

FEMSA Announces Third Quarter 2021 Results

Monterrey, Mexico, October 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 third quarter of 2021.

HIGHLIGHTS

- Our results in 3Q20 were significantly impacted by the COVID-19 pandemic and the related changes in consumer mobility and behavior across markets. As we look at our 3Q21 results, the comparison base of 3Q20 is only a partial benchmark. Therefore, to facilitate the reader’s assessment of our business units’ performance in 3Q21, we provide the following table that includes variations versus 3Q19 as well.

FINANCIAL SUMMARY FOR THE THIRD QUARTER 2021											
Information includes figures in millions of Ps. and variations as change vs. respective period											
	Revenues			Gross Profit			Income from Operations			Same-Store Sales	
	3Q21	% var vs. 3Q20	% var vs. 3Q19	3Q21	% var vs. 3Q20	% var vs. 3Q19	3Q21	% var vs. 3Q20	% var vs. 3Q19	% var vs. 3Q20	% var vs. 3Q19
FEMSA CONSOLIDATED	142,443	12.6%	9.2%	53,094	9.4%	8.6%	12,976	14.3%	2.7%		
FEMSA COMERCIO											
Proximity Division	50,808	11.7%	4.9%	21,009	17.0%	8.4%	4,642	87.6%	5.2%	9.7%	(3.5%)
Health Division	18,319	8.2%	15.1%	5,495	6.7%	17.5%	967	4.8%	49.5%	4.2%	6.4%
Fuel Division ⁽¹⁾	10,349	20.5%	(16.2%)	1,330	12.4%	(10.5%)	417	35.4%	(26.1%)	16.7%	(19.2%)
LOGISTICS & DISTRIBUTION	11,734	N/A	N/A	2,561	N/A	N/A	602	N/A	N/A		
COCA-COLA FEMSA	48,316	3.4%	(0.8%)	21,817	2.1%	0.7%	6,476	(9.0%)	(7.7%)		

⁽¹⁾ variations vs. comparable results

Eduardo Padilla, FEMSA’s CEO, commented:

“During the third quarter, data and sentiment towards the health emergency were still uneven across our markets and some operating restrictions remained in place but began to ease in September. At OXXO, same-store sales were stable sequentially, but profitability showed compelling gains reflecting higher efficiency. Our Health Division continued to benefit from dynamic trading conditions in Chile, as well as solid execution across the platform, while our Fuel Division saw better vehicle mobility trends in Mexico, even if we remained below pre-pandemic levels. For its part, our Logistics and Distribution business reflected improving conditions in Latin America, coupled with an environment in the United States that is steadily improving but a bit more slowly than expected, particularly for certain end-user segments. Finally, Coca-Cola FEMSA delivered solid volume performance in most markets, particularly in South America, and was able to mitigate pressures from supply chain disruption and higher raw material costs. All in all, it seems we are finally turning the corner and can look forward to a more normal 2022.

Beyond the short-term, however, our company today is in a much better position than it was last year, and I would dare say, than ever before. Every one of our business units is in solid shape, with considerable avenues for growth, and we have the balance sheet flexibility to pursue our opportunities and execute on our optionality. I am excited and very optimistic about the future of FEMSA, and as I approach my retirement, I am especially thankful to our more than 320,000 colleagues that put in their best effort day after day, and year after year. It has been the honor of my lifetime to work with, and for, you all.”

QUARTERLY RESULTS

Results are compared to the same period of previous year

FEMSA CONSOLIDATED

FEMSA CONSOLIDATED 3Q21 Financial Summary (Millions of Ps.)					CONSOLIDATED NET DEBT (Millions of Ps.)		
	3Q21	3Q20	Var.	Org.	As of September 30, 2021	Ps.	US\$ ³
Revenues	142,443	126,501	12.6%	11.1%	Cash	114,668	5,577
Income from Operations	12,976	11,355	14.3%	13.4%	Short-term debt	5,075	247
Income from Operations Margin (%)	9.1	9.0	10 bps		Long-term debt ⁴	179,327	8,721
Operative Cash Flow (EBITDA)	20,572	18,812	9.4%	8.8%	Net debt ⁴	69,734	3,391
Operative Cash Flow (EBITDA) Margin (%)	14.4	14.9	-50 bps				
Net Income	16,046	4,691	N.S.				

Total revenues increased 12.6% in 3Q21 compared to 3Q20, reflecting growth across our business units coupled with an undemanding comparison base for the quarter, partially offset by increased operating restrictions in Mexico, in connection with the third wave of the COVID-19 pandemic. On an organic¹ basis, total revenues increased 11.1%.

Gross profit increased 9.4%. Gross margin decreased 110 basis points, mainly driven by a contraction at Coca-Cola FEMSA, and at FEMSA Comercio's Health and Fuel Divisions, partially offset by an expansion at FEMSA Comercio's Proximity Division.

Income from operations increased 14.3%. On an organic¹ basis, income from operations increased 13.4%. Consolidated operating margin increased 10 basis points to 9.1% of total revenues, reflecting margin expansion at FEMSA Comercio's Proximity and Fuel Divisions, partially offset by margin contractions at Coca-Cola FEMSA and FEMSA Comercio's Health Division.

Our **effective income tax rate** was 32.6% in 3Q21 compared to 33.2% in 3Q20, and our **income tax** was Ps. 4,205 million in 3Q21.

Net consolidated income increased to Ps. 16,046 million, driven by: i) higher income from operations; ii) higher non-operating income, reflecting dividends received from our investment in JRD; iii) a non-cash foreign exchange gain related to FEMSA's U.S. dollar-denominated cash position as impacted by the depreciation of the Mexican peso; and iv) an increase in our participation in associates' results, which mainly reflects the improved results of our investment in Heineken relative to 3Q20, including an exceptional gain recorded by Heineken reflecting a fair value adjustment from one of their investments. This was partially offset by higher interest expense.

Net majority income was Ps. 3.94 per FEMSA Unit² and US\$1.92 per FEMSA ADS.

Capital expenditures amounted to Ps. 6,713 million, reflecting the reactivation of ongoing investment activities at most of our business units.

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

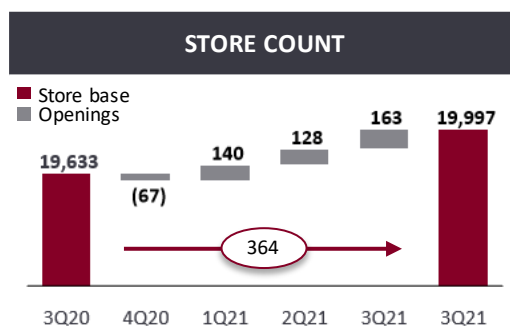
² FEMSA Units consist of FEMSA BD Units and FEMSA B Units. Each FEMSA BD Unit is comprised of one Series B Share, two Series D-B Shares and two Series D-L Shares. Each FEMSA B Unit is comprised of five Series B Shares. The number of FEMSA Units outstanding as of September 30, 2021 was 3,578,226,270, 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 September 30, 2021 was 20.5620 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			
3Q21 Financial Summary			
(Millions of Ps. except same-stores sales)			
	3Q21	3Q20	Var.
Same-store sales (thousands of Ps.)	795	724	9.7%
Revenues	50,808	45,478	11.7%
Income from Operations	4,642	2,474	87.6%
Income from Operations Margin (%)	9.1	5.4	370 bps
Operative Cash Flow (EBITDA)	7,502	5,269	42.4%
Operative Cash Flow (EBITDA) Margin (%)	14.8	11.6	320 bps



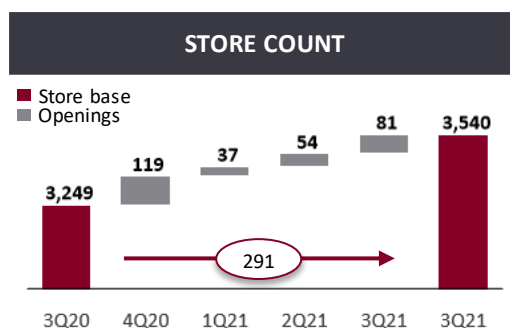
Total revenues increased 11.7% in 3Q21 compared to 3Q20, reflecting a 9.7% average same-store sales increase, driven by a 6.8% growth in average customer ticket and an increase of 2.8% in store traffic. These figures reflect an undemanding comparison base coupled with a shift in our sales mix towards home consumption categories and SKUs in connection with the COVID-19 pandemic, partially offset by increased operating restrictions during the quarter. During the quarter, OXXO's store base expanded by 163 units to reach 364 total net new store openings for the last twelve months. As of September 30, 2021, FEMSA Comercio's Proximity Division had a total of 19,997 OXXO stores.

Gross profit reached 41.3% of total revenues, reflecting more dynamic commercial income activity and promotional programs with our key supplier partners, coupled with sustained growth of the services category including income from financial services.

Income from operations amounted to 9.1% of total revenues, driven by higher operating leverage. Operating expenses increased 5.8% to Ps. 16,367 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 3Q20 that included extraordinary expenses in connection with the COVID-19 pandemic.

FEMSA COMERCIO – HEALTH DIVISION

FEMSA COMERCIO – HEALTH DIVISION			
3Q21 Financial Summary			
(Millions of Ps. except same-stores sales)			
	3Q21	3Q20	Var.
Same-store sales (thousands of Ps.)	1,374	1,319	4.2%
Revenues	18,319	16,932	8.2%
Income from Operations	967	923	4.8%
Income from Operations Margin (%)	5.3	5.5	-20 bps
Operative Cash Flow (EBITDA)	1,868	1,846	1.2%
Operative Cash Flow (EBITDA) Margin (%)	10.2	10.9	-70 bps



Total revenues increased 8.2% in 3Q21 compared to 3Q20, mainly reflecting higher consumption in Chile coupled with positive trends in our Mexican 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 81 units reaching a total of 3,540 points of sale across its territories as of September 30, 2021. This figure reflects the addition of 291 net new store openings for the last twelve months. Same-store sales for drugstores increased an average of 4.2%, reflecting the revenue drivers described above. On a currency-neutral¹ basis, total revenues increased 16.4% while same-store sales increased by 16.2%.

Gross profit represented 30.0% of total revenues, reflecting: i) higher institutional sales in our operations in Chile and Colombia; and ii) increased promotional activities in our operations in South America. These were partially offset by improved efficiency and more effective collaboration and execution with key supplier partners in Mexico.

Income from operations amounted to 5.3% of total revenues. Operating expenses increased 7.1% to Ps. 4,528 million, below revenue growth, reflecting tight expense control and efficiency gains across our operations.

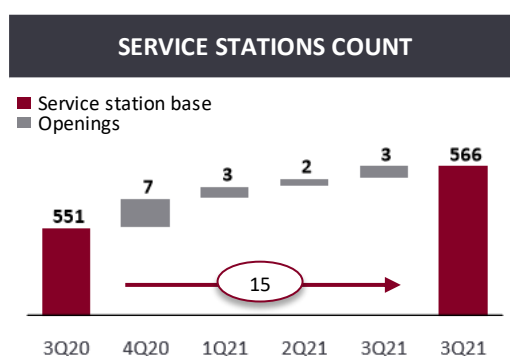
¹ Calculated by translating comparable period figures at the foreign currency exchange rates used in the current period.

FEMSA COMERCIO – FUEL DIVISION

FEMSA COMERCIO – FUEL DIVISION				
3Q21 Financial Summary				
(Millions of Ps. except same-stations sales)				
	3Q21	Comparable 3Q20 ⁽¹⁾	Var.*	Reported 3Q20
Same-station sales (thousands of Ps.)	6,077	5,206	16.7%	5,206
Revenues	10,349	8,585	20.5%	8,568
Income from Operations	417	308	35.4%	316
Income from Operations Margin (%)	4.0	3.6	40 bps	3.7
Operative Cash Flow (EBITDA)	656	532	23.3%	540
Operative Cash Flow (EBITDA) Margin (%)	6.3	6.2	10 bps	6.3

⁽¹⁾ Includes wholesale and distribution operations

*vs. Comparable Results



Total revenues increased 20.5% in 3Q21 compared to 3Q20, reflecting a 16.7% average same-station sales increase, driven by a 4.8% growth in the average volume and a 11.4% increase in the average price per liter. This reflects an undemanding comparison base which was affected by reduced vehicle mobility in connection with the COVID-19 pandemic. During the quarter, the Fuel Division added 3 stations, reaching a total of 566 points of sale as of September 30, 2021. This figure reflects the addition of 15 total net new stations for the last twelve months.

Gross profit reached 12.9% of total revenues.

Income from operations amounted to 4.0% of total revenues. Operating expenses increased 4.3% to Ps. 913 million, below revenues, reflecting tight expense control and positive operating leverage.

LOGISTICS AND DISTRIBUTION

LOGISTICS AND DISTRIBUTION	
3Q21 Financial Summary	
(Millions of Ps.)	
	3Q21
Revenues	11,734
Income from Operations	602
<i>Income from Operations Margin (%)</i>	5.1
Operative Cash Flow (EBITDA)	1,257
<i>Operative Cash Flow (EBITDA) Margin (%)</i>	10.7

Total revenues amounted to Ps. 11,734 million, reflecting stable demand dynamics in our operations in Latin America, coupled with a gradual recovery of some end-user segments in the United States.

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

Income from operations represented 5.1% of total revenues. Operating expenses totaled Ps. 1,959 million, reflecting high operating leverage driven by tight expense control and efficiencies across markets.

RESULTS FOR FIRST NINE MONTHS OF 2021

Results are compared to the same period of previous year

FEMSA CONSOLIDATED

FEMSA CONSOLIDATED				
Financial Summary for the First Nine Months				
(Millions of Ps.)				
	2021	2020	Var.	Org.
Revenues	404,275	363,155	11.3%	7.9%
Income from Operations	36,475	28,323	28.8%	26.9%
Income from Operations Margin (%)	9.0	7.8	120 bps	
Operative Cash Flow (EBITDA)	58,925	51,062	15.4%	13.6%
Operative Cash Flow (EBITDA) Margin (%)	14.6	14.1	50 bps	
Net Income	27,568	3,018	N.S.	

Total revenues increased 11.3%. On an organic basis,¹ total revenues increased 7.9% reflecting growth across all operations.

Gross profit increased 11.4%. Gross margin remained flat at 38.0% of total revenues, reflecting gross margin expansion at Coca-Cola FEMSA and FEMSA Comercio's Proximity Division, offset by a contraction at FEMSA Comercio's Health and Fuel Divisions.

Income from operations increased 28.8%. On an organic basis,¹ income from operations increased 26.9%. Our consolidated operating margin increased 120 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 Ps. 27,568 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, including an exceptional gain recorded by Heineken during the 3Q21, reflecting a fair value adjustment from one of their investments. These were partially offset by higher interest expense.

Net majority income per FEMSA Unit² was Ps. 6.08 (US\$2.96 per ADS).

Capital expenditures amounted to Ps. 15,254 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 September 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 Nine Months			
(Millions of Ps. except same-stores sales)			
	2021	2020	Var.
Same-store sales (thousands of Ps.)	761	717	6.1%
Revenues	145,076	134,508	7.9%
Income from Operations	11,622	7,113	63.4%
Income from Operations Margin (%)	8.0	5.3	270 bps
Operative Cash Flow (EBITDA)	20,058	15,645	28.2%
Operative Cash Flow (EBITDA) Margin (%)	13.8	11.6	220 bps

Total revenues increased 7.9%. OXXO's same-store sales increased an average of 6.1%, driven by a 10.0% increase in average customer ticket, partially offset by a 3.6% decrease in store traffic.

Gross profit reached 41.0% of total revenues.

Income from operations amounted to 8.0% of total revenues, reflecting an undemanding comparison base in 2020, driven by the COVID-19 pandemic. Operating expenses increased 3.4% to Ps. 47,899 million.

FEMSA COMERCIO – HEALTH DIVISION

FEMSA COMERCIO – HEALTH DIVISION			
Financial Summary for the First Nine Months			
(Millions of Ps. except same-stores sales)			
	2021	2020	Var.
Same-store sales (thousands of Ps.)	1,380	1,243	11.0%
Revenues	54,446	47,852	13.8%
Income from Operations	2,833	1,813	56.3%
Income from Operations Margin (%)	5.2	3.8	140 bps
Operative Cash Flow (EBITDA)	5,418	4,454	21.6%
Operative Cash Flow (EBITDA) Margin (%)	10.0	9.3	70 bps

Total revenues increased by 13.8%. Same-store sales for drugstores increased by an average of 11.0%, reflecting positive trends in our Mexican, Chilean and Colombian operations, partially offset by strict mobility restrictions across our South American operations.

Gross profit reached 29.4% of total revenues.

Income from operations amounted to 5.2% of total revenues. Operating expenses increased 6.1% to Ps. 13,165 million.

FEMSA COMERCIO – FUEL DIVISION

FEMSA COMERCIO – FUEL DIVISION				
Financial Summary for the First Nine Months				
(Millions of Ps. except same-stations sales)				
	2021	Comparable 2020 ⁽¹⁾	Var.*	Reported 2020
Same-station sales (thousands of Ps.)	5,703	5,211	9.4%	5,211
Revenues	28,858	25,824	11.7%	25,808
Income from Operations	981	923	6.3%	602
Income from Operations Margin (%)	3.4	3.6	-20 bps	2.3
Operative Cash Flow (EBITDA)	1,700	1,593	6.7%	1,272
Operative Cash Flow (EBITDA) Margin (%)	5.9	6.2	-30 bps	4.9

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

Total revenues increased 11.7%. Same-station sales increased an average of 9.4%, reflecting a 11.4% increase in the average price per liter, partially offset by a 1.8% decrease in average volume.

Gross profit reached 12.8% of total revenues.

Income from operations amounted to 3.4% of total revenues. Operating expenses increased 4.3% to Ps. 2,726 million.

LOGISTICS AND DISTRIBUTION

LOGISTICS AND DISTRIBUTION	
Financial Summary for the First Nine Months	
(Millions of Ps.)	
	2021
Revenues	33,809
Income from Operations	1,553
Income from Operations Margin (%)	4.6
Operative Cash Flow (EBITDA)	3,418
Operative Cash Flow (EBITDA) Margin (%)	10.1

Total revenues amounted to Ps. 33,809 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 4.6% of total revenues. Operating expenses totaled Ps. 5,829 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>

RECENT DEVELOPMENTS

- On August 31, 2021, FEMSA announced that Envoy Solutions, FEMSA's specialized distribution subsidiary in the United States, reached an agreement to acquire Daycon Products Co. ("Daycon"), an independent specialized distribution company based in Upper Marlboro, Maryland. Daycon will further expand and strengthen FEMSA's distribution footprint along the East Coast of the United States, including Washington D.C. and the states of Virginia, West Virginia, Maryland, Delaware, New Jersey and Pennsylvania. This transaction represents another important step in FEMSA's strategic path to build a leading national distribution platform in the United States. Revenues of the acquired business for the last twelve months as of June 2021, were approximately US\$ 75 million. The transaction was successfully closed during September 2021.
- On September 8, 2021, FEMSA announced that Envoy Solutions, FEMSA's specialized distribution subsidiary in the United States, reached an agreement to acquire Penn Jersey Paper Co. ("PJP"), an independent specialized distribution company based in Philadelphia, Pennsylvania. PJP fits well with FEMSA's distribution footprint along the East Coast, expanding its coverage to include the Philadelphia metro area and New York City. This transaction represents another important step in FEMSA's strategic path to build a leading national distribution platform in the United States. Revenues of the acquired business for the last twelve months as of June 2021, were over US\$ 200 million. The transaction is subject to customary closing conditions and approvals and is expected to close during the fourth quarter of 2021.
- On October 18, 2021, FEMSA announced that in accordance with its senior leadership succession planning process, and consistent with previously established timeframes, Eduardo Padilla will retire from his position as FEMSA's Chief Executive Officer on January 1, 2022. Accordingly, FEMSA's Board of Directors has appointed Daniel Rodríguez Cofré, currently CEO of FEMSA Comercio, to become FEMSA's Chief Executive Officer as of January 1, 2022.

CONFERENCE CALL INFORMATION:

Our Third Quarter 2021 Conference Call will be held on: Friday, October 29, 2021, 10:00 AM Eastern Time (9:00 AM Mexico City Time). To participate in the conference call, please dial: Domestic US: (800) 263 0877; International: +1 (646) 828 8143; Conference Id: 1173151. 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 September 30, 2021, which was 20.5620 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 third quarter of:						For the nine months of:					
	2021	% of rev.	2020	% of rev.	% Var.	% Org. ^(A)	2021	% of rev.	2020	% of rev.	% Var.	% Org. ^(A)
Total revenues	142,443	100.0	126,501	100.0	12.6	11.1	404,275	100.0	363,155	100.0	11.3	7.9
Cost of sales	89,349	62.7	77,965	61.6	14.6		250,665	62.0	225,301	62.0	11.3	
Gross profit	53,094	37.3	48,536	38.4	9.4		153,610	38.0	137,854	38.0	11.4	
Administrative expenses	6,903	4.8	5,914	4.7	16.7		19,321	4.8	16,189	4.5	19.3	
Selling expenses	33,259	23.4	31,062	24.5	7.1		97,425	24.1	92,199	25.4	5.7	
Other operating expenses (income), net ⁽¹⁾	(44)	-	205	0.2	(121.5)		389	0.1	1,143	0.3	(66.0)	
Income from operations ⁽²⁾	12,976	9.1	11,355	9.0	14.3	13.4	36,475	9.0	28,323	7.8	28.8	26.9
Other non-operating expenses (income)	(2,005)		2,554		(178.5)		(3,008)		9,653		(131.2)	
Interest expense	3,983		3,035		31.2		12,718		12,549		1.3	
Interest income	329		528		(37.7)		876		1,846		(52.5)	
Interest expense, net	3,654		2,507		45.8		11,842		10,703		10.6	
Foreign exchange loss (gain)	(1,496)		2,790		(153.6)		(535)		(5,326)		(90.0)	
Other financial expenses (income), net.	(64)		(91)		(29.7)		(351)		(270)		30.0	
Financing expenses, net	2,094		5,206		(59.8)		10,956		5,107		114.5	
Income before income tax and participation in associates results	12,887		3,595		N.S.		28,527		13,563		110.3	
Income tax	4,205		1,195		N.S.		10,178		11,651		(12.6)	
Participation in associates results ⁽³⁾	7,364		2,291		N.S.		9,219		1,106		N.S.	
(Loss) Consolidated net income	16,046		4,691		N.S.		27,568		3,018		N.S.	
Net majority income	14,114		3,223		N.S.		21,768		(692)		N.S.	
Net minority income	1,932		1,468		31.6		5,800		3,710		56.3	
Operative Cash Flow & CAPEX												
Income from operations	12,976	9.1	11,355	9.0	14.3	13.4	36,475	9.0	28,323	7.8	28.8	26.9
Depreciation	6,272	4.4	6,304	5.0	(0.5)		18,721	4.6	18,774	5.2	(0.3)	
Amortization & other non-cash charges	1,324	0.9	1,153	0.9	14.8		3,729	1.0	3,965	1.1	(6.0)	
Operative Cash Flow (EBITDA)	20,572	14.4	18,812	14.9	9.4	8.8	58,925	14.6	51,062	14.1	15.4	13.6
CAPEX	6,713		4,851		38.4		15,254		14,542		4.9	

^(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	Sep-21	Dec-20	% Inc.
Cash and cash equivalents	114,668	107,624	6.5
Investments	10,386	662	N.S.
Accounts receivable	30,161	28,249	6.8
Inventories	47,620	44,034	8.1
Other current assets	21,325	20,700	3.0
Total current assets	224,160	201,269	11.4
Investments in shares	107,646	98,270	9.5
Property, plant and equipment, net	112,422	113,106	(0.6)
Right of use	55,411	54,747	1.2
Intangible assets ⁽¹⁾	153,477	155,501	(1.3)
Other assets	68,966	61,955	11.3
TOTAL ASSETS	722,082	684,848	5.4

LIABILITIES & STOCKHOLDERS' EQUITY			
Bank loans	2,372	4,469	(46.9)
Current maturities of long-term debt	2,703	4,332	(37.6)
Interest payable	1,638	2,069	(20.8)
Current maturities of long-term leases	6,896	6,772	1.8
Operating liabilities	119,091	100,771	18.2
Total current liabilities	132,700	118,413	12.1
Long-term debt ⁽²⁾	179,327	174,706	2.6
Long-term leases	52,903	51,536	2.7
Laboral obligations	7,393	7,253	1.9
Other liabilities	24,594	25,753	(4.5)
Total liabilities	396,917	377,661	5.1
Total stockholders' equity	325,165	307,187	5.9
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	722,082	684,848	5.4

DEBT MIX ⁽²⁾	September 30, 2021	
	% of Total	Average Rate
Denominated in:		
Mexican pesos	37.2%	7.4%
U.S. Dollars	37.1%	3.3%
Euros	15.7%	0.7%
Colombian pesos	1.0%	3.8%
Argentine pesos	0.3%	47.5%
Brazilian reais	6.8%	7.5%
Chilean pesos	1.1%	3.4%
Uruguayan Pesos	0.8%	6.6%
Guatemalan Quetzal	0.0%	6.3%
Total debt	100.0%	4.9%
Fixed rate ⁽²⁾	93.7%	
Variable rate ⁽²⁾	6.3%	

DEBT MATURITY PROFILE	2021	2022	2023	2024	2025	2026+
% of Total Debt	1.0%	1.7%	3.6%	3.4%	1.0%	89.2%

⁽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 third quarter of:					For the nine months of:				
	2021	% of rev.	2020	% of rev.	% Var.	2021	% of rev.	2020	% of rev.	% Var.
Total revenues	50,808	100.0	45,478	100.0	11.7	145,076	100.0	134,508	100.0	7.9
Cost of sales	29,799	58.7	27,528	60.5	8.2	85,555	59.0	81,076	60.3	5.5
Gross profit	21,009	41.3	17,950	39.5	17.0	59,521	41.0	53,432	39.7	11.4
Administrative expenses	1,464	2.9	1,334	2.9	9.7	4,269	2.9	3,988	3.0	7.0
Selling expenses	14,831	29.2	14,061	31.0	5.5	43,427	30.0	41,870	31.1	3.7
Other operating expenses (income), net	72	0.1	81	0.2	(11.1)	203	0.1	461	0.3	(56.0)
Income from operations	4,642	9.1	2,474	5.4	87.6	11,622	8.0	7,113	5.3	63.4
Depreciation	2,620	5.2	2,600	5.7	0.8	7,760	5.3	7,705	5.7	0.7
Amortization & other non-cash charges	240	0.5	195	0.5	23.1	676	0.5	827	0.6	(18.3)
Operative cash flow (EBITDA)	7,502	14.8	5,269	11.6	42.4	20,058	13.8	15,645	11.6	28.2
CAPEX	2,195		1,740		26.2	5,233		5,688		(8.0)
Information of OXXO Stores										
Total stores						19,997		19,633		1.9
Stores Mexico						19,719		19,373		1.8
Stores South America						278		260		6.9
Net new conveniences stores:										
vs. Last quarter	163		75		117.3					
Year-to-date	431		303		42.2					
Last-twelve-months	364		793		(54.1)					
Same-store data: ⁽¹⁾										
Sales (thousands of pesos)	794.6		724.1		9.7	761.1		717.3		6.1
Traffic (thousands of transactions)	17.6		17.1		2.8	17.3		17.9		(3.6)
Ticket (pesos)	45.1		42.2		6.8	44.1		40.1		10.0

⁽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 third quarter of:					For the nine months of:				
	2021	% of rev.	2020	% of rev.	% Var.	2021	% of rev.	2020	% of rev.	% Var.
Total revenues	18,319	100.0	16,932	100.0	8.2	54,446	100.0	47,852	100.0	13.8
Cost of sales	12,824	70.0	11,783	69.6	8.8	38,448	70.6	33,630	70.3	14.3
Gross profit	5,495	30.0	5,149	30.4	6.7	15,998	29.4	14,222	29.7	12.5
Administrative expenses	795	4.3	798	4.7	(0.4)	2,349	4.3	2,465	5.2	(4.7)
Selling expenses	3,653	20.0	3,410	20.1	7.1	10,766	19.8	9,872	20.5	9.1
Other operating expenses (income), net	80	0.4	18	0.1	N.S.	50	0.1	72	0.2	(30.6)
Income from operations	967	5.3	923	5.5	4.8	2,833	5.2	1,813	3.8	56.3
Depreciation	698	3.8	744	4.4	(6.2)	2,142	3.9	2,187	4.6	-2.1
Amortization & other non-cash charges	203	1.1	179	1.0	13.4	443	0.9	454	0.9	(2.4)
Operative cash flow (EBITDA)	1,868	10.2	1,846	10.9	1.2	5,418	10.0	4,454	9.3	21.6
CAPEX	424		325		30.5	1,009		1,062		(5.0)
Information of Stores										
Total Stores						3,540		3,249		9.0
Stores Mexico						1,394		1,290		8.1
Stores South America						2,146		1,959		9.5
Net new stores:										
vs. Last quarter	81		60		35.0					
Year-to-date	172		88		95.5					
Last-twelve-months	291		119		144.5					
Same-store data: ⁽¹⁾										
Sales (thousands of pesos)	1,374.3		1,318.8		4.2	1,379.6		1,243.0		11.0

⁽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 third quarter of:							
	Comparable ^(A)			As Reported				
	2021	% of rev.	2020	% of rev.	% Var.	2020	% of rev.	% Var.
Total revenues	10,349	100.0	8,585	100.0	20.5	8,568	100.0	20.8
Cost of sales	9,019	87.1	7,402	86.2	21.8	7,401	86.4	21.9
Gross profit	1,330	12.9	1,183	13.8	12.4	1,167	13.6	14.0
Administrative expenses	65	0.6	71	0.8	(8.5)	71	0.8	(8.5)
Selling expenses	848	8.3	804	9.4	5.5	780	9.1	8.7
Other operating expenses (income), net	-	-	-	-	-	-	-	-
Income from operations	417	4.0	308	3.6	35.4	316	3.7	32.0
Depreciation	240	2.3	219	2.6	9.6	219	2.6	9.6
Amortization & other non-cash charges	(1)	-	5	-	(120.0)	5	-	(120.0)
Operative cash flow (EBITDA)	656	6.3	532	6.2	23.3	540	6.3	21.5
CAPEX	40		124		(67.6)	124		(67.6)

Information of OXXO GAS Service Stations

Total service stations	566	551	2.7
Net new service stations			
vs. Last quarter	3	-	-
Year-to-date	8	6	33.3
Last-twelve-months	15	10	50.0
Volume (million of liters) total stations	540	509	6.0
Same-stations data: ⁽¹⁾			
Sales (thousands of pesos)	6,077.0	5,206.1	16.7
Volume (thousands of liters)	324.5	309.6	4.8
Average price per liter	18.7	16.8	11.4

^(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 nine months of:							
	Comparable ^(A)			As Reported				
	2021	% of rev.	2020	% of rev.	% Var.	2020	% of rev.	% Var.
Total revenues	28,858	100.0	25,824	100.0	11.7	25,808	100.0	11.8
Cost of sales	25,151	87.2	22,287	86.3	12.8	22,639	87.7	11.1
Gross profit	3,707	12.8	3,537	13.7	4.8	3,169	12.3	17.0
Administrative expenses	211	0.7	178	0.7	18.5	178	0.7	18.5
Selling expenses	2,521	8.7	2,430	9.4	3.7	2,383	9.3	5.8
Other operating expenses (income), net	(6)	-	6	-	N.S.	6	-	N.S.
Income from operations	981	3.4	923	3.6	6.3	602	2.3	63.0
Depreciation	715	2.5	648	2.5	10.3	648	2.5	10.3
Amortization & other non-cash charges	4	-	22	0.1	(81.8)	22	0.1	(81.8)
Operative cash flow (EBITDA)	1,700	5.9	1,593	6.2	6.7	1,272	4.9	33.6
CAPEX	209		337		(38.0)	337		(38.0)

Information of OXXO GAS Service Stations

Total service stations	566	551	2.7
Net new service stations			
vs. Last quarter	3	-	-
Year-to-date	8	6	33.3
Last-twelve-months	15	10	50.0
Volume (million of liters) total stations	1,539	1,551	(0.8)
Same-stations data: ⁽¹⁾			
Sales (thousands of pesos)	5,702.8	5,211.4	9.4
Volume (thousands of liters)	308.1	313.7	(1.8)
Average price per liter	18.5	16.6	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 Operation**

Millions of Pesos

	For the third quarter of:		For the nine months of:	
	2021	% of rev.	2021	% of rev.
Total revenues	11,734	100.0	33,809	100.0
Cost of sales	9,172	78.2	26,427	78.2
Gross profit	2,561	21.8	7,382	21.8
Administrative expenses	1,077	9.2	3,232	9.6
Selling expenses	888	7.6	2,595	7.6
Other operating expenses (income), net	(6)	(0.1)	2	-
Income from operations	602	5.1	1,553	4.6
Depreciation	463	3.9	1,307	3.9
Amortization & other non-cash charges	192	1.7	558	1.6
Operative cash flow (EBITDA)	1,257	10.7	3,418	10.1
CAPEX	108		433	

Coca-Cola FEMSA
Results of Operations
Millones de pesos

	For the third quarter of:					For the nine months of:				
	2021	% of rev.	2020	% of rev.	% Var.	2021	% of rev.	2020	% of rev.	% Var.
Total revenues	48,316	100.0	46,734	100.0	3.4	141,091	100.0	135,015	100.0	4.5
Cost of sales	26,499	54.8	25,367	54.3	4.5	76,668	54.3	73,927	54.8	3.7
Gross profit	21,817	45.2	21,367	45.7	2.1	64,423	45.7	61,088	45.2	5.5
Administrative expenses	2,653	5.5	2,079	4.4	27.6	6,759	4.8	5,808	4.3	16.4
Selling expenses	12,877	26.7	12,137	26.0	6.1	37,876	26.9	36,511	27.0	3.7
Other operating expenses (income), net	(190)	(0.4)	32	0.1	N.S.	168	0.1	796	0.6	(78.9)
Income from operations	6,476	13.4	7,119	15.2	(9.0)	19,620	13.9	17,973	13.3	9.2
Depreciation	2,202	4.6	2,281	4.9	(3.5)	6,640	4.7	6,853	5.1	(3.1)
Amortization & other non-cash charges	641	1.3	674	1.5	(4.9)	1,899	1.4	2,537	1.9	(25.1)
Operative cash flow (EBITDA)	9,320	19.3	10,075	21.6	(7.5)	28,159	20.0	27,363	20.3	2.9
CAPEX	3,907		2,397		63.0	8,222		6,262		31.3

Sales volumes

(Millions of unit cases)

Mexico and Central America	509.0	59.6	498.7	61.7	2.1	1,526.1	60.9	1,496.7	62.8	2.0
South America	122.6	14.4	101.3	12.5	21.1	349.3	13.9	298.0	12.5	17.2
Brazil	222.8	26.1	208.0	25.7	7.1	631.1	25.2	587.5	24.7	7.4
Total	854.5	100.0	807.9	100.0	5.9	2,506.5	100.0	2,382.2	100.0	5.2

FEMSA
Macroeconomic Information

	Inflation		End-of-period Exchange Rates			
	3Q 2021	LTM ⁽¹⁾ Sep-21	Sep-21		Dec-20	
			Per USD	Per MXN	Per USD	Per MXN
Mexico	0.79%	5.87%	20.31	1.0000	19.95	1.0000
Colombia	0.77%	4.46%	3,834.68	0.0053	3,432.50	0.0058
Brazil	1.76%	9.80%	5.44	3.7331	5.20	3.8387
Argentina	5.29%	48.27%	98.74	0.2057	84.15	0.2371
Chile	1.41%	4.76%	803.59	0.0253	711.24	0.0280
Euro Zone	0.35%	3.75%	0.85	23.8952	0.81	24.5213

⁽¹⁾ LTM = Last twelve months.