

MATERIAL EVENT

CORPORATE NAME : **EMBOTELLADORA ANDINA S.A.**
SECURITIES REGISTRY : 00124
TAXPAYER I.D. : 91.144.000-8

The following 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.B.3 of General Rule No. 30 of the Superintendence of Securities and Insurance:

At its regular session held August 29 of the current year, the Board approved the commercial terms and conditions in order for the Company to enter into an agreement with Empresas Iansa S.A. and/or its subsidiary Iansagro S.A. for the supply and delivery of sugar for the 2007-2009 period amounting to 172,000 tons based on a pricing structure involving a payment of a fixed price for 50,000 tons and a variable price for the remaining volume. The price will be determined in accordance with the international variation of the price of sugar within a range that will be established in the agreement which would be subscribed, in accordance with the current future prices of sugar for each one of the referred years (resulting from the market conditions currently prevailing for operations of this nature).

The agreement setting forth the approved terms and conditions is currently being drafted and will be duly reported to the Superintendence and the market once entered into the parties thereof.

Santiago, August 30, 2006

(Signed)
Pedro Pellegrini Ripamonti
Corporate Legal Officer