



February 26, 2015

## FEMSA Announces Fourth Quarter and Full Year 2014 Results

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**Monterrey, Mexico, February 26, 2015** - Fomento Económico Mexicano, S.A.B. de C.V. ("FEMSA") announced today its operational and financial results for the fourth quarter and full year 2014.

- Given current operating conditions in Venezuela, and in order to more accurately reflect the contribution of this operation to Coca-Cola FEMSA and FEMSA's consolidated financial results, we are now using the previously denominated SICAD II exchange rate of 50 bolivars per US dollar to translate this operation's fourth quarter and full year 2014 results into our reporting currency, the Mexican peso, compared to an exchange rate of 6.30 bolivars per US dollar used for the comparable quarter of 2013. Consequently, Venezuela's contribution to our reported results adjusted importantly. Despite the difficult operating environment in Venezuela, Coca-Cola FEMSA remains committed to the market and will continue producing, selling and distributing the products that its Venezuelan consumers enjoy on a daily basis.

### Fourth Quarter 2014 Highlights:

- **FEMSA consolidated total revenues decreased 0.5% and income from operations grew 0.8%** compared to the fourth quarter of 2013.
- **Coca-Cola FEMSA total revenues decreased 8.5% and income from operations decreased by 3.6%** compared to the fourth quarter of 2013.
- **FEMSA Comercio total revenues grew 12.0% and income from operations increased 6.2%**, each as compared to the fourth quarter of 2013, reflecting new store openings and 3.3% growth in same-store sales.

### 2014 Full Year Highlights:

- **FEMSA consolidated total revenues increased 2.1% and income from operations grew 0.4%** compared to 2013.
- **Coca-Cola FEMSA total revenues decreased 5.6% and income from operations decreased 3.3%** compared to 2013.
- **FEMSA Comercio continued its pace of strong floor space growth by opening 1,132 net new stores in 2014.** Same-store sales rose 2.7% and income from operations increased 9.8%, each as compared to 2013.
- **Ordinary dividend of Ps. 7.350 billion** proposed by FEMSA's Board of Directors, to be paid in 2015 subject to approval at the annual shareholders meeting in March 2015.

Carlos Salazar Lomelín, FEMSA CEO, commented: "During the fourth quarter, we saw some positive signs that show promise in our key Mexican market but they are still not conclusive. At FEMSA Comercio, the quarter marked a continuation of the gradually improving top-line trends that we saw throughout 2014; as the challenging year progressed, there was a slight uptick in the comparable sales figures at OXXO. However, at Coca-Cola FEMSA the recovery in Mexico has been less consistent, with the growth in transactions and solid profitability being bright spots in what is still a soft consumer environment. Beyond Mexico, Brazil delivered encouraging organic growth and improved margins, and we had a good performance in most markets during the period. All in all, our team did an excellent job navigating through a complex year.

As you have seen, we have changed our exchange rate criteria to report Coca-Cola FEMSA's results in Venezuela, and while we believe this is the appropriate thing to do at this time, our numbers will be significantly impacted by this measure for several quarters.

In spite of the tough operating conditions across markets, we reached some important milestones. At FEMSA Comercio, we set a new benchmark for the opening of new stores reaching 1,132 net new OXXO units for the year, in addition to 90 new

drugstores, bringing our store totals to 12,853 OXXOs and 605 drugstores as of the end of 2014. We also announced the acquisition of Farmacon, another strong regional drugstore chain that will allow us to keep gaining scale and advance in our strategy once the transaction closes. At Coca-Cola FEMSA, we made great progress in the integration of our recent acquisitions in Mexico and Brazil, and we completed our new state-of-the-art bottling plant in Itabirito, in the state of Minas Gerais in Brazil. This new plant is already allowing us to serve this key territory much better, with a broader portfolio and higher efficiency.

As we look to 2015 we still face some headwinds, including a volatile and adverse foreign exchange environment, but there are also encouraging signs that give us reason to be cautiously optimistic about the year that begins, particularly in Mexico but also in several other important markets. And remember that regardless of the environment or what the macroeconomic winds may be doing in one market or another, we will continue to work hard every day to execute our long-term strategy and deliver value for all our stakeholders."

To obtain the full text of this earnings release, please visit our Investor Relations website a [www.femsa.com/investor](http://www.femsa.com/investor) under the Financial Reports section under the Financial Reports section

*This report may contain certain forward-looking statements concerning our future performance that should be considered as good faith estimates made by us. These forward-looking statements reflect management's expectations and are based upon currently available data. Actual results are subject to future events and uncertainties, which could materially impact our actual performance.*

FEMSA is a leading company that participates in the beverage industry through Coca-Cola FEMSA, the largest franchise bottler of Coca-Cola products in the world; and in the beer industry, through its ownership of the second largest equity stake in Heineken, one of the world's leading brewers with operations in over 70 countries. In the retail industry it participates with FEMSA Comercio, operating various small-format chain stores, including OXXO, the largest and fastest-growing chain of stores in Latin America. All of which is supported by a Strategic Business unit.