

FEMSA Announces First Quarter 2020 Results

Monterrey, Mexico, April 30, 2020 — Fomento Económico Mexicano, S.A.B. de C.V. (“FEMSA”) (NYSE: FMX; BMV: FEMSAUBD) announced today its operational and financial results for the first quarter of 2020.

FINANCIAL HIGHLIGHTS:

- 5.5% revenue growth (2.7% on an organic¹ basis) at FEMSA Consolidated
- 30 basis points operating margin expansion at FEMSA Comercio’s Proximity Division
- 19.9% revenue growth (-0.9% on an organic¹ basis) at FEMSA Comercio’s Health Division
- 5.1% volume growth in Coca-Cola FEMSA operations in South America
- Robust balance sheet; positions FEMSA well amid current economic environment

FINANCIAL SUMMARY FOR THE FIRST QUARTER OF 2020				
	Change vs. same period last year			
	Revenues	Gross Profit	Income from Operations	Same-Store Sales
FEMSA CONSOLIDATED	5.5%	7.1%	6.0%	
FEMSA COMERCIO				
Proximity Division	10.6%	15.0%	15.4%	5.5%
Health Division	19.9%	17.4%	21.8%	(6.8%)
Fuel Division	0.0%	4.4%	(24.3%)	(1.5%)
COCA-COLA FEMSA	(1.9%)	(0.9%)	0.3%	

Eduardo Padilla, FEMSA’s CEO, commented:

“Our year got off to a strong start across our business units, but as the magnitude of the COVID-19 emergency became clear in late March, and as measures were taken by governments and adopted by consumers, our focus changed quickly from earnings growth, to risk mitigation and business continuity. While most of the numbers we present today are solid, my greatest recognition goes to our team, across our operations, for reacting and adapting to the rapidly changing environment with high levels of agility and effectiveness. They quickly launched initiatives, defined protocols, adjusted processes and did everything necessary to protect our people, our consumers, our long-term business partners and our company.

As of today, a majority of our business units are being allowed to operate, given their essential nature. Our OXXO stores, drugstores and fuel stations are mostly open, but with increasing restrictions that vary by jurisdiction, and showing clear reductions in traffic that will impact results for as long as these conditions persist. Coca-Cola FEMSA is leveraging its large off-premise customer base and its flexible commercial platforms, but we are seeing some negative mix effects and increasing complexities in what are traditionally contact-intensive customer relationships. And as we all know, there is great uncertainty regarding the duration of the lockdowns and social-distancing policies. However, crisis often breeds opportunity. With that in mind, we are intensifying our digital and technology-driven initiatives across operations, and we will work hard to come out of this a stronger, more humane, more resilient and better positioned company.”

¹ Excludes the effects of significant mergers and acquisitions in the last twelve months.

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 approximately 300,000 employees in 12 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.