

FEMSA Announces Third Quarter 2017 Results

Monterrey, Mexico, October 26, 2017 — Fomento Económico Mexicano, S.A.B. de C.V. (“FEMSA”) (NYSE: FMX; BMV: FEMSAUBD) announced today its operational and financial results for the third quarter of 2017.

FINANCIAL HIGHLIGHTS:

- 14.3% revenue growth (5.4% on an organic¹ basis) at FEMSA Consolidated
- 11.9% revenue growth at FEMSA Comercio’s Retail Division
- 5.3% income from operations growth at FEMSA Comercio’s Health Division
- 16.2% same-station sales growth at FEMSA Comercio’s Fuel Division
- 16.6% revenue growth (-1.8% on an organic¹ basis) at Coca-Cola FEMSA

FINANCIAL SUMMARY FOR THE THIRD QUARTER AND FIRST NINE MONTHS OF 2017

Change vs. same period of last year

	Revenues		Gross Profit		Income from Operations		Same-Store Sales	
	3Q17	YTD17	3Q17	YTD17	3Q17	YTD17	3Q17	YTD17
FEMSA CONSOLIDATED	14.3%	20.9%	13.3%	18.9%	0.9%	8.0%		
FEMSA COMERCIO								
Retail Division	11.9%	13.3%	13.8%	15.7%	6.6%	9.0%	4.9%	7.0%
Health Division	1.8%	12.0%	5.2%	13.6%	5.3%	2.4%	0.2%	8.6%
Fuel Division	27.5%	37.2%	19.2%	20.6%	3.3%	-11.7%	16.2%	21.0%
COCA-COLA FEMSA	16.6%	25.6%	16.6%	22.9%	-2.8%	7.0%		

Carlos Salazar Lomelín, FEMSA’s CEO, commented: “The third quarter was atypical, and one that unfortunately we will remember for the number and severity of natural disasters that took place during the month of September. In particular, the earthquakes in Mexico caused tremendous human loss. Much less importantly, but of relevance to our results, these disasters had a moderate impact on our numbers.

However, our business units made progress across markets. FEMSA Comercio’s Retail Division added new stores at an accelerated pace, and same-store-sales continued to grow well in spite of some quake-related temporary store closures, while we saw stable results at our Health Division. And at the Fuel Division, we saw sequential improvement in profitability as the industry continues to evolve. Meanwhile, at Coca-Cola FEMSA our Mexico operations had to contend with flooding and business disruptions linked to the natural disasters, while we continued to see challenging conditions in some of our South American markets but early signs of stabilization in Brazil, and encouraging trends in Argentina.

Finally, as you know we successfully monetized a small portion of our Heineken shares, strengthening our balance sheet and improving our financial flexibility in an efficient manner. All told, it was an eventful third quarter that sets us up for a solid close of the year and, more importantly, for sustained growth in 2018 and beyond.”

¹ Excludes the effects of significant mergers and acquisitions in the last twelve months. Includes the results of Coca-Cola FEMSA Philippines Inc., as if consolidation had taken place in 2016.

To obtain the full text of this earnings release, please visit our Investor Relations website at www.femsa.com/investor under the Financial Reports section

FORWARD-LOOKING STATEMENTS

This report may contain certain forward-looking statements concerning our future performance that should be considered as good faith estimates made by us. These forward-looking statements reflect management's expectations and are based upon currently available data. Actual results are subject to future events and uncertainties, which could materially impact our actual performance.

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 by volume; 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 through FEMSA Comercio, comprising a Retail Division operating various small-format store chains including OXXO, a Fuel Division, operating the OXXO GAS chain of retail service stations, and a Health Division, which includes drugstores and related operations. Additionally, through its Strategic Businesses unit, it provides logistics, point-of-sale refrigeration solutions and plastics solutions to FEMSA's business units and third-party clients.