2006
SECOND QUARTER RESULTS

	Second quarter			Second quarter	
	2006	2005	% Var.	2006	2005
Net sales	4,614	4,376	5%	% of Net Sales	
Gross profit	1,753	1,790	(2%)	38.0%	40.9%
Operating income	861	751	15%	18.7%	17.2%
Majority net income	579	733	(21%)	12.5%	16.8%
EBITDA	1,143	989	16%	24.8%	22.6%
Free cash flow after maintenance capital expenditures	779	742	5%	16.9%	17.0%

Net debt	8,120	9,624	(16%)
Net debt/EBITDA	2.1	2.9	
Interest coverage	7.7	6.5	
Earnings per ADR	0.81	1.08	(25%)
Average ADRs outstanding	712.0	679.1	5%

In millions of US dollars, except ratios and per-ADR amounts.
Earnings per ADR and average ADRs outstanding reflect the two-for-one ADR split effective July 24, 2006.
Average ADRs outstanding are presented in millions.

Consolidated net sales grew to US$4,614 million, representing an increase of 5% over those of second quarter 2005. Sales increased in most of our markets due to higher cement, ready-mix, and aggregates volumes and a better pricing environment. Public infrastructure and housing continue to be the main drivers of cement and ready-mix demand in most of our markets.

Operating income increased 15% during the quarter, from US$751 million in the second quarter of last year to US$861 in the second quarter of 2006.

Similarly, **EBITDA** increased 16% in the quarter compared to the same period last year, reaching US$1,143 million. EBITDA as a percentage of sales increased 2.2 percentage points, from 22.6% in second quarter 2005 to 24.8% in second quarter 2006. Improved operating income and EBITDA margins are due to synergies realized as a result of RMC-integration initiatives, and better supply-demand dynamics in most markets, which more than offset higher energy and transportation costs.

Foreign-exchange gain (loss) and **gain (loss) on financial instruments** for the quarter resulted in losses of US$48 million and US$93 million, respectively. The entire losses are the result of intercompany transactions and are due to the depreciation of the Mexican peso during the quarter.

Majority net income decreased 21% to US$579 million in the second quarter of 2006 from US$733 million in the same period a year ago. The decrease in majority net income for the quarter comes mainly from higher foreign-exchange and financial-instrument losses partially mitigated by stronger operating performance, as described above.

Net debt at the end of the second quarter was US$8,120 million, representing reductions of US$343 million during the quarter and US$2,315 million since the end of first quarter 2005. The **net-debt-to-EBITDA** ratio decreased to 2.1 times from 2.3 times at the end of first quarter 2006. **Interest coverage** reached 7.7 times during the quarter, up from 6.5 times a year ago.

Stock Listing Information

NYSE (ADR)
Ticker: **CX**

MEXICAN STOCK EXCHANGE
Ticker: **CEMEX.CPO**

Ratio of CEMEX.CPO to CX= 10:1

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EBITDA and Free Cash Flow(1)

	Second quarter			January - June		
	2006	2005	% Var.	2006	2005	% Var.
Operating income	861	751	15%	1,425	1,189	20%
+ Depreciation and operating amortization	282	238		548	430	
EBITDA	1,143	989	16%	1,973	1,619	22%
- Net financial expense	112	144		224	242	
- Maintenance capital expenditures	192	123		291	185	
- Change in working capital	(21)	(86)		105	42	
- Taxes paid	104	63		177	80	
- Other cash items (net)	(23)	3		(20)	5	
Free cash flow after maintenance capital expenditures	779	742	5%	1,194	1,065	12%
- Expansion capital expenditures	124	49		204	79	
Free cash flow	654	693	(6%)	990	986	0%

In millions of US dollars.
Results for year-to-date 2005 include the effect of the RMC acquisition starting in March.

During the quarter, free cash flow of US$654 was used as follows: US$473 million to reduce debt, however, net debt was reduced by US$343 million as a result of foreign-exchange conversion effects in the amount of US$130 million; US$13 million to pay cash dividends; US$39 million for integration efforts in our RMC operations; US$40 million in interest payments in excess of accrued interest; and the balance for other uses, primarily other investments.

Debt-Related Information

	Second quarter			First quarter
	2006	2005	% Var.	2006
Total debt (2)	8,957	11,036	(19%)	9,370
Short-term	13%	15%		11%
Long-term	87%	85%		89%
Cash and cash equivalents	708	1,265	(44%)	688
Fair value of cross-currency swaps (2)	129	147		220
Net debt (2)	8,120	9,624	(16%)	8,463
Interest expense	119	153	(22%)	120
Interest coverage	7.7	6.5		6.9
Net debt/EBITDA	2.1	2.9		2.3

In millions of US dollars, except ratios.

	Second quarter	
	2006	2005
Currency denomination		
US dollar	68%	71%
Euro	27%	18%
British pound	0%	5%
Yen	5%	6%
Other	0%	0%
Interest rate		
Fixed	45%	58%
Variable	55%	42%

During the second quarter, CEMEX, under its Medium-Term Promissory Notes Program ("Certificados Bursátiles"), issued notes for MXN1.5 billion with a maturity of five years at an interest rate equal to the 91-day Mexican treasury (CETES) plus 53 basis points. CEMEX also issued various short-term notes under its Short-Term Promissory Notes Program ("Certificados Bursátiles"), having an outstanding amount of MXN927 at the end of the quarter. All notes issued were swapped to US dollars at rates lower than LIBOR.

In addition, CEMEX and some of its subsidiaries amended various credit facilities totaling US$4.7 billion, extending their maturities and reducing their cost.

(1) *EBITDA and free cash flow (calculated as set forth above) are presented herein because CEMEX believes that they are widely accepted as financial indicators of its ability to internally fund capital expenditures and to service or incur debt. EBITDA and free cash flow should not be considered as indicators of CEMEX's financial performance, as alternatives to cash flow, as measures of liquidity, or as being comparable to other similarly titled measures of other companies. EBITDA is reconciled above to operating income, which CEMEX considers to be the most comparable measure as determined under generally accepted accounting principles in Mexico (Mexican GAAP). Free cash flow is reconciled to EBITDA. CEMEX is not required to prepare a statement of cash flows under Mexican accounting principles and, as such, does not have such Mexican-GAAP cash-flow measures to present as comparable to EBITDA or free cash flow.*

(2) *During 2004, the Mexican Institute of Public Accountants issued Bulletin C-10, "Derivative Financial Instruments and Hedging Activities", which became effective beginning January 1, 2005. Bulletin C-10 details and supplements issues related to the accounting of derivative financial instruments. Among other aspects, Bulletin C-10 precludes the presentation of two financial instruments as if they were a single instrument (synthetic presentation). For this reason, starting in 2005, CEMEX recognizes the assets and liabilities resulting from the fair value of cross-currency swaps ("CCS") separately from the financial debt, and such debt is presented in the currencies originally negotiated. Starting in 2001, CEMEX has effectively changed the original profile of interest rates and currencies of financial debt associated to CCS, and accordingly, until December 31, 2004, financial debt subject to these instruments was presented in the currencies negotiated in the CCS, through the recognition within debt of a portion of the assets or liabilities resulting from the fair value of such CCS. This reclassification has no impact on stockholders' equity or net income. For presentation purposes in the table above, net debt includes the fair value of CCS associated with debt.*

Equity-Related Information

One CEMEX ADR represents ten CEMEX CPOs. The following amounts are expressed in CPO terms and reflect the two-for-one CPO split effective July 17, 2006, and the two-for-one ADR split effective July 24, 2006.

Beginning-of-quarter CPO-equivalent units outstanding	7,049,659,842
CPOs issued due to stock dividend	211,875,714
Exercise of stock options not hedged	327,764
Less increase (decrease) in the number of CPOs held in subsidiaries	(4,771,334)
End-of-quarter CPO-equivalent units outstanding	7,266,634,654

Outstanding units equal total shares issued by CEMEX less shares held in subsidiaries.

Employee long-term compensation plans (1) (2)

As of June 30, 2006, executives had outstanding options on a total of 111,932,026 CPOs, with a weighted-average strike price of US$1.45 per CPO (equivalent to US$14.50 per ADR). Starting in 2005, CEMEX began offering executives a stock-ownership program. As of June 30, 2006, our executives held 188,820,818 restricted CPOs, representing 2.6% of our total CPOs outstanding.

Derivative Instruments

CEMEX periodically utilizes derivative financial instruments such as interest-rate and currency swaps, currency forwards and options, and equity derivatives in order to execute its corporate financing strategy and to hedge other obligations as they arise. The following table shows the notional amount for each type of derivative instrument and the aggregate fair market value for all of CEMEX's derivative instruments as of the last day of each quarter presented.

	Second quarter		First quarter
Notional amounts	**2006**	**2005**	**2005**
Equity (not prepaid) (1)	0	1,280	0
Foreign-exchange	5,240	3,643	5,904
Interest-rate	3,578	3,489	3,489
Estimated aggregate fair market value (3)	166	149	399

In millions of US dollars.

The estimated aggregate fair market value represents the approximate settlement result as of the valuation date, based upon quoted market prices and estimated settlement costs, which fluctuate over time. Fair market values and notional amounts do not represent amounts of cash currently exchanged between the parties; cash amounts will be determined upon termination of the contracts considering the notional amounts and quoted market prices as well as other derivative items as of the settlement date. Fair market values should not be viewed in isolation but rather in relation to the fair market values of the underlying hedge transactions and the overall reduction in CEMEX's exposure to the risks being hedged.

Note: Mexican GAAP ("Bulletin C-2") requires companies to recognize all derivative financial instruments in the balance sheet as assets or liabilities, at their estimated fair market value, with changes in such fair market values recorded on the income statement. The exceptions to the general rule until December 31, 2004, as they pertained to CEMEX, occurred when transactions were entered into for cash-flow hedging purposes. In such cases, changes in the fair market value of the related derivative instruments were recognized temporarily in equity and were reclassified into earnings as the inverse effects of the underlying hedged items flowed through the income statement. Beginning in 2005, new Bulletin C-10, "Derivative Financial Instruments and Hedging Activities", establishes the framework for hedge accounting and overrides Bulletin C-2 in this respect; however, in respect to cash-flow hedges, the new rules are the same as those applied by CEMEX since 2001. CEMEX has recognized increases in assets and liabilities, which resulted in a net asset of US$165 million, arising from the fair market value recognition of its derivatives portfolio as of June 30, 2006. The notional amounts of derivatives substantially match the amounts of underlying assets, liabilities, or equity transactions on which the derivatives are being entered into.

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(1) Until September 27, 2005, the date of pricing of our nondilutive equity offering and the liquidation of the equity forward contracts that hedged our executive stock-option programs, CEMEX accrued a liability representing the intrinsic value of the stock options. Resulting from the elimination of the economic hedge and given that the potential future appreciation of the stock options is currently not hedged through equity forwards, CEMEX has decided, for purposes of determining its obligations under the stock-option programs, to move from intrinsic value to fair value.

(2) As of June 30, 2006, CEMEX had recognized a net liability related to its stock-option programs of approximately US$101 million. This liability includes the fair value of the options for US$237 million, net of an investment in a derivative financial instrument of approximately US$136 million that guarantees us the receipt of cash equivalent to the appreciation of our CPO market price over 48 million CPOs (considering the effect of the two-for-one CPO split effective July 17, 2006), in order to meet our obligations under our executive stock-option programs.

(3) Estimated aggregate fair market value as of July 24, 2006, is US$381 million.

CEMEX CPO and ADS two-for-one split

On July 11, 2006, CEMEX announced that beginning on July 17, 2006, trading in its Ordinary Participation Certificates ("CPOs") and beginning on July 24, 2006, trading in its American Depositary Shares ("ADSs") started reflecting its previously announced two-for-one stock split.

In connection with the stock split, which was approved by CEMEX's shareholders on April 27, 2006, each of CEMEX's existing series A shares was surrendered in exchange for two new series A shares, and each of CEMEX's existing series B shares was surrendered in exchange for two new series B shares. Each CPO, which represented two existing series A shares and one existing series B share, was surrendered in exchange for two new CPOs. Each new CPO represents two new series A shares and one new series B share.

Beginning on July 24, 2006, trading on the New York Stock Exchange started reflecting the stock split as each ADS holder received one additional ADS for every existing ADS, each representing ten new CPOs. During the period between July 17 and July 21, 2006, the number of CEMEX's existing ADSs, each of which previously represented ten CPOs, did not change; instead it included the right to receive an additional ADS on July 24, 2006.

The proportional equity interest participation of existing shareholders in both CPOs and ADSs does not change as a result of the stock split.

97.4% of shareholders to receive CPOs or ADSs under CEMEX's stock dividend program

On June 5, 2006, CEMEX announced the completion of its stock dividend program determined at the Shareholders Meeting on April 27, 2006. A total of 105,937,857 CPOs, including CPOs in the form of ADSs (one ADS represents ten CPOs), were issued on June 5, 2006, and were distributed to 97.4% of shareholders; the remaining 2.6%, consisting of CPO holders, received a cash payment of MXN1.4887 per CPO in lieu of the stock dividend, for a total of approximately MXN144 million (US$13 million) paid by CEMEX.

Under this stock dividend program, CEMEX shareholders received one new CPO for each 35.2895 CPOs held (each representing two series A shares and one series B share), and ADS holders received one new ADS for each 35.2895 ADSs held.

CPO holders had the option to receive a cash payment in lieu of the stock dividend. ADS holders were entitled to receive a stock dividend only. ADS holders were entitled to instruct the ADS Depositary to sell all or a portion of the additional stock received as a result of the stock dividend into the market and receive the net cash proceeds from such sales.

(CPO amounts and cash payment per CPO do not reflect the two-for-one CPO split effective July 17, 2006, nor do they reflect the two-for-one ADR split effective July 24, 2006).

CEMEX to divest stake in Semen Gresik

On May 4, 2006, CEMEX announced that it agreed to sell 24.9% of PT Semen Gresik to Indonesia-based Rajawali Group. PT Semen Gresik is a publicly traded company on the Jakarta Stock Exchange and trades under the ticker symbol "SMGR".

According to the terms of the agreement, Rajawali Group will pay CEMEX US$337 million, or US$2.28 per share. As of July 25, all conditions precedent prior to closing have been met. We expect to receive the proceeds from this sale during July 2006 and we intend to use such proceeds to accelerate the pace of debt reduction.

Mexico

Our Mexican operations' cement volumes increased 6% during the quarter versus second quarter 2005, and ready-mix volumes increased 20% over the same period. For the first six months of the year, cement and ready-mix volumes increased 8% and 23%, respectively, versus the comparable periods a year ago. Cement prices were 2% higher in US-dollar terms during the quarter versus the same period a year ago and have increased 5% year to date versus the first half of 2005. Ready-mix prices, in US-dollar terms, were 4% higher during the first half of the year versus the same period in 2005.

Government infrastructure projects, including street and highways, state infrastructure, and rebuilding efforts, are driving cement consumption. The formal residential sector continues to benefit from credit availability from commercial banks and noncommercial sources such as Infonavit. Cement demand from the self-construction sector showed a slight recovery during the quarter due to increased disposable income, despite the fact that the formal sector attracted customers through government-financed mortgages.

United States

In CEMEX's US operations, on a like-to-like basis for the ongoing operations, cement volumes decreased 3%, ready-mix volumes decreased 16%, and aggregates volumes decreased 21%, during the second quarter compared with the second quarter 2005.

The decline during the second quarter was driven mainly by a weaker residential sector and unfavorable weather conditions in the western region. It was also affected by a shift in consumption from the second quarter to the first quarter due to favorable weather conditions in the first three months of the year.

For the first six months of the year and on a like-to-like basis, cement volumes increased 6%, ready-mix volumes decreased 8%, and aggregates volumes decreased 11% versus the first six months of 2005.

Construction spending in the residential sector was up 6% for the first five months of the year while housing starts decreased by 2% in the same period. Public-sector construction spending put in place was up 10% for the first five months of 2006, with spending for streets and highways up 15% as well. Construction put in place in the industrial-and-commercial sector increased 14% during the first five months of the year.

Cement prices increased 16% during the second quarter versus the same quarter last year. Ready-mix and aggregate prices, on a like-to-like basis for the ongoing operations, increased 19% and 37%, respectively, during the quarter versus the second quarter of 2005.

Spain

Domestic cement volume increased 6% during the second quarter of 2006 over the same quarter in 2005. Ready-mix volumes, adjusted for the integration of the Readymix Asland assets after the termination of the joint venture with Lafarge in December 2005, increased 6% during the second quarter versus the comparable period a year ago. For the first half of the year, cement volumes increased 9% and adjusted ready-mix volumes increased 13%.

The infrastructure and residential sectors continue to drive cement demand in Spain. There are new projects from the government's infrastructure program, and public spending continues in anticipation of next year's local elections. The residential sector showed strong performance during the first half of the year. Prices for domestic cement increased 10% in US-dollar terms and 8% in euro terms for the second quarter versus the comparable period in 2005.

United Kingdom

Cement and ready-mix volumes in the United Kingdom decreased 14% and 5%, respectively, for the second quarter of 2006 versus the comparable period in 2005. For the first six months of the year, cement volumes decreased 7% while ready-mix volumes remained flat versus the first half of 2005. Cement prices, on a like-to-like basis for the ongoing operations, increased 7% in US-dollar terms and 10% in British-pound terms during the first half of this year versus the comparable period in 2005.

Cement volume sales were affected by enhancements that were made at the Rugby plant and that resulted in below-average kiln output for the quarter. Unfavorable weather conditions also affected cement consumption during the month of May. Favorable activity in public housing and industrial-and-commercial sectors has partly mitigated the slowdown in infrastructure, private new housing, and repair-and-maintenance work.

Rest of Europe

In France, ready-mix and aggregates volumes decreased 1% and 2%, respectively, during the second quarter versus the same quarter of last year. For the first six months of the year, ready-mix and aggregates volumes increased 5% and 4%, respectively versus the same period of 2005. Prices for ready mix and aggregates in euro terms increased 5% and 4%, respectively, during the first half of the year. The residential sector, including private and public housing, continues to be the main driver of consumption.

In Germany, domestic cement volumes increased 11%, both in the second quarter and in the first half of 2006 versus the comparable periods of last year. Domestic cement prices increased 5% in euro terms during the first half of the year. Residential permits increased 25% in the January-April period due to new house owners planning ahead in order to take advantage of the home-owner subsidy that was cancelled in December 2005 as well as to avoid the 3% value-added-tax rate increase, which becomes effective in 2007. Permits for nonresidential construction started to increase in February, benefiting from the economic upswing and in response to a favorable business climate. The public-works sector is starting to show a positive trend as a result of the government's new transportation-infrastructure program.

South/Central America and Caribbean

Domestic cement volumes in the region increased 10% during the quarter and 14% for the first six months of the year versus the same periods of 2005. Average prices in US-dollar terms remained flat for the quarter compared with the same period of last year.

The main drivers of cement consumption in Venezuela continue to be the residential sector − including formal and self-construction housing − and infrastructure spending, which continues to benefit from increased oil revenues. Cement volumes in the country increased 32% during the first half of 2006 versus the same period in 2005.

In Colombia, cement volumes decreased 7% during the second quarter and remained flat in the first half of the year versus the comparable periods of last year. The main drivers of cement in the country are public infrastructure and nonresidential construction. The self-construction sector is starting to level off after a significant increase last year. Cement prices increased 16% in US-dollar terms during the quarter compared with the second quarter of last year.

Africa and Middle East

The region's domestic cement volumes for the second quarter and for the first half of 2006 increased 8% and 11%, respectively, versus the comparable periods of last year. Average prices in US-dollar terms increased 21% during the quarter versus second quarter 2005.

Domestic cement volumes for our operations in Egypt increased 8% during the second quarter compared with the same quarter in 2005. The favorable economic environment in the country translates into higher construction spending and cement consumption. Higher remittances into the country are also having a positive impact on the self-construction sector.

Asia

In aggregate, our cement volumes in the region decreased 4% during both the quarter and the first half of the year versus the comparable periods of last year. Average prices in US-dollar terms increased 10% during the quarter compared with second quarter 2005.

Domestic cement volume in the Philippines decreased 10% during the second quarter and 8% during the first half of 2006 versus the comparable periods in 2005. The Philippine Congress did not approve the 2006 national budget, delaying public infrastructure spending. The main drivers of demand continued to be the residential, commercial, and self-construction sectors.

Consolidated Income Statement & Balance Sheet

Includes the results of RMC begining March 1, 2005.

CEMEX S.A. de C.V. AND SUBSIDIARIES

(Thousands of U.S. Dollars, except per ADR amounts)

	January - June			Second quarter		
INCOME STATEMENT	**2006**	**2005**	**% Var.**	**2006**	**2005**	**% Var.**
Net Sales	8,595,315	6,947,578	24%	4,613,517	4,375,937	5%
Cost of Sales	(5,409,588)	(4,116,099)	31%	(2,860,137)	(2,585,820)	11%
Gross Profit	3,185,727	2,831,479	13%	1,753,380	1,790,117	(2%)
Selling, General and Administrative Expenses	(1,760,770)	(1,642,130)	7%	(891,948)	(1,038,681)	(14%)
Operating Income	1,424,957	1,189,349	20%	861,432	751,436	15%
Financial Expenses	(240,869)	(257,969)	(7%)	(118,891)	(153,115)	(22%)
Financial Income	16,383	15,995	2%	6,536	8,981	(27%)
Exchange Gain (Loss), Net	(98,964)	(57,187)	73%	(48,003)	(18,461)	160%
Monetary Position Gain (Loss)	242,948	193,887	25%	135,069	143,222	(6%)
Gain (Loss) on Financial Instruments	(113,217)	269,987	N/A	(93,182)	88,703	N/A
Total Comprehensive Financing (Cost) Income	(193,720)	164,712	N/A	(118,472)	69,329	N/A
Other Expenses, Net	70,449	(10,534)	N/A	(57,646)	18,115	N/A
Net Income Before Income Taxes	1,301,687	1,343,527	(3%)	685,314	838,880	(18%)
Income Tax	(203,063)	(169,284)	20%	(106,909)	(105,699)	1%
Employees' Statutory Profit Sharing	(6,709)	(5,172)	30%	(3,435)	(2,475)	39%
Total Income Tax & Profit Sharing	(209,772)	(174,457)	20%	(110,344)	(108,174)	2%
Net Income Before Participation						
of Uncons. Subs. and Ext. Items	1,091,915	1,169,070	(7%)	574,971	730,706	(21%)
Participation in Unconsolidated Subsidiaries	46,186	26,875	72%	37,315	20,635	81%
Consolidated Net Income	1,138,101	1,195,945	(5%)	612,286	751,342	(19%)
Net Income Attributable to Min. Interest	47,286	21,689	118%	33,449	18,681	79%
MAJORITY INTEREST NET INCOME	1,090,815	1,174,257	(7%)	578,837	732,661	(21%)
EBITDA	1,972,528	1,619,228	22%	1,143,109	989,357	16%
Earnings per ADR (1)	1.54	1.73	(11%)	0.81	1.08	(25%)

	As of June 30		
BALANCE SHEET	**2006**	**2005**	**% Var.**
Total Assets	27,817,159	26,267,538	6%
Cash and Temporary Investments	707,945	1,264,807	(44%)
Trade Accounts Receivables	1,644,998	1,870,546	(12%)
Other Receivables	982,251	609,973	61%
Inventories	1,170,277	1,116,917	5%
Other Current Assets	151,604	175,715	(14%)
Current Assets	4,657,075	5,037,957	(8%)
Fixed Assets	15,915,601	13,289,809	20%
Other Assets	7,244,483	7,939,772	(9%)
Total Liabilities	16,192,138	16,878,682	(4%)
Current Liabilities	4,318,407	4,882,472	(12%)
Long-Term Liabilities	7,749,034	9,342,974	(17%)
Other Liabilities	4,124,698	2,653,236	55%
Consolidated Stockholders' Equity	11,625,020	9,388,857	24%
Stockholders' Equity Attributable to Minority Interest	591,258	531,141	11%
Stockholders' Equity Attributable to Majority Interest	11,033,762	8,857,715	25%

1) Earnings per ADR reflects the two-for-one ADR split effective July 24, 2006.

Consolidated Income Statement & Balance Sheet

Includes the results of RMC begining March 1, 2005.

CEMEX S.A. de C.V. AND SUBSIDIARIES
(Thousands of Mexican Pesos in real terms as of June 30, 2006
except per ADR amounts)

	January - June			Second quarter		
INCOME STATEMENT	**2006**	**2005**	**% Var.**	**2006**	**2005**	**% Var.**
Net Sales	96,783,246	81,049,753	19%	51,948,201	51,049,244	2%
Cost of Sales	(60,911,964)	(48,017,998)	27%	(32,205,142)	(30,165,915)	7%
Gross Profit	35,871,282	33,031,755	9%	19,743,059	20,883,328	(5%)
Selling, General and Administrative Expenses	(19,826,266)	(19,156,929)	3%	(10,043,332)	(12,117,152)	(17%)
Operating Income	16,045,016	13,874,826	16%	9,699,727	8,766,176	11%
Financial Expenses	(2,712,190)	(3,009,445)	(10%)	(1,338,714)	(1,786,226)	(25%)
Financial Income	184,473	186,593	(1%)	73,593	104,775	(30%)
Exchange Gain (Loss), Net	(1,114,333)	(667,133)	67%	(540,518)	(215,369)	151%
Monetary Position Gain (Loss)	2,735,595	2,261,864	21%	1,520,872	1,670,815	(9%)
Gain (Loss) on Financial Instruments	(1,274,829)	3,149,636	N/A	(1,049,226)	1,034,795	N/A
Total Comprehensive Financing (Cost) Income	(2,181,284)	1,921,514	N/A	(1,333,994)	808,789	N/A
Other Expenses, Net	793,259	(122,894)	N/A	(649,093)	211,330	N/A
Net Income Before Income Taxes	14,656,991	15,673,446	(6%)	7,716,640	9,786,296	(21%)
Income Tax	(2,286,484)	(1,974,853)	16%	(1,203,796)	(1,233,072)	(2%)
Employees' Statutory Profit Sharing	(75,549)	(60,339)	25%	(38,673)	(28,875)	34%
Total Income Tax & Profit Sharing	(2,362,033)	(2,035,192)	16%	(1,242,469)	(1,261,947)	(2%)
Net Income Before Participation						
of Uncons. Subs. and Ext. Items	12,294,959	13,638,253	(10%)	6,474,171	8,524,349	(24%)
Participation in Unconsolidated Subsidiaries	520,055	313,527	66%	420,168	240,728	75%
Consolidated Net Income	12,815,013	13,951,780	(8%)	6,894,340	8,765,077	(21%)
Net Income Attributable to Min. Interest	532,436	253,019	110%	376,638	217,926	73%
MAJORITY INTEREST NET INCOME	12,282,578	13,698,761	(10%)	6,517,701	8,547,150	(24%)
EBITDA	22,210,667	18,889,752	18%	12,871,413	11,541,737	12%
Earnings per ADR (1)	17.34	18.59	(7%)	9.15	11.60	(21%)

	As of June 30		
BALANCE SHEET	**2006**	**2005**	**% Var.**
Total Assets	313,221,206	306,434,472	2%
Cash and Temporary Investments	7,971,459	14,755,112	(46%)
Trade Accounts Receivables	18,522,676	21,821,599	(15%)
Other Receivables	11,060,145	7,115,884	55%
Inventories	13,177,323	13,029,838	1%
Other Current Assets	1,707,056	2,049,870	(17%)
Current Assets	52,438,659	58,772,303	(11%)
Fixed Assets	179,209,668	155,037,588	16%
Other Assets	81,572,878	92,624,581	(12%)
Total Liabilities	182,323,475	196,905,019	(7%)
Current Liabilities	48,625,259	56,958,425	(15%)
Long-Term Liabilities	87,254,119	108,994,204	(20%)
Other Liabilities	46,444,097	30,952,391	50%
Consolidated Stockholders' Equity	130,897,731	109,529,462	20%
Stockholders' Equity Attributable to Minority Interest	6,657,569	6,196,242	7%
Stockholders' Equity Attributable to Majority Interest	124,240,162	103,333,220	20%

1) Earnings per ADR reflects the two-for-one ADR split effective July 24, 2006.

Operating Summary per Country

Includes the results of RMC begining March 1, 2005.

In thousands of U.S. dollars

	January - June			Second quarter		
NET SALES	**2006**	**2005**	**% Var.**	**2006**	**2005**	**% Var.**
Mexico	1,668,680	1,502,314	11%	882,785	793,255	11%
U.S.A.	2,162,601	1,807,789	20%	1,124,907	1,156,616	(3%)
Spain	910,433	761,403	20%	476,325	431,419	10%
United Kingdom	958,231	675,019	42%	478,174	504,117	(5%)
Rest of Europe	1,561,470	1,100,267	42%	953,085	885,631	8%
South / Central America and Caribbean	708,198	633,902	12%	371,432	338,852	10%
Africa and Middle East	338,623	233,607	45%	176,018	143,111	23%
Asia	167,246	136,036	23%	88,083	75,835	16%
Others and intercompany eliminations	*119,833*	*97,243*	*23%*	*62,708*	*47,102*	*33%*
TOTAL	8,595,315	6,947,578	24%	4,613,517	4,375,937	5%

GROSS PROFIT						
Mexico	882,161	827,586	7%	470,852	443,523	6%
U.S.A.	779,445	669,805	16%	421,602	446,633	(6%)
Spain	347,453	272,936	27%	181,488	148,520	22%
United Kingdom	322,022	239,361	35%	167,249	195,692	(15%)
Rest of Europe	380,138	286,932	32%	277,776	251,761	10%
South / Central America and Caribbean	264,219	216,662	22%	139,536	110,682	26%
Africa and Middle East	105,226	75,166	40%	54,425	39,097	39%
Asia	62,294	46,408	34%	34,013	23,984	42%
Others and intercompany eliminations	*42,768*	*196,623*	*(78%)*	*6,440*	*130,226*	*(95%)*
TOTAL	3,185,727	2,831,479	13%	1,753,380	1,790,117	(2%)

OPERATING INCOME						
Mexico	591,591	542,413	9%	313,958	290,985	8%
U.S.A.	480,246	314,171	53%	277,870	228,076	22%
Spain	252,411	189,634	33%	134,131	101,825	32%
United Kingdom	(968)	42,606	N/A	3,384	33,869	(90%)
Rest of Europe	49,249	95,927	(49%)	99,282	104,873	(5%)
South / Central America and Caribbean	130,707	116,292	12%	77,694	55,907	39%
Africa and Middle East	68,103	48,033	42%	37,369	21,648	73%
Asia	29,368	20,227	45%	18,824	8,686	117%
Others and intercompany eliminations	*(175,750)*	*(179,954)*	*(2%)*	*(101,080)*	*(94,432)*	*7%*
TOTAL	1,424,957	1,189,349	20%	861,432	751,436	15%

Operating Summary per Country

Includes the results of RMC begining March 1, 2005.

EBITDA in thousands of US dollars. EBITDA margin as a percentage of net sales

	January - June			Second quarter		
EBITDA	**2006**	**2005**	**% Var.**	**2006**	**2005**	**% Var.**
Mexico	661,872	620,542	7%	349,843	329,467	6%
U.S.A.	613,633	415,464	48%	349,202	284,435	23%
Spain	291,163	229,805	27%	153,794	121,969	26%
United Kingdom	74,611	74,491	0%	40,620	57,602	(29%)
Rest of Europe	145,343	139,509	4%	147,250	138,026	7%
South / Central America and Caribbean	188,526	180,427	4%	104,586	87,603	19%
Africa and Middle East	83,786	67,660	24%	44,881	32,521	38%
Asia	37,763	30,764	23%	23,040	14,064	64%
Others and intercompany eliminations	*(124,170)*	*(139,435)*	*(11%)*	*(70,107)*	*(76,331)*	*(8%)*
TOTAL	1,972,528	1,619,228	22%	1,143,109	989,357	16%

EBITDA MARGIN				
Mexico	39.7%	41.3%	39.6%	41.5%
U.S.A.	28.4%	23.0%	31.0%	24.6%
Spain	32.0%	30.2%	32.3%	28.3%
United Kingdom	7.8%	11.0%	8.5%	11.4%
Rest of Europe	9.3%	12.7%	15.4%	15.6%
South / Central America and Caribbean	26.6%	28.5%	28.2%	25.9%
Africa and Middle East	24.7%	29.0%	25.5%	22.7%
Asia	22.6%	22.6%	26.2%	18.5%
CONSOLIDATED MARGIN	22.9%	23.3%	24.8%	22.6%

Volume Summary

Includes the results of RMC begining March 1, 2005.

Consolidated volume summary

Cement and aggregates: Thousands of metric tons

Ready-mix: Thousands of cubic meters

	January - June			Second quarter		
	2006	2005	% Var.	2006	2005	% Var.
Consolidated cement volume	42,313	38,249	11%	22,448	21,851	3%
Consolidated ready-mix volume	36,336	30,680	18%	19,459	20,761	-6%
Consolidated aggregates volume	81,250	70,280	16%	45,138	49,792	-9%

Per-country volume summary [1]

	January - June	Second quarter	Second quarter 2006 Vs.
DOMESTIC CEMENT VOLUME	2006 Vs. 2005	2006 Vs. 2005	First quarter 2006
Mexico	8%	6%	7%
U.S.A.	6%	(3%)	10%
Spain	9%	6%	10%
United Kingdom	33%	(14%)	(4%)
Rest of Europe	23%	1%	133%
South / Central America and Caribbean	14%	10%	2%
Africa and Middle East	11%	8%	(1%)
Asia	(4%)	(4%)	5%
READY-MIX VOLUME			
Mexico	23%	20%	12%
U.S.A.	(1%)	(25%)	2%
Spain	1%	(15%)	6%
United Kingdom	42%	(5%)	3%
Rest of Europe	30%	(3%)	52%
South / Central America and Caribbean	30%	21%	4%
Africa and Middle East	31%	(6%)	3%
Asia	27%	(9%)	17%
AGGREGATES VOLUME			
Mexico	9%	8%	20%
U.S.A.	(3%)	(25%)	5%
Spain	10%	(4%)	27%
United Kingdom	45%	(1%)	6%
Rest of Europe	26%	(5%)	56%
South / Central America and Caribbean	20%	19%	9%
Africa and Middle East	N/A	N/A	N/A
Asia	(18%)	(38%)	9%

1) Includes only the month of March in first quarter 2005 for RMC operations.

Price Summary

Includes the results of RMC begining March 1, 2005.

Variation in US Dollars (1)

DOMESTIC CEMENT PRICE	January - June 2006 Vs. 2005	Second quarter 2006 Vs. 2005	Second quarter 2006 Vs. First quarter 2006
Mexico	5%	2%	(2%)
U.S.A.	16%	16%	3%
Spain	6%	10%	6%
United Kingdom	6%	8%	7%
Rest of Europe (2)	14%	16%	4%
South / Central America and Caribbean (2)	(4%)	0%	3%
Africa and Middle East (2)	19%	21%	6%
Asia (2)	10%	10%	3%

READY-MIX PRICE			
Mexico	4%	2%	(3%)
U.S.A.	19%	20%	2%
Spain	1%	6%	7%
United Kingdom	1%	3%	4%
Rest of Europe (2)	4%	6%	0%
South / Central America and Caribbean (2)	8%	9%	(1%)
Africa and Middle East (2)	12%	13%	5%
Asia (2)	9%	11%	3%

AGGREGATES PRICE			
Mexico	19%	25%	(11%)
U.S.A.	38%	45%	10%
Spain	(11%)	(10%)	5%
United Kingdom	4%	7%	4%
Rest of Europe (2)	6%	7%	(1%)
South / Central America and Caribbean (2)	23%	23%	(6%)
Africa and Middle East (2)	N/A	N/A	N/A
Asia (2)	19%	19%	2%

1) Includes only the month of March in first quarter 2005 for RMC operations.

2) Volume weighted-average price.

Price Summary

Includes the results of RMC begining March 1, 2005.

Variation in Local Currency (1)

DOMESTIC CEMENT PRICE	January - June 2006 Vs. 2005	Second quarter 2006 Vs. 2005	Second quarter 2006 Vs. First quarter 2006
Mexico (2)	0%	1%	3%
U.S.A.	16%	16%	3%
Spain	9%	8%	0%
United Kingdom	9%	8%	1%

READY-MIX PRICE	January - June 2006 Vs. 2005	Second quarter 2006 Vs. 2005	Second quarter 2006 Vs. First quarter 2006
Mexico (2)	0%	2%	3%
U.S.A.	19%	20%	2%
Spain	4%	4%	1%
United Kingdom	3%	3%	(1%)

AGGREGATES PRICE	January - June 2006 Vs. 2005	Second quarter 2006 Vs. 2005	Second quarter 2006 Vs. First quarter 2006
Mexico (2)	14%	25%	(6%)
U.S.A.	38%	45%	10%
Spain	(10%)	(12%)	(1%)
United Kingdom	7%	7%	(1%)

1) Includes only the month of March in first quarter 2005 for RMC operations.

2) In constant Mexican pesos as of June 30, 2006.

Definition of Terms and Disclosures

Methodology for consolidation and presentation of results

CEMEX consolidates its results in Mexican pesos under Mexican generally accepted accounting principles (GAAP). For the reader's convenience, US dollar amounts for the consolidated entity are calculated by converting the constant Mexican peso amounts at the end of each quarter using the period-end MXN/USD exchange rate for each quarter. The exchange rates used to convert results for second quarter 2006, first quarter 2006, and second quarter 2005 are 11.26, 10.88, and 10.75 Mexican pesos per US dollar, respectively. CEMEX's weighted-average inflation factor between June 30, 2005, and June 30, 2006, was 8.52%.

Per-country/region figures are presented in US dollars for the reader's convenience. In the consolidation process, each country's figures (except those of CEMEX Mexico) are converted to US dollars and then to Mexican pesos under Mexican GAAP. Figures presented in US dollars for Mexico, Spain, and the United Kingdom as of June 30, 2006, and June 30, 2005, can be converted into their original local currency amount by multiplying the US-dollar figure by the corresponding exchange rate provided below.

To convert June 30, 2005, US-dollar figures for Mexico to constant Mexican pesos as of June 30, 2006, it is necessary to first convert the June 30, 2005, US-dollar figure to Mexican pesos using the exchange rate provided below, and then multiply the resulting amount by 1.0328, the inflation-rate factor between June 30, 2005, and June 30, 2006.

	June 30	
Exchange rate	**2006**	**2005**
Mexican peso	11.26	10.75
Euro	0.782	0.826
British pound	0.541	0.555

Amounts provided in units of local currency per US dollar.

Breakdown of regions

The *South/Central America and Caribbean* region includes CEMEX's operations in Argentina, Colombia, Costa Rica, the Dominican Republic, Jamaica, Nicaragua, Panama, Puerto Rico, and Venezuela, as well as our trading operations in the Caribbean region.

Rest of Europe includes operations in Austria, Croatia, Czech Republic, Denmark, Finland, France, Germany, Hungary, Ireland, Latvia, Norway, Poland, and Sweden.

Africa and Middle East includes operations in Egypt, Israel, and the United Arab Emirates.

The *Asia* region includes operations in Bangladesh, Malaysia, the Philippines, Taiwan, and Thailand.

Definition of terms

EBITDA equals operating income plus depreciation and operating amortization.

Free cash flow equals EBITDA minus net interest expense, maintenance and expansion capital expenditures, change in working capital, taxes paid, and other cash items (net other expenses less proceeds from the disposal of obsolete and/or substantially depleted operating fixed assets that are no longer in operation).

Maintenance capital expenditures consist of maintenance spending on our cement, ready-mix, and other core businesses in existing markets.

Expansion capital expenditures consist of expansion spending on our cement, ready-mix, and other core businesses in existing markets.

Working capital equals operating accounts receivable (including other current assets received as payment in kind) plus historical inventories minus operating payables.

Net debt equals total debt minus the fair value of cross-currency swaps associated with debt minus cash and cash equivalents (please refer to footnote 2 on the second page of this report for further details).

Interest coverage is calculated by dividing EBITDA for the last twelve months by interest expense for the last twelve months.

Net debt/EBITDA is calculated by dividing net debt at the end of the quarter by EBITDA for the last twelve months (please refer to footnote 2 on the second page of this report for further details).

Earnings per ADR

The number of average ADRs outstanding used for the calculation of earnings per ADR was 712.0 million for second quarter 2006, 708.5 million for year-to-date 2006, 679.1 million for second quarter 2005, and 679.2 million for year-to-date 2005.

Effect of the purchase of RMC on our financial statements

The acquisition of RMC concluded on March 1, 2005. The process of allocating the purchase price paid for RMC's shares of approximately US$4.2 billion, including other direct purchase costs net of the proceeds from the sale of some assets, to the fair value of the assets acquired and liabilities assumed began during March 2005 and continued through the year and the first quarter of 2006. As of June, 30, 2006, CEMEX considers that the difference between the purchase price paid and the fair value of RMC's net assets as of March 1, 2005, which represented goodwill of approximately US$1.4 billion, is a reasonable estimate of the final allocation process. At this stage, CEMEX does not consider the existence of any material pending issues with respect to the purchase-price allocation.