

# Coca-Cola FEMSA

May 2014



# 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.

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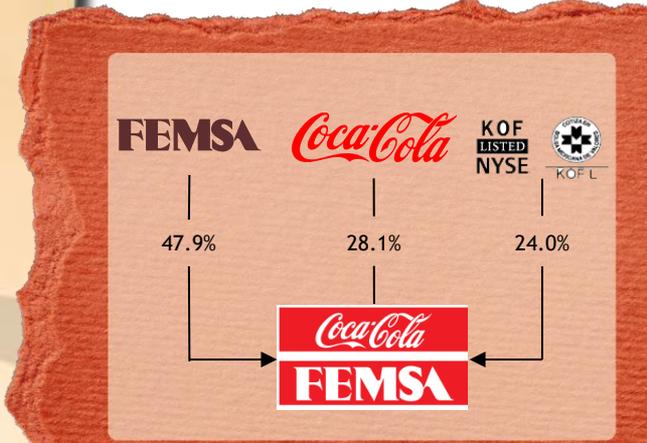
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# Largest franchise bottler in the world operating in two of the most attractive regions for its industry

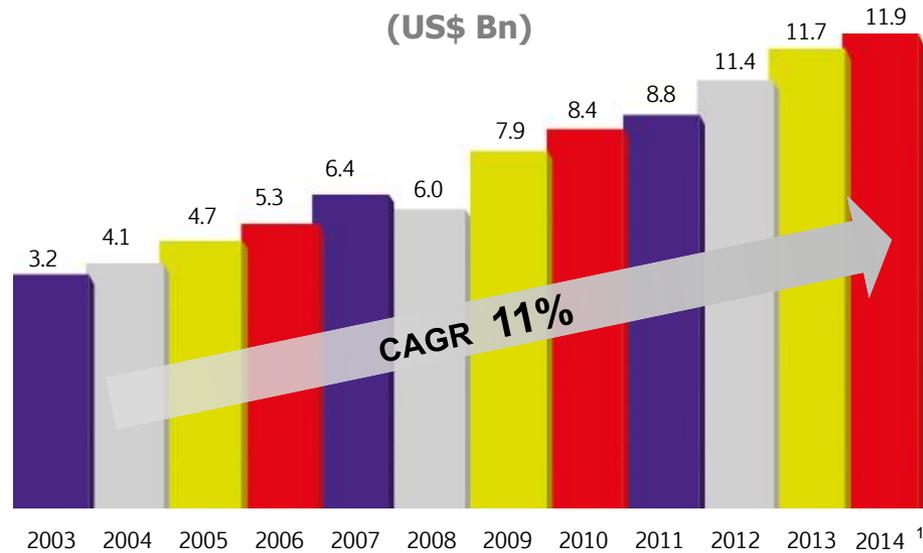
- ~ **4 Bn** Unit Cases<sup>(1)</sup>
- **US\$13.67 Bn** in Revenues<sup>(1)</sup>
- more than **346 Mn** consumers<sup>(1)</sup>
- more than **2.9 Mn** points of sale<sup>(1)</sup>
- more than **120,000** employees<sup>(1)</sup>



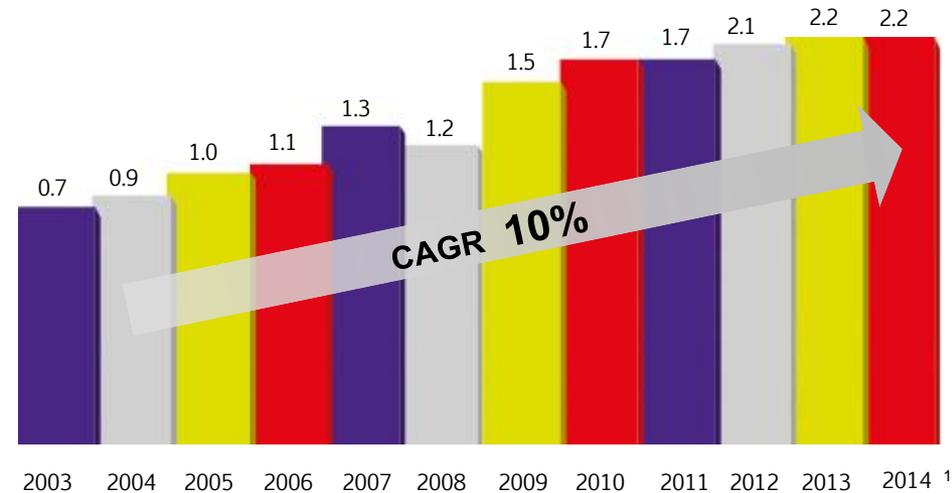
(1) Figures reflect LTM 1'Q14 proforma and include Philippines, Fluminense and Spaipa

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

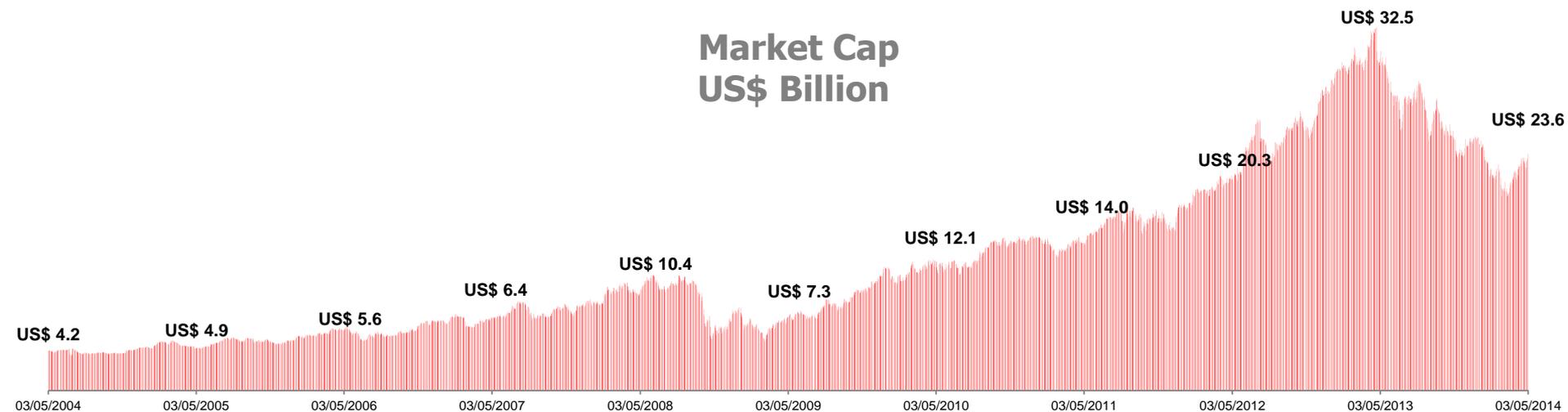
**Revenues**  
(US\$ Bn)



**EBITDA**  
(US\$ Bn)



**Market Cap**  
US\$ Billion



(1) Figures reflect FY 2013

# Strategic partner to the Coca-Cola System

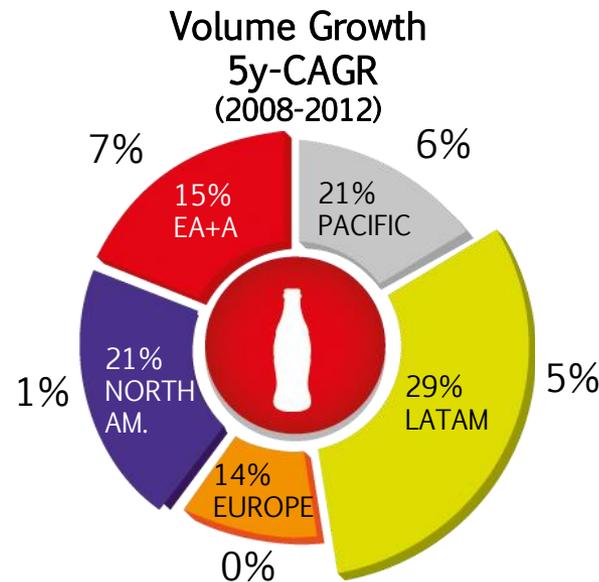
*KOF has presence in some of the most important regions for the beverage industry and has pursued relevant opportunities in every category to contribute to the system's future growth*



“Our brands and our business have very deep roots in the Philippines, and we look forward to working with our strong partners at Coca-Cola FEMSA to capture future opportunities for growth and investment and bring even more social and economic value to customers and communities throughout the country.”

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

## KO Volume (worldwide) <sup>(1)</sup>



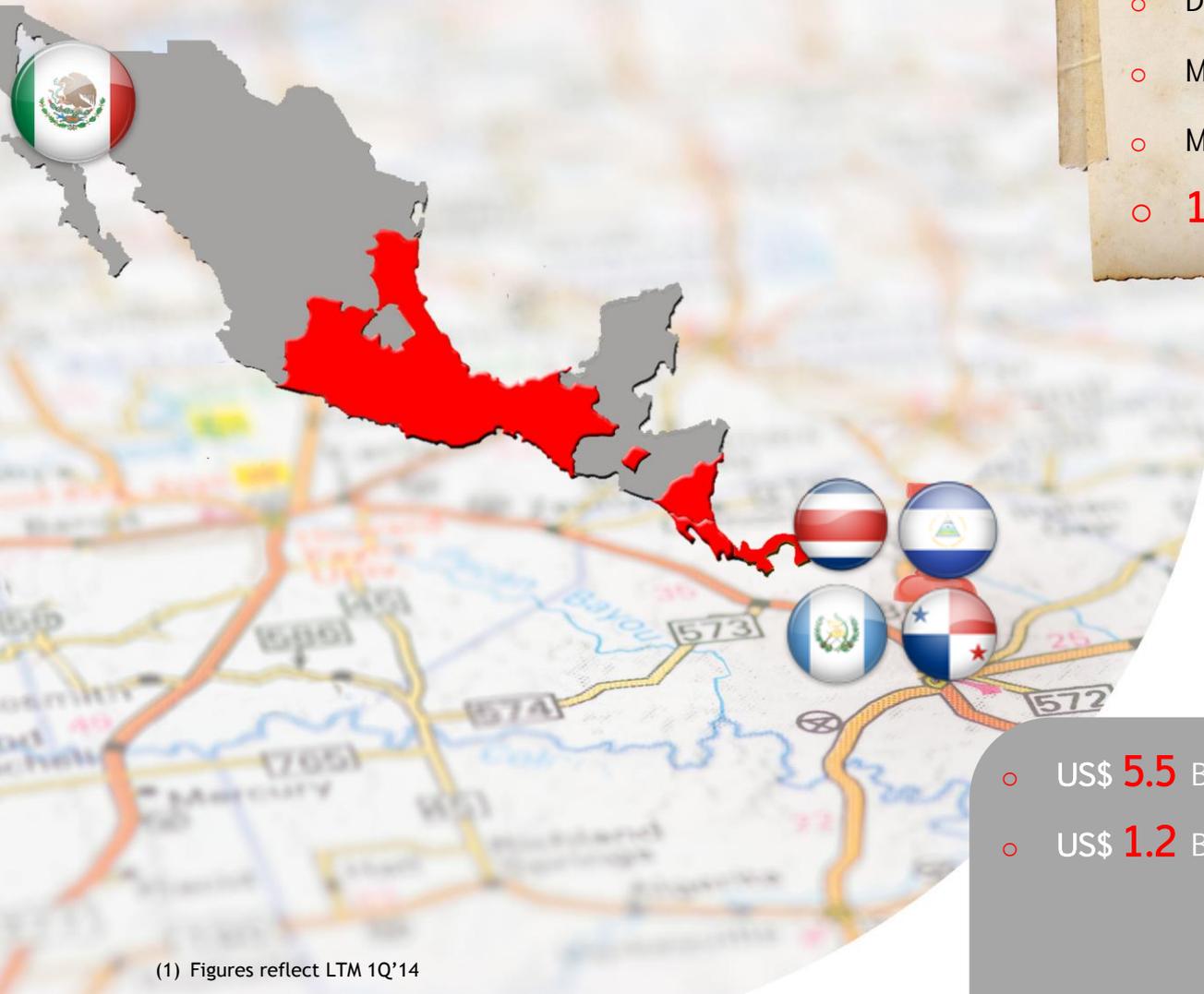
“... we partnered with Coca-Cola FEMSA to jointly acquire the Jugos del Valle business in 2007... Today, Del Valle is the first of our \$1 billion brands with its roots in our Latin America region.”

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



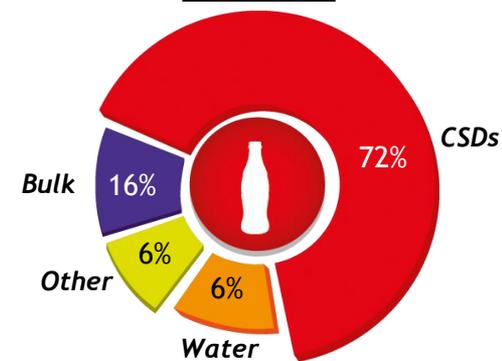
(1) The Coca-Cola Company annual report 2013

# Reaching more than 50% of the population of Mexico & Central America



- Plants **23**
- Distribution centers **176**
- More than **993** M points of sale
- More than **88** Mn consumers
- **1,959** Mn Unit Cases<sup>(1)</sup>

## Volume Mix



- US\$ **5.5** Bn in Revenues<sup>(1)</sup>
- US\$ **1.2** Bn in EBITDA<sup>(1)</sup>

(1) Figures reflect LTM 1Q'14

# Priority strategies for growth



Reinforcing presence across categories (CSDs, NCBs and Water)

Innovation in new packages (SS & MS)<sup>(1)</sup>, categories and channels

Developing full operating potential initiatives in new territories

Enhancing channel execution



Continue improving manufacturing efficiencies and capacities in all countries

Costa Rica and Panama: Price-Package strategies to achieve full operating potential

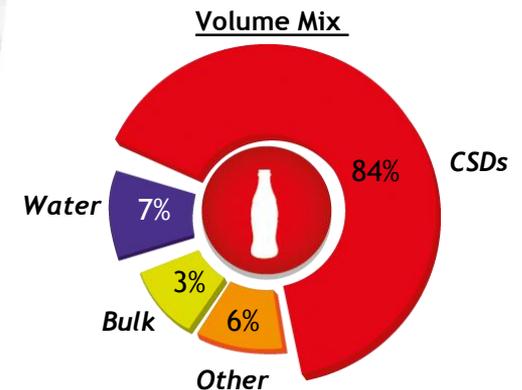
Guatemala and Nicaragua: Magic Prices to reconnect with consumers

(1) SS: Single-serves. MS: Multi-serves

# Serving more than 40% of the population of our territories in South America



- Plants **21**<sup>(2)</sup>
- Distribution centers **104**
- More than **953** M points of sale
- More than **156** Mn consumers
- **1,334** Mn Unit Cases<sup>(1)</sup>



- US\$ **6.4** Bn in Revenues<sup>(3)</sup>
- US\$ **1.0** Bn in EBITDA<sup>(3)</sup>

Figures reflect LTM 1Q'14

(1) Excluding Beer

(2) Includes Fluminense and Spaipa

(3) Including Beer

# South America: priority strategies for growth



## Execution Affordability

- Revenue management initiatives
- Point of sale execution
- Develop NARTD per capita consumption
- Increase growth of our brands
- Manufacturing optimization



## Flexibility Innovation

- Winning portfolio
- Managing the environment
- Expand cooler coverage
- Manufacturing productivity
- Innovation in new categories



## Innovation Diversification

- Revenue management initiatives
- Investments in distribution network
- Increasing supply chain capacity
- Developing a strong portfolio
- Increasing affordability



## Innovation Magic Prices

- Winning portfolio
- Point of sale execution
- Operational excellence
- Increasing supply chain capacity
- Developing new price/package architecture

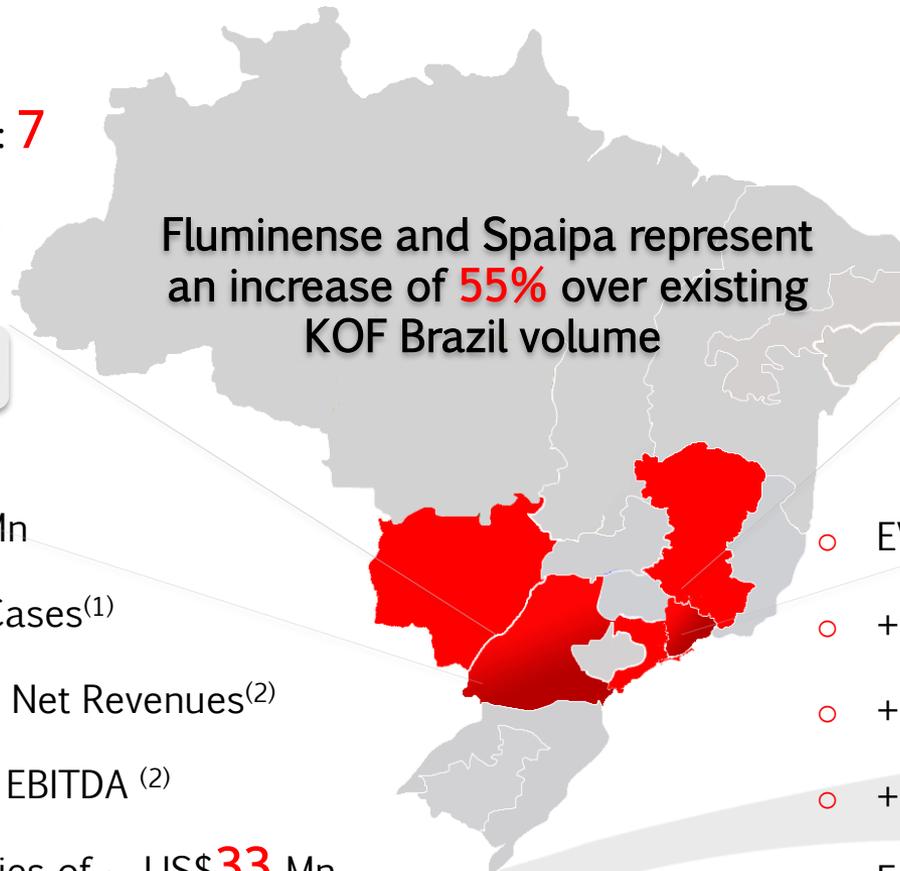


# Brazil: expanding our geographic footprint

*Our combined territories will allow Coca-Cola FEMSA to serve more than 72 million consumers, a third of the population in Brazil*

- plants: **4**
- distribution centers: **7**
- ~**17** Mn consumers

- plants: **1**
- distribution centers: **4**
- ~ **5.0** Mn consumers



Spaipa

- EV: US\$**1,855** Mn
- + **236** Mn Unit Cases<sup>(1)</sup>
- + US\$**929** Mn in Net Revenues<sup>(2)</sup>
- + US\$**152** Mn in EBITDA <sup>(2)</sup>
- Expected synergies of ~ US\$**33** Mn

Fluminense

- EV: US\$**448** Mn
- + **57** Mn Unit Cases<sup>(1)(3)</sup>
- + US\$**232** Mn in Net Revenues<sup>(3)</sup>
- + US\$**40** Mn in EBITDA <sup>(3)</sup>
- Expected synergies of ~ US\$**19** Mn

(1) Volume includes Beer  
(2) Figures reflect Full Year 2012  
(3) Figures reflect LTM 1Q'13

# Philippines: tropicalizing KOF's culture by leveraging local talent



- Implementing strategic framework based on three pillars: Portfolio, Route to Market and Supply Chain
- Medium to long-term growth strategies in place to increase per capita consumption

- Plants **20**
- Close to **925** M points of sale
- More than **101** Mn consumers
  - KOF population coverage: **100%**
    - US\$**1.1** Bn in Revenues<sup>(1)</sup>
    - ~US\$**100** Mn of Ebitda
    - **515** Mn Unit Cases<sup>(1)</sup>
    - Important mix of returnables **71%**

## Strategic Framework



(1) CCBPI: Coca-Cola Bottling Philippines, Inc., estimated for 2012

# Strong commitment to our environment

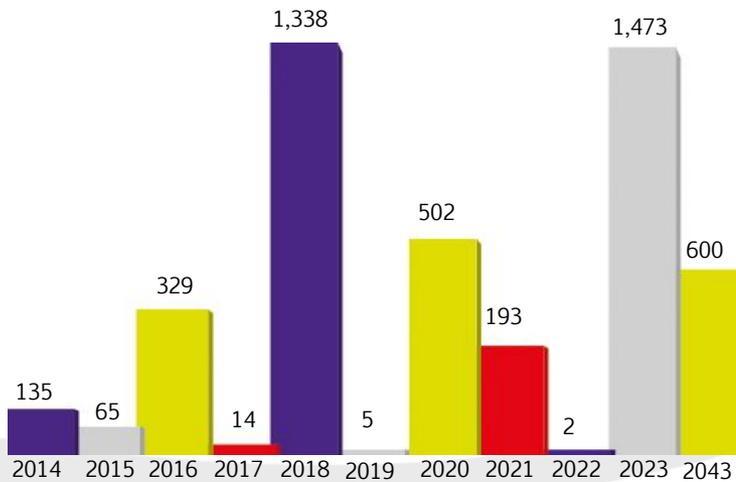
*Throughout the years we have generated social, economic and environmental value for our stakeholders*



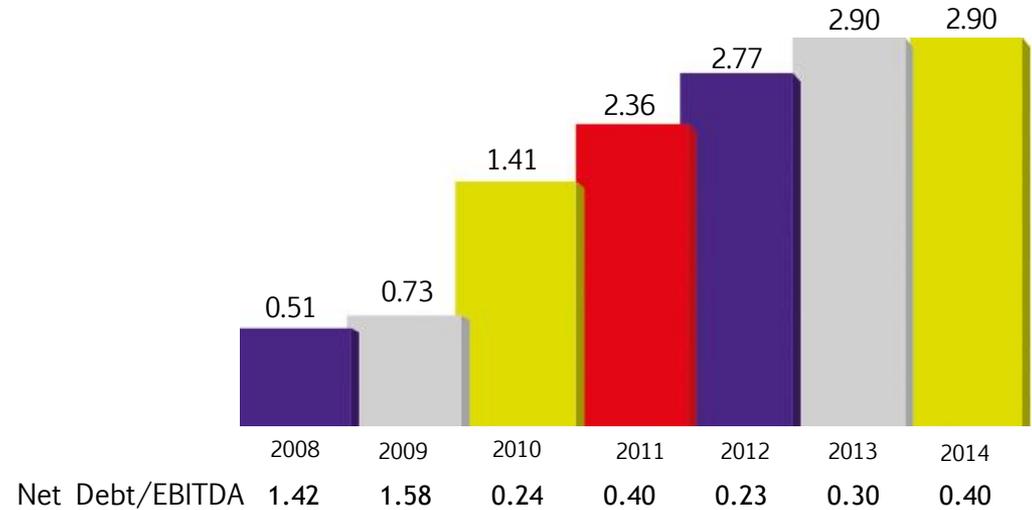
# Solid financial position



Maturity Profile<sup>(1)</sup> (US\$ Mn)



Historical Dividend and Net Debt/EBITDA evolution (Ps. Per share)



(1) KOF Debt Maturity Profile as of March 31, 2014

A topographic map is the background, showing contour lines and various paths. In the bottom left, a compass is placed on the map, with a ruler and a black string nearby. In the top right corner, a red and black sneaker is partially visible.

**Thank You!**

