING AT NEAR-OPTIMAL CAPACITY UTILIZATION LEVELS





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
- Redundancy



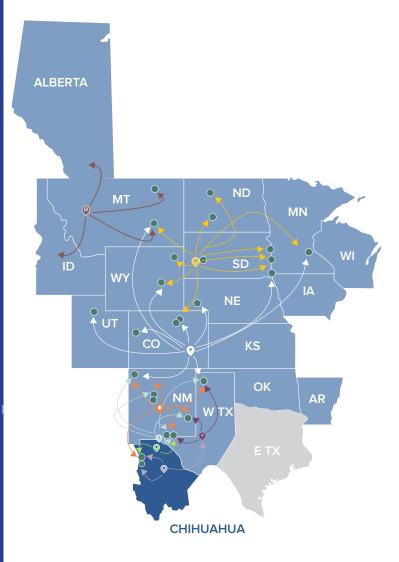
24 cement terminals, 2 distribution centers, and transfer stations



+2,200 leased rail cars



95 ready-mix plants, 1,000+ mixer and haul trucks



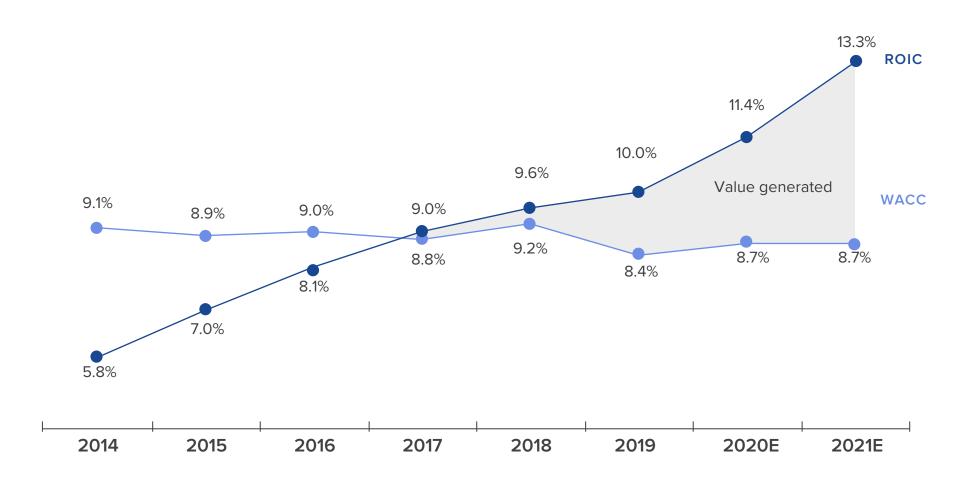
Cement terminal



Denotes sale of cement from origin state to destination state



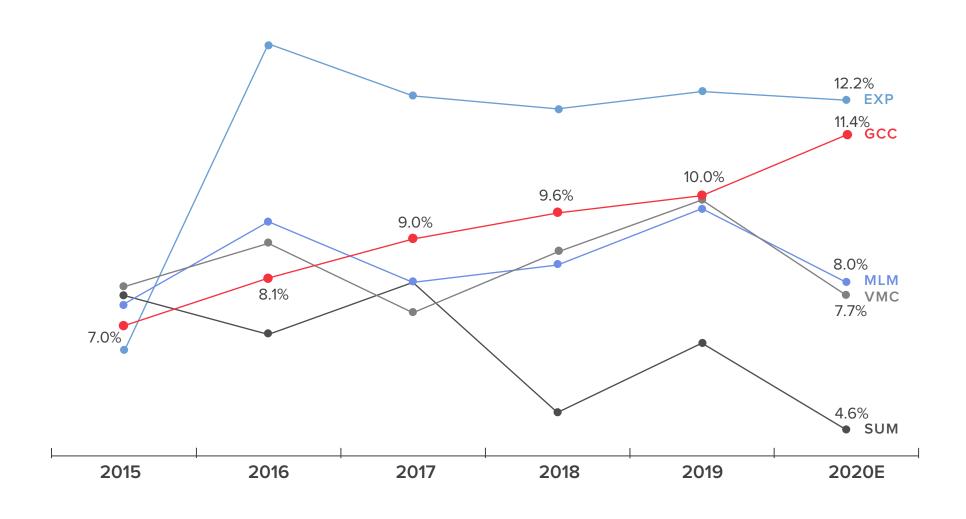
OPTIMIZING OPERATIONS FOR VALUE GENERATION



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 ROIC = NOPAT / Avg. Invested Capital

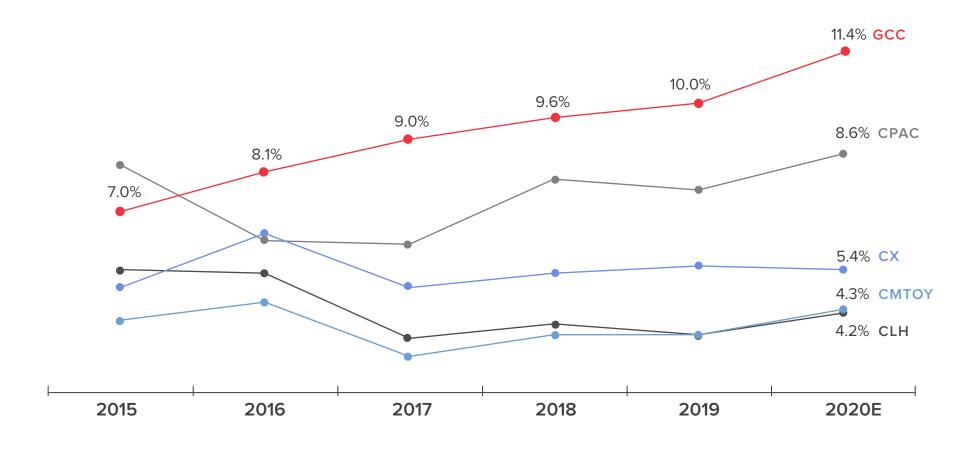


GCC GENERATES A HIGHER ROIC THAN MOST OF ITS U.S. PEERS...



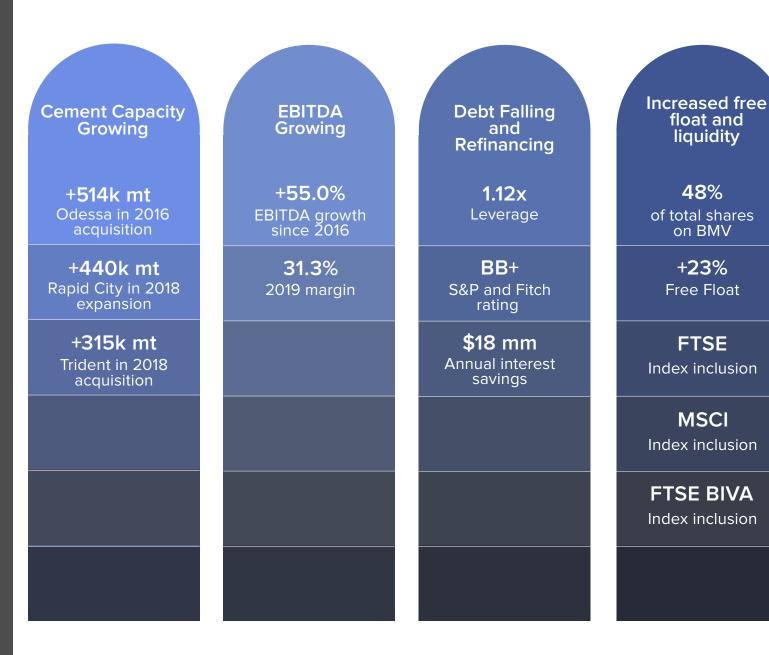


... AS WELL AS ITS LATAM PEERS





RECENT
DEVELOPMENTS
ENHANCE
GCC'S VALUE
PROPOSITION





BOND AND BANK DEBT REFINANCING STRENGHTEN FINANCIAL POSITION

REDUCTION OF ANNUAL INTEREST EXPENSES BY US\$18M

- Bond interest coupon decreased to 5.250% from 8.125% (June 2017)
 - Savings on financial expenses = ~ US\$ 8 million per year
 - Extended maturity 4 years
- Bank debt refinancing yields an estimated US\$ 10 million in annualized interest expense savings (June 2018)

AGENCY	RATING	OUTLOOK	DATE
S&P	BB+	Stable	05/19
FITCH	ББТ	Stable	02/20

DEBT COMPOSITION (JUNE 2019, US\$ MILLION)

SECURITIES DEBT	BANK DEBT
Notes due 2024 \$260	2018 Refinancing \$400

INTEREST RATES

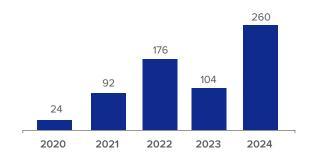
5.25% Libor + 1.75% (variable)

Blended: 3.59%

Debt amounts based on loan contract amounts. IFRS balance sheet values slightly lower

MATURITY PROFILE

(US\$ million)



DEBT RATIOS

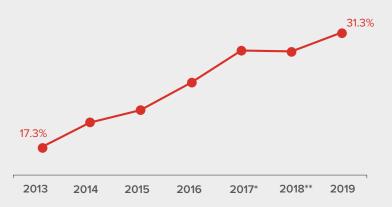
(March 31, 2020)



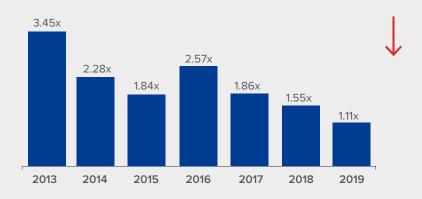


DEBT AND CAPITAL EFFICIENCY INDICATORS STEADILY IMPROVING

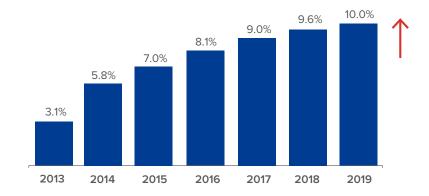
EBITDA MARGIN



NET LEVERAGE RATIO (Net Debt / EBITDA)



ROIC (NOPAT / Avg. Invested Capital)



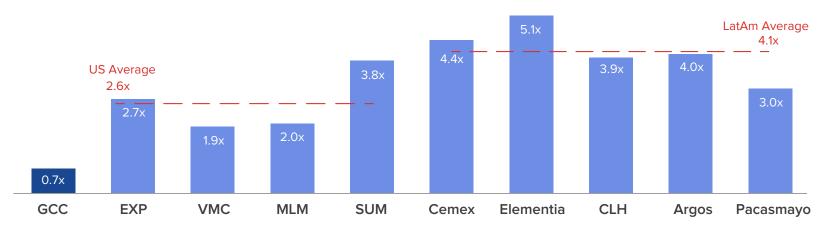
WORKING CAPITAL (Based on sales)



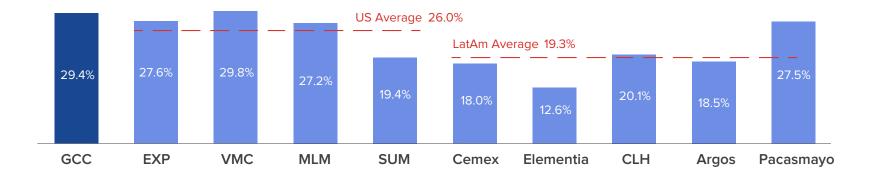


STRENGTHENED MARGINS AND LOWER INDEBTEDNESS THAN MOST OF OUR PEERS

2020 estimated Net Debt/EBITDA multiples*



2020 estimated EBITDA margins*



*Sources: Santander and J.P. Morgan estimates (May, 2020)



CAPITAL MARKETS TRANSACTIONS INCREASED SHARE FLOAT AND LIQUIDITY; VALUATION REMAINS ATTRACTIVE

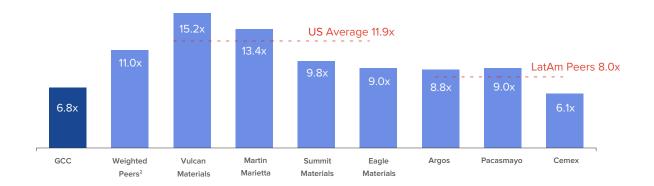
TRANSACTIONS BENEFIT PUBLIC MARKET SHAREHOLDERS

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

SHARES STILL TRADE BELOW PEER GROUP MULTIPLES

- Even after 20% price increase sin 2017
- Trading at a 37% discount to weighted peers²
- 43% discount to U.S. average
- 15% discount to LatAm average

2020 ESTIMATED EV/EBITDA MULTIPLES¹



¹ Source: J.P. Morgan estimates (May 2020)

² Weighted peers implies: 73% US peers + 27% LatAm peers



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 - April 2020)

LIQUIDITY

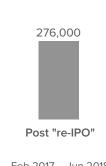
EVENTS

ENHANCING

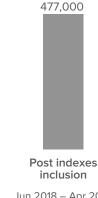
- FTSE Index inclusion, March 2019
- Shareholder's partial early termination of equity forward, September 2018







AVERAGE DAILY TRADING VOLUME, SHARES¹





Jun	2018	– Apr	2020
Juli	2010	Λþi	2020

	Coverage	Rating
1	Actinver	Buy
2	Bank of America	Neutral
3	Banorte	Buy
4	Data Based Analysis	Not Authorized
5	GBM	Outperformer
6	HSBC	Buy
7	Invex	Buy
8	ltaú	Outperformer
9	JP Morgan	Overweight
10	Nau Securities	Buy
11	Santander	Buy
12	Scotiabank	Outperformer
	Average	Buy

MSCI Indexes **FTSE FTSE BIVA**

¹ Source: BMV; GCC calculations

¹ Averages exclude trading volumes at time of re-IPO and partial early termination of equity forward



GCC JOINED THE GLOBAL CEMENT AND CONCRETE ASSOCIATION IN 2018

MAIN GOAL

REDUCE NET CO2 EMISSIONS 9% BY 2020 AND 22% BY 2030







Sustainable Development Performance Targets





SUSTAINABLE DEVELOPMENT GOALS

Climate & Energy

Circular Economy

Health & Safety

Environment & Nature

Social Responsibility

Concrete

Triple Bottom Line - Growth & Profitability

Strategy & Execution



Energy efficiency

Alternative fuels

Blended cements

New carbon capture technology





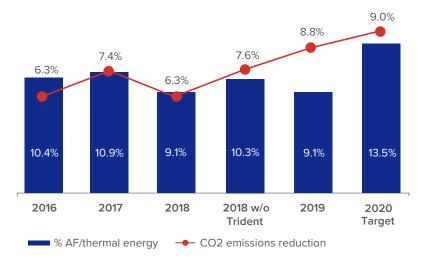
CO2 emissions reductions are compared to our 2005 baseline for 2020 goal and to our 2018 baseline for the 2030 goal



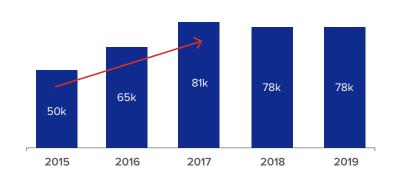
SUPPORTED BY SUSTAINABILITY INITIATIVES RESULTING IN DIRECT ECONOMIC AND ENVIRONMENTAL BENEFITS



ALTERNATIVE FUELS (AF) USAGE AND CO2 EMISSIONS REDUCTION¹



ALTERNATIVE FUELS USAGE (MT)



AF USAGE BY PLANT



AF PROVIDE SIGNIFICANT COST ADVANTAGES

- In 2019, AF provided 9.1% of total thermal energy and reduced CO2 emissions by 8.8%
- In 2018, GCC saved more than US\$4 million using AF
- AF are 50% cheaper than coal, on average
- In 2018, GCC expanded the Pueblo plant's AF capability
- In 2017, GCC secured a flexible fuel-permit for Odessa
- Rapid City and Tijeras fuel permits in the final stages





LATEST ESG ACHIEVEMENTS

- GCC joined the *Science Based Targets initiative* to reduce CO2 emissions
- Three long-term agreements were signed with renewable energy suppliers covering approximately 20%, 100% and 50% of the electricity consumed at Mexico's operations, Odessa plant and Rapid City plant, respectively
- GCC joined GCCA's research network, Innovandi
- Use of biomass fuel at the Juarez plant reduced CO2 emissions by 38%
- Rapid City has permanently shut down two wet kilns
- Two U.S. cement plants earned EPA Energy Star certification
- Pueblo plant earned the Energy Star certification for second year in a row
- Zero fatalities
- Lost time accidents decreased by 27%
- GCC Foundation focuses on sustainable living projects throughout Chihuahua
- Mexico Great Place to Work® ranking increased to 14th from 30th
- U.S. Division was certified as a Great Place to Work®
 15th consecutive year awarded Mexican Center for Philanthropy (CEMEFI) Socially Responsible Company distinction













EXPERIENCED MANAGEMENT TEAM, WITH SOUND CORPORATE GOVERNANCE



ENRIQUE ESCALANTE, CEO

GCC since 1999; 20 years in the industr



LUIS CARLOS ARIAS, CFO

GCC since 1996; 23 years in the industry



RON HENLEY, U.S. DIVISION PRESIDENT

GCC since 2012; 34 years in the industry

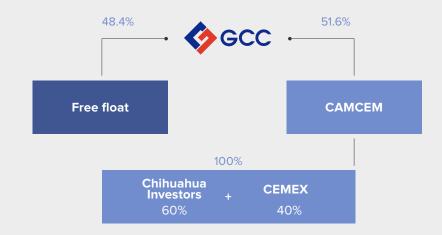


MARCOS RAMÍREZ, MEXICO DIVISION PRESIDENT

GCC since 1990; 29 years in the industry

GCC's senior management team averages ~27 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



BOARD OF DIRECTORS	Proprietary, Chihuahua investors Proprietary, Cemex Independent	6 4 4
AUDIT AND CORPORATE PRACTICES COMMITTEE	All 3 committee members are independent Assists the Board in carrying out its oversight dutic conducting corporate practices in accordance wi Mexican Securities Market Law Monitors compliance with internal policies and appllaws and regulations regarding related party transa and significant transactions	th the licable

COMPENSATION PLAN



GOAL: CLOSELY ALIGN PAY WITH PERFORMANCE AND VALUE CREATION OVER THE SHORT AND LONG-TERM

FIXED PAY

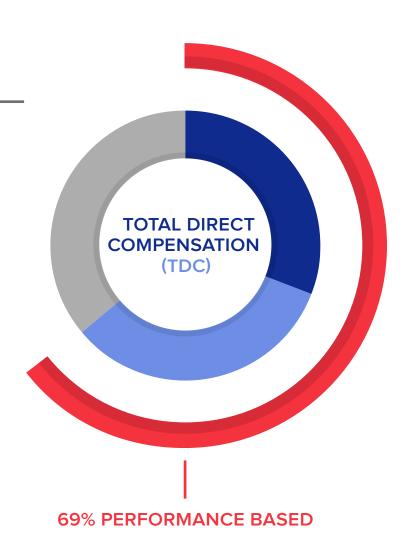
BASE SALARY

Smallest component of target

TDC

CEO: ~ 31%

Key executives: 40% - 62%



VARIABLE PAY

ANNUAL INCENTIVE

Based on EBITDA:

- Budgeted growth
- EBITDA margin

Pays out between 0% and 205% of

target

CEO: ~ 33%

Key executives: 18% - 28%

LONG-TERM INCENTIVE

Largest component of target TDC

Restricted stock

Based on ROIC

4 year vesting period

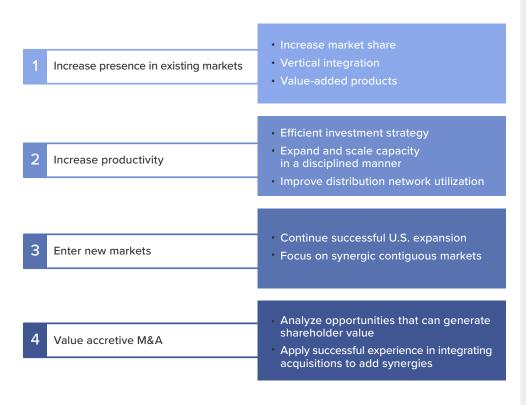
CEO: ~ 36%

Key executives: 15% - 34%



WITH A DISCIPLINED APPROACH TO ACQUISITION AND GROWTH INVESTMENTS

FRAMEWORK



STRATEGIC PRIORIZATION AND EVALUATION OF ALTERNATIVES Seek out Cement opportunities Rapid City Odessa Case by case Aggregates Trident opportunities with vertical integration Ready-mix opportunities with vertical integration **Distracts** from core Standalone aggregates and ready-mix Attractiveness (ROI, size, affordability)



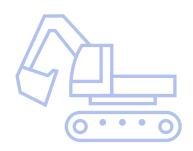
ENRIQUE ESCALANTE CEO Q1 2020 QUOTE

Enrique Escalante, GCC's Chief Executive Officer, commented:

"We are undergoing an unprecedented health crisis that has impacted the global community and the economies across the world. In these challenging times, health and safety of our employees is our top priority, and we have reacted rapidly taking the necessary measures to protect the well- being of them and their families while mitigating the financial impacts in our business."

"Both our divisions delivered strong results in the first quarter of the year, as the economic impacts of the pandemic weren't fully realized until late in the quarter. All of our operations are running at a steady pace, but we do expect an impact on our results in the quarters ahead."

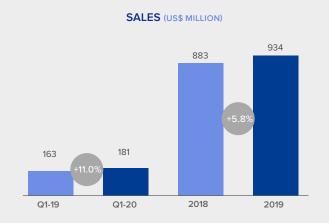
Mr. Escalante continued, "We are entering this crisis from a position of strength; we have built a strong a resilient business over the years, and while we cannot predict the length and severity of this pandemic, nor the impact in the overall macro environment, we have been through downturns before and we are confident that we will successfully navigate today's challenges as we have done in the past."



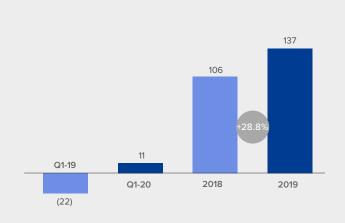




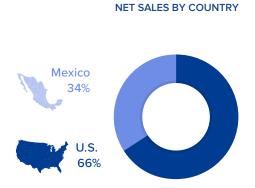
Q1 2020 RESULTS

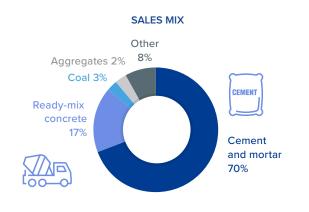


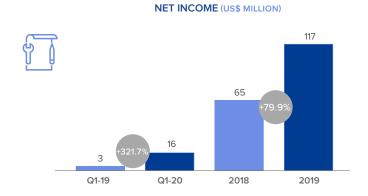




FREE CASH FLOW (US\$ MILLION)1









Q1 20 20 RESULTS HIGHLIGHTS

Q1-20	Q1-19	Var	2019	2018	Var
181.4	163.4	11.0%	934.1	883.2	5.8%
20.6	11.0	87.3%	183.6	169.8	8.1%
45.3	38.3	18.4%	292.0	256.4	13.9%
25.0%	23.4%		31.3%	29.0%	
16.5	3.9	321.7%	117.0	65.0	79.9%
	181.4 20.6 45.3 25.0%	181.4 163.4 20.6 11.0 45.3 38.3 25.0% 23.4%	181.4 163.4 11.0% 20.6 11.0 87.3% 45.3 38.3 18.4% 25.0% 23.4%	181.4 163.4 11.0% 934.1 20.6 11.0 87.3% 183.6 45.3 38.3 18.4% 292.0 25.0% 23.4% 31.3%	181.4 163.4 11.0% 934.1 883.2 20.6 11.0 87.3% 183.6 169.8 45.3 38.3 18.4% 292.0 256.4 25.0% 23.4% 31.3% 29.0%

- U.S. cement and ready mix volumes increased 12.5% and 21.2%, respectively
- Consolidated net sales increased 11%, to US\$ 181.4 million
- EBITDA increased 18.4% to US\$ 45.3 million, with a 25% EBITDA margin; a 1.6 percentage points point increase
- Free cash flow totaled US\$ 11.1 million, with a conversion rate from EBITDA of 25%
- Net leverage (net debt/EBITDA) ratio stood at 1.12x as of March 2020
- Earnings per share increased 321.6% year-on-year, to US\$ 0.0495

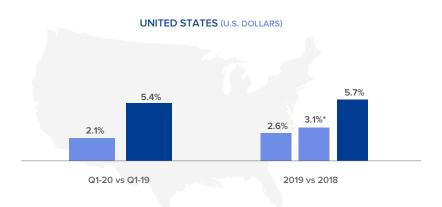


SALES VOLUMES AND PRICES

	Q1-20 vs Q1-19	2019 vs. 2018
Cement sales		
U.S.	12.5%	5.6%
U.S. like-to-like	N.A.	2.4%
Mexico	-0.5%	2.9%
Concrete sales		
U.S.	21.2%	-1.8%
Mexico	1.5%	4.7%

- U.S. cement volumes were driven by the strong performance in West Texas and solid demand from concrete producers. Concrete volumes were a result of improved weather conditions in the northern markets further supported by the development of a large project in El Paso Texas.
- Mexico sales were again primarily driven by demand related to industrial warehouse construction, mining projects and middle-income housing construction in the northern cities during the first quarter 2020.

GCC AVERAGE SELLING PRICES, % CHANGE





^{*} Excludes Trident plant



SALES

Million dollars	Q1-20	Q1-19	Var	2019	2018	Var
Consolidated	181.4	163.4	11.0%	934.1	883.2	5.8%
U.S.	119.7	103.4	15.8%	681.9	647.2	5.4%
U.S like to like	N.A.	N.A.	N.A.	645.2	624.2	3.4%
Mexico	61.7	60.1	2.8%	252.3	236.1	6.9%

U.S SALES

Cement volumes were driven by the strong performance in West Texas and solid demand from concrete producers. Concrete volumes were a result of improved weather conditions in the northern markets further supported by the development of a large project in El Paso Texas.

MEXICO SALES

Sales were primarily driven by demand related to industrial warehouse construction, mining projects and middle-income housing construction in the northern cities during the first quarter 2020.

INCOME STATEMENT (MILLION DOLLARS)



	Q1-20	Q1-19	Var	2019	2018	Var
Net Sales	181.4	163.4	11.0%	934.1	883.2	5.8%
U.S.	119.7	103.4	15.8%	681.9	647.2	5.4%
Mexico	61.7	60.1	2.8%	252.3	236.1	6.9%
Cost of sales	139.0	130.8	6.3%	667.2	637.9	4.6%
Operating expenses	21.7	21.6	0.5%	83.3	75.5	10.4%
Other expenses, net	0.2	(0.2)	n.m.	7.3	8.3	-12.6%
Operating Income	20.4	11.2	82.6%	176.3	161.5	9.2%
Operating margin	11.3%	6.8%		18.9%	18.3%	
Net financing (expense)	0.2	(8.5)	n.m.	(36.3)	(44.5)	-18.4%
Earnings in associates	0.5	0.5	10.9%	2.2	4.7	-54.5%
Income taxes	4.7	(0.8)	n.m.	25.1	16.7	50.5%
Income from continuing operations	16.4	3.9	321.7%	117.0	105.1	11.3%
Discontinued operations	0.0	0.0	0.0%	0.0	(40.1)	100.0%
Consolidated net income	16.4	3.9	321.7%	117.0	65.0	79.9%
EBITDA	45.3	38.3	18.4%	292.0	256.4	13.9%
EBITDA margin	25.0%	23.4%		31.3%	29.0%	

FREE CASH FLOW (MILLION DOLLARS)

	Q1-20	Q1-19	Var	2019	2018	Var
Operating income before other expenses	20.6	11.0	87.3%	183.6	169.8	8.1%
Depreciation and amortization	24.7	27.2	-9.4%	108.4	86.5	25.3%
EBITDA	45.3	38.3	18.4%	292.0	256.4	13.9%
Interest income (evaponce)	(2.4)	(2.9)	-18.0%	(24.6)	(48.1)	-48.9%
Interest income (expense)	(2.4)	, ,		,	, ,	
(Increase) in working capital	(11.0)	(31.4)	-65.0%	(19.0)	(11.0)	72.8%
Taxes	(3.0)	(0.5)	496.3%	(21.2)	(15.9)	33.1%
Accruals and other accounts	(4.6)	(6.4)	-28.7%	(29.0)	(23.9)	21.6%
Operating Leases (IFRS 16 effect)	(4.7)	(5.0)	-5.6%	(20.8)	0.0	100.0%
Flow from continuing operations, net	19.6	(8.0)	n.m.	177.4	157.4	12.6%
Flow from discontinued operations	0.0	0.0	0.0%	0.0	1.7	-100.0%
Operating cash flow	19.6	(8.0)	n.m.	177.4	159.1	11.4%
Maintenance CapEx*	(8.5)	(14.5)	-41.5%	(40.4)	(52.8)	-23.5%
Free cash flow	11.1	(22.4)	n.m.	137.0	106.4	28.8%
Growth & strategic CapEx	(0.4)	(7.1)	-94.9%	(24.3)	(52.3)	-53.4%
Sale of assets	0.0	0.0	100.0%	1.2	118.5	-99.0%
Purchase of assets	0.0	0.0	0.0%	0.0	(107.5)	-100.0%
Share repurchase, net	(4.4)	0.0	0.0%	0.0	0.0	0.0%
Debt amortizations, net	(2.0)	0.0	100.0%	(4.4)	(34.9)	-87.4%
Dividends paid	0.0	0.0	0.0%	(13.9)	(12.6)	10.4%
FX effect	(16.3)	1.0	n.m.	3.2	1.3	147.5%
Initial cash balance	350.5	251.8	39.2%	251.8	232.9	8.1%
Final cash balance	338.7	223.3	51.7%	350.5	251.8	39.2%
FCF conversion rate**	24.6%	n.m.		46.9%	41.5%	

- Increase in Free Cash Flow in Q1-20 reflects:
 - Increased EBITDA generation
 - Lower interest expense
 - Higher cash taxes
 - Lower working capital requirements
 - Lower maintenance CapEx
- Increase in Free Cash Flow in 2019 reflects:
 - Higher EBITDA generation
 - Lower interest expenses
 - Lower maintenance CapEx
 - Higher working capital requirements
 - Higher cash taxes

^{*} Excludes capex for growth and expansion

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

BALANCE SHEET (MILLION DOLLARS)

	Mar-20	Mar-19	Var
Total Assets	1,968.2	1,954.3	0.7%
Current Assets	627.0	529.4	18.4%
Cash	338.6	223.3	51.7%
Other current assets	288.4	306.1	-5.8%
Non-current assets	1,341.1	1,425.0	-5.9%
Plant, property, & equipment	962.9	1,030.9	-6.6%
Goodwill and intangibles	305.7	318.8	-4.1%
Other non-current assets	20.6	6.5	217.0%
Total Liabilities	908.9	979.3	-7.2%
Current Liabilities	193.8	176.7	9.7%
Short-term debt	33.4	6.4	422.3%
Other current liabilities	160.4	170.3	-5.8%
Long-term liabilities	715.1	802.7	-10.9%
Long-term debt	615.6	644.9	-4.5%
Other long-term liabilities	90.5	112.0	-19.2%
Deferred taxes	9.0	45.7	-80.4%
Total equity	1,059.3	975.0	8.6%

 Net leverage (net debt/EBITDA) ratio stood at 1.12x as of March 2020

^{*} Excludes capex for growth and expansion



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