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PRESS RELEASE

Arca Continental Anticipates Favorable Outlook for 2017

- *Investments planned to increase production capacity and consolidate its commercial leadership, namely in Mexico*
- *Financial position was strengthened in 2016 by improving leverage ratio and reducing its exposure to U.S. dollars*
- *Positive volumes posted in 4Q16, sustaining the year's solid trend*
- *Transition process advances to operate the Coca-Cola franchise in Texas and parts of New Mexico, Arkansas and Oklahoma*

Monterrey, Mexico, January 11, 2017.- Arca Continental, S.A.B. de C.V. ("Arca Continental" or "the Company") (BMV: AC*), the second-largest Coca-Cola bottler in Latin America, announced today that thanks to its responsible debt management, solid operational performance and commitment to profitable growth, it foresees increasing its 2017 investments in the markets it serves, namely Mexico, and expects to continue the positive evolution that has been characteristic of the Company in these last years.

Arca Continental will strengthen its production, commercial and distribution capabilities in Mexico through an investment of Ps. 4 billion, significantly above the previous year, in order to reinforce service to customers and consumers.

This favorable outlook for the Mexican market in 2017 is confirmed by the positive performance in sales volume posted in the fourth quarter of 2016, with an estimated annual growth of 8% in the country, reflecting the solid fundamentals developed throughout the years, the consistent investment in the market and the continued optimization of its price-pack architecture.

In the last 12 months, the Company improved its balance sheet by reducing the leverage ratio from 1.9 to an estimated 1.3 times Net Debt to EBITDA at the end of 2016, thus ratifying the highest global credit rating among Mexican issuers and above Mexico's sovereign rating.

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As a result of disciplined risk management, a large portion of the Company's debt is long-term financed and close to 75% is denominated in the same currency in which the income is generated, minimizing FX exposure.

With respect to the costs of dollar-based raw materials in Mexico, more than 50% of its dollar needs for the first quarter of 2017 are already hedged and locked-in at an average exchange rate of Ps. 18.35. This is in addition to the natural hedge provided by the dollar-denominated cash flows derived from its operations.

"We are confident we have the ability to successfully navigate through these uncertain times, as we have done in the past, keeping our investment plans consistent with a long-term vision and ensuring that we execute with excellence, with disciplined management and the solid financials that characterize us", assured Chief Executive Officer of Arca Continental, Francisco Garza Egloff.

Furthermore, Arca Continental continues advancing according to plan in the integration process of operations in Texas, as well as parts of New Mexico, Arkansas and Oklahoma.

Once this transaction is completed, the new territories in the U.S., together with the existing businesses, will signify that close to half of the Company's total revenues will be denominated in U.S. dollars.

As for the operations in South America, Peru and Ecuador will generate additional annual synergies of US\$13 million from new supply contracts for packaging and light weighting, while Argentina will continue benefitting from the vertical integration of its supply chain with the acquisition of the Famaillá sugar mill.

"In line with our commitment to create value, in 2017 we will exceed the revenue target of Ps. 100 billion we set 5 years ago, in a profitable manner; this is without considering the revenues from the new operation in the U.S.", concluded Garza Egloff.

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About Arca Continental

Arca Continental produces, distributes and sells non-alcoholic beverages under The Coca-Cola Company brand, as well as snacks under the brands of Bokados in Mexico, Inalecsa in Ecuador and Wise in the U.S. with an outstanding history spanning more than 90 years. Arca Continental is the second-largest Coca-Cola bottler in Latin America and one of the largest in the world. Within its Coca-Cola franchise territory, the Company serves over 83 million consumers in Northern and Western Mexico, Ecuador, Peru and Northern Argentina. The Company's shares trade on the Mexican Stock Exchange under the ticker symbol "AC". For more information on Arca Continental, please visit www.arcacontal.com