

# *Embotelladora Andina S.A.*

## For Immediate Distribution

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## Embotelladora Andina S.A. Announces Consolidated Results For the Third Quarter and Nine Months ended September 30, 2008

*All figures are expressed under Chilean GAAP and in constant Chilean pesos as of September 2008, therefore all variations are in real terms over a 9.3% annual inflation (September 2007 through September 2008.)*

### Highlights

- ☛ Operating Income reached Ch\$27,346 million during the Third Quarter of 2008, a 5.5% increase in real terms compared to the same period of the previous year. Operating Margin was 14.7%.
- ☛ Consolidated Sales Volume for the Third Quarter amounted to 104.6 million unit cases, an increase of 5.7% during the quarter.
- ☛ Third Quarter EBITDA totaled Ch\$36,302 million, a 6.6% increase in real terms compared to the Third Quarter of 2007. EBITDA Margin was 19.6%.
- ☛ Net Income for the Third Quarter of 2008 reached Ch\$17,032 million, 6.8% higher than the figure recorded in the Third Quarter of 2007.
- ☛ Consolidated Operating Income reached Ch\$87,968 million during the period ended September 30, 2008, 11.0% higher in real terms than the figure recorded as of September 30, 2007. Operating Margin was 15.7%.
- ☛ Consolidated Sales Volume for the period ended September 30, 2008 totaled 322.5 million unit cases, an increase of 4.5% compared to 2007.
- ☛ Consolidated EBITDA for the period ended September 30, 2008 amounted to Ch\$114,431 million, an increase of 10.9% in real terms. EBITDA Margin was 20.4%.
- ☛ Net Income for the First Nine Months of 2008 reached Ch\$55,488 million, 2.4% higher in real terms than the figure reported for the First Nine Months of 2007.

(Santiago-Chile, October 27, 2008) -- **Embotelladora Andina S.A.** ("the Company") announced today its consolidated financial results for the Third Quarter and Nine Months ended September 30, 2008.

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## Comments from the Chief Executive Officer, Mr. Jaime Garcia R.

*“Undoubtedly, this year has been a complex one, marked by inflationary scenarios and financial turbulence. Nevertheless, as of the third quarter we increased our consolidated volumes by 4.5%, where the categories of juices and waters stand out with a 20% growth rate, and we also increased our consolidated cash generation in real terms by 11%. We are convinced that Andina has great strengths to face the current world-wide confidence crisis, to name a few: a privileged liquidity position and our strong competitive position in a sector of non-durable goods, which along with the impeccable point of sale execution allows us to view the future with confidence.”*

## CONSOLIDATED SUMMARY

### Nine Months ended September 30, 2008 vs. Nine Months ended September 30, 2007

During the First Nine Months of 2008, the Company's results were due to growth in volume, increases in prices slightly lower than local inflation and the complex macroeconomic environment. The average 15.6% and 8.3% appreciation of the Brazilian *real* and Chilean *peso*, respectively has had a positive impact over our dollar-denominated cost and the translation of figures for those cash flows generated in Brazil. The Argentine *peso* remained stable on average.

Consolidated Sales Volume amounted to 322.5 million unit cases, an increase of 4.5%. Soft Drinks increased 3.2%, while the other categories of, Juices, Waters and Beer together increased by 18.3%, driven by several launchings during the period.

Net Sales amounted to Ch\$560,753 million, 16.0% higher than 2007 in real terms. Resulting from higher volumes, price adjustments in the three countries where we operate and in the case of Brazil, a favorable exchange rate upon translation of figures.

Cost of Sales per unit case increased 8.3% compared to the First Nine Months of 2007, mainly due to: (i) higher concentrate costs in our Brazilian and Argentine franchises due to price increases and in Chile given the new bottler incidence agreement; (ii) increased labor costs in the three franchises at a different level; (iii) increased prices for PET resin in the three countries, and (iv) increased price of sugar in Argentina. All of which was partially offset by the appreciation of the Brazilian *real* and Chilean *peso*, thus decreasing the costs of U.S. dollar-denominated raw materials, and the lower price of sugar in Chile and Brazil resulting from negotiations with suppliers.

On the other hand, SG&A expenses increased 25.5% as a result of higher volumes and increased freight fees, which rose due to higher labor costs and fuel prices as well as road blockages in Argentina due the agricultural workers' strike. In addition these expenses were impacted by the effect upon translation of figures of our Brazilian operation, and increased advertising investments in our Argentine operation.

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Consolidated Operating Income amounted to Ch\$87,968 million, an 11.0% increase in real terms compared to the First Nine Months of 2007. Operating Margin was 15.7%, a decrease of 70 basis points.

Consolidated EBITDA amounted to Ch\$114,431 million, an increase of 10.9% in real terms. EBITDA Margin was 20.4%.

## Third Quarter 2008 vs. Third Quarter 2007

Consolidated Sales Volume for the Third Quarter of 2008 reached 104.6 million unit cases, a 5.7% increase compared to the same period of the previous year. Soft drinks increased 5.3% and the “other categories” increased 9.7%, driven by new launchings.

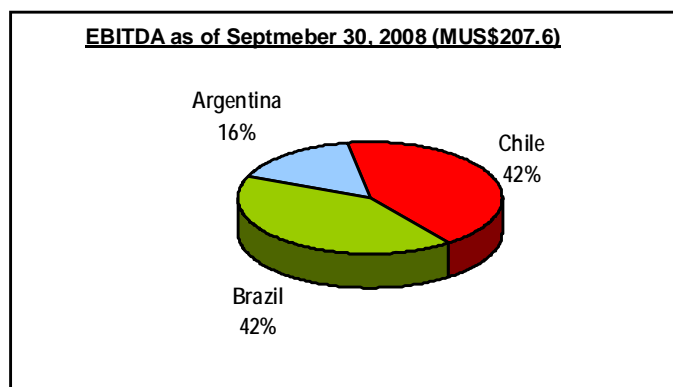
Net Sales amounted to Ch\$185,661 million, representing a 15.3% improvement in real terms compared to the Third Quarter of 2007, mainly due to increased volumes, price adjustments and a favorable exchange rate upon translation of figures in the case of Brazil.

Cost of Sales per unit case increased 10.0%, mainly explained by the previously-mentioned circumstances during the First Nine Months of 2008.

SG&A expenses increased 19.2%, as a result of increased volumes, higher freight fees and the increase in advertising investments due to launchings during the quarter, in addition to the effect upon translation of figures of our Brazilian operation.

Consolidated Operating Income amounted to Ch\$27,346 million, a 5.5% increase in real terms compared to the Third Quarter of 2007. Operating Margin was 14.7%.

Finally, Consolidated EBITDA amounted to Ch\$36,302 million, increasing by 6.6% in real terms compared to the same period of the previous year. EBITDA Margin was 19.6%.



# Embotelladora Andina S.A.

## SUMMARY BY COUNTRY



### CHILE

#### Nine Months ended September 30, 2008 vs. Nine Months ended September 30, 2007

During the First Nine Months of 2008, Sales Volume amounted to 111.6 million unit cases a significant 6.6% growth compared to the First Nine Months of 2007. This growth was a result of increased soft drink volumes (+3.9%) as well as an increase in the Juices and Waters segment (+19.1%). In addition to the volume contributed by the water brand *Benedictino*, launched in February, and by the energy drink *BURN*, launched in May, the company launched during September, *Fanta Zero*, seeking to modernize the brand and capitalize the *Zero* trend, and *Nestea Green Tea*, increasing the iced-tea portfolio.

Net Sales amounted to Ch\$191,227 million, a 4.6% improvement in real terms compared to the previous year, as a result of higher volumes and offset by a 1.9% decrease in real terms of the average income per unit case.

Cost of Sales per unit case decreased 1.2%. This lower cost is mainly explained by the lower costs of sugar and by the positive effect of the 8.3% average revaluation during the period over all U.S. dollar-denominated raw materials. These factors were partially offset by increased concentrate costs (resulting from price increases and a higher incidence), cost of PET resin and increased labor costs.

SG&A expenses increased 11.0% due to increased volumes, higher freight fees and labor costs associated to sales.

Operating Income was 3.8% lower in real terms than the figure reported in the same period of 2007, amounting to Ch\$38,098 million. Operating Margin was 19.9%.

EBITDA amounted to Ch\$49,634 million, remaining stable in real terms compared to 2007. EBITDA Margin was 26.0%.

#### Third Quarter 2008 vs. Third Quarter 2007

During the Third Quarter of 2008 Sales Volume amounted to 35.8 million unit cases, a 5.7% growth compared to the same period of the previous year, where "other categories" were a strong growth driver recording a 13.2% increase.

Net Sales amounted to Ch\$60,837 million, reflecting a growth of 4.6%, with a real average income per unit case 1.0% lower than that of 2007.

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Cost of Sales per unit case decreased 2.6%. This lower cost is mainly explained by the previously-mentioned circumstances during the First Nine Months of 2008.

SG&A expenses increased 10.2%, due to the reasons previously-mentioned.

Operating Income amounted to Ch\$11,371 million, a 3.2% decrease in real terms compared to the Third Quarter of 2007. Operating Margin was 18.7%.

EBITDA amounted to Ch\$15,148 million, a 4.7% increase in real terms regarding the EBITDA figure recorded during the same period of the previous year. EBITDA Margin was 24.9%.



BRAZIL

*For the Third quarter and Nine Months of 2008 the appreciation of the Brazilian real to the Chilean peso had a positive impact over income and a negative impact over costs and expenses due to figure translation.*

## Nine Months ended September 30, 2008 vs. Nine Months ended September 30, 2007

Sales Volume amounted to 124.3 million unit cases, a slight increase compared to the 123.9 million unit cases recorded as of September 30, 2007, strongly affected by the contraction in consumer demand and weather conditions in the territories within our franchise.

Net Sales reached Ch\$247,425 million, increasing 19.4% in real terms compared to the previous year. This increase was as a result of price adjustments and the favorable exchange rate upon the translation of figures.

Cost of Sales per unit case increased 12.9%, mainly due to: (i) higher concentrate costs due to price increases; (ii) increased prices for PET resin; (iii) increased aluminum costs (sales volume for cans represented 14% of total sales volume); (iv) higher depreciation, and (v) effect upon the translation of figures (with a negative impact over costs). All of these factors were partially offset by a decrease in sugar prices and the positive effect of the appreciation of the Brazilian *real* over US dollar denominated raw material costs.

Higher freight fees and labor costs, and particularly the effect upon translation of figures led to a 29.7% increase of SG&A expenses.

Operating Income increased 21.4%, amounting to Ch\$38,926 million. Operating Margin was 15.7%, an improvement of 20 basis points.

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EBITDA amounted to Ch\$48,236 million, an increase of 19.4% in real terms, with an EBITDA Margin of 19.5%, in line compared to the same period of the previous year.

## **Third Quarter 2008 vs. Third Quarter 2007**

Sales Volume for the Third Quarter of 2008 amounted to 40.5 million unit cases, representing a 1.8% increase compared to the Third Quarter of 2007. This low volume growth reflects the slow recovery of consumer demand after a consumer pattern shift towards durable goods, less available wages in low income families (as a result of inflation) and lower temperatures than those recorded during the same period last year.

Net Sales reached Ch\$82,081 million, representing an increase of 13.6%. This growth is explained by price adjustments during the period, and a favorable exchange rate upon translating figures into US dollars.

Cost of Sales per unit case increased 16.7% mainly explained by the previously mentioned circumstances for the First Nine Months.

SG&A's increased 12.8% due to increased freight fees, labor costs and the effect upon translation of figures.

Operating Income reached Ch\$12,638 million, remaining stable in real terms and Operating Margin was 15.4%.

Finally, EBITDA amounted to Ch\$15,960 million, an increase of 2.0% in real terms compared to the Third Quarter of 2007. EBITDA Margin was 19.5%.



**ARGENTINA**

## **Nine Months ended September 30, 2008 vs. Nine Months ended September 30, 2007**

Sales Volume reached 86.6 million unit cases, an 8.2% improvement compared to the Sales Volume reported in 2007, driven by the increase in salaries and private consumption observed during the period.

Net Sales reached Ch\$124,247 million, representing an increase of 29.6% in real terms. This improvement is explained by higher volumes and significant price adjustments that took place during the period.

Cost of Sales per unit case increased 15.9%, mainly explained by increased costs of concentrate (as a result of price increases), sugar and PET resin and higher labor costs.

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SG&A expenses increased 37.0% mainly due to higher salaries, and increased freight fees (due to labor costs, fuel prices and the agricultural strike, that increased our distribution costs) and advertising investments.

Operating Income amounted to Ch\$12,614 million, a significant 35.5% increase. Operating Margin was 10.1%, 40 basis points higher than 2007.

EBITDA reached Ch\$18,231 million, an increase of 23.2% in real terms compared to the same period of 2007. EBITDA Margin was 14.7%.

## **Third Quarter 2008 vs. Third Quarter 2007**

Sales Volume for the Third Quarter of 2008 increased 11.7% reaching 28.3 million unit cases. In addition to the previously mentioned circumstances, this increase was driven by launches of *Cepita Light* and *Cepita 100% Orange Juice* during the month of August.

Net Sales reached Ch\$43,982 million, representing an increase of 39.6% in real terms compared to the Third Quarter of 2007. This improvement is explained by the significant increase in volumes and prices during the period.

Cost of Sales per unit case increased 21.3% and SG&A's increased 46.3%, explained by the same arguments given for the First Nine Months analysis.

Operating Income amounted to Ch\$3,943 million, a 46.0% increase in real terms compared to the same period of 2007. Operating Margin was 9.0%, an increase of 40 basis points compared to the Third Quarter of 2007.

Finally, EBITDA reached Ch\$5,801 million, an increase of 29.3%. EBITDA Margin was 13.2%

## **NON-OPERATING RESULTS**

### **First Nine Months ended September 30, 2008 vs. First Nine Months ended September 30, 2007**

Non-Operating Results totaled a loss of (Ch\$16,676) million, which compares negatively to a lower accumulated loss of (Ch\$7,856) million recorded during 2007. This increased loss in the non-operating result line is best explained by: (i) a negative effect explained by the reversal of conversion adjustment reserve realized, due to repatriations from our subsidiaries in Argentina and Brazil; (ii) a negative effect upon price level restatement due to higher CPI; and (iii) a negative effect upon translation of the financial statements of our subsidiary in Brazil which affects net monetary assets.

Finally, net income amounted to Ch\$55,488 million, an increase of 2.4% in real terms compared to the figure recorded as of September 30, 2007.

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## ANALYSIS OF THE BALANCE SHEET

As of September 30, 2008, the Company's financial assets amounted to Ch\$108,957 million. These represent cash, investments in mutual funds and time deposits. 81.1% of total financial investments are denominated in Chilean pesos, 11.4% in U.S. dollars, 5.7% in Brazilian reals and 1.1% in Argentine pesos.

On the other hand, the Company's total debt was Ch\$92,740 million, with an average annual rate of 6.5% on Chilean peso-denominated debt. The Chilean peso-denominated debt represents 87.8% of total debt.

As a result, the Company holds a positive net cash position of Ch\$16,217 million.

*This release may contain forward-looking statements reflecting Embotelladora Andina SA's good faith expectations and are based upon currently available data; however, actual results are subject to numerous uncertainties, many of which are beyond the control of the Company and any one or more of which could materially impact actual performance. Among the factors that can cause performance to differ materially are: political and economic conditions on consumer spending, pricing pressure resulting from competitive discounting by other bottlers, climatic conditions in the Southern Cone, and other risk factors applicable from time to time and listed in Andina's periodic reports filed with relevant regulatory institutions.*

## Embotelladora Andina S.A.

### Main Indicators

INDICATORS	Unit	Sep-08	Dec-2007	Sep-07	Variance
<b>LIQUIDITY</b>					
Current Ratio	Times	1.98	1.92	1.85	0.13
Acid Tests	Times	1.72	1.72	1.62	0.10
Working Capital	MCh\$	36,727	29,296	47,676	-10,949
<b>ACTIVITY</b>					
Investments	MCh\$	46,635	59,890	43,644	2,991
Inventory turnover	Times	10.87	13.60	10.49	0.38
Days of inventory on hand	Days	33.13	26.46	34.32	-1.20
<b>INDEBTEDNESS</b>					
Debt to equity ratio	%	79.39%	92.22%	87.40%	-8.02%
Short-term liabilities to total liabilities	%	46.08%	53.48%	48.06%	-1.98%
Long-term liabilities to total liabilities	%	53.92%	46.52%	51.94%	1.98%
Interest charges coverage ratio	Times	32.64	60.47	32.03	0.61
<b>PROFITABILITY</b>					
Return over equity	%	19.01%	28.32%	18.32%	0.69%
Return over total assets	%	10.23%	14.94%	9.75%	0.48%
Return over operating assets	%	19.48%	32.80%	19.81%	-0.33%
Operating income	MCh\$	87,968	123,463	79,267	8,701
Operating margin	%	15.69%	18.14%	16.40%	-0.71%
EBITDA (1)	MCh\$	104,966	159,218	102,744	2,223
EBITDA margin	%	18.72%	22.93%	21.26%	-2.54%
Dividends payout ratio - Serie A shares	%	7.33%	7.16%	6.48%	0.85%
Dividends payout ratio - Serie B shares	%	7.00%	7.33%	6.56%	0.44%

(1) EBITDA Earnings before income taxes, interests, depreciation, amortization and extraordinary items.

Embotelladora Andina S.A.  
Third Quarter Results for the period ended September 30, Chilean GAAP  
(In million constant 09/30/08 Chilean Pesos, except per share)

	9/30/2008				9/30/2007				% Ch.
	Chilean Operations	Brazilian Operations	Argentine Operations	Total (2)	Chilean Operations	Brazilian Operations	Argentine Operations	Total (2)	
<b>VOLUME TOTAL BEVERAGES (Million UC)</b>	<b>35.8</b>	<b>40.5</b>	<b>28.3</b>	<b>104.6</b>	<b>33.9</b>	<b>39.8</b>	<b>25.3</b>	<b>99.0</b>	<b>5.7%</b>
Soft Drink	29.0	38.1	27.8	94.9	27.9	37.3	24.9	90.1	5.3%
Mineral Water	2.8	0.5	0.2	3.6	2.5	0.7	0.3	3.4	5.0%
Juices	4.0	1.0	0.3	5.3	3.6	0.8	0.1	4.5	16.2%
Beer	NA	0.9	NA	0.9	NA	1.0	NA	1.0	-4.4%
<b>NET SALES</b>	<b>60,837</b>	<b>82,021</b>	<b>43,982</b>	<b>185,661</b>	<b>58,154</b>	<b>72,187</b>	<b>31,507</b>	<b>161,063</b>	<b>15.3%</b>
<b>COST OF SALES</b>	<b>(34,910)</b>	<b>(45,998)</b>	<b>(26,514)</b>	<b>(106,244)</b>	<b>(33,922)</b>	<b>(38,711)</b>	<b>(19,564)</b>	<b>(91,411)</b>	<b>16.2%</b>
<b>GROSS PROFIT</b>	<b>25,927</b>	<b>36,023</b>	<b>17,467</b>	<b>79,418</b>	<b>24,232</b>	<b>33,477</b>	<b>11,943</b>	<b>69,652</b>	<b>14.0%</b>
<b>Gross Margin</b>	42.6%	43.9%	39.7%	42.8%	41.7%	46.4%	37.9%	43.2%	
<b>SELLING AND ADMINISTRATIVE EXPENSES</b>	<b>(14,556)</b>	<b>(23,385)</b>	<b>(13,525)</b>	<b>(51,466)</b>	<b>(13,209)</b>	<b>(20,726)</b>	<b>(9,243)</b>	<b>(43,178)</b>	<b>19.2%</b>
<b>CORPORATE EXPENSES (4)</b>	0	0	0	(606)	0	0	0	(545)	11.2%
<b>OPERATING INCOME</b>	<b>11,371</b>	<b>12,638</b>	<b>3,943</b>	<b>27,346</b>	<b>11,022</b>	<b>12,751</b>	<b>2,700</b>	<b>25,929</b>	<b>5.5%</b>
Operating Margin	18.7%	15.4%	9.0%	14.7%	19.0%	17.7%	8.6%	16.1%	
<b>EBITDA (1)</b>	<b>15,148</b>	<b>15,960</b>	<b>5,801</b>	<b>36,302</b>	<b>14,462</b>	<b>15,649</b>	<b>4,488</b>	<b>34,054</b>	<b>6.6%</b>
Ebitda Margin	24.9%	19.5%	13.2%	19.6%	24.9%	21.7%	14.2%	21.1%	
<b>NON OPERATIONAL RESULTS</b>									
<b>FINANCIAL EXPENSE/INCOME (Net)</b>				(3,591)				4,707	-176.3%
<b>RESULTS FROM AFFILIATED</b>				316				75	-318.9%
<b>AMORTIZATION OF GOODWILL</b>				(1,653)				(1,672)	-1.1%
<b>OTHER INCOME/(EXPENSE)</b>				(1,227)				(1,408)	-12.8%
<b>PRICE LEVEL RESTATEMENT (3)</b>				(641)				(4,846)	-86.8%
<b>NON-OPERATING RESULTS</b>				<b>(6,797)</b>				<b>(3,144)</b>	<b>116.2%</b>
<b>INCOME BEFORE INCOME TAXES; AMORTIZATION OF NEGATIVE GOODWILL AND MINORITY INTEREST</b>				<b>20,549</b>				<b>22,785</b>	<b>-9.8%</b>
<b>INCOME TAXES</b>				(3,554)				(6,853)	-48.1%
<b>MINORITY INTEREST</b>				37				11	NA
<b>AMORTIZATION OF NEGATIVE GOODWILL</b>				0				0	NA
<b>NET INCOME</b>				<b>17,032</b>				<b>15,943</b>	<b>6.8%</b>
<b>Net Margin</b>				9.2%				9.9%	
<b>WEIGHTED AVERAGE SHARES OUTSTANDING</b>				760.3				760.3	
<b>EARNINGS PER SHARE</b>				<b>22.4</b>				<b>21.0</b>	
<b>EARNINGS PER ADS</b>				<b>134.4</b>				<b>125.8</b>	<b>6.8%</b>

(1) EBITDA: Operating Income + Depreciation

(2) Total may be different from the addition of the three countries because of intercountry eliminations

(3) Includes: Monetary Correction + Conversion Effect to Balance Sheet + Income Statement Accounts + Exchange rate gains & losses.

(4) Corporate expenses partially reclassified to the operations.

Embotelladora Andina S.A.  
Third Quarter Results for the period ended September 30, Chilean GAAP  
(In million nominal US\$, except per share)

Exch. Rate : \$ 551.31

Exch. Rate : \$ 511.23

	9/30/2008				9/30/2007				% Ch.
	Chilean Operations	Brazilian Operations	Argentine Operations	Total (2)	Chilean Operations	Brazilian Operations	Argentine Operations	Total (2)	
<b>VOLUME TOTAL BEVERAGES (Million UC)</b>	<b>35.8</b>	<b>40.5</b>	<b>28.3</b>	<b>104.6</b>	<b>33.9</b>	<b>39.8</b>	<b>25.3</b>	<b>99.0</b>	<b>5.7%</b>
Soft Drink	29.0	38.1	27.8	94.9	27.9	37.3	24.9	90.1	5.3%
Mineral Water	2.8	0.5	0.2	3.6	2.5	0.7	0.3	3.4	5.0%
Juices	4.0	1.0	0.3	5.3	3.6	0.8	0.1	4.5	16.2%
Beer	NA	0.9	NA	0.9	NA	1.0	NA	1.0	-4.4%
<b>NET SALES</b>	<b>110.3</b>	<b>148.8</b>	<b>79.8</b>	<b>336.8</b>	<b>104.1</b>	<b>129.2</b>	<b>56.4</b>	<b>288.2</b>	<b>16.8%</b>
<b>COST OF SALES</b>	<b>(63.3)</b>	<b>(83.4)</b>	<b>(48.1)</b>	<b>(192.7)</b>	<b>(60.7)</b>	<b>(69.3)</b>	<b>(35.0)</b>	<b>(163.6)</b>	<b>17.8%</b>
<b>GROSS PROFIT</b>	<b>47.0</b>	<b>65.3</b>	<b>31.7</b>	<b>144.1</b>	<b>43.4</b>	<b>59.9</b>	<b>21.4</b>	<b>124.7</b>	<b>15.6%</b>
Gross Margin	42.6%	43.9%	39.7%	42.8%	41.7%	46.4%	37.9%	43.2%	
<b>SELLING AND ADMINISTRATIVE EXPENSES</b>	<b>(26.4)</b>	<b>(42.4)</b>	<b>(24.5)</b>	<b>(93.4)</b>	<b>(23.6)</b>	<b>(37.1)</b>	<b>(16.5)</b>	<b>(77.3)</b>	<b>20.8%</b>
<b>CORPORATE EXPENSES (4)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(1.1)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(1.0)</b>	<b>12.7%</b>
<b>OPERATING INCOME</b>	<b>20.6</b>	<b>22.9</b>	<b>7.2</b>	<b>49.6</b>	<b>19.7</b>	<b>22.8</b>	<b>4.8</b>	<b>46.4</b>	<b>6.9%</b>
Operating Margin	18.7%	15.4%	9.0%	14.7%	19.0%	17.7%	8.6%	16.1%	
<b>EBITDA (1)</b>	<b>27.5</b>	<b>28.9</b>	<b>10.5</b>	<b>65.8</b>	<b>25.9</b>	<b>28.0</b>	<b>8.0</b>	<b>60.9</b>	<b>8.0%</b>
Ebitda Margin	24.9%	19.5%	13.2%	19.6%	24.9%	21.7%	14.2%	21.1%	
<b>NON OPERATIONAL RESULTS</b>									
<b>FINANCIAL EXPENSE/INCOME (Net)</b>				<b>(6.5)</b>				<b>8.4</b>	<b>-177.3%</b>
<b>RESULTS FROM AFFILIATED</b>				<b>0.6</b>				<b>0.1</b>	<b>-324.6%</b>
<b>AMORTIZATION OF GOODWILL</b>				<b>(3.0)</b>				<b>(3.0)</b>	<b>0.2%</b>
<b>OTHER INCOME/(EXPENSE)</b>				<b>(2.2)</b>				<b>(2.5)</b>	<b>-11.7%</b>
<b>PRICE LEVEL RESTATEMENT (3)</b>				<b>(1.2)</b>				<b>(8.7)</b>	<b>-86.6%</b>
<b>NON-OPERATING RESULTS</b>				<b>(12.3)</b>				<b>(5.6)</b>	<b>119.1%</b>
<b>INCOME BEFORE INCOME TAXES; AMORTIZATION OF NEGATIVE GOODWILL AND MINORITY INTEREST</b>				<b>37.3</b>				<b>40.8</b>	<b>-8.6%</b>
<b>INCOME TAXES</b>				<b>(6.4)</b>				<b>(12.3)</b>	<b>-47.4%</b>
<b>MINORITY INTEREST</b>				<b>0.1</b>				<b>0.0</b>	<b>NA</b>
<b>AMORTIZATION OF NEGATIVE GOODWILL</b>				<b>0.0</b>				<b>0.0</b>	<b>NA</b>
<b>NET INCOME</b>				<b>30.9</b>				<b>28.5</b>	<b>8.3%</b>
<b>Net Margin</b>				<b>9.2%</b>				<b>9.9%</b>	
<b>WEIGHTED AVERAGE SHARES OUTSTANDING</b>				<b>760.3</b>				<b>760.3</b>	
<b>EARNINGS PER SHARE</b>				<b>0.04</b>				<b>0.04</b>	
<b>EARNINGS PER ADS</b>				<b>0.24</b>				<b>0.23</b>	<b>8.3%</b>

(1) EBITDA: Operating Income + Depreciation

(2) Total may be different from the addition of the three countries because of intercountry eliminations

(3) Includes: Monetary Correction + Conversion Effect to Balance Sheet + Income Statement Accounts + Exchange rate gains & losses.

(4) Corporate expenses partially reclassified to the operations.

Embotelladora Andina S.A.

Nine Months Results for the period ended September 30, Chilean GAAP

(In million constant 09/30/08 Chilean Pesos, except per share)

	9/30/2008				9/30/2007				% Ch.
	Chilean Operations	Brazilian Operations	Argentine Operations	Total (2)	Chilean Operations	Brazilian Operations	Argentine Operations	Total (2)	
<b>VOLUME TOTAL BEVERAGES (Million UC)</b>	<b>111.6</b>	<b>124.3</b>	<b>86.6</b>	<b>322.5</b>	<b>104.7</b>	<b>123.9</b>	<b>80.1</b>	<b>308.7</b>	<b>4.5%</b>
Soft Drink	89.6	116.4	85.3	291.3	86.2	117.1	79.0	282.3	3.2%
Mineral Water	10.6	2.0	0.8	13.5	8.5	1.7	0.8	10.9	23.6%
Juices	11.3	2.8	0.5	14.6	10.0	2.3	0.3	12.5	16.3%
Beer	NA	3.1	NA	3.1	NA	2.9	NA	2.9	7.3%
<b>NET SALES</b>	<b>191,227</b>	<b>247,425</b>	<b>124,427</b>	<b>560,753</b>	<b>182,798</b>	<b>207,270</b>	<b>96,002</b>	<b>483,357</b>	<b>16.0%</b>
<b>COST OF SALES</b>	<b>(109,383)</b>	<b>(129,155)</b>	<b>(74,788)</b>	<b>(310,999)</b>	<b>(103,803)</b>	<b>(114,050)</b>	<b>(59,673)</b>	<b>(274,813)</b>	<b>13.2%</b>
<b>GROSS PROFIT</b>	<b>81,844</b>	<b>118,270</b>	<b>49,639</b>	<b>249,753</b>	<b>78,995</b>	<b>93,220</b>	<b>36,329</b>	<b>208,544</b>	<b>19.8%</b>
Gross Margin	42.8%	47.8%	39.9%	44.5%	43.2%	45.0%	37.8%	43.1%	
<b>SELLING AND ADMINISTRATIVE EXPENSES</b>	<b>(43,746)</b>	<b>(79,344)</b>	<b>(37,025)</b>	<b>(160,115)</b>	<b>(39,407)</b>	<b>(61,163)</b>	<b>(27,019)</b>	<b>(127,589)</b>	<b>25.5%</b>
<b>CORPORATE EXPENSES (4)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,670)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,688)</b>	<b>-1.1%</b>
<b>OPERATING INCOME</b>	<b>38,098</b>	<b>38,926</b>	<b>12,614</b>	<b>87,968</b>	<b>39,588</b>	<b>32,057</b>	<b>9,310</b>	<b>79,267</b>	<b>11.0%</b>
Operating Margin	19.9%	15.7%	10.1%	15.7%	21.7%	15.5%	9.7%	16.4%	
<b>EBITDA (1)</b>	<b>49,634</b>	<b>48,236</b>	<b>18,231</b>	<b>114,431</b>	<b>49,690</b>	<b>40,387</b>	<b>14,803</b>	<b>103,192</b>	<b>10.9%</b>
Ebitda Margin	26.0%	19.5%	14.7%	20.4%	27.2%	19.5%	15.4%	21.3%	
<b>NON OPERATIONAL RESULTS</b>									
<b>FINANCIAL EXPENSE/INCOME (Net)</b>				(10,441)				6,202	-268.3%
<b>RESULTS FROM AFFILIATED</b>				664				302	120.2%
<b>AMORTIZATION OF GOODWILL</b>				(4,959)				(5,107)	-2.9%
<b>OTHER INCOME/(EXPENSE)</b>				(2,964)				(1,757)	68.7%
<b>PRICE LEVEL RESTATEMENT (3)</b>				1,023				(7,497)	113.6%
<b>NON-OPERATING RESULTS</b>				<b>(16,676)</b>				<b>(7,856)</b>	<b>112.3%</b>
<b>INCOME BEFORE INCOME TAXES; AMORTIZATION OF NEGATIVE GOODWILL AND MINORITY INTEREST</b>				<b>71,291</b>				<b>71,410</b>	<b>-0.2%</b>
<b>INCOME TAXES</b>				(15,849)				(17,164)	-7.7%
<b>MINORITY INTEREST</b>				46				(33)	NA
<b>AMORTIZATION OF NEGATIVE GOODWILL</b>				0				0	NA
<b>NET INCOME</b>				<b>55,488</b>				<b>54,213</b>	<b>2.4%</b>
<b>Net Margin</b>				9.9%				11.2%	
<b>WEIGHTED AVERAGE SHARES OUTSTANDING</b>				760.3				760.3	
<b>EARNINGS PER SHARE</b>				<b>73.0</b>				<b>71.3</b>	
<b>EARNINGS PER ADS</b>				<b>437.9</b>				<b>427.8</b>	<b>2.4%</b>

(1) EBITDA: Operating Income + Depreciation

(2) Total may be different from the addition of the three countries because of intercountry eliminations

(3) Includes: Monetary Correction + Conversion Effect to Balance Sheet + Income Statement Accounts + Exchange rate gains & losses.

(4) Corporate expenses partially reclassified to the operations.

Embotelladora Andina S.A.

Nine Months Results for the period ended September 30, Chilean GAAP

(In million nominal US\$, except per share)

Exch. Rate : \$ 551.31

Exch. Rate : \$ 511.23

	9/30/2008				9/30/2007				% Ch.
	Chilean Operations	Brazilian Operations	Argentine Operations	Total (2)	Chilean Operations	Brazilian Operations	Argentine Operations	Total (2)	
<b>VOLUME TOTAL BEVERAGES (Million UC)</b>	<b>111.6</b>	<b>124.3</b>	<b>86.6</b>	<b>322.5</b>	<b>104.7</b>	<b>123.9</b>	<b>80.1</b>	<b>308.7</b>	<b>4.5%</b>
Soft Drink	89.6	116.4	85.3	291.3	86.2	117.1	79.0	282.3	3.2%
Mineral Water	10.6	2.0	0.8	13.5	8.5	1.7	0.8	10.9	23.6%
Juices	11.3	2.8	0.5	14.6	10.0	2.3	0.3	12.5	16.3%
Beer	NA	3.1	NA	3.1	NA	2.9	NA	2.9	7.3%
<b>NET SALES</b>	<b>346.9</b>	<b>448.8</b>	<b>225.7</b>	<b>1,017.1</b>	<b>327.1</b>	<b>370.9</b>	<b>171.8</b>	<b>865.0</b>	<b>17.6%</b>
<b>COST OF SALES</b>	<b>(198.4)</b>	<b>(234.3)</b>	<b>(135.7)</b>	<b>(564.1)</b>	<b>(185.8)</b>	<b>(204.1)</b>	<b>(106.8)</b>	<b>(491.8)</b>	<b>14.7%</b>
<b>GROSS PROFIT</b>	<b>148.5</b>	<b>214.5</b>	<b>90.0</b>	<b>453.0</b>	<b>141.4</b>	<b>166.8</b>	<b>65.0</b>	<b>373.2</b>	<b>21.4%</b>
Gross Margin	42.8%	47.8%	39.9%	44.5%	43.2%	45.0%	37.8%	43.1%	
<b>SELLING AND ADMINISTRATIVE EXPENSES</b>	<b>(79.3)</b>	<b>(143.9)</b>	<b>(67.2)</b>	<b>(290.4)</b>	<b>(70.5)</b>	<b>(109.5)</b>	<b>(48.4)</b>	<b>(228.3)</b>	<b>27.2%</b>
<b>CORPORATE EXPENSES (4)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(3.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(3.0)</b>	<b>0.3%</b>
<b>OPERATING INCOME</b>	<b>69.1</b>	<b>70.6</b>	<b>22.9</b>	<b>159.6</b>	<b>70.8</b>	<b>57.4</b>	<b>16.7</b>	<b>141.9</b>	<b>12.5%</b>
Operating Margin	19.9%	15.7%	10.1%	15.7%	21.7%	15.5%	9.7%	16.4%	
<b>EBITDA (1)</b>	<b>90.0</b>	<b>87.5</b>	<b>33.1</b>	<b>207.6</b>	<b>88.9</b>	<b>72.3</b>	<b>26.5</b>	<b>184.7</b>	<b>12.4%</b>
Ebitda Margin	26.0%	19.5%	14.7%	20.4%	27.2%	19.5%	15.4%	21.3%	
<b>NON OPERATIONAL RESULTS</b>									
<b>FINANCIAL EXPENSE/INCOME (Net)</b>				(18.9)				11.1	-270.6%
<b>RESULTS FROM AFFILIATED</b>				1.2				0.5	123.2%
<b>AMORTIZATION OF GOODWILL</b>				(9.0)				(9.1)	-1.6%
<b>OTHER INCOME/(EXPENSE)</b>				(5.4)				(3.1)	71.0%
<b>PRICE LEVEL RESTATEMENT (3)</b>				1.9				(13.4)	113.8%
<b>NON-OPERATING RESULTS</b>				<b>(30.2)</b>				<b>(14.1)</b>	<b>115.1%</b>
<b>INCOME BEFORE INCOME TAXES; AMORTIZATION OF NEGATIVE GOODWILL AND MINORITY INTEREST</b>				<b>129.3</b>				<b>127.8</b>	<b>1.2%</b>
<b>INCOME TAXES</b>				(28.7)				(30.7)	-6.4%
<b>MINORITY INTEREST</b>				0.1				(0.1)	NA
<b>AMORTIZATION OF NEGATIVE GOODWILL</b>				0.0				0.0	NA
<b>NET INCOME</b>				<b>100.6</b>				<b>97.0</b>	<b>3.7%</b>
<b>Net Margin</b>				9.9%				11.2%	
<b>WEIGHTED AVERAGE SHARES OUTSTANDING</b>				760.3				760.3	
<b>EARNINGS PER SHARE</b>				<b>0.13</b>				<b>0.13</b>	
<b>EARNINGS PER ADS</b>				<b>0.79</b>				<b>0.77</b>	<b>3.7%</b>

(1) : Operating Income + Depreciation

(2) Total may be different from the addition of the three countries because of intercountry eliminations

(3) Includes: Monetary Correction + Conversion Effect to Balance Sheet + Income Statement Accounts + Exchange rate gains & losses.

(4) Corporate expenses partially reclassified to the operations.

## Embotelladora Andina S.A.

### Consolidated Balance Sheet (In million of constant 09/30/08 Chilean Pesos)

ASSETS	9/30/2008	9/30/2007	%Ch	LIABILITIES & SHAREHOLDERS' EQUITY	9/30/2008	9/30/2007	%Ch
Cash + Time deposits + market. Securit.	107,362	93,987	14.2%	Short term bank liabilities	10,684	9,402	13.6%
Account receivables (net)	56,954	49,447	15.2%	Current portion of long term bank liabilities	123	230	0.0%
Inventories	28,053	26,331	6.5%	Current portion of bonds payable	1,656	15,771	-89.5%
Other current assets	20,348	44,772	-54.6%	Trade accounts payable and notes payable	66,777	61,429	8.7%
<b>Total Current Assets</b>	<b>212,716</b>	<b>214,538</b>	<b>-0.8%</b>	Other liabilities	28,186	29,247	-3.6%
Property, plant and equipment	657,789	607,161	8.3%	<b>Total Current Liabilities</b>	<b>107,427</b>	<b>116,079</b>	<b>-7.5%</b>
Depreciation	(453,574)	(436,094)	4.0%	Long term bank liabilities	613	834	-26.5%
<b>Total Property, Plant, and Equipment</b>	<b>204,215</b>	<b>171,067</b>	<b>19.4%</b>	Bonds payable	77,657	79,797	-2.7%
Investment in related companies	25,554	22,558	13.3%	Other long term liabilities	46,113	43,462	6.1%
Investment in other companies	127	63	101.2%	<b>Total Long Term Liabilities</b>	<b>124,382</b>	<b>124,092</b>	<b>0.2%</b>
Goodwill	58,309	65,785	-11.4%	Minority interest	1,329	1,364	-2.6%
Other long term assets	25,885	43,867	-41.0%	<b>Stockholders' Equity</b>	<b>293,667</b>	<b>276,342</b>	<b>6.3%</b>
<b>Total Other Assets</b>	<b>109,874</b>	<b>132,273</b>	<b>-16.9%</b>				
<b>TOTAL ASSETS</b>	<b>526,805</b>	<b>517,878</b>	<b>1.7%</b>	<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>526,805</b>	<b>517,878</b>	<b>1.7%</b>

### Financial Highlights (In million of constant 09/30/08 Chilean Pesos)

ADDITIONS TO FIXED ASSETS	9/30/2008	9/30/2007	DEBT RATIOS	9/30/2008	9/30/2007
Chile	18,862	28,033	Financial Debt / Total Capitalization	0.24	0.28
Brazil	23,752	11,657	Financial Debt / EBITDA L12M	0.55	0.75
Argentina	4,021	3,954	EBITDA L12M / Interest Expense (net) L12M	23.61	13.69
	<b>46,635</b>	<b>43,644</b>	L12M: Last twelve months		

\* As of September 30, 2008, the Company registered a positive net cash position of US\$ 29 million. Total debt amounted to US\$ 169 million. Total Cash amounted to US\$ 198 million.