



flexibility

Coca-Cola FEMSA

Investor Relations Presentation  
September 2012

# Cautionary Statement

## **FORWARD-LOOKING STATEMENTS**

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## **COCA-COLA FEMSA**

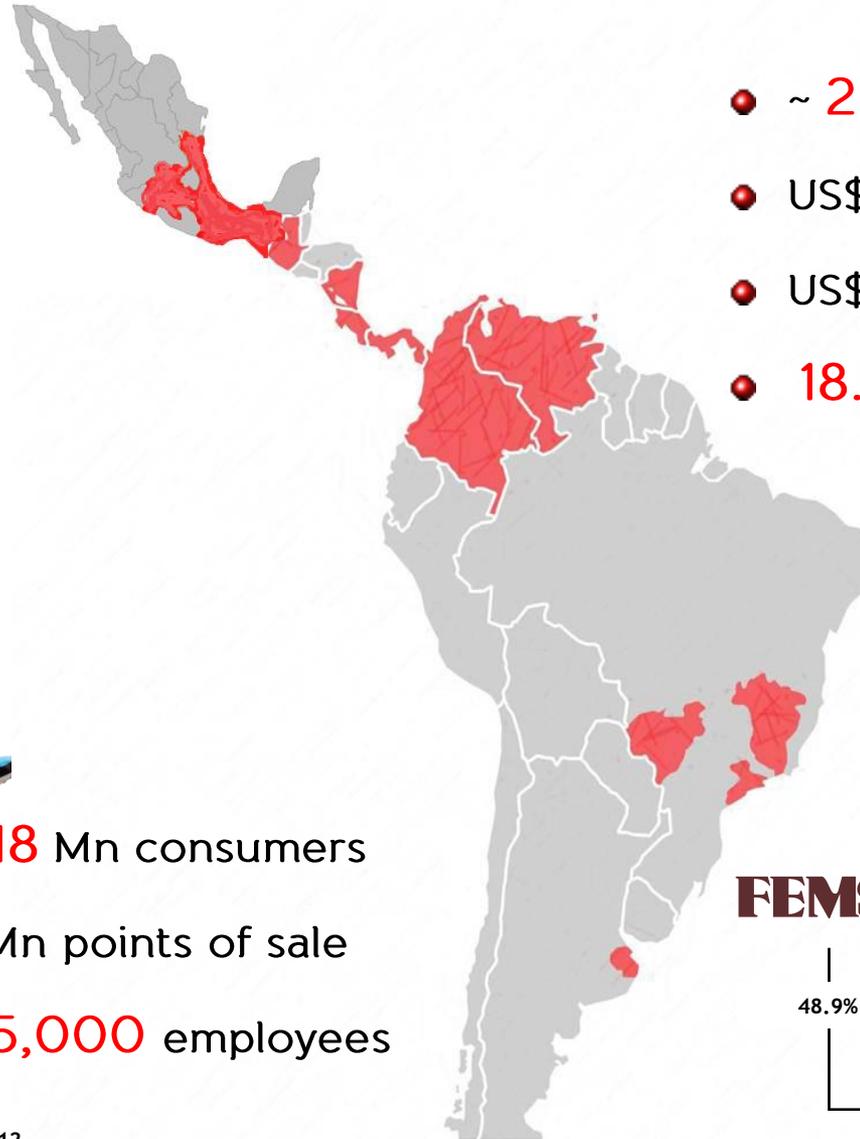
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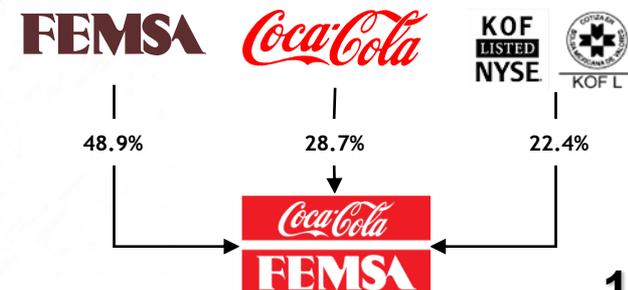
# Largest franchise bottler in the world operating in one of the most attractive regions for its industry...



- ~ **2.85** Bn Unit Cases<sup>(1)</sup>
- US\$ **10.17** Bn in Revenues<sup>(1)</sup>
- US\$ **1.90** Bn in EBITDA<sup>(1)</sup>
- **18.7%** EBITDA margin<sup>(1)</sup>

- more than **218** Mn consumers
- close to **1.8** Mn points of sale
- more than **85,000** employees

(1) KOF Figures: LTM 2Q 2012



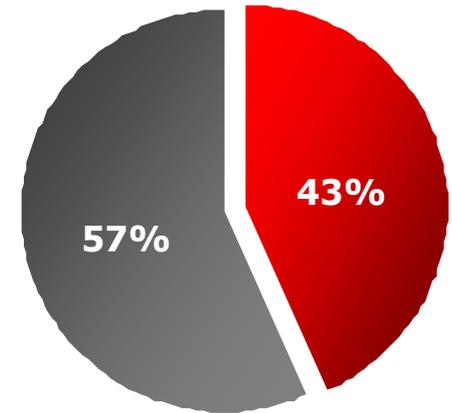
# ...while building on a solid track record of growth

Operations in the rest of Latin America have contributed importantly to top- ...

**FY 2004**  
**(US\$ 4,176 Mn)**

**Revenues**

CAGR 2004-2012: 12 %



**LTM 2Q 2012**  
**(US\$ 10,173 Mn)**

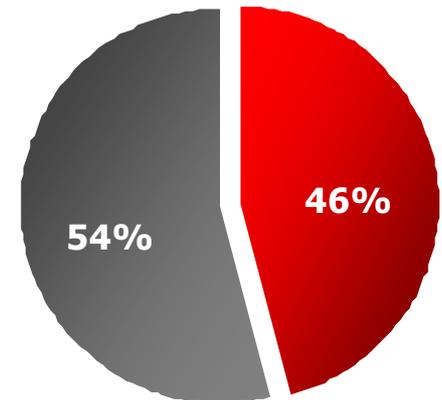
■ Mexico & Central America Division   ■ South America Division

... and bottom-line growth, balancing the sources of cash flow generation

**FY 2004**  
**(US\$ 889 Mn)**

**EBITDA**

CAGR 2004-2012: 10 %

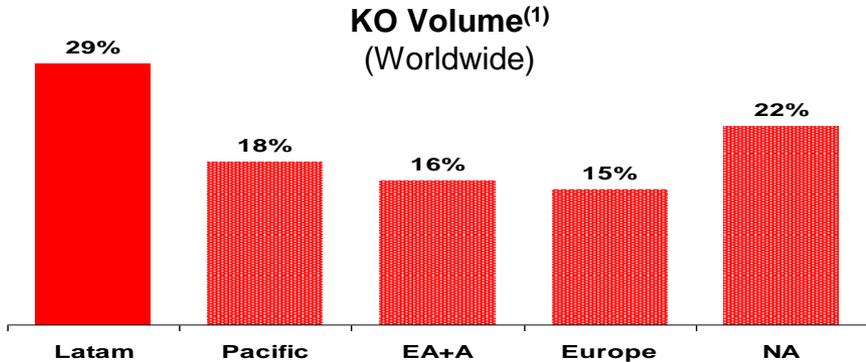


**LTM 2Q 2012**  
**(US\$ 1,907 Mn)**



# Strategic partner to the Coca-Cola System towards fulfilling its 2020 vision

*KOF has presence in some of the most important markets and has pursued relevant opportunities in every category to contribute to the system's future growth*



“In 2011, we built strong momentum toward our 2020 goal of **doubling our business over the course of this decade...** to ~US\$ 200 Bn of revenues”

**CAGR 2010-2020: 7%**



“... we partnered with Coca-Cola FEMSA to jointly acquire the Jugos del Valle business in 2007... Today, Del Valle is the first of our \$1 billion brands with its roots in our Latin America region.”

**Muhtar Kent, The Coca-Cola Company – President and CEO**

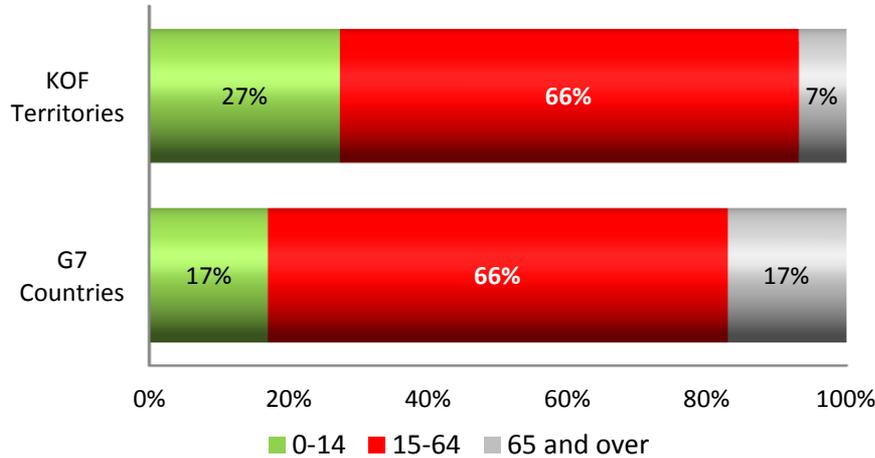


In March 2011, together with The Coca-Cola Company, we successfully closed the acquisition of Estrella Azul, a leading dairy and juice company, which allowed us to enter the milk and value-added dairy products category, one of the most dynamic segments in terms of scale and value in the non-alcoholic beverage industry in Latin America.

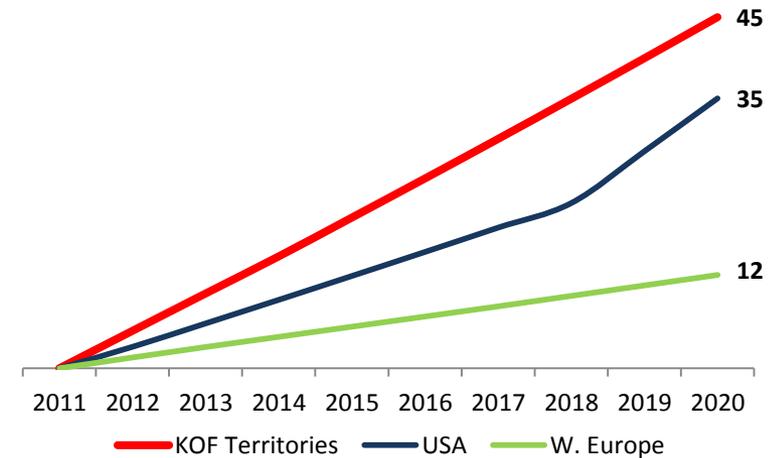
# Dynamic and attractive socioeconomic profile

KOF's territories throughout Latin America enjoy an attractive demographic profile going forward

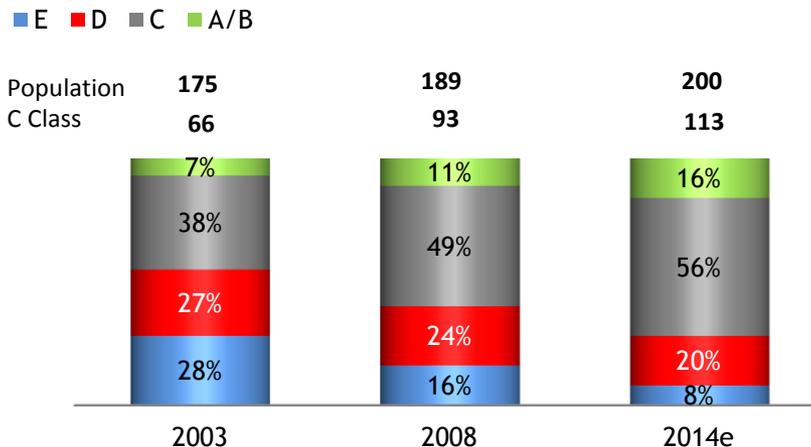
**Population Age Distribution<sup>(1)</sup>**



**Expected Population Growth (millions)<sup>(3)</sup>**



**Social Mobility in Brazil (millions)**



**GDP per capita in KOF territories (by 2015)<sup>(2)</sup>**

~US\$11,200

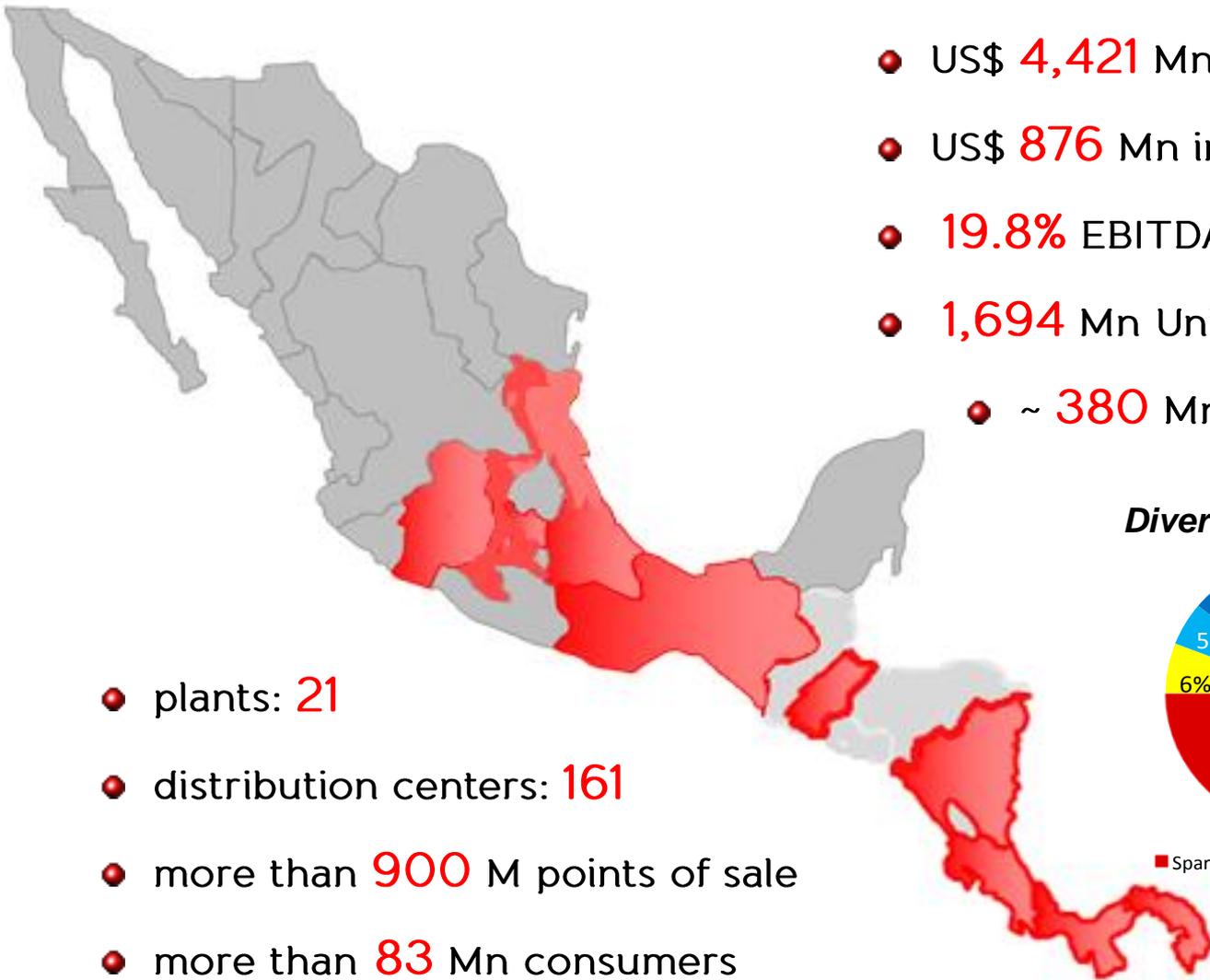
Sources: CIA - The World Factbook, World Population Prospects. 2012, World Economic Outlook Database, October 2010  
Population Growth forecasts for 2020 and GDP per capita improvement forecast for 2015

(1) G7: Canada, France, Germany, Italy, Japan, United Kingdom and United States of America

(2) Weighted Average per population served by country

(3) Western Europe: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom

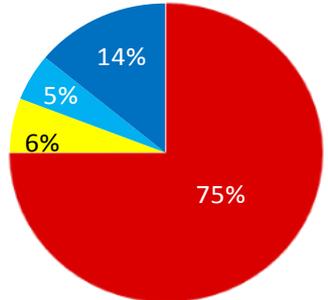
# Mexico & Central America highlights



- US\$ **4,421** Mn in Revenues<sup>(1)</sup>
- US\$ **876** Mn in EBITDA<sup>(1)</sup>
- **19.8%** EBITDA margin<sup>(1)</sup>
- **1,694** Mn Unit Cases<sup>(1)</sup>
- ~ **380** Mn UC of returnables

- plants: **21**
- distribution centers: **161**
- more than **900** M points of sale
- more than **83** Mn consumers

**Diversified portfolio**

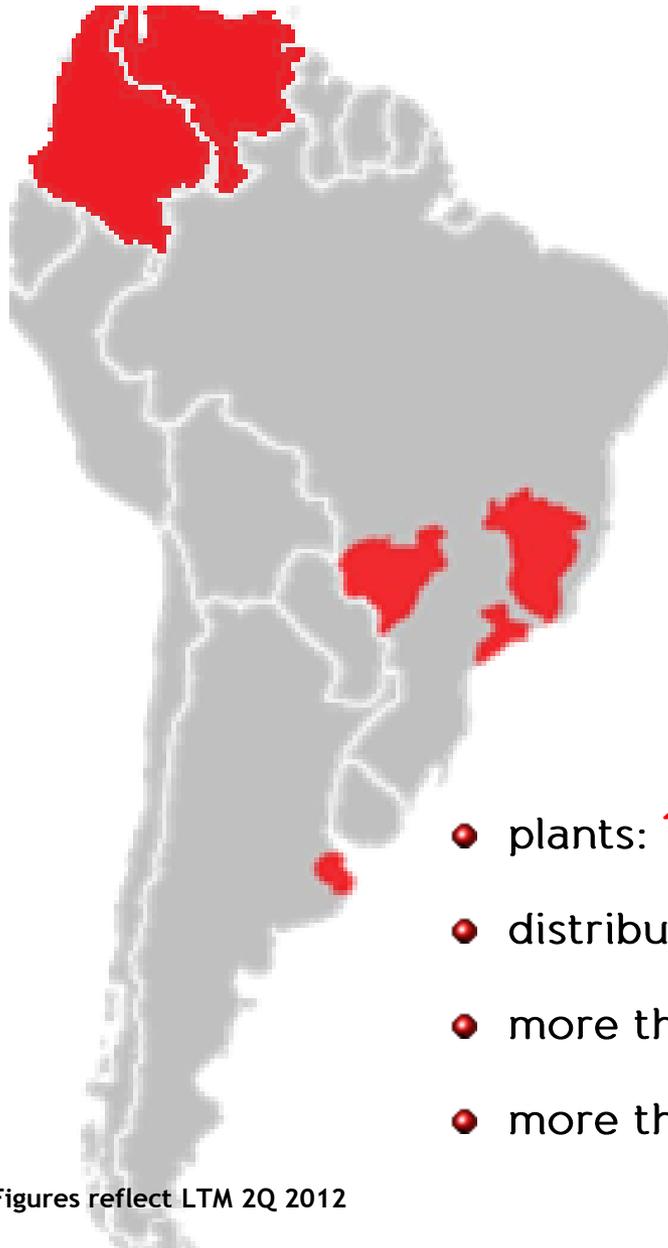


■ Sparkling ■ Still ■ Water ■ Bulk Water



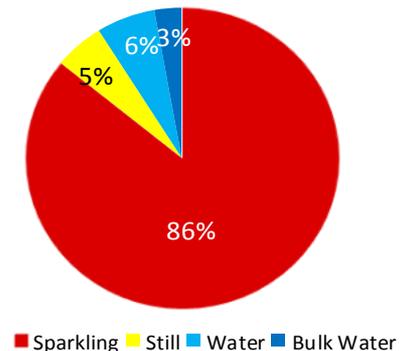
(1) Figures reflect LTM 2Q 2012

# South America highlights



- US\$ **5,752** Mn in Revenues<sup>(1)</sup>
- US\$ **1,030** Mn in EBITDA<sup>(1)</sup>
- **17.9%** EBITDA margin<sup>(1)</sup>
- **1,157** Mn Unit Cases<sup>(1)</sup>
  - ~ **217** Mn UC of returnables

## Diversified portfolio



- plants: **16**
- distribution centers: **97**
- more than **873** M points of sale
- more than **135** Mn consumers

(1) Figures reflect LTM 2Q 2012

Our strategic framework allows us to continue building capabilities

Reach our Full Operating Potential

Proactive Environment Management

Consolidate KOF as a Multicategory Leader

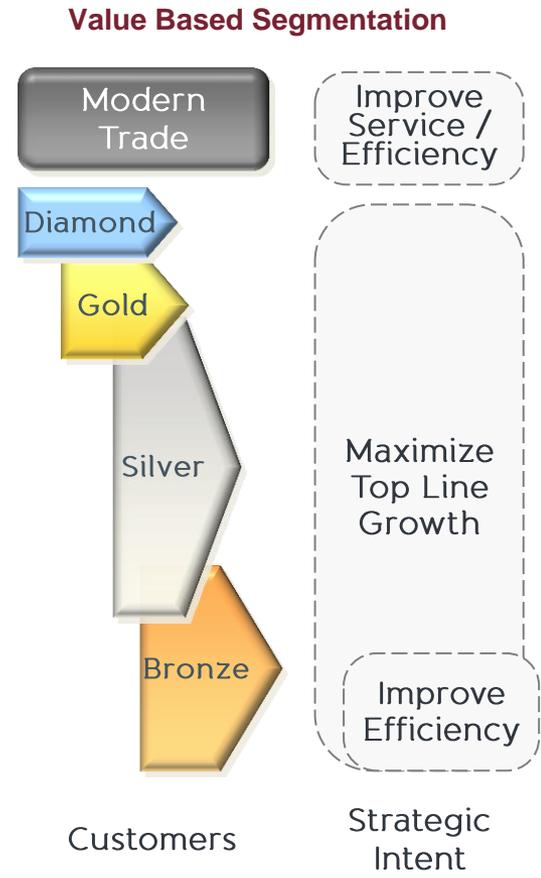
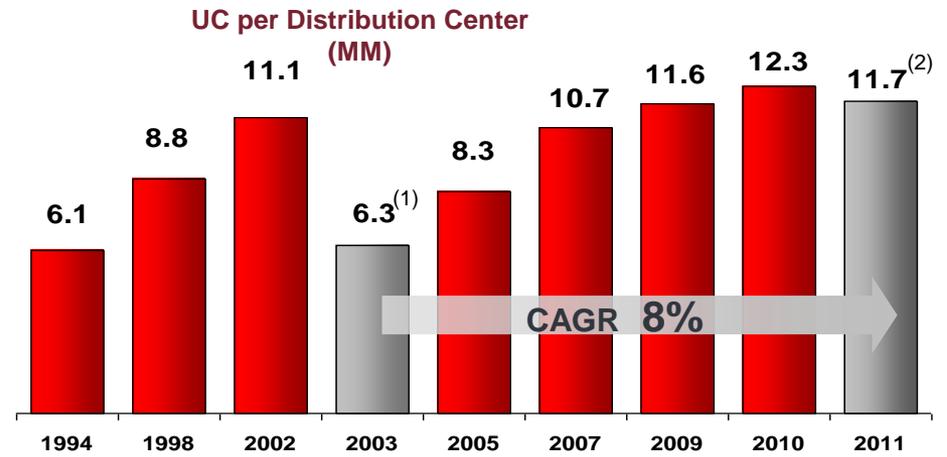
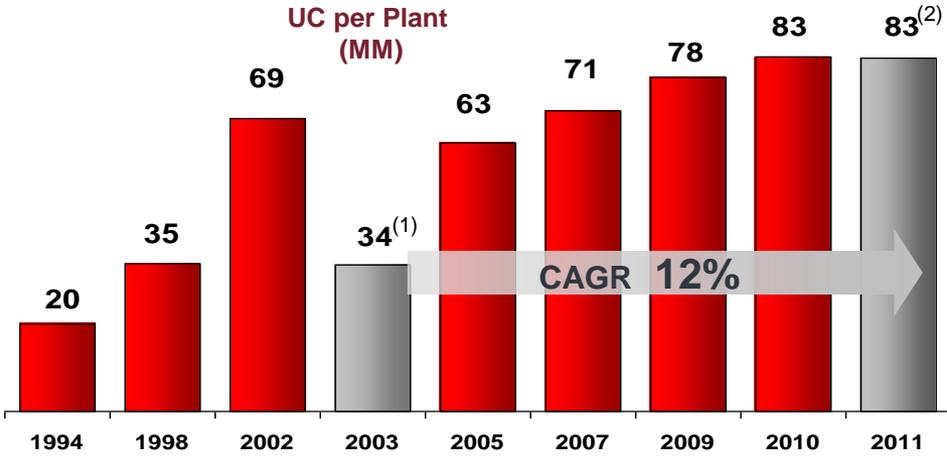
Growth through Innovation

Growth through Acquisitions



# We develop capabilities to reach our full operating potential

As the complexity of our business continues to increase, we constantly work towards increasing the efficiencies of our asset portfolio, while evolving from a volume driven commercial model to a value based segmentation approach to capture the industry's value potential.



(1) Acquisition of Panamerican Beverages  
 (2) Mergers with Grupo Tampico and Grupo CIMSA

# Innovation as key driver to our growth



## Execution



## Packaging



## Categories



## New lines of Business



IT enables Innovation

# Expanding our footprint

During 2011 KOF invested more than Ps. 28,000 million in mergers and acquisitions, to consolidate its leadership position in Mexico and Latin America. The mergers in Mexico represent an increase in Volumes, Revenues and EBITDA of approximately 30% and more than US. 62 Mn in net synergies.

## KOF's initiatives in the new territories

- Restructuring manufacturing and logistics network
- Placing more than 5,000 new coolers
- Launching the Sidral Mundet Brand
- Re-launching relevant local brands

New Territories  
+ 425 Mn UC  
+ US. 950 Mn Revenues  
+ US. 215 Mn EBITDA

Grupo Tampico

Grupo Fomento Queretano

Grupo CIMSA



Grupo Tampico, CIMSA and Fomento Queretano's Beverage Divisions figures are 2011 estimates

# Driving a sustainable business

## Recycling / Solid waste:



The use of different technologies has allowed us to save 60,000 tons of plastic per year thanks to our light-weighting efforts and our plastic packaging optimization initiatives

We have the lightest 20 Oz. Contour bottle in the System

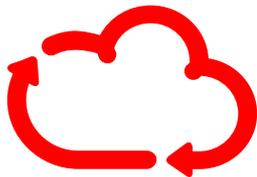


## Water stewardship:

In the past 5 years we have planted more than 31million trees in Mexico

Our Toluca plant has a water usage ratio of 1.24 liters, a benchmark in the System

## Carbon footprint:

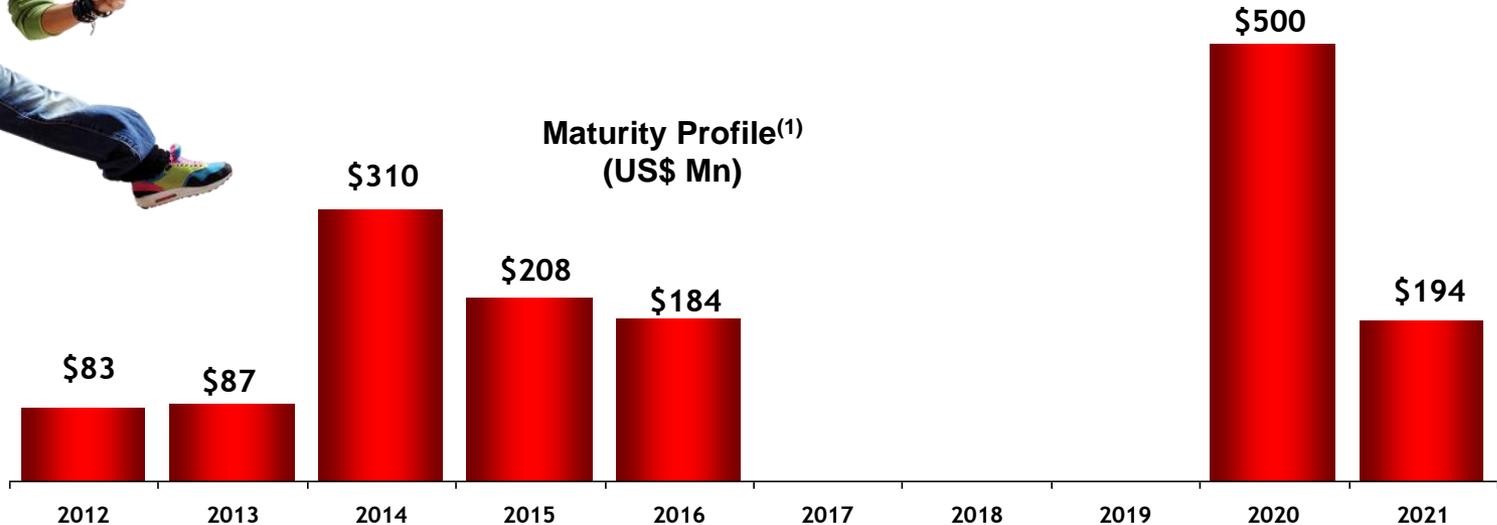
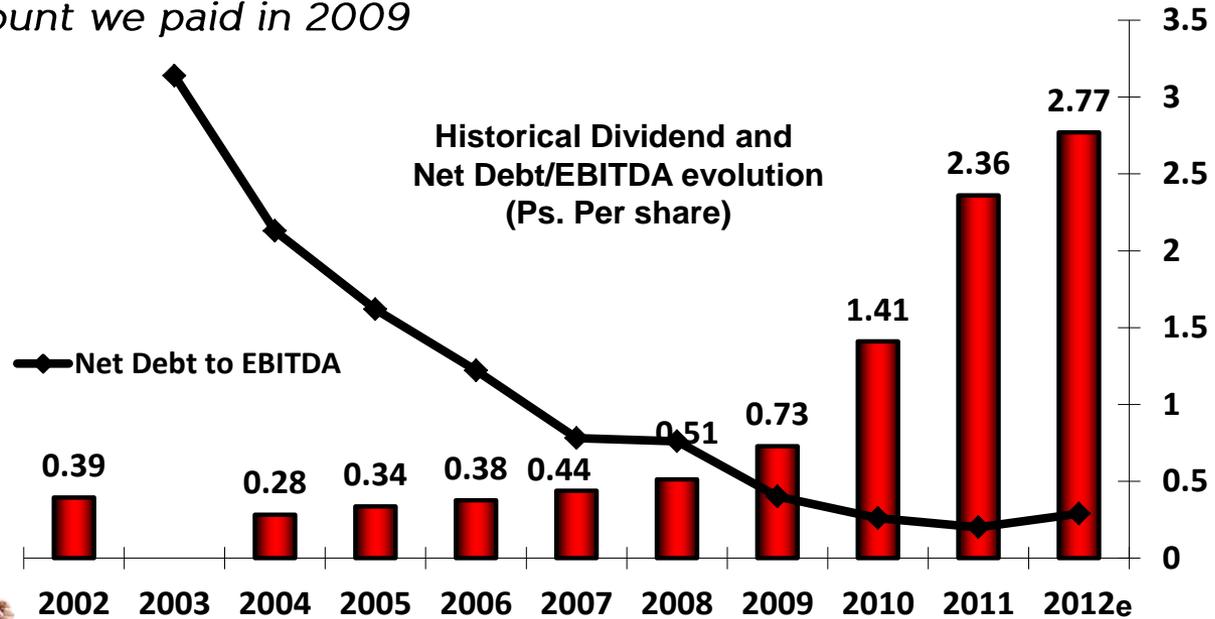


By 2013, 85% of our energy consumption will come from renewable sources of energy such as wind power  
Committed to "growing our business, not our carbon footprint," which is why our goal is to maintain the same amount of CO2 emissions in 2015 as we had in 2004



# Solid Financial position

*During 2012, we paid in ordinary dividends an amount representing more than four times the amount we paid in 2009*



(1) KOF Debt Maturity Profile as of June 30, 2012

# How do we envision growth?



Strong market execution



Capture additional value from the industry



Improving per capita consumption



Attractive demographic profile



Strong Cash Flow Generation & Solid Balance Sheet



Doing all of this in a sustainable manner





Thank  
You!

*Coca-Cola*

**FEMSA**