

## GCC REPORTS FOURTH QUARTER 2010 RESULTS

**Chihuahua, Chih., Mexico, February 28th, 2011** – Grupo Cementos de Chihuahua, S.A.B. de C.V. (“GCC” or the “Company”) (BMV: GCC\*), a leading cement and concrete producer in markets in Mexico, the United States and Bolivia, today announced consolidated results for the quarter ended December 31, 2010.

In the fourth quarter of 2010, sales volume of concrete and cement in the United States had a strong growth of over 20% compared to the fourth quarter of 2009. This reflects the start of a recovery in the construction industry, mainly by the public infrastructure sector. In Mexico sales volumes and prices were similar to the same quarter last year.

### KEY FIGURES (millions of pesos)

	4Q10	4Q09	4Q10 vs 4Q09	2010	2009	2010 vs 2009
Net Sales	1,951.6	1,961.1	-0.5%	7,793.1	8,516.8	-8.5%
Operating Income	168.2	99.6	68.9%	743.3	1,214.0	-38.8%
EBITDA	428.8	381.5	12.4%	1,761.6	2,236.3	-21.2%
Consolidated Net Income	13.9	(3.2)	N/A	88.2	465.4	-81.1%

*EBITDA: operating income + depreciation and amortization*

### FINANCIAL RESULTS

**Net Sales** in the fourth quarter of 2010 totaled \$1,951.6 million pesos, compared to \$1,961.1 million pesos in 2009, a decline of 0.5%. Sales in dollar terms fell 0.6%.

In Mexico, sales totaled \$569.3 million pesos in the fourth quarter of 2010, a similar amount as the one registered in the fourth quarter of 2009, reflecting a similar sales volume and prices than in the same period of 2009.

In the United States, sales totaled \$1,097.1 million pesos, compared to \$1,102.0 million pesos in the fourth quarter of 2009. In dollar terms sales increased by 0.2%. Cement and ready mix concrete sales volume had a strong growth while prices declined. The appreciation of the peso against the dollar affected the U.S. sales when converted into pesos.

GCC’s proportional sales in Bolivia totaled \$285.2 million pesos in the fourth quarter of 2010, a 1.5% decrease compared to the sales for the same quarter of the previous year. Cement and ready mix concrete sales volume had an increase while prices were stable. The appreciation of the Bolivian currency against the peso negatively affected sales figures in Bolivia when converted into pesos.

Consolidated net sales in 2010 totaled \$7,793.1 million pesos, a lower figure than in the same period of 2009 due primarily to the appreciation of the peso against the dollar and lower prices resulting from a more competitive environment in the markets.

**NET SALES** (millions of pesos)

	4Q10	4Q09	4Q10 vs 4Q09	2010	2009	2010 vs 2009
Consolidated	1,951.6	1,961.1	-0.5%	7,793.1	8,516.8	-8.5%
United States	1,097.1	1,102.0	-0.4%	4,423.1	5,161.9	-14.3%
Mexico	569.3	569.6	0.0%	2,437.3	2,411.2	1.1%
Bolivia	285.2	289.6	-1.5%	932.7	943.8	-1.2%

**NET SALES** (millions of dollars)

	4Q10	4Q09	4Q10 vs 4Q09	2010	2009	2010 vs 2009
Consolidated	171.0	172.1	-0.6%	629.4	652.3	-3.5%
United States	95.6	95.4	0.2%	357.2	395.3	-9.6%
Mexico	50.0	49.9	0.4%	196.8	184.7	6.6%
Bolivia	25.3	26.8	-5.4%	75.3	72.3	4.2%

**VARIATION IN SALES VOLUMES (%)**

	4Q10 vs 4Q09	2010 vs 2009
Cement	14.2%	2.8%
Concrete	14.0%	-1.6%
Block	-2.2%	8.8%
Aggregates	-0.9%	0.3%

The **Cost of Sales** in the fourth quarter was \$1,570.4 million pesos and represented 80.5% of sales. The cost of sales, as a percentage of sales, decreased primarily as a result of lower fixed production costs, mainly in maintenance and salaries and benefits.

In 2010, the cost of sales was \$6,149.4 million pesos, a 3.7% decrease compared to the prior year.

**Sales and Administrative Expenses** in the fourth quarter of 2010 were \$213.1 million pesos, a decrease of 18.7% than in the same quarter of last year. In 2010, these expenses declined 1.7% compared to 2009.

**Operating Income** in the fourth quarter of 2010 was \$168.2 million pesos and represented 8.6% of sales. In 2010, operating income was \$743.3 million pesos, with a margin of 9.5%.

**EBITDA** in the fourth quarter of the year totaled \$428.8 million pesos and represented 22.0% of sales. Cumulative EBITDA of 2010 was \$1,761.6 million pesos.

GCC registered **Other Income** of \$9.4 million pesos in the fourth quarter of 2010 and **Other Expenses** of \$72.7 million pesos in 2010.

The **Comprehensive Financing Result** in the fourth quarter of the year was a cost of \$190.5 million pesos, a 19.6% decrease compared to the cost registered in the same period of last year. In 2010 the comprehensive financing result was a cost of \$677.6 million pesos, a decrease of 19.2% compared to 2009.

**Consolidated Net Income** registered in the fourth quarter of 2010 was \$13.9 million pesos, compared to a consolidated net loss of \$3.2 million pesos in the same quarter of 2009. In 2010, consolidated net income totaled \$88.2 million pesos.

**Free Cash Flow** in the fourth quarter of 2010 was \$528.7 million pesos, an 80.8% increase compared to the same period of last year. This variation is the result of a combination of higher EBITDA, the reduction of financial expenses and a decrease in capital expenditures. As of December 2010 free cash flow totaled \$782.1 million pesos.

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

	4Q10	4Q09	Var	2010	2009	Var
<b>Operating Income</b>	<b>168.2</b>	<b>99.6</b>	<b>68.9%</b>	<b>743.3</b>	<b>1,214.0</b>	<b>-38.8%</b>
Depreciation and amortization	260.6	281.9	-7.6%	1,018.3	1,022.4	-0.4%
<b>EBITDA</b>	<b>428.8</b>	<b>381.5</b>	<b>12.4%</b>	<b>1,761.6</b>	<b>2,236.3</b>	<b>-21.2%</b>
Interest income (expense)	(123.3)	(228.8)	-46.1%	(548.1)	(825.6)	-33.6%
(Increase) Decrease in working capital	259.9	203.7	27.6%	(65.3)	258.9	-125.2%
Taxes	0.0	0.0	0.0%	0.0	(9.8)	-100.0%
Antidumping tariffs	0.0	0.0	0.0%	0.0	(4.1)	-100.0%
Capital expenditures*	(46.1)	(63.8)	-27.7%	(293.4)	(360.0)	-18.5%
Other	9.4	(0.2)	N/A	(72.7)	(64.5)	12.8%
<b>Free cash flow</b>	<b>528.7</b>	<b>292.4</b>	<b>80.8%</b>	<b>782.1</b>	<b>1,231.3</b>	<b>-36.5%</b>

\* Excludes investments in new production capacity and acquisition

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GCC's **Interest-Bearing Debt** in pesos at December 31, 2010 was \$8,736.8 million pesos, a decrease of 9.6% compared to December 31, 2009. Net debt totaled \$7,692.3 million pesos.

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

	<b>GCC</b>	<b>SOBOCE*</b>	<b>CONSOLIDATED</b>
<b>TOTAL</b>	<b>8,210.2</b>	<b>526.7</b>	<b>8,736.8</b>
Short term	934.9	42.5	977.5
Long term	7,275.2	484.2	7,759.4

\* GCC's proportional share

GCC's **Total Assets** at December 31, 2010 were \$24,159.7 million pesos, 7.0% less than December 2009.

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## **OTHER EVENTS**

On September 1, 2010 the Government of Bolivia passed a presidential decree providing for the reversal of the sale of the 33.34% stake in Fábrica Nacional de Cemento, S.A. (FANCESA) to Sociedad Boliviana de Cemento, S.A., in favor of the Autonomous Departmental Government of Chuquisaca. The decree provides for a compensatory payment for the reversal of the sale to be made within 180 days of the promulgation of the decree.

This does not significantly impact GCC's cash flow as the Company only receives cash from the Bolivian operations through dividends from Sociedad Boliviana de Cemento, S.A. In accordance with Financial Reporting Standards, FANCESA's proportional share of consolidated results were reclassified as discontinued operations as of September 30, 2010 and for comparative purposes, in 2009. The effect of the proportional consolidation of these operations on GCC's sales and EBITDA was 8% and 10%, respectively.

Currently, the Company is expecting from the Bolivian government the result of the valuation of the shares made by an appraiser firm hired by the government.

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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. 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.

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)

	4Q 2010	%	4Q 2009	%	4Q10 / 4Q09
<b>Net sales</b>	<b>1,951,603</b>	100.0%	<b>1,961,146</b>	100.0%	-0.5%
Mexico sales	569,327	29.2%	569,608	29.0%	0.0%
U.S.A. sales	1,097,094	56.2%	1,101,950	56.2%	-0.4%
Bolivia sales	285,182	14.6%	289,588	14.8%	-1.5%
Cost of sales	1,570,358	80.5%	1,599,434	81.6%	-1.8%
<b>Gross income</b>	<b>381,244</b>	19.5%	<b>361,712</b>	18.4%	5.4%
Operating expenses	213,094	10.9%	262,142	13.4%	-18.7%
<b>Operating income</b>	<b>168,151</b>	8.6%	<b>99,569</b>	5.1%	68.9%
Other (income) and expenses	(9,388)	-0.5%	164	0.0%	N/A
<b>Financing costs</b>					
Financial expenses	(131,545)	-6.7%	(240,611)	-12.3%	-45.3%
Restructuring costs	(69,557)	-3.6%	-	0.0%	N/A
Financial income	8,219	0.4%	11,765	0.6%	-30.1%
Exchange loss	2,434	0.1%	(7,966)	-0.4%	N/A
<b>Total</b>	<b>(190,450)</b>	-9.8%	<b>(236,812)</b>	-12.1%	-19.6%
Non ordinary items	-	0.0%	-	0.0%	N/A
<b>Income before taxes</b>	<b>(12,912)</b>	-0.7%	<b>(137,407)</b>	-7.0%	-90.6%
Income taxes	(26,774)	-1.4%	(103,832)	-5.3%	-74.2%
<b>Income before discontinued operations</b>	<b>13,862</b>	0.7%	<b>(33,574)</b>	-1.7%	N/A
Discontinued operations	-	0.0%	30,373	1.5%	-100.0%
<b>Net consolidated income</b>	<b>13,862</b>	0.7%	<b>(3,201)</b>	-0.2%	N/A
Net income of majority interest	10,942	0.6%	(20,198)	-1.0%	N/A
Net income of minority interest	2,920	0.1%	16,997	0.9%	N/A
<b>EBITDA</b>	<b>428,800</b>	22.0%	<b>381,505</b>	19.5%	12.4%
Net financial expenses	(123,327)	-6.3%	(228,846)	-11.7%	-46.1%
Free cash flow	528,695	27.1%	292,384	14.9%	80.8%

## Income Statement cumulative to December

(Thousands of pesos)

	2010	%	2009	%	2010 / 2009
<b>Net sales</b>	<b>7,793,103</b>	100.0%	<b>8,516,846</b>	100.0%	-8.5%
Mexico sales	2,437,327	31.3%	2,411,208	28.3%	1.1%
U.S.A. sales	4,423,094	56.8%	5,161,850	60.6%	-14.3%
Bolivia sales	932,682	12.0%	943,788	11.1%	-1.2%
Cost of sales	6,149,358	78.9%	6,386,734	75.0%	-3.7%
<b>Gross income</b>	<b>1,643,744</b>	21.1%	<b>2,130,112</b>	25.0%	-22.8%
Operating expenses	900,494	11.6%	916,142	10.8%	-1.7%
<b>Operating income</b>	<b>743,251</b>	9.5%	<b>1,213,969</b>	14.3%	-38.8%
Other (income) and expenses	72,712	0.9%	64,464	0.8%	12.8%
<b>Financing costs</b>					
Financial expenses	(584,445)	-7.5%	(875,711)	-10.3%	-33.3%
Restructuring costs	(134,157)	-1.7%	-	0.0%	N/A
Financial income	36,319	0.5%	50,065	0.6%	-27.5%
Exchange loss	4,734	0.1%	(13,166)	-0.2%	-136.0%
<b>Total</b>	<b>(677,551)</b>	-8.7%	<b>(838,812)</b>	-9.8%	-19.2%
Non ordinary items	-	0.0%	4,100	0.0%	N/A
<b>Income before taxes</b>	<b>(7,012)</b>	-0.1%	<b>306,593</b>	3.6%	-102.3%
Income taxes	(25,474)	-0.3%	(32,432)	-0.4%	-21.5%
<b>Income before discontinued operations</b>	<b>18,462</b>	0.9%	<b>339,026</b>	17.3%	-94.6%
Discontinued operations	69,700	3.6%	126,373	6.4%	-44.8%
<b>Net consolidated income</b>	<b>88,162</b>	1.1%	<b>465,399</b>	5.5%	-81.1%
Net income of majority interest	40,042	0.5%	381,102	4.5%	-89.5%
Net income of minority interest	48,120	0.6%	84,297	1.0%	-42.9%
<b>EBITDA</b>	<b>1,761,600</b>	22.6%	<b>2,236,350</b>	26.3%	-21.2%
Net financial expenses	(548,127)	-7.0%	(825,646)	-9.7%	-33.6%
Free cash flow	782,090	10.0%	1,231,276	14.5%	-36.5%

## Pro-forma Income Statement\*

(Thousands of pesos)

	4Q 2010	%	4Q 2009	%	4Q10 / 4Q09
<b>Net sales</b>	<b>1,665,333</b>	100.0%	<b>1,671,500</b>	100.0%	-0.4%
Mexico sales	568,940	34.2%	569,572	34.1%	-0.1%
U.S.A. sales	1,096,393	65.8%	1,101,928	65.9%	-0.5%
Cost of sales	1,374,288	82.5%	1,411,675	84.5%	-2.6%
<b>Gross income</b>	<b>291,045</b>	17.5%	<b>259,825</b>	15.5%	12.0%
Operating expenses	180,916	10.9%	216,481	13.0%	-16.4%
<b>Operating income</b>	<b>110,129</b>	6.6%	<b>43,344</b>	2.6%	154.1%
Other (income) and expenses	(9,698)	-0.6%	482	0.0%	N/A
<b>Financing costs</b>					
Financial expenses	(121,033)	-7.3%	(229,219)	-13.7%	-47.2%
Restructuring costs	(69,557)	-4.2%	-	0.0%	N/A
Financial income	7,862	0.5%	9,439	0.6%	-16.7%
Exchange loss	2,607	0.2%	(5,822)	-0.3%	N/A
<b>Total</b>	<b>(180,122)</b>	-10.8%	<b>(225,602)</b>	-13.5%	-20.2%
Equity in net income of associates	44,531	2.7%	71,956	4.3%	-38.1%
Non ordinary items	-	0.0%	-	0.0%	N/A
<b>Income before taxes</b>	<b>(15,764)</b>	-0.9%	<b>(110,784)</b>	-6.6%	-85.8%
Income taxes	(26,346)	-1.6%	(90,617)	-5.4%	-70.9%
<b>Net consolidated income</b>	<b>10,582</b>	0.6%	<b>(20,167)</b>	-1.2%	-152.5%
Net income of majority interest	10,942	0.7%	(20,198)	-1.2%	-154.2%
Net income of minority interest	(360)	0.0%	31	0.0%	N/A
<b>EBITDA</b>	<b>342,787</b>	20.6%	<b>284,774</b>	17.0%	20.4%
Net financial expenses	(113,172)	-6.8%	(219,780)	-13.1%	-48.5%
Free cash flow	429,412	25.8%	313,214	18.7%	37.1%

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

## Cumulative Pro-forma Income Statement\*

(Thousands of pesos)

	2010	%	2009	%	2010 / 2009
<b>Net sales</b>	<b>6,859,333</b>	100.0%	<b>7,573,000</b>	100.0%	-9.4%
Mexico sales	2,436,940	35.5%	2,411,172	31.8%	1.1%
U.S.A. sales	4,422,393	64.5%	5,161,828	68.2%	-14.3%
Cost of sales	5,532,288	80.7%	5,732,275	75.7%	-3.5%
<b>Gross income</b>	<b>1,327,045</b>	19.3%	<b>1,840,725</b>	24.3%	-27.9%
Operating expenses	757,416	11.0%	767,781	10.1%	-1.4%
<b>Operating income</b>	<b>569,630</b>	8.3%	<b>1,072,944</b>	14.2%	-46.9%
Other (income) and expenses	77,002	1.1%	65,882	0.9%	16.9%
<b>Financing costs</b>					
Financial expenses	(540,233)	-32.4%	(823,919)	-10.9%	-34.4%
Restructuring costs	(134,157)	-8.1%	-	0.0%	N/A
Financial income	33,062	2.0%	42,539	0.6%	-22.3%
Exchange loss	4,906	0.3%	(11,722)	-0.2%	N/A
<b>Total</b>	<b>(636,423)</b>	-9.3%	<b>(793,102)</b>	-10.5%	-19.8%
Equity in net income of associates	150,131	2.2%	145,717	1.9%	3.0%
Non ordinary items	-	0.0%	4,100	0.1%	-100.0%
<b>Income before taxes</b>	<b>6,336</b>	0.1%	<b>355,577</b>	4.7%	-98.2%
Income taxes	(33,746)	-0.5%	(25,617)	-0.3%	N/A
<b>Net consolidated income</b>	<b>40,082</b>	0.6%	<b>381,194</b>	5.0%	-89.5%
Net income of majority interest	40,042	0.6%	381,102	5.0%	-89.5%
Net income of minority interest	40	0.0%	92	0.0%	N/A
<b>EBITDA</b>	<b>1,507,259</b>	22.0%	<b>2,018,136</b>	26.6%	-25.3%
Net financial expenses	(507,171)	-7.4%	(781,379)	-10.3%	-35.1%
Free cash flow	659,298	9.6%	1,343,163	17.7%	-50.9%

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

## 2010 Income Statement

(Thousands of pesos)

	1Q 2010	%	2Q 2010	%	3Q 2010	%	4Q 2010	%	2010
<b>Net sales</b>	<b>1,457,100</b>	100.0%	<b>2,033,500</b>	100.0%	<b>2,350,900</b>	100.0%	<b>1,951,603</b>	100.0%	<b>7,793,103</b>
Mexico sales	598,100	37.2%	626,300	30.8%	643,600	27.4%	569,327	29.2%	2,437,327
U.S.A. sales	646,200	40.2%	1,204,400	59.2%	1,475,400	62.8%	1,097,094	56.2%	4,423,094
Bolivia sales	212,800	22.6%	202,800	10.0%	231,900	9.9%	285,182	14.6%	932,682
Cost of sales	1,208,200	81.8%	1,576,600	77.5%	1,794,200	76.3%	1,570,358	80.5%	6,149,358
<b>Gross income</b>	<b>248,900</b>	17.1%	<b>456,900</b>	22.5%	<b>556,700</b>	23.7%	<b>381,244</b>	19.5%	<b>1,643,744</b>
Operating expenses	203,500	14.0%	216,300	10.6%	226,800	9.6%	213,094	10.9%	900,494
<b>Operating income</b>	<b>45,400</b>	3.1%	<b>240,600</b>	11.8%	<b>329,900</b>	14.0%	<b>168,151</b>	8.6%	<b>743,251</b>
Other (income) and expenses	57,000	3.9%	31,700	1.6%	34,200	1.5%	(9,388)	-0.5%	72,712
<b>Financing costs</b>									
Financial expenses	(152,600)	-10.5%	(144,000)	-7.1%	(156,300)	-6.6%	(131,545)	-6.7%	(584,445)
Restructuring costs	-	0.0%	(15,600)	-0.8%	(49,000)	-2.1%	(69,557)	-3.6%	(134,157)
Financial income	8,400	0.6%	10,100	0.5%	9,600	0.4%	8,219	0.4%	36,319
Exchange loss	(6,200)	-0.4%	13,800	0.7%	(5,300)	-0.2%	2,434	0.1%	4,734
<b>Total</b>	<b>(150,400)</b>	-10.3%	<b>(135,700)</b>	-6.7%	<b>(201,000)</b>	-8.5%	<b>(190,450)</b>	-9.8%	<b>(677,551)</b>
Non ordinary items	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-
<b>Income before taxes</b>	<b>(162,000)</b>	-11.1%	<b>73,200</b>	3.6%	<b>94,700</b>	4.0%	<b>(12,912)</b>	-0.7%	<b>(7,012)</b>
Income taxes	(21,000)	-1.4%	10,600	0.5%	11,700	0.5%	(26,774)	-1.4%	(25,474)
<b>Income before discontinued operations</b>	<b>(141,000)</b>	-9.7%	<b>62,600</b>	3.1%	<b>83,000</b>	3.5%	<b>13,862</b>	0.7%	<b>18,462</b>
Discontinued operations	23,600	1.6%	24,000	1.2%	22,100	0.9%	-	0.0%	69,700
<b>Net consolidated income</b>	<b>(117,400)</b>	-8.1%	<b>86,600</b>	4.3%	<b>105,100</b>	4.5%	<b>13,862</b>	0.7%	<b>88,162</b>
Net income of majority interest	(133,300)	-9.1%	71,500	3.5%	90,900	3.9%	10,942	0.6%	40,042
Net income of minority interest	15,900	1.1%	15,100	0.7%	14,200	0.6%	2,920	0.1%	48,120
<b>EBITDA</b>	<b>297,800</b>	20.4%	<b>486,500</b>	23.9%	<b>589,300</b>	25.1%	<b>428,800</b>	22.0%	<b>1,761,600</b>

## 2009 Income Statement

(Thousands of pesos)

	1Q 2009		2Q 2009		3Q 2009		4Q 2009		2009
<b>Net sales</b>	<b>1,713,800</b>	100.0%	<b>2,239,100</b>	100.0%	<b>2,602,800</b>	100.0%	<b>1,961,146</b>	100.0%	<b>8,516,846</b>
Mexico sales	622,100	36.3%	616,000	27.5%	603,500	23.2%	569,608	29.0%	2,411,208
U.S.A. sales	897,400	52.4%	1,373,600	61.3%	1,788,900	68.7%	1,101,950	56.2%	5,161,850
Bolivia sales	194,300	11.3%	249,500	11.1%	210,400	8.1%	289,588	14.8%	943,788
Cost of sales	1,374,900	80.2%	1,616,000	72.2%	1,796,400	69.0%	1,599,434	81.6%	6,386,734
<b>Gross income</b>	<b>338,900</b>	19.8%	<b>623,100</b>	27.8%	<b>806,400</b>	31.0%	<b>361,712</b>	18.4%	<b>2,130,112</b>
Operating expenses	219,600	12.8%	224,500	10.0%	209,900	8.1%	262,142	13.4%	916,142
<b>Operating income</b>	<b>119,300</b>	7.0%	<b>398,600</b>	17.8%	<b>596,500</b>	22.9%	<b>99,569</b>	5.1%	<b>1,213,969</b>
Other (income) and expenses	13,300	0.8%	24,600	1.1%	26,400	1.0%	164	0.0%	64,464
<b>Financing costs</b>									
Financial expenses	(130,600)	-7.6%	(133,300)	-6.0%	(371,200)	-14.3%	(240,611)	-12.3%	(875,711)
Financial income	10,700	0.6%	12,400	0.6%	15,200	0.6%	11,765	0.6%	50,065
Exchange loss	3,200	0.2%	(13,100)	-0.6%	4,700	0.2%	(7,966)	-0.4%	(13,166)
<b>Total</b>	<b>(116,700)</b>	-6.8%	<b>(134,000)</b>	-6.0%	<b>(351,300)</b>	-13.5%	<b>(236,812)</b>	-12.1%	<b>(838,812)</b>
Non ordinary items	3,900	0.2%	200	0.0%	-	0.0%	-	0.0%	4,100
<b>Income before taxes</b>	<b>(14,600)</b>	-0.9%	<b>239,800</b>	10.7%	<b>218,800</b>	8.4%	<b>(137,407)</b>	-7.0%	<b>306,593</b>
Income taxes	900	0.1%	29,900	1.3%	40,600	1.6%	(103,832)	-5.3%	(32,432)
<b>Income before discontinued operations</b>	<b>(15,500)</b>	-1.1%	<b>209,900</b>	10.3%	<b>178,200</b>	7.6%	<b>(33,574)</b>	-1.7%	<b>339,026</b>
Discontinued operations	36,600	2.5%	28,500	1.4%	30,900	1.3%	30,373	1.6%	126,373
<b>Net consolidated income</b>	<b>21,100</b>	1.2%	<b>238,400</b>	10.6%	<b>209,100</b>	8.0%	<b>(3,201)</b>	-0.2%	<b>465,399</b>
Net income of majority interest	1,100	0.1%	213,400	9.5%	186,800	7.2%	(20,198)	-1.0%	381,102
Net income of minority interest	20,000	1.2%	25,000	1.1%	22,300	0.9%	16,997	0.9%	84,297
<b>EBITDA</b>	<b>372,700</b>	21.7%	<b>647,600</b>	28.9%	<b>848,100</b>	32.6%	<b>367,914</b>	18.8%	<b>2,236,314</b>

## Balance Sheet

(Thousands of pesos)

	DECEMBER 2010	DECEMBER 2009	Variation
<b>Total assets</b>	<b>24,159,723</b>	<b>25,967,004</b>	-7.0%
Current assets	4,029,205	4,727,919	-14.8%
<i>Cash and temporary investments</i>	<i>1,044,521</i>	<i>1,633,894</i>	-36.1%
Long term assets	330,790	94,784	249.0%
Fixed assets	13,641,798	14,869,097	-8.3%
Other assets	6,157,930	6,275,204	-1.9%
<b>Total liabilities</b>	<b>12,365,890</b>	<b>13,422,550</b>	-7.9%
Current liabilities	1,979,369	2,795,239	-29.2%
<i>Bank debt</i>	<i>969,290</i>	<i>1,783,498</i>	-45.7%
<i>Domestic bonds</i>	<i>0</i>	<i>23,625</i>	-100.0%
<i>Other cost bearing liabilities</i>	<i>8,162</i>	<i>9,823</i>	-16.9%
Long term liabilities	7,759,373	7,844,392	-1.1%
<i>Bank debt</i>	<i>3,954,384</i>	<i>4,428,368</i>	-10.7%
<i>Domestic bonds</i>	<i>3,797,552</i>	<i>3,399,200</i>	11.7%
<i>Other cost bearing liabilities</i>	<i>7,437</i>	<i>16,824</i>	-55.8%
Differed taxes	2,001,990	2,201,670	-9.1%
Other liabilities	625,158	581,250	7.6%
<b>Consolidated stockholder's equity</b>	<b>11,793,833</b>	<b>12,544,453</b>	-6.0%
Majority interest	11,790,684	12,190,851	-3.3%
Minority interest	3,149	353,602	-99.1%

## Pro-forma Balance Sheet\*

(Thousands of pesos)

	DECEMBER 2010	DECEMBER 2009	Variation
<b>Total assets</b>	<b>23,457,383</b>	<b>24,917,007</b>	-5.9%
Current assets	3,703,141	4,276,908	-13.4%
<i>Cash and temporary investments</i>	<i>959,016</i>	<i>1,471,088</i>	-34.8%
Long term assets	916,193	1,082,046	-15.3%
Fixed assets	12,678,577	13,793,429	-8.1%
Other assets	6,159,471	5,764,624	6.8%
<b>Total liabilities</b>	<b>11,663,549</b>	<b>12,723,177</b>	-8.3%
Current liabilities	1,788,271	2,680,544	-33.3%
<i>Bank debt</i>	<i>926,783</i>	<i>1,747,360</i>	-47.0%
<i>Other cost bearing liabilities</i>	<i>8,162</i>	<i>9,276</i>	-12.0%
Long term liabilities	7,275,221	7,293,353	-0.2%
<i>Bank debt</i>	<i>3,762,737</i>	<i>4,179,320</i>	-10.0%
<i>Domestic bonds</i>	<i>3,505,047</i>	<i>3,097,000</i>	13.2%
<i>Other cost bearing liabilities</i>	<i>7,437</i>	<i>17,033</i>	0.0%
Differed taxes	1,992,285	2,201,670	-9.5%
Other liabilities	607,772	547,610	11.0%
<b>Consolidated stockholder's equity</b>	<b>11,793,834</b>	<b>12,193,830</b>	-3.3%
Majority interest	11,790,685	12,190,851	-3.3%
Minority interest	3,149	2,979	5.7%

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

## Income Statement

(Thousands of dollars)

	4Q 2010	%	4Q 2009	%	4Q10 / 4Q09
<b>Net sales</b>	<b>170,964</b>	100.0%	<b>172,052</b>	100.0%	-0.6%
Mexico sales	50,036	29.3%	49,859	29.0%	0.4%
U.S.A. sales	95,605	55.9%	95,414	55.5%	0.2%
Bolivia sales	25,323	14.8%	26,779	15.6%	-5.4%
Cost of sales	136,217	79.7%	139,020	80.8%	-2.0%
<b>Gross income</b>	<b>34,747</b>	20.3%	<b>33,032</b>	19.2%	5.2%
Operating expenses	18,988	11.1%	22,562	13.1%	-15.8%
<b>Operating income</b>	<b>15,759</b>	9.2%	<b>10,470</b>	6.1%	50.5%
Other (income) and expenses	(493)	-0.3%	437	0.3%	-212.8%
<b>Financing costs</b>					
Financial expenses	(11,599)	-6.8%	(19,965)	-11.6%	-41.9%
Restructuring costs	(5,734)	-3.4%	-	0.0%	N/A
Financial income	733	0.4%	1,034	0.6%	-29.1%
Exchange loss	82	0.0%	(708)	-0.4%	N/A
<b>Total</b>	<b>(16,518)</b>	-9.7%	<b>(19,639)</b>	-11.4%	-15.9%
Non ordinary items	-	0.0%	14	0.0%	-100.0%
<b>Income before taxes</b>	<b>(266)</b>	-0.2%	<b>(9,620)</b>	-5.6%	-97.2%
Income taxes	(2,157)	-1.3%	(11,084)	-6.4%	-80.5%
<b>Income before discontinued operations</b>	<b>1,891</b>	1.1%	<b>1,464</b>	0.9%	29.2%
Discontinued operations	129	0.1%	3,378	2.0%	-96.2%
<b>Net consolidated income</b>	<b>2,020</b>	1.2%	<b>4,842</b>	2.8%	-58.3%
<b>EBITDA</b>	<b>34,965</b>	20.5%	<b>33,765</b>	19.6%	3.6%

## Income Statement cumulative to December

(Thousands of dollars)

	2010	%	2009	%	2010/2009
<b>Net sales</b>	<b>629,364</b>	100.0%	<b>652,252</b>	100.0%	-3.5%
Mexico sales	196,836	31.3%	184,659	28.3%	6.6%
U.S.A. sales	357,205	56.8%	395,314	60.6%	-9.6%
Bolivia sales	75,323	12.0%	72,279	11.1%	4.2%
Cost of sales	496,617	78.9%	489,120	75.0%	1.5%
<b>Gross income</b>	<b>132,747</b>	21.1%	<b>163,132</b>	25.0%	-18.6%
Operating expenses	72,723	11.6%	70,162	10.8%	3.7%
<b>Operating income</b>	<b>60,024</b>	9.5%	<b>92,970</b>	14.3%	-35.4%
Other (income) and expenses	5,872	0.9%	4,937	0.8%	18.9%
<b>Financing costs</b>					
Financial expenses	(47,199)	-7.5%	(67,065)	-10.3%	-29.6%
Restructuring costs	(10,834)	-1.7%	-	0.0%	N/A
Financial income	2,933	0.5%	3,834	0.6%	-23.5%
Exchange loss	382	0.1%	(1,008)	-0.2%	-137.9%
<b>Total</b>	<b>(54,718)</b>	-8.7%	<b>(64,239)</b>	-9.8%	-14.8%
Non ordinary items	-	0.0%	314	0.0%	N/A
<b>Income before taxes</b>	<b>(566)</b>	-0.1%	<b>23,480</b>	3.6%	-102.4%
Income taxes	(2,057)	-0.3%	(2,484)	-0.4%	-17.2%
<b>Income before discontinued operations</b>	<b>1,491</b>	0.2%	<b>25,964</b>	4.0%	-94.3%
Discontinued operations	5,629	0.9%	9,678	1.5%	-41.8%
<b>Net consolidated income</b>	<b>7,120</b>	1.1%	<b>35,642</b>	5.5%	-80.0%
<b>EBITDA</b>	<b>142,265</b>	22.6%	<b>171,265</b>	26.3%	-16.9%

## Pro-forma Income Statement\*

(Thousands of dollars)

	4Q 2010	%	4Q 2009	%	4Q10 / 4Q09
<b>Net sales</b>	<b>145,554</b>	100.0%	<b>145,269</b>	100.0%	0.2%
Mexico sales	50,036	34.4%	49,859	34.3%	0.4%
U.S.A. sales	95,517	65.6%	95,410	65.7%	0.1%
Cost of sales	119,883	82.4%	121,299	83.5%	-1.2%
<b>Gross income</b>	<b>25,671</b>	17.6%	<b>23,970</b>	16.5%	7.1%
Operating expenses	15,433	10.6%	18,500	12.7%	-16.6%
<b>Operating income</b>	<b>10,238</b>	7.0%	<b>5,470</b>	3.8%	87.2%
Other (income) and expenses	(146)	-0.1%	245	0.2%	-159.6%
<b>Financing costs</b>					
Financial expenses	(10,729)	-7.4%	(18,899)	-13.0%	-43.2%
Restructuring costs	(5,734)	-3.9%	-	0.0%	N/A
Financial income	670	0.5%	858	0.6%	-21.9%
Exchange loss	(15,304)	-10.5%	(498)	-0.3%	2973.1%
<b>Total</b>	<b>(31,097)</b>	-21.4%	<b>(18,539)</b>	-12.8%	67.7%
Equity in net income of associates	3,824	2.6%	5,260	3.6%	-27.3%
Non ordinary items	-	0.0%	14	0.0%	N/A
<b>Income before taxes</b>	<b>(16,889)</b>	-11.6%	<b>(8,068)</b>	-5.6%	109.3%
Income taxes	(11,525)	-7.9%	(7,262)	-5.0%	58.7%
<b>Net consolidated income</b>	<b>(5,364)</b>	-3.7%	<b>(806)</b>	-0.6%	565.7%
<b>EBITDA</b>	<b>26,925</b>	18.5%	<b>26,356</b>	18.1%	2.2%

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

## Cumulative Pro-forma Income Statement\*

(Thousands of dollars)

	2010	%	2009	%	2010 / 2009
<b>Net sales</b>	<b>553,954</b>	100.0%	<b>579,969</b>	100.0%	-4.5%
Mexico sales	196,836	35.5%	184,659	31.8%	6.6%
U.S.A. sales	357,117	64.5%	395,310	68.2%	-9.7%
Cost of sales	446,783	80.7%	438,999	75.7%	1.8%
<b>Gross income</b>	<b>107,171</b>	19.3%	<b>140,970</b>	24.3%	-24.0%
Operating expenses	61,168	11.0%	58,800	10.1%	4.0%
<b>Operating income</b>	<b>46,003</b>	8.3%	<b>82,170</b>	14.2%	-44.0%
Other (income) and expenses	6,219	1.1%	5,045	0.9%	N/A
<b>Financing costs</b>					
Financial expenses	(43,629)	-7.9%	(63,099)	-10.9%	-30.9%
Restructuring costs	(10,834)		-	0.0%	N/A
Financial income	2,670	0.5%	3,258	0.6%	-18.0%
Exchange loss	396	0.1%	(898)	-0.2%	N/A
<b>Total</b>	<b>(51,397)</b>	-9.3%	<b>(60,739)</b>	-10.5%	-15.4%
Equity in net income of associates	12,124	2.2%	11,160	1.9%	N/A
Non ordinary items	-	0.0%	314	0.1%	N/A
<b>Income before taxes</b>	<b>512</b>	0.1%	<b>27,231</b>	4.7%	-98.1%
Income taxes	(2,725)	-0.5%	(1,962)	-0.3%	38.9%
<b>Net consolidated income</b>	<b>3,237</b>	0.6%	<b>29,193</b>	5.0%	-88.9%
<b>EBITDA</b>	<b>121,725</b>	22.0%	<b>154,556</b>	26.6%	-21.2%

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