FEMSA

ANNUAL REPORT 2014

Rising to the occasion

FEMSA is a leading company that participates in the beverage industry through Coca-Cola FEMSA, the largest franchise bottler of Coca-Cola products in the world; and in the beer industry, through its ownership of the second largest equity stake in Heineken, one of the world's leading brewers with operations in over 70 countries. In the retail industry it participates with FEMSA Comercio, operating various small-format store chains including OXXO, the largest and fastest-growing in the Americas. Additionally, through FEMSA Strategic Businesses, it provides logistics, point-of-sale refrigeration solutions and plastics solutions to FEMSA's business units and third-party clients.

At FEMSA, our team continues to rise to the occasion, overcoming a challenging market environment to meet—and exceed—the evolving needs of our consumers each and every day. Building on our strengths, we work to transform challenges into opportunities, pursue new avenues for growth, and convert complexity into profitability. We further foster our company's sustainable growth and development, creating economic, social, and environmental value for our stakeholders now and into the future.

Consumer Focus

At FEMSA, we fine-tune our focus and leverage our strengths to pursue our ultimate goal: to create a perfect experience for each of our consumers on every occasion. To this end, we tirelessly strive to get closer to our consumers, understand and anticipate their evolving needs, and tailor our value proposition to exceed their expectations.

+2,500

products and services for our **OXXO shoppers.** What can we offer you?

Coca-Cola Life

a **low-calorie** alternative sweetened with natural ingredients.

OXXO's Bitz snacks, candy, and baked goods satisfy our consumers' cravings any time of day.

3.4 billion

unit cases of refreshing **beverages sold** this year. Enjoy a Coke and a smile!

Sprite Zero and **Fanta Zero** complement our growing portfolio of affordable, zero-calorie sparkling beverages.

1,132

new OXXO stores opened across Mexico and Colombia. Growing to serve you!

Constant Growth

Growth is an essential element of our DNA. We constantly scan the horizon for occasions that afford us the opportunity to enhance our offerings and expand our opportunities for value creation to an ever-wider array of consumers. We are persistent in our search and unwavering in our effort to achieve sustainable growth—capitalizing on our core capabilities.

Profitable Complexity

When you continually strive to meet the ever-changing needs of millions of consumers across multiple countries with diverse economies and cultures, complexity is the name of the game. Fortunately, our skilled team relentlessly rises to the challenge, profitably transforming complexity into opportunity for our company today and tomorrow.

+3.4 billion

transactions carried out at OXXO during 2014. We keep on going!

+90 new

small-box drugstores opened to cater to Mexican consumers.

351 million

beverage consumers served across 10 different countries every day. No problem!

26,500
DEVELOPMENT AGENDAS

managed to support employees' performance. Our people are our most valuable asset!

+88,100

employees received **training** at **FEMSA University** last year. Fostering a talent culture!

4.3 million
HOURS

of **classroom instruction** delivered across our Business Units. Developing personally and professionally!

Talent Management

For this reason, we are dedicated to recruiting, encouraging and retaining the best talent for our business through our Comprehensive Talent Management model, we foster the professional and personal growth of our people, developing the capabilities necessary for them to reach their maximum potential, while contributing to the achievement of our near-and long-term goals.

Rising to the Occasion

Dear Shareholders

In 2014, we successfully navigated a tough operating environment. Throughout the year, we leveraged our core businesses' strengths to satisfy our consumers' needs, generated new avenues for growth, and profitably converted complexity into opportunity. Furthermore, through our 20% economic interest in Heineken, we remained positioned to benefit from the promising long-term prospects of the global brewing space.

José Antonio Fernández Carbajal
Executive Chairman of the Board (left)

Carlos Salazar Lomelín
Chief Executive Officer (right)

70 million
TRANSACTIONS

Consumer transactions generated daily across Coca-Cola FEMSA's franchise territories.

Our company overcame significant headwinds this year as we effectively managed extremely challenging consumer dynamics. In our key Mexican market, the soft macroeconomic situation, magnified by structural reforms, increased taxation, excise tax-driven price increases on most soft drinks and calorie-dense products, and higher VAT rates in northern and southern border states, compounded a sluggish consumer environment for our retail and beverage businesses. Moreover, adverse foreign exchange dynamics in our major South American markets, combined with decelerating GDP growth in Brazil, a weak economy in Argentina, and a demanding operating landscape in Venezuela, affected consumer confidence across the region.

In light of these and other challenges, we generated better than expected results for our shareholders thanks to our robust business platform, talented team of people, and operations' ability to adapt to new market realities. For 2014, our total revenues increased 2.1% to Ps. 263.4 billion (US$ 17.9 billion). Our income from operations increased 0.4% to Ps. 30.0 billion (US$ 2.0 billion). Our net income increased 2.1% to Ps. 22.6 billion (US$ 1.5 billion), and our earnings per unit were Ps. 4.67 (US$ 3.16 per ADR). Now that the new taxes and related price increases are reflected in our retail and beverage businesses' base, as we look forward, we are optimistic about our ability to succeed throughout ever-evolving operating conditions.

Now, let us briefly review some of the year's highlights for each of our businesses.

2.8 million points of sale to quench our consumers' thirst. How refreshing!

Coca-Cola FEMSA

Coca-Cola FEMSA surmounted a complex environment, particularly in Mexico and Brazil, to deliver volume growth and profitable results across our markets. In Mexico, our operations acted swiftly to protect our profitability and cash flow generation, proactively implementing portfolio and revenue management initiatives. To address the impact of new taxes, our operations' emphasized returnable, low-calorie, and single-serve sparkling beverages—coupled with packaging and brand innovation—to enable us to connect more closely with our consumers' needs, generating more than 9 billion transactions, while outpacing our volume performance for the year. Additionally, we restructured our operations, reducing costs and expenses, while scaling back investments. These initiatives, combined with our relentless focus on marketplace execution and operating efficiency, set us on the right path to achieve operating cash flow and margin expansion for the year.

Despite a difficult environment, we integrated the operations of Companhia Fluminense and Spaipa, solidifying our position as Brazil's leading Coca-Cola bottler. Thanks to our team's efforts, we are rapidly capturing the expected synergies, which total approxiamtely US$ 52 million. We also made strategic capital investments across the supply chain to keep up with potential demand. In November, we began operations at our new state-of-the-art bottling plant in Itabirito, Brazil, with an annual capacity of approximately 200 million unit cases. Built to LEED certification standards, this efficient, eco-friendly facility enhances our position to capture the benefits of this dynamic market's great long-term prospects.

Coca-Cola FEMSA further embarked on an intensive strategic, organizational, and operating transformation process to create a leaner, nimbler, and more flexible organization with the requisite capabilities to drive our competitiveness and prepare for the next wave of growth. Among our actions, we established centers of excellence, focused on our supply chain, commercial, and IT innovation areas. We commenced streamlining and de-layering our organization to foster a tighter, leaner, more agile management that will enable greater efficiency and bring us closer to our customers.

We rose to the occasion, creating economic, social, and environmental value for our stakeholders.

We are also reinforcing our talent management to develop a deep bench of professionals who can address growing market and industry complexity, while furthering our strategic vision.

FEMSA Comercio

FEMSA Comercio effectively managed soft consumer dynamics to produce resilient, positive results for 2014, including top- and bottom-line growth, a 50 basis point gross margin expansion, and comparable same-store sales growth that outperformed our industry. We also continued our long-term strategy to solidify OXXO's leadership position as Mexico's unique national modern small-format store chain. In 2014, we successfully opened a record 1,132 new OXXO stores for a total of 12,853 stores—serving more than 9 million shoppers daily.

Beyond OXXO, we strengthened our position in the complementary drugstore sector, further developing an important new avenue for growth. Building on our 2013 acquisitions of Farmacias YZA and Farmacias FM Moderna, we leveraged our in-depth understanding of our consumers and expertise operating a national small-box retail chain to enhance the value proposition of our base of 515 drugstores, while opening more than 90 new drugstores over the course of the year.

Additionally, in December 2014, we agreed to acquire Farmacias Farmacón, an important drugstore operator with over 200 stores in northwestern Mexico. Through this transaction, we take an additional step in our strategy to play a relevant role in an attractive, still-fragmented industry, where we aspire to replicate the success of our small-box retail format.

Furthermore, we made great strides in the integration of recently acquired Doña Tota, a leading quick-service restaurant operator with more than 200 outlets in Mexico and the U.S. Consequently, we are now well positioned to gradually increase the pace of growth of this business in the coming year.

Strategic Businesses

We also advanced our strategy to focus and strengthen our Strategic Businesses' operations, which provide significant support to our core businesses and also present attractive growth potential. To this end, we worked to consolidate

Imbera as the leader in the design and production of state-of-the-art refrigeration solutions for retail applications, spearheading innovation and achieving the highest efficiency ratings in the Americas. At FEMSA Logística, we made progress with its operational restructuring, positioning it to drive growth organically and through selective acquisitions. In this regard, we continued to foster Logistica's transformation into an integrated logistics provider by deploying resources to increase our operational capabilities in key markets such as Brazil. World-class operations in their own right, these businesses will continue to contribute to the growth and success of our company going forward.

Sustainable Development

Sustainability is integral to our company's development. Consistent with our commitment to ensure that renewable sources of energy eventually

cover a high percentage of our electricity needs, we executed two important power purchase agreements that will enable us to fulfill more than 25% of FEMSA's current annual electricity requirements in Mexico. Through these agreements, we have secured 193,000 megawatt (MW) hours of electricity per year from the 100-MW Dominica II wind farm in San Luis Potosi, Mexico, and 350,000 MW hours of electricity per year from the 126-MW Ventika II wind farm in Nuevo León, Mexico. With the power generated from these wind farms, which are expected to come online in the third quarter of 2015 and the first quarter of 2016, respectively, we will lower the consumption of fossil fuels, reduce our energy costs, and decrease our overall carbon footprint.

Underscoring our commitment to sustainability, Coca-Cola FEMSA was once again selected as one of only 86 corporations chosen from emerging markets and one of only four Mexico-based companies included in the Dow Jones Sustainability Emerging Markets Index. Importantly, Coca-Cola FEMSA was the first Mexican company that was included in RobecoSAM's Sustainability Yearbook and also received this prestigious institution's Industry Mover Sustainability Award.

Management Changes

As previously announced, we recently initiated certain executive changes that will not only enable us to properly manage the transition processes for certain key responsibilities, but also reinforce our management team to transcend current and future challenges, continue our growth trajectory, and build an ever better, more global business.

After nine years as Vice President of Corporate Development and 25 years working at FEMSA, Federico Reyes García has decided to retire as of April 1, 2015. Javier Astaburuaga Sanjines, currently FEMSA's Chief Financial and Corporate Officer, will replace Federico as Vice President of Corporate Development. In that position, Javier will continue to support FEMSA's Strategic and Mergers & Acquisitions processes.

We also warmly welcome Daniel Rodríguez Cofré, who joined FEMSA on January 1, 2015, and will take Javier's place as Chief Financial and Corporate Officer on April 1, 2015. Born in Chile, Daniel enjoys considerable international financial experience in Latin America and Europe; first as CFO of Shell in South America and later as Global CFO of one of Shell's European based operating divisions. For the past six years, Daniel has served as the CEO of CENCOSUD, a major Chilean retail consortium.

Looking forward, we envision an immensely rewarding future for our company, driven by our passionate team of managers and employees. On behalf of these 216,000 dedicated men and women, we thank you for your continued support. The very reason for our existence is to create economic, social, and environmental value for our stakeholders—including our employees, our consumers, our shareholders, and the enterprises and institutions within our society—now and into the future.

José Antonio Fernández Carbajal
Executive Chairman of the Board

Carlos Salazar Lomelín
Chief Executive Officer

In Memoriam

If we are fortunate in our lives, we are privileged to know a very few great and fascinating leaders. **Donald R. Keough** was one of them.

Donald R. Keough
(September 4, 1926 – February 24, 2015)

The Coca-Cola Company, FEMSA and Coca-Cola FEMSA Members of the Board of Directors and Top Management, October 2011.

Donald R. Keough stands in the first row from left to right with Muhtar Kent, José Antonio Fernández Carbajal, and Eva Garza Lagüera de Fernández.

At FEMSA, we appreciate the character and the values of those leaders, and strive to carry their values beyond the workplace and into our broader lives.

We recognize the admirable way Don Keough lived his life as a great man, a talented business leader, and a dedicated philantropist for many educational and charitable causes.

Don will certainly be remembered for his many business and personal accomplishments in challenging times. He was a key figure in the history and growth of iconic institutions such as The Coca-Cola Company, Allen & Company, and the University of Notre Dame.

Donald R. Keough was a dear friend and cherished mentor to so many. He truly believed that people are at the heart of successful companies. His legacy includes a new leadership model; unmatched operating skills; an expansive vision; and, above all, a deep commitment to developing people who possess the potential to positively transform our world.

Don had high regards for Coca-Cola FEMSA, where he contributed his passion, talent, visionary leadership, and counsel to help build the company that it is today. We will always remember and be thankful for his devotion to our company.

His impact will be forever present in our shared committment to create economic, social, and environmental value for our stakeholders and communities.

“In admiration and affection for a man whom it was a privilege and an inspiration to have known, we will miss Don Keough´s sharp wit and generous spirit.”

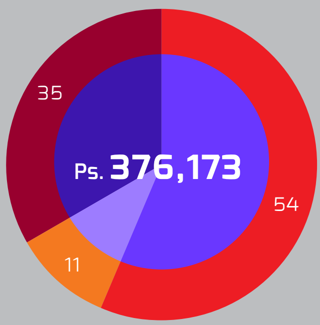
José Antonio Fernández Carbajal
Executive Chairman of the Board

Financial Highlights

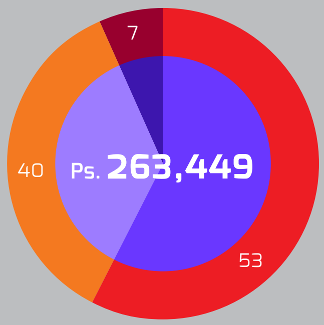
Millions of pesos	2014 [1]	2014	2013	% Change	2012	% Change	2011 [2]
Total Revenues	17,861	263,449	258,097	2.1%	238,309	8.3%	201,540
Income from Operations [3]	2,033	29,983	29,857	0.4%	29,227	2.2%	24,484
Consolidated Net Income	1,534	22,630	22,155	2.1%	28,051	-21.0%	20,901
Controlling Interest [6]	1,132	16,701	15,922	4.9%	20,707	-23.1%	15,332
Non-Controlling Interest	402	5,929	6,233	-4.9%	7,344	-15.1%	5,569
Total Assets	25,503	376,173	359,192	4.7%	295,942	21.4%	263,362
Total Liabilities	9,902	146,051	136,642	6.9%	85,781	59.3%	71,191
Total Equity	15,601	230,122	222,550	3.4%	210,161	5.9%	192,171
Capital Expenditures	1,231	18,163	17,882	1.6%	15,560	14.9%	12,609
Controlling Interest Book Value per Share [4]	0.65	9.53	8.91	7.0%	8.68	2.7%	8.06
Net Controlling Interest Income per Share [4]	0.06	0.93	0.89	4.9%	1.16	-23.1%	0.86
Headcount [5]		216,740	209,232	3.6%	182,260	14.8%	168,370

1 U.S. dollar figures are converted from Mexican pesos using the noon-buying rate published by U.S. Federal Reserve Board, which was Ps. 14.7500 per US$1.00 as of December 31, 2014.
2 2011 figures were restated for comparison with 2014, 2013 and 2012 as a result of transition to International Financial Reporting Standards (IFRS).
3 Company's key performance indicator.
4 Data based on outstanding shares of 17,891,131,350.
5 Includes headcount from Coca-Cola FEMSA, FEMSA Comercio and Other Businesses of FEMSA.
6 Represents the net income that is assigned to the controling shareholders of the entity.

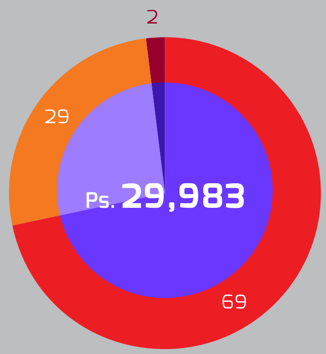
FEMSA Consolidated



Total Assets
millions of Mexican pesos



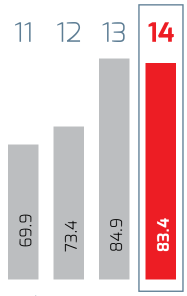
Total Revenues
millions of Mexican pesos



Income from Operations
millions of Mexican pesos

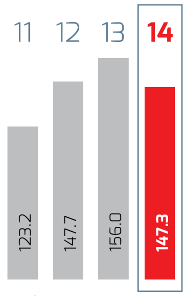
Coca-Cola FEMSA

Headcount
thousands



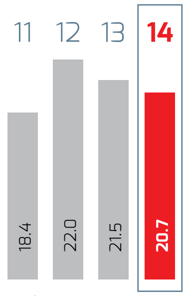
% annual growth 5.0 15.7 -1.8

Total Revenues
billions of Mexican pesos



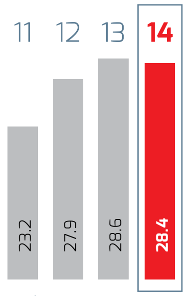
% annual growth 19.9 5.6 -5.6%

Income from Operations[1]
billions of Mexican pesos



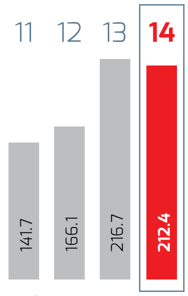
% annual growth 19.4 -2.3 -3.3%
% operating margin 14.9 13.7 14.1

EBITDA[2]
billions of Mexican pesos



% annual growth 20.2 2.4 -0.7%

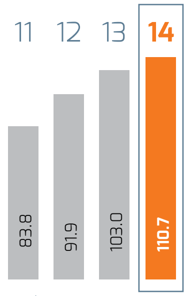
Total Assets
billions of Mexican pesos



% annual growth 17.2 30.4-2.0%

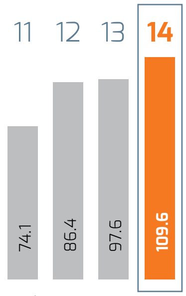
FEMSA Comercio

Headcount
thousands



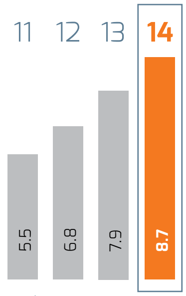
% annual growth 9.7 12.0 7.5

Total Revenues
billions of Mexican pesos



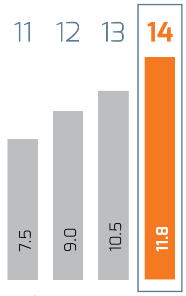
% annual growth 16.6 12.9 12.4

Income from Operations[1]
billions of Mexican pesos



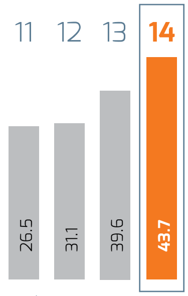
% annual growth 22.7 16.6 9.8
% operating margin 7.8 8.1 7.9

EBITDA[2]
billions of Mexican pesos



% annual growth 19.8 17.3 11.5

Total Assets
billions of Mexican pesos

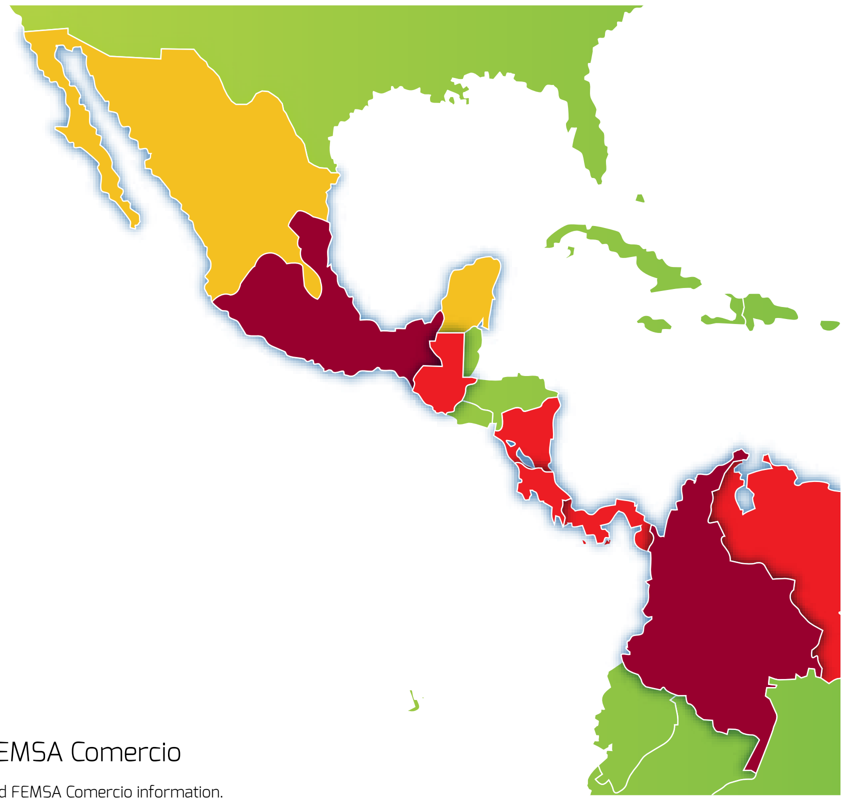


% annual growth 17.2 27.4 10.4

- Coca-Cola FEMSA
- FEMSA Comercio
- Others (Includes other companies and our 20% economic interest in Heineken)

[1] Company's key performance indicator.
[2] EBITDA equals Income from Operations plus Depreciation, Amortization and other non-cash items.

Operating Overview



Mexico [1]

Headcount	43,015
Plants	17
Distribution Facilities	144
Distribution Routes [3]	3,242
Brands [4]	100
Clients	849,725

Central America [1, 2]

Headcount	6,013
Plants	5
Distribution Facilities	32
Distribution Routes [3]	340
Brands [4]	33
Clients	105,658

Mexico and Colombia

Headcount	104,564
Stores	12,853
Distribution Facilities	16
Brands [5]	28
Clients [6]	+ 3 billion

- Coca-Cola FEMSA
- FEMSA Comercio
- Coca-Cola FEMSA & FEMSA Comercio

Note: Only includes Coca-Cola FEMSA and FEMSA Comercio information.

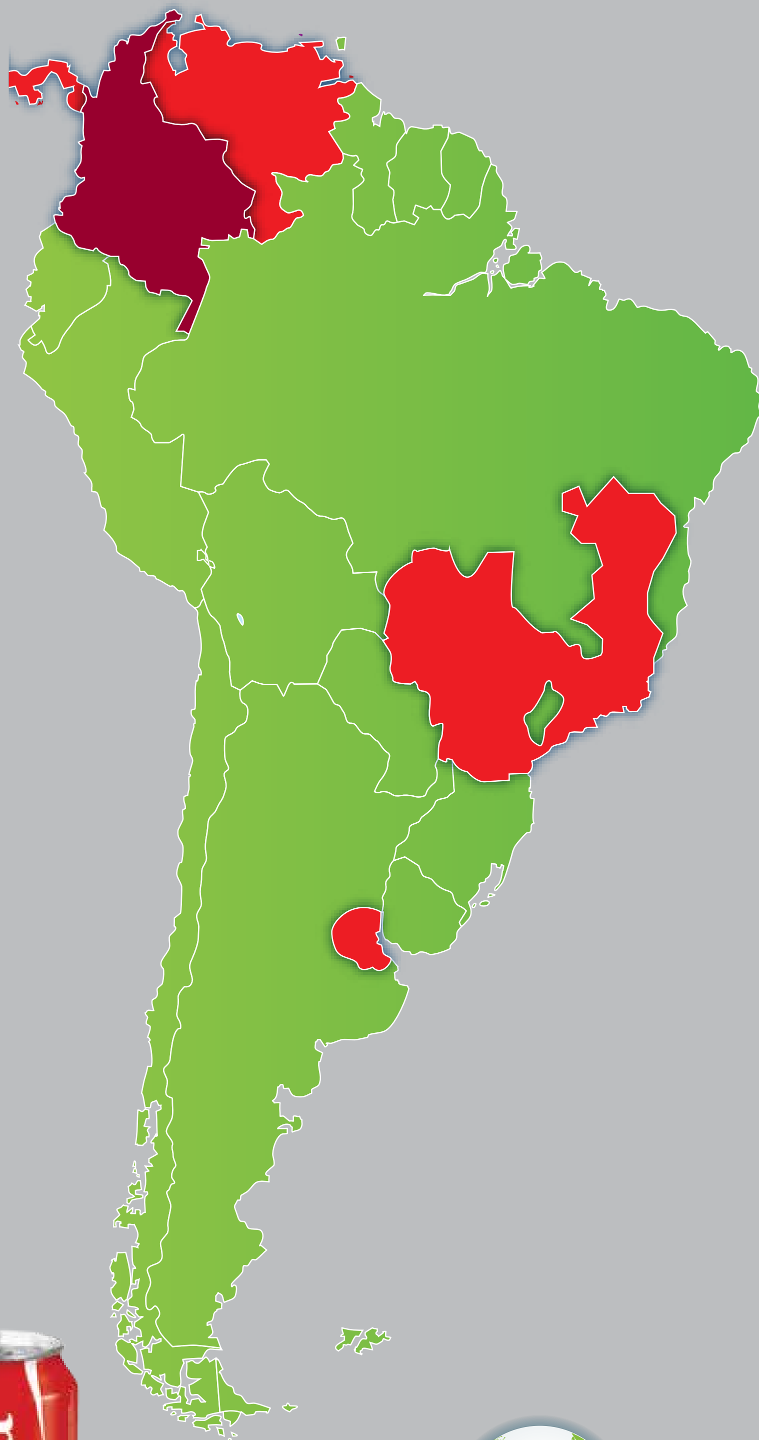
1. FEMSA owns 47.9%; the remaining 28.1% and 24.0% are owned by The Coca-Cola Company and the investing public, respectively.
2. Includes Guatemala, Nicaragua, Costa Rica and Panama.
3. Includes third-party distributors.
4. Includes brand extensions.
5. Includes private label brands.
6. Clients per year based on the number of daily transactions.
7. Includes third-party headcount.

Saldazo, OXXO's popular co-branded debit card with Banamex and Visa, reached over 1.4 million accounts for the year.

200

MILLION UNIT CASES

Is the annual capacity of our new state-of-the-art bottling plant in **Itabirito**, Brazil; it positions us to capture this market's long-term demand.



Colombia [1]

Headcount	4,991
Plants	7
Distribution Facilities	25
Distribution Routes [3]	947
Brands [4]	18
Clients	413,200

Venezuela [1]

Headcount	7,602
Plants	4
Distribution Facilities	33
Distribution Routes [3]	710
Brands [4]	14
Clients	181,605

Brazil [1]

Headcount	18,447
Plants	10
Distribution Facilities	37
Distribution Routes [3]	2,473
Brands [4]	49
Clients	329,764

Argentina [1]

Headcount	2,855
Plants	2
Distribution Facilities	4
Distribution Routes [3]	349
Brands [4]	20
Clients	71,900

Philippines [1]

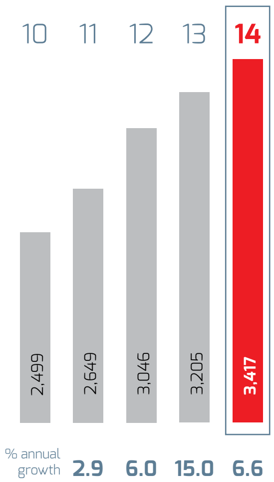
Headcount [7]	14,103
Plants	19
Distribution Facilities	54
Brands [4]	18
Clients	853,242

Our **Share a Coke** campaign appealed to consumers across Mexico through our more than **300 personalized** cans and bottles.

Coca-Cola FEMSA

A Transformational Year

As the complexity and demands of our business grow, we are transforming our company to create a leaner, more agile, and flexible organization with the right capabilities to drive our competitiveness and prepare for the next wave of growth. Through transformative growth and innovation, we ensure our ability to satisfy consumers' evolving needs, adapt to ever-changing market dynamics, and capitalize on new business opportunities.



Beverage volume
million unit cases*

* One unit case equals 24 8-ounce bottles.

To intensify our consumer connection, we extended our Magic Price Points Strategy throughout our markets. Thanks to this strategy, we expanded the growth of our sparkling beverages across Brazil, Mexico, and Colombia by offering the right product at the Magic Price for our consumers.

[CASE STUDY]

“SHARE A COKE” CAMPAIGN

IN MEXICO, WE LAUNCHED our successful **Share a Coke** campaign from July through October. This innovative promotion engaged consumers mainly through our personalized 12-ounce cans and 600-ml presentations, sporting more than 300 different names. Through this campaign, we generated increased transactions throughout our Mexican territories.

Profitable Complexity

In the face of structural changes and an exceptionally challenging, complex consumer environment, particularly in Mexico and Brazil, our business delivered profitable results across our geographically balanced portfolio of franchise territories for the year. Notably, in Mexico, our operations acted swiftly to protect our profitability and cash flow generation, proactively implementing portfolio and revenue management initiatives. To address the new tax environment, our operations emphasized returnable, low-calorie, and single-serve sparkling beverages—coupled with packaging and brand innovation—to enable us to connect more closely with our consumers' needs. Additionally, to navigate such tough market dynamics, we restructured our operations, reducing costs and expenses while scaling back investments. These initiatives, combined with our relentless focus on marketplace execution and the generation of operating efficiencies, set us on the right path for the year.

For 2014, Coca-Cola FEMSA's total sales volume grew 6.6% to more than 3.4 billion unit cases. Our total revenues were Ps. 147.3 billion, and our income from operations was Ps. 20.7 billion, resulting in an operating income margin expansion of 40 basis points to 14.1%.

Consumer Focus

Consumer-driven innovation is key to our business strategy. Through transformative innovation, we ensure our ability to serve and satisfy the evolving needs of our more than 351 million consumers across 10 different countries each and every day.

Together with our partner The Coca-Cola Company, in 2014, we introduced a number of new products and presentations to address our consumers' needs more closely. After last year's kickoff in Buenos Aires, Argentina, we successfully launched Coca-Cola Life across our Mexican operations this year. Sweetened with natural ingredients such as stevia and cane sugar, Coca-Cola Life offers our consumers a reduced calorie alternative for one of the world's most beloved brands. Rolled out in five different presentations—including our new 235-ml lean can—this refreshing new product not only achieved more than 70% point-of-sale coverage, but also helped us to gain share and revitalize the Coca-Cola category among our consumers.

We also continued to satisfy and stimulate demand among our consumers for our growing portfolio of low-calorie, affordable sparkling beverages. Complementing the positive appeal of Coca-Cola Zero, Sprite Zero, and Sidral Mundet Light, we launched Fanta Zero and Fresca Zero throughout Mexico at attractive price points at the beginning of the year. Thanks to these initiatives, we significantly increased the coverage and volume of these zero-calorie beverages throughout the country.

Importantly, we continued to proactively serve our cost-conscious consumers with a growing array of affordable, returnable packaging alternatives. In Brazil, we considerably expanded the coverage of our 2-liter multi-serve returnable PET presentation for brand Coca-Cola, enabling more consumers to share the magic of Coke at home. In the Valley of Mexico, we significantly increased the volume of our 3.0-liter multi-serve returnable PET presentation for brand Coca-Cola, enhancing an attractive

Sweetened with natural ingredients, reduced calorie Coca-Cola Life helped revitalize one of the world's most beloved brands among Mexican consumers.

value proposition for our consumers' enjoyment, while we reinforced our 2.5-liter multi-serve returnable PET presentation for Coca-Cola across the rest of our territories, expanding the opportunities to share this popular brand. In Mexico, we further broadened the coverage of our affordable, convenient 500-ml returnable glass presentation for brand Coca-Cola, fostering consumption at the point of sale or at home. In this key market, we also grew the coverage of our 1.25-liter multi-serve returnable glass presentation for brand Coca-Cola, catering to families across our operations. Consistent with our long-term strategy, through our growing portfolio of returnable presentations, we always look to provide the right product in the right package at the right price for every consumer.

Additionally, we carried on expanding our Magic Price Points Strategy throughout our franchise territories. Thanks to this strategy, we are increasing the availability of our affordably priced, one-way PET presentations—from our 200-ml and 300-ml packages in Brazil and Mexico to our 1.4-liter package in Colombia—enabling us to connect more closely with the ever-evolving needs of our consumers.

Constant Growth

Despite the prevailing consumer landscape, we generated solid currency-neutral organic growth in 2014. Excluding the non-comparable results from the recently integrated territories in Mexico

Our strong foundation for growth will enable us to take advantage of future opportunities.

and Brazil, our organic revenues and income from operations rose 4.1% and 10.8%, respectively. The main drivers of our performance for the year were our committed team, organizational flexibility, proactive revenue management initiatives, and ability to adapt our broad portfolio of beverages, particularly our wide array of returnable presentations, to connect with cost-conscious consumers across our franchise territories, increasing transactions by 11.2% during the year.

In a difficult environment, we integrated the operations of Companhia Fluminense and Spaipa, solidifying our position as Brazil's leading Coca-Cola bottler. Thanks to our team's efforts, we captured our targeted synergies of approximately US$52 million during the year faster than anticipated. Beyond the synergies, the cross-fertilization of talent and best practices are key ingredients to success. This was no different with the integration of these franchises, as many of their talented executives now occupy important positions in Coca-Cola FEMSA's operations. Moreover, in terms of best practices, Companhia Fluminese's award-winning execution in the modern trade channel, coupled with Spaipa's exemplary distribution in the traditional sales channel, is helping us to reach our customers and consumers more efficiently and effectively than ever.

During the year, the strategic capital investments we made in every one of our markets create a strong foundation for growth, enabling us to take advantage of the opportunities that will arise in the future. Among our investments, we continue to enhance our cooler coverage—a distinct competitive advantage—across our franchise territories. We remain at the forefront of technology through our installation of high-speed tri-block bottling lines and the ongoing rollout of our efficient warehouse management system. We further continue our construction of sustainable, state-of-the-art bottling facilities, including our recently opened plant in Itabirito, Brazil. With an annual capacity of 200 million unit cases, this facility is built to LEED certification standards and offers additional flexibility for future expansion. Through these investments, we maximize our operations' capacity to achieve the full potential of our business more efficiently, productively, and profitably.

Furthermore, Coca-Cola FEMSA embarked on an aggressive organizational transformation to ensure that we have the right capabilities to drive our competitiveness and prepare for the next wave of growth. Among our actions, we redesigned our corporate structure to strengthen the core functions of the organization. We established centers of excellence, focused on our supply chain, commercial, and IT innovation areas. We commenced streamlining and de-layering our organization to create a tighter, leaner, more agile management that will enable greater efficiency and bring us closer to our customers. Additionally, we are reinforcing our talent management: recognizing and rewarding performance, developing leaders, and fostering a talent culture throughout the company. Looking forward, the measures that we are undertaking position us better to transform today's challenges into opportunities and to deliver sustainable value for our stakeholders.

[CASE STUDY]

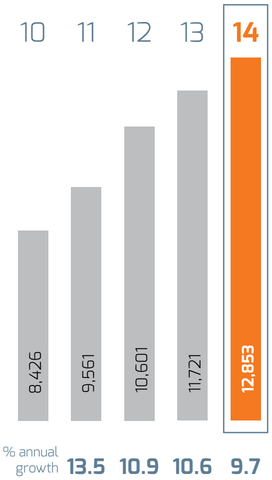
THE POWER OF POWERADE

WE SATISFY HEALTH CONSCIOUS CONSUMERS' growing demand for isotonic sports drinks with Powerade. Our hot fill formula heats Powerade almost to the point of pasteurization, eliminating the need for preservatives and resulting in a better tasting product. In Mexico, Powerade achieved a leading brand position across three of our four territories during the year, while our volume of Powerade more than doubled among Argentine consumers attracted to this drink's refreshing qualities.

FEMSA Comercio

Overcoming A Challenging Year

In a complex operating environment, we leveraged our in-depth understanding of our consumers and our expertise operating a national modern small-format retail chain to enhance our value proposition and produce positive results for our stakeholders. Rolling out attractive new initiatives, we broadened the scope of our offerings and further developed important avenues for growth—positioning our company for sustained, profitable growth.



OXXO stores
new openings

By conveniently and reliably satisfying shoppers' needs, OXXO plays a growing role in the lives of consumers throughout Mexico. Serving over 3.4 billion consumers annually, OXXO continues to solidify its position as the foremost choice for shoppers across the country.

[CASE STUDY]
DESIGNING A SPECIALIZED DRUGSTORE FORMAT

CAPITALIZING ON OUR IN-DEPTH understanding of the Mexican consumer, we opened more than 90 new drugstores over the course of the year. Unlike their large-box counterparts, these convenient, relatively small-box drugstore formats resonate with shoppers' growing demand for specialization, primarily offering consumers a selection of pharmaceutical and health and beauty products, along with a concentrated array of popular convenience store categories.

Profitable Complexity

Over the course of 2014, FEMSA Comercio was able to profitably navigate an exceptionally tough, complex operating landscape. In the face of a very difficult consumer environment—which was negatively impacted by lower disposable income, excise taxes on key product categories, and incremental increases in VAT in Mexico's northern border cities—we managed to produce positive, resilient results for the year. Our performance throughout an extremely challenging year underscores the strength of our ever-improving value proposition, brand equity, and marketplace execution, highlighted by our effective collaboration with our key supplier partners.

For 2014, our total revenues rose 12.4% to Ps. 109.6 billion, including the results from our acquisitions of Farmacias YZA, Farmacias FM Moderna, and Doña Tota. Our increased revenues primarily came from our continued store expansion, complemented by our comparable same-store sales growth—driven by an improvement in our average customer ticket that offset a slight decline in store traffic.

Gross profit grew 13.9% to Ps. 39.4 billion, resulting in a 50 basis point gross margin expansion to 35.9% of total revenues. Income from operations increased 9.8% to Ps. 8.7 billion. Operating expenses grew slightly ahead of revenues, reflecting the incorporation and strengthening of our new drugstore and quick-service restaurant operations, the solid growth in our new OXXO stores, and the continued rollout of our new initiatives. As a result, our operating margin contracted slightly when compared to the prior year.

Consumer Focus

At OXXO, we continue to enhance our value proposition to satisfy our shoppers' needs through an attractive array of quality products and services. Among our initiatives, we continue to broaden the scope of our convenient one-stop financial services. To optimize our consumers' time, we carried on expanding our correspondent bank program to encompass five leading financial institutions. Through this program, within certain transaction parameters, we enable customers to make cash deposits and withdrawals to both their checking and credit card accounts at any of OXXO's stores across the country. As consumers realize the advantages of this readily accessible functionality, we look forward to sustained growth in the adoption of this program—particularly since the number of our OXXO stores is already comparable to the combined number of branches of every bank in the country.

In January 2014, we launched Saldazo, a co-branded debit card with Banamex and Visa, which also serves as OXXO's loyalty program. An unqualified success with our consumers, we issued these new debit cards at a rate of over 100,000 per month, reaching more than 1.4 million debit card accounts for the year. Beyond generating greater customer loyalty and traffic, these cards will enable us to gather useful data about our shoppers' particular preferences and practices, so we can better tailor our promotional activity to our consumers' individual needs.

Our assortment of Bitz brand snacks, candy, and baked goods indulge our consumers' craving, while our broad selection of private-label staples replenishes and fulfills their daily requirements.

Moreover, given the difficult economic environment, we continued to work with our consumers to provide a substantial offering of high quality, competitively priced private label products to satisfy their tastes. While our Bitz brand snacks, candy, and baked goods indulge our shoppers' cravings, our broad selection of staples—from canned vegetables, milk, and beans to diapers, detergent, and toilet paper—replenish and fulfill our customers' daily requirements.

Furthermore, to satisfy our consumers' hunger at any time of day, we shifted from a promising pilot to the segmented rollout of our O'Sabor brand menu of tacos, burritos, tortas, tamales, and pizzas. Indeed, our base menu of O'Sabor brand

tacos and burritos is already available at more than 340 high-traffic locations. Through this initiative, along with our systematic progress along the entire prepared food supply chain, we are just beginning to unlock the potential of this promising consumption occasion.

By efficiently, conveniently, and reliably serving and satisfying their needs, OXXO is an increasingly important part of the lives of consumers across Mexico. The myriad transactions carried out at OXXO—more than 9 million a day and more than 3 billion a year—means that the chain continues to secure its position as the preeminent choice for suppliers and shoppers throughout the country.

Constant Growth

We managed to navigate significant headwinds to produce same-store sales growth of 2.7%—outperforming the rate of growth of our industry. In addition to our same-store sales growth, we continued with our long-term strategy to expand OXXO's leadership position as Mexico's largest and fastest growing modern small-format store chain. In 2014, we opened a record 1,132 new stores for a total of 12,853 stores in Mexico and Colombia.

Beyond OXXO, FEMSA Comercio strengthened its position in the complementary drugstore sector, developing an important avenue for growth that leverages our capability and our platform across small retail formats. Building on our acquisitions of Farmacias YZA and Farmacias FM Moderna in 2013, we leveraged our in-depth understanding of our consumers and our expertise operating a national small-box retail chain to enhance the value proposition of our initial base over 500 drugstores, while opening more than 90 new drugstores over the course of the year. These stores appeal to consumers' evolving demand for more specialization, focusing primarily on pharmaceutical and health and beauty products, as well as a limited array of convenience categories such as soft drinks and snacks.

Additionally, in December 2014, we agreed to acquire Farmacias Farmacón, an important drugstore operator with over 200 stores in the western states of Sinaloa, Sonora, Baja California, and Baja California Sur, strengthening our position in the northwest of the country. Through this transaction, we are advancing our strategy to play a relevant role in an attractive, still-fragmented industry, where we can leverage our capabilities to develop another successful small-box retail format.

We leveraged our capabilities and our small-box retail platform to strengthen our position in the complementary drugstore sector—developing an important avenue for growth.

Furthermore, we made great strides in the integration of Doña Tota, a leading quick-service restaurant operator with a strong brand and more than 200 outlets in Mexico and the U.S. Consequently, we are now well positioned for a new phase of growth of this promising stand-alone format in the coming year.

[CASE STUDY]

SALDAZO: MORE THAN JUST A CARD

OXXO'S NEW SALDAZO CO-BRANDED DEBIT CARD with Banamex and Visa is a hit with consumers. This innovative card not only fosters growing loyalty among an increasing pool of over 1.4 million shoppers, but also is often the first banking relationship in many of our consumers' lives. Additionally, these cards will allow us to collect useful data, so we can tailor our offerings to better suit our shoppers' needs.

Positively transforming our communities

Strategic Highlights

In 2014, we continued to integrate our long-term Sustainability Strategy throughout the company by incorporating sustainability plans and projects in key phases and processes such as the Business Units' annual business plans, where the executive team reviewed progress and accomplishments quarterly.

16,200

CHILDREN AND YOUTH

along with 1,100 adults, have benefited through our life-skills program, Coordinates for Life.

US $149 MILLION

invested in programs to positively transform our people, our planet, and our communities.

Another important step was the development of FEMSA's Supplier Guiding Principles, which not only reflect our expectations of suppliers, but also will enable both parties to identify opportunities to improve their sustainability performance collaboratively. We held meetings with investment firms in the U.S. and Europe, sharing our vision of sustainability, receiving feedback, and acknowledging their areas of interest such as water and waste management, energy efficiency, and healthy lifestyles. For the second consecutive year, we produced a mid-year Sustainability Report, providing more timely information to our stakeholders.

During 2015, we will continue to implement our Sustainability Strategy throughout our business units by: Establishing corporate-level sustainability goals once our Business Units' sustainability goals are set; Utilizing a strategic approach, based on local community needs and opportunities, to foster internal capabilities that improve our community engagement and, thereby, increase our positive impact; and, Deploying our Sustainability Information System among our Business Units, enabling enhanced information management concerning key sustainability performance indicators.

Underscoring our commitment to sustainability, Coca-Cola FEMSA was once again the only Mexican beverage company included in the Dow Jones Sustainability Emerging Markets Index. For the third consecutive year, FEMSA and Coca-Cola FEMSA improved their ranking from the Carbon Disclosure Project for both their performance and disclosure of carbon emissions strategies and data.

Sustainability Pillars: 2014 Highlights

Our People. We invested US$73.3 million for onsite and online training, health and safety initiatives, and programs fostering the comprehensive development of our employees and their families, including volunteering.

Our Planet. We invested US$51.7 million to continue advancing our objectives: Minimizing our impact on the environment through optimizing water use; Decreasing our waste by implementing measures such as our Zero Waste Facility program; and Optimizing our energy use by incorporating efficient technologies and integrating renewable energy sources.

Our Community. We invested US$24 million toward our goal of achieving more sustainable communities by: Supporting education through programs such as Coordinates for Life; Fostering healthy and active lifestyles with the Sign Up to Play initiative; Developing communities through the Polygon Edison Trust in Monterrey, Mexico, and Citizen's Plaza in Brazil; Empowering social and environmental entrepreneurs through initiatives such as Youth with Value; and, Supporting great institutions such as ASHOKA, The Impact Hub, ANDE, The Pool, and Global Social Business Summit, among others.

We invite you to read our 2014 Sustainability Report on our website at: **http://www.sustainabilityreport.femsa.com/index.html**

FEMSA Foundation

Building Strong Partnerships that Produce Results

FEMSA Foundation is FEMSA's instrument for social investment. We are committed to the creation of long-term value for the communities where we operate. We partner with stakeholders from different sectors to increase support for projects and create regional platforms that ensure the long-term success of our initiatives.

Our Healthy and Active program benefited more than 6,900 children from schools in southeastern Mexico.

+52,000 PEOPLE

enjoy improved access to water resources through our Water Links program.

Sustainable Development of Water Resources

In 2014, the Water Center for Latin America and the Caribbean—created by FEMSA Foundation, the Inter-American Development Bank (IDB), and the Tecnológico de Monterrey—continued to focus on building capacities for water professionals, one of the greatest opportunities for water stewardship throughout Latin America. With renewed economic support from IDB, the Center further strengthened its applied research capabilities with the planned development of a center that will allow different actors in the field to make better decisions and arrive at better solutions for water-related challenges.

In partnership with The Coca-Cola Company Latin America and the Millennium Water Alliance, the Foundation ran the Water Links program for its second year. During 2014, this program enabled more than 52,000 people in marginalized communities across five countries to gain access to safe water, sanitation, and hygiene. Ultimately, Water Links looks to build sustainable, healthy long-term communities, while sharing best practices among implementers through a knowledge platform where partners communicate lessons learned to their peers.

In 2011, we joined The Nature Conservancy (TNC), IDB, and the Global Environment Facility (GEF) to create the Latin American Water Funds Partnership. The Partnership leveraged over US$27 million to invest as seed capital in regional water funds to positively impact three million hectares of natural ecosystems. Revenue from these investments preserves key hydrological basins upstream that filter and regulate the water supply of some of the most important cities in the region.

Today, the Partnership has launched 17 Water Funds, benefiting 17 cities in six countries. In 2014, the Partnership joined forces with The Coca-Cola Company's Latin Center Business Unit and its local bottlers to roll out the Water for Our Future initiative. With an investment of nearly US$7.4 million, this initiative is designed to protect, replenish, and restore 6.9 million cubic meters of water by protecting over 6,000 hectares of watersheds in seven countries across Latin America and the Caribbean. The initiative also aims to replenish the water used in the companies' production processes and to strengthen water security in the region.

The Global Water Summit Awarded FEMSA Foundation and Cuauhtémoc Moctezuma the Water Stewardship 2014 Prize in Recognition of their Water Balance Strategy.

Quality of Life

In 2014, the Quality of Life area of FEMSA Foundation partnered with the Food Bank Association of Mexico to add a nutritional education component to the food delivery programs that they provide to disadvantaged families in 10 different cities across the country. In this way, we help them to prepare better, more nutritious meals for their families. One of the first of these efforts is the Comer en Familia (Eating With Your Family) program, conducted in collaboration with the Food Bank of Saltillo and other partners. A mobile kitchen staffed by nutritional experts travels throughout five communities in the southern part of Saltillo, Coahuila, every two weeks, teaching people better ways to use traditional staples to create higher quality, more nutritious recipes that they can prepare with affordable food for meals they can enjoy together with their families.

We also fostered the Sanos y Activos (Healthy and Active) program in schools in the southeastern states of Mexico, Quintana Roo, Mérida, and Chiapas. This program has already benefited more than 6,900 children between the ages of eight and 14 in 36 schools by promoting nutritional education, sports, and physical activity. The program also conducted 16 workshops for parents and teachers and created 34 Health Clubs in which 430 children actively participate within the schools—thereby improving the social environment and ensuring sustainable change in the communities.

For more information about FEMSA Foundation, please visit: **http://www.femsafoundation.org.**

Executive Team

Our deep, multi-talented team of executives enables us to continually rise to the occasion, directing our steadfast pursuit of excellence as a leading international consumer company. Together, they continue to create economic, social, and environmental value for our stakeholders year after year. They leverage our strengths to satisfy our consumers' needs, generate new avenues for growth, and profitably convert complexity into opportunity. Thanks to their efforts, we sustain a superior competitive position in our industry—ensuring and instilling our legacy of integrity well into the future.

José Antonio Fernández Carbajal
Executive Chairman of the Board of FEMSA
After 11 years of professional experience in different companies, José Antonio Fernández Carbajal began his career at FEMSA in 1987, serving various positions in its different businesses, including CEO of OXXO. He was appointed CEO of FEMSA in 1995 and Chairman of the Board in 2001, serving both positions until January 2014. In 2010, he was appointed Vice-President of Heineken Holding NV's Board of Directors and Chairman of Heineken's Americas Committee, which oversees the strategic direction of the business in the Americas and evaluates new business opportunities in the region. Since 2012, Mr. Fernández has been Chairman of the Board of Tecnológico de Monterrey, where he served as Vice Chairman since 1997. He is also Chairman of the Board of Coca-Cola FEMSA, FEMSA Foundation and the U.S.-Mexico Foundation. Currently, he participates as a board member of Industrias Peñoles and Grupo Televisa, and he co-chairs the Mexican Chapter of the Woodrow Wilson Center. He holds a degree in Industrial Engineering and Systems from Tecnológico de Monterrey and in 1978, he earned an MBA from that institution. For more than 20 years, he has been professor of Planning Systems at Tecnológico de Monterrey.

Carlos Salazar Lomelín
Chief Executive Officer of FEMSA
Carlos Salazar joined FEMSA in 1973, and he has held several senior management positions across FEMSA, including Vice-President of Grafo Regia, Vice-President of Plásticos Técnicos Mexicanos, S.A., Vice-President of the International Division of FEMSA Cerveza, Vice-President of the Commercial Planning in Grupo Visa, CEO of FEMSA Cerveza, and CEO of Coca-Cola FEMSA. In 2014 he was appointed Chief Executive Officer of FEMSA. In 2010, he was awarded the medal of Distinguished Citizen by the state of Nuevo León. He was President of the 21st Century Commission and Executive Director of CINTERMEX in Monterrey. He has been a professor in economics for a number of years at Tecnológico de Monterrey and is the current President of the Advisory Board of the EGADE Business School of this Institution. He holds a B.A. in Economics and a Master's degree in Business Administration from this institution. He also has pursued graduate studies in Economic Development in Italy and a Management Program from the IPADE in Mexico, among other studies in different countries.

Javier Astaburuaga Sanjines
Corporate Vice-President of FEMSA
Javier Astaburuaga joined FEMSA in 1982. In 2006, he was named FEMSA's CFO and Vice-President of Strategic Development. In 2012, he was appointed Chief Financial and Strategic Development Officer, adding the Human Resources function matters to his responsibilities. Prior to that, Mr. Astaburuaga served as co-CEO of FEMSA Cerveza, Vice-President of Sales for Northern Mexico, CFO of FEMSA Cerveza, Vice-President of Corporate Development for FEMSA, and Chief Information Officer of FEMSA Cerveza. Mr. Astaburuaga earned a Bachelor's degree in Public Accounting from Tecnológico de Monterrey.

Federico Reyes García
Vice-President of Corporate Development of FEMSA
Mr. Reyes assumed his current position in January 2006, after serving as Vice-President of Finance and Corporate Development of FEMSA since 1999. Starting in 1987, he was associated with FEMSA as an external advisor, and he formally joined FEMSA in 1992 as Vice-President of Corporate Development. Between 1993 and 1999, he was CEO of Seguros Monterrey Aetna and Valores Monterrey Aetna and Executive Vice-President of the Insurance and Pension Division at Bancomer Financial Group. He rejoined FEMSA in 1999. Mr. Reyes holds a Bachelor's degree in Accounting from Tecnológico de Monterrey.

Alfonso Garza Garza
Vice-President of Strategic Businesses of FEMSA
Alfonso Garza joined FEMSA in 1985 and was named Executive Vice-President of Human Resources in 2005. Prior to that, he held various positions at FEMSA Cerveza and FEMSA Empaques, including the Vice-Presidency of FEMSA Empaques and Grafo Regia. In January 2009, he was appointed Vice-President of Strategic Businesses of FEMSA. From 2011 to 2013, he served as President of the Employers Confederation of Mexico (Coparmex) for the state of Nuevo León and since 2009 he has been National Vice-President of this organization. In 2012 he was appointed Chairman of the Talent and Culture Committee of Tecnológico de Monterrey. He also participates as a member of the Board of Directors of Coca-Cola FEMSA and Tecnológico de Monterrey. Mr. Garza earned a Bachelor's degree in Industrial Engineering from Tecnológico de Monterrey and completed postgraduate courses at IPADE.

Genaro Borrego Estrada
Vice-President of Corporate Affairs of FEMSA
Genaro Borrego joined FEMSA in September 2007 as Vice-President of Corporate Affairs. Prior to that, Mr. Borrego was elected as a Federal Congressman for the LII Legislature from 1982 to 1985. After that, he served as Governor of the Mexican State of Zacatecas from 1986 to 1992, and in early 1992, he was elected President of the PRI political party for one year. From 1993 to 2000, he led the Mexican Social Security Institute (IMSS), and he was the President of the American Conference of Social Security Institutions. In 2000, he was also elected as a Senator of the Federal Congress to represent the State of Zacatecas during the LVIII and LIX Legislatures. He holds a degree in Industrial Relations from Universidad Iberoamericana.

José González Ornelas
Vice-President of Administration and Corporate Control of FEMSA
José González assumed his current position in 2003. He first joined FEMSA in 1973, where he held different positions in the organization, such as Finance Information Manager, Planning and Administration Vice-President, and Administration Vice-President. In 1997, he was named CEO of FEMSA Logística. He is a board member of several international companies, he participates as Auditing Committee Secretary of FEMSA's and Coca-Cola FEMSA's board and sits on the controller board at Tecnológico de Monterrey. He is also part of the Instituto de Contadores Públicos de Nuevo León Directive Committee and he is President of the Club de Fútbol Monterrey board. He holds a B.A. in Accounting from Universidad Autónoma de Nuevo León and undertook postgraduate studies in Business Administration from different universities in Mexico and abroad.

Corporate Governance

For well over a century, our Board of Directors has followed the highest standards of corporate governance in guiding our company. We are committed to the quality, accuracy, and reliability of our disclosure practices, and we adhere to best corporate governance policies and procedures. Specifically, we comply with the standards set forth in the Mexican Securities Law and the applicable provisions of the United States' Sarbanes-Oxley Act. Also, we were among the first in our industry to embrace the Code of Best Corporate Governance Practices, established by the Mexican Entrepreneurial Council.

We always work to ensure that our company fosters financial transparency, accountability, and the highest ethical standards. Based on a sound foundation of responsible corporate governance, we sustainably build our business—delivering the results our stakeholders expect from FEMSA.

Audit Committee

The Audit Committee is responsible for (1) reviewing the accuracy and integrity of quarterly and annual financial statements in accordance with accounting, internal control and auditing requirements, (2) the appointment, compensation, retention, and oversight of the independent auditor, who reports directly to the Audit Committee, and (3) identifying and following up on contingencies and legal proceedings. The Audit Committee has implemented procedures for receiving, retaining, and addressing complaints regarding accounting, internal control, and auditing matters, including the submission of confidential, anonymous complaints from employees regarding questionable accounting or auditing matters. To carry out its duties, the Audit Committee may hire independent counsel and other advisors. As necessary, the company compensates the independent auditor and any outside advisor hired by the Audit Committee and provides funding for ordinary administrative expenses incurred by the Audit Committee in the course of its duties. The Chairman of the Audit Committee and financial expert is José Manuel Canal Hernando. Members include: Francisco Zambrano Rodriguez, Alfonso González Migoya, and Ernesto Cruz Velázquez de León—all of them independent directors as required by the Mexican Securities Law and applicable New York Stock Exchange listing standards. The Secretary (non-member) of the Audit Committee is José González Ornelas.

Corporate Practices Committee

The Corporate Practices Committee is responsible for preventing or reducing the risk of performing operations that could damage the value of our company or that could benefit a particular group of shareholders. The committee may call a shareholders' meeting and include matters on the agenda for that meeting as it may deem appropriate. They are also responsible for the approval of policies for the use of the company's assets or related party transactions, the approval of the compensation of the Chief Executive Officer and relevant officers, and support our board of directors in the elaboration of reports on accounting practices. Alfredo Livas Cantú is the Chairman of the Corporate Practices Committee. Members include: Robert E. Denham, Moisés Naím, and Ricardo Saldívar Escajadillo. Each member of the Corporate Practices Committee is an independent director, as required by the Mexican Securities Law. The Secretary (non-member) of the Corporate Practices Committee is Javier Astaburuaga Sanjines.

Finance and Planning Committee

The Finance and Planning Committee's responsibilities include (1) evaluating the investment and financing policies proposed by the Chief Executive Officer, and (2) evaluating risk factors to which the corporation is exposed, as well its management policies. The current Finance and Planning Committee members are Ricardo Guajardo Touché (chairman), Federico Reyes García, Robert E. Denham, Francisco Javier Fernández Carbajal and Alfredo Livas Cantú. Javier Astaburuaga Sanjines is the appointed secretary (non-member) of this committee.

For more information on how our corporate governance practices differ from those followed by United States companies under NYSE listing standards, please refer to the Corporate Governance section of our website: **www.femsa.com/investor.**

John Anthony Santa Maria Otazúa
Chief Executive Officer of Coca-Cola FEMSA
John Anthony Santa Maria Otazúa was appointed Chief Executive Officer of Coca-Cola FEMSA as of January 2014. He joined Coca-Cola FEMSA in 1995. Since then, he has held several senior management positions, including Chief Operating Officer of the company's Mexico Division, Strategic Planning and Commercial Development Officer, and Chief Operating Officer of the company's South America Division, overseeing its operations in Argentina, Brazil, Colombia, and Venezuela. His previous beverage and consulting experience includes PepsiCo, Inc. and McKinsey & Co., respectively. He is a member of the Board of Directors of Banco Compartamos. Mr. Santa Maria earned a Bachelor´s degree and an MBA with a major in Finance from Southern Methodist University.

Eduardo Padilla Silva
Chief Executive Officer of FEMSA Comercio
Eduardo Padilla joined FEMSA in 1997 as FEMSA's Vice-President of Strategic Planning and Corporate Control. In 2000, he was appointed CEO of FEMSA Strategic Procurement, which included Packaging, Logistics, and OXXO. Since 2004, he has focused on his position as CEO of FEMSA Comercio. Before joining FEMSA, Mr. Padilla served as CEO of Terza, a subsidiary of Grupo ALFA, from 1987 to 1996. Mr. Padilla earned a Bachelor's degree in Mechanical and Administrative Engineering from Tecnológico de Monterrey and a Master's degree in Business Administration from Cornell University. He also has completed Graduate studies at IPADE.

Board of Directors

Our Board of Directors heads our corporate governance system. Guided by the best long-term interests of our company's shareholders and other stakeholders, our Board is responsible for determining our corporate strategy; defining and overseeing the implementation of our key values and vision; and approving related-party transactions and transactions not in the ordinary course of business.

In addition to our management team, our Board of Directors is supported by its committees: the Audit Committee, the Corporate Practices Committee, and the Finance Committee. Our Board appoints and supervises these committees, which assist and make recommendations to our Board in their respective areas of responsibility.

Series "B" Directors

José Antonio Fernández Carbajal
Executive Chairman of the Board of Fomento Económico Mexicano, S.A.B. de C.V.
Elected 1984
Alternate Director: Federico Reyes García [c]

Eva María Garza Lagüera Gonda
Private Investor
Elected 1999
Alternate Director: Mariana Garza Lagüera Gonda

Paulina Garza Lagüera Gonda
Private Investor
Elected 1999
Alternate Director: Othón Páez Garza

José Calderón Rojas
Chief Executive Officer of Franca Servicios, S.A. de C.V., Regio Franca, S.A. de C.V., and Franca Industrias, S.A. de C.V.
Elected 1984
Alternate Director: Francisco José Calderón Rojas

Consuelo Garza de Garza
Founder and Former President of Asociación Nacional Pro-Superación Personal, A.C. (a Non-profit Organization)
Elected 1995
Alternate Director: Alfonso Garza Garza

Max Michel Suberville
Private Investor
Elected 1985
Alternate Director: Max Michel González

Alberto Baillères González
Chairman of the Board of Grupo BAL companies, and Chairman of the Governance Board of the Instituto Tecnológico Autónomo de México (ITAM).
Elected 1989
Alternate Director: Arturo Fernández Pérez

Francisco Javier Fernández Carbajal [c]
Chief Executive Officer of Servicios Administrativos Contry, S.A. de C.V.
Elected 2005
Alternate Director: Javier Astaburuaga Sanjines [c]

Ricardo Guajardo Touché [c, i]
Chairman of Solfi, S.A. and Director of Grupo Valores Monterrey
Elected 1988
Alternate Director: Alfonso González Migoya [a, i]

Alfredo Livas Cantú [c, i]
President of Praxis Financiera, S.C.
Elected 1995
Alternate Director: Sergio Deschamps Ebergenyi [i]

Bárbara Garza Lagüera Gonda
Private Investor, President of the Acquisitions Committee of Colección FEMSA
Elected 2005
Alternate Director: Juan Guichard Michel

José Manuel Canal Hernando [a, i]
Independent Consultant
Elected 2003
Alternate Director: Ricardo Saldívar Escajadillo [b, i]

Series "D" Directors

Armando Garza Sada [i]
Chairman of the Board of Grupo Alfa, S.A.B. de C.V.
Elected 2003
Alternate Director: Enrique F. Senior Hernández [i]

Moisés Naím [i]
Distinguished Fellow at the Carnegie Endowment for International Peace
Elected 2011
Alternate Director: Francisco Zambrano Rodríguez [a,i]

Michael Larson [i]
Chief Investment Officer for William H. Gates III
Elected 2011

Robert E. Denham [b, c, i]
Partner at Munger, Tolles & Olson, LLP Law firm
Elected 2001

Secretary
Carlos Eduardo Aldrete Ancira

Alternate Secretary
Arnulfo Treviño Garza

Committees:
a) Auditing
b) Corporate Practices
c) Finance and Planning

Relation:
i) Independent

Contact Information

General Counsel
Carlos E. Aldrete
General Anaya No. 601 Pte.
Colonia Bella Vista
Monterrey, Nuevo León
Mexico, C.P. 64410
Phone: (52) 81 8328-6180

Independent Accountant
Mancera, S.C.
A Member Practice of Ernst & Young Global Limited
Av. Lázaro Cárdenas No. 2321 Pte. Piso 5
Col. Residencial San Agustín
San Pedro Garza García, Nuevo León
Mexico, C.P. 66260
Phone: (52) 81 8152-1800

Depositary Bank and Registrar
BNY Mellon
BNY Mellon Shareowner Services
P.O. Box 30170
College Station, TX 77842-3170
Phone: 888 BNY ADRS
(269-2377)
International Callers: 201-680-6825
e-mail: shrrelations@cpushareownerservices.com
Website: www.bnymellon.com/shareowner

Investor Relations
Juan Fonseca
Gerardo Lozoya
Phone: (52) 81 8328-6167
Fax: (52) 81 8328-6080
e-mail: investor@femsa.com.mx

Corporate Communication
Mauricio Reyes
Erika De la Peña
Phone: (52) 55 5249-6843
Fax: (52) 55 5249-6861
e-mail: comunicacion@femsa.com

For more information visit us at:
www.femsa.com
www.femsa.com/investor

Stock Markets and Symbols
Fomento Económico Mexicano, S.A.B. de C.V. stock trades on the Bolsa Mexicana de Valores (BMV) in the form of units under the symbols FEMSA UBD and FEMSA UB. The FEMSA UBD units also trade on The New York Stock Exchange, Inc. (NYSE) in the form of ADRs under the symbol FMX.

cotiza en Bolsa Mexicana FEMSA

FMX LISTED NYSE

Empresa Sustentable

30%

PRINTED USING 100% WIND ENERGY Supplied by Community Energy

FSC www.fsc.org MIX Paper from responsible sources FSC® C018101

DESIGN: www.signi.com.mx

www.femsa.com
investor@femsa.com.mx

General Anaya No. 601 Pte.
Colonia Bella Vista
Monterrey, Nuevo León
Mexico, C.P. 64410
Phone: (52) 81 8328-6180

EMPRESA
SOCIALMENTE
RESPONSABLE

FEMSA

www.annualreport.femsa.com/