NEWS RELEASE

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FOR FURTHER INFORMATION:
Robin Wood/ Amanda Cedeño
KOF Investor Relations
Coca-Cola FEMSA, S.A. de C.V.
(52-5) 209-0991
rwood@kof.com.mx
acedeno@kof.com.mx

COCA-COLA FEMSA, S.A. DE C.V.

Coca-Cola FEMSA Announces 50% Improvement in Operating Profit for First Quarter 2000

FIRST QUARTER 2000

- Comparable consolidated unit case volume increased 7.4%, 7.7% for the Mexican operations and 6.2% in Buenos Aires, as compared to First Quarter 1999
- Consolidated operating income increased 50.4% driven by a 60.0% increase for the Mexican operations as compared to First Quarter 1999
- Consolidated EBITDA reached Ps. 862.0 million, representing an increase of 28.9% over First Quarter 1999
- Majority net income increased 29.2% for First Quarter 2000, reaching Ps.284.2 million or EPS of Ps. 0.20 (US$0.21 per ADR).

Mexico City (April 24, 2000) - Coca-Cola FEMSA, S.A. de C.V. (NYSE: KOF) ("KOF" or the "Company"), one of ten global Coca-Cola anchor bottlers and the largest Coca-Cola bottler in Mexico and Argentina, announced today its consolidated results for the three-month period ended March 31, 2000.

"The combined benefits of Coca-Cola FEMSA's strategic long-term planning, a healthy economy in Mexico, and a renewed focus on efficiency has allowed us to experience a 50% improvement in operating profit during the first quarter. Going forward, we expect to see good profitable growth through continued volume increases and our pricing architecture."

"Although the Mexican peso may weaken during 2000, our goal is to offset the effect that this will have on our dollar-denominated packaging costs, and continue to improve the overall profitability of the company. As we work diligently to improve our sales volumes, we believe that our pricing strategy that focuses on providing optimal profits on specific packages, and a close examination of our cost structure and production facilities utilization will allow us to continue to create value," stated Carlos Salazar, Chief Executive Officer.

CONSOLIDATED RESULTS

The Company's total consolidated sales volume reached 137.6 MUC (million unit cases), a 7.4% improvement over First Quarter 1999. And, although prices in Buenos Aires (stable over the last nine months, but down versus First Quarter 1999) pressured the Company's revenues, the combination of (i) strong pricing in the Mexican Territories, (ii) the strengthening of the Mexican peso, (iii) improved volumes in all territories, and (iv) advancements made in operating efficiencies, resulted in a consolidated operating income increase of 50.4% over the comparable 1999 period.

The combination of a 50.4% increase in operating profit and a 1.4% decrease in depreciation, amortization and other non-cash items resulted in an increase in Earnings Before Interest, Tax, Depreciation and Amortization ("EBITDA")[1] of 28.9%, reaching Ps. 862.0 million. EBITDA as a percentage of total sales rose to 23.3% versus a 20.1% margin in First Quarter 1999.

Integral cost of financing reached Ps. 43.0 million for First Quarter 2000, comparing unfavorably to a Ps.14.0 million expense in First Quarter 1999. [2] The following factors contributed to this change:

- Net interest expense decreased by 44.7% primarily due to the Company's lower debt levels and higher cash balance and the appreciation of the Mexican peso.
- The gain on monetary position resulting from the creation of a Ps.843.0 million deferred tax liability (see *Bulletin D4 - Treatment of Deferred Taxes*) was offset by the effects on the Company's position of: (i) lower company debt levels, (ii) considerably lower Mexican inflation over the last 12 months as compared to the prior 12 month period, and (iii) 1.05% deflation experienced in Argentina over the last 12 months. The net effect was an 18.4% decrease in the reported gain on monetary position of First Quarter 2000 as compared to the same period in 1999.
- Notwithstanding the 2.1% appreciation of the Mexican peso against the U.S. dollar during First Quarter 2000, the Company reported a foreign exchange loss of Ps. 36.7 million. The exchange loss was due to losses generated by the Company's investment in dollar-forward contracts. Beginning in June 1999, the Company began hedging its foreign exchange exposure presented primarily by dollar-denominated non-returnable packaging requirements through these contracts. At March 31, 2000, the Company had 15 unexpired contracts valued at US$144 million with a weighted average strike price of 11.29.

Net other expenses for First Quarter 2000 reached Ps. 0.2 million. The company experienced other expenses primarily related to the continued efforts of the Company to rationalize its operations and a work force reduction both in operations and in the corporate office *(See Company Reorganization).* These expenses were partially offset by other income related to the profits made on the sale of some fixed assets and scrap materials.

"As we continue to improve the utilization of our fixed assets, we are able to significantly rationalize our production capacity. This process is on-going and part of our long-term strategy to improve the Company's profitability, " stated Mr. Hector Treviño, Chief Financial and Administrative Officer.

KOF recognized consolidated income tax, tax on assets and employee profit sharing expense of Ps.260.1 million for First Quarter 2000. The average annual effective tax rate increased from 39% to 48%. This increase was due to higher non-deductible expenses including the write-off of fixed assets, and more importantly, the effect of the application of the accounting bulletin D4.

Consolidated net income increased by 29.2% for First Quarter 2000. Net income per share reached Ps.0.20 (US$0.215 per ADR).

BALANCE SHEET

On March 31, 2000, Coca-Cola FEMSA recorded a cash balance of Ps. 1.086 billion (US$117 million) and total bank debt of Ps. 2.833 billion (US$304.9 million). This represents a Ps. 531 million (US$ 57 million) increase in cash and cash equivalents and a relatively stable bank debt level during the first three months of 2000.

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[1] Coca-Cola FEMSA calculates EBITDA based on income from operations plus depreciation, amortization and other non-cash items (including bottle breakage expenses). It should be noted that the U.S. Securities and Exchange Commission does not endorse the use of EBITDA. However, the Company's management believes that reporting EBITDA is an industry standard and is a useful measure.

[2] The term "integral cost of financing" refers to the combined financial effects of, (i) net interest expense or interest income, (ii) net foreign exchange gains or losses and (iii) inflation on the monetary position of the Company.

The effect on shareholders' equity of the strong 3-month financial performance during First Quarter 2000 was countered by the required reduction in retained earnings of Ps. 843.0 million for the period, representing a net decrease of 13%. The decrease related directly to the accounting changes required by the application of Accounting Bulletin D4 *(see Bulletin D4 - Treatment of Deferred Taxes).* This reduction is a one-time accounting adjustment for the year 2000.

"During the last year, we worked diligently to strengthen our balance sheet: paying down all short-term bank debt (approximately US$95 million) and thereby improving our estimated coverage ratio (EBITDA to net interest expense) to 11.3 times. It is also important to mention that the increase in the Company's debt to equity ratio from 49.1% at December 31, 1999 to 54.1% at March 31, 2000 is the net effect of lower bank debt with the new accounting requirements of Bulletin D4.

Mr. Treviño continued, "Going forward, our financial strategy is to grow our cash reserves. We feel that it is very important that we are prepared for any future acquisitions with a strong cash balance and open access to the capital markets. The recent upgrade of our Moody's (BBB-) and Standard & Poors (Baa3) credit ratings are also very important when we look at our growth potential."

MEXICAN OPERATING RESULTS

"We are very optimistic about the Mexican economy and believe that our volume growth estimate of 5-7% for 2000 is within our reach. In addition, we are looking to improve profitability further through continued capacity rationalization and supply chain management," stated Mr. Salazar.

In Mexico, sales volume grew 7.7%. Although volume was driven through cola sales, Coca-Cola FEMSA experienced a one percentage point shift in its product mix from colas to flavored soft drinks and personal water presentations; shifting from 24% to 25% of total sales volume. The packaging mix of the Company, however, remained constant at 45% returnable packages and 55% one-way packaged products. As a percentage of sales, Ciel water increased by 37 basis points, representing a 26.2% increase in sales volume of that product in Mexico. The Company continues to work to improve the coverage and competitiveness of this product in the market.

First Quarter 2000 pricing, benefiting from the Company's November 1999 price increases, reached Ps.26.13 per unit case, a 6.3% real increase over First Quarter 1999.[3]

Volume growth, strong pricing, a 2.1% appreciation of the Mexican peso, and favorable costs of most raw materials were only partially offset by increasing dollar-denominate plastic packaging costs, and drove a 27.5% increase in gross profit.[4] This increase represented a 5.2 percentage point increase in the gross margin.

Operating expenses increased by 14.1%. This increase was primarily attributed to a real increase in wages and increased depreciation expense. However, as a percent of total sales, selling and administrative expenses for First Quarter decreased 20 basis points. The Company's marketing expenses in Mexico have remained constant as a percentage of sales, at approximately 4.5% of total sales.

The combination of improved volumes and pricing, significantly lower cost of sales per unit case and slightly higher operating expenses resulted in operating profit increases of 60.0% for First Quarter 2000 as compared to the First Quarter 1999.

First Quarter 2000 EBITDA reached Ps. 704.7 million, a 39.4% increase over First Quarter 1999.

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[3] A unit case is equal to 24 eight-ounce servings.
[4] Coca-Cola FEMSA measures gross profit margin as gross profit to net sales.

BUENOS AIRES OPERATING RESULTS

"In Argentina, we are facing a tough economy. However, we remain confident in our forecast of 3% to 5% sales volume growth in Buenos Aires for 2000, and we believe we can accomplish this while maintaining our margins. However, to reach this goal, we must continue to focus on cost cutting. As in Mexico, we feel there is still room to lower our fixed-cost structure through improvement in asset utilization, including capacity rationalization. Also, we are, as always, working to reduce our variable costs through improved supply chain management, scale and productivity," stated Mr. Salazar.

First Quarter total sales volume of Coca-Cola FEMSA's Argentine operations reached 33.7 MUC, a 6.2% increase over First Quarter 1999. Coca-Cola light and Sprite light represented almost 30% of this growth as the Company continued its efforts to provide products that fit with the lifestyle of the Argentine consumers. As in Mexico, the packaging mix in Buenos Aires remained constant as compared to Fourth Quarter 1999 at 10% returnables and 90% one-way packages. Compared to First Quarter 1999 however, returnable packages, specifically returnable plastic bottles, increased from 8% of the total sales mix to over 10%.

The pricing environment has also stabilized with an average price per unit case of A$3.08 for the quarter; consistent with Fourth Quarter 1999 (A$3.08 in real terms). However, this price represents a 4.6% decrease as compared to First Quarter 1999.

First Quarter gross profit increased 6.4% producing a 2.2 percentage point improvement over First Quarter 1999. The primary drivers of the improved profitability were: (i) improved economies of scale gained through incremental volume growth, (ii) lower total raw material costs, and (iii) improved operating efficiencies.

During the First Quarter, administrative expenses, as a percentage of total sales, decreased from 5.2% to 4.7% while selling expenses increased from 25.6% to 28.0%. Increases in commissions related to the additional volume and higher marketing expenses (still below the 6% 1999 annual average) were the drivers of this increase. The combination resulted in an increase of 1.0% in operating profit.

Fist Quarter 2000 EBITDA of A$16.9 million represents a decrease of 4.3% over the comparable period in 1999.

COMPANY REORGANIZATION

In 1999, Coca-Cola FEMSA conducted an in-depth study of its organizational structure. During December 1999 and January 2000, the Company began to implement a reorganization of its management structure in order to streamline both corporate and operational structures in an effort to eliminate redundancies and increase efficiencies. Part of the restructuring included the consolidation of Coca-Cola FEMSA's subsidiaries from 15 to 6 subsidiaries.[5] This consolidation, which concluded in March 2000, did not change the geographical markets where the Company operates.

PLANT CLOSING

In March 2000, Coca-Cola FEMSA closed the Tlalnepantla production facility in the Valley of Mexico. Tlalnepantla housed three bottling lines producing returnable plastic ("Ref. PET") and non-returnable plastic presentations. At the date of its closure, the plant had an annual installed capacity of approximately 13.1 million unit cases and was operating at approximately 80% capacity utilization.

BULLETIN D4 - TREATMENT OF DEFERRED TAXES

In December 1999, the Mexican Institute of Public Accountants issued a revised Bulletin D4, "Accounting for Income Taxes, Tax on Assets and Employee Profit Sharing," mandating all Mexican companies, as of January 1, 2000, record the deferred tax effect generated by the differences of financial and fiscal

[5] *See Consolidated Financial Note 2 of the Coca-Cola FEMSA 1999 Annual Report for a full listing of past subsidiaries.*

accounting.

The effects of the adoption of this new standard on the Company's Mexican GAAP financial statements with respect to income tax and tax on assets is expected to be similar to the effects of the application of Statement of Financial Accounting Standards No. 109 " Accounting for Income Tax" (SFAS No. 109) from US GAAP. However, the new bulletin will not require the recognition of deferred employee profit sharing.

For historical reconciliation refer to Consolidated Financial Note 21d, "Differences between Mexican and US GAAP- Deferred Income Taxes and Employee Profit Sharing" of the Company's Annual Report.

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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 Territories in Mexico and in the Buenos Aires Territory in Argentina. The Company has 11 bottling facilities in Mexico and two in Buenos Aires and serves more than 255,000 retailers in Mexico and more than 70,000 retailers in the greater Buenos Aires area. Coca-Cola FEMSA currently accounts for approximately 3.5% of The Coca-Cola Company's global sales, 24% of all Coca-Cola sales in Mexico and approximately 38% of all Coca-Cola sales in Argentina. The Coca-Cola Company owns a 30% equity interest in Coca-Cola FEMSA.

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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. All figures are expressed in constant Mexican pesos with purchasing power at March 31, 2000. For comparison purposes, 1999 and 2000 figures from the Company's Argentine operations have been restated taking into account Argentine inflation with reference to the Argentine consumer price index and converted from Argentine pesos into Mexican pesos using the March 31, 2000 exchange rate of Ps. 9.292 per A$1.00. Also, all comparisons for First Quarter 2000, ending March 31, 2000, in this report are made against the figures for the comparable period, First Quarter 1999 unless otherwise noted.

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 that could materially impact the Company's actual performance.

References herein to "US$" are to United States dollars. This news release contains translations of certain peso amounts into U.S. dollars at specified rates solely for the convenience of the reader. These translations should not be construed as representations that the peso amounts actually represent such U.S. dollar amounts or could be converted into U.S. dollars at the rate indicated.

Selected Information

Capital Expenditures
(Includes Bottles and Cases and Deferred Cha
For the three months ended March 31, 2000
Expressed in Pesos as of March 31, 2000

	2000
Total	264.8

Sales Volume Information
For the three months ended March 31, 2000 and 19
Expressed in millions of unit cases

	2000	1999
Mexico	103.91	96.45
Valley of Mexico	77.36	73.56
Southeast	26.55	22.89
Buenos Aires	33.66	31.68
Total	137.57	128.13

Product Mix by Brand
(Colas / Flavors / Water)
For the three months ended March 31, 2000 and 19
Expressed as a percentage of total volume

	2000	1999
Mexico	75/22/03	76/22/02
Valley of Mexico	75/23/02	76/22/02
Southeast	74/22/04	75/21/04
Buenos Aires	75/24/01	73/26/01
Total	75/23/02	75/23/02

Product Mix by Presentation
(Returnable / Non Returnable)
For the three months ended March 31, 2000 and 19
Expressed as a percentage of total volume

	2000	1999
Mexico	45/55	45/55
Valley of Mexico	42/58	40/60
Southeast	53/47	59/41
Buenos Aires	10/90	8/92
Total	36/64	36/64

Coca-Cola FEMSA, S.A. de C.V. and Subsidiaries

INCOME STATEMENT

For the three months ended March 31, 2000 and 1999

Expressed in currency with purchasing power as of March 31, 2000

	Consolidated			Mexican Operations			Buenos Aires Operation		
	(Millions of Mexican Pesos) (1)						(Millions of Argentine Pesos) (1)		
	2000	1999	% VAR	2000	1999	% VAR	2000	1999	% VAR
Sales Volume(millions unit cases)	137.57	128.13	7.4	103.91	96.45	7.7	33.66	31.68	6.2
Average unit price per case	26.73	25.92	3.1	26.13	24.57	6.3	3.08	3.23	(4.6)
Net Sales	3,677.3	3,320.9	10.7	2,715.5	2,369.4	14.6	103.5	102.4	1.1
Other operating revenues	18.6	10.1	84.2	9.0	5.0	80.0	1.0	0.5	100.0
Total revenues	3,695.9	3,331.0	11.0	2,724.5	2,374.4	14.7	104.5	102.9	1.6
Cost of sales	1,876.5	1,838.4	2.1	1,325.4	1,277.0	3.8	59.3	60.4	(1.8)
Gross profit	1,819.4	1,492.6	21.9	1,399.1	1,097.4	27.5	45.2	42.5	6.4
Administrative expenses	285.5	234.8	21.6	239.5	184.3	30.0	4.9	5.4	(9.3)
Selling expenses	918.1	836.0	9.8	645.6	591.3	9.2	29.3	26.3	11.4
Operating expenses	1,203.6	1,070.8	12.4	885.1	775.6	14.1	34.2	31.7	7.9
Goodwill amortization	28.3	31.2	(9.3)	1.7	1.6	6.3	0.9	0.8	12.5
Operating income	587.5	390.6	50.4	512.3	320.2	60.0	10.1	10.0	1.0
Interest expense, net	53.8	97.2	(44.7)						
Foreign exchange loss	36.7	(25.0)	(246.8)						
Result on monetary position	(47.5)	(58.2)	(18.4)						
Integral cost of financing	43.0	14.0	207.1						
Other (income) expenses, net	0.2	18.7	(98.9)						
Income before taxes	544.3	357.9	52.1						
Taxes	260.1	137.8	88.8						
Consolidated net income	284.2	220.0	29.2						
Majority net income	284.2	220.0	29.2						
EBITDA (2)	862.0	668.9	28.9	704.7	505.4	39.4	16.9	17.7	(4.3)

(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 99 - March 2000	9.97%
Argentine Inflation March 99 - March 2000	-1.05%
Mexican Peso / U.S.Dollar at March 31, 2000	9.292

Coca-Cola FEMSA, S.A. de C.V. and Subsidiaries
Consolidated Balance Sheet
As of March 31, 2000 and December 31, 1999
Millions of Mexican pesos (Ps.)
Expressed in currency with purchasing power as of March 31, 2000

ASSETS		2000		1999
Current Assets				
Cash and cash equivalents	Ps.	1,086	Ps.	555
Accounts receivable:				
Trade		375		553
Notes		51		104
Prepaid taxes		3		3
Other		154		87
		583		747
Inventories		443		462
Prepaid expenses		148		40
Total current assets		2,260		1,804
Property, plant and equipment				
Land		694		686
Buildings, machinery and equipment		8,384		8,426
Accumulated depreciation		(2,733)		(2,631)
Construction in progress		335		245
Bottles and cases		304		323
Total property, plant and equipment		6,984		7,049
Investment in shares		200		197
Deferred charges, net		509		465
Goodwill, net		1,674		1,745
TOTAL ASSETS	Ps.	11,628	Ps.	11,261

LIABILITIES & STOCKHOLDERS' EQUITY		2000		1999
Current Liabilities				
Short-term bank loans, notes and interest payable	Ps.	112	Ps.	102
Suppliers		1,076		1,150
Accounts payable and others		728		397
Taxes payable		605		465
Total Current Liabilities		2,521		2,114
Long-term bank loans		2,807		2,931
Pension plan and seniority premium		151		150
Other liabilities		969		110
Total Liabilities		6,448		5,305
Stockholders' Equity				
Minority interest		0		0
Majority interest:				
Capital stock		2,010		2,010
Additional paid in capital		1,414		1,414
Retained earnings of prior years		3,688		3,761
Net income for the period		284		988
Cumulative results of holding non-monetary assets		(2,216)		(2,218)
Total majority interest		5,180		5,956
Total stockholders' equity		5,180		5,956
TOTAL LIABILITIES & EQUITY	Ps.	11,628	Ps.	11,261

Mexican Inflation December 99 - March 2000	1.95%
Argentine Inflation December 99 - March 2000	0.70%
Mexican Peso / U.S.Dollar at March 31, 2000	9.292