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FEMSA REPORTS THIRD QUARTER 1999 AND FIRST NINE MONTHS 1999 RESULTS

CONSOLIDATED OPERATING MARGIN FOR THE THIRD QUARTER OF 1999 IMPROVES BY 0.8 PERCENTAGE POINTS TO REACH 16.3%

Monterrey, Mexico (October 27, 1999) — Fomento Económico Mexicano S.A. ("FEMSA" or the "Company") (NYSE: FMX) reported today consolidated net sales of Ps. 9.365 billion for the third quarter and Ps. 27.178 billion for the first nine months ended September 30, 1999, an increase of 3.4% and 4.8%, respectively, over the comparable periods last year. Consolidated revenue growth was driven by revenue growth in three of FEMSA's principal divisions – FEMSA Cerveza, Coca-Cola FEMSA and FEMSA Comercio. Revenue growth in the beverage divisions is primarily a consequence of volume growth and stronger pricing experienced by FEMSA Cerveza and Coca-Cola FEMSA's Mexican operations. In the retail division, revenue growth is attributable to same store sales growth and an increase in the number of stores.

The Company recorded consolidated operating income of Ps. 1.533 billion for the third quarter and Ps. 4.090 billion for the first nine months of 1999, an increase of 8.2% and 8.4%, respectively, each over the comparable periods last year. The Company registered an operating margin for the third quarter of 1999 of 16.3%, a 0.8 percentage point improvement over the 15.5% operating margin achieved in the third quarter of 1998. The Company's operating margin for the first nine months of 1999 reached 15.0%, 0.5 percentage points above the first nine months of 1998.

José Antonio Fernández, chief executive officer of the Company, stated, "Once again, our efforts to continue improving the profitability of our businesses have yielded satisfactory results, reflecting a benign economic environment for our beverage and retail operations in Mexico and the notable efforts undertaken by FEMSA Empaques to mitigate the effect of the appreciation of the Peso on FEMSA Empaques' profitability, through cost reduction and efficiency measures. We believe we have advanced significantly in defining the strategic role for each of our businesses and continue to direct our efforts to the creation of sustained competitive advantages which we believe will lead to greater value creation for our shareholders."

Net majority income increased by 563.2% to Ps. 756 million for the third quarter of 1999 and by 364.6% to Ps. 2.123 billion for the first nine months of 1999, each compared to the same period last year. Earnings per FEMSA Unit for the third quarter and for the first nine months of 1999 amounted to Ps. 0.708 and Ps. 1.987, respectively. Earnings per ADR for the third quarter and for the first nine months of 1999 amounted to US$ 0.797 and US$ 2.125, respectively.

UNAUDITED FINANCIAL RESULTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 1999 COMPARED TO THE THIRD QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 1998

Set forth below is certain unaudited financial information for Fomento Económico Mexicano, S.A. de C.V. ("FEMSA" or the "Company") (NYSE: FMX) for the third quarter and nine months ended September 30, 1999, compared to the third quarter and nine months ended September 30, 1998. FEMSA is a holding company whose principal activities are grouped under the following six sub-holding companies (the "Subholding Companies") and carried out by their respective operating subsidiaries: FEMSA Cerveza, S.A. de C.V. ("FEMSA Cerveza"), which engages in the production, distribution and marketing of beer; Coca-Cola FEMSA, S.A. de C.V. ("Coca-Cola FEMSA"), which engages in the production, distribution and marketing of soft drinks; FEMSA Empaques, S.A. de C.V. ("FEMSA Empaques"), which engages in the production and distribution of packaging materials; FEMSA Comercio, S.A. de C.V. ("FEMSA Comercio"), which engages in the operation of convenience stores; Desarrollo Comercial FEMSA, S.A. de C.V. ("DCF"), which owns 50.01% of the voting capital stock of Empresas Amoxxo, S.A. de C.V. ("Amoxxo"), which operates convenience stores adjacent to gasoline stations; and FEMSA Logística, S.A. de C.V. ("FEMSA Logística"), which provides logistics management services to FEMSA Cerveza, Coca-Cola FEMSA, FEMSA Empaques and, recently, third party clients.

All of the figures in this report have been restated in constant Mexican pesos ("Pesos" or "Ps.") with purchasing power as of September 30, 1999 and were prepared in accordance with Mexican generally accepted accounting principles ("Mexican GAAP"); therefore, all the percentage changes are expressed in real terms. The restatement was determined as follows:

— For the results of the Mexican operations, using factors derived from the Mexican National Consumer Price Index.

— For the results of the Buenos Aires operations, using factors derived from the Argentine National Consumer Price Index and converting constant Argentine pesos into Pesos, based on the September 30, 1999 exchange rate of Ps. 9.3390 per Argentine peso.

Unaudited Financial Results for the Third Quarter ended September 30, 1999 compared to the Third Quarter ended September 30, 1998

FEMSA Consolidated

Total Revenues/Net Sales

FEMSA's consolidated total revenues increased by 3.2% to Ps. 9.391 billion and consolidated net sales increased by 3.4% to Ps. 9.365 billion. FEMSA's consolidated net sales growth was primarily driven by net sales growth experienced by FEMSA Cerveza and Coca-Cola FEMSA´s Mexican operations, as well as significant net sales growth recorded by FEMSA Comercio. Coca-Cola FEMSA's Buenos Aires operations and FEMSA Empaques experienced a decline in net sales in the third quarter. The decline in net sales for Coca-Cola FEMSA's Buenos Aires operations reflects a decline in the average unit case price in such market. FEMSA Empaques experienced a decline in net sales primarily reflecting the effect of the appreciation of the Peso against the US dollar on FEMSA Empaques' dollar-denominated sales, as well as volume declines in certain products.

NET SALES GROWTH	**3 Qtr 99 vs 3 Qtr 98**
FEMSA Consolidated	3.4%
FEMSA Cerveza	6.8%
Coca-Cola FEMSA	3.0%
FEMSA Empaques	(7.8%)
FEMSA Comercio	17.6%

Gross Profit

FEMSA's consolidated gross profit increased by 9.6% to Ps. 4.628 million, representing a consolidated gross profit margin of 49.4%, an increase of 2.8 percentage points. All of FEMSA´s principal Subholding Companies realized gross margin expansion during the quarter reflecting the effect of (i) volume leverage on a relatively stable fixed cost structure and (ii) the appreciation of the Peso against the US Dollar which resulted in lower variable costs. The appreciation of the Peso against the US dollar for the last twelve months was 8.2% compared to an inflation rate of 15.8% over the same period.

Income from Operations

CHANGE IN INCOME FROM OPERATIONS **Before management fees**	**3 Qtr 99 vs 3 Qtr 98**
FEMSA Consolidated	8.2%
FEMSA Cerveza	11.5%
Coca-Cola FEMSA	4.3%
FEMSA Empaques	(6.6%)
FEMSA Comercio	54.9%

FEMSA's consolidated operating expenses (including goodwill amortization) increased by 10.1% to Ps. 3.120 billion. As a percentage of total revenues, consolidated operating expenses increased by 2.0 percentage points to 33.2%, primarily reflecting the increase in operating expenses recorded by FEMSA Cerveza. Some of FEMSA's subsidiaries pay management fees to FEMSA in consideration for corporate services provided by FEMSA to such subsidiaries. Management fees paid by FEMSA's subsidiaries to FEMSA are eliminated in consolidation and thus have no effect on FEMSA's consolidated operating expenses, with the exception of the management fee paid by FEMSA Cerveza to Labatt Brewing Company Limited ("Labatt"), which amounted to Ps. 21 million for the third quarter of 1999. FEMSA's consolidated income from operations (after participation in the results of affiliated companies) increased by 8.2% to Ps. 1.533 billion, driven primarily by the increase in income from operations recorded by FEMSA Cerveza, Coca-Cola FEMSA and FEMSA Comercio. FEMSA's consolidated operating margin increased by 0.8 percentage points to 16.3% of consolidated total revenues.

Net Income

FEMSA's consolidated net income increased by 283.8% from Ps. 266 million recorded in the third quarter of 1998 to Ps. 1.02 billion in the third quarter of 1999. The increase in net income was driven by (i) an 8.2% increase in the consolidated income from operations, (ii) a 94.0% decline in the consolidated integral result of financing mainly reflecting a decline in foreign exchange loss and (iii) a reduction of 60.7% in other expenses. The term “integral result of financing” refers to the combined financial effects of (i) net interest expense or interest income, (ii) net foreign exchange gains or losses and (iii) net gains or losses on monetary position.

In the third quarter of 1999, FEMSA recorded consolidated integral result of financing expense of Ps. 51 million, compared to a consolidated integral result of financing expense of Ps. 854 million for the comparable period in 1998. During the third quarter of 1999, consolidated net financial expense decreased by 41.0% to Ps. 111 million compared to the third quarter of 1998. This decrease reflects the net effect of (i) a 33.6% decline in interest expense reflecting a decline of approximately US$114 million in the consolidated average debt balance of the Company during the third quarter of 1999 compared with the third quarter of 1998 and the effect of the real appreciation of the Peso against the U.S. dollar on interest payments on dollar-denominated debt; and (ii) a decrease of 21.6% in interest income resulting from lower interest rates earned on Peso investments relative to the third quarter of 1998. Notwithstanding the 0.16% appreciation of the Peso in the third quarter of 1999 compared with a 13.8% depreciation in the third quarter of 1998, FEMSA recorded a consolidated foreign exchange loss of Ps. 4 million reflecting the losses generated by dollar exchange forward contracts which amounted to approximately Ps. 56 million for the third quarter of 1999. See “Unaudited Financial Results for the Nine Months Ended September 30, 1999 compared to the Nine Months Ended September 30, 1998 —FEMSA Consolidated Net Income. The gain on monetary position amounted to Ps. 64 million, a decline of 72.2%, primarily reflecting a lower inflation rate in the third quarter of 1999 compared to the third quarter of 1998.

FEMSA and its subsidiaries recognized consolidated income tax, tax on assets and employee profit sharing of Ps. 417 million, an increase of 125.4%. The increase in consolidated income tax, tax on assets and employee profit sharing resulted from (i) the increase in taxable income, (ii) the fiscal consolidation effect, which generated an incremental tax payment for FEMSA, reflecting the fact that the Subholding Companies began applying their respective net operating loss carryfowards, which had been previously utilized by the holding company, to offset their fiscal profits. The Company’s average tax rate for the third quarter of 1999 was 29.0% compared to an average tax rate of 41.0% for the same period in 1998.

Consolidated net majority income amounted to Ps. 756 million for the third quarter of 1999 compared with Ps. 114 million recorded in the third quarter of 1998. Net majority income per FEMSA UBD unit[1] amounted to Ps. 0.708 compared with Ps. 0.107 for the same period last year.

3 QTR	**Per FEMSA Unit[1]**		**Per ADR[2]**	
	Pesos		U.S. dollars[3]	
	1999	**1998**	**1999**	**1998**
Net Majority Income	0.708	0.107	0.797	0.073
EBITDA[4]	2.070	1.916	2.326	1.452

[1]FEMSA Units consists of FEMSA UBD units and FEMSA UB units. Each FEMSA UBD unit is comprised of one Series B share, two Series D-B shares and two Series D-L shares. Each FEMSA UB unit is comprised of five series B shares. The number of FEMSA Units outstanding as of September 30, 1999 was 1,068,268,090, equivalent to the total number of shares of the Company outstanding as of September 30, 1999 divided by 5.

[2] Each ADR is comprised of 10 FEMSA UBD units. To calculate the net majority income and EBITDA on an equivalent per ADR basis, the number of ADRs used was 106,826,809, equivalent to the number of FEMSA Units outstanding as of September 30, 1999 divided by 10.

[3] For purposes of calculating the variation in U.S. dollars, the 1999 Peso figures were converted into U.S. dollars by applying the Federal Reserve Bank of New York noon buying rate (the “noon buying rate”) as of September 30, 1999 of Ps. 9.352 per U.S. dollar. The 1998 Peso figures were converted into U.S. dollars by applying the noon buying rate as of September 30, 1998 of Ps. 10.196 per U.S. dollar.

[4] EBITDA is calculated as income from operations plus depreciation and amortization plus non-cash charges. Please note that the U.S. Securities and Exchange Commission does not endorse the use of EBITDA. However, FEMSA’s management has chosen to present EBITDA because it believes it is a useful measure.

FEMSA Cerveza

Net Sales

FEMSA Cerveza's net sales increased by 6.8% to Ps. 3.935 billion primarily reflecting a 2.9% increase in total shipments. FEMSA Cerveza's domestic shipments increased by 1.8% to 5.689 million hectoliters, below the industry's growth rate of 3.1%. Management attributes FEMSA Cerveza's slower growth relative to the industry to slower growth experienced by northern Mexico (where FEMSA Cerveza holds a dominant market share) regions of the country as a result of (i) less favorable weather conditions prevailing in such region during the third quarter of 1999 and (ii) stronger growth recorded by the Northern regions in the third quarter of 1998, relative to other regions in the country. The percentage of domestic beer shipments sold in can presentations continued to increase, reaching 17.2% in the third quarter of 1999, compared to 16.4% in the third quarter of 1998.

OPERATING HIGHLIGHTS	
% Change	**3 Qtr 99 vs 3 Qtr 98**
Domestic Volume	1.8%
Export Volume	18.0%
Total Volume	2.9%
Net Sales	6.8%
Income from Operations	11.5%

Export shipments grew by 18.0% to 452 thousand hectoliters. Shipments to North America including Canada, increased by 27.1% and accounted for 91.0% of FEMSA Cerveza's export shipments. Although most of the growth in the United States continues to be driven by XX Lager and Tecate, the roll-out of Sol continues in progress with very satisfactory results in the Southern California market, in the principal cities of Texas, and in Denver, Colorado. FEMSA Cerveza has also strengthened its export efforts to Canada, supported by Labatt´s distribution network in such market. The principal brand exported to the Canadian market is Sol. Export revenues increased by 2.2% to Ps. 290 million and in U.S. dollar terms, export revenues increased by 21.3% to US$ 30.7 million.

Gross Profit

FEMSA Cerveza's cost of goods sold decreased by 1.1% to Ps. 1.8 billion and recorded gross profit growth of 15.1% to Ps. 2.161 billion. The gross profit margin increased by 3.9 percentage points to 54.9% of net sales as a result of (i) a decline in variable costs primarily reflecting the effect of the appreciation of the Peso against the U.S. dollar on dollar-denominated packaging materials and imported grains (ii) continued savings in freight costs and (iii) volume leverage on a relatively stable fixed-cost structure.

MARGINS		
	3 Qtr 99	3 Qtr 98
Gross margin	54.9%	51.0%
Operating margin before management fees	19.8%	19.0%

Income from Operations

FEMSA Cerveza's operating expenses increased by 16.3% to Ps. 1.402 billion, representing 35.4% of total revenue, compared to 32.6% of total revenue for the third quarter 1998. Administrative expenses increased by 11.5% reflecting (i) higher investment in information technology, (ii) an increase in wages and salaries as a result of the staffing process for projects targeted at improving the commercial practices and processes and (iii) consulting fees. Selling expenses increased by 17.8%, reflecting (i) a shift in seasonal spending from the second quarter of 1999 to the third quarter of 1999, as compared to last year, when most of the seasonal spending took place during the second quarter of 1998, (ii) an increase in media expenditures due to the launching of television campaigns for two major brands in the third quarter of 1999 and (iii) increased commercial expenditures, primarily in connection with FEMSA Cerveza's brand-building efforts, increased retail coverage and higher investments in domestic sponsorships. FEMSA Cerveza's income from operations, after participation in the results of Labatt USA and before deduction of management fees paid to FEMSA and to Labatt, increased by 11.5% to Ps. 784 million. FEMSA Cerveza's operating margin before management fees was 19.8% compared to 19.0% recorded for the same period last year.

Coca-Cola FEMSA

Net Sales

Coca-Cola FEMSA recorded net sales growth of 3.0% to Ps. 3.362 billion. Net sales growth is primarily attributable to volume growth in the combined Mexican and Buenos Aires Territories and a slight improvement in the average price per unit case in Mexico. Net sales growth for the Mexican Territories amounted to 7.0% to Ps. 2.533 billion reflecting volume growth of 5.5% and a slight increase in average revenue per case, as a consequence of selected price increases in the Mexican Territories implemented during the third quarter. Despite volume growth of 2.1% obtained in the Buenos Aires Territory, net sales decreased by 7.6% to Ps. 829 million in such territory, reflecting a decline in average revenue per case of 9.9% in Argentine pesos.

VOLUME GROWTH 3 Qtr 99 vs 3 Qtr 98	
	Total
Valley of Mexico	5.5%
Southeast	2.4%
Buenos Aires (including Pilar area)	2.1%

Gross Profit

Coca-Cola FEMSA's cost of goods sold decreased by 0.1% to Ps. 1.783 billion and recorded a gross margin expansion of 1.4 percentage points to 47.3% of net sales. The Mexican operations experienced gross margin expansion despite the more expensive packaging content of the non-returnable presentations and higher depreciation associated with the Toluca plant, reflecting the effect of the appreciation of the Peso against the U.S. dollar on the costs of dollar-denominated packaging materials, as well as lower per unit costs of certain raw materials. The Buenos Aires operations also experienced gross margin expansion primarily reflecting cost savings on certain raw materials and continued improvement in asset utilization. In addition, during the third quarter of 1999, Coca-Cola FEMSA Mexico charged most of the amortization expenses related to the write-off of plant equipment to the cost of goods sold. Prior to September 1999, such amortization was recorded as other expenses, below the operating income line. Retroactive for the first and second quarter of 1999, all asset write-offs have now been recorded above the operating income line. This reclassification decreased operating profit for the third quarter of 1999 by Ps. 12.1 million and by Ps. 46.3 million for the first nine months of 1999. Although the reclassification will decrease income from operations, it is a non-cash expense and thus will not affect Coca-Cola FEMSA´s EBITDA or net income.

MARGINS		
	3 Qtr 99	3 Qtr 98
Gross margin	47.3%	45.9%
Operating margin	13.7%	13.5%

Income from Operations

Operating expenses increased by 7.4% to Ps. 1.102 billion. As a percentage of total revenues, operating expenses increased by 1.4 percentage points to 32.6%. The increase in operating expenses is primarily a result of an increase in administrative expenses experienced in both the Mexican and the Buenos Aires operations, primarily reflecting the on-going implementation of information technology systems throughout Coca-Cola FEMSA's operations. Selling expenses increased by 0.1 percentage points as a percentage of total revenues to 25.0% compared to the third quarter of 1998. Income from operations after amortization of goodwill increased by 4.3% to Ps. 461 million. Coca-Cola FEMSA's operating margin increased by 0.2 percentage points to 13.7% of total revenues.

As part of its strategic plan, the Company will consider from time to time the possibility of acquiring additional bottler territories where such opportunities develop and when they fit into the Company's business and financial objectives. In this regard, Coca-Cola FEMSA is currently evaluating the potential attractiveness of a number of bottler territories in Latin America. Of these bottler territories, management has as of this time only considered favorably a potential acquisition in Argentina. The Company can make no assurances that any of these opportunities will result in an acquisition transaction.

FEMSA Empaques

VOLUME GROWTH 3 Qtr 99 vs 3 Qtr 98	
Beverage cans	7.2%
Crown caps	14.6%
Glass bottles	(20.8)%
Refrigerators	(33.3)%

Net Sales

FEMSA Empaques experienced a decline in net sales of 7.8% to Ps. 1.572 billion for the third quarter of 1999. Sales volume for beverage cans and crown caps increased by 7.2% and 14.6%, respectively. However, the appreciation of the Peso against the U.S. dollar negatively impacted net sales growth for such products. In addition, the decline in the volume of glass bottles contributed to the decline in net sales recorded in the quarter. Export revenues increased by 8.5% to Ps. 131 million and represented 8.3% of net sales. In U.S. dollar terms, export revenues increased by 29.0% to US$ 13.8 million. Export revenues exclude revenues from the sale of aluminum scrap which totaled US$ 3.5 million in the third quarter of 1999 compared to US$ 1.6 million in the third quarter of 1998.

Gross Profit

FEMSA Empaques' cost of goods sold decreased by 8.8% to Ps. 1.162 billion, reflecting (i) the effect of the appreciation of the Peso against the U.S. dollar on dollar-denominated costs and (ii) the implementation of efficiency programs as well as cost and waste reduction measures to improve profitability. Gross profit decreased by 5.5% to Ps. 415 million and the gross margin improved by 0.6 percentage points to 26.4% of net sales.

MARGINS		
	3 Qtr 99	3 Qtr 98
Gross margin	26.4%	25.8%
Operating margin before management fees	17.5%	17.2%

Income from Operations

Operating expenses decreased by 3.1% to Ps. 140 million and increased as a percentage of total revenues to 8.8% from 8.4% recorded the same quarter last year, as a result of a larger decline of total revenues relative to the decline in operating expenses. Income from operations before deduction of management fees decreased by 6.6% to Ps. 276 million and FEMSA Empaques' operating margin increased slightly to 17.5% from 17.2% recorded for the third quarter of 1998. The operating margin for products whose prices are quoted in U.S. dollars, such as beverage cans and crown caps, have a tendency to contract when the Peso appreciates in real terms, and to expand when the Peso depreciates in real terms, since the cost and expense structure for such products, with the exception of the raw materials, is denominated in Pesos.

FEMSA Empaques has initiated a process to divest its cardboard operations because management believes that cardboard is not a strategic input for the Company's beverage operations and because the Mexican cardboard industry is competitive in terms of prices and quality.. Management expects to complete this divestiture by the first quarter of 2000. The proceeds from the sale of the cardboard business will be utilized to pay down FEMSA Empaques' debt.

FEMSA Comercio

Net Sales

FEMSA Comercio’s net sales increased by 17.6% to Ps. 1.388 billion. Sales growth was primarily attributable to (i) a 20.6% increase in the total number of stores from 928 at September 30, 1998 to 1,119 at September 30, 1999, (ii) strong sales of high frequency products observed throughout the quarter and (iii) average same store sales growth of 4.8%. During the third quarter of 1999, a total of 70 new stores initiated operations, compared with 23 new stores that initiated operations during the third quarter of 1998. Average monthly traffic per store increased by 1.6% and the average sale per customer increased by 3.1% to Ps. 17.5.

OPERATING HIGHLIGHTS	
% CHANGE	**3 Qtr 99 vs 3 Qtr 98**
Total stores	1,119
Net sales	17.6%
Same store sales	4.8%
Income from operations	54.9%

Gross Profit

FEMSA Comercio recorded gross profit of Ps. 356 million, a 21.0% gain over the third quarter of 1998. The gross margin increased by 0.7 percentage points to 25.7% of net sales, reflecting (i) economies of scale realized from larger volume purchases and (ii) greater efficiencies and absorption of fixed costs as a result of revenue growth.

MARGINS		
	3 Qtr 99	3 Qtr 98
Gross margin	25.7%	25.0%
Operating margin before management fees	5.0%	3.8%

Income from Operations

Operating expenses increased by 14.9% to Ps. 287 million and declined as a percentage of total revenues to 20.7% compared to 21.2% recorded in the third quarter of 1998. The aggressive growth in stores experienced during the quarter has translated into significant operating margin expansion reflecting (i) gross profit growth and (ii) decreasing average operating expenses per store. FEMSA Comercio recorded income from operations before deduction of management fees of Ps. 69 million in the third quarter of 1999, an increase of 54.9% relative to the third quarter of 1998. FEMSA Comercio's operating margin increased by 1.2 percentage points to 5.0% of total revenues.

Unaudited Financial Results for the Nine Months ended September 30, 1999 compared to the Nine Months ended September 30, 1998

FEMSA Consolidated

NET SALES GROWTH Nine months ended September 30, 1999 vs 1998	
FEMSA Consolidated	4.8%
FEMSA Cerveza	5.9%
Coca-Cola FEMSA	5.7%
FEMSA Empaques	(4.7)%
FEMSA Comercio	17.8%

Total Revenues/Net Sales

FEMSA's consolidated total revenues increased by 4.5% to Ps. 27.252 billion and consolidated net sales increased by 4.8% to Ps. 27.178 billion. Net sales growth for the first nine months of 1999 were driven primarily by volume growth and improved pricing experienced by FEMSA Cerveza and Coca-Cola FEMSA in Mexico, and an aggressive expansion of stores coupled with same store sales growth of 7.3% in the case of FEMSA Comercio. FEMSA Empaques on the other hand, has experienced either slow volume growth or volume decreases in some of its main products and lower peso revenues for dollar-denominated products, which has impacted negatively on FEMSA Empaques' net sales and, consequently, on FEMSA's consolidated net sales.

Gross Profit

FEMSA's consolidated gross profit increased by 10.2% to Ps. 13.083 billion, representing a consolidated gross profit margin of 48.1%, an increase of 2.3 percentage points. The expansion in the consolidated gross profit margin reflects (i) lower variable costs as a result of the reduction in the prices of some of FEMSA's main raw materials, (ii) continuous production and scale-driven efficiencies obtained primarily in the beverage subsidiaries and (iii) the effect on dollar-denominated costs of the real appreciation of the Peso against the U.S. dollar over the last twelve months. The appreciation of the Peso against the U.S. dollar for the last twelve months was 8.2% compared to an inflation rate of 15.8% over the same period.

Income from Operations

FEMSA's consolidated operating expenses (including goodwill amortization) increased by 10.7% to Ps. 9.020 billion. As a percentage of total revenues, consolidated operating expenses increased by 1.8 percentage points to 33.1%. Some of FEMSA's subsidiaries pay management fees to FEMSA in consideration for corporate services provided by FEMSA to such subsidiaries. Management fees paid by FEMSA's subsidiaries to FEMSA are eliminated in consolidation and thus have no effect on FEMSA's consolidated operating expenses, with the exception of the management fee paid by FEMSA Cerveza to Labatt, which amounted to Ps. 65 million for the first nine months of 1999. FEMSA's consolidated income from operations (after participation in the results of affiliated companies) increased by 8.4% to Ps. 4.090 million driven by an increase in income from operations in all of FEMSA's subsidiaries with the exception of FEMSA Empaques. FEMSA's consolidated operating margin increased by 0.5 percentage points to 15.0% of consolidated total revenues.

CHANGE IN INCOME FROM OPERATIONS Before management fees Nine months ended September 30, 1999 vs 1998	
FEMSA Consolidated	8.4%
FEMSA Cerveza	12.8%
Coca-Cola FEMSA	11.2%
FEMSA Empaques	(8.0)%
FEMSA Comercio	58.9%

All comparisons for the nine months ended September 30, 1999 in this report are made against the figures for the nine months ended September 30, 1998

Net Income

FEMSA's consolidated net income increased by 177.5% from Ps. 1.009 billion recorded in the first nine months of 1998 to Ps. 2.800 billion for the first nine months of 1999. The increase in net income was driven by (i) a 8.4% increase in the consolidated income from operations, (ii) a 110.2% decrease in the consolidated integral result of financing as a consequence of a decline in net interest expense and a foreign exchange gain recorded as a result of the appreciation of the Peso against the U.S. dollar during the first nine months of 1999 and a (iii) 69.2% decrease in other expenses.

In the first nine months of 1999, FEMSA recorded consolidated integral result of financing income of Ps. 185 million, compared to a consolidated integral result of financing expense of Ps. 1,811 million for the comparable period in 1998. During the first nine months of 1999, consolidated net financial expense decreased by 40.2% to Ps. 396 million compared to the first nine months of 1998. This decrease was attributable to (i) a 23.3% decline in interest expense reflecting a decline of approximately US$136 million in the consolidated average debt balance of the company during the first nine months of 1999 compared with the first nine months of 1998 and the effect of the real appreciation of the Peso against the US dollar on interest payments on dollar-denominated debt and (ii) a 20.9% increase in interest income as a consequence of the higher interest rates earned on Peso investments relative to the first nine months of 1998. As a result of the appreciation of the Peso of 5.5% in the first nine months of 1999 compared with a depreciation of 22.9% in the first nine months of 1998, FEMSA recorded a consolidated foreign exchange gain of Ps. 278 million compared to a consolidated foreign exchange loss of Ps. 1,802 million recorded in the first nine months of 1998. Such foreign exchange gain was slightly offset by a foreign exchange loss of approximately Ps. 95 million during the first nine months of 1999 as a consequence of losses generated by dollar-forward contracts. As of September 30, 1999, the Company had entered into dollar-forward contracts for US$598 million with the objective of securing an exchange rate to cover part of the Company´s operating and financial dollar requirement. Approximately US$ 123 million will mature during the fourth quarter of 1999 with a weighted average exchange rate of Ps. 10.162 per U.S. dollar. The remaining US$475 million will mature during 2000 and have a weighted average exchange rate of Ps. 10.9470 per U.S. dollar. The gain on monetary position amounted to Ps. 303 million, a decline of 53.6%, primarily reflecting a lower inflation rate in the first nine months of 1999 compared to the first nine months of 1998.

FEMSA and its subsidiaries recognized consolidated income tax, tax on assets and employee profit sharing of Ps. 1.384 billion, an increase of 110.3%. The increase in consolidated income tax, tax on assets and employee profit sharing is primarily a consequence of (i) the increase in taxable income reflecting the growth in income from operations and the gain recorded in the integral result of financing and (ii) the fiscal consolidation effect, which has generated an incremental tax payment for FEMSA, reflecting the fact that the Subholding companies began applying their respective net operating loss carryforwards, which had been previously utilized by the holding company, to offset their fiscal profits. In addition, the tax provision for income tax, tax on assets and employee profit sharing that the Company reported as of September 30, 1999, includes a credit (benefit) for the excess of income taxes paid in respect of the Mexican federal tax on assets. Such credit was generated by the changes in the ownership structure of the Company in connection with the VISA-FEMSA restructuring which took place in 1998, and amounts to Ps. 300 million of which, up to September 30, 1999, the Company recorded Ps. 265 million. The criteria to record such credit is sustainable according to the Mexican fiscal tax authorities and, although the Company has not yet received a written confirmation authorizing such tax credit, management believes such confirmation will be obtained in the upcoming months. The Company's average tax rate for the first nine months of 1999 was 33.1% compared to an average tax rate of 39.5% for the same period in 1998.

Consolidated net majority income amounted to Ps. 2.123 billion for the first nine months of 1999 compared with Ps. 457 million recorded in the first nine months of 1998. Net majority income per FEMSA UBD unit[1] amounted to Ps. 1.987 compared with Ps. 0.428 for the same period last year.

All comparisons for the nine months ended September 30, 1999 in this report are made against the figures for the nine months ended September 30, 1998

The significant increase in consolidated net majority income is attributable to (i) a 177.5% increase in the consolidated net income and (ii) the fact that, as a consequence of the Exchange Offer implemented during 1998, FEMSA's consolidated net majority income, since May 11, 1998 includes the 49% ownership of Emprex, which up to May 11, 1998 represented a minority participation in the consolidated results of the Company.

Management believes that the increase in FEMSA's net income for the first nine months of 1999 was largely due to the appreciation of the Peso against the U.S. dollar during this period and that a future depreciation of the Peso of a similar magnitude could have a corresponding negative effect on FEMSA's net income.

	Per FEMSA Unit[1]		**Per ADR**[2]	
	Pesos		U.S. dollars[3]	
September 30	**1999**	**1998**	**1999**	**1998**
Net Majority Income	1.987	0.428	2.125	0.371
EBITDA[4]	5.811	5.292	6.214	4.608

[1]FEMSA Units consists of FEMSA UBD units and FEMSA UB units. Each FEMSA UBD unit is comprised of one Series B share, two Series D-B shares and two Series D-L shares. Each FEMSA UB unit is comprised of five series B shares. The number of FEMSA Units outstanding as of September 30, 1999 was 1,068,268,090, equivalent to the total number of shares of the Company outstanding as of September 30, 1999 divided by 5.

[2] Each ADR is comprised of 10 FEMSA UBD units. To calculate the net majority income and EBITDA on an equivalent per ADR basis, the number of ADRs used was 106,826,809, equivalent to the number of FEMSA Units outstanding as of September 30, 1999 divided by 10.

[3] For purposes of calculating the variation in U.S. dollars, the 1999 Peso figures were converted into U.S. dollars by applying the Federal Reserve Bank of New York noon buying rate (the "noon buying rate") as of September 30, 1999 of Ps. 9.352 per U.S. dollar. The 1998 Peso figures were converted into U.S. dollars by applying the noon buying rate as of September 30, 1998 of Ps. 10.196 per U.S. dollar.

[4] EBITDA is calculated as income from operations plus depreciation and amortization plus non-cash charges. Please note that the U.S. Securities and Exchange Commission does not endorse the use of EBITDA. However, FEMSA's management has chosen to present EBITDA because it believes it is a useful measure.

FEMSA Cerveza

Net Sales

FEMSA Cerveza’s net sales increased by 5.9% to Ps. 11.126 billion primarily reflecting (i) a 3.8% increase in total shipments, (ii) an increase in the domestic price of beer implemented on January 1, 1999 and (iii) an increase in the proportion of the can presentation as percentage of domestic shipments. FEMSA Cerveza’s domestic shipments increased by 3.1% to 16.361 million hectoliters, slightly behind the industry's growth of 3.8%, mainly as a result of slower growth experienced in the Northern region of the country, where FEMSA Cerveza's sells approximately 56% of its total domestic volume. Domestic industry growth is attributable to (i) better than expected performance of the economy and (ii) on-going promotional activities by industry participants which induce volume growth.

OPERATING HIGHLIGHTS % Change Nine months ended September 30, 1999 vs 1998	
Domestic Volume	3.1%
Export Volume	15.2%
Total Volume	3.8%
Net Sales	5.9%
Income from Operations	12.8%

Shipments for Sol, XX Lager, and Tecate increased by 18.7%, 3.2%, and 2.4%, respectively. Other brands such as Bohemia, Tecate Light and Indio experienced a growth rate of approximately 11% during the first nine months, although they represent a small percentage of FEMSA Cerveza’s domestic shipments. Export shipments grew by 15.2% to 1.192 million hectoliters. Shipments to North America, including Canada, increased by 35.7% and accounted for 89.4% of FEMSA Cerveza’s export shipments. In the United States market Tecate sales volume increased by 19.0%, Sol 102.3% and XX Lager 27.5%. Export shipments to Asia have grown 35.7% for the first nine months of 1999 although such market accounted for 3.1% of total export shipments. Export revenues increased by 4.6% to Ps. 780 million and in U.S. dollar terms, export revenues increased by 16.6% to US$ 80.2 million.

Gross Profit

FEMSA Cerveza’s cost of goods sold decreased slightly by 0.1% to Ps. 5.189 billion and recorded gross profit growth of 12.3% to Ps. 6.015 billion. As a result of a lower rate of growth of the cost of goods sold relative to net sales, the gross margin increased by 3.1 percentage points to 54.1% of net sales, reflecting (i) a real decline in variable costs of approximately 1.0% reflecting increased efficiencies in the brewing and packaging operations as well as the effect of the appreciation of the Peso against the U.S. dollar on dollar-denominated raw materials, (ii) a reduction in freight costs of 6.5% and (iii) the leverage effect of volume growth over a relatively stable fixed cost structure.

MARGINS		
Nine months ended September 30	1999	1998
Gross margin	54.1%	51.0%
Operating margin before management fees	18.4%	17.3%

Income from Operations

FEMSA Cerveza’s operating expenses increased by 11.2% to Ps. 3.981 billion, representing 35.5% of total revenue, compared to 33.9% of total revenue for the same period last year. The increase in operating expenses is primarily attributable to (i) intensification of both push (commercial) and pull (advertising) related activities in response to a prevalent competitive environment in the domestic market, (ii) a more aggressive long-term incentive compensation program for management, including the sales force, and (iii) continuous efforts to increase brand awareness in both the domestic and the export markets. FEMSA Cerveza’s income from operations, after participation in the results of Labatt USA and before deduction of management fees paid to FEMSA and to Labatt, increased by 12.8% to Ps. 2.062 billion. FEMSA Cerveza´s operating margin before management fees increased by 1.1 percentage points to 18.4% of total revenues.

All comparisons for the nine months ended September 30, 1999 in this report are made against the figures for the nine months ended September 30, 1998

Coca-Cola FEMSA

Net Sales

Coca-Cola FEMSA recorded net sales growth of 5.7% to Ps. 10.016 billion. Net sales growth is primarily attributable to volume growth in the combined Mexican and Buenos Aires territories and an improvement in the average price per unit case in Mexico, reflecting the cumulative effect of the price increases implemented in the Mexican territories throughout the first nine months of the year. Coca-Cola FEMSA recorded volume growth of 4.7% in the combined Mexican territories, and 8.1% in the Buenos Aires territory, including sales volume from the Pilar area of Buenos Aires acquired in 1998. Average real prices for Coca-Cola FEMSA's products in Mexico increased by 2.1% and net sales increased by 6.9% in the combined Mexican territories. In the Buenos Aires territory, average real prices decreased by 5.5% as a result of intensified competitive activity observed during the last two quarters, impacting net sales growth.

VOLUME GROWTH Nine months ended September 30, 1999 vs 1998	
	Total
Valley of Mexico	5.2%
Southeast	3.2%
Buenos Aires (including Pilar area)	8.1%

Gross Profit

Coca-Cola FEMSA's cost of goods sold increased by 1.8% to Ps. 5.389 billion and experienced gross margin expansion of 1.5 percentage points to 46.5% of net sales. More than 70% of Coca-Cola FEMSA´s gross profit growth is attributed to the Mexican operations reflecting strong revenue growth in such territories, as well as the effect of the appreciation of the Peso against the U.S. dollar on dollar-denominated costs. The gross margin expansion experienced by the Buenos Aires operations, despite slow revenue growth, reflects (i) increased operating leverage as a result of incremental volume from servicing the Pilar area, (ii) a decline in certain packaging and raw material costs, (iii) continued decline in fixed costs and greater production and distribution efficiencies and (iv) lower prices of products purchased from Complejo Industrial CAN S.A. ("CICAN") in Argentina, which resulted in lower costs for Coca-Cola FEMSA, but lower profits received through its 48.1% ownership in CICAN. During the third quarter of 1999, Coca-Cola FEMSA Mexico charged most of the amortization expenses related to the write-off of plant equipment to the cost of goods sold. Prior to September 1999, such amortization was recorded as other expenses, below the operating income line. Retroactive for the first and second quarter of 1999, all asset write-offs have now been recorded above the operating income line. This reclassification decreased operating profit for the third quarter of 1999 by Ps. 12.1 million and by Ps. 46.3 million for the first nine months of 1999. Although the reclassification will decrease income from operations, it is a non-cash expense and thus will not affect Coca-Cola FEMSA´s EBITDA or net income.

MARGINS		
Nine months ended September 30	1999	1998
Gross margin	46.5%	45.0%
Operating margin	13.1%	12.4%

Income from Operations

Operating expenses increased by 9.0% to Ps. 3.250 billion. As a percentage of total revenues, operating expenses increased by 1.2 percentage points to 32.4%. The increase in operating expenses is primarily a result of (i) the continued implementation of information technology systems throughout Coca-Cola FEMSA's operations and consequently, related higher investment in human capital and (ii) higher selling expenses as a result of the acquisition of the Pilar area. Notwithstanding the increase in operating expenses, income from operations after amortization of goodwill increased by 11.2% to Ps. 1.320 billion, reflecting (i) an increase of 45.2% in the income from operations of Coca-Cola FEMSA's Argentine subsidiary and (ii) a 6.8% increase in the income from operations of Coca-Cola FEMSA's Mexican subsidiaries. Coca-Cola FEMSA's operating margin increased by 0.7 percentage points to 13.1% of total revenues.

FEMSA Empaques

Net Sales

VOLUME GROWTH	
Nine months ended September 30, 1999 vs 1998	
Beverage cans	5.7%
Crown caps	18.6%
Glass bottles	(16.8%)
Refrigerators	(31.4%)

In the first nine months of 1999, FEMSA Empaques experienced a 4.7% decline in net sales to Ps. 4.711 billion, despite volume growth recorded in beverage cans, crown caps, cardboard and labels. The decline in net sales recorded by FEMSA Empaques is mainly attributable to (i) the negative effect of the appreciation of the Peso against the U.S. dollar in sales recorded for dollar-denominated packaging products such as beverage cans and crown caps and (ii) a decline in the volumes of glass bottles and refrigerators. The rapid shift in the presentation mix of the soft-drink industry towards PET presentations has impacted FEMSA Empaques as follows: (i) Substantially less purchases of glass bottles by Coca-Cola FEMSA, for which FEMSA Empaques continues to capture third-party clients, although the net effects as of September 30, 1999 remains negative; (ii) consequently, less demand for crown caps, which FEMSA Empaques has more than compensated by exporting crown caps to the United States, Canada and several other countries in Latin America; and (iii) a decline in the demand for beverage cans for soft-drinks, reflecting increased competition from more competitively priced personal size PET non-returnable presentations. The domestic industry demand for soft-drink cans during the first nine months of 1999 has decreased by approximately 18%, while FEMSA Empaques' volume sales of soft-drink cans have increased by 18.5%, compensating lower purchases from Coca-Cola FEMSA with higher sales to Industria Envasadora de Queretaro S.A. de C.V. ("IEQSA"). FEMSA Empaque´s domestic beverage can volume increased 10.9% for the first nine months of 1999, including sales to FEMSA Cerveza and domestic third party clients.

The previously mentioned trends have impacted FEMSA Empaques' sales volumes during the first nine months of 1999, which, on top of the fact that the metallic products are quoted in dollars, have resulted in a decline in the net sales of FEMSA Empaques for the first nine months of 1999. The domestic refrigeration industry has also experienced significant declines in volumes as a consequence of tighter capital expenditure budgets of the beverage companies in general compared with the budgets of 1998. Export revenues decreased by 10.2% to Ps. 379 million and represented 8.0% of net sales. In U.S. dollar terms, export revenues decreased by 1.3% to US$ 38.6 million. The decline in export revenues is primarily attributable to the decline in the export volumes of beverage cans and can lids, reflecting (i) FEMSA Empaques' decision to give priority to the domestic market clients and (ii) increased competition in the markets FEMSA Empaques exports to, which makes exports less attractive given the high freight costs incurred in transporting beverage cans. Export revenues exclude revenues from the sale of aluminum scrap which totaled US$ 14.5 million for the first nine months of 1999 compared to US$ 10.2 million for the first nine months of 1998.

MARGINS		
Nine months ended September 30	1999	1998
Gross margin	25.0%	25.5%
Operating margin before management fees	16.1%	16.7%

Gross Profit

FEMSA Empaques' cost of goods sold decreased by 4.3% to Ps. 3.547 billion and the gross profit margin decreased by 0.5 percentage points to 25.0%. The gross profit decreased by 6.4% reflecting (i) a decline in net sales, (ii) a decline in the gross margin of the beverage can and crown cap operations as a result of the appreciation of the Peso against the U.S. dollar and (ii) less absorption of fixed costs as a consequence of the decline in volumes of certain products, in particular glass bottles. FEMSA Empaques has partially compensated the decline in net sales with cost reduction measures, which have effectively mitigated the impact of such decline in the gross margin.

Income from Operations

Operating expenses decreased by 3.4% to Ps. 418 million and increased by 0.1 percentage points as a percentage of total revenues to 8.8% compared to the same period last year. Income from operations before deduction of management fees decreased by 8.0% to Ps. 762 million, primarily reflecting the decline in net sales and in gross profit.

FEMSA Comercio

OPERATING HIGHLIGHTS % Change Nine months ended September 30, 1999 vs 1998	
Total stores	1,119
Net sales	17.8%
Same store sales	7.3%
Income from operations	58.9%

Net Sales

FEMSA Comercio's net sales increased by 17.8% to Ps. 3.936 billion. Sales growth was primarily attributable to (i) a 20.6% increase in the total number of stores, which increased from 928 at September 30, 1998 to 1,119 at September 30, 1999, and (ii) average same store sales growth of 7.3%. During the first nine months of 1999, a total of 119 new stores initiated operations, compared with 51 new stores that initiated operations during the first nine months of 1998. The rate of growth of same store sales has slowed down compared to the accumulated growth recorded for the first six months of 1999, but remains substantially above the rate of growth experienced by the large supermarket and other retail chains. FEMSA Comercio attributes the continued strong same store sales growth primarily to (i) strong sales growth of high frequency products, particularly beverages, observed during the first nine months of 1999 and (ii) new sites in the northwestern region reaching their state of maturity faster than expected, with sales currently exceeding the average same store sales for the chain. Average monthly traffic per store increased by 3.0% and the average sale per customer increased by 4.1% to Ps. 17.6. Management believes that the increase in traffic per store is in part attributed to (i) FEMSA Comercio's strategy of competitively pricing high-frequency items and (ii) strong promotional campaigns of "hook" type products designed to attract traffic.

Gross Profit

FEMSA Comercio recorded gross profit of Ps. 981 million, a 20.4% gain over the first nine months of 1998. The gross margin increased by 0.5 percentage points to 24.9% of net sales. The aggressive expansion in the number of stores has resulted in (i) increased economies of scale and greater purchasing power with suppliers and (ii) higher fixed cost absorption, which has resulted in gross profit growth.

MARGINS		
Nine months ended September 30	1999	1998
Gross margin	24.9%	24.4%
Operating margin before management fees	4.2%	3.1%

Income from Operations

Operating expenses increased by 14.7% to Ps. 815 million and decreased as a percentage of total revenues to 20.7% from 21.3% recorded in the first nine months of 1998. The increase in operating expenses is primarily attributable to (i) an increase in the number of stores and (ii) a slightly larger corporate infrastructure as a consequence of the significant growth in the size of the chain. Average expenditure per store continues to decline reflecting efficiencies in store management and operations processes of the retail chain. FEMSA Comercio recorded income from operations before deduction of management fees of Ps. 166 million in the first nine months of 1999, an increase of 58.9% relative to the first nine months of 1998. FEMSA Comercio´s operating margin before management fees increased by 1.1 percentage points to 4.2% of total revenues.

Year 2000

Background

In 1996, the Company began analyzing its operating, financial and management information systems to determine its exposure to possible problems relating to the year 2000 computer issue (the “Y2K problem”). In June 1997, the Company established a Y2K Committee integrated by the heads of the Information Systems Department of each of FEMSA’s Subholding Companies, with the objective of formulating and implementing a common methodology among all of FEMSA´s Subholding Companies to (i) coordinate efforts and avoid redundancies, (ii) to create synergies and (iii) to define a problem response timetable (“Y2K Project”) to identify all hardware and software that needed modification, upgrading or replacement to avoid disruption of the Company’s operations related to the Y2K problem.

Subsequently, on January 1998, the Audit Committee of the Board of Directors of the Company assigned the responsibility of auditing and monitoring the Y2K Project (to be implemented by the Y2K Committee) to the Internal Auditing Department of the Company with the following objectives: (1) to maintain the Board of Directors informed of the progress achieved in solving the Y2K problem; (2) to evaluate the measures designed by the Y2K Committee; (3) to effect the different phases of the Y2K Project and evaluate the results obtained and (4) to monitor the total cost of the Y2K Project by Subholding Company. The Audit Committee of the Board of Directors has met five times with the Internal Auditing Department to review the status of the Y2K Project, the most recent which was on 20 Julio, 1999. The Audit Committee, subsequently, has informed the Board of Directors on the advancement of the Y2K Project. In addition, the Chief Executive Officer of FEMSA assigned direct responsibility for Y2K compliance to the Chief Executive Officers of each of FEMSA’s Subholding companies.

Description of Methodology

Since mid-1997, the Y2K Committee designed a comprehensive Y2K working plan with the objective to (i) create awareness of the Y2K problem among all of FEMSA´s Subholding Companies, (ii) share responsibilities and resources for the inventory and conversion process, (iii) standardize the conversion process by defining different phases for conversion and (iv) formalize the requirement for contingency plans to face the most reasonably likely worst-case scenarios.

The Company’s Y2K working plan consists of the following phases:

(1) Awareness
This phase required involving the highest levels of the organization to obtain their approval and support for the implementation of the Y2K Project. Awareness of the Y2K problem covered both information technology systems (“ITS”) and non-information technology systems (“N-ITS”).

(2) Inventory
The objective of this phase was to identify and record every computerized digital, analog and electrical component in all of the ITS and N-ITS of the Company’s operations. Two task forces executed the inventory process: one task force concentrated on the ITS, including software designed by third-parties and a separate task force worked together with external specialized resources to inventory the microprocessors embedded in the N-ITS, particularly in the case of FEMSA Cerveza and Coca-Cola FEMSA.

(3) Conversion
This phase consists of five sub-phases:

A) Impact analysis: The software applications were prioritized from most critical to less critical, according to their impact in the operations of the businesses and a working plan was designed to implement the conversion. In addition, all third-party material relations were identified and prioritized, including suppliers, clients, public and private utilities and banks, assessing the materiality of the relationship. Immediately thereafter, a process to obtain a certification of compliance from third parties was put in place.

All comparisons for the nine months ended September 30, 1999 in this report are made against the figures for the nine months ended September 30, 1998

B) Software Conversion: The internally developed software was either modified to be Y2K compliant or, if necessary, replaced by new software. The software acquired from third parties was either upgraded or replaced by different software in case the supplier did not provide a compliant upgrade.

C) Equipment Replacement: Computer equipment was modified or replaced by new equipment when necessary.

D) Testing: Comprehensive resistance tests were performed in all ITS and when possible, in the N-ITS, interacting actively with the user for training purposes to obtain a written agreement of the functionality of their applications and equipment.

E) Implementation: Once the software and equipment were tested and approved, the assigned teams proceeded to replace and install them on each of the operating and administrative units of the Company and to provide the necessary training, where needed.

(4) Contingency Plans

The objective of this phase is to determine the most reasonably likely worst-case scenarios the business operations could face and to establish a plan that would ensure continuity of such operations in the event that such scenarios were to materialize. The Company has finalized its contingency plans, which it expects to implement during the fourth quarter of 1999.

(5) Follow-up

The objectives of this phase are (a) to implement a control process in the procurement departments of the Subholding Companies to avoid purchases of hardware or software that are not Y2K compliant and (b) to provide technical support to the users of equipment and software replaced or modified.

Status of Completion

The Company has completed the inventory, conversion, equipment replacement, testing and implementation phases. Management believes that FEMSA's integrated structure (i) reduces the cost of the Y2K problem for the Company since many applications are shared among different subsidiaries, (ii) facilitates the implementation and monitoring process of the Y2K Project and (iii) reduces the Company's exposure to Y2K supplier risk.

The following table presents the status of completion, by Subholding Company, of the different phases involved in the conversion process to solve the Y2K problem.

STATUS OF Y2K PROJECT FOR FEMSA AND SUBHOLDING COMPANIES

As of September 30, 1999

	FEMSA Cerveza	Coca-Cola FEMSA	FEMSA Empaques	FEMSA Comercio	FEMSA Logística	Holding Emprex (Corporate Offices)	FEMSA (Consolidated)
I PROJECT MANAGEMENT							
Continuous monitoring of the project.............	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Existence of a contingency plan	Completed	Completed	Completed	Completed	85%	30%	
II INFORMATION TECHNOLOGY							
1. Software Application							
Inventory of internally developed applications	100%	100%	100%	100%	100%	100%	100%
Status of conversion plan.................................	100%	100%	100%	100%	100%	100%	100%
Conversion of third party applications.............	100%	100%	N/A	100%	100%	80%	99%
Expected completion date................................	July 15, 1999	July 30, 1999	June 30, 1999	May 31, 1999	Sept 3, 1999	Oct 31, 1999	
2. Hardware							
Status of modifications and replacements........	100%	100%	100%	100%	100%	100%	100%
Expected completion date	April 15, 1999	July 30, 1999	December 31, 1998	May 5, 1999	April 30, 1998	Oct 31, 1999	
3. Estimated Cost (Thousands US Dollars)	$ 900	$750	$ 270	$ 562	$ 12	$ 364	$ 2,708
III NON-INFORMATION TECHNOLOGY							
1. Production Equipment and other							
Inventory of equipment	100%	100%	100%	100%	100%	100%	100%
Certification of equipment providers	100%	100%	100%	100%	100%	100%	100%
Status of conversion plan..................................	97%	100%	100%	100%	N/A	100%	99%
Expected completion date	Sep 30, 1999	July 30, 1999	June 30, 1999	May 31, 1999	Sep 15, 1999	Oct 15, 1999	
2. Estimated Cost (Thousands of Dollars).......	$ 454	$1,250	$ 10	$ 0	$ 10	$ 277	$ 2,151
IV TOTAL ESTIMATED COST OF FEMSA Y2K PROJECT	$ 1,354	$ 2,000	$ 280	$ 562	$ 22	$ 641	$ 4,859

Costs

The Company estimates that its Y2K upgrading program will cost approximately US$5 million. Management believes that the relatively low cost of its Y2K upgrading program reflects the fact that (i) a significant part of the conversion process was undertaken using internal resources, (ii) the critical administrative and operational software applications in the case of FEMSA Cerveza and FEMSA Empaques were already Y2K compliant and (iii) Coca-Cola FEMSA's efforts to upgrade its information systems technology were not included in the estimate because this upgrade is being undertaken independently of the Y2K upgrading program. Coca-Cola FEMSA's new information systems will be Y2K compliant. The Company believes that the cost of its Y2K efforts will not have a material adverse impact on the operations or financial condition of the Company and such efforts have been and will continue to be funded with internal resources

All comparisons for the nine months ended September 30, 1999 in this report are made against the figures for the nine months ended September 30, 1998

Risk

The Company believes the greatest risk of disruption in the operations of its subsidiaries primarily arises from the Company's dependence on third-party business relationships. The Company has identified and classified as material risks to the Company's operation, the absence or shortage in the supply of the following critical inputs in the production processes: (i) water, (ii) electricity, (iii) fuel, (iv) raw materials and (v) telecommunications. In addition, the Company believes that failures in the banking system could cause credit and cash constraints that could lead to liquidity problems disrupting the transactions in which the Company engages in the normal course of its business.

The Company has contacted all of its critical suppliers, customers and other business partners to determine their preparation for the Y2K problem and to assess the Company's vulnerability to third-party Y2K risk. Although the Company will make its best efforts to insulate itself from exposure to third-party Y2K problems and expects to have contingency plans to face the most reasonably likely worst-case scenarios, it can not guarantee that these third parties, including critical suppliers, will be properly prepared by the end of 1999, nor can it guarantee that any Y2K problems experienced by third-parties will not affect FEMSA's or the Subholding Companies' operations.

The Company's subsidiaries have identified and prioritized all of the material consequences in case any of the above-mentioned third party risks were to materialize and have developed contingency plans to respond to the most reasonably likely worst-case scenarios.

Contingency Plans

The Internal Auditing Department of the Company has provided specific guidelines to FEMSA Cerveza, FEMSA Empaques, FEMSA Comercio and FEMSA Logística for the preparation of their contingency plans, based on the guidelines published by the Disaster and Recovery Institute of the United States Government and the British Electrical Engineering Institute. Coca-Cola FEMSA´s contingency plan was designed after the guidelines provided by The Coca-Cola Company. As of September 30, 1999 all of FEMSA´s Subholding Companies have completed their contingency plans, with the exception of FEMSA Logística and the Corporate offices, which expect to complete their contingency plans by October 31, 1999.

The guidelines for the contingency plans establish that the principal objective of such plans is to ensure the continuation of the critical functions of the businesses by developing capabilities to compensate for the scarcity of the principal resources. The scope of the contingency plans covers plants, equipment, buildings, internal and external suppliers, internal and third-party clients, information technology and communications.

The principal contingency measures to be implemented by all of FEMSA´s Subsidiaries are summarized below:

1) Production schedules have been programmed to step up production during the fourth quarter of 1999 and decrease production during the designated critical period of December 31, 1999 to January 2, 2000, except for Coca-Cola FEMSA, which will continue with their normal production schedules during the designated critical period. The Subsidiaries will raise their respective finished product inventory levels relative to those of normal course of business.
2) Raw material inventory levels will be kept at maximum of normal operating levels during the last week of December. Purchase orders have already been placed with the suppliers.
3) The operating companies will lease power generating plants to support selective high risk and critical production functions at the plants, in case electricity supply were to fail.
4) Maintenance centers for distribution vehicles will endeavor to fill up their fuel reserve tanks before year end, to avoid exposure fuel scarcity.
5) It has been agreed with suppliers, except for public utilities, that all transactions will be settled prior to the second week of December.

6) The Company will raise its cash reserves during the last week of December 1999 to avoid liquidity issues.
7) Each subsidiary has appointed a selected group of people to be on duty from December 31, 1999 until January 5, 2000, including key senior management, the information systems personnel and the team which specializes on embedded systems.
8) Procedures to execute the critical administrative processes manually have been put into place in case failures in electricity supply or in the administrative systems were to occur.

The contingency measures outlined above do not include the company-specific contingency measures to be implemented by each subsidiary, according to their particular needs. For Coca-Cola FEMSA's specific contingency plans, please refer to their press release.

In the worst-case scenario, there can be no assurances that such contingency measures guarantee the Company to continue full operations.

This report may contain certain forward-looking statements concerning FEMSA's future performance and 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 the Company's actual performance.

FEMSA is Mexico's largest strategically integrated beverage company with exports to the United States, Canada and numerous countries in Latin America, Europe and the Far East. Founded in 1890 and with headquarters in Monterrey, Mexico, FEMSA 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, cardboard, commercial refrigerators, and serves third party clients throughout the Americas; FEMSA Comercio, which operates OXXO, Mexico's most extensive chain of convenience stores; Desarrollo Comercial FEMSA, which operates OXXO Express, which operates convenience stores adjacent to gasoline stations and FEMSA Logística, which provides logistics management services to FEMSA Cerveza, Coca-Cola FEMSA and FEMSA Empaques.

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Four pages of tables to follow

OPERATING DATA

For the third quarter and nine months ended September 30, 1999 and 1998

FEMSA Cerveza

Shipments (Thousand hectoliters)		Third quarter of: 1999	1998	%Var	For the nine months ended September 30, of: 1999	1998	%Var
Domestic:							
Returnable		4,519	4,519	-	12,915	12,701	1.7
Non-returnable		189	152	24.3	543	497	9.3
Cans		981	916	7.1	2,903	2,677	8.4
Total Domestic		5,689	5,587	1.8	16,361	15,875	3.1
Exports		452	383	18.0	1,192	1,035	15.2
Total Volume		6,141	5,970	2.9	17,553	16,910	3.8
Exports revenues:	Millions Ps.	289.6	283.3	2.2	779.6	745.6	4.6
	US Millions	30.7	25.3	21.3	80.2	68.8	16.6

FEMSA Empaque

Total Sales Volume (Millions of pieces)		Third quarter of: 1999	1998	%Var	For the nine months ended September 30, of: 1999	1998	%Var
Cans		835	779	7.2	2,343	2,217	5.7
Crown caps		3,320	2,896	14.6	9,676	8,161	18.6
Glass Bottles		206	260	(20.8)	618	743	(16.8)
Cardboard boxes (Ths m2)		26,937	24,454	10.2	75,627	71,297	6.1
Refrigerators (Ths)		18	27	(33.3)	81	118	(31.4)
Labels		1,204	982	22.6	3,233	2,744	17.8
Export volumes:	Cans	53	61	(13.1)	130	220	(40.9)
	Crown caps	1,452	922	57.5	4,118	2,394	72.0
	Can lids	90	91	(1.1)	219	355	(38.3)
Exports revenues:	Millions Ps.	130.7	120.5	8.5	378.9	422.1	(10.2)
	US Millions	13.8	10.7	29.0	38.6	39.1	(1.3)

Coca-Cola FEMSA

Sales Volumes (Millions of Unit Cases)	Third quarter of: 1999	1998	%Var	For the nine months ended September 30, of: 1999	1998	%Var
Valley of Mexico	80.0	75.1	6.5	237.0	225.2	5.2
Southeast	25.1	24.5	2.4	75.2	72.9	3.2
Mexico	105.1	99.6	5.5	312.2	298.1	4.7
Buenos Aires	29.3	28.7	2.1	87.9	81.3	8.1
Total	134.4	128.3	4.7	400.1	379.4	5.4

Presentation Mix (%) (Returnable/Non-Returnable)	Third quarter of: 1999	1998	For the nine months ended September 30, of: 1999	1998
Valley of Mexico	42/58	48/52	41/59	50/50
Southeast	58/42	61/39	58/42	61/39
Buenos Aires	11/89	10/90	10/90	12/88
Total	38/62	42/58	37/63	44/56

Product Mix (%) (Colas/Flavors/Water)	Third quarter of: 1999	1998	For the nine months ended September 30, of: 1999	1998
Valley of Mexico	76/23/01	76/22/02	76/22/02	75/23/02
Southeast	74/22/04	72/22/06	74/21/05	71/23/06
Buenos Aires	78/21/01	80/19/01	76/23/01	77/22/01
Total	76/22/02	76/22/02	76/22/02	75/22/03

Percentage of sales revenue by client category:

	Third quarter of: 1999	1998	Var p.p.	For the nine months ended September 30, of: 1999	1998	Var p.p.
Intercompany sales	49.8	52.0	(2.2)	50.2	53.3	(3.1)
FEMSA Cerveza	39.5	36.1	3.4	38.0	34.0	4.0
Coca-Cola FEMSA	10.3	15.9	(5.6)	12.2	19.3	(7.1)
Third-party sales	50.2	48.0	2.2	49.8	46.7	3.1
Domestic	41.9	40.9	1.0	41.8	38.2	3.6
Export	8.3	7.1	1.2	8.0	8.5	(0.5)
Total	100.0	100.0		100.0	100.0	

FEMSA Comercio

	Third quarter of: 1999	1998	%Var	For the nine months ended September 30, of: 1999	1998	%Var
Total stores				1,119	928	20.6
Comparative same stores:						
Average monthly sales (Ths. Ps.)	428.5	409.0	4.8	416.9	388.6	7.3
Average ticket per customer (Ps.)	17.5	17.0	3.1	17.6	16.9	4.1
Average monthly traffic per store (Ths.)	24.5	24.1	1.6	23.7	23.0	3.0

All comparisons for the nine months ended September 30, 1999 in this report are made against the figures for the nine months ended September 30, 1998

FEMSA

CONSOLIDATED INCOME STATEMENT

For the third quarter and nine months ended September 30, 1999 and 1998

Expressed in Millions of Pesos as of September 30, 1999

	Third quarter of:			For the nine months ended September 30, of:		
	1999	1998	%Var	1999	1998	%Var
Net sales	9,365	9,060	3.4	27,178	25,941	4.8
Other operating revenues	26	41	(36.6)	74	128	(42.2)
Total revenues	9,391	9,101	3.2	27,252	26,069	4.5
Cost of sales	4,763	4,880	(2.4)	14,169	14,198	(0.2)
Gross profit	4,628	4,221	9.6	13,083	11,871	10.2
Administrative expenses	791	674	17.4	2,305	2,015	14.4
Selling expenses	2,329	2,161	7.8	6,715	6,135	9.5
Operating expenses	3,120	2,835	10.1	9,020	8,150	10.7
	1,508	1,386	8.8	4,063	3,721	9.2
Participation in affiliated companies	25	31	(19.4)	27	52	(48.1)
Income from operations	1,533	1,417	8.2	4,090	3,773	8.4
Interest expense	202	304	(33.6)	703	916	(23.3)
Interest income	(91)	(116)	(21.6)	(307)	(254)	20.9
Interest expense, net	111	188	(41.0)	396	662	(40.2)
Foreign exchange loss (gain)	4	896	(99.6)	(278)	1,802	(115.4)
Gain on monetary position	(64)	(230)	(72.2)	(303)	(653)	(53.6)
Integral result of financing	51	854	(94.0)	(185)	1,811	(110.2)
Other expenses	44	112	(60.7)	91	295	(69.2)
Income before taxes	1,438	451	218.8	4,184	1,667	151.0
Taxes	417	185	125.4	1,384	658	110.3
Net Income	1,021	266	283.8	2,800	1,009	177.5
Majority net income	756	114	563.2	2,123	457	364.6
Minority net income	265	152	74.3	677	552	22.6

	% Total Revenues					
	1999	1998	Var P.P.	1999	1998	Var P.P.
Net sales	99.7	99.5	0.2	99.7	99.5	0.2
Other operating revenues	0.3	0.5	(0.2)	0.3	0.5	(0.2)
Total revenues	100.0	100.0	-	100.0	100.0	-
Cost of sales (*)	50.9	53.9	(3.0)	52.1	54.7	(2.6)
Gross profit (*)	49.4	46.6	2.8	48.1	45.8	2.3
Administrative expenses	8.4	7.4	1.0	8.5	7.7	0.8
Sales expenses	24.8	23.7	1.1	24.6	23.5	1.1
Operating expenses	33.2	31.1	2.1	33.1	31.2	1.9
	16.1	15.2	0.9	14.9	14.3	0.6
Participation in affiliated companies	0.2	0.3	(0.1)	0.1	0.2	(0.1)
Income from operations	16.3	15.5	0.8	15.0	14.5	0.5

(*) % to Net sales

CONSOLIDATED BALANCE SHEET

As of September 30, 1999 and 1998

Expressed in Millions of Pesos as of September 30, 1999

ASSETS	1999	1998	% Var
Cash and cash equivalents	2,201	2,259	(2.6)
Accounts receivable	2,576	2,391	7.7
Inventories	3,331	3,399	(2.0)
Prepaid expenses	821	556	47.7
Total Current Assets	8,929	8,605	3.8
Property, plant and equipment, net	24,710	25,849	(4.4)
Deferred charges and other assets	5,057	5,311	(4.8)
TOTAL ASSETS	38,696	39,765	(2.7)
LIABILITIES & STOCKHOLDERS´ EQUITY			
Bank loans	1,006	2,541	(60.4)
Current maturities long term debt	2,866	308	830.5
Interest payable	139	181	(23.2)
Operating liabilities	4,763	3,934	21.1
Total Current Liabilities	8,774	6,964	26.0
Bank loans	4,286	8,870	(51.7)
Labor liabilities	934	975	(4.2)
Other liabilities	95	85	11.8
Total Liabilities	14,089	16,894	(16.6)
Minority Interest	7,669	7,311	4.9
Majority Interest	16,938	15,560	8.9
Total Stockholders' equity	24,607	22,871	7.6
LIABILITIES & STOCKHOLDERS' EQUITY	38,696	39,765	(2.7)

FINANCIAL RATIOS			
Liquidity	1.02	1.24	(0.22)
Debt service coverage (*)	15.68	8.54	7.14
Leverage	0.57	0.74	(0.17)
Capitalization	0.28	0.37	(0.09)

(*) Income from operations + depreciation + other non-cash charges / interest expense, net

All comparisons for the nine months ended September 30, 1999 in this report are made against the figures for the nine months ended September 30, 1998

FEMSA

Income Statement

For the nine months ended September 30, 1999 and 1998

Millons of period end pesos of September 30, 1999

	FEMSA Cerveza		**Coca-Cola FEMSA**		**FEMSA Empaques**		**FEMSA Comercio**		**Amoxxo**		**FEMSA Logística**		**FEMSA Consolidated**	
	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998
Net sales	11,125.6	10,501.9	10,015.7	9,474.8	4,711.3	4,945.3	3,935.6	3,341.1	948.0	703.1	852.3	673.9	27,178	25,941
Other revenues	79.0	45.9	30.6	77.9	15.4	23.7	0.0	0.0	0.0	0.0	0.0	0.0	74	128
Total revenues	11,204.6	10,547.8	10,046.3	9,552.7	4,726.7	4,969.0	3,935.6	3,341.1	948.0	703.1	852.3	673.9	27,252	26,069
Cost of good sold	5,189.3	5,192.3	5,389.1	5,291.4	3,547.0	3,708.2	2,954.8	2,526.4	864.0	640.3	720.3	570.5	14,169	14,198
Gross margin	6,015.3	5,355.5	4,657.2	4,261.3	1,179.7	1,260.8	980.8	814.7	84.0	62.8	132.0	103.4	13,083	11,871
Operating expenses	3,980.6	3,579.2	3,250.1	2,982.8	417.6	432.1	814.9	710.3	83.6	98.8	54.1	43.2	9,020	8,150
Operating income	2,034.7	1,776.3	1,407.1	1,278.5	762.1	828.7	165.9	104.4	0.4	(36.0)	77.9	60.2	4,063	3,721
L-USA/Goodwill	27.1	52.2	(86.7)	(90.9)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27	52
Comparable EBIT	2,061.8	1,828.5	1,320.4	1,187.6	762.1	828.7	165.9	104.4	0.4	(36.0)	77.9	60.2	4,090	3,773
Management fee	215.5	128.9	0.0	0.0	47.3	49.7	11.8	10.0	0.0	0.0	0.0	6.1	-	-
Total EBIT	1,846.3	1,699.6	1,320.4	1,187.6	714.8	779.0	154.1	94.4	0.4	(36.0)	77.9	54.1	4,090	3,773
Depreciation	560.5	554.7	421.0	287.0	177.0	179.0	34.7	32.1	4.8	3.4	33.7	31.0	1,236	1,094
Other non-cash charges	444.0	385.4	370.3	342.1	19.8	13.2	25.8	26.5	8.5	8.0	2.3	0.5	882	786
EBITDA	2,850.8	2,639.7	2,111.7	1,816.7	911.6	971.2	214.6	153.0	13.7	(24.6)	113.9	85.6	6,208	5,653
Comparable														
EBIT/Revenues	18.4	17.3	13.1	12.4	16.1	16.7	4.2	3.1	0.0	(5.1)	9.1	8.9	15.0	14.5
EBITDA/Revenues	27.4	26.2	21.0	19.0	20.3	20.5	5.8	4.9	1.4	(3.5)	13.4	13.6	22.8	21.7
Total														
EBIT/Revenues	16.5	16.1	13.1	12.4	15.1	15.7	3.9	2.8	0.0	(5.1)	9.1	8.0	15.0	14.5
EBITDA/Revenues	25.4	25.0	21.0	19.0	19.3	19.5	5.5	4.6	1.4	(3.5)	13.4	12.7	22.8	21.7
Capital Expenditures (1)	1,560.5	1,370.0	571.9	1,094.6	130.0	411.6	191.2	84.9	15.7	70.7	52.6	188.2	2,493.0	3,306.0

(1) Include property, plant and equipment + deferred charges

All comparisons for the nine months ended September 30, 1999 in this report are made against the figures for the nine months ended September 30, 1998

FEMSA

Income Statement

For the third quarter ended September 30, 1999 and 1998

Millons of period end pesos of September 30, 1999

	FEMSA Cerveza		**Coca-Cola FEMSA**		**FEMSA Empaques**		**FEMSA Comercio**		**Amoxxo**		**FEMSA Logística**		**FEMSA Consolidated**	
	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998
Net sales	3,934.5	3,683.9	3,362.3	3,264.4	1,571.7	1,703.8	1,388.0	1,180.3	334.0	244.2	291.6	274.0	9,365	9,060
Other revenues	26.9	13.6	11.7	20.4	5.8	10.1	0.0	(0.5)	0.0	0.0	0.0	0.0	26	41
Total revenues	3,961.4	3,697.5	3,374.0	3,284.8	1,577.5	1,713.9	1,388.0	1,179.8	334.0	244.2	291.6	274.0	9,391	9,101
Cost of good sold	1,800.0	1,820.1	1,783.0	1,785.2	1,162.2	1,274.6	1,031.8	885.3	304.0	222.4	246.0	228.3	4,763	4,880
Gross margin	2,161.4	1,877.4	1,591.0	1,499.6	415.3	439.3	356.2	294.5	30.0	21.8	45.6	45.7	4,628	4,221
Operating expenses	1,402.4	1,205.5	1,101.6	1,025.7	139.6	144.0	287.1	249.9	30.6	43.6	17.2	19.4	3,120	2,835
Operating income	759.0	671.9	489.4	473.9	275.7	295.3	69.1	44.6	(0.6)	(21.8)	28.4	26.3	1,508	1,386
L-USA/Goodwill	24.9	31.1	(28.0)	(31.4)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25	31
Comparable EBIT	783.9	703.0	461.4	442.5	275.7	295.3	69.1	44.6	(0.6)	(21.8)	28.4	26.3	1,533	1,417
Management fee	70.1	69.0	0.0	0.0	15.8	17.1	4.2	3.5	0.0	0.0	0.0	2.9	-	-
Total EBIT	713.8	634.0	461.4	442.5	259.9	278.2	64.9	41.1	(0.6)	(21.8)	28.4	23.4	1,533	1,417
Depreciation	178.6	186.4	136.4	93.7	58.4	64.6	10.4	10.6	1.3	1.2	11.6	9.4	399	368
Other non-cash charges	143.2	127.2	113.6	115.4	6.1	4.7	8.7	8.6	2.9	2.9	1.4	0.1	279	262
EBITDA	1,035.6	947.6	711.4	651.6	324.4	347.5	84.0	60.3	3.6	(17.7)	41.4	32.9	2,211	2,047

Comparable

EBIT/Revenues	19.8	19.0	13.7	13.5	17.5	17.2	5.0	3.8	(0.2)	(8.9)	9.7	9.6	16.3	15.5
EBITDA/Revenues	27.9	27.5	21.1	19.8	21.6	21.3	6.4	5.4	1.1	(7.2)	14.2	13.1	23.5	22.5

Total

EBIT/Revenues	18.0	17.1	13.7	13.5	16.5	16.2	4.7	3.5	(0.2)	(8.9)	9.7	8.5	16.3	15.5
EBITDA/Revenues	26.1	25.6	21.1	19.8	20.6	20.3	6.1	5.1	1.1	(7.2)	14.2	12.0	23.5	22.5

Capital Expenditures (1)	516.0	500.8	178.9	298.4	33.2	128.8	101.0	43.9	4.7	31.8	17.1	54.8	850.0	1,095.0

(1) Include property, plant and equipment + deferred charges

All comparisons for the nine months ended September 30, 1999 in this report are made against the figures for the nine months ended September 30, 1998