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CEMEX SA DE CV
Form 11-K
June 30, 2004

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

FORM 11-K

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

(Mark One)

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

For the fiscal year ended December 30, 2003

Or

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

For the transition period from _____ to _____

Commission file number 1-14946

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

CEMEX, Inc. Savings Plan
c/o CEMEX, Inc.
1200 Smith Street
Suite 2400
Houston, Texas 77002

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

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

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CEMEX, INC. SAVINGS PLAN

Financial Statements and
Supplemental Schedules

December 30, 2003 and 2002
(With Independent Auditors' Report Thereon)

CEMEX, INC. SAVINGS PLAN

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

Schedule G, Part I - Schedule of Loans on Fixed Income Obligations in Default or Classified as Uncollectible

Schedule G, Part II - Schedule of Leases in Default or Classified as Uncollectible

Schedule G, Part III - Nonexempt Transactions

Schedule H, Line 4(i) - Schedule of Assets (Acquired and Disposed of Within the Plan Year)

Schedule H, Line 4(j) - Schedule of Reportable Transactions

[Letterhead of Mir Fox & Rodriguez, P.C.]

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INDEPENDENT AUDITORS' REPORT

Participants and Administrator of
CEMEX, Inc. Savings Plan:

We have audited the accompanying statements of net assets available for benefits of the CEMEX, Inc. Savings Plan (the Plan) as of December 30, 2003 and 2002, and the related statement of changes in net assets available for benefits for the year ended December 30, 2003. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 30, 2003 and 2002, and the changes in net assets available for benefits for the year ended December 30, 2003, in conformity with accounting principles generally accepted in the United States of America.

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

/s/ Mir Fox & Rodriguez

Houston, Texas
June 25, 2004

CEMEX, INC. SAVINGS PLAN

Statements of Net Assets Available for Benefits
December 30, 2003 and 2002

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Assets -----	2003 ----	2002 ----
Investments, at fair value:		
Mutual funds	\$ 145,397,722	113,675,481
Common collective trust fund	48,712,699	50,009,886
Common stock	17,692,479	7,826,770
Participant loans	12,641,763	12,092,122

Total investments	224,444,663	183,604,259
Cash and cash equivalents	178,474	637,115
Accounts receivable	45,709	205,692

Total assets	224,668,846	184,447,066

Liabilities		
Trades payable	78,124	755,509
Accounts payable	54,120	41,180

Total liabilities	132,244	796,689

Net assets available for benefits	\$ 224,536,602	183,650,377
	=====	

See accompanying notes to financial statements.

CEMEX, INC. SAVINGS PLAN

Statement of Changes in Net Assets Available for Benefits
Year Ended December 30, 2003

Additions to net assets:	
Participant contributions	\$ 12,509,862
Employer contributions	6,356,814
Net appreciation in fair value of mutual funds	25,270,695
Net appreciation in fair value of common stock	3,042,337
Investment income	6,722,619
Transfer in from qualified plan	3,676,703

Total additions to net assets	57,579,030

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Deductions from net assets:	
Benefits paid to participants	16,604,081
Administrative fees and expenses	88,724

Total deductions from net assets	16,692,805

Net increase in net assets available for benefits	40,886,225
Net assets available for benefits:	
Beginning of year	183,650,377

End of year	\$ 224,536,602
	=====

See accompanying notes to financial statements.

CEMEX, INC. SAVINGS PLAN

Notes to Financial Statements December 30, 2003 and 2002

1. Plan Description

General

The Cemex USA Management, Inc. Savings Plan was adopted effective April 1, 1991 for the benefit of the employees of Cemex Management, Inc. (formerly known as Cemex USA Management, Inc.) and its affiliated companies. Effective January 1, 2001, CEMEX, Inc. (Employer) assumed sponsorship of Cemex USA Management, Inc. Savings Plan and changed the plan's name to CEMEX, Inc. Savings Plan (the Plan). Effective September 1, 2003, the union employees of CEMEX, Inc.'s Charlevoix, Michigan plant became participants in the Plan. Accordingly, assets of \$3,676,704 were transferred from the CEMEX, Inc. Savings and Investment Plan for Union Employees into the Plan during 2003.

Effective October 1, 2003, the non-union employees from the acquired companies of Mineral Resources Technologies, Inc. and Prairie Material Sales, Inc. were eligible to become participants in the Plan. Effective January 1, 2004, the union employees from the acquired company of Prairie Material Sales, Inc. were eligible to participate in the Plan.

The Plan is intended to qualify under section 401(a) of the Internal Revenue Code (IRC) as a profit sharing plan with a 401(k) feature. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. Participants should refer to the amended and restated Plan Agreement for a complete description of the Plan's provisions.

Eligibility

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Effective April 1, 2002, non-union employees of CEMEX, Inc. and its affiliated companies that have adopted the Plan (Non-Union Employees) are eligible to participate in the Plan beginning on the first day of the calendar quarter following the Non-Union Employee's date of hire. From January 1, 2002 to April 1, 2002, entry dates into the Plan for Non-Union Employees were the January 1 or July 1 which coincided with or next followed the date the Employee completed 500 hours of service during any two consecutive quarters.

Hourly paid employees of Kosmos Cement Co. at its Louisville Cement Plant (Louisville Employees), who are covered under the Plan pursuant to the provisions of a collective bargaining agreement, are eligible to participate in the Plan on the first day of the month following completion of 90 days of employment.

Prior to March 1, 2003, hourly paid employees of Sunbelt Cement, Inc. at its Balcones Cement Plant, who are covered under the Plan pursuant to the provisions of a collective bargaining agreement (Balcones Employees), are eligible to participate in the Plan beginning on the January 1 or July 1 which coincides with or next follows the date following completion of 500 hours of service during any two consecutive calendar quarters. Effective March 1, 2003, Balcones Employees are eligible to participate in the Plan beginning on the first day of the calendar quarter following the Balcones Employee's date of hire.

Hourly paid employees of CEMEX, Inc.'s Charlevoix, Michigan plant (Charlevoix Employees), who are covered under the Plan pursuant to the provisions of a collective bargaining agreement, are eligible to participate in the Plan beginning on the first day of the calendar quarter following the Charlevoix Employee's completion of 90 calendar days of employment with the Employer.

Continued

CEMEX, INC. SAVINGS PLAN

Notes to Financial Statements, Continued

Contributions -----

Contributions into the Plan are as follows:

- o Non-Union Employees and Charlevoix Employees may make voluntary contributions of up to 18% of eligible compensation on a before-tax basis and an additional 18% of eligible compensation on an after-tax basis. The Employer makes matching contributions equal to 75% of the participant's before-tax contributions which do not exceed 6% of his or her eligible compensation.
- o Louisville Employees may make voluntary contributions of up to 16% of eligible compensation on a before-tax basis. After-tax contributions may be made as long as the total participant's contributions do not exceed 16% of his or her eligible compensation. The Employer makes matching contributions equal to 50% of the

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participant's combined before-tax and after-tax contributions which do not exceed 6% of his or her eligible compensation.

- o Prior to March 1, 2003, Balcones Employees may make voluntary contributions of up to 15% of eligible compensation on a before-tax basis. Effective March 1, 2003, voluntary contributions can be up to 18% of eligible compensation. Prior to March 1, 2003, the Employer made matching contributions equal to 55% of the participant's before-tax contributions that did not exceed 6% of the first \$65,000 of the participant's annual eligible compensation. Effective March 1, 2003, the Employer matching contribution was changed to 75% of the participant's before-tax contributions which do not exceed 6% of his or her eligible compensation.

The Employer contributions are in the form of American Depository Shares representing common stock of CEMEX, S.A. de C.V. (CEMEX stock). A participant may, at any time after the CEMEX stock is credited to his or her account, make a diversification election and exercise investment discretion with respect to the Employer matching contribution. The Employer may make additional minimum contributions in accordance with the provisions of the Plan Agreement.

Effective January 1, 2002, participants who are or will attain age 50 years old or older before the close of the Plan's year, are eligible to make a catch-up contribution in accordance with section 414(v) of the IRC. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of their participant contributions in the investment options listed in note 3.

Participant accounts

Separate accounts are maintained for each participant. Participant accounts are credited with the participant's contribution and allocations of the Employer's contributions and Plan earnings. Allocations are based on each participant's earnings or account balance, as defined in the Plan Agreement. Each participant is entitled to the benefit that can be provided from the participant's vested account. Forfeitures are used to restore forfeited amounts for participants who have previously terminated but qualify for restoration under the terms of the Plan Agreement.

Continued

CEMEX, INC. SAVINGS PLAN

Notes to Financial Statements, Continued

Vesting

Participants are immediately vested in their employee and rollover contributions plus actual earnings thereon. Vesting in the Employers' matching and discretionary minimum contribution portion of their accounts

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plus earnings thereon is based on years of continuous service as follows:

Completed Years of Active Service	Vesting %
Less than one year	0%
One year but less than two years	20%
Two years but less than three years	40%
Three years but less than four years	60%
Four years but less than five years	80%
Five years or more	100%

Each participant who was first employed by Southdown, Inc. prior to January 1, 2000, all Louisville Employees and Charlevoix Employees who were participants in the CEMEX, Inc. Savings and Investment Plan for Union Employees as of September 1, 2003 are fully vested in their entire account balance.

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

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

Benefit payments

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

Participant loans

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

Continued

CEMEX, INC. SAVINGS PLAN

Notes to Financial Statements, Continued

Plan termination

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

2. Significant Accounting Policies

Basis of presentation

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

Investment valuation and income recognition

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

Benefit payments

Benefits are recorded when paid.

Administrative expenses

Asset management fees are paid by the Plan, loan fees are paid by the borrowing participant, and all other administrative costs are paid by the Employer.

Use of estimates

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

CEMEX, INC. SAVINGS PLAN

Notes to Financial Statements, Continued

3. Investments

As of December 30, 2003 and 2002, the Plan's investments were as follows:

	2003	2002
	----	----
Stable Value Fund	\$ 48,712,699	50,009,886
Washington Mutual Investors Fund	36,801,117	28,584,245
PIMCO Total Return Fund	27,263,166	
MFS Research Fund	20,429,540	15,382,673
CEMEX stock	17,445,158	7,631,885
Templeton Foreign Fund	17,084,213	12,097,655
Franklin Balance Sheet Investment Fund	13,097,187	9,617,994
Franklin Real Estate Securities Fund	9,283,007	6,494,732
Pilgrim International Small Cap Growth Fund	5,594,961	3,202,587
Putnam New Opportunities Fund	5,526,784	4,012,619
AIM Constellation Fund	4,554,233	3,535,507
Franklin Small Mid-Cap Growth Fund	3,282,847	1,804,370
Templeton Developing Markets Fund	2,479,903	1,178,971
Crane Company common stock	247,321	194,886
Alliance Capital Reserve Account	764	40,090
Bond Fund of America		27,724,037
Participant loans	12,641,763	12,092,122
	-----	-----
	\$ 224,444,663	183,604,259
	=====	=====

Investments with a fair value that exceeds \$11,226,830 at December 30, 2003 and \$9,182,519 at December 30, 2002 represent 5 percent or more of Plan net assets.

4. Federal Income Tax Status

The Plan obtained its latest determination letter on November 20, 2002 in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. The Plan's management believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, the Plan's management believes that the related trust is tax-exempt and accordingly, no provision for Federal income taxes has been included in the Plan's financial statements.

5. Risks and Uncertainties

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

Continued

CEMEX, INC. SAVINGS PLAN

Notes to Financial Statements, Continued

6. Reconciliation of Financial Statements to Form 5500

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

	2003	2002
	----	----
Net assets available for benefits per the financial statements	\$ 224,536,602	183,650
Benefits payable	(26,604)	(8
	-----	-----
Net assets available for benefits per the Form 5500	\$ 224,509,998	183,641
	=====	=====

The following is a reconciliation of benefits paid to participants per the 2003 financial statements to the Form 5500:

Benefits paid to participants per the financial statements	\$ 16,604,081	
Add: Amounts payable at December 30, 2003	26,604	
Less: Amounts payable at December 30, 2002	(8,867)	
Benefits paid to participants per the Form 5500	\$ 16,621,818	

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Plan

CEMEX, INC. SAVINGS PLAN

Schedule of Assets (Held at End of Year)
December 30, 2003

(a)	(b)	(c)
Identity of issue, borrower, lessor, or similar party		Description of investment including maturity, rate of interest, collateral, par or maturity

INVESCO Trust Company		Stable Value Fund; 48,712,699 shares
Washington Mutual		Washington Mutual Investors Fund; 1,280,930 sh
PIMCO		Total Return Fund; 2,547,959 shares
MFS Fund Distributors, Inc.		MFS Research Fund; 1,170,077 shares
* CEMEX, S.A. de S.V.		American Depository Shares; 663,314 shares
Franklin Templeton Investor Services, Inc.		Templeton Foreign Fund; 1,613,240 shares
Franklin Templeton Investor Services, Inc.		Franklin Balance Sheet Investment Fund; 273,88
Franklin Templeton Investor Services, Inc.		Franklin Real Estate Securities Fund; 429,371
ING Pilgrim Group		Pilgrim International Small Cap Growth Fund; 2
Putnam Investments		Putnam New Opportunities Fund; 146,250 shares
AIM Family of Funds		AIM Constellation Fund; 211,530 shares
Franklin Templeton Investor Services, Inc.		Franklin Small Mid-Cap Growth Fund; 108,024 sh
Franklin Templeton Investor Services, Inc.		Templeton Developing Markets Fund; 166,102 sha
Crane Company		Common stock; 8,043 shares
Pershing		Alliance Capital Reserve Account; 764 shares
* Participant loans		5.00% to 10.84%; 1-5 year term; payable monthl
* Party-in-interest		

SIGNATURES

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

CEMEX, INC. SAVINGS PLAN

By: /s/ Andrew M. Miller

Name: Andrew M. Miller
Title: Chairman of Administrative
Committee

Date: June 30, 2004

EXHIBIT INDEX

Exhibit No. -----	Description -----
1.	Consent of Mir Fox & Rodriguez, P.C. to the incorporation by reference into the Registration Statement on Form S-8 (File No. 333-83962) of CEMEX, S.A. de C.V. of its report, dated June 25, 2004, with respect to the audited financial statements of the CEMEX, Inc. Savings Plan as of December 30, 2003.

EXHIBIT 1

CONSENT OF INDEPENDENT AUDITORS

As independent auditors, we hereby consent to the incorporation by reference of our report dated June 25, 2004, included in this Form 11-K, into the previously filed registration statement on Form S-8 of the CEMEX, Inc. Savings Plan (File No. 333-83962).

/s/ Mir Fox & Rodriguez

Mir Fox & Rodriguez, P.C.

Houston, Texas
June 28, 2004