

4Q15 Conference Call Guidelines

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

We are very satisfied with work performed leading to the results achieved during 2015. In financial terms and in Chilean pesos, Net Income grew 16.4% in the year, Consolidated Income grew 15.4%, and EBITDA increased 9.1%. Additionally our Consolidated Operating and EBITDA margins expanded in all of our operations, as well as Net Margin. These solid financial results evidence that everything we have been doing as a company, clearly focused on efficiencies and productivity, improving our customer and consumer service, has rendered fruits and reaffirms that we are on the right path.

Analyzing by country, in Argentina, *our operation achieved positive results with volume growth and a solid expansion of EBITDA margin, despite a challenging macroeconomic environment, in the context of an economy that controlled the exchange rate and prices. The new Government, which began its term in December 2015, brought with it a series of encouraging economic measures for the future. The release of the dollar clamp, which even though resulted in a devaluation of the Argentine peso against the dollar during the last days of 2015, allowed for an honest exchange rate, and started to normalize currency management and facilitate imports, allowing us to operate with greater flexibility. At the same time, they have begun lifting some of the restrictions that existed regarding capital movements, thus, companies were authorized to purchase dollars, which we have carried out on a monthly basis according to the \$2 million monthly limits. We have also been able to distribute the dividend that we declared in 2010 in the amount of A\$103 million without any trouble. This is the scenario we expect to continue seeing during 2016, with changes in the restrictive policies towards more market-oriented economic policies. In operating terms, our focus will be to continue improving and optimizing the tools that we have developed in recent years and that allowed us not only to improve our proposal of products and services to our customers and gain market share, but also to improve the profitability of our operation. Examples of this are the development of the returnable packaging, a greater diversification and options of products to the market, the focus on the light and personal consumption segments, and the pricing architecture segmentation.*

In Brazil, *the focus on the development of new packaging, the execution quality and service level, allowed us to show significant market share improvements, closing the year with an average 62.3 points, which is 90 basis points above the average of the previous year. It is also my pleasure to tell you that at the end of December we received Government authorizations to begin the construction of our plant in Duque de Caxias. As you know, this plant will allow us, in a first stage, to increase production capacity both in the returnable and non-returnable formats and have our own bottling line for mineral water. This project,*

along with the internalization of the transfer fleet are key to continue improving the versatility and availability of products and formats in order to better serve our customers and consumers.

From a macroeconomic and consumer confidence point of view, the environment continues to be challenging. Our base scenario for 2016 is a weak macroeconomic environment which will probably keep affecting our sales volume for the coming months. We will continue monitoring our pricing strategy in the franchise, to minimize the impact of all the above mentioned factors on our results and believe that the Olympic Games which will be held in the middle of this year will have a positive impact on value and brand recognition, which will allow us to be better positioned in order to capture all the opportunities that we see in this great country.

In Chile, the new business model for Stills was implemented through the creation of a new company: Coca-Cola del Valle, whose main purpose is the development and production of juices, waters and non-carbonated beverages under brands owned by The Coca-Cola Company. Coca-Cola Andina participates with a 35% ownership interest in this company, while Embonor and Coca-Cola de Chile hold 15% and 50%, respectively. Thus we migrated to a 50%-50% model both in terms of earnings and investments, which is very positive for accelerating the development of this key segment for our business.

Looking at 2016, and with respect to Chile's Nutritional Labeling Law, it will be effective starting June this year and it will mean that the beverages that are high in sugar carry a black stop sign with the legend "High in sugar." We have researches that suggest that there will not be a great impact in terms of soft drink volumes, since the sign of "high" contents will come as no surprise to consumers in this category. Nevertheless, today we have excellent products in the light and zero segments that provide a variety of options to our consumers looking for low calories and we are strengthening this portfolio with reformulations of existing products and new launches, such as juices without added sugar.

It is worth mentioning that the implementation of the marketing strategy called Masterbrand together with a greater focus on the execution of the entire portfolio, has allowed us to increase coverage in the market for low-sugar products. This translated into an important growth in the light category already representing in 2015 a 23% of the portfolio, 3 percentage points above 2014 figures.

In Paraguay, we successfully conducted the projects we had for 2015. We closed the year with an average market share of 65.6 points, representing an expansion of 340 basis points regarding last year's average. This achievement is explained by the improvement of our competitive position, with a focus on the nation's capital. Looking at 2016, we will extend the lessons learned in this process, replicating them to the rest of the country, where we continue to see very interesting opportunities for the development of our business. Worth mentioning is that in Paraguay we are leaders in all categories where we participate, a position which we hope to continue reinforcing with the projects we are going to develop.

In the area of Corporate Social Responsibility, 2015 was also a year of capitalization of achievements. We strive to remain in touch with all our stakeholders, customers, consumers, suppliers, shareholders, employees, authorities and the community in general. We had the satisfaction of having been recognized

by different agencies and the public media, where we were awarded first place in the category of Company Leader in Corporate Governance and second place in the category Director of Company Leader in Sustainability, in the ALAS 2020 awards in Chile. Additionally, for the second consecutive year we were recognized in Chile as the most admired mass consumption company and the second most admired company in the global ranking organized by PricewaterhouseCoopers and Diario Financiero and we were elected as the first mass consumption company where students would like to work, according to the survey conducted at the universities by Diario Pulso.

Finally, and related to our investment plan, in 2015 our consolidated investments reached US\$154 million, which was below our plan, mainly explained by the deferral of some projects. In 2016 our consolidated investment plan amounts to approximately US\$220 million, roughly 40% of which will be invested in Brazil, a country where we are starting the construction of a new plant, on a property located in Duque de Caxias, which was acquired in 2013. These figures may have adjustments during the year, since our investment plan is under permanent review.

We view 2016 with enthusiasm, as a year in which we will continue to consolidate our leadership position in each of the countries and businesses where we participate, leveraged on the search for improvements in the efficiency of all of our processes, in order to continue with the growth of the value generated for our customers, consumers and shareholders.

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. Particularly, during this quarter we had a negative impact in every country upon consolidation of figures to Chilean Pesos, resulting from the 2.4% depreciation of the Argentine Peso, 22.8% of the Brazilian Real and 5.7% of the Paraguayan Guarani against the Chilean Peso.

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 26.8% during the quarter, driven by the implementation of price increases and partially offset by a 1.2% drop in sales volume.

Operating costs grew 20.8% 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 19.5% devaluation of the Argentine Peso against the U.S. dollar having a direct incidence over our dollarized costs.*

On the other hand, Selling and General Administration Expenses increased 26.5% 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 53.8% in the quarter, and EBITDA margin expanded 237 basis points reaching 13.5%. Argentina represented 26% of the EBITDA generated by the Company.

In Brazil Net Sales increased 1.7%, which is mainly explained by price increases and partially offset by the 4.0% decrease in volumes.

Operating costs increased 8.5% which is explained by the effect of the devaluation of the Real against the U.S. dollar which was 51.0% in the quarter which impacts our dollarized costs, and by increased revenues, which has a direct incidence over the costs of concentrate. These effects were partially offset by a decrease in sales volume.

Selling and General Administration Expenses increased 2.4%, mostly due to increased labor costs and partially offset by lower marketing expenses.

EBITDA decreased 18.6% in the quarter and EBITDA margin was 16.1%. Brazil represented 27% of the EBITDA generated by the Company.

In Chile Net Sales increased 3.5% in the quarter, positively influenced by average price increases.

Operating costs increased 2.3% in the quarter mainly explained by the effect of the 16.6% depreciation of the Chilean peso to the U.S. dollar, which has a negative impact over dollarized costs, and by greater concentrate costs due to the implementation of price increases. This was partially offset by the lower cost in U.S. dollars of dollarized raw materials and lower sales volume.

Selling and General Administration Expenses decreased 1.1% in the quarter, mainly explained by lower marketing expenses and partially offset by greater labor costs resulting from higher inflation.

EBITDA increased 13.0% in the quarter and EBITDA margin expanded 197 basis points reaching 23.6%. The Chilean operation represented 36% of the EBITDA generated by the Company.

Finally in Paraguay Net Sales decreased 2.1% in the quarter, explained by the 7.5% reduction in sales volume and partially offset by the implementation of price increases.

Operating costs decreased 4.7%, which is mainly explained by lower sales volume and a lower cost in U.S. dollars of dollarized raw materials, mainly PET, caps and sugar. This was partially offset by the effect of the 23.6% depreciation of the Guarani against the dollar, which has a negative effect on dollarized costs.

Selling and General Administration Expenses decreased 11.5%, which is mainly explained by lower marketing expenses which was partially offset by greater labor costs.

EBITDA increased 11.6% in the quarter and EBITDA margin was 29.5%, expanding 360 basis points. Paraguay represented 11% of the EBITDA generated by the Company.

We are now available for any questions you may have.

(Q&A Session begins)

Mauricio Martínez: Can you give us an update on the measures being taken to maintain margins in Chile and Brazil this year, and if you believe you will be able to transfer inflation and the exchange rate effect over prices for 2016?

Miguel Ángel Peirano: Both in Chile and Brazil, and also in Argentina and Paraguay, the plan is exactly the same. We started a systematic process a few years ago seeking to reduce costs, making a leaner structure, and capturing efficiencies in each of the areas where we are, focusing on the distribution, production and commercial areas which have a greater impact on costs. And that is what we are going to continue doing. We are going to continue transferring successful experiences from one country to another, what was done for example in Paraguay with the restructuring of the commercial area; What was done in Brazil with the restructuring of the transportation and commercial areas three years ago. Ultimately, the goal is to focus, focus and focus even more on efficiencies, costs, and on whether inflation can be transferred to prices or not, our goal is to try for that to happen, but always considering the impact that that could generate, being more careful in some countries, perhaps as Brazil, where the market is more weakened. But that is our goal. We will not necessarily be strict on this matter, but through packaging and pricing strategies we will try to achieve price increases and maintain margins to offset the inflationary and exchange rate effects, that hit us pretty hard during 2015 with devaluations in all currencies, the Real, the Argentine peso, against the US dollar and the Chilean peso, which we hope will not follow that path during this year.

Ignacio Venezian: I have two questions, one if you could comment a bit on how volumes are doing in Chile and Argentina so far in the quarter, and the second, if you could also share if the plans in Argentina, given the political change, are more focused on investments, development of plants, or rather on dividend repatriations. Thank you.

Andrés Wainer: Regarding the volume evolution that we have seen during this quarter, in the case of Chile and Argentina they have been pretty flat, a growth in the low single digits. And in the case of Brazil, they continue with a negative trend, lower than the previous year, and in the case of Paraguay, it has been slightly positive.

Miguel Ángel Peirano: Regarding your second question about the focus in Argentina after the changes that country is going through, the reality is that we have seized the differences between the official and parallel exchange rates that existed in Argentina in the past and on the other hand, not being able to obtain dividends from the country, we have used the opportunity to carry out investments at a suitable exchange rate, and so today we are faced with a position where the investments we need in Argentina are relatively low. We already have production and distribution capacities according to future growth, so the goal is to continue investing in the market to keep on growing, and to take greater leadership in the segments where we participate and begin normalizing dividend payments as it corresponds and takes place in the other countries.

Carlos Laboy: The drop in volume we saw in Brazil was not strong enough to justify the drop in margin, and your costs moved more or less with inflation in Brazil. Can you talk a little more about what happened with the packaging mix, the channel mix, perhaps with prices, particularly in returnable bottles? And what are you doing now at the beginning of year with the pricing architecture for returnables and non-returnables to see if some of this margin can be recovered in 2016? Thank you.

Miguel Ángel Peirano: The impact resulted from the fact that we could not adjust prices in the way we wanted to, given the drop in volumes, because that would have boosted the volume decrease due to the negative mood Brazil presented in the last months of the year regarding people and their vision on the economy and the future in the short term. Then the impact was due to the issue of not having been able to adjust prices to the extent that

we wanted in order to preserve the optimization of the price-volume ratio which is what explains profitability. Regarding the future, Duque de Caxias clearly is a critical factor to continue extending the returnable format in the rest of the territory where we have not been able to launch it today, for not having available capacity. We're seeing some options from Ribeirão Preto for the purpose of sending products to other parts of the territory, both Rio and Espiritu Santo that in some way would compensate for our lack of a tool in order to be able to face a situation of falling volumes or the search for low prices as it is happening in Brazil. We are going to continue working on price segmentation, channel segmentation and especially packaging segmentation, with the focus that we've had on returnables, looking for alternatives that will allow us to reach the moment that Duque de Caxias begins operating its line for returnables, and really solve the problem permanently.

Carlos Laboy: When does the new plant open? And could you also talk about the cost of water for that plant, please?

Miguel Ángel Peirano: We are in the earth leveling process. We have all the permits to start construction, which will be this year, and expect the plant to be operating by mid-2017/end of 2017. And regarding the cost of water, today in Rio de Janeiro we are perhaps paying the most expensive water in Brazil, the water we purchase from the public network in Rio de Janeiro, while the cost of water in Duque de Caxias will be the cost of the electricity to pump water from groundwater. And it will also allow us to have water mineral already produced in our plant without restrictions.

Fernando Ferreira: I would like to understand a bit more the stage of profitability and income scenarios that you expect from Argentina this year, because we still have price control for half a year, and also the devaluation of the peso, so I wanted to understand a bit more Argentina's scenario. And another question with regard to Chile, I wanted to have an update on the Masterbrand project, how is it going for you, and also how it has helped you increase and grow the Light and Zero portfolio. Thank you.

Andrés Wainer: On the issue of Argentina that you're asking, we are cautiously optimistic in Argentina this year. We are probably not going to see a major expansion of volumes, on the economic issue, Argentina is going to have a difficult year, we have already seen a more than 50 percent devaluation in the past two months. This adjustment process is going to translate into inflation and will affect the purchasing power of the people, therefore the subject of volumes will probably be fairly flat, but with everything that we have done in the past, investing in efficiency improvements, we remain optimistic that we are going to have a pretty positive result in Argentina in financial terms, and we will probably also continue increasing our market share.

Miguel Ángel Peirano: Regarding the Masterbrand project and strategy in Chile, it has actually been very successful. Allowing a strong repositioning of the Coca-Cola brand as the main brand with several options according to the needs or the tastes of each of the consumers, either in its regular form, light, zero or life. And in conjunction with a focus toward a complete execution of the portfolio in different segments, it has allowed us to be present with light segments in a much more explicit and clear way in the middle and lower-middle sectors of society, with the pleasant surprise of growth in this segment. That helps us not only from the point of view of having more options in the different parts of the market, but also, as you know, there is a significant difference between what we pay in taxes for light soft drinks and soft drinks that are above certain limits of sugar, and this has allowed us to improve our profitability. As I had mentioned, in a one-year period, we have changed 3 percentage points, we have grown 3 percentage points in the share of light and between light and sugary soft drinks. Therefore, summarizing, yes the Masterbrand strategy was a success, not only from the point of view of growing the light versions, but also growing the segment and the Coca-Cola brand in general.

Luca Cipiccia: I'd like to ask a bit more about the outlook for Brazil, mainly for the Olympic Games. Only to understand what will be the impact you are expecting in terms of positive volumes, and also how we can compare this event with the World Cup two years ago when in reality the positive impact on volumes was not so good. Then, what were the learnings, how the strategy may be different or how it may be capitalized in a more visible way in terms of contribution to sales?

Miguel Ángel Peirano: The difference between the World Cup and the Olympic Games is that the World Cup is a series of 20-30 soccer games, distributed throughout the country, in where at most every city had a maximum of two or three games. This means that there were only one or two games a day in places as remote as Manaus or Rio de Janeiro or Sao Paulo or Mato Grosso do Sul. And people went specifically to watch that game, and then left the city because there was absolutely nothing else to do once that game ended. In the case of the Olympics, there are between 20 and 30 events at the same time, for almost a month, in a single city which is Rio de Janeiro, or almost one city, Rio de Janeiro and very few in other cities. Therefore, the concentration of people is much higher; the complexity in the management of the event is vastly greater. In the case of the World Cup, supplying the stadium was made the day before and then it ended, there were no more events. In the case of the Olympic Games supply to all venues has to be carried out overnight, where there have been events during the previous day, for almost a month. So, in terms of complexity, in terms of mass, the Olympics are much larger than the World Cup. In terms of impact over volume, this is really the first time that we have had an Olympics; we are not clear on what will be the impact in Rio de Janeiro, especially with a more complicated or depressed economic situation in Brazil. However, I have no doubt that the contribution towards the brand, the contribution towards the presence and learning, and the experience acquired between the World Cup and Olympics, all the learning we had during the realization and the preparation of the World Cup has been applied in the Olympics, in order to achieve a much more powerful remnant, a much more efficient investment that we are carrying out during this period to face the future in the market, as well as the brand and the product. Therefore, I have no doubt that the Olympics is going to be very positive facing forward, and the impact on volumes in the short term is going to be better than in the World Cup, but I cannot tell you exactly what it will be because we have no previous experience in Brazil and also because the Olympic Games will take place during a period that is not a good moment for the country.

Luca Cipiccia: I remember that there were also logistic issues during the World Cup, given the complexities of the territory in particular, right? Have there been any changes or have you implemented a strategy that will make things different compared to the World Cup regarding the distribution and logistics profile in order to handle this type of complexity?

Miguel Ángel Peirano: Undoubtedly the World Cup learning has served us well and yes, many adjustments have been made for which we do not see any problems in distribution; as we also do not see any kind of social problems as there were, the demonstrations against the World Cup during the months and weeks prior to World Cup, we are not having them in the Olympics, and that is also because the Olympics are leaving a very important legacy in infrastructure and development in Rio de Janeiro that will subsequently serve the people such as the metro network, road infrastructure improvements, bridges that are being built; a situation that did not occur in the case of the World Cup, where basically the focus was made on the investment in stadiums.

Claudia Cavada: I wanted to ask for a little bit more detail on the Joint Venture in Chile, I wanted to know more or less, if you have estimated what impact it could have in terms of results? And the other question I had is regarding the impact of the tax increase during the last quarter in Brazil, in Rio de Janeiro, you had mentioned during your previous results that would become effective. That's all.

Andrés Wainer: Regarding the joint venture in Chile, as you say it was signed a few days ago, the idea is to continue exploiting the business of juices and water in our territory, and we are already doing it with Coca-Cola. The big difference is that now the model has a 50/50 profit split, which more or less means that the bottler gets 50 percent of the margin and Coca-Cola the other 50 percent of the operating income of the business. In addition, Coca-Cola will also participate with a 50 percent in all investments that are made in this business. In the past the profit split was not well balanced, where Coca-Cola received a little more than 60 percent, and in the case of investments, the bottler financed almost 100 percent of them. Therefore, it is a very positive change for the bottler, and indeed for the entire System, because now our indicators are going to be more aligned and we will have proper indicators to strongly develop these segments, which are the ones that are growing most in Chile.

Miguel Ángel Peirano: With respect to the other question, it is not that there will be a new taxation in Brazil, but that unlike what happens in other countries, the tax is not automatically adjusted depending on the price, rather it is adjusted according to a market survey that the Government carries out, and each time the survey is done, then the price is adjusted. Last year, and that is what we had mentioned, this survey had been delayed, and it was recently carried out in September, so the tax adjustments according to our price modifications came into effect in September, and it is the one we have today and that is done on a regular basis. But there is no new tax, at least not that we know of as of this date.

José Yordán: A question about Brazil, you mentioned you have gained market share, AmBev says the same thing, and I was wondering who is losing. Obviously there are a dozen other companies, and I just wanted to see what you could tell us about what has happened with the Tubainas segment, and if some of them have gone bankrupt or something similar, because in theory, in economic times like now, it would favor that kind of company whose product is highly discounted. So only if you could give us your perspective on what's going on there?

Miguel Ángel Peirano: With regard to the first part on the subject of market share, you should bear in mind that when we talk about market share, we are talking about the share in our territories. When AmBev talks about market share, it refers to all of Brazil, so there's a geographical difference that not necessarily all the territories behave in the same way, on the one hand. On the other hand, yes, the Tubainas, the low value brands have lost market share. And yes there are several Tubainas, and both in the soft drinks segment, but mainly in the juice segment, which are quite complicated from the economic point of view. And that is because, although from a market point of view, the consumer tries to seek lower-priced products, on the other hand, getting money and loans and the rates being tremendously high, which is quite complicated for small businesses. And this represents a balance against market demands. Resulting in that many companies that had invested with debt today have a high indebtedness level, with much higher rates, and a low generation capacity, because, while there is increased demand, volumes are not growing too much, and prices are low.

José Yordán: Perfect. So in Coca-Cola Andina's territories, do you think that AmBev has lost market share against Coca-Cola or...? Obviously you're right they do not give the breakdown, but surely you have a better idea of how you performed against AmBev specifically.

Miguel Ángel Peirano: The important thing is that we have gained. We are glad AmBev gained globally, but the information we handle is regarding Coca-Cola Andina.

Laura Pelaez: The first question is if you can tell us what percentage of your costs in dollars are covered in each country for 2016. And my second question is if you can give us an overview of what you expect in terms of gross margins with the pressures on the exchange rate for 2016. Thank you.

Andrés Wainer: Regarding your first question of what percentage of costs are covered, in 2016 we do not have exchange rate hedges for our raw materials in any of the four countries. All we have are cross currency swaps to cover debt in US dollars which is associated with the Brazilian real and the UF that is linked to the inflation of the Chilean peso. With regard to expected margins for 2016, in general we expect fairly stable margins, with some growth in Argentina and Chile, and a slight drop in Brazil. In consolidated terms, we don't expect major margin changes during 2016.

Gerónimo de Guzmán: I was looking at the information under Other Income that mentioned a loss in the Sorocaba operations, and I wanted to have a little more detail about that, what is causing this loss? And if it means that perhaps you could be more involved in the operation going forward?

Miguel Ángel Peirano: 2015 for Sorocaba was a year of transformation, and precisely because of that, a difficult year. Basically, the loss that occurred in the case of Sorocaba was tied to the transformation in the logistics area that the operation carried out, and which generated problems during almost two months or a little more with the local Union, since the values being paid and future demands were extremely high and beyond any reasonable level. And hence a decision was made to restructure the entire logistics area, with a two to three months impact that ultimately ended up hurting the results for the year, but left us in a fairly good position going forward, and the issue has been completely sorted out. So it's a specific issue, a transformation process during which there were complications with the Union.

Gerónimo de Guzmán: And how involved are you, in collaborating with the Sorocaba operations, in helping with best practices, and what level of support do you give to Sorocaba?

Miguel Ángel Peirano: As you know, we have a 40% ownership interest in Sorocaba, we are a minority shareholder. And the operation and decisions are in the hands of Chiron. We do give all the support from the point of view of transferring, not only our best practices, but also, resources, if necessary. But in the end it is a decision of who controls the operation which is the Biagi family.

Closing Remarks:

Miguel Ángel Peirano: Once again I would like to thank you all for your time, for participating in this conference call, and 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 whenever you wish. For any reason please do not hesitate to contact us. Have a nice day.

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