

Coca-Cola FEMSA

January 2007

"Coca-Cola", "Coke", el diseño de la Botella Curva y la cinta dinámica son marcas registradas de The Coca-Cola Company © 2003 The Coca-Cola Company



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Cautionary Statement

FORWARD-LOOKING STATEMENTS

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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:

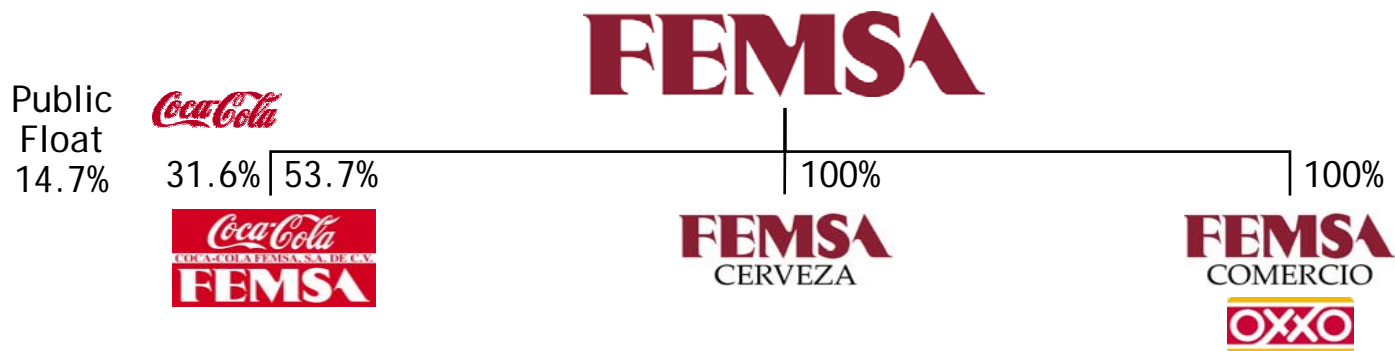
COCA-COLA FEMSA

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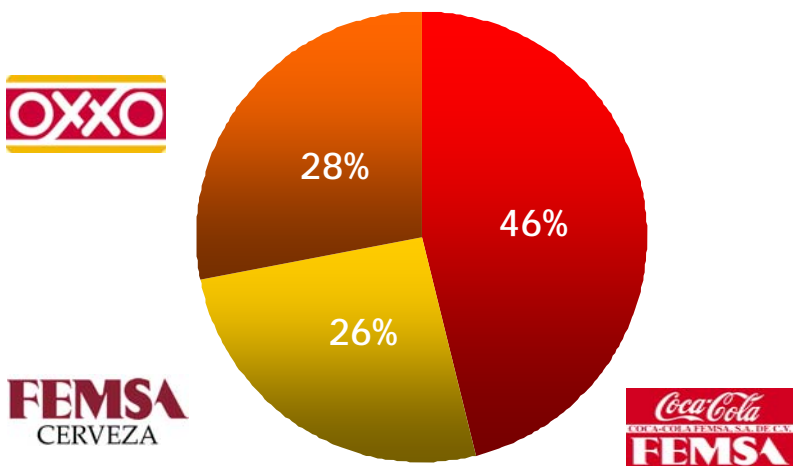
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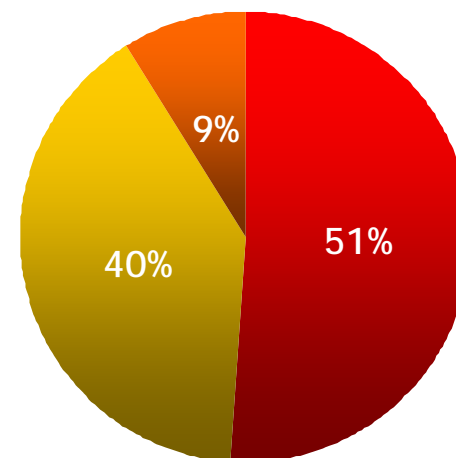
FEMSA's Structure & Contribution by Business



LTM 2006 Revenues⁽¹⁾
US\$ 10,786 mm

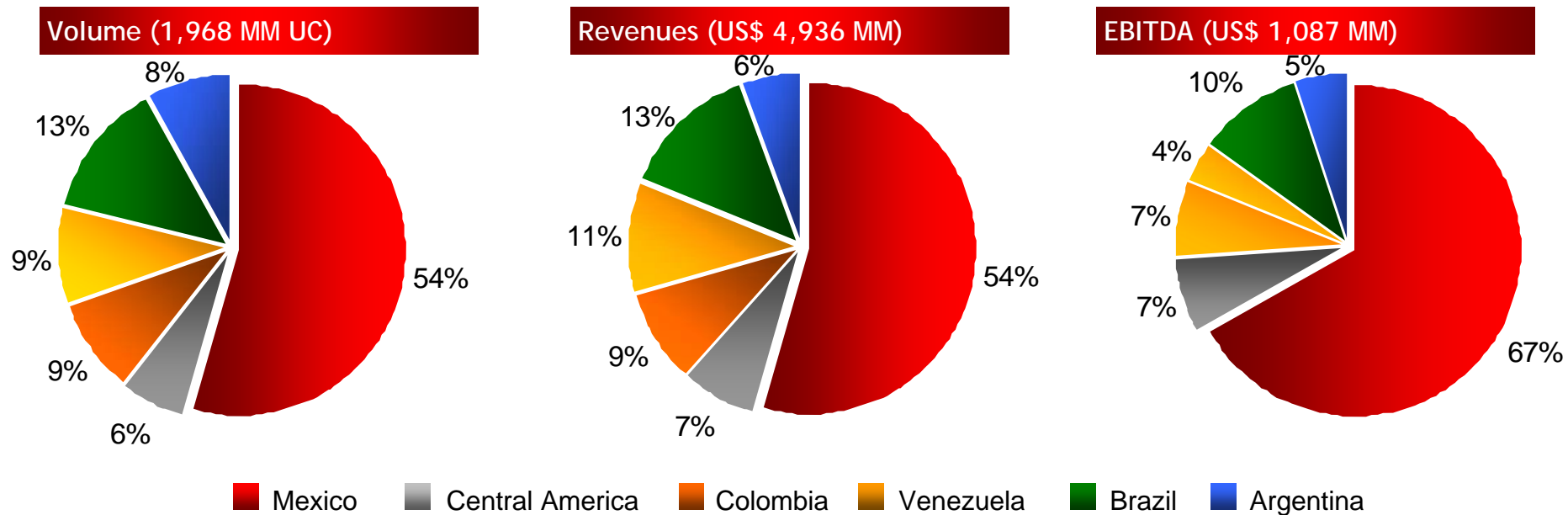


LTM 2006 EBITDA⁽¹⁾
US\$ 2,208 mm

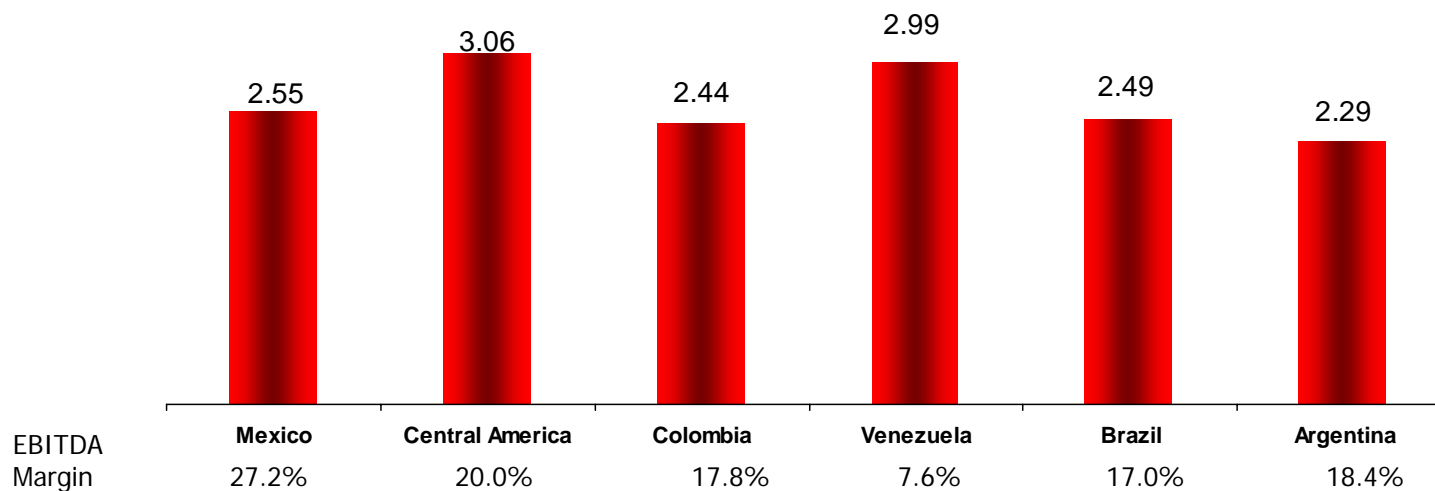


⁽¹⁾ LTM information as of September 30, 2006. Converted into dollars with ending exchange rate of each of 4 quarters. See reconciliation table on page 28

KOF – LTM September 2006⁽¹⁾



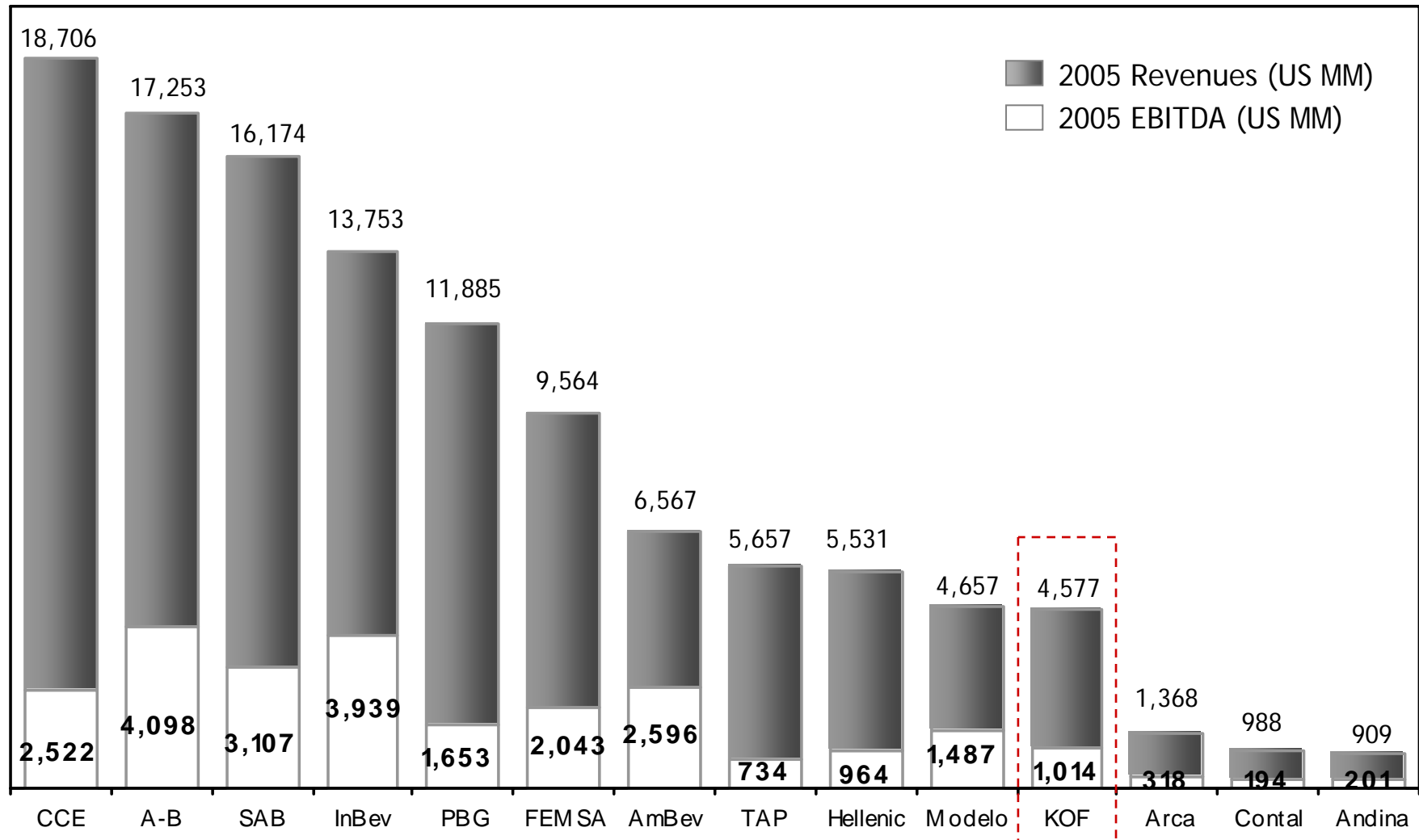
LTM 06 - Average Unit Price (USD/UC)



⁽¹⁾ LTM information as of September 30, 2006. Converted into dollars with ending exchange rate of each of 4 quarters. See reconciliation table on page 29

KOF in the beverage world

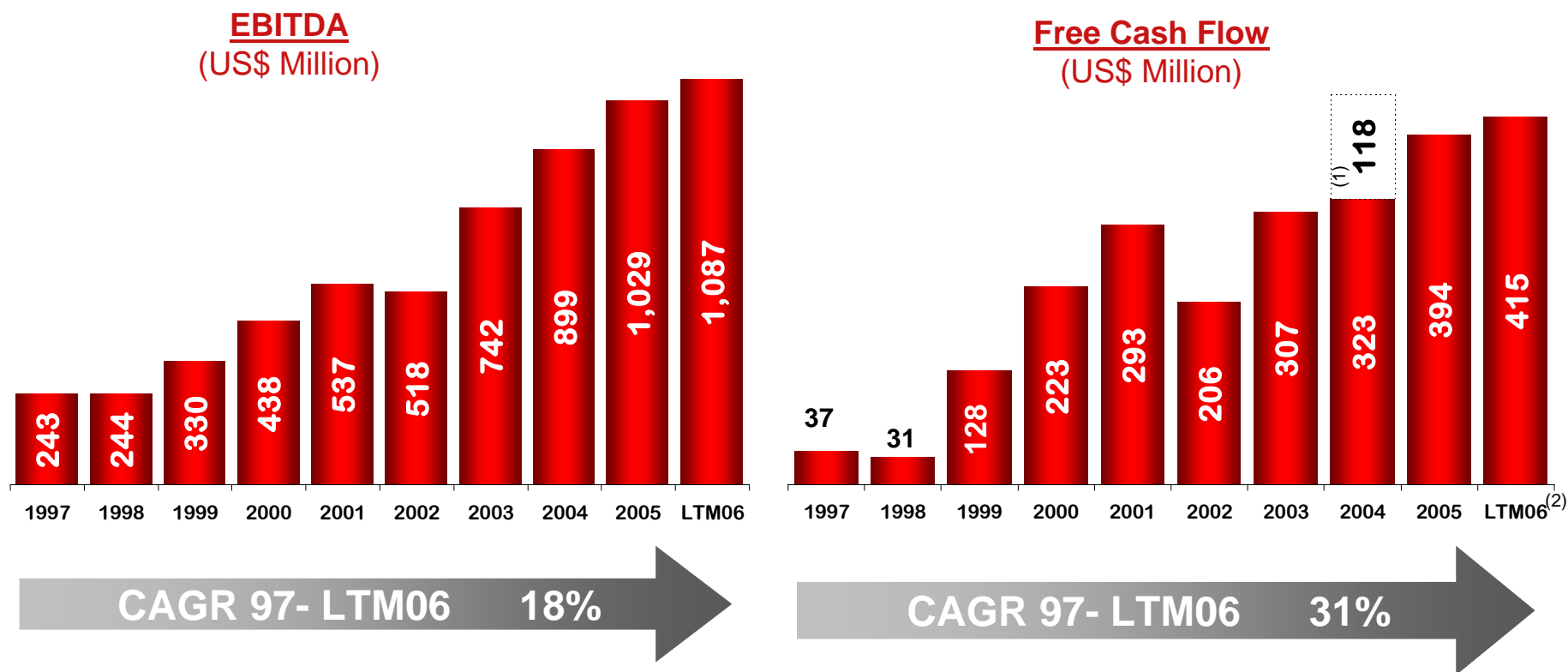
KOF is the third largest Coca-Cola bottler in the world in terms of revenues, and the second one in terms of EBITDA generation⁽¹⁾.



(1) Source: Analysts Reports and Companies files. EBITDA calculation method may differ among companies.

Strong EBITDA and FCF growth

A clear sign of our superior track record is our EBITDA growth and strong cash flow generation during the last 10 years.....



Financial information in nominal terms translated into US Dollars using the end of period exchange rate of each year.

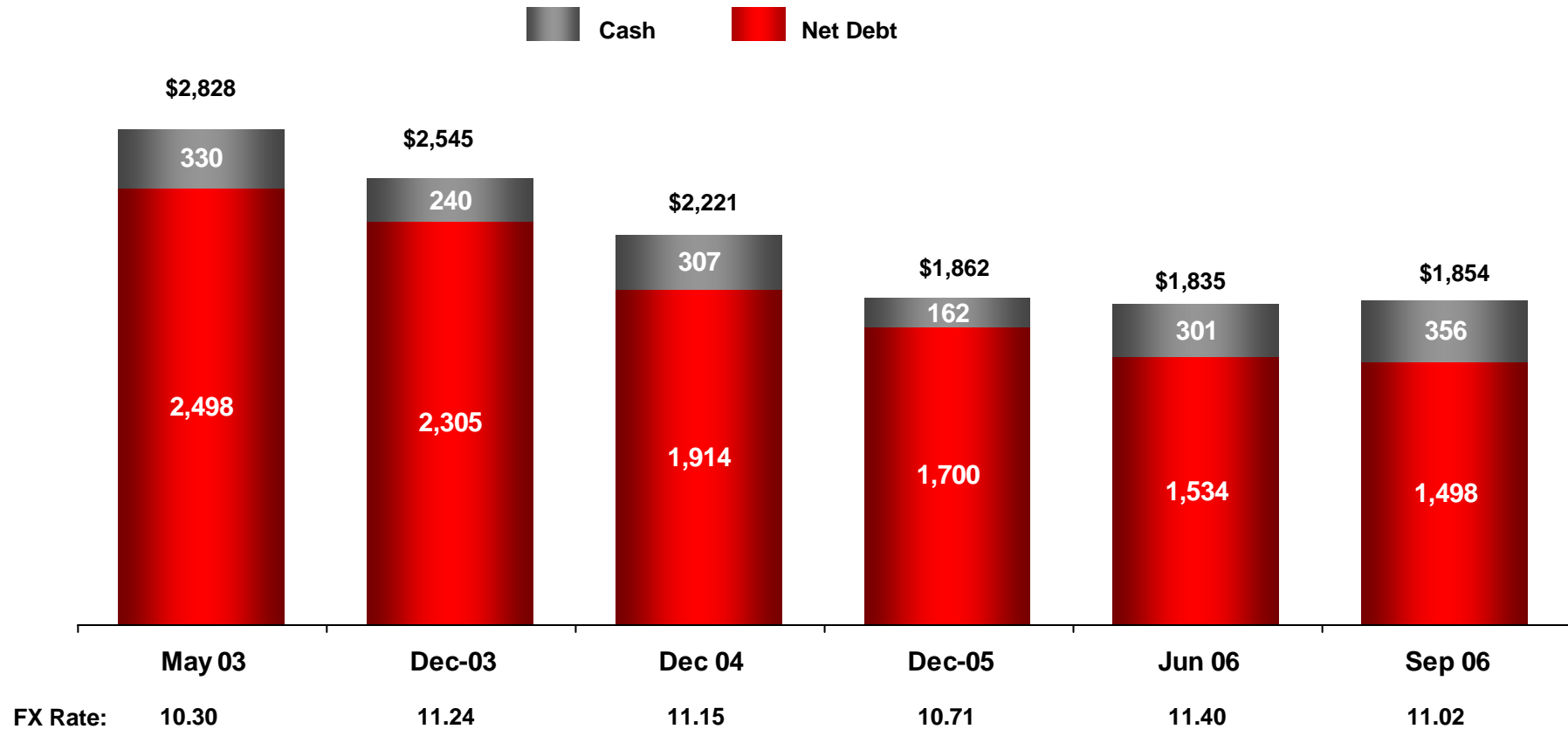
	1997	1998	1999	2000	2001	2002	2003	2004	2005	4Q05	1Q06	2Q06	3Q06
FX Rate	8.05	9.88	9.50	9.61	9.18	10.46	11.24	11.15	10.71	10.71	10.95	11.40	10.97

(1) Tax Reimbursement

(2) Last Twelve Months information as of September 30, 2006. Converted into U.S. dollars with ending exchange rate of each of 4 quarters. See reconciliation table on page 29.

Significant Debt Reduction

...allowing us to reduce US\$ 1 billion of net debt since the acquisition of Panamco.



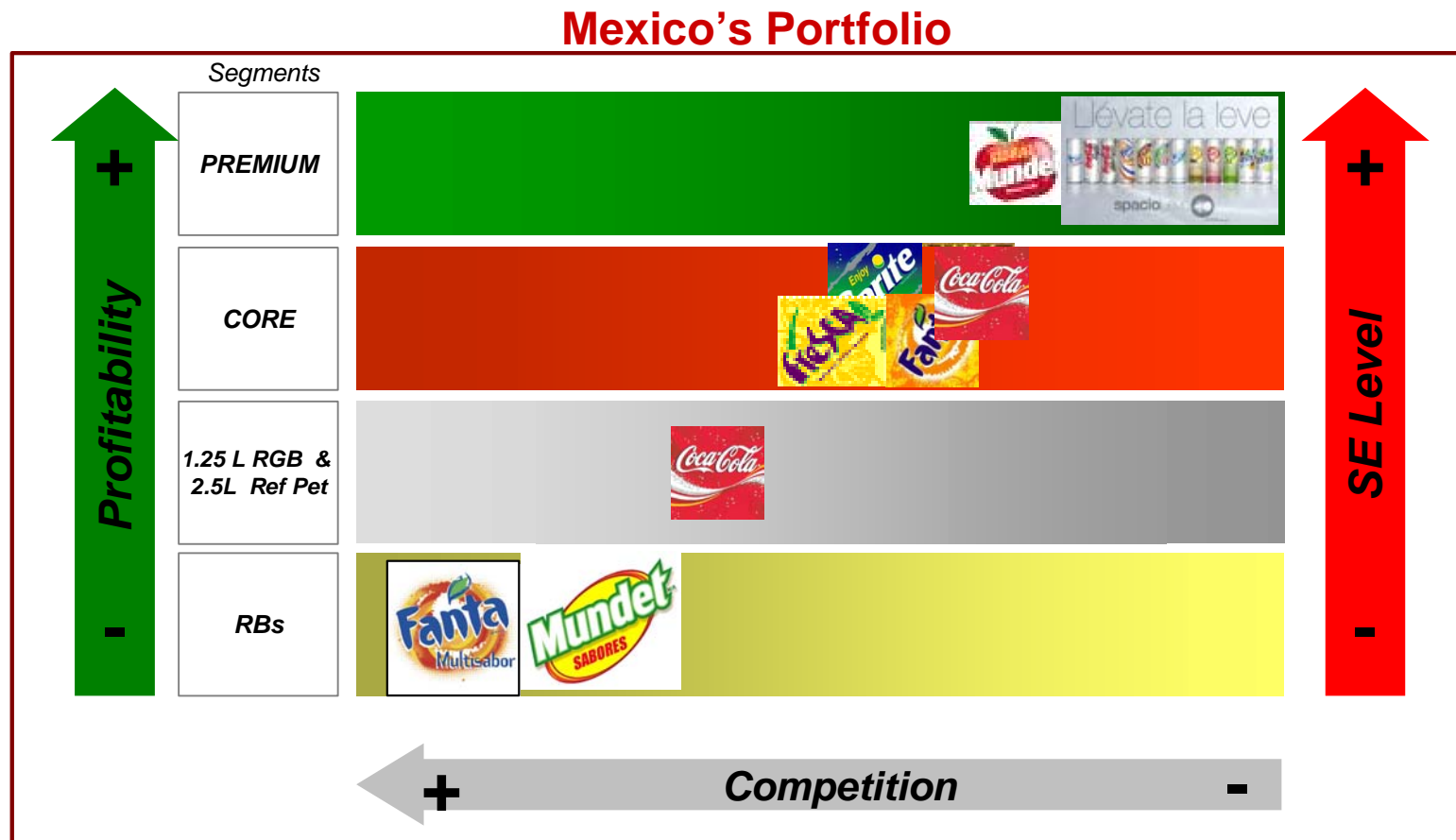
How have we achieved this?

The Mexican Example



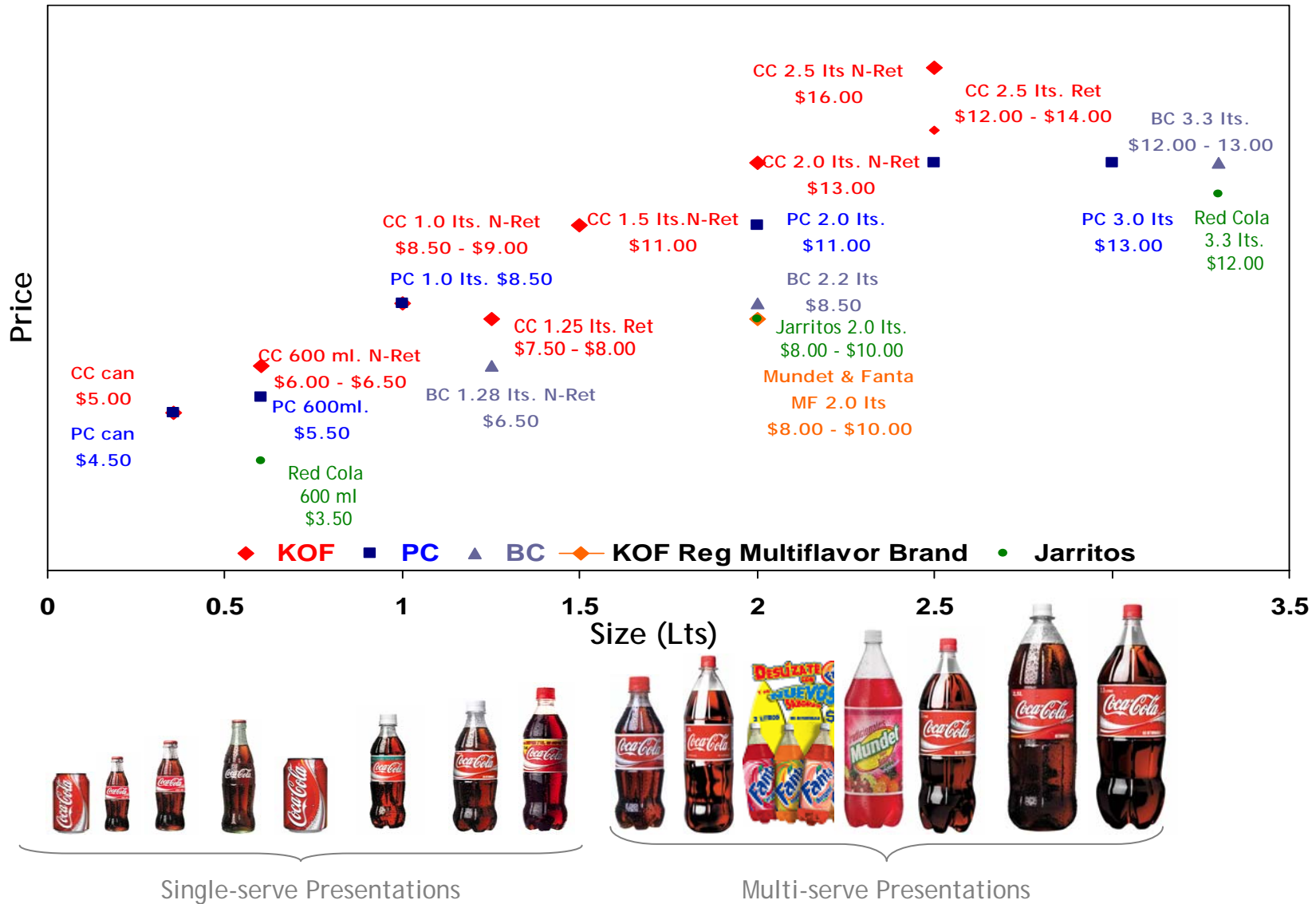
Innovating across the value chain

Tailoring our multisegmentation strategy to our different markets...



...widening our packaging offering...

... adapting our packaging portfolio to market needs. In Mexico alone we have over 13 packaging presentations for brand Coca-Cola



KOF and The Coca-Cola Company: a new collaborative framework



Providing Attractive Growth Opportunities

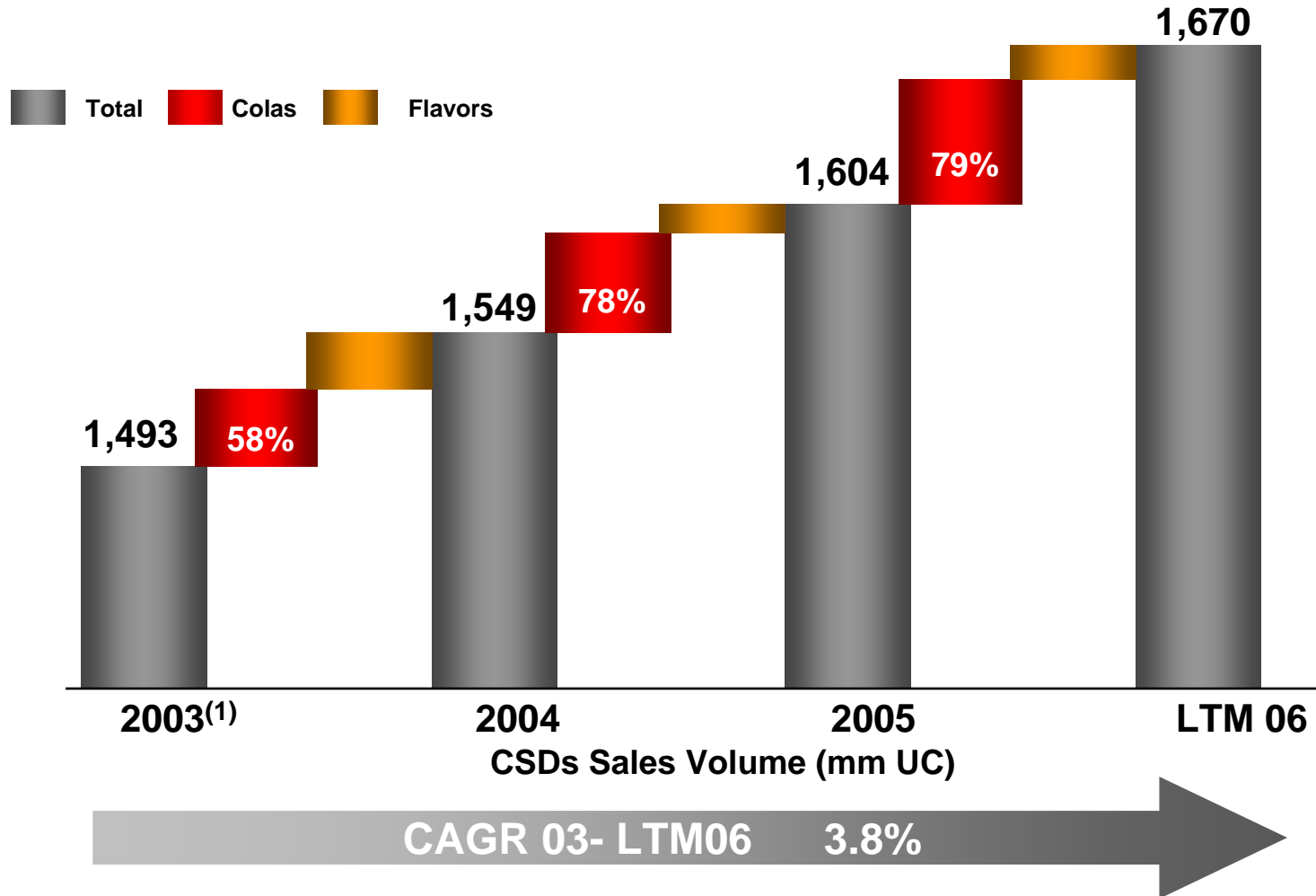
...we foresee several growth opportunities....

- The Coca-Cola Company will provide additional marketing support for the carbonated and non-carbonated beverage portfolio
- A new business model in the non-carbonated beverages segment
- Potential expansion of our footprint within Latin America and in other markets



... in the carbonated beverage segment...

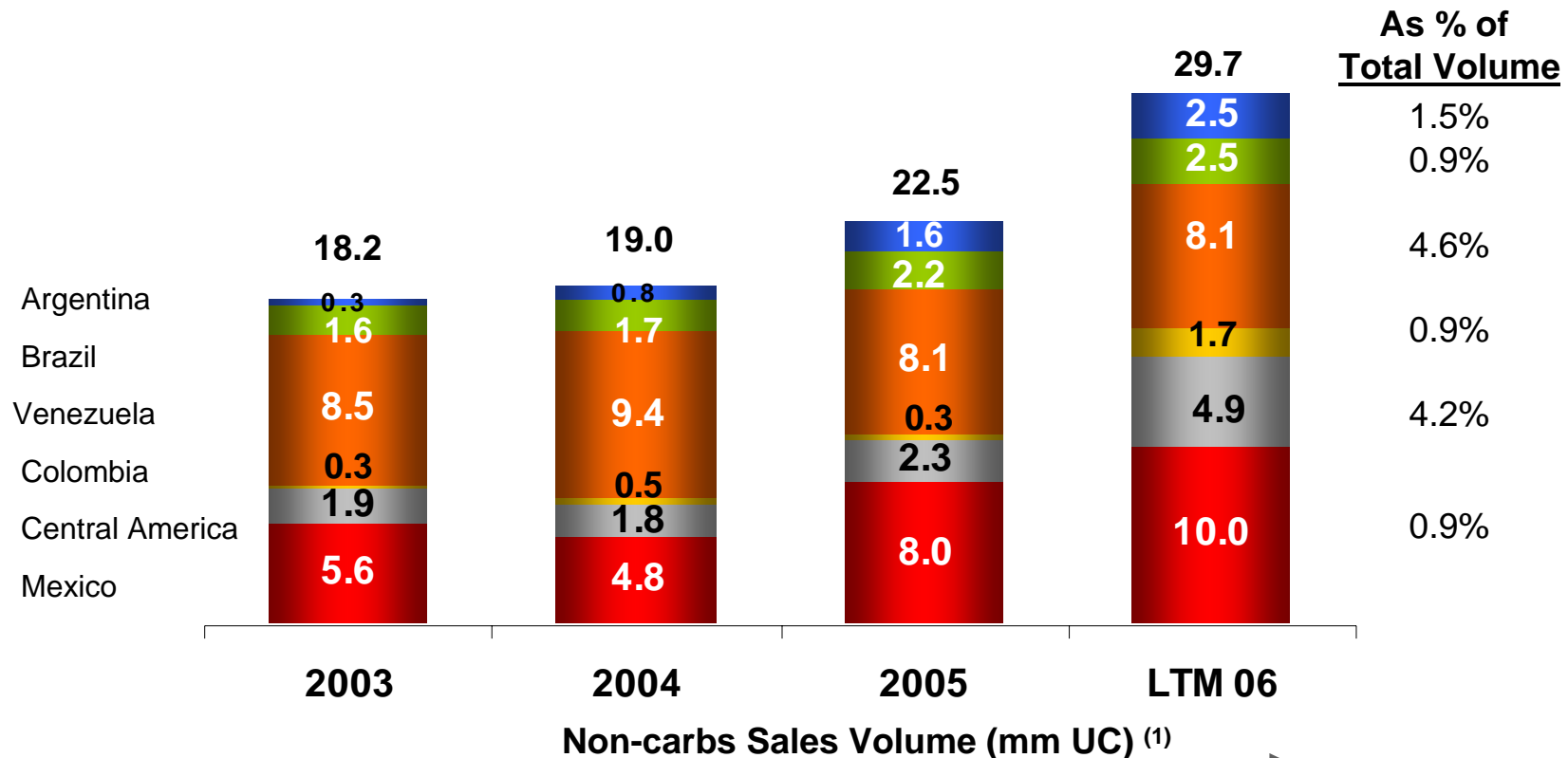
with brand Coca-Cola driving the majority of our growth...



(1) Includes full-year sales volume of our original territories and our new territories acquired from Panamco.

...and in the non-carbonated beverage segment...

...with a lot of potential growth to capture...



Bottled Water (as % of Total Vol)	2003	2004	2005	LTM 06
	5.0%	4.7%	5.0%	4.6%

(1) Excludes non-flavored water and water in jug presentations.

...customizing our product portfolio to each market



Jugos del Valle Transaction



Transaction Summary

- Coca-Cola FEMSA (“KOF”) and The Coca-Cola Company (“KO”) will offer to acquire up to 100% shares of Jugos del Valle for 100% cash consideration
- Total transaction value: US\$ 470 MM
 - Equity Value: US\$ 380 MM
 - Net Debt: US\$ 90 MM debt
- The final price to be paid will be based on the actual level of debt, net working capital and other liabilities on the date the tender offer is launched
- The transaction value implies multiples of:
 - LTM September 2006 Estimated Volume: US\$4.2 per unit case
 - LTM September 2006 Revenues:1.1 X
- The acquisition is subject to customary regulatory approvals.

Initial Ownership Structure



50%



50%

Jugos del Valle

- Coca-Cola FEMSA and The Coca-Cola Company plan to create a new jointly owned entity to acquire Jugos del Valle shares.
- Eventually, rest of Coca-Cola system in Mexico and Brazil will be invited to participate under the same basic terms and conditions, in each of joint venture's territories as shareholders of the JV, reducing KOF's ownership

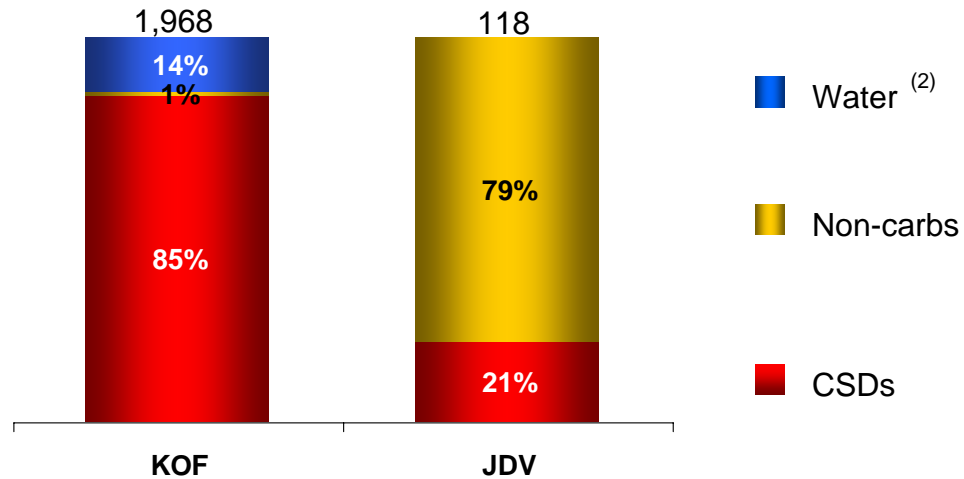
-
- Transaction Summary
 - Transaction Rationale
 - Jugos del Valle – Industry & Company Overview

Transaction Rationale

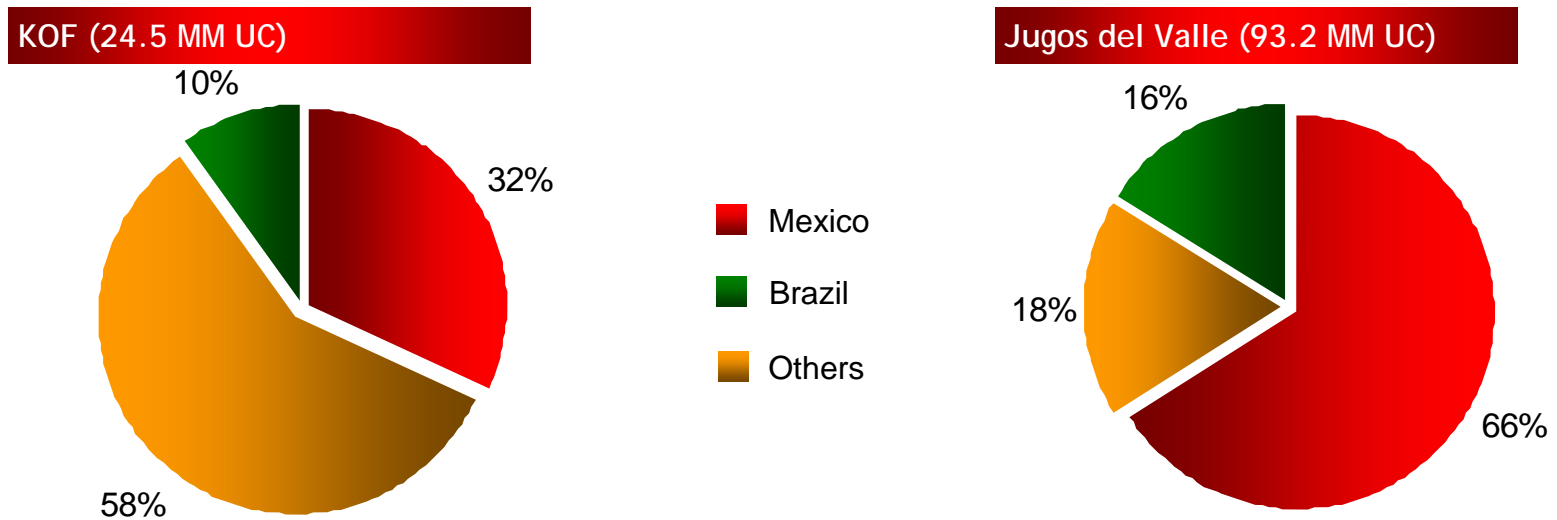
- Increases importantly the Coca-Cola system presence in the fast-growing non-carbonated beverage (NCB) segment in Mexico and Brazil; transaction will also allow KOF to consolidate presence as leader in NCB segment across its territories, positioning us above our main competitor
- Initially the acquisition price will be split between KOF and KO
- Increase importance of NCB segment as a percentage of KOF's total volumes to approximately 6% to 10%, from 1% in Mexico and Brazil
- Leverages Coca-Cola system's distribution network in Mexico and Brazil
- Improves distribution coverage, potentially reaching 575,000 and 100,000 points of sale in Mexico and in Brazil, respectively, from 395,000 and 54,000 points of sale today
- Provides opportunity to increase current volumes by integrating KOF's product/package portfolio initiatives into joint venture
- Offers ability to increase top line and capture synergies across value chain

Transaction Rationale (cont'd)

LTM⁽¹⁾ Sales volume by category



NCBs⁽³⁾ LTM Sales volume by territory



(1) Source companies filings. Last twelve months information as of June 2006

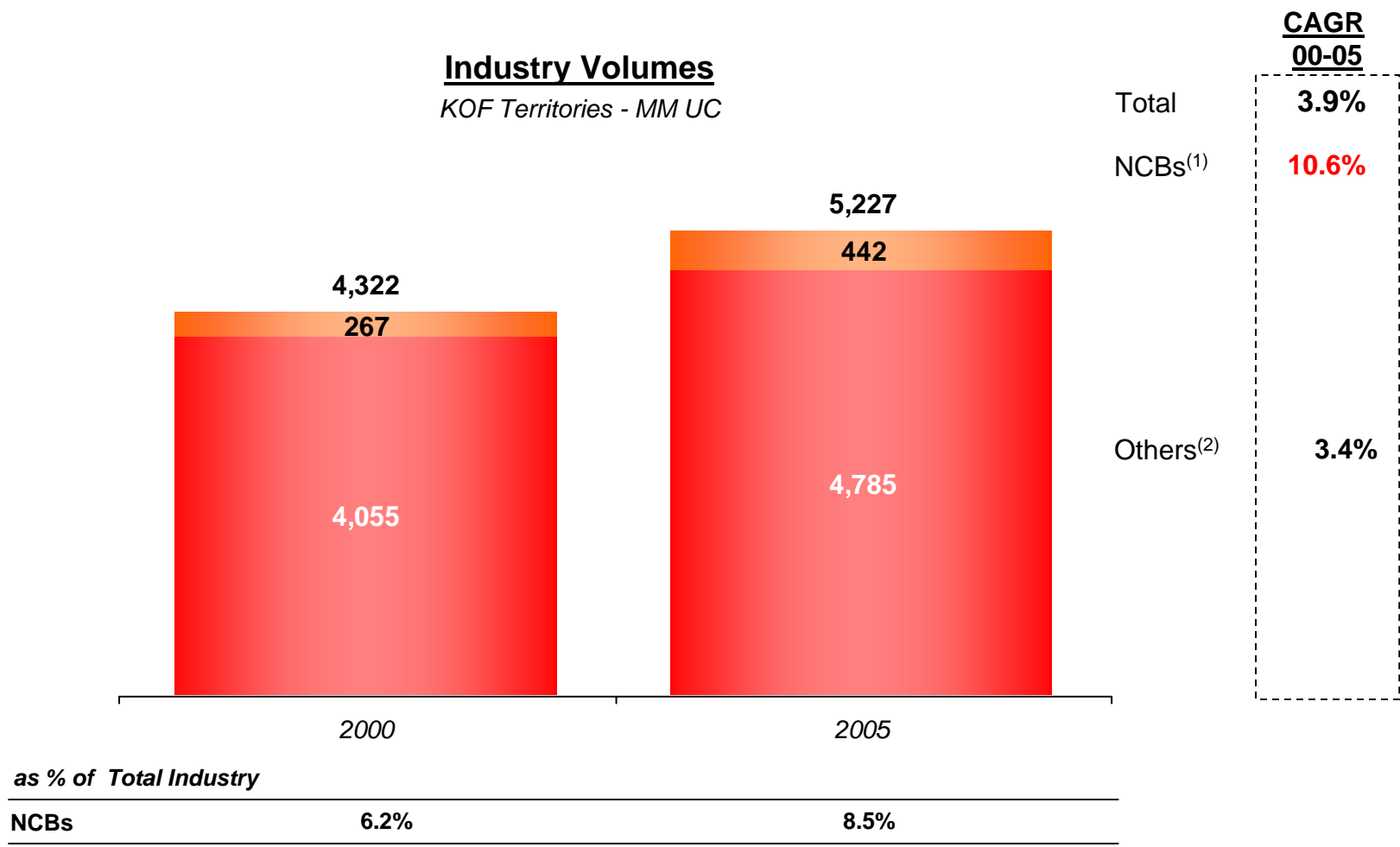
(2) Includes jug water volumes.

(3) Excludes bottled water volumes

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- Transaction Summary
 - Transaction Rationale
 - Jugos del Valle– Industry & Company Overview

Industry Overview

- The non-carbonated beverage segment has grown at a CAGR of 10.6% from 2000 to 2005; it is expected to continue growing at a faster rate than the rest of the non-alcoholic beverage industry



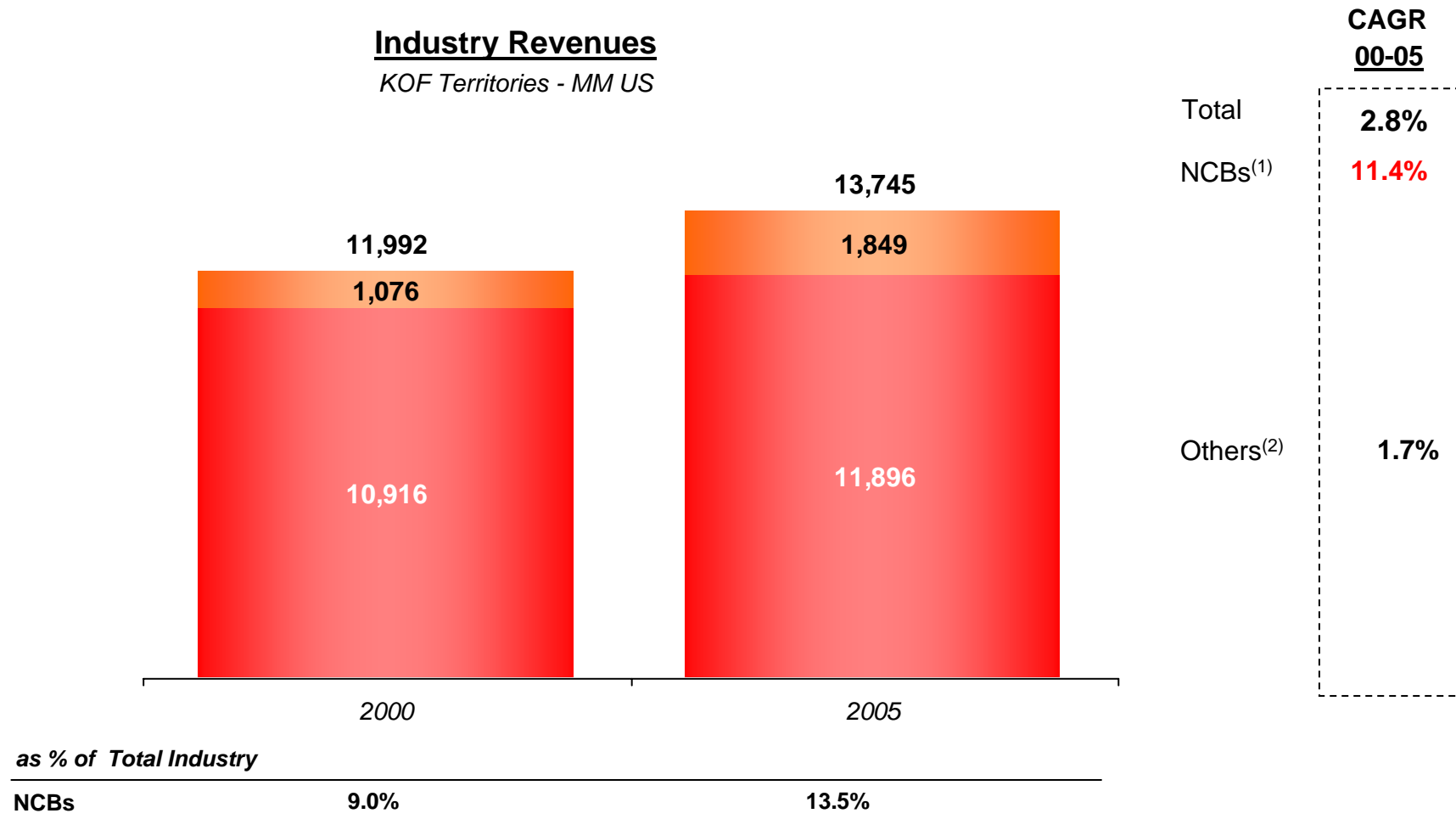
Source: Euromonitor and Company Information

(1) Includes Juices & Nectars, juice based products, flavored water, flavored milk, soy based beverages, isotonic, energy drinks, RTD teas and coffees.

(2) Includes CSDs, milk, natural bottled water in single serve presentations.

Industry Overview (cont'd)

- Despite its size within the beverage industry, the non-carbonated beverages revenue growth represented almost half of the increase from 2000 to 2005



Source: Euromonitor and Company Information

(1) Includes Juices & Nectars, juice based products, flavored water, flavored milk, soy based beverages, isotonic, energy drinks, RTD teas and coffees.

(2) Includes CSDs, milk, natural bottled water in single serve presentations.

Jugos del Valle: an important player in the non-carbonated beverage segment in Latin America

- Main markets: Mexico, Brazil and USA
- LTM 06 Revenues⁽¹⁾: US\$ 442.4 MM
- LTM 06 Sales Volume⁽¹⁾: 118 MM UC
- Main products: fruit juices and nectars, fruit flavor beverages, CSDs, fruit pulp-based beverages and fruit concentrates



Mexico

Revenues LTM 06: US\$ 313.7 MM
Sales Volume LTM 06: 86.4 MM UC
Market Position: #2 in the package juice segment
Plants: 7
Distribution Centers: 26
Points of sale: 395,000

Brazil








Revenues LTM 06: US\$ 64.5 MM
Sales Volume LTM 06: 15.0 MM UC
Market Position: #1 in the package juice segment
Plants: 1
Distribution Centers: 2
Points of sale: 54,000

(1) LTM information as of September 2006 converted into U.S. dollars using foreign exchange rate of \$10.977

(2) Source: company filings

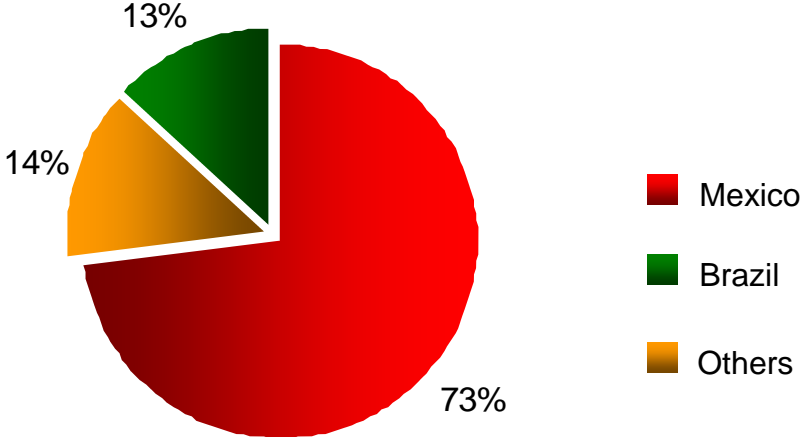
Jugos del Valle – Product Portfolio

- Jugos del Valle produces, sells and distributes products in 8 different beverage categories, including:

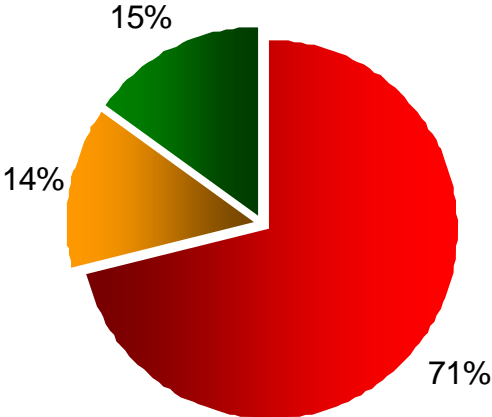
	<i>Juices and Nectars</i>	<i>Juice based products</i>	<i>Orangeade</i>	<i>CSDs</i>	<i>Others</i>
Mexico	<ul style="list-style-type: none"> Clam Club 			<ul style="list-style-type: none"> Del Valle 	<ul style="list-style-type: none"> Kultai Valvita Blue Shot
Brazil					
Others					

Jugos del Valle – LTM September 2006

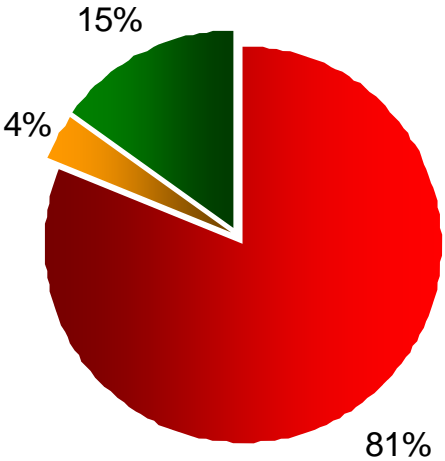
Volume (118 MM UC)



Revenues (US\$ 442.4 MM)



EBITDA (US\$ 21.6 MM)⁽¹⁾



EBITDA Margin: 4.9%

(1) Includes EBITDA adjustments related to savings that could be achieved in the short term net of accounting adjustments. Figures converted in U.S. dollars using an exchange rate of \$10.977. See reconciliation table on page 29.

Backs

FEMSA

In million of constant Mexican Pesos as of the end of each period

	4Q05	1Q06	2Q06	3Q06
Revenues	27,392	27,525	31,869	32,152
Operating Income	4,236	3,269	4,846	4,453
Depreciation	933	959	1,018	1,073
Amortization & Others	834	891	952	881
EBITDA	6,003	5,119	6,816	6,407

In US\$ million

					LTM Sept 06
Revenues	2,557	2,513	2,796	2,919	10,786
Operating Income	395	299	425	404	1,523
Depreciation	87	88	89	97	361
Amortization & Others	78	81	84	80	323
EBITDA	560	467	598	582	2,208
Fx rate	10.71	10.95	11.40	11.02	

Backs (cont'd)

Coca-Cola FEMSA

In Mexican constant pesos as of the end of each period

	1997	1998	1999	2000	2001	2002	2003	2004	2005	4Q05	1Q06	2Q06	3Q06
Revenues	9,204	12,718	14,207	16,502	17,504	17,620	35,729	46,499	50,198	13,107	12,765	14,108	14,369
Operating Income	1,210	1,591	2,051	2,940	3,796	4,440	6,707	7,702	8,683	2,450	1,936	2,379	2,347
Depreciation	266	336	551	823	763	558	966	1,237	1,308	349	352	355	403
Amortization & others	483	474	532	449	375	417	663	1,081	1,219	359	305	358	370
EBITDA	1,958	2,401	3,133	4,212	4,933	5,415	8,336	10,020	11,211	3,158	2,592	3,092	3,120
EBITDA	1,958	2,401	3,133	4,212	4,933	5,415	8,336	10,020	11,211	3,158	2,592	3,092	3,120
Net Interest Exp	225	427	337	201	42	82	1,324	2,265	2,172	558	459	425	498
Taxes	223	384	733	970	1,416	1,843	1,658	1,063	2,562	766	532	561	779
Capex ex acq	1,208	1,286	855	895	789	1,341	1,910	1,775	2,064	963	421	755	673
FCF	302	304	1,208	2,145	2,686	2,150	3,443	4,917	4,413	872	1,180	1,351	1,170
Fx Rate (Pesos per US\$)	8.050	9.881	9.495	9.610	9.180	10.459	11.235	11.146	10.711	10.711	10.951	11.397	10.977

In US\$ million

	1997	1998	1999	2000	2001	2002	2003	2004	2005	4Q05	1Q06	2Q06	3Q06	LTM SEPT06 ⁽¹⁾
Revenues	1,143	1,287	1,496	1,717	1,907	1,685	3,180	4,172	4,687	1,224	1,166	1,238	1,309	4,936
Operating Income	150	161	216	306	414	425	597	691	811	229	177	209	214	828
Depreciation	33	34	58	86	83	53	86	111	122	33	32	31	37	133
Amortization & others	60	48	56	47	41	40	59	97	114	33	28	31	34	126
EBITDA	243	243	330	438	537	518	742	899	1,047	295	237	271	284	1,087
EBITDA	243	243	330	438	537	518	742	899	1,047	295	237	271	284	1,087
Net Interest Exp	28	43	35	21	5	8	118	203	203	52	42	37	45	177
Taxes	28	39	77	101	154	176	148	95	239	71	49	49	71	240
Capex ex acq	150	130	90	93	86	128	170	159	193	90	38	66	61	256
Free Cash Flow	37	31	127	223	293	206	306	441	412	81	108	119	107	414

Jugos del Valle

In Million Constant Mexican Pesos as of S

	LTM Sept06 ⁽¹⁾
Revenues	4,856
Operating Income	20.0
Depreciation & amort	149.3
Adjustments	67.9
EBITDA	237.2

In US\$ million

	LTM SEPT06 ⁽¹⁾
Revenues	442.4
Operating Income	1.8
Depreciation & amort	13.6
Adjustments	6.2
EBITDA	21.6