

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: May 3, 2007

Re: Cemex S.A.B. de C.V. (CX) - Stock Distribution

Cemex S.A.B. de C.V. (CX) has declared a distribution of ADS's of Cemex, S.A.B de C.V. (CX) to CX shareholders of record, May 10, 2007. The distribution ratio is based on the value of approximately \$0.745 for each CX ADS. The distribution date has yet to be determined. **The NYSE has set the ex-distribution date as May 8, 2007.**

Accordingly, pursuant to OCC By-Laws, all CX options on the ex-distribution date must be adjusted as follows:

Adjustment Date: **Effective Tuesday, May 8, 2007.**
 Symbol(s): **CX/YCG/OXX becomes CIZ/KLK/VZU**
YJQ remains unchanged

Strike Price: Unchanged
 Multiplier: 100 (e.g., Premium of 1.00 = \$100)
 New Deliverable: **CIZ/KLK/VZU:**
 1) **100 Cemex S.A.B. de C.V. American Depositary Shares (CX)**
 2) **An additional amount of Cemex ADS's valued at approximately \$74.50**
 3) **Cash in lieu of fractional CX ADSs, if any**

YJQ:

- 1) **204 Cemex S.A.B. de C.V. American Depositary Shares (CX)**
- 2) **An additional amount of Cemex ADS's valued at approximately \$151.98**
- 3) **\$45.93 cash**
- 4) **Cash in lieu of fractional CX ADSs, if any**

GOOD-TILL-CANCELLED (GTC) ORDERS

Customers should be advised that all Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the ex-distribution or effective date. GTC AUTOM orders will be deleted by PHLX Service Desk/AUTOM personnel.

Cemex S.A.B. de C.V. (CX) (Before 5/8/2007) (100 shrs CX)					Cemex S.A.B. de C.V. (CIZ) (Beginning 5/8/2007) (See new deliverable above)				
			Calls	Puts				Calls	Puts
CX	MAY	25	EE	QE	CIZ	MAY	25	EE	QE
CX	MAY	30	EF	QF	CIZ	MAY	30	EF	QF
CX	MAY	35	EG	QG	CIZ	MAY	35	EG	QG
CX	MAY	40	EH	QH	CIZ	MAY	40	EH	QH
CX	MAY	45	EI	QI	CIZ	MAY	45	EI	QI
CX	JUN	25	FE	RE	CIZ	JUN	25	FE	RE
CX	JUN	30	FF	RF	CIZ	JUN	30	FF	RF
CX	JUN	35	FG	RG	CIZ	JUN	35	FG	RG
CX	JUN	40	FH	RH	CIZ	JUN	40	FH	RH
CX	JUN	45	FI	RI	CIZ	JUN	45	FI	RI
CX	JUL	22 1/2	GX	SX	CIZ	JUL	22 1/2	GX	SX
CX	JUL	25	GE	SE	CIZ	JUL	25	GE	SE
CX	JUL	30	GF	SF	CIZ	JUL	30	GF	SF
CX	JUL	35	GG	SG	CIZ	JUL	35	GG	SG
CX	JUL	40	GH	SH	CIZ	JUL	40	GH	SH

CX	OCT	25	JE	VE
CX	OCT	30	JF	VF
CX	OCT	35	JG	VG
CX	OCT	40	JH	VH
CX	OCT	45	JI	VI

CIZ	OCT	25	JE	VE
CIZ	OCT	30	JF	VF
CIZ	OCT	35	JG	VG
CIZ	OCT	40	JH	VH
CIZ	OCT	45	JI	VI

Cemex S.A. de C.V. - 2008 Leap (YCG)
(Before 5/8/2007)
(100 shrs CX)

			Calls	Put
YCG	JAN	17 1/2	AW	MW
YCG	JAN	20	AD	MD
YCG	JAN	22 1/2	AX	MX
YCG	JAN	25	AE	ME
YCG	JAN	27 1/2	AY	MY
YCG	JAN	30	AF	MF
YCG	JAN	32 1/2	AZ	MZ
YCG	JAN	35	AG	MG
YCG	JAN	37 1/2	AU	MU
YCG	JAN	40	AH	MH
YCG	JAN	42 1/2	AV	MV
YCG	JAN	45	AI	MI

Cemex S.A. de C.V. - 2008 Leap (KLK)
(Beginning 5/8/2007)
(See new deliverable above)

			Calls	Put
KLK	JAN	17 1/2	AW	MW
KLK	JAN	20	AD	MD
KLK	JAN	22 1/2	AX	MX
KLK	JAN	25	AE	ME
KLK	JAN	27 1/2	AY	MY
KLK	JAN	30	AF	MF
KLK	JAN	32 1/2	AZ	MZ
KLK	JAN	35	AG	MG
KLK	JAN	37 1/2	AU	MU
KLK	JAN	40	AH	MH
KLK	JAN	42 1/2	AV	MV
KLK	JAN	45	AI	MI

Cemex S.A. de C.V. - 2009 Leap (OXX)
(Before 5/8/2007)
(100 shrs CX)

			Calls	Put
OXX	JAN	20	AD	MD
OXX	JAN	25	AE	ME
OXX	JAN	30	AF	MF
OXX	JAN	35	AG	MG
OXX	JAN	40	AH	MH

Cemex S.A. de C.V. - 2009 Leap (VZU)
(Beginning 5/8/2007)
(See new deliverable above)

			Calls	Put
VZU	JAN	20	AD	MD
VZU	JAN	25	AE	ME
VZU	JAN	30	AF	MF
VZU	JAN	35	AG	MG
VZU	JAN	40	AH	MH

Any additional CX series that are added prior to the ex-date will also be adjusted in the manner described above.

The new CX option contracts representing 100 shares of CX, will be admitted to trading on Wednesday, May 9, 2007. Strike prices and expiration months will be announced on a separate release prior to that date.

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-5380.