



FMX  
LISTED  
NYSE



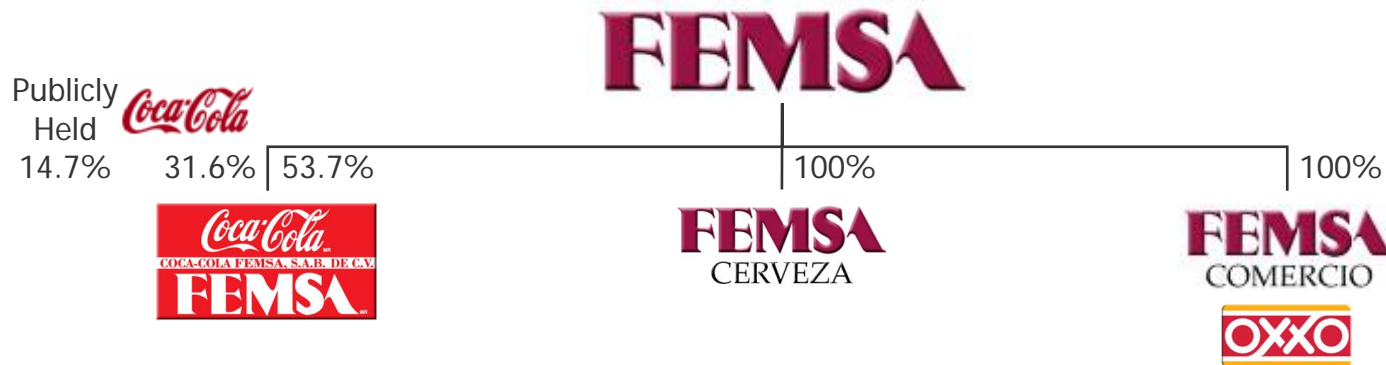
FEMSAUBD

FEMSA

During this presentation management may discuss certain forward-looking statements concerning FEMSA's future performance that should be considered as good faith estimates made by the Company. These forward-looking statements reflect management expectations and are based upon currently available data. Actual results are subject to future events and uncertainties, which could materially impact FEMSA's actual performance.

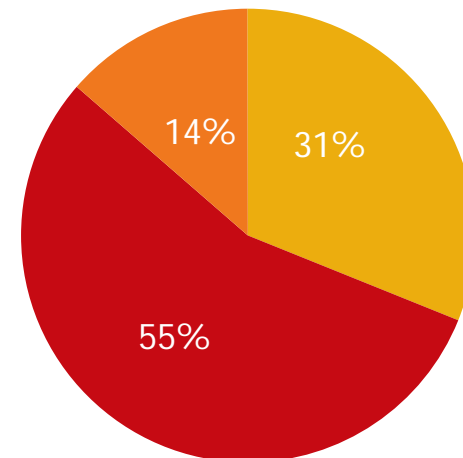
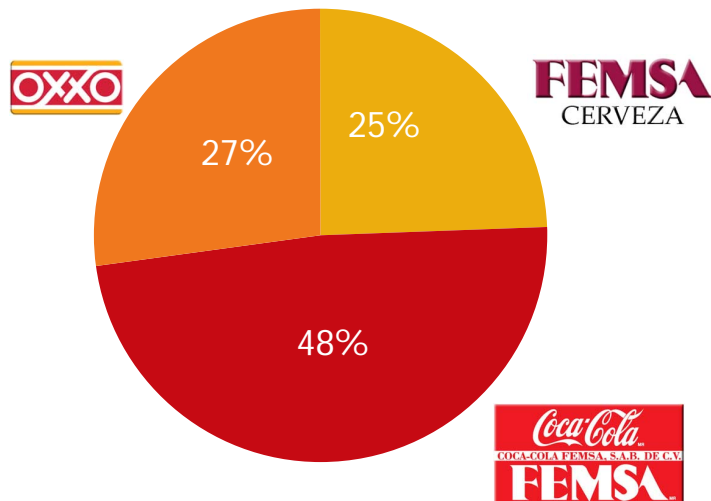
# The Right Business Model...

**FEMSA**



2008 Revenues: US\$ 15.1 bn

2008 EBITDA: US\$ 2.8 bn



Note: 2008 figures in nominal Mexican pesos converted to US dollars using average exchange rate of the year.

# ... and an expanding continental footprint

## Large Scale

- 2.2 bn unit cases of soft drinks
- 41 mm hectoliters of beer

## Powerful Brands

- #1 in soft drinks in all regions
- #2 in beer in Mexico
- Significant player in US imports and Brazil

## Efficient Production

- 30 bottling plants
- 14 breweries

## Broad Distribution

- 9,500+ routes

## Growing Consumer Base

- 2.0 mm+ retailers
- 350 mm+ consumers

## Dynamic C-Store Platform

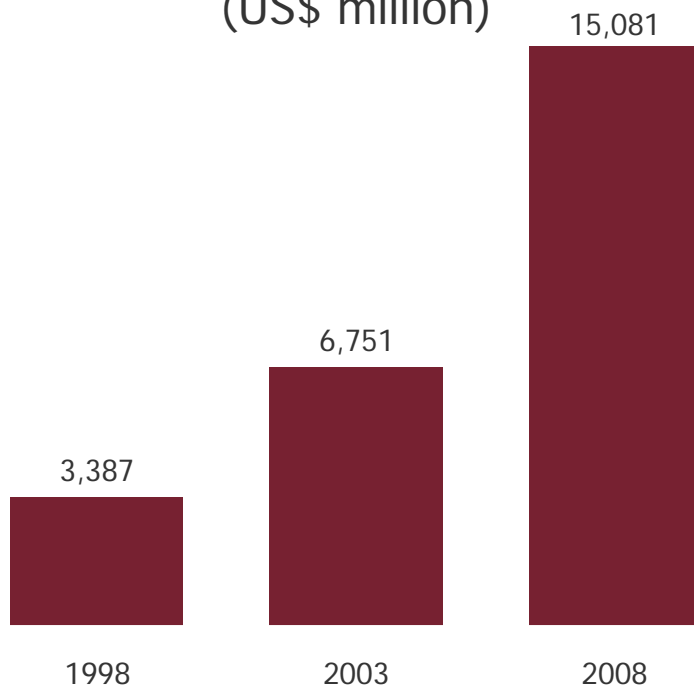
- Over 6,500 OXXO stores



# Delivering consistent growth



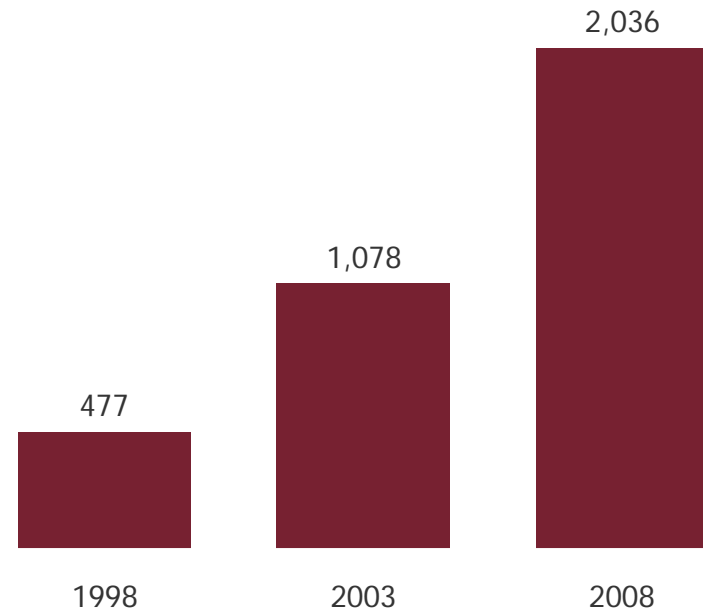
### Total Revenue (US\$ million)



**CAGR 98-08: 16%**

**CAGR 03-08: 17%**

### EBIT (US\$ million)



**CAGR 98-08: 16%**

**CAGR 03-08: 14%**

Note: 2008 figures in nominal Mexican pesos converted to US dollars using average exchange rate of the year, prior figures in constant pesos as of year end and converted to US dollars using the period-end exchange rate.



## Double-digit Revenues and EBIT growth in all divisions



Strong top-line growth and operating expense containment, offset raw material pressures resulting in 13.8% EBIT growth.

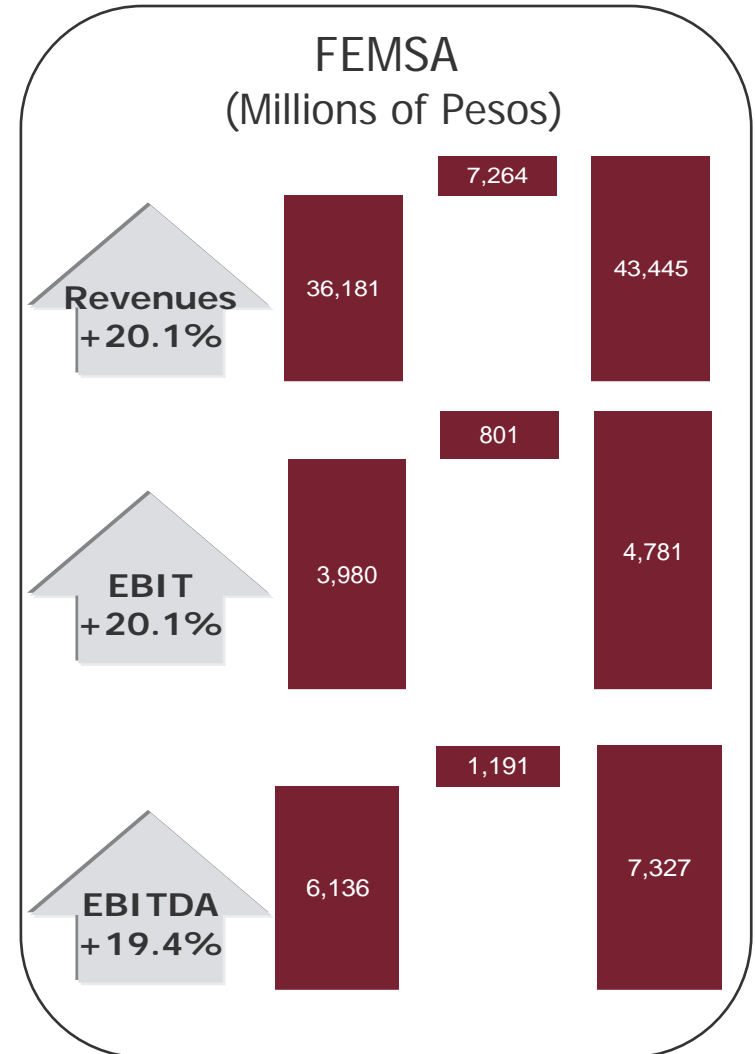


Double-digit EBIT growth supported by operations in Mercosur and Latincentro, and stable growth in Mexico



Stellar results close to 30% EBIT growth, 60 basis-point margin expansion

In spite of challenging economic environment and continuous pressure from devaluation of main local currencies





ERIA MOCTEZUMA SA DE CV  
**So!**  
ESPECIAL  
CERVEZA  
CONT. NET. 355ml

**FEMSA**  
CERVEZA

# Significant player in three top beer markets

- **Mexico**
  - Brand health indicators at all-time high
- **United States Imports**
  - Double-digit compound annual volume growth from 03-08
  - Strategic complementary fit with Heineken
- **Brazil**
  - Business turnaround on track
  - Long-term profitable growth objective
  - Volume growth ahead of the industry for second consecutive year



**USA**  
305 mm people  
82 lt per capita  
34 mm HI<sup>(1)</sup>

**Mexico**  
108 mm people  
62 lt per capita  
66 mm HI



~ 215 mm HI  
**Operating Profit Pool**  
~ US\$ 6.0 billion

**Brazil**  
194 mm people  
59 lt per capita  
114 mm HI

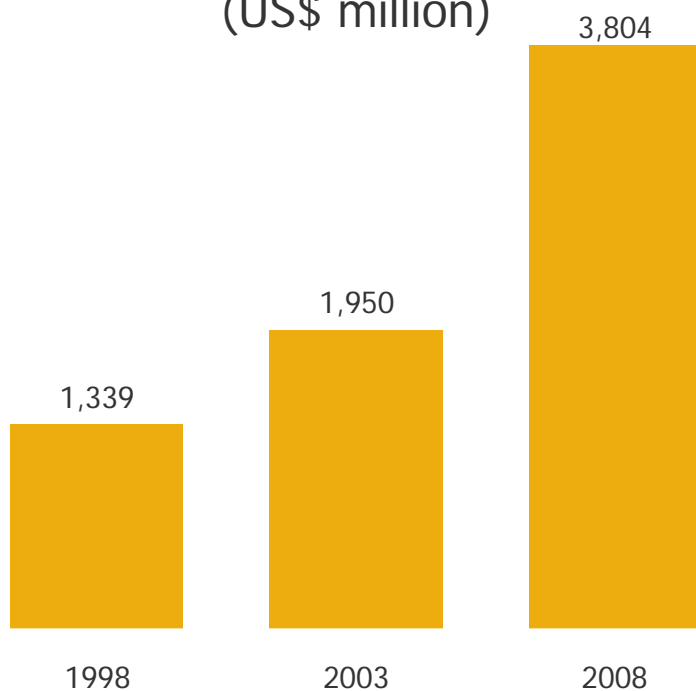
(1) Includes only volume of U.S. import category.  
Source: 2008 Euromonitor and Beer Institute.



# Delivering consistent growth



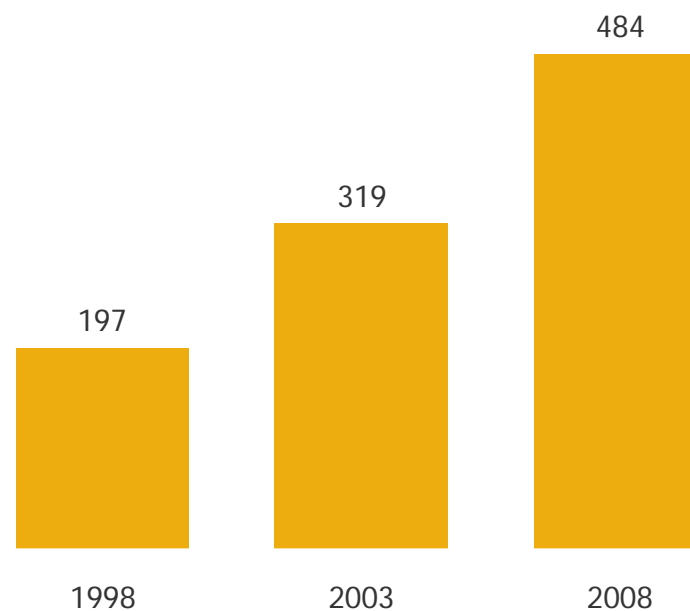
### Total Revenue (US\$ million)



**CAGR 98-08: 11%**

**CAGR 03-08: 14%**

### EBIT (US\$ million)



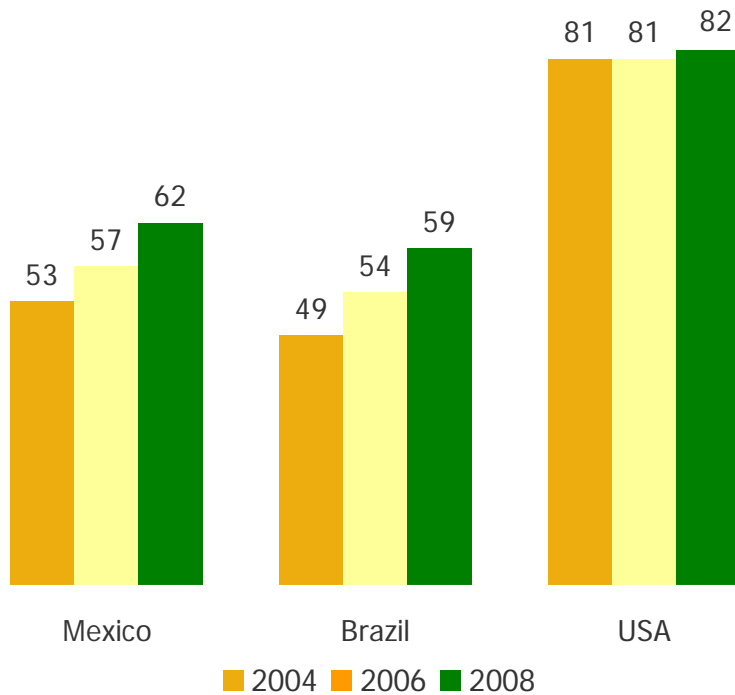
**CAGR 98-08: 9%**

**CAGR 03-08: 9%**

Note: 2008 figures in nominal Mexican pesos converted to US dollars using average exchange rate of the year, prior figures in constant pesos as of year end and converted to US dollars using the period-end exchange rate.

# Driving per capita consumption through innovation and segmentation

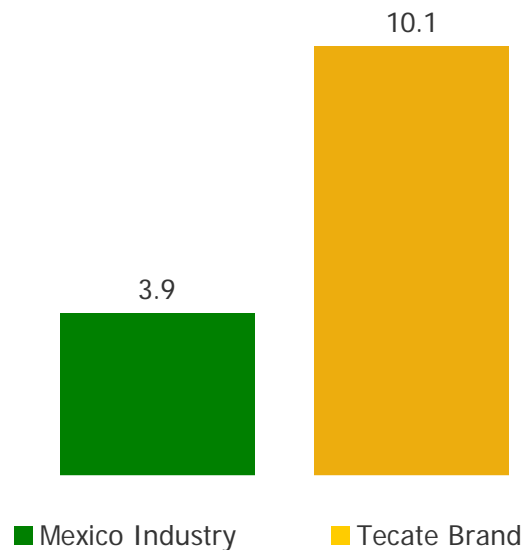
Per Capita Consumption (Lt)



Source: Euromonitor.  
Note: SKU Portfolio from 2006 includes Kaiser portfolio.

# Targeted Brand-Building Strategy: Tecate

Mexico Volume Growth %  
CAGR 03-08



- Fastest-growing brand in the Americas.
- Global Beer Brands Top-20
- Clear leadership of Light segment
- Reinforcing strong competitive position and long-term growth potential



# USA: Long-term partnership Heineken USA - FEMSA Cerveza brands



- Segmenting portfolio through pricing, product and channel
- Reinforcing distribution and product offering
- Strengthening presence in on-premise channel and East Coast
- High single-digit growth in both on- and off-premise channels



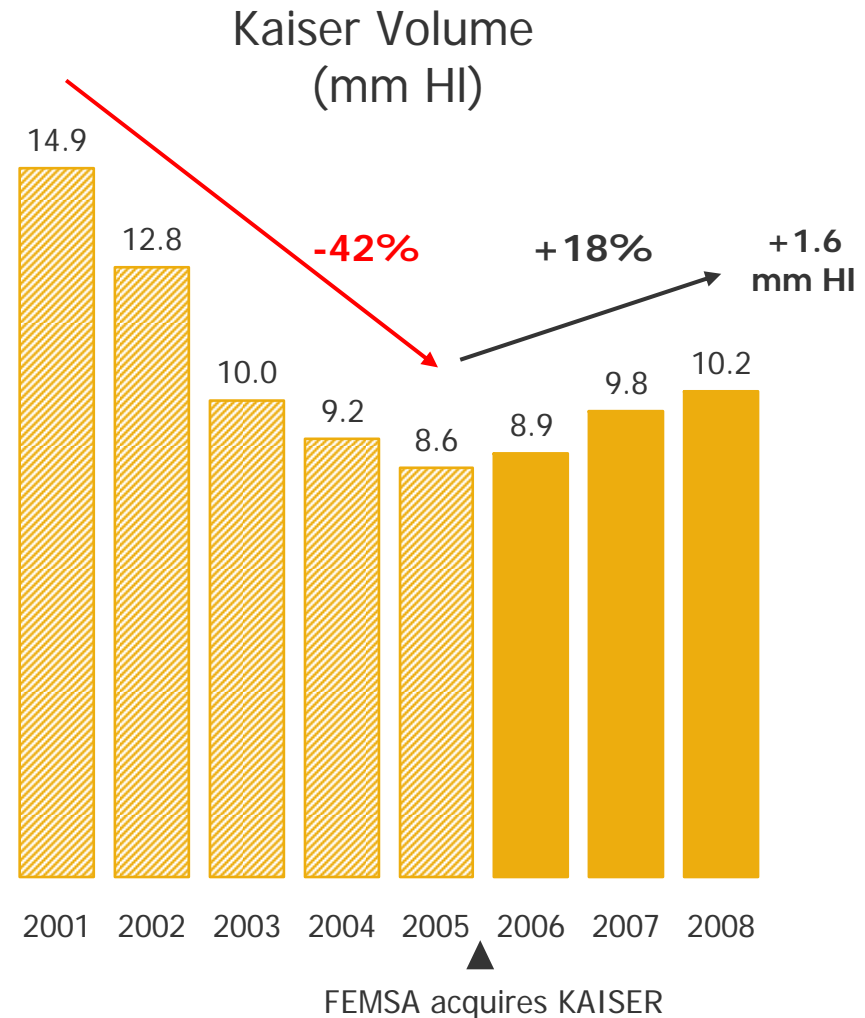
Vol. Growth of FEMSA Exports vs. U.S. Beer Industry (%)





# Brazil: Taking steps in the right direction

- ✓ Revert sharp volume decline trend
- ✓ Stabilize financial losses, sourcing marketing funds
- ✓ Improvements along the value-chain
- ✓ Adjust product portfolio
  - Repositioning existing brands
  - Complementing product portfolio through the successful introduction of *So!* and new packages
  - Adjusting price architecture
- ✓ Improved alignment and coordination with the Coca-Cola system
- **Achieve profitability at EBIT line**





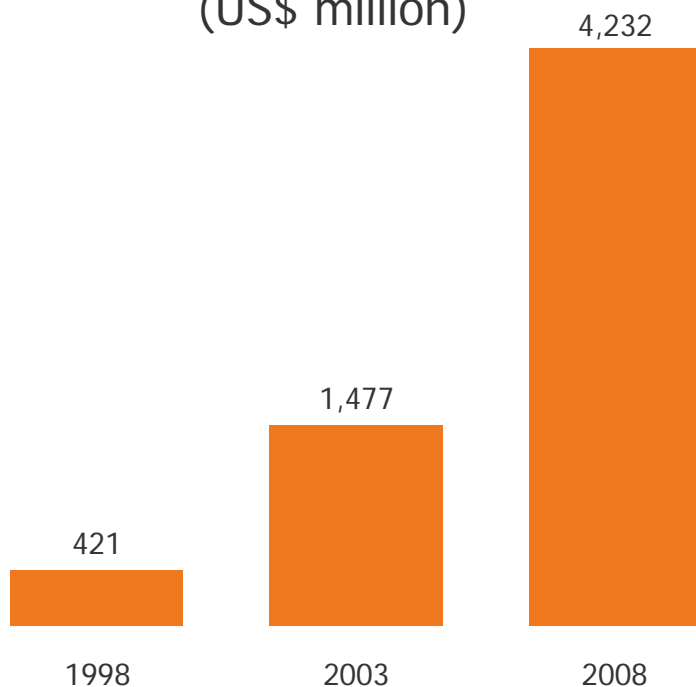
andatti  
café

OXXO

# Accelerated profitable growth



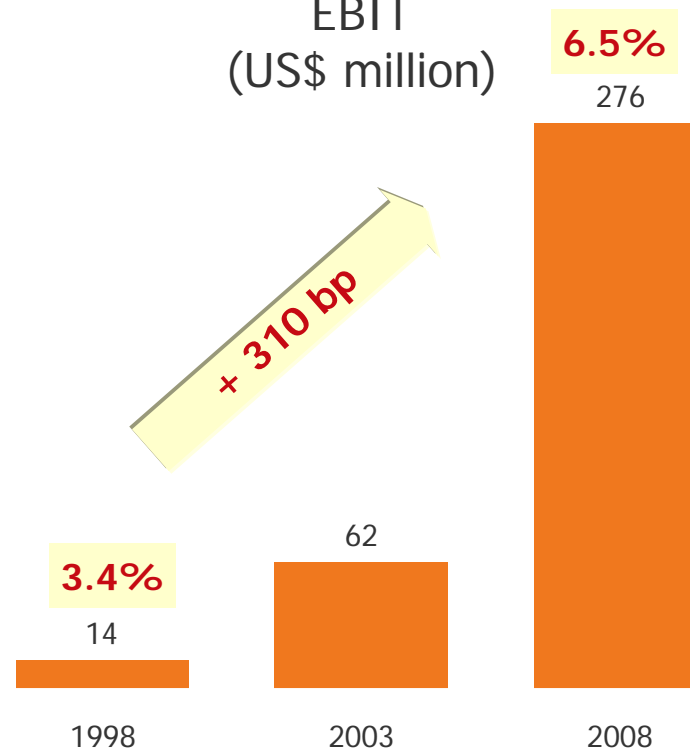
Revenue  
(US\$ million)



CAGR 98-08: 26%

CAGR 03-08: 23%

EBIT  
(US\$ million)

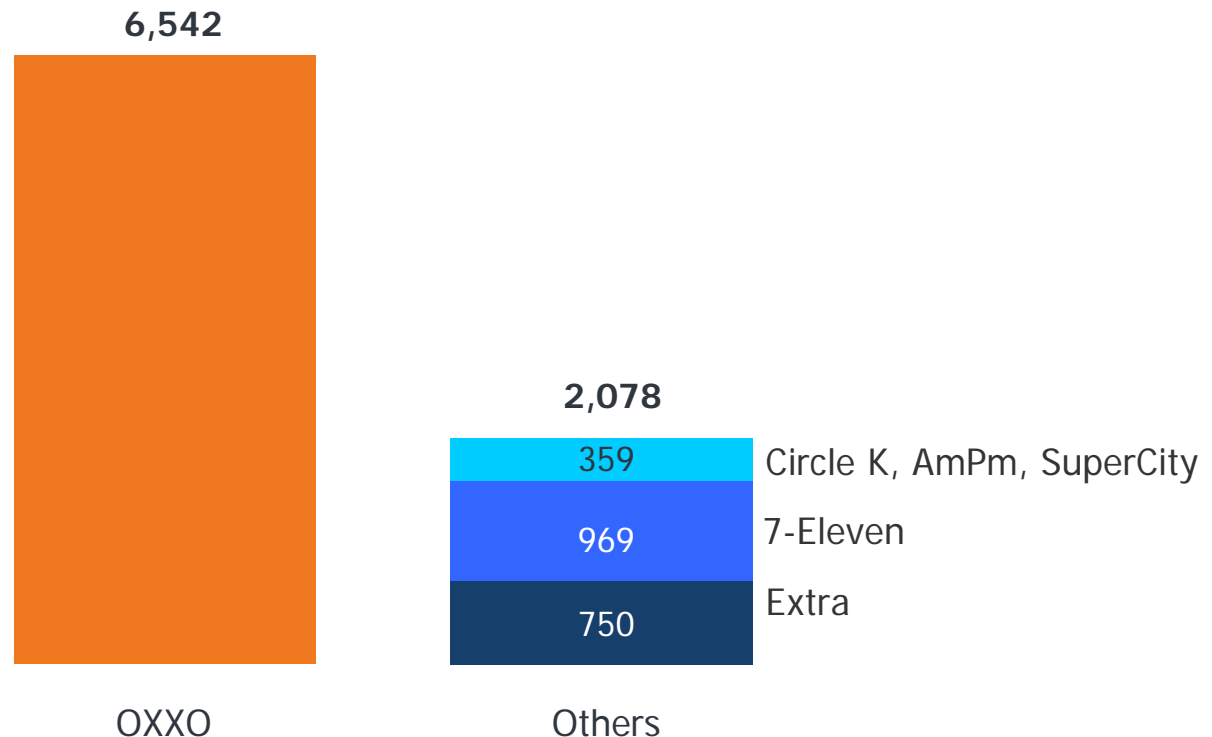


CAGR 98-08: 34%

CAGR 03-08: 35%

Note: 2008 figures in nominal Mexican pesos converted to US dollars using average exchange rate of the year, prior figures in constant pesos as of year end and converted to US dollars using the period-end exchange rate.

# Mexico's leading convenience store chain



- > 800 net new store openings per year
- Over US\$ 3.8 bn in revenues in 2008
- Reciprocal leverage with FEMSA beverage operations
  - Approximately 40% of OXXO sales are beverage-related





## 6,542 stores and counting

### OXXO Penetration Level by Population



**12,000 OXXO's expected by 2015**

# Driving Comp-Store growth: That's the Challenge!



- Services: First it was bill payment, then electronic wireless top-ups, and there is more to come

**Hay más tiempo aire que vida**  
Recarga tu celular

**¡ Son Gratis !**

- 1 **Pídelo**
- 2 **Actívalo en tienda**
- 3 **Recárgalo**

**Pega en tu celular** **Cuelga en tu lavero**

Valido en tiendas participantes

Exclusivo en OXO

- Fast Food: High-growth and high-margin, and we are just getting started



- Segmentation: Tailoring the store to consumer needs to drive inventory turns

Replenishment



Base



Indulgence





COCA-COLA  
**FEMSA**



# Largest public bottler outside of the US by sales volume...

COCA-COLA  
**FEMSA**

*The Coca-Cola Company*

10%  
World Wide

40%  
Mexico

30%  
Brazil

35%  
Latin America

*The largest bottler in Mexico and Latin America*

2.2 bn unit cases sold daily

6 mn unit cases sold daily

Close to US\$7 bn in total revenues

Close to US\$1.5 bn of EBITDA

21% EBITDA margin

Close to 200 million consumers

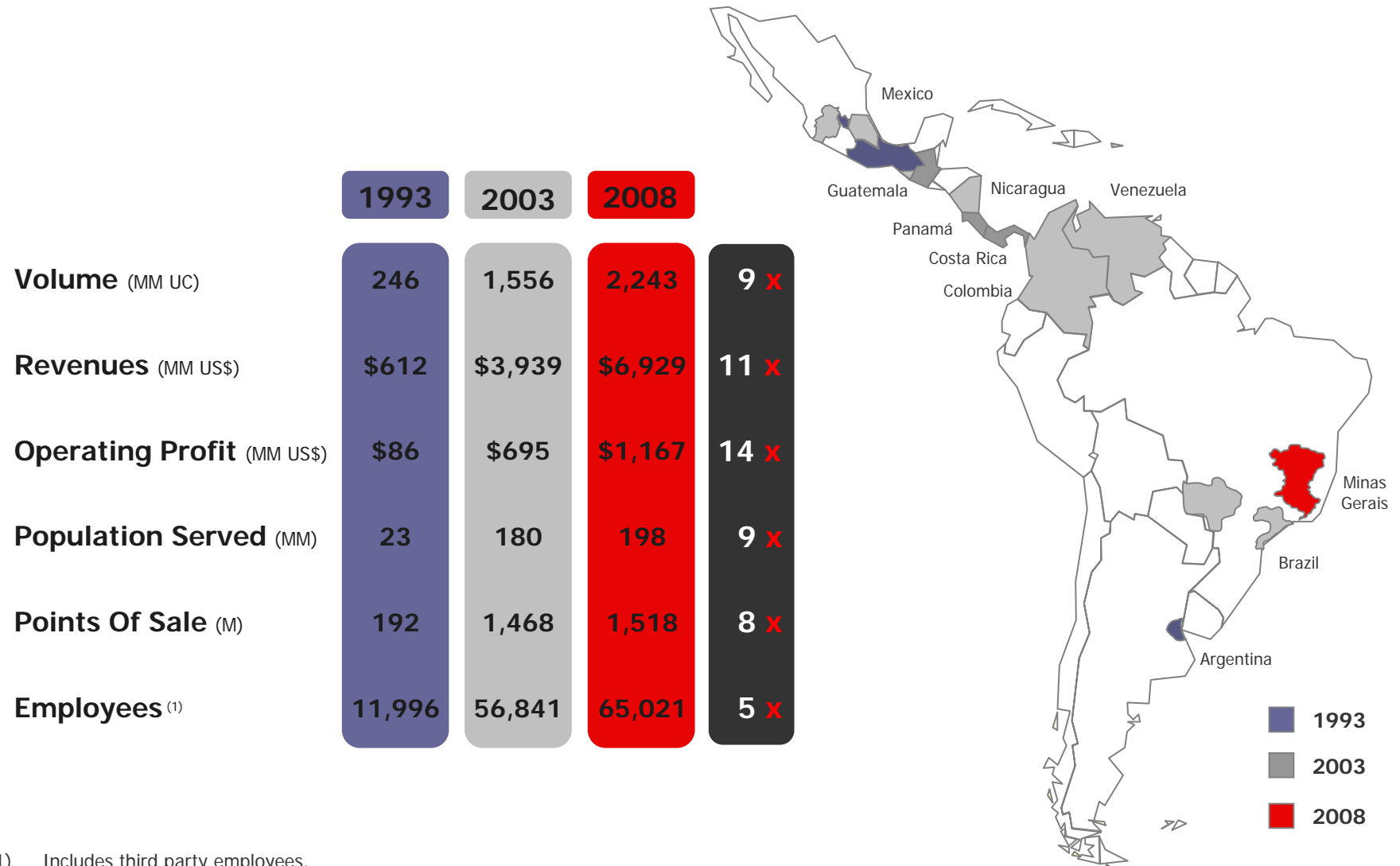
Over 1.5 million points of sale

Over 90 different brands

*Solid geographical footprint*



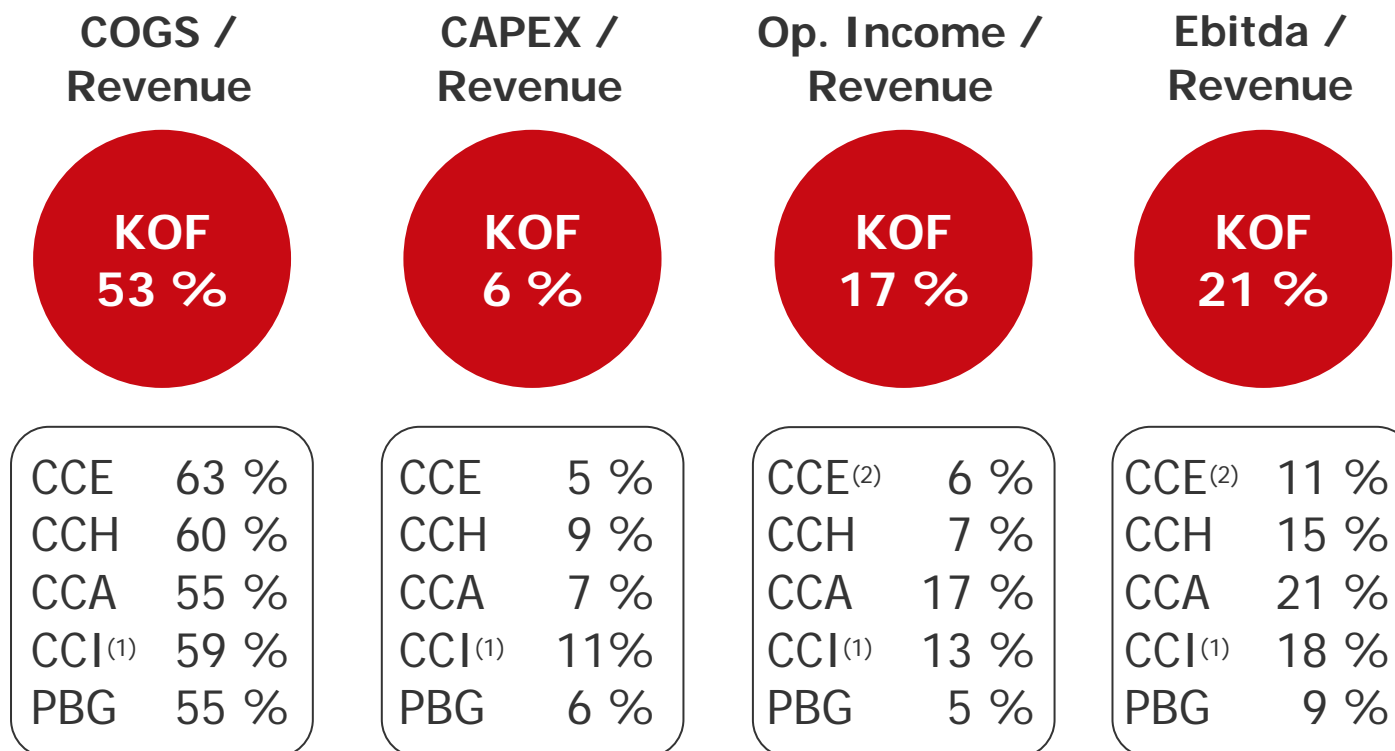
...with a large geographic footprint in Latin America



(1) Includes third party employees.  
 Note: Unit Case equivalent to 24 8oz bottles.

# Outperforming globally

KOF has proven its ability to manage its cost structure and asset deployment efficiently...



...achieving superior profitability levels.

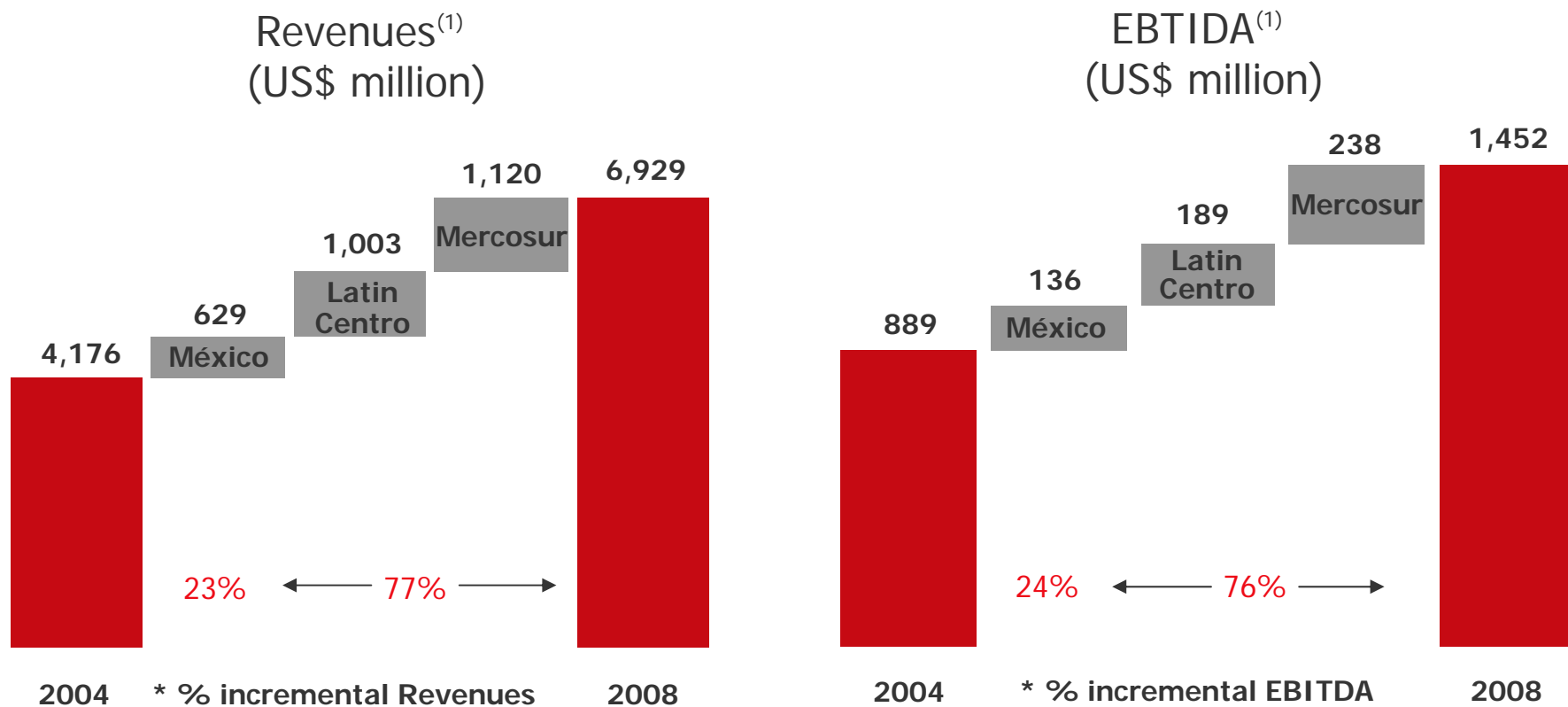
(1) CCI information reflects LTM up to 2Q 2008.

(2) CCE information for EBIT and EBITDA excludes impairment charges.

Source: Earnings releases KOF, PBG, CCE, CCH, CCA and CCI.

# Sourcing our growth from a balanced geographic footprint

Operations outside of Mexico have importantly contributed to both the top and bottom line of our business, while Mexico continues to be our largest cash-flow generator



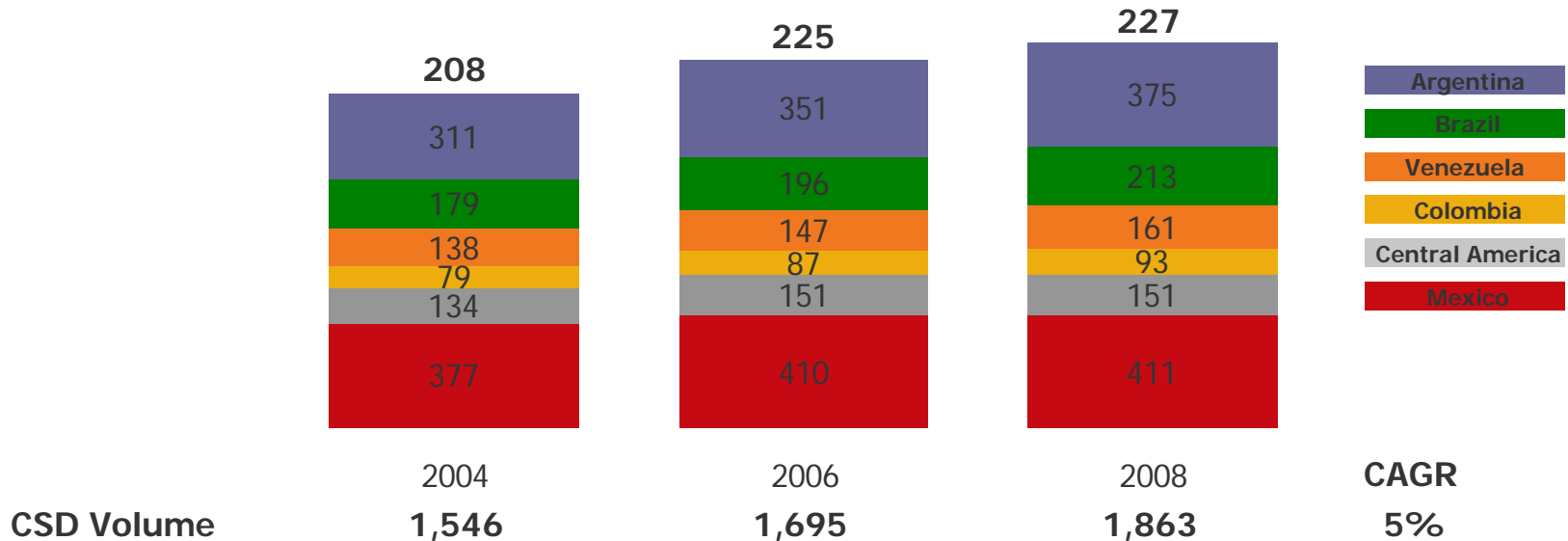
(!) Figures in Mexican Pesos converted into US dollars at the exchange rate of each period.

# Driving Sparkling per Capita Consumption...



Developing a comprehensive portfolio of beverages to capture the benefits of rising per capita income in Latin America...

KOF Sparkling Beverage Annual Per Capita Consumption  
(8 oz. Presentations)



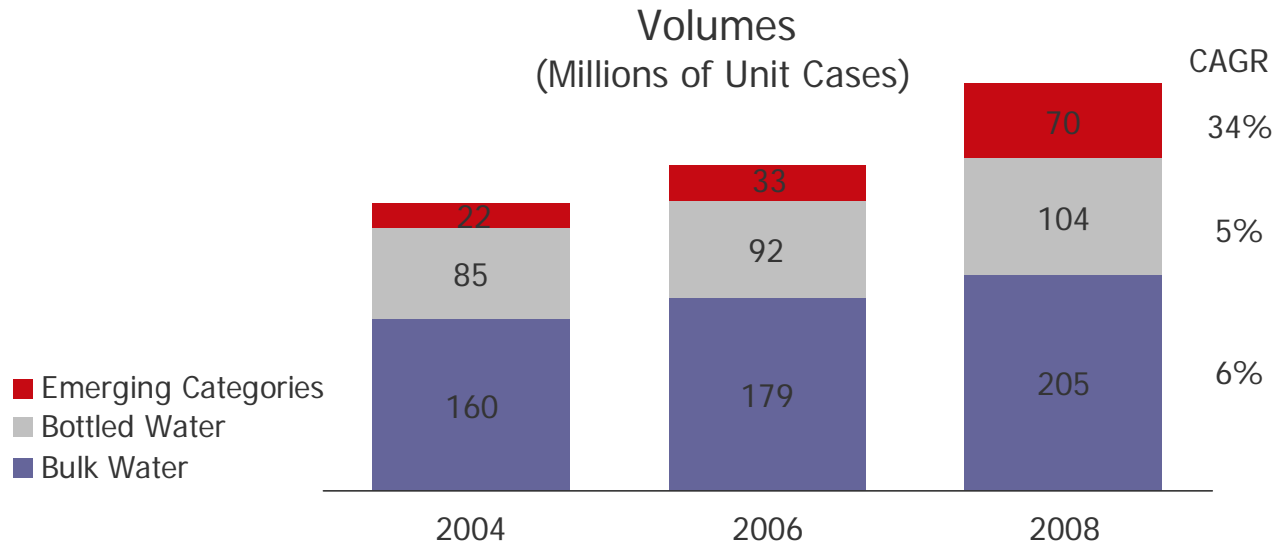
...complementing the portfolio with premium low calorie options





...amplified by opportunities in emerging categories

Bottled water and emerging categories are growing at superior rates...



...with important opportunities of growth within the industry

Bottled Water



Fruit & Vegetable Juices



Other Still Beverages



Sports Drinks



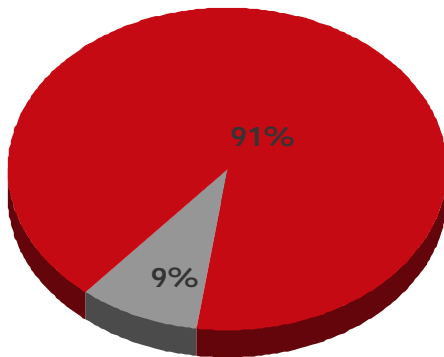
KOF

# Well prepared to capture global trends...

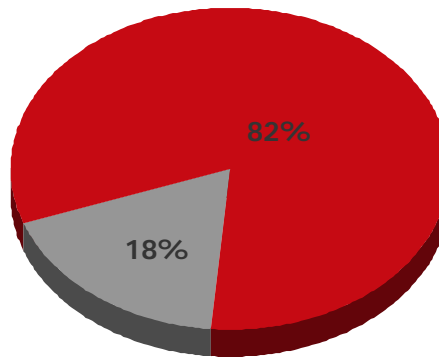
Health and wellness trends in Latin America are lagging developed markets...



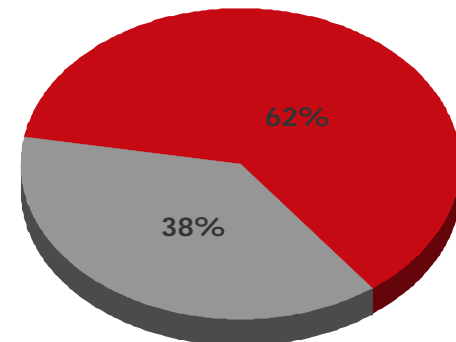
Mix of Categories <sup>(1)</sup>



Mix of Categories <sup>(2)</sup>



Mix of Categories



Sparkling Beverages

Still Beverages

### CAGR KOF

5%

5% Water / 34% Emerging Categories

...creating large opportunities to grow towards a more balanced portfolio

(1) KOF Volumes exclude Bulk Water.

(2) Sparkling Beverages includes energy drinks.

...while strengthening our portfolio with key acquisitions

COCA-COLA  
**FEMSA**

Setting the stage to capture significant growth opportunities...

**del Valle**  
Disfruta la vida

- Price paid: US\$ 370 M
- Volume '06: +94 MUC
- Revenues '06: +US\$ 445 M

Gaining leadership in still beverages while developing a new hot fill capacity

DE LOS ANGELES  
Agua Purificada

- Price Paid: US\$ 18.3 M
- Volume '07: 21 MUC
- Revenues: US\$ 13.4 M

Untapping home delivery potential in the Valley of Mexico



REMIL

- Price paid: US\$ 364.1 M
- Volume '07: 114 MUC
- Revenues: +US\$ 400 M

Capturing 15 million new consumers while reaching almost 30% of Brazil

AGUA PURA  
**Brusa**  
Sin Gas

- Price Paid: US\$ 92 M
- Volume '07: 47 MUC
- Revenues: US\$ 56 M

Building market leadership in water in Colombia

...while providing approximately **8%** proforma revenue growth during the first full year



**FEMSA**



# A Balanced Strategy for Growth

FEMSA



- Moderate growth in Mexico, low risk cash generation
  - Strong momentum in US, growing market share
  - Completing turnaround in Brazil, attractive potential for earnings growth
  - Potential for medium-term margin expansion
- 
- Accelerated revenue and earnings growth driven by increased store base and margin expansion
- 
- Moderate growth in Sparkling Category in Mexico, faster in South America
  - Significant cash generation and unique position to pursue acquisitions
  - Superior growth potential in Still beverages across geographies

# EBITDA Reconciliation By Division



In US\$ million

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Consolidated FEMSA</b>											
Income from Operations	477	638	737	896	910	1,078	1,232	1,467	1,610	1,793	2,036
Depreciation	137	178	201	212	194	232	298	338	375	399	446
Amortization	102	137	179	192	198	232	280	314	346	355	362
<b>EBITDA</b>	<b>717</b>	<b>952</b>	<b>1,117</b>	<b>1,300</b>	<b>1,303</b>	<b>1,542</b>	<b>1,810</b>	<b>2,119</b>	<b>2,332</b>	<b>2,547</b>	<b>2,844</b>
<b>FEMSA Cerveza</b>											
Income from Operations	197	277	297	344	340	319	425	504	548	495	484
Depreciation	64	81	90	102	107	104	132	139	153	148	154
Amortization	54	72	108	121	134	151	182	202	219	221	228
<b>EBITDA</b>	<b>315</b>	<b>430</b>	<b>494</b>	<b>567</b>	<b>581</b>	<b>574</b>	<b>739</b>	<b>844</b>	<b>920</b>	<b>864</b>	<b>866</b>
<b>Coca-Cola FEMSA</b>											
Income from Operations	161	217	302	415	426	597	690	817	876	1,049	1,229
Depreciation	37	60	73	71	50	86	111	123	139	151	227
Amortization	46	54	59	53	44	59	97	115	117	123	80
<b>EBITDA</b>	<b>244</b>	<b>331</b>	<b>434</b>	<b>539</b>	<b>519</b>	<b>742</b>	<b>898</b>	<b>1,055</b>	<b>1,131</b>	<b>1,322</b>	<b>1,536</b>
<b>FEMSA Comercio</b>											
Income from Operations	14	24	29	31	47	62	82	118	149	212	276
Depreciation	4	5	7	8	9	12	19	30	38	50	60
Amortization	3	4	6	9	9	12	21	26	34	39	42
<b>EBITDA</b>	<b>22</b>	<b>33</b>	<b>42</b>	<b>48</b>	<b>64</b>	<b>85</b>	<b>122</b>	<b>175</b>	<b>221</b>	<b>301</b>	<b>378</b>
Fx Rate (Pesos per US\$)	9.90	9.48	9.62	9.16	10.43	11.24	11.15	10.63	10.80	10.92	11.14

Note: 2008 figures in nominal Mexican pesos converted to US dollars using average exchange rate of the year, prior figures in constant pesos as of year end and converted to US dollars using the period-end exchange rate.