SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE TO
(RULE 14D-100)
TENDER OFFER STATEMENT UNDER SECTION 14(d)(1)
OR SECTION 13(e)(1) OF THE SECURITIES EXCHANGE ACT OF 1934.

PUERTO RICAN CEMENT COMPANY, INC.
(Name of Subject Company (Issuer))

TRICEM ACQUISITION, CORP.,
an indirect wholly owned subsidiary of CEMEX, S.A. de C.V.
(Names of Filing Persons (Offerors))

COMMON STOCK, PAR VALUE $1.00 PER SHARE
(Title of Class of Securities)

745075-10-1
(CUSIP Number of Class of Securities)

Ramiro Villarreal
CEMEX, S.A. de C.V.
Ave. Constitucion 444 Pte.
Monterrey, Nuevo Leon, Mexico 64000
Telephone: (011-528) 328-3000
(Name, address and telephone number of person authorized to receive notices and communications on behalf of filing persons)

Copies to:
Randall H. Doud, Esq.
Skadden, Arps, Slate,
Meagher & Flom LLP
Four Times Square
New York, New York
10036-6522
Telephone: 212-735-3000

CALCULATION OF FILING FEE

Transaction Valuation*	Amount of Filing Fee
$180,196,590	$16,578.09

* For purposes of calculating amount of filing fee only. This amount assumes the purchase of all outstanding shares of common stock of Puerto Rican Cement Company, Inc. The amount of the filing fee calculated in accordance with Rule 0-11 of the Securities Exchange Act of 1934, as amended, equals $92 for every $1,000,000 of the transaction value.

[_] Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number or the Form or Schedule and the date of its filing.

Amount Previously Paid:	Form or Registration No.:
N/A	N/A
Filing party: N/A	Date Filed: N/A

[_] Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

[X] third-party tender offer subject to Rule 14d-1.

[_] issuer tender offer subject to Rule 13e-4.

[_] going-private transaction subject to Rule 13e-3.

[_] amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer: [_]

THIS TENDER OFFER STATEMENT ON SCHEDULE TO RELATES TO THE OFFER BY TRICEM ACQUISITION, CORP. (THE "PURCHASER"), A PUERTO RICO CORPORATION AND AN INDIRECT WHOLLY OWNED SUBSIDIARY OF CEMEX, S.A. DE C.V., A COMPANY ORGANIZED UNDER THE LAWS OF THE UNITED MEXICAN STATES ("CEMEX"), TO PURCHASE ALL OUTSTANDING SHARES OF COMMON STOCK OF PUERTO RICAN CEMENT COMPANY, INC. (THE "COMPANY"), PAR VALUE $1.00 PER SHARE (THE "SHARES"), AT U.S. $35.00 PER SHARE, NET TO THE SELLER IN CASH, WITHOUT INTEREST THEREON, UPON THE TERMS AND SUBJECT TO THE CONDITIONS SET FORTH IN THE OFFER TO PURCHASE AND IN THE RELATED LETTER OF TRANSMITTAL, COPIES OF WHICH ARE ATTACHED HERETO AS EXHIBITS (A)(1) AND (A)(2), RESPECTIVELY (WHICH ARE HEREIN COLLECTIVELY REFERRED TO AS THE "OFFER").

ALL OF THE INFORMATION IN THE OFFER TO PURCHASE, THE RELATED LETTER OF TRANSMITTAL, AND ANY SUPPLEMENTS THERETO RELATED TO THE OFFER HEREAFTER FILED WITH THE SECURITIES AND EXCHANGE COMMISSION BY THE PURCHASER AND CEMEX, HEREBY IS INCORPORATED BY REFERENCE (WHERE APPROPRIATE) IN ANSWER TO ITEMS 1 THROUGH 12 OF THIS SCHEDULE TO (WHETHER OR NOT IDENTIFIED WITH SPECIFICITY).

Item 1. Summary Term Sheet.

The information set forth in the section of the Offer to Purchase entitled "Summary Term Sheet" is incorporated herein by reference.

Item 2. Subject Company Information.

(a) The name of the subject company is Puerto Rican Cement Company, Inc, a Puerto Rico corporation (the "Company"), the address of its principal executive offices is Amelia Industrial Park in Guaynabo, Puerto Rico and its mailing address is P.O. Box 364487, San Juan, Puerto Rico 00936-4487. Its telephone number is (787) 783-3000.

(b) The title of the subject class of securities being sought is Common Stock, par value $1.00 per share (the "Shares"). The information concerning the securities outstanding set forth under "Introduction" in the Offer to Purchase is incorporated herein by reference.

(c) The information concerning the principal market in which the Shares are traded and certain high and low sales prices for the Shares in such principal market is set forth in "Price Range of Shares; Dividends" and "Dividends and Distributions" in the Offer to Purchase and is incorporated herein by reference.

Item 3. Identity and Background of the Filing Person.

(a)-(c) The information set forth in "Certain Information Concerning CEMEX and the Purchaser" and in Schedule I in the Offer to Purchase is incorporated herein by reference.

Item 4. Terms of the Transaction.

(a) The information set forth under "Introduction," "Terms of the

Offer," "Procedures for Accepting the Offer and Tendering Shares," "Withdrawal Rights," "Acceptance for Payment and Payment for Shares," "Purpose of the Offer; Plans for the Company," "Source and Amount of Funds" and "Material United States Federal Income Tax Consequences" in the Offer to Purchase is incorporated herein by reference.

Item 5. Past Contacts, Transactions, Negotiations and Agreements.

(a)-(b) The information set forth in "Background of the Offer; Past Contacts or Negotiations with the Company," "The Merger Agreement and the Transaction Support Agreements," "Certain Information Concerning CEMEX and the Purchaser" and "Purpose of the Offer; Plans for the Company" in the Offer to Purchase is incorporated herein by reference.

Item 6. Purpose of the Transaction and Plans or Proposals.

(a), (c) The information set forth in "Introduction," "The Merger Agreement and the Transaction Support Agreements," "Purpose of the Offer; Plans for the Company," "Certain Effects of the Offer," and "Dividends and Distributions" in the Offer to Purchase is incorporated herein by reference.

Item 7. Source and Amount of Funds or Other Consideration.

(a)-(b), (d) The information set forth in "Source and Amount of Funds" in the Offer to Purchase is incorporated herein by reference.

Item 8. Interest in Securities of the Subject Company.

(a)-(b) The information set forth in "Introduction," "Certain Information Concerning the Company," "Certain Information Concerning CEMEX and the Purchaser," "The Merger Agreement and the Transaction Support Agreements" and Schedule I in the Offer to Purchase is incorporated herein by reference.

Item 9. Persons/Assets, Retained, Employed, Compensated or Used.

(a) The information set forth in "Introduction" and "Fees and Expenses" of the Offer to Purchase is incorporated herein by reference.

Item 10. Financial Statements.

(a)-(b) The information set forth in "Certain Information Concerning CEMEX and the Purchaser" of the Offer to Purchase is incorporated herein by reference.

Item 11. Additional Information.

(a)-(b) The information set forth in "Introduction," "Certain Information Concerning CEMEX and the Purchaser," "The Merger Agreement and the Transaction Support Agreements, "Certain Conditions of the Offer" and "Certain Legal Matters; Regulatory Approvals" of the Offer to Purchase is incorporated herein by reference.

Item 12. Exhibits.

(a)(1) Offer to Purchase, dated July 1, 2002.

(a)(2) Letter of Transmittal.

(a)(3) Notice of Guaranteed Delivery.

(a)(4) Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.

(a)(5) Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.

(a)(6) Guidelines for Certification of Taxpayer Identification Number

on Substitute Form W-9.

(a)(7) Joint Press Release issued by CEMEX and the Company (English version) on June 12, 2002 (incorporated herein by reference to the Schedule TO-C filed by CEMEX on June 12, 2002).

(a)(8) Joint Press Release issued by CEMEX and the Company (Spanish version) on June 12, 2002 (incorporated herein by reference to the Schedule TO-C filed by CEMEX on June 12, 2002).

(a)(9) Press Release issued by CEMEX (English version) on July 1, 2002.

(a)(10) Press Release issued by CEMEX (Spanish version) on July 1, 2002.

(a)(11) Summary Advertisement as published in the Wall Street Journal and The New York Times on July 1, 2002.

(d)(1) Agreement and Plan of Merger, dated as of June 11, 2002, among CEMEX, the Purchaser and the Company.

(d)(2) Transaction Support Agreement, dated as of June 11, 2002, among CEMEX, the Purchaser and El Dia, Inc.

(d)(3) Transaction Support Agreement, dated as of June 11, 2002, among CEMEX, the Purchaser and Ferre Investment Fund, Inc.

(d)(4) Transaction Support Agreement, dated as of June 11, 2002, among CEMEX, the Purchaser and South Management Corporation.

(d)(5) Transaction Support Agreement, dated as of June 11, 2002, among CEMEX, the Purchaser and Alfra Investment Corporation.

(d)(6) Confidentiality Agreement, dated May 24, 2002, between Cemex, Inc. and the Company.

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SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

TRICEM ACQUISITION, CORP.

By: /s/ JILL SIMEONE

Name: Jill Simeone
Title: Assistant Secretary

CEMEX, S.A. DE C.V.

By: /s/ RAMIRO G. VILLARREAL

Name: Ramiro G. Villarreal
Title: General Counsel

Dated: July 1, 2002

EXHIBIT INDEX

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EXHIBIT (a)(1)

Offer To Purchase For Cash

All Outstanding Shares of Common Stock

of

Puerto Rican Cement Company, Inc.

at

U.S. $35.00 Net Per Share

by

Tricem Acquisition, Corp.,

an indirect wholly owned subsidiary of

CEMEX, S.A. de C.V.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON MONDAY, JULY 29, 2002, UNLESS THE OFFER IS EXTENDED.

The Offer (as defined herein) is being made pursuant to the Agreement and Plan of Merger, dated as of June 11, 2002 (the "Merger Agreement"), by and among CEMEX, S.A. de C.V., a corporation organized under the laws of the United Mexican States ("CEMEX"), Tricem Acquisition, Corp., a Puerto Rico corporation and an indirect wholly owned subsidiary of CEMEX (the "Purchaser"), and Puerto Rican Cement Company, Inc., a Puerto Rico corporation (the "Company").

THE OFFER IS CONDITIONED UPON, AMONG OTHER THINGS, (1) THERE BEING VALIDLY TENDERED (OTHER THAN TENDERS BY GUARANTEED DELIVERY WHERE ACTUAL DELIVERY HAS NOT TAKEN PLACE) AND NOT WITHDRAWN PRIOR TO THE EXPIRATION OF THE OFFER A NUMBER OF SHARES OF COMMON STOCK, PAR VALUE $1.00 PER SHARE, OF THE COMPANY (THE "SHARES") THAT REPRESENTS AT LEAST A MAJORITY OF THE THEN OUTSTANDING SHARES ON A FULLY DILUTED BASIS AND (2) ANY WAITING PERIOD UNDER THE HART-SCOTT-RODINO ANTITRUST IMPROVEMENTS ACT OF 1976, AS AMENDED, AND THE REGULATIONS THEREUNDER HAVING EXPIRED OR BEEN TERMINATED. THE OFFER ALSO IS SUBJECT TO CERTAIN OTHER CONDITIONS CONTAINED IN THIS OFFER TO PURCHASE. THE OFFER IS NOT SUBJECT TO A FINANCING CONDITION. PLEASE READ SECTIONS 1 AND 15, WHICH SET FORTH IN FULL THE CONDITIONS TO THE OFFER.

THE COMPANY'S BOARD OF DIRECTORS, AT A SPECIAL MEETING HELD ON JUNE 11, 2002, WITH ONE DIRECTOR ABSENT, UNANIMOUSLY (1) DETERMINED THAT THE MERGER AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREBY, INCLUDING THE OFFER AND THE MERGER, ARE FAIR TO THE COMPANY'S STOCKHOLDERS AND ARE ADVISABLE AND IN THE BEST INTERESTS OF THE COMPANY AND ITS STOCKHOLDERS; (2) APPROVED AND ADOPTED THE MERGER AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREBY, INCLUDING THE OFFER AND THE MERGER; AND (3) RECOMMENDED THAT THE COMPANY'S STOCKHOLDERS (A) ACCEPT THE OFFER AND (B) IF STOCKHOLDER APPROVAL IS NECESSARY, APPROVE THE MERGER AGREEMENT AND THE MERGER. ACCORDINGLY, THE COMPANY'S BOARD OF DIRECTORS RECOMMENDS THAT YOU ACCEPT THE OFFER AND TENDER ALL OF YOUR SHARES PURSUANT TO THE OFFER.

A summary of the material terms of the Offer appears on pages 1 through 6. You should read this entire document carefully before deciding whether to tender your Shares.

July 1, 2002

IMPORTANT

Any stockholder of the Company wishing to tender Shares in the Offer must (1) complete and sign the Letter of Transmittal (or a facsimile thereof) in accordance with the instructions in the Letter of Transmittal and mail or deliver the Letter of Transmittal (or such facsimile) and all other required documents to the Depositary (as defined herein) together with certificates representing the Shares tendered, or follow the procedure for book-entry transfer set forth in Section 3 hereof or (2) request such stockholder's

broker, dealer, commercial bank, trust company or other nominee to effect the transaction for the stockholder. A stockholder whose Shares are registered in the name of a broker, dealer, commercial bank, trust company or other nominee must contact such person if such stockholder wishes to tender such Shares.

Any stockholder of the Company who wishes to tender Shares and cannot deliver certificates representing such Shares and all other required documents to the Depositary on or prior to the Expiration Date (as defined herein) or who cannot comply with the procedure for book-entry transfer on a timely basis may tender such Shares pursuant to the guaranteed delivery procedure set forth in Section 3 hereof.

Questions and requests for assistance may be directed to the Information Agent at the address and telephone numbers set forth on the back cover of this Offer to Purchase. Additional copies of this Offer to Purchase, the Letter of Transmittal, the Notice of Guaranteed Delivery and other related materials may be obtained from the Information Agent or from brokers, dealers, commercial banks, trust companies or other nominees.

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SUMMARY TERM SHEET

Tricem Acquisition, Corp. is offering to purchase all of the outstanding shares of common stock of Puerto Rican Cement Company, Inc. for U.S. $35.00 per share in cash. The following are some of the questions you, as a stockholder of the Company, may have and answers to those questions. We urge you to read the remainder of this Offer to Purchase and the Letter of Transmittal carefully because the information in this summary term sheet is not complete. Additional important information is contained in the remainder of this Offer to Purchase and the Letter of Transmittal.

WHO IS OFFERING TO BUY MY SECURITIES?

We are Tricem Acquisition, Corp., a newly formed Puerto Rico corporation and an indirect wholly owned subsidiary of CEMEX. We have been formed for the purpose of making a tender offer for all of the common stock of the Company and have carried on no activities other than in connection with the merger

agreement among CEMEX, the Company and us and the transaction support agreements among CEMEX, certain stockholders of the Company and us. CEMEX, a corporation organized under the laws of the United Mexican States, is the third-largest cement company in the world. See "Introduction" and Section 1.

WHAT ARE THE CLASSES AND AMOUNTS OF SECURITIES SOUGHT IN THE OFFER?

We are seeking to purchase all of the issued and outstanding shares of common stock of the Company. See "Introduction" and Section 1.

HOW MUCH ARE YOU OFFERING TO PAY? WHAT IS THE FORM OF PAYMENT? WILL I HAVE TO PAY ANY FEES OR COMMISSIONS?

We are offering to pay U.S. $35.00 per share, net to you in cash, without interest. If you are the record owner of your shares and you tender your shares to us in the offer, you will not have to pay brokerage fees or similar expenses. If you own your shares through a broker or other nominee, and your broker or nominee tenders your shares on your behalf, your broker or nominee may charge you a fee for doing so. You should consult your broker or nominee to determine whether any charges will apply. See "Introduction."

DO YOU HAVE THE FINANCIAL RESOURCES TO MAKE PAYMENT?

CEMEX, our parent company, and its subsidiaries will provide us with sufficient funds to purchase all shares that are validly tendered and not withdrawn in the offer and to provide funding for the merger that is expected to follow the successful completion of the offer. These subsidiaries expect to fund a portion of the capital contributions and loans to us with borrowings under a new credit facility to be entered into by such subsidiaries. In the event that financing is unavailable under the proposed new credit facility, it is anticipated that all of the funds necessary to consummate the offer and the merger would come from capital contributions or intra-company loans to us from subsidiaries of CEMEX, which would be funded from CEMEX's internally generated free cash flow.

Our obligation to purchase the shares of Company common stock in the offer is not conditioned on any financing or subject to any financing condition. See Section 9 for a description of our financing arrangements.

IS YOUR FINANCIAL CONDITION RELEVANT TO MY DECISION TO TENDER IN THE OFFER?

We do not think our financial condition is relevant to your decision whether to tender in the offer because the form of consideration consists solely of cash and our offer is not contingent upon our receipt of financing. See Section 9 for a description of our financing arrangements.

HAVE ANY STOCKHOLDERS AGREED TO TENDER THEIR SHARES?

Concurrently with entering into the merger agreement, we entered into transaction support agreements with four stockholders of the Company that collectively own 1,482,804 shares of Company common stock, constituting approximately 29% of the shares outstanding. Under the transaction support agreements, these stockholders have agreed, among other things, to tender their shares in the offer and to vote for the merger. See Section 11.

HOW LONG DO I HAVE TO DECIDE WHETHER TO TENDER IN THE OFFER?

You will have until 12:00 midnight, Eastern time, on Monday, July 29, 2002, to tender your shares in the offer, unless the offer is extended. If you cannot deliver everything that is required in order to make a valid tender by that time, you may be able to use a guaranteed delivery procedure, which is described later in this Offer to Purchase. See Sections 1 and 3.

CAN THE OFFER BE EXTENDED AND UNDER WHAT CIRCUMSTANCES?

We expressly reserve the right, subject to the terms of the merger agreement and applicable law, to extend the period of time during which the offer remains open. We have agreed in the merger agreement that we may extend the offer:

- if any of the conditions to the offer have not been satisfied;

- if any rule, regulation, interpretation or position of the Securities and Exchange Commission or its staff applicable to the offer, or any applicable law, requires an extension; and

- for up to ten additional business days in increments of not more than two business days each (but in no event beyond the Termination Date (as defined in Section 1)), if, immediately before the scheduled or extended expiration date of the offer, the shares tendered and not withdrawn pursuant to the offer constitute more than 80% but less then 90% of the outstanding shares of the Company common stock.

Subject to certain limitations, we have agreed at the Company's request to extend the offer for a period of time sufficient to provide a "cure period" (as described in Section 1) to the Company in the event of a breach by the Company of a representation, warranty, covenant or other agreement of the Company under the merger agreement, which breach, in the reasonable judgment of CEMEX, is capable of being cured during the applicable cure period. Subject to certain limitations set forth in the merger agreement, if any other condition to the offer is not satisfied or waived on any scheduled or extended expiration date of the offer and if such condition could reasonably be expected to be satisfied, the Purchaser must extend the offer until such condition is satisfied or waived.

If at the time of the expiration of the offer all conditions to the offer are satisfied or waived but the shares of Company common stock tendered and not withdrawn in the offer constitute less than 90% of the outstanding common stock, we have the right to accept for payment and purchase all shares validly tendered and not withdrawn at such time and extend the offer to provide a "subsequent offering period" during which stockholders may tender their shares and promptly receive the offer price. There will be no withdrawal rights during any subsequent offering period. In addition, if we elect to provide a subsequent offering period, the federal securities laws require a subsequent offering period of three business days to 20 business days.

See Sections 1 and 11 for more details on our ability to extend the offer.

HOW WILL I BE NOTIFIED IF THE OFFER IS EXTENDED?

If we extend the offer, we will inform Citibank, N.A. (the depositary for the offer) of that fact and will make a public announcement of the extension not later than 9:00 a.m., Eastern time, on the next business day after the day on which the offer was scheduled to expire. See Section 1.

WHAT ARE THE MOST SIGNIFICANT CONDITIONS TO THE OFFER?

We are not obligated to purchase any shares that are validly tendered unless the number of shares validly tendered (other than tenders by guaranteed delivery where actual delivery has not occurred) and not withdrawn before the expiration of the offer represents at least a majority of the outstanding shares on a fully diluted basis (after giving effect to the conversion or exercise of all outstanding options, warrants and other rights and securities exercisable or convertible into shares of Company common stock, if any, whether or not exercised or converted at the time of determination). See "Introduction" and Section 11.

Subject to certain limitations, we are not obligated to purchase shares that are validly tendered if there is any change in the business, assets, liabilities, financial condition or results of operations of the Company or its subsidiaries that has had or would reasonably be expected to have a material adverse effect on the Company and its subsidiaries, taken as a whole, or its ability to complete the transactions under the merger agreement. See Section 15.

We are not obligated to purchase shares that are validly tendered if the applicable waiting period under the Hart-Scott-Rodino Act has not expired or been terminated. See Section 16.

We are not obligated to purchase shares that are validly tendered if the necessary consents have not been obtained from certain of the Company's lenders under its loan agreements. See Section 15.

We are not obligated to purchase shares that are validly tendered if the

Company's board of directors withdraws, modifies or changes in a manner adverse to CEMEX or us its recommendation of the offer, the merger agreement or the merger, or recommends another proposal or offer in connection with a competing takeover proposal made by a third party. See Section 15.

We are not obligated to purchase shares that are validly tendered if the Company breaches or fails to perform in any material respect its obligations under the merger agreement or breaches its representations and warranties under the merger agreement, subject to certain knowledge, materiality and material adverse effect qualifiers set forth in the merger agreement and subject to cure in any applicable cure period. See Sections 11 and 15.

We are not obligated to purchase shares that are validly tendered if the consent of the Nuclear Regulatory Commission with respect to the change of control of the Company, which is required as a result of the Company's ownership and operation of a regulated piece of test equipment, has not been obtained. See Section 15.

The offer also is subject to a number of other conditions. We can waive some of the conditions to the offer without the Company's consent; however, we cannot waive the minimum condition without the Company's consent. See Sections 1 and 15.

Our obligation to purchase shares under the offer is not conditioned on any financing arrangements or subject to any financing condition. See Section 9 for information about our financing arrangements.

HOW DO I TENDER MY SHARES?

To tender your shares:

- You must deliver the certificates representing your shares, together with a completed letter of transmittal and any other documents required by the letter of transmittal, to the depositary not later than the time the offer expires.

- If your shares are held in "street name," your shares can only be tendered by your broker or nominee through the depositary.

- If you are unable to deliver any required document or instrument to the depositary by the expiration of the offer, you may gain some extra time by having a broker, a bank or other fiduciary that is an eligible institution guarantee that the missing items will be received by the depositary within three New York Stock Exchange trading days. For the tender to be valid, however, the depositary must receive the missing items within that three trading day period.

See Section 3.

UNTIL WHAT TIME MAY I WITHDRAW PREVIOUSLY TENDERED SHARES?

You may withdraw shares at any time before the scheduled or any extended expiration of the offer. You may not, however, withdraw any shares that are tendered during the subsequent offering period, if there is one. See Section 4.

HOW DO I WITHDRAW PREVIOUSLY TENDERED SHARES?

To withdraw shares, you must deliver a written notice of withdrawal, or a facsimile of one, with the required information to the depositary for the offer while you still have the right to withdraw the shares. See Section 4.

WHAT DOES THE COMPANY'S BOARD OF DIRECTORS RECOMMEND REGARDING THE OFFER?

We are making the offer pursuant to the merger agreement, which has been approved unanimously by the Company's board of directors, with one director absent. The Company's board of directors, at a special meeting held on June 11, 2002, with one director absent, unanimously:

- determined that the merger agreement and the transactions contemplated thereby, including the tender offer and the merger, are fair to the Company's stockholders and are advisable and in the best interests of the

Company and its stockholders;

- approved and adopted the merger agreement and the transactions contemplated by the merger agreement, including the offer and the merger; and

- recommended that the Company's stockholders (A) accept the offer and (B) if stockholder approval is necessary, approve the merger agreement and the merger.

Accordingly, the Company's board of directors recommends that you accept the offer and tender all of your shares of Company common stock pursuant to the offer. See "Introduction."

IF A MAJORITY OF THE SHARES ARE TENDERED AND ACCEPTED FOR PAYMENT, WILL THE COMPANY CONTINUE AS A PUBLIC COMPANY?

No. Following the purchase of shares in the offer we expect to consummate the merger. If the merger takes place, the Company will no longer be publicly owned. Even if for some reason the merger does not take place, if

we purchase all of the tendered shares, then there may be so few remaining stockholders and publicly held shares that the Company common stock will no longer be eligible to be traded on the New York Stock Exchange, there may not be a public trading market for the Company common stock, and the Company may cease to make filings with the Securities and Exchange Commission or otherwise no longer be required to comply with the Securities and Exchange Commission rules relating to publicly held companies. See Section 13.

WILL THE TENDER OFFER BE FOLLOWED BY A MERGER IF ALL OF THE COMPANY'S SHARES ARE NOT TENDERED IN THE OFFER?

We expect yes. If the number of shares tendered and purchased in the offer represents at least a majority of the shares of the Company on a fully diluted basis, then we expect to be merged with and into the Company. If that merger takes place, CEMEX indirectly will own all of the shares of the Company, and all remaining public stockholders of the Company (other than stockholders properly exercising appraisal rights under applicable Puerto Rico law) will receive U.S. $35.00 per share in cash. See "Introduction."

IF I DECIDE NOT TO TENDER, HOW WILL THE OFFER AFFECT MY SHARES?

If the merger described above takes place, stockholders not tendering in the offer will receive the same amount of cash per share that they would have received had they tendered their shares in the offer, subject to any appraisal rights properly exercised under Puerto Rico law. Therefore, if the merger takes place and you do not exercise appraisal rights, the only difference to you between tendering your shares and not tendering your shares is that you will be paid earlier if you tender your shares. If the merger does not take place, however, the number of stockholders and the number of shares of Company common stock that are still in the hands of the public may be so small that there no longer will be an active public trading market (or, possibly, there may not be any public trading market) for Company common stock. Also, as described above, the Company may cease making filings with the Securities and Exchange Commission or otherwise may not be required to comply with the Securities and Exchange Commission rules relating to publicly held companies. See "Introduction" and Sections 12 and 13.

WHAT IS THE MARKET VALUE OF MY SHARES AS OF A RECENT DATE?

On June 11, 2002, the last trading day before we announced the merger agreement, the last sale price of the Company's common stock reported on the New York Stock Exchange was U.S. $22.20 per share; therefore, the offer price of U.S. $35.00 per share represents a premium of approximately 58% over the last sale price of the shares before we announced the execution of the merger agreement. On June 28, 2002, the last full trading day before we commenced the tender offer, the last sale price of the Company's common stock reported on the New York Stock Exchange was U.S. $35.00. We encourage you to obtain a recent quotation for shares of Company common stock in deciding whether to tender your shares. See Section 6.

WILL I BE PAID THE REGULAR QUARTERLY DIVIDEND ON MY SHARES?

On June 26, 2002, the Company's board of directors declared a regular quarterly dividend of U.S. $0.19 per share of Company common stock. The record date for such dividend is July 9, 2002. If you hold your shares on July 9, 2002, then you will be paid such dividend by the Company on August 6, 2002, even though it will be paid after the initially scheduled expiration of, and may be paid after the completion of, the offer. Unless the completion of the offer is delayed significantly, we do not expect that any additional dividends will be declared or paid.

GENERALLY, WHAT ARE THE UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF TENDERING SHARES?

The receipt of cash for shares pursuant to the offer or the merger will be a taxable transaction for United States federal income tax purposes and possibly for the Commonwealth of Puerto Rico and other state,

local and foreign income tax purposes as well. See Section 5. We encourage you to seek independent tax advice regarding the tax consequences of tendering your shares.

TO WHOM MAY I SPEAK IF I HAVE QUESTIONS ABOUT THE TENDER OFFER?

You may call Georgeson Shareholder Communications Inc. at 1-800-616-5497; Georgeson is acting as the information agent for our offer. See the back cover of this Offer to Purchase.

To the Holders of Shares of Common Stock
of Puerto Rican Cement Company, Inc.:

INTRODUCTION

Tricem Acquisition, Corp., (the "Purchaser"), a Puerto Rico corporation and an indirect wholly owned subsidiary of CEMEX, S.A. de C.V., a corporation organized under the laws of the United Mexican States ("CEMEX"), hereby offers to purchase all of the issued and outstanding shares of common stock, par value $1.00 per share (the "Company Common Stock" or the "Shares"), of Puerto Rican Cement Company, Inc., a Puerto Rico corporation (the "Company"), at a purchase price of U.S. $35.00 per Share (the "Offer Price"), net to the seller in cash, without interest thereon, upon the terms and subject to the conditions set forth in this Offer to Purchase and in the related Letter of Transmittal (the "Letter of Transmittal"). The Letter of Transmittal, together with this Offer to Purchase and any amendments or supplements hereto or thereto, collectively constitute the "Offer".

The Offer is being made pursuant to the Agreement and Plan of Merger, dated as of June 11, 2002 (the "Merger Agreement"), among CEMEX, the Purchaser and the Company. The Merger Agreement provides that, following the Offer, the Purchaser will be merged with and into the Company (the "Merger"), with the Company continuing as the surviving corporation (the "Surviving Corporation"). After the Merger, the Company will be an indirect wholly owned subsidiary of CEMEX. Pursuant to the Merger Agreement, at the effective time of the Merger (the "Effective Time") each Share issued and outstanding immediately prior to the Effective Time (other than Shares owned by CEMEX, the Purchaser, the Company or any of their respective subsidiaries, all of which will be cancelled and other than Shares that are held by stockholders, if any, who properly exercise their appraisal rights under the General Corporation Law of the Commonwealth of Puerto Rico (the "PRGCL")), automatically will be converted into the right to receive the Offer Price in cash, without interest (the "Merger Consideration"). Without limiting the foregoing, effective upon acceptance for payment of shares pursuant to the Offer in accordance with the terms hereof, the holder of such Shares will sell and assign to the Purchaser all right, title and interest in and to all of the Shares tendered (including, but not limited to, such holder's right to any and all dividends and distributions with a declaration date before, and a record date after, the scheduled or extended expiration date, except as set forth in the following

sentence). Notwithstanding the preceding sentence, pursuant to the Merger Agreement, holders of Shares on July 9, 2002, the record date for the Company's regular quarterly dividend of U.S. $0.19 per share, which was declared on June 26, 2002 by the Company's Board of Directors (the "Company's Board of Directors" or the "Board of Directors"), will be paid such regular quarterly dividend on August 6, 2002 even though it will be paid after the initially scheduled expiration date of the Offer and even if such holder's Shares are purchased in the Offer. The Merger Agreement is more fully described in Section 11.

Tendering stockholders, who are record owners of their Shares and tender directly to the Depositary (as defined below), will not be obligated to pay brokerage fees or commissions or, except as otherwise provided in Instruction 6 of the Letter of Transmittal, stock transfer taxes with respect to the purchase of Shares by the Purchaser pursuant to the Offer. Stockholders who hold their Shares through a broker or bank should consult such institution as to whether it charges any service fees. CEMEX or the Purchaser will pay all charges and expenses of Goldman, Sachs & Co., as financial advisor to CEMEX and the Purchaser ("Goldman Sachs"), Citibank, N.A., as depositary (the "Depositary"), and Georgeson Shareholder Communications Inc., as information agent (the "Information Agent"), incurred in connection with the Offer. See Section 17.

Concurrently with entering into the Merger Agreement, CEMEX and the Purchaser entered into Transaction Support Agreements (as defined herein) with certain stockholders of the Company that collectively own 1,482,804 Shares, constituting approximately 29% of the Shares outstanding. The Transaction Support Agreements provide that these stockholders will tender all of the Shares held by them in the Offer. In addition, the Transaction Support Agreements provide that, subject to certain exceptions, these stockholders will vote all of their Shares in favor of adoption of the Merger Agreement and the Merger and against any action, proposal, agreement or transaction that would result in a breach of any covenant, obligation, agreement, representation or warranty of the Company under the Merger Agreement or of such stockholders contained in the Transaction

Support Agreements. Pursuant to the Transaction Support Agreements, these stockholders also granted CEMEX an irrevocable option to purchase all of their Shares at a purchase price of U.S. $35.00 per Share, subject to adjustment in certain circumstances. The options granted by these stockholders will become exercisable (i) in the event a Termination Fee (as defined in the Merger Agreement; see Section 11) has been paid or is payable in accordance with the terms of the Merger Agreement, (ii) if the Offer is terminated as a result of the failure to satisfy the Minimum Condition (as defined hereinafter) if, at or prior to the time of the termination, a Takeover Proposal (as defined in the Merger Agreement; see Section 11) has become publicly known and (iii) in certain other circumstances. See Section 11 for a discussion of the Transaction Support Agreements.

The Company's Board of Directors, at a special meeting held on June 11, 2002, with one director absent, unanimously, (1) determined that the Merger Agreement and the transactions contemplated thereby, including the Offer and the Merger, are fair to the Company's stockholders and in the best interests of the Company and its stockholders; (2) approved and adopted the Merger Agreement and the transactions contemplated thereby, including the Offer and the Merger; and (3) recommended that the Company's stockholders (A) accept the Offer and (B) if stockholder approval is necessary, approve the Merger Agreement and the Merger. Accordingly, the Company's Board of Directors recommends that you accept the Offer and tender all of your Shares pursuant to the Offer.

UBS Warburg LLC (together with its predecessor entities, "UBS Warburg"), the financial advisor to the Company's Board of Directors, has delivered a written opinion, dated June 12, 2002, to the effect that, as of the date of the opinion, based on the assumptions, limitations and qualifications set forth in the opinion, the consideration to be received by the Company's stockholders is fair, from a financial point of view, to the Company's stockholders (other than CEMEX and any of its affiliates). This opinion confirmed an oral opinion delivered to the Company's Board of Directors delivered on June 11. The full text of UBS Warburg's written opinion is included as Annex II to the Company's Solicitation/Recommendation Statement on Schedule 14D-9 (the "Schedule 14D-9") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which is being mailed to stockholders concurrently with this Offer to Purchase.

Stockholders are urged to read the full text of such opinion carefully in its entirety.

The Offer is conditioned upon, among other things, (1) there being validly tendered (other than tenders by guaranteed delivery where actual delivery has not occurred) in accordance with the terms of the Offer, and not withdrawn prior to the expiration date of the Offer, that number of Shares that represents at least a majority of the then outstanding Shares on a fully diluted basis, after giving effect to the conversion or exercise of all outstanding options, warrants and other rights and securities exercisable or convertible into Company Common Stock, if any, whether or not exercised or converted at the time of determination (the "Minimum Condition") and (2) any waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the regulations thereunder having expired or been terminated. The Offer also is subject to certain other conditions that are described in Section 15. Please read Section 15, which sets forth in full the conditions to the Offer, and Section 16, which sets forth additional information about the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. The Purchaser's obligation to purchase Shares under the Offer is not conditioned on any financing arrangements or subject to any financing condition. See Section 9 for a description of the Purchaser's financing arrangements.

The Company has represented to CEMEX that, as of March 31, 2002, there were 5,148,474 Shares issued and outstanding, no shares of the Company's preferred stock issued and outstanding, 851,526 Shares issued and held in the treasury of the Company and no options or other securities exercisable for or convertible into Shares. Accordingly, it is anticipated that the Minimum Condition will be satisfied if 2,574,238 Shares are tendered in the Offer and not withdrawn. See Section 11.

The Merger Agreement provides that promptly upon the acceptance for purchase of not less than a majority of the outstanding Shares on a fully diluted basis by the Purchaser pursuant to the Offer, the Company's Board of Directors shall elect such number of directors designated by CEMEX, rounded up to the next whole number, to the Board of Directors such that the percentage of CEMEX's designees on the Board of Directors shall equal the

percentage of the Shares owned of record or beneficially by CEMEX or its direct or indirect subsidiaries (the "CEMEX Designees"). In connection with the foregoing, the Company has taken all action necessary to permit the CEMEX Designees to:

- be elected to the Company's Board of Directors promptly following consummation of the Offer, including without limitation, by increasing the size of the Company's Board of Directors and obtaining the resignation of such number of its current directors as is necessary to permit the CEMEX Designees to be so elected; and
- constitute at least the same percentage (rounded up to the next whole number) as is on the Company's Board of Directors of
  - each committee of the Company's Board of Directors,
  - each board of directors (or similar body) of each subsidiary of the Company, and
  - each committee (or similar body) of each board of directors (or similar body) of each subsidiary of the Company.

Notwithstanding the foregoing, until the Effective Time, the Company's Board of Directors shall have at least three directors who are directors of the Company on the date of the Merger Agreement and who are not officers of the Company or any of its subsidiaries (the "Independent Directors"); provided, however, that in no event shall the requirement to have at least three Independent Directors result in the CEMEX Designees constituting less than a majority of the Company's Board of Directors unless CEMEX fails to designate a sufficient number of persons to constitute at least a majority, and if the number of Independent Directors is reduced below three for any reason (or if immediately following consummation of the Offer there are not at least three then-existing directors of the Company who are Qualified Persons (as defined below) and who are willing to serve as Independent Directors), then the number of Independent

Directors required under the Merger Agreement shall be reduced to equal the number of then-serving Independent Directors, unless the remaining Independent Director or Independent Directors are able to identify a person or persons who are not officers or affiliates of the Company, CEMEX or any of their respective subsidiaries (any such person, a "Qualified Person") willing to serve as an Independent Director, in which case such remaining Independent Director or Independent Directors may (but are not required to) designate any such Qualified Person or Qualified Persons to fill such vacancies, or if no Independent Directors then remain, the CEMEX Directors may (but are not required to) designate Qualified Persons to fill such vacancies, and such persons shall be deemed to be Independent Directors for purposes of the Merger Agreement. See Section 11.

The Merger is subject to the satisfaction or waiver of certain conditions, including, if required, the approval and adoption of the Merger Agreement by the affirmative vote of the holders of a majority of the outstanding shares of the Company Common Stock. If the Minimum Condition is satisfied, the Purchaser would have sufficient voting power to approve the Merger without the affirmative vote of any other stockholder of the Company. The Company has agreed, if required, to cause a meeting of its stockholders to be held as promptly as practicable following consummation of the Offer for the purposes of considering and taking action upon the approval and adoption of the Merger Agreement. See Section 11.

This Offer to Purchase and the related Letter of Transmittal contain important information that should be read carefully before any decision is made with respect to the Offer.

THE TENDER OFFER

1. Terms of the Offer.

Upon the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of such extension or amendment), the Purchaser will accept for payment and pay for all Shares validly tendered on or prior to the Expiration Date (as defined below) and not properly withdrawn as permitted under Section 4. The term "Expiration Date" means 12:00 midnight, Eastern time, on Monday, July 29, 2002, unless the Purchaser, in accordance with the Merger Agreement, extends the period during which the Offer is open, in which event the term "Expiration Date" means the latest time and date on which the Offer, as so extended (other than any extension with respect to the Subsequent Offering Period described below), expires.

The Offer is conditioned upon the satisfaction of the Minimum Condition and the other conditions set forth in Section 15. Subject to the provisions of the Merger Agreement, the Purchaser may waive any or all of the conditions to its obligation to purchase Shares pursuant to the Offer (other than the Minimum Condition). If by the initial Expiration Date or any extended Expiration Date any of the conditions to the Offer have not been satisfied or waived, subject to the provisions of the Merger Agreement, the Purchaser may elect to (i) terminate the Offer and return all tendered Shares to tendering stockholders, subject to the Purchaser's obligation to extend the Offer described below, (ii) waive all of the unsatisfied conditions (other than the Minimum Condition) and, subject to any required extension, purchase all Shares validly tendered by the Expiration Date and not properly withdrawn or (iii) extend the Offer and, subject to the right of stockholders to withdraw Shares until the new Expiration Date, retain the Shares that have been tendered until the expiration of the Offer as extended.

Subject to the terms of the Merger Agreement, the Purchaser may not, without the prior written consent of the Company, (i) waive or change the Minimum Condition or (ii) change the form of consideration to be paid, decrease the Offer Price, decrease the number of Shares sought in the Offer, add to or modify any of the conditions to the Offer set forth in Section 15, make any other change in the terms of the Offer that is materially adverse to the holders of the Shares or (except as provided in the next paragraph) change the Expiration Date of the Offer.

Notwithstanding the foregoing and subject to the terms of the Merger Agreement, the Purchaser may, without the consent of the Company, extend the

Expiration Date of the Offer:

(i) if, immediately before the scheduled or extended Expiration Date of the Offer, any of the conditions to the Offer have not been satisfied or (to the extent permitted) waived, until such conditions are satisfied or waived;

(ii) for any period required by any rule, regulation, interpretation or position of the Securities and Exchange Commission (the "SEC") or the staff thereof applicable to the Offer or any period required by applicable law; or

(iii) for up to ten additional business days in increments of not more than two business days each (but in no event beyond the Termination Date (as defined below), if, immediately prior to the scheduled or extended Expiration Date of the Offer, the Shares tendered and not withdrawn pursuant to the Offer constitute more than 80% but less than 90% of the outstanding Shares, notwithstanding that all conditions to the Offer are satisfied as of such Expiration Date; provided, that, in the case of any extension under this clause (iii), CEMEX or the Purchaser may not thereafter assert the failure of any of the conditions provided for in clause (b)(ii) of Section 15 hereof, or for purposes of clauses (b)(iii) or (c) of Section 15, a Company Material Adverse Effect (as defined in the Merger Agreement; see "--The Merger Agreement--Representations and Warranties" in Section 11 hereof) or a material breach of a representation or warranty, in each such case, by reason of any event other than a knowing, intentional breach by the Company occurring after the initial extension under this clause (iii).

In addition, the Purchaser must, at the request of the Company, extend the Offer for a period of time sufficient to provide the applicable Cure Period (as defined below) to the Company in the event of a breach by the Company of a representation, warranty, covenant or other agreement of the Company under the Merger Agreement which breach, in the reasonable judgment of CEMEX, is capable of being cured during the applicable Cure Period, provided that, at the time of the then scheduled Expiration Date of the Offer, all other conditions to the Offer have been satisfied or waived; and provided, further, that the Purchaser is not required to extend the Offer for any Cure Period if the Company fails to give to CEMEX notice of its receipt of knowledge of any such breach within four business days of its receipt of such knowledge. For purposes of the Merger Agreement, "Cure Period" means 30 days from the date on which the Company has knowledge of a breach of a representation, warranty, covenant or other agreement under the Merger Agreement, provided that in the event that the Company first has knowledge of such a breach after the Initial Expiration Date (as hereinafter defined), the Cure Period with respect to such breach shall not extend beyond the then-scheduled expiration date of the Offer. As defined in the Merger Agreement, "Initial Expiration Date" means 12:00 midnight Eastern time on Monday, July 29, 2002.

Rule 14d-11 under the Exchange Act permits the Purchaser, subject to certain conditions, to provide a subsequent offering period following the expiration of the Offer on the Expiration Date (a "Subsequent Offering Period"). A Subsequent Offering Period is an additional period of three business days to 20 business days, beginning after the Purchaser purchases Shares tendered in the Offer, during which stockholders may tender, but not withdraw, their Shares and receive the Offer Price.

The Purchaser has the right to include a Subsequent Offering Period in the event that the Minimum Condition has been satisfied but the Shares tendered and not withdrawn pursuant to the Offer constitute less than 90% of the outstanding shares of Company Common Stock as of the Expiration Date. Pursuant to Rule 14d-7 under the Exchange Act, no withdrawal rights apply to Shares tendered during a Subsequent Offering Period and no withdrawal rights apply during the Subsequent Offering Period with respect to Shares tendered in the Offer and accepted for payment. During a Subsequent Offering Period, the Purchaser promptly will purchase and pay the same price paid in the Offer for all Shares tendered.

As agreed in the Merger Agreement, if any of the conditions to the Offer (other than those set forth in clause (c) of Section 15) is not satisfied or waived on any scheduled or extended Expiration Date of the Offer, the Purchaser

shall, and CEMEX shall cause the Purchaser to, extend the Offer if such condition or conditions could reasonably be expected to be satisfied, from time to time until such conditions are satisfied or waived; provided, that the Purchaser shall not be required to extend the Offer beyond the earliest to occur of (x) the Termination Date or (y) in the event that it has become publicly known that any Takeover Proposal (as defined in the Merger Agreement; see Section 11 "--The Merger Agreement--No Solicitation of Transactions") or amended Takeover Proposal has been made, the expiration of the applicable Rejection Period (as defined below) without such Takeover Proposal or amended Takeover Proposal being publicly rejected by the Company. For the purposes of the Merger Agreement, "Termination Date" means 90 days following commencement of the Offer; provided, however, that if the condition with respect to the Hart-Scott-Rodino Act described in clause (a)(ii) of Section 15 hereof is not satisfied on or prior to such date, then the Termination Date shall be extended until ten business days after such condition has been satisfied, but in no event shall the Termination Date be extended beyond 180 days following commencement of the Offer. As used in the Merger Agreement, "Rejection Period" means (i) with respect to any Takeover Proposal, ten business days after the earlier of the time of receipt by the Company of such Takeover Proposal or such time as the Takeover Proposal has become publicly known; (ii) with respect to an amendment to such Takeover Proposal, two business days after the earlier of the time of receipt of such amended Takeover Proposal or such time as the amended Takeover Proposal has become publicly known; and (iii) with respect to any subsequent amendment to such Takeover Proposal (a "Subsequent Amendment"), 24 hours after the earlier of the time of receipt of such subsequently amended Takeover Proposal or such time as the subsequently amended Takeover Proposal has become publicly known. With respect to the foregoing, any Takeover Proposal made by any Person (as defined in the Merger Agreement), any Affiliate (as defined in the

Merger Agreement) of such Person, or group of Persons or their respective Affiliates shall not be deemed to be a new Takeover Proposal if such Person, Affiliate of such Person or member of a group with such Person or their respective Affiliates previously has made a Takeover Proposal.

The rights reserved by the Purchaser with respect to extending, delaying and terminating the Offer are in addition to the Purchaser's rights pursuant to Section 15. Any extension, delay, termination, waiver or amendment will be followed as promptly as practicable by a public announcement thereof, such announcement in the case of an extension to be made no later than 9:00 a.m., Eastern time, on the next business day after the previously scheduled Expiration Date, in accordance with the public announcement requirements of Rule 14e-1(d) under the Exchange Act. Subject to applicable law (including Rules 14d-4(d) and 14d-6(c) under the Exchange Act, which require that material changes be promptly disseminated to stockholders in a manner reasonably designed to inform them of such changes), and without limiting the manner in which the Purchaser may choose to make any public announcement, the Purchaser shall have no obligation to publish, advertise or otherwise communicate any such public announcement other than by issuing a press release to Dow Jones News Service.

If the Purchaser extends the Offer or if the Purchaser is delayed in its acceptance for payment of or payment for Shares or it is unable to pay for Shares pursuant to the Offer for any reason, then without prejudice to the Purchaser's rights under the Offer, the Depositary may retain tendered Shares on behalf of the Purchaser, and such Shares may not be withdrawn except to the extent tendering stockholders are entitled to withdrawal rights as described herein under Section 4. However, the ability of the Purchaser to delay the payment for Shares that the Purchaser has accepted for payment is limited by (i) Rule 14e-1(c) under the Exchange Act, which requires that a bidder pay the consideration offered or return the securities deposited by or on behalf of stockholders promptly after the termination or withdrawal of such bidder's offer, unless such bidder elects to offer a Subsequent Offering Period and pays for the Shares tendered during the Subsequent Offering Period in accordance with Rule 14d-11 under the Exchange Act, and (ii) the terms of the Merger Agreement, which require that the Purchaser pay for Shares that are tendered pursuant to the Offer as soon as practicable after the Offer.

If the Purchaser makes a material change in the terms of the Offer or the information concerning the Offer, or if it waives a material condition of the Offer, the Purchaser will disseminate additional tender offer materials and

extend the Offer to the extent required by Rules 14d-4(d), 14d-6(c) and 14e-1 under the Exchange Act. The minimum period during which an offer must remain open following material changes in the terms of the Offer, other than a change in price, percentage of securities sought or inclusion of or changes to a dealer's soliciting fee, will depend upon the facts and circumstances, including the materiality, of the changes. In the SEC's view, an offer should remain open for a minimum of five business days from the date the material change is first published, sent or given to stockholders and, if material changes are made with respect to information that approaches the significance of price and share levels, a minimum of ten business days may be required to allow for adequate dissemination to stockholders. Accordingly, if prior to the Expiration Date the Purchaser decreases the number of Shares being sought or increases or decreases the consideration offered pursuant to the Offer, and if the Offer is scheduled to expire at any time earlier than the tenth business day from the date that notice of such increase or decrease is first published, sent or given to stockholders, the Offer will be extended at least until the expiration of such tenth business day.

The Company has provided CEMEX with a list of its stockholders, mailing labels and any available listing or computer file containing the names and addresses of all record holders of Shares and lists in the Company's possession or control of securities positions of Shares held in stock depositories, and will provide to CEMEX such additional information (including updated lists of stockholders, mailing labels and lists of securities positions) and such other assistance as CEMEX may reasonably request in connection with the Offer. This Offer to Purchase, the related Letter of Transmittal and other relevant materials will be mailed to record holders of Shares whose names appear on the Company's stockholder list and will be furnished, for subsequent transmittal to beneficial owners of Shares, to brokers, dealers, commercial banks, trust companies and similar persons whose names, or the names of whose nominees, appear on the stockholder list or, if applicable, who are listed as participants in a clearing agency's security position listing.

2. Acceptance for Payment and Payment for Shares.

Upon the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of any such extension or amendment) and the satisfaction or earlier waiver of all the conditions to the Offer set forth in Section 15, the Purchaser will accept for payment and will pay for all Shares validly tendered (other than by guaranteed delivery where actual delivery has not occurred) on or prior to the Expiration Date and not properly withdrawn pursuant to the Offer as soon as it is permitted to do so under applicable law. Subject to the Merger Agreement and compliance with Rule 14e-1(c) under the Exchange Act, the Purchaser expressly reserves the right to delay payment for Shares in order to comply in whole or in part with any applicable law. See Section 16.

In all cases, payment for Shares accepted for payment pursuant to the Offer will be made only after timely receipt by the Depositary of (1) the certificates evidencing such Shares (the "Share Certificates") or confirmation (a "Book-Entry Confirmation") of a book-entry transfer of such Shares into the Depositary's account at The Depository Trust Company (the "Book-Entry Transfer Facility") pursuant to the procedures set forth in Section 3, (2) the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, with any required signature guarantees or, in the case of a book-entry transfer, an Agent's Message (as defined below) in lieu of the Letter of Transmittal and (3) any other documents required by the Letter of Transmittal.

For purposes of the Offer, the Purchaser will be deemed to have accepted for payment, and thereby purchased, Shares validly tendered (other than by guaranteed delivery where actual delivery has not occurred) and not properly withdrawn as, if and when the Purchaser gives oral or written notice to the Depositary of the Purchaser's acceptance for payment of such Shares pursuant to the Offer. Upon the terms and subject to the conditions of the Offer, payment for Shares accepted for payment pursuant to the Offer will be made by deposit of the Offer Price therefor with the Depositary, which will act as agent for tendering stockholders for the purpose of receiving payments from the Purchaser and transmitting such payments to tendering stockholders whose Shares have been accepted for payment. If, for any reason whatsoever, acceptance for payment of any Shares tendered pursuant to the Offer is delayed, or the Purchaser is unable to accept for payment Shares tendered pursuant to the Offer, then,

without prejudice to the Purchaser's rights under Section 1 hereof, the Depositary may, nevertheless, on behalf of the Purchaser, retain tendered Shares, and such Shares may not be withdrawn, except to the extent that the tendering stockholders are entitled to withdrawal rights as described in Section 4 and as otherwise required by Rule 14e-1(c) under the Exchange Act.

Under no circumstances will interest on the Offer Price for Shares be paid, regardless of any delay in making such payment.

If any tendered Shares are not accepted for payment for any reason pursuant to the terms and conditions of the Offer, or if Share Certificates are submitted evidencing more Shares than are tendered, Share Certificates evidencing unpurchased Shares will be returned, without expense to the tendering stockholder (or, in the case of Shares tendered by book-entry transfer into the Depositary's account at the Book-Entry Transfer Facility pursuant to the procedure set forth in Section 3, such Shares will be credited to an account maintained at the Book-Entry Transfer Facility), as promptly as practicable following the expiration or termination of the Offer.

The Purchaser reserves the right to transfer or assign, in whole or from time to time in part, to one or more of its affiliates, the right to purchase all or any portion of the Shares tendered pursuant to the Offer, but any such transfer or assignment will not relieve the Purchaser of its obligations under the Offer and will in no way prejudice the rights of tendering stockholders to receive payment for Shares validly tendered and accepted for payment pursuant to the Offer.

3. Procedures for Accepting the Offer and Tendering Shares.

Valid Tenders. In order for a stockholder to tender Shares pursuant to the Offer validly, either (1) the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, together with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message (as defined below) in lieu of

the Letter of Transmittal) and any other documents required by the Letter of Transmittal must be received by the Depositary at one of its addresses set forth on the back cover of this Offer to Purchase and either the Share Certificates evidencing tendered Shares must be received by the Depositary at such address or such Shares must be tendered pursuant to the procedure for book-entry transfer described below and a Book-Entry Confirmation must be received by the Depositary, in each case on or prior to the Expiration Date, or (2) the tendering stockholder must comply with the guaranteed delivery procedures described below.

The term "Agent's Message" means a message transmitted by the Book-Entry Transfer Facility to, and received by, the Depositary and forming a part of a Book-Entry Confirmation, that states that the Book-Entry Transfer Facility has received an express acknowledgment from the participant in the Book-Entry Transfer Facility tendering the Shares that are the subject of such Book-Entry Confirmation, that such participant has received and agrees to be bound by the terms of the Letter of Transmittal and that the Purchaser may enforce such agreement against such participant.

Book-Entry Transfer. The Depositary will establish an account with respect to the Shares at the Book-Entry Transfer Facility for purposes of the Offer within two business days after the date of this Offer to Purchase. Any financial institution that is a participant in the system of the Book-Entry Transfer Facility may make a book-entry delivery of Shares by causing the Book-Entry Transfer Facility to transfer such Shares into the Depositary's account at the Book-Entry Transfer Facility in accordance with the Book-Entry Transfer Facility's procedures for such transfer. However, although delivery of Shares may be effected through book-entry transfer at the Book-Entry Transfer Facility, either the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, together with any required signature guarantees, or an Agent's Message in lieu of the Letter of Transmittal, and any other required documents, must, in any case, be received by the Depositary at one of its addresses set forth on the back cover of this Offer to Purchase prior to the Expiration Date, or the tendering stockholder must comply with the guaranteed delivery procedure described below.

Delivery of documents to the Book-Entry Transfer Facility does not constitute delivery to the Depositary.

Signature Guarantees. No signature guarantee is required on the Letter of Transmittal (1) if the Letter of Transmittal is signed by the registered holder of the Shares tendered therewith, unless such holder has completed either the box entitled "Special Delivery Instructions" or the box entitled "Special Payment Instructions" on the Letter of Transmittal, or (2) if the Shares are tendered for the account of a firm that is a participant in the Securities Transfer Agents Medallion Program, or by any other "eligible guarantor institution," as such term is defined in Rule 17Ad-15 of the Exchange Act (each, an "Eligible Institution" and collectively the "Eligible Institutions"). In all other cases, all signatures on a Letter of Transmittal must be guaranteed by an Eligible Institution. See Instruction 1 of the Letter of Transmittal. If a Share Certificate is registered in the name of a person or persons other than the signer of the Letter of Transmittal, or if payment is to be made or delivered to, or a Share Certificate not accepted for payment or not tendered is to be issued, in the name of, a person other than the registered holder(s), then the Share Certificate must be endorsed or accompanied by appropriate duly executed stock powers, in either case signed exactly as the name(s) of the registered holder(s) appear on the Share Certificate, with the signature(s) on such Share Certificate or stock powers guaranteed by an Eligible Institution as provided in the Letter of Transmittal. See Instructions 1 and 5 of the Letter of Transmittal.

Guaranteed Delivery. If a stockholder desires to tender Shares pursuant to the Offer and the Share Certificates evidencing such stockholder's Shares are not immediately available or such stockholder cannot deliver the Share Certificates and all other required documents to the Depositary prior to the Expiration Date, or such stockholder cannot complete the procedure for delivery by book-entry transfer on a timely basis, such Shares may nevertheless be tendered; provided that all of the following conditions are satisfied:

(1) such tender is made by or through an Eligible Institution;

(2) a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form made available by the Purchaser, is received prior to the Expiration Date by the Depositary as provided below; and

(3) the Share Certificates (or a Book-Entry Confirmation) evidencing all tendered Shares, in proper form for transfer, in each case together with the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message), and any other documents required by the Letter of Transmittal are received by the Depositary within three New York Stock Exchange trading days after the date of such Notice of Guaranteed Delivery.

The Notice of Guaranteed Delivery may be delivered by hand or transmitted by facsimile transmission or mailed to the Depositary and must include a guarantee by an Eligible Institution in the form set forth in the form of Notice of Guaranteed Delivery made available by the Purchaser.

In all cases, Shares will not be deemed validly tendered unless a properly completed and duly executed Letter of Transmittal (or a facsimile thereof) is received by the Depositary.

The method of delivery of Share Certificates, the Letter of Transmittal and all other required documents, including delivery through the Book-Entry Transfer Facility, is at the option and risk of the tendering stockholder, and the delivery will be deemed made only when actually received by the Depositary (including, in the case of a book-entry transfer, receipt of a Book-Entry Confirmation). If delivery is by mail, registered mail with return receipt requested, properly insured, is recommended. In all cases, sufficient time should be allowed to ensure timely delivery.

Determination of Validity. All questions as to the validity, form, eligibility (including time of receipt) and acceptance for payment of any tender of Shares will be determined by the Purchaser in its sole discretion, which determination shall be final and binding on all parties. The Purchaser reserves the absolute right to reject any and all tenders determined by it not

to be in proper form or the acceptance for payment of which may, in the opinion of its counsel, be unlawful. The Purchaser also reserves the absolute right to waive any defect or irregularity in the tender of any Shares of any particular stockholder, whether or not similar defects or irregularities are waived in the case of other stockholders. No tender of Shares will be deemed to have been validly made until all defects and irregularities have been cured or waived to the satisfaction of the Purchaser. None of CEMEX, the Purchaser, the Depositary, the Information Agent or any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification. The Purchaser's interpretation of the terms and conditions of the Offer (including the Letter of Transmittal and the instructions thereto) will be final and binding.

Other Requirements. By executing the Letter of Transmittal as set forth above, a tendering stockholder irrevocably appoints designees of the Purchaser as such stockholder's proxies, each with full power of substitution, in the manner set forth in the Letter of Transmittal, to the full extent of such stockholder's rights with respect to the Shares tendered by such stockholder and accepted for payment by the Purchaser (including, with respect to any and all other Shares or other securities issued or issuable in respect of such Shares on or after the date of this Offer to Purchase). All such proxies shall be considered to be coupled with an interest in the tendered Shares. Such appointment will be effective when, and only to the extent that, the Purchaser accepts such Shares for payment. Upon such acceptance for payment, all prior proxies given by such stockholder with respect to such Shares (and such other Shares and securities) will be revoked without further action, and no subsequent proxies may be given nor any subsequent written consent executed by such stockholder (and, if given or executed, will not be deemed to be effective) with respect thereto. The designees of the Purchaser will, with respect to the Shares and other securities for which the appointment is effective, be empowered to exercise all voting and other rights of such stockholder as they in their sole discretion may deem proper at any annual or special meeting of the Company's stockholders or any adjournment or postponement thereof, by written consent

in lieu of any such meeting or otherwise. The Purchaser reserves the right to require that, in order for Shares to be deemed validly tendered, immediately upon the Purchaser's payment for such Shares, the Purchaser must be able to exercise full voting rights with respect to such Shares.

The tender of Shares pursuant to any one of the procedures described above will constitute the tendering stockholder's acceptance of the Offer, as well as the tendering stockholder's representation and warranty that such stockholder has the full power and authority to tender and assign the Shares tendered, as specified in the Letter of Transmittal. The Purchaser's acceptance for payment of Shares tendered pursuant to the Offer will constitute a binding agreement between the tendering stockholder and the Purchaser upon the terms and subject to the conditions of the Offer.

Backup Withholding. Under the "backup withholding" provisions of United States federal income tax law, the Depositary may be required to withhold 30% of the amount of any payments made pursuant to the Offer or the Merger, as the case may be. In order to prevent backup federal income tax withholding with respect to payments to certain stockholders of the Offer Price or the Merger Consideration, as the case may be, for Shares purchased pursuant to the Offer or the Merger, as the case may be, each such stockholder must provide the Depositary with such stockholder's correct taxpayer identification number ("TIN") and certify that such stockholder is not subject to backup withholding by completing the Substitute Form W-9 in the Letter of Transmittal. Certain stockholders (including, among others, all corporations and certain foreign individuals and foreign entities) are not subject to backup withholding. If a stockholder does not provide its correct TIN or fails to provide the certifications described above, the Internal Revenue Service may impose a penalty on the stockholder and payment of cash to the stockholder pursuant to the Offer or the Merger, as the case may be, may be subject to backup withholding. All stockholders surrendering Shares pursuant to the Offer or the Merger, as the case may be, should complete and sign the Substitute Form W-9 included in the Letter of Transmittal to provide the information necessary to avoid backup withholding. Foreign stockholders and stockholders who are residents of the Commonwealth of Puerto Rico should complete and sign Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax

Withholding (a copy of which may be obtained from the Depositary) or other applicable Form W-8 in order to avoid backup withholding. See Instruction 8 of the Letter of Transmittal.

4. Withdrawal Rights.

Tenders of Shares made pursuant to the Offer are irrevocable, except that such Shares tendered pursuant to the Offer may be withdrawn at any time prior to the Expiration Date. However, Shares tendered in any Subsequent Offering Period may not be withdrawn.

For a withdrawal to be effective, a written, telegraphic or facsimile transmission notice of withdrawal must be timely received by the Depositary at one of its addresses set forth on the back cover page of this Offer to Purchase. Any such notice of withdrawal must specify the name, address and taxpayer identification number of the person who tendered the Shares to be withdrawn, the number of Shares to be withdrawn and the name of the registered holder of such Shares, if different from that of the person who tendered such Shares. If Share Certificates evidencing Shares to be withdrawn have been delivered or otherwise identified to the Depositary, then, prior to the physical release of such Share Certificates, the serial numbers shown on such Share Certificates must be submitted to the Depositary and the signature(s) on the notice of withdrawal must be guaranteed by an Eligible Institution, unless such Shares have been tendered for the account of an Eligible Institution. If Shares have been tendered pursuant to the procedure for book-entry transfer as set forth in Section 3, any notice of withdrawal must also specify the name and number of the account at the Book-Entry Transfer Facility to be credited with the withdrawn Shares.

If the Purchaser extends the Offer or if the Purchaser is delayed in its acceptance for payment of or payment for Shares or it is unable to pay for Shares pursuant to the Offer for any reason, then without prejudice to the Purchaser's rights under the Offer, the Depositary may retain tendered Shares on behalf of the Purchaser, and such Shares may not be withdrawn except to the extent tendering stockholders are entitled to withdrawal rights as

described herein under Section 4. However, the ability of the Purchaser to delay the payment for Shares that the Purchaser has accepted for payment is limited by (i) Rule 14e-1(c) under the Exchange Act, which requires that a bidder pay the consideration offered or return the securities deposited by or on behalf of stockholders promptly after the termination or withdrawal of such bidder's offer, unless such bidder elects to offer a Subsequent Offering Period and pays for the Shares tendered during the Subsequent Offering Period in accordance with Rule 14d-11 under the Exchange Act, and (ii) the terms of the Merger Agreement, which require that the Purchaser pay for Shares that are tendered pursuant to the Offer as soon as practicable after the Offer.

All questions as to the form and validity (including time of receipt) of any notice of withdrawal will be determined by the Purchaser, in its sole discretion, whose determination will be final and binding. None of CEMEX, the Purchaser, the Depositary, the Information Agent or any other person will be under duty to give notification of any defects or irregularities in any notice of withdrawal or incur any liability for failure to give any such notification.

Withdrawals of Shares may not be rescinded. Any Shares properly withdrawn will thereafter be deemed not to have been validly tendered for purposes of the Offer. However, withdrawn Shares may be re-tendered at any time prior to the Expiration Date or during the Subsequent Offering Period by following one of the procedures described in Section 3.

No withdrawal rights will apply to Shares tendered during a Subsequent Offering Period and no withdrawal rights apply during the Subsequent Offering Period with respect to the Shares tendered in the Offer and accepted for payment. See Section 1.

5. Material United States Federal Income Tax Consequences.

The following is a summary of the material United States federal income tax consequences of the Offer and the Merger to stockholders of the Company whose Shares are tendered and accepted for payment pursuant to the Offer or whose Shares are converted into the right to receive cash in the Merger. The discussion is for general information only and does not purport to consider all aspects of United States federal income taxation that might be relevant to stockholders of the Company. The discussion is based on current provisions of the Internal Revenue Code of 1986, as amended (the "Code"), existing, proposed and temporary regulations promulgated thereunder and administrative and judicial interpretations thereof, all of which are subject to change, possibly with a retroactive effect. The discussion applies only to stockholders of the Company who hold their Shares as capital assets within the meaning of Section 1221 of the Code. This discussion does not apply to Shares received pursuant to the exercise of employee stock options or otherwise as compensation, or to certain types of stockholders (such as insurance companies, tax-exempt organizations, financial institutions, broker-dealers, stockholders who have acquired the Shares as part of a straddle, hedge, conversion transaction or other integrated investment, and persons who own or owned, directly or indirectly, 10% or more of the total combined voting power of all classes of stock of the Company entitled to vote) who may be subject to special rules. This discussion does not discuss the United States federal income tax consequences to any stockholder of the Company who, for United States federal income tax purposes, is a non-resident alien individual, a foreign corporation, a foreign partnership or a foreign estate or trust, nor does it consider the effect of any foreign, state or local tax laws. If a partnership or other entity treated as a partnership for United States federal income tax purposes ("Partnership") holds Shares, the tax treatment of an owner of the Partnership will depend upon the status of the partner and the activities of the Partnership. If a holder is a partner of a Partnership holding Shares, such holder is urged to consult its tax advisors.

Because individual circumstances may differ, each stockholder should consult his or her own tax advisor to determine the applicability of the rules discussed below and the particular tax effects of the Offer and the Merger, on a beneficial holder of Shares, including the application and effect of the alternative minimum tax, and the tax laws of the Commonwealth of Puerto Rico and any other state, local and foreign tax laws and of changes in such laws.

The exchange of Shares for cash pursuant to the Offer or the Merger will be a taxable transaction for United States federal income tax purposes and possibly for state, local and foreign income tax purposes as well. In general, a stockholder who sells Shares pursuant to the Offer or receives cash in exchange for Shares pursuant to the Merger will recognize gain or loss for United States federal income tax purposes equal to the difference, if any, between the amount of cash received and the stockholder's adjusted tax basis in the Shares sold pursuant to the Offer or exchanged for cash pursuant to the Merger. Gain or loss will be determined separately for each block of Shares (i.e., Shares acquired at the same cost in a single transaction) tendered pursuant to the Offer or exchanged for cash pursuant to the Merger. Such gain or loss will be long-term capital gain or loss provided that a stockholder's holding period for such Shares is more than one year at the time of consummation of the Offer or the Merger, as the case may be. Capital gains recognized by an individual upon a disposition of a Share that has

been held for one year or less will be subject to tax at ordinary income tax rates. Capital gains recognized by an individual upon a disposition of a Share that has been held for more than one year generally will be eligible for reduced rates of taxation. Certain limitations apply to the use of a stockholder's capital losses. Any gain or loss recognized upon a disposition of a Share generally will be treated as United States source gain or loss for United States federal income tax credit purposes.

Passive Foreign Investment Company. The above discussion assumes that the Company is not a passive foreign investment company ("PFIC") with respect to any stockholder. Generally, the Company would be a PFIC with respect to a stockholder if, during any year during such stockholder's holding period, 75% or more of the Company's annual gross income consisted of certain "passive" income or 50% or more of the average value of the Company's assets in any such year consisted of assets that produced, or were held for the production of, such passive income. Based on information provided to CEMEX by the Company, CEMEX does not believe that the Company is a PFIC for the current year, and

CEMEX assumes that the Company was not a PFIC with respect to any previous year.

If the Company were a PFIC with respect to any stockholder, such stockholder generally would be required to pay an interest charge together with tax calculated at the maximum ordinary income tax rate with respect to its gain from the disposition of Shares. This special PFIC rule generally would not apply to the disposition of Shares, however, if the stockholder had made an election to treat the Company as a qualified electing fund ("QEF Election") in the first year of such stockholder's ownership of the Shares ("Initial Year"). If the stockholder did not make a QEF Election in the Initial Year but did make a QEF Election in a subsequent year, the special PFIC rule also generally would not apply if such stockholder had made an additional election ("Purging Election") to recognize certain amounts into income with respect to its Shares in the year the Purging Election was made.

Any stockholder who believes that the Company is or may be a PFIC with respect such stockholder is urged to consult its tax advisors.

Backup Withholding. A stockholder whose Shares are purchased in the Offer or the Merger, as the case may be, may be subject to 30% backup withholding unless certain information is provided to the Depositary or an exemption applies. See Section 3.

6. Price Range of Shares; Dividends.

The Shares are listed and traded on the New York Stock Exchange (the "NYSE") under the symbol "PRN". The following table sets forth, for the quarters indicated, the high and low sale prices per Share as well as the dividends paid to stockholders for the periods indicated. Share prices are as reported on the NYSE based on published financial sources.

	Common Stock		
	High	Low	Dividends
Fiscal Year 2000:			
First Quarter..	U.S. $34.68	$27.87	$0.19
Second Quarter.	32.12	27.62	0.19
Third Quarter..	31.37	27.63	0.19
Fourth Quarter.	34.37	29.50	0.19
Fiscal Year 2001:			
First Quarter..	U.S. $30.30	$24.00	$0.19
Second Quarter.	26.63	22.35	0.19
Third Quarter..	26.40	23.36	0.19
Fourth Quarter.	24.99	16.72	0.19
Fiscal Year 2002:			
First Quarter..	U.S. $24.19	$18.45	$0.19
Second Quarter.	35.10	22.20	0.19

On June 11, 2002, the last full day of trading before the public announcement of the execution of the Merger Agreement, the last sale price of the Shares on the NYSE was U.S. $22.20 per Share; therefore, the offer price of U.S. $35.00 per share represents a premium of approximately 58% over the last sale price of the shares before we announced the execution of the Merger Agreement. On June 28, 2002, the last full day of trading before the commencement of the Offer, the closing price of the Shares on the NYSE was U.S. $35.00 per Share. Stockholders are urged to obtain a current market quotation for the Shares.

On June 26, 2002, the Company's Board of Directors declared a regular quarterly dividend of U.S. $0.19 per Share. The record date for such dividend is July 9, 2002. If stockholders hold shares on July 9, 2002, then such stockholders will be paid such dividend by the Company on August 6, 2002, even though it will be paid after the initially scheduled expiration of, and may be

paid after completion of, the Offer. Unless the tender offer is delayed significantly, we do not expect that any additional dividends will be declared or paid.

7. Certain Information Concerning the Company.

General. Puerto Rican Cement Company, Inc. is a corporation organized under the laws of the Commonwealth of Puerto Rico with its principal offices located at Amelia Industrial Park in Guaynabo, Puerto Rico and having a mailing address of P.O. Box 364487, San Juan, Puerto Rico 00936-4487. The telephone number of the Company is (787) 783-3000. The Company operates three principal business segments: Cement Operations, Ready Mix Concrete Operations and an All Others segment comprised of packaging, financing, lime, realty, transportation and aggregates operations. The Company produces Portland grey cement which is used primarily in the construction of residential, commercial and public buildings and highways. The Company sells and distributes cement (both in bulk and bagged) throughout Puerto Rico. Ready mix concrete is produced by a subsidiary of the Company in batching plants by mixing controlled portions of cement, aggregates, water and chemical additives which is delivered to construction sites by concrete-mixer trucks. The Company sells this product to contractors on public construction projects and to private residential and industrial builders.

Available Information. The Shares are registered under the Exchange Act. Accordingly, the Company is subject to the informational reporting requirements of the Exchange Act and, in accordance therewith, is required to file periodic reports, proxy statements and other information with the SEC relating to its business, financial condition and other matters. Information as of particular dates concerning the Company's directors and officers, their remuneration, stock options granted to them, the principal holders of the Company's securities and any material interest of such persons in transactions with the Company is required to be disclosed in proxy statements distributed to the Company's stockholders and filed with the SEC. Such reports, proxy statements and other information can be inspected and copied at the public reference facilities maintained by the SEC at Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549, and at the SEC's regional offices located at The Woolworth Building, 233 Broadway, New York, New York 10279, 175 W. Jackson Boulevard, Suite 900, Chicago, Illinois 60604 and 1401 Brickell Avenue, Suite 200, Miami, Florida 33131. Information regarding the public reference facilities may be obtained from the SEC by telephoning 1-800-732-0330. The Company's filings are also available to the public on the SEC's Internet site (http://www.sec.gov). Copies of such materials may also be obtained by mail from the Public Reference Section of the SEC at Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549 at prescribed rates.

Certain Projections. The Company does not, as a matter of course, make public any forecasts as to its future financial performance. However, in connection with CEMEX's review of the transactions contemplated by the Merger Agreement, the Company provided CEMEX with certain projected financial information concerning the Company for 2002. Such information included, among other things, the Company's projections of revenues, income from operations and net income. Set forth below is a summary of such projections. These projections should be read together with the financial statements of the Company that can be obtained from the SEC as described above.

Revenues.....	U.S. $143,291,120
Income from Operations	10,349,579
Net Income.....	5,816,727

It is the understanding of CEMEX and the Purchaser that the projections were not prepared with a view to public disclosure or compliance with published guidelines of the SEC or the guidelines established by the American Institute of Certified Public Accountants regarding projections or forecasts and are included herein only because such information was provided to CEMEX and the Purchaser in connection with their evaluation of a business combination transaction. The projections do not purport to present operations in accordance with generally accepted accounting principles, and the Company's independent auditors have not examined or compiled the projections presented herein and

accordingly assume no responsibility for them. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from the projections. The Company has advised the Purchaser and CEMEX that its internal financial forecasts (upon which the projections provided to CEMEX and the Purchaser were based in part) are, in general, prepared solely for internal use and capital budgeting and other management decisions and are subjective in many respects and thus susceptible to interpretations and periodic revision based on actual experience and business developments. The projections also reflect numerous assumptions (not all of which were provided to CEMEX and the Purchaser), all made by management of the Company, with respect to industry performance, general business, economic, market and financial conditions and other matters, all of which are difficult to predict, many of which are beyond the Company's control, and none of which were subject to approval by CEMEX or the Purchaser. Accordingly, there can be no assurance that the assumptions made in preparing the projections will prove accurate. It is expected that there will be differences between actual and projected results, and actual results may be materially greater or less than those contained in the projections. The inclusion of the projections herein should not be regarded as an indication that any of CEMEX, the Purchaser, the Company or their respective affiliates or representatives considered or consider the projections to be a reliable prediction of future events, and the projections should not be relied upon as such. None of CEMEX, the Purchaser, the Company or any of their respective affiliates or representatives has made or makes any representation to any person regarding the ultimate performance of the Company compared to the information contained in the projections, and none of them intends to update or otherwise revise the projections to reflect circumstances existing after the date when made or to reflect the occurrence of future events even in the event that any or all of the assumptions underlying the projections are shown to be in error.

8. Certain Information Concerning CEMEX and the Purchaser.

General. CEMEX, S.A. de C.V. is a stock corporation with variable capital organized under the laws of the United Mexican States with its principal offices located at Ave. Constitucion 444 Pte., Monterrey, Nuevo Leon, Mexico 64000. The telephone number of CEMEX is (011-528) 328-3000 or 1-800-462-3639. CEMEX is the third largest cement company in the world, based on installed capacity as of December 31, 2001, of approximately 79.5 million metric tons, and is one of the world's largest traders of cement and clinker, having traded 13.2 million metric tons of cement and clinker in 2001. CEMEX engages, through its operating subsidiaries, primarily in the production, distribution, marketing and sale of cement, ready-mix concrete and clinker. It is a global cement manufacturer, with operations in North, Central and South America, Europe, the Caribbean, Asia and Africa. As of December 31, 2001, CEMEX had worldwide assets of U.S. $16.23 billion. On June 28, 2002, CEMEX had an equity market capitalization of approximately U.S. $8.1 billion.

The Purchaser is Tricem Acquisition, Corp., a newly incorporated Puerto Rico corporation. The Purchaser's principal offices are located at Tricem Acquisition, Corp., c/o Rivera, Tulla & Ferrer, 50 Quisqueya Street, San Juan, Puerto Rico 00917-1212, Attention: Eric Tulla. The telephone number for the Purchaser is (212) 317-6008, Attention: Jose Antonio Gonzalez, Investor Relations. The Purchaser is an indirect wholly owned subsidiary of CEMEX. The Purchaser has not carried on any activities other than in connection with the Merger Agreement.

The name, citizenship, principal business address, business phone number, principal occupation or employment and five-year employment history for each of the directors and executive officers of CEMEX and the Purchaser and certain other information are set forth in Schedule I hereto. None of the persons listed in Schedule I has, during the past five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors). None of the persons listed in Schedule I has, during the past five years, been a party to any judicial or administrative proceeding (except for matters that were dismissed without sanction or settlement)

that resulted in a judgment, decree or final order enjoining the person from future violations of, or prohibiting activities subject to, federal or state securities laws, or a finding of any violation of federal or state securities laws.

Except as described in this Offer to Purchase, neither the Purchaser nor, to the best knowledge of CEMEX and the Purchaser, any of the persons listed in Schedule I to this Offer to Purchase or any associate or majority-owned subsidiary of CEMEX or the Purchaser or any of the persons so listed beneficially owns or has any right to acquire, directly or indirectly, any Shares. Furthermore, none of CEMEX, the Purchaser nor, to the best knowledge of CEMEX and the Purchaser, any of the persons or entities referred to above nor any director, executive officer or subsidiary of any of the foregoing has effected any transaction in the Shares during the past 60 days. Please see Section 11 for a description of the Merger Agreement.

Except as provided in the Merger Agreement or the Confidentiality Agreement, none of CEMEX, the Purchaser nor, to the best knowledge of CEMEX and the Purchaser, any of the persons listed in Schedule I to this Offer to Purchase, has any contract, arrangement, understanding or relationship with any other person with respect to any securities of the Company, including, but not limited to, any contract, arrangement, understanding or relationship concerning the transfer or voting of such securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss, guarantees of profits, division of profits or loss or the giving or withholding of proxies.

Except as set forth above, none of CEMEX, the Purchaser nor, to the best knowledge of CEMEX and the Purchaser, any of the persons listed on Schedule I hereto, has had any business relationship or transaction with the Company or any of its executive officers, directors or affiliates that is required to be reported under the rules and regulations of the SEC applicable to the Offer. Except as set forth in this Offer to Purchase, there have been no material contacts, negotiations or transactions between CEMEX or any of its subsidiaries or, to the best knowledge of CEMEX and the Purchaser, any of the persons listed in Schedule I to this Offer to Purchase, on the one hand, and the Company or its affiliates, on the other hand, concerning a merger, consolidation or acquisition, tender offer or other acquisition of securities, an election of directors or a sale or other transfer of a material amount of assets.

9. Source and Amount of Funds.

The Purchaser's obligation to purchase Shares under the Offer is not conditioned on any financing arrangements or subject to any financing condition. The total amount of funds required by the Purchaser to consummate the Offer and the Merger and to pay related fees and expenses is estimated to be approximately U.S. $183 million. In addition, CEMEX may refinance all or a portion of the Company's long term indebtedness and bank credit lines concurrently with or following the consummation of the Offer or the Merger. The Purchaser will obtain all necessary funds to consummate the Offer and the Merger and, if it so chooses, to repay such long-term indebtedness from intra-company loans and capital contributions from certain of CEMEX's subsidiaries. These subsidiaries expect to fund the capital contributions and loans to the Purchaser with capital contributions from CEMEX and borrowings under a new credit facility to be entered into by such subsidiaries prior to the consummation of the Offer. CEMEX intends to fund such capital contributions from its internally generated free cash flow. CEMEX and such subsidiaries expect to repay any amounts borrowed under the new credit facility through internally generated free cash flow.

No alternative financing plans or arrangements have been made in the event the subsidiaries of CEMEX making capital contributions and loans to the Purchaser are unable to borrow the amounts anticipated under the proposed new credit facility. In the event that financing is unavailable under the proposed new credit facility or any alternative financing or arrangement, it is anticipated that all of the funds necessary to consummate the Offer and the Merger would come from capital contributions or intra-company loans to the Purchaser from subsidiaries of CEMEX, which in turn would be funded from CEMEX's internally generated free cash flow.

10. Background of the Offer; Past Contacts or Negotiations with the Company.

For a number of years, CEMEX and the Company have had occasional contacts, mainly dealing with white cement trading in the Caribbean region. During the second half of 2000, UBS Warburg approached CEMEX to inform CEMEX that UBS Warburg had been retained by the Company to assist the Company in considering

its strategic alternatives.

CEMEX and the Company signed a confidentiality agreement on June 7, 2000, following which UBS Warburg provided CEMEX with preliminary evaluation material to make an initial indication of value for the Company. CEMEX reviewed the preliminary evaluation material and submitted a non-binding proposal of $36 per share on June 21, 2000. UBS Warburg indicated to CEMEX that the Company would prefer a proposal in which the price per share "starts with a 4." CEMEX increased its proposal to $40 per share. The Company invited CEMEX to perform due diligence.

During the first week of August 2000, a team assembled by CEMEX visited Puerto Rico for the management presentation, the data room visit and the plant visit, following which it reconfirmed its non-binding proposal of $40 per share on September 1, 2000. The Company and UBS Warburg asked CEMEX to increase its offer and, on September 21, 2000, CEMEX submitted a revised proposal of $42 per share. The Company and CEMEX continued negotiations of the specific terms of this revised proposal of $42 per share for several weeks, but, in early October 2000, CEMEX was forced to withdraw from the negotiations due to the financial obligation assumed by CEMEX in relation to its then pending acquisition of Southdown, Inc.

CEMEX and the Company continued conversations concerning a possible cooperation agreement between the Company and CEMEX, but the cooperation agreements never crystallized.

During 2001 and early 2002, there were occasional conversations between UBS Warburg and representatives of CEMEX concerning industry developments and the Company. In April, 2002, CEMEX contacted UBS Warburg to discuss various developments in the cement industry, and in connection with such discussions CEMEX inquired as to whether the Company was interested in pursuing a possible transaction at that time. On May 14, 2002, a meeting was held in New York between UBS Warburg and the Company and representatives of CEMEX for this purpose. On May 17, 2002, over several telephone conversations, CEMEX proposed an offer price of $35 per share, which Company management agreed to take to the Company's Board of Directors, subject to negotiation and execution of mutually acceptable agreements between CEMEX and the Company.

CEMEX retained Goldman, Sachs & Co. to advise on the transaction and retained Skadden, Arps, Slate, Meagher & Flom LLP as legal counsel. CEMEX and the Company entered into a new confidentiality agreement on May 24, 2002 (the "Confidentiality Agreement"). CEMEX and its advisors engaged in negotiations with the Company and its advisors during the week of June 3, 2002 in New York to agree on terms and conditions acceptable for the proposed transaction.

Definite agreements were signed late in the day on June 11, 2002 in San Juan, Puerto Rico and the transaction was publicly announced the following day.

11. The Merger Agreement and the Transaction Support Agreements.

THE MERGER AGREEMENT

The following is a summary description of the material provisions of the Merger Agreement. This summary is qualified in its entirety by reference to the complete text of the Merger Agreement, which has been filed as an exhibit to the Schedule TO filed by CEMEX and the Purchaser with the SEC and is incorporated herein by reference.

The Offer

Terms of the Offer. The Merger Agreement provides for the commencement by the Purchaser of the Offer on the terms set forth in Section 1 hereof.

Conditions to the Offer. The Purchaser's obligation to accept for payment and pay for any Shares tendered in the Offer is subject to the satisfaction of the Minimum Condition and the other conditions that are described in Section 15 hereof.

Amendment of the Offer. The Purchaser expressly reserves the right, subject to compliance with the Exchange Act, to waive any of the conditions to the Offer and to make any change in the terms of or conditions to the Offer;

provided that, without the prior written consent of the Company, which consent must be expressly authorized by the Company's Board of Directors, (i) the Minimum Condition may not be waived or changed and (ii) no change may be made that changes the form of consideration to be paid, decreases the Offer Price, decreases the number of Shares sought in the Offer, adds to or modifies any of the conditions to the Offer set forth in the Merger Agreement, makes any other change in the terms of the Offer that is materially adverse to the holders of the Shares or (except as described in Section 1 hereof) changes the expiration date of the Offer.

Prompt Payment for Shares After Closing of the Offer. Subject to the conditions of the Offer, the Purchaser will accept for payment and pay for, as promptly as practicable after the expiration of the Offer, all Shares validly tendered and not properly withdrawn in the Offer.

The Merger

Terms of the Merger. The Merger Agreement provides that at the Effective Time of the Merger the Company and the Purchaser will consummate the Merger pursuant to which the Purchaser will be merged with and into the Company, the separate corporate existence of the Purchaser will cease and the Company will be the Surviving Corporation and will continue its corporate existence under Puerto Rico laws as an indirect wholly owned subsidiary of CEMEX.

Effective Time of the Merger. On the date of closing of the Merger, or such other date as is mutually agreed upon by CEMEX and the Company, CEMEX, the Purchaser and the Company will file with the Department of State of Puerto Rico a certificate of merger or other appropriate documents executed and acknowledged in accordance with the relevant provisions of the PRGCL and will make all other filings or recordings required under the PRGCL. The Merger will become effective on the later of the date on which of merger certificate has been duly filed with the Department of State of Puerto Rico or at such time as is agreed upon by the parties and specified in the certificate of merger.

Certificate of Incorporation; By-laws. The certificate of incorporation of the Company in effect immediately prior to the Effective Time of the Merger will be the certificate of incorporation of the Surviving Corporation until thereafter amended in accordance with the PRGCL. The by-laws of the Company in effect immediately prior to the Effective Time of the Merger will be the by-laws of the Surviving Corporation until thereafter amended as provided under applicable Puerto Rico law.

Directors and Officers. From and after the Effective Time of the Merger and in each case until the earlier of their resignation or the next annual stockholders' meeting of the Surviving Corporation and until their respective successors are duly elected or appointed and qualified, the directors of the Purchaser immediately prior to the Effective Time of the Merger will be the initial directors of the Surviving Corporation, and the officers of the Company immediately prior to the Effective Time of the Merger will, subject to the applicable provisions of the certificate of incorporation and by-laws of the Surviving Corporation, be the officers of the Surviving Corporation until the earlier of their resignation or their respective successors are duly elected or appointed and qualified.

Conversion of Securities; Exchange of Certificates

Conversion of Company Shares. At the Effective Time of the Merger and without any action on the part of the holders of any Shares or any shares of capital stock of the Purchaser:

- Purchaser Capital Shares. Each share of common stock of the Purchaser issued and outstanding immediately prior to the Effective Time shall be converted into and become one fully paid and nonassessable share of Surviving Corporation common stock.

- Cancellation of Treasury Shares and Purchaser-owned Shares. All Shares that are owned by the Company, any subsidiary of the Company, CEMEX or any subsidiary of CEMEX immediately prior to the Effective Time will be cancelled and retired and will cease to exist and no consideration will be delivered in exchange of such Shares.

- Conversion of Company Shares. Each Share (other than Shares to be cancelled as mentioned above and any Shares held by stockholders who have perfected their appraisal rights under the PRGCL, if any) issued and outstanding immediately prior to the Effective Time shall be converted into the right to receive the Merger Consideration of U.S. $35.00 per Share, net to the seller in cash, without interest, upon surrender of the certificate or certificates (if any) formerly representing the Shares.

As of the Effective Time of the Merger, all Shares of the Company will no longer be outstanding and automatically will be cancelled and retired and will cease to exist, and each holder of a certificate formerly representing any such Shares will cease to have any rights with respect thereto, except the right to receive the Merger Consideration as described above.

Exchange of Certificates. From and after the Effective Time of the Merger, CEMEX will deposit sufficient U.S. funds to pay the Merger Consideration into an exchange fund administered by a bank or trust company acceptable to the Company (the "Paying Agent") to receive in trust the funds to which Company stockholders will become entitled. The Paying Agent will invest these funds as directed by CEMEX on a daily basis. CEMEX and the Surviving Corporation will replace any monies lost through this investment. Any interest or other income resulting from this investment will be the exclusive property of CEMEX.

As soon as reasonably practicable after the Effective Time, the Paying Agent will mail to each record holder of Shares whose Shares were converted into the right to receive the Merger Consideration: (1) a letter of transmittal; and (2) instructions on effecting the surrender of certificates formerly representing Shares in exchange for the Merger Consideration.

At the Effective Time, the stock transfer books of the Company will be closed and thereafter there will be no further registration of transfers of the Shares on the records of the Company. From and after the Effective Time, the holders of certificates formerly evidencing ownership of the Shares outstanding immediately prior to the Effective Time will cease to have any rights with respect to the Shares, except as otherwise provided for herein or by applicable law, subject, however, to the Surviving Corporation's obligation to pay any regular quarterly dividends with a record date prior to the Effective Time.

Termination of the Fund; No Liability. Any portion of the exchange fund that remains undistributed to Company stockholders for six months after the Effective Time of the Merger will be delivered to the Surviving Corporation, upon demand. After such period, any Company stockholders who have not by that time complied with the exchange procedures set forth in the Merger Agreement must look solely to the Surviving Corporation only as general creditors thereof with respect to the Merger Consideration payable upon due surrender of their certificates, without any interest thereon. Notwithstanding the foregoing, none of CEMEX, the Purchaser, the Surviving Corporation or the Paying Agent will be liable to any holder of a certificate formerly representing Shares for Merger Consideration delivered to a public official pursuant to any applicable abandoned property, escheat or similar law.

The Company Board of Directors

Upon the consummation of the Offer, CEMEX will be entitled to designate for appointment or election to the Company's Board of Directors a number of directors, rounded up to the next whole number, on the Company's Board of Directors such that the percentage of CEMEX's designees on the Board of Directors shall

equal the percentage of the outstanding Shares owned of record or beneficially by CEMEX and its direct or indirect subsidiaries, including the Purchaser. The Company has taken all action necessary to permit CEMEX's designees to (i) be elected to the Company's Board of Directors promptly following consummation of the Offer, including by increasing the size of the Company's Board of Directors and obtaining the resignations of incumbent directors and (ii) constitute at least the same percentage (rounded up to the next whole number) as is on the Company's Board of Directors of each committee of the Company's Board of Directors and each board of directors (or similar body) of each subsidiary of the Company (and each committee of such boards). Notwithstanding the foregoing, until the Effective Time of the Merger, the Company's Board of Directors shall have at least three directors who are directors of the Company on the date of

the Merger Agreement and who are not officers of the Company or any of its subsidiaries, whom we refer to as the "Independent Directors."

The Merger Agreement provides that the Company's obligation to appoint CEMEX's designees to Company's Board of Directors is subject to Section 14(f) of the Exchange Act and Rule 14f-1 promulgated thereunder. The Company will promptly take all actions, and will include in the Schedule 14D-9, such information with respect to the Company and its officers and directors as Section 14(f) and Rule 14f-1 require. This information is reflected in the Schedule 14D-9, which is being mailed to stockholders with this Offer To Purchase.

Following the election or appointment of CEMEX's designees and until the Effective Time of the Merger, the approval by a majority of the Independent Directors then in office will be required to authorize any amendment or termination of the Merger Agreement by the Company, any extension of time for performance of any obligation or action under the Merger Agreement by CEMEX or the Purchaser or any waiver or exercise of any of the Company's rights under the Merger Agreement.

Representations and Warranties

The Merger Agreement contains a number of customary representations and warranties relating to each of the parties and their ability to consummate the Offer and the Merger. Among others, the Company made representations and warranties to CEMEX and the Purchaser regarding:

- organization, good standing and qualification to do business;
- subsidiaries;
- absence of breach of the articles of incorporation, by-laws, law or other agreements as a result of the transactions contemplated by the Merger Agreement;
- corporate authority to enter into the Merger Agreement;
- capitalization;
- governmental consents, approvals, orders and authorizations required in connection with the transaction contemplated by the Merger Agreement, including approval by the Company's Board of Directors of the transactions contemplated by the Merger Agreement and the Transaction Support Agreements under Article TENTH of the Company's certificate of incorporation, which limits certain business combination transactions without the prior approval of the Board of Directors;
- compliance with laws;
- SEC filings and financial statements since December 31, 1999;
- information provided for inclusion in the Schedule 14D-9 and this Offer To Purchase;
- absence of certain changes and events since December 31, 2001;
- absence of litigation;
- properties, encumbrances and leases;
- employee benefit plans;

- books and records;
- taxes;
- intellectual property;
- brokers, schedule of fees and expenses;
- environmental matters;

- takeover statutes;
- voting requirements and board approval;
- opinion of financial advisor;
- contracts;
- plants and equipment;
- labor and employment matters;
- insurance; and
- certain loans and loan commitments of Ponce Capital Corp., a wholly owned subsidiary of the Company.

Among others, CEMEX and the Purchaser made representations and warranties to the Company regarding:

- due organization and good standing;
- corporate authority to enter into the Merger Agreement;
- broker's or finder's fee;
- ownership of capital stock;
- no prior activities; and
- sufficient funds.

Certain of the representations and warranties of the Company are qualified by a material adverse effect standard. A material adverse effect with respect to the Company is any event or effect that has:

- a material adverse effect on the ability of the Company to perform in all respects its obligations under the Merger Agreement or to consummate the transactions contemplated by the Merger Agreement;
- a material adverse effect on the business, assets, liabilities, financial condition or results of operations of the Company and its subsidiaries, taken as a whole;
- as to matters which can reasonably be quantified in economic terms, any effect which has resulted in or would be reasonably expected to result in, with respect to the Company and its subsidiaries, taken as a whole, a diminution or decrease in the value of properties or assets, an increase in liabilities or obligations (whether accrued, contingent or otherwise), an adverse change in the cash flows, business or financial condition, or any combination thereof involving, individually or in the aggregate, with respect to all applicable representations or warranties, more than U.S. $15 million in the aggregate; provided, that, in calculating such amount, any amounts which are included in certain "basket" exceptions to representations, warranties and covenants of the Company set forth in the Merger Agreement relating to (1) "off-balance sheet" financings or similar transactions, (2) investigations, actions, suits or proceedings, (3) contracts between the Company or its subsidiaries and any director, officer or employee of the Company or its subsidiaries, any affiliate of any director, officer or employee of the Company or its subsidiaries or any Person the equity interests of which are more that 5% owned by any director, officer or employee of the Company or its subsidiaries and (4) certain amounts which may be paid in connection with the settlement of investigations, actions, suits or proceedings, will be included in the determination of whether such U.S. $15 million amount is exceeded; or

- a material adverse effect on the long-term ability of the Company and its subsidiaries, taken as a whole, to continue their operations or to obtain their required supply of raw materials or other production inputs;

except that any effect relating to (a) any changes or developments in the economy in general, the cement, ready mix or construction industries in Puerto Rico generally or effects of weather or meteorological events or acts of terrorism or war, provided that the Company and its subsidiaries are not affected by such changes or effects in a materially disproportionate manner as compared to other companies in such industries in Puerto Rico, or (b) the negotiation, announcement, execution, delivery, consummation or anticipation of the transactions contemplated by, or compliance with, the Merger Agreement and the transactions contemplated by the Merger Agreement, shall be excluded for purposes of determining whether a material adverse effect has occurred.

Conduct of Business Pending the Merger

Conduct of Business of the Company Pending the Merger. The Company has agreed that, from the date of the Merger Agreement to the Effective Time of the Merger, except as permitted, required or expressly contemplated by any other provision of the Merger Agreement or as set forth in the Company's disclosure schedule delivered to CEMEX, unless CEMEX otherwise consents in writing:

- the Company and each of its subsidiaries shall conduct their respective operations only according to their ordinary and usual course of business consistent with past practice and shall use their reasonable best efforts to preserve intact their respective business organizations, keep available the services of their officers and employees and maintain satisfactory relationships with those persons having significant business relationships with them.

The Company also has agreed that neither it nor any of its subsidiaries will, except as permitted, required or expressly contemplated by any other provision of the Merger Agreement or as set forth in the disclosure schedule delivered by the Company to CEMEX, unless CEMEX otherwise consents in writing:

- make any change in or amendment to its certificate or articles of incorporation or its by-laws or similar organizational documents;

- issue or sell, or authorize to issue or sell, any shares of its capital stock, voting debt or any other securities, or issue or sell, or authorize to issue or sell, any securities convertible into, or options, warrants or rights to purchase or subscribe for, or enter into any arrangement or contract with respect to the issuance or sale of, any shares of its capital stock, voting debt or any other securities, or make any other changes in its capital structure;

- declare, pay or set aside any dividend or other distribution or payment with respect to, or split, combine, redeem or reclassify, or purchase or otherwise acquire, any shares of its capital stock or its other securities, other than (A) normal quarterly cash dividends not in excess of U.S. $0.19 per share declared and paid in accordance with the Company's past dividend policy, provided that the timing of the declaration, record and payment dates, shall be the same dates as were used by the Company in the last calendar year, or, if any such date shall not be a business day, the next succeeding business day, and provided further, that no such cash dividends shall be declared after consummation of the Offer or (B) dividends payable by a wholly owned subsidiary of the Company to the Company or another wholly owned subsidiary of the Company;

- make any capital expenditures or incur any obligations or liabilities in respect thereof, except (A) with respect to expansion projects, expenditures for such projects which are consistent with the budget for the Company provided to CEMEX, (B) expenditures required for maintenance and replacement in the ordinary course of business not to exceed the amounts provided for maintenance and replacement in the Company budget and (C) capital expenditures outside the scope of the Company budget that do not exceed U.S. $250,000 in the aggregate;

- acquire or agree to acquire (A) by merging or consolidating with, or by purchasing a substantial portion of the assets of, or by any other manner, any business or any corporation, partnership, joint venture, association or other business organization or division thereof (excluding any of the Company's subsidiaries) or (B) any assets, including real estate, except purchases of inventory, equipment, or other non-material

assets in the ordinary course of business consistent with the Company budget;

- (A) except to the extent required under existing Company benefit plans as in effect on the date of the Merger Agreement, increase the compensation or fringe benefits of any of its directors, officers or employees or grant any severance or termination pay not currently required to be paid under existing severance plans; (B) enter into any employment or consulting agreement or arrangement with any present or former director or officer of the Company or any of its subsidiaries, or any employment or consulting agreement with any other employee of the Company or any of its subsidiaries; or (C) except in the ordinary course of business consistent with past practice and to the extent necessary to fill vacancies, hire or agree to hire, or enter into any written employment agreement with, any new or additional employee or officer having an annual base salary of U.S. $40,000 or more or, in the aggregate, annual base salaries of U.S. $500,000 or more;

- except as required to comply with applicable law or expressly provided in the Merger Agreement, (A) adopt, enter into, terminate or amend any Company benefit plan, collective bargaining agreement or other arrangement for the current or future benefit or welfare of any director, officer or current or former employee, (B) pay any benefit not required under any Company benefit plan, accelerate the payment, right of payment or vesting of any bonus, severance, profit sharing, retirement, deferred compensation, stock option, insurance or other compensation or benefits, (C) grant any awards under any bonus, incentive, performance or other compensation plan or arrangement or Company benefit plan (including the grant of stock options, stock appreciation rights, stock based or stock related awards, performance units or restricted stock, or the removal of existing restrictions in any Company benefit plans or agreements or awards made thereunder) or (D) except as required by the current terms thereof take any action to fund or in any other way secure the payment of compensation or benefits under any employee plan, agreement, contract or arrangement or Company benefit plan;

- transfer, lease (as lessor), license, sell, mortgage, pledge, dispose of, encumber or subject to any lien, any assets, other than in the ordinary course of business and consistent with past practice, except as provided for in the Merger Agreement or in an amount in the aggregate not to exceed U.S. $250,000;

- except as required by applicable law or U.S. generally accepted accounting principles, make any change in its methods of accounting;

- adopt or enter into a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization of the Company or any of its subsidiaries (other than the Merger), except as provided for in the Merger Agreement;

- (A) incur any long-term indebtedness (other than under existing revolving credit facilities, as may be amended as contemplated by the Merger Agreement) or, except in the ordinary course of business consistent with past practice, any short-term indebtedness; (B) modify any material indebtedness or other liability; (C) assume, guarantee, endorse or otherwise become liable or responsible (whether directly, contingently or otherwise) for the obligations or indebtedness of any other person; (D) make any loans, advances or capital contributions to, or investments in, any other person (other than in or to wholly owned subsidiaries of the Company, or by wholly owned subsidiaries to the Company, or customary loans or advances to employees); (E) other than with respect to the settlement of any claim that is completely covered (other than with respect to deductibles to the Company's insurance policies) by the Company's insurance carrier, settle any claims against the Company or any of its subsidiaries where the amounts payable by the Company and its subsidiaries would exceed U.S. $25,000 individually or U.S. $250,000 in the aggregate, but in each such case without admission of liability; or (F) except in the ordinary course of business consistent with past practice, enter into any material commitment or transaction;

- pay, discharge or satisfy any claims, liabilities or obligations

(absolute, accrued, asserted or unasserted, contingent or otherwise), other than the payment, discharge or satisfaction of any such claims, liabilities or obligations, in the ordinary course of business and consistent with past practice, or of claims, liabilities or obligations reflected or reserved against in, or contemplated by, the financial statements of the Company;

- enter into any agreement, understanding or commitment (including with any antitrust authority) that contains any material prohibition on the conduct of any business or line of business, or any material limitation on the scope of business that may be conducted, by the Company or any of its subsidiaries, including geographic limitations on the Company's or any of its subsidiaries' activities;

- (A) announce, implement or effect any material reduction in labor force, lay-off, early retirement program, severance program or other program or effort concerning the termination of employment of employees of the Company or its subsidiaries; provided, however, that routine employee terminations for cause shall not be considered subject to this restriction or (B) terminate the employment of any officer of the Company other than for cause or agree that any voluntary termination of employment by an officer of the Company occurring prior to the Effective Time shall be treated as having been with "good reason";

- take any action, which would, directly or indirectly, restrict or impair the ability of CEMEX to vote, or otherwise exercise the rights and receive the benefits of a stockholder with respect to, securities of the Company acquired by the Purchaser in the Offer or the Merger, or permit any stockholder to acquire securities of the Company on a basis not available to CEMEX or the Purchaser in the event that CEMEX or the Purchaser were to acquire any additional Shares or approve any "Business Combination" (as defined in Article TENTH of the Company's certificate of incorporation) with any person other than CEMEX and the Purchaser for the purposes of Article TENTH of the Company's certificate of incorporation;

- enter into any material contract, or terminate or materially modify or amend any such material contract to which it is a party or waive or assign any of its material rights or claims except in the ordinary course of business consistent with past practice;

- other than consistent with past practice or as required by a change in law or required by law because of a change in facts, make any tax election or enter into any settlement or compromise of any liability for taxes that in either case is material;

- permit any insurance policy, other than a policy providing coverage for losses not in excess of U.S. $25,000, naming it as a beneficiary or a loss payable payee to be cancelled or terminated, other than pursuant to an expiration in accordance with its terms, unless a new policy with substantially similar coverage is in effect as of the date of such cancellation or termination; or

- agree or commit, in writing or otherwise, to take any of the foregoing actions.

The Company further has agreed that it will not, and will not permit any of its subsidiaries to, take any action that would, or would reasonably be expected to, result in any of the conditions to the Offer not being satisfied or result in a material adverse effect on the Company and shall not intentionally take or permit any of its subsidiaries to take any action that would, or would reasonably be expected to, result in any of its representations and warranties set forth in the Merger Agreement becoming untrue in any respect.

Additional Agreements

The Company and CEMEX have agreed to certain additional matters in the Merger Agreement. The following summarizes the more significant of these agreements:

Access to Information. During the period commencing on the date of the Merger Agreement and ending on the earliest of the closing date of the Merger,

the date on which the Merger Agreement is terminated in accordance with its terms and July 18, 2002, the Company will, and will cause its subsidiaries to:

- upon reasonable notice, afford CEMEX, and CEMEX's counsel, accountants, consultants, financing sources and other authorized representatives, access during normal business hours to its and the Company's subsidiaries' executive officers, properties, books and records in order that they may have the opportunity to make such investigations as they shall reasonably deem necessary of the Company's and its subsidiaries' affairs, including, without limitation, operational, market, financial, legal, environmental, building and mechanical inspections (including, without limitation, subsurface or other physically invasive investigations) and title and survey due diligence; if, however, as of July 18, 2002 or any date thereafter it has come to the attention of CEMEX that there has been a breach by the Company of a representation, warranty or covenant under the Merger Agreement, CEMEX's access will be extended for so long as, and only to the extent necessary for, CEMEX to continue to investigate the matters causing or otherwise relating to any such breach or, if later, until the expiration of any Cure Period relating to such breach and provided, further, that all such access shall be reinstated promptly upon consummation of the Offer; such investigation shall not, however, affect the representations and warranties made by the Company in the Merger Agreement; and

- furnish promptly to CEMEX and the Purchaser a copy of each form, report, schedule, statement, registration statement and other document filed by it during such period pursuant to the requirements of Puerto Rico, federal, state or foreign securities laws and all other information concerning the Company's or its subsidiaries' business, properties and personnel as CEMEX or Purchaser may reasonably request.

All information exchanged pursuant to this provision of the Merger Agreement will be kept confidential in accordance with the confidentiality agreement between CEMEX and the Company.

Company Stockholder Meeting. If required by applicable law, the Company, acting through its Board of Directors, will, in accordance with applicable law duly call, give notice of, convene and hold a special meeting of the Company stockholders as soon as reasonably practicable after the acceptance for payment of the Shares pursuant to the Offer, for the purpose of considering and taking action upon the approval of the Merger and the adoption of the Merger Agreement.

In connection with the Company stockholder meeting, if any, the Company has agreed to:

- prepare and file with the SEC a preliminary proxy or information statement in accordance with the Exchange Act relating to the Merger and the Merger Agreement and use its reasonable best efforts to obtain and furnish the information required to be included by the Exchange Act and the SEC in the proxy statement or information statement and, after consultation with CEMEX, to respond promptly to any comments made by the SEC with respect to the preliminary proxy or information statement and cause a definitive proxy or information statement, including any amendment or supplement thereto, to be mailed to its stockholders, provided that no amendment or supplement to the proxy statement or information statement will be made by the Company without consultation with CEMEX and its counsel;

- include in the proxy statement or information statement the recommendation of the Company's Board of Directors that stockholders of the Company vote in favor of approval of the Merger and adoption of the Merger Agreement; and

- if proxies are solicited from Company stockholders, use reasonable best efforts to solicit from its stockholders proxies, and to take all other action necessary and advisable, to secure the vote of stockholders required by applicable law and the Company's certificate of incorporation or by-laws to obtain the approval for the Merger Agreement and the Merger.

No Solicitation of Transactions. The Merger Agreement provides that the Company shall, and shall cause its affiliates, officers, directors, employees,

financial advisors, attorneys and other advisors, representatives and agents to, immediately cease any existing activities, discussions or negotiations conducted with any parties other than CEMEX or the Purchaser with respect to any Takeover Proposal (as defined below). In addition, the Company has agreed not to and has agreed that it will not authorize or permit any of its affiliates or any representative of it or any of its affiliates, to:

- directly or indirectly solicit, facilitate, initiate, or encourage the making or submission of, any Takeover Proposal (including, without limitation, taking any action which would make Article TENTH of the Company's certificate of incorporation not applicable to a Takeover Proposal);

- enter into any agreement, arrangement or understanding with respect to any Takeover Proposal or enter into any agreement, arrangement or understanding requiring it to abandon or terminate the Merger Agreement or to fail to consummate the Merger or any other transaction contemplated by the Merger Agreement;

- initiate or participate in any discussions or negotiations regarding, or furnish or disclose to any person (other than a party to the Merger Agreement) any information with respect to, or take any other action intentionally to facilitate or in furtherance of any inquiries or the making of any proposal that constitutes, or could reasonably be expected to lead to, any Takeover Proposal; or

- grant any waiver or release under any standstill or similar agreement with respect to any class of the Company's equity securities (other than to permit the Company to receive a Takeover Proposal that did not result from a breach of the Merger Agreement).

A "Takeover Proposal" is defined in the Merger Agreement as any indication of interest in, or proposal or offer for any of the following (other than the transactions contemplated by the Merger Agreement), which in any such case has been communicated (including as a result of any press release or other public disclosure) to any of the individuals signing a Transaction Support Agreement on behalf of a stockholder party thereto, any of the Persons identified as having "Knowledge" (as defined in the Merger Agreement) in the Company's disclosure schedule or the Company's Board of Directors generally:

- any direct or indirect acquisition or purchase of 15% or more of the assets of the Company or any of its subsidiaries or 15% or more of any class of equity securities of the Company or any of its subsidiaries;

- any tender offer or exchange offer that, if consummated, would result in any person beneficially owning 15% or more of any class of equity securities of the Company or any of its subsidiaries; or

- any merger, consolidation, business combination, sale of all or any substantial portion of the assets, recapitalization, liquidation or a dissolution of, or similar transaction of the Company or any of its subsidiaries.

A "Superior Proposal" is defined in the Merger Agreement as a bona fide written Takeover Proposal made by a third party to purchase all of the outstanding equity securities of the Company pursuant to a tender offer, exchange offer, merger or other business combination:

- on terms which the Company's Board of Directors determines in good faith to be superior to the Company and its stockholders (other than CEMEX, the Purchaser and their respective affiliates), in their capacity as stockholders, from a financial point of view (taking into account, among other things, all legal, financial, regulatory and other aspects of the proposal and identity of the offeror and the financial capacity of the offeror to consummate the transaction) as compared to the transactions contemplated by the Merger Agreement and any alternative proposed by CEMEX or the Purchaser in accordance with the Merger Agreement, such determination having been made only after consultation with the Company's financial advisor;

- for which financing is committed or cash is available; and

- which is reasonably capable of being consummated.

Notwithstanding anything to the contrary described above, the Merger Agreement provides that prior to consummation of the Offer, in response to a Takeover Proposal that did not result from the breach of the Merger Agreement and following delivery to CEMEX of notice of the Takeover Proposal in compliance with its obligations under the Merger Agreement, the Company may:

- in response to any Takeover Proposal, request clarifications from (but not, except as contemplated by the following paragraph, participate in discussions or negotiations with) any third party which makes such Takeover Proposal, if such action is taken solely for the purpose of obtaining information reasonably necessary for the Company to ascertain whether such Takeover Proposal is a Superior Proposal; and

- participate in discussions or negotiations with or furnish information (pursuant to a confidentiality/standstill agreement with customary terms as reasonably determined in good faith by the Company after consultation with outside counsel; provided that each such agreement is at least as limiting as the confidentiality agreement between CEMEX and the Company) to any third party which has made a bona fide Takeover Proposal if:

  - the Company's Board of Directors reasonably determines in good faith (after consultation with its financial advisor) that taking such action would be reasonably likely to lead to the delivery to the Company of a Superior Proposal, and

  - the Company's Board of Directors determines in good faith (after consultation with outside legal counsel) that it is necessary to take such actions in order to comply with its fiduciary duties under applicable law.

The Company has agreed that any violation of the no solicitation provisions of the Merger Agreement directly or indirectly by any of its subsidiaries, officers, affiliates or directors or any advisor, representative, consultant or agent retained by the Company or any of its subsidiaries or affiliates in connection with the transactions contemplated by the Merger Agreement, whether or not such person is purporting to act on behalf of the Company or any of its subsidiaries, will constitute a breach of such no solicitation provisions by the Company.

Notwithstanding anything to the contrary in the Merger Agreement, prior to consummation of the Offer, the Company and/or the Company's Board of Directors may take the actions otherwise prohibited by the non-solicitation provisions of the Merger Agreement if (i) a third party makes a Takeover Proposal which the Company has determined to be a Superior Proposal, (ii) the Company complies with its obligations with respect thereto under the Merger Agreement, (iii) all of the conditions to the Company's right to terminate the Merger Agreement shall have been satisfied (including expiration of the five business day period provided therein (or such shorter period as may be provided therein) and payment of the Termination Fee (as described below under "--Termination Fees and Expenses")) and (iv) simultaneously therewith, the Merger Agreement is terminated.

Except as otherwise set forth in the Merger Agreement, the Company's Board of Directors (and each committee of the Board of Directors) will not withdraw or modify, or propose publicly (regardless of the source of such public disclosure) to withdraw or modify, in a manner adverse to CEMEX or the Purchaser, the approval or recommendation of the Company's Board of Directors of the Offer, the Merger or the Merger Agreement, unless the Company's Board of Directors shall have determined in good faith, after consultation with its outside counsel that such withdrawal or modification is necessary in order to satisfy its fiduciary duties to the Company's stockholders under applicable law, approve or recommend, or, in the case of a committee, propose to the Company's Board of Directors to approve or recommend, any Takeover Proposal or approve, recommend or cause it to enter into any letter of intent, agreement in principle, acquisition agreement or other similar agreement related to any Takeover Proposal.

The Company has agreed that promptly after (but in no event more than two calendar days after) receipt thereof, it shall advise CEMEX in writing of any Takeover Proposal or amended Takeover Proposal or any Superior Proposal, as well as in either such case the material terms and conditions of such Takeover Proposal or

Superior Proposal together with copies of any written materials received by the Company in connection with any of the foregoing and the identity of the person making any such Takeover Proposal or Superior Proposal. In connection with the foregoing, the Company also has agreed that it shall simultaneously provide to CEMEX any non-public information concerning the Company provided to any other person in connection with any such Takeover Proposal or Superior Proposal which was not previously provided to CEMEX.

Nothing contained in the Merger Agreement will prohibit the Company from taking and disclosing to its stockholders a position contemplated by Rule 14d-9 and Rule 14e-2 promulgated under the Exchange Act with respect to any tender offer or from making any required disclosure to the Company's stockholders if, in the reasonable good faith judgment of the Company's Board of Directors, after consultation with outside counsel, failure to so disclose would be inconsistent with its disclosure obligations under applicable law.

Employee Benefit Matters. From and after the earlier of the date upon which CEMEX first designates one or more directors of the Company pursuant to the Merger Agreement and the Effective Time of the Merger, the Company and the Surviving Corporation, as the case may be:

- shall honor in accordance with their respective terms all the Company's employment, severance and termination agreements, plans and policies existing prior to the execution of the Merger Agreement;

- shall provide severance pay to any employee of the Company or any subsidiary of the Company in such amount as may be required by applicable Puerto Rico law; and

- for a period of six months from such date, shall, unless the employees of the Company and its subsidiaries agree otherwise at such time or different terms are negotiated with the relevant union representing such employees, cause the Surviving Corporation to provide employee benefits to the Company employees that are, in the aggregate, no less favorable than those provided immediately prior to such date to Company employees.

For all purposes under any employee benefit plans of CEMEX and its subsidiaries providing benefits to any Company employee after the Effective Time of the Merger, which we refer to as "New Plans," each such Company employee shall be credited with his or her years of service with the Company and its subsidiaries before the Effective Time, to the same extent as such employee was entitled, before the Effective Time, to credit for such service under any similar Company benefit plans for purposes of (i) eligibility to participate and (ii) vesting, but in no event shall such service be taken into account in determining the accrual of benefits under any New Plan, including, but not limited to, a defined benefit plan. In addition, and without limiting the generality of the foregoing, each Company employee shall be immediately eligible to participate, without any waiting time, in any and all New Plans to the extent coverage under such New Plan replaces coverage under a Company benefit plan in which such employee participated immediately before the Effective Time and for the purposes of each New Plan providing medical, dental, pharmaceutical or vision benefits to any Company employee, CEMEX shall cause all pre-existing condition exclusions of such New Plan to be waived for such employee and his or her covered dependents (other than limitations or waiting periods that are already in effect with respect to such employees and dependents and that have not been satisfied as of the Effective Time), and CEMEX shall cause any eligible expenses incurred by such employee and his or her covered dependents during the portion of the plan year of the Company benefit plan ending on the date such employee's participation in the corresponding New Plan begins, to be taken into account under such New Plan for purposes of satisfying all deductible, coinsurance and maximum out-of-pocket requirements applicable to such employee and his or her covered dependents for the applicable plan year as if such amounts had been paid in accordance with such New Plan.

Directors' and Officers' Indemnification and Insurance. CEMEX and the Purchaser have agreed that all rights to indemnification existing in favor of the present or former directors, officers, employees, fiduciaries and agents of the Company or any of its subsidiaries for acts or omissions of such persons occurring at or prior to the Effective Time, as provided in the Company's

certificate of incorporation or by-laws or the certificate or articles of incorporation, by-laws or similar organizational documents of any of its subsidiaries or the terms of any

individual indemnity agreement or other arrangement with any director or executive officer shall survive the Merger and shall continue in full force and effect for six years after the Effective Time (without modification or amendment, except as required by applicable law) in accordance with their terms, to the fullest extent permitted by law, and shall be enforceable by the indemnified parties against the Surviving Corporation, and the Surviving Corporation shall also advance fees and expenses (including reasonable attorney's fees) as incurred to the fullest extent permitted under applicable law upon receipt of any undertaking required by applicable law.

The Purchaser also has agreed that it shall cause to be maintained in effect for not less than six years from the Effective Time the current policies of the directors' and officers' liability insurance maintained by the Company (provided that the Purchaser may substitute therefor policies of at least equivalent coverage containing terms and conditions which are no less advantageous) with respect to matters occurring prior to the Effective Time and that, notwithstanding any provision of the Merger Agreement to the contrary, the Company shall have the right to procure, prior to the Effective Time, a policy for directors' and officers' liability insurance with respect to matters occurring prior to the Effective Time, having a term lasting no less than six years following the Effective Time and providing U.S. $15 million (or such lesser amount as may be obtained pursuant to the proviso at the end of this sentence) in coverage, and containing terms and conditions which are no less advantageous than the Company's current policies with respect to such insurance, provided that the aggregate premium payable therefor shall not exceed U.S. $350,000.

Further Action; Reasonable Best Efforts. Upon the terms and subject to the conditions of the Merger Agreement, each of CEMEX, the Purchaser and the Company has agreed to use its reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other parties in doing, all things necessary, proper or advisable to consummate and make effective, in the most expeditious manner practicable, the Offer and the Merger, and the other transactions contemplated by the Merger Agreement, including:

- obtaining all necessary actions or nonactions, waivers, consents and approvals from any governmental authority and the making of all necessary registrations and filings and taking all reasonable steps as may be necessary to obtain an approval or waiver from, or to avoid an action or proceeding by, any governmental authority;

- obtaining all necessary consents, approvals or waivers from third parties;

- defending any lawsuits or other legal proceedings, whether judicial or administrative, challenging the Merger Agreement or the consummation of any of the transactions contemplated by the Merger Agreement, including seeking to have any stay or temporary restraining order entered by any court or other governmental authority vacated or reversed; and

- the execution and delivery of any additional instruments necessary to consummate the transactions contemplated by, and to fully carry out the purposes of, the Merger Agreement.

Conditions to the Merger

The obligations of the Company, CEMEX and the Purchaser to consummate the Merger are subject to the satisfaction of the following conditions:

- the Merger Agreement shall have been approved and adopted by the requisite vote of the stockholders of the Company, if required by applicable law, in order to consummate the Merger;

- no provision of any applicable law or regulation and no judgment, injunction, order or decree of any governmental authority of competent jurisdiction shall prohibit the consummation of the Merger; and

- the Purchaser, CEMEX or any affiliate of CEMEX shall have purchased the Shares pursuant to the Offer.

Termination of the Merger Agreement

Termination by Mutual Agreement. The Merger Agreement may be terminated at any time prior to the Effective Time of the Merger by mutual written consent of CEMEX and the Company.

Termination by either CEMEX or the Purchaser. The Merger Agreement may be terminated at any time prior to the Effective Time of the Merger by either CEMEX or by the Company if:

- the Offer has not been consummated on or before the Termination Date; provided that the right to terminate the Merger Agreement pursuant to this provision is not available to any party whose failure to fulfill any material obligation of the Merger Agreement or other material breach of the Merger Agreement has been the cause of, or resulted in, the failure of the Offer to have been consummated on or prior to such date;

- as a result of the failure of any of the conditions to the Offer, the Offer shall have terminated or expired in accordance with its terms without the Purchaser having purchased any Shares pursuant to the Offer; provided that the right to terminate the Merger Agreement pursuant to this clause provision not be available to any party whose failure to fulfill any material obligation under the Merger Agreement or other material breach of the Merger Agreement has resulted in the failure of such condition; or

- if any court of competent jurisdiction or any governmental authority shall have issued an order, decree or ruling or taken any other action permanently restricting, enjoining, restraining or otherwise prohibiting consummation of the Offer or consummation of the Merger and such order, decree, ruling or other action shall have become final and nonappealable.

Termination by CEMEX. CEMEX may terminate the Merger Agreement at any time prior to the purchase of Shares pursuant to the Offer if:

- the Company has breached any representation or warranty, or prior to the Effective Time of the Merger, has breached any covenant or other agreement contained in the Merger Agreement, which would give rise to the failure of a condition to consummation of the Offer (each of which is set forth in Section 15 hereof), cannot be or has not been cured within the applicable Cure Period therefor or by the Termination Date, whichever is earlier, and has not been waived by CEMEX pursuant to the provisions of the Merger Agreement (provided that CEMEX may not terminate the Merger Agreement pursuant to this provision if either CEMEX or the Purchaser is then in material breach of any representation, warranty, covenant or other agreement contained in the Merger Agreement);

- the Company, or the Company's Board of Directors, as the case may be, has (or has resolved to) (w) entered into any agreement with respect to any Takeover Proposal other than the Offer or the Merger, (x) amended, conditioned, qualified, withdrawn, modified or contradicted or resolved to do any of the foregoing, in a manner adverse to CEMEX or the Purchaser, its approval and recommendation of the Offer, the Merger and the Merger Agreement, (y) approved or recommended any Takeover Proposal other than the Offer or the Merger or (z) failed to reject any Takeover Proposal or amended Takeover Proposal within the applicable Rejection Period therefor (except that CEMEX may not terminate the Merger Agreement pursuant to clause (z) prior to the initial expiration date of the Offer); or

- if the Company breaches in any material respect its obligations under the no solicitation provision of the Merger Agreement.

Termination by the Company. The Company may terminate the Merger Agreement at any time prior to the consummation of the Offer if:

- a Superior Proposal is received by the Company and the Company's Board of Directors reasonably determines in good faith (after consultation with

outside counsel) that it is necessary to terminate the Merger Agreement and enter into an agreement to effect the Superior Proposal in order to comply with its fiduciary duties to the Company's stockholders under applicable law; except that the Company may not terminate the Merger Agreement pursuant to this provision unless and until:

(x) five business days have elapsed following delivery to CEMEX of a written notice of such determination by the Company's Board of Directors and during such five business day period the Company has fully cooperated with CEMEX, including, without limitation, informing CEMEX of the terms and conditions of such Superior Proposal, with the intent of enabling both parties to agree to a modification of the terms and conditions of the Merger Agreement so that the transactions contemplated thereby may be effected;

(y) at the end of such five business day period the Takeover Proposal continues to constitute a Superior Proposal and the Company's Board of Directors confirms its determination (after consultation with outside counsel) that it is necessary to terminate the Merger Agreement and enter into an agreement to effect the Superior Proposal to comply with its fiduciary duties under applicable law; and

(z) at or prior to such termination, CEMEX has received the Termination Fee as set forth in the Merger Agreement and immediately following such termination the Company enters into a definitive acquisition, merger or similar agreement to effect the Superior Proposal;

provided, however, that, if the written notice contemplated in clause (x) above is given to CEMEX less than five business days, but more than two business days, prior to the then-scheduled expiration of the Offer, then the Company will be permitted to terminate the Merger Agreement under this provision no earlier than 24 hours before such scheduled expiration if the Company has complied with all of the requirements of this provision (with the five business day period set forth in clauses (x) and (y) above being deemed to end when such 24-hour period begins for purposes of determining such compliance) unless, prior to the beginning of such 24-hour period, the Purchaser shall have extended the Offer to a date that is at least five business days after the delivery of such notice to CEMEX, in which case the Company's right to terminate the Merger Agreement pursuant to this provision shall be determined without regard to this proviso; provided, further, that it is understood and agreed that if the written notice contemplated in clause (x) above is given to CEMEX less than two business days prior to the then-scheduled expiration of the Offer, the Company's right to terminate the Merger Agreement pursuant to this provision shall be subject to compliance with all of the requirements of this provision, including the five business day period set forth in clauses (x) and (y) hereof without regard to the immediately preceding proviso; or

- if CEMEX or the Purchaser shall have failed to commence the Offer as provided in the Merger Agreement, failed to pay for Shares pursuant to the Offer in accordance with the Merger Agreement or breached in any material respect any of their respective representations, warranties, covenants or other agreements contained in the Merger Agreement, which breach cannot be or has not been cured within 30 days after receipt of written notice thereof by CEMEX or by the Termination Date, whichever is earlier; or

- if CEMEX or the Purchaser breach their obligations to make available sufficient funds at the times required under the Merger Agreement.

Termination Fees and Expenses

The Company must pay CEMEX a termination fee of U.S. $5.4 million (the "Termination Fee") if the Company terminates the Merger Agreement to pursue a Superior Proposal or if CEMEX terminates the Merger Agreement because the Company breaches the no solicitation provisions of the Merger Agreement or if its Board of Directors withdraws its approval of the Merger Agreement or fails to reject a Takeover Proposal or takes similar actions as specified in the Merger Agreement.

The Company also is required to pay CEMEX the Termination Fee if the Merger Agreement is terminated (1) (i) by CEMEX because of a breach by the Company of the Merger Agreement, or (ii) by either CEMEX or the Company because the Offer has not been consummated on or prior to the Termination Date or as a result of the failure of a condition to the consummation of the Offer and in each case either (a) the Minimum Condition is

not satisfied or (b) the condition with respect to breaches by the Company of its representations, warranties or covenants in the Merger Agreement is not satisfied as of the date of such termination, and (2) it has become publicly known that a Takeover Proposal or amended Takeover Proposal has been made prior to such termination and concurrently with or within 12 months of the date of such termination to a Third Party Acquisition Event (as defined below) occurs.

A "Third Party Acquisition Event" is defined in the Merger Agreement as the consummation of a Takeover Proposal involving the purchase of a majority of either the equity securities of the Company or of the consolidated assets of the Company and its subsidiaries, taken as a whole, or any such transaction that, if it had been proposed prior to the termination of the Merger Agreement would have constituted a Takeover Proposal or the entering into by the Company or any of its subsidiaries of a definitive agreement with respect to any such transaction.

Amendments or Supplements

Subject to applicable law, the Merger Agreement may be amended, modified and supplemented in writing by CEMEX, the Purchaser and the Company in any and all respects before the Effective Time (notwithstanding the approval by the Company's stockholders contemplated by the Merger Agreement), by action taken by the respective boards of directors of CEMEX, the Purchaser and the Company (or, if required by the Merger Agreement, the Independent Directors) or by the respective officers authorized by such boards of directors or the Independent Directors, as the case may be. However, that after the approval by the Company's stockholders, no amendment shall be made which by law requires further approval by the stockholders of the Company without such further approval.

THE TRANSACTION SUPPORT AGREEMENTS

The following is a summary description of the material provisions of the Transaction Support Agreements. This summary is qualified in its entirety by reference to the complete text of the Transaction Support Agreements, which have been filed as exhibits to the Schedule TO filed by CEMEX and the Purchaser with the SEC and which are incorporated herein by reference.

Concurrently with entering into the Merger Agreement, the Purchaser entered into separate (but substantially identical) Transaction Support Agreements with each of El Dia, Inc., Ferre Investment Fund, Inc., South Management Corporation and Alfra Investment Corporation, each of which are stockholders of the Company (the "Stockholders"). On June 11, 2002, the date of execution of the Merger Agreement and the Transaction Support Agreements, the Stockholders collectively owned either beneficially or of record 1,482,804 Shares, constituting approximately 29% of the Shares outstanding. The Company's Board of Directors has approved of the entry by the Stockholders into the Transaction Support Agreements for the purposes of Article TENTH of the Company's certificate of incorporation. See "--The Merger Agreement--Representations and Warranties".

Tender of Shares

The Transaction Support Agreements provide that the Stockholders will promptly (and, in any event, not later than two business days prior to the scheduled expiration date of the Offer) tender all of the Shares held by them and will not withdraw such Shares from the Offer, except following termination of the Offer in accordance with its terms.

Voting Agreement and Proxy

The Transaction Support Agreements provide that for so long as the Transaction Support Agreements are in effect, the Stockholders will vote (or cause to be voted) or consent (or cause to be consented) all of their Shares:

- in favor of adoption of the Merger Agreement, the Merger and all the transactions contemplated by the Merger Agreement and the Transaction Support Agreements and otherwise in such manner as may be necessary to consummate the Merger;

- against any action, proposal, agreement or transaction that would result in a breach of any covenant, obligation, agreement, representation or warranty of the Company under the Merger Agreement or of the Stockholders contained in the Transaction Support Agreements; and

- against any action, agreement, transaction (other than the Merger Agreement or the transactions contemplated thereby) or proposal, including any Takeover Proposal or Superior Proposal, that could reasonably be expected to impede, interfere, delay, discourage or adversely affect the Merger Agreement, the Offer, the Merger or the Transaction Support Agreements.

Any vote by the Stockholders that is not in accordance with the foregoing will be considered null and void and the provisions set forth in the following paragraph will take immediate effect.

Pursuant to the Transaction Support Agreements, if the Stockholders fail to comply with their obligations to vote their Shares as set forth above, CEMEX automatically will be granted an irrevocable proxy with respect to the Stockholders' Shares to vote and otherwise act with respect to all of their Shares at any meeting of the Company's stockholders (whether annual or special and whether or not an adjourned or postponed meeting), and in any action by written consent of the Company's stockholders, on the matters and in the manner specified above.

The Option

Pursuant to the Transaction Support Agreements, the Stockholders granted CEMEX an irrevocable option to purchase all of the Stockholders' Shares, which is exercisable under certain circumstances described below, at a purchase price per Share of U.S. $35.00, less the value of any dividends per option Share declared or paid from and after June 11, 2002 through the end of the option exercise period and subject to adjustment pursuant to the Transaction Support Agreements, other than any regular quarterly dividends paid in accordance with the Merger Agreement.

Exercisability. The options granted by the Stockholders are exercisable during the period commencing on the earlier of the date on which:

- a Termination Fee is paid or is payable in accordance with the terms of the Merger Agreement;

- the Offer is terminated as a result of the failure to satisfy the Minimum Condition to the Offer if at or prior to the time of the termination a Takeover Proposal has become publicly known; or

- a Subsequent Amendment is received by the Company or becomes publicly known;

and ending at 11:59 p.m. (New York time) on the 30th day following the date on which the Merger Agreement is terminated.

The option is exercisable in whole but not in part, and in no event is CEMEX able to exercise an option with respect to a Stockholder's Shares unless CEMEX concurrently exercises all options to purchase all the Shares of all four Stockholders.

Representations and Warranties

In the Transaction Support Agreements, the Stockholders made customary representations and warranties to CEMEX and to the Purchaser, including representations and warranties relating to:

- authority to enter into the Transaction Support Agreements;

- no conflict and required filings and consents;
- ownership of shares;
- absence of litigation; and
- absence of brokers entitled to fees in connection with the transactions contemplated by the Transaction Support Agreements.

In the Transaction Support Agreements, CEMEX and the Purchaser made customary representations and warranties to the Stockholders, including representations and warranties relating to:

- authority to enter into the Transaction Support Agreements; and
- no conflict and required filings and consents.

Covenants

The Transaction Support Agreements provide, among other things, that the Stockholders, subject to the terms of the Transaction Support Agreements, will not:

- sell, transfer, tender (except in the Offer), pledge, assign, contribute to the capital of any entity, hypothecate, give or otherwise dispose of, grant a proxy or power of attorney with respect to (other than the irrevocable proxy to CEMEX), deposit into any voting trust, enter into any voting agreement, or create or permit to exist any liens of any nature whatsoever (other than pursuant to the Transaction Support Agreements) with respect to, any of such Stockholder's Shares (or agree or consent to, or offer to do, any of the foregoing), or take any action that would make any representation or warranty of such Stockholder in the Transaction Support Agreements untrue or incorrect in any material respect or have the effect of preventing or disabling such Stockholder from performing such Stockholder's obligations under the Transaction Support Agreement; and
- directly or indirectly solicit, initiate, endorse, accept or encourage the submission of any Takeover Proposal, or participate in any discussions or negotiations regarding, or furnish to any person any information with respect to, or participate in, assist, facilitate, endorse or encourage any proposal that constitutes, or may reasonably be expected to lead to, a Takeover Proposal.

The Transaction Support Agreements also provide, among other things, that, subject to the conditions of the Transaction Support Agreements, CEMEX, the Purchaser and each Stockholder will use their reasonable best efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the Transaction Support Agreements.

12. Purpose of the Offer; Plans for the Company.

Purpose of the Offer. The purpose of the Offer is to acquire control of, and the entire equity interest in, the Company. The purpose of the Merger is to acquire all outstanding Shares not tendered and purchased pursuant to the Offer. If the Offer is successful, the Purchaser intends to consummate the Merger as promptly as practicable.

The Company's Board of Directors, at a special meeting held on June 11, 2002, with one director absent, unanimously approved the Merger and the Merger Agreement. Depending upon the number of Shares purchased by the Purchaser pursuant to the Offer, the Company's Board of Directors may be required to submit the Merger Agreement to the Company's stockholders for approval and adoption at a stockholder's meeting convened for that purpose in accordance with the PRGCL. If stockholder approval is required, the Merger Agreement must be approved by a majority of the outstanding stock of the corporation entitled to vote thereon. If the Minimum Condition is satisfied, the Purchaser will have sufficient voting power to approve the Merger Agreement at the stockholders' meeting without the affirmative vote of any other stockholder.

If the Purchaser acquires at least 90% of the then outstanding Shares pursuant to the Offer (including any Subsequent Offering Period thereof), the Merger may be consummated without a stockholder meeting and without the approval of the Company's stockholders under the "short-form merger" provisions of the PRGCL. The Merger Agreement provides that the Purchaser will be merged into the Company and that the Articles of Incorporation and the Bylaws of the Company will be the articles of incorporation and bylaws of the Surviving Corporation following the Merger.

Appraisal Rights. If the Merger is consummated, holders of Shares who oppose the Merger may have appraisal rights under applicable Puerto Rico law. Under the PRGCL, dissenting stockholders who comply with the applicable statutory procedures will be entitled to receive a judicial determination of the "fair value" of their Shares and to be paid in cash an amount that the Puerto Rico Court of First Instance (Superior Part) (the "Court") decides is the "fair value" of their Shares, exclusive of any element of value arising from the accomplishment or expectation of the Merger as determined by the Court. This amount may be more or less than the Merger Consideration you would receive pursuant to the Merger.

Any stockholder exercising appraisal rights must strictly comply with the procedures set forth in Section 10.12 of the PRGCL, Law 114 of August 10, 1995, 14 L.P.R.A. (S) 3062 ("Section 10.12"). Failure to follow any such procedures will result in a termination or waiver of the stockholders' appraisal rights under Section 10.12 of the PRGCL. Any stockholder contemplating exercising appraisal rights is urged to review carefully the provisions of Section 10.12 of the PRGCL, particularly the procedural steps required to perfect appraisal rights thereunder.

Plans for the Company. Pursuant to the terms of the Merger Agreement, promptly upon the purchase of and payment for any Shares by the Purchaser pursuant to the Offer, CEMEX currently intends to seek maximum representation on the Company's Board of Directors, subject to the requirement in the Merger Agreement that if Shares are purchased pursuant to the Offer, there shall be until the Effective Time at least three Independent Directors as described in more detail in "Introduction."

Except as otherwise set forth in this Offer to Purchase, it is expected that, initially following the Merger, the business and operations of the Company will be continued substantially as they are currently being conducted. CEMEX will continue to evaluate the business and operations of the Company during the pendency of the Offer and thereafter. In addition, CEMEX intends to conduct a comprehensive review of the Company's business, operations, capitalization, corporate structure and management with a view to optimizing development of the Company's potential in conjunction with CEMEX's businesses.

Except as described above or elsewhere in this Offer to Purchase, the Purchaser and CEMEX have no present plans or proposals that would relate to or result in (i) any extraordinary corporate transaction involving the Company or any of its subsidiaries (such as a merger, reorganization, liquidation, relocation of any operations or sale or other transfer of a material amount of assets), (ii) any sale or transfer of a material amount of assets of the Company or any of its subsidiaries, (iii) any material change in the Company's capitalization or dividend policy or (v) any other material change in the Company's corporate structure or business.

13. Certain Effects of the Offer.

Market for the Shares. The purchase of Shares pursuant to the Offer will reduce the number of holders of Shares and the number of Shares that might otherwise trade publicly, which could adversely affect the liquidity and market value of the remaining Shares held by stockholders other than the Purchaser. The Purchaser cannot predict whether the reduction in the number of Shares that might otherwise trade publicly would have an adverse or beneficial effect on the market price for, or marketability of, the Shares or whether such reduction would cause future market prices to be greater or less than the Offer Price.

NYSE Listing. Depending upon the number of Shares purchased pursuant to the Offer, the Shares may no longer meet the standards for continued listing on the NYSE. According to NYSE's published guidelines, the Shares would not be eligible to be included for listing if, among other things, the number of Shares publicly held falls below 600,000, or the number of holders of Shares falls below 400 or the number of holders of shares falls below 1,200 and the average monthly trading volume (for most recent 12 months) is less than 100,000 shares. If, as a result of the purchase of Shares pursuant to the Offer, the Merger, the Merger Agreement or otherwise, the Shares no longer meet the requirements of the NYSE for continued listing, the listing of the Shares will be discontinued. In such event, the market for the Shares would be adversely affected. In the event the Shares were no longer eligible for listing on the NYSE, quotations might still be available from other sources. The extent of the public market for the Shares and the availability of such quotations would, however, depend upon the number of holders of such Shares remaining at such time, the interest in maintaining a market in such Shares on the part of securities firms, the possible termination of registration of such Shares under the Exchange Act as described below and other factors.

Exchange Act Registration. The Shares are currently registered under the Exchange Act. Such registration may be terminated upon application by the Company to the Commission if the Shares are not listed on a "national securities exchange" and there are fewer than 300 record holders. The termination of the registration of the Shares under the Exchange Act would substantially reduce the information required to be furnished by the Company to holders of Shares and to the Commission and would make certain provisions of the Exchange Act, such as the short-swing profit recovery provisions of Section 16(b) of the Exchange Act, the requirement of furnishing a proxy statement in connection with stockholders' meetings pursuant to Section 14(a) or 14(c) of the Exchange Act and the related requirements of an annual report, and the requirements of Rule 13e-3 under the Exchange Act with respect to "going private" transactions, no longer applicable to the Shares. In addition, "affiliates" of the Company and persons holding "restricted securities" of the Company may be deprived of the ability to dispose of such securities pursuant to Rule 144 promulgated under the Securities Act of 1933, as amended. If registration of the Shares under the Exchange Act were terminated, the Shares would no longer be eligible for NYSE reporting. The Purchaser currently intends to seek to cause the Company to terminate the registration of the Shares under the Exchange Act as soon after consummation of the Offer as the requirements for termination of registration are met.

Margin Regulations. The Shares are currently "margin securities," as such term is defined under the rules of the Board of Governors of the Federal Reserve System (the "Federal Reserve Board"), which has the effect, among other things, of allowing brokers to extend credit on the collateral of such securities. Depending upon factors similar to those described above regarding listing and market quotations, following the Offer it is possible that the Shares might no longer constitute "margin securities" for purposes of the margin regulations of the Federal Reserve Board, in which event such Shares could no longer be used as collateral for loans made by brokers. In addition, if registration of the Shares under the Exchange Act were terminated, the Shares would no longer constitute "margin securities."

14. Dividends and Distributions.

As discussed in Section 11, the Merger Agreement provides that from the date of the Merger Agreement to the Effective Time, without the prior written approval of CEMEX, the Company will not and will not permit any of its subsidiaries to authorize or pay any dividends on or make any distribution with respect to its outstanding shares of capital stock other than (a) normal quarterly cash dividends not in excess of U.S. $0.19 per Share to be declared and paid in accordance with the Company's past dividend policy, including the timing of the declaration, record and payment dates thereof; provided that no such cash dividends shall be declared after consummation of the Offer, or (b) dividends or distributions by wholly owned subsidiaries of the Company. Without limiting the foregoing, effective upon acceptance for payment of Shares pursuant to the Offer in accordance with the terms hereof, the holder of such Shares will sell and assign to the Purchaser all right, title and interest in and to all of the Shares tendered (including, but not limited to, such holder's right to any and all dividends and distributions with a record date after the scheduled or extended expiration date if the Offer is consummated at such expiration date).

15. Certain Conditions of the Offer.

Notwithstanding any other provision of the Offer, the Purchaser shall not be required to accept for payment or, subject to any applicable rules and regulations of the SEC, including Rule 14e-1(c) promulgated under the Exchange Act (relating to the Purchaser's obligations to pay for or return tendered Shares promptly after the termination or withdrawal of the Offer), pay for any shares of Shares tendered pursuant to the Offer, and may terminate or amend the Offer in accordance with the Merger Agreement, if:

(a) immediately prior to any scheduled or extended expiration date of the Offer:

(i) the Minimum Condition has not been satisfied;

(ii) the applicable waiting period under the Hart-Scott-Rodino Act has not expired or been terminated;

(iii) any necessary consent from lenders under the Banco Popular Loan Agreements (as defined in the Merger Agreement) to waive any "change of control" defaults that may occur thereunder by reason of consummation of the Offer or the Merger has not been obtained; or

(iv) the consent of the Nuclear Regulatory Commission (the "NRC") required as a result of the Company's ownership of a regulated piece of test equipment has not been obtained;

(b) immediately prior to any scheduled or extended expiration date of the Offer, any of the following conditions exists:

(i) there has been any action threatened or taken, or any statute, rule, regulation, judgment, order or injunction promulgated, entered, enforced, enacted, issued or deemed applicable to the Offer or the Merger by any domestic or foreign federal or state governmental, regulatory or administrative agency, authority, court, legislative body or commission that directly or indirectly (1) prohibits or imposes any material limitations, other than limitations generally affecting the industries in which the Company and CEMEX and their respective subsidiaries conduct their business, on CEMEX's or the Purchaser's ownership or operation (or that of any of their respective subsidiaries) of all or a material portion of the Company's and its subsidiaries' businesses or assets as a whole, or compels CEMEX or the Purchaser or their respective subsidiaries to dispose of or hold separate any material portion of the business or assets of the Company or CEMEX in each case taken as a whole, (2) prohibits, or makes illegal, consummation of the Offer or consummation of the Merger or the other transactions contemplated by the Merger Agreement, (3) results in a material delay in the ability of the Purchaser, or renders the Purchaser unable, to accept for payment, pay for or purchase a material amount of the shares of Company Common Stock, or (4) imposes material limitations on the ability of the Purchaser or CEMEX effectively to exercise full rights of ownership of the Shares including, without limitation, the right to vote the Shares purchased by it on all matters properly presented to the Company's stockholders;

(ii) there shall have occurred (1) any general suspension of trading in, or limitation on prices for, securities in the New York Stock Exchange (excluding any coordinated trading halt triggered solely as a result of a specified decrease in a market index and excluding any suspension or limitation resulting from physical damage or interference with any exchange not related to market conditions), (2) a declaration of a banking moratorium or any suspension of payments in respect of banks in the United States (whether or not mandatory);

(iii) other than as explicitly disclosed in the Company Disclosure Schedule delivered to CEMEX or the Company reports filed with the SEC prior to the date of the Merger Agreement, any change shall have occurred (or any development shall have occurred) after December 31, 2001, in the business, assets, liabilities, financial condition or results of operations of the Company or any of its subsidiaries that has had or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the Company; or

(iv) the Company's Board of Directors shall have withdrawn, or modified or changed in a manner adverse to CEMEX or the Purchaser (including by amendment of the Schedule 14D-9), its

recommendation of the Offer, the Merger Agreement, or the Merger, or recommended another proposal or offer regarding a Takeover Proposal, or shall have resolved to do any of the foregoing; or

(v) the Merger Agreement shall have been terminated in accordance with its terms; or

(c) immediately prior to any scheduled or extended expiration date of the Offer, (1) the Company shall have breached or failed to perform in any material respect any of its obligations under the Merger Agreement required to have been performed at or prior to such time, or (2) the representations and warranties of the Company set forth in the Merger Agreement shall fail to be true and correct as of the date of the Merger Agreement and as of any scheduled or extended expiration date of the Offer as though made on such date (or, in each case, if made as of a specified date, as of such date), subject to any applicable material adverse effect qualification in the Merger Agreement, or the Company shall have failed to deliver to CEMEX and the Purchaser a certificate executed by an appropriate officer of the Company as to the satisfaction of the condition set forth in this paragraph (c) immediately prior to the scheduled or any extended time of expiration of the Offer; or

(d) the Company shall have failed to deliver to CEMEX and the Purchaser resignations of a sufficient number of the incumbent directors on the Company's Board of Directors effective as of the consummation of the Offer, and/or duly adopted resolutions of the Company's Board of Directors, such that the Company has satisfied its obligations concerning such Board of Directors pursuant to the Merger Agreement as described the Introduction to this Offer to Purchase that are required to be satisfied prior to consummation of the Offer;

which in the reasonable good faith judgment of CEMEX or the Purchaser but subject to the provisions of the Merger Agreement, in any such case, and regardless of the circumstances (including any action or inaction by CEMEX or the Purchaser) giving rise to such conditions make it inadvisable to proceed with the Offer and/or with such acceptance for payment of or payment for the Shares.

The Purchaser's obligation to purchase Shares under the Offer is not conditioned on any financing arrangements or subject to any financing condition. See Section 9 for a description of the financing arrangements for the Offer and the Merger.

Subject to the provisions of the Merger Agreement, the foregoing conditions are for the sole benefit of CEMEX and the Purchaser and may be asserted by the Purchaser or, subject to the terms of the Merger Agreement may be waived by CEMEX or the Purchaser, in whole or in part at any time and from time to time in the reasonable discretion of CEMEX or the Purchaser at any time prior to the scheduled or extended expiration date of the Offer. The failure by CEMEX or the Purchaser at any time to exercise any of the foregoing rights will not be deemed a waiver of any such right and each such right will be deemed an ongoing right which may be asserted at any time and from time to time prior to the scheduled or extended expiration date of the Offer.

16. Certain Legal Matters; Regulatory Approvals.

General. The Purchaser is not aware of any pending legal proceeding relating to the Offer. Except as described in this Section 16, based on its examination of publicly available information filed by the Company with the SEC and other publicly available information concerning the Company, the Purchaser is not aware of any governmental license or regulatory permit that appears to be material to the Company's business that might be adversely affected by the Purchaser's acquisition of Shares as contemplated herein or of any approval or other action by any governmental, regulatory or administrative authority or agency, domestic or foreign, that would be required for the acquisition or ownership of Shares by the Purchaser or CEMEX as contemplated herein. Should any such approval or other action be required, the Purchaser currently

contemplates that, except as described below under "--State Takeover Statutes," such approval or other action will be sought. While the Purchaser does not currently intend to delay acceptance for payment of Shares tendered pursuant to the Offer pending the

outcome of any such matter, there can be no assurance that any such approval or other action, if needed, would be obtained or would be obtained without substantial conditions or that if such approvals were not obtained or such other actions were not taken, adverse consequences might not result to the Company's business, or certain parts of the Company's business might not have to be disposed of, any of which could cause the Purchaser to elect to terminate the Offer without the purchase of Shares thereunder under certain conditions. See Section 15.

State Takeover Statutes. A number of states have adopted laws that purport, to varying degrees, to apply to attempts to acquire corporations that are incorporated in, or that have substantial assets, stockholders, principal executive offices or principal places of business or whose business operations otherwise have substantial economic effects in, such states. The Company, directly or through subsidiaries, conducts business in a number of states throughout the United States, some of which have enacted such laws.

In Edgar v. MITE Corp., the Supreme Court of the United States invalidated on constitutional grounds the Illinois Business Takeover Statute which, as a matter of state securities law, made takeovers of corporations meeting certain requirements more difficult. However, in 1987 in CTS Corp. v. Dynamics Corp. of America, the Supreme Court held that the State of Indiana could, as a matter of corporate law, constitutionally disqualify a potential acquirer from voting shares of a target corporation without the prior approval of the remaining stockholders where, among other things, the corporation is incorporated in, and has a substantial number of stockholders in, the state. Subsequently, in TLX Acquisition Corp. v. Telex Corp., a Federal District Court in Oklahoma ruled that the Oklahoma statutes were unconstitutional insofar as they apply to corporations incorporated outside Oklahoma in that they would subject such corporations to inconsistent regulations. Similarly, in Tyson Foods, Inc. v. McReynolds, a Federal District Court in Tennessee ruled that four Tennessee takeover statutes were unconstitutional as applied to corporations incorporated outside Tennessee. This decision was affirmed by the United States Court of Appeals for the Sixth Circuit.

The Company is incorporated under the laws of Puerto Rico. Puerto Rico does not have a "business combination" statute restricting mergers and similar transactions with "interested stockholders" requiring any vote of stockholders in excess of a majority vote unless such transaction has been approved by a company's board of directors.

If any government official or third party should seek to apply any state takeover law to the Offer or the Merger or other business combination between the Purchaser or any of its affiliates and the Company, the Purchaser will take such action as then appears desirable, which action may include challenging the applicability or validity of such statute in appropriate court proceedings. In the event it is asserted that one or more state takeover statutes is applicable to the Offer or the Merger and an appropriate court does not determine that it is inapplicable or invalid as applied to the Offer or the Merger, the Purchaser might be required to file certain information with, or to receive approvals from, the relevant state authorities or holders of Shares, and the Purchaser might be unable to accept for payment or pay for Shares tendered pursuant to the Offer, or be delayed in continuing or consummating the Offer or the Merger. In such case, the Purchaser may not be obligated to accept for payment or pay for any tendered Shares. See Section 15.

United States Antitrust Compliance. Under the Hart-Scott-Rodino Act and the rules that have been promulgated thereunder by the Federal Trade Commission (the "FTC"), certain acquisition transactions may not be consummated unless certain information has been furnished to the Antitrust Division of the Department of Justice (the "Antitrust Division") and the FTC and certain waiting period requirements have been satisfied. The purchase of Shares pursuant to the Offer is subject to such requirements.

Pursuant to the requirements of the Hart-Scott-Rodino Act, the Purchaser filed a Notification and Report Form with respect to the Offer and Merger with

the Antitrust Division and the FTC on June 21, 2002. The waiting period applicable to the purchase of Shares pursuant to the Offer will expire at 11:59 p.m., Eastern time, on July 8, 2002. However, prior to such time, the Antitrust Division or the FTC may extend the waiting period by requesting additional information or documentary material relevant to the Offer from the Purchaser. If such a

request is made, the waiting period will be extended until 11:59 p.m., Eastern time, on the tenth day after substantial compliance by the Purchaser with such request. Thereafter, such waiting period can be extended only by court order.

The Antitrust Division and the FTC scrutinize the legality under the antitrust laws of transactions such as the acquisition of Shares by the Purchaser pursuant to the Offer. At any time before or after the consummation of any such transactions, the Antitrust Division or the FTC could take such action under the antitrust laws of the United States as it deems necessary or desirable in the public interest, including seeking to enjoin the purchase of Shares pursuant to the Offer or seeking divestiture of the Shares so acquired or divestiture of substantial assets of CEMEX or the Company. Private parties (including individual States) may also bring legal actions under the antitrust laws of the United States. The Purchaser does not believe that the consummation of the Offer or the Merger will result in a violation of any applicable antitrust laws. However, there can be no assurance that a challenge to the Offer or the Merger on antitrust grounds will not be made, or if such a challenge is made, what the result will be. See Section 15, including conditions with respect to litigation and certain governmental actions and Section 11 for certain termination rights.

Inquiry from the Office of Monopolistic Affairs

On June 14, 2002, the Company received an inquiry from the Office of Monopolistic Affairs of the Department of Justice of the Commonwealth of Puerto Rico ("OMA") for information relating to the Offer and the Merger. On June 27, 2002, representatives of the Company met with the OMA to discuss the Offer, the Merger and the Merger Agreement. As discussed above, while the Company does not believe that the acquisition of Shares by the Purchaser will violate the antitrust laws, there can be no assurance that the OMA will not challenge the Offer on antitrust grounds, or, if such a challenge is made, what the result will be.

Nuclear Regulatory Commission. The Company holds a materials license from the NRC under the Atomic Energy Act of 1954, as amended. The consent of the NRC to the indirect transfer of control with respect to such license is a condition to consummation of the Offer. A request by the Company that the NRC consent to such indirect transfer of control currently is pending with the NRC.

Other Filings. CEMEX conducts operations in a number of foreign countries, and filings may have to be made with foreign governments under their pre-merger notification statutes. The filing requirements of various nations are being analyzed by the parties and, where advisable, such filings will be made.

17. Fees and Expenses.

Goldman, Sachs & Co. ("Goldman, Sachs") is acting as financial advisor to CEMEX in connection with the Offer and the Merger, for which services Goldman, Sachs will receive customary compensation. CEMEX has agreed to reimburse Goldman, Sachs for reasonable travel and other expenses incurred by Goldman, Sachs in performing its services, including reasonable fees and expenses of its legal counsel, and to indemnify Goldman, Sachs and certain related parties against certain liabilities, including liabilities under the federal securities laws, arising out of its engagement. In the ordinary course of business, Goldman, Sachs and its affiliates may actively trade or hold the securities of the Company and CEMEX for their own account or for the account of customers and, accordingly, may at any time hold a long or short position in such securities.

CEMEX and the Purchaser have retained Georgeson Shareholder Communications Inc. to be the Information Agent and Citibank, N.A. to be the Depositary in connection with the Offer. The Information Agent may contact holders of Shares by mail, telephone, telecopy, telegraph and personal interview and may request banks, brokers, dealers and other nominees to forward materials relating to the

Offer to beneficial owners of Shares.

The Information Agent and the Depositary each will receive reasonable and customary compensation for their respective services in connection with the Offer, will be reimbursed for reasonable out-of-pocket expenses and will be indemnified against certain liabilities and expenses in connection therewith, including certain liabilities under federal securities laws.

Neither CEMEX nor the Purchaser will pay any fees or commissions to any broker or dealer or to any other person (other than to the Depositary and the Information Agent) in connection with the solicitation of tenders of Shares pursuant to the Offer. Brokers, dealers, commercial banks and trust companies will, upon request, be reimbursed by the Purchaser for customary mailing and handling expenses incurred by them in forwarding offering materials to their customers.

18. Miscellaneous.

The Offer is not being made to (nor will tenders be accepted from or on behalf of) holders of Shares in any jurisdiction in which the making of the Offer or the acceptance thereof would not be in compliance with the laws of such jurisdiction. However, the Purchaser may, in its discretion, take such action as it may deem necessary to make the Offer in any such jurisdiction and extend the Offer to holders of Shares in such jurisdiction.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION ON BEHALF OF CEMEX OR THE PURCHASER NOT CONTAINED HEREIN OR IN THE LETTER OF TRANSMITTAL, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED.

The Purchaser and CEMEX have filed with the SEC a Tender Offer Statement on Schedule TO pursuant to Rule 14d-3 of the General Rules and Regulations under the Exchange Act, together with exhibits furnishing certain additional information with respect to the Offer, and may file amendments thereto. In addition, the Company has filed with the SEC a Tender Offer Solicitation/Recommendation Statement on Schedule 14D-9, together with exhibits, pursuant to Rule 14d-9 under the Exchange Act, setting forth the recommendation of the Company's Board of Directors with respect to the Offer and the reasons for such recommendation and furnishing certain additional related information. A copy of such documents, and any amendments thereto, may be examined at, and copies may be obtained from, the SEC (but not the regional offices of the SEC) in the manner set forth under Section 7 above.

TRICEM ACQUISITION, CORP.

July 1, 2002

SCHEDULE I

INFORMATION CONCERNING
DIRECTORS AND EXECUTIVE OFFICERS
OF CEMEX AND THE PURCHASER

1. Directors and Executive Officers of CEMEX.

The following table sets forth the name, present principal occupation or employment and material occupations, positions, offices or employments for the past five years for each member of the Board of Directors and each executive officer of CEMEX. Unless indicated otherwise, each person is a citizen of Mexico with a principal business address at Ave. Constitucion 444 Pte., Monterrey, Nuevo Leon, Mexico 64000.

Name	Title	Principal Occupation or Employment and Material Positions Held During the Past Five Years

Name	Title	Principal Occupation or Employment and Material Positions Held During the Past Five Years
Lorenzo H. Zambrano.....	Chairman, Chief Executive Officer and Director	Chairman of the Board of Directors of CEMEX since 1995, Director since 1979 and Chief Executive Officer of CEMEX since 1985. Mr. Zambrano is a member of the Board of Directors of Fomento Economico Mexicano, S.A. de C.V., Empresas ICA, S.A. de C.V., Alfa, S.A. de C.V., Cydsa, S.A., Vitro, S.A., and Grupo Televisa, S.A. He is Chairman of the Board of Directors of Consejo de EnseZanza e Investigacion Superior, A.C., which manages ITESM. He is also a member of the Stanford Business School's advisory group and a member of the board of directors and of the executive committee of Grupo Financiero Banamex Accival, S.A. de C.V. In addition, he is a member of the Board of Directors of The Museum of Modern Art, The Economic Development Institute of the World Bank, Americas Society, Inc., Museo de Arte Contemporaneo, and the Mexico-United States Commission for Educational and Cultural Exchange.
Armando J. Garcia Segovia	Director, Executive Vice President of Development	Executive Vice Director since 1983 and Executive Vice President of Development President of Development of CEMEX since 1996. Mr. Garcia was Director of Development of CEMEX from 1994 to 1996. He also serves as a member of the Board of Directors of Materiales Industriales de Chihuahua, S.A. de C.V., Calhidra y Mortero de Chihuahua, S.A. de C.V., Cementos de Chihuahua, S.A. de C.V., Construcentro de Chihuahua, S.A. de C.V., Control Administrativo Mexicano, S.A. de C.V., Compania Industrial de Parras, S.A. de C.V., Fabrica La Estrella, S.A. de C.V., Prendas Textiles, S.A. de C.V., Telas de Parras, S.A. de C.V., Canacem, Confederacion Patronal de la Republica Mexicana, Centro Patronal de Nuevo Leon, and Instituto Mexicano del Cemento y del Concreto. He is also Chairman of the Board of Directors of Centro de Estudios del Sector Privado para el Desarrollo Sostenible.

Name	Title	Principal Occupation or Employment and Material Positions Held During the Past Five Years
Eduardo Brittingham Sumner	Director	Director since 1967. Mr. Brittingham is currently General Director of Laredo Autos, S.A. de C.V., since 1988, and of Auto Express Rapido Nuevo Laredo, S.A. de C.V., since 1980. He is a member of the Board of Directors of Consorcio Industrial de Exportacion, S.A. de C.V. since 1988, and an alternate member of the Board of Directors of Vitro, S.A.
Lorenzo Milkmo Zambrano...	Director	Director since 1977. Mr. Milkmo is General Director of Inmobiliaria Ermiza, S.A. de C.V., since 1988 and as a member of the Board of Directors of Seguros la Comercial, S.A., Banco Santander Mexicano, S.A. (Regional), Nacional Financiera S.N.C. and Bancomer, S.A. (Regional).
Rodolfo Garcia Muriel.....	Director	Director since 1985. Mr. Garcia is the Chief Executive Officer of Compania Industrial de Parras, S.A. de C.V., since 1996 and its Chairman of the Board of Directors since 1996. Mr. Muriel is also Chairman of the Board of Directors of Parras Cone de Mexico, S.A. de C.V., since 1993, Hilapar, S.A. de C.V., since 1996 and Vice-Chairman of the Board of Directors of the Camara Nacional de la Industria Textil since 1994. He is also a member of the Board

		of Directors of Parras Williamson, S.A. de C.V., Telas de Parras, S.A. de C.V., Prendas Textiles, S.A. de C.V., Iusacell, S.A. de C.V., Iusa-GE, S. de R.L., Cambridge Lee Industries Inc., Industrias Unidas, S.A., Apollo Operadora de Sociedades de Inversion, S.A. de C.V., and Sinkro, S.A. de C.V
Rogelio Zambrano Lozano...	Director	Director since 1987. Mr. Zambrano is General Director of Carza S.A. de C.V., since 1985 and Plaza Sesamo S.A. de C.V., since 1992. Mr. Lozano is also a member of the consultive board of Grupo Financiero Banamex Accival, S.A. de C.V. Zona Norte.

Name	Title	Principal Occupation or Employment and Material Positions Held During the Past Five Years
Robert Zambrano Villarreal	Director	Director since 1987. Mr. Zambrano is Chairman of the Board of Directors of Desarrollo Integrado, S.A. de C.V., since 1994, Pronatura S.A. de C.V., since 1997, Administracion Ficap, S.A. de C.V., since 1994, Aero Zano, S.A. de C.V., since 1994, Ciudad Villamonte, S.A. de C.V., Focos, S.A. de C.V., since 1994, C & I Capital, S.A. de C.V., since 1997, Industrias Diza, S.A. de C.V., since 1994, Inmobiliaria Sanni, S.A. de C.V., since 1994, Inmuebles Trevisa, S.A. de C.V., since 1994, Servicios Tecnicos Hidraulicos, S.A. de C.V., since 1994, and Mantenimiento Integrado, S.A. de C.V. since 1993. He is a member of the Board of Directors of S.L.I. de Mexico, S.A. de C.V., CompaZia de Vidrio Industrial, S.A. de C.V., Radio Digital 220, S.A. de C.V., Eicon, S.A. de C.V. and Telecomunicaciones Publicas y Privadas, S.A. de C.V.
Bernardo Quintana Isaac...	Director	Director since 1990. Mr. Quintana is Chairman of the Board of Directors of Grupo ICA, S.A. de C.V., and its Chief Executive Officer since 1994. He is also a member of the Board of Directors of Telefonos de Mexico, S.A. de C.V., Grupo Financiero Banamex Accival, S.A. de C.V., Grupo Financiero Inbursa, S.A. de C.V., Grupo Carso, S.A. de C.V., and Grupo Maseca, S.A. de C.V. He is also a member of the Consejo Mexicano de Hombres de Negocios.
Dionisio Garza Medina.....	Director	Director since 1995. Mr. Garza is Chairman of the Board and Chief Executive Officer of Alfa, S.A. de C.V., since 1990. He is Chairman of the Board of Hylsamex, S.A. de C.V., since 1993 and of Sigma Alimentos, S.A. de C.V., since 1990. He is also a member of the Board of Directors of Vitro, S.A., Cydsa, S.A., Seguros Comercial America, S.A., and Grupo Financiero Bancomer, S.A. de C.V. He is also a member of Consejo Mexicano de Hombres de Negocios, the consultive committee of Harvard Business School and the David Rockefeller Center for Latin American Studies and the consultive committee of the New York Stock Exchange. He is also Chairman of the Executive Board of the Universidad de Monterrey, A.C.

Name	Title	Principal Occupation or Employment and Material Positions Held During the Past Five Years
Alfonso Romo Garza.....	Director	Director since 1995. Mr. Romo is Chairman of the Board of Directors and Chief Executive Officer of Pulsar Internacional, S.A. de C.V., since 1984, Chairman of the Board of Directors and Chief Executive Officer of Savia, S.A. de C.V., since 1986, Chairman of the Board of Directors and Chief Executive Officer of Seguros Comercial America, S.A. de C.V., since 1989, Chairman of the Board of Directors and Chief Executive Officer of Empaques Ponderosa, S.A. de C.V., since 1994, and Chairman of the Board of Directors and Chief Executive Officer of Seminis Inc., since 1996. He is also a member of the board of Nacional de Drogas, S.A. de C.V. and Grupo Maseca S.A. de C.V. He is an external advisor of the World Bank Board for Latin America and the Caribbean, and member of the Board of Directors of The Donald Danford Plant Science Center.
Jorge Garcia Segovia.....	Alternate Director	Alternate Director since 1985. Mr. Garcia was Retail Banking Executive Director of Banca Sefin (North Region) from 1995 to 1998. Since 1998, he has served as Director of Vector Casa de Bolsa, S.A. de C.V. He is also a member of the Board of Directors of Compania Industrial de Parras., S.A. de C.V., Vitro Vidrio Plano, S.A., ABA Seguros, S.A., and director of Vector Casa de Bolsa, S.A. de C.V.
Tomas Brittingham.....	Alternate Director	Alternate Director since 1987. He is the Chief Executive Officer of Laredo Autos, S.A. de C.V., since 1983.
Mauricio Zambrano Villareal	Alternate Director	Alternate Director since 1995. Mr. Zambrano is General Vice-President of Desarrollo Integrado, S.A. de C.V., since 1978. He is also Chairman of the Board of Directors of Empresas Falcon, S.A. de C.V. and Trek Associates, Inc., Secretary of the Board of Directors of Administracion Ficap, S.A. de C.V., Aero Zano, S.A. de C.V., Ciudad Villamonte, S.A. de C.V., Focos, S.A. de C.V., Compania de Vidrio Industrial, S.A. de C.V., C & I Capital, S.A. de C.V., Industrias Diza, S.A. de C.V., Inmobiliaria Sanni, S.A. de C.V., Inmuebles Trevisa, S.A. de C.V., Praxis Accesorios, S.A. de C.V. and Servicios Tecnicos Hidraulicos, S.A. de C.V., and a member of the Board of Directors of Sylvania Lighting International Mexico, S.A. de C.V., Invercap, S.A. de C.V. and Precision Auto Care, Inc.

Name	Title	Principal Occupation or Employment and Material Positions Held During the Past Five Years
Luis Santos de la Garza.	Board Examiner	Board Examiner since 1989 and Alternate Director from 1987 to 1988. He was a Senator of Mexico for the State of Nuevo Leon from 1997 to 2000. He is also a member of the Board of Directors of Grupo Industrial Ramirez, S.A. de C.V., since 1981 and Productora de Papel, S.A. de C.V., since 1985. He was a founding partner of Bufete de Abogados Santos-Elizondo-Cantd-Rivera-Gonzalez-De la Garza, S.C.
Fernando Ruiz Arredondo.	Alternate Board Examiner	Mr. Ruiz has been Alternate Board Examiner since 1981.
Hector Medina.....	Executive Vice	Executive Vice President of Planning and of Planning

	President	and Finance of CEMEX since 1996. Mr. Medina was President of CEMEX Mexico from 1994 to 1996. Mr. Medina also is President of the Purchaser since 2002.
Rodrigo Trevino.....	Chief Financial Officer	Chief Financial Officer of CEMEX since 1997. Prior to joining CEMEX, Mr. Trevino was the Country Corporate Officer for Citicorp/Citibank Chile from 1995 to 1996.
Ramiro G. Villarreal....	General Counsel	General Counsel of CEMEX since 1987. Although not a director, Mr. Villarreal has served as Secretary of the Board of Directors since 1995. Mr. Villarreal also is a Director and Secretary of the Purchaser since 2002.
Mario de la Garza.....	Vice President of Administration	Vice President of Administration of CEMEX since 1996. Mr. de la Garza was Director of Administration of CEMEX from 1994 to 1996.
Francisco Garza.....	President of CEMEX North America and Trading	President of CEMEX North America and Trading since 1998. Mr. Garza was President of CEMEX Mexico and CEMEX USA from 1996 to 1998 and President of Vencemos and Cemento Bayano from 1994 to 1996.
Jose Luis Saenz de Miera	President of CEMEX Europe and Asia	President of the Europe and Asia region since 1998. Mr. Saenz was President of Valenciana from 1994 to 1998. He is a citizen of Spain.
Victor Romo.....	President of CEMEX South America and the Caribbean	President of the South American and Caribbean region since 1998. Mr. Romo was President of Vencemos from 1996 to 1998 and General Director of Administration and Finance of Valenciana from 1994 to 1996.
Gilberto Perez.....	President of CEMEX US	President of CEMEX US since 1998. Prior to that time, Mr. Perez of was Vice President of Planning and Marketing for CEMEX Mexico and Planning Vice President of CEMEX Venezuela. Mr. Perez has been employed with CEMEX since 1989.

2. Directors and Executive Officers of the Purchaser.

The following table sets forth the name, present principal occupation or employment and material occupations, positions, offices or employments for the past five years for each member of the Board of Directors and each executive officer of the Purchaser. Unless indicated otherwise, each person is a citizen of Mexico with a principal business address at Ave. Constitucion 444 Pte., Monterrey, Nuevo Leon, Mexico 64000.

Name	Title	Principal Occupation or Employment and Material Positions Held During the Past Five Years
Hector Medina....	President	See above.
Philippe Gastone.	Director, Vice President	Director and Vice President since 2002. Mr Gastone is a Senior Vice President in the Business Development group of Cemex since 2000. Mr. Gastone was a Director of Investment Banking at Merrill Lynch in London, England from 1997 to 1999 and an Executive Director of UBS from 1994 to 1997. Mr Gastone is a French citizen. Principal business address: CEMEX USA, 590 Madison Ave., 41st Floor, New York, NY 10022.
Ramiro Villarreal	Director, Secretary	See above.
Alfredo Cavazos..	Treasurer	Treasurer of the Purchaser since 2002. Mr. Cavazos is Director of Corporate Business Development of CEMEX, since 2000. Mr. Cavazos was Manager of

		Strategic Planning of CEMEX from 1997 to 2000.
Jill Simeone.....	Director, Assistant Secretary	Director and Assistant Secretary of the Purchaser since 2002. Ms. Simeone is General Counsel, North America Region and International Trading Group for CEMEX, since July 2001. Ms. Simeone was General Counsel of CEMEX USA since 1999. In 1998-1999, Ms. Simeone was a Fulbright Scholar at ITESM in Monterrey, Mexico and a visiting law professor at the Facultad Libre Derecho in Monterrey. From 1993 to 1998, she was an Assistant District Attorney in the Manhattan District Attorney's office. Ms. Simeone is a citizen of the United States of America. Principal business address: CEMEX USA, 590 Madison Ave., 41st Floor, New York, NY 10022.

Name	Title	Principal Occupation or Employment and Material Positions Held During the Past Five Years
Eric Tulla	Assistant Secretary	Assistant Secretary of the Purchaser since 2002. Mr. Tulla is a founding partner of the law firm of Rivera Tulla & Ferrer of San Juan, Puerto Rico. He is admitted to the bar of the Supreme Court of Puerto Rico (1974), U.S. District Court, District Court of Puerto Rico and U.S. Court of Appeals for the First Circuit (1974), U.S. Supreme Court (1977) and the District of Columbia (1979). Educated at Yale University (B.A. 1970) and Columbia University (J. D. 1973), he is a member of the Bar Association of Puerto Rico, the Federal and American Bar Associations, the American College of Trial Lawyers, (State Chairman 1998, 1999), and the International Academy of Trial Lawyers. He is also a director and past president of the Federacion de Vela De Puerto Rico, and a Council Member and an International Judge of the International Sailing Federation. Mr. Tulla is a citizen of the United States of America with a principal business address at 50 Quisqueya Street, San Juan, Puerto Rico 00917.

Manually signed facsimile copies of the Letter of Transmittal, properly completed and duly executed, will be accepted. The Letter of Transmittal, certificates for Shares and any other required documents should be sent or delivered by each stockholder of the Company or such stockholder's broker, dealer, commercial bank, trust company or other nominee to the Depositary at one of the addresses set forth below:

The Depositary for the Offer is:

Citibank, N.A.
Citibank Agency & Trust

By Facsimile Transmission
(for Eligible Institutions only):

(212) 701-7636

Confirm by Telephone:

(212) 701-7624

By Courier:	By Mail:	By Hand:
Computershare Trust Company of New York Wall Street Plaza 88 Pine Street, 19th Floor New York, New York 10005	Computershare Trust Company of New York Wall Street Station P.O. Box 1010 New York, New York 10268-1010	Computershare Trust Company of New York Wall Street Plaza 88 Pine Street, 19th Floor New York, New York 10005

Questions or requests for assistance may be directed to the Information Agent at the address and telephone numbers set forth below. Additional copies of this Offer to Purchase, the Letter of Transmittal, the Notice of Guaranteed Delivery and related materials may be obtained from the Information Agent as set forth below and will be furnished promptly at the Purchaser's expense. Stockholders may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

The Information Agent for the Offer is:

[LOGO] Georgeson Shareholder

Georgeson Shareholder Communications Inc.

17 State Street, 10th Floor
New York, New York 10004
Banks and Brokers call collect: (212) 440-9800
All Others Call Toll Free: 1-800-616-5497

EXHIBIT (a)(2)

Letter of Transmittal

to Tender Shares of Common Stock

of

Puerto Rican Cement Company, Inc.

Pursuant to the Offer to Purchase, dated July 1, 2002

by

Tricem Acquisition, Corp.,

an indirect wholly owned subsidiary of

CEMEX, S.A. de C.V.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON MONDAY, JULY 29, 2002, UNLESS THE OFFER IS EXTENDED.

The Depositary for the Offer is:

Citibank, N.A.

By First-Class Mail:	By Overnight Courier, Certified or Express Mail Delivery:	By Hand:
Computershare Trust Company of New York Wall Street Station P.O. Box 1010 New York, NY 10268-1010	Computershare Trust Company of New York Wall Street Plaza 88 Pine Street, 19th Floor New York, NY 10005	Computershare Trust Company of New York Wall Street Plaza 88 Pine Street, 19th Floor New York, NY 10005

Facsimile Transmission for Eligible Institutions: (212) 701-7636

For Confirmation by Telephone: (212) 701-7624

DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE, OR TRANSMISSION OF INSTRUCTIONS VIA FACSIMILE TO A NUMBER OTHER THAN AS SET FORTH ABOVE, WILL NOT CONSTITUTE A VALID DELIVERY TO THE DEPOSITARY. YOU MUST SIGN THIS LETTER OF TRANSMITTAL IN THE APPROPRIATE SPACE PROVIDED THEREFOR BELOW, WITH SIGNATURE GUARANTEE IF REQUIRED, AND COMPLETE THE SUBSTITUTE FORM W-9 SET FORTH BELOW.

THE INSTRUCTIONS CONTAINED WITHIN THIS LETTER OF TRANSMITTAL SHOULD BE READ CAREFULLY BEFORE THIS LETTER OF TRANSMITTAL IS COMPLETED.

DESCRIPTION OF SHARES TENDERED

Name(s) and Address(es) of Registered Holder(s) (Please fill in, if blank, exactly as name(s) appear(s) on Share Certificate(s))	Share Certificate(s) and Share(s) Tendered (Please attach additional signed list, if necessary)		
	Share Certificate Number(s)(1)	Total Number of Shares Represented by Certificate(s)(1)	Number of Shares Tendered(2)

	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
Total Shares Tendered		-

(1) Need not be completed by stockholders delivering Shares (as defined herein) by book-entry transfer ("Book-Entry Stockholders").
(2) Unless otherwise indicated, all Shares represented by certificates delivered to the Depositary will be deemed to have been tendered. See Instruction 4.

[_] CHECK HERE IF CERTIFICATES HAVE BEEN LOST OR MUTILATED. SEE INSTRUCTION 11.

This Letter of Transmittal is to be used by stockholders of Puerto Rican Cement Company, Inc. (the "Company") if certificates ("Share Certificates") for Shares (as defined herein) are to be forwarded herewith or, unless an Agent's Message (as defined in Section 3 of the Offer to Purchase) is utilized, if delivery of Shares is to be made by book-entry transfer to an account maintained by the Depositary at the Book-Entry Transfer Facility (as defined in Section 2 of the Offer to Purchase) and pursuant to the procedures set forth in Section 3 the Offer to Purchase.

Holders of Shares who wish to tender such Shares but whose Share Certificates are not immediately available, or who cannot complete the procedure for book-entry transfer on a timely basis, or who cannot deliver all other required documents to the Depositary prior to the Expiration Date (as defined in Section 1 of the Offer to Purchase), must tender their Shares according to the guaranteed delivery procedure set forth in Section 3 of the Offer to Purchase. See Instruction 2. DELIVERY OF DOCUMENTS TO THE BOOK-ENTRY TRANSFER FACILITY WILL NOT CONSTITUTE DELIVERY TO THE DEPOSITARY.

TENDER OF SHARES

[_] CHECK HERE IF TENDERED SHARES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER TO THE DEPOSITARY'S ACCOUNT AT THE BOOK-ENTRY TRANSFER FACILITY AND COMPLETE THE FOLLOWING (ONLY PARTICIPANTS IN THE BOOK-ENTRY TRANSFER FACILITY MAY DELIVER SHARES BY BOOK-ENTRY TRANSFER):

Name of Tendering Institution:_____

Account Number:_____

Transaction Code Number:_____

[_] CHECK HERE IF TENDERED SHARES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE DEPOSITARY AND COMPLETE THE FOLLOWING:

Name(s) of Registered Holder(s):_____

Window Ticket Number (if any):_____

Date of Execution of Notice of Guaranteed Delivery:_____

Name of Eligible Institution that Guaranteed Delivery:_____

NOTE: SIGNATURES MUST BE PROVIDED BELOW

PLEASE READ THE INSTRUCTIONS SET FORTH IN THIS LETTER OF TRANSMITTAL CAREFULLY

Ladies and Gentlemen:

The undersigned hereby tenders to Tricem Acquisition, Corp., a Puerto Rico corporation (the "Purchaser") and an indirect wholly owned subsidiary of CEMEX, S.A. de C.V., a corporation organized under the laws of the United Mexican States ("CEMEX"), the above-described shares of common stock, par value $1.00 per share (the "Shares"), of Puerto Rican Cement Company, Inc., a Puerto Rico corporation (the "Company"), pursuant to the Purchaser's offer to purchase all outstanding Shares at a purchase price of U.S. $35.00 per Share, net to the seller in cash, without interest thereon (the "Offer Price"), upon the terms and subject to the conditions set forth in the Offer to Purchase dated July 1, 2002, and in this Letter of Transmittal (which, together with the Offer to Purchase and any amendments or supplements thereto or hereto, collectively constitute the "Offer"). Receipt of the Offer is hereby acknowledged.

Upon the terms and subject to the conditions of the Offer (and if the Offer is extended or amended, the terms of any such extension or amendment), and effective upon acceptance for payment of the Shares tendered herewith in accordance with the terms of the Offer, the undersigned hereby sells, assigns and transfers to or upon the order of the Purchaser all right, title and interest in and to all the Shares that are being tendered hereby (and any and all dividends, distributions, rights, other Shares or other securities issued or issuable in respect thereof with a record date before, and a payment date after, the Expiration Date (as defined in Section 1 of the Offer to Purchase), other than the Company's regular quarterly dividend of $0.19 per Share if such regular quarterly dividend is declared and the record date for such regular quarterly dividend is on or prior to the Expiration Date (collectively, but excluding any such regular quarterly dividend, "Distributions")) and irrevocably constitutes and appoints Citibank, N.A. (the "Depositary") the true and lawful agent and attorney-in-fact of the undersigned with respect to such Shares (and any and all Distributions), with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest), to (i) deliver certificates for, or transfer ownership of, such Shares (and any and all Distributions) on the account books maintained by the Book-Entry Transfer Facility, together, in any such case, with all accompanying evidence of transfer and authenticity, to, or upon the order of, the Purchaser, (ii) present such Shares (and any and all Distributions) for transfer on the books of the Company, and (iii) receive all benefits and otherwise exercise all rights of beneficial ownership of such Shares (and any and all Distributions), all in accordance with the terms of the Offer.

By executing this Letter of Transmittal, the undersigned hereby irrevocably appoints Philippe Gastone, Ramiro Villarreal and Jill Simeone in their respective capacities as officers or directors of the Purchaser, and any individual who thereafter shall succeed to any such office of the Purchaser, and each of them, and any other designees of the Purchaser, the attorneys-in-fact and proxies of the undersigned, each with full power of substitution, to vote at any annual or special meeting of the Company's stockholders or any adjournment or postponement thereof, or otherwise in such manner as each such attorney-in-fact and proxy or his or her substitute shall in his or her sole discretion deem proper with respect to, to execute any written consent concerning any matter as each such attorney-in-fact and proxy or his or her substitute shall in his or her sole discretion deem proper with respect to, and to otherwise act as each such attorney-in-fact and proxy or his or her substitute shall in his or her sole discretion deem proper with respect to, all of the Shares (and any and all Distributions) tendered hereby and accepted for payment by the Purchaser. This appointment will be effective if and when, and only to the extent that, the Purchaser accepts such Shares for payment pursuant to the Offer. This power of attorney and proxy are irrevocable and are granted in consideration of the acceptance for payment of such Shares in accordance with the terms of the Offer. Such acceptance for payment shall, without further action, revoke any prior powers of attorney and proxies granted by the undersigned at any time with respect to such Shares (and any and all Distributions), and no subsequent powers of attorney, proxies, consents or revocations may be given by the undersigned with respect thereto (and, if given, will not be deemed effective). The Purchaser

reserves the right to require that, in order for the Shares or other securities to be deemed validly tendered, immediately upon the Purchaser's acceptance for payment of such Shares, the Purchaser must be able to exercise full voting, consent and other rights with respect to such Shares (and any and all Distributions), including voting at any meeting of the Company's stockholders.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, sell, assign and transfer the Shares tendered hereby (and any and all Distributions), that the undersigned owns the Shares tendered hereby within the meaning of Rule 14e-4 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that the tender of the tendered Shares complies with Rule 14e-4 under the Exchange Act, and that, when the same are accepted for payment by the Purchaser, the Purchaser will acquire good, marketable and unencumbered title thereto and to any and all Distributions, free and clear of all liens, restrictions, charges and encumbrances and the same will not be subject to any adverse claims. The undersigned will, upon request, execute and deliver any additional documents deemed by the Depositary or the Purchaser to be necessary or desirable to complete the sale, assignment and transfer of the Shares tendered hereby and any and all Distributions. In addition, the undersigned shall remit and transfer promptly to the Depositary for the account of the Purchaser any and all Distributions in respect of the Shares tendered hereby, accompanied by appropriate documentation of transfer, and, pending such remittance and transfer or appropriate assurance thereof, the Purchaser shall be entitled to all rights and privileges as owner of each such Distribution and may withhold the entire purchase price of the Shares tendered hereby or deduct from such purchase price, the amount or value of such Distribution as determined by the Purchaser in its sole discretion.

All authority herein conferred or agreed to be conferred shall survive the death or incapacity of the undersigned, and any obligation of the undersigned hereunder shall be binding upon the heirs, executors, administrators, personal representatives, trustees in bankruptcy, successors and assigns of the undersigned. Except as stated in the Offer, this tender is irrevocable.

The undersigned understands that the valid tender of the Shares pursuant to any one of the procedures described in Section 3 of the Offer to Purchase and in the Instructions hereto will constitute a binding agreement between the undersigned and the Purchaser upon the terms and subject to the conditions of the Offer (and if the Offer is extended or amended, the terms or conditions of any such extension or amendment). Without limiting the foregoing, if the price to be paid in the Offer is amended in accordance with the Merger Agreement (as defined in the Introduction to the Offer to Purchase), the price to be paid to the undersigned will be the amended price notwithstanding the fact that a different price is stated in this Letter of Transmittal. The undersigned recognizes that under certain circumstances set forth in the Offer to Purchase, the Purchaser may not be required to accept for payment any of the Shares tendered hereby.

Unless otherwise indicated under "Special Payment Instructions," please issue the check for the purchase price of all the Shares purchased and/or return any certificates for the Shares not tendered or accepted for payment in the name(s) of the registered holder(s) appearing above under "Description of Shares Tendered." Similarly, unless otherwise indicated under "Special Delivery Instructions," please mail the check for the purchase price of all the Shares purchased and/or return any certificates for the Shares not tendered or not accepted for payment (and any accompanying documents, as appropriate) to the address(es) of the registered holder(s) appearing above under "Description of Shares Tendered." In the event that the boxes entitled "Special Payment Instructions" and "Special Delivery Instructions" are both completed, please issue the check for the purchase price of all Shares purchased and/or return any certificates evidencing Shares not tendered or not accepted for payment (and any accompanying documents, as appropriate) in the name(s) of, and deliver such check and/or return any such certificates (and any accompanying documents, as appropriate) to, the person(s) so indicated. Unless otherwise indicated in the box entitled "Special Payment Instructions," please credit any Shares tendered herewith by book-entry transfer that are not accepted for payment by crediting the account at the Book-Entry Transfer Facility designated above. The undersigned recognizes that the Purchaser has no obligation, pursuant to the "Special Payment Instructions," to transfer any Shares from the name of the

registered holder thereof if the Purchaser does not accept for payment any of the Shares so tendered.

SPECIAL PAYMENT INSTRUCTIONS
(See Instructions 1, 5, 6 and 7)

To be completed ONLY if the check for the purchase price of Shares accepted for payment or certificates representing Shares not tendered or accepted for payment are to be issued in the name of someone other than the undersigned.

Issue: [_] Check
[_] Certificate(s) to

Name:_____
(Please Print)

Address:_____

(Include Zip Code)

(Taxpayer Identification or Social Security Number)

(Also complete Substitute Form W-9 below)

SPECIAL DELIVERY INSTRUCTIONS
(See Instructions 1, 5, 6 and 7)

To be completed ONLY if the check for the purchase price of Shares accepted for payment and/or certificates representing Shares not tendered or accepted for payment are to be sent to someone other than the undersigned or to the undersigned at an address other than that shown under "Description of Shares Tendered."

Mail: [_] Check
[_] Certificate(s) to

Name:_____
(Please Print)

Address:_____

(Include Zip Code)

(Taxpayer Identification or Social Security Number)

IMPORTANT
STOCKHOLDER: SIGN HERE
(Complete Substitute Form W-9 Included)

(Signature(s) of Owner(s))

Name(s): _____

Capacity (Full Title):

(See Instruction 5)

Address: _____

(Include Zip Code)

Area Code and Telephone Number: _____

Taxpayer Identification or
Social Security Number: _____
(See Substitute Form W-9)

Dated: _____, 2002

(Must be signed by registered holder(s) exactly as name(s) appear(s) on stock certificate(s) or on a security position listing or by the person(s) authorized to become registered holder(s) by certificates and documents transmitted herewith. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, please set forth full title and see

Instruction 5.)

GUARANTEE OF SIGNATURE(S)
(If required--See Instructions 1 and 5)

FOR USE BY FINANCIAL INSTITUTIONS ONLY. PLACE MEDALLION GUARANTEE IN SPACE BELOW.

Authorized Signature(s): _____

Name: _____

Name of Firm: _____

Address: _____
(Include Zip Code)

Area Code and Telephone Number: _____

Dated: _____, 2002

INSTRUCTIONS
FORMING PART OF THE TERMS AND CONDITIONS OF THE OFFER

1. Guarantee of Signatures. No signature guarantee is required on this Letter of Transmittal if (a) this Letter of Transmittal is signed by the registered holder(s) (which term, for purposes of these Instructions, includes any participant in the Book-Entry Transfer Facility's systems whose name appears on a security position listing as the owner of Shares) of Shares tendered herewith, unless such registered holder(s) has completed either the box entitled "Special Delivery Instructions" or the box entitled "Special Payment Instructions" on the Letter of Transmittal or (b) such Shares are tendered for the account of a financial institution (including most commercial banks, savings and loan associations and brokerage houses) that is a participant in the Securities Transfer Agents Medallion Program, or by any other "eligible guarantor institution", as such term is defined in Rule 17Ad-15 of the Exchange Act (each, an "Eligible Institution" and collectively the "Eligible Institutions"). In all other cases, all signatures on this Letter of Transmittal must be guaranteed by an Eligible Institution. See Instruction 5.

2. Requirements of Tender. This Letter of Transmittal is to be completed by stockholders if Share Certificates are to be forwarded herewith or, unless an Agent's Message is utilized, if tenders are to be made pursuant to the procedure for tender by book-entry transfer set forth in Section 3 of the Offer to Purchase. Share Certificates evidencing tendered Shares, or timely confirmation (a "Book-Entry Confirmation") of a book-entry transfer of Shares into the Depositary's account at the Book-Entry Transfer Facility, as well as this Letter of Transmittal (or a facsimile hereof), properly completed and duly executed, with any required signature guarantees, or an Agent's Message in connection with a book-entry transfer, and any other documents required by this Letter of Transmittal, must be received by the Depositary at one of its addresses set forth herein prior to the Expiration Date. Stockholders whose Share Certificates are not immediately available, or who cannot complete the procedure for delivery by book-entry transfer on a timely basis or who cannot deliver all other required documents to the Depositary prior to the Expiration Date, may tender their Shares by properly completing and duly executing a Notice of Guaranteed Delivery pursuant to the guaranteed delivery procedure set forth in Section 3 of the Offer to Purchase. Pursuant to such procedure: (i) such tender must be made by or through an Eligible Institution; (ii) a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form made available by the Purchaser, must be received by the Depositary prior to the Expiration Date; and (iii) the Share Certificates (or a Book-Entry Confirmation) evidencing all tendered Shares, in proper form for transfer, in each case together with the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, with any required signature guarantees (or, in the case of a book-entry delivery, an Agent's Message) and any other documents required by this Letter of Transmittal, must be received by the Depositary within three New York Stock Exchange trading days after the date of execution of such Notice of the Guaranteed Delivery. If Share Certificates are

forwarded separately to the Depositary, a properly completed and duly executed Letter of Transmittal must accompany each such delivery.

THE METHOD OF DELIVERY OF THIS LETTER OF TRANSMITTAL, SHARE CERTIFICATES AND ALL OTHER REQUIRED DOCUMENTS, INCLUDING DELIVERY THROUGH THE BOOK-ENTRY TRANSFER FACILITY, IS AT THE OPTION AND RISK OF THE TENDERING STOCKHOLDER. THE DELIVERY WILL BE DEEMED MADE ONLY WHEN THIS LETTER OF TRANSMITTAL, SHARE CERTIFICATES AND ALL OTHER REQUIRED DOCUMENTS ACTUALLY ARE RECEIVED BY THE DEPOSITARY (INCLUDING, IN THE CASE OF BOOK-ENTRY TRANSFER, BY BOOK-ENTRY CONFIRMATION). IF DELIVERY IS BY MAIL, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY INSURED, IS RECOMMENDED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ENSURE TIMELY DELIVERY.

No alternative, conditional or contingent tenders will be accepted and no fractional Shares will be purchased. All tendering stockholders, by execution of this Letter of Transmittal (or a facsimile hereof), waive any right to receive any notice of the acceptance of their Shares for payment.

3. Inadequate Space. If the space provided herein is inadequate, the certificate numbers and/or the number of Shares and any other required information should be listed on a separate signed schedule attached hereto.

4. Partial Tenders (not applicable to stockholders who tender by book-entry transfer). If fewer than all the Shares evidenced by any Share Certificate are to be tendered, fill in the number of Shares that are to be tendered in the box entitled "Number of Shares Tendered." In this case, new Share Certificates for the Shares that were evidenced by your old Share Certificates, but were not tendered by you, will be sent to you, unless otherwise provided in the appropriate box on this Letter of Transmittal, as soon as practicable after the Expiration Date. All Shares represented by Share Certificates delivered to the Depositary will be deemed to have been tendered unless otherwise indicated.

5. Signatures on Letter of Transmittal, Stock Powers and Endorsements. If this Letter of Transmittal is signed by the registered holder(s) of the Shares tendered hereby, the signature(s) must correspond with the name(s) as written on the face of the certificate(s) without alteration, enlargement or any change whatsoever.

If any of the Shares tendered hereby are held of record by two or more joint owners, all such owners must sign this Letter of Transmittal.

If any of the tendered Shares are registered in different names on several certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations.

If this Letter of Transmittal or any certificates or stock powers are signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, such person should so indicate when signing, and proper evidence satisfactory to the Purchaser of the authority of such person so to act must be submitted. If this Letter of Transmittal is signed by the registered holder(s) of the Shares listed and transmitted hereby, no endorsements of certificates or separate stock powers are required unless payment to be made or certificates for Shares not tendered or not accepted for payment are to be issued in the name of a person other than the registered holder(s). Signatures on any such Share Certificates or stock powers must be guaranteed by an Eligible Institution.

If this Letter of Transmittal is signed by a person other than the registered holder(s) of the certificate(s) listed and transmitted hereby, the certificate(s) must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name(s) of the registered holder(s) appear(s) on the certificate(s). Signature(s) on any such Share Certificates or stock powers must be guaranteed by an Eligible Institution.

6. Stock Transfer Taxes. Except as otherwise provided in this Instruction 6, the Purchaser will pay all stock transfer taxes with respect to the transfer and sale of any Shares to it or its order pursuant to the Offer. If, however, payment of the purchase price is to be made to, or if certificate(s) for Shares not tendered or not accepted for payment are to be registered in the name of, any person other than the registered holder(s), or if tendered certificate(s)

are registered in the name of any person other than the person(s) signing this Letter of Transmittal, the amount of any stock transfer taxes (whether imposed on the registered holder(s) or such other person) payable on account of the transfer to such other person will be deducted from the purchase price of such Shares purchased unless evidence satisfactory to the Purchaser of the payment of such taxes, or exemption therefrom, is submitted.

Except as provided in this Instruction 6, it will not be necessary for transfer tax stamps to be affixed to the certificate(s) evidencing the Shares tendered hereby.

7. Special Payment and Delivery Instructions. If a check is to be issued in the name of, and/or certificates for Shares not tendered or not accepted for payment are to be issued or returned to, a person other than the signer(s) of this Letter of Transmittal or if a check and/or such certificates are to be returned to a person other than the person(s) signing this Letter of Transmittal or to an address other than that shown in this Letter of Transmittal, the appropriate boxes on this Letter of Transmittal must be completed.

8. Substitute Form W-9. A tendering stockholder is required to provide the Depositary with a correct Taxpayer Identification Number ("TIN") on Substitute Form W-9, which is provided under "Important Tax Information" below, and to certify, under penalty of perjury, that such TIN is correct and that such holder is not subject to backup withholding of tax. If a tendering stockholder is subject to backup withholding, the stockholder

must cross out Item (Y) of Part 3 of the Certification Box of the Substitute Form W-9. Failure to provide the information on the Substitute Form W-9 may subject the tendering stockholder to federal income tax withholding of 30% of any payments made to the stockholder, but such withholdings will be refunded if the tendering stockholder provides a TIN within 60 days.

Certain stockholders (including, among others, all corporations and certain nonresident alien individuals and foreign entities) are not subject to backup withholding. Foreign stockholders should compete and sign the main signature form and a Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding, or other applicable Form W-8, a copy of which may be obtained from the Depositary, in order to avoid backup withholding. See the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for more instructions.

9. Requests for Assistance or Additional Copies. Questions and requests for assistance or additional copies of the Offer to Purchase, this Letter of Transmittal, the Notice of Guaranteed Delivery and the Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 may be directed to the Information Agent at the address and phone number set forth below, or from brokers, dealers, commercial banks or trust companies.

10. Waiver of Conditions. Subject to the terms and conditions of the Merger Agreement (as defined in the Offer to Purchase), the Purchaser reserves the right, in its sole discretion, to waive, at any time or from time to time, any of the specified conditions of the Offer (other than the Minimum Condition), in whole or in part, in the case of any Shares tendered.

11. Lost, Destroyed, or Stolen Certificates. If any certificate representing Shares has been lost, destroyed or stolen, the stockholder should promptly notify Mellon Investor Services LLC, in its capacity as transfer agent for the Shares, at 1-800-851-9677. The stockholder then will be instructed as to the steps that must be taken in order to replace the certificate. This Letter of Transmittal and related documents cannot be processed until the procedures for replacing lost or destroyed certificates have been followed.

IMPORTANT: THIS LETTER OF TRANSMITTAL (OR A MANUALLY SIGNED FACSIMILE HEREOF) TOGETHER WITH ANY REQUIRED SIGNATURE GUARANTEES, OR, IN THE CASE OF A BOOK-ENTRY TRANSFER, AN AGENT'S MESSAGE, AND ANY OTHER REQUIRED DOCUMENTS, MUST BE RECEIVED BY THE DEPOSITARY PRIOR TO THE EXPIRATION DATE AND EITHER CERTIFICATES FOR TENDERED SHARES MUST BE RECEIVED BY THE DEPOSITARY OR SHARES MUST BE DELIVERED PURSUANT TO THE PROCEDURES FOR BOOK-ENTRY TRANSFER, IN EACH CASE PRIOR TO THE EXPIRATION DATE, OR THE TENDERING STOCKHOLDER MUST COMPLY WITH THE PROCEDURES FOR GUARANTEED DELIVERY.

IMPORTANT TAX INFORMATION

Under the federal income tax law, a stockholder whose tendered Shares are accepted for payment is required to provide the Depositary with such stockholder's correct TIN on the Substitute Form W-9 below. If such stockholder is an individual, the TIN is such stockholder's Social Security Number. If a tendering stockholder is subject to backup withholding, such stockholder must cross out Item (Y) of Part 3 of the Certification box on the Substitute Form W-9. If the Depositary is not provided with the correct TIN, the stockholder may be subject to a $50 penalty imposed by the Internal Revenue Service. In addition, payments that are made to such stockholder may be subject to backup withholding of 30%.

Certain stockholders (including, among others, all corporations and certain nonresident alien individuals and foreign entities) are not subject to these backup withholding and reporting requirements. Foreign stockholders should compete and sign the main signature form and a Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding, or other applicable Form W-8, a copy of which may be obtained from the Depositary, in order to avoid backup withholding. Exempt stockholders, other than foreign stockholders, should furnish their TIN, write "Exempt" on the face of the Substitute Form W-9 below and sign, date and return the Substitute Form W-9 to the Depositary. See the enclosed Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 for additional instructions.

If backup withholding applies, the Depositary is required to withhold 30% of any payments made to the stockholder. Backup withholding is not an additional tax. Rather, the tax liability of persons subject to withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of taxes, a refund may be obtained from the Internal Revenue Service.

Purpose of Substitute Form W-9

To prevent backup withholding on payments that are made to a stockholder with respect to Shares purchased pursuant to the Offer, the stockholder is required to notify the Depositary of such stockholder's correct TIN by completing the form below certifying that the TIN provided on Substitute Form W-9 is correct (or that such stockholder is awaiting a TIN).

What Number to Give the Depositary

The stockholder is required to give the Depositary the Social Security Number or Employer Identification Number of the record holder of the Shares. If the Shares are in more than one name, or are not in the name of the actual owner, consult the enclosed Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 for additional guidelines on which number to report. If the tendering stockholder has not been issued a TIN and has applied for a number or intends to apply for a number in the near future, the stockholder should write "Applied For" in the space provided for the TIN in Part I, and sign and date the Substitute Form W-9. If "Applied For" is written in Part I, the Depositary will withhold 30% of payments made for the stockholder, but such withholdings will be refunded if the tendering stockholder provides a TIN within 60 days.

PAYER'S NAME: CITIBANK, N.A.

SUBSTITUTE
Form W-9
Department of the

Name_____

Address_____
(Number and Street)

_____

Treasury Internal Revenue Service	(City) (State) (Zip Code).....	
Payer's Request for Taxpayer Identification Number (TIN)	Part 1(a)--PLEASE PROVIDE YOUR TIN IN THE BOX AT RIGHT AND CERTIFY BY SIGNING AND DATING BELOW	TIN (Social Security Number or Employer Identification Number)
Sign Here (right arrow)	Part 1(b)--PLEASE CHECK THE BOX AT RIGHT IF YOU HAVE APPLIED FOR, AND ARE AWAITING RECEIPT OF, YOUR TIN [_]	
	Part 2--FOR PAYEES EXEMPT FROM BACKUP WITHHOLDING PLEASE WRITE "EXEMPT" HERE (SEE INSTRUCTIONS)__	
	Part 3-- CERTIFICATION UNDER PENALTIES OF PERJURY, I CERTIFY THAT (X) The number shown on this form is my correct TIN (or I am waiting for a number to be issued to me), (Y) I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (the "IRS") that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and (Z) I am a U.S. person (including a U.S. resident alien). SIGNATURE _____ DATE _____	

Certification of Instructions -- You must cross out Item (Y) of Part 3 above if you have been notified by the IRS that you currently are subject to backup withholding because of underreporting interest or dividends on your tax return. However, if after being notified by the IRS that you were subject to backup withholding you received another notification from the IRS that you are no longer subject to backup withholding, do not cross out such Item (Y).

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED THE BOX IN PART 1(b) OF THE SUBSTITUTE FORM W-9 INDICATING YOU HAVE APPLIED FOR, AND ARE AWAITING RECEIPT OF, YOUR TIN.

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I CERTIFY UNDER PENALTIES OF PERJURY THAT A TAXPAYER IDENTIFICATION NUMBER HAS NOT BEEN ISSUED TO ME, AND EITHER (1) I HAVE MAILED OR DELIVERED AN APPLICATION TO RECEIVE A TAXPAYER IDENTIFICATION NUMBER TO THE APPROPRIATE INTERNAL REVENUE SERVICE CENTER OR SOCIAL SECURITY ADMINISTRATION OFFICE OR (2) I INTEND TO MAIL OR DELIVER AN APPLICATION IN THE NEAR FUTURE. I UNDERSTAND THAT IF I DO NOT PROVIDE A TAXPAYER IDENTIFICATION NUMBER TO THE PAYOR BY THE TIME OF PAYMENT, 30 PERCENT OF ALL REPORTABLE PAYMENTS MADE TO ME PURSUANT TO THIS OFFER WILL BE WITHHELD.

Signature	Date

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING OF 30% OF ANY PAYMENTS MADE TO YOU PURSUANT TO THE OFFER. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE

FORM W-9 FOR ADDITIONAL DETAILS.

MANUALLY SIGNED FACSIMILE COPIES OF THIS LETTER OF TRANSMITTAL WILL BE ACCEPTED. THE LETTER OF TRANSMITTAL, CERTIFICATES FOR SHARES AND ANY OTHER REQUIRED DOCUMENTS SHOULD BE SENT OR DELIVERED BY EACH STOCKHOLDER OF THE COMPANY OR SUCH STOCKHOLDER'S BROKER, DEALER, COMMERCIAL BANK, TRUST COMPANY OR OTHER NOMINEE TO THE DEPOSITARY AT ONE OF ITS ADDRESSES SET FORTH ON THE FIRST PAGE.

Questions or requests for assistance may be directed to the Information Agent at the address and telephone numbers set forth below. Requests for copies of the Offer to Purchase, this Letter of Transmittal, the Notice of Guaranteed Delivery and all other tender offer materials may be directed to the Information Agent as set forth below and will be furnished promptly at the Purchaser's expense. The Purchaser will not pay fees or commissions to any broker or dealer or any other person for soliciting tenders of Shares pursuant to the Offer. Stockholders may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

The Information Agent for the Offer is:

[LOGO] Georgeson Shareholder

Georgeson Shareholder Communications Inc.

17 State Street, 10th Floor
New York New York 10004
Banks and Brokers call collect: (212) 440-9800
All Others Call Toll Free: 1-800-616-5497

EXHIBIT (a)(3)

Notice of Guaranteed Delivery

for

Tender of Shares of Common Stock

of

Puerto Rican Cement Company, Inc.

by

Tricem Acquisition, Corp.,

an indirect wholly owned subsidiary of

CEMEX, S.A. de C.V.

(Not to be used for signature guarantees)

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON MONDAY, JULY 29, 2002, UNLESS THE OFFER IS EXTENDED.

This Notice of Guaranteed Delivery, or a form substantially equivalent hereto, must be used to accept the Offer (as defined below) if certificates for Shares (as defined below) are not immediately available, if the procedure for book-entry transfer cannot be completed on a timely basis or if time will not permit all required documents to reach Citibank, N.A. (the "Depositary") on or prior to the Expiration Date (as defined in Section 1 of the Offer to Purchase). This form may be delivered by hand, transmitted by facsimile transmission or mailed to the Depositary. See Section 3 of the Offer to Purchase.

The Depositary for the Offer is:

Citibank, N.A.

By First-Class Mail:	By Overnight Courier, Certified or Express Mail Delivery:	By Hand:
Computershare Trust Company of New York	Computershare Trust Company of New York	Computershare Trust Company of New York
Wall Street Station P.O. Box 1010 New York, NY 10268-1010	Wall Street Plaza 88 Pine Street, 19th Floor New York, NY 10005	Wall Street Plaza 88 Pine Street, 19th Floor New York, NY 10005

Facsimile Transmission for Eligible Institutions:	For Confirmation by Telephone:
(212) 701-7636	(212) 701-7624

DELIVERY OF THIS NOTICE OF GUARANTEED DELIVERY TO AN ADDRESS OTHER THAN ONE SET FORTH ABOVE OR TRANSMISSION OF INSTRUCTIONS VIA FACSIMILE NUMBER OTHER THAN THE FACSIMILE NUMBER SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY TO THE DEPOSITARY.

THIS NOTICE OF GUARANTEED DELIVERY TO THE DEPOSITARY IS NOT TO BE USED TO GUARANTEE SIGNATURES. IF A SIGNATURE ON A LETTER OF TRANSMITTAL IS REQUIRED TO BE GUARANTEED BY AN "ELIGIBLE INSTITUTION" (AS DEFINED IN THE OFFER TO PURCHASE) UNDER THE INSTRUCTIONS THERETO, SUCH SIGNATURE GUARANTEES MUST APPEAR IN THE APPLICABLE SPACE PROVIDED IN THE SIGNATURE BOX ON THE LETTER OF TRANSMITTAL.

The Eligible Institution that completes this form must communicate the guarantee to the Depositary and must deliver the Letter of Transmittal or an

Agent's Message (as defined in Section 3 of the Offer to Purchase) in connection with a book-entry transfer and certificates for Shares, or a book-entry transfer thereof, to the Depositary within the time period shown herein. Failure to do so could result in a financial loss to such Eligible Institution.

THE GUARANTEE ON THE FOLLOWING PAGES MUST BE COMPLETED.

Ladies and Gentlemen:

The undersigned hereby tenders to Tricem Acquisition, Corp., a Puerto Rico corporation and an indirect wholly owned subsidiary of CEMEX, S.A. de C.V., a company organized under the laws of the United Mexican States, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated July 1, 2002 (the "Offer to Purchase"), and the related Letter of Transmittal (the "Letter of Transmittal" which, together with the Offer to Purchase and any amendments or supplements thereto, constitute the "Offer"), receipt of which is hereby acknowledged, the number of shares of common stock, par value $1.00 per share (the "Shares"), of Puerto Rican Cement Company, Inc., a Puerto Rico corporation (the "Company"), set forth below, pursuant to the guaranteed delivery procedure set forth in the Offer to Purchase.

Number of Shares Tendered: _____

Certificate Number(s) (if available):
_____

_____

[_] Check if securities will be tendered by book-entry transfer.

Name of Tendering Institution:
_____

Account Number: _____

Date: _____, 2002

Name(s) of Record Holder(s):
_____

_____
(please print)

Address(es):
_____

_____
(Zip Code)

Area Code and Telephone Number(s):
_____

Signature(s):
_____

_____

GUARANTEE
(Not to be used for signature guarantee)

The undersigned, a bank, broker, dealer, credit union, savings association or other entity that is a member in good standing of the Securities Transfer Agents Medallion Program or any other Eligible Institution, guarantees to deliver to the Depositary either the certificates evidencing all tendered Shares, in proper form for transfer, or to deliver Shares pursuant to the procedure for book-entry transfer into the Depositary's account at The Depository Trust Company (the "Book-Entry Transfer Facility"), in either case together with the Letter of Transmittal (or a facsimile thereof) properly completed and duly executed, with any required signature guarantees or an Agent's Message (as defined in the Offer to Purchase) in the case of a book-entry delivery, and any other required documents, within three New York Stock Exchange trading days after the date hereof.

Name of Firm: _____

Address: _____

_____
(Zip Code)

Area Code and Telephone

_____
(Authorized Signature)

Title: _____

Name: _____
(Please Type or Print)

Number:

Dated: ____, 2002

NOTE: DO NOT SEND CERTIFICATES FOR SHARES WITH THIS NOTICE. CERTIFICATES FOR SHARES SHOULD BE SENT WITH YOUR LETTER OF TRANSMITTAL.

EXHIBIT (a)(4)

OFFER TO PURCHASE FOR CASH ALL OUTSTANDING SHARES OF COMMON STOCK

of

Puerto Rican Cement Company, Inc.

by

Tricem Acquisition, Corp.,

an indirect wholly owned subsidiary of

CEMEX, S.A. de C.V.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON MONDAY, JULY 29, 2002, UNLESS THE OFFER IS EXTENDED.

July 1, 2002

To Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees:

Tricem Acquisition, Corp., a Puerto Rico corporation (the "Purchaser") and an indirect wholly owned subsidiary of CEMEX, S.A. de C.V., a corporation organized under the laws of the United Mexican States ("CEMEX"), has made an offer to purchase all outstanding shares of common stock, par value $1.00 per share (the "Shares"), of Puerto Rican Cement Company, Inc., a Puerto Rico corporation (the "Company"), at a purchase price of U.S. $35.00 per Share, net to the seller in cash, without interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated July 1, 2002 (the "Offer to Purchase"), and the related Letter of Transmittal (the "Letter of Transmittal" which, together with the Offer to Purchase and any amendments or supplements thereto, collectively constitute the "Offer") enclosed herewith.

Holders of Shares who wish to tender their Shares but whose certificates for such Shares (the "Share Certificates") are not immediately available, who cannot complete the procedures for book-entry transfer on a timely basis, or who cannot deliver all other required documents to Citibank, N.A. (the "Depositary") prior to the Expiration Date (as defined in Section 1 of the Offer to Purchase) must tender their Shares according to the guaranteed delivery procedure set forth in Section 3 of the Offer to Purchase.

The Offer is conditioned upon, among other things, (1) there being validly tendered (other than by guaranteed delivery where actual delivery has not occurred) and not properly withdrawn prior to the expiration of the Offer a number of Shares which represents at least a majority of the Shares outstanding on a fully diluted basis and (2) any waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the regulations thereunder having expired or been terminated. The Offer is subject to certain other conditions contained in Sections 1 and 15 of the Offer to Purchase. Please read Sections 1 and 15 to the Offer to Purchase, which set forth in full the conditions of the Offer.

Please furnish copies of the enclosed materials to those of your clients for whose accounts you hold Shares registered in your name or in the name of your nominee.

1. Offer to Purchase, dated July 1, 2002;

2. Letter of Transmittal for your use in accepting the Offer and tendering Shares and for the information of your clients (manually signed facsimile copies of the Letter of Transmittal may be used to tender Shares);

3. Notice of Guaranteed Delivery to be used to accept the Offer if Share Certificates are not immediately available or if such certificates and all other required documents cannot be delivered to the Depositary, or if the procedures for book-entry transfer cannot be completed on a timely basis;

4. A printed form of letter that may be sent to your clients for whose accounts you hold Shares registered in your name or in the name of your nominee, with space provided for obtaining such clients' instructions with regard to the Offer;

5. The letter to stockholders of the Company from Miguel A. Nazario, Chairman of the Company, accompanied by the Company's Tender Offer Solicitation/Recommendation Statement on Schedule 14D-9 filed with the Securities and Exchange Commission by the Company, which includes the recommendation of the Company's board of directors that stockholders accept the Offer and tender their Shares to the Purchaser pursuant to the Offer; and

6. Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.

The Company's board of directors, at a special meeting held on June 11, 2002, with one director absent, unanimously (1) determined that the Merger Agreement (as defined below) and the transactions contemplated thereby, including the Offer and the Merger (as defined below), are fair to the Company's stockholders and in the best interests of the Company and its stockholders; (2) approved and adopted the Merger Agreement and the transactions contemplated thereby, including the Offer and the Merger; and (3) recommended that the Company's stockholders (A) accept the Offer and (B) if stockholder approval is necessary, approve the Merger Agreement and the Merger. Accordingly, the Company's board of directors recommends that your clients accept the Offer and tender all of their Shares pursuant to the Offer.

The Offer is being made pursuant to an Agreement and Plan of Merger, dated as of June 11, 2002 (the "Merger Agreement"), among CEMEX, the Purchaser and the Company. The Merger Agreement provides for, among other things, the making of the Offer by the Purchaser, and further provides that the Purchaser will be merged with and into the Company (the "Merger") as soon as practicable following the satisfaction or waiver of each of the conditions to the Merger set forth in the Merger Agreement. Following the Merger, the Company will continue as the surviving corporation and an indirect wholly owned subsidiary of CEMEX, and the separate corporate existence of the Purchaser will cease.

Concurrently with entering into the Merger Agreement, the Purchaser and CEMEX entered into substantially identical Transaction Support Agreements with four stockholders of the Company that collectively own 1,482,804 Shares, constituting approximately 29% of the Shares outstanding. Under the Transaction Support Agreements, these stockholders have agreed, among other things, to tender their Shares in the Offer and to vote for the Merger. See Section 11 of the Offer to Purchase for a discussion of the Merger Agreement and Transaction Support Agreements.

In order to take advantage of the Offer, (i) a duly executed and properly completed Letter of Transmittal and any required signature guarantees, or an Agent's Message (as defined in Section 3 of the Offer to Purchase) in connection with a book-entry delivery of Shares, and other required documents should be sent to the Depositary and (ii) Share certificates representing the tendered Shares should be delivered to the Depositary, or such Shares should be tendered by book-entry transfer into the Depositary's account maintained at the Book-Entry Transfer Facility (as defined in Section 2 of the Offer to Purchase) and pursuant to the procedure set forth in Section 3 of the Offer to Purchase, all in accordance with the instructions set forth in the Letter of Transmittal and the Offer to Purchase.

The Purchaser will not pay any fees or commissions to any broker or dealer or other person (other than the Information Agent and the Depositary as described in the Offer to Purchase) for soliciting tenders of Shares pursuant to the Offer. The Purchaser, however, upon request, will reimburse you for customary mailing and handling costs incurred by you in forwarding the enclosed materials to your customers.

The Purchaser will pay or cause to be paid all stock transfer taxes applicable to its purchase of Shares pursuant to the Offer, except as otherwise provided in Instruction 6 of the Letter of Transmittal.

WE URGE YOU TO CONTACT YOUR CLIENTS AS PROMPTLY AS POSSIBLE. PLEASE NOTE

THAT THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON MONDAY, JULY 29, 2002, UNLESS THE OFFER IS EXTENDED.

Any inquiries you may have with respect to the Offer should be addressed to the Information Agent at the address and telephone numbers set forth on the back cover of the Offer to Purchase. Additional copies of the enclosed materials may be obtained from the Information Agent.

Very truly yours,

Georgeson Shareholder Communications Inc.

NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL CONSTITUTE YOU OR ANY OTHER PERSON AS AN AGENT OF CEMEX, THE PURCHASER, THE COMPANY, THE DEPOSITARY, THE INFORMATION AGENT OR ANY AFFILIATE OF ANY OF THE FOREGOING OR AUTHORIZE YOU OR ANY OTHER PERSON TO USE ANY DOCUMENT OR MAKE ANY STATEMENT ON BEHALF OF ANY OF THEM IN CONNECTION WITH THE OFFER OTHER THAN THE DOCUMENTS ENCLOSED HEREWITH AND THE STATEMENTS CONTAINED THEREIN.

EXHIBIT (a)(5)

OFFER TO PURCHASE FOR CASH ALL OUTSTANDING SHARES OF COMMON STOCK

of

Puerto Rican Cement Company, Inc.

by

Tricem Acquisition, Corp.,
an indirect wholly owned subsidiary of
CEMEX, S.A. de C.V.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON MONDAY, JULY 29, 2002, UNLESS THE OFFER IS EXTENDED.

To Our Clients:

Enclosed for your consideration is the Offer to Purchase, dated July 1, 2002 (the "Offer to Purchase"), and a related Letter of Transmittal (the "Letter of Transmittal" which, together with the Offer to Purchase and any amendments or supplements thereto, collectively constitute the "Offer") in connection with the offer by Tricem Acquisition, Corp., a Puerto Rico corporation (the "Purchaser") and an indirect wholly owned subsidiary of CEMEX, S.A. de C.V., a corporation organized under the laws of the United Mexican States ("CEMEX"), to purchase all outstanding shares of common stock, par value $1.00 per share (the "Shares"), of Puerto Rican Cement Company, Inc., a Puerto Rico corporation (the "Company"), at a purchase price of U.S. $35.00 per Share, net to the seller in cash, without interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase and the Letter of Transmittal enclosed herewith.

We are the holder of record of Shares for your account. A tender of such Shares can be made only by us as the holder of record and pursuant to your instructions. The enclosed Letter of Transmittal is furnished to you for your information only and cannot be used by you to tender Shares held by us for your account.

We request instructions as to whether you wish us to tender any or all of the Shares held by us for your account, upon the terms and subject to the conditions set forth in the Offer to Purchase. Your attention is invited to the following:

1. The offer price is U.S. $35.00 per Share, net to you in cash, without interest thereon.

2. The Offer is being made for all outstanding Shares.

3. The Offer is being made pursuant to an Agreement and Plan of Merger, dated as of June 11, 2002 (the "Merger Agreement"), among CEMEX, the Purchaser and the Company. The Merger Agreement provides, among other things, that the Purchaser will be merged with and into the Company (the "Merger") following the satisfaction or waiver of each of the conditions to the Merger set forth in the Merger Agreement. Upon completion of the Merger, each Share issued and outstanding (other than Shares held by the Company, CEMEX, the Purchaser or their respective subsidiaries and other than Shares held by stockholders who properly exercise their appraisal rights under Puerto Rico law) will be converted into the right to receive U.S. $35.00 in cash, without interest. See Section 11 of the Offer to Purchase for a discussion of the Merger Agreement.

4. The Company's board of directors, at a special meeting held on June 11, 2002, with one director absent, unanimously (1) determined that the Merger Agreement and the transactions contemplated thereby, including the Offer and the Merger, are fair to the Company's stockholders and in the best interests of the Company and its stockholders, (2) approved and adopted the Merger Agreement and the transactions contemplated thereby, including the Offer and the Merger, and (3) recommended that the Company's stockholders (A) accept the Offer and (B) if stockholder approval is necessary, approve the Merger Agreement and the Merger. Accordingly, the Company's board of directors has recommended that you accept the Offer and tender all of your Shares pursuant to the Offer.

5. Concurrently with entering onto the Merger Agreement, the Purchaser and CEMEX entered into substantially identical Transaction Support Agreements with four stockholders of the Company that collectively own 1,482,804 Shares, constituting approximately 29% of the Shares outstanding. Under the Transaction Support Agreements, these stockholders have agreed, among other things, to tender their Shares in the Offer and to vote for the Merger. See Section 11 of the Offer to Purchase for a discussion of the Transaction Support Agreements.

6. The Offer and withdrawal rights will expire at 12:00 midnight, Eastern time, on Monday, July 29, 2002 (the "Expiration Date"), unless the Offer is extended.

7. Any stock transfer taxes applicable to the sale of Shares to the Purchaser pursuant to the Offer will be paid by the Purchaser, except as otherwise provided in Instruction 6 of the Letter of Transmittal.

The Offer is conditioned upon, among other things, (1) there being validly tendered (other than by guaranteed delivery where actual delivery has not occurred) and not properly withdrawn prior to the expiration of the Offer a number of Shares which represents at least a majority of the Shares outstanding on a fully diluted basis and (2) any waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the regulations thereunder having expired or been terminated. The Offer is subject to certain other conditions contained in Sections 1 and 15 of the Offer to Purchase. Please read Sections 1 and 15 of the Offer to Purchase, which set forth in full the conditions to the Offer.

The Offer is made solely by the Offer to Purchase and the related Letter of Transmittal and is not being made to (nor will tenders be accepted from or on behalf of) holders of Shares in any jurisdiction in which the making of the Offer or the acceptance thereof would not be in compliance with the laws of such jurisdiction. In those jurisdictions where securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer will be deemed to be made on behalf of the Purchaser by one or more registered brokers or dealers licensed under the laws of such jurisdiction.

If you wish to have us tender any or all of your Shares, please so instruct us by completing, executing and returning to us the instruction form set forth on the reverse side of this letter. An envelope to return your instructions to us also is enclosed. If you authorize the tender of your Shares, all such Shares will be tendered unless otherwise specified on the reverse side of this letter. Your instructions should be forwarded to us sufficiently before the Expiration Date to permit us to submit a tender on your behalf prior to the Expiration Date.

INSTRUCTIONS WITH RESPECT TO THE OFFER TO PURCHASE FOR CASH ALL OUTSTANDING SHARES OF COMMON STOCK

of

Puerto Rican Cement Company, Inc.

by

Tricem Acquisition, Corp.,
an indirect wholly owned subsidiary of
CEMEX, S.A. de C.V.

The undersigned acknowledge(s) receipt of your letter, the enclosed Offer to Purchase, dated July 1, 2002, and the related Letter of Transmittal, in connection with the offer by Tricem Acquisition, Corp., a Puerto Rico corporation (the "Purchaser") and an indirect wholly owned subsidiary of CEMEX, S.A. de C.V., a company organized under the laws of the United Mexican States ("CEMEX"), to purchase all outstanding shares of common stock, par value $1.00 per share (the "Shares"), of Puerto Rican Cement Company, Inc., a Puerto Rico corporation (the "Company"), at a purchase price of U.S. $35.00 per Share, net to the seller in cash, without interest thereon, upon the terms and subject to the conditions set forth in the Offer to Purchase and the Letter of Transmittal.

This will instruct you to tender to the Purchaser the number of Shares indicated below (or, if no number is indicated below, all Shares) that are held by you for the account of the undersigned, upon the terms and subject to the conditions set forth in the Offer to Purchase and the related Letter of Transmittal.

Number of Shares to Be Tendered:*

_____

Account Number:_____

Dated:_____ , 2002

SIGN HERE

_____

_____
Signature(s)

_____

_____

_____

_____
Print Name(s) and
Address(es)

_____

_____

_____
Area Code and Telephone
Number(s)

_____
Taxpayer Identification
or Social Security
Number(s)

* Unless otherwise indicated, it will be assumed that all Shares held by us for your account are to be tendered.

EXHIBIT (a)(6)

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9

OBTAINING A NUMBER

If you don't have a taxpayer identification number ("TIN") or you don't know your number, obtain Form SS-5, Application for a Social Security Card, Form W-7, Application for I.R.S. Individual Taxpayer Identification Number, or Form SS-4, Application for Employer Identification Number, at the local office of the Social Security Administration or the Internal Revenue Service and apply for a number.

PAYEES EXEMPT FROM BACKUP WITHHOLDING

Payees specifically exempted from backup withholding on all dividend and interest payments and on broker transactions include the following:

. A corporation.
. A financial institution.
. An organization exempt from tax under section 501(a), or an individual retirement account, or a custodial account under section 403(b)(7), if the account satisfies the requirements of section 401(f)(2).
. The U.S. or any agency or instrumentality thereof.
. A state, the District of Columbia, a possession of the U.S., or any subdivision or instrumentality thereof.
. A foreign government, a political subdivision of a foreign government, or any agency or instrumentality thereof.
. An international organization, or any agency or instrumentality thereof.
. A registered dealer in securities or commodities registered in the U.S., the District of Columbia, or a possession of the U.S.
. A real estate investment trust.
. A common trust fund operated by a bank under section 584(a).
. An entity registered at all times during the tax year under the Investment Company Act of 1940.
. A foreign central bank of issue.

Further, an exempt charitable remainder trust, or a non-exempt trust described in section 4947(a)(1) is similarly exempted, except on broker transactions.

Payments of dividends and patronage dividends not generally subject to backup withholding include the following:

. Payments to nonresident aliens subject to withholding under section 1441.
. Payments to partnerships not engaged in a trade or business in the U.S. and which have at least one nonresident alien partner.
. Payments of patronage dividends where the amount received is not paid in money.
. Payments made by certain foreign organizations.
. Payments made by an Employee Stock Ownership Plan pursuant to Section 404(k).

Payments of interest not generally subject to backup withholding include the following:

. Payments of interest on obligations issued by individuals.

NOTE: You may be subject to backup withholding if this interest is $600 or more and is paid in the course of the payer's trade or business and you have not provided your correct taxpayer identification number to the payer.

. Payments of tax-exempt interest (including exempt-interest dividends under section 852).
. Payments described in section 6049(b)(5) to nonresident aliens.
. Payments on tax-free covenant bonds under section 1451.
. Payments made by certain foreign organizations.

EXEMPT PAYEES DESCRIBED ABOVE SHOULD FILE THE SUBSTITUTE FORM W-9 TO AVOID POSSIBLE ERRONEOUS BACKUP WITHHOLDING. COMPLETE THE SUBSTITUTE FORM W-9 AS FOLLOWS:

ENTER YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE "EXEMPT" ACROSS THE FACE OF THE FORM, SIGN, DATE, AND RETURN THE FORM TO THE PAYER.

IF YOU ARE A NONRESIDENT ALIEN OR A FOREIGN ENTITY NOT SUBJECT TO BACKUP WITHHOLDINGS, GIVE THE PAYER THE APPROPRIATE COMPLETED INTERNAL REVENUE SERVICE FORM W-8.

Certain payments other than interest, dividends, and patron-age dividends that are not subject to information reporting are also not subject to backup withholding. For details, see the sections 6041, 6041A, 6042, 6044, 6045, 6049, 6050A and 6050N and the regulations thereunder.

PRIVACY ACT NOTICE.--Section 6109 requires most recipients of dividend, interest or other payments to give taxpayer identification numbers to payers who must report the payments to the IRS. The IRS uses the numbers for identification purposes and to help verify the accuracy of tax returns. Payers must be given the numbers whether or not recipients are required to file tax returns. Payers must generally withhold 30% (or such reduced rate as applicable) of taxable interest, dividend, and certain other payments made prior to January 1, 2004, to a payee who does not furnish a taxpayer identification number to a payer. Certain penalties may also apply.

PENALTIES

(1) PENALTY FOR FAILURE TO FURNISH TAXPAYER IDENTIFICATION NUMBER--If you fail to furnish your correct taxpayer identification number to a payer, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.
(2) CIVIL PENALTY FOR FALSE INFORMATION WITH RESPECT TO WITHHOLDING--If you make a false statement with no reasonable basis which results in no imposition of backup withholding, you are subject to a penalty of $500.
(3) CRIMINAL PENALTY FOR FALSIFYING INFORMATION--Willfully falsifying certifications or affirm-ations may subject you to criminal penalties including fines and/or imprisonment.
(4) MISUSE OF TAXPAYER IDENTIFICATION NUMBERS--If the payer discloses or uses taxpayer identification numbers in violation of Federal law, the payer may be subject to civil and criminal penalties.

FOR ADDITIONAL INFORMATION
CONTACT YOUR TAX CONSULTANT OR THE INTERNAL REVENUE SERVICE

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9

Guidelines for Determining the Proper Taxpayer Identification Number to Give the Payer--Social security numbers have nine digits separated by two hyphens: i.e., 000-00-0000. Employer identification numbers have nine digits separated by only one hyphen: i.e., 00-0000000. The table below will help determine the number to give the payer.

For this type of account:	Give the SOCIAL SECURITY number of --	For this type of account:	Give the EMPLOYER IDENTIFICATION number of --
1. An individual's account	The individual	6. A valid trust, estate, or pension trust	The legal entity (Do not furnish the identifying number of the representative or trustee unless the legal entity itself is not designated in the account title) (4)
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account (1)	7. Corporate account	The corporation
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor (2)	8. Partnership account held in the name of the business	The partnership
4. a. The usual revocable savings trust account (grantor is also	The grantor trustee (1)	9. Association, club, religious, charitable, educational, or other	The organization

trustee)		tax-exempt organization	
4. b. So-called trust account that is not a legal or valid trust under state law	The actual owner (1)	10. A broker or registered nominee	The broker or nominee
5. Sole proprietorship account	The owner (3)	11. Account with the Department of Agriculture in the name of the public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

(1) List first and circle the name of the person whose number you furnish. If only one person on a joint account has a social security number, that person's number must be furnished.
(2) Circle the minor's name and furnish the minor's social security number.
(3) Show the name of the owner. The name of the business or the "doing business as" name may also be entered. Either the social security number or the employer identification number may be used.
(4) List first and circle the name of the legal trust, estate, or pension trust.

Note: If no name is circled when there is more than one name, the number will be considered to be that of the first name listed.

EXHIBIT (a)(9)

Media Relations	Investor Relations	Analyst Relations
Daniel Perez Whitaker	Abraham Rodriguez	Jose Antonio Gonzalez
(52 81) 8152-2747	(52 81) 8328-3631	(212) 317-6017
daniel_pw@cemex.com	arodriguez@cemex.com	josegonzalez@cemex.com

[GRAPHIC REMOVED HERE]

CEMEX LAUNCHES TENDER OFFER TO ACQUIRE ALL OUTSTANDING SHARES OF PUERTO RICAN CEMENT COMPANY

MONTERREY, MEXICO, AND SAN JUAN, PUERTO RICO, July 1, 2002. -- CEMEX, S.A. de C.V. ("CEMEX", NYSE: CX), through its subsidiary, Tricem Acquisition, Corp. ("Tricem"), announced today the launch of a tender offer to acquire all outstanding shares of Puerto Rican Cement Company ("PRCC", NYSE: PRN) for US$35 per share net to the selling holders in cash. The offer will expire on Monday, July 29th, 2002 at 12:00 midnight, New York time, unless the offer is extended.

As previously announced, CEMEX has entered into a definitive agreement with PRCC for CEMEX to launch a tender offer for all outstanding shares of PRCC. This transaction was unanimously approved by all of the directors present at meetings of the boards of both PRCC and Tricem, and is subject to the tender of a majority of the outstanding shares of PRCC, regulatory approvals, and other customary closing conditions.

Goldman, Sachs & Co. is acting as financial advisor to CEMEX. UBS Warburg, LLC is acting as financial advisor and is providing a fairness opinion regarding the transaction, for PRCC.

Copies of the tender offer can be obtained from Georgeson Shareholder Communications Inc., the information agent for the tender offer, at 1-800-616-5497. A copy of the tender offer has also been filed with the U.S. Securities and Exchange Commission. Investors and security holders may obtain a copy of these documents filed by CEMEX with the commission at www.sec.gov.

CEMEX is a leading global producer and marketer of cement and ready-mix products, with operations concentrated in the world's most dynamic cement markets across four continents. CEMEX combines a deep knowledge of the local markets with its global network and information technology systems to provide world-class products and services to its customers, from individual homebuilders to large industrial contractors. For more information, visit www.cemex.com.

-- END --

EXHIBIT (a)(10)

Relacion con Medios	Relacion con Inversionistas	Relacion con Analistas
Daniel Perez Whitaker	Abraham Rodriguez	Jose Antonio Gonzalez
(52 81) 8152-2747	(52 81) 8328-3631	(212) 317-6017
daniel_pw@cemex.com	arodriguez@cemex.com	josegonzalez@cemex.com

[GRAPHIC REMOVED HERE]

CEMEX INICIA OFERTA DE COMPRA DEL TOTAL DE ACCIONES DE PUERTO RICAN CEMENT COMPANY

MONTERREY, MEXICO, Y SAN JUAN, PUERTO RICO, Julio 1 de 2002. - CEMEX S.A. de C.V. (BMV: CEMEXCPO), a traves de su subsidiaria Tricem Acquisition, Corp. ("Tricem"), anuncio hoy el inicio de una oferta para adquirir todas las acciones en circulacion de Puerto Rican Cement Company ("PRCC", NYSE: PRN) a un precio neto de US$35 dolares en efectivo por accion. La oferta expirara el 29 de julio de 2002 a las 12:00 de la medianoche, tiempo de Nueva York, a menos que esta sea extendida.

Previamente se habia dado a conocer que ambas companias habian alcanzado un acuerdo definitivo para que CEMEX adquiera a PRCC. La transaccion, que fue aprobada por unanimidad por los miembros presentes en las reuniones de los consejos de PRCC y de Tricem, esta sujeta a que se presenten posturas de venta de la mayoria de las acciones en circulacion de PRCC, obtener las autorizaciones regulatorias correspondientes, y otras condiciones usuales.

Goldman, Sachs & Co. es el asesor financiero de CEMEX en la transaccion. UBS Warburg, LLC es el asesor financiero de PRCC y ha expresado a la compania su opinion respecto a la transaccion.

Copias de la documentacion de la oferta estan disponibles a traves de Georgeson Shareholder Communications Inc., agente de informacion para la oferta, en el telefono: 1-800-616-5497. Ademas, copia de la oferta ha sido registrada en la Comision de Valores de los Estados Unidos. Inversionistas y accionistas pueden obtener copia de esta documentacion registrada por CEMEX en la comision, en el sitio www.sec.gov.

CEMEX es una compania global lider en la produccion y distribucion de cemento, con operaciones posicionadas primariamente en los mercados mas dinamicos del mundo a traves de cuatro continentes. CEMEX combina un profundo conocimiento de los mercados locales con su red mundial de operaciones y sistemas de tecnologia informatica a fin de proveer productos y servicios de clase mundial a sus clientes, desde constructores individuales hasta grandes contratistas industriales. Para mayor informacion, visite www.cemex.com.

--FIN--

EXHIBIT (a)(11)

This announcement is neither an offer to purchase nor a solicitation of an offer to sell Shares (as defined below). The Offer (as defined below) is made only pursuant to the Offer to Purchase, dated July 1, 2002, and the related Letter of Transmittal and any amendments or supplements thereto, and is being made to all holders of Shares. The Offer is not being made to (nor will tenders be accepted from or on behalf of) holders of Shares in any jurisdiction in which the making of the Offer or the acceptance thereof would not be in compliance with the securities, blue sky or other applicable laws of such jurisdiction. However, Purchaser (as defined below) may, in its sole discretion, take such actions as it may deem necessary to make the Offer in any jurisdiction and extend the Offer to holders of Shares in such jurisdiction. In those jurisdictions where securities, blue sky or other applicable laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on behalf of Purchaser by one or more registered brokers or dealers licensed under the laws of such jurisdiction.

Notice of Offer to Purchase for Cash
All Outstanding Shares of Common Stock
of
Puerto Rican Cement Company, Inc.
at
U.S. $35.00 Net Per Share
by
Tricem Acquisition, Corp.,
an indirect wholly owned subsidiary of
CEMEX, S.A. de C.V.

Tricem Acquisition, Corp., a Puerto Rico corporation ("Purchaser") and an indirect wholly owned subsidiary of CEMEX, S.A. de C.V., a corporation organized under the laws of the United Mexican States ("CEMEX"), is offering to purchase all of the outstanding shares of common stock, par value $1.00 per share (the "Shares"), of Puerto Rican Cement Company, Inc., a Puerto Rico corporation (the "Company"), at a price of $35.00 per Share, net to the seller in cash, without interest thereon, pursuant to the terms and subject to the conditions set forth in the Offer to Purchase, dated July 1, 2002 (the "Offer to Purchase"), and in the related Letter of Transmittal (which, together with the Offer to Purchase and any amendments or supplements thereto, collectively constitute the "Offer"). Tendering stockholders who have Shares registered in their names and who tender directly to Citibank, N.A. (the "Depositary") will not be charged brokerage fees or commissions or, subject to Instruction 6 of the Letter of Transmittal, transfer taxes on the purchase of Shares pursuant to the Offer. Stockholders who hold their Shares through a broker or bank, and such broker or bank tenders the Shares on their behalf, should consult such institution as to whether it charges any service fees. Purchaser will pay all charges and expenses of the Depositary and Georgeson Shareholder Communications Inc., which is acting as the information agent for the Offer (the "Information Agent"), incurred in connection with the Offer. Following the consummation of the Offer, Purchaser intends to effect the Merger described below.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON MONDAY, JULY 29, 2002, UNLESS THE OFFER IS EXTENDED.

The Offer is conditioned upon, among other things, (1) there being validly tendered (other than by guaranteed delivery where actual delivery has not occurred) pursuant to the terms and subject to the conditions of the Offer, and not properly withdrawn prior to the expiration of the Offer, that number of Shares which represents at least a majority of the then issued and outstanding Shares of common stock of the Company on a fully diluted basis (the "Minimum Condition"), and (2) any waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the regulations thereunder having expired or been terminated. The Offer also is subject to certain other conditions contained in the Offer to Purchase. It is your responsibility to carefully read and consult with your advisors about such other conditions. Please read Sections 1 and 15 of the Offer to Purchase, which set forth in full important

information describing the conditions to the Offer. Purchaser's obligation to purchase the Shares is not conditioned on any financing arrangements or subject to any financing condition. See Section 9 of the Offer to Purchase for a full

description of CEMEX's and Purchaser's financing arrangements.

The Offer is being made pursuant to the Agreement and Plan of Merger, dated as of June 11, 2002 (the "Merger Agreement"), among CEMEX, Purchaser and the Company. The purpose of the Offer is to permit CEMEX, through Purchaser, to acquire at least a majority voting interest of the then issued and outstanding common stock of the Company as the first step in acquiring the entire equity interest in the Company. The Merger Agreement provides that, among other things, Purchaser will commence the Offer and that as promptly as practicable after the purchase of the majority of the then issued and outstanding Shares of the Company pursuant to the Offer and the satisfaction or waiver of the other conditions set forth in the Merger Agreement and pursuant to relevant provisions of the General Corporation Law of the Commonwealth of Puerto Rico (the "PRGCL"), Purchaser will merge with and into the Company (the "Merger"), with the Company continuing as the surviving corporation. At the effective time of the Merger (the "Effective Time"), each Share issued and outstanding immediately prior to the Effective Time (other than Shares owned by the Company, CEMEX or any of their respective subsidiaries, all of which will be cancelled, and other than Shares that are held by stockholders, if any, who properly exercise their appraisal rights under the PRGCL) automatically will be converted into the right to receive $35.00 in cash, or any higher price that is paid pursuant to the Offer, without interest thereon. Without limiting the foregoing, effective upon the acceptance for payment of Shares pursuant to the Offer pursuant to the terms of the Merger Agreement, the holders of such Shares will sell and assign to CEMEX through Purchaser all right, title and interest in and to all of the Shares tendered (including, but not limited to, such holder's right to any and all dividends and distributions with a declaration date before, and a record date after, the scheduled or extended expiration date of the Offer).

The Company's Board of Directors, at a special meeting held on June 11, 2002, with one director absent, unanimously (1) determined that the Merger Agreement and the transactions contemplated thereby, including the Offer and the Merger, are fair to the Company's stockholders and in the best interests of the Company and its stockholders; (2) approved and adopted the Merger Agreement and the transactions contemplated thereby, including the Offer and the Merger; and (3) recommended that the Company's stockholders (A) accept the Offer and (B) if stockholder approval is necessary, approve the Merger Agreement and the Merger. Accordingly, the Company's Board of Directors has recommended that you accept the Offer and tender all of your Shares pursuant to the Offer.

Concurrently with entering into the Merger Agreement, Purchaser and CEMEX entered into substantially identical Transaction Support Agreements (as defined in the Offer to Purchase) with four stockholders of the Company that collectively own 1,482,804 Shares, constituting approximately 29% of the issued and outstanding Shares of the Company. Under the Transaction Support Agreements, these stockholders have agreed, among other things, to tender their Shares in the Offer and to vote for the Merger.

For purposes of the Offer, Purchaser will be deemed to have accepted for payment, and thereby purchased, the Shares validly tendered (other than by guaranteed delivery where actual delivery has not taken place) and not properly withdrawn as, if and when Purchaser gives oral or written notice to the Depositary of Purchaser's acceptance of such Shares for payment pursuant to the Offer. In all cases, on the terms and subject to the conditions of the Offer, payment for Shares purchased pursuant to the Offer will be made by deposit of the purchase price with the Depositary, which will act as agent for tendering stockholders for the purpose of receiving payment from Purchaser and transmitting such payment to tendering stockholders. Under no circumstances will Purchaser be held responsible for payment of interest on the purchase price of Shares as a consequence of any delay of the agent or any third party in making any payment to the tendering stockholders. Payment for Shares tendered and accepted for payment pursuant to the Offer will be made only after the timely receipt by the Depositary of (i) certificates for such Shares or timely confirmation of a book-entry transfer of such Shares into the Depositary's account at the Book-Entry Transfer Facility (as defined in the Offer to Purchase) pursuant to the procedures set forth in the Offer to Purchase, (ii) a properly completed and duly executed Letter of Transmittal (or manually signed facsimile

thereof) with all required signature guarantees or, in the case of book-entry transfer, an Agent's Message (as defined in the Offer to Purchase), and (iii) any other documents required by the Offer to Purchase and the Letter of

Transmittal.

Subject to the terms of the Merger Agreement, Purchaser may, without the consent of the Company, extend the Expiration Date of the Offer:

(i) if, at the Expiration Date of the Offer, any of the conditions to the Offer have not been satisfied or, to the extent permitted by applicable laws waived, until such conditions are satisfied or, to the extent permitted by the Merger Agreement, waived;

(ii) for any period required by any rule, regulation, interpretation or position of the U.S. Securities and Exchange Commission or the staff thereof applicable to the Offer or any period required by applicable law;

(iii) for up to 10 additional business days in increments of not more than two business days each (but in no event beyond the Termination Date (as defined in the Offer to Purchase)), if, immediately prior to the Expiration Date, the Shares tendered and not withdrawn pursuant to the Offer constitute more than 80% and less than 90% of the then issued and outstanding Shares of the Company, notwithstanding that all conditions to the Offer are satisfied as of the Expiration Date; or

(iv) in certain other circumstances as set forth in Section 1 of the Offer to Purchase; provided, that, in the case of any extension under clause (iii), CEMEX and Purchaser may not thereafter assert the failure of any of the conditions provided for in clause (b)(ii) of Section 15 of the Offer to Purchase, or for purposes of clause (b)(iii) or (c) of Section 15 of the Offer to Purchase, a Company Material Adverse Effect (as defined in the Offer to Purchase) or a material breach of a representation or warranty, in each such case, by reasons of an event other than a knowing, intentional breach by the Company occurring after the initial extension under clause (iii).

Purchaser has agreed in the Merger Agreement that, with certain exceptions, if any condition to the Offer is not satisfied or waived on the Expiration Date, Purchaser must extend the Offer, if such condition or conditions could reasonably be expected to be satisfied, until such conditions are satisfied or waived. See Section 1 and "Termination of the Merger Agreement" of Section 11 of the Offer to Purchase for more details on our ability to extend the Offer. The term "Expiration Date" means 12:00 midnight, Eastern time, on Monday, July 29, 2002, unless Purchaser shall have extended the period of time for which the Offer is open, in which event the term "Expiration Date" shall mean the latest time and date at which the Offer, as so extended by Purchaser, shall expire. Purchaser has the right to include a "subsequent offering period" in the event that the Minimum Condition has been satisfied but the Shares tendered and not withdrawn pursuant to the Offer constitute less than 90% of the Shares as of the Expiration Date. During a subsequent offering period, stockholders may tender, but not withdraw, their Shares and promptly receive the Offer consideration. Pursuant to federal securities laws, Purchaser may not extend the Offer during the subsequent offering period for less than three business days or more than 20 business days (for all such extensions).

Any extension of the period during which the Offer is open will be followed, as promptly as practicable, by public announcement thereof made by Purchaser, such announcement to be issued not later than 9:00 a.m., Eastern time, on the next business day as the previously scheduled Expiration Date. During any such extension, all Shares previously tendered and not properly withdrawn will remain subject to the Offer, subject to the rights of a tendering stockholder to withdraw such stockholder's Shares (except during any subsequent offering period).

Shares tendered pursuant to the Offer may be withdrawn at any time prior to the Expiration Date; however, Shares tendered in any subsequent offering period may not be withdrawn. Except as otherwise provided in Section 4 of the Offer to Purchase, tenders of Shares made pursuant to the Offer are irrevocable. For a withdrawal to be effective, a written, telegraphic or facsimile transmission notice of withdrawal must be timely received by the Depositary at one of its addresses set forth on the back cover of the Offer to Purchase. Any notice of withdrawal must specify the name, address and taxpayer identification number of the person who tendered the Shares to be withdrawn, the number of Shares to be withdrawn and the name of the registered holder of such Shares, if different from that of the person who tendered the Shares. If certificates for Shares to be withdrawn have been delivered or otherwise identified to the Depositary, then,

prior to the physical release of such certificates, the serial numbers shown on such certificates must be submitted to the Depositary and, unless such Shares have been tendered for the account of an Eligible Institution (as defined in the Offer to Purchase), the signature on the notice of withdrawal must be guaranteed by an Eligible Institution. If Shares have been tendered pursuant to the procedures for book-entry transfer as set forth in Section 3 of the Offer to Purchase, such notice of withdrawal must also specify the name and number of the account at the Book-Entry Transfer Facility to be credited with the withdrawn Shares. Please note that all questions as to the form and validity (including time of receipt) of notices of withdrawal will be determined by Purchaser, in its sole discretion, and its determination will be final and binding on all parties.

The exchange of Shares for cash pursuant to the Offer or the Merger will be a taxable transaction for United States federal income tax purposes and possibly for the Commonwealth of Puerto Rico and other state, local and foreign income tax purposes as well. In general, a stockholder who sells Shares pursuant to the Offer or receives cash in exchange for Shares pursuant to the Merger will recognize a gain or loss for United States federal income tax purposes equal to the difference, if any, between the amount of cash received and the stockholder's adjusted tax basis in the Shares sold pursuant to the Offer or exchanged for cash pursuant to the Merger. Provided that such Shares constitute capital assets in the hands of the shareholder, such gain or loss will be capital gain or loss, and will be long-term capital gain or loss if the holder has held the Shares for more than one year at the time of sale. Long term capital gains recognized by an individual generally will be eligible for reduced rates of taxation, and the deductibility of capital losses is subject to limitations. The foregoing assumes that the Company is not a passive foreign investment company with respect to a particular stockholder in which case special tax rules could apply. All stockholders are encouraged to consult with their own tax advisors as to the particular tax consequences of the Offer and the Merger to them, including the applicability and effect of the alternative minimum tax and any state, local or foreign income and other tax laws and of changes in such tax laws. For a more complete description of certain United States federal income tax consequences of the Offer and the Merger, see Section 5 of the Offer to Purchase.

The information required to be disclosed by Paragraph (d)(1) of Rule 14d-6 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended, is contained in the Offer to Purchase and is incorporated herein by reference.

The Company has provided Purchaser with its list of stockholders and security position listings for the purpose of disseminating the Offer to holders of Shares. The Offer to Purchase, the related Letter of Transmittal and other related materials are being mailed to record holders of Shares and will be furnished to brokers, dealers, commercial banks, trust companies and similar persons whose names, or the names of whose nominees, appear on the stockholder list or, if applicable, who are listed as participants in a clearing agency's security position listing for subsequent transmittal to beneficial owners of Shares. The Offer to Purchase and the related Letter of Transmittal contain important information that should be read carefully before any decision is made with respect to the Offer.

Questions and requests for assistance and copies of the Offer to Purchase, the Letter of Transmittal and all other tender offer materials may be directed to the Information Agent at the address and telephone numbers set forth below and will be furnished promptly at Purchaser's expense. Purchaser will not pay any fees or commissions to any broker or dealer or any other person for soliciting tenders of Shares pursuant to the Offer.

The Information Agent for the Offer is:

Georgeson Shareholder

17 State Street, 10th Floor
New York, NY 10004

Banks and Brokers call collect: (212) 440-9800
All Others Call Toll Free: (800) 616-5497

July 1, 2002

EXHIBIT (d)(1)

Conformed Copy

AGREEMENT AND PLAN OF MERGER

BY AND AMONG

CEMEX, S.A. de C.V.

TRICEM ACQUISITION, CORP.

AND

PUERTO RICAN CEMENT COMPANY, INC.

DATED AS OF

June 11, 2002

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AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER, dated as of June 11, 2002 (this "AGREEMENT"), by and among Cemex, S.A. de C.V., a Mexico corporation ("PARENT"), Tricem Acquisition, Corp., a Puerto Rico corporation and an indirect subsidiary of Parent ("PURCHASER"), and Puerto Rican Cement Company, Inc., a Puerto Rico

corporation (the "COMPANY").

WHEREAS, the Boards of Directors of each of Purchaser and the Company have determined that it is advisable and in the best interests of each corporation and its respective shareholders to consummate the acquisition of the Company by Purchaser, upon the terms and subject to the conditions set forth herein;

WHEREAS, in furtherance thereof, it is proposed that Purchaser make a cash tender offer to acquire all shares of the issued and outstanding common stock, U.S. $1.00 par value, of the Company (the "COMPANY COMMON STOCK") for U.S. $35.00 per share, net to the seller in cash;

WHEREAS, Parent, Purchaser and certain holders of Company Common Stock are contemporaneously with the execution of this Agreement entering into separate Transaction Support Agreements, the form of which is attached hereto as Exhibit A (collectively, the "TRANSACTION SUPPORT AGREEMENTS"); and

WHEREAS, also in furtherance of such acquisition, the Boards of Directors of each of Purchaser and the Company have approved this Agreement and the transactions contemplated hereby, including the merger of Purchaser with and into the Company, with the Company as the surviving corporation, following the Offer (as hereinafter defined) and the Board of Directors of the Company has also taken such action as is necessary to render inapplicable to this Agreement and the Transaction Support Agreements and the transactions contemplated hereby and thereby the provisions of Article TENTH of the Company's Certificate of Incorporation.

NOW THEREFORE, in consideration of the mutual covenants, representations, warranties and agreements herein contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. When used in this Agreement, the following terms shall have the respective meanings specified therefor below (such meanings to be equally applicable to both the singular and plural forms of the terms defined).

"ACQUISITION AGREEMENT" shall have the meaning set forth in Section 8.5(b).

"AFFILIATE" of any Person shall mean any other Person directly or indirectly controlling, controlled by, or under common control with, such Person; provided that for the purposes of this definition, "control" (including with correlative meanings, the terms "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or partnership interests, by contract or, otherwise.

"AGREEMENT" shall have the meaning set forth in the preamble hereto.

"ANTITRUST AUTHORITIES" shall have the meaning set forth in Section 8.6(d).

"ANTITRUST LAW" shall have the meaning set forth in Section 8.6(d).

"BALANCE SHEET" means the audited balance sheet of the Company and its consolidated Subsidiaries as of December 31, 2001.

"BANCO POPULAR LOAN AGREEMENTS" means that certain U.S. $5.9 million Credit Agreement between the Company and Banco Popular de Puerto Rico, dated December 28, 2001 and that certain U.S. $15.6 million Credit Agreement between the Company and Banco Popular de Puerto Rico, dated August 10, 2001.

"BUSINESS DAY" means any day other than a Saturday, Sunday or a federal holiday, and shall consist of the time period from 12:01 a.m. through 12:00 midnight Eastern time.

"CERTIFICATE OF MERGER" shall have the meaning set forth in Section 3.1(b).

"CERTIFICATES" shall have the meaning set forth in Section 4.2(b).

"CLEANUP" shall have the meaning set forth in Section 6.16.

"CLOSING" shall have the meaning set forth in Section 3.5.

"CLOSING DATE" shall have the meaning set forth in Section 3.5.

"CODE" shall mean the Internal Revenue Code of 1986, as may be amended from time to time.

"COMPANY" shall have the meaning set forth in the preamble hereto.

"COMPANY BENEFIT PLANS" shall have the meaning set forth in Section 6.11(a).

"COMPANY'S BOARD OF DIRECTORS" shall have the meaning set forth in Section 2.1(a).

"COMPANY BUDGET" shall have the meaning set forth in Section 8.2(b).

"COMPANY COMMON STOCK" shall have the meaning set forth in the recitals hereof.

"COMPANY DISCLOSURE SCHEDULE" shall have the meaning set forth in Section 5.1.

"COMPANY EMPLOYEES" shall have the meaning set forth in Section 8.9(c).

"COMPANY MATERIAL ADVERSE EFFECT" shall mean (i) a material adverse effect on the ability of the Company to perform in all respects its obligations under this Agreement or to consummate the transactions contemplated hereby, (ii) a material adverse effect on the business, assets, liabilities, financial condition or results of operations of the Company and its Subsidiaries, taken as a whole, (iii) as to matters which can reasonably be quantified in economic terms, any effect which has resulted in or would be reasonably expected to result in, with respect to the Company and its Subsidiaries, taken as a whole, a diminution or decrease in the value of properties or assets, an increase in liabilities or obligations (whether accrued, contingent or otherwise), an adverse change in the cash flows, business or financial condition, or any combination thereof involving, individually or in the aggregate, with respect to all applicable representations or warranties, more than U.S. $15 million; provided, that, in calculating such amount, any amounts which are included in the "baskets" set forth in (1) clause (iii) of the last sentence of Section 6.5(c), (2) the first sentence of Section 6.8, (3) Section 6.23(a) and (4) Section 8.2(b)(11)(E) will be included in the determination of whether such U.S. $15 million amount is exceeded, or (iv) a material adverse effect on the long-term ability of the Company and its Subsidiaries, taken as a whole, to continue their operations or to obtain their required supply of raw materials or other production inputs; provided, however, that any effect relating to (a) any changes or developments in the economy in general, the cement, ready mix or construction industries in Puerto Rico generally or effects of weather or meteorological events or acts of terrorism or war, provided, that the Company and its Subsidiaries are not affected by such changes or effects in a materially disproportionate manner as compared to other companies in such industries in Puerto Rico, or (b) the negotiation, announcement, execution, delivery, consummation or anticipation of the transactions contemplated by, or compliance with, this Agreement and the transactions contemplated hereby, shall be excluded for purposes of determining whether a Company Material Adverse Effect has occurred.

"COMPANY PREFERRED STOCK" shall mean that preferred stock of the Company having a par value of five dollars ($5.00) per share as authorized by the Company's Certificate of Incorporation.

"COMPANY SEC REPORTS" shall mean all forms, reports, registration statements and other filings, together with any exhibits, any amendments thereto and information incorporated by reference therein, filed by the Company or any of its Subsidiaries with the SEC since December 31, 1999.

"COMPANY SHAREHOLDER APPROVAL" shall mean the approval of this Agreement

and the Merger at the Company Shareholder Meeting by the holders of a majority of all outstanding shares of Company Common Stock, voting as one class, with each share having one vote.

"COMPANY SHAREHOLDER MEETING" shall have the meaning set forth in Section 8.3(a).

"CONFIDENTIALITY AGREEMENT" shall mean the confidentiality agreement between the Company and Cemex, Inc., dated May 24, 2002.

"CONSUMMATION OF THE OFFER" shall mean the acceptance for payment of shares of Company Common Stock by Purchaser pursuant to the Offer, in accordance with the terms of this Agreement.

"CONTRACTS" shall have the meaning set forth in Section 6.4.

"CURE PERIOD" shall have the meaning set forth in Section 2.1(a).

"DISSENTING SHAREHOLDERS" shall have the meaning set forth in Section 4.1(c).

"EFFECTIVE TIME" shall have the meaning set forth in Section 3.1(b).

"ENVIRONMENTAL CLAIMS" shall have the meaning set forth in Section 6.16.

"ENVIRONMENTAL LAWS" shall have the meaning set forth in Section 6.16.

"ERISA" shall have the meaning set forth in Section 6.11.

"ERISA AFFILIATE" shall have the meaning set forth in Section 6.11.

"EXCHANGE ACT" shall mean the Securities Exchange Act of 1934, as amended.

"FINANCIAL STATEMENTS" means the audited and unaudited financial statements of the Company and its consolidated Subsidiaries included in the Company SEC Reports.

"FOREIGN PLAN" shall have the meaning set forth in Section 6.11.

"GAAP" shall mean generally accepted accounting principles of the United States of America, as in effect from time to time.

"GOVERNMENTAL AUTHORITY" shall have the meaning set forth in Section 6.4.

"HAZARDOUS MATERIALS" shall have the meaning set forth in Section 6.16.

"HSR ACT" shall have the meaning set forth in Section 6.4.

"INDEMNIFIED PARTIES" shall have the meaning set forth in Section 8.7(a).

"INDEPENDENT DIRECTORS" shall have the meaning set forth in Section 2.3(a).

"INITIAL EXPIRATION DATE" shall have the meaning set forth in Section 2.1(a).

"INTELLECTUAL PROPERTY RIGHTS" shall have the meaning set forth in Section 6.14.

"ISSUANCE OBLIGATION" shall have the meaning set forth in Section 6.3(a).

"JOINT PRESS RELEASE" shall have meaning set forth in Section 2.1(b).

"KNOWLEDGE" shall mean, when used in any representation, warranty or covenant of the Company contained herein, the actual or deemed knowledge (as defined below) of the individuals listed on Schedule 1.1 hereto. For purposes hereof, each such individual shall be deemed to have knowledge of any item, matter, fact, occurrence, circumstance or condition which such individual should have known through the exercise of reasonable care or after reasonable inquiry.

"LANDLORD LEASES" shall have the meaning set forth in Section 6.9(b).

"LAWS" shall have the meaning set forth in Section 6.4.

"LIENS" shall mean all security interests, liens, claims, pledges, options, rights of first refusal, charges or other encumbrances of any nature or any other similar limitation or restriction (including any restriction on the right to vote or sell the same, except as may be provided under applicable U.S. federal, state or Puerto Rico securities Laws).

"MATERIAL CONTRACT" shall have the meaning set forth in Section 6.20(a).

"MEASUREMENT DATE" shall mean the first to occur of (a) the date upon which Parent first designates one or more directors of the Company pursuant to Section 2.3(a) and (b) the date upon which the Effective Time occurs.

"MERGER" shall have the meaning set forth in Section 3.1(a).

"MERGER CONSIDERATION" shall have the meaning set forth in Section 4.1(c).

"MINIMUM CONDITION" shall have the meaning set forth in Section 2.1(a).

"NLRB" shall have the meaning set forth in Section 6.11.

"OFFER" shall have the meaning set forth in Section 2.1(a).

"OFFER DOCUMENTS" shall have the meaning set forth in Section 2.1(c).

"OFFER PRICE" shall have the meaning set forth in Section 2.1(a).

"OFFER TO PURCHASE" shall have the meaning set forth in Section 2.1(a).

"ORDERS" shall have the meaning set forth in Section 6.4.

"PARENT" shall have the meaning set forth in the preamble hereto.

"PARENT DESIGNEES" shall have the meaning set forth in Section 2.3.

"PARENT DISCLOSURE SCHEDULE" shall have the meaning set forth in Section 5.1.

"PARENT MATERIAL ADVERSE EFFECT" shall mean any event, change, occurrence, effect, fact or circumstance that is materially adverse to the ability of Parent or Purchaser to perform its obligations under this Agreement or to consummate the transactions contemplated hereby.

"PAYING AGENT" shall have the meaning set forth in Section 4.2(a).

"PBGC" shall have the meaning set forth in Section 6.11.

"PERMITS" shall have the meaning set forth in Section 6.10(b).

"PERSON" shall mean and include an individual, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, a limited liability company, any other entity, a group and a government or other department or agency thereof.

"PONCE" shall have the meaning set forth in Section 6.26.

"PONCE DEBTORS" shall have the meaning set forth in Section 6.26.

"PONCE LOAN COMMITMENTS" shall have the meaning set forth in Section 6.26.

"PONCE LOAN DOCUMENTS" shall have the meaning set forth in Section 6.26.

"PONCE LOANS" shall have the meaning set forth in Section 6.26.

"PRGCL" shall mean the General Corporation Law of the Commonwealth of Puerto Rico, as currently in effect and as amended from time to time.

"PROXY STATEMENT" shall have the meaning set forth in Section 8.3(b).

"PUERTO RICO" shall mean the Commonwealth of Puerto Rico.

"PURCHASER" shall have the meaning set forth in the preamble hereto.

"QUALIFIED PERSON" shall have the meaning set forth in Section 2.3(a).

"REJECTION PERIOD" shall have the meaning set forth in Section 2.1(a).

"RELEASE" shall have the meaning set forth in Section 6.16.

"RETURNS" shall have the meaning set forth in Section 6.13(a).

"SCHEDULE 14D-9" shall have the meaning set forth in Section 2.2(c).

"SCHEDULE TO" shall have the meaning set forth in Section 2.1(c).

"SEC" shall mean the U.S. Securities and Exchange Commission.

"SECURITIES ACT" shall mean the Securities Act of 1933, as amended.

"SUBSEQUENT AMENDMENT" shall have the meaning set forth in Section 2.1.

"SUBSIDIARY" with respect to a Person shall mean (x) any partnership of which such Person or any of its Subsidiaries is a general partner (excluding any such partnership where such Person or any Subsidiary of such Person does not have a majority of the voting interest in such partnership) or (y) any other entity in which such Person together with any of its Subsidiaries owns or has the power to vote more than 50% of the equity interests in such entity having general voting power to participate in the election of the governing body of such entity.

"SUFFICIENT FUNDS" shall have the meaning set forth in Section 7.8.

"SUPERIOR PROPOSAL" shall have the meaning set forth in Section 8.5(a).

"SURVIVING CORPORATION" shall have the meaning set forth in Section 3.1(a).

"TAKEOVER PROPOSAL" shall have the meaning set forth in Section 8.5(a).

"TAXES" shall have the meaning set forth in Section 6.13(a).

"TENANT LEASES" shall have the meaning set forth in Section 6.9(b).

"TERMINATION DATE" shall mean ninety days following commencement of the Offer; provided, however, that if the condition provided for in clause (a) (ii) of Annex I shall not have been satisfied on or prior to such date, then the Termination Date shall be extended until ten Business Days after such condition has been satisfied, but in no event shall the Termination Date be extended beyond one hundred and eighty days following commencement of the Offer.

"TERMINATION FEE" shall have the meaning set forth in Section 10.3.

"THIRD PARTY ACQUISITION EVENT" shall have the meaning set forth in Section 10.3.

"U.S. $" shall mean United States dollars.

"VOTING DEBT" shall have the meaning set forth in Section 6.3(a).

"WARN Act" shall have the meaning set forth in Section 6.22(c).

ARTICLE II

THE OFFER

Section 2.1 THE OFFER.

(a) Provided that this Agreement shall not have been terminated pursuant to Section 10.1 hereof, as promptly as reasonably practicable, but in no event later than fifteen Business Days following the public announcement of the terms of this Agreement (which public announcement shall occur no later than the first Business Day following the execution of this Agreement), Purchaser shall, and Parent shall cause Purchaser to, commence (within the meaning of Rule 14d-2 under the Exchange Act) a tender offer (as it may be amended from time to time as permitted by this Agreement, the "OFFER") to purchase all of the shares of Company Common Stock issued and outstanding at a price of U.S. $35.00 per share, net to the seller in cash (such price, or such higher price per share of Company Common Stock as may be paid in the Offer, being referred to herein as the "OFFER PRICE"). The obligation of Purchaser to accept for payment and pay for shares of Company Common Stock tendered pursuant to the Offer shall be subject only to the condition that there shall be validly tendered (other than by guaranteed delivery where actual delivery has not occurred) in accordance with the terms of the Offer, prior to the expiration date of the Offer and not withdrawn, a number of shares of Company Common Stock that, together with the shares of Company Common Stock then owned by Parent and/or Purchaser, represents at least a majority of the shares of Company Common Stock outstanding on a fully diluted basis (after giving effect to the conversion or exercise of all outstanding options, warrants and other rights to acquire, and securities exercisable or convertible into, Company Common Stock, whether or not exercised or converted at the time of determination) (the "MINIMUM CONDITION") and to the satisfaction or waiver by Purchaser as permitted hereunder of the other conditions set forth in Annex I hereto. The Offer shall be made by means of an offer to purchase (the "OFFER TO PURCHASE") and the related letter of transmittal, each in form reasonably satisfactory to the Company, containing the terms set forth in this Agreement and the conditions set forth in Annex I. Parent and Purchaser agree that the Offer to Purchase will state at least in the summary term sheet and in appropriate places in the Offer to Purchase that "Purchaser's obligation to purchase shares of Company Common Stock under the Offer is not conditioned on any financing arrangements or subject to any financing condition." Without limiting the foregoing, effective upon Consummation of the Offer, the holder of such Company Common Stock will sell and assign to Purchaser all right,

title and interest in and to all of the shares of Company Common Stock tendered (including, but not limited to, such holder's right to any and all dividends and distributions, if any, with a record date before, and a payment date after, the scheduled or extended expiration date).

Purchaser expressly reserves the right, subject to compliance with the Exchange Act, to waive any of the conditions to the Offer and to make any change in the terms of or conditions to the Offer; provided that, without the prior written consent of the Company, which consent must be expressly authorized by the board of directors of the Company (the "COMPANY'S BOARD OF DIRECTORS"), (i) the Minimum Condition may not be waived or changed and (ii) no change may be made that changes the form of consideration to be paid, decreases the Offer Price, decreases the number of shares of Company Common Stock sought in the Offer, adds to or modifies any of the conditions to the Offer set forth in Annex I, makes any other change in the terms of the Offer that is materially adverse to the holders of the Company Common Stock or (except as provided in the next sentence) changes the expiration date of the Offer. Notwithstanding the foregoing, Purchaser may, without the consent of the Company, extend the expiration date of the Offer beyond the Initial Expiration Date, (i) if, immediately before the scheduled or extended expiration date of the Offer, any of the conditions to the Offer shall not have been satisfied or, to the extent permitted, waived, until such conditions are satisfied or waived, (ii) for any period required by any rule, regulation, interpretation or position of the SEC or the staff thereof applicable to the Offer or any period required by applicable Law or (iii) for up to 10 additional business days in increments of not more than two business days each (but in no event beyond the Termination Date), if, immediately prior to the scheduled or extended expiration date of the Offer, the Company Common Stock tendered and not withdrawn pursuant to the Offer constitutes more than 80% and less than 90% of the outstanding Company Common Stock, notwithstanding that all conditions to the Offer are satisfied as of such expiration date of the Offer; provided, that in the case of any extension under clause (iii), Parent or Purchaser may not thereafter assert the failure of any of the conditions provided for in clause (b)(ii) of Annex I or, for purposes of clause (b)(iii) or (c) of Annex I, a Company Material Adverse Effect or a

material breach of a representation or warranty, in each such case, by reason of an event other than a knowing, intentional breach of a covenant by the Company occurring after the initial extension under clause (iii). In addition, Purchaser shall at the request of the Company extend the Offer for a period of time sufficient to provide the applicable Cure Period to the Company in the event of a breach by the Company of a representation, warranty, covenant or other agreement of the Company under this Agreement which breach, in the reasonable judgment of Parent, is capable of being cured during the applicable Cure Period, provided that, at the time of the then scheduled expiration of the Offer, all other conditions to the Offer have been satisfied or waived; and provided, further, that Purchaser shall not be required to extend the Offer for any Cure Period if the Company shall fail to give to Parent notice of its Knowledge of any such breach of a representation, warranty, covenant or agreement within four Business Days of its receipt of such Knowledge. For purposes of this Agreement, "CURE PERIOD" shall mean thirty days from the date on which the Company has Knowledge of a breach by the Company of a representation, warranty, covenant or other agreement under this Agreement, provided that in the event that the Company first has Knowledge of a breach by the Company of a representation, warranty, covenant or other agreement under this Agreement after the Initial Expiration Date, the Cure Period with respect to such breach shall not extend beyond the then-scheduled expiration date of the Offer; and "INITIAL EXPIRATION DATE" shall mean 12:00 midnight Eastern time on the date that is the twentieth Business Day from the commencement date of the Offer in accordance with Rule 14d-2 under the Exchange Act.

If any of the conditions to the Offer (other than those set forth in clause (c) of Annex I) is not satisfied or waived on any scheduled or extended expiration date of the Offer, Purchaser shall, and Parent shall cause Purchaser to, extend the Offer, if such condition or conditions could

reasonably be expected to be satisfied, from time to time until such conditions are satisfied or waived; provided, that Purchaser shall not be required to extend the Offer beyond the earlier to occur of (x) the Termination Date or (y) in the event that it has become publicly known that any Takeover Proposal or amended Takeover Proposal has been made, the expiration of the applicable Rejection Period therefor without such Takeover Proposal or amended Takeover Proposal being publicly rejected by the Company at or prior to the time of such expiration. For the purposes of this Agreement, "REJECTION PERIOD" shall mean (i) with respect to any Takeover Proposal, ten Business Days after the earlier of the time of receipt by the Company of such Takeover Proposal or such time as the Takeover Proposal has become publicly known; (ii) with respect to an amendment to such Takeover Proposal, two Business Days after the earlier of the time of receipt of such amended Takeover Proposal or such time as the amended Takeover Proposal has become publicly known; and (iii) with respect to any subsequent amendment to such Takeover Proposal (a "SUBSEQUENT AMENDMENT"), twenty-four hours after the earlier of the time of receipt of such subsequently amended Takeover Proposal or such time as the subsequently amended Takeover Proposal has become publicly known; provided that any Takeover Proposal made by any Person, any Affiliate of such Person, or group of Persons or their respective Affiliates shall not be deemed to be a new Takeover Proposal if such Person, Affiliate of such Person or member of a group with such Person or their respective Affiliates previously has made a Takeover Proposal. Subject to the foregoing and upon the terms and subject to the conditions of the Offer, Purchaser shall, and Parent shall cause it to, accept for payment and pay for, as promptly as practicable after the expiration of the Offer (or as required by Rule 14d-11 under the Exchange Act), all shares of Company Common Stock validly tendered and not withdrawn pursuant to the Offer. In addition, if, at the scheduled or extended expiration date of the Offer, the Minimum Condition has been satisfied but Company Common Stock tendered and not withdrawn pursuant to the Offer constitutes less than 90% of the outstanding Company Common Stock, without the consent of the Company, Purchaser shall have the right, after it has accepted and paid for all of the Company Common Stock tendered in the initial offer period, to provide for a "subsequent offering period" (as contemplated by Rule 14d-11 under the Exchange Act) for up to 20 Business Days after Purchaser's acceptance for payment of the shares of Company Common Stock then tendered and not withdrawn pursuant to the Offer. During any such subsequent offering period, Purchaser shall immediately accept for payment and promptly pay for all shares of Company Common Stock as they are tendered pursuant to the Offer in accordance with Rule 14d-11 under the Exchange Act.

(b) No later than the first Business Day following execution of this Agreement, and subject to the conditions of this Agreement, Parent shall issue a joint press release with the Company (the "JOINT PRESS RELEASE") regarding this Agreement and its intent to make the Offer and shall file with the SEC the Joint Press Release, under cover of Schedule TO, indicating on the front of such Schedule TO that such filing contains pre-commencement communications.

(c) As soon as practicable on the date of commencement of the Offer, Parent and Purchaser shall file with the SEC a Tender Offer Statement on Schedule TO (together with all amendments and supplements thereto and including the exhibits thereto, the "SCHEDULE TO") with respect to the Offer. The Schedule TO will include or incorporate by reference as exhibits the Offer to Purchase and forms of the letter of transmittal and summary advertisement and all other ancillary documents (collectively, together with any supplements or amendments thereto, the "OFFER DOCUMENTS"). Parent and Purchaser will take all steps necessary to cause the Offer Documents to be disseminated to holders of shares of Company Common Stock to the extent required by applicable federal securities Laws. Parent, Purchaser and the Company each agree promptly to correct any information provided by it for use in the Offer Documents if and to the extent that such information shall have become false or misleading in any material respect. Parent and Purchaser agree to take all steps necessary to cause the Schedule TO as so corrected to

be filed with the SEC and the Offer Documents as so corrected to be disseminated to holders of shares of Company Common Stock, in each case as and to the extent required by applicable federal securities Laws including applicable SEC rules and regulations thereunder. The Company and its counsel shall be given a reasonable opportunity to review and comment on the Schedule TO and the Offer Documents prior to their being filed with the SEC or disseminated to the holders of shares of Company Common Stock. In conducting the Offer, Parent and Purchaser shall comply in all material respects with the provisions of the Exchange Act and any other applicable Law. Purchaser and Parent also agree to provide the Company and its counsel in writing with any comments Purchaser, Parent or their counsel may receive from the SEC or its staff with respect to the Schedule TO or the Offer Documents promptly after the receipt of such comments and shall consult with and provide the Company and its counsel a reasonable opportunity to review and comment on the response of Purchaser to such comments prior to responding.

Section 2.2 COMPANY ACTION.

(a) The Company hereby approves of and consents to the Offer and represents that the Company's Board of Directors, at a meeting duly called and held, has, by the unanimous vote of all directors present, (i) determined that this Agreement and the transactions contemplated hereby, including the Offer and the Merger, are fair to the Company's shareholders and are advisable and in the best interests of the Company and its shareholders, (ii) approved and adopted this Agreement and the transactions contemplated hereby, including the Offer and the Merger, in accordance with the requirements of the PRGCL and has also taken such action as is necessary to render inapplicable to this Agreement and the Transaction Support Agreements and the transactions contemplated hereby and thereby the provisions of Article TENTH of the Company's Certificate of Incorporation and (iii) resolved to recommend acceptance of the Offer and, to the extent required by applicable Law, approval and adoption of this Agreement and the Merger by its shareholders. The Company further represents that UBS Warburg, L.L.C. ("UBS WARBURG") has delivered to the Company's Board of Directors its oral opinion (to be promptly confirmed in writing) that the consideration to be paid in the Offer and the Merger is fair to the holders of shares of Company Common Stock (other than Parent or any of its Affiliates) from a financial point of view. The Company has not been advised by any of its directors or executive officers who own shares of Company Common Stock that such director or executive officer does not intend to tender his or her shares of Company Common Stock pursuant to the Offer. In connection with the Offer, the Company will, or will cause its transfer agent to, promptly furnish Parent with a list of its shareholders, mailing labels and any available listing or computer file containing the names and addresses of all record holders of shares of Company Common Stock and lists in the Company's possession or control of securities positions of shares of Company Common Stock held in stock depositories, in each case as of a recent date, and will provide to Parent such

additional information (including updated lists of shareholders, mailing labels and lists of securities positions) and such other assistance as Parent may reasonably request in connection with the Offer. Subject to the requirements of applicable Laws, and, except for such steps as are necessary to disseminate the Schedule TO and the Offer Documents and any other documents necessary to consummate the Offer and the transactions contemplated by this Agreement, Parent and Purchaser shall hold in confidence the information contained in any such labels, listings and files, shall use such information only in connection with the Offer and the Merger, and, if this Agreement shall be terminated, shall, upon request, destroy all copies of such information then in their possession (and certify such destruction to the Company), except to the extent that such information can be shown to have been previously known on a nonconfidential basis by Parent or Purchaser, in the public domain through no fault of Parent or Purchaser or later Lawfully acquired by Parent or Purchaser on a nonconfidential basis.

(b) Not later than the first Business Day following execution of this Agreement and subject to the conditions of this Agreement, the Company

shall issue the Joint Press Release with Parent and shall file with the SEC the Joint Press Release, under cover of Schedule 14D-9, indicating on the front of such Schedule 14D-9 that such filing contains pre-commencement communications.

(c) As soon as practicable on the day that the Offer is commenced, the Company shall file with the SEC and disseminate to holders of shares of Company Common Stock, in each case as and to the extent required by applicable federal securities Laws, a Solicitation/Recommendation Statement on Schedule 14D-9 (together with any amendments or supplements thereto, the "SCHEDULE 14D-9") that shall reflect the recommendations of the Company's Board of Directors referred to in Section 2.2(a) above. The Company, Parent and Purchaser each agree promptly to correct any information provided by it for use in the Schedule 14D-9 if and to the extent that it shall have become false or misleading in any material respect. The Company agrees to take all steps necessary to cause the Schedule 14D-9 as so corrected to be filed with the SEC and to be disseminated to holders of shares of Company Common Stock, in each case as and to the extent required by applicable federal securities Laws. Parent and its counsel shall be given a reasonable opportunity to review and comment on the Schedule 14D-9 prior to its being filed with the SEC. The Company also agrees to provide Parent and its counsel in writing with any comments the Company or its counsel may receive from the SEC or its staff with respect to the Schedule 14D-9 promptly after the receipt of such comments and shall consult with and provide Parent and its counsel a reasonable opportunity to review and comment on the response of the Company to such comments prior to responding.

Section 2.3 DIRECTORS.

(a) Promptly upon Consummation of the Offer, Parent shall be entitled to designate for appointment or election to the Company's Board of Directors, upon written notice to the Company, such number of directors, rounded up to the next whole number, on the Company's Board of Directors such that the percentage of its designees on the Board shall equal the percentage of the outstanding shares of Company Common Stock owned of record or beneficially by Parent and its direct or indirect Subsidiaries (the "PARENT DESIGNEES"). In connection with the foregoing, the Company has taken all action reasonably necessary to permit the Parent Designees to (i) be elected to the Company's Board of Directors promptly following Consummation of the Offer, including without limitation, increasing the size of the Company's Board of Directors and obtaining the resignation of such number of its current directors as is necessary to give effect to the foregoing provision and (ii) constitute at least the same percentage (rounded up to the next whole number) as is on the Company's Board of Directors of (A) each committee of the Company's Board of Directors, (B) each board of directors (or similar body) of each Subsidiary of the Company and (C) each committee (or similar body) of each such board. Notwithstanding the foregoing, until the Effective Time, the Company's Board of Directors shall have at least three directors who are directors of the Company on the date of this Agreement and who are not officers of the Company or any of its Subsidiaries (the "INDEPENDENT DIRECTORS"); provided, however, that (x) notwithstanding the foregoing, in no event shall the requirement to have at least three Independent Directors result in Parent's designees constituting less than a majority of the Company's Board of Directors unless Parent shall have failed to designate a sufficient number of

Persons to constitute at least a majority and (y) if the number of Independent Directors shall be reduced below three for any reason whatsoever (or if immediately following Consummation of the Offer there are not at least three then-existing directors of the Company who (1) are Qualified Persons (as defined below) and (2) are willing to serve as Independent Directors), then the number of Independent Directors required hereunder shall be reduced to equal the number of then-serving Independent Directors, unless the remaining Independent Director or Independent Directors are able to identify a person or persons, as the case may be, who are not officers or Affiliates of the Company, Parent or any of their respective Subsidiaries (any such person being referred to herein as a "QUALIFIED

PERSON") willing to serve as an Independent Director, in which case such remaining Independent Director or Independent Directors shall be entitled (but not required) to designate any such Qualified Person or Persons to fill such vacancies, and such designated Qualified Person shall be deemed to be an Independent Director for purposes of this Agreement, or if no Independent Directors then remain, the other Directors shall be entitled (but not required) to designate three Qualified Persons to fill such vacancies, and such persons shall be deemed to be Independent Directors for purposes of this Agreement.

The Company shall promptly take all actions required pursuant to Section 14(f) of the Exchange Act and Rule 14f-1 promulgated thereunder in order to fulfill its obligations under this Section 2.3(a), including mailing to shareholders the information required by such Section 14(f) and Rule 14f-1 (which the Company shall mail together with the Schedule 14D-9 if it receives from Parent and Purchaser the information below on a basis timely to permit such mailing) as is necessary to enable the Parent Designees to be elected to the Company's Board of Directors. The Company's obligations to appoint the Parent Designees to the Company's Board of Directors shall be subject to compliance with Section 14(f) of the Exchange Act and Rule 14f-1 promulgated thereunder. Parent or Purchaser shall supply the Company in writing any information with respect to either of them and their nominees, officers, directors and Affiliates required by such Section 14(f) and Rule 14f-1 as is necessary in connection with the appointment of any of Parent's designees under this Section 2.3(a). The provisions of this Section 2.3(a) are in addition to and shall not limit any rights that Purchaser, Parent or any of their Affiliates may have as a holder or beneficial owner of shares of Company Common Stock as a matter of Law with respect to the election of directors or otherwise.

(b) Following the election or appointment of Parent's designees pursuant to Section 2.3(a), the approval by affirmative vote or written consent by a majority of the Independent Directors then in office (or, if there shall be only one Independent Director then in office, the Independent Director) shall be required to authorize (and such authorization shall constitute the authorization of the Company's Board of Directors and no other action on the part of the Company, including any action by any committee thereof or any other director of the Company, shall be required or permitted to authorize) (i) any amendment or termination of this Agreement by the Company, (ii) any extension of time for performance of any obligation or action hereunder by Parent or Purchaser or (iii) any waiver or exercise of any of the Company's rights under this Agreement. Any action that requires approval by the Independent Directors shall be deemed to be approved by a majority of the Independent Directors if there is no Independent Director and such action is approved by the Company's Board of Directors.

Section 2.4 MERGER WITHOUT MEETING OF SHAREHOLDERS. If following Consummation of the Offer (or any subsequent offering period), Purchaser owns at least 90% of the outstanding shares of Company Common Stock, each of the parties hereto shall take all necessary and appropriate action to cause the Merger to become effective as soon as practicable after such acquisition, without the Company Shareholder Meeting, in accordance with Section 3053 of the PRGCL.

ARTICLE III

THE MERGER AND RELATED MATTERS

Section 3.1 THE MERGER.

(a) Upon the terms and subject to the conditions of this Agreement, in accordance with the PRGCL, at the Effective Time the Company and Purchaser shall consummate a merger (the "MERGER") pursuant to which (i) Purchaser shall be merged with and into the Company and the separate corporate existence of Purchaser shall thereupon cease and (ii) the Company shall be the surviving corporation in the Merger (sometimes hereinafter referred to as

the "SURVIVING CORPORATION") and shall continue its corporate existence under the Laws of the Commonwealth of Puerto Rico.

(b) Upon the terms and subject to the conditions of this Agreement, on the date of the Closing (or on such other date as Parent and the Company may agree), Parent, Purchaser and the Company shall file with the Department of State of Puerto Rico a certificate of merger or other appropriate documents (in any such case, the "CERTIFICATE OF MERGER") executed and acknowledged in accordance with the relevant provisions of the PRGCL, and shall make all other filings or recordings required under the PRGCL. The Merger shall become effective on the later of the date on which the Certificate of Merger has been duly filed with the Department of State of Puerto Rico or such time as is agreed upon by the parties and specified in the Certificate of Merger, and such time is hereinafter referred to as the "EFFECTIVE TIME."

(c) From and after the Effective Time, the Merger shall have the effects set forth in this Agreement and in Section 3059 of the PRGCL.

Section 3.2 CERTIFICATE OF INCORPORATION OF THE SURVIVING CORPORATION. The Certificate of Incorporation of the Company, as in effect immediately prior to the Effective Time, shall be the Certificate of Incorporation of the Surviving Corporation until such time that the Certificate of Incorporation is amended thereafter in accordance with the PRGCL and subject to Section 8.7(a) hereof.

Section 3.3 BY-LAWS OF THE SURVIVING CORPORATION. The By-Laws of the Company, as in effect immediately prior to the Effective Time, shall be the By-Laws of the Surviving Corporation until such time that the By-Laws are amended thereafter in accordance with the PRGCL and subject to Section 8.7(a) hereof.

Section 3.4 DIRECTORS AND OFFICERS OF THE SURVIVING CORPORATION. At the Effective Time, the directors of Purchaser immediately prior to the Effective Time shall be the directors of the Surviving Corporation, each of such directors to hold office, subject to the applicable provisions of the PRGCL and the Certificate of Incorporation and By-Laws of the Surviving Corporation, until the earlier of their resignation or the next annual shareholders' meeting of the Surviving Corporation and until their respective successors shall be duly elected or appointed and qualified. At the Effective Time, the officers of the Company immediately prior to the Effective Time shall, subject to the applicable provisions of the Certificate of Incorporation and By-Laws of the Surviving Corporation, be the officers of the Surviving Corporation until the earlier of their resignation or their respective successors shall be duly elected or appointed and qualified.

Section 3.5 CLOSING. The closing of the Merger (the "CLOSING") shall take place at 10:00 a.m., local time, on a date to be specified by the parties, or, if no such date is specified, on the second Business Day after satisfaction or, to the extent permitted by applicable Law, waiver by the applicable parties, of all of the conditions set forth in Article IX hereof (the "CLOSING DATE"), at a location to be mutually agreed to by the Company and Parent.

Section 3.6 SUBSEQUENT ACTIONS. If at any time after the Effective Time the Surviving Corporation determines that any deeds, bills of sale, instruments of conveyance, assignments, assurances or any other actions or things are necessary or desirable to vest, perfect or confirm of record or otherwise in the Surviving Corporation its right, title or interest in, to or under any of the rights, properties or assets of either of the Company or Purchaser vested or to be vested in the Surviving Corporation as a result of, or in connection with, the Merger or otherwise to carry out this Agreement, the officers and directors of the Surviving Corporation shall be authorized to execute and deliver, in the name and on behalf of either the Company or Purchaser, all such deeds, bills of sale, instruments of conveyance,

assignments and assurances and to take and do, in the name and on behalf of each of such entity or otherwise, all such other actions and things as may be necessary or desirable to vest, perfect or confirm all right, title and interest in, to and under such rights, properties or assets in the Surviving Corporation or otherwise to carry out this Agreement.

ARTICLE IV

CONVERSION OF SECURITIES

Section 4.1 CONVERSION OF CAPITAL STOCK. As of the Effective Time, by virtue of the Merger and without any action on the part of the holders of any shares of Company Common Stock or any shares of capital stock of Purchaser:

(a) Purchaser Capital Stock. Each share of capital stock of Purchaser issued and outstanding immediately prior to the Effective Time shall be converted into and become one fully paid and nonassessable share of common stock of the Surviving Corporation.

(b) Cancellation of Treasury Stock and Purchaser-Owned Stock. All shares of Company Common Stock that are owned by the Company, any Subsidiary of the Company, Parent or any Subsidiary of Parent immediately prior to the Effective Time shall be cancelled and retired and shall cease to exist and no consideration shall be delivered in exchange therefor.

(c) Exchange of Shares of Company Common Stock. Each share of Company Common Stock (other than shares to be cancelled in accordance with Section 4.1(b) and any shares that are held by shareholders exercising appraisal rights pursuant to Section 3062 of the PRGCL ("DISSENTING SHAREHOLDERS")) issued and outstanding immediately prior to the Effective Time shall be converted into the right to receive the Offer Price in cash, payable to the holder thereof, without interest (the "MERGER CONSIDERATION"), upon surrender of the certificate formerly representing such share in the manner provided in Section 4.2. All such shares, when so converted, shall no longer be outstanding and shall automatically be cancelled and retired and shall cease to exist, and each holder of a certificate representing any such shares shall cease to have any rights with respect thereto, except the right to receive the Merger Consideration therefor upon the surrender of such certificate in accordance with Section 4.2, without interest.

Section 4.2 EXCHANGE OF CERTIFICATES.

(a) Paying Agent. Prior to the Effective Time, Parent shall designate a bank or trust company organized under the Laws of the United States or any state thereof and located therein reasonably acceptable to the Company to act as agent for the holders of shares of Company Common Stock in connection with the Merger (the "PAYING AGENT") to receive in trust the funds to which holders of such shares shall become entitled pursuant to Section 4.1(c). At the Effective Time, Parent shall deposit with the Paying Agent cash in U.S. dollars in an amount sufficient to pay the Merger Consideration as provided herein. The Paying Agent shall invest such funds as directed by the Parent on a daily basis; provided that no such investment or loss thereon shall affect the amounts payable to the Company's shareholders pursuant to this Article IV. Parent and the Surviving Corporation shall replace any monies lost through an investment made pursuant to this Section 4.2. Any interest and other income resulting from such investments shall be the exclusive property of and shall be paid promptly to the Parent.

(b) Exchange Procedures. As soon as reasonably practicable after the Effective Time, the Paying Agent shall mail to each holder of record of a certificate or certificates, which immediately prior to the Effective Time represented outstanding shares of Company Common Stock (the "CERTIFICATES"), whose shares were converted pursuant to Section 4.1 into the right to receive the Merger Consideration (i) a letter of transmittal (which shall specify that delivery shall be effected, and risk of loss and title to the

Certificates shall pass, only upon delivery of the Certificates to the Paying Agent and shall be in such form and have such other provisions as Parent and the Company may reasonably specify) and (ii) instructions for use in effecting the surrender of the Certificates in exchange for payment of the Merger Consideration. Upon surrender of a Certificate for cancellation to the Paying Agent or to such other agent or agents as may be appointed by Parent, together with such letter of transmittal, duly executed, the holder of such Certificate shall be entitled to receive in exchange therefor the Merger Consideration for each share formerly represented by such Certificate and the Certificate so surrendered shall forthwith be cancelled. If payment of the Merger Consideration is to be made to a Person other than the Person in whose name the surrendered Certificate is registered, it shall be a condition of payment that the Certificate so surrendered shall be properly endorsed or shall be otherwise in proper form for transfer and that the Person requesting such payment shall have paid any transfer and other Taxes required by reason of the payment of the Merger Consideration to a Person other than the registered holder of the Certificate surrendered or shall have established to the satisfaction of the Surviving Corporation that such tax either has been paid or is not applicable. Until surrendered as contemplated by this Section 4.2, each Certificate shall be deemed at any time after the Effective Time to represent only the right to receive the Merger Consideration in cash contemplated by this Section 4.2. The right of any shareholder to receive the Merger Consideration shall be subject to and reduced by any applicable withholding Tax obligation.

(c) Transfer Books; No Further Ownership Rights in the Shares of Company Common Stock. At the Effective Time, the stock transfer books of the Company shall be closed and thereafter there shall be no further registration of transfers of the shares of Company Common Stock on the records of the Company. From and after the Effective Time, the holders of Certificates evidencing ownership of the shares of Company Common Stock outstanding immediately prior to the Effective Time shall cease to have any rights with respect to such shares of Company Common Stock, except as otherwise provided for herein or by applicable Law, subject, however, to the Surviving Corporation's obligation to pay any dividends or make any other distributions with a record date prior to the Effective Time that may have been declared or made by the Company on such shares of Company Common Stock in accordance with the terms of this Agreement or prior to the date of this Agreement and that remain unpaid at the Effective Time. If, after the Effective Time, Certificates are presented to the Surviving Corporation for any reason, they shall be cancelled and exchanged as provided in this Article IV except as otherwise provided by Law.

(d) Termination of Fund; No Liability. At any time following six months after the Effective Time, the Surviving Corporation shall be entitled to require the Paying Agent to deliver to it any funds (including any interest received with respect thereto) that had been made available to the Paying Agent and that have not been disbursed to holders of Certificates, and thereafter such holders shall be entitled to look to the Surviving Corporation (subject to abandoned property, escheat or other similar Laws) only as general creditors thereof with respect to the Merger Consideration payable upon due surrender of their Certificates, without any interest thereon. Notwithstanding the foregoing, none of Parent, Purchaser, the Surviving Corporation or the Paying Agent shall be liable to any holder of a Certificate for Merger Consideration delivered to a public official pursuant to any applicable abandoned property, escheat or similar Law.

Section 4.3 APPRAISAL RIGHTS. Notwithstanding anything in this Agreement to the contrary, if any Dissenting Shareholder shall demand to be paid the fair cash value of such holder's shares of Company Common Stock, as provided in Section 3062 of the PRGCL, such shares shall not be converted into or be exchangeable for the right to receive the Merger Consideration except as provided in this Section 4.3, and the Company shall give Parent notice of any written objections to this Agreement or the Merger under Section 3062 of the PRGCL received by the Company and of any demands received

by the Company for the fair cash value of any shares of Company Common Stock and Parent shall have the right to participate in all negotiations and proceedings with respect to any such demands. Neither the Company nor the Surviving Corporation shall, except with the prior written consent of Parent, voluntarily make any payment with respect to, or settle or offer to settle, any such demand

for payment. If any Dissenting Shareholder shall fail to perfect or shall have effectively withdrawn or lost the right to dissent, the shares of Company Common Stock held by such Dissenting Shareholder shall thereupon be treated as though such shares had been converted into the Merger Consideration at the Effective Time pursuant to Section 4.1.

Section 4.4 LOST, STOLEN OR DESTROYED CERTIFICATES. If any Certificate shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen or destroyed and, if required by Parent, the posting by such Person of a bond in such reasonable amount as Parent may direct as indemnity against any claim that may be made against it with respect to such Certificate, the Paying Agent shall deliver the Merger Consideration for each of the shares of Company Common Stock represented by such Certificate.

ARTICLE V

DISCLOSURE SCHEDULES; STANDARDS

FOR REPRESENTATIONS AND WARRANTIES

Section 5.1 DISCLOSURE SCHEDULES. Prior to the execution and delivery of this Agreement, the Company has delivered to Parent, and Parent has delivered to the Company, a schedule (in the case of the Company, the "COMPANY DISCLOSURE SCHEDULE," and in the case of Parent, the "PARENT DISCLOSURE SCHEDULE") setting forth, among other things, items the disclosure of which the Company or Parent, as the case may be, desires or is required to make either in response to an express disclosure requirement contained in a provision of this Agreement or as an exception to one or more of such party's representations, warranties, covenants or agreements contained in Article VI, in the case of the Company, or Article VII, in the case of Parent and Purchaser, or to one or more of such party's covenants contained in Article VIII. Notwithstanding anything in this Agreement to the contrary (i) no such item is required to be set forth in the Disclosure Schedule as an exception to a representation or warranty (other than the representations and warranties contained in Sections 6.1(a), 6.1(c), 6.1(d), 6.2, 6.3, 6.5, 6.6, 6.7, 6.15, 6.17, 6.18, 6.19, 6.25, 7.1, 7.2, 7.4 and 7.5) if its absence would not result in the related representation or warranty being deemed untrue or incorrect under the standard established by Section 5.2, and (ii) the mere inclusion of an item in a Disclosure Schedule in response to an express disclosure requirement or as an exception to a representation, warranty or covenant shall not be deemed an admission by a party that such item is material or represents a material exception or material fact, event or circumstance or that such item has had or would reasonably be expected to have a Company Material Adverse Effect or Parent Material Adverse Effect, as the case may be.

Section 5.2 STANDARDS. No representation or warranty of the Company contained in Article VI (other than the representations and warranties contained in Sections 6.1(a), 6.1(c), 6.1(d), 6.2, 6.3, 6.5, 6.6, 6.7, 6.15, 6.17, 6.18, 6.19 and 6.25) or of Parent and Purchaser in Article VII (other than the representations and warranties contained in Sections 7.1, 7.2, 7.4 and 7.5) shall be deemed untrue or incorrect for any purpose under this Agreement or the Offer and no party hereto shall be deemed to have breached any such representation or warranty for any purpose under this Agreement, in any case as a consequence of the existence or absence of any fact, circumstance or event unless such fact, circumstance or event, individually or when taken together with all other facts, circumstances or events inconsistent with any such representations or warranties contained in Article VI, in the case of the Company, or Article VII, in the case of Parent and Purchaser, has had or would reasonably be expected to have a Company

Material Adverse Effect or Parent Material Adverse Effect, as the case may be.

ARTICLE VI
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as set forth in the Company Disclosure Schedule, the Company represents and warrants to, and covenants and agrees with, Parent and Purchaser as set forth below in this Article VI. Each exception set forth in the Company Disclosure Schedule and each other response to this Agreement set forth in the

Company Disclosure Schedule is identified by reference to, or has been grouped under a heading referring to, a specific individual Section of this Agreement.

Section 6.1 DUE ORGANIZATION, GOOD STANDING AND POWER.

(a) The Company and each of its Subsidiaries is duly organized, validly existing and in good standing under the Laws of the jurisdiction of its organization, and each such Person has all requisite corporate (or partnership, or limited liability company as applicable) power and authority to own, lease and operate its properties and to carry on its business as now being conducted.

(b) The Company and each of its Subsidiaries is duly qualified or licensed to do business as a foreign corporation or other entity and is in good standing in each jurisdiction in which such qualification is required.

(c) The Company has made available to Parent true, complete and correct copies of the Certificate of Incorporation and By-Laws of the Company, in each case as amended (if so amended) to the date of this Agreement, and has made available the certificates or articles of incorporation and by-laws or other organizational documents of its Subsidiaries, in each case as amended (if so amended) to the date of this Agreement.

(d) The respective certificates or articles of incorporation and by-laws or other organizational documents of the Subsidiaries of the Company do not contain any provision limiting or otherwise restricting the ability of the Company to control such Subsidiaries. Section 6.1(d) of the Company Disclosure Schedule sets forth a list of all Subsidiaries of the Company and their respective jurisdictions of incorporation or organization and identifies the Company's (direct or indirect) percentage of equity ownership therein.

Section 6.2 AUTHORIZATION AND VALIDITY OF AGREEMENT. The Company has the requisite corporate power and authority to execute and deliver this Agreement and, subject to obtaining the Company Shareholder Approval, if necessary, to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution, delivery and performance of this Agreement by the Company, and the consummation by it of the transactions contemplated hereby, have been duly authorized and approved by the Company's Board of Directors and no other corporate action on the part of the Company is necessary to authorize the execution, delivery and performance of this Agreement by the Company and the consummation of the transactions contemplated hereby, other than obtaining the Company Shareholder Approval, if necessary, and the filing of the Certificate of Merger. This Agreement has been duly executed and delivered by the Company and, assuming the due and valid authorization, execution and delivery of this Agreement by each of Parent and Purchaser, this Agreement is a valid and binding obligation of the Company enforceable against the Company in accordance with its terms.

Section 6.3 CAPITALIZATION.

(a) The authorized capital stock of the Company consists of 20,000,000 shares of Company Common Stock and 2,000,000 shares of Company

Preferred Stock. As of March 31, 2002, (i) 5,148,474 shares of Company Common Stock were issued and outstanding, (ii) zero shares of Company Preferred Stock were issued and outstanding and (iii) 851,526 shares of Company Common Stock were held by the Company in its treasury. All issued and outstanding shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and nonassessable and free from preemptive rights. There are no outstanding or authorized options, warrants, rights, subscriptions, agreements, obligations, convertible or exchangeable securities, or other commitments, contingent or otherwise, relating to shares of capital stock or other equity interests of the Company or any of its Subsidiaries, pursuant to which the Company or any of its Subsidiaries is or may become obligated to issue shares of its capital stock or other equity interests or any securities convertible into, exchangeable for, or evidencing the right to subscribe for, any shares of the capital stock or other equity interests of the Company or any of its Subsidiaries (each an "ISSUANCE OBLIGATION"). There are no outstanding obligations of the Company to repurchase, redeem or otherwise acquire any outstanding securities of the Company. The Company has no authorized or outstanding bonds, debentures, notes or other indebtedness the holders of which have the right to vote (or convertible or exchangeable into or exercisable for

securities the holders of which have the right to vote) with the shareholders of the Company on any matter ("VOTING DEBT"). There are no restrictions (other than restrictions under state corporation statutes or similar Laws) of any kind which prevent or restrict the payment of dividends by the Company or any of its Subsidiaries and there are no limitations or restrictions (other than restrictions on sales or other dispositions under federal, state or Puerto Rico securities Laws) on the right to sell or otherwise dispose of such capital stock or other ownership interests.

(b) All of the issued and outstanding shares of capital stock of each Subsidiary are beneficially owned by the Company, directly or indirectly, and all such shares are validly issued, fully paid and nonassessable and free from preemptive rights. No Subsidiary of the Company has outstanding Voting Debt and there are no obligations of the Company or any of its Subsidiaries to repurchase, redeem or otherwise acquire any outstanding securities of any of its Subsidiaries or any capital stock of, or other ownership interests in, any of its Subsidiaries.

(c) Except for the Company's interest in its Subsidiaries, the Company does not directly or indirectly own any equity or similar interest in, or any interest convertible into or exchangeable or exercisable for any equity or similar interest in, any corporation, partnership, joint venture, limited liability company or other business association or entity which is material to the Company and its Subsidiaries, taken as a whole.

(d) No indebtedness of the Company or any of its Subsidiaries contains any restriction upon (i) the prepayment of any indebtedness of the Company or its Subsidiaries, (ii) the incurrence of indebtedness by the Company or its Subsidiaries or (iii) the ability of the Company or any of its Subsidiaries to grant any Lien on the properties or assets of the Company or its Subsidiaries.

Section 6.4 CONSENTS AND APPROVALS; NO VIOLATIONS. Assuming (i) the filings required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR ACT"), and any similar filings as may be required pursuant to Puerto Rico or other Law, are made and the waiting periods thereunder (if applicable) have been terminated or expired, (ii) the prior notification, reporting, approval or consent requirements of other antitrust or competition Laws as may be applicable are satisfied and any antitrust filings/notifications that must or may be effected in countries having jurisdiction are made and any applicable waiting periods thereunder have been terminated or expired, (iii) the applicable requirements of the Exchange Act are met, (iv) the requirements under any applicable foreign, state or Puerto Rico securities or blue sky Laws are met, (v) the filing of the Certificate of Merger and other appropriate merger documents, if any, as

required by the PRGCL, are made, and (vi) in the case of this Agreement and the Merger, the Company Shareholder Approval is received if necessary, the execution and delivery of this Agreement by the Company and the consummation by the Company of the transactions contemplated hereby (including the changes in the composition of the Company's Board of Directors) and the performance by the Company of its obligations hereunder and the performance of the Transaction Support Agreements do not and will not: (A) violate or conflict with any provision of the Company's Certificate of Incorporation (including Article TENTH thereof) or the Company's By-Laws or the comparable governing documents of any of its Subsidiaries; (B) cause the Company to violate or conflict with (x) any United States federal, state, foreign or Puerto Rico statute, law, ordinance, rule or regulation (together, "LAWS") or (y) any order, judgment, decree or writ (together, "ORDERS") of any court, tribunal, arbitrator, authority, agency, commission, official or other instrumentality of the United States, Puerto Rico, any foreign country or any domestic or foreign state, county, city or other political subdivision (a "GOVERNMENTAL AUTHORITY") or (z) any Permit, in each case, applicable to the Company or any of its Subsidiaries or by which any of their respective properties or assets may be bound; (C) require any filing with, or permit, consent or approval of, or the giving of any notice to, any Governmental Authority by the Company; or(D) result in a violation or breach of, conflict with, constitute (with or without due notice or lapse of time or both) a default under, or result in the creation of any Lien upon any of the properties or assets of the Company or any of its Subsidiaries under, or give rise to any obligation, right of termination, cancellation, acceleration or increase of any obligation or a loss of a benefit under, any of the terms,

conditions or provisions of any note, bond, mortgage, indenture, license, franchise, permit, agreement, contract, understanding, arrangement, lease or other instrument, whether written or oral, ("CONTRACTS") to which the Company or any of its Subsidiaries is a party, or by which any such Person or any of its properties or assets are bound. There are no third-party consents or approvals required to be obtained by the Company under the Contracts prior to the consummation of the transactions contemplated by this Agreement.

Section 6.5 COMPANY REPORTS AND FINANCIAL STATEMENTS.

(a) Since December 31, 1999, the Company and, to the extent applicable, its Subsidiaries, have filed all forms, reports and documents (including exhibits and all other information incorporated therein) with the SEC required to be filed by it pursuant to the federal securities Laws and the SEC rules and regulations thereunder, and all forms, reports, schedules, registration statements and other documents filed with the SEC by the Company and, to the extent applicable, its Subsidiaries have complied in all material respects with all applicable requirements of the federal securities Laws, including the SEC rules and regulations promulgated thereunder. The Company has, prior to the date of this Agreement, made available to Parent true, complete and correct copies of all Company SEC Reports filed by the Company and its Subsidiaries with the SEC between December 31, 1999 and the date of this Agreement. As of their respective dates, the Company SEC Reports did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. Section 6.5(a) of the Company Disclosure Schedule contains a true, complete and correct copy of all correspondence since December 31, 1999 to date between the Company and the SEC, other than routine transmittal letters.

(b) The Financial Statements (i) comply as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC, (ii) were prepared in accordance with GAAP applied on a consistent basis (except as may be indicated therein or in the notes or schedules thereto) and (iii) present fairly in all material respects the consolidated financial position of the Company and its consolidated Subsidiaries as of the dates thereof and their consolidated results of operations and changes in shareholders' equity and cash flows for the periods

then ended (subject, in the case of unaudited interim statements, to normal year-end adjustments).

(c) Except as set forth on the Balance Sheet, neither the Company nor any of its Subsidiaries has any liability or obligation of any nature (whether accrued, absolute, contingent or otherwise), in each case that is required by GAAP to be set forth on a consolidated balance sheet of the Company and its consolidated Subsidiaries, except for (i) liabilities and obligations incurred in connection with this Agreement and fees and expenses related thereto, and (ii) liabilities and obligations incurred in the ordinary course of business consistent with past practice which would not reasonably be expected to, individually or in the aggregate, have a Company Material Adverse Effect. Neither the Company nor any of its Subsidiaries is in default in respect of the terms and conditions of any indebtedness or other agreement which would reasonably be expected to, individually or in the aggregate, have a Company Material Adverse Effect. The Company has no obligations under any "off-balance sheet" financings or similar transactions, other than such obligations (i) that are specifically disclosed in its reports to the SEC, (ii) that constitute lease transactions entered into in the ordinary course of business, or (iii) that are not specified in clauses (i) or (ii) and do not represent obligations in excess of U.S. $100,000 in the aggregate.

Section 6.6 INFORMATION TO BE SUPPLIED.

(a) Each of the Schedule 14D-9 and the Proxy Statement and the other documents required to be filed by the Company with the SEC in connection with the Offer, the Merger and the other transactions contemplated hereby will comply as to form in all material respects with the requirements of the Exchange Act and the rules and regulations of the SEC thereunder and will not, on the date of its filing or, in the case of the Proxy Statement, on the date it is mailed to shareholders of the Company and at the time of the Company Shareholder Meeting, and none of the written information supplied or to be supplied by the Company

expressly for inclusion or incorporation by reference in the Schedule TO or the Offer Documents will at the time the Schedule TO or the Offer Documents are filed with the SEC and first published, sent or given to the Company's shareholders, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(b) Notwithstanding the foregoing provisions of this Section 6.6, no representation or warranty is made by the Company with respect to statements made or incorporated by reference in the Proxy Statement or the Schedule 14D-9 based on information supplied by Parent or Purchaser expressly for inclusion or incorporation by reference therein or based on information which is not included in or incorporated by reference in such documents but which should have been disclosed pursuant to Section 7.4.

Section 6.7 ABSENCE OF CERTAIN EVENTS. Except as explicitly disclosed in the Company SEC Reports filed prior to the date of this Agreement or as required or expressly permitted by this Agreement, since December 31, 2001 the Company and its Subsidiaries have in all material respects operated their respective businesses only in the ordinary course and there has not occurred (i) any event, change, occurrence, effect, fact, circumstance or condition which would reasonably be expected to, individually or in the aggregate, have a Company Material Adverse Effect; and (ii) as of the date hereof, neither the Company nor any of its Subsidiaries has taken any of the actions described in Sections 8.2(b)(1), (2), (3), (5), (6), (7), (8), (9), (10), (13), (14), (15), (17) or (18).

Section 6.8 LITIGATION. Other than with respect to claims that are subject to complete insurance coverage (other than with respect to deductibles pursuant to the Company's insurance policies) pursuant to the Company's general liability, automobile or workers compensation insurance

policies and which do not exceed U.S. $25,000 individually or U.S. $250,000 in the aggregate, and except as explicitly disclosed in the Company SEC Reports filed prior to the date of this Agreement, there are no investigations, actions, suits or proceedings pending against the Company or its Subsidiaries or, to the Knowledge of the Company, threatened against the Company or its Subsidiaries (or any of their respective properties, rights or franchises), at Law or in equity, or before or by any Puerto Rico, federal, state, local or foreign commission, board, bureau, agency, regulatory or administrative instrumentality or other Governmental Authority or any arbitrator or arbitration tribunal. The Company does not have Knowledge of any valid basis for any action, proceeding or investigation against the Company or any of its Subsidiaries. Neither the Company nor any of its Subsidiaries is subject to any judgment that has not been satisfied in all respects or any order or decree that remains in effect, which in any such case was entered in any lawsuit or proceeding in which the Company or any of its Subsidiaries was a party.

Section 6.9 TITLE TO PROPERTIES; ENCUMBRANCES; LEASES.

(a) The Company and each of its Subsidiaries has good, valid and indefeasible title to all of its tangible properties and assets, with full right to convey the same; in each case subject to no Liens, except for (A) Liens reflected in the Balance Sheet, (B) Liens consisting of zoning or planning restrictions, easements, permits and other restrictions or limitations on the use of real property or irregularities in title thereto that do not detract from the value of, or impair the use of, such property by the Company or any of its Subsidiaries in the operation of their respective businesses and (C) Liens for current Taxes, assessments or governmental charges or levies on property not yet due or which are being contested in good faith. Neither the Company nor any of its Subsidiaries has granted any options or rights of first refusal or rights of first offer to third parties to purchase or otherwise acquire an interest in any of its tangible properties and assets. All properties and assets reflected in the Balance Sheet have an aggregate fair market and realizable value at least equal to the aggregate value thereof as reflected therein.

(b) The Company and each of its Subsidiaries has valid leasehold interests in each of its leased premises (collectively, the "TENANT LEASES"). Each Tenant Lease is in full force and effect, no notice of any default has been

delivered by any landlord under any of the Tenant Leases and to the Knowledge of the Company there are no facts which would now or with the giving of notice or the passage of time or both be a default under the terms of any of the Tenant Leases. There are no pending claims by any tenant as to premises leased to tenants by the Company or any of its Subsidiaries (collectively, the "LANDLORD LEASES") and there are no pending claims by such tenants for offsets against rent or other monetary claims made by tenants against the Company or any of its Subsidiaries in its capacity as landlord.

Section 6.10 COMPLIANCE WITH LAWS. Except with respect to Taxes, which are the subject of Section 6.13, environmental matters, which are the subject of Section 6.16, employee benefits matters, which are the subject of Section 6.11, and labor matters, which are the subject of Section 6.22, and except as explicitly disclosed in the Company SEC Reports filed prior to the date of this Agreement:

(a) The Company and each of its Subsidiaries have complied and are presently complying with all applicable Laws, and neither the Company nor any of its Subsidiaries has received written notification of any asserted present or past failure to so comply.

(b) The Company and its Subsidiaries hold, to the extent legally required, all Puerto Rico, federal, state, local and foreign permits, approvals, licenses, authorizations, certificates, rights, exemptions and orders from Governmental Authorities (the "PERMITS") that are required for the operation of the respective businesses of the Company and its

Subsidiaries as now conducted.

(c) Each of the Company's and its Subsidiaries' tangible properties and assets is in material compliance with all applicable Laws, including, without limitation, all Laws with respect to zoning, building, fire and health codes.

Section 6.11 EMPLOYEE BENEFIT PLANS

(a) Section 6.11(a) of the Company Disclosure Schedule contains a true and complete list of each deferred compensation and each incentive compensation, equity compensation plan, "welfare" plan, fund or program (within the meaning of section 3(1) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")); "pension" plan, fund or program (within the meaning of section 3(2) of ERISA); each employment, termination or severance agreement; and each other employee benefit plan, fund, program, agreement or arrangement, in each case, that is sponsored, maintained or contributed to or required to be contributed to by the Company or by any trade or business, whether or not incorporated (an "ERISA AFFILIATE"), that together with the Company would be deemed a "single employer" within the meaning of section 4001(b) of ERISA, or to which the Company or an ERISA Affiliate is party, whether written or oral, for the benefit of any employee or former employee of the Company or any Subsidiary of the Company (the "COMPANY BENEFIT PLANS").

(b) With respect to each Company Benefit Plan, the Company has furnished to Buyer a complete and correct copy of each Company Benefit Plan and any amendments thereto (or if the Company Benefit Plan is not a written plan, a description thereof), any related trust or other funding vehicle, any reports or summaries required under ERISA or the Code and the most recent determination letter received from the Internal Revenue Service with respect to each Company Benefit Plan intended to qualify under section 401 of the Code.

(c) No liability under Title IV of ERISA has been incurred by the Company, any Subsidiary of the Company or any ERISA Affiliate since December 31, 1997 that has not been satisfied in full, and, to the Knowledge of the Company, no condition exists that presents a material risk to the Company, any Subsidiary of the Company or any ERISA Affiliate of incurring any liability under such Title, other than liability for premiums due to the Pension Benefit Guaranty Corporation ("PBGC"), which payments have been or will be made when due. Insofar as the representation made in this Section 6.11(c) applies to Section 4064, 4069 or 4204 of ERISA, it is made with respect to any employee benefit plan, program, agreement or arrangement subject to Title IV of ERISA to which the Company, any Subsidiary of the Company or any ERISA Affiliate made, or was required to make,

contributions during the six-year period ending on the last day of the most recent plan year ended before the date of this Agreement. The PBGC has not instituted proceedings to terminate any Company Benefit Plan and, to the Knowledge of the Company, no condition exists that presents a material risk that such proceedings will be instituted. All contributions and premiums required to be paid under (i) the terms of each of the Company Benefit Plans subject to ERISA and (ii) Section 302 of ERISA and Section 412 of the Code, have, to the extent due, been paid in full or properly recorded on the financial statements or records of the Company or an ERISA Affiliate. No Company Benefit Plan or any trust established thereunder has incurred any "accumulated funding deficiency" (as defined in Section 302 of ERISA or Section 412 of the Code), whether or not waived.

(d) No Company Benefit Plan is a "multiemployer pension plan," as defined in section 3(37) of ERISA, nor is any Company Benefit Plan a plan described in section 4063(a) of ERISA.

(e) Each of the Company Benefit Plans has been operated and administered in all material respects in accordance with applicable laws,

including but not limited to ERISA and the Code. The administrator of each of the Company Benefit Plans that is intended to be "qualified" within the meaning of Section 401(a) of the Code has received a currently effective determination letter from the IRS stating that it is so qualified, and, to the Knowledge of the Company no event has occurred which would adversely affect the Company's ability to rely on such determination. None of the Company, any Subsidiary of the Company, any ERISA Affiliate, any of the Company Benefit Plans, any trust created thereunder, nor to the Company's Knowledge, any trustee or administrator thereof has engaged in a transaction or has taken or failed to take any action in connection with which the Company, any Subsidiary of the Company or any ERISA Affiliate could be subject to any material liability for either a civil penalty assessed pursuant to Section 409 or 502(i) of ERISA or a tax imposed pursuant to Section 4975, 4976 or 4980B of the Code. There are no pending or, to the Knowledge of the Company, threatened claims by or on behalf of any Company Benefit Plan, by any employee or beneficiary under any such Company Benefit Plan or otherwise involving any such Company Benefit Plan (other than routine claims for benefits). Neither the Company nor any ERISA Affiliate is a party to any agreement or understanding, whether written or unwritten, with the PBGC, the IRS, the Department of Labor or the Centers for Medicare and Medicaid Services with respect to a Company Benefit Plan.

(f) Section 6.11(f) of the Company Disclosure Schedule sets forth (i) each Company Benefit Plan which provides medical, surgical, hospitalization, death or similar benefits (whether or not insured) for employees or former employees of the Company or any Subsidiary of the Company for periods extending beyond their retirement or other termination of service, other than (x) coverage mandated by applicable law, (y) death benefits under any "pension plan," or (z) benefits the full cost of which is borne by the current or former employee (or his beneficiary) and (ii) any unfunded liability of the Company or and Subsidiary of the Company with respect to each such Company Benefit Plan.

(g) The consummation of the transactions contemplated by this Agreement will not, either alone or in combination with another event, (i) entitle any current or former employee or officer of the Company or any ERISA Affiliate to severance pay, unemployment compensation or any other payment, except as expressly provided in this Agreement, or (ii) accelerate the time of payment or vesting, or increase the amount of compensation due any such employee or officer.

(h) No "leased employee," as that term is defined in Section 414(n) of the Code, performs services for the Company. The Company has not (i) used the services or workers provided by third party contract labor suppliers, temporary employees, "leased employees," or individuals who have provided services as independent contractors in such a manner as would reasonably be expected to cause such workers to have become eligible to participate in the Company Benefit Plans or (ii) used the services of individuals to an extent that would reasonably be expected to result in the disqualification of any of the Company Benefit Plans or the imposition of penalties or excise taxes with respect to the Company Benefit Plans by the Internal Revenue Service, the Department of Labor, the PBGC, or any other Governmental Body.

(i) With respect to each Company Benefit Plan established or maintained outside of the United States of America primarily for benefit of employees of the Company residing outside the United States of America (a "FOREIGN PLAN"): (i) all employer and employee contributions to each Foreign Plan required by law or by the terms of such Foreign Plan have been made, or, if applicable, accrued, in accordance with normal accounting practices; (ii) the fair market value of the assets of each funded Foreign Plan, the liability of each insurer for any Foreign Plan funded through insurance or the book reserve established for any Foreign Plan, together with any accrued contributions, is sufficient to procure or provide for the accrued benefit obligations, as of the Measurement Date, with respect to all current and former participants in such plan according to the actuarial assumptions and

valuations most recently used to determine employer contributions to such Foreign Plan and no transaction contemplated by this Agreement shall cause such assets or insurance obligations to be less than such benefit obligations; and (iii) each Foreign Plan required to be registered has been registered and has been maintained in good standing with applicable regulatory authorities.

Section 6.12 BOOKS AND RECORDS. The books of account, minute books, stock record books and other records of the Company and the Subsidiaries of the Company have been maintained in accordance with sound business practices and the requirements of Section 13(b)(2) of the Exchange Act. The Company has made available to Parent the complete minute books of the Company and its Subsidiaries for all periods after December 31, 1997, and such minute books contain true and correct records of all corporate action taken by the Company's and each of its Subsidiaries' shareholders, Boards of Directors and committees of the Boards of Directors since December 31, 1997, and no meeting of any of such shareholders, the Boards of Directors or such committees has been held for which minutes have not been prepared and are not contained in such minute books.

Section 6.13 TAXES. Except as explicitly disclosed in the Company SEC Reports filed prior to the date of this Agreement:

(a) The Company and each of its Subsidiaries has timely filed or caused to be timely filed with the appropriate taxing authorities all returns, statements, forms and reports for federal income and other Taxes (as hereinafter defined) ("RETURNS") that are required to be filed by, or with respect to, the Company and such Subsidiaries on or prior to the Closing Date. The Returns as filed were true, correct and complete and accurately reflect all liability for Taxes for the periods covered thereby. "TAXES" shall mean all taxes, assessments, charges, duties, fees, levies or other governmental charges including, without limitation, all Puerto Rico, federal, state, local, foreign and other income, franchise, profits, capital gains, capital stock, transfer, sales, use, value-added, occupation, property, excise, severance, windfall profits, stamp, license, payroll, withholding and other taxes, assessments, charges, duties, fees, levies or other governmental charges of any kind whatsoever (whether payable directly or by withholding and whether or not requiring the filing of a Return), all estimated taxes, and all deficiency assessments, additions to tax, penalties and interest with respect thereto and shall include any liability for such amounts as a result either of being a member of a combined, consolidated, unitary or affiliated group or of a contractual obligation to indemnify, any Person.

(b) All Taxes and liabilities for Taxes of the Company and its Subsidiaries that have become due and payable have been timely paid or fully provided for as a liability on the Financial Statements of the Company and its Subsidiaries (or in the notes thereto) in accordance with GAAP. Since the date of the Balance Sheet, neither the Company nor any of its Subsidiaries has incurred liability for Taxes other than in the ordinary course of business.

(c) No deficiencies for any Taxes have been asserted or assessed against the Company or any of its Subsidiaries, which are not fully reserved for or which are not being contested in good faith by appropriate proceedings. No Governmental Authority is currently conducting a tax audit or investigation with respect to the Company or any of its Subsidiaries, or has asked in writing for an extension or waiver of an applicable statute of limitations. With respect to Taxes or any Return, no power of attorney has been executed by the Company or any of its Subsidiaries. To the Company's Knowledge, there is no dispute or claim concerning any liability for Taxes of the Company or any Company

Subsidiary either claimed or raised by any taxing authority in writing.

(d) Neither the Company nor any of its Subsidiaries has been a member of any affiliated group within the meaning of Section 1504(a) of the

Code, or any similar affiliated or consolidated group for tax purposes under Puerto Rico, state, local or foreign Law (other than a group the common parent of which is the Company), or has any liability for Taxes of any Person (other than the Company and its Subsidiaries) under Treasury Regulation Section 1.1502-6 or any similar provision of Puerto Rico, state, local or foreign Law as a transferee or successor, by contract or otherwise.

(e) All Taxes which the Company or any of its Subsidiaries is (or was) required by Law to withhold or collect have been duly withheld or collected, and have been timely paid over to the proper authorities to the extent due and payable.

(f) There are no Tax sharing, allocation, indemnification or similar agreements (in writing) in effect as between the Company, any of its Subsidiaries, or any predecessor or Affiliate of any of them and any other party under which the Company (or any of its Subsidiaries) could be liable for any Taxes of any party other than the Company or any Subsidiary of the Company.

(g) Neither the Company nor any of its Subsidiaries is a party to any agreement, plan, contract or arrangement that could result, separately or in the aggregate, in a payment of any "excess parachute payments" within the meaning of Section 280G of the Code.

(h) No election under Section 341(f) of the Code has been made or shall be made prior to the Closing Date to treat the Company or any of its Subsidiaries as a consenting corporation, as defined in Section 341 of the Code.

(i) No transaction contemplated by this Agreement is subject to withholding under Section 1445 of the Code.

(j) There are no Liens for Taxes upon any property or assets of the Company or any of its Subsidiaries, except for Liens for Taxes not yet due or for which adequate reserves have been established in accordance with GAAP.

(k) No unresolved claim that the Company or any of its Subsidiaries is or may be subject to Taxes has been made by any taxing authority in a jurisdiction where the Company or any of its Subsidiaries does not pay Taxes or file Returns.

Section 6.14 INTELLECTUAL PROPERTY. The Company and its Subsidiaries own, or are validly licensed or otherwise have the right to use in the manner currently used, all patents, patent rights, trademarks, trademark rights, trade names, trade name rights, service marks, service mark rights, copyrights and other proprietary intellectual property rights and computer programs (collectively, "INTELLECTUAL PROPERTY RIGHTS") which are used in the conduct of the business of the Company and its Subsidiaries and the consummation of the transactions contemplated hereby will not alter or impair any Intellectual Property Rights in any respect. No claims are pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries that the Company or any of its Subsidiaries is infringing or otherwise adversely affecting the rights of any person with regard to any Intellectual Property Right. To the Knowledge of the Company, no person is infringing the rights of the Company or any of its Subsidiaries with respect to any Intellectual Property Right.

Section 6.15 BROKERS; SCHEDULE OF FEES AND EXPENSES. No broker, investment banker, financial advisor or other person, other than UBS Warburg, the fees and expenses of which will be paid by the Company, is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated hereby based upon arrangements made by or on behalf of the Company. The estimated professional fees and expenses incurred and to be incurred by the Company in connection with the Offer, the Merger and the other transactions contemplated hereby

(including the fees of UBS Warburg and the fees of the Company's legal counsel) are set forth in Section 6.15 of the Company Disclosure Schedule. The Company has furnished to Parent a true, complete and correct description of the financial details of all agreements between the Company and UBS Warburg relating to the Offer, the Merger and the other transactions contemplated hereby, copies of which have been provided to Parent.

Section 6.16 ENVIRONMENTAL MATTERS.

(a) Definitions.

(i) "Cleanup" means all actions required under Environmental Laws to: (1) cleanup, remove, treat or remediate the Release of Hazardous Materials in the indoor or outdoor environment; (2) prevent the Release of Hazardous Materials so that they do not migrate, endanger or threaten the indoor or outdoor environment; (3) perform government-required pre-remedial studies and investigations and post-remedial monitoring and care; or (4) respond to any lawful government requests for information or documents in any way relating to cleanup, removal, treatment or remediation or potential cleanup, removal, treatment or remediation of the Release of Hazardous Materials in the indoor or outdoor environment.

(ii) "Environmental Claim" means any written claim, action, cause of action, or investigation or notice by any person or entity alleging potential liability (including, without limitation, potential liability for investigatory costs, Cleanup costs, governmental response costs, natural resources damages, property damages, personal injuries, or penalties) arising out of, based on or resulting from (a) the Release of any Hazardous Materials at any location, whether or not owned or operated by the Company, or (b) circumstances forming the basis of any violation, or alleged violation, of any Environmental Law.

(iii) "Environmental Laws" means all applicable written federal, state, local and foreign laws and regulations relating to pollution or protection of human health or the environment, including without limitation, laws relating to Releases or threatened Releases of Hazardous Materials or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, Release, disposal, transport or handling of Hazardous Materials and all laws and regulations with regard to recordkeeping, notification, disclosure and reporting requirements respecting Hazardous Materials.

(iv) "Hazardous Materials" means all substances defined as Hazardous Substances, Oils, Pollutants or Contaminants in the National Oil and Hazardous Substances Pollution Contingency Plan, 40 C.F.R. ss. 300.5, or defined as such by, or regulated as such under, any Environmental Law.

(v) "Release" means any release, spill, emission, discharge, leaking, pumping, injection, deposit, disposal, dispersal, leaching or migration into the indoor or outdoor environment (including, without limitation, ambient air, surface water, groundwater and surface or subsurface strata) or into or out of any property, including the movement of Hazardous Materials through or in the air, soil, surface water, groundwater or property.

(b) Representations and Warranties on Environmental Matters.

(i) The Company is in material compliance with all Environmental Laws (which compliance includes, but is not limited to, the possession by the Company of all material permits and other material governmental authorizations required under Environmental Laws, and material compliance with the terms and conditions thereof). The Company has not received any written communication, whether from a governmental

authority, citizens group or employee, alleging that the Company is not in

such material compliance, and. to the Knowledge of the Company, there are no past or present actions, activities, circumstances, conditions, events or incidents that may prevent or interfere with such compliance in the future.

(ii) No transfers of permits or other governmental authorizations under Environmental Laws, and no additional permits or other governmental authorizations under Environmental Laws, will be required to permit the Buyer to conduct the business of the Company in material compliance with all Environmental Laws immediately following the Effective Time, as conducted by the Company immediately prior to the Effective Time. To the extent that such transfers or additional permits and other governmental authorizations are required, the Company agrees to use its reasonable best efforts to cooperate with the Parent to effect such transfers and obtain such permits and other governmental authorizations prior to the Effective Time.

(iii) There is no Environmental Claim pending or, to the Knowledge of the Company, threatened against the Company or against any person or entity whose liability for any Environmental Claim the Company has expressly retained or assumed either contractually or by operation of law.

(iv) The Company has not and, to the Knowledge of the Company, no other person has placed, stored, deposited, discharged, buried, dumped or disposed of Hazardous Materials or any other wastes produced by, or resulting from, any business, commercial or industrial activities, operations or processes, on, beneath or adjacent to any property currently or formerly owned, operated or leased by the Company, except for inventories of such substances to be used, and wastes generated therefrom, in the ordinary course of business of the Company (which inventories and wastes, if any, were and are stored or disposed of in accordance with applicable Environmental Laws and in a manner such that there has been no Release of any such substances).

(v) The Company has delivered or otherwise made available for inspection to Parent true, complete and correct copies and results of any material reports, studies, analyses, tests or monitoring possessed or initiated by the Company pertaining to Hazardous Materials in, on, beneath or adjacent to any property currently or formerly owned, operated or leased by the Company, or regarding the Company's material compliance with Environmental Laws.

Section 6.17 TAKEOVER STATUTES. The Company's Board of Directors has approved the Offer, the Merger and this Agreement and, assuming the accuracy of Parent's and Purchaser's representations in Section 7.6, such approval is sufficient and no further action by the Company Board of Directors is required to render inapplicable to the Offer, the Merger, this Agreement and the other transactions contemplated hereby the provisions of Article Tenth of the Company's Certificate of Incorporation. The Company's Board of Directors has also taken such action as is necessary to render inapplicable to the Transaction Support Agreements and the transactions contemplated thereby the provisions of Article TENTH of the Company's Certificate of Incorporation. No other "fair price," "moratorium," "control share," "business combination," "affiliate transaction," or other anti-takeover statute or similar statute or regulation of any jurisdiction is applicable to the Offer, the Merger, this Agreement and the other transactions contemplated hereby.

Section 6.18 VOTING REQUIREMENTS; BOARD APPROVAL.

(a) The affirmative vote of the holders of a majority of the outstanding shares of the Company Common Stock, voting as one class with each share having one vote, is the only vote of the holders of any class or series

of the Company's capital stock necessary to approve this Agreement, the Merger and the transactions contemplated hereby.

(b) The Company's Board of Directors has, as of the date of this Agreement, (i) unanimously determined that the Offer and the Merger are fair to the Company's shareholders, and are in the best interests of the Company and its

shareholders, (ii) approved this Agreement and the transactions contemplated hereby and (iii) resolved to recommend that the shareholders of the Company approve and adopt this Agreement, the Offer and the Merger.

Section 6.19 OPINION OF FINANCIAL ADVISOR. The Company has received the oral opinion of UBS Warburg (to be promptly confirmed in writing) to the effect that, as of the date of this Agreement, the consideration to be paid in the Offer and the Merger is fair to the holders of shares of the Company Common Stock (other than Parent or any of its Affiliates) from a financial point of view, and a true, complete and correct copy of such opinion has been, or promptly upon receipt thereof will be, delivered to Parent. The Company has been authorized by UBS Warburg to permit the inclusion of such opinion in its entirety in the Schedule 14D-9 and Proxy Statement, and references thereto in Schedule TO and the Offer Documents so long as such references are in form and substance reasonably satisfactory to UBS Warburg and its counsel.

Section 6.20 CONTRACTS.

(a) Neither the Company nor any of its Subsidiaries is a party to or bound by any contract, arrangement, commitment or understanding (whether written or oral) that: (i) is an employment agreement that upon Consummation of the Offer or the effectiveness of the Merger, will (either alone or upon the occurrence of any additional acts or events) result in any payment or benefits (whether of severance pay or otherwise) becoming due, or the acceleration or vesting of any rights to any payment or benefits, from Parent, Purchaser, the Company or the Surviving Corporation or any of their respective Subsidiaries to any officer, director, consultant or employee thereof, (ii) is a material contract (as defined in Item 601(b)(10) of Regulation S-K of the SEC) to be performed (in whole or in part) after the date of this Agreement that has not been filed or incorporated by reference in the Company SEC Reports, (iii) which contains any material prohibition on the conduct of any business or line of business, or any material limitation on the scope of business that may be conducted, by the Company of any of its Subsidiaries, including geographic limitations on the Company's or any of its Subsidiaries' activities or (iv) (including any stock option plan, stock appreciation rights plan, restricted stock plan or stock purchase plan) any of the benefits of which will be increased, or the vesting of the benefits of which will be accelerated, by the occurrence of any of the transactions contemplated by this Agreement, or the value of any of the benefits of which will be calculated on the basis of any of the transactions contemplated by this Agreement. Each contract, arrangement, commitment or understanding of the type described in this Section 6.20(a), whether or not set forth in Section 6.20(a) of the Company Disclosure Schedule, is referred to herein as a "MATERIAL CONTRACT." The Company has previously made available to Parent true, complete and correct copies of each Material Contract.

(b) Each Material Contract is valid and binding and in full force and effect, (ii) no default exists on the part of the Company or any of its Subsidiaries under any such Material Contract and no event or condition exists which constitutes or, after notice or lapse of time or both, would constitute, a default on the part of the Company or any of its Subsidiaries under any such Material Contract and (iii) to the Knowledge of the Company no other party to such Material Contract is in default in any respect thereunder.

Section 6.21 PLANTS AND EQUIPMENT. The plants, structures and equipment necessary for the continued operation of the Company or any of its Subsidiaries are structurally sound with no defects and, taking into account

ordinary wear and tear, are in good operating condition and repair and are sufficient to produce the products of the Company and its Subsidiaries, taken as a whole, in quantities not less than the quantities produced in any calendar year since 1996. Other than as set forth in the Company Budget, none of such plants, structures or equipment is in need of maintenance or repairs except for ordinary, routine maintenance and repairs, which in nature and cost are consistent with past practice or normal expectations. Each of the facilities of the Company and its Subsidiaries has all required mining Permits and concessions to produce raw materials and production inputs in sufficient quantities for the production of products of the Company and its Subsidiaries in the amounts currently produced.

Section 6.22 LABOR AND EMPLOYMENT MATTERS. Except as set forth on

Schedule 6.22 of the Company's Disclosure Schedule, (a) the Company is not party to or bound by any collective bargaining agreement or any other agreements with a labor union; (b) to the Knowledge of the Company there has been no labor union prior to the date hereof organizing any employees of the Company into one or more collective bargaining units and the Company has not received notice that any representation petition respecting the employees of the Company has been filed with the National Labor Relations Board ("NLRB"); (c) there is not now, and there has not been since December 31, 1999 any actual or, to the Knowledge of the Company, threatened labor dispute, strike, slowdown or work stoppage which affects or may affect the business of the Company or which may interfere with its continued operations; (d) to the Knowledge of the Company, neither the Company nor any employee, agent or representative thereof, have since December 31, 1999 committed any unfair labor practice as defined in the National Labor Relations Act, as amended, and there is no pending or, to the Knowledge of the Company, threatened charge or complaint against the Company by or with the NLRB or any representative thereof; (e) to the Knowledge of the Company, the Company is in compliance with all applicable Laws respecting employment and employment practices, terms and conditions of employment, health and safety, and wages and hours; (f) the Company has not received written notice of any investigation, charge or complaint against the Company pending before the Equal Employment Opportunity Commission or any other federal, state, or Puerto Rico government agency or court or other tribunal regarding an unlawful employment practice; (g) there are no complaints, lawsuits, arbitrations or other proceedings pending or, to the Knowledge of the Company, threatened by or on behalf of any present or former employee of the Company alleging breach of any express or implied contract of employment; (h) the Company is and has been in compliance with all notice and other requirements under the Worker Adjustment and Retaining Notification Act ("WARN") or similar Puerto Rico statute.

Section 6.23 CERTAIN CONTRACTS

(a) There are no Contracts (other than loan agreements) between (i) the Company or any of its Subsidiaries, on the one hand, and (ii) any director, officer or employee of the Company or its Subsidiaries, any Affiliate of any director, officer or employee of the Company or its Subsidiaries or any Person the equity interests of which are more that 5% owned by any director, officer or employee of the Company or its Subsidiaries, on the other hand, other than any such Contracts that will terminate or expire prior to or as of Consummation of the Offer, in each case providing for payments in the aggregate of more than U.S. $25,000 in any 12-month period or U.S. $50,000 over the remaining duration of any such Contracts, and not to exceed U.S. $250,000 in the aggregate.

(b) There are no Contracts between the Company or any of its Subsidiaries with any Person (i) requiring that the Company or such Subsidiary purchase or sell any product or service exclusively from or to any Person, (ii) prohibiting the Company or any of its Subsidiaries from selling products or services to any Person, (iii) requiring the Company or any of its Subsidiaries to purchase all of their requirements of any product or service from any Person or (iv) requiring the Company to pay for any product or

service regardless of whether or not the Company avails itself of such product or service.

(c) There are no Contracts between the Company or any of its Subsidiaries with any Person with a term of more than two years providing for payments of more than U.S. $50,000 in any 12-month period or U.S. $100,000 over the remaining duration of any such Contracts and not to exceed U.S. $250,000 in the aggregate in any 12-month period that are not cancelable by the Company without penalty, payment or other obligation.

Section 6.24 INSURANCE. The Company and its Subsidiaries have insurance coverage in amounts and with deductibles which are customary for a company similar in size, location and industry to the Company and its Subsidiaries.

Section 6.25 CERTAIN ACTIONS. None of the Company or any of its Subsidiaries, or any of their respective officers, directors or, to the Knowledge of the Company, any of their employees or representatives has taken any action or made any payment since December 31, 1997 that would constitute a breach of the United States Foreign Corrupt Practices Act.

Section 6.26 PONCE LOANS AND LOAN COMMITMENTS

(a) Definitions.

(i) "PONCE DEBTORS" means the Person or Persons, directly or indirectly, obligated on or in respect of a Ponce Loan or Ponce Loan Commitment (other than the Company or any Subsidiary of the Company), including any guarantor or other provider of security.

(ii) "PONCE LOANS" means all of the following owed to or held by Ponce or by the Company relating to Ponce (including any of the following fully or partially charged off the books of the Company):

(A) loans, advances or other extensions of credit, including customer liabilities (on letters of credit or otherwise), and including in all cases loans made to pay interest accruing on loans whether or not due or payable (sometimes referred to as capitalized interest);

(B) all Liens (including security interests), rights (including rights of set-off), remedies, powers, privileges, demands, priorities, equities and benefits owned or held by, or accruing or to accrue to or for the benefit of, the holder of the obligations or instruments referred to in clause (A) above, including but not limited to those arising under or based upon Ponce Loan Documents, standby letters of credit, payment bonds and performance bonds at any time and from time to time existing with respect to any of the obligations or instruments referred to in clause (A) above; and

(C) all amendments, modifications, renewals, extensions, refinancings and refundings of or for any of the foregoing.

(iii) "PONCE LOAN COMMITMENTS" means the collective reference to each commitment or obligation on the part of Ponce or the Company relating to Ponce to extend credit to any Person.

(iv) "PONCE LOAN DOCUMENTS" means the agreements, instruments, certificates, or other documents at any time evidencing or otherwise relating to, governing, or executed in connection with, or as security for a Ponce Loan or a Ponce Loan Commitment, including without limitation, security agreements, notes, bonds, acceptances and letters of credit issued in connection therewith, loan agreements, letter of

credit applications, letters of credit, drafts, guarantees, assignments, security agreements, pledges, subordination or priority agreements, undertakings, security instruments, financing statements, certificates, documents, participation and assignment agreements and inter-creditor agreements, and all amendments, modifications, renewals, extensions, rearrangements and substitutions with respect to any of the foregoing.

(v) "PONCE" means Ponce Capital Corp., a wholly owned Subsidiary of the Company.

(b) Representations on Ponce Loans and Ponce Loan Commitments.

(i) Each Ponce Loan or Ponce Loan Commitment was made by Ponce or the Company in the ordinary course of business consistent with past practice, is at a rate of interest usual and customary for such Ponce Loan or Ponce Loan Commitment and is collectible in accordance with its terms, subject to any reserves for uncollectible Ponce Loans set forth on the Balance Sheet and applicable bankruptcy, insolvency, reorganization, moratorium and similar Laws affecting creditors' rights generally. Each Ponce Loan is secured by a Lien on collateral with a value in excess of the amount owed under such Ponce Loan. Section 6.26 of the Company Disclosure Schedule sets forth as of the date of this Agreement: (i) the unpaid principal balance of each Ponce Loan as well as the aggregate amount of any Ponce Loan Commitment, (ii) the payment status and maturity date of each Ponce Loan and (iii) the interest rate associated with each Ponce Loan and

Ponce Loan Commitment.

(ii) Each Ponce Loan Document constitutes a valid, legal and binding obligation of the Debtors thereunder, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar Laws affecting creditors' rights generally; each Ponce Loan Document contains customary and enforceable provisions such as to render the rights and remedies of the holder thereof adequate for the realization of the benefits intended to be provided thereby, including by the security interest or Lien created and granted (or purported to be created or granted) by such Ponce Loan Document; all Liens granted to Ponce or the Company in any collateral described in any Ponce Loan Document as security for each Ponce Loan and Ponce Loan Commitment constitute valid and perfected Liens in such collateral (assuming the relevant Debtor has rights in the collateral as to permit attachment);

(iii) All Ponce Loans, Ponce Loan Commitments and related Ponce Loan Documents were issued, made and maintained in material compliance with applicable Law; there is no valid claim pending against the Company with respect to, or, to the Knowledge of the Company, any valid defense to the enforcement by the Company of, such Ponce Loan or Ponce Loan Commitment and neither the Company nor any of its Affiliates has taken or failed to take any action that would reasonably be expected to entitle any Debtor or other party to assert successfully any claim or defense against the Company, Parent or Purchaser (including without limitation any right not to repay any such obligation or any part thereof or any right to subordinate the claims related to such Ponce Loan to any other claim); and

(iv) None of the rights or remedies under the Ponce Loan Documents in favor of Ponce or the Company have been materially amended, modified, waived, supplemented, subordinated or otherwise altered by Ponce, the Company or any of its Affiliates.

ARTICLE VII

REPRESENTATIONS AND WARRANTIES OF PARENT AND PURCHASER

Except as set forth in the Parent Disclosure Schedule, each of

Parent and Purchaser represents and warrants to, and covenants and agrees with, the Company as set forth in this Article VII. Each exception set forth in the Parent Disclosure Schedule and each other response to this Agreement set forth in the Parent Disclosure Schedule is identified by reference to, or has been grouped under a heading referring to, a specific individual Section of this Agreement.

Section 7.1 DUE ORGANIZATION; GOOD STANDING. Each of Parent and Purchaser is a corporation duly organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation.

Section 7.2 AUTHORIZATION AND VALIDITY OF AGREEMENT. Each of Parent and Purchaser has the requisite corporate power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution, delivery and performance of this Agreement by Parent and Purchaser, and the consummation by each such party of the transactions contemplated hereby, have been duly authorized and approved by the respective boards of directors of Parent and Purchaser and by the sole shareholder of Purchaser and no other corporate action on the part of either of Parent or Purchaser is necessary to authorize the execution, delivery and performance of this Agreement by each of Parent and Purchaser and the consummation of the transactions contemplated hereby other than filing the Certificate of Merger. This Agreement has been duly executed and delivered by each of Parent and Purchaser and, assuming the due and valid authorization, execution and delivery of this Agreement by the Company, this Agreement is a valid and binding obligation of each of Parent and Purchaser, enforceable against each of Parent and Purchaser in accordance with its terms.

Section 7.3 CONSENTS AND APPROVALS; NO VIOLATIONS. Assuming (i) the filings required under the HSR Act are made and the waiting periods thereunder (if applicable) have been terminated or expired, (ii) the prior notification and

reporting requirements of other antitrust or competition Laws as may be applicable are satisfied and any antitrust filings/notifications which must or may be effected in countries having jurisdiction are made and any waiting periods thereunder have been terminated or expired, (iii) the applicable requirements of the Exchange Act are met, (iv) the requirements under any applicable Puerto Rico, foreign or state securities or blue sky Laws are met and (v) the filing of the Certificate of Merger and other appropriate merger documents, if any, as required by the PRGCL are made, the execution and delivery of this Agreement by Parent and Purchaser and the consummation by Parent and Purchaser of the transactions contemplated hereby and the performance of each of Parent and Purchaser of its obligations hereunder do not and will not: (A) violate or conflict with any provision of the governing documents of Parent, Purchaser or any of their respective Subsidiaries; (B) violate or conflict with any Laws or Orders of any Governmental Authority or any Permit applicable to Parent, Purchaser or any of their respective Subsidiaries or by which any of their respective properties or assets may be bound; (C) require any filing with, or permit, consent or approval of, or the giving of any notice to, any Governmental Authority; or (D) result in a violation or breach of, conflict with, constitute (with or without due notice or lapse of time or both) a default (or give rise to any right of termination, cancellation or acceleration) under, or result in the creation of any Lien upon any of the properties or assets of Parent, Purchaser or any of their respective Subsidiaries under, or give rise to any obligation, right of termination, cancellation, acceleration or increase of any obligation or a loss of a benefit under, any of the terms, conditions or provisions of any Contracts to which Parent, Purchaser or any of their respective Subsidiaries is a party, or by which any such Person or any of its properties or assets are bound.

Section 7.4 INFORMATION TO BE SUPPLIED.

(a) Each of the Schedule TO and the Offer Documents and the other documents required to be filed by Parent with the SEC in connection with the

Offer, the Merger and the other transactions contemplated hereby will comply as to form, in all material respects, with the requirements of the Exchange Act and will not, on the date of its filing, and none of the information supplied or to be supplied by Parent or Purchaser expressly for inclusion or incorporation by reference in the Schedule 14D-9 or the Proxy Statement will, in the case of the Schedule 14D-9, at the time the Schedule 14D-9 is filed with the SEC and first published, sent or given to the Company's shareholders or, in the case of the Proxy Statement on the dates the Proxy Statement is mailed to shareholders of the Company and at the time of the Company Shareholder Meeting will not, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(b) Notwithstanding the foregoing provisions of this Section 7.4, no representation or warranty is made by Parent with respect to statements made or incorporated by reference in the Schedule TO, the Offer Documents, the Schedule 14D-9 or Proxy Statement based on information supplied by the Company expressly for inclusion or incorporation by reference therein or based on information which is not made in or incorporated by reference in such documents but which should have been disclosed pursuant to Section 6.6.

Section 7.5 BROKER'S OR FINDER'S FEE. Except for Goldman, Sachs & Co. (whose fees and expenses will be paid by Parent or Purchaser), no agent, broker, Person or firm acting on behalf of Parent or Purchaser is, or will be, entitled to any fee, commission or broker's or finder's fees from any of the parties hereto, or from any Person controlling, controlled by, or under common control with any of the parties hereto, in connection with this Agreement or any of the transactions contemplated hereby.

Section 7.6 OWNERSHIP OF CAPITAL STOCK. Neither Parent, Purchaser nor any of their respective Subsidiaries beneficially owns, directly or indirectly, any capital stock of the Company or is a party to any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any capital stock of the Company, other than as contemplated by this Agreement and the Transaction Support Agreements. As of the date of this Agreement, none of Purchaser, Parent or any Affiliate of Parent is an

"Interested Stockholder" of the Company, as such term is defined in Article Tenth of the Company's Certificate of Incorporation.

Section 7.7 NO PRIOR ACTIVITIES. Purchaser was formed solely for the purpose of engaging in the transactions contemplated by this Agreement, has no Subsidiaries and has undertaken no business or activities other than in connection with entering into this Agreement and engaging in the transactions contemplated hereby. All of the issued and outstanding shares of capital stock of Purchaser are issued and outstanding, are duly authorized, validly issued, fully paid and nonassessable.

Section 7.8 SUFFICIENT FUNDS. Parent and Purchaser have sufficient funds to purchase all of the shares of Company Common Stock outstanding on a fully diluted basis at the Offer Price, to retire all outstanding indebtedness of the Company and its Subsidiaries and to pay all costs, fees and expenses related to the transactions contemplated by this Agreement (collectively, "SUFFICIENT FUNDS") and such funds will be available at the times required under this Agreement.

ARTICLE VIII

COVENANTS

Section 8.1 ACCESS TO INFORMATION CONCERNING PROPERTIES AND RECORDS. During the period commencing on the date hereof and ending on the earliest of (i) the Closing Date, (ii) the date on which this Agreement is terminated pursuant to Section 10.1 hereof and (iii) July 18, 2002, the Company shall, and shall cause its Subsidiaries to, upon reasonable notice,

afford Parent, and Parent's counsel, accountants, consultants, financing sources and other authorized representatives, access during normal business hours to its and the Company's Subsidiaries' executive officers, properties, books and records in order that they may have the opportunity to make such investigations as they shall reasonably deem necessary of the Company's and its Subsidiaries' affairs, including, without limitation, operational, market, financial, legal, environmental, building and mechanical inspections (including, without limitation, subsurface or other physically invasive investigations) and title and survey due diligence; such investigation shall not, however, affect the representations and warranties made by the Company in this Agreement, provided, however, that if as of July 18, 2002 or any date thereafter it has come to the attention of Parent that there has been a breach by the Company of a representation, warranty or covenant hereunder, the date set forth in clause (iii) shall be extended for so long as, and only to the extent necessary for, Parent to continue to investigate the matters causing or otherwise relating to any such breach or, if later, any Cure Period relating to such breach and provided, further, that all such access shall be reinstated promptly upon Consummation of the Offer. The Company shall furnish promptly to Parent and Purchaser (x) a copy of each form, report, schedule, statement, registration statement and other document filed by it during such period pursuant to the requirements of Puerto Rico, federal, state or foreign securities Laws and (y) all other information concerning the Company's or its Subsidiaries' business, properties and personnel as Parent or Purchaser may reasonably request. The Company agrees to cause its officers and employees to furnish such additional financial and operating data and other information and respond to such inquiries as Parent or Purchaser shall from time to time reasonably request. Parent and Purchaser shall make all reasonable efforts to minimize any disruption to the businesses of the Company and its Subsidiaries which may result from the requests made hereunder. The foregoing provisions of this Section 8.1 shall not require the Company or any of its Subsidiaries to disclose any information the disclosure of which in the reasonable good faith judgment of the Company after consultation with outside counsel would (i) violate any applicable antitrust or competition Law or (ii) violate any contractual obligation of the Company or its Subsidiaries to any third party to maintain the confidentiality of such information; provided, however, that with respect to any information covered by this clause (ii), the Company shall use commercially reasonable efforts to obtain the consent of any such third party to such disclosure; provided, further, however that this clause (ii) shall not limit or restrict any obligation of the Company to disclose information to Parent pursuant to Section 8.5 or Section 10.1(c)(i). All information exchanged pursuant to this Section 8.1 shall be subject to the Confidentiality Agreement.

Section 8.2 CONDUCT OF THE BUSINESS OF THE COMPANY PENDING THE CLOSING DATE. Except as permitted, required or specifically contemplated by, or otherwise described in, this Agreement or otherwise consented to or approved in writing by Parent, which consent or approval shall not be unreasonably withheld, conditioned or delayed in the case of clauses 8.2(b)(4) or (12), and except as set forth in Section 8.2 of the Company Disclosure Schedule, during the period commencing on the date hereof until the Effective Time:

(a) The Company and each of its Subsidiaries shall conduct their respective operations only according to their ordinary and usual course of business consistent with past practice and shall use their reasonable best efforts to preserve intact their respective business organizations, keep available the services of their officers and employees and maintain satisfactory relationships with those Persons having significant business relationships with them;

(b) Neither the Company nor any of its Subsidiaries shall:

(1) make any change in or amendment to its certificate or articles of incorporation or its by-laws or similar organizational

documents;

(2) issue or sell, or authorize to issue or sell, any shares of its capital stock, Voting Debt or any other securities, or issue or sell, or authorize to issue or sell, any securities convertible into, or options, warrants or rights to purchase or subscribe for, or enter into any arrangement or contract with respect to the issuance or sale of, any shares of its capital stock, Voting Debt or any other securities, or make any other changes in its capital structure;

(3) declare, pay or set aside any dividend or other distribution or payment with respect to, or split, combine, redeem or reclassify, or purchase or otherwise acquire, any shares of its capital stock or its other securities, other than (A) normal quarterly cash dividends not in excess of U.S. $0.19 per share declared and paid in accordance with the Company's past dividend policy, provided that the timing of the declaration, record and payment dates, shall be the same dates as were used by the Company in the last calendar year, or, if any such date shall not be a Business Day, the next succeeding Business Day, and provided further, that no such cash dividends shall be declared after Consummation of the Offer or (B) dividends payable by a wholly owned Subsidiary of the Company to the Company or another wholly owned Subsidiary of the Company;

(4) incur any capital expenditures or any obligations or liabilities in respect thereof, except (A) with respect to expansion projects, for expenditures for such projects which are consistent with the budget for the Company set forth in Section 8.2(b) of the Company Disclosure Schedule (the "COMPANY BUDGET"), (B) those required for maintenance and replacement in the ordinary course of business not to exceed the amounts provided for maintenance and replacement in the Company Budget and (C) capital expenditures outside the scope of the Company Budget that do not exceed U.S. $250,000 in the aggregate.

(5) acquire or agree to acquire (A) by merging or consolidating with, or by purchasing a substantial portion of the assets of, or by any other manner, any business or any corporation, partnership, joint venture, association or other business organization or division thereof (excluding any of the Company's Subsidiaries) or (B) any assets, including real estate, except purchases of inventory, equipment, or other non-material assets in the ordinary course of business consistent with the Company Budget;

(6) (A) except to the extent required under existing Company Benefit Plans as in effect on the date of this Agreement, increase the compensation or fringe benefits of any of its directors, officers or employees or grant any severance or termination pay not currently required

to be paid under existing severance plans; (B) enter into any employment or consulting agreement or arrangement with any present or former director or officer of the Company or any of its Subsidiaries, or any employment or consulting agreement with any other employee of the Company or any of its Subsidiaries; or (C) except in the ordinary course of business consistent with past practice and to the extent necessary to fill vacancies, hire or agree to hire, or enter into any written employment agreement with, any new or additional employee or officer having an annual base salary of U.S. $40,000 or more or, in the aggregate, annual base salaries of U.S. $500,000 or more;

(7) except as required to comply with applicable Law or expressly provided in this Agreement, (A) adopt, enter into, terminate or amend any Company Benefit Plan, collective bargaining agreement or other arrangement for the current or future benefit or welfare of any director, officer or current or former employee, (B) pay any benefit not required under any Company Benefit Plan, accelerate the payment, right of payment or vesting of any bonus, severance, profit sharing,

retirement, deferred compensation, stock option, insurance or other compensation or benefits, (C) grant any awards under any bonus, incentive, performance or other compensation plan or arrangement or Company Benefit Plan (including the grant of stock options, stock appreciation rights, stock based or stock related awards, performance units or restricted stock, or the removal of existing restrictions in any Company Benefit Plans or agreements or awards made thereunder) or (D) except as required by the current terms thereof take any action to fund or in any other way secure the payment of compensation or benefits under any employee plan, agreement, contract or arrangement or Company Benefit Plan;

(8) transfer, lease (as lessor), license, sell, mortgage, pledge, dispose of, encumber or subject to any Lien, any assets, other than in the ordinary course of business and consistent with past practice, except as provided for in Section 8.2(b)(11) or in an amount in the aggregate not to exceed U.S. $250,000;

(9) except as required by applicable Law or GAAP, make any change in its methods of accounting;

(10) adopt or enter into a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization of the Company or any of its Subsidiaries (other than the Merger), except as provided for in Section 8.5;

(11) (A) Incur any long-term indebtedness (other than under existing revolving credit facilities, as may be amended as contemplated hereby) or, except in the ordinary course of business consistent with past practice, any short-term indebtedness; (B) modify any material indebtedness or other liability; (C) assume, guarantee, endorse or otherwise become liable or responsible (whether directly, contingently or otherwise) for the obligations or indebtedness of any other Person; (D) make any loans, advances or capital contributions to, or investments in, any other Person (other than in or to wholly owned Subsidiaries of the Company, or by wholly owned Subsidiaries to the Company, or customary loans or advances to employees); (E) other than with respect to the settlement of any claim that is completely covered (other than with respect to deductibles to the Company's insurance policies) by the Company's insurance carrier, settle any claims against the Company or any of its Subsidiaries where the amounts payable by the Company and its Subsidiaries would exceed U.S. $25,000 individually or U.S. $250,000 in the aggregate, in each such case without admission of liability; or (F) except in the ordinary course of business consistent with past practice, enter into any material commitment or transaction;

(12) pay, discharge or satisfy any claims, liabilities or obligations (absolute, accrued, asserted or unasserted, contingent or otherwise), other than the payment, discharge or satisfaction of any such claims, liabilities or obligations, in the ordinary course of business and consistent with past practice, or of claims, liabilities or obligations reflected or reserved against in, or contemplated by, the Financial Statements;

(13) enter into any agreement, understanding or commitment (including with any Antitrust Authority) that contains any material prohibition on the conduct

of any business or line of business, or any material limitation on the scope of business that may be conducted, by the Company or any of its Subsidiaries, including geographic limitations on the Company's or any of its Subsidiaries' activities;

(14) (A) announce, implement or effect any material reduction in labor force, lay-off, early retirement program, severance program or other program or effort concerning the termination of employment of

employees of the Company or its Subsidiaries; provided, however, that routine employee terminations for cause shall not be considered subject to this clause (14) or (B) terminate the employment of any officer of the Company other than for cause or agree that any voluntary termination of employment by an officer of the Company occurring prior to the Effective Time shall be treated as having been with "good reason";

(15) take any action including, without limitation, the adoption of any shareholder rights plan or amendments to its Certificate or Articles of Incorporation or By-Laws (or comparable governing documents) or any resolution of the Company's Board of Directors, which would, directly or indirectly, restrict or impair the ability of Parent to vote, or otherwise to exercise the rights and receive the benefits of a shareholder with respect to, securities of the Company acquired by Purchaser in the Offer or the Merger, or permit any shareholder to acquire securities of the Company on a basis not available to Parent or Purchaser in the event that Parent or Purchaser were to acquire any additional shares of the Company Common Stock or approve any "Business Combination" (as defined in Article TENTH of the Company's Certificate of Incorporation) with any person other than Parent and Purchaser for the purposes of Article TENTH of the Company's Certificate of Incorporation (subject to the Company's right to take action specifically permitted by Section 8.5 prior to Consummation of the Offer);

(16) enter into any Material Contract, or terminate or materially modify or amend any such Material Contract to which it is a party or waive or assign any of its material rights or claims except in the ordinary course of business consistent with past practice;

(17) other than consistent with past practice or as required by a change in Law or required by Law because of a change in facts, make any Tax election or enter into any settlement or compromise of any liability for Taxes that in either case is material;

(18) permit any insurance policy, other than a policy providing coverage for losses not in excess of U.S. $25,000, naming it as a beneficiary or a loss payable payee to be cancelled or terminated, other than pursuant to an expiration in accordance with its terms, unless a new policy with substantially similar coverage is in effect as of the date of such cancellation or termination; or

(19) agree or commit, in writing or otherwise, to take any of the foregoing actions.

For purposes of this Section 8.2(b) (other than Section 8.2(b)(13)), references to "material" (but not "materially") mean material to the Company and its Subsidiaries, taken as a whole.

(c) The Company (i) shall not, and shall not permit any of its Subsidiaries to, take any action that would, or would reasonably be expected to, result in (A) any of the conditions to the Offer set forth in Article IX or Annex I not being satisfied (subject to the Company's right to take action specifically permitted by Section 8.5) or (B) a Company Material Adverse Effect and (ii) shall not intentionally take, or permit any of its Subsidiaries to take, any action that would, or would reasonably be expected to, result in any of its representations and warranties set forth in this Agreement becoming untrue in any respect.

Section 8.3 COMPANY SHAREHOLDER MEETING; PREPARATION OF PROXY STATEMENT. Subject to Section 2.4, as promptly as practicable following Consummation of the Offer, if required by applicable Law in order to consummate the Merger, the Company, acting through the Company's Board of Directors, shall, in accordance with applicable Law:

(a) duly call, give notice of, convene and hold a special meeting of its shareholders (the "COMPANY SHAREHOLDER MEETING") for the purpose of considering and taking action upon the approval of the Merger and the adoption of this Agreement;

(b) prepare and file with the SEC a preliminary proxy or information statement in accordance with the Exchange Act relating to the Merger and this Agreement and use its reasonable best efforts to obtain and furnish the information required to be included by the Exchange Act and the SEC in the Proxy Statement (as hereinafter defined) and, after consultation with Parent, to respond promptly to any comments made by the SEC with respect to the preliminary proxy or information statement and cause a definitive proxy or information statement, including any amendment or supplement thereto (the "PROXY STATEMENT"), to be mailed to its shareholders, provided that no amendment or supplement to the Proxy Statement will be made by the Company without consultation with Parent and its counsel;

(c) include in the Proxy Statement the recommendation of the Company's Board of Directors that shareholders of the Company vote in favor of approval of the Merger and adoption of this Agreement; and

(d) if proxies are solicited from Company shareholders, use reasonable best efforts to solicit from its shareholders proxies, and to take all other action necessary and advisable, to secure the vote of shareholders required by applicable Law and the Company's Certificate of Incorporation or By-Laws to obtain the approval for this Agreement and the Merger.

Section 8.4 REASONABLE BEST EFFORTS; NOTIFICATION

(a) Upon the terms and subject to the conditions set forth in this Agreement, each of the parties agrees to use its reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other parties in doing, all things necessary, proper or advisable to consummate and make effective, in the most expeditious manner practicable, the Offer and the Merger, and the other transactions contemplated by this Agreement, including (i) the obtaining of all necessary actions or nonactions, waivers, consents and approvals from any Governmental Authority and the making of all necessary registrations and filings (including filings with any Governmental Authority, if any) and the taking of all reasonable steps as may be necessary to obtain an approval or waiver from, or to avoid an action or proceeding by, any Governmental Authority, (ii) the obtaining of all necessary consents, approvals or waivers from third parties, (iii) the defending of any Lawsuits or other legal proceedings, whether judicial or administrative, challenging this Agreement or the consummation of any of the transactions contemplated by this Agreement, including seeking to have any stay or temporary restraining order entered by any court or other Governmental Authority vacated or reversed, and (iv) the execution and delivery of any additional instruments necessary to consummate the transactions contemplated by, and to fully carry out the purposes of, this Agreement; provided, however, that no loan agreement or contract for borrowed money entered into by the Company or any of its Subsidiaries shall be repaid except as currently required by its terms, in whole or in part, and no contract shall be amended to increase the amount payable thereunder or otherwise to be more burdensome to the Company or any of its Subsidiaries in order to obtain any such consent, approval or authorization without first obtaining the written approval of Parent (which approval shall not be unreasonably withheld). Nothing contained in this Section 8.4 shall prohibit the Company and its Subsidiaries from taking any action permitted by Section 8.5 or from terminating this Agreement pursuant to Section 10.1.

(b) The Company shall give prompt notice to Parent of (i) any representation or warranty made by the Company contained in this Agreement becoming untrue or incorrect, subject to the standard established in Section 5.2 where applicable in any respect that would cause the condition to the

Offer set forth in paragraph (c)(2) of Annex I hereto to fail to be satisfied; or (ii) the failure by the Company to comply with or satisfy in any material respect any covenant, condition or agreement to be complied with or satisfied by it under this Agreement; provided, that no such notification shall affect the representations, warranties, covenants or agreements of the Company or the conditions to the obligations of the parties under this Agreement.

(c) Parent shall give prompt notice to the Company of (i) any representation or warranty made by Parent or Purchaser contained in this Agreement becoming untrue or incorrect, subject to the standard established in Section 5.2 where applicable, in any respect or (ii) the failure by Parent or Purchaser to comply with or satisfy in any material respect any covenant, condition or agreement to be complied with or satisfied by it under this Agreement; provided that no such notification shall affect the representations, warranties, covenants or agreements of Parent or Purchaser or the conditions to the obligations of the parties under this Agreement.

Section 8.5 NO SOLICITATION.

(a) The Company shall, and shall cause its Affiliates, officers, directors, employees, financial advisors, attorneys and other advisors, representatives and agents to, immediately cease any existing activities, discussions or negotiations conducted with any parties other than Parent or Purchaser with respect to any Takeover Proposal (as defined below). The Company shall not, nor shall it authorize or permit any of its Affiliates to, nor shall it authorize or permit any officer, director or employee of or any financial advisor, attorney or other advisor, representative or agent of it or any of its Affiliates, to (i) directly or indirectly solicit, facilitate, initiate or encourage the making or submission of, any Takeover Proposal (including, without limitation, taking any action which would make Article TENTH of the Company's Certificate of Incorporation not applicable to a Takeover Proposal), (ii) enter into any agreement, arrangement or understanding with respect to any Takeover Proposal or enter into any agreement, arrangement or understanding requiring it to abandon or terminate this Agreement or to fail to consummate the Merger or any other transaction contemplated by this Agreement, (iii) initiate or participate in any discussions or negotiations regarding, or furnish or disclose to any Person (other than a party to this Agreement) any information with respect to, or take any other action intentionally to facilitate or in furtherance of any inquiries or the making of any proposal that constitutes, or could reasonably be expected to lead to, any Takeover Proposal, or (iv) grant any waiver or release under any standstill or similar agreement with respect to any class of the Company's equity securities (other than to permit the Company to receive a Takeover Proposal that did not result from a breach of any other provision of this Section 8.5(a)); provided that prior to Consummation of the Offer, in response to a Takeover Proposal that did not result from the breach of this Section 8.5 and following delivery to Parent of notice of the Takeover Proposal in compliance with its obligations under Section 8.5(d) hereof, the Company may (1) in response to any Takeover Proposal, request clarifications from (but not, except as contemplated by clause (2) below, participate in discussions or negotiations with) any third party which makes such Takeover Proposal, if such action is taken solely for the purpose of obtaining information reasonably necessary for the Company to ascertain whether such Takeover Proposal is a Superior Proposal, and (2) participate in discussions or negotiations with or furnish information (pursuant to a confidentiality/ standstill agreement with customary terms as reasonably determined in good faith by the Company after consultation with outside counsel; provided that each such agreement is at least as limiting as any such agreement between Parent and the Company) to any third party which has made a bona fide Takeover Proposal if (A) the Company's Board of Directors reasonably determines in good faith (after consultation with its financial advisor) that taking such action would be reasonably likely to lead to the delivery to the Company of a Superior Proposal and (B) the Company's Board of Directors determines in good faith (after consultation with outside legal

counsel) that it is necessary to take such actions in order to comply with its fiduciary duties under applicable Law. Without limiting the foregoing, the Company agrees that any violation of the restrictions set forth in this Section

8.5(a) directly or indirectly by any of its Subsidiaries, officers, Affiliates or directors or any advisor, representative, consultant or agent retained by the Company or any of its Subsidiaries or Affiliates in connection with the transactions contemplated hereby, whether or not such Person is purporting to act on behalf of the Company or any of its Subsidiaries, shall constitute a breach of this Section 8.5(a) by the Company. The Company will take all actions necessary or advisable to inform the appropriate individuals or entities referred to in the prior sentence of the obligations undertaken in this Section 8.5. For purposes of this Section 8.5, a Person shall be deemed to have facilitated or encouraged an action or result only if any act or omission by such Person (i) would reasonably be expected to facilitate or encourage such action or result or (ii) was intended by such Person to facilitate or encourage such action or result.

For purposes of this Agreement, "TAKEOVER PROPOSAL" means any indication of interest in, or proposal or offer for, (i) any direct or indirect acquisition or purchase of 15% or more of the assets of the Company or any of its Subsidiaries or 15% or more of any class of equity securities of the Company or any of its Subsidiaries, (ii) any tender offer or exchange offer that, if consummated, would result in any Person beneficially owning 15% or more of any class of equity securities of the Company or any of its Subsidiaries or (iii) any merger, consolidation, business combination, sale of all or any substantial portion of the assets, recapitalization, liquidation or a dissolution of, or similar transaction of the Company or any of its Subsidiaries other than the Offer or the Merger, which in any such case has been communicated (including as a result of any press release or other public disclosure) to (1) any of the individuals signing a Transaction Support Agreement on behalf of a stockholder party thereto, (2) any of the Persons identified as having Knowledge in Schedule 1.1 or (3) the Company's Board of Directors generally; and "SUPERIOR PROPOSAL" means a bona fide written Takeover Proposal made by a third party to purchase all of the outstanding equity securities of the Company pursuant to a tender offer, exchange offer, merger or other business combination (x) on terms which the Company's Board of Directors determines in good faith to be superior to the Company and its shareholders (other than Parent, Purchaser and their respective Affiliates), in their capacity as shareholders, from a financial point of view (taking into account, among other things, all legal, financial, regulatory and other aspects of the proposal and identity of the offeror and the financial capacity of the offeror to consummate the transaction) as compared to the transactions contemplated hereby and any alternative proposed by Parent or Purchaser in accordance with Section 10.1(c) hereof, such determination having been made only after consultation with the Company's financial advisor, (y) for which financing is committed or cash is available and (z) which is reasonably capable of being consummated.

(b) The Company agrees that, except as set forth in Section 8.5(c), neither the Company's Board of Directors nor any committee thereof shall (i) withdraw or modify, or propose publicly to withdraw or modify, in a manner adverse to Parent or Purchaser, the approval or recommendation of the Company's Board of Directors of the Offer, the Merger or this Agreement, unless the Company's Board of Directors shall have determined in good faith, after consultation with its outside counsel that such withdrawal or modification is necessary in order to satisfy its fiduciary duties to the Company's shareholders under applicable Law, (ii) approve or recommend, or, in the case of a committee, propose to the Company's Board of Directors to approve or recommend, any Takeover Proposal or (iii) approve, recommend or cause it to enter into any letter of intent, agreement in principle, acquisition agreement or other similar agreement (each, an "ACQUISITION AGREEMENT") related to any Takeover Proposal. For purposes of this clause (b), if the Company Board of Directors or any such committee proposal is publicly disclosed, regardless of the source of, or the circumstances surrounding, the disclosure, such Company Board of Directors or committee

proposal shall be deemed to have been made publicly.

(c) Notwithstanding anything to the contrary herein, prior to Consummation of the Offer, the Company and/or the Company's Board of Directors may take the actions otherwise prohibited by Sections 8.5(a) and 8.5(b) if (i) a third party makes a Takeover Proposal which the Company has determined to be a Superior Proposal in accordance with Section 8.5(a), (ii) the Company complies

with its obligations under Section 8.5(d), (iii) all of the conditions to the Company's right to terminate this Agreement in accordance with Section 10.1(c) hereof shall have been satisfied (including expiration of the five Business Day period described therein (or such shorter period as may be provided therein) and payment of all amounts due and payable pursuant to Section 10.3 and (iv) simultaneously therewith, this Agreement is terminated in accordance with Section 10.1(c)(i) hereof.

(d) The Company agrees that in addition to the obligations of the Company set forth in paragraphs (a), (b) and (c) of this Section 8.5, promptly after (but in no event more than two calendar days after) receipt thereof, the Company shall advise Parent in writing of (i) any Takeover Proposal or amended Takeover Proposal or (ii) any Superior Proposal, as well as in either such case the material terms and conditions of such Takeover Proposal or Superior Proposal together with copies of any written materials received by the Company in connection with any of the foregoing and the identity of the Person making any such Takeover Proposal or Superior Proposal. In connection with the foregoing, the Company agrees that it shall simultaneously provide to Parent any non-public information concerning the Company provided to any other Person in connection with any such Takeover Proposal or Superior Proposal which was not previously provided to Parent.

(e) Parent and Purchaser agree that nothing contained in this Section 8.5 shall prohibit the Company from taking and disclosing to its shareholders a position contemplated by Rule 14D-9 and Rule 14e-2 promulgated under the Exchange Act with respect to any tender offer or from making any required disclosure to the Company's shareholders if, in the reasonable good faith judgment of the Company's Board of Directors, after consultation with outside counsel, failure so to disclose would be inconsistent with its disclosure obligations under applicable Law.

Section 8.6 ANTITRUST LAWS.

(a) Each party hereto shall (i) take promptly (but in no event later than fifteen Business Days following the date of this Agreement as to initial filings) all actions necessary to make the filings required of it or any of its Affiliates under any applicable Antitrust Laws in connection with this Agreement and the transactions contemplated hereby, (ii) comply at the earliest practicable date with any formal or informal request for additional information or documentary material received by it or any of its Affiliates from any Antitrust Authority and (iii) cooperate with one another in connection with any filing under applicable Antitrust Laws and in connection with resolving any investigation or other inquiry concerning the transactions contemplated by this Agreement initiated by any Antitrust Authority.

(b) Each party hereto shall use its reasonable best efforts to resolve such objections, if any, as may be asserted with respect to the transactions contemplated by this Agreement under any Antitrust Law; provided, however, that the Company shall not, without the prior written consent of Parent, commit to any divestiture transaction and Parent shall not be required to divest or hold separate or otherwise take or commence to take any action that, in the reasonable discretion of Parent, materially limits its ability to conduct the business or its ability to retain the Company or any material portion of the assets of the Company.

(c) Each party hereto shall promptly inform the other parties of any material communication made to, or received by such party from, any Antitrust Authority or any other Governmental Authority regarding any of the

transactions contemplated hereby.

(d) For purposes of this Agreement, (i) "ANTITRUST AUTHORITIES" means the Federal Trade Commission, the Antitrust Division of the Department of Justice, the attorneys general of the several states of the United States and any other Governmental Authority having jurisdiction with respect to the transactions contemplated hereby pursuant to applicable Antitrust Laws and (ii) "ANTITRUST LAW" means the Sherman Act, as amended, the Clayton Act, as amended, the HSR Act, the Federal Trade Commission Act, as amended, and all other Puerto Rico, federal, state and foreign statutes, rules, regulations, orders, decrees,

administrative and judicial doctrines, and other Laws that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade.

Section 8.7 INDEMNIFICATION; DIRECTORS' AND OFFICERS' INSURANCE.

(a) Parent, Purchaser and the Surviving Corporation agree that all rights to indemnification existing in favor of the present or former directors, officers, employees, fiduciaries and agents of the Company or any of its Subsidiaries (collectively, the "INDEMNIFIED PARTIES") for acts or omissions of such Persons occurring at or prior to the Effective Time, as provided in the Company's Certificate of Incorporation or By-Laws or the certificate or articles of incorporation, by-laws or similar organizational documents of any of its Subsidiaries or the terms of any individual indemnity agreement or other arrangement with any director or executive officer, which agreement or arrangement is listed in Section 8.7 of the Company Disclosure Schedule, in each case as in effect as of the date of this Agreement, shall survive the Merger and shall continue in full force and effect for six years after the Effective Time (without modification or amendment, except as required by applicable Law) in accordance with their terms, to the fullest extent permitted by Law, and shall be enforceable by the Indemnified Parties against the Surviving Corporation, and the Surviving Corporation shall also advance fees and expenses (including reasonable attorney's fees) as incurred to the fullest extent permitted under applicable Law upon receipt of any undertaking required by applicable Law. Notwithstanding the foregoing, Parent and the Surviving Corporation shall not be required to indemnify any Indemnified Party to the extent that the indemnifiable amount is paid by an insurer pursuant to Section 8.7(b). If within six years from the Effective Time, the Surviving Corporation is merged with and into Parent or another Person, the certificate of incorporation and bylaws (or equivalent organizational documents) of Parent or such other Person shall, for at least the six-year period following the Effective Time, provide rights to indemnification for the Indemnified Persons at least equivalent to those in the certificate of incorporation and bylaws of the Surviving Corporation. Subject to the foregoing, nothing is this Section 8.7 shall prevent a merger, consolidation, or business combination of the Surviving Corporation with another entity.

(b) Purchaser shall cause to be maintained in effect for not less than six years from the Effective Time the current policies of the directors' and officers' liability insurance maintained by the Company (provided that Purchaser may substitute therefor policies of at least equivalent coverage containing terms and conditions which are no less advantageous) with respect to matters occurring prior to the Effective Time. Notwithstanding the foregoing sentence or Section 8.2 to the contrary, the Company shall have the right to procure, prior to the Effective Time, a policy for directors' and officers' liability insurance with respect to matters occurring prior to the Effective Time, having a term lasting no less than six years following the Effective Time and providing U.S. $15,000,000 (or such lesser amount as may be obtained pursuant to the proviso at the end of this sentence) in coverage, and containing terms and conditions which are no less advantageous than the Company's current policies with respect to such insurance, provided that the aggregate premium payable therefor shall not exceed U.S. $350,000. The provisions of this Section 8.7 shall survive the consummation of the Merger and expressly are intended to benefit each of the Indemnified Parties.

Notwithstanding any other provision of this Agreement to the contrary, the provisions of this Section 8.7(b) may not be amended, waived or altered in any respect without the prior written unanimous approval of the Company's Board of Directors.

(c) Nothing in this Agreement is intended to, shall be construed to, or shall release, waive or impair any rights to directors' and officers' insurance claims under any policy that is or has been in existence with respect to the Company or any of its Subsidiaries or any of their respective officers, directors or employees, it being understood and agreed that the indemnification provided for in this Section 8.7 is not prior to or in substitution for any such claims under such policies.

Section 8.8 PUBLIC ANNOUNCEMENTS. The Joint Press Release

referenced in Section 2.1(b) with respect to the execution of this Agreement shall be reasonably acceptable to Parent and the Company. Thereafter, Parent and the Company shall consult with each other before issuing any press release or otherwise making any public statements with respect to the transactions contemplated by this Agreement and shall not issue any such press release or make any such public statement prior to such consultation and review by the other party of such release or statement, except as may be required by Law, court process or by obligations pursuant to any listing agreement with a national securities exchange, or as may be permitted pursuant to Section 8.5.

Section 8.9 EMPLOYEE BENEFITS PLANS.

(a) From and after the Measurement Date, the Company and the Surviving Corporation, as the case may be, shall honor in accordance with their respective terms (as in effect on the date of this Agreement), all the Company's employment, severance and termination agreements, plans and policies existing prior to the execution of this Agreement which are between the Company or any of its Subsidiaries and any director, officer, employee or consultant thereof and which have been disclosed in Section 8.9 of the Company Disclosure Schedule. Parent acknowledges and agrees that Consummation of the Offer would constitute a "Change in Control" (or the similar relevant defined term) for all purposes pursuant to those agreements and arrangements indicated on Section 8.9 of the Company Disclosure Schedule.

(b) From and after the Measurement Date, the Company and the Surviving Corporation, as the case may be, shall provide severance pay to any employee of the Company or any Subsidiary of the Company in such amount as may be required by Act no. 80, approved May 30, 1976, 29 L.P.R.A.ss.185a et. seq.

(c) For a period of six months from and after the Measurement Date, Parent shall, unless the employees of the Company and its Subsidiaries at the Measurement Date (the "COMPANY EMPLOYEES") shall otherwise agree or different terms are negotiated with the relevant union representing such employees, cause the Surviving Corporation to provide to the Company Employees employee benefits that are, in the aggregate, no less favorable than those provided immediately prior to the Measurement Date to Company Employees; provided, however, that nothing contained in this Section 8.9 shall require Parent or Purchaser to continue or replace, or cause to be continued or replaced, any Company Benefit Plan or Parent Benefit Plan after the Measurement Date.

(d) Subject to compliance with Section 8.9(a), nothing contained in this Section 8.9 or elsewhere in this Agreement shall be construed to prevent the termination of employment of any Company Employee or any change in the compensation or employee benefits available to any Company Employee or the amendment or termination of any particular Company Benefit Plan to the extent permitted by its terms as in effect immediately prior to the Measurement Date.

(e) For all purposes under any employee benefit plans of Parent and

its Subsidiaries providing benefits to any Company Employee after the Effective Time, (all such employee benefit plans are hereinafter referred to as the "New Plans"), each such Company Employee shall be credited with his or her years of service with the Company and its Subsidiaries before the Effective Time, to the same extent as such employee was entitled, before the Effective Time, to credit for such service under any similar Company Benefit Plans for purposes of (i) eligibility to participate and (ii) vesting, but in no event shall such service be taken into account in determining the accrual of benefits under any New Plan, including, but not limited to, a defined benefit plan. In addition, and without limiting the generality of the foregoing, (x) each Company Employee shall be immediately eligible to participate, without any waiting time, in any and all New Plans to the extent coverage under such New Plan replaces coverage under a Company Benefit Plan in which such employee participated immediately before the Effective Time and (y) for purposes of each New Plan providing medical, dental, pharmaceutical or vision benefits to any Company Employee, Parent shall cause all pre-existing condition exclusions of such New Plan to be waived for such employee and his or her covered dependents (other than limitations or waiting periods that are already in effect with respect to such employees and dependents and that have not been satisfied as of the Effective Time), and Parent shall

cause any eligible expenses incurred by such employee and his or her covered dependents during the portion of the plan year of the Company Benefit Plan ending on the date such employee's participation in the corresponding New Plan begins, to be taken into account under such New Plan for purposes of satisfying all deductible, coinsurance and maximum out-of-pocket requirements applicable to such employee and his or her covered dependents for the applicable plan year as if such amounts had been paid in accordance with such New Plan.

Section 8.10 AVAILABILITY OF SUFFICIENT FUNDS. Until the Closing Date, Parent and Purchaser shall make available Sufficient Funds at the times required under this Agreement.

ARTICLE IX

CONDITIONS TO THE MERGER

Section 9.1 CONDITIONS TO OBLIGATIONS OF EACH PARTY. The obligations of the Company, Parent and Purchaser to consummate the Merger are subject to the satisfaction of the following conditions:

(a) This Agreement shall have been approved and adopted by the requisite vote of the shareholders of the Company, if required by applicable Law, in order to consummate the Merger;

(b) No provision of any applicable Law or regulation and no judgment, injunction, order or decree of any Governmental Authority of competent jurisdiction shall prohibit the consummation of the Merger; and

(c) Purchaser, Parent or any Affiliate of Parent shall have purchased shares of Company Common Stock pursuant to the Offer; provided, however, that neither Parent nor Purchaser shall be entitled to rely on the condition in this Section 9.1(c) if either of them shall have failed to purchase shares of Company Common Stock pursuant to the Offer in breach of their obligations under this Agreement.

ARTICLE X

TERMINATION AND ABANDONMENT

Section 10.1 TERMINATION. This Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Time, whether before or after the Company Shareholder Approval:

(a) by mutual written consent of Parent and the Company; provided,

that any such consent by the Company on or after the Measurement Date shall have been duly authorized by unanimous vote of the Company's Board of Directors, including all Independent Directors; or

(b) by Parent:

(i) if at any time prior to Consummation of the Offer, the Company has breached any representation or warranty, or prior to the Effective Time has breached any covenant or other agreement contained in this Agreement, which (A) would give rise to the failure of a condition set forth in clause (c) of Annex I, (B) cannot be or has not been cured within the applicable Cure Period therefor or by the Termination Date, whichever is earlier, and (C) has not been waived by Parent pursuant to the provisions hereof (provided that Parent may not terminate this Agreement pursuant to this clause (i) if either Parent or Purchaser is then in material breach of any representation, warranty, covenant or other agreement contained in this Agreement);

(ii) if at any time prior to Consummation of the Offer, (A) the Company, or the Company's Board of Directors, as the case may be, shall have (w) after the date hereof, entered into any agreement, other than a confidentiality/standstill agreement permitted under Section 8.5, with respect to any Takeover Proposal other than the Offer or the Merger, (x) amended, conditioned, qualified, withdrawn, modified or contradicted or

resolved to do any of the foregoing, in a manner adverse to Parent or Purchaser, its approval and recommendation of the Offer, the Merger and this Agreement (regardless of whether such action was permitted under this Agreement), (y) approved or recommended any Takeover Proposal other than the Offer or the Merger or (z) failed to reject any Takeover Proposal or amended Takeover Proposal within the applicable Rejection Period therefor (except that Parent may not terminate this Agreement pursuant to this clause (z) prior to the Initial Expiration Date), or (B) the Company or the Company's Board of Directors shall have resolved to do any of the foregoing; or

(iii) if the Company breaches in any material respect its obligations under Section 8.5 hereof; or

(c) by the Company:

(i) if at any time prior to Consummation of the Offer (A) a Superior Proposal is received by the Company and (B) the Company's Board of Directors reasonably determines in good faith (after consultation with outside counsel) that it is necessary to terminate this Agreement and enter into an agreement to effect the Superior Proposal in order to comply with its fiduciary duties to the Company's shareholders under applicable Law; provided that the Company may not terminate this Agreement pursuant to this Section 10.1(c)(i) unless and until (x) five Business Days have elapsed following delivery to Parent of a written notice of such determination by the Company's Board of Directors and during such five Business Day period the Company has fully cooperated with Parent, including, without limitation, informing Parent of the terms and conditions of such Superior Proposal, with the intent of enabling both parties to agree to a modification of the terms and conditions of this Agreement so that the transactions contemplated hereby may be effected; (y) at the end of such five Business Day period the Takeover Proposal continues to constitute a Superior Proposal and the Company's Board of Directors confirms its determination (after consultation with outside counsel) that it is necessary to terminate this Agreement and enter into an agreement to effect the Superior Proposal to comply with its fiduciary duties under applicable Law; and (z) (1) at or prior to such termination, Parent has received the Termination Fee set forth in Section 10.3 hereof by wire transfer in immediately available funds and (2) immediately following such termination the Company enters into a definitive acquisition, merger or

similar agreement to effect the Superior Proposal; provided, however, that, if the written notice contemplated in clause (x) above is given to Parent less than five Business Days, but more than two Business Days, prior to the then-scheduled expiration of the Offer, then the Company will be permitted to terminate this Agreement under this Section 10.1(c)(i) no earlier than 24 hours before such scheduled expiration if the Company has complied with all of the requirements of this Section 10.1(c)(i) (with the five Business Day period set forth in clauses (x) and (y) above being deemed to end when such 24-hour period begins for purposes of determining such compliance) unless, prior to the beginning of such 24-hour period, Purchaser shall have extended the Offer to a date that is at least five Business Days after the delivery of such notice to Parent, in which case the Company's right to terminate this Agreement pursuant to this Section 10.1(c)(i) shall be determined without regard to this proviso; provided, further, that it is understood and agreed that if the written notice contemplated in clause (x) above is given to Parent less than two Business Days prior to the then-scheduled expiration of the Offer, the Company's right to terminate this Agreement pursuant to this Section 10.1(c)(i) shall be subject to compliance with all of the requirements of this Section 10.1(c)(i), including the five Business Day period set forth in clauses (x) and (y) hereof without regard to the immediately preceding proviso; or

(ii) if Parent or Purchaser shall have (x) failed to commence the Offer as provided in Section 2.1, provided the Company is not in material breach of its obligations under this Agreement ,(y) failed to pay for shares of Company Common Stock pursuant to the Offer in accordance with

Section 2.1 hereof or (z) breached in any material respect any of their respective representations, warranties, covenants or other agreements contained in this Agreement, which breach cannot be or has not been cured within 30 days after receipt of written notice thereof by Parent or by the Termination Date, whichever is earlier; or

(iii) if Parent or Purchaser breach their obligations to make available Sufficient Funds at the times required under this Agreement; or

(d) by either Parent or the Company:

(i) if the Offer has not been consummated on or before the Termination Date; provided that the right to terminate this Agreement pursuant to this clause shall not be available to any party whose failure to fulfill any material obligation of this Agreement or other material breach of this Agreement has been the cause of, or resulted in, the failure of the Offer to have been consummated on or prior to the aforesaid date; or

(ii) if, as a result of the failure of any of the conditions set forth in Annex I to this Agreement, the Offer shall have terminated or expired in accordance with its terms without Purchaser having purchased any shares of Company Common Stock pursuant to the Offer; provided that the right to terminate this Agreement pursuant to this clause shall not be available to any party whose failure to fulfill any material obligation under this Agreement or other material breach of this Agreement has resulted in the failure of such condition; or

(iii) if any court of competent jurisdiction or any Governmental Authority shall have issued an order, decree or ruling or taken any other action permanently restricting, enjoining, restraining or otherwise prohibiting Consummation of the Offer or consummation of the Merger and such order, decree, ruling or other action shall have become final and nonappealable.

Section 10.2 EFFECT OF TERMINATION. In the event of termination of this Agreement by Parent or the Company, as provided in Section 10.1, this Agreement shall forthwith become void and there shall be no liability

hereunder on the part of the Company, Parent or Purchaser or their respective officers or directors (except as set forth in the Confidentiality Agreement, this Section 10.2 and Sections 10.3, 11.3, 11.4, 11.5, 11.8, 11.9, 11.10, 11.12, 11.13, 11.14 and 11.16 which shall survive the termination); provided, however, that nothing contained in this Section 10.2 shall relieve any party hereto from any liability for any breach of this Agreement. In addition, in the event of termination of this Agreement in accordance with its terms (including payment of any applicable Termination Fee due and payable pursuant to Section 10.3), Purchaser shall, and Parent shall cause Purchaser to, promptly terminate the Offer without accepting any shares of Company Common Stock for payment.

Section 10.3 PAYMENT OF CERTAIN FEES

(a) If this Agreement is terminated by Parent in accordance with Section 10.1(b)(ii) or 10.1(b)(iii) by the Company pursuant to Section 10.1(c)(i), then the Company shall pay to Parent a termination fee in an amount equal to U.S. $5,400,000 (the "TERMINATION FEE").

(b) If (i) this Agreement is terminated by (A) Parent pursuant to Section 10.1(b)(i), (B) Parent or the Company pursuant to Section 10.1(d)(i), or (C) Parent or the Company pursuant to Section 10.1(d)(ii), and (ii) the Minimum Condition or any of the conditions listed in Section (c) of Annex I to this Agreement shall fail to have been satisfied as of the date of such termination, and (iii) it has become publicly known that a Takeover Proposal or amended Takeover Proposal has been made after the date of this Agreement and prior to the effective date of such termination and (iv) concurrently with or within 12 months of the date of such termination to a Third Party Acquisition Event occurs, then the Company shall within one Business Day of the occurrence of such Third Party Acquisition Event, if any, pay to Parent the Termination Fee.

"THIRD PARTY ACQUISITION EVENT" shall mean (i) the consummation of a

Takeover Proposal involving the purchase of a majority of either the equity securities of the Company or of the consolidated assets of the Company and its Subsidiaries, taken as a whole, or any such transaction that, if it had been proposed prior to the termination of this Agreement would have constituted a Takeover Proposal or (ii) the entering into by the Company or any of its Subsidiaries of a definitive agreement with respect to any such transaction.

(c) Any payment of the Termination Fee pursuant to this Section 10.3 shall be made by wire transfer of immediately available funds. If the Company fails to pay to Parent the Termination Fee when due hereunder, the Company shall pay the reasonable costs and expenses (including legal fees and expenses) incurred by Parent in connection with any action, including the filing of any lawsuit or other legal action, taken to collect payment, together with interest on the amount of any unpaid fee and/or expense at the publicly announced prime rate for leading money center banks as published in The Wall Street Journal from the date such fee and/or expense was required to be paid to the date it is paid.

ARTICLE XI

MISCELLANEOUS

Section 11.1 REPRESENTATIONS AND WARRANTIES. The respective representations and warranties of the Company, on the one hand, and Parent and Purchaser, on the other han-d, contained herein or in any certificates or other documents delivered prior to or at the Closing shall not be deemed waived or otherwise affected by any investigation made by any party. Each and every such representation and warranty shall expire with, and be terminated and extinguished by, the Closing and thereafter none of the Company, Parent or Purchaser shall be under any liability whatsoever with respect to any such representation or warranty. This Section 11.1 shall have no effect upon any other obligation of the parties hereto, whether to be performed before or

after the Effective Time.

Section 11.2 EXTENSION; WAIVER. At any time prior to the Effective Time, the parties hereto, by action taken by or on behalf of the respective Boards of Directors of the Company (or, if required by Section 2.3, the Independent Directors), Parent or Purchaser, may (i) extend the time for the performance of any of the obligations or other acts of the other parties hereto, (ii) waive any inaccuracies in the representations and warranties contained herein by any other applicable party or in any document, certificate or writing delivered pursuant hereto by any other applicable party or (iii) subject to the proviso of Section 11.6, waive compliance with any of the agreements or conditions contained herein by the other parties hereto. Any agreement on the part of any party to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party.

Section 11.3 NOTICES. All notices, requests, demands, waivers and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if delivered in person or mailed, certified or registered mail with postage prepaid, or sent by telex, telegram or telecopier, as follows:

(a) if to the Company, to it at:

Puerto Rican Cement Company, Inc.
P.O. Box 364487
San Juan, Puerto Rico 00936-4487
Telecopy: 787-781-8850
Attention: President

with a copy (which shall not constitute notice) to:

LeBoeuf, Lamb, Greene & MacRae, L.L.P.
125 West 55th Street

New York, New York 10019-5389
Telecopy: 212-424-8500
Attention: Joseph L. Seiler III

(b) if to either Parent or Purchaser, to it at:

c/o CEMEX, Inc.
590 Madison Avenue 41st Floor
New York, NY 10022
Telecopy: (212) 317-6047
Attention: Jill Simeone

and

CEMEX, S.A. de C.V.
Ave. Constitucion 444 Pte.
Monterrey, NL, Mexico 64000
Telecopy: 011-52818-328-3082
Attention: Ramiro Villarreal

in each case, with a copy (which shall not constitute notice) to:

Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, NY 10036-6522
Telecopy: (212) 735-2000
Attention: Randall H. Doud

and

Rivera, Tulla & Ferrer
50 Quisqueya Street
San Juan, Puerto Rico 00917
Telecopy: (787) 767-5784
Attention: Eric Tulla

or to such other Person or address as any party shall specify by notice in writing to each of the other parties. All such notices, requests, demands, waivers and communications shall be deemed to have been received on the date of delivery unless if mailed, in which case on the third Business Day after the mailing thereof except for a notice of a change of address, which shall be effective only upon receipt thereof.

Section 11.4 ENTIRE AGREEMENT. The Confidentiality Agreement (subject to Section 11.16) and this Agreement and the schedules and other documents referred to herein or delivered pursuant hereto, collectively contain the entire understanding of the parties hereto with respect to the subject matter contained herein and supersede all prior agreements and understandings, oral and written, with respect thereto.

Section 11.5 BINDING EFFECT; BENEFIT; ASSIGNMENT. This Agreement shall inure to the benefit of and be binding upon the parties hereto and, with respect to the provisions of Section 8.7 hereof, shall inure to the benefit of the Persons or entities benefiting from the provisions thereof who are intended to be third-party beneficiaries thereof and their respective successors and permitted assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto without the prior written consent of the other parties, except that Purchaser may assign and transfer its rights and obligations hereunder to any of its Affiliates, provided that such assignment shall not release Parent from its obligations hereunder. Except as provided in the immediately preceding sentence, nothing in this Agreement, expressed or implied, is intended to confer on any Person other than the parties hereto or their respective successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

Section 11.6 AMENDMENT AND MODIFICATION. Subject to applicable Law, this Agreement may be amended, modified and supplemented in writing by the

parties hereto in all respects before the Effective Time (whether before or after the Company Shareholder Approval), by action taken by the respective Boards of Directors of Parent, Purchaser and the Company (or, if required by Section 2.3, the Independent Directors) or by the respective officers authorized by such Boards of Directors or the Independent Directors, as the case may be; provided, however, that after the Company Shareholder Approval, no amendment shall be made which by Law requires further approval by the shareholders of the Company without such further approval.

Section 11.7 FURTHER ACTIONS. Each of the parties hereto agrees that, except as otherwise provided in this Agreement and subject to its legal obligations and fiduciary duties, it will use its reasonable best efforts to fulfill all conditions precedent specified herein, to the extent that such conditions are within its control, and to do all things reasonably necessary to consummate the transactions contemplated hereby.

Section 11.8 INTERPRETATION. When a reference is made in this Agreement to Sections, Exhibits or Schedules, such reference shall be to a Section of or Exhibit or Schedule to this Agreement unless otherwise indicated. The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation". The phrases "the date of this Agreement",

"the date hereof" and terms of similar import, unless the context otherwise requires, shall be deemed to refer to June 11, 2002.

Section 11.9 ENFORCEMENT. The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms. It is accordingly agreed that the parties shall be entitled to specific performance of the terms hereof, this being in addition to any other remedy to which they are entitled at Law or in equity. Each of the parties hereto (a) irrevocably and unconditionally consents to submit to the jurisdiction of any court located in County of New York, State of New York (a "STATE COURT") or in the United States District Court for the Southern District of New York (the "FEDERAL COURT") for the purpose of any action arising out of or based upon this Agreement or any of the transactions contemplated by this Agreement brought by any party hereto and for the recognition and enforcement of any judgment rendered in respect thereof, (b) waives, and agrees not to assert by way of motion, as a defense, or otherwise, in any such action, any claim that it is not subject to the personal jurisdiction of the above-named courts, that its assets or property is exempt or immune from attachment or execution, that the action is brought in an inconvenient forum, that the venue of the action is improper, or that this Agreement or the transactions contemplated by this Agreement may not be enforced in or by any of the above-named courts and (c) agrees that it will not bring any action relating to this Agreement in any court other than a State Court or the Federal Court. Each of Parent, Purchaser and the Company irrevocably appoints LeBoeuf, Lamb, Greene & MacRae, L.L.P., as its agent for the sole purpose of receiving service of process or other legal summons in connection with any proceedings in the State of New York. If the appointment of the person mentioned in this Section 11.9 ceases to be effective, Parent, Purchaser and the Company each agrees that it will promptly appoint a further person in the State of New York to accept service of process on its behalf in the State of New York and so notify the other parties to this Agreement. Nothing contained in this Section 11.9 shall affect the right to serve process in any other manner permitted by Law.

Section 11.10 FEES AND EXPENSES. Except as otherwise set forth in Section 10.3, all fees and expenses incurred in connection with this Agreement and the consummation of the transactions contemplated hereby shall be paid by the party incurring such expenses (including any HSR Act filing fees, which shall be for the account of Parent and Purchaser), whether or not Consummation of the Offer occurs.

Section 11.11 COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, and all of which together shall be deemed to be one and the same instrument.

Section 11.12 APPLICABLE LAW. This Agreement and the legal relations between the parties hereto shall be governed by and construed in accordance with the Laws of the State of New York (without regard to the conflict of Laws rules thereof), except to the extent that the PRGCL is mandatorily applicable to the Merger.

Section 11.13 SEVERABILITY. If any term, provision, covenant or restriction contained in this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable or against its regulatory policy, the remainder of the terms, provisions, covenants and restrictions contained in this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

Section 11.14 WAIVER OF JURY TRIAL. Each of the parties to this Agreement hereby irrevocably waives all right to a trial by jury in any action, proceeding or counterclaim arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 11.15 TIME. Time is of the essence with respect to this

Agreement, the Offer, the Merger and the other transactions contemplated hereby.

Section 11.16 EFFECT ON CONFIDENTIALITY AGREEMENT. The Company agrees that the execution and delivery of this Agreement constitutes the consent of the Company's Board of Directors to the taking by Parent and Purchaser of the actions otherwise prohibited by the standstill provisions set forth in the sixth paragraph, and the non-solicitation provisions set forth in the seventh paragraph, of the Confidentiality Agreement, whether through the transactions contemplated by this Agreement, the Transaction Support Agreements or otherwise. The Company and Parent agree that notwithstanding anything in Section 10.2 or in the Confidentiality Agreement to the contrary, the standstill provisions set forth in the sixth paragraph of the Confidentiality Agreement shall not survive and shall forthwith become void in the event that the Options (as defined in the Transaction Support Agreements) become exercisable pursuant to the terms of the Transaction Support Agreements.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of Parent, Purchaser and the Company has caused this Agreement to be executed by its officers thereunto duly authorized, all as of the date first above written.

CEMEX, S.A. de C.V.

By: /s/ HECTOR MEDINA

Name: Hector Medina
Title: Executive Vice President

TRICEM ACQUISITION, CORP.

By: /s/ PHILIPPE GASTONE

Name: Philippe Gastone
Title: Vice President

PUERTO RICAN CEMENT COMPANY, INC.

By: /s/ MIGUEL A. NAZARIO

Name: Miguel A. Nazario
Title: Chairman & CEO

ANNEX I

CERTAIN CONDITIONS OF THE OFFER

The capitalized terms used in this Annex I which are not defined herein shall have the meanings set forth in the Agreement to which this Annex I is attached, except that the term the "Merger Agreement" shall be deemed to refer to the Agreement to which this Annex I is attached.

Notwithstanding any other provision of the Offer, Purchaser shall not be required to accept for payment or, subject to any applicable rules and regulations of the SEC, including Rule 14e-1(c) promulgated under the Exchange Act (relating to Purchaser's obligations to pay for or return tendered shares of Company Common Stock promptly after termination or withdrawal of the Offer), pay for any shares of Company Common Stock tendered pursuant to the Offer, and may terminate or amend the Offer in accordance with the Merger Agreement, if:

(a) immediately prior to any scheduled or extended expiration date of the Offer:

(i) the Minimum Condition shall not have been satisfied;

(ii) the applicable waiting period under the HSR Act shall not have expired or been terminated;

(iii) any necessary consent from lenders under the Banco Popular Loan Agreements to waive any "change of control" defaults that may occur thereunder by reason of consummation of the Offer or the Merger shall not have been obtained; or

(iv) if the consent of the Nuclear Regulatory Commission identified in Section 6.4 of the Company Disclosure Schedules shall not have been obtained;

(b) immediately prior to any scheduled or extended expiration date of the Offer, any of the following conditions exists:

(i) there shall have been any action threatened or taken, or any statute, rule, regulation, judgment, order or injunction promulgated, entered, enforced, enacted, issued or deemed applicable to the Offer or the Merger by any domestic or foreign federal or state governmental regulatory or administrative agency or authority or court or legislative body or commission which directly or indirectly (1) prohibits, or imposes any material limitations, other than limitations generally affecting the industries in which the Company and Parent and their respective Subsidiaries conduct their business, on, Parent's or Purchaser's ownership or operation (or that of any of their respective Subsidiaries) of all or a material portion of the Company's and its Subsidiaries' businesses or assets as a whole, or compels Parent or Purchaser or their respective Subsidiaries to dispose of or hold separate any material portion of the business or assets of the Company or Parent in each case taken as a whole, (2) prohibits, or makes illegal, Consummation of the Offer or consummation of the Merger or the other transactions contemplated by the Merger Agreement, (3) results in the material delay in the ability of Purchaser, or renders Purchaser unable, to accept for payment, pay for or purchase a material amount of the shares of Company Common Stock, or (4) imposes material limitations on the ability of Purchaser or Parent effectively to exercise full rights of ownership of the shares of the Company Common Stock including, without limitation, the right to vote the shares of the Company Common Stock purchased by it on all matters properly presented to the

Company's shareholders;

(ii) there shall have occurred (1) any general suspension of trading in, or limitation on prices for, securities in the New York Stock Exchange (excluding any coordinated trading halt triggered solely as a result of a specified decrease in a market index and excluding any suspension or limitation resulting from physical damage or interference with any exchange not related to market conditions), (2) a declaration of a banking moratorium or any suspension of payments in respect of banks in the United States (whether or not mandatory);

(iii) other than as explicitly disclosed in the Company Disclosure Schedule or the Company SEC Reports filed prior to the date of the Merger Agreement, any change shall have occurred (or any

development shall have occurred) after December 31, 2001, in the business, assets, liabilities, financial condition or results of operations of the Company or any of its Subsidiaries that has had or would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect; or

(iv) the Company's Board of Directors shall have withdrawn, or modified or changed in a manner adverse to Parent or Purchaser (including by amendment of the Schedule 14D-9), its recommendation of the Offer, the Merger Agreement, or the Merger, or recommended another proposal or offer regarding a Takeover Proposal, or shall have resolved to do any of the foregoing; or

(v) the Merger Agreement shall have been terminated in accordance with its terms; or

(c) immediately prior to any scheduled or extended expiration date of the Offer, (1) the Company shall have breached or failed to perform in any material respect any of its obligations under the Merger Agreement required to have been performed at or prior to such time, or (2) (i) subject to Section 5.2 of the Merger Agreement, the representations and warranties of the Company set forth in the Merger Agreement (other than the representations and warranties set forth in Sections 6.1(a), 6.1(c), 6.1(d), 6.2, 6.3, 6.5, 6.6, 6.7, 6.15, 6.17, 6.18, 6.19 and 6.25) shall fail to be true and correct as of the date of the Merger Agreement and as of any scheduled or extended expiration date of the Offer as though made on such date (or, in each case, if made as of a specified date, as of such date) and (ii) the representations and warranties of the Company set forth in Sections 6.1(a), 6.1(c), 6.1(d), 6.2, 6.3, 6.5, 6.6, 6.7, 6.15, 6.17, 6.18, 6.19 and 6.25 of the Merger Agreement shall fail to be true and correct in all material respects as of the date of the Merger Agreement and as of any scheduled or extended expiration date of the Offer as though made on such date (or, in each case, if made as of a specified date, as of such date), or the Company shall have failed to deliver to Parent and Purchaser a certificate executed by an appropriate officer of the Company reasonably acceptable to Parent as to the satisfaction of the condition set forth in this paragraph (c) immediately prior to the scheduled or any extended time of expiration of the Offer; or

(d) the Company shall have failed to deliver to Parent and Purchaser resignations of a sufficient number of the incumbent directors on the Company's Board of Directors effective as of the Consummation of the Offer, and/or duly adopted resolutions of the Company's Board of Directors, such that the Company has satisfied its obligations pursuant to Section 2.3 of the Merger Agreement that are required to be satisfied prior to Consummation of the Offer;

which in the reasonable good faith judgment of the Parent or Purchaser but subject to the provisions of the Merger Agreement, in any such case, and regardless of the circumstances (including any action or inaction by Parent or Purchaser) giving rise to such conditions make it inadvisable to proceed with the Offer and/or with such acceptance for payment of or payment for shares of Company Common Stock.

Subject to the provisions of the Merger Agreement, the foregoing conditions are for the sole benefit of Parent and Purchaser and may be asserted by Purchaser or, subject to the terms of the Merger Agreement may be waived by

Parent or Purchaser, in whole or in part at any time and from time to time in the reasonable discretion of Parent or Purchaser at any time prior to the scheduled or extended expiration date of the Offer. The failure by Parent or Purchaser at any time to exercise any of the foregoing rights shall not be deemed a waiver of any such right and each such right shall be deemed an ongoing right which may be asserted at any time and from time to time prior to the scheduled or extended expiration date of the Offer.

EXHIBIT (d)(2)

[EXECUTION VERSION]

TRANSACTION SUPPORT AGREEMENT

This Transaction Support Agreement, dated as of June 11, 2002 (this "Agreement"), is made by and among Cemex, S.A. de C.V., a Mexico corporation ("Parent"), Tricem Acquisition, Corp., a Puerto Rico corporation ("Purchaser"), and the stockholder of Puerto Rican Cement Company, Inc., a Puerto Rico corporation (the "Company"), identified on the signature page hereto (the "Stockholder").

W I T N E S S E T H:
- - - - - - - - - -

WHEREAS, Parent, Purchaser and the Company are entering into an Agreement and Plan of Merger, dated as of the date hereof (as it may be amended from time to time, the "Merger Agreement"; capitalized terms used and not otherwise defined in this Agreement have the meanings ascribed to such terms in the Merger Agreement), pursuant to which (i) Purchaser shall commence a cash tender offer (as such tender offer may hereafter be amended from time to time in accordance with the Merger Agreement, the "Offer") to acquire each issued and outstanding share of common stock, par value $1.00 per share, of the Company ("Common Stock") in exchange for a net amount of $35.00 in cash (the "Offer Price") in accordance with and subject to the terms and conditions of the Merger Agreement and the Offer; and (ii) following consummation of the Offer, the Company shall merge with Purchaser (the "Merger");

WHEREAS, the Stockholder is the record or beneficial owner of the number of shares of Common Stock set forth on Schedule A hereto (all such shares of Common Stock and any shares of Common Stock hereafter acquired by the Stockholder, the "Shares");

WHEREAS, as a condition to entering into the Merger Agreement and incurring the obligations set forth therein, including the Offer, Parent and Purchaser have required that the Stockholder agree to enter into this Agreement and certain other stockholders of the Company agree to enter into similar Transaction Support Agreements; and

WHEREAS, the Stockholder wishes to induce Parent and Purchaser to enter into the Merger Agreement and, therefore, the Stockholder is willing to enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements contained herein, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE I

TENDER OF SHARES

Section 1.01 Tender of Shares. The Stockholder agrees to promptly (and, in any event, not later than two Business Days prior to the scheduled expiration date of the Offer) tender or cause to be tendered into the Offer, pursuant to and in accordance with the terms of the Offer, and not withdraw or cause to be withdrawn (except following the termination of the Offer in accordance with its terms), all of the Shares. The Stockholder acknowledges and agrees that Purchaser's obligation to accept for payment shares of Common Stock in the Offer, including any Shares tendered by a Stockholder, is subject to the terms and conditions of the Merger Agreement and the Offer.

ARTICLE II

VOTING AGREEMENT

Section 2.01 Voting Agreement. The Stockholder hereby agrees that, from and after the date hereof and until the date (the "Voting Termination Date") that is the later of (i) the termination of the Merger Agreement in accordance with its terms or (ii) the Option Termination Date (as defined below), if any, at any

meeting of the stockholders of the Company, however called, and in any action by consent of the stockholders of the Company, the Stockholder shall vote (or cause to be voted) all the Shares (i) in favor of adoption of the Merger Agreement, the Merger and all the transactions contemplated by the Merger Agreement and this Agreement and otherwise in such manner as may be necessary to consummate the Merger; (ii) against any action, proposal, agreement or transaction that would result in a breach of any covenant, obligation, agreement, representation or warranty of the Company under the Merger Agreement or of the Stockholder contained in this Agreement; and (iii) against any action, agreement, transaction (other than the Merger Agreement or the transactions contemplated thereby) or proposal (including any Takeover Proposal or Superior Proposal) that could reasonably be expected to result in any of the conditions to the Company's obligations under the Merger Agreement not being fulfilled or that is intended, or could reasonably be expected, to impede, interfere, delay, discourage or adversely affect the Merger Agreement, the Offer, the Merger or this Agreement. Any vote by the Stockholder that is not in accordance with this Section 2.01 shall be considered null and void, and the provisions of Section 2.02 shall be deemed to take immediate effect.

Section 2.02 Irrevocable Proxy. If, and only if, the Stockholder fails to comply with the provisions of Section 2.01, the Stockholder hereby agrees that such failure shall result, without any further action by the Stockholder effective as of the date of such failure, in the constitution and appointment of Parent and each of its executive officers from and after the date of such determination until the Voting Termination Date (at which point such constitution and appointment shall automatically be revoked) as the Stockholder's attorney, agent and proxy (such constitution and appointment, the "Irrevocable Proxy"), with full power of substitution, to vote and otherwise act with

respect to all the Shares at any meeting of the stockholders of the Company (whether annual or special and whether or not an adjourned or postponed meeting), and in any action by written consent of the stockholders of the Company, on the matters and in the manner specified in Section 2.01. THIS PROXY AND POWER OF ATTORNEY ARE IRREVOCABLE AND COUPLED WITH AN INTEREST AND, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, SHALL BE VALID AND BINDING ON ANY PERSON TO WHOM THE STOCKHOLDER MAY TRANSFER ANY OF ITS SHARES IN BREACH OF THIS AGREEMENT. The Stockholder hereby revokes all other proxies and powers of attorney with respect to all the Shares that may have heretofore been appointed or granted, and no subsequent proxy or power of attorney shall be given (and if given, shall not be effective) by the Stockholder with respect thereto. All authority herein conferred or agreed to be conferred shall survive the death or incapacity of the Stockholder and any obligation of the Stockholder under this Agreement shall be binding upon the heirs, personal representatives, successors and assigns of the Stockholder.

ARTICLE III

THE OPTION

Section 3.01 Grant of Option. The Stockholder hereby grants to Parent an irrevocable option (each, an "Option" and, collectively, the "Options") to purchase all of the Shares (the "Option Shares") at a purchase price per Share (the "Purchase Price") equal to $35.00, less the value of any dividends per Option Share declared or paid from and after the date of this Agreement through the end of the Option Exercise Period and subject to adjustment pursuant to Section 7.13(a), other than any dividends paid in accordance with clause (A) of Section 8.2(b)(3) of the Merger Agreement.

Section 3.02 Payment of the Purchase Price. The Purchase Price shall be payable by Parent in cash by wire transfer in immediately available funds to a bank account to be designated by the Stockholder in a written notice to Parent at least two Business Days prior to the Closing Date (as defined below).

Section 3.03 Exercise of Option.

(a) If either (i) a Termination Fee has been paid or is payable pursuant to Section 10.3 of the Merger Agreement, (ii) the Merger Agreement is terminated as a result of the failure to satisfy the Minimum Condition (as

defined in the Merger Agreement) to the Offer and at or prior to the time of such termination it has become publicly known that a Takeover Proposal has been made or (iii) if a Subsequent Amendment (as defined in the Merger Agreement) is received by the Company or becomes publicly known, then each of the Options shall become exercisable by Parent for a period (the "Option Exercise Period") commencing on the earlier of the date on which a Subsequent Amendment is received by Company or becomes publicly known and the date on which the Merger Agreement is terminated and ending at 11:59 p.m. (New York time) on the 30th day following the date on which the Merger Agreement is terminated (the day on which the Option Exercise Period ends, the "Option Termination Date"). The

Options shall be exercisable in whole but not in part, and in no event shall Parent be permitted to exercise an Option with respect to the Shares unless Parent concurrently exercises all Options to purchase the shares of Common Stock subject to each Transaction Support Agreement from all stockholders who have executed a Transaction Support Agreement.

(b) If Parent wishes to exercise the Options during the Option Exercise Period, Parent shall send a written notice (the "Exercise Notice") to the Stockholder of its intention to exercise the Stockholder's Option, specifying the place, and, if then known, the time and the date (the "Closing Date") of the closing of such purchase (the "Closing"). The Closing Date shall, subject to satisfaction of the conditions in paragraph (d), occur on the later of (i) the third Business Day after the date on which such Exercise Notice is delivered and (ii) one Business Day following the expiration or termination of the waiting period under the HSR Act applicable to the consummation of the purchase and sale of the Shares hereunder.

(c) At the Closing, (i) the Stockholder shall deliver to Parent (or its designee) the Shares by delivery of a certificate or certificates evidencing such Shares duly endorsed to Parent or accompanied by stock powers duly executed in favor of Parent, with all necessary stock transfer stamps affixed, and (ii) Parent shall pay for the Shares in accordance with Section 3.02.

(d) The Closing shall be subject to the satisfaction or, in the case of clause (iii) below, waiver by the Stockholder of each of the following conditions:

(i) no Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Law that is then in effect and no order of any Governmental Authority shall have been entered or be in effect, in either case that has the effect of making the acquisition of the Shares by Parent illegal or otherwise restricting, preventing or prohibiting consummation of the purchase and sale of the Shares pursuant to the exercise of the Options; and

(ii) any waiting period under the HSR Act applicable to the consummation of the purchase and sale of the Shares hereunder shall have expired or been terminated.

(e) At the Closing, (i) the Stockholder will deliver good and valid title to the Shares free and clear of any Liens and, upon delivery to Parent of such Shares and payment for the Purchase Price therefor as contemplated herein, Parent will receive good, valid and marketable title to the Shares free and clear of any Liens, and (ii) Parent shall deliver to the Stockholder the Purchase Price.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE STOCKHOLDER

The Stockholder hereby represents and warrants to Parent and to Purchaser as follows:

Section 4.01 Organization, Authority and Qualification of the Stockholder.

The Stockholder is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization or formation and has all necessary power and authority to enter into this Agreement, to carry out its obligations hereunder and to consummate the transactions contemplated hereby. The Stockholder is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its business makes such licensing or qualification necessary, except to the extent that the failure to be so licensed or qualified would not prevent or materially delay the ability of the Stockholder to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement. The execution and delivery of this Agreement by the Stockholder, the performance by the Stockholder of its obligations hereunder and the consummation by the Stockholder of the transactions contemplated hereby have been duly authorized by all requisite action on the part of the Stockholder. This Agreement has been duly and validly executed and delivered by the Stockholder and (assuming due authorization, execution and delivery by Parent and Purchaser) this Agreement constitutes a legal, valid and binding obligation of the Stockholder enforceable against the Stockholder in accordance with its terms.

Section 4.02 No Conflict; Required Filings and Consents.

(a) The execution and delivery of this Agreement by the Stockholder does not, and the performance of this Agreement by the Stockholder shall not, (i) conflict with or violate the certificate of incorporation and by-laws, agreement of limited partnership, limited liability company agreement or equivalent organizational documents, as the case may be, of the Stockholder, (ii) assuming satisfaction of the requirements set forth in 4.02(b) below, conflict with or violate any Law applicable to the Stockholder or by which any property or asset of the Stockholder is bound or affected or (iii) result in any breach of, or constitute a default (or event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in the creation of a Lien on any Shares (other than pursuant to this Agreement) pursuant to, any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation of the Stockholder, except for any such conflicts, violations, breaches, defaults or other occurrences that would not prevent or materially delay the ability of the Stockholder to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement.

(b) The execution and delivery of this Agreement by the Stockholder does not, and the performance of this Agreement by the Stockholder shall not, require any consent, approval, authorization or permit of, or filing with, or notification to, any Governmental Authority, except (i) for applicable requirements, if any, of the Exchange Act, Blue Sky Laws and the premerger notification requirements of the HSR Act, and (ii) where the failure to obtain such consents, approvals, authorizations

or permits, or to make such filings or notifications, would not prevent or materially delay the ability of the Stockholder to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement.

Section 4.03 Ownership of Shares. As of the date hereof, the Stockholder is the record or beneficial owner of, and has good title to, the number of Shares set forth on Schedule A hereto. Except as set forth on Schedule A, the Shares are all the securities of the Company owned, either of record or beneficially, by the Stockholder as of the date hereof and the Stockholder does not have any option or other right to acquire any other securities of the Company. The Shares owned by the Stockholder are owned free and clear of all Liens, other than any Liens created by this Agreement. Except as provided in this Agreement, the Stockholder has not appointed or granted any proxy, which appointment or grant is still effective, with respect to the Shares owned by the Stockholder.

Section 4.04 Absence of Litigation. As of the date of this Agreement, there is no litigation, suit, claim, action, proceeding or investigation pending or, to the knowledge of the Stockholder, threatened against the Stockholder, or any property or asset of the Stockholder, before any Governmental Authority that seeks to delay or prevent the consummation of the transactions contemplated by this Agreement.

Section 4.05 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Stockholder.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF PARENT AND PURCHASER

Each of Parent and Purchaser hereby severally but not jointly represents and warrants to the Stockholder as to itself as follows:

Section 5.01 Organization, Authority and Qualification. Each of Parent and Purchaser is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has all necessary power and authority to enter into this Agreement, to carry out its obligations hereunder and to consummate the transactions contemplated hereby. Each of Parent and Purchaser is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its business makes such licensing or qualification necessary, except to the extent that the failure to be so licensed or qualified would not prevent or materially delay the ability of Parent or Purchaser to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement. The execution and delivery of this Agreement by each of Parent and Purchaser, the performance by each of Parent and Purchaser of its obligations hereunder and the consummation by each of Parent and Purchaser of the transactions contemplated hereby have been duly authorized by all requisite action on the part of each of Parent and

Purchaser. This Agreement has been duly and validly executed and delivered by each of Parent and Purchaser and (assuming due authorization, execution and delivery by the Stockholder) this Agreement constitutes a legal, valid and binding obligation of each of Parent and Purchaser enforceable against Parent and Purchaser in accordance with its terms.

Section 5.02 No Conflict; Required Filings and Consents.

(a) The execution and delivery of this Agreement by each of Parent and Purchaser do not, and the performance of this Agreement by each of Parent and Purchaser shall not, (i) conflict with or violate the certificate of incorporation and by-laws of Parent or Purchaser, (ii) assuming satisfaction of the requirements set forth in Section 5.02(b) below, conflict with or violate any Law applicable to Parent or Purchaser or by which any property or asset of Parent or Purchaser is bound or affected or (iii) result in any breach of, or constitute a default (or event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation of Parent or Purchaser, except for any such conflicts, violations, breaches, defaults or other occurrences that would not prevent or materially delay the ability of Parent or Purchaser to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement.

(b) The execution and delivery of this Agreement by each of Parent and Purchaser do not, and the performance of this Agreement by each of Parent and Purchaser shall not, require any consent, approval, authorization or permit of, or filing with, or notification to, any Governmental Authority, except (i) for applicable requirements, if any, of the Securities Act, the Exchange Act, Blue Sky Laws and the premerger notification requirements of the HSR Act, and (ii) where the failure to obtain such consents, approvals, authorizations or permits, or to make such filings or notifications, would not prevent or materially delay the ability of Parent or Purchaser to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement.

ARTICLE VI

COVENANTS OF THE STOCKHOLDER

Section 6.01 No Disposition or Encumbrance of Shares. The Stockholder hereby agrees that, except as contemplated by this Agreement, the Stockholder shall not (i) sell, transfer, tender (except into the Offer), pledge, assign, contribute to the capital of any entity, hypothecate, give or otherwise dispose of, grant a proxy or power of attorney with respect to (other than the Irrevocable Proxy), deposit into any voting trust, enter into any voting agreement, or create or permit to exist any Liens of any nature whatsoever (other than pursuant to this Agreement) with respect to, any of the Shares (or agree or consent to, or offer to do, any of the foregoing), or (ii) take any action that would make any representation or warranty of the Stockholder herein untrue or

incorrect in any material respect or have the effect of preventing or disabling the Stockholder from performing the Stockholder's obligations hereunder.

Section 6.02 No Solicitation of Transactions. The Stockholder shall not, directly or indirectly, through any director, officer, affiliate, employee, representative, agent or otherwise, (i) solicit, initiate, endorse, accept or encourage the submission of any Takeover Proposal, or (ii) participate in any discussions or negotiations regarding, or furnish to any person any information with respect to, or otherwise cooperate in any way with respect to, or participate in, assist, facilitate, endorse or encourage any proposal that constitutes, or may reasonably be expected to lead to, a Takeover Proposal; provided, however, that nothing herein shall prevent any director, officer or stockholder of the Stockholder from acting in his or her capacity as a director of the Company, or taking any action in such capacity (including at the direction of the Company Board), but only in either such case as and to the extent permitted by Section 8.5 of the Merger Agreement. The Stockholder shall, and shall direct or cause its directors, officers, affiliates, employees, representatives and agents to, immediately cease and cause to be terminated any discussions or negotiations with any parties that may be ongoing with respect to a Takeover Proposal.

Section 6.03 Further Action; Reasonable Best Efforts. Upon the terms and subject to the conditions hereof, Parent, Purchaser and the Stockholder shall use their reasonable best efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective this Agreement.

Section 6.04 Information for Offer Documents and Proxy Statement; Disclosure. The Stockholder covenants and agrees that none of the information relating to the Stockholder and its affiliates for inclusion in the Schedule 14D-9, the Offer Documents or, if applicable, the Proxy Statement that has been furnished to Parent by the Stockholder for inclusion in such documents will, at (i) the time the Schedule 14D-9 or the Proxy Statement (or any amendment or supplement thereto) is first filed with the SEC or mailed to stockholders of the Company or (ii) the time of the Company Stockholders Meeting (in the case of information included in the Proxy Statement), contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The Stockholder agrees to permit Parent and Purchaser to publish and disclose in the Offer Documents and, if applicable, the Proxy Statement and any related filings under applicable securities Laws the Stockholder's identity and ownership of Shares and the nature of its commitments, arrangements and understandings under this Agreement and any other information regarding the Stockholder as required by applicable Law.

ARTICLE VII

MISCELLANEOUS

Section 7.01 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by telecopy or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 7.01):

(a) if to the Stockholder:

PO Box 9067512
San Juan PR 00906-7512

(b) if to Parent or Purchaser:

c/o CEMEX
590 Madison Avenue 41st Floor
New York, NY 10022
Telecopy: (212) 317-6047
Attention: Jill Simeone

and

CEMEX, S.A. de C.V.
Ave. Constitucion 444 Pte.
Monterrey, NL, Mexico 64000
Telecopy: 011-52818-328-3082
Attention: Ramiro Villarreal

with a copy to:

Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, New York 10036-6522
Facsimile No: (212) 735-2000
Attention: Randall H. Doud

and

Rivera, Tulla & Ferrer
50 Quisqueya Street
San Juan, Puerto Rico 00917
Telecopy: (787) 767-5784
Attention: Eric Tulla

Section 7.02 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of Law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in

full force and effect so long as the economic or legal substance of the transactions contemplated hereby and by the Merger Agreement are not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that such transactions be consummated as originally contemplated to the fullest extent possible.

Section 7.03 Entire Agreement; Assignment. This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior agreements and undertakings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof. This Agreement shall not be assigned by operation of law or otherwise, except that Parent and Purchaser may assign all or any of their rights and obligations hereunder to any wholly owned subsidiary of Parent, provided that no such assignment shall relieve Parent or Purchaser of its obligations hereunder.

Section 7.04 Parties in Interest. This Agreement shall be binding upon and inure solely to the benefit of each party hereto and, except as set forth in

Section 7.10 hereof, nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 7.05 Specific Performance. The parties hereto agree that irreparable damage would occur in the event any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy at Law or in equity.

Section 7.06 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts executed in and to be performed in that State (other than those provisions set forth herein that are required to be governed by the Corporation Law of the Commonwealth of Puerto Rico). All actions and proceedings arising out of or relating to this Agreement shall be heard and determined exclusively in any New York state or federal court sitting in the Borough of Manhattan of The City of New York. The parties hereto hereby (a) submit to the exclusive jurisdiction of any state or federal court sitting in the Borough of Manhattan of The City of New York for the purpose of any action arising out of or relating to this Agreement brought by any party hereto, and (b) irrevocably waive, and agree not to assert by way of motion, defense, or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the action is brought in an inconvenient forum, that the venue of the action is improper, or that this Agreement may not be enforced in or by any of the above-named courts.

Section 7.07 Waiver of Jury Trial. Each of the parties hereto hereby waives to the fullest extent permitted by applicable Law any right it may have to a trial

by jury with respect to any litigation directly or indirectly arising out of, under or in connection with this Agreement. Each of the parties hereto (a) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce that foregoing waiver and (b) acknowledges that it and the others hereto have been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 7.07.

Section 7.08 Headings. The descriptive headings contained in this Agreement are included for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 7.09 Counterparts. This Agreement may be executed and delivered (including by facsimile transmission) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

Section 7.10 Amendment. This Agreement may not be amended except by an instrument in writing signed by all the parties hereto. Notwithstanding the foregoing, the provisions of this Agreement shall not be amended without the prior written consent of the Company.

Section 7.11 Waiver. Any party to this Agreement may (i) extend the time for the performance of any obligation or other act of any other party hereto, (ii) waive any inaccuracy in the representations and warranties of another party contained herein or in any document delivered pursuant hereto and (iii) waive compliance with any agreement of another party contained herein. Any such extension or waiver shall be valid if set forth in an instrument in writing signed by the party or parties to be bound thereby.

Section 7.12 Costs and Expenses of This Agreement and the Merger Agreement. All costs and expenses of the parties hereto, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred.

Section 7.13 Adjustments.

(a) In the event (i) of any increase or decrease or other change in the Shares by reason of stock dividend, stock split, recapitalizations, combinations, exchanges of shares or the like or (ii) that a Stockholder becomes the beneficial owner of any additional shares of Common Stock or other securities of the Company, then (x) the terms of this Agreement shall apply to the shares of capital stock and other securities of the Company held by the Stockholder immediately following the effectiveness of the events described in clause (i), or the Stockholder becoming the beneficial owner thereof

pursuant to clause (ii), and (y) the Purchase Price shall be equitably adjusted to reflect the impact of any event described in clause (i).

(b) The Stockholder hereby agrees to promptly notify Parent and Purchaser of the number of any new Shares or other securities acquired by the Stockholder, if any, after the date hereof.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the day and year first above written.

CEMEX, S.A. DE C.V.

By: /s/ Hector Medina

Name: Hector Medina
Title: Executive Vice President

TRICEM ACQUISITION, CORP.

By: /s/ Philippe Gastone

Name: Philippe Gastone
Title: Vice-President

EL DIA, INC.

By: /s/ Antonio Luis Ferre

Name: Antonio Luis Ferre
Title: Chairman

Schedule A

Number of Shares of Common Stock
658,976

EXHIBIT (d)(3)

[EXECUTION VERSION]

TRANSACTION SUPPORT AGREEMENT

This Transaction Support Agreement, dated as of June 11, 2002 (this "Agreement"), is made by and among Cemex, S.A. de C.V., a Mexico corporation ("Parent"), Tricem Acquisition, Corp., a Puerto Rico corporation ("Purchaser"), and the stockholder of Puerto Rican Cement Company, Inc., a Puerto Rico corporation (the "Company"), identified on the signature page hereto (the "Stockholder").

W I T N E S S E T H:
- - - - - - - - - -

WHEREAS, Parent, Purchaser and the Company are entering into an Agreement and Plan of Merger, dated as of the date hereof (as it may be amended from time to time, the "Merger Agreement"; capitalized terms used and not otherwise defined in this Agreement have the meanings ascribed to such terms in the Merger Agreement), pursuant to which (i) Purchaser shall commence a cash tender offer (as such tender offer may hereafter be amended from time to time in accordance with the Merger Agreement, the "Offer") to acquire each issued and outstanding share of common stock, par value $1.00 per share, of the Company ("Common Stock") in exchange for a net amount of $35.00 in cash (the "Offer Price") in accordance with and subject to the terms and conditions of the Merger Agreement and the Offer; and (ii) following consummation of the Offer, the Company shall merge with Purchaser (the "Merger");

WHEREAS, the Stockholder is the record or beneficial owner of the number of shares of Common Stock set forth on Schedule A hereto (all such shares of Common Stock and any shares of Common Stock hereafter acquired by the Stockholder, the "Shares");

WHEREAS, as a condition to entering into the Merger Agreement and incurring the obligations set forth therein, including the Offer, Parent and Purchaser have required that the Stockholder agree to enter into this Agreement and certain other stockholders of the Company agree to enter into similar Transaction Support Agreements; and

WHEREAS, the Stockholder wishes to induce Parent and Purchaser to enter into the Merger Agreement and, therefore, the Stockholder is willing to enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements contained herein, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE I

TENDER OF SHARES

Section 1.01 Tender of Shares. The Stockholder agrees to promptly (and, in any event, not later than two Business Days prior to the scheduled expiration date of the Offer) tender or cause to be tendered into the Offer, pursuant to and in accordance with the terms of the Offer, and not withdraw or cause to be withdrawn (except following the termination of the Offer in accordance with its terms), all of the Shares. The Stockholder acknowledges and agrees that Purchaser's obligation to accept for payment shares of Common Stock in the Offer, including any Shares tendered by a Stockholder, is subject to the terms and conditions of the Merger Agreement and the Offer.

ARTICLE II

VOTING AGREEMENT

Section 2.01 Voting Agreement. The Stockholder hereby agrees that, from and after the date hereof and until the date (the "Voting Termination Date")

that is the later of (i) the termination of the Merger Agreement in accordance with its terms or (ii) the Option Termination Date (as defined below), if any, at any meeting of the stockholders of the Company, however called, and in any action by consent of the stockholders of the Company, the Stockholder shall vote (or cause to be voted) all the Shares (i) in favor of adoption of the Merger Agreement, the Merger and all the transactions contemplated by the Merger Agreement and this Agreement and otherwise in such manner as may be necessary to consummate the Merger; (ii) against any action, proposal, agreement or transaction that would result in a breach of any covenant, obligation, agreement, representation or warranty of the Company under the Merger Agreement or of the Stockholder contained in this Agreement; and (iii) against any action, agreement, transaction (other than the Merger Agreement or the transactions contemplated thereby) or proposal (including any Takeover Proposal or Superior Proposal) that could reasonably be expected to result in any of the conditions to the Company's obligations under the Merger Agreement not being fulfilled or that is intended, or could reasonably be expected, to impede, interfere, delay, discourage or adversely affect the Merger Agreement, the Offer, the Merger or this Agreement. Any vote by the Stockholder that is not in accordance with this Section 2.01 shall be considered null and void, and the provisions of Section 2.02 shall be deemed to take immediate effect.

Section 2.02 Irrevocable Proxy. If, and only if, the Stockholder fails to comply with the provisions of Section 2.01, the Stockholder hereby agrees that such failure shall result, without any further action by the Stockholder effective as of the date of such failure, in the constitution and appointment of Parent and each of its executive officers from and after the date of such determination until the Voting Termination Date (at which point such constitution and appointment shall automatically be revoked) as the Stockholder's attorney, agent and proxy (such constitution and appointment, the "Irrevocable Proxy"), with full power of substitution, to vote and otherwise act with

respect to all the Shares at any meeting of the stockholders of the Company (whether annual or special and whether or not an adjourned or postponed meeting), and in any action by written consent of the stockholders of the Company, on the matters and in the manner specified in Section 2.01. THIS PROXY AND POWER OF ATTORNEY ARE IRREVOCABLE AND COUPLED WITH AN INTEREST AND, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, SHALL BE VALID AND BINDING ON ANY PERSON TO WHOM THE STOCKHOLDER MAY TRANSFER ANY OF ITS SHARES IN BREACH OF THIS AGREEMENT. The Stockholder hereby revokes all other proxies and powers of attorney with respect to all the Shares that may have heretofore been appointed or granted, and no subsequent proxy or power of attorney shall be given (and if given, shall not be effective) by the Stockholder with respect thereto. All authority herein conferred or agreed to be conferred shall survive the death or incapacity of the Stockholder and any obligation of the Stockholder under this Agreement shall be binding upon the heirs, personal representatives, successors and assigns of the Stockholder.

ARTICLE III

THE OPTION

Section 3.01 Grant of Option. The Stockholder hereby grants to Parent an irrevocable option (each, an "Option" and, collectively, the "Options") to purchase all of the Shares (the "Option Shares") at a purchase price per Share (the "Purchase Price") equal to $35.00, less the value of any dividends per Option Share declared or paid from and after the date of this Agreement through the end of the Option Exercise Period and subject to adjustment pursuant to Section 7.13(a), other than any dividends paid in accordance with clause (A) of Section 8.2(b)(3) of the Merger Agreement.

Section 3.02 Payment of the Purchase Price. The Purchase Price shall be payable by Parent in cash by wire transfer in immediately available funds to a bank account to be designated by the Stockholder in a written notice to Parent at least two Business Days prior to the Closing Date (as defined below).

Section 3.03 Exercise of Option.

(a) If either (i) a Termination Fee has been paid or is payable pursuant to Section 10.3 of the Merger Agreement, (ii) the Merger Agreement is terminated as a result of the failure to satisfy the Minimum Condition (as defined in the Merger Agreement) to the Offer and at or prior to the time of such termination it has become publicly known that a Takeover Proposal has been made or (iii) if a Subsequent Amendment (as defined in the Merger Agreement) is received by the Company or becomes publicly known, then each of the Options shall become exercisable by Parent for a period (the "Option Exercise Period") commencing on the earlier of the date on which a Subsequent Amendment is received by Company or becomes publicly known and the date on which the Merger Agreement is terminated and ending at 11:59 p.m. (New York time) on the 30th day following the date on which the Merger Agreement is terminated (the day on which the Option Exercise Period ends, the "Option Termination Date"). The

Options shall be exercisable in whole but not in part, and in no event shall Parent be permitted to exercise an Option with respect to the Shares unless Parent concurrently exercises all Options to purchase the shares of Common Stock subject to each Transaction Support Agreement from all stockholders who have executed a Transaction Support Agreement.

(b) If Parent wishes to exercise the Options during the Option Exercise Period, Parent shall send a written notice (the "Exercise Notice") to the Stockholder of its intention to exercise the Stockholder's Option, specifying the place, and, if then known, the time and the date (the "Closing Date") of the closing of such purchase (the "Closing"). The Closing Date shall, subject to satisfaction of the conditions in paragraph (d), occur on the later of (i) the third Business Day after the date on which such Exercise Notice is delivered and (ii) one Business Day following the expiration or termination of the waiting period under the HSR Act applicable to the consummation of the purchase and sale of the Shares hereunder.

(c) At the Closing, (i) the Stockholder shall deliver to Parent (or its designee) the Shares by delivery of a certificate or certificates evidencing such Shares duly endorsed to Parent or accompanied by stock powers duly executed in favor of Parent, with all necessary stock transfer stamps affixed, and (ii) Parent shall pay for the Shares in accordance with Section 3.02.

(d) The Closing shall be subject to the satisfaction or, in the case of clause (iii) below, waiver by the Stockholder of each of the following conditions:

(i) no Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Law that is then in effect and no order of any Governmental Authority shall have been entered or be in effect, in either case that has the effect of making the acquisition of the Shares by Parent illegal or otherwise restricting, preventing or prohibiting consummation of the purchase and sale of the Shares pursuant to the exercise of the Options; and

(ii) any waiting period under the HSR Act applicable to the consummation of the purchase and sale of the Shares hereunder shall have expired or been terminated.

(e) At the Closing, (i) the Stockholder will deliver good and valid title to the Shares free and clear of any Liens and, upon delivery to Parent of such Shares and payment for the Purchase Price therefor as contemplated herein, Parent will receive good, valid and marketable title to the Shares free and clear of any Liens, and (ii) Parent shall deliver to the Stockholder the Purchase Price.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE STOCKHOLDER

The Stockholder hereby represents and warrants to Parent and to Purchaser as follows:

Section 4.01 Organization, Authority and Qualification of the Stockholder. The Stockholder is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization or formation and has all necessary power and authority to enter into this Agreement, to carry out its obligations hereunder and to consummate the transactions contemplated hereby. The Stockholder is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its business makes such licensing or qualification necessary, except to the extent that the failure to be so licensed or qualified would not prevent or materially delay the ability of the Stockholder to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement. The execution and delivery of this Agreement by the Stockholder, the performance by the Stockholder of its obligations hereunder and the consummation by the Stockholder of the transactions contemplated hereby have been duly authorized by all requisite action on the part of the Stockholder. This Agreement has been duly and validly executed and delivered by the Stockholder and (assuming due authorization, execution and delivery by Parent and Purchaser) this Agreement constitutes a legal, valid and binding obligation of the Stockholder enforceable against the Stockholder in accordance with its terms.

Section 4.02 No Conflict; Required Filings and Consents.

(a) The execution and delivery of this Agreement by the Stockholder does not, and the performance of this Agreement by the Stockholder shall not, (i) conflict with or violate the certificate of incorporation and by-laws, agreement of limited partnership, limited liability company agreement or equivalent organizational documents, as the case may be, of the Stockholder, (ii) assuming satisfaction of the requirements set forth in 4.02(b) below, conflict with or violate any Law applicable to the Stockholder or by which any property or asset of the Stockholder is bound or affected or (iii) result in any breach of, or constitute a default (or event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in the creation of a Lien on any Shares (other than pursuant to this Agreement) pursuant to, any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation of the Stockholder, except for any such conflicts, violations, breaches, defaults or other occurrences that would not prevent or materially delay the ability of the Stockholder to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement.

(b) The execution and delivery of this Agreement by the Stockholder does not, and the performance of this Agreement by the Stockholder shall not, require any consent, approval, authorization or permit of, or filing with, or notification to, any Governmental Authority, except (i) for applicable requirements, if any, of the Exchange Act, Blue Sky Laws and the premerger notification requirements of the HSR Act, and (ii) where the failure to obtain such consents, approvals, authorizations

or permits, or to make such filings or notifications, would not prevent or materially delay the ability of the Stockholder to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement.

Section 4.03 Ownership of Shares. As of the date hereof, the Stockholder is the record or beneficial owner of, and has good title to, the number of Shares set forth on Schedule A hereto. Except as set forth on Schedule A, the Shares are all the securities of the Company owned, either of record or

beneficially, by the Stockholder as of the date hereof and the Stockholder does not have any option or other right to acquire any other securities of the Company. The Shares owned by the Stockholder are owned free and clear of all Liens, other than any Liens created by this Agreement. Except as provided in this Agreement, the Stockholder has not appointed or granted any proxy, which appointment or grant is still effective, with respect to the Shares owned by the Stockholder.

Section 4.04 Absence of Litigation. As of the date of this Agreement, there is no litigation, suit, claim, action, proceeding or investigation pending or, to the knowledge of the Stockholder, threatened against the Stockholder, or any property or asset of the Stockholder, before any Governmental Authority that seeks to delay or prevent the consummation of the transactions contemplated by this Agreement.

Section 4.05 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Stockholder.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF PARENT AND PURCHASER

Each of Parent and Purchaser hereby severally but not jointly represents and warrants to the Stockholder as to itself as follows:

Section 5.01 Organization, Authority and Qualification. Each of Parent and Purchaser is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has all necessary power and authority to enter into this Agreement, to carry out its obligations hereunder and to consummate the transactions contemplated hereby. Each of Parent and Purchaser is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its business makes such licensing or qualification necessary, except to the extent that the failure to be so licensed or qualified would not prevent or materially delay the ability of Parent or Purchaser to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement. The execution and delivery of this Agreement by each of Parent and Purchaser, the performance by each of Parent and Purchaser of its obligations hereunder and the consummation by each of Parent and Purchaser of the transactions contemplated hereby have been duly authorized by all requisite action on the part of each of Parent and

Purchaser. This Agreement has been duly and validly executed and delivered by each of Parent and Purchaser and (assuming due authorization, execution and delivery by the Stockholder) this Agreement constitutes a legal, valid and binding obligation of each of Parent and Purchaser enforceable against Parent and Purchaser in accordance with its terms.

Section 5.02 No Conflict; Required Filings and Consents.

(a) The execution and delivery of this Agreement by each of Parent and Purchaser do not, and the performance of this Agreement by each of Parent and Purchaser shall not, (i) conflict with or violate the certificate of incorporation and by-laws of Parent or Purchaser, (ii) assuming satisfaction of the requirements set forth in Section 5.02(b) below, conflict with or violate any Law applicable to Parent or Purchaser or by which any property or asset of Parent or Purchaser is bound or affected or (iii) result in any breach of, or constitute a default (or event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation of Parent or Purchaser, except for any such conflicts, violations, breaches, defaults or other occurrences that would not prevent or materially delay the ability of Parent or Purchaser to carry out its

obligations under, and to consummate the transactions contemplated by, this Agreement.

(b) The execution and delivery of this Agreement by each of Parent and Purchaser do not, and the performance of this Agreement by each of Parent and Purchaser shall not, require any consent, approval, authorization or permit of, or filing with, or notification to, any Governmental Authority, except (i) for applicable requirements, if any, of the Securities Act, the Exchange Act, Blue Sky Laws and the premerger notification requirements of the HSR Act, and (ii) where the failure to obtain such consents, approvals, authorizations or permits, or to make such filings or notifications, would not prevent or materially delay the ability of Parent or Purchaser to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement.

ARTICLE VI

COVENANTS OF THE STOCKHOLDER

Section 6.01 No Disposition or Encumbrance of Shares. The Stockholder hereby agrees that, except as contemplated by this Agreement, the Stockholder shall not (i) sell, transfer, tender (except into the Offer), pledge, assign, contribute to the capital of any entity, hypothecate, give or otherwise dispose of, grant a proxy or power of attorney with respect to (other than the Irrevocable Proxy), deposit into any voting trust, enter into any voting agreement, or create or permit to exist any Liens of any nature whatsoever (other than pursuant to this Agreement) with respect to, any of the Shares (or agree or consent to, or offer to do, any of the foregoing), or (ii) take any action that would make any representation or warranty of the Stockholder herein untrue or

incorrect in any material respect or have the effect of preventing or disabling the Stockholder from performing the Stockholder's obligations hereunder.

Section 6.02 No Solicitation of Transactions. The Stockholder shall not, directly or indirectly, through any director, officer, affiliate, employee, representative, agent or otherwise, (i) solicit, initiate, endorse, accept or encourage the submission of any Takeover Proposal, or (ii) participate in any discussions or negotiations regarding, or furnish to any person any information with respect to, or otherwise cooperate in any way with respect to, or participate in, assist, facilitate, endorse or encourage any proposal that constitutes, or may reasonably be expected to lead to, a Takeover Proposal; provided, however, that nothing herein shall prevent any director, officer or stockholder of the Stockholder from acting in his or her capacity as a director of the Company, or taking any action in such capacity (including at the direction of the Company Board), but only in either such case as and to the extent permitted by Section 8.5 of the Merger Agreement. The Stockholder shall, and shall direct or cause its directors, officers, affiliates, employees, representatives and agents to, immediately cease and cause to be terminated any discussions or negotiations with any parties that may be ongoing with respect to a Takeover Proposal.

Section 6.03 Further Action; Reasonable Best Efforts. Upon the terms and subject to the conditions hereof, Parent, Purchaser and the Stockholder shall use their reasonable best efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective this Agreement.

Section 6.04 Information for Offer Documents and Proxy Statement; Disclosure. The Stockholder covenants and agrees that none of the information relating to the Stockholder and its affiliates for inclusion in the Schedule 14D-9, the Offer Documents or, if applicable, the Proxy Statement that has been furnished to Parent by the Stockholder for inclusion in such documents will, at (i) the time the Schedule 14D-9 or the Proxy Statement (or any amendment or supplement thereto) is first filed with the SEC or mailed to stockholders of the Company or (ii) the time of the Company Stockholders Meeting (in the case of information included in the Proxy Statement), contain any untrue statement of a

material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The Stockholder agrees to permit Parent and Purchaser to publish and disclose in the Offer Documents and, if applicable, the Proxy Statement and any related filings under applicable securities Laws the Stockholder's identity and ownership of Shares and the nature of its commitments, arrangements and understandings under this Agreement and any other information regarding the Stockholder as required by applicable Law.

ARTICLE VII

MISCELLANEOUS

Section 7.01 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by telecopy or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 7.01):

(a) if to the Stockholder:

PO Box 9066590
San Juan, PR 00906-6590

(b) if to Parent or Purchaser:

c/o CEMEX
590 Madison Avenue 41st Floor
New York, NY 10022
Telecopy: (212) 317-6047
Attention: Jill Simeone

and

CEMEX, S.A. de C.V.
Ave. Constitucion 444 Pte.
Monterrey, NL, Mexico 64000
Telecopy: 011-52818-328-3082
Attention: Ramiro Villarreal

with a copy to:

Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, New York 10036-6522
Facsimile No: (212) 735-2000
Attention: Randall H. Doud

and

Rivera, Tulla & Ferrer
50 Quisqueya Street
San Juan, Puerto Rico 00917
Telecopy: (787) 767-5784
Attention: Eric Tulla

Section 7.02 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of Law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in

full force and effect so long as the economic or legal substance of the transactions contemplated hereby and by the Merger Agreement are not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that such transactions be consummated as originally contemplated to the fullest extent possible.

Section 7.03 Entire Agreement; Assignment. This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior agreements and undertakings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof. This Agreement shall not be assigned by operation of law or otherwise, except that Parent and Purchaser may assign all or any of their rights and obligations hereunder to any wholly owned subsidiary of Parent, provided that no such assignment shall relieve Parent or Purchaser of its obligations hereunder.

Section 7.04 Parties in Interest. This Agreement shall be binding upon and inure solely to the benefit of each party hereto and, except as set forth in Section 7.10 hereof, nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 7.05 Specific Performance. The parties hereto agree that irreparable damage would occur in the event any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy at Law or in equity.

Section 7.06 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts executed in and to be performed in that State (other than those provisions set forth herein that are required to be governed by the Corporation Law of the Commonwealth of Puerto Rico). All actions and proceedings arising out of or relating to this Agreement shall be heard and determined exclusively in any New York state or federal court sitting in the Borough of Manhattan of The City of New York. The parties hereto hereby (a) submit to the exclusive jurisdiction of any state or federal court sitting in the Borough of Manhattan of The City of New York for the purpose of any action arising out of or relating to this Agreement brought by any party hereto, and (b) irrevocably waive, and agree not to assert by way of motion, defense, or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the action is brought in an inconvenient forum, that the venue of the action is improper, or that this Agreement may not be enforced in or by any of the above-named courts.

Section 7.07 Waiver of Jury Trial. Each of the parties hereto hereby waives to the fullest extent permitted by applicable Law any right it may have to a trial

by jury with respect to any litigation directly or indirectly arising out of, under or in connection with this Agreement. Each of the parties hereto (a) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce that foregoing waiver and (b) acknowledges that it and the others hereto have been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 7.07.

Section 7.08 Headings. The descriptive headings contained in this Agreement are included for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 7.09 Counterparts. This Agreement may be executed and delivered (including by facsimile transmission) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed

shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

Section 7.10 Amendment. This Agreement may not be amended except by an instrument in writing signed by all the parties hereto. Notwithstanding the foregoing, the provisions of this Agreement shall not be amended without the prior written consent of the Company.

Section 7.11 Waiver. Any party to this Agreement may (i) extend the time for the performance of any obligation or other act of any other party hereto, (ii) waive any inaccuracy in the representations and warranties of another party contained herein or in any document delivered pursuant hereto and (iii) waive compliance with any agreement of another party contained herein. Any such extension or waiver shall be valid if set forth in an instrument in writing signed by the party or parties to be bound thereby.

Section 7.12 Costs and Expenses of This Agreement and the Merger Agreement. All costs and expenses of the parties hereto, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred.

Section 7.13 Adjustments.

(a) In the event (i) of any increase or decrease or other change in the Shares by reason of stock dividend, stock split, recapitalizations, combinations, exchanges of shares or the like or (ii) that a Stockholder becomes the beneficial owner of any additional shares of Common Stock or other securities of the Company, then (x) the terms of this Agreement shall apply to the shares of capital stock and other securities of the Company held by the Stockholder immediately following the effectiveness of the events described in clause (i), or the Stockholder becoming the beneficial owner thereof

pursuant to clause (ii), and (y) the Purchase Price shall be equitably adjusted to reflect the impact of any event described in clause (i).

(b) The Stockholder hereby agrees to promptly notify Parent and Purchaser of the number of any new Shares or other securities acquired by the Stockholder, if any, after the date hereof.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the day and year first above written.

CEMEX, S.A. DE C.V.

By: /s/ Hector Medina

Name: Hector Medina
Title: Executive Vice President

TRICEM ACQUISITION, CORP.

By: /s/ Philippe Gastone

Name: Philippe Gastone
Title: Vice-President

FERRE INVESTMENT FUND, INC.

By: /s/ Antonio Luis Ferre

Name: Antonio Luis Ferre
Title: Chairman

Schedule A

Number of Shares of Common Stock
282,854

EXHIBIT (d)(4)

[EXECUTION VERSION]

TRANSACTION SUPPORT AGREEMENT

This Transaction Support Agreement, dated as of June 11, 2002 (this "Agreement"), is made by and among Cemex, S.A. de C.V., a Mexico corporation ("Parent"), Tricem Acquisition, Corp., a Puerto Rico corporation ("Purchaser"), and the stockholder of Puerto Rican Cement Company, Inc., a Puerto Rico corporation (the "Company"), identified on the signature page hereto (the "Stockholder").

W I T N E S S E T H:
- - - - - - - - - - -

WHEREAS, Parent, Purchaser and the Company are entering into an Agreement and Plan of Merger, dated as of the date hereof (as it may be amended from time to time, the "Merger Agreement"; capitalized terms used and not otherwise defined in this Agreement have the meanings ascribed to such terms in the Merger Agreement), pursuant to which (i) Purchaser shall commence a cash tender offer (as such tender offer may hereafter be amended from time to time in accordance with the Merger Agreement, the "Offer") to acquire each issued and outstanding share of common stock, par value $1.00 per share, of the Company ("Common Stock") in exchange for a net amount of $35.00 in cash (the "Offer Price") in accordance with and subject to the terms and conditions of the Merger Agreement and the Offer; and (ii) following consummation of the Offer, the Company shall merge with Purchaser (the "Merger");

WHEREAS, the Stockholder is the record or beneficial owner of the number of shares of Common Stock set forth on Schedule A hereto (all such shares of Common Stock and any shares of Common Stock hereafter acquired by the Stockholder, the "Shares");

WHEREAS, as a condition to entering into the Merger Agreement and incurring the obligations set forth therein, including the Offer, Parent and Purchaser have required that the Stockholder agree to enter into this Agreement and certain other stockholders of the Company agree to enter into similar Transaction Support Agreements; and

WHEREAS, the Stockholder wishes to induce Parent and Purchaser to enter into the Merger Agreement and, therefore, the Stockholder is willing to enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements contained herein, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE I

TENDER OF SHARES

Section 1.01 Tender of Shares. The Stockholder agrees to promptly (and, in any event, not later than two Business Days prior to the scheduled expiration date of the Offer) tender or cause to be tendered into the Offer, pursuant to and in accordance with the terms of the Offer, and not withdraw or cause to be withdrawn (except following the termination of the Offer in accordance with its terms), all of the Shares. The Stockholder acknowledges and agrees that Purchaser's obligation to accept for payment shares of Common Stock in the Offer, including any Shares tendered by a Stockholder, is subject to the terms and conditions of the Merger Agreement and the Offer.

ARTICLE II

VOTING AGREEMENT

Section 2.01 Voting Agreement. The Stockholder hereby agrees that, from and

after the date hereof and until the date (the "Voting Termination Date") that is the later of (i) the termination of the Merger Agreement in accordance with its terms or (ii) the Option Termination Date (as defined below), if any, at any meeting of the stockholders of the Company, however called, and in any action by consent of the stockholders of the Company, the Stockholder shall vote (or cause to be voted) all the Shares (i) in favor of adoption of the Merger Agreement, the Merger and all the transactions contemplated by the Merger Agreement and this Agreement and otherwise in such manner as may be necessary to consummate the Merger; (ii) against any action, proposal, agreement or transaction that would result in a breach of any covenant, obligation, agreement, representation or warranty of the Company under the Merger Agreement or of the Stockholder contained in this Agreement; and (iii) against any action, agreement, transaction (other than the Merger Agreement or the transactions contemplated thereby) or proposal (including any Takeover Proposal or Superior Proposal) that could reasonably be expected to result in any of the conditions to the Company's obligations under the Merger Agreement not being fulfilled or that is intended, or could reasonably be expected, to impede, interfere, delay, discourage or adversely affect the Merger Agreement, the Offer, the Merger or this Agreement. Any vote by the Stockholder that is not in accordance with this Section 2.01 shall be considered null and void, and the provisions of Section 2.02 shall be deemed to take immediate effect.

Section 2.02 Irrevocable Proxy. If, and only if, the Stockholder fails to comply with the provisions of Section 2.01, the Stockholder hereby agrees that such failure shall result, without any further action by the Stockholder effective as of the date of such failure, in the constitution and appointment of Parent and each of its executive officers from and after the date of such determination until the Voting Termination Date (at which point such constitution and appointment shall automatically be revoked) as the Stockholder's attorney, agent and proxy (such constitution and appointment, the "Irrevocable Proxy"), with full power of substitution, to vote and otherwise act with

respect to all the Shares at any meeting of the stockholders of the Company (whether annual or special and whether or not an adjourned or postponed meeting), and in any action by written consent of the stockholders of the Company, on the matters and in the manner specified in Section 2.01. THIS PROXY AND POWER OF ATTORNEY ARE IRREVOCABLE AND COUPLED WITH AN INTEREST AND, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, SHALL BE VALID AND BINDING ON ANY PERSON TO WHOM THE STOCKHOLDER MAY TRANSFER ANY OF ITS SHARES IN BREACH OF THIS AGREEMENT. The Stockholder hereby revokes all other proxies and powers of attorney with respect to all the Shares that may have heretofore been appointed or granted, and no subsequent proxy or power of attorney shall be given (and if given, shall not be effective) by the Stockholder with respect thereto. All authority herein conferred or agreed to be conferred shall survive the death or incapacity of the Stockholder and any obligation of the Stockholder under this Agreement shall be binding upon the heirs, personal representatives, successors and assigns of the Stockholder.

ARTICLE III

THE OPTION

Section 3.01 Grant of Option. The Stockholder hereby grants to Parent an irrevocable option (each, an "Option" and, collectively, the "Options") to purchase all of the Shares (the "Option Shares") at a purchase price per Share (the "Purchase Price") equal to $35.00 less the value of any dividends per Option Share declared or paid from and after the date of this Agreement through the end of the Option Exercise Period and subject to adjustment pursuant to Section 7.13(a), other than any dividends paid in accordance with clause (A) of Section 8.2(b)(3) of the Merger Agreement.

Section 3.02 Payment of the Purchase Price. The Purchase Price shall be payable by Parent in cash by wire transfer in immediately available funds to a bank account to be designated by the Stockholder in a written notice to Parent at least two Business Days prior to the Closing Date (as defined below).

Section 3.03 Exercise of Option.

(a) If either (i) a Termination Fee has been paid or is payable pursuant to Section 10.3 of the Merger Agreement, (ii) the Merger Agreement is terminated as a result of the failure to satisfy the Minimum Condition (as defined in the Merger Agreement) to the Offer and at or prior to the time of such termination it has become publicly known that a Takeover Proposal has been made or (iii) if a Subsequent Amendment (as defined in the Merger Agreement) is received by the Company or becomes publicly known, then each of the Options shall become exercisable by Parent for a period (the "Option Exercise Period") commencing on the earlier of the date on which a Subsequent Amendment is received by Company or becomes publicly known and the date on which the Merger Agreement is terminated and ending at 11:59 p.m. (New York time) on the 30th day following the date on which the Merger Agreement is terminated (the day on which the Option Exercise Period ends, the "Option Termination Date"). The

Options shall be exercisable in whole but not in part, and in no event shall Parent be permitted to exercise an Option with respect to the Shares unless Parent concurrently exercises all Options to purchase the shares of Common Stock subject to each Transaction Support Agreement from all stockholders who have executed a Transaction Support Agreement.

(b) If Parent wishes to exercise the Options during the Option Exercise Period, Parent shall send a written notice (the "Exercise Notice") to the Stockholder of its intention to exercise the Stockholder's Option, specifying the place, and, if then known, the time and the date (the "Closing Date") of the closing of such purchase (the "Closing"). The Closing Date shall, subject to satisfaction of the conditions in paragraph (d), occur on the later of (i) the third Business Day after the date on which such Exercise Notice is delivered and (ii) one Business Day following the expiration or termination of the waiting period under the HSR Act applicable to the consummation of the purchase and sale of the Shares hereunder.

(c) At the Closing, (i) the Stockholder shall deliver to Parent (or its designee) the Shares by delivery of a certificate or certificates evidencing such Shares duly endorsed to Parent or accompanied by stock powers duly executed in favor of Parent, with all necessary stock transfer stamps affixed, and (ii) Parent shall pay for the Shares in accordance with Section 3.02.

(d) The Closing shall be subject to the satisfaction or, in the case of clause (iii) below, waiver by the Stockholder of each of the following conditions:

(i) no Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Law that is then in effect and no order of any Governmental Authority shall have been entered or be in effect, in either case that has the effect of making the acquisition of the Shares by Parent illegal or otherwise restricting, preventing or prohibiting consummation of the purchase and sale of the Shares pursuant to the exercise of the Options; and

(ii) any waiting period under the HSR Act applicable to the consummation of the purchase and sale of the Shares hereunder shall have expired or been terminated.

(e) At the Closing, (i) the Stockholder will deliver good and valid title to the Shares free and clear of any Liens and, upon delivery to Parent of such Shares and payment for the Purchase Price therefor as contemplated herein, Parent will receive good, valid and marketable title to the Shares free and clear of any Liens, and (ii) Parent shall deliver to the Stockholder the Purchase Price.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE STOCKHOLDER

The Stockholder hereby represents and warrants to Parent and to Purchaser as follows:

Section 4.01 Organization, Authority and Qualification of the Stockholder. The Stockholder is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization or formation and has all necessary power and authority to enter into this Agreement, to carry out its obligations hereunder and to consummate the transactions contemplated hereby. The Stockholder is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its business makes such licensing or qualification necessary, except to the extent that the failure to be so licensed or qualified would not prevent or materially delay the ability of the Stockholder to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement. The execution and delivery of this Agreement by the Stockholder, the performance by the Stockholder of its obligations hereunder and the consummation by the Stockholder of the transactions contemplated hereby have been duly authorized by all requisite action on the part of the Stockholder. This Agreement has been duly and validly executed and delivered by the Stockholder and (assuming due authorization, execution and delivery by Parent and Purchaser) this Agreement constitutes a legal, valid and binding obligation of the Stockholder enforceable against the Stockholder in accordance with its terms.

Section 4.02 No Conflict; Required Filings and Consents.

(a) The execution and delivery of this Agreement by the Stockholder does not, and the performance of this Agreement by the Stockholder shall not, (i) conflict with or violate the certificate of incorporation and by-laws, agreement of limited partnership, limited liability company agreement or equivalent organizational documents, as the case may be, of the Stockholder, (ii) assuming satisfaction of the requirements set forth in 4.02(b) below, conflict with or violate any Law applicable to the Stockholder or by which any property or asset of the Stockholder is bound or affected or (iii) result in any breach of, or constitute a default (or event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in the creation of a Lien on any Shares (other than pursuant to this Agreement) pursuant to, any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation of the Stockholder, except for any such conflicts, violations, breaches, defaults or other occurrences that would not prevent or materially delay the ability of the Stockholder to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement.

(b) The execution and delivery of this Agreement by the Stockholder does not, and the performance of this Agreement by the Stockholder shall not, require any consent, approval, authorization or permit of, or filing with, or notification to, any Governmental Authority, except (i) for applicable requirements, if any, of the Exchange Act, Blue Sky Laws and the premerger notification requirements of the HSR Act, and (ii) where the failure to obtain such consents, approvals, authorizations

or permits, or to make such filings or notifications, would not prevent or materially delay the ability of the Stockholder to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement.

Section 4.03 Ownership of Shares. As of the date hereof, the Stockholder is the record or beneficial owner of, and has good title to, the number of Shares set forth on Schedule A hereto. Except as set forth on Schedule A, the Shares are all the securities of the Company owned, either of record or beneficially, by the Stockholder as of the date hereof and the Stockholder does not have any option or other right to acquire any other securities of the Company. The Shares owned by the Stockholder are owned free and clear of all Liens, other than any Liens created by this Agreement. Except as provided in this Agreement, the Stockholder has not appointed or granted any proxy, which appointment or grant is still effective, with respect to the Shares owned by the Stockholder.

Section 4.04 Absence of Litigation. As of the date of this Agreement, there is no litigation, suit, claim, action, proceeding or investigation pending or,

to the knowledge of the Stockholder, threatened against the Stockholder, or any property or asset of the Stockholder, before any Governmental Authority that seeks to delay or prevent the consummation of the transactions contemplated by this Agreement.

Section 4.05 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Stockholder.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF PARENT AND PURCHASER

Each of Parent and Purchaser hereby severally but not jointly represents and warrants to the Stockholder as to itself as follows:

Section 5.01 Organization, Authority and Qualification. Each of Parent and Purchaser is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has all necessary power and authority to enter into this Agreement, to carry out its obligations hereunder and to consummate the transactions contemplated hereby. Each of Parent and Purchaser is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its business makes such licensing or qualification necessary, except to the extent that the failure to be so licensed or qualified would not prevent or materially delay the ability of Parent or Purchaser to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement. The execution and delivery of this Agreement by each of Parent and Purchaser, the performance by each of Parent and Purchaser of its obligations hereunder and the consummation by each of Parent and Purchaser of the transactions contemplated hereby have been duly authorized by all requisite action on the part of each of Parent and

Purchaser. This Agreement has been duly and validly executed and delivered by each of Parent and Purchaser and (assuming due authorization, execution and delivery by the Stockholder) this Agreement constitutes a legal, valid and binding obligation of each of Parent and Purchaser enforceable against Parent and Purchaser in accordance with its terms.

Section 5.02 No Conflict; Required Filings and Consents.

(a) The execution and delivery of this Agreement by each of Parent and Purchaser do not, and the performance of this Agreement by each of Parent and Purchaser shall not, (i) conflict with or violate the certificate of incorporation and by-laws of Parent or Purchaser, (ii) assuming satisfaction of the requirements set forth in Section 5.02(b) below, conflict with or violate any Law applicable to Parent or Purchaser or by which any property or asset of Parent or Purchaser is bound or affected or (iii) result in any breach of, or constitute a default (or event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation of Parent or Purchaser, except for any such conflicts, violations, breaches, defaults or other occurrences that would not prevent or materially delay the ability of Parent or Purchaser to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement.

(b) The execution and delivery of this Agreement by each of Parent and Purchaser do not, and the performance of this Agreement by each of Parent and Purchaser shall not, require any consent, approval, authorization or permit of, or filing with, or notification to, any Governmental Authority, except (i) for applicable requirements, if any, of the Securities Act, the Exchange Act, Blue Sky Laws and the premerger notification requirements of the HSR Act, and (ii) where the failure to obtain such consents, approvals, authorizations or permits, or to make such filings or notifications, would not prevent or materially delay the ability of Parent or Purchaser to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement.

ARTICLE VI

COVENANTS OF THE STOCKHOLDER

Section 6.01 No Disposition or Encumbrance of Shares. The Stockholder hereby agrees that, except as contemplated by this Agreement, the Stockholder shall not (i) sell, transfer, tender (except into the Offer), pledge, assign, contribute to the capital of any entity, hypothecate, give or otherwise dispose of, grant a proxy or power of attorney with respect to (other than the Irrevocable Proxy), deposit into any voting trust, enter into any voting agreement, or create or permit to exist any Liens of any nature whatsoever (other than pursuant to this Agreement) with respect to, any of the Shares (or agree or consent to, or offer to do, any of the foregoing), or (ii) take any action that would make any representation or warranty of the Stockholder herein untrue or

incorrect in any material respect or have the effect of preventing or disabling the Stockholder from performing the Stockholder's obligations hereunder.

Section 6.02 No Solicitation of Transactions. The Stockholder shall not, directly or indirectly, through any director, officer, affiliate, employee, representative, agent or otherwise, (i) solicit, initiate, endorse, accept or encourage the submission of any Takeover Proposal, or (ii) participate in any discussions or negotiations regarding, or furnish to any person any information with respect to, or otherwise cooperate in any way with respect to, or participate in, assist, facilitate, endorse or encourage any proposal that constitutes, or may reasonably be expected to lead to, a Takeover Proposal; provided, however, that nothing herein shall prevent any director, officer or stockholder of the Stockholder from acting in his or her capacity as a director of the Company, or taking any action in such capacity (including at the direction of the Company Board), but only in either such case as and to the extent permitted by Section 8.5 of the Merger Agreement. The Stockholder shall, and shall direct or cause its directors, officers, affiliates, employees, representatives and agents to, immediately cease and cause to be terminated any discussions or negotiations with any parties that may be ongoing with respect to a Takeover Proposal.

Section 6.03 Further Action; Reasonable Best Efforts. Upon the terms and subject to the conditions hereof, Parent, Purchaser and the Stockholder shall use their reasonable best efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective this Agreement.

Section 6.04 Information for Offer Documents and Proxy Statement; Disclosure. The Stockholder covenants and agrees that none of the information relating to the Stockholder and its affiliates for inclusion in the Schedule 14D-9, the Offer Documents or, if applicable, the Proxy Statement that has been furnished to Parent by the Stockholder for inclusion in such documents will, at (i) the time the Schedule 14D-9 or the Proxy Statement (or any amendment or supplement thereto) is first filed with the SEC or mailed to stockholders of the Company or (ii) the time of the Company Stockholders Meeting (in the case of information included in the Proxy Statement), contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The Stockholder agrees to permit Parent and Purchaser to publish and disclose in the Offer Documents and, if applicable, the Proxy Statement and any related filings under applicable securities Laws the Stockholder's identity and ownership of Shares and the nature of its commitments, arrangements and understandings under this Agreement and any other information regarding the Stockholder as required by applicable Law.

ARTICLE VII

MISCELLANEOUS

Section 7.01 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by telecopy or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 7.01):

(a) if to the Stockholder:

PO Box 9066590
San Juan, PR 00906-6590

(b) if to Parent or Purchaser:

c/o CEMEX
590 Madison Avenue 41st Floor
New York, NY 10022
Telecopy: (212) 317-6047
Attention: Jill Simeone

and

CEMEX, S.A. de C.V.
Ave. Constitucion 444 Pte.
Monterrey, NL, Mexico 64000
Telecopy: 011-52818-328-3082
Attention: Ramiro Villarreal

with a copy to:

Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, New York 10036-6522
Facsimile No: (212) 735-2000
Attention: Randall H. Doud

and

Rivera, Tulla & Ferrer
50 Quisqueya Street
San Juan, Puerto Rico 00917
Telecopy: (787) 767-5784
Attention: Eric Tulla

Section 7.02 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of Law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in

full force and effect so long as the economic or legal substance of the transactions contemplated hereby and by the Merger Agreement are not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that such transactions be consummated as originally contemplated to the fullest extent possible.

Section 7.03 Entire Agreement; Assignment. This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior agreements and undertakings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof. This Agreement shall not be assigned by operation of law or otherwise, except that Parent and Purchaser may assign all or any of their rights and obligations hereunder to any wholly owned subsidiary of Parent, provided that no such assignment shall relieve Parent or Purchaser of its obligations hereunder.

Section 7.04 Parties in Interest. This Agreement shall be binding upon and inure solely to the benefit of each party hereto and, except as set forth in Section 7.10 hereof, nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 7.05 Specific Performance. The parties hereto agree that irreparable damage would occur in the event any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy at Law or in equity.

Section 7.06 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts executed in and to be performed in that State (other than those provisions set forth herein that are required to be governed by the Corporation Law of the Commonwealth of Puerto Rico). All actions and proceedings arising out of or relating to this Agreement shall be heard and determined exclusively in any New York state or federal court sitting in the Borough of Manhattan of The City of New York. The parties hereto hereby (a) submit to the exclusive jurisdiction of any state or federal court sitting in the Borough of Manhattan of The City of New York for the purpose of any action arising out of or relating to this Agreement brought by any party hereto, and (b) irrevocably waive, and agree not to assert by way of motion, defense, or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the action is brought in an inconvenient forum, that the venue of the action is improper, or that this Agreement may not be enforced in or by any of the above-named courts.

Section 7.07 Waiver of Jury Trial. Each of the parties hereto hereby waives to the fullest extent permitted by applicable Law any right it may have to a trial

by jury with respect to any litigation directly or indirectly arising out of, under or in connection with this Agreement. Each of the parties hereto (a) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce that foregoing waiver and (b) acknowledges that it and the others hereto have been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 7.07.

Section 7.08 Headings. The descriptive headings contained in this Agreement are included for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 7.09 Counterparts. This Agreement may be executed and delivered (including by facsimile transmission) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

Section 7.10 Amendment. This Agreement may not be amended except by an instrument in writing signed by all the parties hereto. Notwithstanding the foregoing, the provisions of this Agreement shall not be amended without the prior written consent of the Company.

Section 7.11 Waiver. Any party to this Agreement may (i) extend the time for the performance of any obligation or other act of any other party hereto, (ii) waive any inaccuracy in the representations and warranties of another party contained herein or in any document delivered pursuant hereto and (iii) waive compliance with any agreement of another party contained herein. Any such extension or waiver shall be valid if set forth in an instrument in writing signed by the party or parties to be bound thereby.

Section 7.12 Costs and Expenses of This Agreement and the Merger Agreement. All costs and expenses of the parties hereto, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the

Closing shall have occurred.

Section 7.13 Adjustments.

(a) In the event (i) of any increase or decrease or other change in the Shares by reason of stock dividend, stock split, recapitalizations, combinations, exchanges of shares or the like or (ii) that a Stockholder becomes the beneficial owner of any additional shares of Common Stock or other securities of the Company, then (x) the terms of this Agreement shall apply to the shares of capital stock and other securities of the Company held by the Stockholder immediately following the effectiveness of the events described in clause (i), or the Stockholder becoming the beneficial owner thereof

pursuant to clause (ii), and (y) the Purchase Price shall be equitably adjusted to reflect the impact of any event described in clause (i).

(b) The Stockholder hereby agrees to promptly notify Parent and Purchaser of the number of any new Shares or other securities acquired by the Stockholder, if any, after the date hereof.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the day and year first above written.

CEMEX, S.A. DE C.V.

By: /s/ Hector Medina
Name: Hector Medina
Title: Executive Vice President

TRICEM ACQUISITION, CORP.

By: /s/ Philippe Gastone
Name: Philippe Gastone
Title: Vice-President

SOUTH MANAGEMENT CORPORATION

By: /s/ Antonio Luis Ferre
Name: Antonio Luis Ferre
Title: President

Schedule A

Number of Shares of Common Stock
537,174

EXHIBIT (d)(5)

[EXECUTION VERSION]

TRANSACTION SUPPORT AGREEMENT

This Transaction Support Agreement, dated as of June 11, 2002 (this "Agreement"), is made by and among Cemex, S.A. de C.V., a Mexico corporation ("Parent"), Tricem Acquisition, Corp., a Puerto Rico corporation ("Purchaser"), and the stockholder of Puerto Rican Cement Company, Inc., a Puerto Rico corporation (the "Company"), identified on the signature page hereto (the "Stockholder").

W I T N E S S E T H:
- - - - - - - - - -

WHEREAS, Parent, Purchaser and the Company are entering into an Agreement and Plan of Merger, dated as of the date hereof (as it may be amended from time to time, the "Merger Agreement"; capitalized terms used and not otherwise defined in this Agreement have the meanings ascribed to such terms in the Merger Agreement), pursuant to which (i) Purchaser shall commence a cash tender offer (as such tender offer may hereafter be amended from time to time in accordance with the Merger Agreement, the "Offer") to acquire each issued and outstanding share of common stock, par value $1.00 per share, of the Company ("Common Stock") in exchange for a net amount of $35.00 in cash (the "Offer Price") in accordance with and subject to the terms and conditions of the Merger Agreement and the Offer; and (ii) following consummation of the Offer, the Company shall merge with Purchaser (the "Merger");

WHEREAS, the Stockholder is the record or beneficial owner of the number of shares of Common Stock set forth on Schedule A hereto (all such shares of Common Stock and any shares of Common Stock hereafter acquired by the Stockholder, the "Shares");

WHEREAS, as a condition to entering into the Merger Agreement and incurring the obligations set forth therein, including the Offer, Parent and Purchaser have required that the Stockholder agree to enter into this Agreement and certain other stockholders of the Company agree to enter into similar Transaction Support Agreements; and

WHEREAS, the Stockholder wishes to induce Parent and Purchaser to enter into the Merger Agreement and, therefore, the Stockholder is willing to enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements contained herein, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE I

TENDER OF SHARES

Section 1.01 Tender of Shares. The Stockholder agrees to promptly (and, in any event, not later than two Business Days prior to the scheduled expiration date of the Offer) tender or cause to be tendered into the Offer, pursuant to and in accordance with the terms of the Offer, and not withdraw or cause to be withdrawn (except following the termination of the Offer in accordance with its terms), all of the Shares. The Stockholder acknowledges and agrees that Purchaser's obligation to accept for payment shares of Common Stock in the Offer, including any Shares tendered by a Stockholder, is subject to the terms and conditions of the Merger Agreement and the Offer.

ARTICLE II

VOTING AGREEMENT

Section 2.01 Voting Agreement. The Stockholder hereby agrees that, from and after the date hereof and until the date (the "Voting Termination Date") that is

the later of (i) the termination of the Merger Agreement in accordance with its terms or (ii) the Option Termination Date (as defined below), if any, at any meeting of the stockholders of the Company, however called, and in any action by consent of the stockholders of the Company, the Stockholder shall vote (or cause to be voted) all the Shares (i) in favor of adoption of the Merger Agreement, the Merger and all the transactions contemplated by the Merger Agreement and this Agreement and otherwise in such manner as may be necessary to consummate the Merger; (ii) against any action, proposal, agreement or transaction that would result in a breach of any covenant, obligation, agreement, representation or warranty of the Company under the Merger Agreement or of the Stockholder contained in this Agreement; and (iii) against any action, agreement, transaction (other than the Merger Agreement or the transactions contemplated thereby) or proposal (including any Takeover Proposal or Superior Proposal) that could reasonably be expected to result in any of the conditions to the Company's obligations under the Merger Agreement not being fulfilled or that is intended, or could reasonably be expected, to impede, interfere, delay, discourage or adversely affect the Merger Agreement, the Offer, the Merger or this Agreement. Any vote by the Stockholder that is not in accordance with this Section 2.01 shall be considered null and void, and the provisions of Section 2.02 shall be deemed to take immediate effect.

Section 2.02 Irrevocable Proxy. If, and only if, the Stockholder fails to comply with the provisions of Section 2.01, the Stockholder hereby agrees that such failure shall result, without any further action by the Stockholder effective as of the date of such failure, in the constitution and appointment of Parent and each of its executive officers from and after the date of such determination until the Voting Termination Date (at which point such constitution and appointment shall automatically be revoked) as the Stockholder's attorney, agent and proxy (such constitution and appointment, the "Irrevocable Proxy"), with full power of substitution, to vote and otherwise act with

respect to all the Shares at any meeting of the stockholders of the Company (whether annual or special and whether or not an adjourned or postponed meeting), and in any action by written consent of the stockholders of the Company, on the matters and in the manner specified in Section 2.01. THIS PROXY AND POWER OF ATTORNEY ARE IRREVOCABLE AND COUPLED WITH AN INTEREST AND, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, SHALL BE VALID AND BINDING ON ANY PERSON TO WHOM THE STOCKHOLDER MAY TRANSFER ANY OF ITS SHARES IN BREACH OF THIS AGREEMENT. The Stockholder hereby revokes all other proxies and powers of attorney with respect to all the Shares that may have heretofore been appointed or granted, and no subsequent proxy or power of attorney shall be given (and if given, shall not be effective) by the Stockholder with respect thereto. All authority herein conferred or agreed to be conferred shall survive the death or incapacity of the Stockholder and any obligation of the Stockholder under this Agreement shall be binding upon the heirs, personal representatives, successors and assigns of the Stockholder.

ARTICLE III

THE OPTION

Section 3.01 Grant of Option. The Stockholder hereby grants to Parent an irrevocable option (each, an "Option" and, collectively, the "Options") to purchase all of the Shares (the "Option Shares") at a purchase price per Share (the "Purchase Price") equal to $35.00, less the value of any dividends per Option Share declared or paid from and after the date of this Agreement through the end of the Option Exercise Period and subject to adjustment pursuant to Section 7.13(a), other than any dividends paid in accordance with clause (A) of Section 8.2(b)(3) of the Merger Agreement.

Section 3.02 Payment of the Purchase Price. The Purchase Price shall be payable by Parent in cash by wire transfer in immediately available funds to a bank account to be designated by the Stockholder in a written notice to Parent at least two Business Days prior to the Closing Date (as defined below).

Section 3.03 Exercise of Option.

(a) If either (i) a Termination Fee has been paid or is payable

pursuant to Section 10.3 of the Merger Agreement, (ii) the Merger Agreement is terminated as a result of the failure to satisfy the Minimum Condition (as defined in the Merger Agreement) to the Offer and at or prior to the time of such termination it has become publicly known that a Takeover Proposal has been made or (iii) if a Subsequent Amendment (as defined in the Merger Agreement) is received by the Company or becomes publicly known, then each of the Options shall become exercisable by Parent for a period (the "Option Exercise Period") commencing on the earlier of the date on which a Subsequent Amendment is received by Company or becomes publicly known and the date on which the Merger Agreement is terminated and ending at 11:59 p.m. (New York time) on the 30th day following the date on which the Merger Agreement is terminated (the day on which the Option Exercise Period ends, the "Option Termination Date"). The

Options shall be exercisable in whole but not in part, and in no event shall Parent be permitted to exercise an Option with respect to the Shares unless Parent concurrently exercises all Options to purchase the shares of Common Stock subject to each Transaction Support Agreement from all stockholders who have executed a Transaction Support Agreement.

(b) If Parent wishes to exercise the Options during the Option Exercise Period, Parent shall send a written notice (the "Exercise Notice") to the Stockholder of its intention to exercise the Stockholder's Option, specifying the place, and, if then known, the time and the date (the "Closing Date") of the closing of such purchase (the "Closing"). The Closing Date shall, subject to satisfaction of the conditions in paragraph (d), occur on the later of (i) the third Business Day after the date on which such Exercise Notice is delivered and (ii) one Business Day following the expiration or termination of the waiting period under the HSR Act applicable to the consummation of the purchase and sale of the Shares hereunder.

(c) At the Closing, (i) the Stockholder shall deliver to Parent (or its designee) the Shares by delivery of a certificate or certificates evidencing such Shares duly endorsed to Parent or accompanied by stock powers duly executed in favor of Parent, with all necessary stock transfer stamps affixed, and (ii) Parent shall pay for the Shares in accordance with Section 3.02.

(d) The Closing shall be subject to the satisfaction or, in the case of clause (iii) below, waiver by the Stockholder of each of the following conditions:

(i) no Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Law that is then in effect and no order of any Governmental Authority shall have been entered or be in effect, in either case that has the effect of making the acquisition of the Shares by Parent illegal or otherwise restricting, preventing or prohibiting consummation of the purchase and sale of the Shares pursuant to the exercise of the Options; and

(ii) any waiting period under the HSR Act applicable to the consummation of the purchase and sale of the Shares hereunder shall have expired or been terminated.

(e) At the Closing, (i) the Stockholder will deliver good and valid title to the Shares free and clear of any Liens and, upon delivery to Parent of such Shares and payment for the Purchase Price therefor as contemplated herein, Parent will receive good, valid and marketable title to the Shares free and clear of any Liens, and (ii) Parent shall deliver to the Stockholder the Purchase Price.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE STOCKHOLDER

The Stockholder hereby represents and warrants to Parent and to Purchaser as follows:

Section 4.01 Organization, Authority and Qualification of the Stockholder. The Stockholder is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization or formation and has all necessary power and authority to enter into this Agreement, to carry out its obligations hereunder and to consummate the transactions contemplated hereby. The Stockholder is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its business makes such licensing or qualification necessary, except to the extent that the failure to be so licensed or qualified would not prevent or materially delay the ability of the Stockholder to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement. The execution and delivery of this Agreement by the Stockholder, the performance by the Stockholder of its obligations hereunder and the consummation by the Stockholder of the transactions contemplated hereby have been duly authorized by all requisite action on the part of the Stockholder. This Agreement has been duly and validly executed and delivered by the Stockholder and (assuming due authorization, execution and delivery by Parent and Purchaser) this Agreement constitutes a legal, valid and binding obligation of the Stockholder enforceable against the Stockholder in accordance with its terms.

Section 4.02 No Conflict; Required Filings and Consents.

(a) The execution and delivery of this Agreement by the Stockholder does not, and the performance of this Agreement by the Stockholder shall not, (i) conflict with or violate the certificate of incorporation and by-laws, agreement of limited partnership, limited liability company agreement or equivalent organizational documents, as the case may be, of the Stockholder, (ii) assuming satisfaction of the requirements set forth in 4.02(b) below, conflict with or violate any Law applicable to the Stockholder or by which any property or asset of the Stockholder is bound or affected or (iii) result in any breach of, or constitute a default (or event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in the creation of a Lien on any Shares (other than pursuant to this Agreement) pursuant to, any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation of the Stockholder, except for any such conflicts, violations, breaches, defaults or other occurrences that would not prevent or materially delay the ability of the Stockholder to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement.

(b) The execution and delivery of this Agreement by the Stockholder does not, and the performance of this Agreement by the Stockholder shall not, require any consent, approval, authorization or permit of, or filing with, or notification to, any Governmental Authority, except (i) for applicable requirements, if any, of the Exchange Act, Blue Sky Laws and the premerger notification requirements of the HSR Act, and (ii) where the failure to obtain such consents, approvals, authorizations

or permits, or to make such filings or notifications, would not prevent or materially delay the ability of the Stockholder to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement.

Section 4.03 Ownership of Shares. As of the date hereof, the Stockholder is the record or beneficial owner of, and has good title to, the number of Shares set forth on Schedule A hereto. Except as set forth on Schedule A, the Shares are all the securities of the Company owned, either of record or beneficially, by the Stockholder as of the date hereof and the Stockholder does not have any option or other right to acquire any other securities of the Company. The Shares owned by the Stockholder are owned free and clear of all Liens, other than any Liens created by this Agreement. Except as provided in this Agreement, the Stockholder has not appointed or granted any proxy, which appointment or grant is still effective, with respect to the Shares owned by the Stockholder.

Section 4.04 Absence of Litigation. As of the date of this Agreement, there is no litigation, suit, claim, action, proceeding or investigation pending or, to the knowledge of the Stockholder, threatened against the Stockholder, or any property or asset of the Stockholder, before any Governmental Authority that

seeks to delay or prevent the consummation of the transactions contemplated by this Agreement.

Section 4.05 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Stockholder.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF PARENT AND PURCHASER

Each of Parent and Purchaser hereby severally but not jointly represents and warrants to the Stockholder as to itself as follows:

Section 5.01 Organization, Authority and Qualification. Each of Parent and Purchaser is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has all necessary power and authority to enter into this Agreement, to carry out its obligations hereunder and to consummate the transactions contemplated hereby. Each of Parent and Purchaser is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its business makes such licensing or qualification necessary, except to the extent that the failure to be so licensed or qualified would not prevent or materially delay the ability of Parent or Purchaser to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement. The execution and delivery of this Agreement by each of Parent and Purchaser, the performance by each of Parent and Purchaser of its obligations hereunder and the consummation by each of Parent and Purchaser of the transactions contemplated hereby have been duly authorized by all requisite action on the part of each of Parent and

Purchaser. This Agreement has been duly and validly executed and delivered by each of Parent and Purchaser and (assuming due authorization, execution and delivery by the Stockholder) this Agreement constitutes a legal, valid and binding obligation of each of Parent and Purchaser enforceable against Parent and Purchaser in accordance with its terms.

Section 5.02 No Conflict; Required Filings and Consents.

(a) The execution and delivery of this Agreement by each of Parent and Purchaser do not, and the performance of this Agreement by each of Parent and Purchaser shall not, (i) conflict with or violate the certificate of incorporation and by-laws of Parent or Purchaser, (ii) assuming satisfaction of the requirements set forth in Section 5.02(b) below, conflict with or violate any Law applicable to Parent or Purchaser or by which any property or asset of Parent or Purchaser is bound or affected or (iii) result in any breach of, or constitute a default (or event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation of Parent or Purchaser, except for any such conflicts, violations, breaches, defaults or other occurrences that would not prevent or materially delay the ability of Parent or Purchaser to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement.

(b) The execution and delivery of this Agreement by each of Parent and Purchaser do not, and the performance of this Agreement by each of Parent and Purchaser shall not, require any consent, approval, authorization or permit of, or filing with, or notification to, any Governmental Authority, except (i) for applicable requirements, if any, of the Securities Act, the Exchange Act, Blue Sky Laws and the premerger notification requirements of the HSR Act, and (ii) where the failure to obtain such consents, approvals, authorizations or permits, or to make such filings or notifications, would not prevent or materially delay the ability of Parent or Purchaser to carry out its obligations under, and to consummate the transactions contemplated by, this Agreement.

ARTICLE VI

COVENANTS OF THE STOCKHOLDER

Section 6.01 No Disposition or Encumbrance of Shares. The Stockholder hereby agrees that, except as contemplated by this Agreement, the Stockholder shall not (i) sell, transfer, tender (except into the Offer), pledge, assign, contribute to the capital of any entity, hypothecate, give or otherwise dispose of, grant a proxy or power of attorney with respect to (other than the Irrevocable Proxy), deposit into any voting trust, enter into any voting agreement, or create or permit to exist any Liens of any nature whatsoever (other than pursuant to this Agreement) with respect to, any of the Shares (or agree or consent to, or offer to do, any of the foregoing), or (ii) take any action that would make any representation or warranty of the Stockholder herein untrue or

incorrect in any material respect or have the effect of preventing or disabling the Stockholder from performing the Stockholder's obligations hereunder.

Section 6.02 No Solicitation of Transactions. The Stockholder shall not, directly or indirectly, through any director, officer, affiliate, employee, representative, agent or otherwise, (i) solicit, initiate, endorse, accept or encourage the submission of any Takeover Proposal, or (ii) participate in any discussions or negotiations regarding, or furnish to any person any information with respect to, or otherwise cooperate in any way with respect to, or participate in, assist, facilitate, endorse or encourage any proposal that constitutes, or may reasonably be expected to lead to, a Takeover Proposal; provided, however, that nothing herein shall prevent any director, officer or stockholder of the Stockholder from acting in his or her capacity as a director of the Company, or taking any action in such capacity (including at the direction of the Company Board), but only in either such case as and to the extent permitted by Section 8.5 of the Merger Agreement. The Stockholder shall, and shall direct or cause its directors, officers, affiliates, employees, representatives and agents to, immediately cease and cause to be terminated any discussions or negotiations with any parties that may be ongoing with respect to a Takeover Proposal.

Section 6.03 Further Action; Reasonable Best Efforts. Upon the terms and subject to the conditions hereof, Parent, Purchaser and the Stockholder shall use their reasonable best efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective this Agreement.

Section 6.04 Information for Offer Documents and Proxy Statement; Disclosure. The Stockholder covenants and agrees that none of the information relating to the Stockholder and its affiliates for inclusion in the Schedule 14D-9, the Offer Documents or, if applicable, the Proxy Statement that has been furnished to Parent by the Stockholder for inclusion in such documents will, at (i) the time the Schedule 14D-9 or the Proxy Statement (or any amendment or supplement thereto) is first filed with the SEC or mailed to stockholders of the Company or (ii) the time of the Company Stockholders Meeting (in the case of information included in the Proxy Statement), contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The Stockholder agrees to permit Parent and Purchaser to publish and disclose in the Offer Documents and, if applicable, the Proxy Statement and any related filings under applicable securities Laws the Stockholder's identity and ownership of Shares and the nature of its commitments, arrangements and understandings under this Agreement and any other information regarding the Stockholder as required by applicable Law.

ARTICLE VII

MISCELLANEOUS

Section 7.01 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by telecopy or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 7.01):

(a) if to the Stockholder:

PO Box 9066590
San Juan, PR 00906-6590

(b) if to Parent or Purchaser:

c/o CEMEX
590 Madison Avenue 41st Floor
New York, NY 10022
Telecopy:(212) 317-6047
Attention: Jill Simeone

and

CEMEX, S.A. de C.V.
Ave. Constitucion 444 Pte.
Monterrey, NL, Mexico 64000
Telecopy:011-52818-328-3082
Attention: Ramiro Villarreal

with a copy to:

Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, New York 10036-6522
Facsimile No:(212) 735-2000
Attention: Randall H. Doud

and

Rivera, Tulla & Ferrer
50 Quisqueya Street
San Juan, Puerto Rico 00917
Telecopy:(787) 767-5784
Attention: Eric Tulla

Section 7.02 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of Law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in

full force and effect so long as the economic or legal substance of the transactions contemplated hereby and by the Merger Agreement are not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that such transactions be consummated as originally contemplated to the fullest extent possible.

Section 7.03 Entire Agreement; Assignment. This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior agreements and undertakings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof. This Agreement shall not be assigned by operation of law or otherwise, except that Parent and Purchaser may assign all or any of their rights and obligations hereunder to any wholly owned subsidiary of Parent, provided that no such assignment shall relieve Parent or Purchaser of its obligations hereunder.

Section 7.04 Parties in Interest. This Agreement shall be binding upon and inure solely to the benefit of each party hereto and, except as set forth in Section 7.10 hereof, nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 7.05 Specific Performance. The parties hereto agree that irreparable damage would occur in the event any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy at Law or in equity.

Section 7.06 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts executed in and to be performed in that State (other than those provisions set forth herein that are required to be governed by the Corporation Law of the Commonwealth of Puerto Rico). All actions and proceedings arising out of or relating to this Agreement shall be heard and determined exclusively in any New York state or federal court sitting in the Borough of Manhattan of The City of New York. The parties hereto hereby (a) submit to the exclusive jurisdiction of any state or federal court sitting in the Borough of Manhattan of The City of New York for the purpose of any action arising out of or relating to this Agreement brought by any party hereto, and (b) irrevocably waive, and agree not to assert by way of motion, defense, or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the action is brought in an inconvenient forum, that the venue of the action is improper, or that this Agreement may not be enforced in or by any of the above-named courts.

Section 7.07 Waiver of Jury Trial. Each of the parties hereto hereby waives to the fullest extent permitted by applicable Law any right it may have to a trial

by jury with respect to any litigation directly or indirectly arising out of, under or in connection with this Agreement. Each of the parties hereto (a) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce that foregoing waiver and (b) acknowledges that it and the others hereto have been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 7.07.

Section 7.08 Headings. The descriptive headings contained in this Agreement are included for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 7.09 Counterparts. This Agreement may be executed and delivered (including by facsimile transmission) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

Section 7.10 Amendment. This Agreement may not be amended except by an instrument in writing signed by all the parties hereto. Notwithstanding the foregoing, the provisions of this Agreement shall not be amended without the prior written consent of the Company.

Section 7.11 Waiver. Any party to this Agreement may (i) extend the time for the performance of any obligation or other act of any other party hereto, (ii) waive any inaccuracy in the representations and warranties of another party contained herein or in any document delivered pursuant hereto and (iii) waive compliance with any agreement of another party contained herein. Any such extension or waiver shall be valid if set forth in an instrument in writing signed by the party or parties to be bound thereby.

Section 7.12 Costs and Expenses of This Agreement and the Merger Agreement. All costs and expenses of the parties hereto, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall

be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred.

Section 7.13 Adjustments.

(a) In the event (i) of any increase or decrease or other change in the Shares by reason of stock dividend, stock split, recapitalizations, combinations, exchanges of shares or the like or (ii) that a Stockholder becomes the beneficial owner of any additional shares of Common Stock or other securities of the Company, then (x) the terms of this Agreement shall apply to the shares of capital stock and other securities of the Company held by the Stockholder immediately following the effectiveness of the events described in clause (i), or the Stockholder becoming the beneficial owner thereof

pursuant to clause (ii), and (y) the Purchase Price shall be equitably adjusted to reflect the impact of any event described in clause (i).

(b) The Stockholder hereby agrees to promptly notify Parent and Purchaser of the number of any new Shares or other securities acquired by the Stockholder, if any, after the date hereof.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the day and year first above written.

CEMEX, S.A. DE C.V.

By: /s/ Hector Medina
Name: Hector Medina
Title: Executive Vice President

TRICEM ACQUISITION, CORP.

By: /s/ Philippe Gastone
Name: Philippe Gastone
Title: Vice-President

ALFRA INVESTMENT CORPORATION

By: /s/ Antonio Luis Ferre
Name: Antonio Luis Ferre
Title: Chairman

Schedule A

Number of Shares of Common Stock
3,800

EXHIBIT (d)(6)

May 24, 2002

Cemex, Inc.
Avenida Constitucion 444
PTE. 6400 Monterrey, N.L., Mexico

Attention: Mr. Philippe Gastone
Senior Vice President

Dear Mr. Gastone:

UBS Warburg, LLC ("UBSW") is acting as financial advisor to Puerto Rican Cement Company, Inc., a Puerto Rico corporation ("PRCC"), in connection with a possible transaction involving PRCC and Cemex, Inc. ("Cemex") by way of merger, sale of assets or stock, or otherwise (the "Proposed Transaction"). Each of PRCC and Cemex may furnish certain confidential nonpublic information to each other in order to assist the other party in making an evaluation of the Proposed Transaction. Each party hereto, in consideration of the other party's agreement to furnish information to it (each party furnishing such information shall be hereinafter referred to, with respect to such information, as the "Disclosing Party" and each party receiving such information shall be hereinafter referred to, with respect to such information, as the "Receiving Party"), agrees, as set forth below, to treat any information whether so provided before or after the date of this Confidentiality Agreement (this "Agreement") in connection with the Proposed Transaction, whether such information is written or oral or otherwise recorded, and whether or not such information is specifically identified as "confidential," that is learned in connection with visits to the Disclosing Party's facilities or otherwise communicated or furnished to a Receiving Party by a Disclosing Party or on behalf of a Disclosing Party by a Representative (as hereinafter defined) (such information being herein collectively referred to as the "Evaluation Material") in accordance with the provisions of this Agreement and to take or abstain from taking certain other actions herein set forth.

The term "person" as used in this Agreement shall be broadly interpreted to include the media and any other corporation, partnership, group, individual or other entity.

The term "Evaluation Material" shall also include all analyses, compilations, forecasts, studies or other material prepared by a Receiving Party or any of its affiliates, directors, officers, employees or subsidiaries, or any person identified on Schedule A hereto or such additional persons as to which prior notice of such person's identity is given to the other party hereto (collectively, the "Representatives") containing, based on or reflecting any confidential non-public information furnished by a Disclosing Party or any of its Representatives. Notwithstanding the foregoing, the term "Evaluation Material" shall not include information that (i) is or becomes generally available to the public, other than as a result of a disclosure by a Receiving Party or any of its Representatives in violation of this Agreement, or (ii) is already or becomes available to a Receiving Party from a source other than the Disclosing Party or its Representatives, provided that such source is not known by such Receiving Party to be in breach of a confidentiality agreement with or other obligation of secrecy to the Disclosing Party or a third person.

Each Receiving Party hereby agrees to use the Evaluation Material solely for the purpose of evaluating the Proposed Transaction involving the parties hereto and agrees to keep such information confidential, to treat it with the same degree of care it uses in protecting its own confidential and proprietary data, not to use it in any way detrimental to the Disclosing Party and not to disclose it, directly or indirectly, in any manner

whatsoever; provided, however, that (i) any of such information may be disclosed by a Receiving Party to those of its Representatives who need to know such information for the purpose of evaluating the Proposed Transaction involving the parties hereto (it being understood that such Representatives shall be informed of the confidential nature of such information and shall be directed to treat such information confidentially), (ii) any disclosure of such information may be made if a Disclosing Party consents previously in writing, and (iii) any disclosure of such information may be made as otherwise required

by law in the written opinion of counsel to the Receiving Party (including, without limitation, pursuant to any federal or state securities laws or pursuant to any legal, regulatory or legislative proceeding) or as contemplated by the following sentence (the "Legal Exception"). In the event that a Receiving Party or any of its Representatives receives a request to disclose all or any part of the information contained in such Evaluation Material under the terms of a valid and effective subpoena, order, civil investigative demand or similar process or other written request issued by a court of competent jurisdiction or by a federal, state or local, foreign or domestic, governmental or regulatory body or agency, such Receiving Party agrees to the extent practicable to (A) promptly notify the Disclosing Party of the existence, terms and circumstances surrounding such request, (B) consult with the Disclosing Party on the advisability of taking legally available steps to resist or narrow such request, and (C) only disclose the information requested after complying with clauses (A) and (B) and exercising reasonable effort (if so requested by the Disclosing Party and at the Disclosing Party's sole expense) to obtain, to the extent practicable, an order or other reliable assurance that confidential treatment will be accorded to such portion of any disclosed information as the Disclosing Party may designate.

Each Receiving Party hereby assumes responsibility for all damages resulting from any breach of this Agreement by any of its Representatives or former Representatives. Each Receiving Party also agrees to take all reasonable measures to restrain its Representatives or former Representatives from prohibited or unauthorized disclosure or use of the Evaluation Materials. Each Receiving Party hereby acknowledges that it is aware, and that it will advise its Representatives who are informed as to the matters that are the subject of this Agreement, that the United States securities laws prohibit any person who has received from an issuer material, non-public information concerning the matters which are the subject of this Agreement from purchasing or selling securities of such issuer or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities. In addition, except (i) with the prior written consent of the other party hereto or (ii) as required or permitted under the Legal Exception, each party hereto will not, and will direct its Representatives not to, disclose to any person either (A) the existence of this Agreement or that the Evaluation Material has been made available to it, or (B) in the event that the parties hereto engage in discussions or negotiations with each other or their Representatives, the fact that discussions or negotiations are taking place concerning the Proposed Transaction between the parties hereto or any of the terms, conditions or other facts with respect to any such Proposed Transaction, including the status thereof. If and to the extent it is in the written opinion of counsel to a Receiving Party necessary or advisable in litigation to support or defend actions taken by such Receiving Party which are being reviewed or challenged in such proceedings, such Receiving Party may disclose in such proceedings the matters described in the preceding sentence and its analyses, compilations, forecasts, studies and other materials relating to the Proposed Transaction that were prepared by such Receiving Party and its Representatives. Each Receiving Party agrees to give the Disclosing Party advance notice of any such disclosures to the extent practicable under the circumstances.

In consideration of being furnished the Evaluation Material and in view of the fact that the Evaluation Material consists of confidential and non-public information, each party hereto agrees that, for a period of 18

months from the date of this Agreement, it and its affiliates and associates (as defined in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended) shall not, directly or indirectly, without the prior written consent of the Board of Directors of the other party hereto, (i) in any manner acquire, agree to acquire or make any proposal to acquire any securities or property of such other party or any of its subsidiaries, (ii) make, or in any way participate, directly or indirectly, in any "solicitation" of "proxies" (as such terms are used in the proxy rules of the Securities and Exchange Commission) to vote, or seek to advise or influence any person with respect to the voting of, any voting securities of such other party or any of its subsidiaries, (iii) form, join or in any way participate in a "group" (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended) with respect to any voting securities of such other party or any of its subsidiaries, (iv) otherwise act, alone or in concert with others, to seek to control or influence the management, Board of Directors or policies of such other party, (v) disclose any intention, plan or arrangement inconsistent with the foregoing, or (vi) advise, assist or encourage any other persons in

connection with any of the foregoing. Notwithstanding the foregoing, it is agreed that the foregoing restrictions will not prevent the Receiving Party's investment bank from (i) engaging in brokerage, discretionary money management, corporate finance, arbitrage and trading activities in the normal and usual course of its business, (ii) acting on behalf of a person who engages in any of the activities specified above in response to an unsolicited attempt by the Receiving Party or any of its affiliates to acquire stock or assets of such person, (iii) after the expiration of one year from the date hereof, acting on behalf of a person unaffiliated with the Receiving Party who engages in any of the activities specified above and (iv) arranging financing for any person (other than a person on whose behalf it may not act pursuant to clause (iii) above); provided that in each case set forth in clauses (i) through (iv) above, none of the partners, officers or directors or employees of the Receiving Party's investment bank involved in such representation shall utilize any material non-public information that was derived from the Evaluation Material. Each party hereto also agrees, for the period set forth in the last sentence of this paragraph, not to (a) request the other party hereto or any of its Representatives, directly or indirectly, that it be released from any provision of this paragraph (including this sentence) or (b) take any action which might require such other party to make a public announcement regarding the possibility of a business combination or merger. If at any time during the period set forth in the last sentence of this paragraph, either party is approached by any third party concerning such party's or the third party's participation in any of the activities described in clauses (i), (ii), (iii) or (iv) above, such party shall inform such third party that such party is bound by certain confidentiality obligations (without referring to this Agreement) and promptly inform the other party of the nature of such contact and the parties thereto. Notwithstanding the foregoing, nothing contained in this Agreement shall prevent one party hereto from acquiring, or offering to acquire, any securities or assets of the other party (the "Other Party") at any time after (i) the announcement or commencement of a tender or exchange offer by an unrelated third party which, if consummated, would give it ownership or control of 20% of more of the Other Party's outstanding voting securities or (ii) the announcement by the Other Party that it (or its Board of Directors) has agreed (including and agreement in principle) to an acquisition of the Other Party or a substantial portion of its assets by a third party or a merger or other business combination involving the Other Party and a third party or a recapitalization or financial restructuring of the Other Party. The agreements set forth in this paragraph shall terminate 18 months from the date of this Agreement.

In the event the Parties do not enter into the Proposed Transaction, Cemex agrees that for one year from the date of the signing of this Agreement, it shall not to solicit for employment or employ any of the current employees of PRCC to whom Cemex had been directly or indirectly introduced or otherwise had contact with or of whom Cemex became aware as a

result of its consideration of the Proposed Transaction with PRCC so long as they currently are employed by PRCC and for three months thereafter, or solicit any current suppliers, customers, or clients of PRCC, during the period in which there are discussions conducted pursuant hereto and for a period of one year thereafter, without the prior written consent of PRCC; provided, however, that nothing in this paragraph shall be deemed to prohibit Cemex from (a) hiring employees of PRCC who contact Cemex on their own initiative or due to any solicitation by Cemex for employment by means of general advertising not specifically directed at employees of PRCC or (b) soliciting suppliers, customers, clients, or accounts of PRCC in the ordinary course of Cemex's business consistent with past practice or in connection with Cemex's past or current relationship with PRCC or any of its subsidiaries or affiliates (provided that Cemex does not discuss the Proposed Transaction, or discuss or share any Evaluation Material, with any such suppliers, customers, clients, or accounts).

Although each Disclosing Party has endeavored or will endeavor to include in the Evaluation Material information known to it which it believes to be relevant for the purpose of the Receiving Party's investigation, each Receiving Party understands that neither the Disclosing Party nor any of its Representatives has made or makes any representation or warranty either express or implied as to the accuracy or completeness of the Evaluation Material. Each Receiving Party agrees that neither the Disclosing Party nor any of its Representatives shall have any liability to the Receiving Party or any of its Representatives resulting from the use of the Evaluation Material.

All Evaluation Material disclosed by PRCC is and shall remain the property of PRCC. All Evaluation Material disclosed by CEMEX is and shall remain the property of CEMEX. Each Receiving Party agrees to redeliver or cause to be redelivered promptly to the Disclosing Party upon request (and in no event later than five business days after such request) all written or otherwise tangible Evaluation Material provided to it by the Disclosing Party or its Representatives and not to retain any copies, extracts or other reproductions, in whole or in part, of such written or otherwise tangible material. All other Evaluation Material and documents, memoranda, notes, other writings and otherwise tangible materials whatsoever prepared by a Receiving Party or its Representatives based, in whole or in part, on the information in the Evaluation Material which were not provided to the Receiving Party or its Representatives shall be destroyed, and such destruction shall be certified in writing to the Disclosing Party by an authorized officer of the Receiving Party who shall have supervised such destruction.

Each party hereto acknowledges and agrees that money damages would not be a sufficient remedy for any breach by it of this Agreement, that the other party hereto shall be entitled to equitable relief (including, without limitation, and without posting security, injunction and specific performance) as a remedy for any such breach or threatened breach, and that it shall not oppose the granting of any such relief to such other party. Such remedy shall not be deemed to be the exclusive remedy for a breach of this Agreement but shall be in addition to all other remedies available to a party hereto for all damages, costs and expenses (including reasonable attorneys' fees) incurred by it in this regard.

Each party hereto agrees that unless and until a definitive agreement with respect to the Proposed Transaction has been executed and delivered, neither it nor the other party hereto will be under any legal obligation of any kind whatsoever with respect to the Proposed Transaction or any other similar such transaction by virtue of this Agreement or any written or oral expression with respect to such a transaction by any of its Representatives or by any Representatives thereof except, in the case of this Agreement, for the matters specifically agreed to herein.

In the event that discussions between PRCC and Cemex are terminated by either party for any reason whatsoever or for no reason prior to the

execution and delivery of a definitive agreement with respect to the Proposed Transaction, Cemex agrees to pay all reasonable out-of-pocket costs, fees and expenses incurred, directly or indirectly, by PRCC or its Representatives in connection with the Proposed Transaction, including without limitation banking and legal fees and expenses; provided, however, that Cemex shall not be obligated to pay such costs, fees and expenses to PRCC if the discussions between PRCC and Cemex are terminated by PRCC so that PRCC can negotiate a similar transaction with another party.

This Agreement (except for the standstill paragraph above, which is not subject to modification, waiver or release) may be modified, waived or released only by a separate writing by the parties hereto expressly so modifying, waiving or releasing this Agreement. Each party hereto acknowledges and agrees that no failure or delay by the other party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other further exercise thereof or the exercise of any right, power or privilege hereunder.

This Agreement is for the benefit of each of PRCC and Cemex and shall be binding upon each others' successors in interest and assigns and shall inure to the benefit of, and be enforceable by, each others' successors in interest and assigns. This Agreement contains the sole and entire agreement between the parties with respect to the subject matter hereof.

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, illegal or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect. The parties hereto shall endeavor in good faith negotiations to replace any invalid, illegal or unenforceable provision with a valid, legal and enforceable provision, the effect of which comes as close as possible to that of the invalid, illegal or unenforceable provision.

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which shall constitute the same

agreement.

This Agreement shall be governed and construed in accordance with the laws of the State of New York applicable to contracts made, executed, delivered and performed wholly within the State of New York without regard to the conflicts of laws principles thereof. Each party hereto hereby (i) submits to the jurisdiction of any state or federal court sitting in New York with respect to matters arising out of or relating hereto, (ii) agrees that all claims with respect to such matters may be heard and determined in an action or proceeding in such state or federal court and in no other court, (iii) waives the defense of an inconvenient forum, and (iv) agrees that a final judgment in any such action or proceeding will be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

Please confirm that the foregoing is in accordance with your understanding of our agreement by having a duly authorized officer of Cemex sign and return to us a copy of this letter, whereupon this letter shall become a binding agreement between the parties to this Agreement.

Very truly yours,

UBS Warburg LLC, on behalf of
Puerto Rican Cement Company, Inc.

By: /s/ DAVID M. DICKSON JR.

Name: David M. Dickson Jr.
Title: Managing Director

Accepted and agreed to as of the
date set forth above:

Cemex, Inc.

By: /s/ JILL SIMEONE

Name: Jill Simeone
Title: General Counsel

SCHEDULE A

Representatives of Puerto Rican Cement Company, Inc.

LeBoeuf, Lamb, Greene & MacRae, L.L.P.
Parra, Del Valle, Frau & Limeres
PricewaterhouseCoopers, LLP
Totti & Rodriguez Diaz
UBS Warburg LLC

Representatives of Cemex, Inc.

Skadden, Arps, Slate Meagher & Flom, LLP
Goldman Sachs
KPMG