



FEMSA Concludes Divestiture of its Cardboard Subsidiary

MONTERREY, Mexico--(BUSINESS WIRE)--June 1, 2000--Fomento Economico Mexicano, S.A. de C.V. (NYSE:FMX) (BMV:FEMSA UBD) ("FEMSA") today announced that its subsidiary FEMSA Empaques, S.A. de C.V. ("FEMSA Empaques") has concluded the sale of its subsidiary Corrugados Tehuacan, S.A. de C.V. ("Cotesa") a manufacturer of corrugated boxes, to Willamette Industries, North America, S.A. de C.V., a subsidiary of Willamette Industries Inc.

The price paid was \$70,090,000 dollars.

The ceremony was attended by Duane McDougall, chief executive officer and president; Greg W. Hawley, chief financial officer; William P. Kinnune, executive vice president; and Mario Coll, vice president of Willamette Industries Inc.; and by Jose Antonio Fernandez, chief executive officer of FEMSA and Eduardo Padilla, CEO of FEMSA's Strategic Business Division.

The net proceeds received from this transaction will be used to pay down FEMSA Empaques' debt.

Willamette Industries is an integrated forest products company with 103 plants, located in the U.S., France, Ireland and Mexico. The company owns 1.7 million acres of forestland in the U.S. and manages it sustainably to produce building materials, composite wood panels, fine paper, office paper products, corrugated packaging and grocery bags.

FEMSA is Mexico's largest beverage company with exports to the United States, Canada and selected countries in Latin America, Europe and the Far East. Founded in 1890 and with headquarters in Monterrey, Mexico, FEMSA is strategically integrated and operates through the following subsidiaries: FEMSA Cerveza, which produces and distributes name brands of beer such as Tecate, Carta Blanca, Superior, Sol, XX Lager, Dos Equis and Bohemia; Coca-Cola FEMSA, one of two "Anchor Bottlers" for The Coca-Cola Company in Latin America, which produces and distributes soft drinks including Coca-Cola, Coca-Cola Light, Sprite, Fanta and Quatro; FEMSA Empaques, which supports the beverage operations by producing beverage cans, glass bottles, crown caps, labels, commercial refrigerators, and serves third party clients throughout the Americas; FEMSA Comercio, which operates OXXO, Mexico's most extensive chain of convenience stores; and FEMSA Logistica, which provides logistics management services to affiliate companies, and recently to third party clients.

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