MEXICAN ECONOMIC DEVELOPMENT INC
Form 6-K
April 26, 2004

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934
FOR THE MONTH OF APRIL
2004

FOMENTO ECONOMICO MEXICANO, S.A. DE C.V.
(Exact name of Registrant as specified in its charter)

Mexican Economic Development, Inc.
(Translation of Registrant's name into English)

United Mexican States
(Jurisdiction of incorporation or organization)

General Anaya No. 601 Pte.
Colonia Bella Vista
Monterrey, NL 64410 Mexico
(Address of principal executive offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F of Form 40-F.)

Form 20-F x Form 40-F ___

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes ___ No x

(If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82--.)

FEMSA Net Income up 95.9%, Reaching Ps. 1,346 Million
During First Quarter 2004

MONTERREY, Mexico--(BUSINESS WIRE)--April 26, 2004--Fomento Economico Mexicano, S.A. de C.V. ("FEMSA") (NYSE: FMX; BMV: FEMSA UBD, FEMSA UB), the Leader in Latin Beverages, today reported strong operational and financial results for the first quarter of 2004.

Business Highlights - First Quarter 2004

-- FEMSA Consolidated Operating Income up 43.7% reaching Ps. 2.561 billion.

-- Carbonated soft-drinks comparable sales volume in Mexico increased 3.7%, mostly from Coca-Cola brand. Coca-Cola FEMSA's integration process is moving forward. Operating income increased 51.4% to Ps. 1.573 billion.

-- FEMSA Cerveza's beer sales volume grew profitably: domestic up 5.8% to 5.122 million hectoliters and exports up 32.8% to 480 thousand hectoliters, while operating income before management fee increased 24.5% reaching Ps. 675 million.

-- Oxxo continued its expansion and opened 99 net new stores during the quarter, totaling 2,897 locations nationwide. Operating income increased by 50.3% to Ps. 169 million.

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Jose Antonio Fernandez, Chairman and CEO of FEMSA, commented, "We started the year 2004 on the right note. Our beer operations achieved significant volume growth and improved margins as we intensified our effort to grow profitably through focused market execution, efficient resource allocation, and better tailoring of our offers to the consumer. In soft drinks, we continue integrating our new territories into the FEMSA culture leveraging the best practices developed over time by Coca-Cola FEMSA. Consequently, we are better prepared to face the challenging competitive landscape of our soft-drink territories, particularly in Mexico. Our retail chain, Oxxo, continues its expansion, increasing its relevance for FEMSA as a valuable strategic vehicle for distributing our beverages."

Mr. Fernandez continued, "This quarter was a step in the right direction but we must keep working: I know we have the best team and have developed the right tools to continue consolidating our position as the leading beverage company in Latin America."

Notice
Upon the completion of our acquisition of Panamerican Beverages, Inc. ("Panamco"), we began consolidating its operating results as of May 2003. Therefore, operating results for Coca-Cola FEMSA and for FEMSA consolidated will not be fully comparable with previous quarters until the third quarter of 2004, and on a annual basis, they will not be fully comparable until we report our

2005 results.

DISCUSSION OF UNAUDITED FINANCIAL RESULTS FOR THE FIRST QUARTER ENDED MARCH 31, 2004 COMPARED TO THE FIRST QUARTER ENDED MARCH 31, 2003.

FEMSA

FEMSA and Subsidiaries
(Millions of Pesos and % change vs. IQ03)

	Total Revenues		Income from Operations(1)		I
	IQ 04	Chg	IQ 04	Chg	I
FEMSA	20,347	55.4%	2,561	43.7%	1
Coca-Cola FEMSA	10,439	139.6%	1,573	51.4%	1
FEMSA Cerveza	4,842	6.3%	675	24.5%	1
FEMSA Comercio	4,660	24.9%	169	50.3%	
FEMSA Empaques	1,768	10.0%	236	8.2%	1

(1) Before Deduction of Management Fees for FEMSA Cerveza, FEMSA Comercio, and FEMSA Empaques.

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FEMSA total revenues increased by 55.4% to Ps. 20.347 billion during 1Q04 from Ps. 13.091 billion during 1Q03. The increase in total revenues was driven by growth in every one of our main operating companies. In-line with 4Q03, most of the incremental revenue relates to Coca-Cola FEMSA and its new revenue sources. Other reasons for the growth in total revenues during the first quarter include: (i) strong revenue growth of 24.9% at FEMSA Comercio due to the opening of 620 stores year over year, 99 of which were opened during the first quarter of 2004, and (ii) the 5.8% increase in FEMSA Cerveza's domestic sales volume combined with an average domestic price increase of 5.0% in nominal terms implemented during the month of February.

Gross margin decreased 90 basis points to 46.4% of total revenues during 1Q04 compared to 47.3% during 1Q03. This was primarily due to the integration of the new Coca-Cola FEMSA operations and, to a lesser extent, a slight contraction in the gross margin of FEMSA Empaques and a higher relevance of FEMSA Comercio as a part of our consolidated results.

Income from operations (including results of affiliated companies) increased by 43.7% to Ps. 2.561 billion during 1Q04, resulting in an operating margin of 12.6%. The observed operating margin contraction of 100 basis points from 1Q03 primarily resulted from the integration of the acquired Panamco soft-drink territories that have a lower level of profitability than Coca-Cola FEMSA's original territories. The decrease in operating margin during 1Q04 was also attributable to the increased contribution of the Oxxo retail chain in our consolidated financial results. The consolidated margin contraction was partially offset by 200 basis points of operating margin expansion at FEMSA Cerveza.

Net interest expense amounted to Ps. 704 million during 1Q04 compared to Ps. 150 million during the same quarter of 2003. This year over year increase is primarily due to the increased interest expense related to new debt issued by Coca-Cola FEMSA in order to finance the acquisition of Panamco.

Foreign exchange gain (loss) amounted to a gain of Ps. 150 million during 1Q04 compared to a loss of Ps. 163 million during 1Q03. This gain is primarily due to the 0.54% appreciation of the peso against the dollar on our net dollar liabilities.

Monetary position gain (loss) amounted to a gain of Ps. 499 million during 1Q04, compared to a loss of Ps. 13 million during 1Q04. The gain reflects an inflationary impact over the higher net liabilities recorded year over year.

Tax recognized during 1Q04 amounted to Ps. 1.020 billion, which includes income tax, tax on assets, and employee profit sharing ("taxes") compared to Ps. 652 million during 1Q03. This effective tax rate for the quarter was 43.1%.

Net income amounted to Ps. 1.346 billion during 1Q04, up 95.9% with respect to 1Q03.

Net majority income amounted to Ps. 814 million during 1Q04 compared with Ps. 419 million during 1Q03. Net majority income per FEMSA Unit(2) was Ps. 0.768 in 1Q04. Net majority income per FEMSA ADR, considering an exchange rate of Ps. 11.174 per dollar, was 0.688 dollars during 1Q04.

Capital expenditures amounted to Ps. 1.233 billion for 1Q04 compared to Ps. 1.648 billion in 1Q03. Approximately a third of this difference is explained by the investments we did last year at FEMSA Empaques for refurbishment of one of our glass bottle furnaces and the remaining amount is due to the timing of our capital investments at FEMSA Cerveza.

Consolidated net debt. As of March 31, 2004, FEMSA recorded a cash balance of Ps. 6.600 billion ($591 million) and a net debt balance of Ps. 30.408 billion ($2,721 million). Our consolidated net debt continued to decline in 1Q04, as Coca-Cola FEMSA reduced its debt while FEMSA Cerveza and Comercio increased their leverage in the ordinary course of their operations.

Recent Developments: "Six" stores transferred from FEMSA Cerveza to FEMSA Comercio. During the month of December 2003, all of the "Six" stores that were considered suitable to be converted into the Oxxo format were sold to FEMSA Comercio. This amounted to 319 "Six" stores. The transfer will increase FEMSA Cerveza's ability to focus on its core operations, while providing FEMSA Comercio with a number of proven locations. Approximately two-thirds of the transferred "Six" stores will be converted into Oxxos within the next 12 months, while the remaining stores will be converted over the medium-term.

In order to assure comparability, and in accordance with accounting rules, for 1Q03, we have taken the financial results of these "Six" stores from FEMSA Cerveza and incorporated them into FEMSA Comercio. The analysis presented herein, is based on these reclassified figures for the first quarter 2003. It is worth mentioning that this change has no impact on FEMSA Consolidated figures. For further details, please see the attached financial statements.

Coca-Cola FEMSA

Coca-Cola FEMSA's financial results and discussion are incorporated by reference to Coca-Cola FEMSA's press release, which is attached to this press release.

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(2) FEMSA Units consists of FEMSA UBD units and FEMSA UB units. Each FEMSA UBD unit is comprised of one Series B share, two Series D-B shares and two Series D-L shares. Each FEMSA UB unit is comprised of five series B shares. The number of FEMSA Units outstanding as of March 31, 2004 was 1,059,462,090, equivalent to the total number of shares of the Company outstanding as of March 31, 2004 divided by 5.

FEMSA Cerveza

Domestic sales volume grew by 5.8% to 5.122 million hectoliters during 1Q04, reflecting favorable demand growth across all territories. We attribute this increase to (i) strong demand during the month of January in anticipation of a 5.0% nominal average domestic price increase which was implemented throughout the month of February, (ii) continued positive sales volume growth after we finished implementing the price increase, (iii) successful promotions of Sol, Tecate Light, and Indio brands, and (iv) continued modest recovery of the Mexican economy during the first quarter.

Export sales volume grew by 32.8% to 480 thousand hectoliters during 1Q04. Most of this increase came from sales to the United States, where we estimate that the increase of sales from the distributors to the retailers was approximately 15.0%, while the remaining growth came from inventory build-up at the distributors. This 15.0% increase in depletions was primarily due to (i) successful market strategies particularly for our Tecate and Dos Equis brands in the U.S., and (ii) a recovery in the U.S. economy during the first quarter. The export revenue per hectoliter increased 1.9% in peso terms, mainly as a result of a better average price.

Total revenues increased by 6.3% to Ps. 4.842 billion during 1Q04 from Ps. 4.555 billion in 1Q03. This positive growth is a result of a 7.7% increase in total sales volume as well as a 1.9% increase in export revenue per hectoliter, partially offset by a decrease of 1.1% in domestic revenue per hectoliter. The 5.0% average price increase in nominal terms is reflected only partially in the 1Q04 sales figures, given that it was implemented gradually throughout February.

Cost of sales increased 5.5%, which is still below total volume growth thanks to efficiencies, better purchasing terms for raw materials, headcount reductions, and lower transportation costs from our breweries to the warehouses. Gross profit reached Ps. 2.745 billion, a 6.9% increase compared to the first quarter of 2003. This favorable impact was due to the aforementioned improvements on volume, price and costs.

Administrative expenses increased 6.4% to Ps. 625 million during 1Q04 compared to Ps. 587 million in 1Q03. This increase was primarily due to the amortization of the commercial module of our Enterprise Resource Planning System ("ERP"), which began in 3Q03.

Selling expenses increased 1.2% to Ps. 1.433 billion during 1Q04 compared to Ps.

1.416 billion in 1Q03. This slight increase lagged comparable revenue growth due to various cost containment initiatives throughout the organization. As a percentage of sales, selling expenses decreased 150 basis points.

Participation in Affiliated Companies resulted in a loss of Ps. 12.9 million during the quarter compared to a loss of Ps. 22.6 million during 1Q03. This was due to efficiencies at Labatt USA.

Operating income (before deduction of management fees) increased 24.5% to Ps. 675 million during 1Q04 compared to Ps. 542 million during 1Q03. This increase reflects higher volumes in addition to improvements at the gross margin and operating expenses level. Operating margin (before deduction of management fees) increased 200 basis points to 13.9% of total revenues compared to 11.9% of total revenues during 1Q03. The margin expansion is attributable to higher sales volume over stable fixed costs, production efficiencies, better purchasing terms, and the effective implementation of expense containment initiatives

FEMSA Comercio

Total revenues increased by 24.9% to Ps. 4.660 billion during 1Q04 from Ps. 3.731 billion during 1Q03. This increase was in-line with the growth in new Oxxo stores, which increased by 620 net stores or 27.2% from 1Q03. During the first quarter of 2004, FEMSA Comercio continued its sustained growth performance adding 99 net new Oxxo stores. As of March 31, 2004, we had 2,897 Oxxos nationwide.

Oxxo same store sales increased an average of 10.0% during 1Q04 reflecting an increase in the average ticket of 4.1% and an increase in store traffic of 5.6%. This increase reflects the rapid pace of expansion as well as stronger category management practices that enabled Oxxo to improve the mix of products within the store. This positive trend in same store sales growth can be seen across the nation.

Cost of sales increased in-line with sales growth reaching Ps. 3.455 billion during 1Q04. Gross profit reached Ps. 1.205 billion during 1Q04, achieving a gross margin of 25.9% of total revenues. This figure increased 10 basis points from first quarter 2003 levels.

Administrative expenses increased 47.4% to Ps. 96 million during 1Q04 as a result of (i) new amortizations of ERP, (ii) expenses related to the ERP that can no longer be capitalized, and (iii) the opening of two new regional offices.

Selling expenses increased 20.0% to Ps. 941 million during 1Q04, declining to 20.2% of total revenues from 21.0% during the same period of 2003. With our increasing scale of operations, we are better able to leverage our investments in technology, systems, distribution, and personnel to further strengthen the development of Oxxo's business model.

Operating income increased 50.3% to Ps. 169 million during 1Q04 compared to Ps. 112 million in 1Q03. The increase in operating income was due to increased revenues from expanded operations and reductions in selling expenses as a percentage of total revenues. Operating margin expanded 60 basis points over the period to 3.6% of total sales for 1Q04. The improvements in selling expenses more than offset the additional administrative expenses, therefore allowing for an increase in the operating margin.

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FEMSA Empaques

Total revenues increased by 10.0% to Ps. 1.768 billion during 1Q04. This increase was attributed to the following: (i) a surge in the sales volume of refrigerators shipped to the new Coca-Cola FEMSA territories, and (ii) a 11.5% sales volume increase in bottles, mainly to Coca-Cola FEMSA and FEMSA Cerveza.

Cost of sales increased 12.1% reaching Ps. 1.387 billion during 1Q04 compared to Ps. 1.237 billion during 1Q03. This increase is primarily due to the year over year increase in the sales volume of its principal products. Gross Profit increased by 3.2% to Ps. 381 million pesos in 1Q04 compared to Ps. 369 million in 1Q03. As a percentage of total revenues the gross profit margin declined 140 basis points in 1Q04, primarily reflecting a slight price decrease in real terms for its principal products. The real price decrease was due to (i) competitive market conditions, and (ii) a lower rate of peso devaluation against our dollar denominated revenues.

Operating Expenses decreased 4.0% to Ps. 145 million during 1Q04 compared to Ps. 151 million in 1Q03. This was due to a reduction in administrative expenses of 0.7% and a reduction in selling expenses of 5.5% from reduced shipping expenses related to the can export business and better efficiencies in the distribution of our products in Mexico.

Operating income increased by 8.2% to Ps. 236 million during 1Q04 resulting in an operating margin before management fees of 13.4% of total revenues, in line with 1Q03.

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CONFERENCE CALL INFORMATION:

Our First Quarter 2004 Conference Call will be held on: Monday April 26, 2004, 4:00 P.M. Eastern Time (3:00 P.M. Mexico City Time). To participate in the conference call, please dial: Domestic U.S.: 1-800-915-4836, International: 973-317-5319. This Conference Call will also be transmitted through live webcast at http:ir.femsa.com
If you are unable to participate live, an instant replay of the conference call will be available through May 3, 2004. To listen to the replay please dial: Domestic U.S.: 1-800-428-6051; International: 973-709-2089, Passcode: 351720.

Set forth in this press release is certain unaudited financial information for FEMSA for the first quarter ended March 31, 2004, compared to the first quarter ended March 31, 2003. We are a holding company whose principal activities are grouped under the following sub-holding companies and carried out by their respective operating subsidiaries: Coca-Cola FEMSA, S.A. de C.V., which engages in the production, distribution and marketing of non-alcoholic beverages; FEMSA Cerveza, S.A. de C.V., which engages in the production, distribution and marketing of beer; FEMSA Comercio, S.A. de C.V., which engages in the operation of convenience stores; and FEMSA Empaques, S.A. de C.V., which engages in the production and distribution of packaging materials.

All of the figures in this report have been restated in constant Mexican pesos ("Pesos" or "Ps.") with purchasing power as of March 31, 2004 and were prepared in accordance with Mexican Generally Accepted Accounting Principles ("Mexican GAAP"). As a result, all percentage changes are expressed in real terms.

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 expectations and are based upon currently available data. Actual results are subject to future events and uncertainties, which could materially impact our actual performance.

NOTES:

We invite you to register in our Investor Relations Site located at http://ir.femsa.com to receive notification of all of our press releases, earnings releases and IR Events automatically through our e-mail alert service. Please contact FEMSA's Investor Relations officers if you wish to have your name added or removed from this distribution list or to receive this press release through a specific medium only.

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

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FEMSA
Consolidated Income Statement
For the three months ended on March 31 of:

(Expressed in Millions of Pesos as of March 31, 2004)

	2004	% Integ.	2003	% Integ.	% Incr.
Net sales	20,270	99.6	13,024	99.5	55.6
Other operating revenues	77	0.4	67	0.5	14.9
Total revenues	20,347	100.0	13,091	100.0	55.4
Cost of sales	10,913	53.6	6,899	52.7	58.2
Gross profit	9,434	46.4	6,192	47.3	52.4
Administrative expenses	1,513	7.4	1,193	9.1	26.8
Selling expenses	5,347	26.3	3,194	24.4	67.4
Operating expenses	6,860	33.7	4,387	33.5	56.4
Participation in affiliated companies	(13)	(0.1)	(23)	(0.2)	(43.5)
Income from operations	2,561	12.6	1,782	13.6	43.7
Interest expense	(792)		(344)		130.2
Interest income	88		194		(54.6)

Interest expense, net	(704)	(150)	N.S.
Foreign exchange (loss) gain	150	(163)	N.S.
Gain (loss) on monetary position	499	(13)	N.S.
Integral result of financing	(55)	(326)	83.1
Other (expenses) income	(140)	(117)	19.7
Income before taxes	2,366	1,339	76.7
Taxes	(1,020)	(652)	56.4
Net Income	1,346	687	95.9
Net majority income	814	419	94.3
Net minority income	532	268	98.5

EBITDA & CAPEX					
Operating Income	2,561	12.6	1,782	13.6	43.7
Depreciation	716	3.5	578	4.4	23.7
Amortization & other	754	3.7	490	3.7	53.8
EBITDA	4,030	19.8	2,851	21.8	41.4
CAPEX	1,233		1,648		(25.2)

FINANCIAL RATIOS (Times)	2004	2003	Var. p.p.
Liquidity	1.15	1.90	(0.75)
Interest coverage(1)	5.73	19.00	(13.28)
Leverage	1.22	0.85	0.37
Capitalization	45.16%	32.69%	12.47

(1) Income from operations + depreciation + other non-cash charges / interest expense, net.

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FEMSA
Consolidated Balance Sheet
As of March 31,:

(Expressed in Millions of Pesos as of March 31, 2004)

ASSETS	2004	2003	% Incr.
Cash and cash equivalents	6,600	14,536	(54.6)
Accounts receivable	4,302	3,078	39.8
Inventories	6,816	5,453	25.0
Prepaid expenses	1,836	1,341	36.9
Total Current Assets	19,554	24,408	(19.9)
Property, plant and equipment, net	42,524	31,796	33.7

Goodwill(1)	34,778	762	N.S.
Deferred assets	6,179	5,309	16.4
Other assets	1,872	1,380	35.7
TOTAL ASSETS	104,907	63,655	64.8
LIABILITIES & STOCKHOLDERS' EQUITY			
Bank loans	2,269	3,859	(41.2)
Current maturities long term debt	2,461	539	356.6
Interest payable	403	210	91.9
Dividends payable	908	1,087	(16.5)
Operating liabilities	10,906	7,120	53.2
Total Current Liabilities	16,947	12,815	32.2
Bank loans	32,278	10,453	208.8
Deferred income taxes	3,761	4,210	(10.7)
Other liabilities	4,716	1,743	170.6
Total Liabilities	57,702	29,221	97.5
Total Stockholders' equity	47,205	34,434	37.1
LIAB. & STOCKHOLDERS' EQUITY	104,907	63,655	64.8

NET DEBT	March 2004	December 2003
FEMSA Holding	(741)	(492)
Coca-Cola FEMSA	25,032	26,561
FEMSA Cerveza	3,022	2,280
FEMSA Comercio	1,343	1,041
FEMSA Empaques	1,752	1,737
Total Consolidated	30,408	31,126
Short-Term	2,269	2,465
Long-Term	34,739	36,524
Total Debt	37,008	38,989
Cash & Cash Equivalents	6,600	7,863
Net Debt	30,408	31,126

(1) Consist mainly in the intangible assets generated by Panamco acquisition.

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Coca-Cola FEMSA
Results from operations
For the three months ended March 31 of:

Expressed in Millions of Pesos as of March 31, 2004	2004	% Integ.	2003	% Integ.	% Incr.

Net sales	10,367.4	99.3	4,303.5	98.8	140.9
Other revenues	71.7	0.7	53.1	1.2	35.0
Total revenues	10,439.1	100.0	4,356.6	100.0	139.6
Cost of good sold	5,388.6	51.6	2,100.6	48.2	156.5
Gross margin	5,050.5	48.4	2,256.0	51.8	123.9
Administrative expenses	601.7	5.8	343.8	7.9	75.0
Sales expenses	2,876.1	27.6	873.4	20.0	229.3
Operating expenses	3,477.8	33.3	1,217.2	27.9	185.7
Income from operations	1,572.7	15.1	1,038.8	23.8	51.4
Depreciation	307.4	2.9	125.6	2.9	144.7
Other non-cash charges	262.2	2.5	96.8	2.2	170.9
EBITDA	2,142.3	20.5	1,261.2	28.9	69.9
Capital Expenditures	409.0		364.1		12.3

Sales Volumes (1) (Millions of Unit Cases)					
Mexico	228.3	51.8	228.1	53.3	0.1
Central America	26.5	6.0	24.6	5.8	7.5
Colombia	41.6	9.4	44.2	10.3	(5.9)
Venezuela	40.9	9.3	28.3	6.6	44.5
Brazil	66.4	15.1	70.9	16.6	(6.3)
Argentina	37.1	8.4	31.6	7.4	17.5
Total KOF	440.8	100.0	427.7	100.0	3.0

(1) For comparison purposes the 2003 sales volumes of the acquired Panamco territories, were included.

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FEMSA Cerveza
Results from operations
For the three months ended on March 31 of:

Expressed in Millions of Pesos as of March 31, 2004	2004	% Integ.	2003 Reported	"SIX" Stores	Co
Net sales	4,809.9	99.3	4,697.9	179.3	
Other revenues	31.7	0.7	36.3		
Total revenues	4,841.6	100.0	4,734.2	179.3	
Cost of good sold	2,096.2	43.3	2,129.3	141.6	
Gross margin	2,745.4	56.7	2,604.9	37.7	

Administrative expenses	624.6	12.9	589.4	2.3
Sales expenses	1,433.2	29.6	1,450.7	35.1
Operating expenses	2,057.8	42.5	2,040.1	37.4
Participation in affiliated companies	(12.9)		(22.6)	
Income from operations before management fee	674.7	13.9	542.2	0.3
Management fee	103.9	2.1	107.5	
Income from operations	570.8	11.8	434.7	0.3
Depreciation	282.6	5.8	299.6	
Other non-cash charges	429.8	8.9	387.7	
EBITDA	1,283.2	26.5	1,122.0	0.3
Capital Expenditures	573.2		871.2	

Sales integration				
Domestic revenues Millions of Ps.	4,443.5	92.4	4,427.1	
Exports revenues: Millions of Ps.	366.4	7.6	270.8	
US Millions	32.8		23.7	

Sales volumes (Thousand hectoliters)				
Domestic	5,122.0	91.4	4,840.6	
Exports	480.2	8.6	361.5	
Total	5,602.2	100.0	5,202.1	

Revenue per hectoliter				
Domestic	867.5		914.6	
Exports	763.0		749.1	
Total	858.6		903.1	

Total presentation mix (%)				
Returnable		67.3		
Non Returnable		9.1		
Cans		23.6		
Total		100.0		

FEMSA Comercio
Results from operations
For the three months ended on March 31 of:

Expressed in Millions of Pesos as of March 31, 2004	2004	% Integ.	2003 Reported	"SIX" Stores	2003 Comparabl
Net sales	4,660.3	100.0	3,551.2	179.3	3,730.5
Other revenues					
Total revenues	4,660.3	100.0	3,551.2	179.3	3,730.5
Cost of good sold	3,455.2	74.1	2,627.9	141.6	2,769.5
Gross margin	1,205.1	25.9	923.3	37.7	961.0
Administrative expenses	95.7	2.1	62.6	2.3	64.9
Sales expenses	940.5	20.2	748.6	35.1	783.7
Operating expenses	1,036.2	22.2	811.2	37.4	848.6
Income from operations before management fee	168.9	3.6	112.1	0.3	112.4
Management fee	28.1	0.6	16.3		16.3
Income from operations	140.8	3.0	95.8	0.3	96.1
Depreciation	41.6	0.9	30.8		30.8
Other non-cash charges	39.8	0.9	33.1		33.1
EBITDA	222.2	4.8	159.7	0.3	160.0
Capital Expenditures	231.7		210.3		210.3

Information of Oxxo Stores	2004	2003	% Incr.
Total stores	2,897	2,277	27.2
New oxxo stores	99	61	62.3
Same stores data: (1)			
Sales (Thousands Pesos)	529.9	481.7	10.0
Traffic	21.0	19.9	5.6
Ticket	25.2	24.2	4.1

(1) Monthly average information per store, considering same stores with 13 months of operations.

FEMSA Empaques

Results from operations

For the three months ended on March 31 of:

Expressed in Millions of Pesos as of March 31, 2004	%	%	%

	2004	Integ.	2003	Integ.	Incr.
Net sales	1,761.0	99.6	1,600.6	99.6	10.0
Other revenues	6.7	0.4	6.0	0.4	12.9
Total revenues	1,767.7	100.0	1,606.6	100.0	10.0
Cost of good sold	1,386.5	78.4	1,237.3	77.0	12.1
Gross margin	381.2	21.6	369.3	23.0	3.2
Administrative expenses	45.6	2.6	45.9	2.9	(0.7)
Sales expenses	99.2	5.6	105.0	6.5	(5.5)
Operating expenses	144.9	8.2	150.9	9.4	(4.0)
Income from operations before management fee	236.4	13.4	218.4	13.6	8.2
Management fee	27.0	1.5	26.2	1.6	3.1
Income from operations	209.4	11.8	192.3	12.0	8.9
Depreciation	74.4	4.2	63.5	4.0	17.2
Other non-cash charges	18.4	1.0	17.6	1.1	4.6
EBITDA	302.2	17.1	273.4	17.0	10.6
Capital Expenditures	26.6		208.1		(87.2)

Total sales volume (Millions of pieces)	2004	2003	% Incr.
Cans	742.3	737.3	0.7
Crown Caps	3,576.4	3,115.5	14.8
Glass Bottles	233.9	209.8	11.5
Export volumes: Cans	86.8	148.9	(41.7)
Crown Caps	2,394.1	1,727.5	38.6
Exports revenues: Millions of Ps.	190.6	210.8	(9.6)
US Millions	17.1	18.4	(7.1)

% of sales revenue by client category:	2004	2003	Var. p.p.
Intercompany sales	52.7	57.8	(5.1)
FEMSA Cerveza	38.6	37.6	1.0
Coca-Cola FEMSA	14.1	20.2	(6.1)
Third-party sales	47.3	42.2	5.1
Domestic	36.4	29.7	6.7
Export	10.9	12.5	(1.6)
Total	100.0	100.0	-

FEMSA
Other Financial Information
For the three months ended on March 31, 2004:

MACROECONOMIC INFORMATION

	Inflation 2004		Exchange Rate	
	LTM	I trim.	Per USD	Per Peso
Mexico	4.23%	1.570%	11.1740	1.0000
Colombia	5.98%	2.870%	2,678.1600	0.0042
Venezuela	23.56%	6.350%	1,920.0000	0.0058
Brazil	6.50%	1.720%	2.9090	3.8412
Argentina	2.72%	0.800%	2.8600	3.9070

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PRESS RELEASE
FOR IMMEDIATE RELEASE
FOR FURTHER INFORMATION:
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COCA-COLA FEMSA announces first quarter 2004 results

FIRST QUARTER 2004

-- Consolidated revenues reached Ps.10,439.0 million and consolidated operating income totaled Ps.1,572.7 million during the first quarter of 2004, reaching a consolidated operating margin of 15.1%.

Mexico City (April 26, 2004) - Coca-Cola FEMSA, S.A. de C.V. (BMV: KOFL; NYSE: KOF) ("Coca-Cola FEMSA" or the "Company"), the largest Coca-Cola bottler in Latin America and second largest Coca-Cola bottler in the world, announced today its consolidated results for the first quarter of 2004.

"The implementation of our values and our organizational culture throughout our new territories is helping us to face a new competitive dynamics in our different markets. We expect to achieve better results as we implement initiatives that include: aligning our operating practices, developing new packaging and product alternatives for the consumer along with market segmentation initiatives " stated Carlos Salazar, Chief Executive Officer of the Company.

CONSOLIDATED RESULTS

During the first quarter of 2004, our consolidated revenues reached Ps.10,439.0 million. Average price per unit case was Ps.23.52 (U.S.$2.10). Consolidated operating income reached Ps.1,572.7 million during the first quarter of 2004, resulting in a 15.1% operating margin.

The integral cost of financing totaled Ps.26.9 million during the first quarter of 2004, reflecting the greater accrued interest expenses related to the additional indebtedness incurred and assumed in connection with the Panamco acquisition, which were partially offset by the consolidated monetary position gain, resulting from inflation adjustments applied to the consolidated net monetary position.

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The income tax, tax on assets and employee profit sharing as a percentage of income before taxes, was 41.3% during the first quarter of 2004, reflecting the Mexican effective tax rate of 43.0% including the employee profit sharing rate of 10% that applied to our Mexican income before taxes, which comprised the majority of the taxable income during the quarter.

Consolidated majority net income was Ps.868.4 million in the first quarter of 2004, resulting in earnings per share ("EPS") of Ps.0.470 (U.S.$0.421 per ADS) computed on the basis of 1,846 million shares outstanding (each ADS represents ten local shares).

BALANCE SHEET

As of March 31, 2004, Coca-Cola FEMSA had a cash balance of Ps.2,533 million (U.S.$226.8 million), total short-term debt of Ps.2,007 million (U.S.$179.7 million) and long-term debt of Ps.25,588 million (U.S.$2,290.8 million).

During the first quarter of 2004, the Company prepaid U.S.$235 million of debt maturing 2006 and Ps.905 million (equivalent to approximately U.S.$81.0 million) of debt maturing in 2004. This was achieved by taking a new U.S.$50 million six year bullet bank loan and a Ps.1,650 million seven year bullet bank loan (equivalent to approximately U.S.148 million) and the remaining with cash on hand. This refinancing improved our maturity profile and currency exposure.

The following charts set forth the debt profile of the Company by currency and interest rate type, and the debt amortization schedule as of March 31, 2004:

Currency	% Total Debt	% Interest Rate Floating	Average Rate(1)
U.S. dollars	39%	11%	6.36%
Mexican pesos	58%	58%	8.00%
Colombian pesos	2%	100%	10.43%
Brazilian real	1%	100%	22.35%

(1) Annualized average interest rate per currency for the first quarter of 2004.

Debt amortization schedule
Amounts in millions (Local Currency)(1)

	U.S. dollars	Mexican pesos	Colombian pesos	Brazilian
2004	$ 153.7			R.
2005	35.6	Ps. 3,206.9	Col. 65,750	

2006	321.8	2,209.0	45,000
2007	70.2	2,913.8	34,250
2008	34.9	4,206.9	
2009 and thereafter	340.0	3,150.0	

(1) Debt amortization valued at face value as of March 31, 2004.

OPERATING RESULTS BY TERRITORY

We began consolidating the results of our new territories during the second quarter of 2003 in accordance with Mexican GAAP. Corporacion Interamericana de Bebidas S.A. de C.V., formerly known as Panamerican Beverages, Inc. ("Panamco") had historically prepared its financial statements in accordance with U.S. GAAP and presented financial information in U.S. dollars. We have historically and will continue to prepare our financial statements in accordance with Mexican GAAP and present financial information in Mexican pesos. The results of our new territories in Mexican GAAP and Mexican pesos are different from and may not be comparable to those reported by Panamco for prior periods. In addition, Panamco results have not been included in our financial statements for periods prior to May 2003.

Financial information for the first quarter of 2004 includes three months results for all of our territories. Coca-Cola FEMSA's financial information will not be comparable with previous quarters until the third quarter of 2004, and on a yearly basis, until the end of 2005.

For volume comparison purposes, we included the sales volume figures recorded by Panamco for the first quarter of 2003.

FIRST QUARTER 2004 SUMMARY:

	Volume (MUC)	Operating Income (million)	% Total	% Operating
Mexico	228.3	Ps. 1,181.6	75.1%	19.4%
Central America	26.5	104.9	6.7%	12.6%
Colombia	41.6	36.2	2.3%	4.3%
Venezuela	40.9	65.5	4.2%	6.7%
Brazil	66.4	79.1	5.0%	7.4%
Argentina	37.1	105.6	6.7%	16.9%
Total	440.8	Ps. 1,572.7	100.0%	15.1%

MEXICAN OPERATING RESULTS

Revenues

Revenues in the Mexican territories reached Ps.6,097.6 million for the first quarter of 2004. Average price per unit case was Ps.26.51 (U.S.$2.38). Excluding Ciel water volumes in 5.0, 19.0 and 20.0 Lt packaging presentations, average price per unit case was Ps.30.35 (U.S.$ 2.71).

During the quarter Carbonated Soft Drink ("CSD") volumes increased 3.7% as compared to the same period in 2003. The CSD volume increase was mainly driven by a 4.3% growth in the cola category. Total sales volume reached 228.3 Million Unit Cases ("MUC") in the first quarter of 2004, remaining almost flat over the same period in 2003, due to lower bottled water volumes in our territories which offset CSD volume growth.

During the first quarter of 2004, we introduced Mundet Multi-flavors in a 2.0 Lt polyethylene terephtalate ("PET") presentation and 600 ml PET presentation on a segmented channel basis and brand Coca-Cola in an 8 oz mini-can focusing on the recovery of consumption of individual servings.

Income from Operations

Gross profit totaled Ps.3,232.2 million reaching a 53.4% margin as percentage of total revenues for the first quarter of 2004. During the quarter we experienced higher sweetener prices which partially offset PET price decreases as compared to the fourth quarter of 2003.

Operating profit totaled Ps.1,181.6 million, reaching a 19.4% margin as a percentage of total revenues. Selling expenses measured by unit case were impacted by (i) lower fixed cost absorption driven by lower seasonal volumes as compared to the fourth quarter of 2003, (ii) the standardization of cooler and distribution fleet maintenance practices in our new territories, and (iii) the introduction of cooler equipment.

CENTRAL AMERICAN OPERATING RESULTS (Guatemala, Nicaragua, Costa Rica and Panama)

Revenues

Total revenues reached Ps.830.7 million during the first-quarter of 2004. Average price per unit case was Ps.31.23 (U.S.$2.80) during this period, due to price increases implemented during the quarter in Costa Rica and in Guatemala, and a more favorable packaging mix. In the first quarter of 2004, total sales volume in our Central American territories increased by 7.7% to 26.5 MUC as compared to the same period in 2003, mainly as a result of the 8.3% growth of brands Coca-Cola, which accounted for more than 70% of incremental volumes.

In the first quarter of 2004, with the purpose of strengthening our packaging/product portfolio and developing new price points in the market, we introduced (i) a 2.0 Lt PET non-returnable for flavors in Nicaragua, (ii) 8 oz, 500 ml and 1.0 Lt returnable glass presentations for brand Coca-Cola in Costa Rica, and (iii) the upsize of the 500 ml PET flavors presentation to a 600 ml PET in Panama.

Income from Operations

Gross profit totaled Ps.397.9 million during the first quarter of 2004, reaching a 48.1% gross margin. During this period the Company experienced raw material price increases in line with inflation as compared to the fourth quarter of 2003 and lower fixed cost absorption due to the sales volume seasonality of the business. Operating income totaled Ps.104.9 million during the first quarter of 2004, reaching an operating income margin of 12.6%. During the quarter, the Company experienced lower administrative and selling expenses derived from the savings achieved through better practices, mainly in distribution fleet maintenance, marketing expenses and headcount optimization in prior quarters.

COLOMBIAN OPERATING RESULTS

Revenues

Total revenues reached Ps.848.3 million during the first quarter of 2004, an average price per unit case of Ps.20.39 (U.S.$1.82). Total sales volume decreased by 5.9% as compared to the same period in 2003, mainly as a result of the sales volume decline in bottled water, which accounted for more than 60% of the volume decrease, and CSDs accounting for the balance. During the quarter, we launched Coca-Cola vanilla in order to reinvigorate the cola category.

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Income from Operations

Gross profit totaled Ps.383.9 million during the first quarter of 2004, reaching a 45.3% gross margin during the same period. Operating income was Ps.36.2 million, reaching a 4.3% margin during the first quarter of 2004. During the quarter, the company experienced higher marketing expenses as a percentage of total revenues, related to the introduction of returnable bottles and the implementation of commercial activities to improve our point of sale execution.

VENEZUELAN OPERATING RESULTS

Revenues

Total revenues reached Ps.980.2 million during the first quarter of 2004 and average price per unit case in Venezuela reached Ps.23.97 (U.S.$2.15), as a result of a 13.6% weighted average price increase implemented during the first quarter of 2004. Despite the price increases implemented during the first quarter of 2004, our volume increased 44.5% compared to the first quarter of 2003, when political unrest in Venezuela due to a national strike in January of 2003 made it practically impossible for Panamco to run these operations on a regular basis. The increase was also driven by our packaging and pricing segmentation strategies implemented during the quarter. During the quarter we launched Coca-Cola vanilla, in order to expand our existing cola category line, and a 2.25 Lt PET presentation of Grapette, our existing value protection brand.

Income from Operations

Gross profit totaled Ps.391.4 million during first quarter of 2004, reaching a 39.9% gross margin during the same period. During the quarter, we experienced raw material price increases due to the devaluation of the Venezuelan Bolivar versus the U.S. dollar.

Operating income was Ps.65.5 million reaching an operating income margin of 6.7% during the first quarter of 2004, mainly driven by lower fixed cost absorption due to the volume seasonality of the business as compared with the fourth quarter of 2003.

BRAZILIAN OPERATING RESULTS

Revenues

Total revenues reached Ps.1,073.1 million during the first quarter of 2004. Average price per unit case was Ps.16.12 (U.S.$1.44) during this period, as a result of the combined effect of (i) revenue management initiatives, which have been implemented since we took over the operations, and (ii) the reduction of sales volume concentration in the 2.0 Lt PET presentations, from more than 60% of total sales volume in the first quarter of 2003 to 56% in the same period of 2004.

During the first quarter of 2004, CSD sales volume in our Brazilian territories decreased by 6.7% as compared to the same period in 2003, including the reduction of 23.3% in value protection brands. Beer sales volume, performed by Kaiser, declined 6.8% in the first quarter of 2004 as compared to the same period in 2003. During the quarter, sales volume in our cola category remained almost flat due to the packaging diversification strategy we have been implementing since May 2003.

Income from Operations

Gross profit during the first quarter of 2004 totaled Ps.413.3 million, reaching a 38.6% margin. Operating income was Ps.79.1 million during the first quarter of 2004, reaching an operating margin of 7.4%, driven by lower fixed cost absorption due to the volume seasonality of the business as compared with the fourth quarter of 2003 and higher administrative expenses related to setting up our Mercosur headquarter in Sao Paulo.

ARGENTINE OPERATING RESULTS

Financial information and sales volume figures in our Argentine operations were not affected by the Panamco acquisition and therefore are fully comparable with previous periods.

Revenues

Total revenues reached Ps.625.3 million, a 17.8% increase as compared to the first-quarter of 2003 and the average price per unit case grew by 1.7% over the first-quarter of 2003 to Ps.15.94 (U.S.$1.43).

In the first quarter of 2004, total sales volume in our Argentine territory reached 37.1 MUC, a 17.5% increase as compared to the same period of 2003, mainly driven by brand Coca-Cola, which represented more than 50.0% of the total growth and the increase of our sales volume in returnable presentations, which accounted for 27.5% during the quarter as compared to 22.9% in the same period of 2003. In the first quarter of 2004 we achieved our best first quarter in the franchise history, in terms of sales volume and operating income margin.

Income from Operations

Gross profit as a percentage of total revenues, increased by 410 basis points from 37.3% in the first quarter of 2003 to 41.4% in 2004. This improvement was the combination of higher sales volume and operating efficiencies achieved during the quarter, which more than offset increases in raw material prices.

In Argentina, operating expenses as a percentage of total revenues decreased 470 basis points from 27.0% in the first quarter of 2003 to 22.3% in the first quarter of 2004, as a result of strict cost-control selling initiatives and a decline in fixed cost administrative expenses related to the migration of certain executives to the headquarters of our Mercosur division based in Sao Paulo. Operating income during the first quarter of 2004 in our Argentine territories was Ps.105.6 million and operating margin grew to 16.9%, an increase of 910 basis points as compared to first quarter of 2003.

CONFERENCE CALL INFORMATION

Our first-quarter 2004 Conference Call will be held on: April 26, 2004, 10:30 A.M. Eastern Time (9:30 A.M. Mexico City Time). To participate in the conference call, please dial: Domestic U.S.: 888-396-2383 and International: 617-847-8711.

If you are unable to participate live, an instant replay of the conference call will be available through May 3, 2004. To listen to the replay please dial: Domestic U.S.: 888- 286-8010 or International: 617-801-6888. Pass code: 98344233.

Coca-Cola FEMSA, S.A. de C.V. produces Coca-Cola, Sprite, Fanta, Lift and other trademark beverages of The Coca-Cola Company in Mexico (a substantial part of central Mexico, including Mexico City and Southeast of Mexico), Guatemala (Guatemala City and surrounding areas), Nicaragua (nationwide), Costa Rica (nationwide), Panama (nationwide), Colombia (most of the country), Venezuela (nationwide), Brazil (greater Sao Paulo, Campinas, Santos, the state of Mato Grosso do Sul and part of the state of Goias) and Argentina (federal capital of Buenos Aires and surrounding areas), along with bottled water, beer and other beverages in some of these territories.

The Company has 32 bottling facilities in Latin America and serves more than 1,500,000 retailers in the region. Coca-Cola FEMSA currently accounts for almost 10% of Coca-Cola global sales, approximately 40% of all Coca-Cola sales in Latin America. The Coca-Cola Company owns a 39.6% equity interest in Coca-Cola FEMSA.

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"). All figures are expressed in constant Mexican pesos with purchasing power at March 31, 2004. For comparison purposes, 2003 and 2004 figures from the Company's operations have been restated taking into account local inflation of each country with reference to the consumer price index and converted from local currency into Mexican pesos using the exchange rate as of the end of the period. In addition, all comparisons in this report for the first quarter of 2004, which ended on March 31, 2004, are made against the figures for the comparable period in 2003, unless otherwise noted.

This news release may contain forward-looking statements concerning Coca-Cola FEMSA's future performance and should be considered as good faith estimates by 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, many of which are outside Coca-Cola FEMSA's control that could materially impact the Company's actual performance.

References herein to "U.S.$" are to United States dollars. This news release contains translations of certain peso amounts into U.S. dollars 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.

(5 pages of tables to follow)

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Coca-Cola FEMSA, S.A. de C.V. and Subsidiaries
Consolidated Balance Sheet
As of March 31, 2004 and December 31, 2003
Millions of Mexican pesos (Ps.)
Expressed in currency with purchasing power as of March 31, 2004

ASSETS	2004	2003
Current Assets		
Cash and cash equivalents	Ps. 2,533	Ps. 2,835
Accounts receivable:		
Trade	1,023	1,360
Notes	104	87
Prepaid taxes	644	1,106
Other	560	396
Total accounts receivable	2,331	2,949
Inventories	2,320	2,228
Prepaid expenses	211	205
Total current assets	7,395	8,217
Property, plant and equipment		
Land	2,375	2,531
Buildings, machinery and equipment	24,835	24,552
Accumulated depreciation	-10,834	-10,617
Construction in progress	645	681
Bottles and cases	946	973
Total property, plant and equipment	17,967	18,120
Investment in shares	519	538
Deferred charges, net	1,372	1,352
Intangibles	34,326	34,250
TOTAL ASSETS	Ps. 61,579	Ps. 62,477

LIABILITIES & STOCKHOLDERS' EQUITY
Current Liabilities
Short-term bank loans and notes
Interest payable
Suppliers
Accounts payable and others
Taxes payable
Total Current Liabilities
Long-term bank loans
Pension plan and seniority premium
Other liabilities
Total Liabilities
Stockholders' Equity
Minority interest
Majority interest
Capital stock
Additional paid in capital
Retained earnings of prior years
Net income for the period
Cumulative results of holding non-monetary assets
Total majority interest
Total stockholders' equity
TOTAL LIABILITIES & EQUITY

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Coca-Cola FEMSA, S.A. de C.V. and Subsidiaries
INCOME STATEMENT
For the three months ended March 31, 2004 and 2003
Expressed in million of Mexican pesos(1) with purchasing power as of March 31, 2004

	Consolidated			Mexican Operations		Central Ameri Operations	
	2004	2003	% VAR	2004	%Total Revenues	2004	%Tota Revenu
Sales Volume (millions unit cases)	440.8	150.2	193.5	228.3		26.5	
Average unit price per unit case	23.52	28.65	(17.9)	26.51		31.23	
Net revenues	10,367.4	4,303.5	140.9	6,052.1		827.2	
Other operating revenues	71.6	53.1	34.8	45.5		3.5	
Total revenues	10,439.0	4,356.6	139.6	6,097.6	100.0	830.7	100.
Cost of sales	5,388.6	2,100.6	156.5	2,865.4	47.3	432.8	52.
Gross profit	5,050.4	2,256.0	123.9	3,232.2	53.4	397.9	48.
Administrative expenses	601.6	337.9	78.0	354.1	5.8	60.2	7.
Selling expenses	2,876.1	873.4	229.3	1,696.5	27.8	232.8	28.
Operating expenses	3,477.7	1,211.3	187.1	2,050.6	33.6	293.0	35.
Goodwill amortization	-	5.9	(100.0)	-	-	-	
Operating income	1,572.7	1,038.8	51.4	1,181.6	19.4	104.9	12.
Interest expense	577.9	98.9	484.4				
Interest income	32.2	67.1	(52.0)				
Interest expense, net	545.8	31.8	1,616.2				
Foreign exchange loss (gain)	(58.6)	19.4	(402.2)				
Loss (gain) on monetary position	(460.2)	17.3	(2,760.1)				
Integral cost of financing	26.9	68.5	(60.7)				
Other (income) expenses, net	66.2	57.8	14.6				
Income before taxes	1,479.5	912.5	62.1				
Taxes	611.0	421.6	44.9				
Consolidated net income	868.6	490.9	76.9				
Majority net income	868.4	490.9	76.9				
Minority net income	0.2	-	-				
Non-cash items (2)	569.6	222.4	156.1	339.0	5.6	56.5	6.

(1) Except volume and average price per unit case figures.
(2) Depreciation, amortization and other non-cash items (including returnable bottle breakage expense).

Coca-Cola FEMSA, S.A. de C.V. and Subsidiaries
INCOME STATEMENT
For the three months ended March 31, 2004 and 2003
Expressed in million of Mexican pesos(1) with purchasing power as of March 31, 2004

	Venezuelan Operations		Brazilian Operations		Argen	
	2004	% Total Revenues	2004	% Total Revenues	2004	% Tota Revenu
Sales Volume(millions unit cases)	40.9		66.4		37.1	
Average unit price per unit case	23.97		16.12		15.94	
Net revenues	979.7		1,070.6		591.9	
Other operating revenues	0.5		2.5		33.4	
Total revenues	980.2	100.0	1,073.1	100.0	625.3	100.
Cost of sales	588.8	60.1	659.7	61.6	380.4	64.
Gross profit	391.4	39.9	413.3	38.6	244.9	41.
Administrative expenses	53.4	5.4	85.2	7.9	13.8	2.
Selling expenses	272.5	27.8	249.0	23.2	125.6	20.
Operating expenses	325.9	33.2	334.2	31.1	139.4	22.
Goodwill amortization	-	-	-	-	-	
Operating income	65.5	6.7	79.1	7.4	105.6	16.
Interest expense						
Interest income						
Interest expense, net						
Foreign exchange loss (gain)						
Loss (gain) on monetary position						
Integral cost of financing						
Other (income) expenses, net						
Income before taxes						
Taxes						
Consolidated net income						

Majority net income						
Minority net income						
Non-cash items (2)	56.0	5.7	20.4	1.9	30.7	4.

(1) Except volume and average price per unit case figures.
(2) Depreciation, amortization and other non-cash items (including returnable bottle breakage expense).

SELECTED INFORMATION

For the three months ended March 31, 2004 and 2003

Expressed in million Mexican pesos as of March 31, 2004

	1Q 2003
Capex	364.1
Depreciation	125.6
Amortization & Others	96.8

	1Q 2004
Capex	409.0
Depreciation	307.4
Amortization & Others	262.2

VOLUME (MUC)
Expressed in million unit cases

	1Q 2003						1Q	
	Colas	Flavors	Water	Beer	Others	Total	Colas	Flavors
Mexico (1)	133.3	43.1	50.2	0.0	1.5	228.1	139.0	43.9
Central America	16.6	6.3	1.1	0.0	0.6	24.6	18.0	6.8
Colombia	27.0	9.6	7.5	0.0	0.1	44.2	26.6	9.0
Venezuela	16.5	8.0	2.3	0.0	1.5	28.3	22.7	12.0
Brazil	37.2	18.5	3.0	11.7	0.5	70.9	37.1	14.9
Argentina	22.1	9.0	0.4	0.0	0.1	31.6	25.3	11.4
Total	252.7	94.5	64.5	11.7	4.3	427.7	268.7	98.0

(1) Water volume includes 3.1 MUC and 2.1 MUC of Ciel 5.0 Lt presentation in 1Q2003 and 1Q2004, respectively.

PACKAGE MIX BY PRESENTATION
Expressed as a percentage of Total Volume

	1Q 2003				1Q 2004	
	Ret	Non-Ret	Fountain	Jug	Ret	Non-Ret
Mexico (1)	27.0	54.9	1.3	16.8	28.8	55.2
Central America	49.9	44.3	5.8	-	52.7	42.5
Colombia	52.4	37.4	2.6	7.6	53.2	37.0
Venezuela	33.5	60.9	2.5	3.1	32.1	61.0
Brazil	10.7	85.6	3.7	-	10.2	87.0
Argentina	22.9	73.2	3.9	-	27.5	69.1

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March 2004
Macroeconomic Information

	Inflation			Foreign Exchange Rate
	LTM	YTD	1Q 2004	(Per US Dollar)*
Mexico	4.23%	1.57%	1.57%	11.17
Colombia	5.98%	2.87%	2.87%	2,678.16
Venezuela	23.56%	6.35%	6.35%	1,920.00
Brazil	6.50%	1.72%	1.72%	2.91
Argentina	2.72%	0.80%	0.80%	2.86

* Figures as of March 31, 2004

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FOMENTO ECONOMICO MEXICANO, S.A. DE C.V.

By: /s/ Federico Reyes

Federico Reyes
Chief Financial Officer

Date: April 26, 2004