

Integrated Transformation



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:

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INVESTOR RELATIONS

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KOF Overview

highlights



Corporate structure



- More than **290 Mn** consumers ¹
- More than **1.9 Mn** points of sale ¹
- More than **80,000** employees ¹
- 48** production plants ¹
- 292** distribution centers ¹
- ~19** Bn Transactions ¹
- ~3.3** Bn Unit Cases ¹
- US\$ +9.6** Bn in Revenues ¹
- US\$ ~1.9** Bn in EBITDA ¹

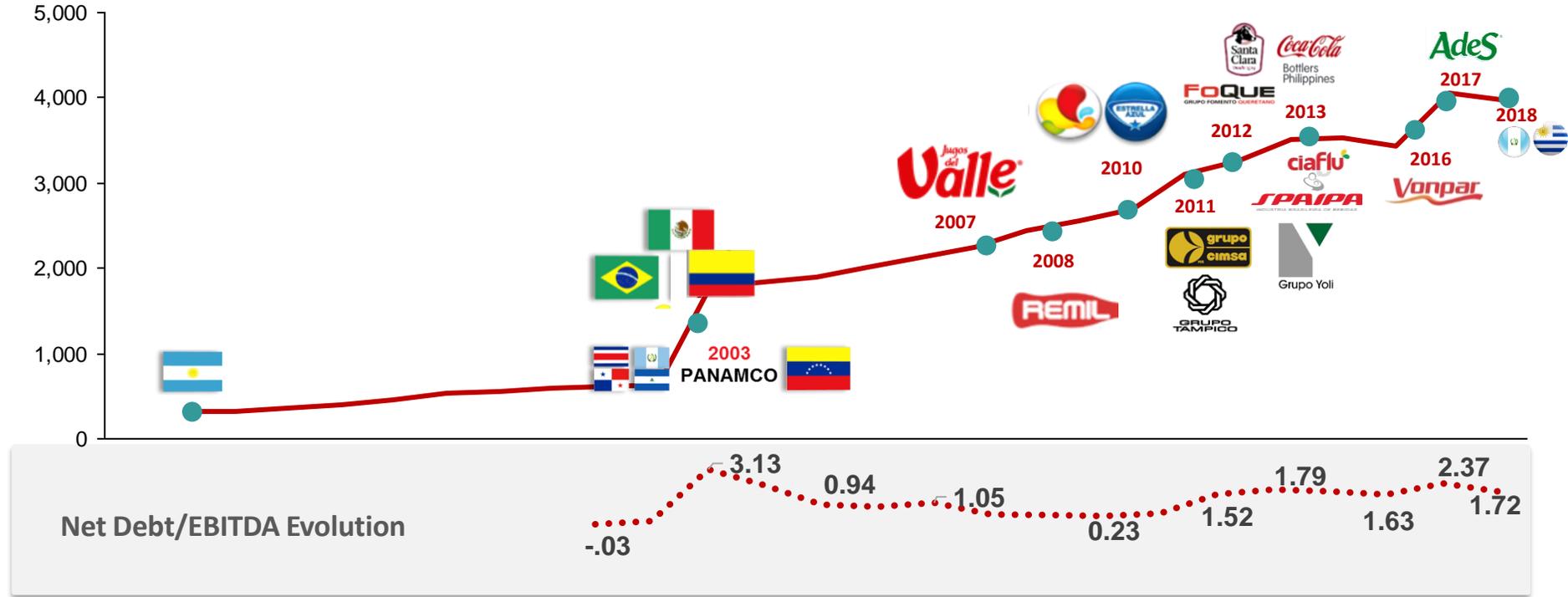


(1) Figures reflect Last Twelve months September 2018

KOF Overview

Evolution

Over the past 20 years, we have travelled a successful journey by consolidating across territories and categories with a solid financial discipline



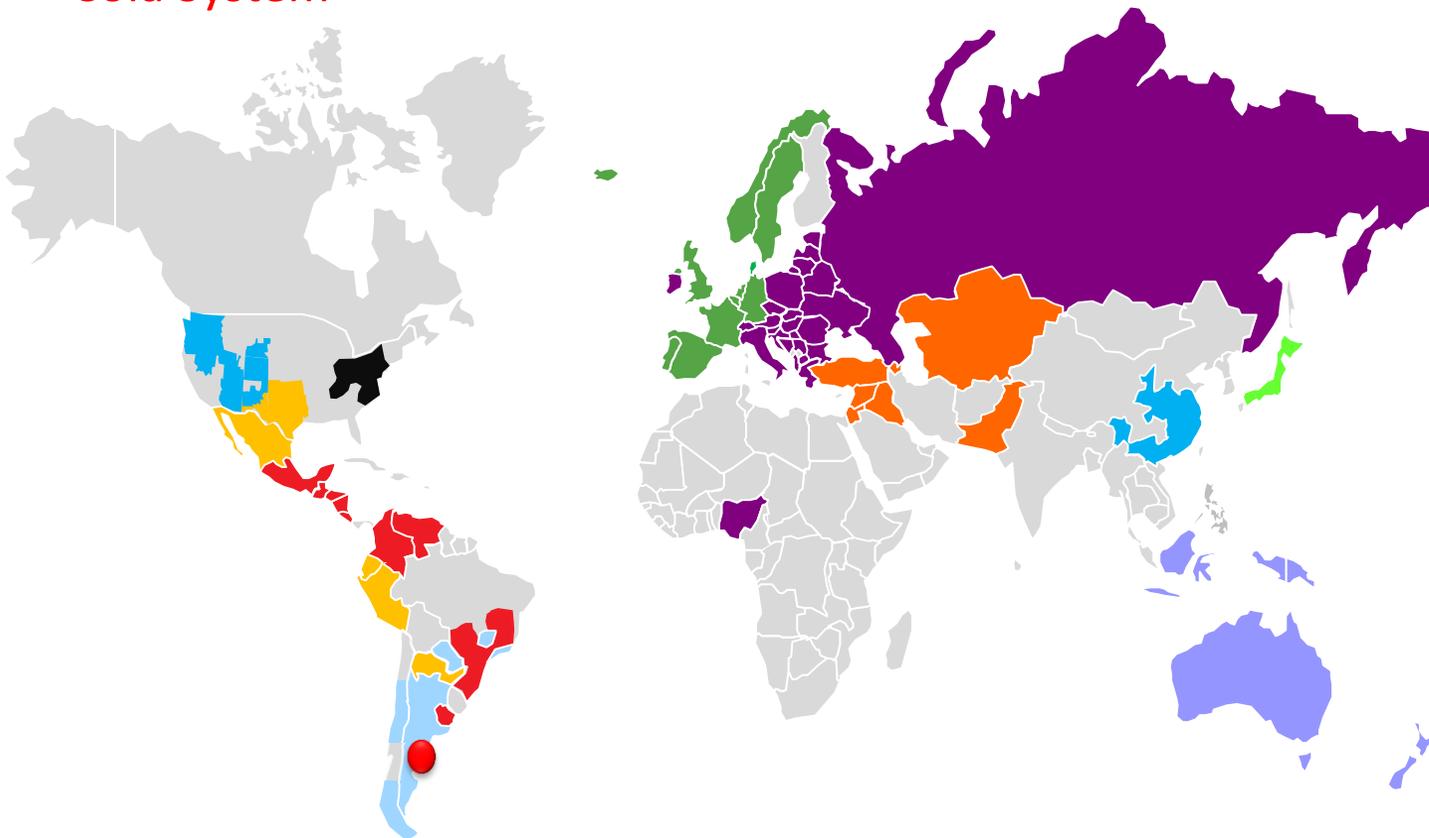
	1994	2003	2010	2017
Volume (Mn UC)	306	977	2,500	3,871
Points of sale (Mn)		1.5	1.6	2.7
Revenues (USD bn)		1.9	5.5	10.8
EBITDA (USD bn)		.4	1.1	2.1
CAGR 1994 – 2017		11%		

KOF Overview

Coca-Cola System

“KOF has consolidated its leadership position within the Coca-Cola System”

The 10 largest bottlers of the Coca-Cola system by sales volume



	Vol. (Mn UC)
 	3,440
 	2,502
 	2,104
 	2,084
 	1,237
 	1,512
 	756
 	748
 	607
 	551

Operative Results

Mexico & CAM Division

~**103** million consumers
~**1** million points of sale
~**11** bn transactions⁽¹⁾
~**2** bn unit cases⁽¹⁾
~**USD 5.1 bn** ⁽¹⁾ in Revenues
~**USD 1.1 bn** ⁽¹⁾ in EBITDA
EBITDA Margin ⁽¹⁾ 20.4%

(1) Last twelve months figures September 2018

As of % of KOF

Volume → 62%
Revenues → 54%
EBITDA → 56%



South America Division

~**179** million consumers
~**1** million points of sale
~**8** bn transactions⁽¹⁾
~**1.3** bn unit cases⁽¹⁾
~**USD 4.4 bn** ⁽¹⁾ in Revenues
~**USD 830 MM** ⁽¹⁾ in EBITDA
EBITDA Margin ⁽¹⁾ 18.9%

(1) Last twelve months figures September 2018

As of % of KOF

Volume → 38%
Revenues → 46%
EBITDA → 44%



Strategic Framework

Multi-category beverage leader with global footprint



Disciplined capital allocation

Strategic mergers and acquisitions



Strategic Framework

Winning Portfolio

169 Leading multi-category brands

CSD's



Water



NCB's



Dairy / Plant-based



- ✓ Reinforcing CSDs growth through innovation and affordability
- ✓ Reformulating our portfolio...41% of the brands are low or no calorie beverages
- ✓ Diversifying aggressively in Stills... 31% of our brands have vitamins, fiber, minerals, or nutritional supplements
- ✓ Developing our water portfolio

Strategic Framework

Winning Portfolio

We continue to improve our portfolio of affordable and returnable packages



Sparkling Beverages

Water & Bulk Water

Still Beverages

VOLUME MM UCs

3,028

580

263

MIX Portfolio

78.2%

15%

6.7%



TRANSACTIONS MM

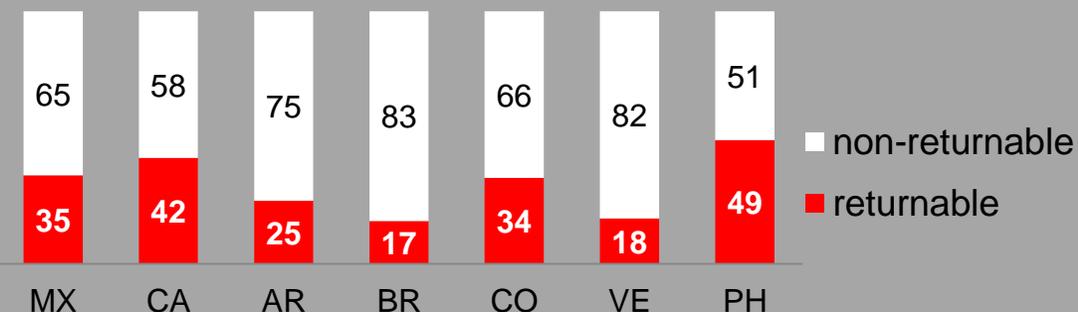
21,572

1,920

2,383

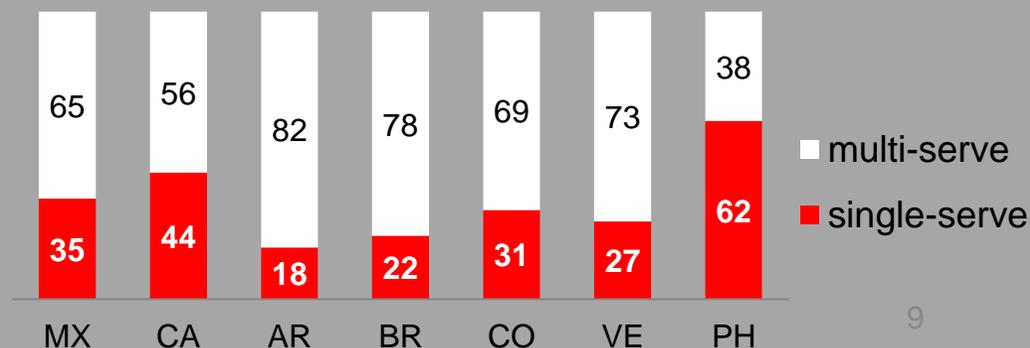
Product mix by package

% of volume of sparkling beverages



Product mix by size

% of volume of sparkling beverages



Strategic Framework

Operating Model



Commercial Initiatives

Kofmmercial Digital Platform

- ✓ Granular Segmentation
- ✓ Targeted Activities
- ✓ POS Potential
- ✓ Execution Improvement



Scaled KDP in record time:

- ❖ 7 countries
- ❖ >9,000 routes
- ❖ >3.2 bn UC with SFA



Corporate Initiatives

Global Business Services

- ✓ Shared Service Centers to drive automation and efficiencies for finance, procurement and HR
- ✓ Successful deployment in Corporate and Mx



Supply Chain Initiatives

Digital Distribution

- ✓ Operational savings
- ✓ Better route planning
- ✓ Service level improvement

Mobile App

Telematics

Live WEB Platform

 **3,040 routes**  **2,500 routes**

Supply Chain Planning Transformation

- ✓ Centralized planning to optimize costs and capital
- ✓ Optimal technological tools to support our processes on Cloud
- ✓ **Deployed in Mexico and Colombia**



Manufacturing Management Model

- ✓ Standardized practices driving improvement of Efficiency, Safety and Sustainability metrics
- ✓ **Deployed in Mexico and Brazil**



Operational Excellence

We strive for excellence
in everything we do



**Obsessive Focus on
Consumer & Client**



People First

We value our people and
work as one KOF



**Our consumers and
clients are at the
center of everything
we do**



Agile Decision Makers

We are action oriented,
making fast and assertive
decisions



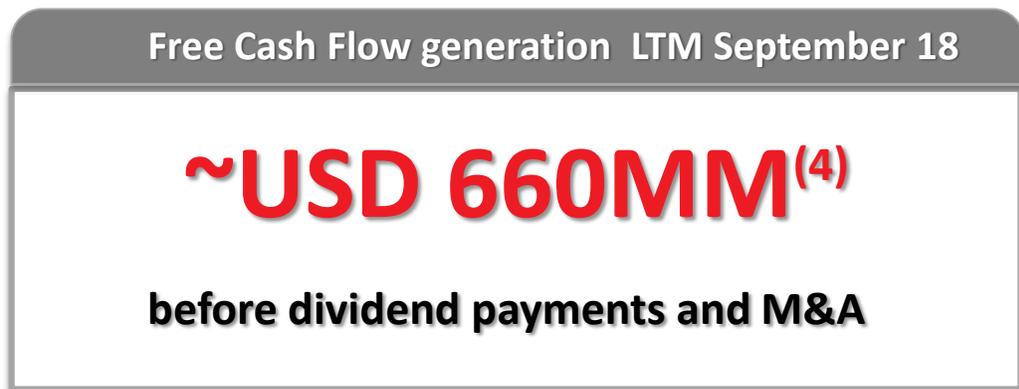
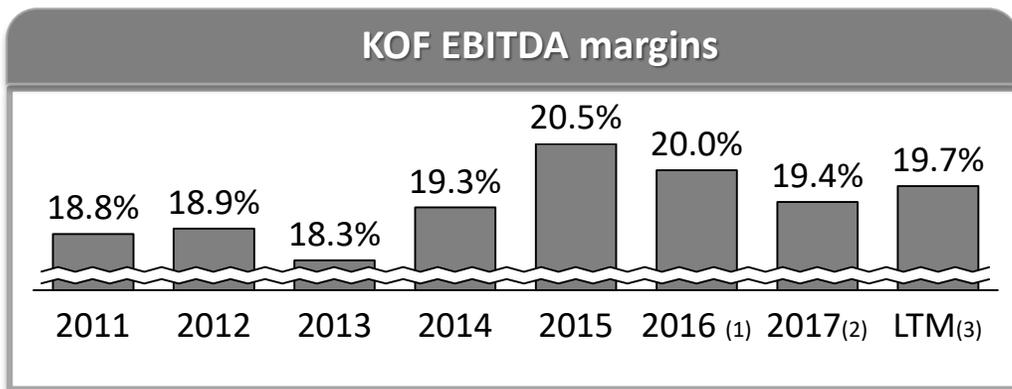
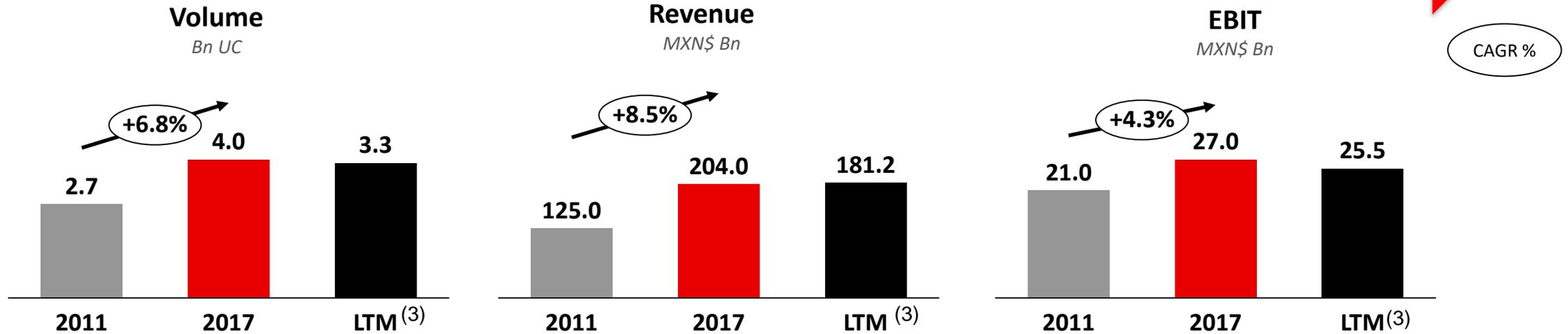
Owners Mentality

We think and act like
owners, with focus on
results

Operative Results

We continue generating shareholder value through our operating and financial discipline

continue with a solid track record of growth



(1) 2016 figures includes one month of Vonpar (Dec '16)
 (2) KOF started consolidating Philippines on February 2017
 (3) LTM not including the Philippines
 (4) KOF Free Cash Flow without Venezuela

Sustainability Initiatives



OUR 2020 GOAL

TO REDUCE our water use ratio to 1.5 liters of water per liter of beverage

**FY 2015 1.77*

**FY 2017 1.65*



OUR 2020 GOALS

TO RECYCLE at least 90% of the waste we generate in every one of our bottling plants.

**FY 2017 94.4% Total KOF*

TO INCLUDE 25% OF RECYCLED materials in our PET packaging.

**FY 2015 14.6*

**FY 2017 21.2*



OUR 2020 GOALS

REDUCE THE CARBON FOOTPRINT of our value chain by 20% against our 2010 baseline.



Fostering water efficiency

Top 20 Water Saving Initiatives program



Facilitating access to safe water and sanitation in our communities



Wastewater treatment



Comprehensive and responsible waste management



Post-consumption collection



Integrate recycled materials in our packaging



Clean energy consumption



Vehicle Efficiency



Reducing Manufacturing emissions

In 2017
we launched a **100% recycled PET bottle** for our Ciel water brand.



38% of the electric power in our operations comes from clean sources, 57% in Mexico and 100% in Brazil.



Investors presentacion

November 2018