



FEMSA

Company Overview

September 2007

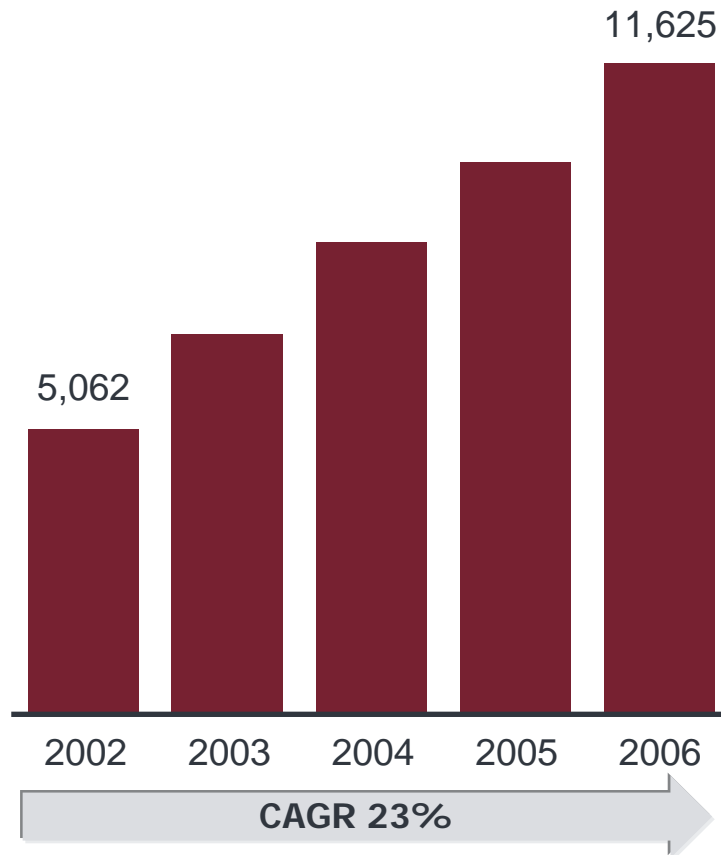
Safe Harbor Statement



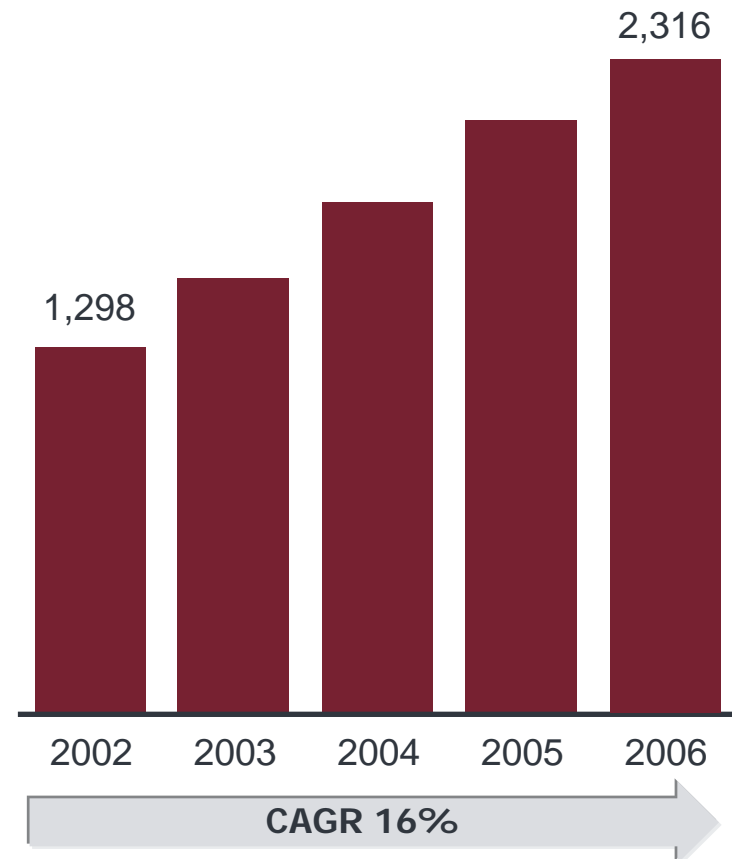
During this presentation management may discuss certain forward-looking statements concerning FEMSA's future performance that should be considered as good faith estimates made by the Company. These forward-looking statements reflect management expectations and are based upon currently available data.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



FEMSA Total Revenue (US\$ million)

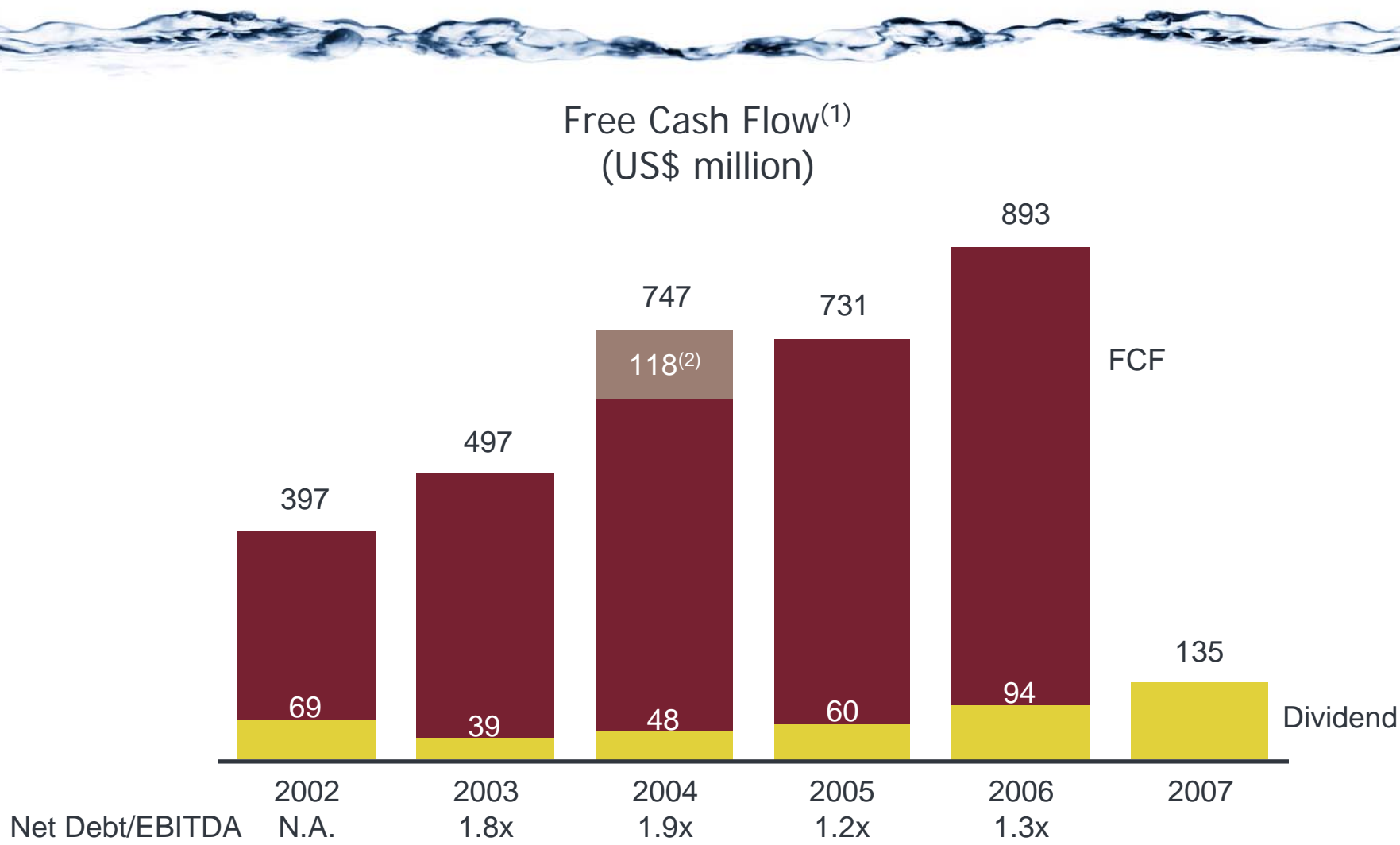


FEMSA EBITDA (US\$ million)



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

Delivering Cash Generation

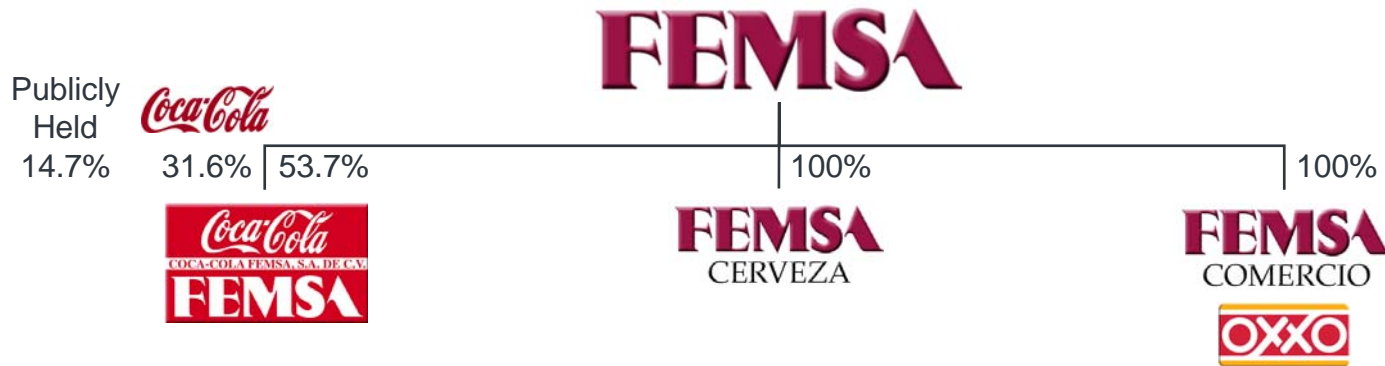


Note: Figures in Mexican pesos converted to US dollars at the respective year-end exchange rate.

⁽¹⁾ Free Cash Flow = EBITDA - (Capex + Taxes + Net Interest Expense) - Change Working Capital.

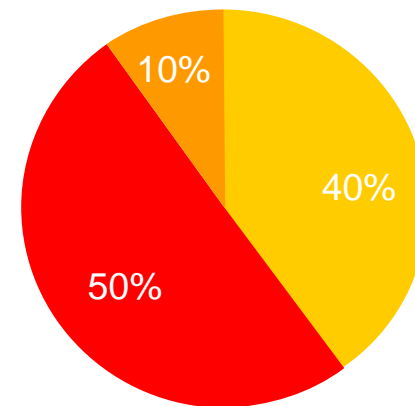
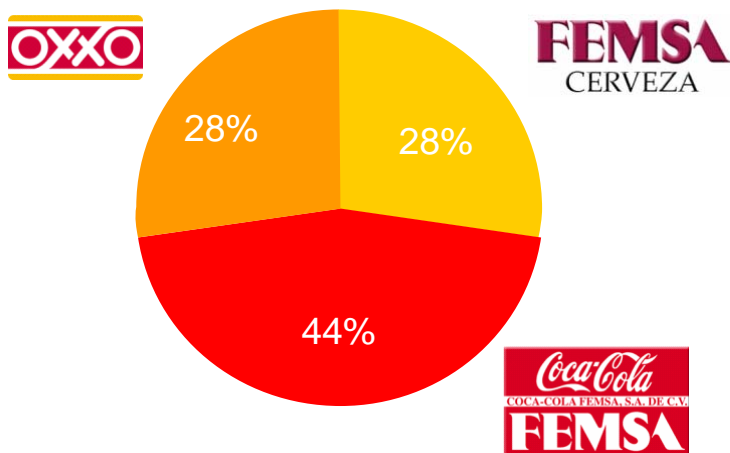
⁽²⁾ Extraordinary Tax Reimbursement.

The Right Business Model...



Total Revenue: US\$ 11,625 million

EBITDA: US\$ 2,316 million



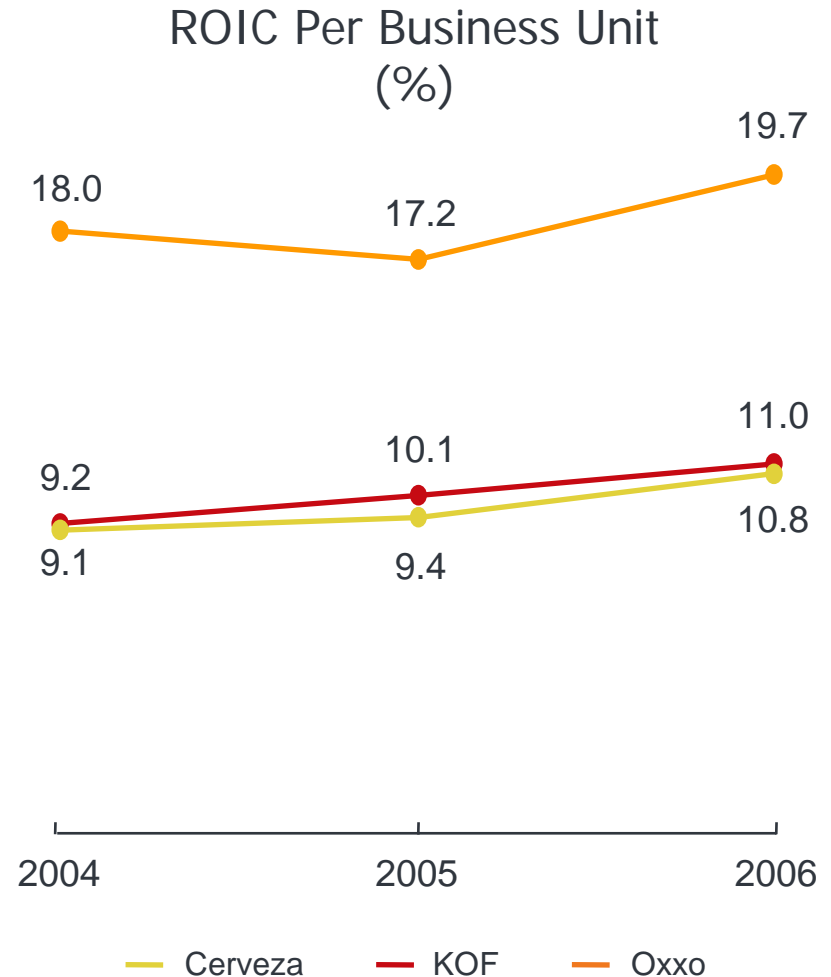
... Best Positioned to Capture Opportunities

- Compete successfully
- New opportunities
 - Beer
 - Soft Drinks
 - Non-Carb Portfolio



Growing ROIC is the Ultimate Objective

- Evolve business model
- Manage complexity
- Ability to execute
- Deploy investment
- Anticipate trends





FEMSA
CERVEZA

Significant Player in Three Top Beer Markets

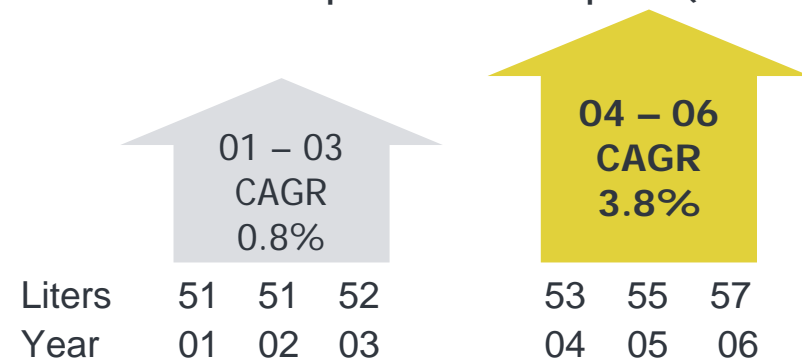
- 
- **Mexico**
 - Three consecutive years gaining share
 - Brand health indicators at all-time high
 - Top-line driven earnings growth model
 - **United States**
 - Double-digit volume growth
 - Greater emphasis on brand development
 - **Brazil**
 - Business turnaround on track
 - Long-term profitable growth objective

Mexico: Steady Growth and Robust Structure

Initiatives

- Innovation
- Greater segmentation
- Improved execution

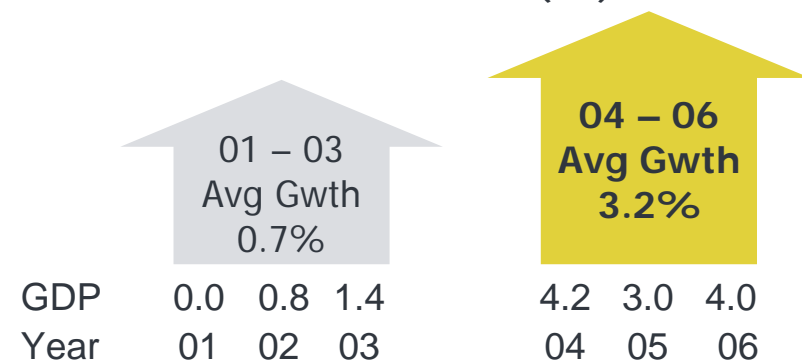
Beer Consumption Per Capita (Liters)



Outcome

- Accelerated growth
- Increasing relevance
- Higher barriers to entry

GDP Growth (%)



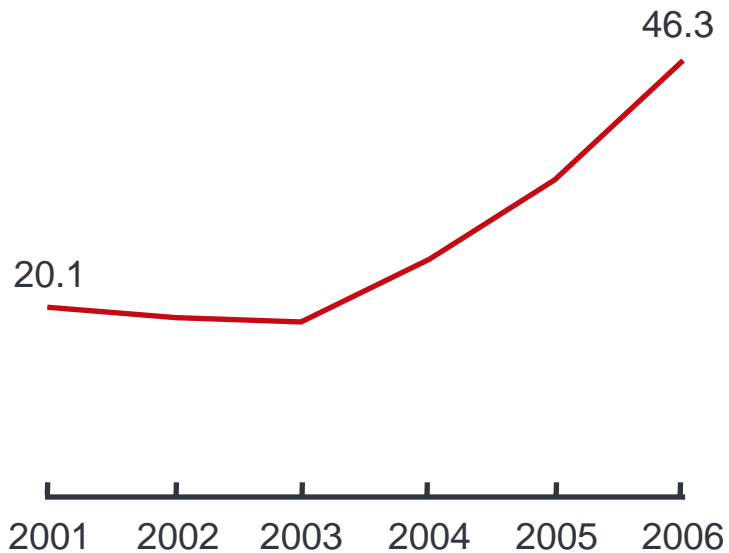
Note: Beer Consumption per Capita from Mexican Institute of Statistics and FEMSA Cerveza's estimates.
 GDP Growth % based on constant price GDP year-on-year changes from International Monetary Fund, World Economic Outlook Database, September 2006 and Analyst Estimations for 2007.

Improved Brand Preference: *Tecate Light*

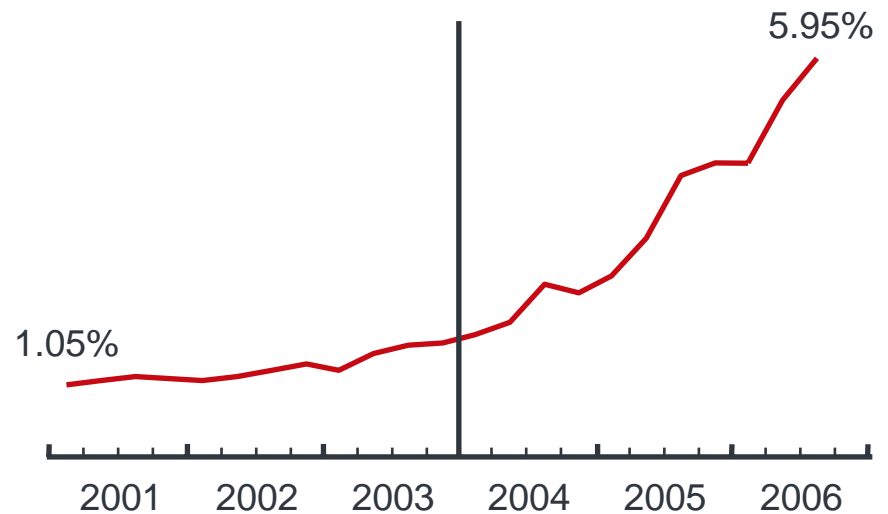
- Consumer preference research → brand repositioning
- High marketing impact
- Leader in light category



Brand Value Index



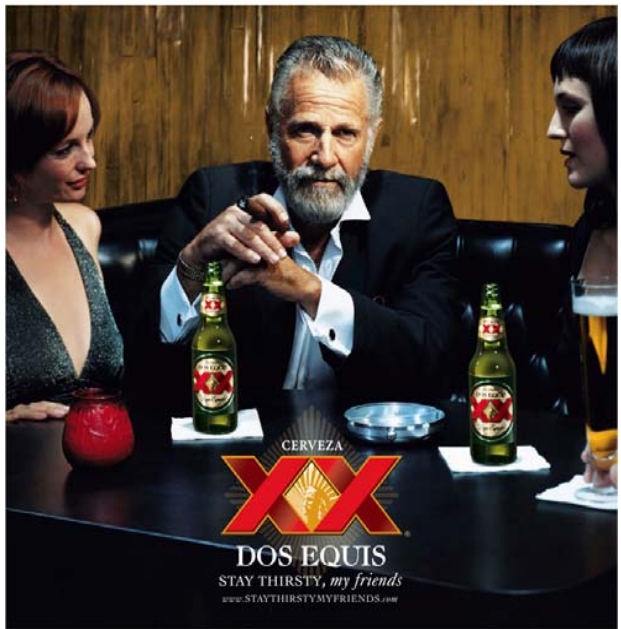
% Share in Domestic Market



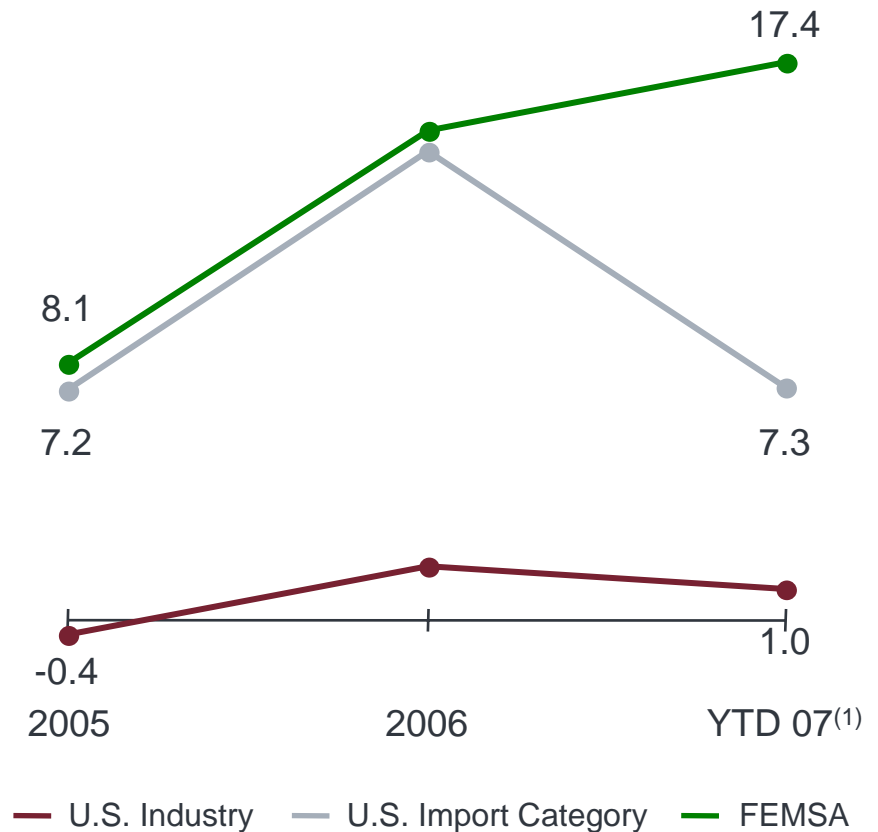
Exports to USA: New Ten-Year Agreement with Heineken USA

2007 Focus

- *Dos Equis* increased visibility
- *Tecate Light* launch in Southwest



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



(1) Information YTD as of June 30, 2007

Source: U.S. Beer Industry data from The Beer Institute

Note: U.S. represents just over 90% of FEMSA's Exports.

Brazil: Taking Steps in the Right Direction

Stated objectives set at acquisition

- Revert sharp market share loss trend
- Adjust brand portfolio
- Stabilize financial losses, achieve EBIT breakeven in 2007

Current Status and Expectations

- Volume growth of 11.4% YTD, above industry
- New *So/* brand approaching 10% of our mix
- *Kaiser* brand growing steadily
- On track to reach objective





Grow, Build, Operate



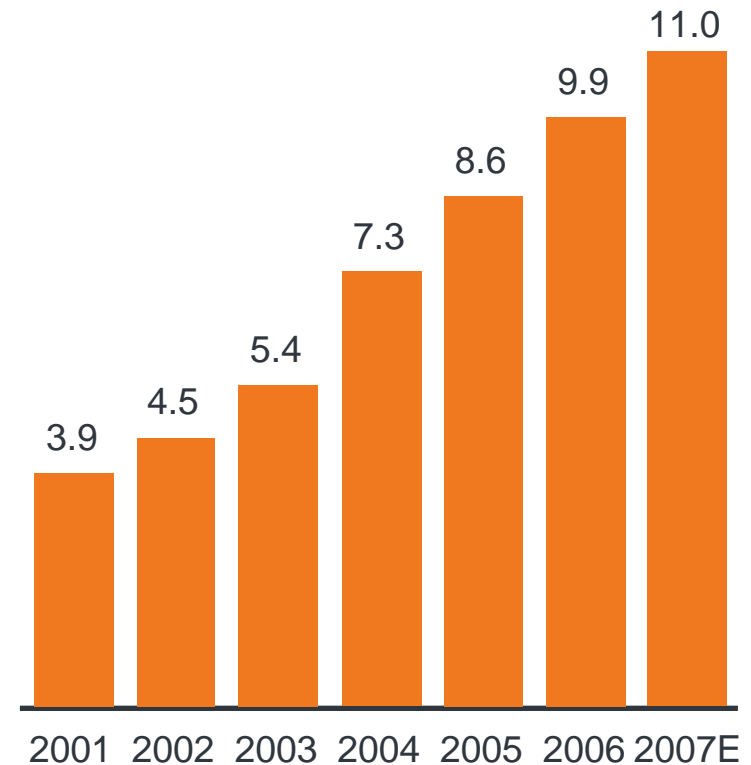
Real EBIT growth approaching 30%

- Surpassed 5,000 stores in 2Q07
- +700 new stores per year
- Creating new profit streams
- Expanding margins

Building infrastructure

- Direct distribution
- Information systems
- Store segmentation

% of FEMSA Cerveza Domestic Beer Sales in Oxxo



Plenty of Room for Growth



12,000 Oxxo's by 2015

Oxxo Penetration Level by Population



Building a Strong Infrastructure



Distribution

Technology

Segmentation





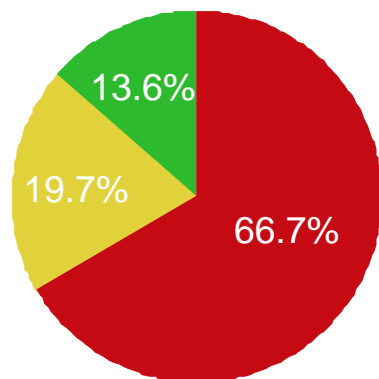
Coca-Cola^{MR}

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

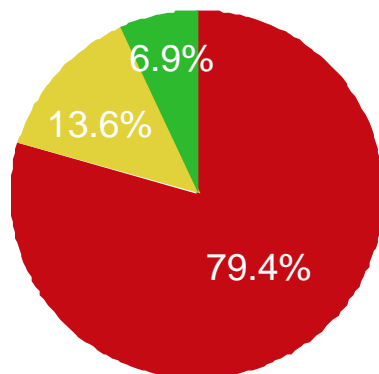
FEMSA^{MR}

Increasing Geographic Diversification

1st Year Panamco 2003⁽¹⁾

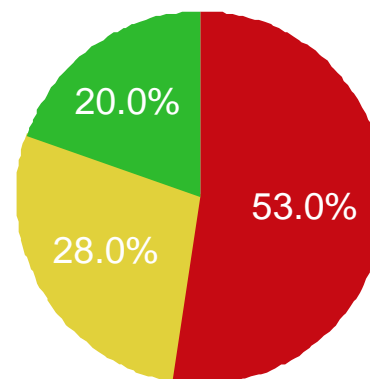


Total Revenue: US\$ 3,192 million

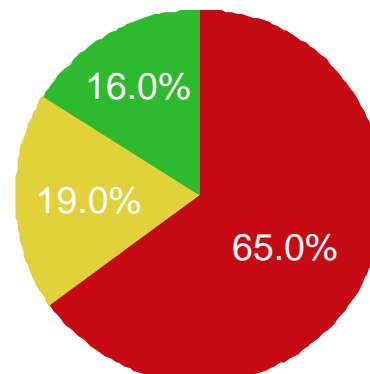


EBITDA: US\$ 742 million

2006⁽²⁾



US\$ 5,346 million



US\$ 1,131 million

■ Mexico
 ■ Latincentro
 ■ Mercosur

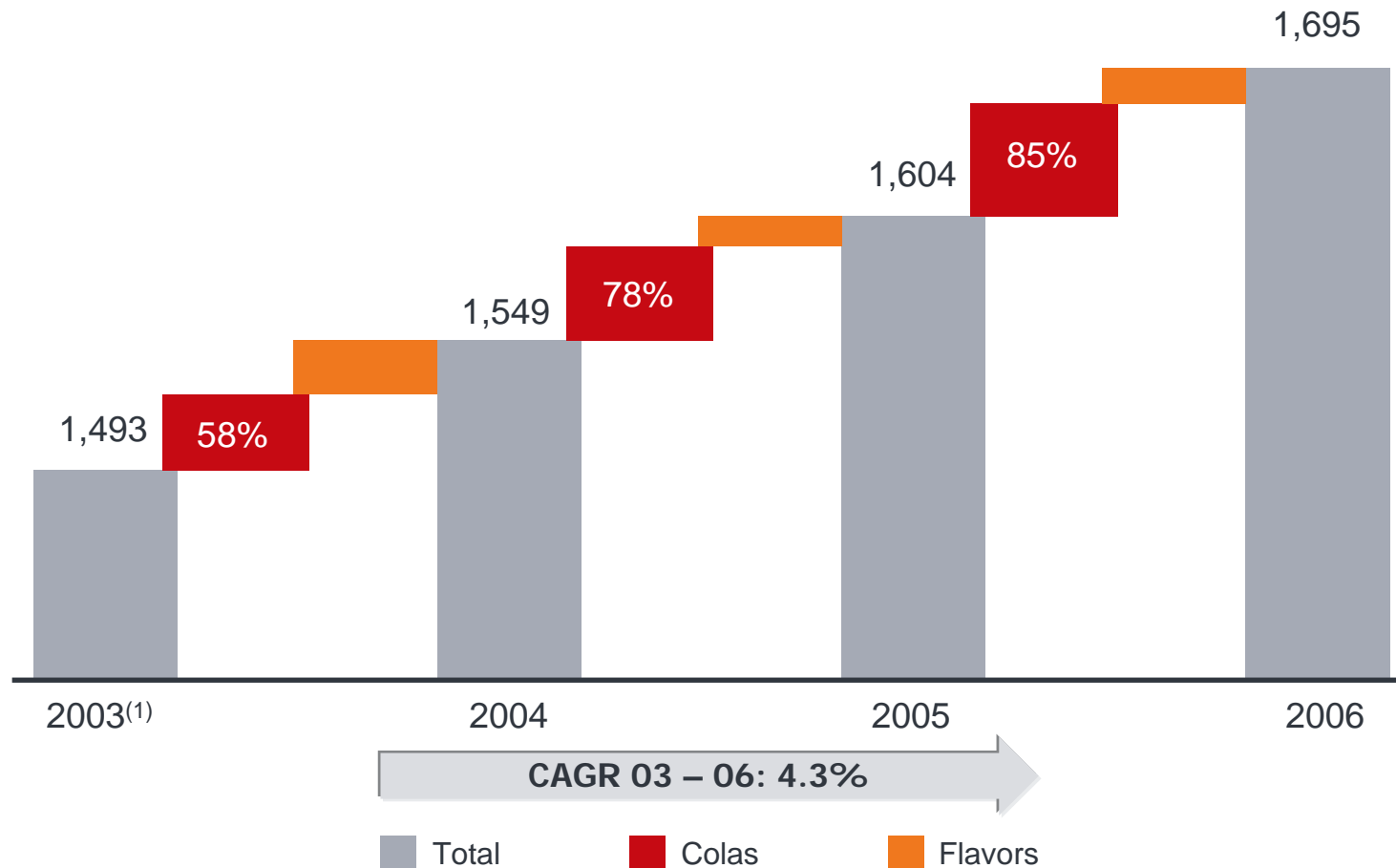
⁽¹⁾ 2003 Total Revenues and EBITDA includes 9 months of Panamco territories and 12 months of original territories. Figures converted to US\$ using exchange rate of Ps. 11.2356 per dollar.

⁽²⁾ Figures converted to US\$ using exchange rate of Ps. 10.7995 per dollar.

Carbonated Beverages Growth Driven By Brand *Coca-Cola...*



CSDs Sales Volume
(mm UC)



⁽¹⁾ Includes full-year sales volume of our original territories and our new territories acquired from Panamco.

... Adding Momentum with *Coca-Cola ZERO*

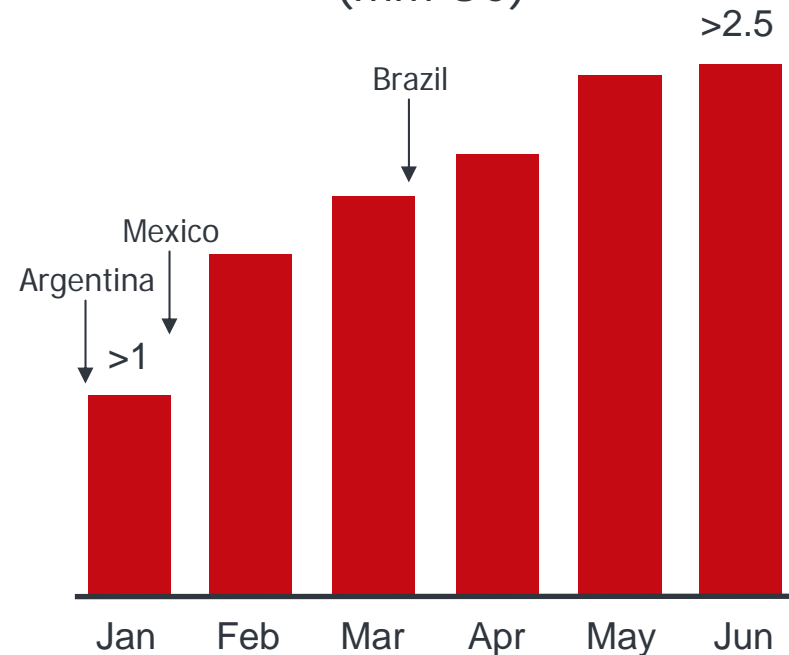


Contributing with more than 25% of incremental sales volume on a consolidated basis in 2Q07

- Successfully launched in Argentina, Mexico and Brazil
- Reaching almost 2% of consolidated CSD volume in 2Q07
- Developing a “Three-tier Cola strategy”
- Bringing new consumers to the category



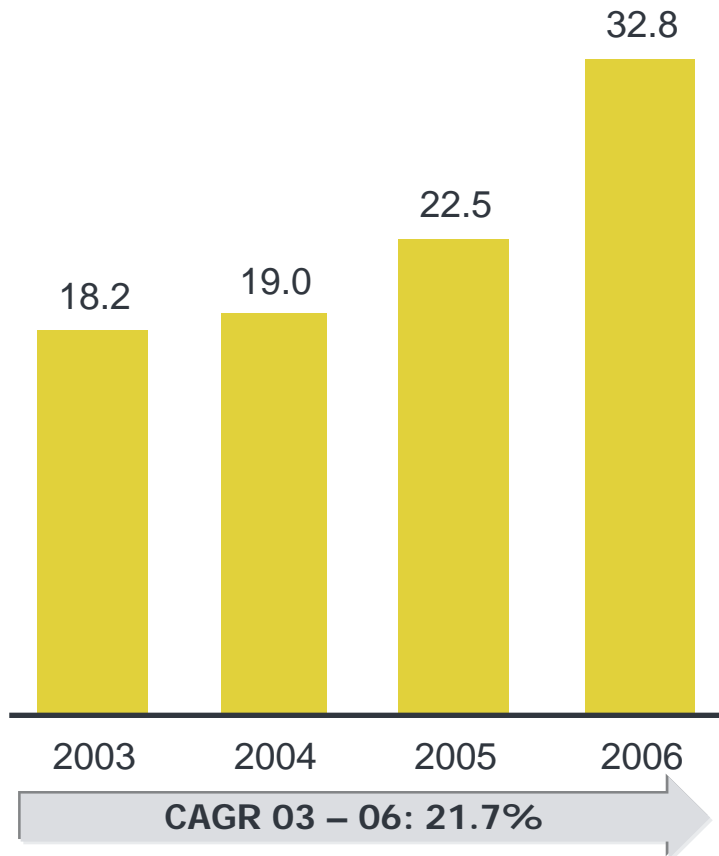
Coca-Cola ZERO Sales Volume (mm UC)



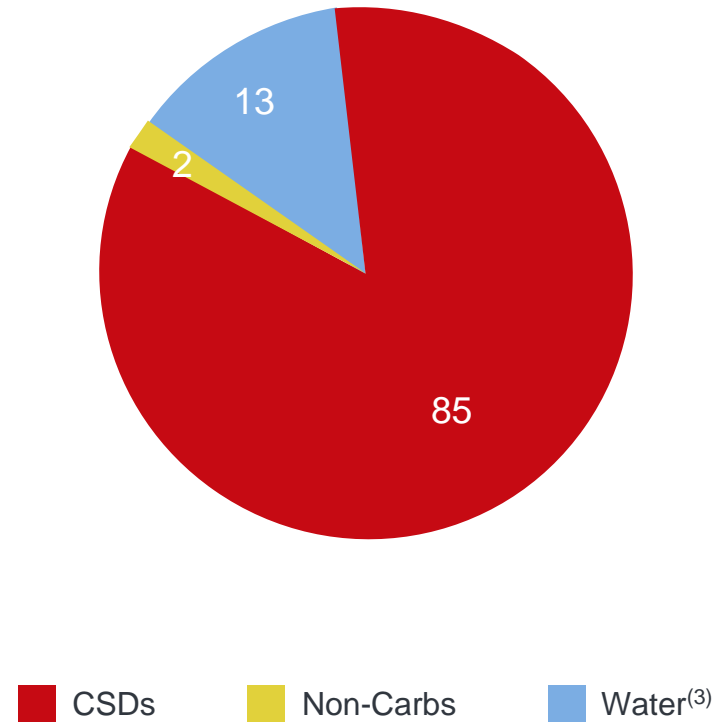
Non-Carbonated Beverages Offer Greatest Potential



Non-Carbs Sales Volume⁽¹⁾ (mm UC)



% of Total Volume⁽²⁾



⁽¹⁾ Excludes non-flavored water and water in jug presentations

⁽²⁾ For the year 2006.

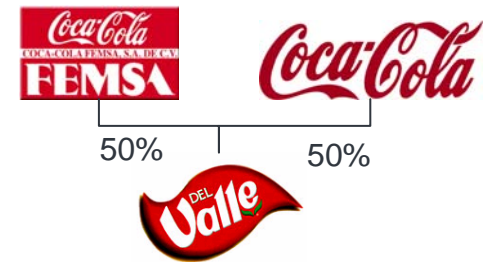
⁽³⁾ Includes water in jug presentations.

New Joint Venture for Non-Carbs with Jugos del Valle



Mexican Antitrust Commission recently announced its decision to approve the acquisition, subject to certain conditions that we anticipate will be acceptable

- Provide KOF leadership in Non-Carbs
 - #1 in Brazil and #2 in Mexico packaged juice
- Increase top line and boost profitability
- Capture synergies across value chain
- Leverage distribution network in Mexico and Brazil
- Future participation of other bottlers in JV



Agreement with The Coca-Cola Company to acquire REMIL bottler



- Located in Minas Gerais which includes Belo Horizonte, third largest city in Brazil
- Expect to close transaction during 1Q08
- Aggregate value US\$ 380 MM, 3.8x per unit case
- Increase presence in growing Brazilian market by more than a third



 KOF Brazil

 REMIL

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

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

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
FEMSA Consolidated										
Income From Operations	440	479	627	736	948	907	1,078	1,238	1,455	1,599
Depreciation	124	121	175	202	204	209	233	271	387	372
Amortization and Other	<u>107</u>	<u>115</u>	<u>143</u>	<u>170</u>	<u>177</u>	<u>181</u>	<u>232</u>	<u>302</u>	<u>260</u>	<u>344</u>
EBITDA	670	715	946	1,108	1,329	1,298	1,543	1,812	2,103	2,316
FEMSA Cerveza										
Income From Operations	282	281	368	372	414	390	379	426	500	544
Depreciation	79	75	99	111	123	128	126	132	138	152
Amortization and Other	<u>35</u>	<u>60</u>	<u>81</u>	<u>111</u>	<u>126</u>	<u>153</u>	<u>166</u>	<u>182</u>	<u>200</u>	<u>218</u>
EBITDA	396	416	548	593	663	670	671	740	838	913
Coca-Cola FEMSA										
Income From Operations	150	161	217	305	468	425	597	691	811	869
Depreciation	33	34	58	71	70	50	86	111	122	138
Amortization and Other	<u>60</u>	<u>48</u>	<u>56</u>	<u>52</u>	<u>34</u>	<u>41</u>	<u>59</u>	<u>97</u>	<u>114</u>	<u>116</u>
EBITDA	243	243	330	428	572	515	742	899	1,047	1,124
FEMSA Comercio										
Income From Operations	7	9	24	29	33	47	62	82	118	147
Depreciation	3	4	5	7	8	9	12	19	30	38
Amortization and Other	<u>4</u>	<u>5</u>	<u>4</u>	<u>6</u>	<u>8</u>	<u>9</u>	<u>12</u>	<u>21</u>	<u>26</u>	<u>34</u>
EBITDA	14	18	33	42	49	64	85	122	174	219

Note: All other annual figures are converted into US\$ for the respective year end exchange rate.