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FEMSA Reports First Quarter 2005 Results

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MONTERREY, Mexico, April 28 /PRNewswire-FirstCall/ -- Fomento Economico Mexicano, S.A. de C.V. ("FEMSA") (NYSE: FMX; BMV: FEMSAUBD), today announced its operational and financial results for the first quarter of 2005.

Highlights:

- | Consolidated total revenues increased 6.9%. All operating units contributed to our top line growth with over three-fourths of the increase from Oxxo.
- | Consolidated income from operations increased 2.2%, driven mainly by growth from Coca-Cola FEMSA and Oxxo.
- | Coca-Cola FEMSA increased its total sales volume by 1.4% and income from operations by 2.7%. Brazil stands out with a near two-fold increase in its operating margin.
- | FEMSA Cerveza domestic beer sales volume increased 4.0%. On the export front, we are pleased to report that the new commercial agreement with Heineken USA is off to a good start.
- | Oxxo continued its pace of double-digit growth, increasing revenues by 26.1% driven by 97 net new stores and a 8.9% increase in same-store sales.

"2005 started on the right track. I am pleased to report that all of our operations performed well, contributing to top-line and operating income growth. We continue to make progress in our total beverage strategy, leveraging our core operations to become stronger by working closer together."

"We have a solid platform for growth in the right region at the right time. We are determined to move forward, committed to achieving continuous high-quality growth and building long-term value for our shareholders", commented Jose Antonio Fernandez, Chairman and CEO of FEMSA.

To obtain the full text of this earnings release, please visit our Investor Relations website at <http://www.femsa.com/investor> 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 the leading beverage company in Latin America. It controls an integrated beverage platform that comprises the largest Coca-Cola bottler in the region, Coca-Cola FEMSA; the second largest brewer in Mexico and important beer exporter to the United States, FEMSA Cerveza; and Oxxo, the largest and fastest growing convenience store chain in Mexico with over 3,500 stores.

SOURCE FEMSA

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