

Heineken gains footing in Latin America

Heineken will buy Latin America's biggest brewer, Fomento Economico Mexicano SA, in a share deal that values the company behind the Dos Equis and Sol brands at $\square 5.3$ billion (\$7.64 billion). Under the deal, Heineken will gain Femsa's 14 breweries in Mexico and Brazil



Femsa produced its first beer in 1890. Femsa is credited with attracting glass and steelmakers to northern Mexico to bottle and cap its beers

Femsa sold \$889 million worth of beer worldwide in the third quarter of 2009

In the past two decades, Femsa has seen its share of Mexico's beer market fall from 55% to 43%

Last year, Femsa had operating profits of \$2 billion on revenue of \$15.1 billion, but 55% of cash flow came from its Coke bottling operations and just 31% came from beer sales. Its OXXO convenience stores accounted for the remaining 14%