

MATERIAL EVENT

CORPORATE NAME : EMBOTELLADORA ANDINA S.A.
SECURITIES REGISTRY : 00124
TAXPAYER I.D. No. : 91.144.000-8

According to stipulations provided by article 9, subparagraphs 2 and 3, and Article 10 of the Securities Market Law No. 18,045; the provisions of Section II, section 2.2 of General Rule No. 30 of the Superintendency of Securities and Insurances of the Republic of Chile, the following material event is herein informed:

In reference to the Material Event reported to the market on April 30, 2004 by which we informed that **Embotelladora Andina S.A.** (“Andina”) and **The Coca-Cola Company** (“TCCC”) were discussing the future development of bottling business in Brazil, the following is set forth:

On August 10, 2004, Andina, through its subsidiary, *Rio de Janeiro Refrescos Ltda.* (“RJR”) has subscribed a franchise swap agreement with the Brazilian subsidiary of TCCC, ***Recofarma Indústria do Amazonas Ltda.*** (“KO”) for an exchange of franchising rights, goods and other assets of RJR located in the territory of *Governador Valadares* in the state of *Minas Gerais*; for other franchising rights, goods and other assets of KO located in the territory of *Nova Iguacu* in the state of Rio de Janeiro, Brazil (which previously belonged to the Brazilian corporation *Companhia Mineira de Refrescos S.A.*)

The closing of this swap operation shall take place on August 28, 2004. Andina, through the above-mentioned subsidiary, will acquire the franchise for the “*Nova Iguacu*” territory with a surface of 852 (eight hundred and fifty-two) square kilometers and a population of 2.3 million inhabitants; which will generate improved operating synergies for Andina, due to the proximity with its current franchises and the smaller size of the territory.

In turn, the franchise that KO will receive in exchange corresponds to the *Governador Valadares* territory with a surface of 101,000 (one hundred and one thousand) square kilometers and a population of 2.6 million inhabitants.

Santiago, August 11, 2004

Jaime García Rioseco
Chief Executive Officer
(signed)