

## FEMSA Announces Second Quarter 2019 Results

Monterrey, Mexico, July 25, 2019 — Fomento Económico Mexicano, S.A.B. de C.V. (“FEMSA”) (NYSE: FMX; BMV: FEMSAUBD) announced today its operational and financial results for the second quarter of 2019.

### FINANCIAL HIGHLIGHTS:

- 9.4% revenue growth (6.7% on an organic<sup>1</sup> basis) at FEMSA Consolidated
- 180 basis point gross margin expansion at FEMSA Comercio’s Proximity Division
- 13.9% revenue growth (0.1% on an organic<sup>1</sup> basis) at FEMSA Comercio’s Health Division
- 7.8% revenue growth at FEMSA Comercio’s Fuel Division
- 7.6% revenue growth (5.1% on an organic<sup>1</sup> basis) at Coca-Cola FEMSA

### FINANCIAL SUMMARY FOR THE SECOND QUARTER AND FIRST SIX MONTHS 2019

Change vs. Comparable Results<sup>2</sup>

	Revenues		Gross Profit		Income from Operations		Same-Store Sales	
	2Q19	YTD19	2Q19	YTD19	2Q19	YTD19	2Q19	YTD19
<b>FEMSA CONSOLIDATED</b>	9.4%	7.7%	9.7%	8.9%	8.3%	4.9%		
<b>FEMSA COMERCIO</b>								
Proximity Division	11.3%	10.4%	16.6%	17.1%	15.4%	14.3%	6.2%	4.8%
Health Division	13.9%	8.4%	10.9%	5.3%	(3.0%)	(3.3%)	(2.6%)	(0.7%)
Fuel Division	7.8%	5.3%	33.1%	28.9%	32.6%	24.0%	(0.0%)	(3.6%)
<b>COCA-COLA FEMSA</b>	7.6%	6.5%	6.0%	4.9%	6.2%	2.8%		

Eduardo Padilla, FEMSA’s CEO, commented:

“FEMSA delivered solid results in the second quarter, which was an interesting one from a calendar standpoint. We had tailwinds from the Holy Week shift in April, as well as a tough comparison base from last year’s World Cup that began in June. However, a key positive theme across most of our operations was one of strong revenue growth driven by healthy pricing, that in turn allowed us to deliver margin expansion at FEMSA Comercio’s Proximity and Fuel Divisions. At the Health Division, our Mexican operations continued to perform well but were overshadowed by soft results and unfavorable foreign exchange dynamics in Chile, while Colombia continued to expand, and we were happy to close the acquisition of GPF in Ecuador during the quarter. For its part, Coca-Cola FEMSA also achieved strong top-line dynamics in most of its markets, which flowed all the way down the income statement.”

<sup>1</sup> Excludes the effects of significant mergers and acquisitions in the last twelve months.

<sup>2</sup> Comparable Results: Starting on the first quarter of 2019, we adopted the International Financial Reporting Standard 16 – “Leases” (“IFRS 16”) across all our business units. The Comparable Results is a set of numbers which estimate the retroactive effect that the adoption of IFRS 16 would have had on FEMSA’s 2018 financial results. The performance comparisons expressed in this document will be made relative to the Comparable Results unless stated otherwise.

To obtain the full text of this earnings release, please visit our Investor Relations website at <https://femsa.gcs-web.com/> under the Financial Reports section

## **FORWARD-LOOKING STATEMENTS**

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