

A dynamic splash of clear water against a white background, with numerous bubbles and droplets scattered throughout. The water is captured in mid-air, creating a sense of movement and freshness.

FEMSA

**Consumer Analyst Group
of New York**

February 2008

**FMX
LISTED
NYSE**



Safe Harbor Statement

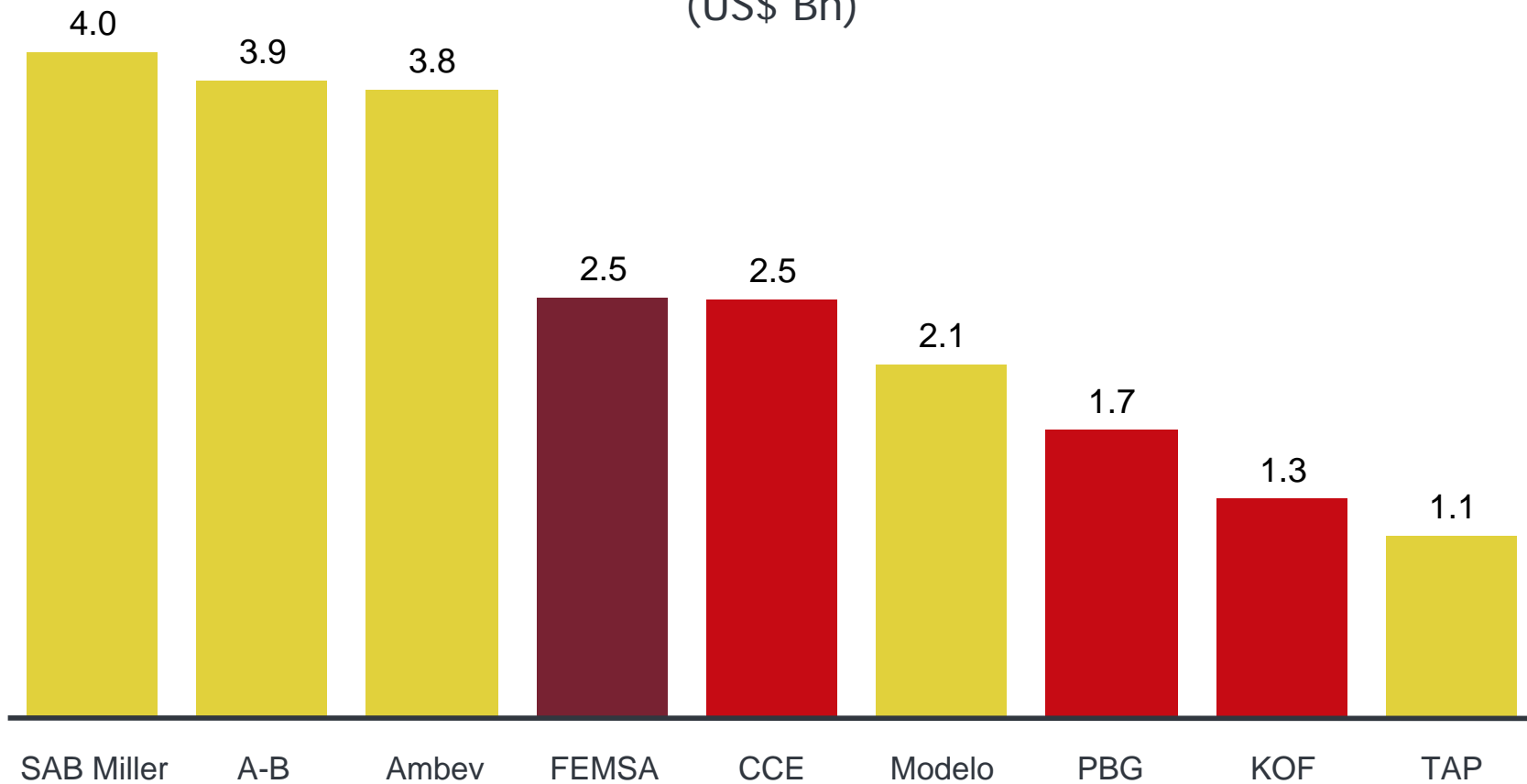


During this presentation management may discuss certain forward-looking statements concerning FEMSA's future performance that should be considered as good faith estimates made by the Company. These forward-looking statements reflect management expectations and are based upon currently available data.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

FEMSA is a significant player in the Americas when compared with players in the beer and bottling universe...



EBITDA 2007
(US\$ Bn)

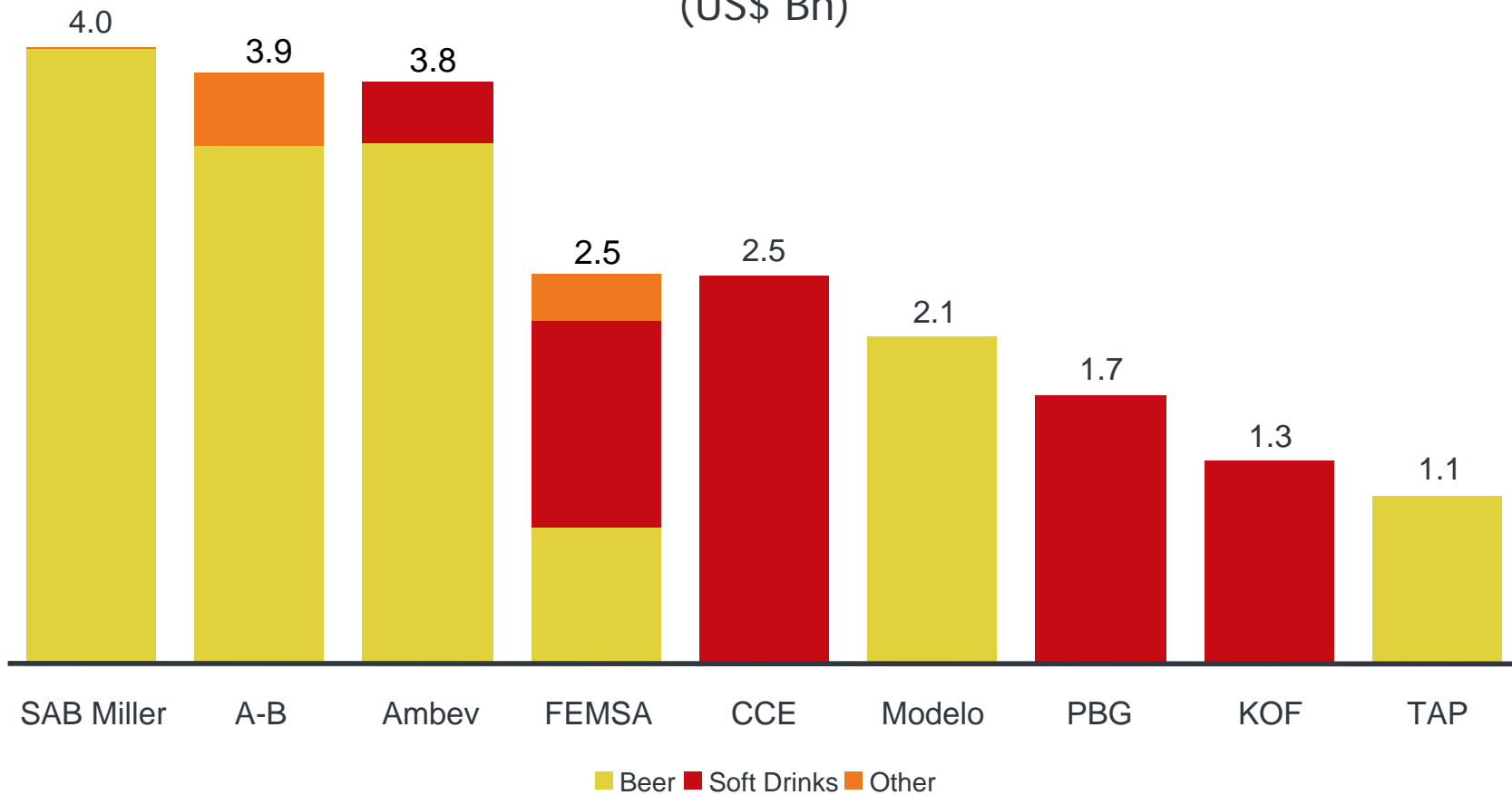


Source: Companies reports except for Ambev and Modelo figures that are Wall Street 2007 estimates.

And the only company that plays a significant role in both

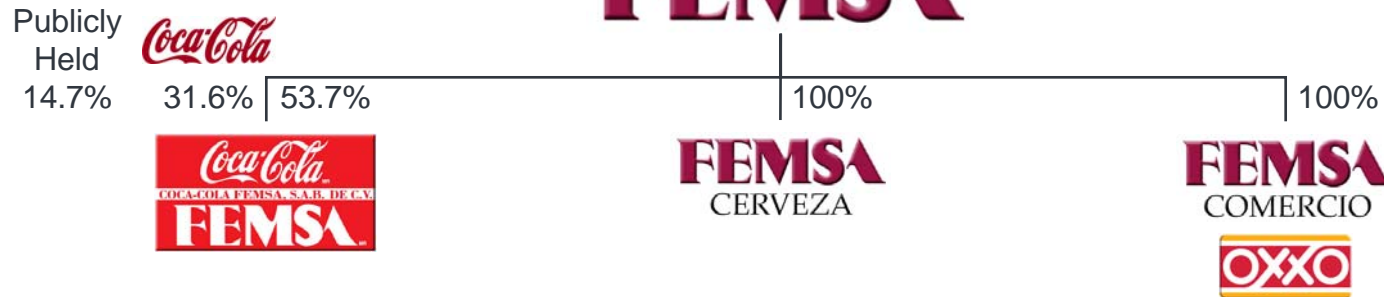


EBITDA 2007
(US\$ Bn)



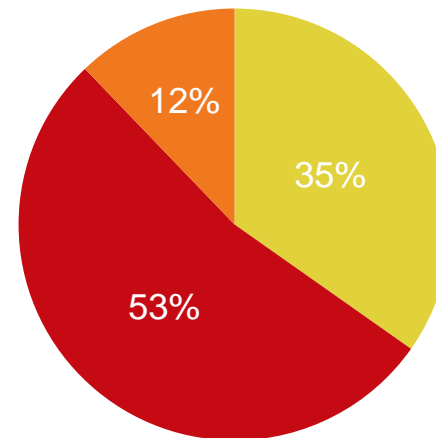
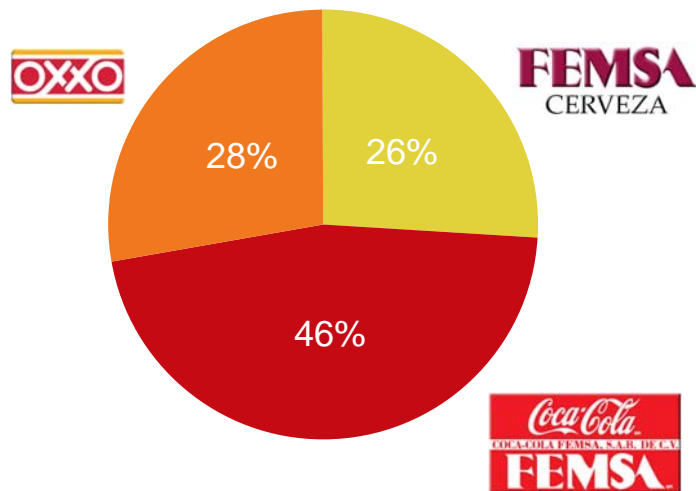
Source: Companies reports except for Ambev and Modelo figures that are Wall Street 2007 estimates.

... with a simple corporate structure...



Total Revenue: US\$ 13.5 billion

EBITDA: US\$ 2.5 billion



Note: Information as of December 31, 2007.

... and an expanding continental footprint



Large Scale

- 2.1 bn unit cases of soft drinks
- 40 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

- 9,000+ routes

Growing Consumer Base

- 1.8 mm+ retailers
- 200 mm+ consumers

Dynamic C-Store Platform

- Over 5,500 OXXO stores



Integration that works



Synergies

Strategic Distribution Channel



Scale

- Leveraging on procurement
- Shared Service Centers

Business Model

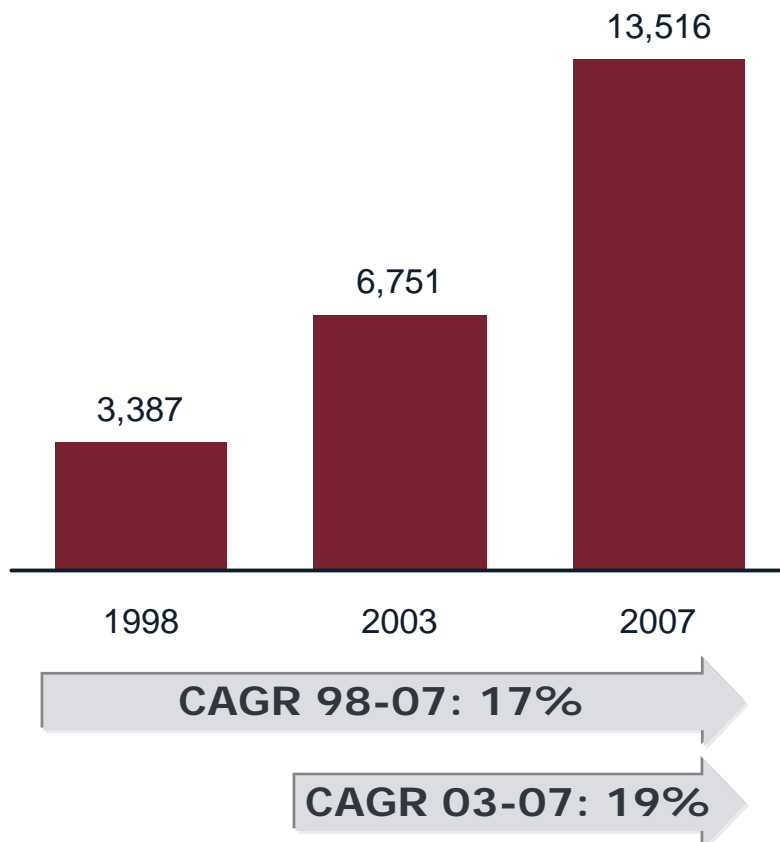
- Strengthening our market position
- Sharing best practices

- Beverage-based retailer
- "Lab" for new products/Consumer insights
- Reinforcing our price architecture

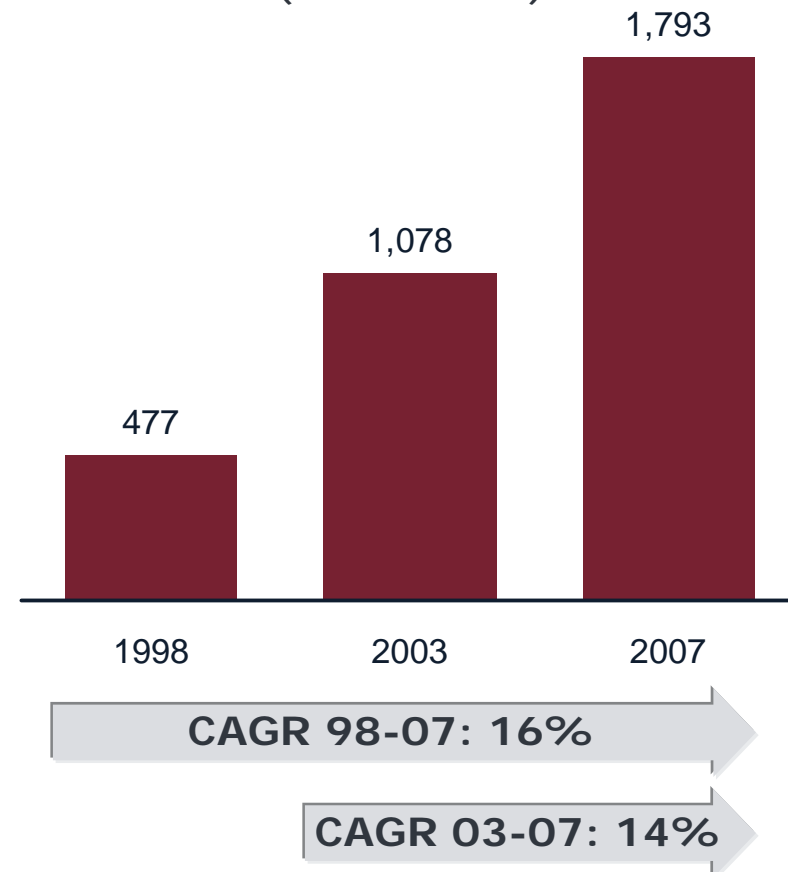
Delivering consistent growth



FEMSA Total Revenue
(US\$ million)



FEMSA EBIT
(US\$ million)



Note: Figures in Mexican pesos converted to US dollars at the respective year-end exchange rate.

2007 Snapshot



Integrated beverage platform delivers results in a challenging year



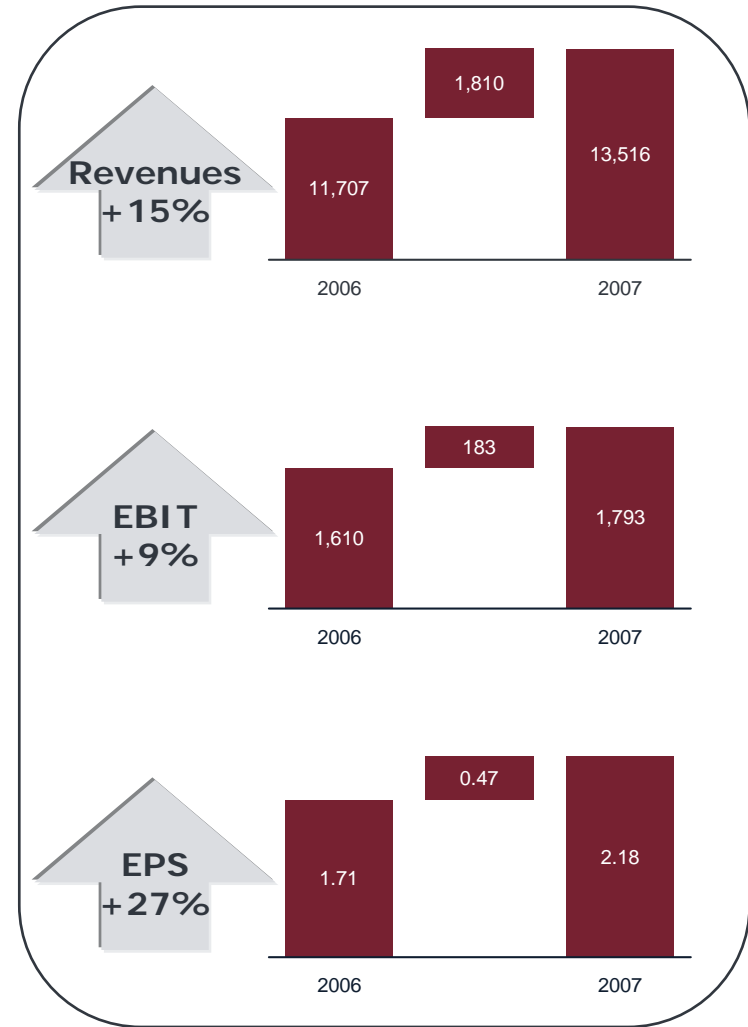
Positive trend slope in spite of continued raw material pressure and sustained marketing investments



Double-digit growth supported by a balanced geographic portfolio



Stellar results close to 40% EBIT growth, 100 basis-point margin expansion



Note: Figures in US\$ Million except for EPS. Mexican pesos converted to US dollars at the respective year-end exchange rate.



- Economic moderate slowdown
- GDP growth in our main markets
- Prices in line with local inflation
- COGS pressure primarily on grains
- Sustained marketing investment
- Moderate SG&A leverage, driven by top-line growth and efficiencies



Mid-to High-single-digit US\$ EBIT growth



FEMSA
CERVEZA

Strong and diverse brand portfolio

FEMSA
CERVEZA



Significant player in three top beer markets



- **Mexico**

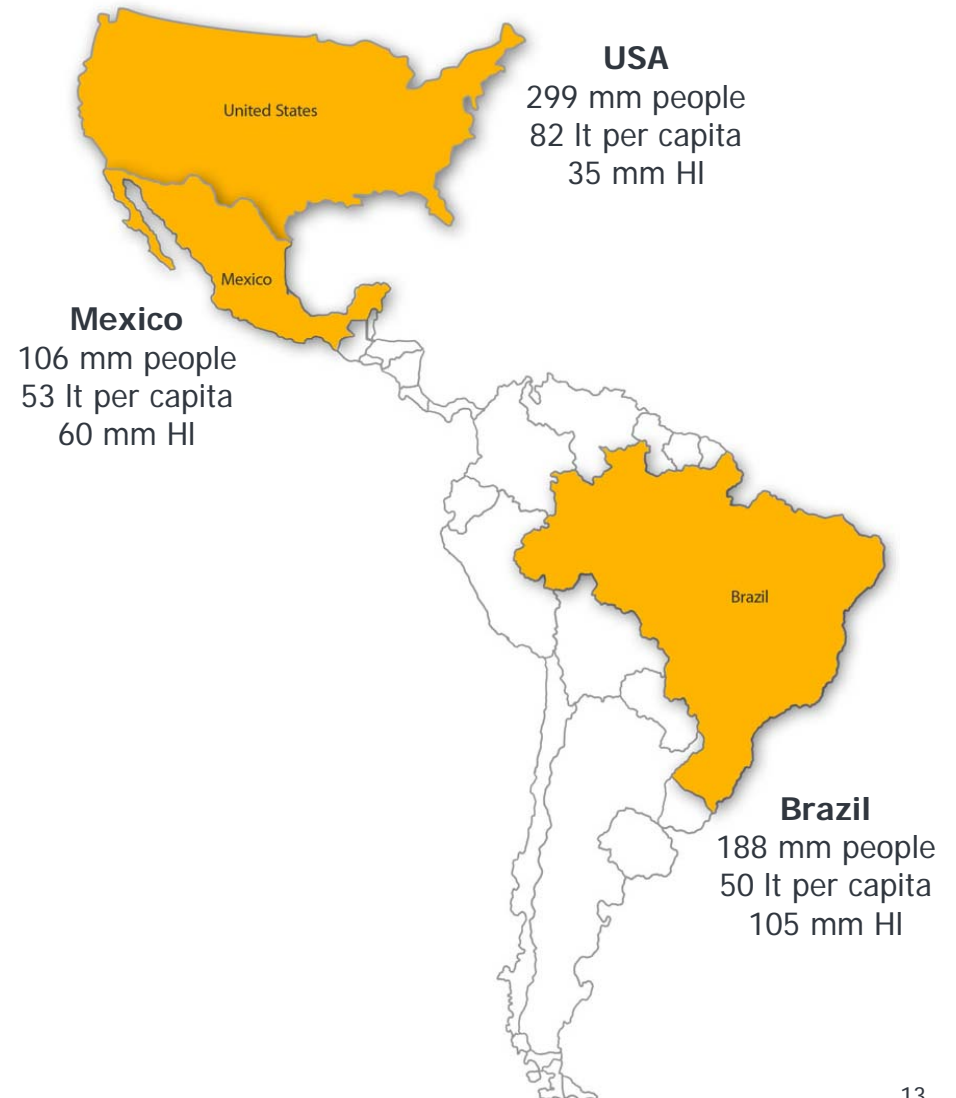
- Three consecutive years of outgrowing the industry
- Brand health indicators at all-time high

- **United States Imports**

- Double-digit volume growth
- Strategic complementary fit with Heineken

- **Brazil**

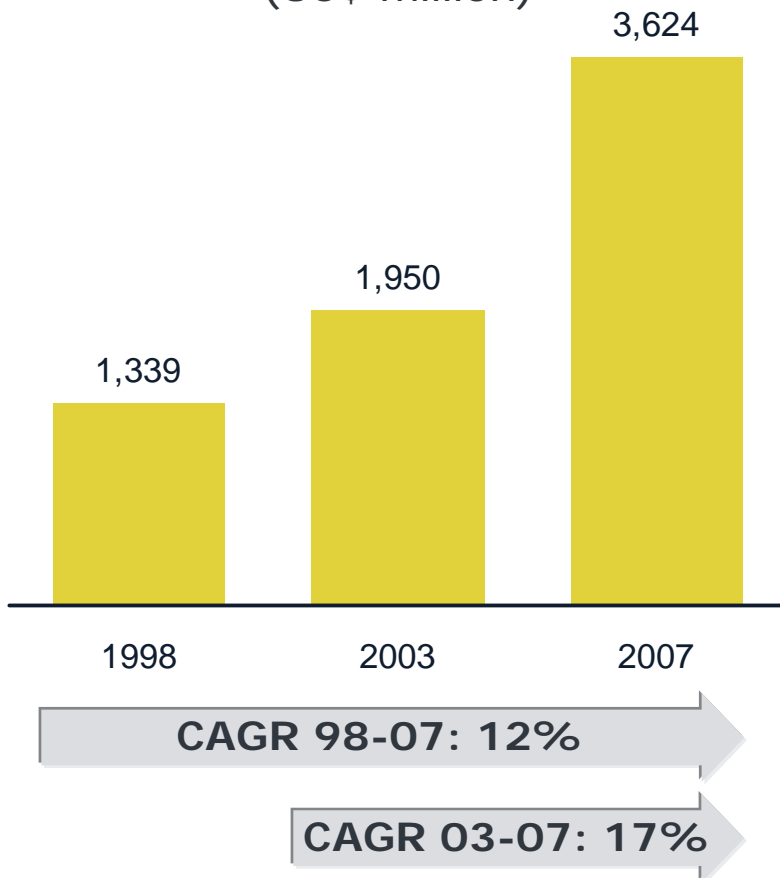
- Business turnaround on track
- Long-term profitable growth objective



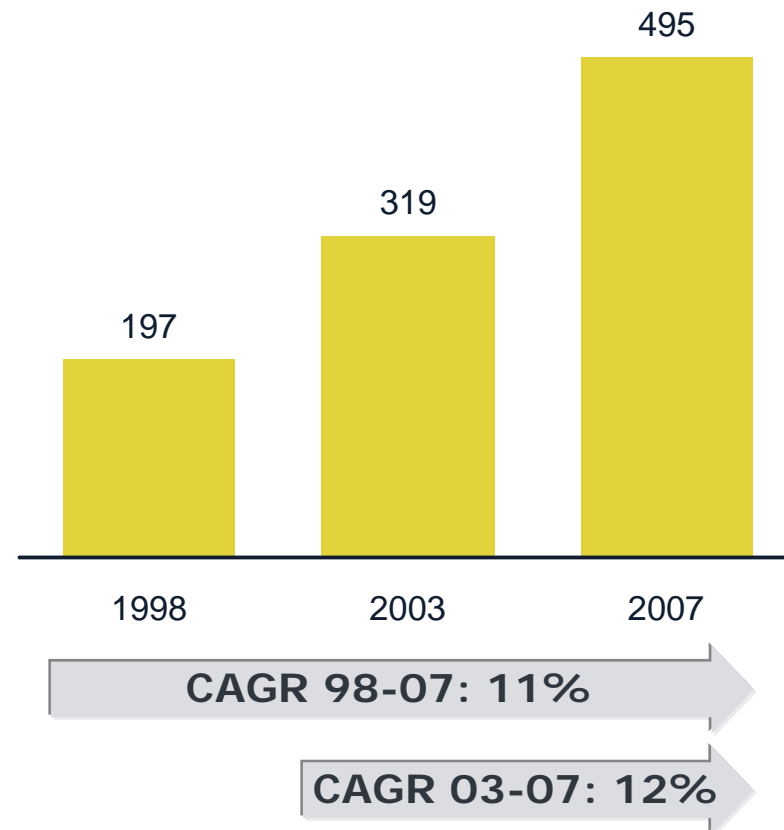
Delivering consistent earnings growth



Cerveza Total Revenue
(US\$ million)



Cerveza EBIT
(US\$ million)



Note: Figures in Mexican pesos converted to US dollars at the respective year-end exchange rate.

Mexico: A dynamic business model



Developing consumer-driven multi-segmentation

Strengthening brands and fostering innovation

Product	Channel	Go-to-market
<ul style="list-style-type: none"> Liquids Packages Price-points 	<ul style="list-style-type: none"> Traditional Modern On-premise Off-premise 	<ul style="list-style-type: none"> Selling Delivery



Customer Value Proposition

Cutting-edge IT and logistics to serve very fragmented markets

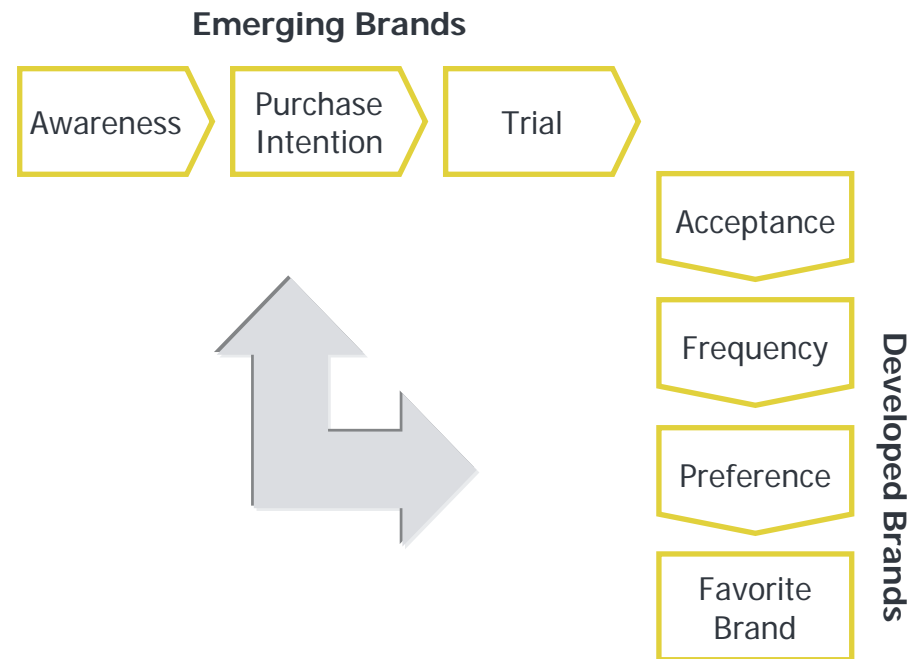
Refining go-to-market and execution models



Targeted Brand-Building Strategy



Brand Value Building Process



Favorite Brand Consumer Base
(Δ Pp vs 2004) (Δ % vs 2004)

Market Position	Δ Pp vs 2004	Δ % vs 2004
Strong	+3.7	
Balanced	+7.2	+6.2
Developing		+15.3

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

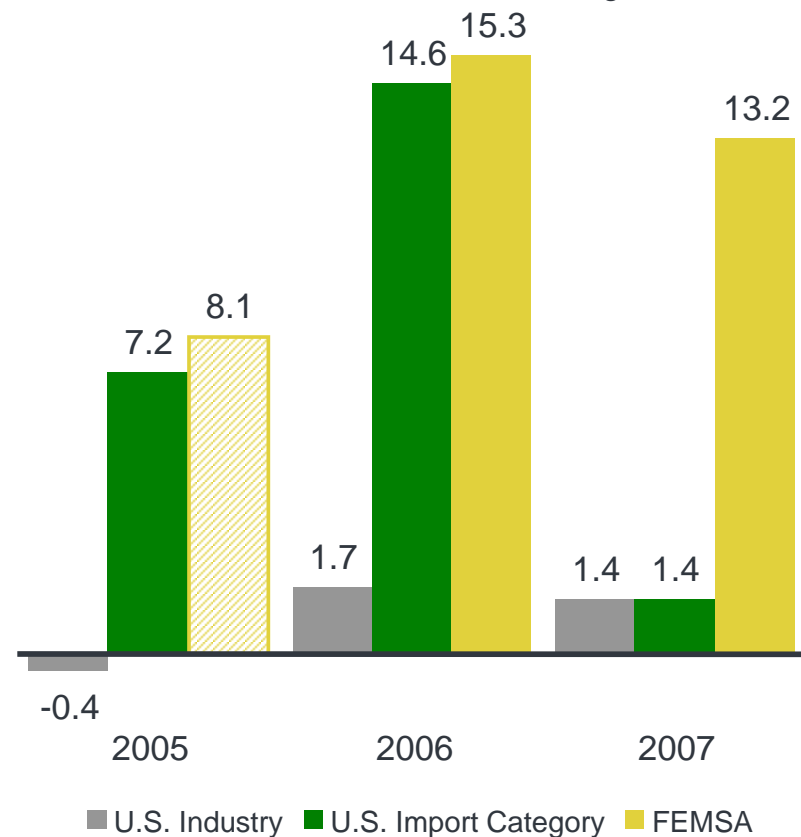


New 10-year agreement builds on 3-year success

- Align objectives and incentives to build brand preference and volume base
- Leverage on our complementary portfolio
- Strong presence in the on-premise channel and the East Coast markets



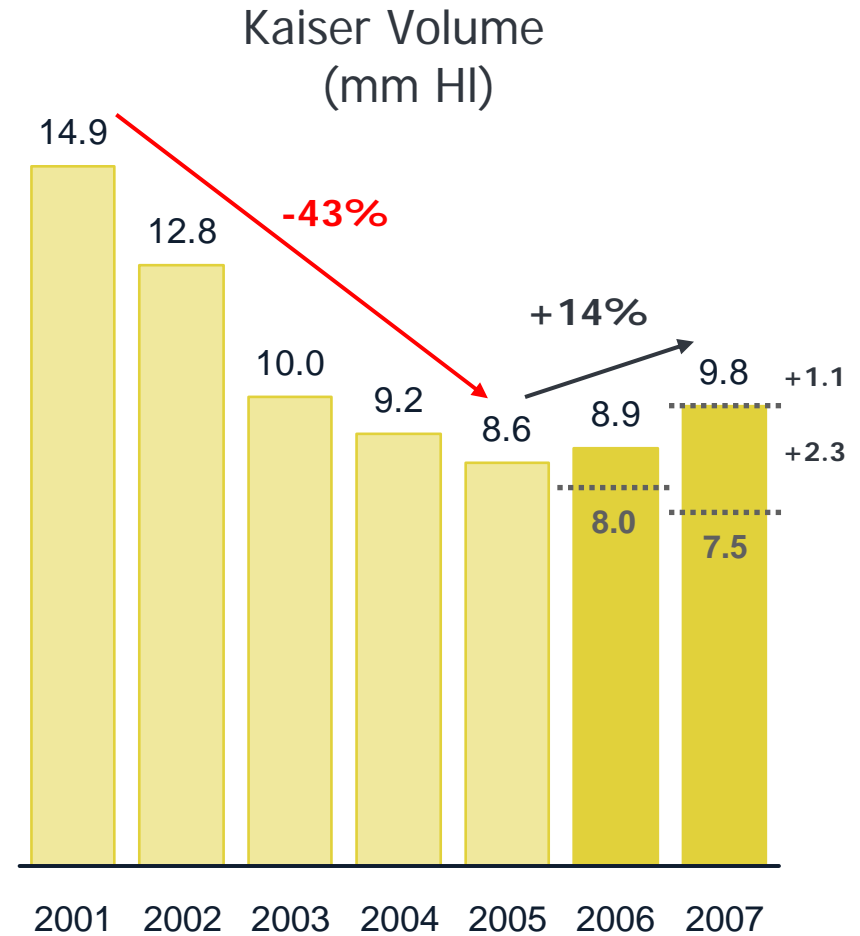
Vol. Growth of FEMSA Exports vs. U.S. Beer Industry (%)



Brazil: Taking steps in the right direction



- Revert sharp volume decline trend
- Stabilize financial losses, sourcing marketing funds
 - Positive EBITDA generation
- Improvements along the value-chain
- Adjust product portfolio
 - Repositioning existing brands
 - Complementing product portfolio through the successful introduction of *Sol* and new packages
 - Adjusting price architecture
- Improved alignment and coordination with the Coca-Cola system



Significant growth opportunities



Mexico and Brazil

- Low beer per-capita consumption markets
- Favorable macroeconomic environment and growing
- Broad-based, growing demographic pyramids
- Strong competitive position in Mexico and developing in Brazil
- Room for advanced multi-segmentation strategies and go-to-market models

USA

- Differentiated and complementary portfolio
- Room for increased coverage in the on-premise segment
- Fast-growing Hispanic demographic

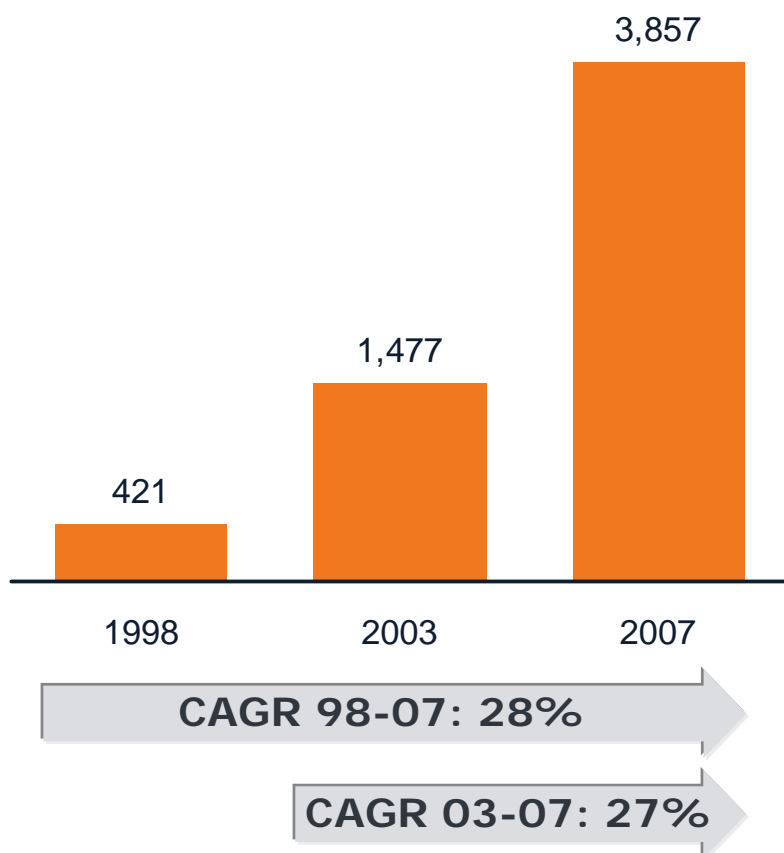




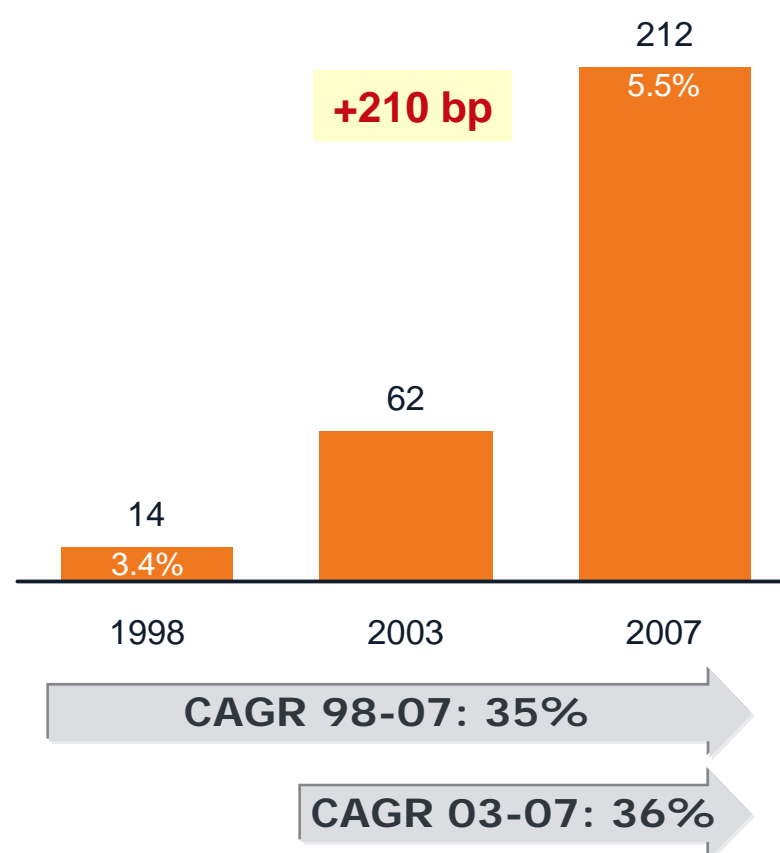
Accelerated profitable growth



Revenue
(US\$ million)

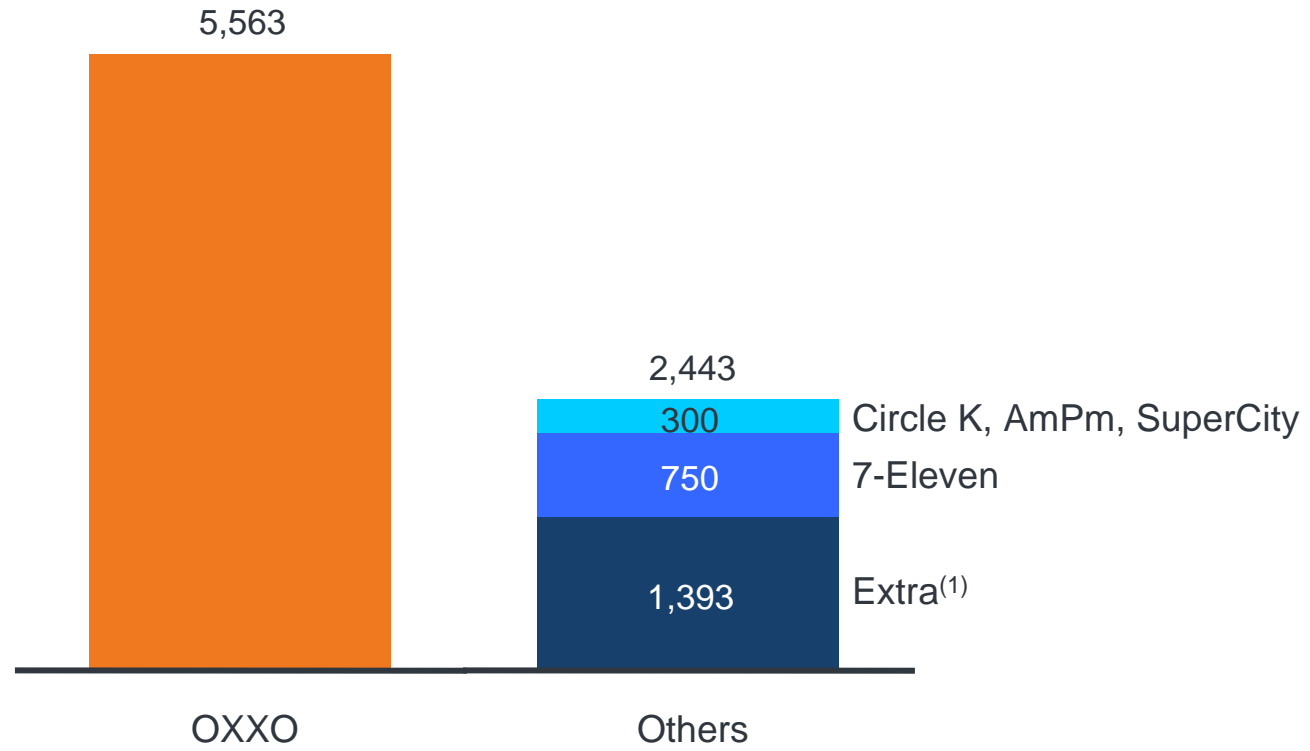


EBIT
(US\$ million)



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

Mexico's leading convenience store chain



- > 700 new stores openings per year
- Over US\$ 3.8 bn in revenues in 2007
- Reciprocal leverage with FEMSA beverage operations
 - Approximately 40% of Oxxo sales are beverage-related

Source: Company websites.

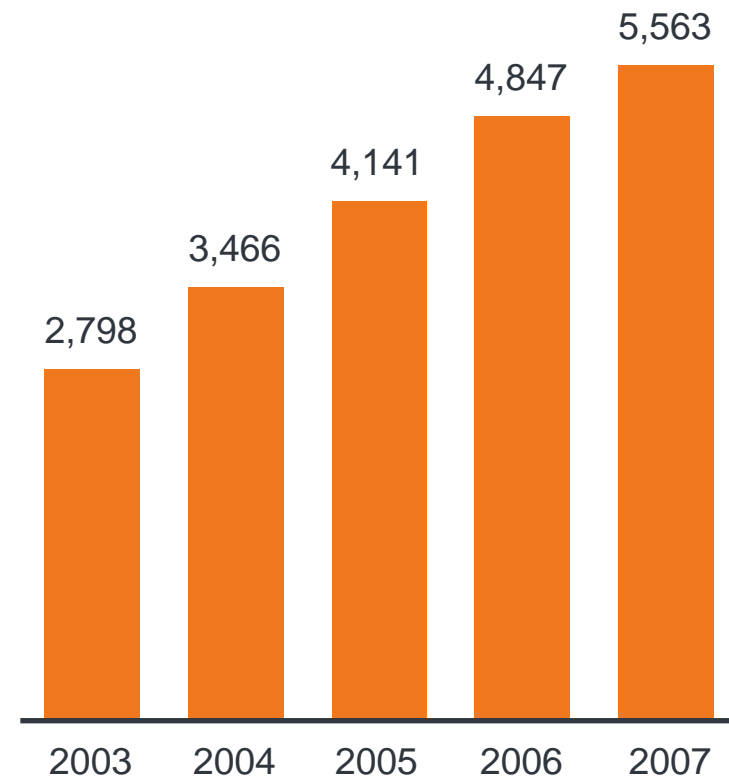
⁽¹⁾ Extra estimated net stores for year end 2007 according to company presentation.

Driving growth through expansion, execution and innovation



- > 5,500 stores and counting
- > 700 new stores per year
- Same-store sales real growth above industry
- Creating new profit streams
- Expanding margins
 - Leverage with suppliers
 - Category management
 - Efficiencies throughout value chain

Oxxo Stores



Plenty of room for growth



12,000 Oxxo's by 2015

Oxxo Penetration Level by Population



Source: INEGI and FEMSA estimates for the year 2007.

Building a strong infrastructure to enable a better value proposition



Distribution

- 9 Distribution Centers opened past 4 years

Technology

- Oracle/ReTek – all stores on line

Segmentation

- Indulgence
- Replenishment
- Mixed

Execution

- Better Customer Value Proposition
- In-store Execution
- Auto-Replenishment



Significant growth opportunities



- Growing Mexican middle class
- Changes in consumption habits towards convenience
- Low Oxxo penetration in Central and Southern Mexico
- Unmatched footprint for service-provider partners
- IT systems in place to enable future incremental revenues and profit streams
- Potential to take Oxxo model beyond Mexico in the medium-term



Coca-Cola^{MR}

COCA-COLA FEMSA, S.A.B. DE C.V.

FEMSA^{MR}

KOF
LISTED
NYSE



KOF Overview

KOF Mexico

Largest bottler in Latin America

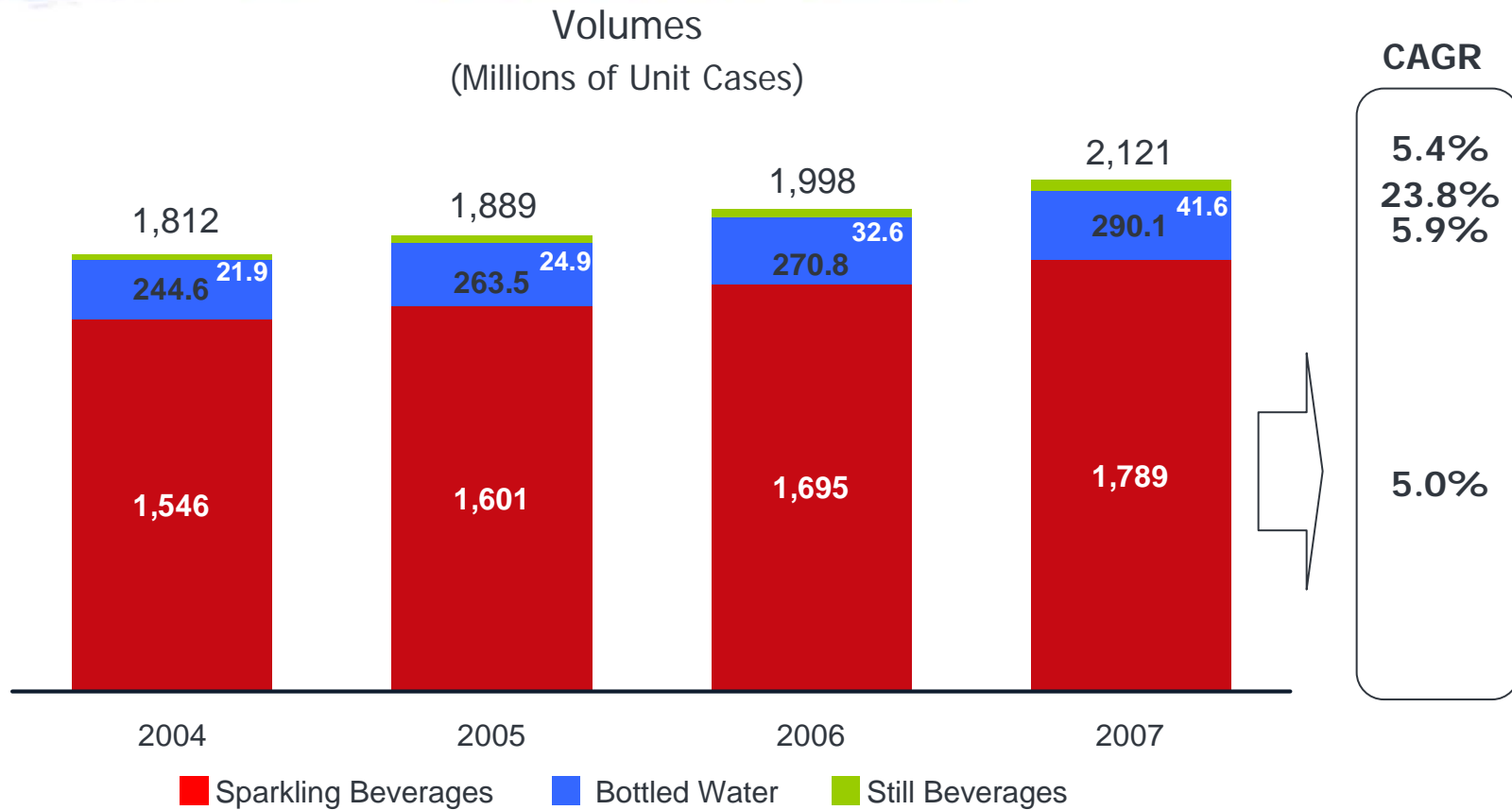


- The largest bottler in Mexico and Latin America
 - 2.1 bn unit cases
 - 5.8 mn unit cases sold daily
 - US \$6.3 bn in total revenues
 - US\$ 1.3 bn of EBITDA
 - 20.8% EDITDA margin
- Solid geographical footprint
 - Over 200 million consumers
 - Over 1.6 million points of sale
 - Over 70 different brands
- The second largest Coca-Cola bottler in the world, representing⁽¹⁾:
 - 10% of the World
 - 35% of Latin America
 - 40% of Mexico
 - 29% of Brazil



⁽¹⁾ Including Remil.

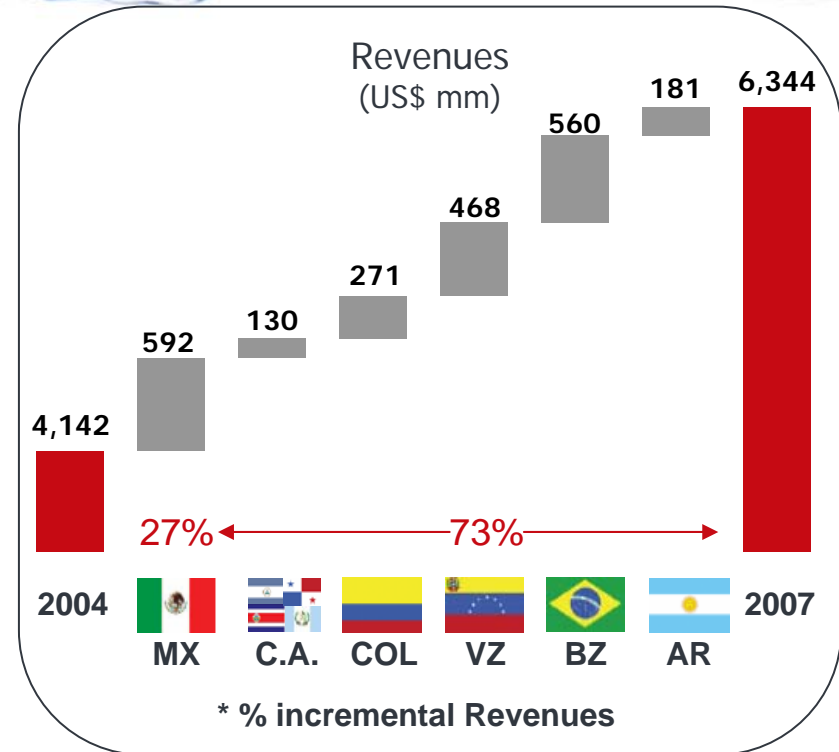
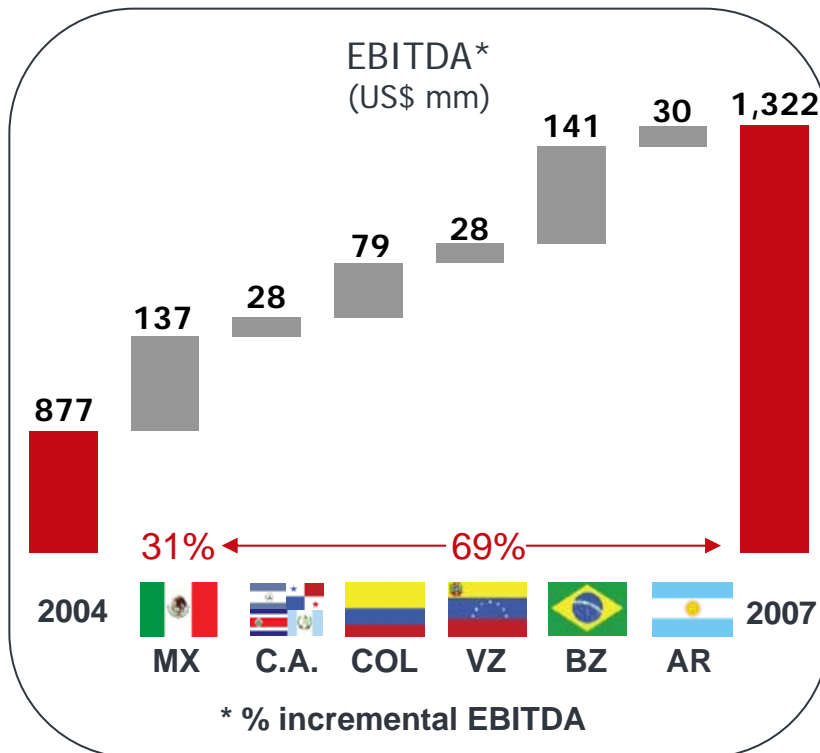
Volume growth by category



- Sparkling beverages still our core business, however water and emerging categories are growing at superior rates...

Growth by territory

- Even though operations outside of Mexico have importantly contributed to both the Top and Bottom Line of our Business, Mexico continues being our largest cash-flow generator

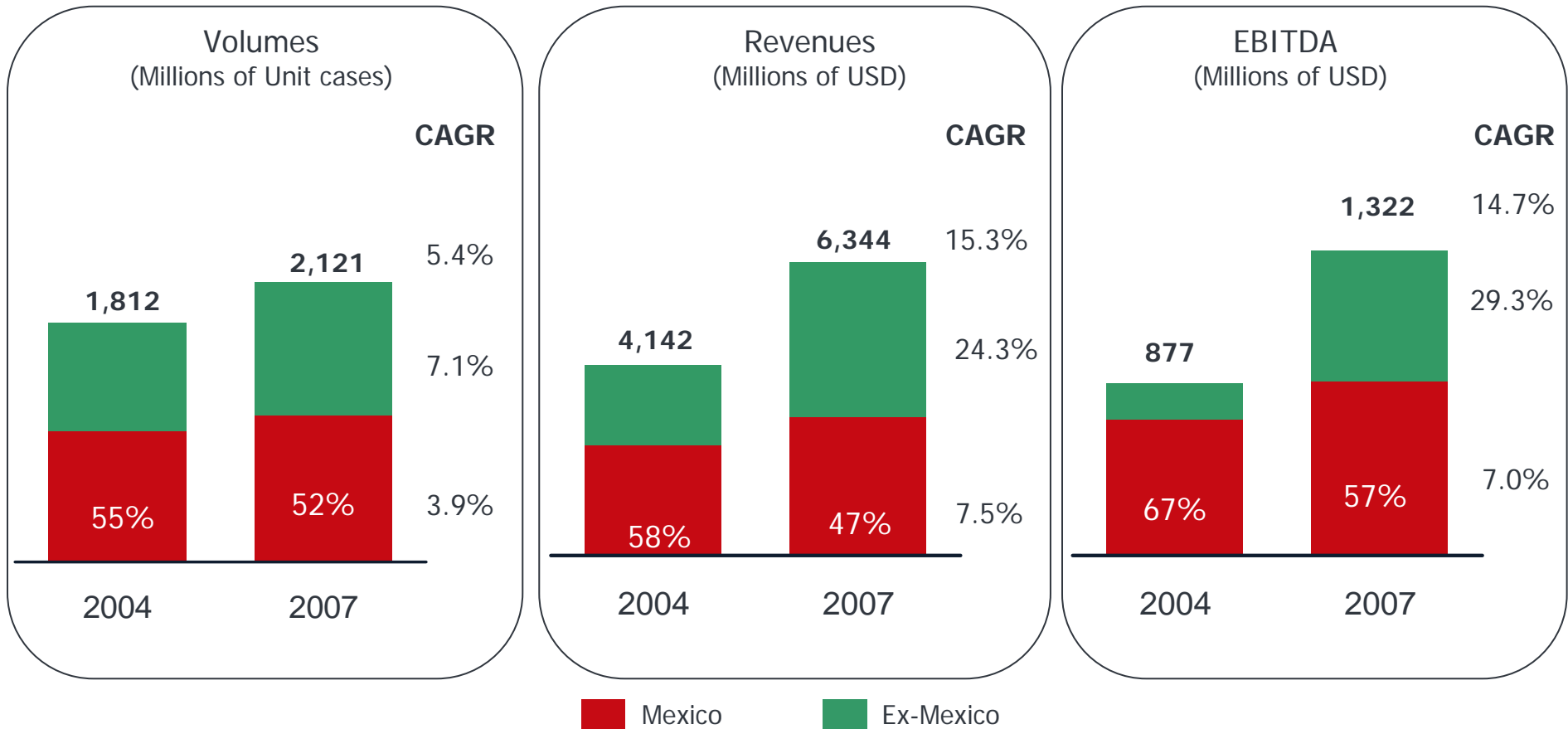


* Figures in Mexican pesos converted to US dollars at exchange rate from each period.

KOF transformation 2003-2007



- After the acquisition of Panamco, KOF has transformed itself into a balanced multi-national company

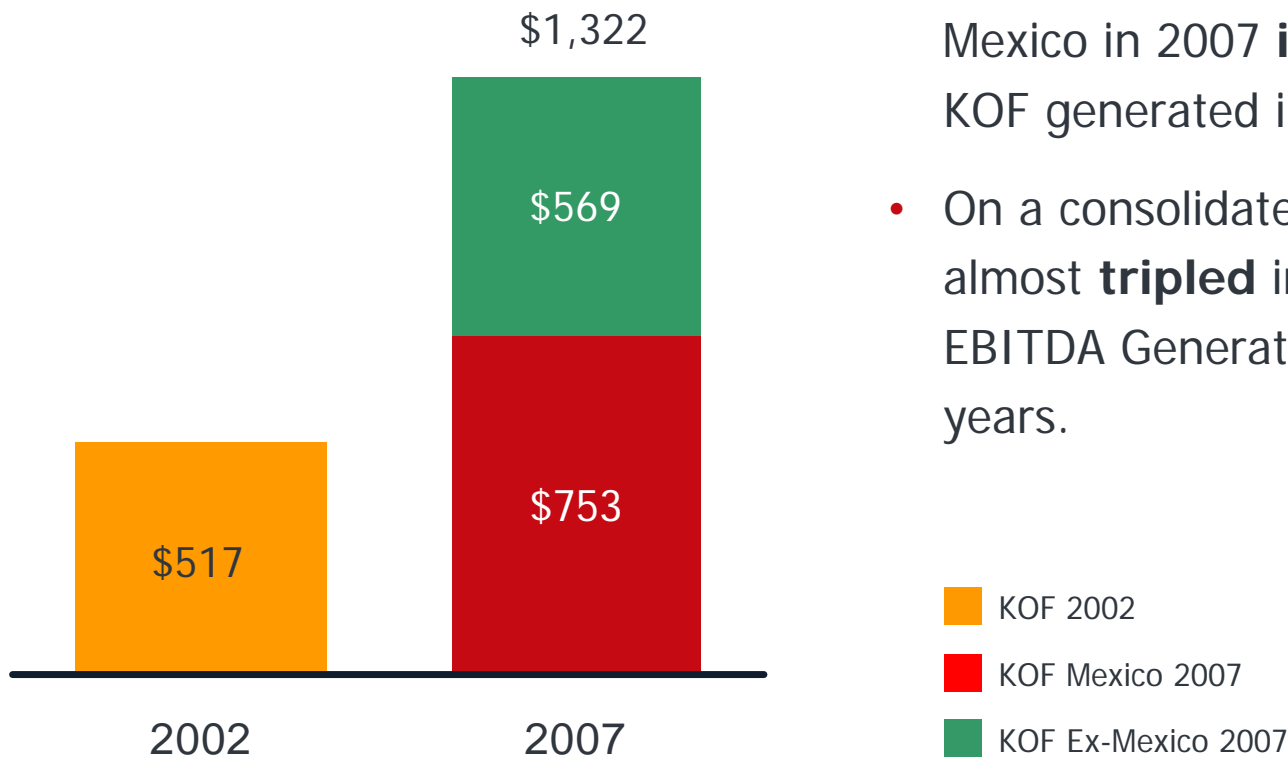


* Figures in Mexican pesos converted to US dollars at exchange rate from each period.

Value creation



EBITDA
(Million of US)



- KOF's EBITDA generated outside of Mexico in 2007 **is higher** than the one KOF generated in 2002
- On a consolidated basis KOF has almost **tripled** in size in terms of EBITDA Generation during the last five years.

* Figures in Mexican pesos converted to US dollars at exchange rate from each period. See reconciliation table on page 50.

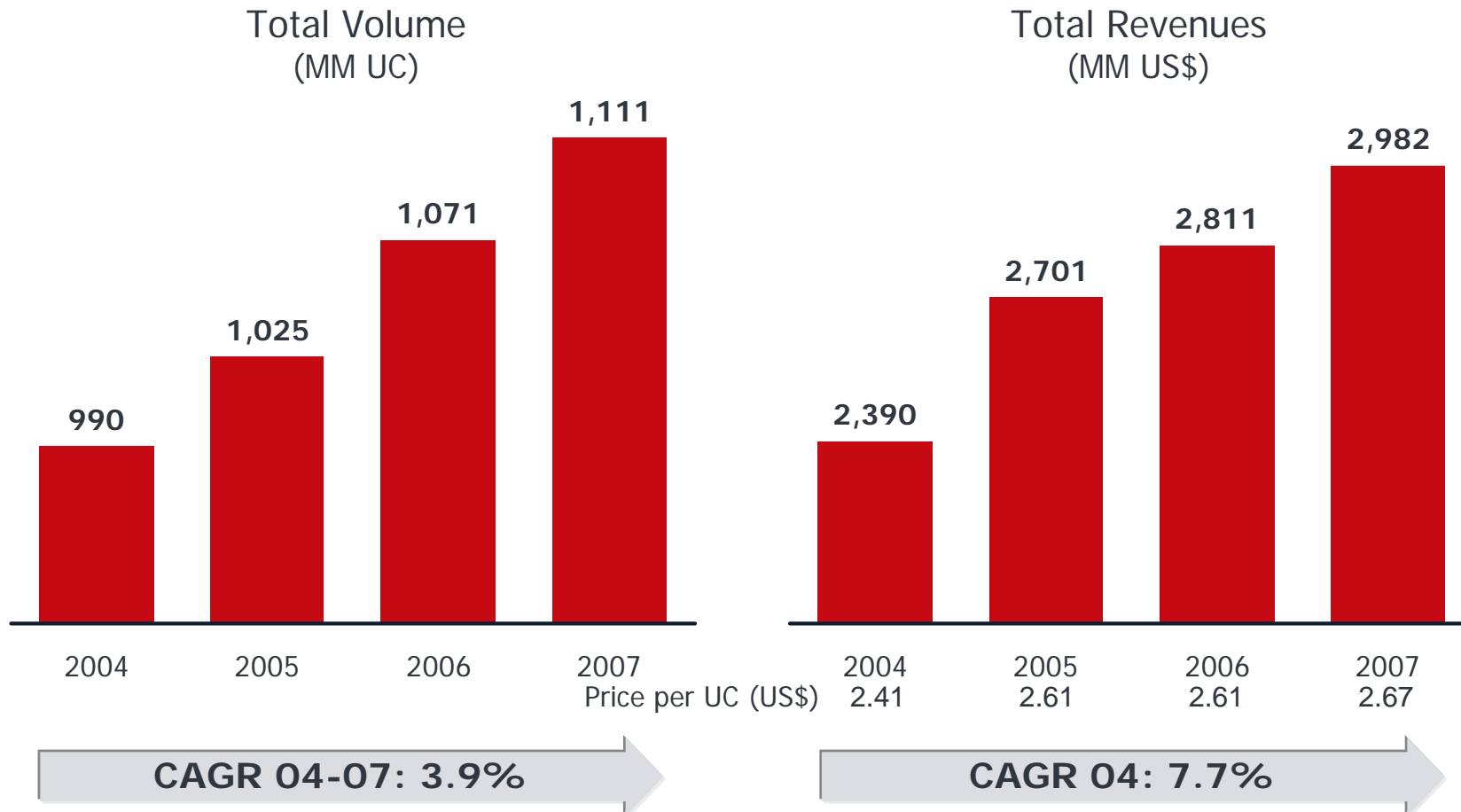
KOF Overview

KOF Mexico

Mexico Results



- KOF Mexico has achieved continuous top line growth during the last 4 years...

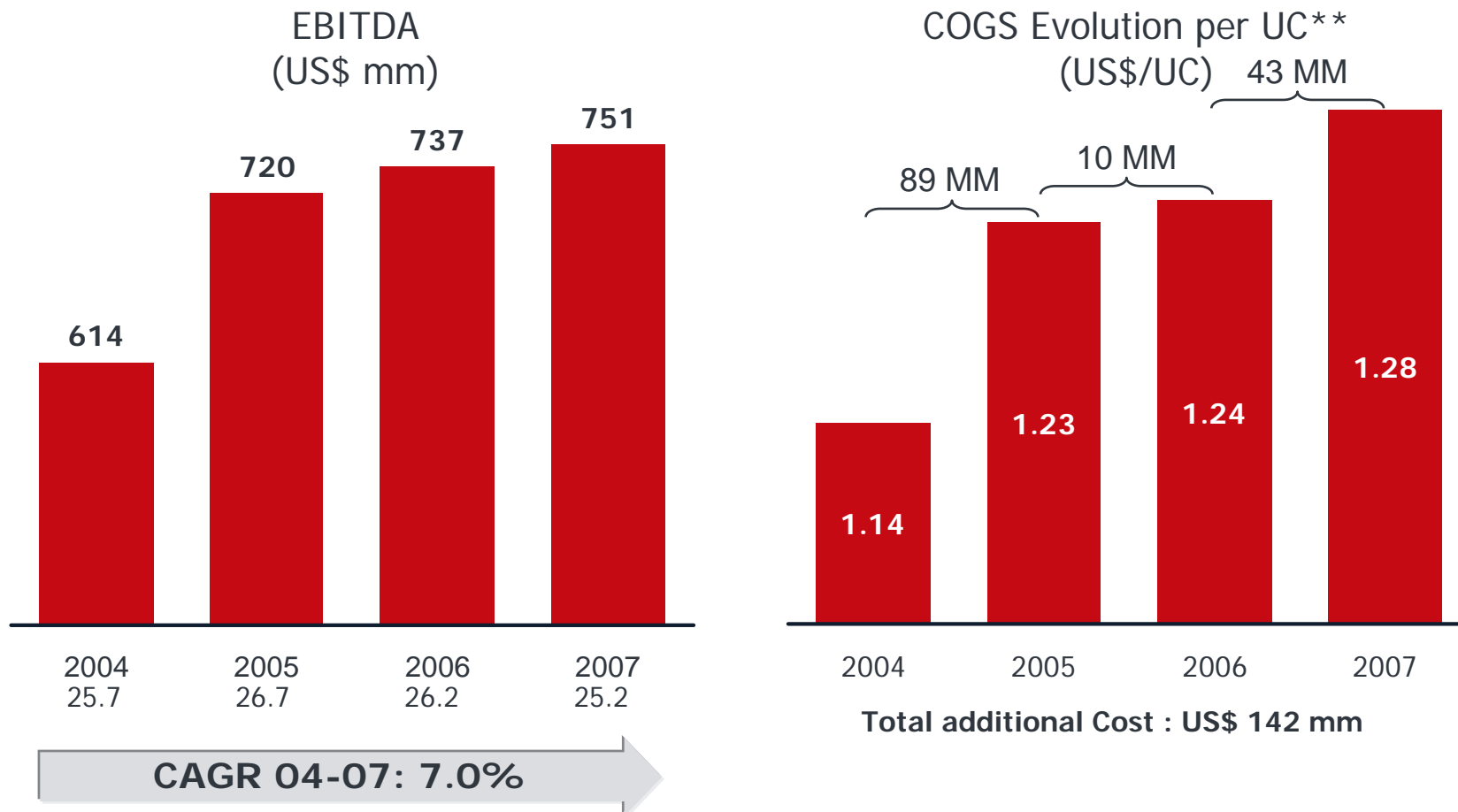


* Expressed in Nominal Terms. Figures in Mexican Pesos converted to US\$ at exchange rate from each period.

Mexico Results



... and has been able to maintain margins while absorbing a US\$ 142 MM COGS increase* during the last three years...



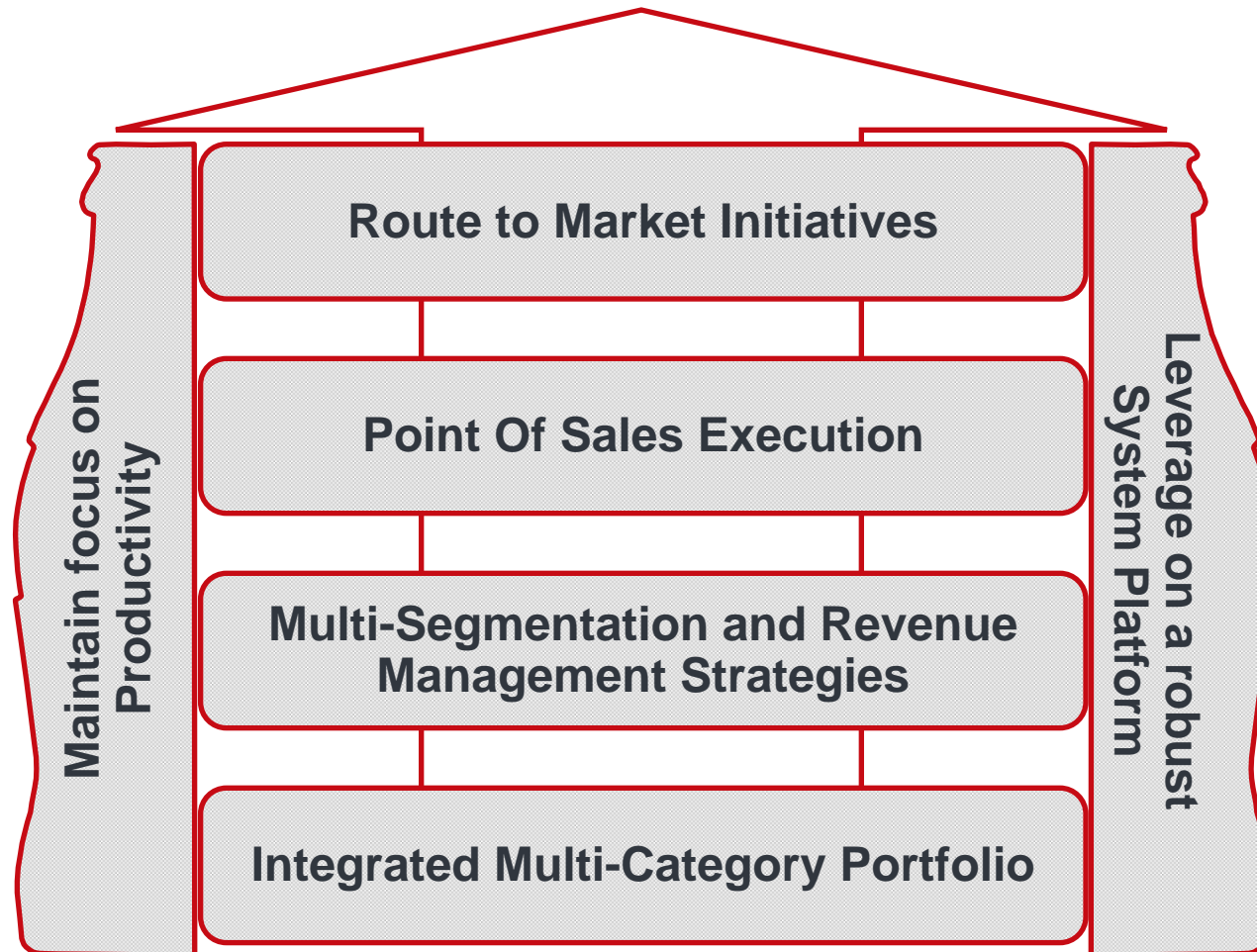
* Expressed in Nominal Terms. Figures in Mexican Pesos converted to US\$ at exchange rate from each period.

** Considering same base volume (excluding additional volume effects)

KOF Strategic Framework



Execute to achieve superior results



Integrated Multi-Category Portfolio



Integrated Multi-Category Portfolio

- During the last 4 years, KOF México has been integrating a multi-category portfolio through strategic launches...

	Sparkling	Water	Sports drinks	RTD Tea	Fruit based	Flavored Water	Gasified Water	Juices & Nectars	Energy	SKUs
Base 2004										196
2005										207
2006										208
2007										241
YTD 2008										273 39

Multi-Segmentation Strategies



Multi-Segmentation and Revenue Management Strategies

- Multi-segmented approach to serve clients based on socio – demographic variables, competitive intensity, consumption occasion and consumer behavior at the POS...



- Defining high priority SKU ´s by cluster
 - Improve execution and assure the presence of our main packages
- Strong mobile computing technology
 - Strict POS Portfolio Management

POS Execution: Segmented POS / Value Proposition



Point Of Sales Execution

- All these strategies result in Segmented Pictures of Success that maximize our revenues...

Traditional Food Stand – Low SEL



External Communication

Connection Points

Water SS Portfolio

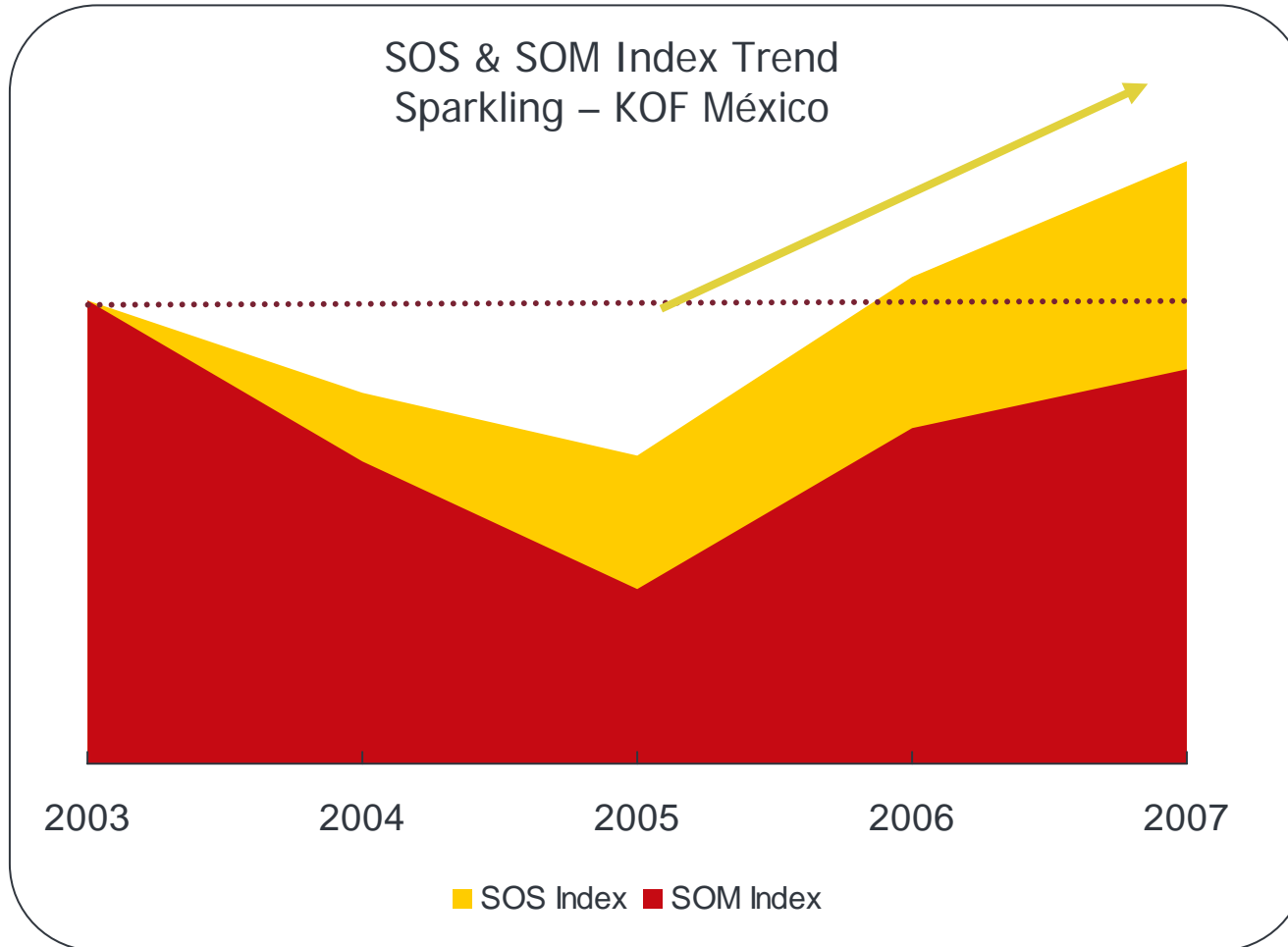
Refrigerated SS Returnable Portfolio

Solid Results



Point Of Sales Execution

- Focusing on Value generation and SOS growth facing an aggressive competitive landscape...



Route to market initiatives



Route to Market Initiatives

- Ability to better serve our clients through mix-and-match service models...

CLIENT'S VARIABLES

- Account Size
- Drop Size
- Urban / Rural
- Channel
- Service Requirements



SALES MODELS

- Presale
- Telesale
- Hybrid Route
- Conventional HH



DELIVERY MODELS

- Delivery Partner
- Conventional
- Specialized Delivery
- Bulk Delivery



GTM

**Tailored
Sales & Delivery
Models**

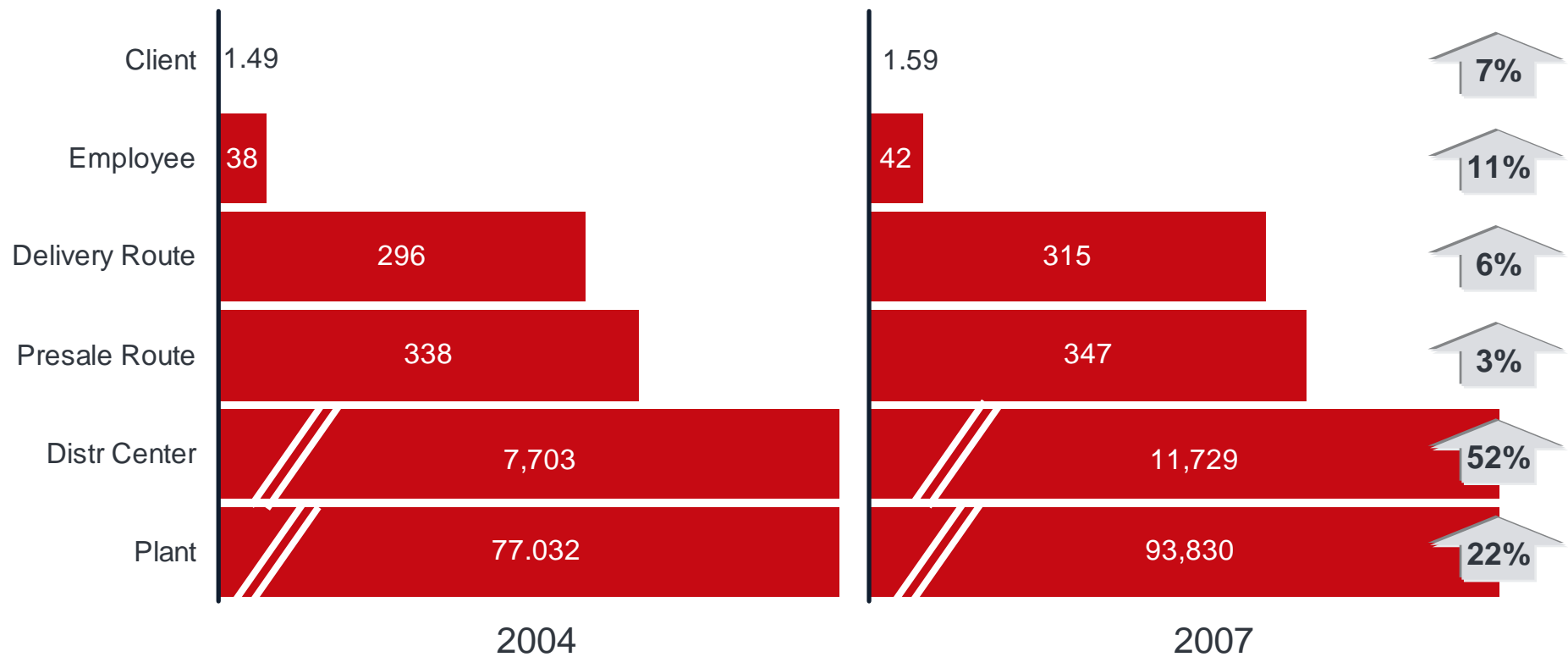
Focus on Productivity



Maintain focus on Productivity

- ... and focusing on enhancing productivity across the value chain...

Yearly Unit Cases* sold ('000) per...



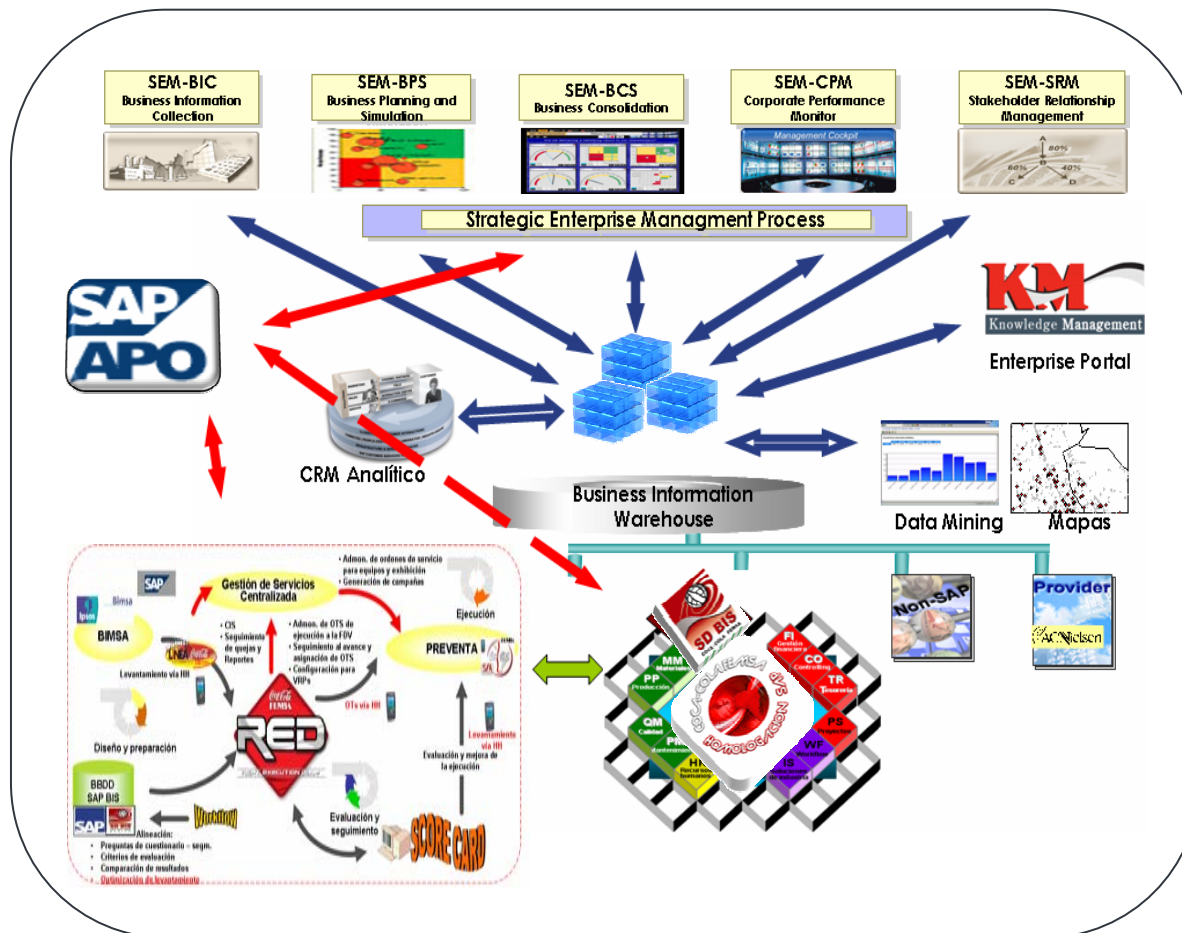
* Without Jug and JDV (Volume, clients, employees, routes, distribution centers and plants).

Leverage on a robust System Platform



Leverage on a robust System Platform

- We believe a strong system platform enables us to execute our operating model in an extraordinary way



- Comprehensive systems infrastructure (SAP based)
- Customized applications
- Carefully planned IT investments

Continued Social Responsibility efforts...



Leverage on a robust System Platform

... incorporating a growing amount of social initiatives throughout our daily operations...

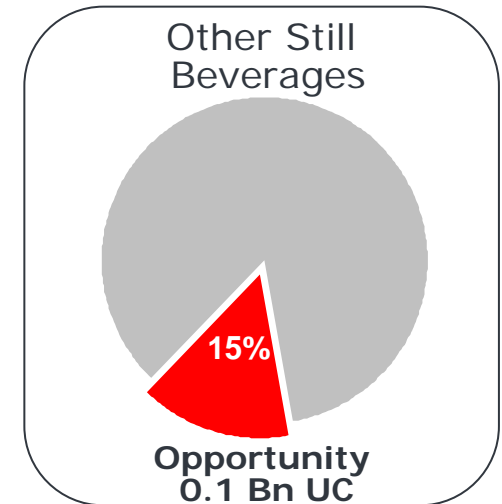
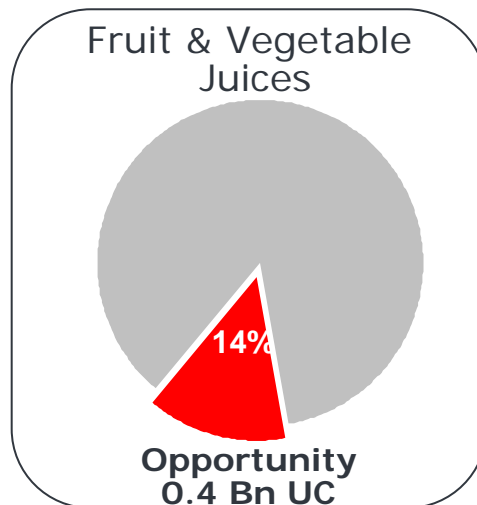
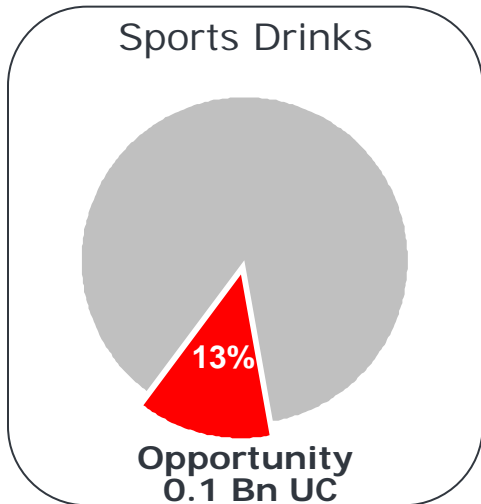
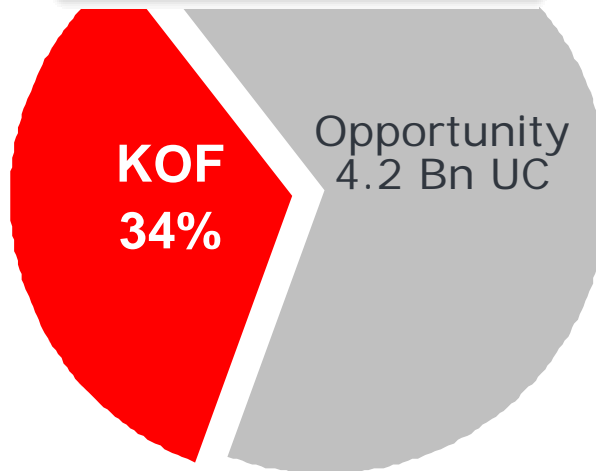
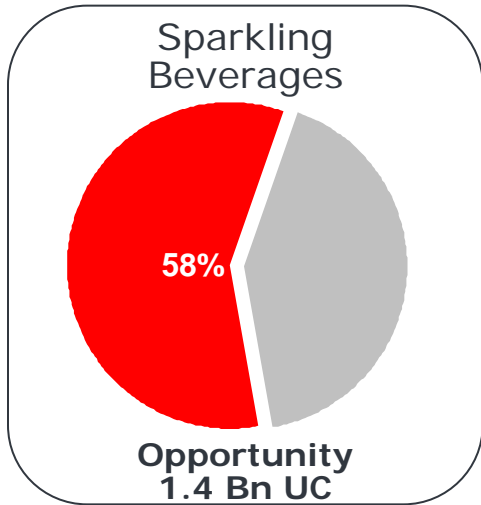


- Reforestation of 300 hectares (+640K pine trees) in the last 2 years (04-07)
- 21,600 tons of resin reduction via lightweighting (03-07)
- 4,079 tons of recycled resin for bottle to bottle usage

Solid ongoing business, with great potential ahead



KOF Territories Total NARTD in 2007



Source: Euromonitor International 12/02/2008.



FEMSA

FEMSA Investment Highlights



- Largest beverage company in Latin America
- Proven track record of profitable growth
- Leading market position with strong brands
- Unique and dynamic business model and capabilities
- Significant growth potential across markets

EBITDA Reconciliation By Division



In US\$ million

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

Note: Figures in nominal pesos as of the reported year and converted into US\$ for each respective year's ending exchange rate.