

FEMSA



Investor Presentation – March 2017

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

Ownership



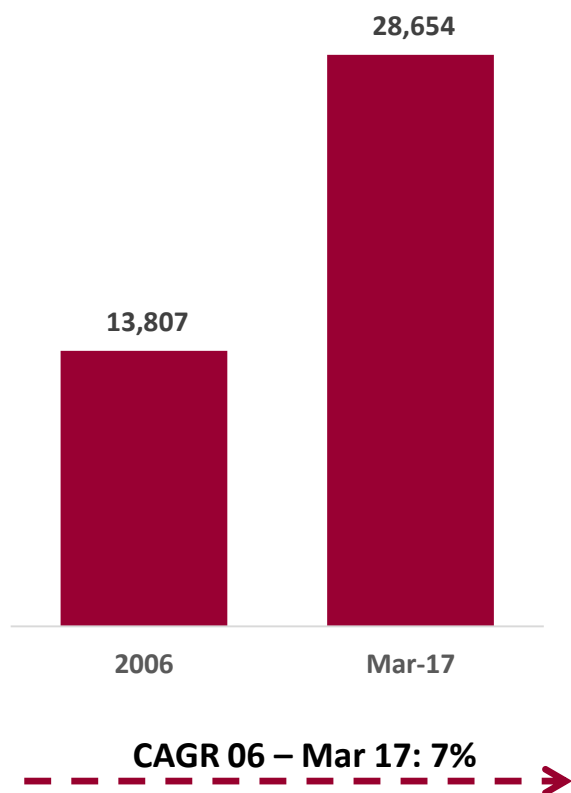
¹ Represents 63% of shares with voting rights.

Leading Consumer Company in Latin America



		FEMSA Comercio			Coca-Cola FEMSA	Logistics/ Refrigeration
		Retail Division	Health Division	Fuel Division		
	Mexico					
	Brazil					
	Colombia					
	Argentina					
	Venezuela					
	Chile					
	Panama					
	Costa Rica					
	Philippines					
	Guatemala					
	Nicaragua					

FEMSA Market Cap Evolution (US\$ MM)



Financial Highlights

	2016	2006 ²	CAGR%
Revenue ¹	399,507	93,238	16%
EBIT ¹	37,427	11,060	13%
EBIT Margin	9.4%	11.9%	
EBITDA ¹	54,987	14,603	14%
EBITDA Margin	13.8%	15.7%	
CAPEX ¹	22,155	4,488	17%

¹ Amounts expressed in millions of Mexican Pesos

² Figures for 2006 are the arithmetical sum of Coca Cola FEMSA and FEMSA Comercio, therefore figures exclude sold businesses.

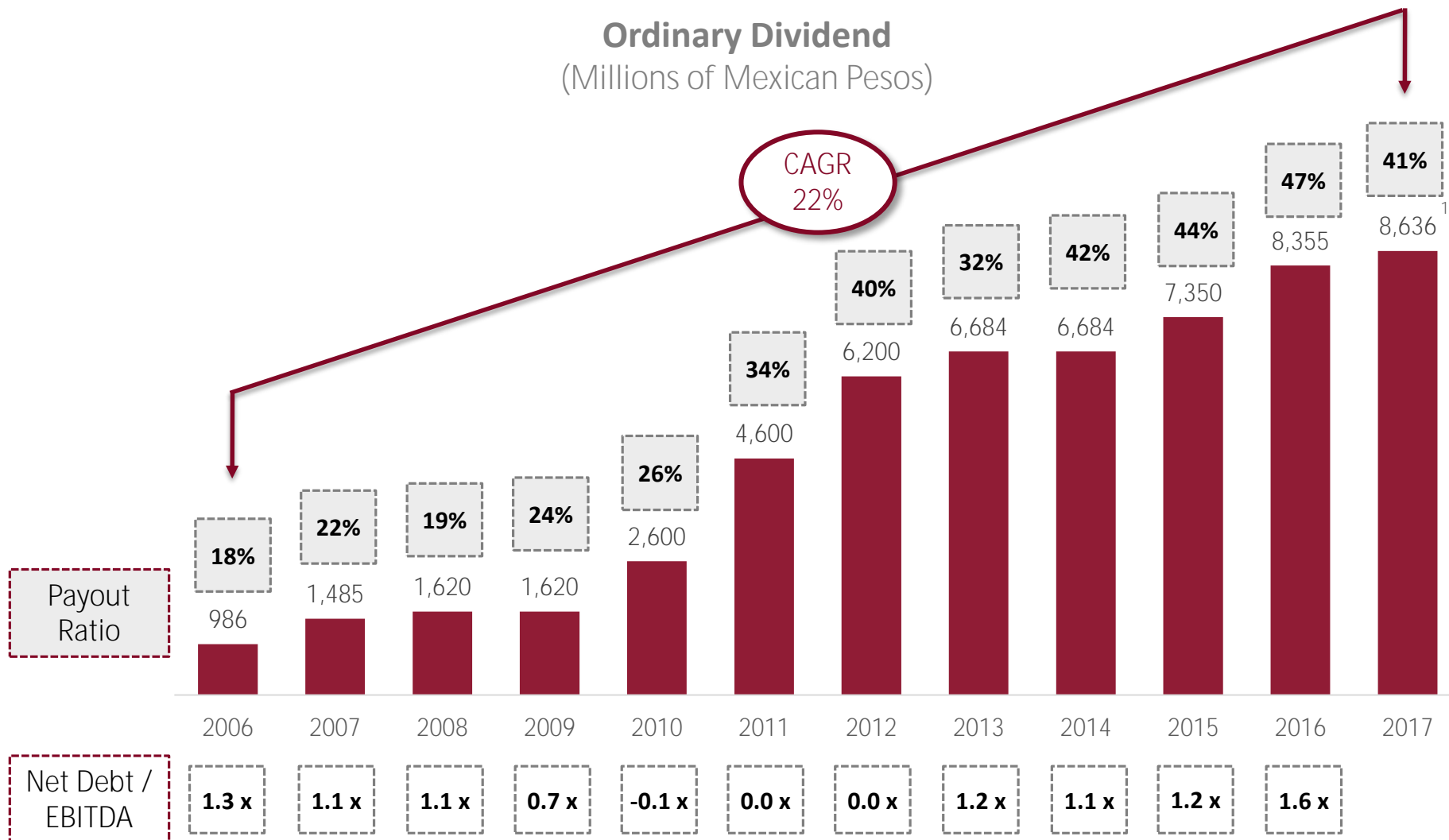
- Consistently strengthening our competitive position.
- Ability to operate in a rapidly changing economic environment.
- Strong brand portfolio and exceptional operational capabilities.

Increasing Cash to Shareholders Over Time...



...while retaining strategic and financial flexibility

Ordinary Dividend (Millions of Mexican Pesos)

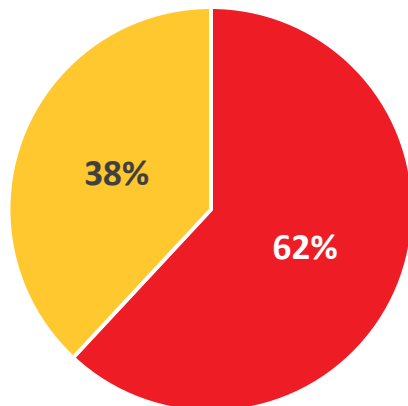


Note: Dividend figures are in Mexican pesos. Payout ratio figures are the division of the dividend between previous year net majority income. 2010 net majority income does not include Heineken transaction effect. 2011 and thereafter figures are under International Financial Reporting Standards ("IFRS").

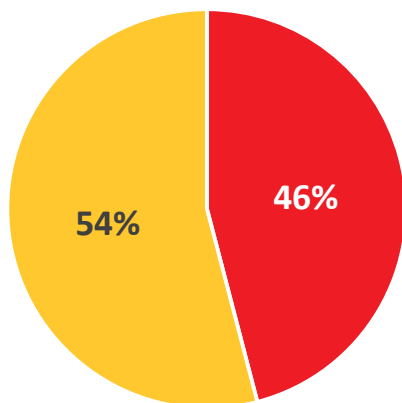
¹ Proposed by FEMSA's Board of Directors, to be paid in 2017 subject to approval at the annual shareholders meeting to be held on March 16, 2017.

Revenue Contribution

2006

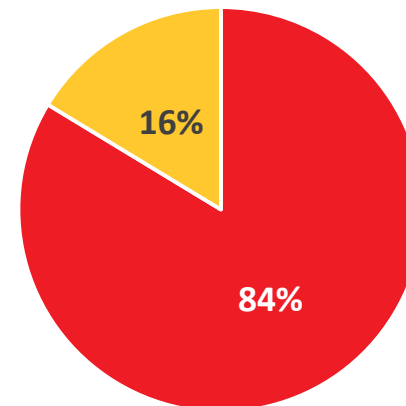


2016

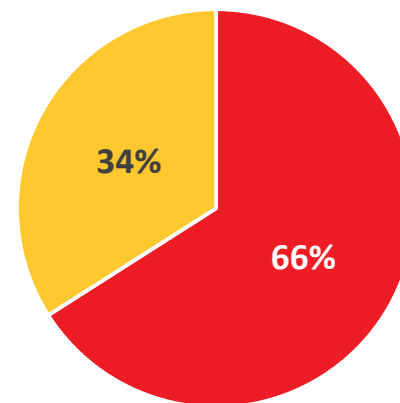


EBITDA Contribution

2006



2016



Coca-Cola FEMSA
 FEMSA Comercio

FEMSA
COMERCIO





Retail Division

Operates OXXO, the largest C-store chain in the Americas by units

Health Division

Includes drugstores and related operations in Mexico and South America

Fuel Division

Operates the OXXO GAS chain of retail service stations in Mexico

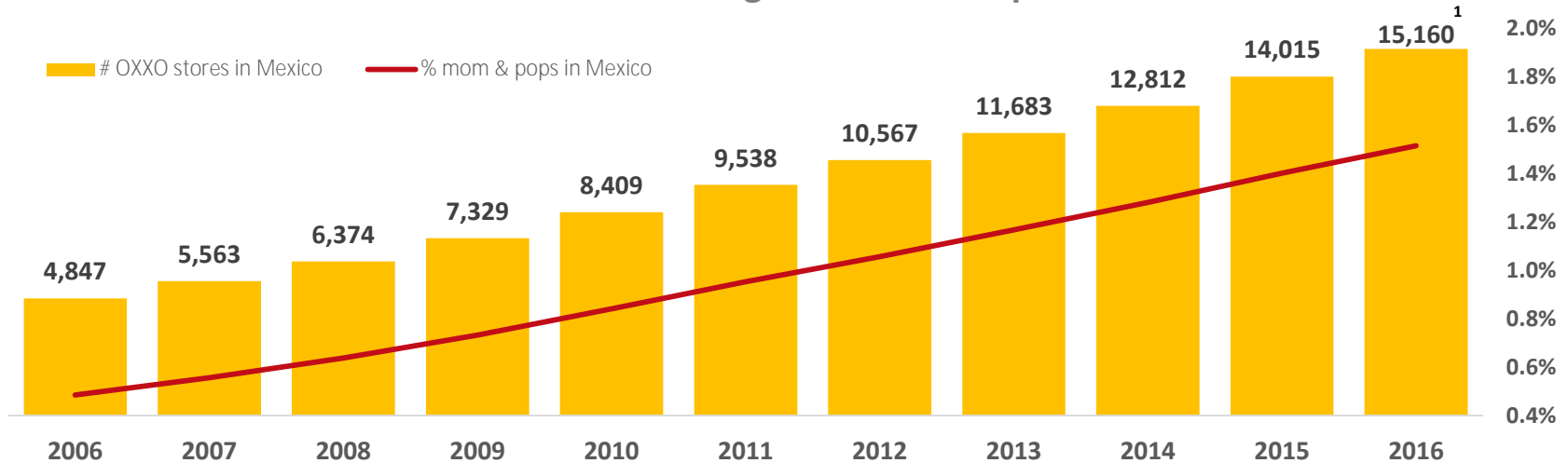
OXXO: A Format that Fits our Consumer's Needs

- **Third largest retailer in terms of Revenues in Mexico.**
- **Benchmark for SSS and sales density in Mexico.**
- **Best-in-class margins and returns.**
- **We open one new store every 8 hours on average.**
- **Every day, approximately 11 million people make a purchase at an OXXO Store.**

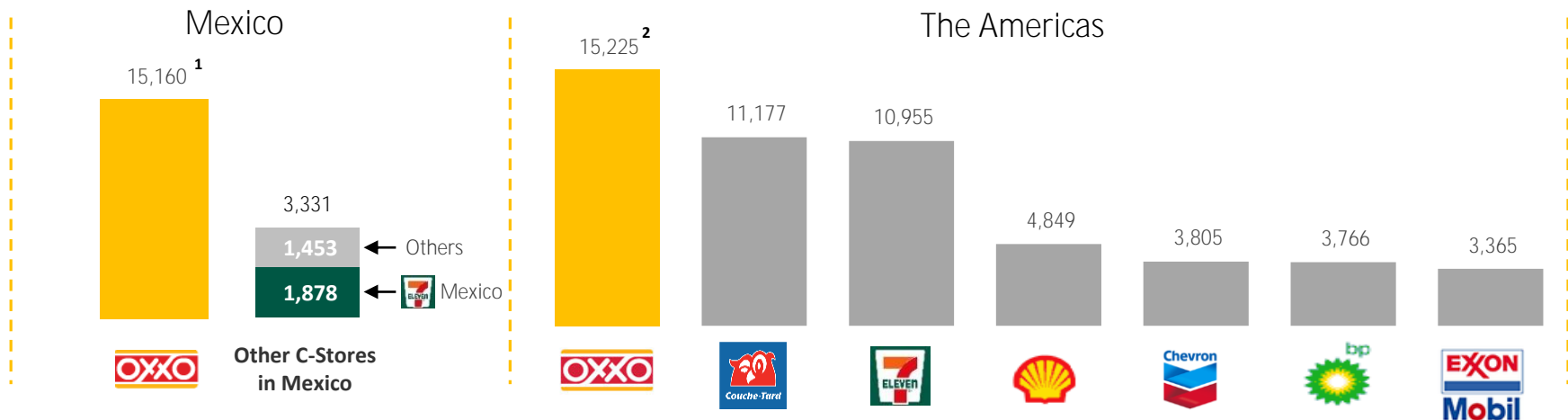


Largest Store Chain in the Americas by Units

OXXO Stores as a Percentage of Mom & Pops in Mexico



Number of Stores



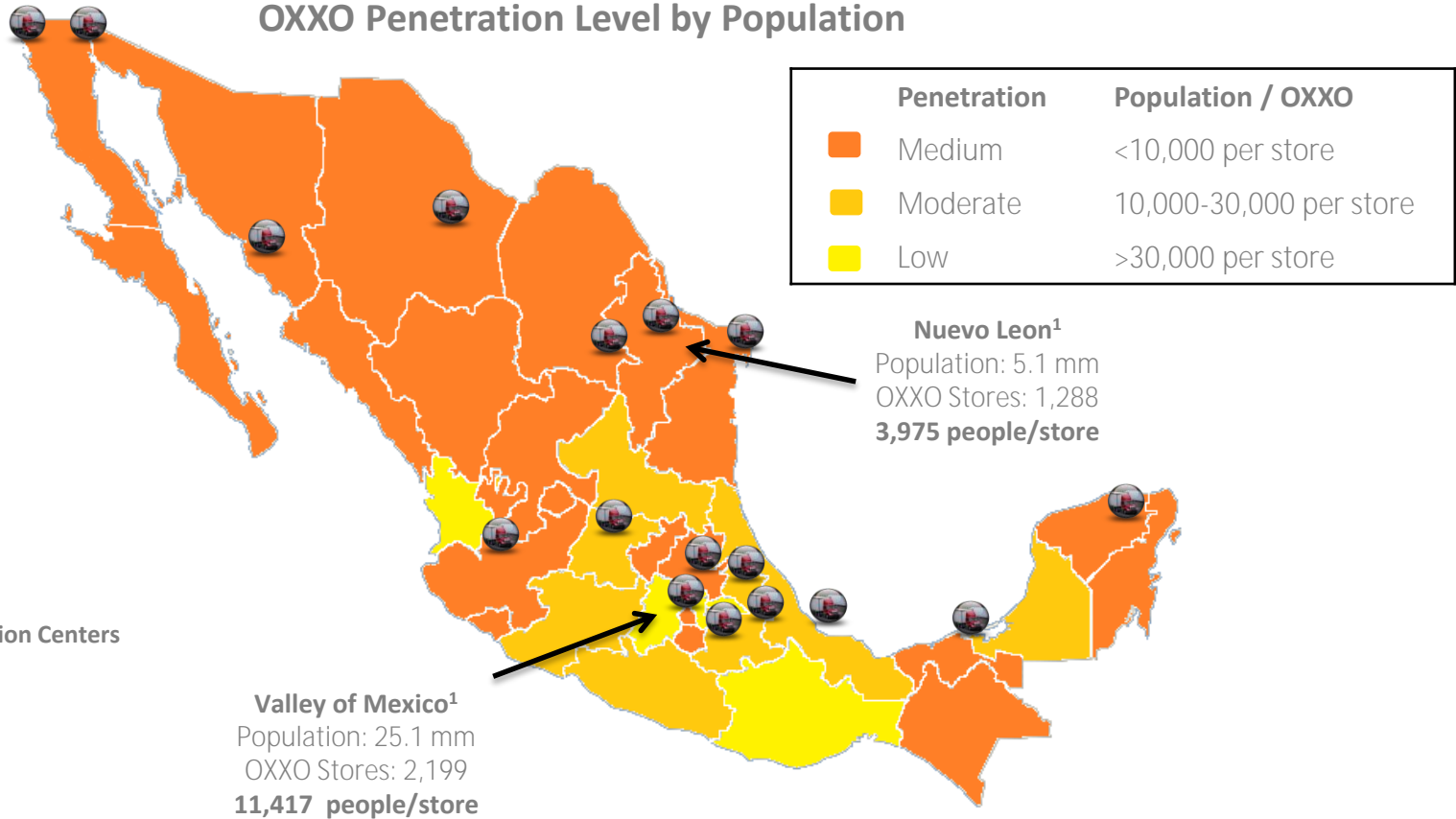
Note: For The Americas Section: Alimentation Couche-Tard includes US, Canada and Mexico operations as of Oct 2016 (includes transactions subject to regulatory approvals). Source: Company Information. 7-Eleven: US, Canada and Mexico Operations as of Dec 2016. Source: Company Information. Rest of the companies: Source: CS News "Top 100 US Convenience Store Companies", Published July 2016. Mom & pops: Company and INEGI information.
¹ OXXO stores as of December 31, 2016 in Mexico. ² Total OXXO stores, (includes Mexico and Colombia) as of Dec 31, 2016.

Horizontal Growth: Plenty of Runway Ahead

15,160 stores in Mexico and counting

FEMSA Comercio has developed proprietary models to assist in identifying optimal store locations, store formats and product categories

OXXO Penetration Level by Population



17 Distribution Centers

Note: INEGI 2015 Inter Population Consensus Survey . FEMSA information as of December 31, 2016.
¹OXXO stores as of December 31, 2016.

Differentiated Approach to Fill Consumer Needs



THIRST

Quench your thirst immediately



CRAVING

Satisfy your sudden craving for a snack, a meal or drink



TIME OPTIMIZATION

Acquire one-stop products and services in a simple and fast way



BREAKFAST

Start your day with a practical breakfast



LUNCH

Satisfy your hunger with an on-the-go meal



GATHERING

Stop by for your party needs



DAILY

Take home your everyday grocery needs



REPLENISHMENT

Replenish your depleted grocery and non-food products

Category Development

-Services

+1,000 services offered in the store



Category Development

-Prepared Food



Segmentation



Aspiring to **consolidate fragmented industry** following OXXO game plan

- **FEMSA Comercio now operates more than 1,000 drugstores in Mexico, or approximately 3% of industry units**

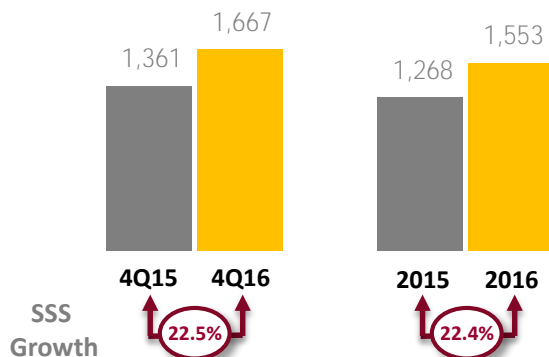
- **Current expected organic revenue growth of 10% in the Mexican operations**

- **Oxxo’s operational and logistics expertise will facilitate national expansion**

- **Standardizing business model across different regional brands**



Same Store Sales¹
(Thousands of Mexican Pesos)



Note: Numbers as of December 31, 2016.

¹ Monthly average information per store, considering same stores with more than twelve months of operations for FEMSA Comercio - Health Division.

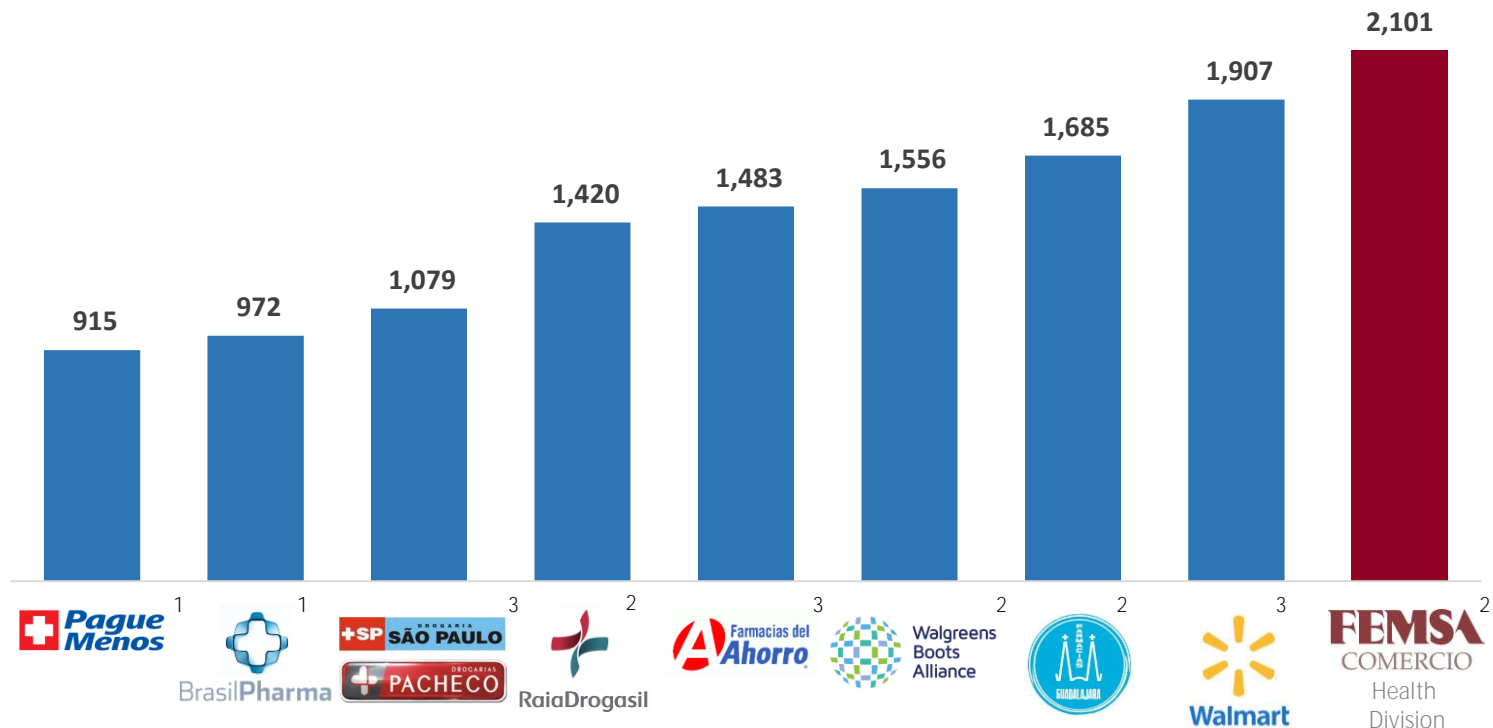
Providing a solid platform for continued growth across the region



- Operating more than **1,000** health related points of sale in Chile and Colombia
- **Strong brand recognition and industry leadership in Chile**
- **Operational expertise will serve as a driver of profitability**
- **Region presents opportunities for further international and cross-format growth**

FEMSA Comercio's Health Division is gradually becoming a key drugstore operator in Latin America

LatAm Comparable Players by Number of Stores



Source:

¹ 3Q16 Company Reports.

² 4Q16 Company Reports. FEMSA Comercio – Health Division includes drugstores and beauty stores.

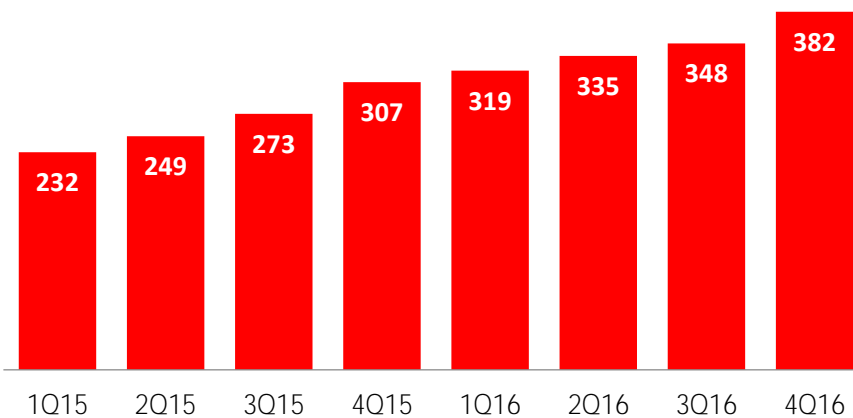
³ LatAm Retail Pharma Map, ILACAD World Retail, points of sale as of March, 2015.

FEMSA is participating in the rapid transformation of Mexico's Fuel industry

- New changes to Mexican regulatory framework now allow FEMSA to participate directly in the Energy sector, particularly through petrol stations
- We concentrate mainly in the northern part of the country, but with a growing presence in 16 Mexican States



Number of Stations
(End of Quarter)



Note: Numbers as of December 31, 2016.

Footprint

