

## GCC REPORTS FIRST QUARTER 2010 RESULTS

**Chihuahua, Chih., Mexico, April 30, 2010** – Grupo Cementos de Chihuahua, S.A.B. de C.V. (“GCC” or the “Company”) (BMV: GCC\*), a leading cement and concrete producer in the markets where it competes in Mexico, the United States and Bolivia, today announced consolidated results for the quarter ended March 31, 2010.

In the first quarter of 2010, the Company’s results were influenced by the following key factors in the months of January and February:

- In the United States, more severe weather compared to the first quarter of 2009, which caused a delay in some projects. In addition, the 13.7% appreciation of the peso against the dollar had a negative impact on sales when expressed in pesos.
- In Mexico, public infrastructure and commercial projects were delayed.
- In Bolivia, there was a high basis of comparison as growth in 2009 was very strong. Additionally, the appreciation of the peso against the Bolivian peso had a negative impact on sales when expressed in pesos.

During the month of March, sales volume grew for all our products in every market where we compete, which combined with lower costs and expenses resulted in EBITDA growth of 19% in the month, and an increase of 6 percentage points in the EBITDA margin compared to March 2009.

In light of the recovery seen in March and the range of projects scheduled for the rest of 2010, we expect better performance across all our regions. We will continue to pursue our cost and expense reduction plan, optimization of working capital, and making only critical capex investments.

**SALES BY MARKET**

(Variation %)

	1Q 10 vs 1Q 09
United States	-28.0%
Mexico	-3.9%
Bolivia	-3.0%

**KEY FIGURES**

(millions of pesos)

	1Q 10	1Q 09	1Q 10 vs 1Q 09
Net Sales	1,608.2	1,894.5	-15.1%
Operating Income	79.5	163.1	-51.3%
EBITDA	344.7	430.6	-19.9%
Consolidate Net Income	-117.3	21.1	-655.9%

*EBITDA: operating income + depreciation and amortization***FINANCIAL RESULTS**

**Net Sales** in the first quarter of 2010 totaled \$1,608.2 million pesos, compared to \$1,894.5 million pesos in 2009.

In the United States, sales totaled \$646.2 million pesos, which was lower than the year ago figure. In general, the construction industry was less dynamic, and more severe winter weather prevailed than in the first quarter of 2009. In addition, the appreciation of the peso with respect to the dollar had a negative impact on sales in this country.

In Mexico, sales totaled \$598.1 million pesos in the first quarter of 2010, a lower figure than in the year ago period. There was a double-digit increase in concrete block volume, a decrease in cement and concrete volumes, and higher prices.

GCC's proportional sales in Bolivia totaled \$363.9 million pesos in the first quarter of 2010, compared to \$375.0 million pesos in 2009. Cement sales volumes continued to grow, but sales of concrete and prices declined compared to the year ago period. The appreciation of the peso against the Bolivian peso had a negative impact on sales when expressed in pesos.

**NET SALES** (millions of pesos)

	1Q 10	1Q 09	1Q 10 vs 1Q 09
Consolidated	1,608.2	1,894.5	-15.1%
United States	646.2	897.4	-28.0%
Mexico	598.1	622.1	-3.9%
Bolivia	363.9	375.1	-3.0%

**VARIATION IN SALES VOLUMES (%)**

	1Q 10 vs 1Q09
Cement	-3.0%
Concrete	-23.9%
Block	25.1%
Aggregates	-5.8%

The **Cost of Sales** registered in the first quarter of the year was \$1,315.9 million pesos, and represented 81.8% of sales. In Mexico, fixed production costs declined 2.0% from the first quarter of 2009. In the United States, variable costs fell 1.9 percentage points as a percentage of sales, compared to the first quarter of 2009, and fixed production costs declined 7.0%. At the consolidated level, cost of sales as a percentage of sales increased, primarily as a result of lower sales against the fixed production costs included in this metric.

**Sales and Administrative Expenses** in the first quarter of 2010 declined 8.0% compared to the year ago period due to a combination of the following factors: a 2.5% and 8.6% decline in Mexico and the United States, respectively, as a result of the expense reduction program implemented since 2009.

**Operating Income** in the first quarter of the year was \$79.5 million pesos and represented 4.9% of sales.

**EBITDA** in the first quarter of the year totaled \$344.7 million pesos and represented 21.4% of sales.

GCC registered **Other Expenses** of \$57.5 million pesos in the first quarter of 2010.

The **Comprehensive Result of Financing** in the first quarter of the year was a cost of \$157.3 million pesos compared to a cost of \$115.9 million pesos registered in the same period of last year. The variation is due to higher net financial expenses resulting from an increase in the cost of debt following the renegotiation of financing terms, and to an exchange loss.

The Company registered a **Net Consolidated Loss** in the first quarter of 2010, compared to a net gain in the same quarter of last year.

The Company registered negative **Free Cash Flow** in the first quarter of 2010, compared to a positive figure in the same quarter of last year. This variation is primarily the result of a combination of the following factors: lower EBITDA, higher net financial expenses, an increase in working capital and greater capex.

**EBITDA AND FREE CASH FLOW** (millions of pesos)

	1Q 10	1Q 09	Var
<b>Operating income</b>	<b>79.5</b>	<b>163.1</b>	<b>-51.3%</b>
Depreciation and amortization	265.2	267.5	-0.86%
<b>EBITDA</b>	<b>344.7</b>	<b>430.6</b>	<b>-19.9%</b>
Interest income (expense)	(144.3)	(117.7)	22.6%
(Increase) Decrease in working capital	(394.0)	(172.3)	128.7%
Taxes	0	(9.8)	N/A
Antidumping tariffs	0	(3.9)	N/A
Capital expenditures*	(95.8)	(47.1)	103.4%
Other	(57.5)	(14.7)	291.2%
<b>Free cash flow</b>	<b>(346.9)</b>	<b>65.1</b>	<b>-632.9%</b>

\* Excludes investments in new production capacity and acquisitions

GCC's **Interest-Bearing Debt** in pesos as of March 31, 2010 was \$9,320.7 billion pesos. Net debt totaled \$7,704.7 million pesos.

**INTEREST-BEARING DEBT** (million of pesos)

	<b>GCC</b>	<b>SOBOCE*</b>	<b>CONSOLIDATED</b>
<b>TOTAL</b>	<b>8,613.0</b>	<b>707.7</b>	<b>9,320.7</b>
Short Term	2,069.3	67.0	2,136.3
Long Term	6,543.7	640.7	7,184.4

\* GCC's proportional share

GCC's **Total Assets** at March 31, 2010 totaled \$25,675.9 million pesos, 4.7% less than in March 2009 primarily as a result of the appreciation of the peso against the dollar and Bolivian peso.

**OTHER EVENTS**

The process of negotiating and rescheduling the debt acquired by the Company and its subsidiaries has been completed. The Company and its creditors are in the process of implementing the relevant documentation in order for the restructuring and rescheduling of the debt to take effect.

**NEW DEBT STRUCTURE (PRO FORMA)** (millions of pesos)

	<b>GCC</b>	<b>SOBOCE*</b>	<b>CONSOLIDATED</b>
<b>TOTAL</b>	<b>8,937.1</b>	<b>707.7</b>	<b>9,644.8</b>
Short Term	815.4	67.0	882.4
Long Term	8,121.7	640.7	8,762.4

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## **BASIS OF PREPARATION FOR FINANCIAL STATEMENTS**

All figures herein were prepared in accordance with Mexican Financial Reporting Standards, and are expressed in nominal Mexican pesos, except for long-term debt at March 31, 2010, which was not reported as short-term debt as required by Mexican Financial Reporting Standards in cases where breaches of debt covenants were not definitively renegotiated. The process of negotiating and rescheduling the debt acquired by the Company and its subsidiaries has been completed. The Company and its creditors are in the process of implementing the relevant documentation in order for the restructuring and rescheduling of the debt to take effect.

Unless otherwise stated, all percentage changes refer to the 2010 figures compared to those of 2009.

GCC consolidates its 47.02% stake in Sociedad Boliviana de Cemento, S.A. (SOBOCE) and subsidiaries in which it holds common control. The consolidation is undertaken in accordance with the proportional consolidation method set out in International Accounting Standards "Financial Reporting of Interest in Joint Ventures" (IAS 31). Pro forma results excluding SOBOCE are provided in the full financial statements.

### **About GCC**

GCC is a leading supplier of cement, aggregates, concrete and construction-related services in Mexico and the United States, and holds a significant share in Bolivia's largest cement company. The Company has annual cement production capacity of 5.0 million tons.

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

*This document contains forward-looking statements relating to Grupo Cementos de Chihuahua S.A.B. de C.V. and subsidiaries (GCC) based upon management projections. These projections reflect GCC's opinion on future events that may be subject to a number of risks and uncertainties. Various factors may cause actual results to differ from those expressed herein, including, among others, changes in macroeconomic, political, governmental or business conditions in the markets where GCC operates; changes in interest rates, inflation rates and currency exchange rates; construction industry performance; pricing, business strategy and other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein. GCC assumes no obligation to update or correct the information contained in this press release.*

## Income Statement

(Thousands of pesos)

	1Q 2010	%	1Q 2009	%	1Q10 / 1Q09
<b>Net sales</b>	<b>1,608,200</b>	100.0%	<b>1,894,500</b>	100.0%	-15.1%
Mexico sales	598,100	37.2%	622,100	32.8%	-3.9%
U.S.A. sales	646,200	40.2%	897,400	47.4%	-28.0%
Bolivia sales	363,900	22.6%	375,000	19.8%	-3.0%
Cost of sales	1,315,900	81.8%	1,500,100	79.2%	-12.3%
<b>Gross income</b>	<b>292,300</b>	18.2%	<b>394,400</b>	20.8%	-25.9%
Operating expenses	212,800	13.2%	231,300	12.2%	-8.0%
<b>Operating income</b>	<b>79,500</b>	4.9%	<b>163,100</b>	8.6%	-51.3%
Other (income) and expenses	57,500	3.6%	14,700	0.8%	291.2%
<b>Financing costs</b>					
Financial expenses	(153,500)	-9.5%	(132,900)	-7.0%	15.5%
Financial income	9,200	0.6%	15,200	0.8%	-39.5%
Exchange loss	(13,000)	-0.8%	1,800	0.1%	N/A
<b>Total</b>	<b>(157,300)</b>	-9.8%	<b>(115,900)</b>	-6.1%	35.7%
Non ordinary items	-	0.0%	3,900	0.2%	N/A
<b>Income before taxes</b>	<b>(135,300)</b>	-8.4%	<b>28,600</b>	1.5%	N/A
Income taxes	(18,000)	-1.1%	7,500	0.4%	N/A
<b>Net consolidated income</b>	<b>(117,300)</b>	-7.3%	<b>21,100</b>	1.1%	N/A
Net income of majority interest	(133,200)	-8.3%	1,100	0.1%	N/A
Net income of minority interest	15,900	1.0%	20,000	1.1%	-20.5%
<b>EBITDA</b>	<b>344,700</b>	21.4%	<b>430,600</b>	22.7%	-19.9%
Net financial expenses	(144,300)	-9.0%	(117,700)	-6.2%	22.6%
Free cash flow	(346,900)	-21.6%	65,100	3.4%	N/A

## Income Statement

(Thousands of dollars)

	1Q 2010	%	1Q 2009	%	1Q10 / 1Q09
<b>Net sales</b>	<b>125,300</b>	100.0%	<b>131,300</b>	100.0%	-4.6%
Mexico sales	46,800	37.4%	43,300	33.0%	8.1%
U.S.A. sales	50,600	40.4%	62,400	47.5%	-18.9%
Bolivia sales	27,900	22.3%	25,600	19.5%	9.0%
Cost of sales	102,500	81.8%	104,100	79.3%	-1.5%
<b>Gross income</b>	<b>22,800</b>	18.2%	<b>27,200</b>	20.7%	-16.2%
Operating expenses	16,600	13.2%	16,000	12.2%	3.8%
<b>Operating income</b>	<b>6,200</b>	4.9%	<b>11,200</b>	8.5%	-44.6%
Other (income) and expenses	4,400	3.5%	1,000	0.8%	340.0%
<b>Financing costs</b>					
Financial expenses	(12,000)	-9.6%	(9,200)	-7.0%	30.4%
Financial income	700	0.6%	1,000	0.8%	-30.0%
Exchange loss	(1,000)	-0.8%	200	0.2%	N/A
<b>Total</b>	<b>(12,300)</b>	-9.8%	<b>(8,000)</b>	-6.1%	53.8%
Non ordinary items	-	0.0%	300	0.2%	N/A
<b>Income before taxes</b>	<b>(10,500)</b>	-8.4%	<b>1,900</b>	1.4%	N/A
Income taxes	(1,400)	-1.1%	500	0.4%	N/A
<b>Net consolidated income</b>	<b>(9,100)</b>	-7.3%	<b>1,400</b>	1.1%	N/A
<b>EBITDA</b>	<b>26,900</b>	21.5%	<b>29,800</b>	22.7%	-9.7%

## Pro-forma Income Statement\*

(Thousands of pesos)

	1Q 2010	%	1Q 2009	%	1Q10 / 1Q09
<b>Net sales</b>	<b>1,244,300</b>	100.0%	<b>1,519,500</b>	100.0%	-18.1%
Mexico sales	598,100	48.1%	622,100	40.9%	-3.9%
U.S.A. sales	646,200	51.9%	897,400	59.1%	-28.0%
Cost of sales	1,071,600	86.1%	1,233,400	81.2%	-13.1%
<b>Gross income</b>	<b>172,700</b>	13.9%	<b>286,100</b>	18.8%	-39.6%
Operating expenses	165,200	13.3%	188,600	12.4%	-12.4%
<b>Operating income</b>	<b>7,500</b>	0.6%	<b>97,500</b>	6.4%	-92.3%
Other (income) and expenses	55,600	4.5%	15,600	1.0%	256.4%
<b>Financing costs</b>					
Financial expenses	(140,700)	-11.3%	(117,000)	-7.7%	20.3%
Financial income	7,500	0.6%	9,400	0.6%	-20.2%
Exchange loss	(6,100)	-0.5%	2,400	0.2%	N/A
<b>Total</b>	<b>(139,300)</b>	-11.2%	<b>(105,200)</b>	-6.9%	32.4%
Equity in net income of associates	30,600	2.5%	30,200	2.0%	1.3%
Non ordinary items	-	0.0%	3,900	0.3%	N/A
<b>Income before taxes</b>	<b>(156,800)</b>	-12.6%	<b>3,000</b>	0.2%	N/A
Income taxes	(23,600)	-1.9%	1,800	0.1%	N/A
<b>Net consolidated income</b>	<b>(133,200)</b>	-10.7%	<b>1,200</b>	0.1%	N/A
Net income of majority interest	(133,200)	-10.7%	1,100	0.1%	N/A
Net income of minority interest	-	0.0%	100	0.0%	N/A
<b>EBITDA</b>	<b>244,100</b>	19.6%	<b>335,200</b>	22.1%	-27.2%
Net financial expenses	(133,200)	-10.7%	(107,600)	-7.1%	23.8%
Free cash flow	(382,600)	-30.7%	21,200	1.4%	N/A

\* The results of Sociedad Boliviana de Cemento, S.A. y Subsidiarias (SOBOCE) are included using the equity method.

## Pro-forma Income Statement\*

(Thousands of dollars)

	1Q 2010	%	1Q 2009	%	1Q10 / 1Q09
<b>Net sales</b>	<b>97,400</b>	100.0%	<b>105,700</b>	100.0%	-7.9%
Mexico sales	46,800	48.0%	43,300	41.0%	8.1%
U.S.A. sales	50,600	52.0%	62,400	59.0%	-18.9%
Cost of sales	83,800	86.0%	85,900	81.3%	-2.4%
<b>Gross income</b>	<b>13,600</b>	14.0%	<b>19,800</b>	18.7%	-31.3%
Operating expenses	12,900	13.2%	13,100	12.4%	-1.5%
<b>Operating income</b>	<b>700</b>	0.7%	<b>6,700</b>	6.3%	-89.6%
Other (income) and expenses	4,300	4.4%	1,100	1.0%	290.9%
<b>Financing costs</b>					
Financial expenses	(11,000)	-11.3%	(8,100)	-7.7%	35.8%
Financial income	600	0.6%	300	0.3%	100.0%
Exchange loss	(400)	-0.4%	300	0.3%	N/A
<b>Total</b>	<b>(10,800)</b>	-11.1%	<b>(7,500)</b>	-7.1%	44.0%
Equity in net income of associates	2,300	2.4%	2,400	2.3%	-4.2%
Non ordinary items	-	0.0%	300	0.3%	N/A
<b>Income before taxes</b>	<b>(12,100)</b>	-12.4%	<b>200</b>	0.2%	N/A
Income taxes	(1,800)	-1.8%	100	0.1%	N/A
<b>Net consolidated income</b>	<b>(10,300)</b>	-10.6%	<b>100</b>	0.1%	N/A
<b>EBITDA</b>	<b>19,200</b>	19.7%	<b>23,300</b>	22.0%	-17.6%

\* The results of Sociedad Boliviana de Cemento, S.A. y Subsidiarias (SOBOCE) are included using the equity method.

## Balance Sheet

(Thousands of pesos)

	March 2010	March 2009	Variation
<b>Total assets</b>	<b>25,675,900</b>	<b>26,935,500</b>	-4.7%
Current assets	5,074,800	4,524,600	12.2%
<i>Cash and temporary investments</i>	1,616,000	1,077,600	50.0%
Long term assets	94,200	95,500	-1.4%
Fixed assets	14,773,800	16,790,500	-12.0%
Other assets	5,733,100	5,524,900	3.8%
<b>Total liabilities</b>	<b>13,692,700</b>	<b>13,789,500</b>	-0.7%
Current liabilities	3,254,200	2,423,300	34.3%
<i>Bank debt</i>	2,093,200	1,261,700	65.9%
<i>Domestic bonds</i>	33,700	92,400	-63.5%
<i>Other cost bearing liabilities</i>	9,400	10,300	-8.7%
Long term liabilities	7,184,400	9,473,500	-24.2%
<i>Bank debt</i>	3,824,300	5,635,800	-32.1%
<i>Domestic bonds</i>	3,346,700	3,808,400	-12.1%
<i>Other cost bearing liabilities</i>	13,400	29,300	-54.3%
Differed taxes	2,586,000	1,552,300	66.6%
Other liabilities	668,100	340,400	96.3%
<b>Consolidated stockholder's equity</b>	<b>11,983,200</b>	<b>13,146,000</b>	-8.8%
Majority interest	11,623,800	12,761,000	-8.9%
Minority interest	359,400	385,000	-6.6%

## Pro-forma Balance Sheet\*

(Thousands of pesos)

	March 2010	March 2009	Variation
<b>Total assets</b>	<b>24,204,200</b>	<b>25,431,400</b>	-4.8%
Current assets	4,468,200	3,848,000	16.1%
<i>Cash and temporary investments</i>	1,285,400	656,800	95.7%
Long term assets	911,800	1,110,000	-17.9%
Fixed assets	13,116,200	15,000,700	-12.6%
Other assets	5,708,000	5,472,700	4.3%
<b>Total liabilities</b>	<b>12,577,500</b>	<b>12,667,300</b>	-0.7%
Current liabilities	3,022,500	2,090,500	44.6%
<i>Bank debt</i>	2,060,800	1,194,000	72.6%
<i>Other cost bearing liabilities</i>	8,500	9,000	-5.6%
Long term liabilities	6,543,700	8,788,900	-25.5%
<i>Bank debt</i>	3,581,600	5,344,200	-33.0%
<i>Domestic bonds</i>	2,948,400	3,416,600	-13.7%
<i>Other cost bearing liabilities</i>	13,700	28,100	0.0%
Differed taxes	2,424,000	1,535,300	57.9%
Other liabilities	587,300	252,600	132.5%
<b>Consolidated stockholder's equity</b>	<b>11,626,700</b>	<b>12,764,100</b>	-8.9%
Majority interest	11,623,800	12,761,000	-8.9%
Minority interest	2,900	3,100	-6.5%

\* The results of Sociedad Boliviana de Cemento, S.A. y Subsidiarias (SOBOCE) are included using the equity method.