

The first question is from Mr. Jorge Opaso of LARRAIN VIAL. Go ahead Mr. Opaso.

JORGE OPASO: Good morning. Hello Jaime; hello Osvaldo; hello Giuliana. I have three questions for you. The first is whether you can give us a few details on what the increased tax in the Brazilian operation entails, how it will affect the company and whether it will all be transferred to prices. Could you give us a more detailed account of this?

The second question refers to the concentrate cost which will continue to have an effect this year. In operational terms, what are you doing to enable compensating this effect, or carry on compensating it, and what is your outlook on the scenario here in Chile in terms of margins and operational profits? I would be grateful if you could give us some details in this regard.

The third question is: in Brazil, the reduction in the operational margin is obviously affected by issues such as the exchange rate and flat volumes, or perhaps other issues. What is the 2009 outlook for Brazil? That is all. Thank you very much.

JAIME GARCÍA: Well, answering your question, I will first deal with the situation in Brazil. The rules and regulations of the new tax on beverages have come into effect in Brazil and have, to a certain extent, only reinforced the historical inflation of the same tax which has not been corrected in the last few years. The effect of the tax was considerably less than we had initially expected and it will be compensated, and is being compensated in practice, with price increases. Thus, we do not foresee any significant impact on margins and product costs of this increased tax that came into effect in Brazil as of January this year.

Regarding the Chilean case, as we announced with the Coca Cola Company more than a year ago, an increase in the incidence for concentrate for Chile is effectively in place and is initially being implemented over a period of three years: this means that in 2008 we had a lower margin as a result of such incidence, which will also be applicable to 2009 and 2010. What are we doing about that? Well, one thing is internal decisions, increasing volumes, but there is a real incidence increase which entails about 1% less margin for the Chilean case for each of the next 3 years. This lower theoretical margin should be compensated with bigger volumes and possible price adjustments at the same percentage rate. We are talking about 1%.

Finally, as we all know, the exchange rate in Brazil has risen significantly and volumes have not increased, giving rise to lower volumes and margins. Now, apart from the external issue - the worldwide financial crisis - that has affected volumes not just in Chile, but in all Latin America, there is clearly an additional effect in the Brazilian case which I think is important to consider, namely that the weather has been terrible throughout 2008, especially in the middle and at the end of the year. It is the worst weather we have had in the last 20 years, but we think it will not be repeated in 2009 and 2010. Thus, we are experiencing a negative external economic effect as well as an external climatic effect which we think will not be repeated in coming years.

JORGE OPASO: Ok. Thank you very much. That was a very clear answer. With regard to the first question, would it be possible to detail the amount of the price increases and whether the process is complete or if new increases are expected for this year. Would it be possible to give us some more details?

JAIME GARCÍA: Correct. The tax situation in Brazil means that the increase in the tax rate would be equivalent to a price increase of about 4%, which we are applying in Brazil in the first quarter in order to compensate tax costs.

JORGE OPASO: Okay. Thank you very much.

RAFAEL BORJA: The following question is from Mr. Alex Robarts of Santander. Go ahead Mr. Robarts.

ALEX ROBERTS: Thank you and good morning. Two questions please.

What was happening in Brazil regarding margins was also a surprise for us. If possible, we would like to understand the sales costs part a bit better, focusing on the containers, looking at PET and cans. In dollars, not considering the effect of the exchange rate, how did the price level of these containers compare to the fourth quarter of 2007 and can you give us an idea of the curve of these prices? In other words, at what stage during 2009 do you think you will reach the level at which the prices of container inputs in dollars will be the lowest?

The second question is probably more strategic. Two Coca-Cola franchise acquisitions were performed in Argentina and Brazil in 2008 through its Latin American peers, namely the Mexicans. My question is whether we can conclude that in Andina, looking 2 or 3 years ahead, there is a priority to proceed in the same way or whether we do not need to worry about that and also whether you have the idea of growing through other consumer segments, such as food for example. Thank you.

JAIME GARCÍA: Thank you for the question. Regarding the second question about the strategic outlook, I think we are all aware of the transactions that took place in Argentina and Brazil through two Mexican companies that are our peers, whereby one expanded operations in Brazil and the other started operations in South America, as in the case of Argentina. Andina's purpose is basically to be a bottler for Coca Cola so that part of Embotelladora Andina's strategy is to carry on growing with the possibility of new purchases as opportunities crop up in the market, and we are attentive to those opportunities appearing. This is obviously also compensated or complemented by Andina's intention to grow in such products that are complementary to the current soft drinks business, such as waters and juices. It is currently not part of our strategy to venture into the market in the rest of the food sector. We want to carry on concentrating on soft drinks, waters and juices and we are interested as long as we can venture into new territories or participate in transactions such as those that occurred. One must be careful with these transactions in terms of price and opportunity. One thing is for each company to take a decision when necessary and Andina has been extremely cautious and prudent in investment matters from the standpoint of when to invest and when to grow.

With regard to the first question, if we take the fourth quarter in Brazil, we can see that basically the margin in Brazil, the operational result, drops to 59 million Reales, which represents a reduction of 13% in nominal terms between one year and the next. And the EBITDA also dropped 8% in the fourth quarter to 61 million Reales. There are several effects there. One clear effect is the increase in the exchange rate. I think that the exchange rate increased in the last part of 2008, precisely as of October, and not only in Brazil but in Latin America in general. This affects our inputs such as PET, tins, sugar etc which are denominated in dollars. To date there have still not been any significant or relevant adjustments to somehow compensate the average 16% devaluation of the Real in the fourth quarter. I am referring to the drop in the prices of raw materials, both sugar and PET or aluminum, for which international prices in dollars has fallen, if you look at them today. We had a peak of negative influence: on the one hand steady prices measured in dollars with a very high increase in the exchange rate. If you look at it from today's standpoint, of the first quarter of 2009, for example, you can see that raw material prices have dropped, and the increase in the exchange rate is lower than it was on that occasion with small increases in our prices measured in Reales, which compensates all these effects.

In dollars terms, it is difficult to imagine that we can compensate such a swift devaluation of the dollar in such a short time. I cannot foresee an absolute compensation of the net increase in the exchange rate in Brazil, or in Chile, that can be partially compensated with the drop in raw material prices and the increase in local prices. I do not think we can compensate this net effect in dollars within one quarter or even within a six month period. One tends to compensate these effects as economies adapt, as costs adapt, so the way I see it is that the net effect of the increase in the exchange rate will be compensated by the end of 2009 or thereafter. I cannot foresee a short term compensation effect; it is materially impossible unless you want to increase prices beyond what prudence or the markets in which we are selling would recommend.

ALEX ROBERTS: Ok. Thank you very much.

RAFAEL BORJA: The following question is from Allan Alanis, of JP MORGAN.

ALLAN ALANIS: Hello, good day to all. Thank you. Three questions: What can you tell us with regard to volume, price and margin expectations for 2009 in general terms, based on your plans? The second question has to do with the dividends policy; you mentioned that you accumulated a net cash amount of 70 million dollars – should we expect a change in the dividends policy? And the third question has to do with your costs in Brazil and Argentina. You mention that the main cause of the contraction of the gross margin is the increase in concentrate prices for Brazil and Argentina by the Coca Cola Company. We are aware of the increase in Chile and its impact of 100 base points per year, which you so kindly repeated now, but I don't know if you can remind us when this increase in prices in Brazil and Argentina will become effective and what impact you expect it to have or how sure you are that there will or will not be increases in the cost of concentrate in future? Those are the three questions.

JAIME GARCÍA: Thank you. In reply to each one of your questions: in the first place, regarding expectations, you are well aware that there is not much we can say. We have reasonable expectations under the standing rules and regulations, as the market does. Regarding volumes, we believe that given the impact of the crisis on consumption and overall employment, Chile, Argentina and Brazil will be affected in 2009. Countries are not immune to the crisis. We are experiencing it internally and you are as aware of it as we are. Regarding prices, I would venture to say that the policy has been to at least attempt to cover internal inflation, something we have achieved over time and in the past. We believe that Embotelladora Andina has applied a sound policy in trying to adjust prices to at least cover internal costs in terms of the internal inflation in each country. Depending on raw material costs, we try not to increase prices beyond internal inflation in order to cover costs and maintain constant margins. But this policy of ours will not necessarily be effective in the short term, namely one quarter, with such swift and high currency devaluations. But I believe that it will be achieved in the mid term, a period of one year, and history is witness to this fact. That is our policy and the market has responded correctly.

Regarding the dividend policy, management does not have the attributes to decide on the dividends policy. The shareholders' meeting takes such decisions on the basis of the legal provisions prevailing in Chile. But I can tell you that in the first place, Chilean legal provisions state that the dividends policy of a company such as Andina must distribute at least 30% of after tax profits of the fiscal year in cash. It has been Andina's policy to distribute cash surpluses, since it is not a fund manager but rather a soft drink beverages business manager and it can therefore be expected that the shareholders' meeting will maintain a similar policy to that it has had in the past.

Finally, I would like to clarify the situation in Brazil. There is a not very convincing explanation that the concentrate cost is what has affected us in Brazil. The biggest costs in Brazil are clearly the result of the devaluation. The raw materials, PET resin and aluminum, are indexed in dollars because they are products that are in practice traded as commodities. This caused costs to rise significantly in the fourth quarter since there was a sharp increase in the exchange rate.

Regarding incidence expenses in the fourth quarter of the year, you will notice that they dropped 2.4% with respect to the previous year. In this respect, expenses are more controlled by us since we adapted very quickly to lower volumes and a crisis due to external volume demand and we managed to achieve sales costs similar to the previous year, and despite the inflation in Brazil, they dropped 2.4% in nominal terms. The concentrate only increases as prices increase. Do not forget that the concentrate is a percentage of sales and therefore as nominal prices increase as a result of price increases, the concentrate increases, but not only in terms of incidence but because prices increased. Costs are definitely the result of higher raw material costs resulting from the increase in the exchange rate.

ALLAN ALANIS: Thank you very much. One last question if I may, quickly: the beer issue in Brazil. The fourth quarter reflects a much bigger volume drop than soft drinks. In your operations in Rio I think the drop is about 9%. How much was the price increase? I imagine this is a result of the bad weather and price increases. Could you tell us what the price increase was and your overall expectations, or give us an additional explanation as to what happened with beer in Brazil in the fourth quarter?

JAIME GARCÍA: There is in fact a 9% drop in beer volumes. However, I would say that it is important to understand that beer is not a relevant product for Embotelladora Andina in the Brazilian case. We have a very low market share; we are distributors of the beers of other bottlers in Brazil. It is not one of our strategic products. We are distributors and we will continue to be so. It is not something that materially affects our operations and we try to handle price increases since we follow the market and our participation in the Brazilian beer market is very small, less than 10%. What we are trying to do with beer is just follow the market and not impose a price or a price strategy, as we regularly do in the soft drinks segment in which we are leaders and we can lead processes. This is not the case of beer and will also not be the case in the short term.

ALLAN ALANIS: Thank you.

RAFAEL BORJA: The next question is from José Yordan, of DEUTSCHE BANK.

JOSÉ YORDAN: Good morning Jaime. You have answered most of the questions, so my idea was to ask: when you talked about your attitude to the slow economy and the price issue, of doing things more slowly, I get the impression that other bottlers have been a bit more hasty in increasing prices as well as some in the countries in which you operate, Brazil and Argentina. Have you noticed any difference in your price increases compared to those of Coca Cola Femsa, for example, and will this difference turn into a problem in the transshipments, that there will be people who will start seeking to export from their territory to others?

The second question: does the fact that you changed the entire cash flow in Chile to pesos have to do with future acquisition strategies, for example, whether you are going to focus on the real Chilean case and not outside Chile, or is it simply a matter of financial policy?

JAIME GARCÍA: Hello José. Thank you for the question. I am going to answer the first question regarding prices. With respect to prices, obviously we try to accelerate price increases as much as possible. This takes into account an effect known as market share. We are not prepared to, and do not want to, lose market share points and in fact we have not done so: rather, we have maintained or gained market share points throughout the last few years. There is an external factor which is the economy, the relative prices of the economy; I am referring to soft drinks, with respect to other alternative products complementary to soft drinks. Therefore, even though it is true that the price rise policy attempts to accelerate prices, this clearly depends on other factors as well. However, I would like to be very precise here, our policy has in no way been lower than that of other bottlers in order to have lower prices than the others and give rise to these transfer impacts resulting from our franchise. No. The answer clearly, very precisely, is that this is not the case. We have very similar prices, in some cases higher and in others lower, of course, but only marginally. It depends on the country and the zone, but we usually increase prices with a system and we have identical prices to the other bottlers and franchises in each one of the countries, depending on distances and zones. We are therefore not worried about product transfers since this is not the case.

With regard to us bringing the money to Chile, it was practically protection against the uncertainty of the exchange rate. Do not forget that the exchange rate was very volatile. At the beginning of 2008 the exchange rate dropped from \$550 to 430 and 420, which was the April bottom, if I remember correctly. We protected ourselves against the negative devaluation of the exchange rate rather than this being a strategy for wanting everything to happen in Chile. In this regard, our intended strategy is to grow wherever we can reasonably grow. If it is Chile, so be it and if it is Argentina or Brazil as well, and we are also prepared to do so in other

parts of Latin America. This has nothing to do with the fact that we moved an amount of money to Chile to protect ourselves against the exchange rate.

JOSÉ YORDAN: Ok, thank you.

RAFAEL BORJA: The following question is from Bob Ford of MERRILL LYNCH.

BOB FORD: Hello and good day to you gentlemen. I also have two questions. One is whether you can bring us up to date on your investment plans. I understand you were evaluating an important project for consolidating production and distribution in Santiago. And could you also comment on your physical or financial approach to inputs, please.

JAIME GARCÍA: In the last few years we have only invested in increasing production capacity or updating from a technological standpoint. The only different investment, in the case of Chile, is that we believe the time has come to build a new production center. As you know, we only have one productive unit in Chile, apart from the ones we have in Argentina and Brazil, of course. I am referring to the soft drinks unit which is already quite old. It has been constantly remodeled and updated, but given our long term growth expectations and our current facilities we think the time has come to move to an industrial zone within Santiago, which entails building a new plant. In the Chilean case, a new production plant has not been built for many years. In Argentina we did so 10 years ago and in Brazil about 15 years ago. In practical terms I want to say that one builds a new plant every 30 years and nowadays probably a big plant that concentrates the units and production processes every 25 years. The idea is to build one in Chile that will be operative in 2010. With the current recession or financial crisis, this may be revised, but we are working on it. We have already initiated all the start-up processes for this project. We are not going to shut it down, but it could be postponed a couple of months, or the process could be slowed down, which means that the plant will be ready in 2011 instead of 2010, since the external environment does not affect our production capacity in any way. It is a decision we have to take depending on events. We are currently alert to events in the next few quarters and we will be evaluating them constantly. We intend to build the plant and if we take the decision to go ahead the right time could be this year or early next year. We believe this is the time range. In any case, this entails an investment of 70 million dollars which we will make in addition to regular investments required in this plant between 2009 and 2010. This could occur in 2009 or 2011, depending on the positive or negative effects on the external environment. With regard to raw materials, we do not currently have raw material coverage stocks. Why do we not have them? I must clarify the point. We have some from last year, sugar, which expire in June this year for the Chilean case and some in February for the Brazilian case. I am referring to sugar. With regard to the rest of the raw materials, we do not have PET or others denominated in dollars because we believe, and experience tells us, that raw materials are dropping and we therefore did not take out raw material coverage positions for 2009 nor have we decided what the right moment to do so would be. So we are buying at the market price that has been dropping.

BOB FORD: Thank you, Jaime. Could you give us the range within which the investment budget for all of Embotelladora Andina could vary, please, and what are you expecting it to be? That inputs could vary in several territories in this first quarter or during the year compared to other years, in general terms, please.

JAIME GARCÍA: Well, we have budgeted a 2009 investment range which is constantly being revised depending on the conditions of the technical sector and how external issues affect soft drinks' consumption. Last year, 2008, our consolidated investments in the plants in the three countries amounted to about 70 million dollars. The budgeted investment range for 2009 is very similar. With this amount, we perform the necessary updates to the sector and all necessary technological, production capacity etc. plant renovations. This entails updating the production capacity while the plant is running. One must add to this the issue of the new plant in Chile which I mentioned could be in the range of 70 million dollars and which could be a bit less depending on the

exchange rate. But the 70 million dollars for the Chilean case, which are extraordinary and once only every so many years, must in reality be divided into three years because the investment period is spread over three years. Therefore, we have to consider an investment of about 90 million dollars \pm 10%, over a reasonable investment period of three years, including the new plant in Chile and leaving all the rest as is, as long as the external situation remains constant within a reasonable range. If there are very significant effects, everything I am saying will also change significantly. Is that clear?

BOB FORD: Yes, thank you.

RAFAEL BORJA: The following question is from Mr. Antonio Gonzales of CREDIT SUISSE.

ANTONIO GONZÁLEZ: Good morning, thank you very much; my question has already been answered.

RAFAEL BORJA: The following question is from Mr. Jorge Opaso of LARRAIN VIAL.

JORGE OPASO: Once again, the question I had has been answered; nonetheless, could you give us some quantifiable details on the distribution centers: how they are operating and the expected financing in terms of margins; could you quantify the effects of these distribution centers on city and country operations, please.

JAIME GARCÍA: Well, what are the distribution centers? I think it is important for us to understand the large scale issue and especially in big cities. Every day there are more restrictions on vehicle transit in each of the cities. Not only from the pollution standpoint, but also with respect to times, accesses, highways, tolls etc. There is a great deal of knowledge, logistics technology that gives Andina a competitive advantage. Why is Embotelladora Andina an effective leader and in general all Coca-Cola bottlers in the markets we operate in? Because not only do we have a product that obviously has a lot of value, such as The Coca-Cola Company and trade mark, but also because we have other competitive advantages, and one of them is logistics. I say this because more than generating lots of money or improving margins considerably, generating distribution centers provides a long term competitive advantage. Today we have a much better implemented capacity and logistics than our competitors and much better capacity to access sales points faster with lower fuel consumption, less use of man hours, with less traffic, less toll payments, less contamination etc. This is the strategy of developing internal logistics that enables delivering the product sold today tomorrow at a timely hour, that is open and accessible for the sales point. This is the large scale essence of our logistical system and this is why we have to invest in the distribution center in Chile, the plant itself, a production unit, that in turn operates as a distribution center. Now we have 5 in the case of Santiago, we are heading that way in the case of Rio as well and we have a bit less in the case of Argentina because we are not established in the big cities or in mega cities such as Santiago or Rio with significant communications restrictions.

JORGE OPASO: Ok, thank you very much.

RAFAEL BORJA: If you want to ask questions, may I remind you that you only have to press the key with the asterisk symbol and number 1 on your telephone. The following question is from Celso Sánchez of CITI.

CELSO SÁNCHEZ: My question is about consumption trends per country and more than anything show some changes in your portfolios between brands or perhaps containers, focusing mostly on Brazil and Argentina. Are you opening spaces to new PET brands? How do you see those countries? Please, thank you.

JAIME GARCÍA: What is happening to consumption? Let us separate the issue of the crisis, because I think it is important to separate things. Let us first talk about the crisis. In times of crisis such as these, one tends to think that consumers are trying to reduce their expenses or trying to consume lower priced products. In general I think that is so. When there are income restrictions, all consumers try to consume such products that provide us with the same satisfaction at the lowest possible price. That said, one analyzes what is happening in

our market in the Brazilian and Argentine cases. Let us start with Argentina. Looking at the last 6, 7, 8 years, quite a long period, our market share in Argentina has been very stable. The participation of the b-brands has not increased nor has that of low price brands, which in short term crises such as this one tend to increase. Until now we have not seen that result, but rather maintain a constant market share. If we take longer periods that include other crises, given our work and given the increase in the real income of individuals measured over time, which have a contrary effect in that as real income increases products in the category of Coca Cola tend to increase their sales and participation. Therefore, one can conclude that there will be no threat in the short term. It is true that we have managed to increase our market share and per capita consumption in countries such as Argentina.

In the case of Brazil, where the increase in real income has been slightly more effective and has been more notable, one can see that market participation of our products has increased significantly. Looking at the last 6 years, Andina's market share has increased significantly from 52 points to 58 points today. This has occurred in general in Brazil and not only in Andina's territory. What this shows us is that as real incomes increase, and obviously there is behind the scenes work by Andina, there is a relative increase in the consumption of our products in comparison to the b-brands. In fact the 6 points we have gained have been lost by the b-brands in Brazil. As a trend, I would say that that as real income increases we should also increase our market share within a reasonable limit.

In the case of Chile, I would say we have reached that limit. In the next 5 to 10 years you will see that Andina's Chilean territory market share will be constant at about 66 points of market share as well. I have told you all this in terms of volume share; I am referring to volume participation. If you take the value share, in other words value participation in the market or what Andina extracts from consumers, you will see that we have been increasing participation in the value market in our countries as well. We have more than 70 value points in the Chilean soft drinks market; in the case of Brazil we have 65 value points and in the case of Argentina we have about 60 market value points. I do not know whether I answered your question.

CELSO SÁNCHEZ: Thank you. What you say is obvious for long term trends, that are why I just wanted to know, but maybe it is a bit early, if the short term trends due to the crisis are showing a shift in the portfolios. But from your answer it seems you are probably not seeing that there.

JAIME GARCÍA: Exactly. We are not seeing it because we haven't had that effect and we have not lost a single market share point in any of our countries. I refer to the fact that the market has dropped, as I explained.

CELSO SÁNCHEZ: Thank you very much.

RAFAEL BORJA: There are no more questions now Mr. Garcia. Do you have a final comment?

JAIME GARCÍA: Yes. I just want to thank you for participating in this conference call. Thank you for your interest in Embotelladora Andina and as always, we are available to answer all queries and doubts you may have. The person in charge of this conference, Giuliana Gorrini, is available to answer all queries and questions you may have about us. Once again, thank you very much.