

FEMSA COMERCIO



Growing to Satisfy Consumers

May 2006

Safe Harbor Statement

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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 the Company's actual performance.

A “Dynamic” Chain

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Combines convenience, innovation, and competitive prices

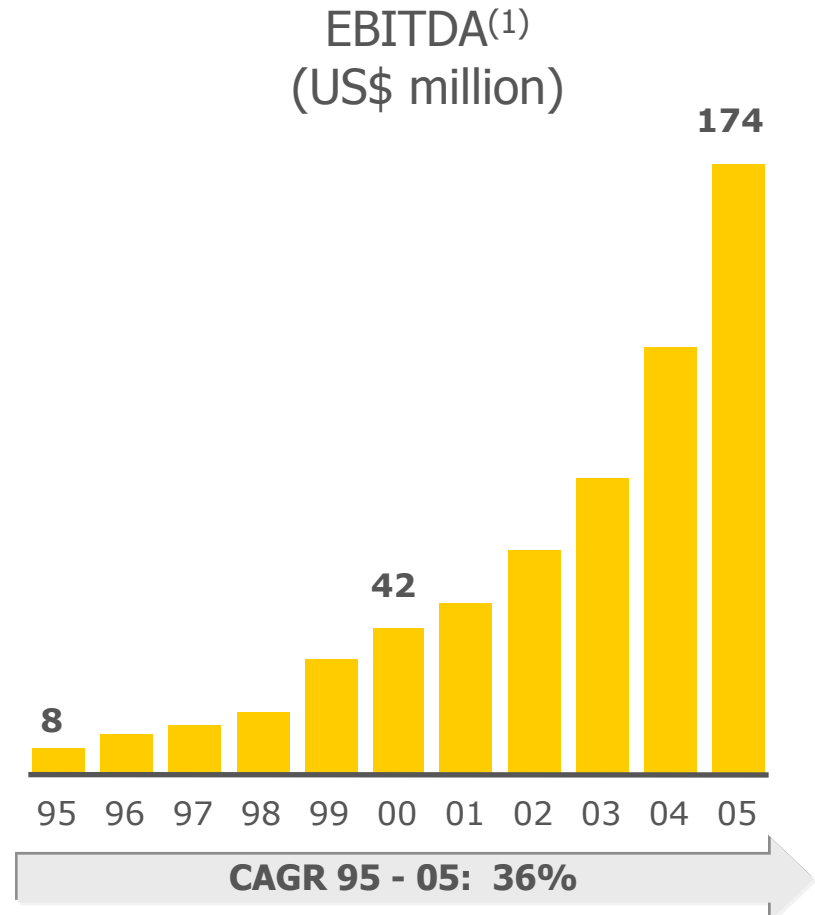
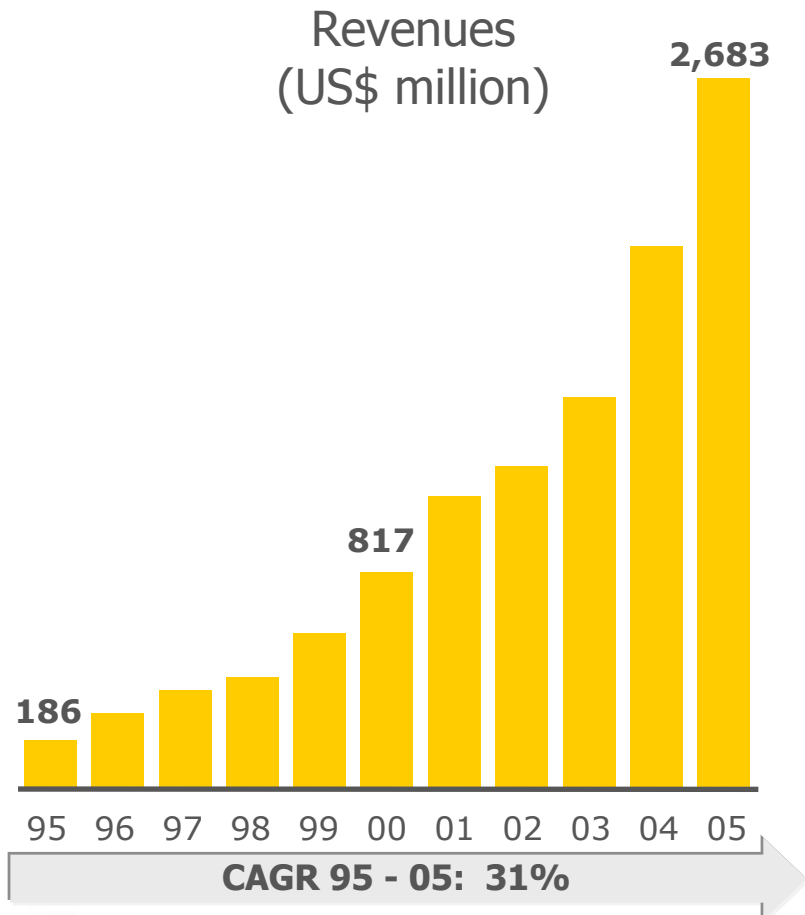
Increases beverage sales and gathers consumer information

- Over 4,200 Oxxo stores in Mexico
 - 5 yr CAGR of 25%
 - 1 new Oxxo opens on average every 13 hrs
- Annual sales of over US\$ 2.6bn
- Over 1 billion customers served in '05
 - More than 3.7 million customers daily
 - More than Mexico's population monthly



Consistent Profitable Growth

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Note: All figures are in nominal Mexican pesos as of the reported year and converted into US\$ for the respective year end exchange rate.

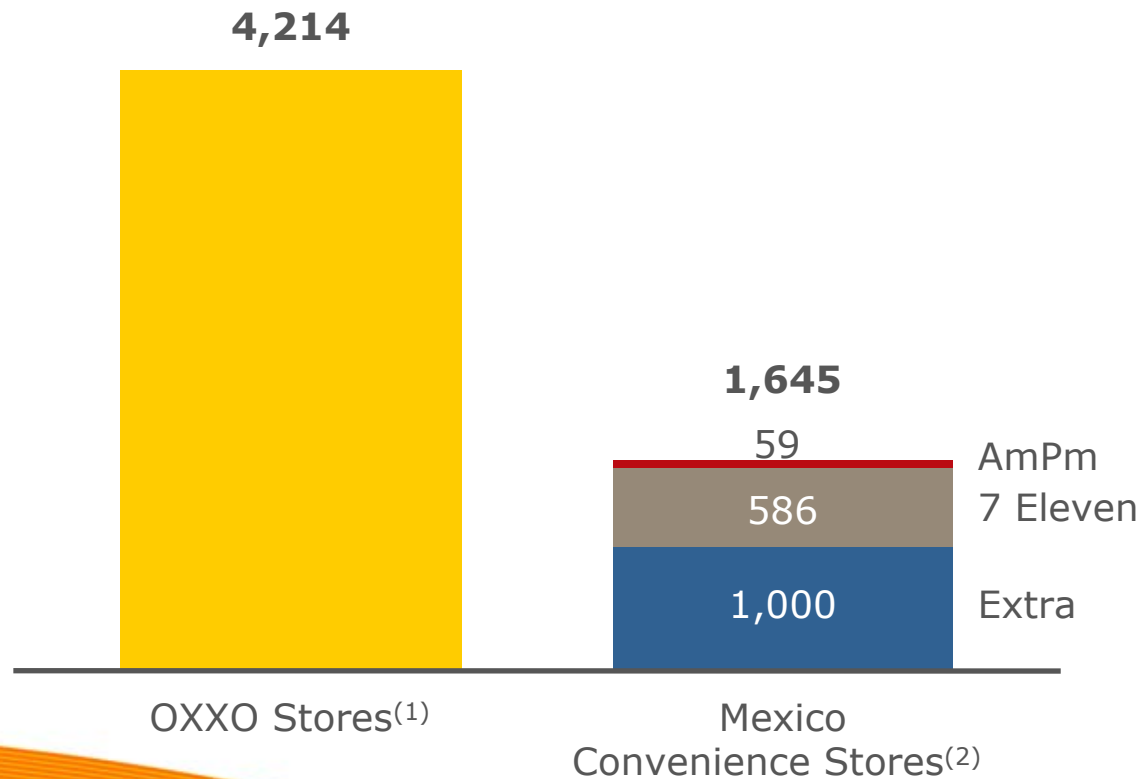
(1) See page 14 for EBITDA reconciliation for all years.

Mexico's Leading Convenience Store Chain

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Over 70% marketshare of the convenience store market

Mexico Convenience Stores



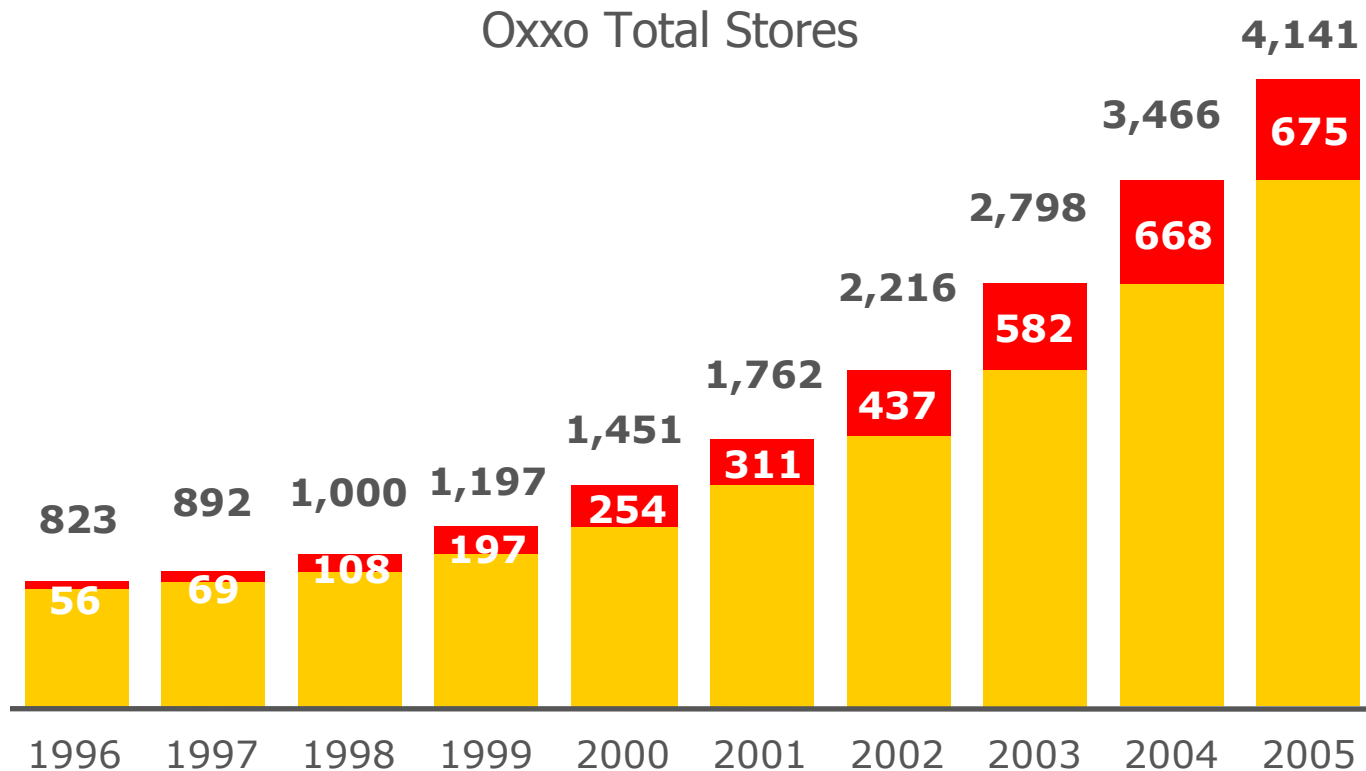
(1) Company filings as of March 31, 2006.

(2) Company estimates as of December 31, 2005.

Store Expansion Has Accelerated

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Expect to open at least 650 new Oxxos in 2006

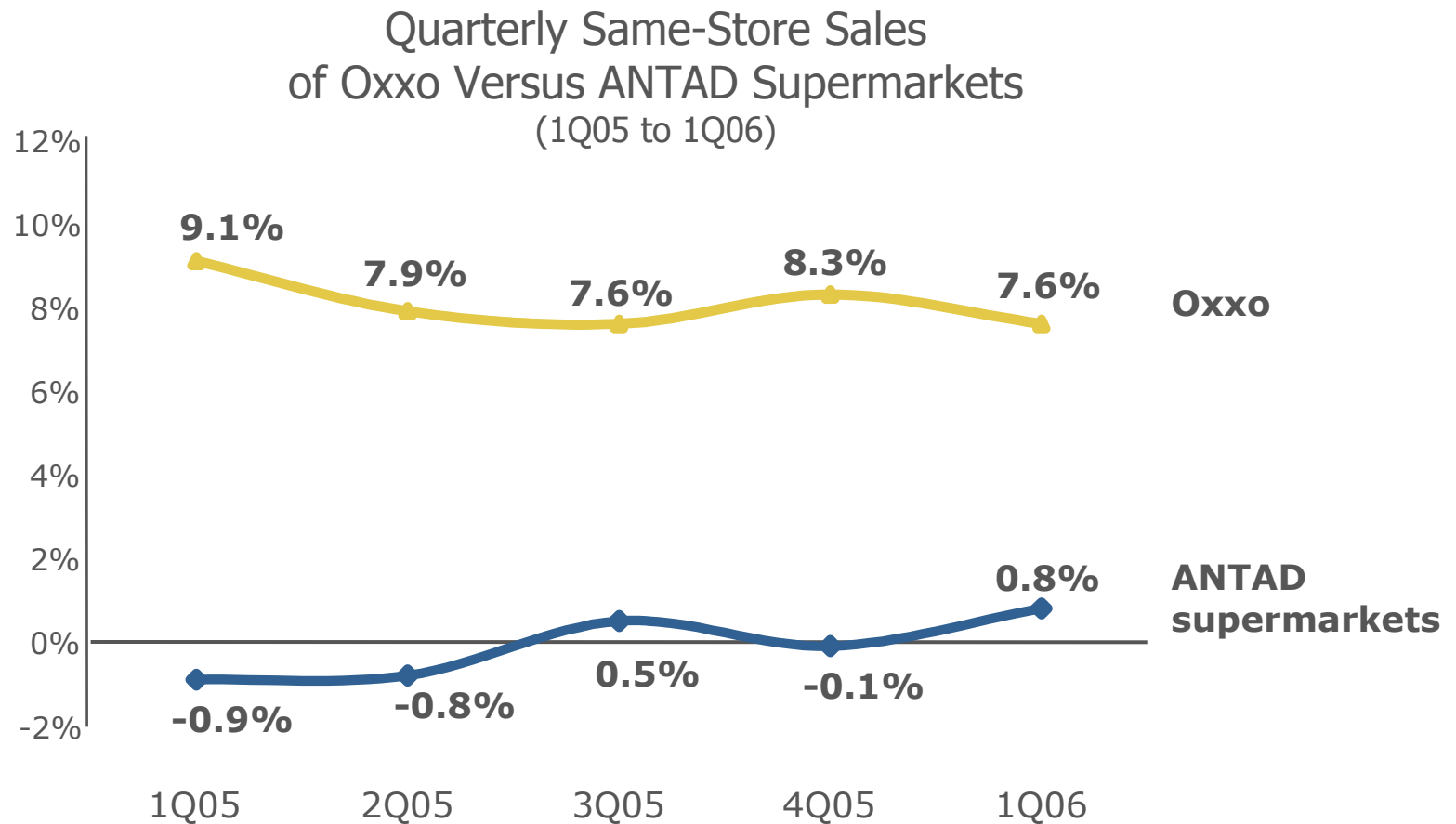


■ Net new Oxxo stores
■ Oxxo store base

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Same-Store-Sales Above Industry Average

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With Increasing Coverage – Only National Chain

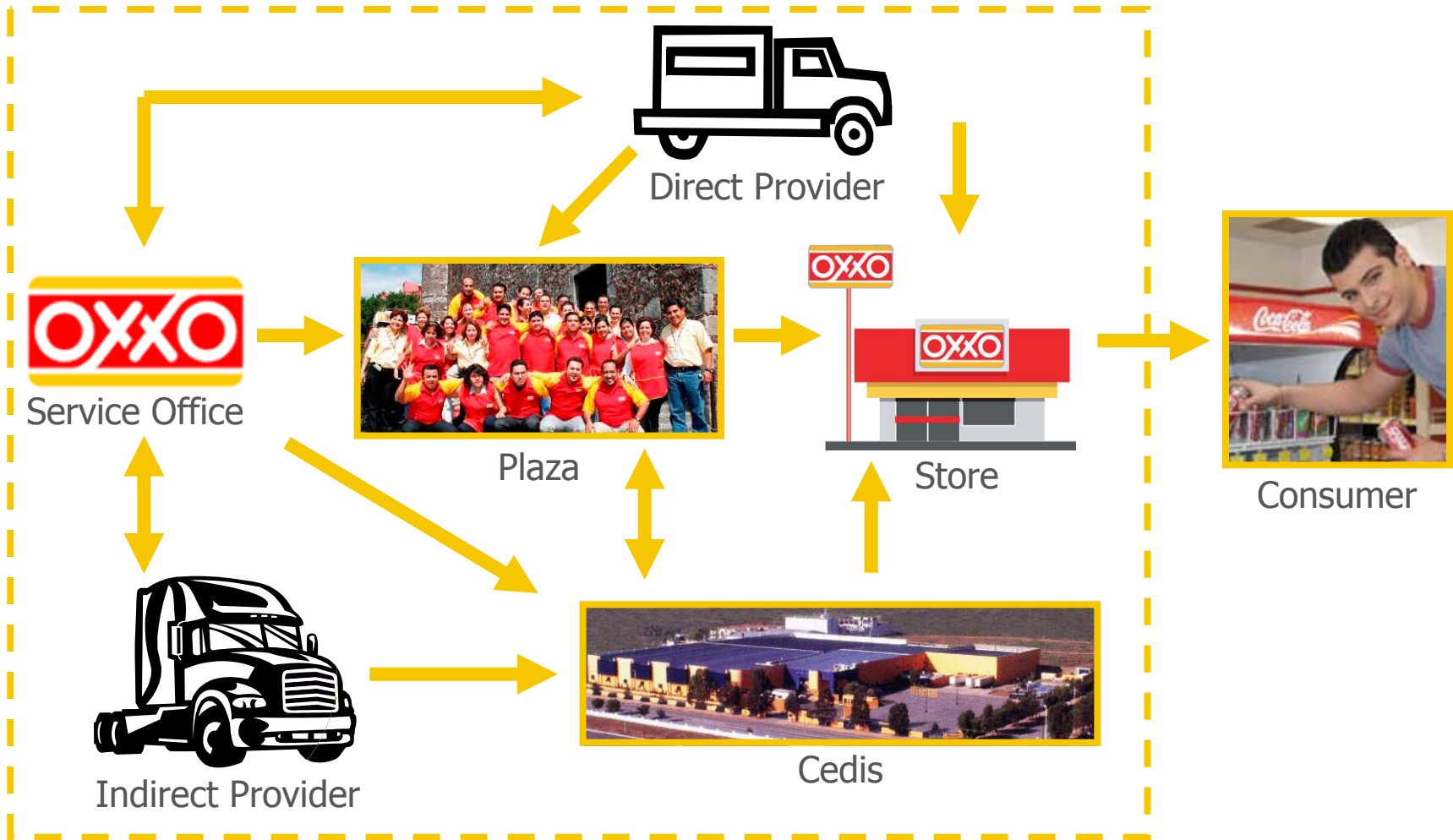
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54 administrative offices, overseeing 270 municipalities in 29 states



A System to Grow and Reach Consumers

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What Does Oxxo Offer?

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vs "Mom and Pop"

- 24-hour service
- Parking
- Security
- Atmosphere
- Variety
- Right price
- Top brands

vs Supermarkets

- Convenience
- Proximity
- Fast service
- Comfort
- Personalized attention

Improving Our Stores To Satisfy Consumers

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- Improving in-store execution
- Segmentation based on satisfying needs
- Redesign process of variety
- Implementation of new level of IT



Satisfying Customers Implies Several Challenges

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I. Differentiated Offering

II. Competitive Prices

III. Better Inventory

IV. Better Information



We Have Ambitious Goals

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Maintain scale leadership + enhance Oxxo's value proposition

- Open more than 650 stores per year
- Leverage expertise for optimal store location
- Complete implementation of new IT systems
- Build-out direct distribution capabilities
- Adjust and expand the product offering
- Develop unmatched promotions
- Increase profit streams



In US\$ millions

EBITDA Reconciliation

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
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Income From Operations	4	7	7	9	24	29	33	47	62	82	118
Depreciation	2	2	3	4	5	7	8	9	12	19	30
Amortization and Other	3	3	4	5	4	6	8	9	12	21	26
EBITDA	<u>8</u>	<u>12</u>	<u>14</u>	<u>18</u>	<u>33</u>	<u>42</u>	<u>49</u>	<u>64</u>	<u>85</u>	<u>122</u>	<u>174</u>