

FEMSA Announces Second Quarter 2021 Results

Monterrey, Mexico, July 28, 2021 — Fomento Económico Mexicano, S.A.B. de C.V. (“FEMSA”) (NYSE: FMX; BMV: FEMSAUBD) announced today its operational and financial results for the second quarter of 2021.

HIGHLIGHTS

- Our results in 2Q20 were significantly impacted by COVID-19 and the related changes in consumer mobility and behavior across markets. As we look at our 2Q21 results, the comparison base of 2Q20 is only a partial benchmark. Therefore, to facilitate the reader’s assessment of our business units’ performance in 2Q21, we provide the following table that includes variations versus 2Q19 as well.

FINANCIAL SUMMARY FOR THE SECOND QUARTER AND FIRST SIX MONTHS 2021											
Information includes figures in millions of Ps. and variations as change vs. respective period											
	Revenues			Gross Profit			Income from Operations			Same-Store Sales	
	2Q21	% var vs. 2Q20	% var vs. 2Q19	2Q21	% var vs. 2Q20	% var vs. 2Q19	2Q21	% var vs. 2Q20	% var vs. 2Q19	% var vs. 2Q20	% var vs. 2Q19
FEMSA CONSOLIDATED	137,058	19.7%	6.9%	53,858	23.7%	12.4%	13,973	87.4%	17.1%		
FEMSA COMERCIO											
Proximity Division	50,850	17.1%	7.8%	21,138	22.6%	12.5%	4,569	188.4%	(1.4%)	15.6%	(2.5%)
Health Division	18,377	17.6%	20.5%	5,434	13.8%	19.7%	1,056	109.1%	59.0%	14.9%	1.2%
Fuel Division ⁽¹⁾	9,974	56.3%	(19.7%)	1,297	31.9%	(7.6%)	356	107.0%	(21.8%)	53.7%	(21.8%)
LOGISTICS & DISTRIBUTION	11,266	N/A	N/A	2,468	N/A	N/A	586	N/A	N/A		
COCA-COLA FEMSA	47,786	10.9%	(0.4%)	22,560	18.3%	2.1%	7,248	41.3%	14.4%		

⁽¹⁾ variations vs. comparable results

Eduardo Padilla, FEMSA’s CEO, commented:

“One year ago, we were in the eye of the storm. Our focus was on keeping our people and customers safe, preserving our cash, and making sure that we made it through the crisis in the best possible shape. Today, while the health emergency is not over, there is a clear recovery trend across business units and across markets. This improvement is not linear, nor is it the same for every market, but we are in a much better place now than we were last year in every one of our operations, and in some of them we are already above 2019 levels as well.

At OXXO, we are seeing consumers return to the stores as soon as mobility trends improve, and they are filling their needs as they always do, including thirst, hunger, and the occasional treat. And we are seeing some categories that gained momentum during the lockdowns, such as spirits and pantry replenishment, remain strong. Our Health Division continued leveraging its platform, delivering solid results on top of good numbers last year, and OXXO Gas showed great improvement even as we continued to face the headwinds of lower vehicle mobility in Mexico. Our Logistics and Distribution operations continued to see gradual improvement in their markets, although Latin America is reopening more slowly than the United States. For its part, Coca-Cola FEMSA delivered a very strong set of numbers, reflecting solid performance across markets, and the entire organization driving efficiencies that helped profitability.

Despite the uncertainty of the past twelve months, we remained committed to the long-term efforts that will help us build our future, such as the digital initiatives that already begin to enable new growth avenues across our operations. Those opportunities, combined with the encouraging near-term results we are delivering, make us optimistic about the second half of the year, and beyond. And I take this opportunity to again thank our more than three hundred thousand colleagues for their resilience and unwavering effort.”

QUARTERLY RESULTS

Results are compared to the same period of previous year

FEMSA CONSOLIDATED

FEMSA CONSOLIDATED 2Q21 Financial Summary (Millions of Ps.)					CONSOLIDATED NET DEBT (Millions of Ps.)		
	2Q21	2Q20	Var.	Org.	As of June 30, 2021	Ps.	US\$ ³
Revenues	137,058	114,514	19.7%	15.7%	Cash	107,784	5,415
Income from Operations	13,973	7,456	87.4%	84.9%	Short-term debt	5,732	288
Income from Operations Margin (%)	10.2	6.5	370 bps		Long-term debt ⁴	176,716	8,878
Operative Cash Flow (EBITDA)	21,349	15,136	41.0%	38.8%	Net debt ⁴	74,664	3,751
Operative Cash Flow (EBITDA) Margin (%)	15.6	13.2	240 bps				
Net Income	5,255	(10,775)	148.8%				

Total revenues increased 19.7% in 2Q21 compared to 2Q20, reflecting a recovery in consumption during the second quarter coupled with an undemanding comparison across our business units. On an organic¹ basis, total revenues increased 15.7%.

Gross profit increased 23.7%. Gross margin expanded 130 basis points, mainly driven by expansion at Coca-Cola FEMSA and FEMSA Comercio's Proximity Division, partially offset by a contraction at FEMSA Comercio's Health and Fuel Divisions.

Income from operations increased 87.4%. On an organic¹ basis, income from operations increased 84.9%, reflecting steady recovery trends across all our business units and an undemanding comparison base in the second quarter of 2020, which reflected COVID-19 pandemic containment measures, including operating and category restrictions. Consolidated operating margin increased 370 basis points to 10.2% of total revenues, reflecting margin expansion across all our business units.

Income tax was Ps. 3,311 million in 2Q21.

Net consolidated income increased to Ps. 5,255 million, driven by: i) higher income from operations across all our business units; and ii) an increase in our participation in associates' results, which mainly reflects the results of our investment in Heineken. This was partially offset by a non-cash foreign exchange loss related to FEMSA's U.S. dollar-denominated cash position as impacted by the appreciation of the Mexican peso during the quarter.

Net majority income was Ps. 0.86 per FEMSA Unit² and US\$0.43 per FEMSA ADS.

Capital expenditures amounted to Ps. 5,172 million, reflecting higher investments at most of our business units.

¹ Excludes the effects of significant mergers and acquisitions in the last twelve months.

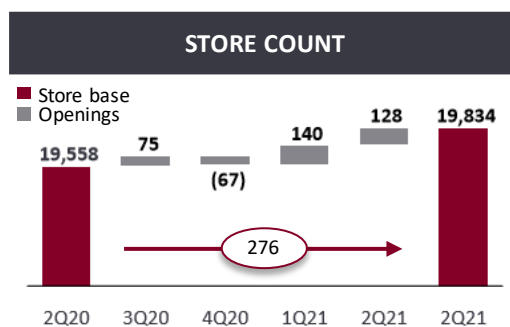
² FEMSA Units consist of FEMSA BD Units and FEMSA B Units. Each FEMSA BD Unit is comprised of one Series B Share, two Series D-B Shares and two Series D-L Shares. Each FEMSA B Unit is comprised of five Series B Shares. The number of FEMSA Units outstanding as of June 30, 2021 was 3,578,226,270, equivalent to the total number of FEMSA Shares outstanding as of the same date, divided by 5.

³ The exchange rate published by the Federal Reserve Bank of New York for June 30, 2021 was 19.9060 MXN per USD.

⁴ Includes the effect of derivative financial instruments on long-term debt. Excludes long-term leases.

FEMSA COMERCIO – PROXIMITY DIVISION

FEMSA COMERCIO – PROXIMITY DIVISION			
2Q21 Financial Summary			
(Millions of Ps. except same-stores sales)			
	2Q21	2Q20	Var.
Same-store sales (thousands of Ps.)	801	693	15.6%
Revenues	50,850	43,409	17.1%
Income from Operations	4,569	1,584	188.4%
Income from Operations Margin (%)	9.0	3.6	540 bps
Operative Cash Flow (EBITDA)	7,360	4,628	59.0%
Operative Cash Flow (EBITDA) Margin (%)	14.5	10.7	380 bps



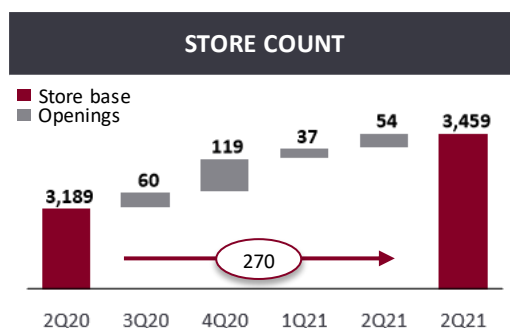
Total revenues increased 17.1% in 2Q21 compared to 2Q20, reflecting a 15.6% average same-store sales increase, driven by a 7.6% growth in average customer ticket and an increase of 7.4% in store traffic. These figures reflect an undemanding comparison base coupled with improving customer mobility and reduced operating restrictions during the second quarter of 2021. During the quarter, OXXO's store base expanded by 128 units to reach 276 total net new store openings for the last twelve months. As of June 30, 2021, FEMSA Comercio's Proximity Division had a total of 19,834 OXXO stores.

Gross profit reached 41.6% of total revenues, reflecting more dynamic commercial income activity and promotional programs with our key supplier partners.

Income from operations amounted to 9.0% of total revenues, driven by higher operating leverage. Operating expenses increased 5.8% to Ps. 16,569 million, below revenues, reflecting cost efficiencies and tight expense control, partially offset by our continuing initiative to gradually shift from commission-based store teams to employee-based teams and an undemanding comparison base in 2Q20 that included extraordinary expenses in connection to the COVID-19 pandemic.

FEMSA COMERCIO – HEALTH DIVISION

FEMSA COMERCIO – HEALTH DIVISION			
2Q21 Financial Summary			
(Millions of Ps. except same-stores sales)			
	2Q21	2Q20	Var.
Same-store sales (thousands of Ps.)	1,359	1,183	14.9%
Revenues	18,377	15,624	17.6%
Income from Operations	1,056	505	109.1%
Income from Operations Margin (%)	5.7	3.2	250 bps
Operative Cash Flow (EBITDA)	1,917	1,418	35.2%
Operative Cash Flow (EBITDA) Margin (%)	10.4	9.1	130 bps



Total revenues increased 17.6% in 2Q21 compared to 2Q20, mainly reflecting positive trends in our Mexican, Chilean and Colombian operations, partially offset by a negative currency translation effect related to the depreciation of the Chilean and Colombian pesos relative to the Mexican peso. During the quarter, the Health Division’s store base expanded by 54 units to reach a total of 3,459 points of sale across its territories as of June 30, 2021. This figure reflects the addition of 270 net new store openings for the last twelve months. Same-store sales for drugstores increased an average of 14.9%, reflecting the revenue drivers described above. On a currency-neutral¹ basis, total revenues increased 18.9% while same-store sales increased by 21.6%.

Gross profit represented 29.6% of total revenues, reflecting: i) increased promotional activities in our operations in South America; and ii) higher institutional sales in our operations in Chile and Colombia. These were partially offset by improved efficiency and more effective collaboration and execution with key supplier partners in Mexico.

Income from operations amounted to 5.7% of total revenues, reflecting higher operating leverage. Operating expenses increased 2.5% to Ps. 4,378 million, below revenue growth, reflecting tight expense control and efficiency gains across our operations.

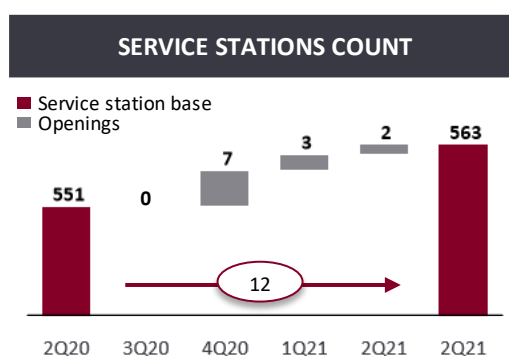
¹ Calculated by translating comparable period figures at the foreign currency exchange rates used in the current period.

FEMSA COMERCIO – FUEL DIVISION

FEMSA COMERCIO – FUEL DIVISION				
2Q21 Financial Summary				
(Millions of Ps. except same-stations sales)				
	2Q21	Comparable 2Q20 ⁽¹⁾	Var.*	Reported 2Q20
Same-station sales (thousands of Ps.)	5,927	3,855	53.7%	3,855
Revenues	9,974	6,382	56.3%	6,382
Income from Operations	356	172	107.0%	51
Income from Operations Margin (%)	3.6	2.7	90 bps	0.8
Operative Cash Flow (EBITDA)	610	388	57.2%	267
Operative Cash Flow (EBITDA) Margin (%)	6.1	6.1	0 bps	4.2

⁽¹⁾ Includes wholesale and distribution operations

*vs. Comparable Results



Total revenues increased 56.3% in 2Q21 compared to 2Q20, reflecting a 53.7% average same-station sales increase, driven by a 24.2% growth in the average volume and a 23.8% increase in the average price per liter. This reflects an undemanding comparison base which was affected by reduced vehicle mobility in connection to the COVID-19 pandemic. During the quarter, the Fuel Division added 2 stations, to reach a total of 563 points of sale as of June 30, 2021. This figure reflects the addition of 12 total net new stations for the last twelve months.

Gross profit reached 13.0% of total revenues.

Income from operations amounted to 3.6% of total revenues. Operating expenses increased 16.0% to Ps. 941 million, below revenues, reflecting tight expense control and increased expense efficiencies.

LOGISTICS AND DISTRIBUTION

LOGISTICS AND DISTRIBUTION	
2Q21 Financial Summary	
(Millions of Ps.)	
	2Q21
Revenues	11,266
Income from Operations	586
<i>Income from Operations Margin (%)</i>	5.2
Operative Cash Flow (EBITDA)	1,197
<i>Operative Cash Flow (EBITDA) Margin (%)</i>	10.6

Total revenues amounted to Ps. 11,266 million, reflecting positive demand dynamics in our operations in Latin America, coupled with a gradual re-opening and recovery of most end-user segments in the United States. These were partially offset by the negative currency translation effect from the depreciation of the Brazilian Real relative to the Mexican peso.

Gross profit reached 21.9% of total revenues, reflecting favorable sales mix and efficiencies in our Latin American operations.

Income from operations represented 5.2% of total revenues. Operating expenses totaled Ps. 1,882 million, reflecting high operating leverage driven by tight expense control and efficiencies across markets.

RESULTS FOR FIRST SIX MONTHS OF 2021

Results are compared to the same period of previous year

FEMSA CONSOLIDATED

FEMSA CONSOLIDATED				
Financial Summary for the First Six Months				
(Millions of Ps.)				
	2021	2020	Var.	Org.
Revenues	261,556	236,716	10.5%	6.1%
Income from Operations	23,498	16,970	38.5%	35.9%
Income from Operations Margin (%)	9.0	7.2	180 bps	
Operative Cash Flow (EBITDA)	38,326	32,256	18.8%	16.4%
Operative Cash Flow (EBITDA) Margin (%)	14.7	13.6	110 bps	
Net Income	11,514	(1,669)	N.S.	

Total revenues increased 10.5%. On an organic basis,¹ total revenues increased 6.1% reflecting growth across all operations.

Gross profit increased 12.4%. Gross margin increased 70 basis points to 38.4% of total revenues, reflecting gross margin expansion at Coca-Cola FEMSA and FEMSA Comercio's Proximity Division, partially offset by a contraction at FEMSA Comercio's Health and Fuel Divisions.

Income from operations increased 38.5%. On an organic basis,¹ it increased 35.9%. Our consolidated operating margin increased 180 basis points to 9.0% of total revenues, reflecting margin expansion at Coca-Cola FEMSA and FEMSA Comercio's Proximity and Health Division, partially offset by a contraction at FEMSA Comercio's Fuel Division.

Net consolidated income increased to a Ps. 11,514 million, reflecting: i) higher income from operations at all our business units; ii) higher non-operating income; and iii) an increase in our participation in associates' results, which mainly reflects the results of our investment in Heineken. These were partially offset by a non-cash foreign exchange loss related to FEMSA's U.S. dollar-denominated cash position as impacted by the appreciation of the Mexican peso.

Net majority income per FEMSA Unit² was Ps. 2.14 (US\$1.07 per ADS).

Capital expenditures amounted to Ps. 8,526 million, reflecting lower investments at most of our business units.

¹ Excludes the effects of significant mergers and acquisitions in the last twelve months.

² FEMSA Units consist of FEMSA BD Units and FEMSA B Units. Each FEMSA BD Unit is comprised of one Series B Share, two Series D-B Shares and two Series D-L Shares. Each FEMSA B Unit is comprised of five Series B Shares. The number of FEMSA Units outstanding as of June 30, 2021 was 3,578,226,270, equivalent to the total number of FEMSA Shares outstanding as of the same date, divided by 5.

FEMSA COMERCIO – PROXIMITY DIVISION

FEMSA COMERCIO – PROXIMITY DIVISION			
Financial Summary for the First Six Months			
(Millions of Ps. except same-stores sales)			
	2021	2020	Var.
Same-store sales (thousands of Ps.)	744	714	4.2%
Revenues	94,268	89,030	5.9%
Income from Operations	6,980	4,639	50.5%
Income from Operations Margin (%)	7.4	5.2	220 bps
Operative Cash Flow (EBITDA)	12,556	10,376	21.0%
Operative Cash Flow (EBITDA) Margin (%)	13.3	11.7	160 bps

Total revenues increased 5.9%. OXXO's same-store sales increased an average of 4.2%, driven by a 11.6% increase in average customer ticket, partially offset by a 6.6% decrease in store traffic.

Gross profit reached 40.9% of total revenues.

Income from operations amounted to 7.4% of total revenues. Operating expenses increased 2.2% to Ps. 31,532 million.

FEMSA COMERCIO – HEALTH DIVISION

FEMSA COMERCIO – HEALTH DIVISION			
Financial Summary for the First Six Months			
(Millions of Ps. except same-stores sales)			
	2021	2020	Var.
Same-store sales (thousands of Ps.)	1,383	1,200	15.2%
Revenues	36,127	30,920	16.8%
Income from Operations	1,866	890	109.7%
Income from Operations Margin (%)	5.2	2.9	230 bps
Operative Cash Flow (EBITDA)	3,550	2,609	36.1%
Operative Cash Flow (EBITDA) Margin (%)	9.8	8.4	140 bps

Total revenues increased by 16.8%. Same-store sales for drugstores increased by an average of 15.2%, reflecting positive trends in our Mexican, Chilean and Colombian operations coupled with a positive currency translation effect related to the appreciation of the Chilean peso compared to the Mexican peso during the first six months of the year, partially offset by strict mobility restrictions across our South American operations.

Gross profit reached 29.1% of total revenues.

Income from operations amounted to 5.2% of total revenues. Operating expenses increased 5.5% to Ps. 8,637 million.

FEMSA COMERCIO – FUEL DIVISION

FEMSA COMERCIO – FUEL DIVISION				
Financial Summary for the First Six Months				
(Millions of Ps. except same-stations sales)				
	2021	Comparable 2Q20 ⁽¹⁾	Var.*	Reported 2Q20
Same-station sales (thousands of Ps.)	5,516	5,214	5.8%	5,214
Revenues	18,509	17,239	7.4%	17,239
Income from Operations	564	615	(8.3%)	285
Income from Operations Margin (%)	3.0	3.6	-60 bps	1.7
Operative Cash Flow (EBITDA)	1,044	1,062	(1.7%)	732
Operative Cash Flow (EBITDA) Margin (%)	5.6	6.2	-60 bps	4.2

⁽¹⁾ Includes wholesale and distribution operations
*vs. Comparable Results

Total revenues increased 7.4%. Same-station sales increased an average of 5.8%, reflecting a 11.4% increase in the average price per liter, partially offset by a 5.0% decrease in the average volume.

Gross profit reached 12.8% of total revenues.

Income from operations amounted to 3.0% of total revenues. Operating expenses increased 4.3% to Ps. 1,813 million.

LOGISTICS AND DISTRIBUTION

LOGISTICS AND DISTRIBUTION	
Financial Summary for the First Six Months	
(Millions of Ps.)	
	2021
Revenues	22,074
Income from Operations	953
Income from Operations Margin (%)	4.3
Operative Cash Flow (EBITDA)	2,162
Operative Cash Flow (EBITDA) Margin (%)	9.8

Total revenues amounted to Ps. 22,074 million, reflecting positive demand dynamics in our operations in Latin America, coupled with gradual recovery trends in the United States. These were partially offset by the negative currency translation effect from the depreciation of the Brazilian Real relative to the Mexican peso.

Gross profit reached 21.8% of total revenues, reflecting favorable sales mix and efficiencies in our Latin American operations.

Income from operations represented 4.3% of total revenues. Operating expenses totaled Ps. 3,869 million, reflecting high operating leverage driven by tight expense control and efficiencies across markets.

COCA-COLA FEMSA

Coca-Cola FEMSA's financial results and discussion thereof are incorporated by reference from Coca-Cola FEMSA's press release, which is attached to this press release or may be accessed by visiting <http://www.coca-colafemsa.com>

CONFERENCE CALL INFORMATION:

Our Second Quarter 2021 Conference Call will be held on: Wednesday, July 28, 2021, 10:00 AM Eastern Time (9:00 AM Mexico City Time). To participate in the conference call, please dial: Domestic US: (866) 548 4713; International: +1 (323) 794 2093; Conference Id: 9127072. The conference call will be webcast live through streaming audio. For details please visit www.femsa.com/investor.

If you are unable to participate live, the conference call audio will be available on <http://ir.FEMSA.com/results.cfm>

FEMSA is a company that creates economic and social value through companies and institutions and strives to be the best employer and neighbor to the communities in which it operates. It participates in the retail industry through FEMSA Comercio, comprising a Proximity Division operating OXXO, a small-format store chain, a Health Division, which includes drugstores and related activities, and a Fuel Division, which operates the OXXO Gas chain of retail service stations. In the beverage industry, it participates through Coca-Cola FEMSA, the largest franchise bottler of Coca-Cola products in the world by volume; and in the beer industry, as the second largest shareholder of Heineken, one of the world's leading brewers with operations in over 70 countries. FEMSA also participates in the logistics and distribution industry through its Strategic Business Unit, which additionally provides point-of-sale refrigeration and plastic solutions to its business units and third-party clients. Across its business units, FEMSA has more than 320,000 employees in 13 countries. FEMSA is a member of the Dow Jones Sustainability MILA Pacific Alliance, the FTSE4Good Emerging Index and the Mexican Stock Exchange Sustainability Index, among other indexes that evaluate its sustainability performance.

The translations of Mexican pesos into US dollars are included solely for the convenience of the reader, using the noon buying rate for Mexican pesos as published by the Federal Reserve Bank of New York on June 30, 2021, which was 19.9060 Mexican pesos per US dollar.

FORWARD-LOOKING STATEMENTS

This report may contain certain forward-looking statements concerning our future performance that should be considered as good faith estimates made by us. These forward-looking statements reflect management's expectations and are based upon currently available data. Actual results are subject to future events and uncertainties, which could materially impact our actual performance.

eight pages of tables and Coca-Cola FEMSA's press release to follow

FEMSA
Consolidated Income Statement
Millions of Pesos

	For the second quarter of:						For the six months of:					
	2021	% of rev.	2020	% of rev.	% Var.	% Org. ^(A)	2021	% of rev.	2020	% of rev.	% Var.	% Org. ^(A)
Total revenues	137,058	100.0	114,514	100.0	19.7	15.7	261,556	100.0	236,716	100.0	10.5	6.1
Cost of sales	83,200	60.7	70,970	62.0	17.2		161,156	61.6	147,369	62.3	9.4	
Gross profit	53,858	39.3	43,544	38.0	23.7		100,400	38.4	89,347	37.7	12.4	
Administrative expenses	6,573	4.8	5,263	4.6	24.9		12,404	4.7	10,278	4.3	20.7	
Selling expenses	33,175	24.2	30,165	26.3	10.0		64,069	24.5	61,162	25.8	4.8	
Other operating expenses (income), net ⁽¹⁾	137	0.1	660	0.6	(79.2)		429	0.2	937	0.4	(54.2)	
Income from operations ⁽²⁾	13,973	10.2	7,456	6.5	87.4	84.9	23,498	9.0	16,970	7.2	38.5	35.9
Other non-operating expenses (income)	(565)		7,241		(107.8)		(1,003)		7,098		(114.1)	
Interest expense	4,878		4,184		16.6		8,714		9,518		(8.4)	
Interest income	283		629		(55.0)		543		1,319		(58.8)	
Interest expense, net	4,595		3,555		29.3		8,171		8,199		(0.3)	
Foreign exchange loss (gain)	2,485		207		N.S.		961		(8,117)		111.8	
Other financial expenses (income), net.	(107)		(83)		28.9		(261)		(181)		44.5	
Financing expenses, net	6,973		3,679		89.5		8,871		(99)		N.S.	
Income before income tax and participation in associates results	7,565		(3,464)		N.S.		15,630		9,972		56.7	
Income tax	3,311		5,733		(42.2)		5,970		10,455		(42.9)	
Participation in associates results ⁽³⁾	1,001		(1,578)		163.4		1,854		(1,185)		N.S.	
(Loss) Consolidated net income	5,255		(10,775)		148.8		11,514		(1,669)		N.S.	
Net majority income	3,082		(11,692)		126.4		7,647		(3,911)		N.S.	
Net minority income	2,173		917		137.0		3,867		2,242		72.5	
Operative Cash Flow & CAPEX												
Income from operations	13,973	10.2	7,456	6.5	87.4	84.9	23,498	9.0	16,970	7.2	38.5	35.9
Depreciation	6,221	4.5	6,348	5.5	(2.0)		12,428	4.8	12,476	5.3	(0.4)	
Amortization & other non-cash charges	1,155	0.9	1,332	1.2	(13.3)		2,400	0.9	2,810	1.1	(14.6)	
Operative Cash Flow (EBITDA)	21,349	15.6	15,136	13.2	41.0	38.8	38,326	14.7	32,256	13.6	18.8	16.4
CAPEX	5,172		4,384		18.0		8,526		9,693		(12.0)	

^(A) Organic basis (% Org.) excludes the effects of significant mergers and acquisitions in the last twelve months.

⁽¹⁾ Other operating expenses (income), net = other operating expenses (income) +/- equity method from operated associates.

⁽²⁾ Income from operations = gross profit - administrative and selling expenses - other operating expenses (income), net.

⁽³⁾ Mainly represents the equity method participation in Heineken's and Raizen convenience stores results, net.

FEMSA
Consolidated Balance Sheet

Millions of Pesos

ASSETS	Jun-21	Dec-20	% Inc.
Cash and cash equivalents	107,784	107,624	0.1
Investments	10,107	662	N.S.
Accounts receivable	26,886	28,249	(4.8)
Inventories	44,386	44,034	0.8
Other current assets	22,316	20,700	7.8
Total current assets	211,479	201,269	5.1
Investments in shares	91,424	98,270	(7.0)
Property, plant and equipment, net	111,475	113,106	(1.4)
Right of use	54,776	54,747	0.1
Intangible assets ⁽¹⁾	154,870	155,501	(0.4)
Other assets	69,701	61,955	12.5
TOTAL ASSETS	693,725	684,848	1.3

LIABILITIES & STOCKHOLDERS' EQUITY			
Bank loans	3,070	4,469	(31.3)
Current maturities of long-term debt	2,662	4,332	(38.6)
Interest payable	1,677	2,069	(18.9)
Current maturities of long-term leases	6,854	6,772	1.2
Operating liabilities	112,706	100,771	11.8
Total current liabilities	126,969	118,413	7.2
Long-term debt ⁽²⁾	176,716	174,706	1.2
Long-term leases	52,020	51,536	0.9
Laboral obligations	7,443	7,253	2.6
Other liabilities	24,850	25,753	(3.5)
Total liabilities	387,998	377,661	2.7
Total stockholders' equity	305,727	307,187	(0.5)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	693,725	684,848	1.3

DEBT MIX ⁽²⁾	June 30, 2021	
	% of Total	Average Rate
Denominated in:		
Mexican pesos	37.3%	7.2%
U.S. Dollars	36.2%	3.3%
Euros	15.6%	5.4%
Colombian pesos	1.0%	3.8%
Argentine pesos	0.4%	46.7%
Brazilian reais	7.2%	6.8%
Chilean pesos	1.6%	1.6%
Uruguayan Pesos	0.7%	7.3%
Guatemalan Quetzal	0.0%	6.3%
Total debt	100.0%	5.5%
Fixed rate ⁽²⁾	89.5%	
Variable rate ⁽²⁾	10.5%	

DEBT MATURITY PROFILE	2021	2022	2023	2024	2025	2026+
% of Total Debt	2.1%	1.6%	3.6%	3.6%	4.3%	84.8%

⁽¹⁾ Includes mainly the intangible assets generated by acquisitions.

⁽²⁾ Includes the effect of derivative financial instruments on long-term debt.

FEMSA Comercio - Proximity Division
Results of Operations
Millions of Pesos

	For the second quarter of:					For the six months of:				
	2021	% of rev.	2020	% of rev.	% Var.	2021	% of rev.	2020	% of rev.	% Var.
Total revenues	50,850	100.0	43,409	100.0	17.1	94,268	100.0	89,030	100.0	5.9
Cost of sales	29,712	58.4	26,167	60.3	13.5	55,756	59.1	53,548	60.1	4.1
Gross profit	21,138	41.6	17,242	39.7	22.6	38,512	40.9	35,482	39.9	8.5
Administrative expenses	1,579	3.1	1,367	3.1	15.5	2,805	3.0	2,654	3.0	5.7
Selling expenses	14,930	29.4	13,937	32.2	7.1	28,596	30.4	27,809	31.3	2.8
Other operating expenses (income), net	60	0.1	354	0.8	(83.1)	131	0.1	380	0.4	(65.5)
Income from operations	4,569	9.0	1,584	3.6	188.4	6,980	7.4	4,639	5.2	50.5
Depreciation	2,572	5.1	2,591	6.0	(0.7)	5,140	5.5	5,105	5.7	0.7
Amortization & other non-cash charges	219	0.4	453	1.1	(51.7)	436	0.4	632	0.8	(31.0)
Operative cash flow (EBITDA)	7,360	14.5	4,628	10.7	59.0	12,556	13.3	10,376	11.7	21.0
CAPEX	1,730		1,693		2.2	3,038		3,948		(23.0)
Information of OXO Stores										
Total stores						19,834		19,558		1.4
Stores Mexico						19,566		19,308		1.3
Stores South America						268		250		7.2
Net new conveniences stores:										
vs. Last quarter	128		(40)		N.S.					
Year-to-date	268		228		17.5					
Last-twelve-months	276		950		(70.9)					
Same-store data: ⁽¹⁾										
Sales (thousands of pesos)	801.2		693.1		15.6	744.1		713.9		4.2
Traffic (thousands of transactions)	17.9		16.6		7.4	17.1		18.3		(6.6)
Ticket (pesos)	44.9		41.7		7.6	43.6		39.1		11.6

⁽¹⁾ Monthly average information per store, considering same stores with more than twelve months of operations, income from services are included.

FEMSA Comercio - Health Division

Results of Operations

Millions of Pesos

	For the second quarter of:					For the six months of:				
	2021	% of rev.	2020	% of rev.	% Var.	2021	% of rev.	2020	% of rev.	% Var.
Total revenues	18,377	100.0	15,624	100.0	17.6	36,127	100.0	30,920	100.0	16.8
Cost of sales	12,943	70.4	10,849	69.4	19.3	25,624	70.9	21,847	70.7	17.3
Gross profit	5,434	29.6	4,775	30.6	13.8	10,503	29.1	9,073	29.3	15.8
Administrative expenses	819	4.5	868	5.6	(5.6)	1,554	4.3	1,666	5.4	(6.7)
Selling expenses	3,596	19.6	3,377	21.6	6.5	7,113	19.7	6,463	20.8	10.1
Other operating expenses (income), net	(37)	(0.2)	25	0.2	N.S.	(30)	(0.1)	54	0.2	(155.6)
Income from operations	1,056	5.7	505	3.2	109.1	1,866	5.2	890	2.9	109.7
Depreciation	741	4.0	782	5.0	(5.2)	1,444	4.0	1,443	4.7	0.1
Amortization & other non-cash charges	120	0.7	131	0.9	(8.4)	240	0.6	276	0.8	(13.0)
Operative cash flow (EBITDA)	1,917	10.4	1,418	9.1	35.2	3,550	9.8	2,609	8.4	36.1
CAPEX	331		363		(8.8)	585		737		(20.7)
Information of Stores										
Total Stores						3,459		3,189		8.5
Stores Mexico						1,372		1,275		7.6
Stores South America						2,087		1,914		9.0
Net new stores:										
vs. Last quarter	54		-7		N.S.					
Year-to-date	91		28		N.S.					
Last-twelve-months	270		128		110.9					
Same-store data: ⁽¹⁾										
Sales (thousands of pesos)	1,359.4		1,183.1		14.9	1,382.5		1,200.3		15.2

⁽¹⁾ Monthly average information per store, considering same stores with more than twelve months of all the operations of FEMSA Comercio - Health Division.

FEMSA Comercio - Fuel Division
Results of Operations

Millions of Pesos

	For the second quarter of:							
			Comparable ^(A)			As Reported		
	2021	% of rev.	2020	% of rev.	% Var.	2020	% of rev.	% Var.
Total revenues	9,974	100.0	6,382	100.0	56.3	6,382	100.0	56.3
Cost of sales	8,677	87.0	5,399	84.6	60.7	5,533	86.7	56.8
Gross profit	1,297	13.0	983	15.4	31.9	849	13.3	52.8
Administrative expenses	84	0.8	71	1.1	18.3	71	1.1	18.3
Selling expenses	855	8.6	735	11.5	16.3	722	11.3	18.4
Other operating expenses (income), net	2	-	5	0.1	(60.0)	5	0.1	(60.0)
Income from operations	356	3.6	172	2.7	107.0	51	0.8	N.S.
Depreciation	247	2.5	206	3.2	19.9	206	3.2	19.9
Amortization & other non-cash charges	7	-	10	0.2	(30.0)	10	0.2	(30.0)
Operative cash flow (EBITDA)	610	6.1	388	6.1	57.2	267	4.2	128.5
CAPEX	82		110		(25.5)	110		(25.5)

Information of OXXO GAS Service Stations

Total service stations	563	551	2.2
Net new service stations			
vs. Last quarter	2	1	100.0
Year-to-date	5	6	(16.7)
Last-twelve-months	12	10	20.0
Volume (million of liters) total stations	528	420	25.6
Same-stations data: ⁽¹⁾			
Sales (thousands of pesos)	5,927.2	3,855.2	53.7
Volume (thousands of liters)	316.1	254.6	24.2
Average price per liter	18.8	15.1	23.8

^(A) Unaudited consolidated financial information

⁽¹⁾ Monthly average information per station, considering same stations with more than twelve months of operations.

FEMSA Comercio - Fuel Division

Results of Operations

Millions of Pesos

	For the six months of:							
			Comparable ^(A)			As Reported		
	2021	% of rev.	2020	% of rev.	% Var.	2020	% of rev.	% Var.
Total revenues	18,509	100.0	17,239	100.0	7.4	17,239	100.0	7.4
Cost of sales	16,132	87.2	14,885	86.3	8.4	15,237	88.4	5.9
Gross profit	2,377	12.8	2,354	13.7	1.0	2,002	11.6	18.7
Administrative expenses	147	0.8	107	0.6	37.4	107	0.6	37.4
Selling expenses	1,672	9.0	1,626	9.5	2.8	1,604	9.3	4.2
Other operating expenses (income), net	(6)	-	6	-	N.S.	6	-	N.S.
Income from operations	564	3.0	615	3.6	(8.3)	285	1.7	97.9
Depreciation	476	2.6	429	2.5	11.0	429	2.5	11.0
Amortization & other non-cash charges	4	-	18	0.1	(77.8)	18	-	(77.8)
Operative cash flow (EBITDA)	1,044	5.6	1,062	6.2	(1.7)	732	4.2	42.6
CAPEX	169		213		(20.8)	213		(20.8)

Information of OXXO GAS Service Stations

Total service stations	563	551	2.2
Net new service stations			
vs. Last quarter	2	1	100.0
Year-to-date	5	6	(16.7)
Last-twelve-months	12	10	20.0
Volume (million of liters) total stations	999	1,041	(4.1)
Same-stations data: ⁽¹⁾			
Sales (thousands of pesos)	5,516.5	5,214.0	5.8
Volume (thousands of liters)	299.9	315.8	(5.0)
Average price per liter	18.4	16.5	11.4

^(A) Unaudited consolidated financial information

⁽¹⁾ Monthly average information per station, considering same stations with more than twelve months of operations.

Logistics and Distribution
Results of Operations

Millions of Pesos

	For the second quarter of:		For the six months of:	
	2021	% of rev.	2021	% of rev.
Total revenues	11,266	100.0	22,074	100.0
Cost of sales	8,798	78.1	17,254	78.2
Gross profit	2,468	21.9	4,821	21.8
Administrative expenses	1,032	9.2	2,155	9.8
Selling expenses	856	7.6	1,706	7.7
Other operating expenses (income), net	(6)	(0.1)	8	-
Income from operations	586	5.2	953	4.3
Depreciation	434	3.9	844	3.8
Amortization & other non-cash charges	177	1.5	365	1.7
Operative cash flow (EBITDA)	1,197	10.6	2,162	9.8
CAPEX	130		324	

Coca-Cola FEMSA
Results of Operations
Millions of Pesos

	For the second quarter of:					For the six months of:				
	2021	% of rev.	2020	% of rev.	% Var.	2021	% of rev.	2020	% of rev.	% Var.
Total revenues	47,786	100.0	43,075	100.0	10.9	92,500	100.0	88,341	100.0	4.7
Cost of sales	25,226	52.8	24,000	55.7	5.1	50,009	54.1	48,592	55.0	2.9
Gross profit	22,560	47.2	19,075	44.3	18.3	42,491	45.9	39,749	45.0	6.9
Administrative expenses	2,279	4.8	1,882	4.4	21.1	4,092	4.4	3,733	4.2	9.6
Selling expenses	12,910	26.9	11,748	27.3	9.9	24,899	26.9	24,399	27.6	2.0
Other operating expenses (income), net	123	0.3	315	0.7	(61.0)	353	0.4	763	0.9	(53.7)
Income from operations	7,248	15.2	5,130	11.9	41.3	13,147	14.2	10,854	12.3	21.1
Depreciation	2,179	4.6	2,324	5.4	(6.2)	4,417	4.8	4,577	5.2	(3.5)
Amortization & other non-cash charges	580	1.1	767	1.8	(24.4)	1,252	1.3	1,864	2.1	(32.8)
Operative cash flow (EBITDA)	10,007	20.9	8,221	19.1	21.7	18,816	20.3	17,295	19.6	8.8
CAPEX	2,841		1,788		58.9	4,301		3,867		11.2

Sales volumes

(Millions of unit cases)

Mexico and Central America	545.8	64.1	521.7	66.8	4.6	1,017.1	61.6	998.0	63.4	1.9
South America	106.1	12.5	85.6	11.0	23.9	226.7	13.7	196.8	12.5	15.2
Brazil	199.5	23.4	173.5	22.2	15.0	408.3	24.7	379.6	24.1	7.6
Total	851.4	100.0	780.8	100.0	9.1	1,652.0	100.0	1,574.3	100.0	4.9

FEMSA
Macroeconomic Information

	Inflation		End-of-period Exchange Rates			
	2Q 2021	LTM ⁽¹⁾ Jun-21	Jun-21		Dec-20	
			Per USD	Per MXN	Per USD	Per MXN
Mexico	1.17%	6.02%	19.80	1.0000	19.95	1.0000
Colombia	1.29%	2.89%	3,756.67	0.0053	3,432.50	0.0058
Brazil	1.39%	8.28%	5.00	3.9588	5.20	3.8387
Argentina	6.68%	47.13%	95.72	0.2069	84.15	0.2371
Chile	0.56%	3.29%	735.28	0.0269	711.24	0.0280
Euro Zone	0.16%	2.35%	0.84	23.5896	0.81	24.5213

⁽¹⁾ LTM = Last twelve months.