

CEMEX SAB DE CV
Form 6-K
January 04, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 or 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

Date of Report: January 4, 2008

CEMEX, S.A.B. de C.V.

(Exact name of Registrant as specified in its charter)

CEMEX Corp.

(Translation of Registrant's name into English)

United Mexican States

(Jurisdiction of incorporation or organization)

Av. Ricardo Margáin Zozaya #325, Colonia Valle del Campestre
Garza García, Nuevo León, México 66265
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐ No ☒

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

N/A

Media Relations
Jorge Pérez
(52-81) 8888-4334

Investor Relations
Eduardo Rendón
(52-81) 8888-4256

CEMEX enters into definitive agreement with Ready Mix USA
to contribute and sell additional assets to joint venture

HOUSTON, TX, January 2, 2008 - CEMEX, Inc., the U.S. subsidiary of CEMEX, S.A.B. de C.V. (NYSE: CX), announced today that it has entered into a definitive agreement with Ready Mix USA, Inc., a private ready-mix concrete company with operations in the Southeastern United States, to expand the scope of their ready-mix joint venture formed in July 2005, as was previously announced. The transaction, which remains subject to the satisfaction of certain conditions, is expected to close on January 12, 2008.

Upon closing, CEMEX will contribute assets valued at approximately \$260 million to the joint venture and will sell additional assets to the joint venture for approximately \$120 million in cash. As part of the transaction, Ready Mix USA will make a \$125 million cash contribution to the joint venture and CEMEX will receive a \$135 million capital distribution funded from additional borrowings of the joint venture. As previously announced, Ready Mix USA will manage all the newly acquired assets and, following the transaction, the joint venture will continue to be owned 50.01% by Ready Mix USA and 49.99% by CEMEX.

CEMEX will use the proceeds of the sale of these assets to reduce debt. The 2006 EBITDA for the operations involved was approximately \$47 million.

CEMEX is a growing global building materials company that provides high-quality products and reliable service to customers and communities in more than 50 countries throughout the world. CEMEX has a rich history of improving the well-being of those it serves through its efforts to pursue innovative industry solutions and efficiency advancements and to promote a sustainable future. For more information, visit www.cemex.com.

###

This press release contains forward-looking statements and information that are necessarily subject to risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of CEMEX to be materially different from those expressed or implied in this release, including, among others, changes in general economic, political, governmental and business conditions globally and in the countries in which CEMEX does business, changes in interest rates, changes in inflation rates, changes in exchange rates, the level of construction generally, changes in cement demand and prices, changes in raw material and energy prices, weather conditions, changes in business strategy and various 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. CEMEX assumes no obligation to update or correct the information contained in this press release.

EBITDA is defined as operating income plus depreciation and amortization. Free Cash Flow is defined as 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). Net debt is defined as total debt minus the fair value of cross-currency swaps associated with debt minus cash and cash equivalents. The net debt to EBITDA ratio is calculated by dividing net debt at the end of the quarter by EBITDA for the last twelve months. All of the above items are derived from generally accepted accounting principles in Mexico. EBITDA and Free Cash Flow (as defined above) are presented herein because CEMEX believes that they are widely accepted as financial indicators of CEMEX's ability to internally fund capital expenditures and 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.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, CEMEX, S.A.B. de C.V. has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CEMEX, S.A.B. de C.V.
(Registrant)

Date: January 4, 2008

By: /s/ Rafael Garza Lozano
Name: Rafael Garza
Lozano
Title: Chief Comptroller