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CEMEX SA DE CV
Form 11-K
June 30, 2005

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

(Mark One)

Annual report pursuant to Section 15(d) of the Securities Exchange
Act of 1934 (No fee required, effective October 7, 1996)

For the fiscal year ended December 30, 2004

Or

Transition report pursuant to Section 15(d) of the Securities
Exchange Act of 1934 (No fee required)

For the transition period from _____ to _____

Commission file number 1-14946

A. Full title of the plan and the address of the plan, if different
from that of the issuer named below:

CEMEX, Inc. Savings Plan
c/o CEMEX, Inc.
840 Gessner Road
Suite 1400
Houston, Texas 77024

B. Name of issuer of the securities held pursuant to the plan and the
address of its principal executive office:

CEMEX, S.A. de C.V.
Av. Ricardo Margain Zozaya #325
Colonia Valle del Campestre
Garza Garcia, Nuevo Leon
Mexico 66265

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CEMEX, INC. SAVINGS PLAN

Financial Statements and
Supplemental Schedules

December 30, 2004 and 2003

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(With Independent Auditors' Report Thereon)

CEMEX, INC. SAVINGS PLAN

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The following schedules required by the Department of Labor's Rules and Regulations are omitted because of the absence of conditions under which they are required:

- Schedule G, Part I - Schedule of Loans on Fixed Income Obligations in Default or Classified as Uncollectible
- Schedule G, Part II - Schedule of Leases in Default or Classified as Uncollectible
- Schedule G, Part III - Nonexempt Transactions
- Schedule H, Line 4(a) - Delinquent Employee Contributions and Loan Repayments
- Schedule H, Line 4(i) - Schedule of Assets (Acquired and Disposed of Within the Plan Year)
- Schedule H, Line 4(j) - Schedule of Reportable Transactions

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S REPORT

Participants and Administrator of
CEMEX, Inc. Savings Plan:

We have audited the accompanying statements of net assets available for benefits of the CEMEX, Inc. Savings Plan (the Plan) as of December 30, 2004 and 2003, and the related statement of changes in net assets available for benefits for the year ended December 30, 2004. These financial statements are the responsibility of the Plan's management. Our responsibility is to express

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an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards as established by the Auditing Standards Board (United States) and in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 30, 2004 and 2003, and the changes in net assets available for benefits for the year ended December 30, 2004, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the 2004 basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the 2004 basic financial statements taken as a whole.

/s/ Mir.Fox & Rodriguez, P.C.

Houston, Texas
June 29, 2005

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CEMEX, INC. SAVINGS PLAN

Statements of Net Assets Available for Benefits December 30, 2004 and 2003

| Assets | 2004 | 2003 |
|------------------------------|----------------|-------------|
| ----- | ---- | ---- |
| Investments, at fair value: | | |
| Mutual funds | \$ 163,082,106 | 145,397,722 |
| Common collective trust fund | 48,016,215 | 48,712,699 |
| Common stock | 32,396,906 | 17,692,479 |

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| | | |
|-----------------------------------|----------------|-------------|
| Participant loans | 13,473,467 | 12,641,763 |
| | ----- | ----- |
| Total investments | 256,968,694 | 224,444,663 |
| Cash and cash equivalents | 94,877 | 178,474 |
| Employee contributions receivable | 3,142 | |
| Employer contributions receivable | 1,619 | |
| Accounts receivable | 41,968 | 45,709 |
| | ----- | ----- |
| Total assets | 257,110,300 | 224,668,846 |
| | ----- | ----- |
| Liabilities | | |
| ----- | | |
| Investment trades payable | 12,887 | 78,124 |
| Accounts payable | 8,661 | 54,120 |
| | ----- | ----- |
| Total liabilities | 21,548 | 132,244 |
| | ----- | ----- |
| Net assets available for benefits | \$ 257,088,752 | 224,536,602 |
| | ===== | ===== |

See accompanying notes to financial statements.

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CEMEX, INC. SAVINGS PLAN

Statement of Changes in Net Assets Available for Benefits
Year Ended December 30, 2004

| | |
|---|----------------|
| Additions to net assets: | |
| Participant contributions | \$ 15,563,490 |
| Employer contributions | 7,001,438 |
| Net appreciation in fair value of mutual funds | 14,455,956 |
| Net appreciation in fair value of common stock | 8,381,297 |
| Investment income | 8,191,788 |
| Transfer in from qualified plan | 1,647,674 |
| | ----- |
| Total additions to net assets | 55,241,643 |
| | ----- |
| Deductions from net assets: | |
| Benefits paid to participants | 22,581,281 |
| Administrative fees and expenses | 108,212 |
| | ----- |
| Total deductions from net assets | 22,689,493 |
| | ----- |
| | 32,552,150 |
| Net increase in net assets available for benefits | |
| Net assets available for benefits: | |
| Beginning of year | 224,536,602 |
| | ----- |
| End of year | \$ 257,088,752 |
| | ===== |

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See accompanying notes to financial statements.

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CEMEX, INC. SAVINGS PLAN

Notes to Financial Statements
December 30, 2004 and 2003

1. Plan Description

General

The Cemex USA Management, Inc. Savings Plan was adopted effective April 1, 1991 for the benefit of the employees of Cemex Management, Inc. (formerly known as Cemex USA Management, Inc.) and its affiliated companies. Effective January 1, 2001, CEMEX, Inc. (Employer) assumed sponsorship of the Cemex USA Management, Inc. Savings Plan and changed the plan's name to CEMEX, Inc. Savings Plan (the Plan).

Effective April 1, 2005, the union employees of the Clinchfield, Georgia plant ceased participating in the CEMEX, Inc. Savings and Investment Plan for Union Employees and became participants in the Plan. In connection therewith, assets of \$3,579,136 were transferred into the Plan from the CEMEX, Inc. Savings and Investment Plan for Union Employees subsequent to December 30, 2004.

In connection with CEMEX, Inc.'s purchase of Neoris USA, Inc., assets of \$1,647,674 were transferred from the Neoris USA, Inc. 401(k) Profit Sharing Plan into the Plan during 2004.

Effective September 1, 2003, the union employees of CEMEX, Inc.'s Charlevoix, Michigan plant became participants in the Plan. Accordingly, assets of \$3,676,704 were transferred from the CEMEX, Inc. Savings and Investment Plan for Union Employees into the Plan during 2003.

The Plan is intended to qualify under section 401(a) of the Internal Revenue Code (IRC) as a profit sharing plan with a 401(k) feature. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

The Plan Agreement was completely amended and restated effective August 1, 2004. The following brief description of the Plan is provided for general information purposes only and is as of December 30, 2004, unless otherwise noted. The capitalized words and phrases used in the following subsections of this note, shall have the meanings as set forth in the Plan Agreement and are as of December 30, 2004 unless otherwise noted. Participants should refer to the amended and restated Plan Agreement for a complete description of the Plan's provisions.

Eligibility

Except as otherwise noted, Employees of CEMEX, Inc. and its affiliated companies that have adopted the Plan are eligible to participate in the Plan on the first day of the calendar quarter following the Employee's date of hire. All Employees who are covered by a collective bargaining agreement shall be excluded from participating in the Plan, unless the collective bargaining agreement requires that the Employer include such

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Employees in this Plan. Any Employee who is notified that he is eligible to participate in a foreign retirement plan maintained by CEMEX, Inc. or any company in any country operating under the parent company of CEMEX, S.A. de C.V. shall be ineligible to participate in this Plan as of the first day of the month following the month he or she is notified of his or her eligibility to participate in such foreign retirement plan, and shall remain ineligible until the first day of the month following the month he or she is notified that he or she is no longer eligible to participate in such foreign retirement plan.

Continued

CEMEX, INC. SAVINGS PLAN

Notes to Financial Statements, Continued

Contributions

Employees may make voluntary contributions of up to 40% of eligible compensation on a before-tax basis and an additional 18% of eligible compensation on an after-tax basis. Participants who are or will attain age 50 years old or older before the close of the Plan's year, are eligible to make a catch-up contribution in accordance with section 414(v) of the IRC. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of their participant contributions in the investment options listed in note 3.

The Employer makes matching contributions equal to 75% of the participant's before-tax contributions, including catch-up contributions, which do not exceed 6% of his or her eligible compensation. The Employer contributions are in the form of American Depository Shares representing common stock of CEMEX, S.A. de C.V. (CEMEX stock). A participant may, at any time after the CEMEX stock is credited to his or her account, make a diversification election and exercise investment discretion with respect to the Employer matching contribution. The Employer may make additional minimum contributions in accordance with the provisions of the Plan Agreement.

Participant accounts

Separate accounts are maintained for each participant. Participant accounts are credited with the participant's contribution and allocations of the Employer's contributions and Plan earnings. Allocations are based on each participant's earnings or account balance, as defined in the Plan Agreement. Each participant is entitled to the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their employee and rollover contributions plus actual earnings thereon. Vesting in the Employers' matching and discretionary minimum contribution portion of their accounts plus earnings thereon is based on years of continuous service as follows:

| | |
|-----------------------------------|-----------|
| Completed Years of Active Service | Vesting % |
|-----------------------------------|-----------|

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| | |
|--------------------------------------|------|
| Less than one year | 0% |
| One year but less than two years | 20% |
| Two years but less than three years | 40% |
| Three years but less than four years | 60% |
| Four years but less than five years | 80% |
| Five years or more | 100% |

Each participant who was first employed by Southdown, Inc. prior to January 1, 2000, all Louisville Employees and Charlevoix Employees who were participants in the CEMEX, Inc. Savings and Investment Plan for Union Employees as of September 1, 2003 are fully vested in their entire account balance. Louisville Employees hired before July 1, 2004 are 100% vested in all Employer matching contributions. Louisville Employees hired after July 1, 2004 are vested according to the table shown above.

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CEMEX, INC. SAVINGS PLAN

Notes to Financial Statements, Continued

Each participant who was first employed by Southdown, Inc. on or after January 1, 2000 is fully vested in his or her "Prior Plan Matching Account" under the Southdown, Inc. Retirement Savings Plan. Each participant who was first employed by Southdown, Inc. between January 1, 2000 and December 31, 2001 and who also terminated employment during such period will have his or her vested interest in the Employer matching and discretionary contributions determined as follows:

| Completed Years of Active Service | Vesting % |
|-----------------------------------|-----------|
| Less than five years | 0% |
| Five years or more | 100% |

Forfeitures

Forfeited amounts are first used to restore forfeited amounts for participants who have previously terminated but qualify for restoration under the terms of the Plan Agreement. If any amount remains after that allocation, it may be used to reduce the Employer matching contribution for that year. At December 30, 2004 and 2003, forfeited non-vested accounts totaled \$50,998 and \$363,364, respectively. During fiscal year 2004, Employer contributions were reduced by \$633,288 from forfeited non-vested accounts.

Benefit payments

Benefits are payable from participant account balances, subject to certain restrictions, upon termination of employment, retirement, reaching the age of 59 1/2, or by incurring a disability or financial hardship, as defined in the Plan Agreement. Participants elect the method of distribution which may be either in the form of a direct rollover to an eligible retirement plan, lump sum payment or, if in excess of \$5,000, payment over a period of time not to exceed the shorter of 10 years or certain life expectancies as defined in the Plan Agreement. Participants may elect that their portion of account balances invested in full shares

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of CEMEX stock or Crane Company common stock be distributed in-kind.

Participant loans

A participant may obtain a loan from his or her separate account balance. Each loan is evidenced by a promissory note and may not be less than \$1,000. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with commercial prevailing rates as determined by the Administrator. Provisions of the Plan require the aggregate of each loan outstanding not to exceed the lesser of \$50,000 or 50% of the participant's vested account balance. Repayment terms for loans are not to exceed five years and principal and interest is paid ratably through monthly payroll deductions.

Plan termination

Although no interest has been expressed, CEMEX, Inc. has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants become 100% vested in their Employer contributions account. Participant contributions are always 100% vested.

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CEMEX, INC. SAVINGS PLAN

Notes to Financial Statements, Continued

2. Significant Accounting Policies

Basis of presentation

The financial statements have been prepared on an accrual basis and present the net assets available for plan benefits and changes in those net assets in accordance with accounting principles generally accepted in the United States of America.

Investment valuation and income recognition

The mutual funds, common collective trust fund and common stock are stated at fair value based on quoted market prices as of the date of the financial statements. Participant loans are valued at their outstanding balances, which approximate fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Benefit payments

Benefits are recorded when paid.

Administrative expenses

Loan fees are paid by the borrowing participant and all other

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administrative costs are paid by the Employer.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Continued

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CEMEX, INC. SAVINGS PLAN

Notes to Financial Statements, Continued

3. Investments

As of December 30, 2004 and 2003, the Plan's investments were as follows:

| | | 2004 ---- |
|---|----|--------------|
| INVESCO Stable Value Fund | \$ | 48,016,215 |
| Washington Mutual Investors Fund | | 40,014,396 |
| CEMEX stock | | 32,222,967 |
| Growth Fund of America | | 32,089,559 |
| PIMCO Total Return Fund | | 29,271,416 |
| Templeton Foreign Fund | | 19,131,801 |
| Franklin Balance Sheet Investment Fund | | 16,733,261 |
| American Century Real Estate Fund | | 11,982,488 |
| MFS International Fund | | 6,327,489 |
| Franklin Small Mid-Cap Growth Fund | | 4,102,662 |
| Templeton Developing Markets Fund | | 3,406,234 |
| Crane Company common stock | | 173,939 |
| Alliance Capital Reserve Account | | 22,800 |
| MFS Research Fund | | |
| Franklin Real Estate Securities Fund | | |
| Pilgrim International Small Cap Growth Fund | | |
| Putnam New Opportunities Fund | | |
| AIM Constellation Fund | | |
| Participant loans | | 13,473,467 |
| | | ----- |
| | \$ | 256,968,694 |
| | | ===== |

Investments with a fair value that exceeds \$12,854,438 at December 30, 2004 and \$11,226,830 at December 30, 2003 represent 5 percent or more of Plan net assets.

4. Federal Income Tax Status

The Plan obtained its latest determination letter on November 20, 2002 in

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which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. The Plan has been amended since receiving the determination letter. However, the Plan's management believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, the Plan's management believes that the related trust is tax-exempt and accordingly, no provision for Federal income taxes has been included in the Plan's financial statements.

5. Risks and Uncertainties

The Plan provides for investment in a common collective trust fund, various mutual funds, and common stock. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Continued

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CEMEX, INC. SAVINGS PLAN

Notes to Financial Statements, Continued

6. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

| | 2004 | 2003 |
|---|----------------|-------------|
| | ---- | ---- |
| Net assets available for benefits per the | | |
| financial statements | \$ 257,088,752 | 224,536,602 |
| Benefits payable | (9,784) | (26,604) |
| | ----- | ----- |
| Net assets available for benefits per the | | |
| Form 5500 | \$ 257,078,968 | 224,509,998 |
| | ===== | ===== |

The following is a reconciliation of benefits paid to participants per the 2004 financial statements to the Form 5500:

| | |
|---|---------------|
| Benefits paid to participants per the | |
| financial statements | \$ 22,581,281 |
| Add: Amounts payable at December 30, 2004 | 9,784 |
| Less: Amounts payable at December 30, 2003 | (26,604) |
| | ----- |
| Benefits paid to participants per the Form 5500 | \$ 22,564,461 |
| | ===== |

Supplemental
Plan

CEMEX, INC. SAVINGS PLAN

Schedule of Assets (Held at End of
December 30, 2004)

| (a) | (b) | (c) |
|--|--|---|
| Identity of issue, borrower, lessor, or similar party | Identity of issue, borrower, lessor, or similar party | Description of investment including maturity rate of interest, collateral, par or maturity |
| ----- | ----- | ----- |
| INVESCO Trust Company | | Stable Value Fund; 48,016,215 shares |
| American Funds | | Washington Mutual Investors Fund; 1,297,905 shares |
| * CEMEX, S.A. de S.V. | | American Depository Shares; 882,637 shares |
| American Funds | | Growth Fund of America; 1,171,579 shares |
| PIMCO | | Total Return Fund; 2,745,911 shares |
| Franklin Templeton Investor Services, Inc. | | Templeton Foreign Fund; 1,556,697 shares |
| Franklin Templeton Investor Services, Inc. | | Franklin Balance Sheet Investment Fund; 287,414 |
| American Century Investments | | Real Estate Fund; 483,165 shares |
| MFS Fund Distributors, Inc. | | MFS International Fund; 296,370 shares |
| Franklin Templeton Investor Services, Inc. | | Franklin Small Mid-Cap Growth Fund; 119,856 shares |
| Franklin Templeton Investor Services, Inc. | | Templeton Developing Markets Fund; 184,720 shares |
| Crane Company | | Common stock; 6,015 shares |
| Pershing | | Alliance Capital Reserve Account; 22,858 shares |
| * Participant loans | | 5.00% to 10.74%; 1-5 year term; payable monthly |
| | | |
| * Party-in-interest | | |

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SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned, thereunto duly authorized.

CEMEX, INC. SAVINGS PLAN

By: /s/ Andrew M. Miller

Name: Andrew M. Miller

Title: Chairman of Administrative

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Committee

Date: June 30, 2005

EXHIBIT INDEX

| Exhibit No. ----- | Description ----- |
|-------------------------|--|
| 1. | Consent of Mir.Fox & Rodriguez, P.C. to the incorporation by reference into the Registration Statement on Form S-8 (File No. 333-83962) of CEMEX, S.A. de C.V. of its report, dated June 29, 2005, with respect to the audited financial statements of the CEMEX, Inc. Savings Plan as of December 30, 2004. |

EXHIBIT 1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Administrator of the
CEMEX, Inc. Savings Plan

We consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 333-83962) of CEMEX, S.A. de C.V. of our report dated June 29, 2005, with respect to the statements of net assets available for benefits of CEMEX, Inc. Savings Plan as of December 30, 2004 and 2003, the related statement of changes in net assets available for benefits for the year ended December 30, 2004 and the related supplemental schedule of assets (held at end of year) as of December 30, 2004, which report appears in the December 30, 2004 annual report on Form 11-K of CEMEX, Inc. Savings Plan.

/s/ Mir.Fox & Rodriguez, P.C.

Houston, Texas
June 29, 2005