

3Q15 Conference Call Guidelines

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Miguel Ángel Peirano: *Good morning and welcome to Coca-Cola Andina's third quarter 2015 results conference call.*

Continuing the positive trend we saw during the first half of the year, we closed the third quarter with satisfactory results in the four franchises that we operate. In addition to Operating Income growths in the 4 franchises that we operate, EBITDA generated by our operations in Argentina, Brazil and Chile increased and continue showing expansions at margin levels. This is how consolidated EBITDA this quarter grew by 5.3% in Chilean pesos and consolidated EBITDA margin closed the quarter at levels of 15.0%, representing an expansion of 50 point basis. On the other hand, Net Income grew by 66.8% in the same period and net margin expanded 120 basis points.

In addition, yesterday the awards ceremony for 2020 Sustainable Leaders Agenda was held in Chile, known as ALAS20, where in April of this year we had been nominated in every category that it rewards. Yesterday we received the following awards: first place Leading Company in Corporate Governance, second place Director of Leading Company in Sustainability, awarded to the Chairman of our Board, Juan Claro, and third place General Manager Leading Company in Sustainability, awarded to José Luis Solórzano as General Manager of the Chilean operation.

It is important to note that these last two categories are reserved for those professionals who According to the perception of different groups of interest, demonstrated leadership in the integration of sustainability to the businesses they manage and oversee, so it is an award that fills us with pride, to see that the different stakeholders are recognizing the work that we have been developing in this regard. Furthermore, and with respect to the Corporate Governance Category, we have been recognized by the way in which we allow the market to get to know the company's corporate governance practices, making the information regarding how the company is being directed and controlled in favor of sustainable development, available to stakeholders.

Continuing with our operations, in Argentina sales volume growth was 1.2%, which was explained by the growth in the category of juices and waters. The good performance of this category is based on market share earnings achieved in these segments resulting from product launches, such as Cepita juices in the hotfill bottle, as well as the growth of flavored water. Our trade priorities continue to be the development of returnable packaging and pricing architecture optimization.

In Brazil, this quarter our market share reached 61.7 points, reflecting a gain of 80 points compared to the previous year, explained by execution quality and the development of new packaging. Anyway, and as we have said on other occasions, from a macroeconomic point of view the environment continues to be challenging. Weaker consumption has had a negative impact on the disposable income of consumers and has affected our volume growth.

This weaker macroeconomic environment is the baseline scenario with which we are working for what's left of the year, and will probably continue affecting our sales volumes in the coming months. We will continue to monitor our pricing strategy in the franchise to minimize the impact on our results of all the above. Finally, I would like to remind you that in September 2015 the new Pauta Estadual in Rio de Janeiro became effective.

In Chile, we are moving ahead with the marketing strategy called Masterbrand according to our plans, which was launched during the first half of the year and that has been very successful. This strategy joins the Coca-Cola brand under a single brand with four options, looking to ensure access to all our customers of the light product versions, increasing availability of low-calorie and calorie-free Coca-Cola options at the different points of sale throughout our franchise. These products are growing at higher rates than the rest of the portfolio, which implies that a change is occurring in the mix that is very positive for us and since we are the market leaders in this category, we continue to gain market share. This quarter we gained 40 points with respect to the same quarter of the previous year, reaching 69.6 points.

In Paraguay, one of the main objectives this year was to improve our competitive position, gaining market share, with a focus on the nation's capital. This quarter we completed the Route To Market process in the presale in Asunción, where we had a better chance at market share levels, largest concentrated volume and higher per capita consumption. We significantly increased direct service and the dominance of the market, capturing volume served by third parties, and generating more efficient service models. All this allowed us to gain more than 500 points of market share compared to the previous year, reaching 67.6 points in the quarter.

In short, the good results achieved based on improvements in operating efficiency and productivity that we have been working on, the excellent implementation of our market execution, pricing strategy and packaging and the recognitions achieved in matters of corporate governance and sustainability confirm that we are going in the right direction, as always much remains to be done, and our commitment is to continue moving forward on this path.

Now Andrés will comment on the Company's financial results.

Andrés Wainer: Hello, good morning. To begin, I would like to refer to the exchange rates of each of the countries where we have operations and their impact on the consolidation of figures. This quarter we saw a positive impact resulting from the appreciation of the Argentine peso on the Chilean peso, upon consolidation: with regard to the previous year the Argentine peso increased 5.2%. On the other hand the Brazilian real depreciated 24.8%, so in this case there was a very negative effect upon consolidation. Finally, the Paraguayan guarani depreciated 5.5% with respect to the Chilean peso, so that, in this case, there was a slightly negative effect upon consolidation.

We will now review each of the franchises where the company has operations, and for a better understanding, the figures that we will analyze in each one of them are expressed in local currency.

In Argentina Net Sales increased 33.8% during the quarter, driven by sales volume, which increased 1.2% during the quarter, explained by the growth in the juices and water category and by the implementation of price increases.

Operating costs grew 28.31% in the quarter, explained by:

1. the increase in revenues, which has a direct impact on the cost of concentrate,
2. increased labor costs, mainly due to inflation, and
3. the 11.5% devaluation of the Argentine Peso against the U.S. dollar having a direct incidence over dollarized costs.

On the other hand, Selling and General Administration Expenses increased 32.2% in the quarter, which is mainly explained by the effect of local inflation over costs such as labor, freight and services provided by third parties.

Finally, EBITDA increased 60.5% in the quarter, and EBITDA margin expanded 218 basis points reaching 13.0%. Argentina represented 30% of the EBITDA generated by the company.

In Brazil Net Sales increased 1.9%, which is mainly explained by price increases partially offset by the 4.7% decrease in volumes.

Operating costs increased 0.2% which is explained by decreased sales volume. This was partially offset by the effect of the devaluation of the Real against the U.S. dollar which was 37.8% in the quarter and

that impacts our dollarized costs, and by the increased revenues, which has a direct incidence over the costs of concentrate.

Selling and General Administration Expenses increased 2.7%, mostly due to increased labor costs, that was partially offset by lower marketing expenses.

EBITDA increased 4.9% in the quarter and EBITDA margin expanded 45 basis points reaching 15.1%. Brazil represented 30% of the EBITDA generated by the company.

In Chile *Net Sales increased 2.30% in the quarter, positively influenced by price increases implemented in all the categories in which we participate.*

Operating costs increased 2.8% in the quarter mainly explained the effect of the 11.3% depreciation of the Chilean peso to the U.S. dollar, which negatively impacts dollarized costs, and was partially offset by the lower cost in U.S. dollars of these raw materials.

Selling and General Administration Expenses increased 1.4% in the quarter, mainly explained by greater labor costs given higher inflation and partially offset by lower marketing expenses.

EBITDA increased 3.0% in the quarter and EBITDA margin expanded 10 basis points reaching 16.6%. The Chilean operation represented 29% of the EBITDA generated by the company.

Finally in Paraguay *Net Sales increased 7.7% in the quarter, explained by the 4.6% growth in sales volume and by price increases.*

Operating costs increased 10.5%, which is mainly explained by:

- 1. The effect of the 24.1% depreciation of the guarani against the dollar, which has a negative effect on dollarized costs-which was partially offset by the lower cost in dollars of these raw materials.*
- 2. A change in the mix towards products which carry a greater unit cost such as juices and flavored waters.*
- 3. Greater depreciation charges for investments realized in property, plant and equipment.*

Selling and General Administration Expenses increased 4.6%, which is mainly explained by greater labor costs given inflation effects and higher marketing expenses. This was partially offset by lower depreciation expenses.

EBITDA decreased 1.3% in the quarter and EBITDA margin was 21.8%. Paraguay represented 11% of the EBITDA generated by the company.

We are now available for any questions you may have.

(Q&A Session begins)

Antonio González: Is there some information you can share with us regarding Brazil, what strategies are you implementing in terms of affordability for consumers in the short term, now that they you still do not have increased returnability capacity from Duque de Caixas? Can you share some information regarding what you are doing from the commercial point of view? Secondly, I wanted to ask about CAPEX for the year, it seems to me that it is 20 percent below last year for the first nine months, and I wanted to know if you believe you will incur much more during the fourth quarter of this year or will CAPEX actually be slightly lower than you thought? And finally, regarding non-carbonated, juices and waters in Chile, you lost some market share. Can you tell us when do you expect to see better results, especially after the new JV that you have established with The Coca-Cola Company?

Miguel Ángel Peirano: With regard to the first question on the issue of affordability in Brazil and that is clearly a very interesting question given the macroeconomic situation that country is going through, our strategy is the development of REF PET and its expansion. At this time the expansion period has been paused until the Duque de Caxias plant is running, since we are selling all of the available capacity. We are receiving support from the available capacity of Riberao Preto. There was some surplus at Riberao Preto and we are sending part of the product towards the Rio de Janeiro area. However, the fundamental change will come when Duque de Caxias is running. In the meantime, we are handling price segmentation, in order to compensate the different socio-economic levels that are more consistent with the budget of each consumer. However the main strategy and on which we are focused on is the REF PET expansion that ultimately will give us the tool to deliver more affordable products in line with the budget of the lower segments. Regarding non-carbonated in Chile, the JV change that already has been implemented regarding the way earnings will be distributed with The Coca-Cola Company and investment management, undoubtedly will give this segment a new impulse. We will be cautious; we do not want to generate any price wars. Basically, our goal is to grow this segment profitably, for which we are designing strategies in this regard. The aim is not to generate anything abrupt that will cause a negative reaction from the competition that will result in value loss in the segment, but to grow through continued execution improvement, giving consumers more options, and showing products of excellent quality as the ones we have.

Andrés Wainer: Regarding the question on CAPEX for this year, indeed total investments will be lower than what was initially thought, basically for two reasons: first because of the devaluation of currencies, therefore, when analyzed in dollars, previously we had mentioned around 200 million dollars. Investments will likely be below 200

million dollars, and also because Duque de Caixas project, whose construction was contemplated beginning the third quarter of this year, and it has not even started, so the greater part of the investment of this project will be next year, and this year it will only be a little. This is the main reason that CAPEX for this year will be lower than what was budgeted.

Alex Robarts: Two questions, the first on Chile, and the second regarding Argentina. Can you tell us how you are seeing volume trends in that country, since we are now entering the summer, how has the Master Brand marketing campaign been working? Can you comment a little on the Chilean consumer and their behavior within your portfolio? Can we see growth driven by diet products, or any comment on volume prospects in Chile? And the second question is with regard to your 2016 budget, if it considers a certain devaluation of the Argentine peso, which would be the magnitude? And what would be the challenges or opportunities that can be implemented against a potential devaluation in Argentina in 2016? Thanks a lot.

Miguel Ángel Peirano: With respect to volumes in Chile, and the effect of Master Brand on volume and development of light products, I can tell you that the volume in Chile, during this last period, has been affected by a weather condition. Clearly winter arrived late, but also it is delaying its departure and temperatures compared to average temperatures at this time of the year are being lower than normal. And in terms of volume it is having an impact. The market is normal, so it is not a weak or depressed market. It is a stable market, and the main effect we're having lately is tied to the climate issue. Yes clearly MasterBrand has been helping us, conveying to consumers that Coca-Cola is a great brand with four options, and not four brands: Coca-Cola, Coca-Cola Zero, Coca-Cola Light, and Coca-Cola Life. In short, this message to the consumer, where there are four options executed with the same intensity and the same force in all places under the umbrella of a single brand, is generating a growth and development of light products and zero-cal in areas where the availability we had was low perhaps by a flawed concept on our part that light products were more oriented to high segments. MasterBrand allowed us to correct this issue, and the development of this segment is making the light segment have a greater piece of the pie, and, therefore, since taxes we pay for light and zero-cal products are lower, our margins for this change of mix, are positively influenced. MasterBrand has been an excellent surprise in terms of results, above and beyond what we expected, and because the results have been very good, we will continue intensifying its implementation.

Andrés Wainer: On the issue of devaluation in Argentina, indeed we are contemplating devaluation in our budget. It is impossible to know how much it is going to be, no one has a crystal ball, but we believe that it should be a devaluation of about 10 percent in real terms. Estimating inflation in Argentina at 25-30 percent, devaluation end-to-end in the year should be about 10 points higher than that. We believe that with this, the delayed exchange rate existing today in Argentina should be more or less solved. But as I said, Argentina is a very unstable, very volatile country, it is very difficult to make projections, and it will also depend a lot on what happens with the elections.

José Yordán: Good morning to all. Miguel Ángel, I am interested on your opinion on the great difference occurred in the quarter in the growth of soft drinks against the growth of the beer market. Obviously they are both in the same economy, but a market growing at around 5 percent and the soft drinks market down 7%. And I don't know

if I've seen such a marked difference for a long time, and I would be interested on knowing your opinion of why this is happening. And, a related question is if you are seeing some sort of recovery, although still negative, when is turnaround expected in terms of volume direction in Brazil?

Miguel Ángel Peirano: With respect to the reason for the difference in the soft drinks market, clearly in the case of Rio de Janeiro, in our territory, we had a very good opportunity and the strategy we launched on the approach towards high value brands, basically Heineken and currently with the launch of Amstel, has had an excellent acceptance. Previously the focus we had was to push beer in all segments: low, middle and high-segments. But clearly maintain the low and middle segments, but focusing on the high segment where the strength of the brands that we have is clearly differentiated, has allowed us to bring about this growth change and clearly in Brazil, Coca-Cola Andina must be one of the bottlers with greater beer growth in this segment. The carioca market has accepted Heineken very well. They see it as a beer of tremendous quality, a beer that conveys a very strong equity brand, and as I was saying, the launch of Amstel in these first deliveries, what we are also seeing is a very good recognition; therefore we will continue to see that differential. You also have to understand that comparative bases are different. The market, the beer we sell is much less than what we sell in soft drinks, so the growth impact on percentages is much stronger than the impact it would produce should we participate in a larger market. And the second point is when we will begin to see a stronger Brazil; I think that that is quite linked to the economic/political scenario which Brazil is going through. I believe that much of the problem in Brazil, or perhaps the worst part, has passed. I think that it still has to become more stable and going forward we will continue to face great challenges until finally, from the political and economic point of view, Brazil becomes orderly. José, I think that in this sector, as in others, these situations must be seen as opportunities. Good execution coupled with good products can make a difference and position you for the start point in a much better way. And we are working on that.

Mauricio Serna: First, returning to Brazil, the inflection in volumes, will you be seeing them for the middle of next year? And do you know more or less where will volumes become stable in the market? And on the other hand, a reason that has impacted EBITDA margins has also been the control of expenses in lower SG&A as a percentage of sales. We wanted to know if we will continue seeing those kinds of savings or improvements in the fourth quarter and if they could also continue in 2016.

Miguel Ángel Peirano: Regarding when we are going to see an inflection in volumes in Brazil, it is still very hard to predict with some certainty. I clearly believe that not before the middle of next year; and if it is from thereon it will depend on what happens during the first half of the year. I think there is awareness within the Brazilian leaders that they have to take measures in order to channel the country and we are optimistic they are going to do. So, hopefully this will occur and thus perhaps it will be during the second half when we will begin to see a turning point in volumes. If it does not happen, it will probably have a little more of an impact.

Andrés Wainer: On the issue of cost control which you were referring to, actually this year we have worked very hard in all four operations, not only in Brazil, on the subject of cost control, and increase efficiencies and productivity. And in 2016, our idea is to obviously continue on that path. We believe that there is still much to be done. Therefore, next year should be quite positive in this regard. Making an exception, since next year the

Olympic Games are in Rio de Janeiro, which will involve significant increased marketing expenses in that franchise compared to this year. The rest of the expenses will be quite rational, and will be strongly controlled, and there will be an increase in efficiencies and productivity.

Jorge Opazo: The question is a bit on the previous question, about marketing expenses in Brazil. Andrés you mentioned that the Olympic Games take place next year, therefore I wanted to know if the trend in local currency, regarding expenses they increase a little more than what net sales increase. Is this something that we would continue seeing or should the reduction of expenses somewhere else be able to offset that and maintain an inertia in relation to more or less stable sales against this year? So basically I wanted to know if the trend of this quarter would continue in 2016 or not.

Andrés Wainer: The truth is that we don't give so much detail of the guidance regarding our costs. But in general next year should be quite similar to this year in Brazil. We do not see too many significant differences. There will be some negative things. The average exchange rate in Brazil next year, if it stays at current levels, between 3.80 and 3.90, it will probably be quite higher than the average of this year which will be 3.30 - 3.40. And therefore it will have an important effect on our dollarized costs. Then the other negative aspect is the issue of Marketing Expenses for the Olympic Games, which is also going to play against us. With all the projects for improving efficiencies and productivity, we aspire to have a result quite similar to this year. We are not giving more guidance on results and costs for now.

Jorge Opazo: Continuing the previous question, one of the reasons given by you that expenses in local currency will grow 2.7%, which is slightly more than net sales, is the issue of labor costs, which is offset by lower marketing expenses. Should marketing expenses increase due to expenses related to the Olympic Games?

Andrés Wainer: Indeed. Next year marketing expenses will increase due to the Olympics, which in the short term obviously affect results, but in the long term it is a very positive investment that allows the Coca-Cola brand and other brands that we have to be what they are. In the long term it is a very good investment. It will obviously have an impact in the short term. When you look at SG&As next year, there will be increases due to marketing expenses. But in other lines we are going to continue with the trend we have had this year, which is a tight control on costs.

Jerónimo de Guzmán: I wanted to see how you are viewing the price outlook in Brazil. I noticed that both you as other bottlers in the region have had prices below inflation this quarter, and I wanted to see if you believe it is possible to already increase prices to be more in line with inflation, or if you believe that the competitive environment and consumption do not allow it for now.

Miguel Ángel Peirano: In a somewhat recessive environment, increasing prices in line with local inflation is challenging. Our goal is to try to at least approach that as much as possible through packaging and price segmentation. And as guidance, in general regarding our operation, the goal is try to reach those levels. However, if we see that the trade-off between price and volume becomes negative, probably we will be a bit below inflation. But we will handle that to the extent that we see how markets evolve, and how the different strategies for segmentation evolve that we have already implemented in each of the locations.

Mauricio Martínez: Are there any new initiatives for Chile in distribution and administrative expenses, as we saw at the end of last year?

Andrés Wainer: Yes, as in this year, next year we are going to continue with some projects to improve our efficiency in logistic issues, very focused on issues of transporting between our warehouses and plants. Find ways to be more efficient and with fewer trucks be able to transport the same volume that we are carrying today, which will translate into lower costs. We are working on that.

Sergio Winter: My question is regarding Paraguay. When I talk to you, you usually tell us that Paraguay ends up being an average between what happens in Brazil and Argentina. We see that the dynamics of this quarter were different, with increased marketing expenses, a volume grow much more than the average between those two operations and increased market share. Can you enlighten us as to what is happening there, if this is something that should continue going forward?

Miguel Ángel Peirano: basically in Paraguay the impact and the effect that has occurred both in volume and in the growth of market share of almost 5 points is tied to the go-to-market strategy that we have reviewed and adjusted in the operation of Paraguay, especially in Asunción, which is where the great volume mass is and the market and greater per capita. We have changed the way in which we were organized internally in the commercial area and in the marketing area. We have joined both areas for the purpose of having a better coordination, and we have increased direct service versus third-part in several areas of Asunción; implying a better service and a better execution of the rest of the brands. Sometimes when one has no direct control, the focus of the third party is to sell what rotates faster, without necessarily making a good execution in the rest of the brands. The fact of incorporating areas and clients with reasonable volumes to our own sales force has allowed us to grow both in volume and market share, and that is the difference that you've seen in numbers in Paraguay, and the reason for the performance it has had compared to the rest of the countries. Basically we will continue expanding this strategy towards the rest of the country, and since we have first attacked the area with greater opportunity and greater volume, the impacts going forward are clearly going to be lower, but undoubtedly we will continue on this path.

Closing Remarks:

Miguel Ángel Peirano: Thank you for your interest in Coca-Cola Andina's results. As always, our investor relations and management team are and will be available to answer your questions and meet with you. For any reason please do not hesitate to contact us.

Finally, I'd like to invite everyone to visit our new website, which we launched in the middle of last week and that seeks to be more dynamic, flexible and up-to-date. Any comments you have, we welcome any comments you may have, so as to be able to continue every day improving our service to the different stakeholders.

Have a good day.