FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION:

María Elena Gutiérrez / Investor Relations FEMSA
Arturo Ballester / Investor Relations FEMSA
011-528-328-6245/011-528-328-6189
e-mail: megutsan @femsa.com.mx
abalala@femsa.com.mx

FEMSA REPORTS RESULTS FOR SECOND QUARTER AND FIRST HALF ENDED JUNE 30, 2000 WITH A RECORD OPERATING MARGIN OF 18.7%

CONSOLIDATED NET SALES AND OPERATING INCOME INCREASED BY 10.0% and 19.0%, RESPECTIVELY, FOR THE SECOND QUARTER OF 2000

Monterrey, Mexico (July 25, 2000) — Fomento Económico Mexicano, S.A. de C.V. ("FEMSA" or the "Company") (NYSE: FMX; BMV: FEMSA UBD), Mexico's largest and one of Latin America's leading beverage companies, today reported consolidated net sales of Ps. 11.282 billion for the second quarter, an increase of 10.0 % over the second quarter of 1999. Consolidated revenue growth was driven by strong revenue growth in the Mexican operations of FEMSA Cerveza and Coca-Cola FEMSA, and by extraordinary sales growth recorded by FEMSA Comercio, which was attributable to same store sales growth from the steady growth in traffic and ticket per store as well as to increase in the number of stores. Real revenue per unit sold of FEMSA's Mexican beverage subsidiaries was strong, reflecting the effect of price increases implemented by both subsidiaries, an improvement in the mix of higher priced packaging products in beer, and the effectiveness of price differentiation and revenue management strategies practiced by both subsidiaries, and in particular by Coca-Cola FEMSA.

The Company recorded consolidated operating income of Ps. 2.108 billion for the second quarter of 2000, an increase of 19.0% over the comparable period last year. The Company registered an operating margin for the second quarter of 2000 of 18.7%, a 1.5 percentage point improvement over the 17.2% operating margin achieved in the second quarter of 1999. The operating margin recorded by the Company for the second quarter represents the highest operating margin recorded in the history of the Company.

José Antonio Fernández, chief executive officer of the Company, stated, "the board of directors is very pleased with the achievements of the Company year to date and with the insights and proposals presented by the executive officers of our business divisions as a result of their initial six-month review. The Company shall continue on its path of harnessing the solid economic situation in the country, increasing our brand placement in the consumers' preference to achieve the expansion of our business to its maximum potential. The financial results presented today not only display solid revenue and operating income growth but they also reflect the investments we are pursuing to achieve greater penetration of our brands and more efficiency in our commercial operations".

Net majority income decreased by 23.1% to Ps. 578 million for the second quarter of 2000, compared to the same period last year. Earnings per FEMSA UBD or UB Unit for the second quarter of 2000 amounted to Ps. 0.541. Earnings per ADR for the second quarter 2000 amounted to US$0.582.

UNAUDITED FINANCIAL RESULTS FOR THE SECOND QUARTER 2000 COMPARED TO THE SECOND QUARTER 1999

Set forth below is certain unaudited financial information for Fomento Económico Mexicano, S.A. de C.V. ("FEMSA" or the "Company") (NYSE: FMX; BMV: FEMSA UBD) for the second quarter 2000, compared to the second quarter 1999. FEMSA is a holding company whose principal activities are grouped under the following seven sub-holding companies (the "Subholding Companies") and carried out by their respective operating subsidiaries: FEMSA Cerveza, S.A. de C.V. ("FEMSA Cerveza"), which engages in the production, distribution and marketing of beer; Coca-Cola FEMSA, S.A. de C.V. ("Coca-Cola FEMSA"), which engages in the production, distribution and marketing of soft drinks; FEMSA Empaques, S.A. de C.V. ("FEMSA Empaques"), which engages in the production and distribution of packaging materials; FEMSA Comercio, S.A. de C.V. ("FEMSA Comercio"), which engages in the operation of convenience stores; Desarrollo Comercial FEMSA, S.A. de C.V. ("DCF"), which owns 50.01% of the voting capital stock of Empresas Amoxxo, S.A. de C.V. ("Amoxxo"), which operates convenience stores adjacent to gasoline stations; Logística CCM, S.A. de C.V. ("Logística CCM") which provides logistics management services to FEMSA Cerveza, and FEMSA Logística, S.A. de C.V. ("FEMSA Logística"), which provides logistics management services to Coca-Cola FEMSA, FEMSA Empaques and, recently, to third party clients.

All of the figures in this report have been restated in constant Mexican pesos ("Pesos" or "Ps.") with purchasing power as of June 30, 2000 and were prepared in accordance with Mexican Generally Accepted Accounting Principles ("Mexican GAAP"); therefore, all the percentage changes are expressed in real terms. The restatement was determined as follows:

— For the results of the Mexican operations, using factors derived from the Mexican National Consumer Price Index ("NCPI").
— For the results of the Buenos Aires operations, using factors derived from the Argentine National Consumer Price Index and converting constant Argentine pesos into Pesos, based on the June 30, 2000 exchange rate of Ps. 9.825 per Argentine peso.

This report may contain certain forward-looking statements concerning FEMSA's future performance and 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 the Company's actual performance.

IMPORTANT NOTICE:

We invite you to register your name in our Investor Relations Site located in our Web Site (ir.femsa.com) to receive all of our press releases, earnings releases and financial information automatically through our e-mail alert service. In addition you will find audio archives for past conference calls, Quarterly Earnings Releases since 1997, Corporate Presentations given by Senior Management in Industry Conferences, an IR Events Calendar, Annual Reports to Shareholders and Annual Report Pursuant to Section 13 of the Securities Exchange Act of 1934, and historical and real time stock price information.

Unaudited Financial Results for the Second Quarter ended June 30, 2000 compared to the Second Quarter ended June 30, 1999

FEMSA Consolidated

Total Revenues/Net Sales

FEMSA's consolidated total revenues increased by 9.9% to Ps. 11.302 billion and consolidated net sales increased by 10.0% to Ps. 11.282 billion. FEMSA Cerveza and Coca-Cola FEMSA's Mexican operations recorded strong revenue growth during the second quarter as a result of the 7.4% volume growth recorded by Coca-Cola FEMSA´s Mexican operations, and an improvement in the real revenue per unit sold by FEMSA Cerveza and Coca-Cola FEMSA's Mexican operations of 10.1% and 3.7%, respectively, for the second quarter, reflecting the successful implementation of the price increases instituted by the Company and the encouraging results of revenue management programs in both beverage divisions. FEMSA's retail operations continue to record extraordinary revenue growth as a result of a 20.2% increase in sales space and a 9.2% growth in same store sales. Strong revenue growth was slightly offset by a decline in FEMSA Empaques' net sales of 1.6% in the second quarter.

NET SALES GROWTH	**2 Qtr 00 vs 2 Qtr 99**
FEMSA Consolidated	10.0%
FEMSA Cerveza	11.1%
Coca-Cola FEMSA	7.1%
FEMSA Empaques	(1.6)%
FEMSA Comercio	28.3%

Gross Profit

FEMSA's consolidated gross profit increased by 15.1% to Ps. 5.746 billion, representing a consolidated gross profit margin of 50.9%, an increase of 2.2 percentage points. FEMSA's principal Subholding Companies experienced gross margin expansion during the second quarter, reflecting, in the case of the beverage divisions, accelerated revenue growth and a declining cost structure and, in the case of FEMSA Empaques, higher fixed cost absorption as a consequence of better volume performance in its most important product lines.

Income from Operations

FEMSA's consolidated operating expenses (including goodwill amortization and management fees paid to Labatt Brewing Company Limited ("Labatt")) increased by 13.3% to Ps. 3.658 billion. The Company implemented real salary and wage increases effective in March of 2000. In addition, the labor costs of FEMSA Cerveza and FEMSA Comercio have increased because both are expanding their commercial infrastructure and hiring more employees. FEMSA's consolidated income from operations (after participation in the results of affiliated companies) increased by 19.0% to Ps. 2.108 billion. Coca-Cola FEMSA accounted for most of the increase in the consolidated operating income for the second quarter of 2000. FEMSA's consolidated operating margin increased by 1.5 percentage points to 18.7% of consolidated total revenues.

CHANGE IN INCOME FROM OPERATIONS Before management fees	**2 Qtr 00 vs 2 Qtr 99**
FEMSA Consolidated	19.0%
FEMSA Cerveza	12.7%
Coca-Cola FEMSA	35.4%
FEMSA Empaques	10.3%
FEMSA Comercio	32.8%

Net Income

FEMSA's consolidated net income decreased by 17.8% from the Ps. 1.030 billion recorded in the second quarter of 1999 to Ps. 847 million in the second quarter of 2000. The decrease in net income recorded in the second quarter reflects (i) the effect of an integral result of financing expense of Ps. 607 million compared to an integral result of financing expense of Ps. 78 million recorded in the second quarter of 1999, and (ii) an increase of 0.5% in income tax, the tax on assets and employee profit sharing (including deferred taxes).

All comparisons for the second quarter ended June 30, 2000 in this report are made against the figures for the second quarter ended June 30, 1999

During the second quarter of 2000, consolidated net financial expense increased by 26.2% to Ps. 159 million compared to the second quarter of 1999, primarily attributable to a decline of 24.2% in interest income as a result of lower interest rates earned on Peso denominated investments. Interest expense remained relatively stable as compared to the second quarter of 1999, despite a reduction in the average debt balance of the Company during the second quarter of US$77 million relative to the second quarter of 1999, as a result of the nominal depreciation of the Peso during the second quarter.

FEMSA recorded a consolidated foreign exchange loss of Ps. 490 million, which reflects the net effect of (i) a Ps. 153 million loss generated by U.S. dollar-exchange forward contracts realized in the second quarter of 2000, and (ii) approximately Ps. 337 million of foreign exchange loss as a result of the depreciation of the Peso against the U.S. dollar of 5.7% in the second quarter, compared to a foreign exchange gain of Ps. 16 million recorded in the second quarter of 1999. The gain on monetary position amounted to Ps. 42 million, an increase of 31.3%, which primarily reflects the slight pick up in inflation experienced during the second quarter of 2000, as compared to the second quarter of 1999.
FEMSA and its subsidiaries recognized consolidated income tax, tax on assets and employee profit sharing ("taxes") of Ps. 630 million, an increase of 0.5%.
The Company's average tax rate for the second quarter of 2000 amounted to 42.7%, an increase of 4.9 percentage points relative to the 37.8% average tax rate realized in the second quarter of 1999.

Consolidated net income decreased by 17.8%, despite a 19.0% increase in consolidated operating income and a 100% reduction in other expenses as a result of the significant increase in the integral cost of financing expense from the foreign exchange loss recorded by the Company in the second quarter.

Consolidated net majority income amounted to Ps. 578 million for the second quarter of 2000, compared with Ps. 752 million recorded in the second quarter of 1999. Net majority income per FEMSA UBD unit[1] amounted to Ps. 0.541, a decline of 23.1%, compared with Ps. 0.704 for the same period last year. Net majority income per FEMSA ADR[2] amounted to US$0.582 for the second quarter of 2000.

2 QTR	Per FEMSA Unit[1]	
Pesos	**2000**	**1999**
Net Majority Income	0.541	0.704
EBITDA[3]	2.737	2.376

[1]FEMSA Units consists of FEMSA UBD units and FEMSA UB units. Each FEMSA UBD unit is comprised of one Series B share, two Series D-B shares and two Series D-L shares. Each FEMSA UB unit is comprised of five series B shares. The number of FEMSA Units outstanding as of June 30, 2000 was 1,068,268,090, equivalent to the total number of shares of the Company outstanding as of June 30, 2000 divided by 5.

[2] Each ADR is comprised of 10 FEMSA UBD units. To calculate the net majority income and EBITDA on an equivalent per ADR basis, the number of ADRs used was 106,862,809, equivalent to the number of FEMSA Units outstanding as of June 30, 2000 divided by 10.

[3] EBITDA is calculated as income from operations plus depreciation and amortization plus non-cash charges. Please note that the U.S. Securities and Exchange Commission does not endorse the use of EBITDA. However, FEMSA's management has chosen to present EBITDA because it believes it is a useful measure.

Recent Developments

FEMSA Announces the Implementation of a Stock Repurchase Program

The Company announced today that it is initiating a common stock repurchase program for up to US$100 million of FEMSA Units and ADRs, as previously authorized by the Company's General Stockholder's Meeting. Through the program, the Company will make open market purchases of FEMSA Units and ADRs from time to time. The timing and consummation of the purchases will depend on price, market conditions, and other factors. The Company will fund the share repurchase program with internally generated funds and intends to keep the shares in treasury until such time as the Company decides to cancel or reissue them. Although the General Stockholder's Meeting authorized a program for up to US$100 million, the Company expects the first tranche of the program to be on the order of $50 million dollars.

The purpose of the program is to enhance shareholder value through timely repurchases of the Company's shares. The Company has never engaged in a repurchase program in the past.

Hedging Policy for 2001

As of June 30, 2000, the Company had entered into U.S. dollar forward exchange contracts in an aggregate amount of US$131.4 million at an average exchange rate of 10.6 Pesos per U.S. dollar all maturing during 2001. In addition, the Company bought options maturing through out 2001 to purchase US$233.6 million at an average strike price of 10.4 Pesos per U.S. dollar . The objective of these contracts is to hedge part of the Company's U.S. dollar needs for 2001.

FEMSA Cerveza

Net Sales

FEMSA Cerveza's net sales increased by 11.1% to Ps. 4.878 billion as a result of: (i) total shipment growth of 2.2%, and (ii) a weighted average nominal increase of approximately 16% in the domestic consumer price of beer effective January 1, 2000, which, together with successful price-differentiation strategies and lower discounting, resulted in domestic revenue per hectoliter of Ps. 724 for the second quarter, a real increase of 10.1% as compared to the second quarter of 1999. The improvement in the proportion of the can presentation as a percentage of domestic shipments from 17.8% in the second quarter of 1999 to 18.2% in the second quarter of 2000 also contributed to the increase in revenue per hectoliter recorded in the second quarter. Domestic shipments increased by 1.2% to 6.264 million hectoliters as a consequence of a slow down in shipment growth observed in the month of June. Management believes that the decline observed in the month of June is primarily attributable to abnormally wet weather experienced throughout the country, particularly in the northern region, where the average precipitation level for the month of June increased by 50% over the historical average levels in this region for June. The central and south regions of the country also experienced higher precipitation levels, compared to the historical June averages for those regions. Management estimates that FEMSA Cerveza's domestic volume increased in line with the industry during the second quarter.

OPERATING HIGHLIGHTS	
% Change	**2 Qtr 00 vs 2 Qtr 99**
Domestic Volume	1.2%
Export Volume	14.7%
Total Volume	2.2%
Net Sales	11.1%
Income from Operations before management fees	12.7%

Export shipments increased by 14.7% to 530 thousand hectoliters over the second quarter of 1999. Export growth continues to be driven by growth in the North American market, which, as of June 30, 2000, represented 89.4% of total export shipments. Total export revenues in U.S. dollar terms amounted to US$35.4 million, 15.1% above the comparable period last year. Total export revenues in Peso terms increased by 7.7% to Ps. 342 million as a consequence of the real appreciation of the Peso against the U.S. dollar over the past twelve months.

Gross Profit

FEMSA Cerveza's cost of goods sold increased by 3.1% relative to the second quarter of 1999 to Ps. 2.038 billion. Variable costs of production (grains, packaging and services) and freight continue on to decline despite increases in the U.S. dollar prices of certain raw materials which have been compensated by the real appreciation of the Peso against the U.S. dollar. Gross profit increased by 17.0% to Ps. 2.862 billion and the gross margin improved by 2.9 percentage points to 58.7% of net sales, primarily reflecting the improvement in revenue per hectoliter and higher fixed cost absorption.

MARGINS		
	2 Qtr 00	2 Qtr 99
Gross margin	58.7%	55.8%
Operating margin before management fees	23.3%	22.9%

Income from Operations

FEMSA Cerveza's operating expenses increased by 20.7% to Ps. 1.741 billion. As a percentage of total revenues, operating expenses increased by 2.9 percentage points to 35.5%. FEMSA Cerveza has been strengthening its marketing and commercial divisions by investing in human resources and in commercial infrastructure (distribution equipment, routes, sales force). In addition, operating expenses reflect higher labor costs as a result of real salary and wage increases effective in March of 2000.

FEMSA Cerveza´s operating income after participation in the results of Labatt USA and before deduction of management fees paid to FEMSA and Labatt increased by 12.7% to Ps. 1.142 billion in the second quarter of 2000. Operating margin before deduction of management fees paid to FEMSA and Labatt increased by 0.4 percentage points as a percentage of total revenues to 23.3%.

Coca-Cola FEMSA

Net Sales

Coca-Cola FEMSA recorded net sales growth of 7.1% to Ps. 3.936 billion, primarily reflecting net sales growth in the Mexican territories. Volumes in Mexico were driven by a healthy increase in volumes of 6.2% in the Valley of Mexico and an 11.0% increase in the Southeast territory. Management believes that the significant increase in volumes in the Southeast territory is attributable to (i) the successful implementation of consumer activation programs including promotional campaigns and increased penetration of cold drink equipment at the point of sale, (ii) a more dynamic economic environment that has resulted in growth in consumption, and (iii) moderate and selective price increases as compared to the price increases implemented in the Valley of Mexico territory during the second quarter. Revenue per case recorded by the Mexican operations increased by 3.7% for the second quarter, primarily as a result of price increases implemented in the Valley of Mexico during the second quarter and of price differentiation and revenue management strategies Coca-Cola FEMSA has successfully implemented over the past twelve months. As a result of a significant surge in demand in the Southeast territory, healthy volume growth and a significant improvement in revenue per case in the Valley of Mexico territory, net sales growth in the Mexican operations for the second quarter increased by 11.3%. Management estimates that Coca-Cola FEMSA's volumes in the Mexican territories increased in line with the volume growth experienced by the Coca-Cola system in Mexico.

VOLUME GROWTH 2 Qtr 00 vs 2 Qtr 99	
	Total
México	7.4%
Buenos Aires	(4.5)%
Total	5.1%

Net sales for the Buenos Aires territory decreased by 7.8%, reflecting a decline in volume of 4.5% and a decline in the average unit price per case (in Argentine Pesos) of 3.2% for the second quarter of 2000. Management estimates that Coca-Cola FEMSA's volumes in the Buenos Aires territory lagged the comparable volume growth experienced by the Coca-Cola system, which was approximately 3% in Argentina, and under-performed the soft-drink industry in Argentina, mainly as a result of continuous growth experienced by the lower price brands in such market, primarily fueled by a prevailing depressed economic environment.

Gross Profit

MARGINS		
	2 Qtr 00	2 Qtr 99
Gross margin	50.2%	47.2%
Operating margin	17.7%	14.0%

Coca-Cola FEMSA's cost of goods sold increased by only 1.3% to Ps. 1.977 billion, despite consolidated volume growth of 5.1%, and decreased as a percentage of sales by 2.9 percentage points to 50.2%. Cola FEMSA's gross profit increased by 13.8% and the gross margin improved by 3.0 percentage points to 17.7% of net sales. In the Mexican territories, Coca-Cola FEMSA's gross profit increased by 19.5% as a consequence of (i) an improvement in revenue per case, (ii) growth in volumes, (iii) a decline in the Peso cost sugar and high fructose (iv) a decline in the U.S. dollar cost of beverage cans, (v) the effect of the real appreciation of the Peso against the U.S. dollar on the cost of U.S. dollar-denominated packaging materials such as beverage cans and PET preforms, the latter increasing in dollar terms as compared to the second quarter of 1999 and (vi) operating efficiencies and greater fixed cost absorption as a result of volume growth. Coca-Cola FEMSA Buenos Aires' gross margin remained relatively stable during the second quarter despite a 7.8% decline in net sales primarily as a consequence of (i) a significant decline in the prices of sugar and fructose, which compensated higher beverage can and PET preform prices and (ii) production efficiencies that resulted in lower fixed costs.

Income from Operations

Operating expenses (excluding goodwill amortization) increased by 4.9% and declined by 0.7 percentage points as a percentage of total revenues. Income from operations increased by 35.4% to Ps. 700 million and Coca-Cola FEMSA's operating margin increased by 3.7 percentage points to 17.7%.

Recent Developments

On June 2, 2000, Coca-Cola FEMSA ceased production at the San Justo plant in the Buenos Aires territory. Although the Company plans to continue to utilize the San Justo distribution facilities, all production will be transferred to the Alcorta plant. At the time the San Justo facility ceased production, it had an annual installed capacity of approximately 45.6 million unit cases and was operating at approximately 14% capacity. Coca-Cola FEMSA believes that the Alcorta plant, with 188.8 million unit cases of annual installed capacity, is sufficient to meet volume demand.

On June 28, 2000 the Company closed its Minatitlan production facility in the Southeast of Mexico. As of the date of the closing, the plant had an annual installed capacity of approximately 15.0 million unit cases and was operating at approximately 38% capacity utilization. The Company plans to absorb the Minatitlan facility production capacity via improved capacity utilization in the remaining plants in the Southeast territory.

Ernesto Silva, Coca-Cola FEMSA's New Business Development has been appointed Chief Operating Officer for Coca-Cola FEMSA's Buenos Aires' operations, effective September 1, 2000. Ernesto Silva will be replacing Rafael Suarez, who will join FEMSA starting September 1, 2000, to support the Company's efforts in commercial development projects across subsidiaries. Ernesto Silva will be succeeded by Peter Wiegandt, Coca-Cola FEMSA's South East Mexico Operations.

FEMSA Empaques

Net Sales

FEMSA Empaques' net sales decreased by 1.6% to Ps. 1.578 billion in the second quarter of 2000, a significantly lesser decline compared to the decline of 16.8% experienced in the first quarter. Management attributes the stabilization in FEMSA Empaques' net sales in the second quarter to (i) the growth experienced in beverage can export sales, which have more than compensated for the decline in sales to Industria Enlatadora de Queretaro ("IEQSA") and to other third party clients. Notwithstanding the recovery in the sales of beverage cans, FEMSA Empaques second quarter results continued to be affected by the negative impact of the real appreciation of the Peso against the U.S. dollar on the Peso revenues from U.S. dollar-denominated packaging products such as beverage cans and crown caps.

VOLUME GROWTH 2 Qtr 00 vs 2 Qtr 99	
Beverage cans	3.3%
Crown caps	0.9%
Glass bottles	(8.2)%
Refrigerators	(4.7)%

Glass bottle volumes declined by 8.2% in the second quarter. The significant growth in glass bottle purchases by FEMSA Cerveza in the second quarter was offset by a decline in purchases from domestic third-party clients. Glass bottle purchases by Coca-Cola FEMSA increased as a result of an improvement in the mix of soft-drink glass returnable presentations in the Valley of Mexico, but they represent a very small percentage of FEMSA Empaques total glass bottle sales.

Export revenues increased by 41.3% to Ps. 157 million primarily as a result of growth in beverage can volumes, and represented 10% of net sales. In U.S. dollar terms, export revenues increased by 51.4% to US$16.4 million.

Gross Profit

FEMSA Empaques' gross profit increased by 4.7% to Ps. 394 million, and its gross margin improved by 1.6 percentage points to 25.0% of net sales. Management attributes the improvement in FEMSA Empaques' gross margins to a significant improvement in the gross margin of the beverage can business as a result of (i) approximately an 18% reduction in the freight costs incurred by FEMSA Empaques in product delivery for its major clients as a consequence of efficiencies realized from subcontracting freight to FEMSA Logística, (ii) measures implemented by "preventive and corrective action" teams dedicated to assure continuous production, waste reduction and higher productivity, and (iii) growth in sales of higher value added products such as beverage can exports. With the exception of the glass bottle business, all of FEMSA Empaques' main product lines experienced gross margin expansion in the second quarter. The decline in gross margins for the beverage glass business is a direct consequence of (i) lower than optimal capacity utilization in the glass furnaces, which resulted in low fixed cost absorption and (ii) higher natural gas costs as a result of higher fuel prices.

MARGINS		
	2 Qtr 00	2 Qtr 99
Gross margin	25.0%	23.5%
Operating margin before management fees	16.7%	14.9%

Income from Operations

Operating expenses decreased by 5.1% to Ps. 131 million and decreased as a percentage of sales by 0.3 percentage points to 8.3%. Income from operations before management fees paid to FEMSA increased by 10.3% to Ps. 263 million, primarily reflecting the improvement in gross profit.

Recent Developments

On May 31, 2000, FEMSA Empaques completed the sale of Corrugados Tehuacan, S.A. de C.V. ("Cotesa") to Willamette Industries, Inc. The price paid was US$70.09 million and the net proceeds were used to pay FEMSA Empaques' debt. Since January 1, 2000, neither FEMSA Empaques nor the Company have consolidated Cotesa in its financial statements. For comparison purposes, the cardboard business figures have been excluded from FEMSA Empaques' and the Company's consolidated second quarter 1999 results presented in this press release. To receive a pro-forma operating income statement of FEMSA Empaques' full year 1999 operating results without Cotesa, please contact FEMSA's Investor Relations Department.

FEMSA Comercio

Net Sales

FEMSA Comercio's net sales increased by 28.3% to Ps. 1.869 billion. Sales growth was the result of (i) a net increase of 38 new stores during the second quarter and 212 new stores for the past twelve months, an increase of 20.2% in selling space relative to the second quarter of 1999 and (ii) average same store sales growth of 9.2%, reflecting an increase in traffic and in ticket of 4.1% and 4.9%, respectively. Management estimates that in the second quarter total retail industry sales increased by 11.4% and industry same store sales increased by 4.8%. The growth in same store sales is attributable to an evident economic expansion (more employment and higher real wages) throughout the country and in particular in the central and southeast regions, which, coupled with FEMSA Comercio´s successful and consistent promotional strategies, has resulted in growth in traffic for the chain. See "Unaudited Financial Results for the First Half ended June 30, 2000 compared to the First Half ended June 30, 1999 —FEMSA Comercio—Net Sales".

OPERATING HIGHLIGHTS	
% CHANGE	**2 Qtr 00 vs 2 Qtr 99**
New stores	38
Net sales	28.3%
Same store sales	9.2%
Income from operations Before management fees	32.8%

Gross Profit

FEMSA Comercio recorded gross profit of Ps. 459 million in the second quarter of 2000, an increase of 26.9% over the comparable period last year, and the gross margin decreased slightly by 0.2 percentage points to 24.6% of net sales. The decline in gross margin for the quarter is a consequence of FEMSA Comercio's national and regional promotional campaigns, which have resulted in a decline in the revenue per unit sold. Notwithstanding the slight decline in gross margins, FEMSA Comercio's management believes that the net benefits of attracting more traffic via organized promotional strategies continue to outweigh the costs, since higher traffic per site results not only in higher aggregate sales but also in higher ticket per customer, and therefore in higher productivity per site.

MARGINS		
	2 Qtr 00	2 Qtr 99
Gross margin	24.6%	24.8%
Operating margin before management fees	4.4%	4.2%

Income from Operations

Operating Expenses increased by 25.6% to Ps. 377 million and decreased as a percentage of sales to 20.2% from 20.6% over the same period last year. Operating income increased by 32.8% to Ps. 82 million primarily as a result of strong revenue growth. FEMSA Comercio continues to improve its operating margins, as it continues to spread out its existing central office fixed cost structure over an increasing number of stores. FEMSA Comercio recorded an operating margin before deduction of management fees of 4.4%, an increase of 0.2 percentage points over the second quarter of 1999.

Unaudited Financial Results for the Six Months ended June 30, 2000 compared to the Six Months ended June 30, 1999

FEMSA Consolidated

Total Revenues/Net Sales

NET SALES GROWTH Six months ended June 30, 2000 vs. 1999	
FEMSA Consolidated	10.1%
FEMSA Cerveza	9.7%
Coca-Cola FEMSA	8.8%
FEMSA Empaques	(9.0)%
FEMSA Comercio	27.3%

FEMSA's consolidated total revenues increased by 10.1% to Ps. 20.821 billion and consolidated net sales increased by 10.1% to Ps. 20.771 billion. Net sales growth for the first half of 2000 was driven primarily by volume growth and improved pricing experienced by FEMSA Cerveza and Coca-Cola FEMSA in Mexico, and by the addition of 64 new sites coupled with same store sales growth of 8.6% in the case of FEMSA Comercio. FEMSA Empaques on the other hand, has experienced both lower prices and either slow volume growth or volume decreases in some of its main products, which has had a negative impact on FEMSA Empaques' net sales, and consequently, on FEMSA's consolidated net sales. FEMSA's beverage and retail operations continue to benefit from increased consumer confidence as a result of employment and real disposable income growth, which has allowed the Company to implement real price increases on its beverage products without depressing demand, a trend that management expects will continue to drive the Company's revenue growth as the Mexican economy continues in its expansion phase.

Gross Profit

FEMSA's consolidated gross profit increased by 15.7% to Ps. 10.345 billion, representing a consolidated gross profit margin of 49.8%, an increase of 2.4 percentage points. The expansion in the consolidated gross profit margin reflects (i) healthy volume growth and an improvement in the price of FEMSA's beverage products (ii) operational efficiencies as a result of process reengineering in the Company's manufacturing and distribution infrastructure implemented at the beginning of 2000, and (iii) the real appreciation of the Peso against the U.S. dollar over the last twelve months, which has resulted in a decline in variable costs for FEMSA Cerveza and Coca-Cola FEMSA, despite slight increases experienced in some U.S. dollar-denominated packaging and raw materials over the same period. The nominal depreciation of the Peso against the U.S. dollar for the last twelve months was 4.4%, compared to an inflation rate of 9.1% over the same period.

Income from Operations

CHANGE IN INCOME FROM OPERATIONS Before management fees Six months ended June 30, 2000 vs. 1999	
FEMSA Consolidated	20.3%
FEMSA Cerveza	10.2%
Coca-Cola FEMSA	41.8%
FEMSA Empaques	(5.1)%
FEMSA Comercio	39.7%

FEMSA's consolidated operating expenses (including goodwill amortization and management fees paid to Labatt) increased by 13.8% to Ps. 7.121 billion As a percentage of total revenues, consolidated operating expenses increased by 1.1 percentage points to 34.2%. The management fee paid by FEMSA Cerveza to Labatt amounted to Ps. 48.3 million for the first half of 2000. FEMSA's consolidated income from operations (after participation in the results of affiliated companies) increased by 20.3% to Ps. 3.233 billion, driven by an increase in profitability in all of FEMSA's subsidiaries. FEMSA's consolidated operating margin increased by 1.3 percentage points to 15.5% of consolidated total revenues.

All comparisons for the first half ended June 30, 2000 in this report are made against the figures for the first half ended June 30, 1999

12

Net Income

FEMSA's consolidated net income decreased by 24.1% from Ps. 1.898 billion recorded in the first half of 1999 to Ps. 1.441 billion for the first half of 2000. The decrease in net income recorded for the first half of 2000 resulted from the net effect of (i) a 20.3% increase in consolidated income from operations and (ii) an increase of 329.7% in the consolidated integral result of financing.

In the first half of 2000, FEMSA recorded a consolidated integral result of financing expense of Ps. 618 million, compared to a consolidated integral result of financing income of Ps. 269 million for the comparable period in 1999. During the first half of 2000, consolidated net financial expense increased by 18.0% to Ps. 315 million compared to the first half of 1999. This increase was attributable to the net effect of (i) a 5.1% decline in interest expense and (ii) a 28.3% decrease in interest income as a consequence of the lower interest rates earned on Peso investments relative to the first half of 1999. The decline in interest expense of 5.1% resulted from the net effect of (i) a decrease of US$55 million in the consolidated average debt balance of the Company during the first half of 2000 relative to the fist half of 1999, (ii) a lower weighted average interest rate and (iii) the nominal depreciation of the Peso against the U.S. dollar for the first six months of 2000.

FEMSA recorded a consolidated foreign exchange loss of Ps. 481 compared to a foreign exchange gain of Ps. 297 million for the first half of 1999, primarily reflecting (i) a Ps. 283 million loss generated by U.S. dollar-exchange forward contracts recorded for the first half of 2000, and (ii) approximately Ps. 192 million of foreign exchange loss as a result of the nominal depreciation of the Peso against the U.S. dollar of 3.5% for the first half of 2000. During the month of June, prior to the July 2 presidential elections, market uncertainty related to the political climate resulted in a significantly higher end-of-period exchange rate. As of July 24, 2000, the peso-to-dollar exchange rate had appreciated to Ps. 9.35 per U.S. dollar. If the peso-dollar exchange rate closes at these levels for the third quarter, the Company will record a foreign exchange gain over its U.S. dollar-denominated indebtedness in such period. As of June 30, 2000, the Company had US$254 million dollar-exchange forward contract exposure at a weighted average exchange rate of 11.504 Pesos per U.S. dollar maturing in 2000. See "Unaudited Financial Results for the Second Quarter ended June 30, 2000 compared to the Second Quarter ended June 30, 1999—FEMSA Consolidated—Recent Developments" for a description of the Company's hedging policy for 2001.

The gain on monetary position amounted to Ps. 178 million, an decrease of 25.5%, reflecting the declining inflation rate for the first half of 2000, despite a slight increase experienced during the second quarter of 2000.

FEMSA and its subsidiaries recognized a decline in taxable income of 12.2%, mainly as a result of a significant increase in the consolidated result of financing expense. The Company's income tax, tax on assets and employee profit sharing amounted to Ps. 1.132 billion for the first half of 2000, increasing by 9.7% relative to the first half of 1999. The Company's average tax rate for the first half of 2000 was 44.0%, higher than the 35.2% average tax rate in the first half of 1999. Based on current trends, management expects the Company's average tax rate (including deferred taxes and employee profit sharing) for 2000 to reach approximately 45%. In accordance with Bulletin D-4, "Accounting for Income Taxes, Tax on Assets and Employee Profit Sharing." issued by the Mexican Institute of Public Accountants, effective January 1, 2000, the Company recognized a deferred tax liability of Ps. 3.791 billion and a reduction in shareholders' equity of the same amount.

13

Consolidated net majority income amounted to Ps. 986 million for the first half of 2000 compared with Ps. 1.459 million recorded in the first half of 1999. Net majority income per FEMSAUnit[1] amounted to Ps. 0.923, compared with Ps. 1.366 for the same period last year.

I HALF	**Per FEMSA Unit**[1]	
Pesos	**2000**	**1999**
Net Majority Income	0.923	1.366
EBITDA[2]	4.592	3.942

[1] FEMSA Units consists of FEMSA UBD units and FEMSA UB units. Each FEMSA UBD unit is comprised of one Series B share, two Series D-B shares and two Series D-L shares. Each FEMSA UB unit is comprised of five series B shares. The number of FEMSA Units outstanding as of June 30, 2000 was 1,068,268,090, equivalent to the total number of shares of the Company outstanding as of June 30, 2000 divided by 5.

[2] EBITDA is calculated as income from operations plus depreciation and amortization plus non-cash charges. Please note that the U.S. Securities and Exchange Commission does not endorse the use of EBITDA. However, FEMSA's management has chosen to present EBITDA because it believes it is a useful measure.

14

FEMSA Cerveza

Net Sales

FEMSA Cerveza's net sales increased by 9.7% to Ps. 8.429 billion reflecting (i) a 3.0% increase in total shipments and (ii) a 16% nominal increase in the domestic price of beer implemented effective January 1, 2000 resulting in a 7.7% improvement in real domestic revenue per hectoliter recorded for the first half of 2000. FEMSA Cerveza's domestic shipments increased by 2.2% to 10.907 million hectoliters, as a result of a slower second quarter shipment growth, particularly in the month of June. See "Unaudited Financial Results for the Second Quarter ended June 30, 2000 compared to the Second Quarter ended June 30, 1999 —FEMSA Cerveza —Net Sales". Despite slower shipment growth experienced in the second quarter, management believes its annual domestic volume growth objective for 2000 remains within reasonable expectations.

OPERATING HIGHLIGHTS % Change Six months ended June 30, 2000 vs. 1999	
Domestic Volume	2.2%
Export Volume	14.6%
Total Volume	3.0%
Net Sales	9.7%
Income from	10.2%

Export shipments grew by 14.6% to 848 thousand hectoliters for the first half of 2000. Shipments to North America, FEMSA Cerveza's main export market, increased by 13.7% and accounted for 88% of FEMSA Cerveza's export shipments. Export revenues increased by 5.7% to Ps. 553 million, and in U.S. dollar terms, export revenues increased by 16.3% to US$57.6 million.

Gross Profit

FEMSA Cerveza's cost of goods sold increased by 1.7% to Ps. 3.681 billion and recorded gross profit growth of 16.4% to Ps. 4.793 billion. FEMSA Cerveza's gross margin increased by 3.3 percentage points to 56.9% of net sales, reflecting (i) growth in shipments, (ii) a significant improvement in the domestic revenue per hectoliter, (iii) a real decline in variable and freight costs of approximately 2%, mainly as a result of the appreciation of the Peso against the U.S. dollar on U.S. dollar-denominated packaging and raw materials and (iv) increased production and scale-driven efficiencies.

MARGINS		
Six months ended June 30	2000	1999
Gross margin	56.9%	53.6%
Operating margin before management fees	17.7%	17.6%

Income from Operations

FEMSA Cerveza's operating expenses increased by 19.8% to Ps. 3.299 billion, representing 38.9% of total revenue, compared to 35.6% of total revenue for the same period last year. The increase in administrative expenses reflects (i) expansion in central office personnel in connection with the full staffing of the Commercial Development Area and the staffing of the new marketing organization effective in the second quarter of 2000 and (ii) real salaries and wage increases effective in March of 2000. Selling expenses increased as a result of (i) seasonal demand-related and advertising expenditures, (ii) expenses incurred with the restructuring of FEMSA Cerveza's commercial infrastructure which has materialized in additional routes and an increase in sales personnel to reinforce the distribution units in the central regions of the country, (iii) the acquisition of certain third party territories or concessionaires , and (iv) brand awareness and image-related sponsorships such as new advertising campaigns and sports and cultural events. Management expects beer demand to continue to grow in 2000 as a result of the improvement in the purchasing power of the consumer and believes that resources spent on pull-side initiatives such as sponsorships and advertising, and the strengthening of the sales infrastructure could yield better returns and greater effectiveness than in previous years. Although competition in the domestic market continues to reflect sustained high-levels of advertising and commercial expenditures, FEMSA Cerveza intends to focus an increasing percentage of such expenditures on stimulating demand, as opposed to increasing supply. FEMSA Cerveza's income from operations, *after* participation in the results of Labatt USA and *before* deduction of management fees paid to FEMSA and to Labatt, increased

15

by 10.2% to Ps. 1.504 million. FEMSA Cerveza's operating margin before management fees remained relatively stable at 17.7% of net sales.

Coca-Cola FEMSA

Net Sales

Coca-Cola FEMSA recorded net sales growth of 8.8% to Ps. 7.690 billion. Net sales growth is primarily attributable to volume growth in the combined Mexican and Buenos Aires territories and the improvement in the average price per unit case in Mexico. Coca-Cola FEMSA recorded volume growth of 7.5% in the combined Mexican territories, and 1.4% in the Buenos Aires territory. Average real prices for Coca-Cola FEMSA's products in Mexico increased by 4.9% and net sales increased by 12.8% in the combined Mexican territories for the first half of 2000. Management estimates that Coca-Cola FEMSA's volumes increased in-line with the growth rate achieved by the Coca-Cola system in Mexico and above the soft-drink industry in Mexico for the first six months of 2000. Management believes that the significant increase in volumes in the Southeast territory recorded for the first half of 2000 is primarily attributable to (i) the successful implementation of consumer activation programs including promotional campaigns and increased penetration of cold drink refrigeration equipment at the point of sale and (ii) growth in consumption as a result of activation in economic activity experienced during the first half of 2000. Conversely, revenue per case of the Mexican operations increased by 4.9% for the first half of 2000, primarily as a result of selective price increases implemented in the Valley of Mexico territory during the first half of 2000 and of price differentiation and revenue management strategies whose objective is to raise the revenue per case sold. Notwithstanding higher prices in the Valley of Mexico territory, management believes that volume growth in the Valley of Mexico continues to grow in line with the Coca-Cola system and slightly above the soft-drink industry in Mexico.

VOLUME GROWTH Six months ended June 30, 2000 vs. 1999	
	Total
Mexico	7.5%
Buenos Aires	1.4%
Total	6.2%

In the Buenos Aires territory, average real prices decreased by 4.1% for the first half of 2000 as a result of intensified competitive activity and the deflationary environment that prevailed during the second quarter in Argentina. Net sales recorded by the Buenos Aires territory decreased by 2.9% in Argentine Pesos.

Gross Profit

Coca-Cola FEMSA's cost of goods sold increased by 1.7% to Ps. 3.895 billion and experienced gross margin expansion of 3.7 percentage points to 49.8% of net sales. Both the Mexican and the Buenos Aires territories have experienced gross margin expansion for the first six months of 2000. In the case of the Mexican operations, gross margin expansion has been driven primarily by healthy volume growth and an improvement in the revenue per case combined with a declining cost per case as a result of (i) reduction in the cost of Coca-Cola FEMSA's principal packaging and raw materials such as sugar, beverage cans and labels, and (ii) operating efficiencies and greater fixed cost absorption realized from growth in volumes. The Buenos Aires territory experienced gross margin expansion for the first half of 2000, despite a decline in net sales, primarily as a consequence of lower sweetener costs and management efforts to continue reducing fixed costs in the territory.

MARGINS		
Six months ended June 30	2000	1999
Gross margin	49.8%	46.1%
Operating margin	16.8%	12.9%

Income from Operations

16

Operating expenses increased by 8.5% to Ps. 2.476 billion. As a percentage of total revenues, operating expenses declined by 0.2 percentage points to 32.0%. Part of the increase in operating expenses is attributable to higher real wages and salaries in connection with the wage revisions implemented in March in the Mexican territories. During the first quarter of 2000, Coca-Cola FEMSA's Mexican operations underwent a reorganization whose primary objective was to streamline its operational and corporate structure to eliminate redundancies and increase efficiencies. Marketing expenses for both territories remain within their annual budgets of approximately 4.5%-5.0% of total revenues in Mexico and approximately 5.5%-6.0% of sales in Buenos Aires. Coca-Cola FEMSA implemented very successful promotional and merchandising activities with the objective of continuing to activate the consumer and build brand equity for the Coca-Cola trademark products in both territories. Income from operations after amortization of goodwill increased by 41.8% to Ps. 1.298 million, reflecting (i) an increase of 44.5% in the income from operations of Coca-Cola FEMSA's Mexican operations and (ii) an increase of 6.3% in the income from operations of Coca-Cola FEMSA's Argentine operations. Coca-Cola FEMSA's operating margin increased by 3.9 percentage points to 16.8% of total revenues.

17

FEMSA Empaques

Net Sales

VOLUME GROWTH Six months ended June 30, 2000 vs. 1999	
Beverage cans	(2.8)%
Crown caps	1.5%
Glass bottles	(11.6)%
Refrigerators	(16.8)%

In the first half of 2000, FEMSA Empaques experienced a 9.0% decline in net sales to Ps. 2.854 billion mainly attributable to (i) a decrease in the volumes of FEMSA Empaques' main product lines including beverage cans and glass bottles, which together represented [ ]% of FEMSA Empaques' net sales and (ii) the negative effect of the real appreciation of the Peso against the U.S. dollar on the Peso revenues of U.S. dollar-denominated packaging products. Lower domestic demand for beverage cans experienced by FEMSA Empaques in the first quarter was partially compensated by the increase of beverage can export volumes in the second quarter. FEMSA Empaques continues to experience a decline in glass bottle demand explained by (i) lower purchases by FEMSA Cerveza in the first quarter and (ii) a drop in demand from third-party clients during the second quarter of 2000. Sales volumes for crown caps continue to grow despite the decline in demand for crown caps in the domestic market, reflecting ongoing success in the export markets, particularly in the North American market, where FEMSA Empaques is one of the major crown cap suppliers for Labatt Brewing Company, Miller Brewing Company and Adolph Coors. FEMSA Empaques' management estimates that crown cap exports will continue to grow at least in line with the expected growth for North American glass segment beer market.

Export revenues increased by 14.8% to Ps. 292 million and represented 10.2% of net sales. In U.S. dollar terms, export revenues increased by 28.1% to US$30.4 million.

Gross Profit

FEMSA Empaques' cost of goods sold decreased by 10.1% to Ps. 2.154 billion and its gross profit margin increased by 1.0 percentage points to 24.7%. The gross margin expansion experienced in the first half of the year was primarily realized during the second quarter as a result of a significant improvement in the gross margin of the beverage can business despite the appreciation of the Peso against the U.S. dollar in real terms experienced over the last twelve months. See "Unaudited Financial Results for the Second Quarter ended June 30, 2000 compared to the Second Quarter ended June 30, 1999 —FEMSA Empaques—Gross Profit". Management believes that the volume performance of the beverage can business in 2000 depends primarily on the demand for beverage cans from FEMSA Cerveza and IEQSA. The profitability of this business, however, depends not only on volume growth, but also on the Peso U.S.-dollar exchange rate and the general pricing conditions in the domestic market (which have recently been pressured by increased competition) and on the effectiveness of the efficiency and productivity measures that FEMSA Empaques is currently implementing. The glass bottle business continues to suffer from lower fixed cost absorption as a consequence of continued decline in volume. FEMSA Empaques' management will continue to focus its efforts to penetrate the third party market, particularly in glass bottles, beverage cans and crown caps, by attempting to offer the best prices and the highest quality and client service available in the market, and expects such efforts to result in improved asset utilization and higher profitability in the second half of 2000.

MARGINS		
Six months ended June 30	2000	1999
Gross margin	24.7%	23.7%
Operating margin before management fees	15.8%	15.2%

Income from Operations

Operating expenses decreased by 5.8% to Ps. 252 million and represented 8.8% of total revenues for the first half of 2000. Income from operations before deduction of management fees paid to FEMSA decreased by 5.1%

18

to Ps. 452 million, and the operating margin before management fees improved by 0.6 percentage points, as a result of the improvement in gross margin experienced in the first half of 2000.

FEMSA Comercio

OPERATING HIGHLIGHTS % Change Six months ended June 30, 2000 vs. 1999	
Total stores	1,261
Net sales	27.3%
Same store sales	8.6%
Income from operations	39.7%

Net Sales

FEMSA Comercio's net sales increased by 27.3% to Ps. 3.463 billion. Sales growth was primarily attributable to (i) a 20.2% increase in the total number of stores, which increased from 1,049 as of June 30, 1999 to 1,261 as of June 30, 2000, and (ii) average same store sales growth of 8.6%. Management estimates that total retail sales and same store sales increased by 9.9% and by 3.5%, respectively for the first half of the year, reflecting an improved consumer environment driven by growth in employment and in real wages for the first half of 2000. Average monthly traffic per store increased by 4.3% and the average sale per customer increased by 4.1% during the first half of 2000. Management believes that the increase in traffic per store is mainly attributable to (i) FEMSA Comercio's strategy of competitive pricing of traffic-generator products, (ii) the successful implementation of regional and national promotional campaigns designed to attract traffic to the sites and (iii) growth in employment and in consumer purchasing power. Same store sales of sites located in the central and southeast regions of the country grew approximately by 4 percentage points above same store sales growth of sites located in the north, primarily reflecting easier growth comparisons faced by stores in the central and southeast regions, because such regions lagged the north in economic expansion and job creation. Management believes that the success of FEMSA Comercio has hinged upon consistent implementation of its business model—rapid expansion of the chain, improved site selection and traffic generating promotional strategies—against a backdrop of sustained macroeconomic expansion.

Gross Profit

FEMSA Comercio recorded gross profit of Ps. 858 million, a 28.7% gain over the first half of 1999. Gross margin increased slightly by 0.3 percentage points to 24.8% of net sales mainly as a result of advanced purchasing strategies implemented at the end of the fourth quarter of 1999 (prior to price increases implemented by suppliers at the beginning of 2000).

Income from Operations

Operating expenses increased by 26.7% to Ps. 714 million and remained relatively constant as a percentage of total revenues at 20.6% from 20.7% in the first half of 1999. The increase in operating expenses is primarily attributable to (i) an increase in the number of stores and (ii) slight growth in central office infrastructure necessary to support the rapid expansion of the Oxxo chain. Notwithstanding the increase in operating expenses for the first six months of 2000, same-store operating expenses increased by half the rate of same-store sales growth, reflecting the improvement in productivity and fixed cost absorption per site. Management expects same-store sales to continue to outpace the growth in same-store operating expenses as the chain continues to expand. FEMSA Comercio recorded income from operations before deduction of management fees of Ps. 144 million in the first half of 2000, an increase of 39.7% relative to the first half of 1999. FEMSA Comercio´s operating margin before management fees increased by 0.4 percentage points to 4.2% of total revenues.

MARGINS		
Six months ended June 30	2000	1999
Gross margin	24.8%	24.5%
Operating margin before management fees	4.2%	3.8%

All comparisons for the first half ended June 30, 2000 in this report are made against the figures for the first half ended June 30, 1999

FEMSA is Mexico's largest and one of Latin America's leading beverage companies with exports to the United States, Canada and numerous countries in Latin America, Europe and the Far East. Founded in 1890 and with headquarters in Monterrey, Mexico, FEMSA operates through the following subsidiaries: FEMSA Cerveza, which produces and distributes name brands of beer such as Tecate, Carta Blanca, Superior, Sol, XX Lager, Dos Equis and Bohemia; Coca-Cola FEMSA, one of two "Anchor Bottlers" for The Coca-Cola Company in Latin America, which produces and distributes soft drinks including Coca-Cola, Coca-Cola Light, Sprite, Fanta and Quatro; FEMSA Empaques, which supports the beverage operations by producing beverage cans, glass bottles, crown caps, labels, commercial refrigerators, and serves third party clients throughout the Americas; FEMSA Comercio, which operates OXXO, Mexico's most extensive chain of convenience stores; Desarrollo Comercial FEMSA, which operates OXXO Express, a chain of convenience stores adjacent to gasoline stations; Logística CCM, which provides logistic management services to FEMSA Cerveza; and FEMSA Logística, which provides logistics management services to Coca-Cola FEMSA, FEMSA Empaques, and, recently, to third party clients.

###

Four pages of tables to follow

20

FEMSA

OPERATING DATA

For the three months and six months ended June 30, 2000 and 1999

FEMSA Cerveza

Shipments

(Thousand hectoliters)

		For the II quarter of:			For the I semester of:		
		2000	1999	%Var	2000	1999	%Var
Domestic:							
Returnable		4,905	4,881	0.5	8,589	8,396	2.3
Non-returnable		222	209	6.2	373	354	5.4
Cans		1,138	1,099	3.5	1,946	1,922	1.2
Total Domestic		6,264	6,189	1.2	10,907	10,672	2.2
Exports		530	462	14.7	848	740	14.6
Total Volume		6,794	6,651	2.2	11,755	11,412	3.0
Exports revenues:	Millions Ps.	341.5	316.9	7.7	553.3	523.4	5.7
	US Millions	35.4	30.8	15.1	57.6	49.5	16.3

FEMSA Empaque

Total Sales Volume

(Millions of pieces)

		For the II quarter of:			For the I semester of:		
		2000	1999	%Var	2000	1999	%Var
Cans		806	780	3.3	1,466	1,508	(2.8)
Crown caps		3,614	3,581	0.9	6,454	6,356	1.5
Glass Bottles		220	239	(8.2)	365	412	(11.6)
Refrigerators (Ths)		25	27	(4.7)	52	63	(16.8)
Labels		1,420	1,154	23.1	2,485	2,029	22.5
Export volumes:	Cans	57	19	202.1	57	19	202.1
	Crown caps	1,617	1,506	7.4	1,617	1,506	7.4
	Can lids	82	52	57.8	82	52	57.8
Exports revenues:	Millions Ps.	157.2	111.2	41.3	292.2	254.4	14.8
	US Millions	16.4	10.8	51.4	30.4	23.8	28.1

Coca-Cola FEMSA

Sales Volumes

(Millions of Unit Cases)

	For the II quarter of:			For the I semester of:		
	2000	1999	%Var	2000	1999	%Var
Valley of México	88.7	83.5	6.2	165.9	157.0	5.7
Southeast	30.2	27.2	11.0	56.8	50.1	13.4
Mexico	118.9	110.7	7.4	222.7	207.1	7.5
Buenos Aires	25.6	26.8	(4.5)	59.3	58.5	1.4
Total	144.5	137.5	5.1	282.0	265.6	6.2

Percentage of sales revenue by client category:

	For the II quarter of:			For the I semester of:		
	2000	1999	Var p.p.	2000	1999	Var p.p.
Intercompany sales	52.7	50.4	2.3	57.6	49.3	8.3
FEMSA Cerveza	39.7	37.2	2.5	43.7	37.3	6.4
Coca-Cola FEMSA	13.0	13.2	(0.2)	13.9	12.0	1.9
Third-party sales	47.3	49.6	(2.3)	42.4	50.7	(8.3)
Domestic	38.1	42.0	(3.9)	33.2	43.6	(10.4)
Export	9.2	7.6	1.6	9.2	7.1	2.1
Total	100.0	100.0		100.0	100.0	

Presentation Mix (%)

(Returnable/Non-Returnable)	2000	1999	2000	1999
Valley of Mexico	41 / 59	40 / 60	42 / 58	40 / 60
Southeast	50 / 50	56 / 44	52 / 48	58 / 42
Valley of Mexico	44 / 56	44 / 56	44 / 56	44 / 56
Buenos Aires	10 / 90	11 / 89	10 / 90	9 / 91
Total	38 / 62	38 / 62	37 / 63	37 / 63

FEMSA Comercio

	For the II quarter of:			For the I semester of:		
	2000	1999	%Var	2000	1999	%Var
Total stores				1,261	1,049	20.2
Comparative same stores:						
Average monthly sales (Ths. Ps.)	505.8	463.2	9.2	476.5	438.7	8.6

FEMSA

Income Statement

For the three months ended June 30, 2000 and 1999

Millons of year end pesos of June 30, 2000

	FEMSA Cerveza		**Coca-Cola FEMSA**		**FEMSA Empaques**		**FEMSA Comercio**		**Amoxxo**		**FEMSA Logística**		**FEMSA Consolidado**	
	2000	**1999**	**2000**	**1999**	**2000**	**1999**	**2000**	**1999**	**2000**	**1999**	**2000**	**1999**	**2000**	**1999**
Net sales	4,877.7	4,388.7	3,935.5	3,676.2	1,578.2	1,604.4	1,869.3	1,456.6	378.9	335.8	358.1	327.7	11,282.0	10,252.0
Other revenues	23.0	35.2	16.8	9.5	2.3	1.1	0.2	-	-	-	-	-	20.0	35.0
Total revenues	4,900.7	4,423.9	3,952.3	3,685.7	1,580.5	1,605.5	1,869.5	1,456.6	378.9	335.8	358.1	327.7	11,302.0	10,287.0
Cost of good sold	2,038.3	1,977.0	1,976.7	1,950.4	1,186.6	1,229.2	1,410.4	1,094.7	345.2	306.1	312.7	283.0	5,556.0	5,295.0
Gross margin	2,862.4	2,446.9	1,975.6	1,735.3	393.9	376.3	459.1	361.9	33.6	29.7	45.4	44.7	5,746.0	4,992.0
Operating expenses	1,740.8	1,442.1	1,246.8	1,188.1	130.5	137.5	376.9	300.0	36.4	33.4	21.7	18.0	3,606.6	3,172.9
Management fee paid to Labatt	-	-	-	-	-	-	-	-	-	-	-	-	22.5	24.8
Goodwill amortization	-	-	28.9	30.3	-	-	-	-	-	-	-	-	28.9	30.3
Total operating expenses	1,740.8	1,442.1	1,275.7	1,218.4	130.5	137.5	376.9	300.0	36.4	33.4	21.7	18.0	3,658.0	3,228.0
Participation in affiliates	20.6	8.7	-	-	-	-	-	-	-	-	-	-	20.0	8.0
Comparable EBIT	1,142.2	1,013.5	699.9	516.9	263.4	238.8	82.2	61.9	(2.7)	(3.7)	23.7	26.7	2,108.0	1,772.0
Management fee	84.9	89.1	-	-	21.2	15.7	5.6	4.4	-	-	-	(2.4)	-	-
Total EBIT	1,057.3	924.4	699.9	516.9	242.2	223.1	76.6	57.5	(2.7)	(3.7)	23.7	29.1	2,108.0	1,772.0
Depreciation	204.2	207.6	144.5	154.1	64.3	57.3	16.6	12.9	1.8	1.9	11.5	12.0	445.3	445.1
Other non-cash charges	210.3	156.3	134.5	136.2	5.9	8.7	12.0	9.1	3.0	2.9	0.3	0.6	370.5	320.8
EBITDA	1,471.8	1,288.3	978.9	807.2	312.4	289.1	105.2	79.5	2.1	1.1	35.5	41.7	2,923.7	2,537.9
Comparable														
EBIT/Revenues	23.3	22.9	17.7	14.0	16.7	14.9	4.4	4.2	(0.7)	(1.1)	6.6	8.1	18.7	17.2
EBITDA/Revenues	31.8	31.1	24.8	21.9	21.1	19.0	5.9	5.8	0.5	0.3	9.9	12.0	25.9	24.7
Total														
EBIT/Revenues	21.6	20.9	17.7	14.0	15.3	13.9	4.1	3.9	(0.7)	(1.1)	6.6	8.9	18.7	17.2
EBITDA/Revenues	30.0	29.1	24.8	21.9	19.8	18.0	5.6	5.5	0.5	0.3	9.9	12.7	25.9	24.7
Capital Expenditures (1)	658.3	572.3	133.3	234.9	58.0	10.3	94.5	60.0	12.9	4.7	7.9	18.7	971.8	862.1

(1) Include property, plant and equipment + deferred charges

FEMSA

Income Statement

For the six months ended June 30, 2000 and 1999

Millons of year end pesos of June 30, 2000

	FEMSA Cerveza		Coca-Cola FEMSA		FEMSA Empaques		FEMSA Comercio		Amoxxo		FEMSA Logística		FEMSA Consolidado	
	2000	**1999**	**2000**	**1999**	**2000**	**1999**	**2000**	**1999**	**2000**	**1999**	**2000**	**1999**	**2000**	**1999**
Net sales	8,428.6	7,680.5	7,689.6	7,069.4	2,854.0	3,137.9	3,463.1	2,721.0	733.2	655.8	636.4	598.8	20,771.0	18,872.0
Other revenues	44.6	55.6	35.9	19.9	3.8	1.3	0.4	-	-	-	-	-	50.0	42.0
Total revenues	8,473.2	7,736.1	7,725.5	7,089.3	2,857.8	3,139.2	3,463.5	2,721.0	733.2	655.8	636.4	598.8	20,821.0	18,914.0
Cost of good sold	3,680.6	3,620.0	3,894.5	3,830.1	2,154.1	2,395.6	2,605.1	2,053.9	668.9	598.1	545.5	506.6	10,476.0	9,972.0
Gross margin	4,792.6	4,116.1	3,831.0	3,259.2	703.7	743.6	858.4	667.1	64.3	57.7	90.9	92.2	10,345.0	8,942.0
Operating expenses	3,298.6	2,753.6	2,475.6	2,281.8	251.9	267.5	714.0	563.7	59.7	56.6	41.7	39.4	7,014.9	6,147.1
Management fee paid to Labatt													48.3	46.6
Goodwill amortization			57.8	62.3									57.8	62.3
Total operating expenses	3,298.6	2,753.6	2,533.4	2,344.1	251.9	267.5	714.0	563.7	59.7	56.6	41.7	39.4	7,121.0	6,256.0
Participation in affiliates	9.5	2.4											9.0	2.0
Comparable EBIT	1,503.5	1,364.9	1,297.6	915.1	451.8	476.1	144.4	103.4	4.6	1.1	49.2	52.8	3,233.0	2,688.0
Management fee	(170.9)	(155.3)			(43.4)	(30.6)	(10.4)	(8.2)				-	-	-
Total EBIT	1,332.6	1,209.6	1,297.6	915.1	408.4	445.5	134.0	95.2	4.6	1.1	49.2	52.8	3,233.0	2,688.0
Depreciation	411.4	407.9	293.1	301.5	118.3	115.7	33.6	25.9	3.6	3.8	23.0	23.6	889.3	880.5
Other non-cash charges	466.4	321.2	265.8	272.9	10.4	14.3	23.8	18.3	5.9	6.0	0.9	1.0	783.3	642.5
EBITDA	2,210.4	1,938.7	1,856.5	1,489.5	537.1	575.5	191.4	139.4	14.1	10.9	73.1	77.4	4,905.6	4,211.0
Comparable														
EBIT/Revenues	17.7	17.6	16.8	12.9	15.8	15.2	4.2	3.8	0.6	0.2	7.7	8.8	15.5	14.2
EBITDA/Revenues	28.1	27.1	24.0	21.0	20.3	19.3	5.8	5.4	1.9	1.7	11.5	12.9	23.6	22.3
Total														
EBIT/Revenues	15.7	15.6	16.8	12.9	14.3	14.2	3.9	3.5	0.6	0.2	7.7	8.8	15.5	14.2
EBITDA/Revenues	26.1	25.1	24.0	21.0	18.8	18.3	5.5	5.1	1.9	1.7	11.5	12.9	23.6	22.3

Capital Expenditures (1)	1,236.0	1,115.6	398.1	422.1	146.0	103.4	141.0	96.4	23.0	11.8	20.0	38.0	1,965.0	1,757.5

(1) Include property, plant and equipment + deferred charges

FEMSA

CONSOLIDATED INCOME STATEMENT

For the three months and six months ended June 30,:

CONSOLIDATED BALANCE SHEET

As of June 30, :

Expressed in Millions of Pesos as of June 30, 2000

	For the II quarter of:			For the I semester of:		
	2000	1999	%Var	2000	1999	%Var
Net sales	11,282	10,252	10.0	20,771	18,872	10.1
Other operating revenues	20	35	(42.9)	50	42	19.0
Total revenues	11,302	10,287	9.9	20,821	18,914	10.1
Cost of sales	5,556	5,295	4.9	10,476	9,972	5.1
Gross profit	5,746	4,992	15.1	10,345	8,942	15.7
Administrative expenses	915	780	17.3	1,845	1,599	15.4
Selling expenses	2,743	2,448	12.1	5,276	4,657	13.3
Operating expenses	3,658	3,228	13.3	7,121	6,256	13.8
	2,088	1,764	18.4	3,224	2,686	20.0
Participation in affiliated companies	20	8	150.0	9	2	350.0
Income from operations	2,108	1,772	19.0	3,233	2,688	20.3
Interest expense	259	258	0.4	505	532	(5.1)
Interest income	100	132	(24.2)	190	265	(28.3)
Interest expense, net	159	126	26.2	315	267	18.0
Foreign exchange loss (gain)	490	(16)	(3,162.5)	481	(297)	(262.0)
Gain on monetary position	(42)	(32)	31.3	(178)	(239)	(25.5)
Integral result of financing	607	78	(678.2)	618	(269)	329.7
Other expenses	24	37	(35.1)	42	27	55.6
Income before taxes	1,477	1,657	(10.9)	2,573	2,930	(12.2)
Taxes	630	627	0.5	1,132	1,032	9.7
Net Income	847	1,030	(17.8)	1,441	1,898	(24.1)
Majority net income	578	752	(23.1)	986	1,459	(32.4)
Minority net income	269	278	(3.2)	455	439	3.6

	% Total Revenues					
	2000	1999	Var P.P.	2000	1999	Var P.P.
Net sales	99.8	99.7	0.2	99.8	99.8	(0.0)
Other operating revenues	0.2	0.3	(0.2)	0.2	0.2	0.0
Total revenues	100.0	100.0	-	100.0	100.0	-
Cost of sales (1)	49.2	51.6	(2.4)	50.4	52.8	(2.4)
Gross profit (1)	50.9	48.7	2.2	49.8	47.4	2.4
Administrative expenses	8.1	7.6	0.5	8.9	8.5	0.4
Sales expenses	24.3	23.8	0.5	25.3	24.6	0.7
Operating expenses	32.4	31.4	1.0	34.2	33.1	1.1
	18.5	17.1	1.4	15.5	14.2	1.3
Participation in affiliated companies	0.2	0.1	0.1	0.0	0.0	0.0
Income from operations	18.7	17.2	1.5	15.5	14.2	1.3

(1) % to Net sales

ASSETS	2000	1999	% Var
Cash and cash equivalents	3,237	3,314	(2.3)
Accounts receivable	2,758	2,504	10.1
Inventories	3,945	3,630	8.7
Prepaid expenses	737	767	(4.0)
Total Current Assets	10,677	10,216	4.5
Property, plant and equipment, net	25,815	26,165	(1.3)
Deferred charges and other assets	5,651	5,978	(5.5)
TOTAL ASSETS	42,143	42,359	(0.5)
LIABILITIES & STOCKHOLDERS´ EQUITY			
Bank loans	1,709	1,795	(4.8)
Current maturities long term debt	614	2,435	(74.8)
Interest payable	161	179	(10.3)
Operating liabilities	5,501	5,664	(2.9)
Total Current Liabilities	7,985	10,074	(20.7)
Bank loans	6,744	5,636	19.7
Labor liabilities	543	968	(43.9)
Other liabilities (2)	3,880	106	3,576.5
Total Liabilities	19,152	16,783	14.1
Minority Interest	6,954	7,988	(12.9)
Majority Interest	16,037	17,588	(8.8)
Total Stockholders' equity (2)	22,991	25,576	(10.1)
LIABILITIES & STOCKHOLDERS' EQUITY	42,143	42,359	(0.5)

(2) Include the recognition of deferred taxes liability beginning January 1, 2000

FINANCIAL RATIOS			
Liquidity	1.34	1.01	0.32
Debt service coverage (3)	23.78	26.15	(2.37)
Leverage	0.83	0.66	0.18
Capitalization	0.30	0.32	(0.01)

(3) Income from operations + depreciation + other non-cash charges / interest expense, net