



EXCELLENCE IN EVOLUTION

A decorative graphic consisting of a grid of circles in various shades of red and white, arranged in a pattern that tapers to the right.

# Investor Relations

June, 2016



# Cautionary Statement

## FORWARD-LOOKING STATEMENTS

This presentation contains “forward-looking statements” These forward-looking statements relate to Coca-Cola FEMSA, S.A.B. de C.V. its Subsidiaries (“KOF”) and their businesses, and are based on KOF management’s good faith expectations regarding KOF and its businesses. Recipients are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties and other factors, many of which are outside KOF’s control, that could cause actual results of KOF and its businesses to differ materially from such statements. KOF is under no obligation, and expressly disclaims any intention or obligation, to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise.

## CONFIDENTIALITY

The nature of all the information in this presentation is proprietary and confidential.

## ADDITIONAL INFORMATION AND WHERE TO FIND IT

Documents filed by KOF are available at the Securities and Exchange Commission’s public reference room located at 450 Fifth Street, N.W., Washington, D.C. 20594. Investors and security holders may call the Commission at 1-800-SEC-0330 for further information on the public reference room. Free copies of all of KOF’s filings with the Commission may also be obtained by directing a request to:

## COCA-COLA FEMSA

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## INVESTOR RELATIONS

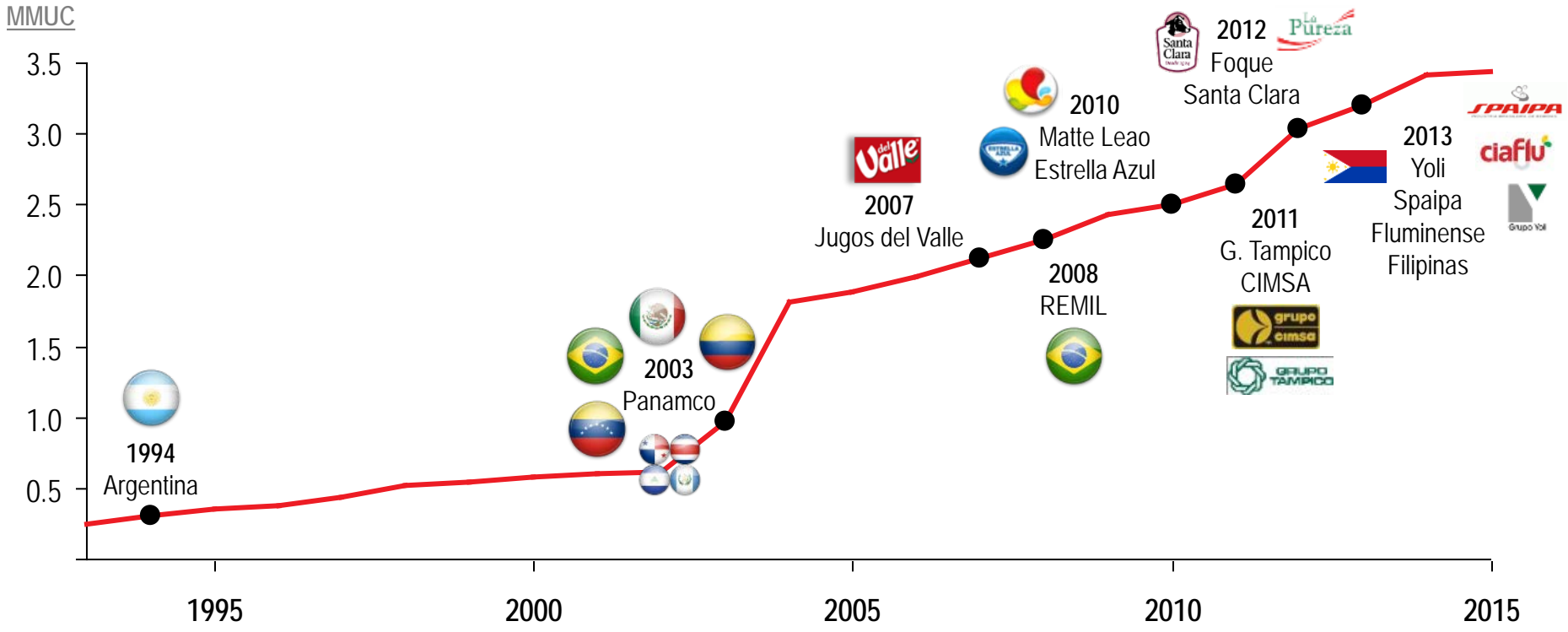
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# In the last two decades as a public bottler, KOF has travelled a successful growth journey...

## Coca-Cola FEMSA Volume



Consumers	40.1	181.4	200.7	357.6
Plants	14	30	31	63
Distribution Centers	68	228	204	327

...to become the largest franchise bottler in the world, in terms of volume, operating in two of the most attractive regions for its industry

~ 26 Bn Transactions<sup>(1)</sup>

~ 4 Bn Unit Cases<sup>(1)</sup>

US\$ ~10 Bn in Revenues<sup>(1)</sup>

US\$ ~2 Bn in EBITDA<sup>(1)</sup>

10 years  
CAGR<sup>(1)</sup>

+8%

+12%

+11%



(1) Figures reflect LTM 1Q 2016 including the Philippines on a proforma basis  
 (2) Source Euromonitor, NARTD industry  
 (3) We operate the Philippines through a joint venture with The Coca-Cola Company

# Our footprint...

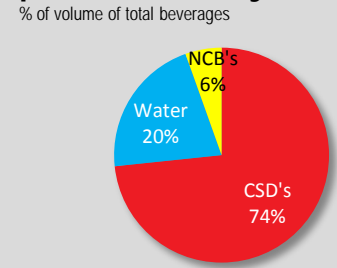
## Mexico and Central America division



	LTM 1Q16
<b>Volume</b> (MMUC)	1,973
<b>Transactions</b> (Millions)	10,959
<b>Revenues</b> (USD Billions)	~4.6
<b>EBITDA Margin</b>	23.3%

<b>Population served</b> (millions)	93.8
<b>Points of sale</b>	996,773
<b>Plants</b>	22
<b>Distribution centers</b>	174

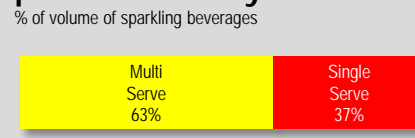
### product mix by category



### product mix by package



### product mix by size



(1) Figures reflect FY 2015

# Our footprint... South America division



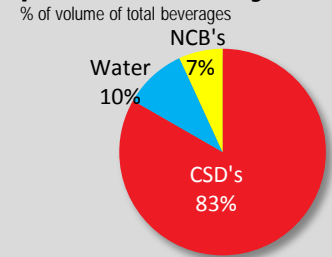
	LTM 1Q16
<b>Volume</b> (MMUC)	1,411
<b>Transactions</b> (Millions)	9,292
<b>Revenues</b> (USD Billions)	~4.0
<b>EBITDA Margin</b>	17.3%

\*Including Venezuela

<b>Population served</b> (millions)	162
<b>Points of sale</b>	1,006,206
<b>Plants</b>	22
<b>Distribution centers</b>	100

(1)  
\*Including Venezuela

## product mix by category



## product mix by package



## product mix by size



## Product Innovation



(1) Figures reflect FY 2015

# Our footprint...

## Asia division <sup>(1)</sup>



**Volume** (MMUC)  
**Transactions** (Millions)  
**Revenues** (USD Billions)  
**EBITDA Margin**

LTM 1Q16

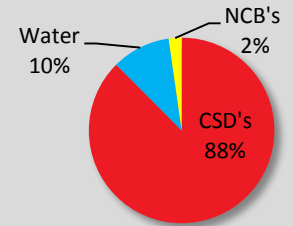
541  
 5,641  
 ~1.1  
 ~11%

**Population served** (millions) 101.8  
**Points of sale** 806,369  
**Plants** 19  
**Distribution centers** 53

<sup>(2)</sup>

### product mix by category

% of volume of total beverages



### product mix by package

% of volume of sparkling beverages. Excluding Fountain

**Non-Returnable** 40%  
**Returnable** 60%

### product mix by size

% of volume of sparkling beverages. Excluding Fountain



### Product Innovation



(1) We operate the Philippines through a joint venture with The Coca-Cola Company

(2) Figures reflect FY 2015

# We generated a solid set of results across our markets during the first quarter of 2016

## Among our highlights for the quarter...

- ✓ **Transactions continued to outperform volumes** in key markets such as Mexico, Brazil, Colombia and Argentina
- ✓ Solid performance in local currencies across operations, with comparable **top- and bottom-line growing high single digits**
- ✓ We continued to **strengthen our market position** in most of our markets, maintaining or gaining market share in sparkling beverages
- ✓ Our operating discipline and our proactive hedging strategy allowed us to deliver **defensive margin performance**

Comparable figures <sup>(1)</sup>  
1Q 2016

Revenues

+9%

Operating  
Income

+10%

Operative  
cash flow

+8%

(1) Comparable means, with respect to a year-over-year comparison, the change in a given measure excluding the effects of (i) mergers, acquisitions and divestitures, (ii) translation effects resulting from exchange rate movements and (iii) the results of hyperinflationary economies in both periods. From our operations, only Venezuela qualifies as a hyperinflationary economy.



# Our industry faces short term challenges that are being addressed rapidly and effectively

- **Challenging political and macroeconomic environment** across the region
- **Continuous volatility** across Latin American **currencies**
- **Regulatory threats** to the CSD's industry
- Changing **consumer habits**



- **Affordable portfolio** with focus on returnable presentations
- **Increasing** the number of **transactions** through single serve presentations at relevant price points
- Reinforcing our **point-of-sale execution**
- Organizational re-design to become a **nimbler, faster and more competitive** company with the right capabilities
- **Widening our portfolio** offering to satisfy the evolving needs of our consumers through **relevant innovation**

# Our Strategic Framework guides our quest for long-term profitable growth

## Become a multi-category leader with global footprint

**Categories:** Protect and grow in Sparkling, but diversify with aggressive growth engines in Stills, Dairy and new categories

**Geographies:** Expand footprint in LatAm & Asia, monitoring other opportunities within TCCC System

### Winning Portfolio Buildup

- ✓ CSD revitalization
- ✓ Stills profitable growth
- ✓ Dairy quantum leap

### Operating Model Transformation

- ✓ Leverage our scale
- ✓ Local market solutions
- ✓ Cutting-edge technology

### Cultural Evolution

- ✓ Attain Collaboration
- ✓ Maintain our passionate execution
- ✓ Increase Multi-culturality

Disciplined Capital Allocation

Business Sustainability

Targeted Innovation

# Diversifying our portfolio, providing our consumers with a wider range of choices / AdeS acquisition

*KOF and KO successfully reached an agreement to buy AdeS, Latam's leading soy-based beverage producer for US\$575 million*

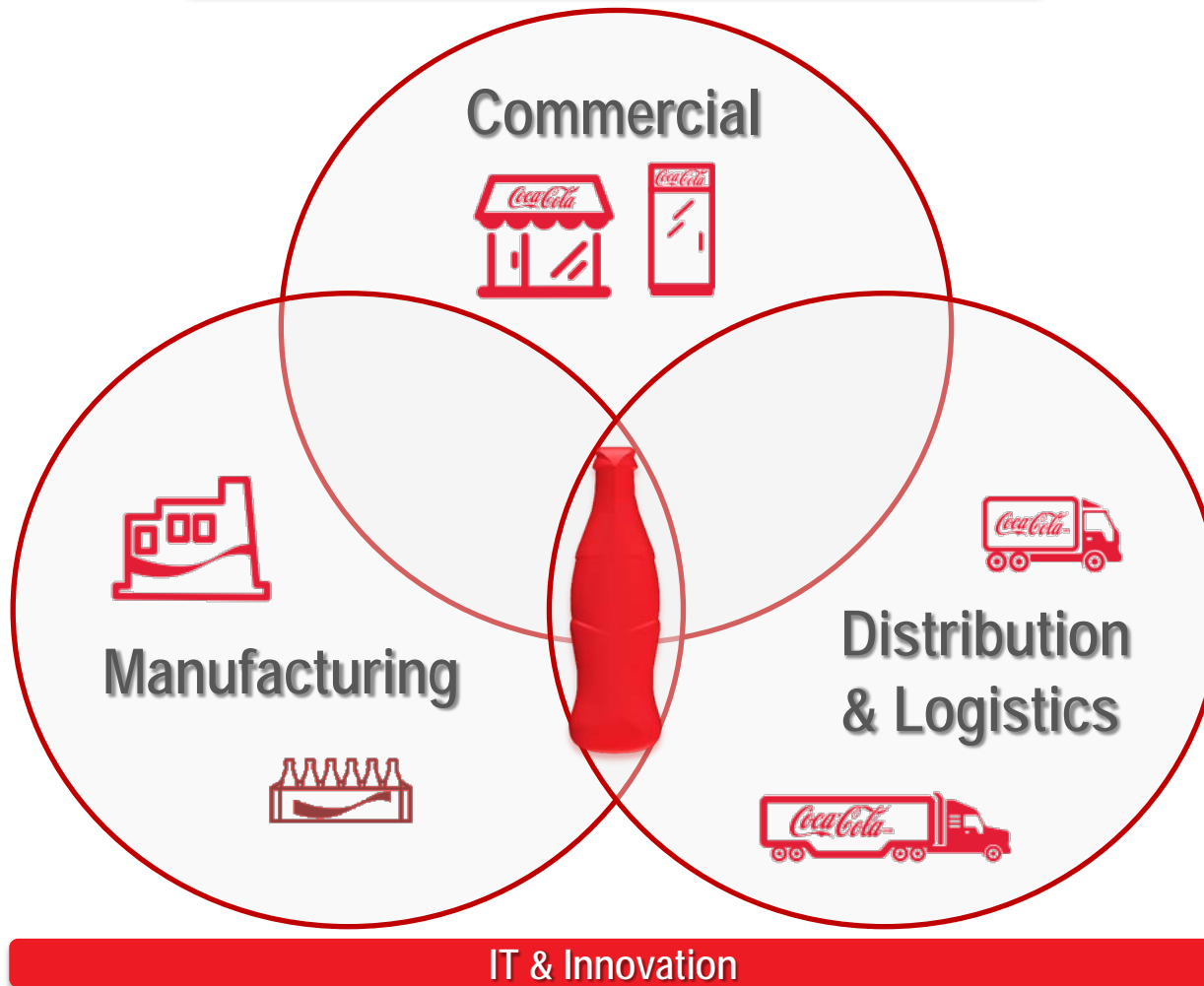


- In 2015, AdeS generated volume of 56.2 MM UC and US\$284 million in revenues
- High potential to leverage the KO System's Route-To-Market
- AdeS works as a platform to enter the Neo Natural Nutrition category



At KOF we are continuously building a sustainable, competitive advantage through capability development

## Coca-Cola FEMSA Excellence Centers



# We continue investing to lead the system with best-in-class infrastructure...

+US\$ **630** million invested on infrastructure in the last 3 years

*Sumaré Warehouse*  
in Brazil



*Jundiai Vertical Warehouse*  
in Brazil



*Horus plant*  
in Colombia



*Itabirito plant*  
in Brazil

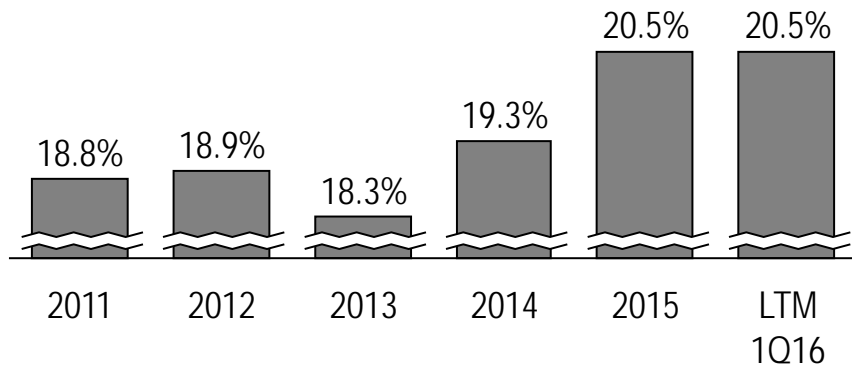


*Canlubang plant*  
in the Philippines



...and continue generating shareholder value through our operating and financial discipline

### KOF EBITDA margins

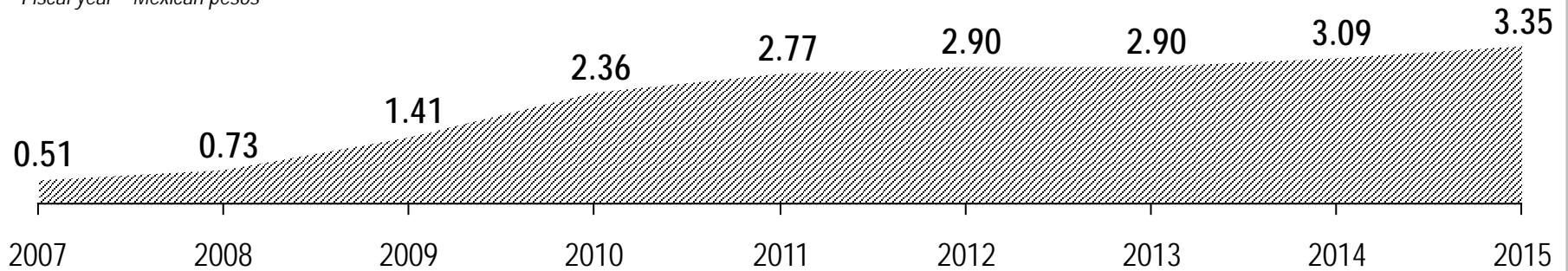


### Free Cash Flow generation

**~US\$550 MM**  
on a yearly basis

### Dividend per share

Fiscal year – Mexican pesos



# We have a strategic commitment to sustainable development, which is good for our business and good for our planet



- **Only beverage company** selected to comprise the **Dow Jones Sustainability Emerging Markets Index** and one of only nine beverage corporations in the Dow Jones Sustainability Index family
- **5th Consecutive Year** as a member of **Social Responsibility and Sustainability Index** in the BMV



MEMBER OF  
**Dow Jones Sustainability Indices**  
In Collaboration with RebecoSAM

MORE THAN **550 THOUSAND** PEOPLE HAVE BEEN BENEFITED WITH OUR SOCIAL PROGRAMS

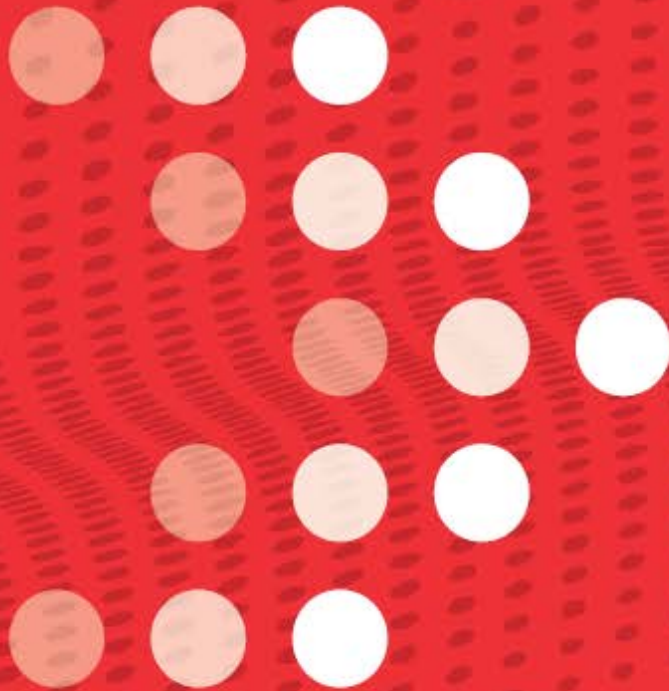
**30% OF THE ELECTRIC ENERGY WE USE IN MEXICO** IS SUPPLIED BY RENEWABLE SOURCES

WE ACTIVATED MORE THAN **6.1 MILLION** PEOPLE THROUGH RACES AND OTHER EVENTS



OUR PORTFOLIO INCLUDES **113 BRANDS** IN **10 CATEGORIES**





Thanks