



FEMSA to invest in US cash and carry leader Jetro Restaurant Depot, creating a Joint Venture for Latin America

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MONTERREY, Mexico, Sept. 26, 2019 (GLOBE NEWSWIRE) -- Fomento Económico Mexicano, S.A.B. de C.V. ("FEMSA") (NYSE: FMX; BMV: FEMSAUBD) announced today that it has signed a non-binding Memorandum of Understanding ("MOU") to acquire a minority stake in privately-held Jetro Restaurant Depot ("JRD"). The MOU also contemplates that FEMSA and JRD will enter into a Joint Venture to take JRD's business model to Mexico and other Latin American markets. The amount of FEMSA's investment as per the MOU is US\$750 million.

Jetro Restaurant Depot

JRD is a leader in the wholesale business-to-business cash and carry retail foodservice segment in the United States. Founded in 1976, JRD today operates over 130 stores across the United States with two formats, *Jetro Cash and Carry* and *Restaurant Depot*, with revenues exceeding US\$10 Billion in 2018.

Transaction Rationale

We believe the transaction fits well with our strategic intent to invest in growth opportunities that can leverage our capability set across different markets, while providing the opportunity for attractive risk-adjusted returns. The transaction allows FEMSA to gain exposure to the US wholesale cash and carry segment by investing with a formidable partner, and at the same time creates the platform for a new Joint Venture to develop and grow this business in FEMSA's core markets.

We expect to sign definitive agreements to formalize today's MOU during the month of October. The transaction will then be subject to customary regulatory approvals and is expected to close during the fourth quarter of 2019.

About FEMSA

FEMSA creates economic and social value through companies and institutions and strives to be the best employer and neighbor to the communities in which it operates. It participates in the retail industry through FEMSA Comercio, comprising a Proximity Division operating OXXO, a small-format store chain, a Health Division, which includes drugstores and related activities, and a Fuel Division, which operates the OXXO GAS chain of retail service stations. In the beverage industry, it participates through Coca-Cola FEMSA, a public bottler of Coca-Cola products; and in the beer industry, as a shareholder of HEINEKEN, a brewer with operations in over 70 countries. Additionally, through its Strategic Businesses unit, it provides logistics, point-of-sale refrigeration solutions and plastics solutions to FEMSA's business units and third-party clients. Through its business units, FEMSA has more than 295,000 employees in 13 countries. FEMSA is a member of the Dow Jones Sustainability MILA Pacific Alliance, the FTSE4Good Emerging Index and the Mexican Stock Exchange Sustainability Index, among other indexes that evaluate its sustainability performance.

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