NEWS RELEASE

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION:
Robin Wood
KOF Investor Relations
Coca-Cola FEMSA, S.A. de C.V.
(52-5) 209-0991
rwood@kof.com.mx
or
Juanita Gutierrez / Gina Sorice
Dewe Rogerson, Inc.
(212) 688-6840
jgutierr@deweroggerson.com

COCA-COLA FEMSA ANNOUNCES FIRST QUARTER 1999 OPERATING INCOME IMPROVEMENT OF 25.5%

FIRST QUARTER 1999

- **Unit case volume increased 6.0% in the Southeast Territory and 8.3% in the Valley of Mexico as compared to first quarter 1998**
- **Buenos Aires comparable unit case volume increased 3.1% (11.6% including volume from the Pilar area) above first quarter 1998**
- **Mexico operating income increased 14.5% above first quarter 1998, reaching Ps. 300.6 million**
- **Buenos Aires operating income reached A$10.0 million with an operating margin of 9.5%, 350 basis points above first quarter 1998**
- **Consolidated operating income reached Ps. 376.0 million, a 25.5% increase over first quarter 1998, with EBITDA of Ps. 628.4 million**
- **Net income grew 139.0% over first quarter 1998 with earnings per share reaching Ps. 0.146 per share (US$0.154 per ADR)**

Mexico City (April 28, 1999) Coca-Cola FEMSA, S.A. de C.V. (NYSE: KOF) ("KOF" or the "Company"), one of eleven Coca-Cola anchor bottlers worldwide and the largest Coca-Cola bottler in Mexico and Argentina, announced today its consolidated results for the three-month period ended March 31, 1999. All figures are expressed in constant Mexican pesos (Ps.) or constant Argentine pesos (A$) with purchasing power at March 31, 1999. Figures for the Company's operations in Mexico and its consolidated international operations were prepared in accordance with Mexican generally accepted accounting principles ("Mexican GAAP"). Figures of the Company's operations in Argentina were prepared in accordance with Argentine generally accepted accounting principles, which are substantially similar to Mexican GAAP.

"We are very pleased with the growth in profitability experienced during the quarter. The Company's continued success at the retail level and our efforts towards improving the efficiency of our operations are encouraging," stated Alfredo Martínez Urdal, Chief Executive Officer.

MEXICAN OPERATING RESULTS

"Against strong volume growth in 1997 and 1998, first quarter 1999 showed continued strength. The Company capitalized on the investments made in volume driving initiatives and expanded our participation within the markets that we serve," reported Mr. Hector Treviño, Chief Financial Officer of the Company.

Consolidated Mexican volume increased 7.7%, on top of the 25.0% increase in the first quarter of 1998. Sales volume in the Valley of Mexico Territory and the Southeast Territory, including bottled water, grew 8.3% and 6.0%, respectively. Sales volume growth was fueled by various factors, including KOF's continued retail execution strategy, which utilizes better market and customer information, and additional cold-drink equipment placement. In addition, the occurrence of Holy Week during the first quarter of this year as compared to second quarter 1998 positively impacted volumes.

Carbonated soft drink (CSD) sales volume grew 7.3% in Mexico during first quarter 1999, with CSD volume growth of 7.6% and 5.8% in the Valley of Mexico and Southeast Territory, respectively. Bottled water sales volume grew during first quarter 1999 by 77.8% in the Valley of Mexico and 10.7% in the Southeast Territory, with bottled water now representing 2.2% of total KOF Mexican sales volume.

Net sales increased 9.7% in the first quarter primarily due to the increase in sales volume and improved average pricing. Also, on March 27, 1999, KOF implemented price increases (on a weighted average basis) of 7% in the Valley of Mexico and 15% in parts of the State of Oaxaca.

Improved operating efficiencies and a real decrease in some packaging and raw material costs were partially off-set by the effect of the continued shift in KOF's product mix towards non-returnable presentations, resulting in a 40 basis point improvement in gross margin. Gross profit improved by 10.7% for first quarter 1999 over first quarter 1998, reaching Ps. 1,006.5 millions.

Operating expense grew 9.2%, which is largely due to increased real wages and the Company's information system expenditures. As a percent of total revenue, operating expense decreased 20 basis points. Operating income increased 14.5% during first quarter 1999. Operating margin improved 60 basis points during first quarter 1999 as compared to the same period in 1998.

First quarter 1999 EBITDA of Ps. 459.5 million represented an increase of 18.9% over the comparable figure for first quarter of 1998.

ARGENTINA OPERATING RESULTS

"First quarter 1999 results in the Buenos Aires Territory are reassuring. Although profitability within the franchise is still below our expectations, we are continuing our efforts to reduce fixed costs and to improve our operating efficiencies in this very competitive market," stated Mr. Treviño.

First quarter 1999 sales volume grew 3.1% on a comparable basis and 11.6% including volume from the Pilar area[1]. Although volume was driven by increased cola sales, flavored soft drinks continue to grow as a percentage of total volume, reaching 25.9% of the Company's product mix.

Average pricing in the Buenos Aires Territory decreased 2.4% during the first quarter 1999 relative to the first quarter 1998. Net revenues, driven by volume growth, increased by 8.9%.

Gross margin increased by 440 basis points for the quarter. The primary drivers of the margin expansion were: (i) improved efficiencies due to the additional cases sold, (ii) lower fixed costs, (iii) decreased prices of certain packaging and raw materials, and, (iv) the benefit of a price reduction of product purchased from Complejo Industrial CAN, S.A. ("CICAN").

CICAN is a joint venture between participating Coca-Cola bottlers in Argentina, Uruguay, and Paraguay. KOF, through its operating subsidiary, Coca-Cola FEMSA Buenos Aires, S.A, owns approximately 48.1% equity interest in CICAN. As a result of the price reduction, KOF's cost of sales was reduced while profits received by the Company, as a CICAN participant, were lower.

Largely due to the additional expenses of the Pilar operation and increased volume, operating expenses increased 12.7% in first quarter 1999 over the comparable period in 1998. As a percent of total revenue, operating expenses increased 160 basis points. Operating income reached A$10.0 during first quarter 1999, increasing 68.1% over first quarter 1998, and operating margin reached 9.5%, an improvement of 350 basis points as compared to the same period in 1998.

First quarter 1999 EBITDA of A$17.8 million represents an increase of 39.3% over the comparable period in 1998.

CONSOLIDATED RESULTS

For comparison purposes, 1998 figures for the KOF's Argentine operations have been restated taking into account Argentine inflation and converted into Mexican pesos using the March 31, 1999 exchange rate of Ps. 9.50 per A$1.0.

Consolidated sales volume grew 8.7% during first quarter 1999, reaching 128.1 million unit cases (MUC). This growth follows a 19.8% volume growth in the first quarter of 1998. The increase in volume and improvements made in operating efficiencies resulted in a 25.5% increase in consolidated operating income, which reached Ps. 376.0 million.

During first quarter 1999, integral cost of financing was Ps. 12.4 million, which compares favorably to the Ps. 149.7 million integral cost of financing reported in the first quarter of 1998. This decrease is largely attributable to the impact of a 3.9% appreciation of the Mexican peso during the first three months of 1999 and a decrease in net interest expense. Lower net interest expense was driven by the appreciation of the Mexican peso, the decrease of short-term debt position, and an improved cash position during first quarter 1999.

KOF's capital expenditures for first quarter 1999 reached Ps. 126.8 million. Capital expenditures are expected to be significantly lower in 1999 as compared to 1998, allowing KOF to continue to improve its cash position and decrease its short-term debt levels.

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[1] On June 1, 1998, KOFBA entered into a franchise agreement covering the Pilar area, previously serviced by Refrescos del Norte, S.A. (RDN). Pilar is located north of Buenos Aires.

Other expenses for first quarter 1999 reached Ps. 26.6 million. This expense was primarily for severance payments and certain asset write-offs within Mexico and Argentina attributable to operational efficiencies and rationalization of production capacity experienced by the Company.

KOF recognized consolidated income tax, tax on assets and employee profit sharing expense of Ps. 128.8 million for first quarter 1999 compared to Ps. 35.6 million in first quarter 1998. The increase was largely due to the initiation of tax payments in Argentina in December 1998, changes in the Mexican and Argentine tax laws, and the Company's improved profitability.

Consolidated net income increased by 139.0%, reaching Ps. 208.2 million during the first quarter of 1999. Net income per share reached Ps. 0.146 (US$0.154 per ADR).

Consolidated EBITDA grew 23.7% to Ps. 628.4 million in the first quarter of 1999 over the same period of 1998.

YEAR 2000

As of March 31, 1999, approximately 66% of Coca-Cola FEMSA's mission-critical programs and data processing systems are Y2K compliant. In addition, 100% of its systems containing embedded chips are tested. The Company expects that the certification of these systems will be completed by July 1999.

Over the last several years, Coca-Cola FEMSA has focused on information technology as a tool to increase volume and maximize profitability. Because of this, the Y2K solution project is viewed as a value-adding opportunity rather than an added expense. KOF has worked diligently to build state-of-the-art management information systems throughout the organization. As a result, the Company has invested in various modules of the SAP (enterprise resource planning system), BASIS (sales information software), and other Y2K-compliant packaged software. Focusing on strategies to work principally with packaged software and to look for value-adding opportunities within its Y2K solution project, it is not possible for KOF to separate Y2K remedy programs completely from total information technology capital expenditures.

The Company estimates that the incremental cost of its Y2K solution is US$2 million (approximately 70% hardware and 30% software). As of December 31, 1998, the Company has invested approximately US$400,000 on the Y2K program. The revised estimate includes embedded chip replacement and other bottling facility hardware, as well as data processing systems utilized throughout the company. The Company believes that this cost will not have a material adverse impact on the operations or financial condition of the Company.

For a detailed update on the Company's Year 2000 Solution Project, please refer to the web site, www.cocacola-femsa.com.mx for the most recent information or contact Robin Wood of the Company's Investor Relations Area.

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This news release may contain forward-looking statements concerning Coca-Cola FEMSA future performance and should be considered as good faith estimates of Coca-Cola FEMSA. 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 the Company's actual performance.

Coca-Cola FEMSA, S.A. de C.V., is a joint venture between Grupo Industrial Emprex, S.A. de C.V. ("Emprex"), a 99% owned subsidiary of Fomento Económico Mexicano, S.A. de C.V. ("FEMSA"), Mexico's largest beverage company, and Inmex Corporation, a wholly owned subsidiary of The Coca-Cola Company. KOF produces Coca-Cola, Sprite, Fanta, Lift and other trademark beverages of The Coca-Cola Company in the Valley of Mexico and the Southeast Territory in Mexico and in Buenos Aires, Argentina. The Company has 12 bottling facilities in Mexico and two in Buenos Aires and serves more than 215,000 retailers in Mexico and more than

71,600 retailers in the greater Buenos Aires area. The Company currently accounts for approximately 24% of all Coca-Cola sales in Mexico and approximately 35% of all Coca-Cola sales in Argentina. The Coca-Cola Company owns a 30% equity interest in Coca-Cola FEMSA.

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Coca-Cola FEMSA, S.A. de C.V. and Subsidiaries
Income Statement
For the three months ended March 31, 1999 and 1998
Expressed in currency with purchasing power as of March 31, 1999

	Consolidated			Mexican Operations			Buenos Aires Operation		
	(Millions of Mexican Pesos) (1)						(Millions of Argentine Pesos) (1)		
	1999	1998	% VAR	1999	1998	% VAR	1999	1998	% VAR
Sales Volume (millions unit cases)	128.1	117.9	8.7	96.4	89.5	7.7	31.7	28.4	11.6
Unit Price (pesos)	24.49	24.32	0.7	22.34	21.94	1.8	3.27	3.35	(2.4)
Net Sales	3,137.7	2,867.3	9.4	2,154.6	1,964.5	9.7	103.5	95.0	8.9
Other operating revenues	24.5	37.3	(34.3)	4.5	2.8	60.7	2.1	3.7	(42.5)
Total revenues	3,162.2	2,904.6	8.9	2,159.1	1,967.3	9.7	105.6	98.7	7.0
Cost of sales	1,732.7	1,647.4	5.2	1,152.6	1,058.2	8.9	61.1	62.0	(1.5)
Gross profit	1,429.5	1,257.2	13.7	1,006.5	909.1	10.7	44.5	36.7	21.4
Administrative expenses	219.6	198.9	10.4	167.4	151.7	10.3	5.5	5.0	10.0
Selling expenses	804.5	729.5	10.3	537.0	493.3	8.9	28.2	24.9	13.3
Operating expenses	1,024.1	928.4	10.3	704.4	645.0	9.2	33.7	29.9	12.7
Goodwill amortization	29.4	29.1	1.0	1.5	1.5	-	0.8	0.8	-
Operating income	376.0	299.7	25.5	300.6	262.6	14.5	10.0	6.0	68.1
Interest expense, net	88.0	101.5	(13.3)						
Foreign exchange loss	(22.7)	32.5	(169.8)						
Result on monetary position	(52.9)	15.7	(436.9)						
Integral cost of financing	12.4	149.7	(91.7)						
Other (income) expenses, net	26.6	27.3	(2.6)						
Income before taxes	337.0	122.7	174.7						
Taxes	128.8	35.6	261.8						
Consolidated net income	208.2	87.1	139.0						
Majority net income	208.2	87.1	139.0						
Minority net income	-	-	-						
EBITDA (2)	628.4	508.1	23.7	459.5	386.3	18.9	17.8	12.8	39.3

(1) Except volume and average price per unit case figures.
(2) Income from operations + depreciation, amortization and other non-cash items (including returnable bottle breakage expenses).

Mexican Inflation March 1998 - March 1999	18.34%
Argentine Inflation March 1998 - March 1999	2.52%
Mexican Peso / U.S.Dollar at March 31, 1999	9.50

Coca-Cola FEMSA, S.A. de C.V. and Subsidiaries
Consolidated Balance Sheet
As of March 31, 1999 and December 31, 1998
Millions of Mexican pesos (Ps.)
Expressed in currency with purchasing power as of March 31, 1999

ASSETS		**1999**		**1998**
Current Assets				
Cash and cash equivalents	Ps.	298	Ps.	185
Accounts receivable:				
Trade		363		499
Notes		43		59
Prepaid taxes		51		25
Other		186		145
		643		728
Inventories		463		447
Prepaid expenses		118		61
Total current assets		1,522		1,421
Property, plant and equipment				
Land		641		646
Buildings, machinery and equipment		7,535		7,685
Accumulated depreciation		(2,265)		(2,203)
Construction in progress		556		406
Bottles and cases		272		320
Total property, plant and equipment		6,739		6,854
Investment in shares		167		165
Deferred charges, net		361		473
Goodwill, net		1,939		1,959
TOTAL ASSETS	Ps.	10,728	Ps.	10,872

LIABILITIES & STOCKHOLDERS' EQUITY		**1999**		**1998**
Current Liabilities				
Short-term bank loans, notes and interest payable	Ps.	1,008	Ps.	1,183
Suppliers		803		845
Accounts payable and others		481		292
Taxes payable		236		136
Total Current Liabilities		2,528		2,456
Long-term bank loans		2,890		3,143
Pension plan and seniority premium		126		127
Other liabilities		82		81
Total Liabilities		5,626		5,807
Stockholders' Equity				
Minority interest		0		0
Majority interest:				
Capital stock		1,828		1,670
Additional paid in capital		1,286		1,444
Retained earnings of prior years		3,475		2,974
Net income for the period		208		659
Cumulative results of holding				
non-monetary assets		(1,695)		(1,682)
Total majority interest		5,102		5,065
Total stockholders' equity		5,102		5,065
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Mexican Inflation December 1998 - March 1999	4.26%
Argentine Inflation December 1998 - March 1999	0.30%
Mexican Peso / U.S.Dollar at March 31, 1999	9.50

Selected Information

Sales Volume Information

For the period ended March 31, 1999 and 1998
Expressed in millions of unit cases

	1999	1998
Valley of Mexico	73.6	67.9
Southeast (excluding Tapachula)	22.9	21.6
Buenos Aires	29.3	28.4
New territory in Buenos Aires	2.4	0.0
Total	128.1	117.9

Product Mix by Brand

(Colas / Flavors / Water)
For the period ended March 31, 1999 and 1998
Expressed as a percentage of total volume

	1999	1998
Valley of Mexico	77/21/02	75/23/02
Southeast	75/20/05	73/22/05
Buenos Aires	73/26/01	75/24/01
Total	75/23/02	74/23/02

Product Mix by Presentation

(Returnable / Non Returnable)
For the period ended March 31, 1999 and 1998
Expressed as a percentage of total volume

	1999	1998
Valley of Mexico	40/60	52/48
Southeast	59/41	63/37
Buenos Aires	09/91	14/86
Total	35/65	45/55