

**MATERIAL EVENT**

CORPORATE NAME : **EMBOTELLADORA ANDINA S.A.**

SECURITIES REGISTRY : 00124

TAXPAYER I.D. : 91.144.000-8

---

The following material event is reported by virtue of the stipulations in Article 9 and subparagraph 2 of Article 10 of Law 18,045, and the provisions in Section II.1.B.3 of General Rule No. 30 of the “*Superintendencia de Valores y Seguros*”:

On October 17, 2005, a Material Event was reported that the bottlers Embotelladora Andina S.A. (“Andina”), Vital S.A. (“Vital”), Coca-Cola Embonor S.A. (“Embonor”) and Embotelladoras Coca-Cola Polar S.A. (“Polar”) had signed a Letter of Intent to carry out several transactions intended to restructure the business system in the categories of Water, Juices and other non-carbonated beverages licensed by The Coca-Cola Company (“TCCC”) in Chile.

It is hereby reported that on December 22<sup>nd</sup> of this year, the contracts and documents were signed to implement the above referred Letter of Intent, resulting in the following:

a) In the Category of Water, Andina, Embonor (through its subsidiary, Embonor S.A.) and Polar have taken an interest of 56.5%, 26.4% and 17.1%, respectively, in Vital Aguas S.A., (originally incorporated under the name of VA S.A.), which will conduct the business of the processing, production and bottling of the *Vital de Chanqueahue* Mineral Water and other water and products, according to the terms of the contracts and authorizations agreed upon by Vital Aguas S.A. and TCCC.

The equity interests of Embonor and Polar in Vital Aguas S.A. were acquired by purchase from Embotelladora Andina S.A. and its subsidiary, Andina Inversiones Societarias S.A., at the prices equivalent to 178,430 Unidades de Fomento and 115,574 Unidades de Fomento, respectively, (amounts that are subject to adjustments to be applied during January 2006 but which will, in all cases, be maximum prices). These prices will be paid January 16, 2006 after adjustment.

In addition, Andina, Vital, Embonor and Polar have agreed to the respective contracts and authorizations with TCCC to produce, bottle and sell the product named “Dasani.”

b) In the Category of Juices and Non-carbonated Beverages, the contracts were signed whereby Embonor and Polar have become the holders of the rights to acquire products from Vital S.A. under the brands “*Kapo*,” “*Andina Nectar*,” “*Andina H-C*,” “*Andina Frut*,” and other brands, according to the terms of the contracts agreed upon by each Bottler and TCCC. The right to purchase these products from Vital S.A. will be at the prices and under

the conditions applicable to volumes and maximum periods determined by the parties that will last, in all cases, until December 31, 2015.

Embonor and Polar agreed to pay to Andina's subsidiary "Vital S.A." advances for such rights equal to 196,486 Unidades de Fomento and 51,981 Unidades de Fomento, respectively (such amounts are subject to adjustments to be applied during January 2006, which will be maximum amounts in all cases).

In addition, Andina, Vital, Embonor and Polar have agreed to the respective contracts and authorizations with TCCC to produce, bottle and sell these products at their respective plants.

Santiago, December 23, 2005

**Pedro Pellegrini Ripamonti**  
**Corporate Legal Manager**  
**Embotelladora Andina S.A.**