

EARNINGS RELEASE

NET SALES INCREASED 70.9% AND NET INCOME DOUBLED IN 1Q12

Monterrey, Mexico, April 25, 2012 – Arca Continental, S.A.B. de C.V. (“AC” or the “the Company”) (BMV: AC*), the second-largest Coca-Cola bottler in Latin America announced today its unaudited results for the first quarter (“1Q12”) ended March 31, 2012.

Table 1: Financial Highlights

Data in millions of mexican pesos			
	1Q12	1Q11	Variation %
<i>Beverage Total Volumen (MUC)</i>	299.9	185.4	61.8
<i>Net sales</i>	12,350	7,226	70.9
<i>Net Income</i>	979	475	105.9
<i>EBITDA</i>	2,113	1,191	77.4

Beverage total volume includes jug

EBITDA = Operating income + Depreciation + Amortization

FIRST QUARTER 2012 (1Q12) HIGHLIGHTS:

- **Volume** rose 61.8% (4.8% on a pro forma basis)
- **Net sales** reached Ps. 12,350 million, representing an increase of 70.9% with respect to the same period of 2011 (16.9% on a pro forma basis)
- **EBITDA** reached Ps. 2,113 million with a margin of 17.1%
- **Net income** grew 105.9% to Ps. 979 million (32.9% on a pro forma basis)

COMMENTS FROM THE CHIEF EXECUTIVE OFFICER:

“The actions taken to continue strengthening our position of market leadership continue yielding significantly positive results that reflect a 4.8% increase in sales volume and 16.9% increase in net sales during the first quarter of 2012 carried by an outstanding market execution in Mexico and South America as well as the progress made to capture synergies on schedule,” stated Francisco Garza Egloff.

“These results increase the competitiveness that set apart our Company in all business areas and position us favorably to reach the goals set forth in our 2012 business plan, which is oriented towards continuing to generate value for our shareholders, clients and consumers, through constant product portfolio innovation, excellent execution, as well as efficient and sustainable operations,” he added.

CONSOLIDATED RESULTS

Due to the merger between Embotelladoras Arca and Grupo Continental that closed on June 1, 2011, results for the first quarter of 2012 include 3 months of Arca Continental, while results for the same quarter of 2011 include 3 months of results of Embotelladoras Arca. To facilitate analysis, Arca Continental has included additionally in this report pro forma financials which were prepared as if Grupo Continental had formed part of Arca Continental during the first quarter of 2011. The figures presented in this report were prepared in accordance with International Financial Reporting Standards ("IFRS").

Table 2: Consolidated Data

	1Q12	1Q11	Variation %
Volume by category (MUC)			
Colas	183.6	117.9	55.7
Flavors	47.4	35.9	32.1
Sparkling Total Volume	231.0	153.8	50.2
Water*	15.3	9.5	61.6
Still Beverages**	14.6	9.4	55.3
Volume excluding jug	260.9	172.7	51.1
Jug	39.1	12.7	206.6
Total Volume	299.9	185.4	61.8
Income Statement (MM MXP)			
Net sales	12,350	7,226	70.9
EBITDA	2,113	1,191	77.4

* Includes all single-serve presentations of purified, flavored, and mineral water.

** Includes teas, isotonic, energy drinks, juices, nectars, and fruit beverages.

Table 3: Consolidated Data - PRO FORMA

	1Q12	1Q11	Variation %
Volume by category (MUC)			
Colas	183.6	174.0	5.5
Flavors	47.4	46.9	1.0
Sparkling Total Volume	231.0	220.9	4.6
Water*	15.3	13.3	15.5
Still Beverages**	14.6	12.8	14.0
Volume excluding jug	260.9	247.0	5.6
Jug	39.1	39.1	-0.1
Total Volume	299.9	286.1	4.8
Income Statement			
Net sales	12,350	10,564	16.9
EBITDA	2,113	1,624	30.1

* Includes all single-serve presentations of purified, flavored, and mineral water.

** Includes teas, isotonic, energy drinks, juices, nectars, and fruit beverages.

FINANCIAL ANALYSIS

INCOME STATEMENT

- Consolidated net sales reached Ps. 12,350 million in 1Q12, representing increases of 70.9% (16.9% on a pro forma basis) compared to the same period in 2011. The increase in pro forma sales for 1Q12 reflects the rise in sales volume (4.8%) and price per unit case (11.3%), as a result of price adjustment slightly above inflation in Mexico, change in mix and exchange rate parity for the South American operations.
- Total sales volume increased 61.8% in 1Q12 to 300 million unit cases (4.8% on a pro forma basis), due to growth in volume across all categories, principally in the colas, personal water and still beverages segments.
- During 1Q12, cost of goods sold increased 69.1% (17.6% on a pro forma basis) when compared to 1Q11, as a result of volume growth and higher PET and sweeteners. Consolidated gross profit increased 73.3% (16% pro forma) to Ps. 5,410 million.
- Selling and administrative expenses increased 70% (10.2% pro forma) from Ps. 2,286 million to Ps. 3,886 million in 1Q12 due largely to the increase in market expenses, maintenance of transportation and industrial equipment, restructuring expenses and the rise in fuel costs.
- Consolidated operating profit before non-recurring expenses for 1Q12 rose 82.5% (34% pro forma) with respect to 1Q11, reaching Ps. 1,524 million, with an operating margin of 12.3%.
- Consolidated EBITDA increased 77.4% during 1Q12 (30.1% pro forma) to Ps. 2,113 million, representing a margin of 17.1%.
- The integral cost of financing was Ps. 207 million in 1Q12 compared to Ps. 133 million in 1Q11. The 1Q12 figure includes net financial expenses of Ps. 189 million.
- Provisions for income tax reached Ps. 386 million in 1Q12 compared to Ps. 213 million in 1Q11. Effective tax rate for 1Q12 was 27.6%.
- As a result of the above, Arca Continental's net income for 1Q12 reached Ps. 979 million, at a margin of 7.9%.

BALANCE SHEET AND CASH FLOW STATEMENT

- As of March 31, 2012 Arca Continental's cash balance was Ps. 4,068 million, with debt of Ps. 11,422 million, resulting in net debt to cash of Ps. 7.354 million. Net debt to EBITDA ratio was 0.8x.
- Net operating cash flow increased to Ps. 1,727 million as of March 31, 2012.
- Investment in fixed assets during 1Q12 reached Ps. 558 million, mainly allocated towards sales and transportation equipment and machinery and equipment updates and maintenance.

AC MEXICO

Table 4: Mexico's Data

	1Q12	1Q11	Variation %
Volumen by Category (MUC)			
Colas	142.2	79.5	78.9
Flavors	26.7	16.3	63.2
Sparkling Total Volume	168.9	95.8	76.2
Water*	11.7	6.8	71.3
Still Beverages**	9.5	4.9	93.0
Volume excluding jug	190.1	107.6	76.7
Jug	39.1	12.7	206.6
Total Volume	229.1	120.3	90.4
Mix (%)			
Returnable	36.8	35.9	0.9
Non Returnable	63.2	64.1	-0.9
Multi-serve	50.3	50.6	-0.3
Single-Serve	49.7	49.4	0.3
Income Statement (MM MX)			
Net Sales	9,144	4,911	86.2
EBITDA	1,606	921	74.3

* Includes all single-serve presentations of purified, flavored, and mineral water.

** Includes teas, isotonic, energy drinks, juices, nectars, and fruit beverages.

Table 5: Mexico's Data - PRO FORMA

	1Q12	1Q11	Variation %
Volumen by Category (MUC)			
Colas	142.2	135.5	4.9
Flavors	26.7	27.4	-2.7
Sparkling Total Volume	168.9	163.0	3.7
Water*	11.7	10.6	10.1
Still Beverages**	9.5	8.3	14.0
Volume excluding jug	190.1	181.9	4.5
Jug	39.1	39.1	-0.1
Total Volume	229.1	221.0	3.7
Income Statement (MM MX)			
Net Sales	9,144	8,250	10.8
EBITDA	1,606	1,355	18.5

* Includes all single-serve presentations of purified, flavored, and mineral water.

** Includes teas, isotonic, energy drinks, juices, nectars, and fruit beverages.

MEXICO OPERATING RESULTS

- Total net sales for Mexico reached Ps. 9,144 million during 1Q12, an increase of 86.2% (10.8% pro forma); sales volume grew 90.4% to 229.1 MUC (3.7% pro forma). Average price per unit case, excluding jug water, increased 6.2% to Ps. 46.79.
- In 1Q12, EBITDA reached Ps. 1,606 million, increasing 74.3%, (18.5% pro forma), representing a margin of 17.6%.
- During the quarter, the sparkling beverage category contributed significantly to volume growth with an increase of 76.2%, while the colas segment rose 78.9%. (3.7% and 4.9%, respectively, pro forma).
- Arca Continental continued improving its market share across all sparkling beverage categories. The most important product launches in this category were the 1.25L, 1.75L and 3L formats in Tamaulipas and Coahuila, Cola in 355ml NR in the Northeast, flavors in 400ml NR in the West and Sidral Mundet in Guadalajara.
- The Company's market share of all still beverage categories also improved in the first quarter of 2012, with volume increasing 12.1% and contributing an additional 1.9 MUC. The most important launches in this category were 500ml Pet of Jugos Del Valle (JDV) in the Western Region, Del Valle Reserva in apple flavor in 300ml Pet to all territories and 250ml Pet NR in the Chihuahua zone.
- Ciel brands, Valle Frut and Jugos del Valle posted double digit growth when compared to the same period last year driven by various marketing campaigns such as *Despegue Emergente*, *Tándem* (Tandem), *Pide Ciel* (Ask for Ciel) and *Frutianimales* as well as the implementation of marketing campaigns at the point of sale.
- We initiated primary distribution optimization strategy for finished products by implementing the use of third party fleets for shipments outside of Guadalajara, Aguascalientes and San Luis, as well as the relocation and utilization of proprietary fleet for local shipments in the Monterrey Metropolitan Area.
- In the northern region, we began with the in line blowing process transfer to the new suppliers, generating additional benefits in packaging and transportation.
- The Vending business maintained its positive trend in sales volume with 7.3% growth, thanks to continuously taking advantage of technological developments. Net sales outpaced sales volume, growing 15.8% when compared to last year due to the standardization of the pricing strategy due to the merger of territories.
- The Jug Water segment posted sales volume growth of 4.1% when compared to the same period 2011, while the Home-Delivery business posted an increase in sales volume of 31.6% and net sales of 39.6%. During 1Q12, routes were opened bringing the total to 93 for this important distribution channel.
- In the Snack Vending business, the number of transactions increased 18.2% when compared to the same period last year while net sales grew 24.9% due to portfolio changes based on the Company's brand Bokados. In addition, machines with low productivity have been continually relocated to better points of sale in order to improve profitability.
- 2012 began with solid growth in the "Nostalgia" operations. During the first quarter of 2012, 2.1 MUC were sold which represents volume growth of 6% when compared to 1Q11. These sales represented an increase of 5.4%.
- The Bokados snack business continued to register double-digit growth in the first quarter of 2012 compared to the same period in 2011, reaching historic highs in net sales as a result of the significant increase in the number of routes stemming from the expansion into new territories, specifically the Valley of Mexico, Jalisco and Pacifico Norte.
- In the Information Technology area, Arca Continental continued implementing tools that support the new RTM model for Piedras Negras, Chihuahua and Huentitan. Also, the call center in Monterrey was launched to service direct sales in the Western Region.

AC SOUTH AMERICA

Table 6: South America Data

	1Q12	1Q11	Variation %
Volumen by Category (MUC)			
<i>Colas</i>	41.3	38.4	7.5
<i>Flavors</i>	20.7	19.5	6.1
Sparkling Total Volume	62.0	57.9	7.1
<i>Water*</i>	3.7	2.7	36.8
<i>Still Beverages**</i>	5.1	4.5	14.0
Total Volume	70.8	65.1	8.8
Mix (%)			
<i>Returnable</i>	33.4	34.8	-1.4
<i>Non Returnable</i>	66.6	65.2	1.4
<i>Multi-serve</i>	82.8	82.2	0.6
<i>Single-serve</i>	17.2	17.8	-0.6
Income Statement (MM MX)			
<i>Net Sales</i>	3,207	2,315	38.5
<i>EBITDA</i>	507	270	88.1

* Includes all single-serve presentations of purified, flavored, and mineral water.

** Includes teas, isotonic, energy drinks, juices, nectars, and fruit beverages.

SOUTH AMERICA OPERATING RESULTS

- Net sales for the South America Division increased 38.5% to Ps. 3,207 million pesos in 1Q12 thanks to continued investment in the marketplace, the launching of new products and the introduction of new presentations and returnable formats, as well as industry trends that remain on the rise.
- Total sales volume in South America grew 8.8%, driven by a 7.5% increase in the cola segment.
- EBITDA in the South America Division rose 71.3% to Ps. 548 million in 1Q12.
- The Company strengthened the utilization of SAP as the technological platform necessary for the standardization of processes and communications, as well as operating efficiencies.

Argentina

- EBITDA in Argentina rose 147.8% due to an increase in prices and sales volume, as well as single serve and returnable packaging trends.
- With the capacity that RTM provides to operations, the Company was able to reduce the cost to serve clients, optimizing fleets and routes.
- With the goal of optimizing the cost structure, the Company established plans to increase the productivity of the Company's production centers. In addition, the Company continued with the implementation of initiatives to offset the impact raw material cost increases.

Ecuador

- Sales volume in Ecuador rose 5.1% compared to the same period in 2011, with growth across all of the Company's beverage segments.
- At the close of 1Q12, Arca Continental implemented selective price increases and launched a new 1.5 liter RefPet Coca-Cola presentation with the goal of increasing scale, as well as the number of transactions.
- The Company implemented a new commercial system model in Ecuador to implement an inventory reposition scheme, as well as to enhance the efficiency of market execution.
- The Company launched the SAP technological platform to standardize operational, administrative, financial, logistic, inventory and warehouse processes.

RECENT EVENTS

- On April 19, 2012, the Annual Shareholders' Meeting of Arca Continental approved the payment of a cash dividend in the amount of Ps. 1.50 (one peso and fifty cents) per share in a single payment to be made starting April 30, 2012, equivalent to a total of Ps. 2,417 million.

CONFERENCE CALL INFORMATION

Arca Continental will host a conference call on April 25, 2012 to discuss these results at 10:00 am Mexico/Monterrey time, 11:00 am New York time.

To participate, please dial:

+1 800 311 9401 (From within the U.S.)

+001 800 368 1029 (Toll free within Mexico)

+1 334 323 7224 (International participants)

Access code: 36151

There will also be a live webcast of this event available at: <http://www.arcacontal.com/#investors-screen>

About Arca Continental

Arca Continental produces and distributes non-alcoholic beverages under The Coca-Cola Company brand. Arca Continental was formed in 2011 through the merger of Embotelladoras Arca and Grupo Continental, making it the second-largest Coca-Cola bottler in Latin America and one of the largest in the world. Headquartered in Monterrey, the Company serves more than 53 million consumers in Northern and Western Mexico, Ecuador and Northern Argentina. Arca Continental also produces and distributes Bokados brand snack foods. The Company's shares trade on the Mexican Stock Exchange under the ticker symbol "AC". For more information, visit www.arcacontal.com

This material may contain forward-looking statements regarding Arca Continental and its subsidiaries based on management's expectations. This information as well as statements regarding future events and expectations is subject to risks and uncertainties, as well as factors that could cause the results, performance and achievements of the Company to differ at any time. Such factors include changes in the general economic, political, governmental and commercial conditions both domestically and globally, as well as variations in interest rates, inflation rates, exchange rate volatility, tax rates, the demand for and the price of carbonated beverages, water, and the price of sugar and other raw materials used in the production of soft drinks, weather conditions and various others. As a result of these risks and factors, actual results could be materially different from the estimates provided; therefore, Arca Continental does not accept responsibility for any variations or for the information provided by official sources.

Arca Continental, S.A.B. de C.V. and Subsidiaries
Consolidated Income Statement
(millions of Mexican pesos)

			Variation	
	1Q12	1Q11	MM MXP	%
Net sales	12,350	7,226	5,125	70.9
Cost of Sales	6,941	4,105	2,836	69.1
Gross Profit	5,410	3,121	2,289	73.3
	43.8%	43.2%		
Selling Expenses	3,040	1,853	1,187	64.1
Administrative Expenses	846	433	413	95.5
Total Costs	3,886	2,286	1,600	70.0
	31.5%	31.6%		
Op. income before non recurring Exp.	1,524	835	689	82.5
	12.3%	11.6%		
Non Recurring Expenses	0	0		
Operating Income before other income	1,524	835	689	82.5
	12.3%	11.6%		
Other Income (Expenses)	83	11	72	626.5
Operating Income	1,607	847	760	89.8
	13.0%	11.7%		
Interest Expense Net	-189	-114	-75	65.7
Exchange Gain (Loss)	-18	-19	1	(4.3)
Comprehensive Financial Results	-207	-133	-74	55.8
Earnings Before Taxes	1,399	713	686	96.2
Profit Taxes	386	213	174	81.7
Net Controlling Interest Income	-34	-26	-9	34.5
Net Profit	979	475	503	105.9
	7.9%	6.6%		
Depreciation and amortization	506	344	162	47.0
EBITDA	2,113	1,191	922	77.4
	17.1%	16.5%		

Arca Continental, S.A.B. de C.V. and Subsidiaries

Consolidated Balance Sheet (millions of Mexican pesos)

	Marzo 2012	Diciembre 2011	Variation	
			MM MXP	%
ASSETS				
Cash and cash equivalents	4,068	3,298	770	23.4
Accounts receivable; Net	2,383	2,641	-258	-9.8
Inventories	2,259	1,901	358	18.8
Prepayments	202	438	-236	-53.8
Total Current Assets	8,913	8,278	635	7.7
Investments in shares and other investments	2,506	2,429	77	3.2
Property, plant and other equipment	21,736	22,011	-275	-1.3
Other non current assets	27,061	27,246	-185	-0.7
Total Assets	60,215	59,964	251	0.4
LIABILITIES				
Short term bank loans	1,262	1,370	-108	-7.9
Suppliers	3,493	3,689	-196	-5.3
Accounts payable and taxes	1,366	1,297	69	5.4
Total Current Liabilities	6,121	6,355	-234	-3.7
Bank Loans and long term liabilities	10,160	10,256	-96	-0.9
Deferred income tax and others	4,449	4,512	-63	-1.4
Total Liabilities	20,731	21,123	-392	-1.9
SHAREHOLDER'S EQUITY				
Non controlled participation	2,497	2,723	-226	-8.3
Capital Stock	26,926	27,516	-590	-2.1
Retained Earnings	9,083	4,185	4,898	117.0
Net Profit	979	4,419	-3,440	-77.8
Total Shareholders' Equity	39,485	38,841	643	1.7
Total Liabilities and Shareholders' Equity	60,215	59,964	251	0.4

Arca Continental, S.A.B. de C.V. and Subsidiaries
Cash Flow Statement
(millions of Mexican pesos)

	as of march 31	
	2011	2010
Earnings Before Taxes	1,427	714
Depreciation and amortization	506	344
Other	80	57
Accrued interests	248	156
Operating cash flow before taxes	2,260	1,271
Working Capital	533	61
Operating cashflow after working capital	1,727	1,210
Investment Activities:		
Capital Expenditure (Net)	846	449
Financing Activities:		
Share repurchase program	-209	-36
Debt amortization	115	84
Paid interests	93	102
Other	61	12
	59	161
Net increase of cash and equivalents	823	599
Change in Cash	-52	-48
Initial cash and equivalents balance	3,298	3,628
Final cash and equivalents balance	4,069	4,179

Arca Continental, S.A.B. de C.V. and Subsidiaries

Pro Forma Consolidated Income Statement

(millions of Mexican pesos)

			Variation	
	1Q12	1Q11	MM MXP	%
Net sales	12,350	10,564	1,786	16.9
Cost of Sales	6,941	5,901	1,040	17.6
Gross Profit	5,410	4,663	747	16.0
	43.8%	44.1%		
Selling Expenses	3,040	2,712	328	12.1
Administrative Expenses	846	814	32	3.9
Total Costs	3,886	3,526	360	10.2
	31.5%	33.4%		
Op. income before non recurring Exp.	1,524	1,137	387	34.0
	12.3%	10.8%		
Non Recurring Expenses	0	0		
Operating Income before other income	1,524	1,137	387	34.0
	12.3%	10.8%		
Other Income (Expenses)	83	32	51	160.2
Operating Income	1,607	1,169	438	37.4
	13.0%	11.1%		
Interest Expense Net	-189	-98	-92	94.1
Exchange Gain (Loss)	-18	-31	14	(43.0)
Comprehensive Financial Results	-207	-129	-78	60.7
Earnings Before Taxes	1,399	1,040	359	34.6
Profit Taxes	386	309	78	25.3
Net Controlling Interest Income	-34	5	-39	(723.0)
Net Profit	979	737	242	32.9
	7.9%	7.0%		
Depreciation and amortization	506	455	51	11.1
EBITDA	2,113	1,624	488	30.1
	17.1%	15.4%		