

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
WASHINGTON, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13a-16 OR 15b-16 OF
THE SECURITIES EXCHANGE ACT OF 1934**

May 2015
Date of Report (Date of Earliest Event Reported)

Embotelladora Andina S.A.
(Exact name of registrant as specified in its charter)

Andina Bottling Company, Inc.
(Translation of Registrant's name into English)

Avda. Miraflores 9153
Renca
Santiago, Chile
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.
Form 20-F Form 40-F

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):
Yes No

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):
Yes No

Indicate by check mark whether the registrant by furnishing the information contained in this Form 6-K is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934
Yes No

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EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES

**Intermediate Consolidated Statements of Financial Position
as of 31 March 31, 2015 and December 31, 2014**

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EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES

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EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES

Consolidated Interim Statements of Financial Position
As of March 31, 2015 and December 31, 2014

<u>ASSETS</u>	<u>NOTE</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
		<u>ThCh\$</u>	<u>ThCh\$</u>
Current assets:			
Cash and cash equivalents	5	83,469,313	79,514,434
Other financial assets	6	99,154,092	106,577,042
Other non-financial assets	7.1	5,892,196	7,787,181
Trade and other accounts receivable, net	8	151,687,681	198,110,424
Accounts receivable from related companies	12.1	4,543,123	5,994,453
Inventory	9	149,956,428	149,727,618
Current tax assets	10.2	5,948,081	6,025,049
Total Current Assets		<u>500,650,914</u>	<u>553,736,201</u>
Non-Current Assets:			
Other financial assets	6	111,969,781	51,026,773
Other non-financial assets	7.2	28,950,507	33,056,780
Trade and other receivables	8	7,751,858	7,097,809
Accounts receivable from related parties	12.1	24,752	24,752
Investments accounted for under the equity method	14.1	60,003,489	66,050,213
Intangible assets other than goodwill	15.1	691,735,041	728,181,279
Goodwill	15.2	103,917,240	116,924,199
Property, plant and equipment	11.1	665,145,263	713,075,285
Total Non-Current Assets		<u>1,669,497,931</u>	<u>1,715,437,090</u>
Total Assets		<u>2,170,148,845</u>	<u>2,269,173,291</u>

The accompanying notes 1 to 31 form an integral part of these financial statements

EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES

Consolidated Interim Statements of Financial Position
As of March 31, 2015 and December 31, 2014

<u>LIABILITIES AND EQUITY</u>	<u>NOTE</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
		<u>ThCh\$</u>	<u>ThCh\$</u>
LIABILITIES			
Current Liabilities:			
Other financial liabilities	16	86,475,490	83,402,440
Trade and other accounts payable	17	161,481,629	228,179,112
Accounts payable to related parties	12.2	59,117,450	55,966,789
Provisions	18	319,062	365,832
Income taxes payable	10.2	1,912,344	2,931,206
Other non-financial liabilities	19	32,099,934	39,367,048
Total Current Liabilities		<u>341,405,909</u>	<u>410,212,427</u>
Non-Current Liabilities:			
Other financial liabilities	16	721,685,231	726,616,440
Trade and other payables		1,200,646	1,216,434
Provisions	18	66,820,947	77,446,513
Deferred income tax liabilities	10.4	126,531,960	126,126,147
Post-employment benefit liabilities	13.3	8,551,008	8,125,107
Other non-financial liabilities	19	342,512	432,490
Total Non-Current Liabilities		<u>925,132,304</u>	<u>939,963,131</u>
Equity:			
	20		
Issued capital		270,737,574	270,737,574
Retained earnings		273,063,185	247,817,939
Other reserves		337,983,002	378,738,982
Equity attributable to equity holders of the parent		<u>881,783,761</u>	<u>897,294,495</u>
Non-controlling interests		21,826,871	21,703,238
Total Equity		<u>903,610,632</u>	<u>918,997,733</u>
Total Liabilities and Equity		<u>2,170,148,845</u>	<u>2,269,173,291</u>

The accompanying notes 1 to 31 form an integral part of these financial statements

EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES

Intermediate Consolidated Statements of Income by Function for the period ended
at March 31, 2015 and 2014

	NOTE	01.01.2015 03.31.2015 ThCh\$	01.01.2014 03.31.2014 ThCh\$
Net sales		503,720,582	448,310,676
Cost of sales	24	(294,030,388)	(266,522,204)
Gross Profit		209,690,194	181,788,472
Other income	25	533,319	314,773
Distribution expenses	24	(51,937,983)	(46,150,090)
Administrative expenses	24	(91,808,336)	(83,580,370)
Other expenses	26	(4,350,467)	(3,741,906)
Other (loss) gains	28	(1,346,742)	858,492
Financial income	27	2,539,833	1,797,837
Financial expenses	27	(15,399,516)	(13,628,030)
Share of profit of investments accounted for using the equity method	14.3	920,377	542,060
Foreign exchange differences		(731,990)	(1,229,696)
Loss from differences in indexed financial assets and liabilities		(2,495)	(3,283,688)
Net income before income taxes		48,106,194	33,687,854
Income tax expense	10.3	(11,842,104)	(8,988,009)
Net income		36,264,090	24,699,845
Net income attributable to			
Equity holders of the parent		36,064,641	24,334,835
Non-controlling interests		199,449	365,010
Net income		36,264,090	24,699,845
Earnings per Share, basic and diluted		Ch\$	Ch\$
Earnings per Series A Share	20.5	36.29	24.48
Earnings per Series B Share	20.5	39.91	26.93

The accompanying notes 1 to 31 form an integral part of these financial statements

EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES

Intermediate Consolidated Statements of Comprehensive Income
for the period ended at March 31, 2015 and 2014

	01.01.2015 03.31.2015	01.01.2014 03.31.2014
	ThCh\$	ThCh\$
Net income	36,264,090	24,699,845
Other Comprehensive Income:		
Components of other comprehensive income that will be re-measured to net income for the period, before taxes		
Gains (losses) from exchange rate translation differences	(52,339,523)	32,943,431
(Losses) gains from cash flow hedges	13,276,909	6,170,376
Income tax related to components of other comprehensive income that will be re-measured to net income for the period		
Income tax related to exchange rate translation differences	2,621,613	(894,753)
Income tax related to cash flow hedges	(4,390,795)	(2,112,519)
Total comprehensive income	(4,567,706)	60,806,380
Total comprehensive income attributable to:		
Equity holders of the parent	(4,691,339)	60,006,764
Non-controlling interests	123,633	799,616
Total comprehensive income	(4,567,706)	60,806,380

The accompanying notes 1 to 31 form an integral part of these financial statements

EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES
Intermediate Statements of Changes in Equity for the period ended
at March 31, 2015 and 2014

	Other reserves									
	Issued capital	Translation reserves	Cash flow hedge reserve	Actuarial gains or losses in employee benefits	Other reserves	Total other reserves	Retained earnings	Controlling Equity	Non- Controlling interests	Total Equity
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance at 01/01/2015	270,737,574	(53,285,698)	6,125,615	(1,237,993)	427,137,058	378,738,982	247,817,939	897,294,495	21,703,238	918,997,733
Changes in Equity										
Comprehensive Income										
Net income	—	—	—	—	—	—	36,064,641	36,064,641	199,449	36,264,090
Other comprehensive income	—	(49,642,094)	8,886,114	—	—	(40,755,980)	—	(40,755,980)	(75,816)	(40,831,796)
Comprehensive income	—	(49,642,094)	8,886,114	—	—	(40,755,980)	36,064,641	(4,691,339)	123,633	(4,567,706)
Dividends	—	—	—	—	—	—	(10,819,395)	(10,819,395)	—	(10,819,395)
Total changes in equity	—	(49,642,094)	8,886,114	—	—	(40,755,980)	25,245,246	(15,510,734)	123,633	(15,387,101)
Ending balance at 03/31/2015	270,737,574	(102,927,792)	15,011,729	(1,237,993)	427,137,058	337,983,002	273,063,185	881,783,761	21,826,871	903,610,632
	Other reserves									
	Issued capital	Translation reserves	Cash flow hedge reserve	Actuarial gains or losses in employee benefits	Other reserves	Total other reserves	Retained earnings	Controlling Equity	Non- Controlling interests	Total Equity
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance at 01/01/2014	270,737,574	(81,527,711)	2,258,144	(1,128,824)	427,137,058	346,738,667	243,192,801	860,669,042	20,763,546	881,432,588
Changes in Equity										
Comprehensive Income										
Net income	—	—	—	—	—	—	24,334,835	24,334,835	365,010	24,699,845
Other comprehensive income	—	31,614,072	4,057,857	—	—	35,671,929	—	35,671,929	434,606	36,106,535
Comprehensive income	—	31,614,072	4,057,857	—	—	35,671,929	24,334,835	60,006,764	799,616	60,806,380
Dividends	—	—	—	—	—	—	(7,300,450)	(7,300,450)	—	(7,300,450)
Total changes in equity	—	31,614,072	4,057,857	—	—	35,671,929	17,034,385	52,706,314	799,616	53,505,930
Ending balance at 03/31/2014	270,737,574	(49,913,639)	6,316,001	(1,128,824)	427,137,058	382,410,596	260,227,186	913,375,356	21,563,162	934,938,518

The accompanying notes 1 to 31 form an integral part of these financial statements

EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES

Intermediate Consolidated Statements of Cash Flows for the period ended
at March 31, 2015 and 2014

<u>Cash flows provided by (used in) Operating Activities</u>	<u>NOTE</u>	<u>01.01.2015</u> <u>03.31.2015</u> ThCh\$	<u>01.01.2014</u> <u>03.31.2014</u> ThCh\$
<i>Cash flows provided by Operating Activities</i>			
Receipts from customers (including taxes)		686,447,463	630,543,183
<i>Payments for Operating Activities</i>			
Payments to suppliers for goods and services (including taxes)		(465,261,725)	(433,835,030)
Payments to employees		(59,512,969)	(48,913,078)
Other payments for operating activities (value-added taxes on purchases, sales and others)		(87,785,761)	(86,942,150)
Interest payments		(23,793,441)	(15,459,896)
Interest received		1,512,817	848,728
Income tax payments		(14,456,687)	(9,101,115)
Other cash movements		(2,146,887)	(1,597,537)
Cash flows provided by Operating Activities		<u>35,002,810</u>	<u>35,543,105</u>
<i>Cash flows provided by (used in) Investing Activities</i>			
Proceeds from sale of property, plant and equipment		1,893,639	19,992
Purchase of property, plant and equipment		(23,045,049)	(28,667,024)
Proceeds from other long term assets (term deposits over 90 days)		14,291,947	6,791,555
Purchase of other long term assets (term deposits over 90 days)		(7,517,090)	(2,200,000)
Payments on forward, term, option and financial exchange agreements		(721,261)	—
Receipts from forward, term, option and financial exchange agreements		—	1,390,520
Net cash flows used in Investing Activities		<u>(15,097,814)</u>	<u>(22,664,957)</u>
<i>Flujos de efectivo procedentes de (utilizado Cash Flows generated from (used in) Financing Activities</i>			
Proceeds from long-term loans obtained		1,700,007	—
Proceeds from short-term loans obtained		48,508,180	45,991,892
Proceeds from loans obtained		<u>50,208,187</u>	<u>45,991,892</u>
Loan payments		(46,800,402)	(43,706,268)
Financial lease liability payments		(1,063,464)	(2,055,328)
Dividend payments by the reporting entity		(8,945,625)	(13,327,665)
Other inflows (outflows) of cash (Placement and payment of public obligations)		(3,066,730)	(2,936,253)
Net cash flows (used in) generated by Financing Activities		<u>(9,668,034)</u>	<u>(16,033,622)</u>
Net increase in cash and cash equivalents before exchange differences		<u>10,236,962</u>	<u>(3,155,474)</u>
Effects of exchange differences on cash and cash equivalents		(6,282,083)	1,978,003
Net decrease in cash and cash equivalents		<u>3,954,879</u>	<u>(1,177,471)</u>
Cash and cash equivalents — beginning of year	5	79,514,434	79,976,126
Cash and cash equivalents - end of year	5	<u>83,469,313</u>	<u>78,798,655</u>

The accompanying notes 1 to 31 form an integral part of these financial statements

EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES

Notes to the Consolidated Interim Financial Statements

NOTE 1 - CORPORATE INFORMATION

Embotelladora Andina S.A. is registered under No. 00124 of the Securities Registry and is regulated by the Chilean Superintendence of Securities and Insurance (SVS) pursuant to Law 18.046.

The principal activities of Embotelladora Andina S.A. (hereafter “Andina,” and together with its subsidiaries, the “Company”) are to produce and sell Coca-Cola products and other Coca-Cola beverages. After the merger and recent acquisitions, the Company has operations in Chile, Brazil, Argentina and Paraguay. In Chile, the geographic areas in which the Company has distribution franchises are regions II, III, IV, XI, XII, Metropolitan Region, Rancagua and San Antonio. In Brazil, the Company has distribution franchises in the states of Rio de Janeiro, Espírito Santo, Niteroi, Vitoria, Nova Iguaçu, part of Sao Paulo and part of Minas Gerais. In Argentina, the Company has distribution franchises in the provinces of Mendoza, Córdoba, San Luis, Entre Ríos, Santa Fe, Rosario, Santa Cruz, Neuquén, El Chubut, Tierra del Fuego, Río Negro, La Pampa and the western zone of the Province of Buenos Aires. In Paraguay the franchised territory covers the whole country. The Company has distribution licenses from The Coca-Cola Company in all of its territories: Chile, Brazil, Argentina and Paraguay. The licenses for the territories in Chile expire in 2018 and 2019; in Argentina expire in 2017; in Brazil expire in 2017; and the Paraguayan franchise expired in December 2014, and an extension has been granted until August 2015 within the normal renewal process, after which the long-term agreement should be signed or a new extension shall be granted until the long-term agreement is signed. All these licenses are issued at The Coca-Cola Company’s discretion. The Company currently expects that these licenses will be renewed with similar terms and conditions upon expiration.

As of March 31, 2015, the Freire Group and its related companies hold 55.68% of the outstanding shares with voting rights, corresponding to the Series A shares.

The head office of Embotelladora Andina S.A. is located on Miraflores 9153, municipality of Renca, Santiago, Chile. Its taxpayer identification number is 91.144.000-8.

NOTE 2 - BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Periods covered

Intermediate consolidated statement of financial position: At March 31, 2014 and December 31, 2013.

Intermediate consolidated income statements by function and comprehensive income: For the periods ended March 31, 2014 and 2013.

Intermediate consolidated statements of cash flows: For the periods ended March 31, 2014 and 2013, using the “direct method”.

Intermediate consolidated statements of changes in equity: For the periods ended March 31, 2014 and 2013.

2.2 Basis of preparation

The Company’s Consolidated Financial Statements for the periods ended March 31, 2015 and December 31, 2014 were prepared in accordance with Rules and instructions issued by the Chilean Superintendence of Securities and Insurance (“SVS”), which take precedence over the International Financial Reporting Standards (hereinafter “IFRS”) issued by the International Accounting Standards Board (hereinafter “IASB”). The rules and instructions issued by the SVS do not differ from IFRS, except as set forth in the Circular Letter N° 856, issued by the SVS on October 17, 2014, which has no effect on the comparative presentation in accordance with International Financial Reporting Standards for interim financial statements at March 31, 2015.

Circular Letter N° 856 issued by the SVS on October 17, 2014, established that the differences in assets and liabilities due to deferred taxes resulting from the first category tax rate increase introduced by Law N° 20.780 and tax reform issued on September 26, 2014, and that as of the last quarter 2014 the Company increased net liabilities in ThCh\$23,773,346, must be accounted for during the corresponding period against equity and not against income as indicated by IAS 12.

The criteria used and the effects from rate changes resulting from the Chilean tax reform, are discussed in notes numbers 2.16 and 10 “Income tax and deferred taxes”.

Those Spanish language IFRS consolidated financial statements consisted of consolidated statements of financial position as of March, 31 2015 and 2014 along with consolidated income statements by function, consolidated statements of comprehensive income, consolidated statements of changes in equity, and consolidated statements of cash flows (and related disclosures), each for the two years then ended. Those Spanish language consolidated financial statements prepared in accordance with Rules and instructions issued by the Chilean Superintendence of Securities and Insurance (“SVS”) were then subsequently approved by the Board of Directors during their meeting held on April 28, 2015.

These Consolidated Financial Statements have been prepared based on accounting records kept by the Embotelladora Andina S.A. (“Parent Company”) and by other entities forming part thereof. Each entity prepares its financial statements following the accounting principles and standards applicable in each country. Adjustments and reclassifications have been made, as necessary, in the consolidation process

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to align such principles and standards and then adapt them to Rules and instructions issued by the Chilean Superintendence of Securities and Insurance (“SVS”) and IFRS.

2.3 Basis of consolidation

2.3.1 Subsidiaries

These consolidated financial statement incorporate the financial statements of the Company and the companies controlled by the Company (its subsidiaries). Control is obtained when the Company has power over the investee, when it has exposure or is entitled to variable returns from its involvement in the investee and when it has the ability to use its power to influence the amount of investor returns. They include assets and liabilities as of March 31, 2015 and December 31, 2014 and results of operations and cash flows for the periods ended March 31, 2015 and 2014. Income or losses from subsidiaries acquired or sold are included in the consolidated financial statements from the effective date of acquisition through to the effective date of disposal, as applicable.

The acquisition method is used to account for the acquisition of subsidiaries. The consideration transferred for the acquisition of the subsidiary is the fair value of assets transferred, equity securities issued, liabilities incurred to the former owners of the acquire or assumed on the date that control is obtained. Identifiable assets acquired and identifiable liabilities and contingencies assumed in a business combination are accounted for initially at their fair values at the acquisition date. Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If the consideration is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement. All acquisition related costs are expensed in the period incurred.

Intercompany transactions, balances, income, expenses and unrealized gains and losses on transactions between Group companies are eliminated. Accounting policies of subsidiaries are changed to ensure consistency with the policies adopted by the Company, where necessary.

The interest of non-controlling shareholders is presented in “Non-Controlling Interest” in the consolidated income statement and Earnings attributable to non-controlling interests”, in the consolidated statement of changes in equity.

The consolidated financial statements include all assets, liabilities, income, expenses, and cash flows after eliminating intercompany balances and transactions.

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The list of subsidiaries included in the consolidation is detailed as follows::

Taxpayer ID	Name of the Company	Holding control (percentage)					
		03-31-2015			12-31-2014		
		Direct	Indirect	Total	Direct	Indirect	Total
59.144.140-K	Abisa Corp S.A.	—	99.99	99.99	—	99.99	99.99
Foreign	Aconcagua Investing Ltda.	0.71	99.28	99.99	0.71	99.28	99.99
96.842.970-1	Andina Bottling Investments S.A.	99.90	0.09	99.99	99.90	0.09	99.99
96.972.760-9	Andina Bottling Investments Dos S.A.	99.90	0.09	99.99	99.90	0.09	99.99
Foreign	Andina Empaques Argentina S.A.	—	99.98	99.98	—	99.98	99.98
96.836.750-1	Andina Inversiones Societarias S.A.	99.98	0.01	99.99	99.98	0.01	99.99
76.070.406-7	Embotelladora Andina Chile S.A.	99.99	—	99.99	99.99	—	99.99
Foreign	Embotelladora del Atlántico S.A.	0.92	99.07	99.99	0.92	99.07	99.99
96.705.990-0	Envases Central S.A.	59.27	—	59.27	59.27	—	59.27
96.971.280-6	Inversiones Los Andes Ltda.	99.99	—	99.99	99.99	—	99.99
Foreign	Paraguay Refrescos S.A.	0.08	97.75	97.83	0.08	97.75	97.83
76.276.604-3	Red de Transportes Comerciales Ltda.	99.90	0.09	99.99	99.90	0.09	99.99
Foreign	Rio de Janeiro Refrescos Ltda.	—	99.99	99.99	—	99.99	99.99
78.536.950-5	Servicios Multivending Ltda.	99.90	0.09	99.99	99.90	0.09	99.99
78.775.460-0	Sociedad de Transportes Trans-Heca Limitada	—	99.99	99.99	—	99.99	99.99
78.861.790-9	Transportes Andina Refrescos Ltda.	99.90	0.09	99.99	99.90	0.09	99.99
96.928.520-7	Transportes Polar S.A.	99.99	—	99.99	99.99	—	99.99
76.389.720-6	Vital Aguas S.A.	66.50	—	66.50	66.50	—	66.50
93.899.000-k	Vital Jugos S.A.	15.00	50.00	65.00	15.00	50.00	65.00

2.3.2 Investments accounted for under the equity method

Associates are all entities over which the Company exercises significant influence but does not have control. Investments in associates are accounted for using the equity method of accounting.

The Company's share in profit or loss in associates subsequent to the acquisition date is recognized in the income statement, and its share of post acquisition movements in other comprehensive income is recognized in OCI with corresponding adjustment to the carrying amount of the investment.

Unrealized gains in transactions between the Company and its associates are eliminated to the extent of the Company's interests in those associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment on the asset transferred. Accounting policies of the associates are changed, where necessary, to ensure conformity with the policies adopted by the Company.

2.4 Financial reporting by operating segment

IFRS 8 requires that entities disclose information on the results of operating segments. In general, this is information that Management and the Board of Directors use internally to assess performance of segments and allocate resources to them. Therefore, the following operating segments have been determined based on geographic location:

- Chilean operations
- Brazilian operations
- Argentine operations
- Paraguayan operations

2.5 Foreign currency translation

2.5.1 Functional currency and presentation currency

Items included in the financial statements of each of the entities in the Company are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in Chilean pesos, which is the parent company's functional currency and the Company's presentation currency.

2.5.2 Balances and transactions

Foreign currency transactions are translated into the functional currency using the foreign exchange rates prevailing on the dates of the transactions. Losses and gains in foreign currency resulting from the liquidation of these transactions and the translation at the closing exchange rate of monetary assets and liabilities denominated in foreign currency are recognized in the income statements under foreign exchange rate differences, except when they correspond to cash flow hedges; in which case they are presented in the statement of comprehensive income.

The exchange rates at the close of each of the periods presented were as follows:

Date	Exchange rate to the Chilean peso					
	US\$ dollar	R\$ Brazilian Real	A\$ Argentine Peso	UF Unidad de Fomento	Paraguayan Guaraní	€ Euro
03.31.2015	626.58	195.32	71.02	24,622.78	0.1295	672.73
12.31.2014	606.75	228.43	70.96	24,627.10	0.1311	738.05

2.5.3 Translate of foreign subsidiaries

The financial position and results of all entities in the Company (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities for the statement of financial position are translated at the closing exchange rate as of the reporting date;
- (ii) Income and expenses of the income statement are translated at average exchange rates for the period; and
- (iii) All resulting translation differences are recognized in other comprehensive income.

The companies that have a functional currency different from the presentation currency of the parent company are:

Company	Functional currency
Rio de Janeiro Refrescos Ltda.	R\$ Brazilian Real
Embotelladora del Atlántico S.A.	A\$ Argentine Peso
Andina Empaques Argentina S.A.	A\$ Argentine Peso
Paraguay Refrescos S.A.	G\$ Paraguayan Guaraní

In consolidation, translation differences arising from the translation of net investments in foreign entities are recognized in other comprehensive income. Exchange differences from accounts receivable which are considered to be part of an equity investment are recognized as comprehensive income net of deferred taxes, if applicable. On disposal of the investment, such translation differences are recognized in the income statement as part of the gain or loss on the disposal of the investment.

2.6 Property, plant, and equipment

Assets included in property, plant and equipment are recognized at their historical cost or fair value on the IFRS transition date, less depreciation and cumulative impairment losses.

Historical cost of property, plant and equipment includes expenditures that are directly attributable to the acquisition of the items less government subsidies resulting from the difference between market interest rates and the government's preferential credit rates. Historical cost also includes revaluations and price-level restatements of opening balances (attributable cost) at January 1, 2009, in accordance with the exemptions in IFRS 1.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset only when it is probable that future economic benefits associated with the items of property, plant and equipment will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. Repairs and maintenance are charged to the income statement in the reporting period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives.

The estimated useful lives by asset category are:

<u>Assets</u>	<u>Range in years</u>
Buildings	30-50
Plant and equipment	10-20
Warehouse installations and accessories	10-30
Software licenses, furniture and supplies	4-5
Motor vehicles	5-7
Other property, plant and equipment	3-8
Bottles and containers	2-8

The residual value and useful lives of assets are reviewed and adjusted at the end of each financial statement reporting period, if appropriate.

When the value of an asset is greater than its estimated recoverable amount, the value is written down immediately to its recoverable amount.

Gains and losses on disposals of property, plant, and equipment are calculated by comparing the proceeds to the carrying amount and are charged to the income statement.

Items that are available for sale, and comply with the conditions of IFRS 5 "Non-current assets held for sale and discontinued operations" are separated from property, plant and equipment and are presented within current assets at the lower value between the book value and its fair value less selling costs.

2.7 Intangible assets and Goodwill

2.7.1 Goodwill

Goodwill represents the excess of the consideration transferred over the Company's interest in the net fair value of the net identifiable assets of the subsidiary and the fair value of the non-controlling interest in the subsidiary on the acquisition date. Goodwill is recognized separately and tested annually for impairment or more frequently if events or changes in circumstances indicate a potential impairment. Goodwill is carried at cost less accumulated impairment losses.

Gains and losses on the sale of an entity include the carrying amount of goodwill related to that entity.

Goodwill is assigned to each cash generating unit (CGU) or group of cash-generating units; from where it is expected to benefit from the synergies arising from the business combination. Such CGUs or groups of CGUs represent the lowest level in the organization at which goodwill is monitored for internal management purposes.

2.7.2 Distribution rights

Distribution rights are contractual rights to produce and distribute products under the Coca-Cola brand in certain territories in Argentina, Brazil, Chile and Paraguay which were acquired during Business Combination. Distribution rights have an indefinite useful life and are not amortized, as the Company believes that the agreements will be renewed indefinitely by the Coca-Cola Company with similar terms and conditions. They are subject to impairment tests on an annual basis.

2.7.3 Software

Carrying amounts correspond to internal and external software development costs, which are capitalized once the recognition criteria in IAS 38, *Intangible Assets*, have been met. Software is amortized in administrative expenses in the consolidated income statement over a period of four years.

2.8 Impairments of non-financial assets

Assets that have an indefinite useful life, such as intangibles related to distribution rights and goodwill, are not amortized and are tested annually for impairment or more frequently if events or changes in circumstances indicate a potential impairment. Assets that are subject to amortization are tested for impairment whenever there is an event or change in circumstances indicating that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying value of the asset exceeds its recoverable amount. The recoverable amount is the greater of an asset's fair value less costs to sell or its value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

2.9 Financial assets

The Company classifies its financial assets into the following categories: financial assets at fair value through profit or loss, loans and receivables, financial assets held to maturity, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

At each reporting date the Company assesses if there is evidence of impairment for any asset or group of financial assets.

2.9.1 Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if it is acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets.

Derivatives are also categorized as held for trading unless they are designated as hedges.

Gains or losses from changes in fair value of financial assets at fair value through profit and loss are recognized in the income statement under financial income or expense during the year in which they incur.

2.9.2 Loans and receivables

Loans and accounts receivable are financial assets with fixed and determinable payments that are not quoted in an active market period. Loans and receivables are not quoted in an active market. They are included in current assets, unless they are due more than 12 months from the reporting date, in which case they are classified as non-current assets. Loans and receivables are included in trade and other receivables in the consolidated statement of financial position and they are recorded at their amortized cost less a provision for impairment.

An impairment is recorded on trade accounts receivable when there is objective evidence that the Company may not be able to collect the full amount according to the original terms of the receivable, based either on individual or on global aging analyses. The loss is recognized in administrative expenses in the consolidated income statement.

2.9.3 Financial assets held to maturity

Other financial assets corresponds to bank deposits that the Company's management has the positive intention and ability to hold until their maturity. They are recorded in current assets because they mature in less than 12 months from the reporting date and are carried at cost, which approximates their fair value considering their short-term nature.

Accrued interest is recognized in the consolidated income statement under financial income during the year in which it occurs.

2.10 Derivatives financial instruments and hedging activities

The Company uses derivative financial instruments to mitigate risks relating to changes in foreign currency and exchange rates associated with raw materials, property, plant and equipment, and loan obligations.

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

2.10.1 Derivative financial instruments designated as cash flow hedges

The group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flows of hedged items.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gain or loss relating to the ineffective portion is recognized immediately in the consolidated income statement within “other gains (losses)”

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when foreign currency denominated financial liabilities are translated into their functional currencies). The gain or loss relating to the effective portion of cross currency swaps hedging the effects of changes in foreign exchange rates are recognized in the consolidated income statement within “foreign exchange differences”. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the consolidated income statement.

2.10.2 Derivative financial instruments not designated for hedging

The fair value of derivative financial instruments that do not qualify for hedge accounting pursuant to IFRS are immediately recognized in the consolidated income statement under “Other income and losses”. The fair value of these derivatives are recorded under “other current financial assets” or “other current financial liabilities” in the statement of financial position.”

The Company does not use hedge accounting for its foreign investments.

The Company also evaluates the existence of derivatives implicitly in financial instrument contracts to determine whether their characteristics and risks are closely related to the master agreement, as stipulated by IAS 39.

Fair value hierarchy

The Company records assets and liabilities as of March 31, 2015 and December 31, 2014 based on its derivative foreign exchange contracts, which are classified within other financial assets (current assets and non-current) and other current financial liabilities (current and non-current financial liabilities), respectively. These contracts are carried at fair value in the statement of financial position. The Company uses the following hierarchy for determining and disclosing financial instruments at fair value by valuation method:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the assets and liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data information.

During the period ended March 31, 2015, there were no transfers of items between fair value measurement categories; all of which were valued during the period using Level 2.

2.11 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted average cost method. The cost of finished goods and work in progress includes raw materials, direct labor, other direct costs and manufacturing overhead (based on operating capacity) to bring the goods to marketable condition, but it excludes interest expense. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Estimates are also made for obsolescence of raw materials and finished products based on turnover and age of the related goods.

2.12 Trade receivables

Trade accounts receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment, given their short term nature. A provision for impairment is made when there is objective evidence that the Company may not be able to collect the full amount according to the original terms of the receivable, based either on individual or on global aging analyses. The carrying amount of the asset is reduced by the provision amount and the loss is recognized in administrative expenses in the consolidated income statement.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash on hand, time deposits with banks and other short-term highly liquid and low risk of change in value investments with original maturities of three months or less

2.14 Other financial liabilities

Bank borrowings are initially recognized at fair value, net of transaction costs. These liabilities are subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest rate method.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. For the periods ended March 31, 2015 and 2014, no borrowing costs have been capitalized.

2.15 Government subsidies

Government subsidies are recognized at fair value when it is certain that the subsidy will be received and that the Company will meet all the established conditions.

Subsidies for operating costs are deferred and recognized on the income statement in the period that the operating costs are incurred.

Subsidies for purchases of property, plant and equipment are deducted from the costs of the related asset in property, plant and equipment and depreciation is recognized on the income statement, on a straight-line basis during the estimated useful life of the related asset.

2.16 Income tax

The Company and its subsidiaries in Chile account for income tax according to the net taxable income calculated based on the rules in the Income Tax Law. Subsidiaries in other countries account for income taxes according to the tax regulations of the country in which they operate.

Deferred income taxes are calculated using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements, using the tax rates that have been enacted or substantively enacted on the balance sheet date and are expected to apply when the deferred income tax asset is realized or the deferred income tax liability is settled. In the case of the approved tax reform in Chile by Law 20,780 dated September 26, 2014 and according to circular letter N° 856 dated October 17, 2014 issued by the Chilean Superintendence of Securities and Insurance, the effects resulting from changes in deferred taxes arising from changes in rates were accounted for under equity accounts in the last quarter 2014.

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Deferred income tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

The Company does not recognize deferred income taxes for temporary differences from investments in subsidiaries in which the Company can control the timing of the reversal of the temporary differences and it is probable that they will not be reversed in the foreseeable future, the amount of deferred tax not recognized in this connection amounted to ThCh\$67.138.570 at March 31, 2015 (ThCh\$62,662,666 at December 31, 2014).

2.17 Employee benefits

The Company provides for post-retirement compensation to its retirees according to their years of service and the individual and collective contracts in place. This provision is recognized in the balance sheet at the present value of the defined benefit obligation using the projected unit credit method based on discounted estimated future cash outflows using interest rates of high-quality corporate bonds denominated in the currency in which the benefits will be paid and with terms approximating the terms of the related pension obligation.

Actuarial variables updated income are recorded under other comprehensive income, beginning 2013, according to amendments established by IAS 19.

The Company also has an executive retention plan. It is accounted for as a liability according to the guidelines of the plan. This plan grants certain executives the right to receive a fixed cash payment on a pre-set date once they have completed the required years of employment.

The Company and its subsidiaries have recorded a provision to account for the cost of vacations and other employee benefits on an accrual basis. These liabilities are recorded under provisions.

2.18 Provisions

Provisions for litigation and other contingencies are recognized when the Company has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

2.19 Leases

a) Operating leases

Operating lease payments are recognized as an expense on a straight-line basis over the term of the lease.

b) Finance leases

Leases of property, plant and equipment where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased assets and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges.

The interest element is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2.20 Deposits for returnable containers

This liability comprises of cash collateral, or deposit, received from customers for bottles and other returnable containers made available to them.

This liability pertains to the deposit amount that is reimbursed when the customer or distributor returns the bottles and containers in good condition, together with the original invoice. The liability is estimated based on the number of bottles given to clients and distributors, the estimated amount of bottles in circulation, and a historical average weighted value per bottle or containers.

Deposits for returnable containers are presented as a current liability in other financial liabilities because the Company does not have legal rights to defer settlement for a period in excess of one year. However, the Company does not anticipate any material cash settlements for such amounts during the upcoming year.

2.21 Revenue recognition

Revenue is measured at fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Company's business. Revenue presents amounts receivable for goods supplied net of value-added tax, returns, rebates, and discounts and net of sales between companies that are consolidated.

The Company recognizes revenue when the amount of revenue can be reliably measured and it is probable that the future economic benefits will flow to the Company.

Revenues are recognized once the products are physically delivered to customers.

2.22 Contributions of The Coca-Cola Company

The Company receives certain discretionary contributions from The Coca-Cola Company related to the financing of advertising and promotional programs for its products in the territories where it has distribution licenses. The contributions received are recorded as a reduction in marketing expenses in the consolidated income statement. Given its discretionary nature, the portion of contributions received in one period does not imply it will be repeated in the following period.

In certain limited situations, there is a legally binding agreement with The Coca-Cola Company through which the Company receives contributions for the building and acquisition of specific items of property, plant and equipment. In such situations, payments received pursuant to these agreements are recorded as a reduction of the cost of the related assets.

2.23 Dividend payments

Dividend payments to the Company's shareholders are recognized as a liability in the Company's consolidated financial statements, based on the obligatory 30% minimum in accordance with the Corporations Law.

2.24 Critical accounting estimates and judgments

The Company makes estimates and judgments concerning the future. Actual results may differ from previously estimated amounts. The estimates and judgments that might have a material impact on future financial statements are explained below:

2.24.1 Impairment of goodwill and intangible assets with indefinite useful lives

The Company tests annually whether goodwill and intangible assets with indefinite useful lives (such as distribution rights) have suffered any loss of impairment. The recoverable amounts of cash generating units are determined based on value-in-use calculations. The key variables used in the calculations include sales volumes and prices, discount rates, marketing expenses and other economic factors including inflation. The estimation of these variables requires an use of estimates and judgments as they are subject to inherent uncertainties; however, the assumptions are consistent with the Company's internal planning and past results. Therefore, management evaluates and updates estimates according to the conditions affecting the variables. If these assets are considered to have been impaired, they will be written off at their estimated fair value or future recovery value according to the discounted cash flows analysis. Discounted cash flows in the Company's cash generating units in Chile, Brazil, Argentina and Paraguay generated a higher value than the carrying values of the respective net assets, including goodwill.

2.24.2 Fair Value of Assets and Liabilities

IFRS requires in certain cases that assets and liabilities be recorded at their fair value. Fair value is the amount at which an asset can be purchased or sold or a liability can be incurred or liquidated in an actual transaction among parties under mutually independently agreed conditions which are different from a forced liquidation.

The basis for measuring assets and liabilities at fair value are their current prices in an active market. For those that are not traded in an active market, the Company determines fair value based on the best information available by using valuation techniques.

In the case of the valuation of intangibles recognized as a result of acquisitions from business combinations, the Company estimates the fair value based on the “multi-period excess earning method”, which involves the estimation of future cash flows generated by the intangible assets, adjusted by cash flows which do not come from these, but from other assets. The Company also applies estimations over the time period during which the intangible assets will generate cash flows, cash flows from other assets, and a discount rate.

Other assets acquired and liabilities assumed in a business combination are carried at fair value using valuation methods that are considered appropriate under the circumstances. Assumptions include the depreciated cost of recovery and recent transaction values for comparable assets, among others. These valuation techniques require certain inputs to be estimated, including the estimation of future cash flows.

2.24.3 Allowances for doubtful accounts

The Company evaluates the collectability of trade receivables using several factors. When the Company becomes aware of a specific inability of a customer to fulfill its financial commitments, a specific provision for doubtful accounts is estimated and recorded, which reduces the recognized receivable to the amount that the Company estimates to be able to collect. In addition to specific provisions, allowances for doubtful accounts are also determined based on historical collection history and a general assessment of trade receivables, both outstanding and past due, among other factors.

2.24.4 Useful life, residual value and impairment of property, plant, and equipment

Property, plant, and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful life of those assets. Changes in circumstances, such as technological advances, changes to the Company’s business model, or changes in its capital strategy might modify the effective useful lives as compared to our estimates. Whenever the Company determines that the useful life of property, plant and equipment might be shortened, it depreciates the excess between the net book value and the estimated recoverable amount according to the revised remaining useful life. Factors such as changes in the planned usage of manufacturing equipment, dispensers, transportation equipment and computer software could make the useful lives of assets shorter. The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of any of those assets may not be recovered. The estimate of future cash flows is based, among other factors, on certain assumptions about the expected operating profits in the future. The Company’s estimation of discounted cash flows may differ from actual cash flows because of, among other reasons, technological changes, economic conditions, changes in the business model, or changes in operating profit. If the sum of the projected discounted cash flows (excluding interest) is less than the carrying amount of the asset, the asset shall be written-off to its estimated recoverable value.

2.24.5 Liabilities for deposits of returnable container

The Company records a liability for deposits received in exchange for bottles and containers provided to its customers and distributors. This liability represents the amount of deposits that must be reimbursed if the customer or distributor returns the bottles and containers in good condition, together with the original invoice. This liability is estimated on the basis of the number of bottles given on loan to customers and distributors, estimates of bottles in circulation and the weighted average historical cost per bottle or container. Management makes several assumptions in order to estimate this liability, including the number of bottles in circulation, the amount of deposit that must be reimbursed and the timing of disbursements.

2.25 New IFRS and interpretations of the IFRS Interpretations Committee (IFRSIC)

a) The following standards, interpretations and amendments have been adopted in these consolidated financial statements:

Improvements to International Financial Reporting Standards (2012) Issued in December 2013.	Mandatory for the years beginning
IFRS 2 “ <i>Share-based Payment</i> ” - Amends the definition of ‘Vesting Condition’ and ‘Market Condition’. “Performance Condition’ and ‘Service Condition’ are defined separately. This amendment should be applied for future periods to share-based payment transactions for which the date of grant is July 1, 2014 or later.	07/01/2014
IFRS 3 “ <i>Business Combinations</i> ” - The standard is amended to clarify that the obligation to pay contingent consideration which complies with the definition of financial instrument is classified as financial liability or as equity, based on IAS 32 definitions, and that all non-equity contingent consideration, both financial and non-financial, is measured at fair value at each reporting date with changes in fair value recognized in results. Consequently, changes are also introduced to IFRS 9, IAS 37 and IAS 39. The amendment applies for future periods to business combinations whose acquisition date is July 1, 2014 or later. Early adoption is permitted provided amendments to IFRS 9 and IAS 37 also issued as part of the 2012 plan are also early adopted.	07/01/2014
IFRS 8 “ <i>Operating Segments</i> ” - The standard is amended to include the disclosure requirement of management judgement in the aggregation of operating segments. The standard was additionally amended to require a reconciliation between the segment’s assets with the entity’s assets, when assets are reported by segment.	07/01/2014
IFRS 13 “ <i>Fair Value Measurement</i> ” - The IASB has amended the basis of the conclusions of IFRS 13 to clarify that the ability to measure short term accounts receivable and accounts payable in nominal amounts is not removed if there is no significant effect of not updating.	07/01/2014
IAS 16 - “ <i>Property, plant and equipment</i> ”, and IAS 38 “ <i>Intangible assets</i> ” - Both standards are amended regarding treatment of gross value in accounting books and accumulated depreciation when the entity uses the revaluation model.	07/01/2014
IAS 24 - <i>Disclosure information on related parties</i> ” - The standard is amended to include as a related company, an entity that provides key directing personnel to the reporting company or to the parent company of the reporting company (“the managing company”).	07/01/2014

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Improvements to International Financial Reporting Standards (2013) Issued in December 2013.

Mandatory for the years beginning

IFRS 3 “Business Combinations” - The standard is amended to clarify that IFRS 3 is not applicable to accounting of a joint venture under IFRS 11. The amendment also clarifies that the exemption scope is only applied to the financial statements of the joint agreement in itself.

07/01/2014

IFRS 13 “Fair Value Measurement” - Clarifies that the portfolio exemption under IFRS 13, which allows an entity to measure fair value of a group of financial assets and liabilities over its net value, is applicable to all contracts (including non-financial contracts) within the scope of IAS 39 or IFRS 9. An entity must apply amendments for future periods from the beginning of the yearly period in which IFRS 13 is applied

07/01/2014

The Company’s management considers the adoption of standards, amendments and interpretations previously described, will not have a significantly impact on the consolidated financial statements of the Company in the period of their adoption.

b) The new standards, interpretations and amendments issued, which are not in force for the 2015 period, for which no early adoption has been adopted are as follow.

Amendments and improvements

Mandatory for the years beginning

IFRS 9 “Financial Instruments” - Amends classification and measurement of financial assets. Establishes two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. This standard was subsequently amended to include treatment and classification of financial liabilities. The main change is that if the fair value of financial liabilities is adopted, the change in fair value attributable to changes in the entity’s own credit risk is recognized in other comprehensive income instead of income, unless this generates an accounting asymmetry. Early adoption is permitted.

01/01/2018

IFRS 15 “Revenues from Contracts with Customers” - Establishes the principles to be applied by an entity in presenting useful information for users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. The core principle is that an entity will recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Its application replaces IAS 11 Construction Contracts; IAS 18 Revenue; IFRIC 13 Customer Loyalty Programs; IFRIC 15 Agreements for the Construction of Real Estate; IFRIC 18 Transfers of Assets from Customers; and SIC-31 Revenue — Barter Transactions Involving Advertising Services. Early adoption is permitted.

01/01/2017

Amendments and improvements	Mandatory for the years beginning from
IFRS 9 “Financial instruments” - The amendments include a substantial review on hedge accounting to enable entities to better reflect their risk management activities in the financial statements. Likewise, this amendment enables entities to early adopt the requirement to recognize the changes in fair value attributable to changes in the entity’s own credit risk (for financial liabilities designated under the fair value option), in other comprehensive income. Said amendment can be applied without having to adopt the remainder of IFRS 9. The amendment is mandatory for periods beginning on July 1, 2014. An entity must apply the amendments in future reporting periods from the beginning of the first yearly period in which IFRS 13 is applied..	01/01/2018
IFRS 11 “Joint Arrangements” - This amendment incorporates guidance to the standard regarding how to account for the acquisition of an interest in a joint operation which constitutes a business, thus specifying the appropriate treatment for said acquisition.	01/01/2016
IAS 16 “Property, Plant and Equipment” and IAS 38 “Intangible Assets”- The amendment clarifies that the use of asset amortization methods based on revenue is not appropriate, given that the revenue generated by the activity that includes use of assets generally reflects other factors different from the use of economic benefits embedded in the asset. Likewise, it clarifies that revenues in general are an inappropriate base to measure consumption of economic benefits embedded in the intangible asset.	01/01/2016
IAS 16 “Property, Plant and Equipment” and IAS 38 “Agriculture”- The amendment modifies financial information regarding “bearer plants” such as vines, rubber and palm oil trees. The amendment defines the concept of a “bearer plant” and establishes that it should be accounted for as property, plant and equipment, because its operation is similar to that of a production facility. As a result, it is brought into the scope of IAS 16 rather than IAS 41. Products grown in bearer plants will remain within scope of IAS 41. Early application is permitted..	01/01/2016
IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” The amendment clarifies that when an asset (or disposal group) is reclassified from “held for sale” to “maintained for distribution”, or vice versa, this does not constitute an amendment to a sale or distribution plan, and does not have to be accounted for as such. This means that the asset (or disposal group) need not be reinstated in the financial statements as if it had never been classified as “held for sale” or “maintained for distribution”, simply because the provision conditions have changed. The amendment also corrects an omission in the standard explaining that guidance on changes to a sales plan should be applied to an asset (or disposal group) that is no longer maintained for distribution, but that is not reclassified as “held for sale”	01/01/2016
IFRS 7 “Financial Instruments: Disclosures” There are two amendments to IFRS 7. (1) Service Agreements: if an entity transfers a financial asset to a third party under conditions that allow the grantor to write off the asset, IFRS 7 requires disclosure of any type of continued implication that the entity may still have in the transferred assets. IFRS 7 provides guidance regarding continued implication in this context. The amendment is prospective with the option to retroactive application. This also affects IFRS 1 to give the same option to those who apply IFRS for the first time. (2) Interim Financial Statements: The amendment clarifies the additional disclosure required by IFRS 7 amendments, “Offsetting financial assets and financial liabilities” is not specifically required for all interim periods, unless required by IAS 34. The amendment is retroactive.	01/01/2016

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IFRS 19 “Employee Benefits” - The amendment clarifies that in order to determine the liabilities’ discount rate for post-employment benefits it should be denominated in the same currency as the benefits to be paid and not the currency from the country where it has been generated. The evaluation of the existence of a broad market for high quality corporate bonds is based on corporate bonds denominated in that currency, not on corporate bonds from a specific country. Likewise, where a broad market for high quality corporate bonds in that currency does not exist, government bonds should be used in the corresponding currency. The amendment is retroactive but limited to the beginning of the first period presented.	01/01/2016
IAS 34 “Interim Financial Reporting” The amendment clarifies the meaning of “elsewhere in the interim report”. The new amendment to IAS 34 requires a cross-reference of the interim financial statements as to the location of said information. The amendment is retroactive.	01/01/2016

The Company’s management considers the adoption of standards, amendments and interpretations previously described, will not have a significantly impact on the consolidated financial statements of the Company in the period of their adoption

NOTE 3 — BUSINESS COMBINATIONS

a) Merger with Embotelladoras Coca-Cola Polar S.A.:

On March 30, 2012, after completion of due-diligence procedures, the Company signed a Promissory Merger Agreement with Embotelladoras Coca-Cola Polar S.A. (“Polar”). Polar is also a Coca-Cola bottler with operations in Chile, servicing territories in the II, III, IV, XI and XII regions; in Argentina, servicing territories in Santa Cruz, Neuquén, El Chubut, Tierra del Fuego, Río Negro, La Pampa and the western zone of the province of Buenos Aires; and in Paraguay servicing the whole country. The merger was made in order to reinforce the Company’s leading position among other Coca-Cola bottlers in South America.

The physical exchange of shares took place on October 16, 2012, when the former shareholders of Polar obtained a 19.68% ownership interest in the merged Company. Based upon the terms of the executed agreements, the Company took actual control over day-to-day operations of Polar as of October 1, 2012, when it began to consolidate Polar’s operating results. As a result of Embotelladora Andina becoming the legal successor of Polar’s rights and obligations, the Company indirectly acquired additional ownership interests in Vital Jugos S.A., Vital Aguas S.A., and Envases Central S.A., in addition to its existing ownership interests in those entities. The Company’s current ownership enables it to exercise control over these entities, and thus, consolidate them into its consolidated financial statements from October 1, 2012.

As part of the business combination, the Company obtained controls over Vital Jugos S.A., Vital Aguas S.A. and Envases Central S.A. because of the combination of its new shares and existing shares in these entities. Under IFRS 3, because the business combination of Vital Jugos S.A., and Vital Aguas S.A., and Envases Central S.A., was achieved in stages, carrying value of the Company’s previously held equity interest in these entities was re-measured to fair value at the acquisition date. The Company has not recognized any gain or loss in its 2012 income statement due to the fact that carrying values of these investments were not significantly different from their fair values.

The Company determined the fair value of its distribution rights, and property, plant and equipment using discounted cash flow models, replacement costs for similar assets, and market based appraisals. Distribution rights are expected to be tax deductible for income tax purposes.

The Company expects to recover goodwill through related synergies with the available distribution capacity. Goodwill has been assigned to the Company’s operating segments in Chile (ThCh\$ 8,503,023), Argentina (ThCh\$ 1,041,633), and Paraguay (ThCh\$ 6,915,412). Goodwill is not expected to be tax deductible for income tax purposes.

b) Acquisition of Companhia de Bebidas Ipiranga:

On June 18, 2013 the Board of Directors of Embotelladora Andina S.A., unanimously approved the acquisition of the Brazilian company Companhia de Bebidas Ipiranga. The aforementioned company is dedicated to the marketing and distribution of Coca-Cola products in parts of the territories of São Paulo and Minas Gerais, serving approximately 23,000 customers. Such approval was reflected in a purchase and sale agreement signed on July 10, 2013.

After the transaction was approved by Coca-Cola and the Administrative Council of Economic Defense of Brazil, on October 11, 2013 the Brazilian subsidiary, Rio de Janeiro Refrescos Ltda., completed the acquisition of 100% of the shares of Companhia de Bebidas Ipiranga. The acquisition price was ThR\$1,155,446 (equivalent to ThCh\$ 261,244,818) and was paid in cash by Rio de Janeiro Refrescos Ltda. using proceeds from intercompany loans and a capital contribution from the parent.

The purchase of Ipiranga generated the recognition of an intangible asset denominated “contractual rights to distribute the products of Coca-Cola” an amount of ThCh\$228,359,641 and a goodwill an amount of ThCh\$55,255,194.

The Company expects to recover goodwill through synergies related to available production capacity. Goodwill has been assigned to the Company’s Brazil operating segment in the amount of ThCh\$55,255,194. Goodwill is expected to be tax deductible for income tax purposes.

NOTE 4 — REPORTING BY SEGMENT

The Company provides information by segments according to IFRS 8 “Operating Segments,” which establishes standards for reporting by operating segment and related disclosures for products and services, and geographic areas.

The Company’s Board of Directors and Management measures and assesses performance of operating segments based on the operating income of each of the countries where there are Coca-Cola franchises.

The operating segments are determined based on the presentation of internal reports to the Company’s chief operating decision-maker. The chief operating decision-maker has been identified as the Company’s Board of Directors who makes the Company’s strategic decisions.

The following operating segments have been determined for strategic decision making based on geographic location:

- Chilean operations
- Brazilian operations
- Argentine operations
- Paraguayan operations

The four operating segments conduct their businesses through the production and sale of soft drinks and other beverages, as well as packaging materials.

Total income by segment includes sales to unrelated customers and inter-segment sales, as indicated in the Company’s consolidated statement of income.

Net expenses related to corporate management, have been assigned to the Chilean operating segment.

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A summary of the Company's operating segments in accordance to IFRS is as follows:

<u>For the period ended March 31, 2015</u>	<u>Chile Operation</u> ThCh\$	<u>Argentina Operation</u> ThCh\$	<u>Brazil Operation</u> ThCh\$	<u>Paraguay Operation</u> ThCh\$	<u>Intercompany Eliminations</u> ThCh\$	<u>Consolidated Total</u> ThCh\$
Net sales	135,551,259	154,103,406	178,884,369	35,563,629	(382,081)	503,720,582
Cost of sales	(80,651,952)	(87,221,207)	(105,764,534)	(20,774,776)	382,081	(294,030,388)
Distribution expenses	(13,172,856)	(23,112,710)	(13,706,277)	(1,946,140)	—	(51,937,983)
Administrative expenses	(28,824,229)	(25,778,735)	(31,128,392)	(6,076,980)	—	(91,808,336)
Finance income	540,991	148,185	1,708,779	141,878	—	2,539,833
Finance expense	(4,207,095)	(1,649,764)	(9,531,783)	(10,874)	—	(15,399,516)
Interest expense, net	(3,666,104)	(1,501,579)	(7,823,004)	131,004	—	(12,859,683)
Share of the entity in income of associates accounted for using the equity method, total	238,648	—	681,729	—	—	920,377
Income tax expense	(2,290,810)	(4,556,333)	(4,498,653)	(496,308)	—	(11,842,104)
Other income (loss)	(504,814)	(2,453,584)	(2,688,392)	(251,585)	—	(5,898,375)
Net income of the segment reported	6,679,142	9,479,258	13,956,846	6,148,844	—	36,264,090
Depreciation and amortization	9,885,954	5,118,897	7,515,087	3,439,345	—	25,959,283
Current assets	242,744,190	91,819,717	126,124,931	39,962,076	—	500,650,914
Non current assets	644,021,256	122,811,869	624,550,287	278,114,519	—	1,669,497,931
Segment assets, total	886,765,446	214,631,586	750,675,218	318,076,595	—	2,170,148,845
Carrying amount in associates and joint ventures accounted for using the equity method, total	18,108,890	—	41,894,599	—	—	60,003,489
Capital expenditures and other	10,694,748	7,057,189	3,932,467	1,360,645	—	23,045,049
Current liabilities	72,524,925	106,206,182	141,685,232	20,989,570	—	341,405,909
Non-current liabilities	531,977,969	12,748,039	362,355,153	18,051,143	—	925,132,304
Segment liabilities, total	604,502,894	118,954,221	504,040,385	39,040,713	—	1,266,538,213
Cash flows provided by in Operating Activities	13,672,143	919,138	9,359,731	11,051,798	—	35,002,810
Cash flows used in Investing Activities	(4,632,580)	(7,055,288)	(4,670,818)	1,260,872	—	(15,097,814)
Cash flows provided by (used in) Financing Activities	(4,034,401)	4,829,174	(10,462,807)	—	—	(9,668,034)

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<u>For the period ended March 31, 2014</u>	<u>Chile Operation</u> ThCh\$	<u>Argentina Operation</u> ThCh\$	<u>Brazil Operation</u> ThCh\$	<u>Paraguay Operation</u> ThCh\$	<u>Intercompany Eliminations</u> ThCh\$	<u>Consolidated Total</u> ThCh\$
Net sales	129,266,662	110,090,262	176,656,738	32,437,355	(140,341)	448,310,676
Cost of sales	(76,461,033)	(61,741,882)	(108,447,924)	(20,011,706)	140,341	(266,522,204)
Distribution expenses	(13,441,954)	(17,568,169)	(13,379,540)	(1,760,427)	—	(46,150,090)
Administrative expenses	(26,892,761)	(20,066,280)	(30,965,164)	(5,656,165)	—	(83,580,370)
Finance income	687,511	18,643	1,057,900	33,783	—	1,797,837
Finance expense	(7,354,887)	(1,898,729)	(4,292,983)	(81,431)	—	(13,628,030)
Interest expense, net	(6,667,376)	(1,880,086)	(3,235,083)	(47,648)	—	(11,830,193)
Share of the entity in income of associates accounted for using the equity method, total	143,850	—	398,210	—	—	542,060
Income tax expense	(2,944,358)	(1,784,982)	(3,752,709)	(505,960)	—	(8,988,009)
Other income (loss)	(3,270,214)	(3,031,667)	(901,913)	121,769	—	(7,082,025)
Net income of the segment reported	(267,184)	4,017,196	16,372,615	4,577,218	—	24,699,845
Depreciation and amortization	9,557,693	4,279,010	7,514,950	3,089,366	—	24,441,019
Current assets	198,201,668	68,759,314	139,311,791	26,310,807	—	432,583,580
Non current assets	639,033,821	110,838,750	661,403,513	270,653,571	—	1,681,929,655
Segment assets, total	837,235,489	179,598,064	800,715,304	296,964,378	—	2,114,513,235
Carrying amount in associates and joint ventures accounted for using the equity method, total	18,196,301	—	55,449,467	—	—	73,645,768
Capital expenditures and other	10,045,699	7,022,180	6,753,998	4,845,147	—	28,667,024
Current liabilities	144,572,273	84,774,910	96,773,366	21,436,838	—	347,557,387
Non-current liabilities	379,646,272	19,124,509	415,230,530	18,016,019	—	832,017,330
Segment liabilities, total	524,218,545	103,899,419	512,003,896	39,452,857	—	1,179,574,717
Cash flows provided by in Operating Activities	16,998,380	(6,326,129)	14,544,793	10,326,061	—	35,543,105
Cash flows used in Investing Activities	1,562,726	(7,002,188)	(11,577,300)	(5,648,195)	—	(22,664,957)
Cash flows provided by (used in) Financing Activities	(19,743,327)	7,606,423	(3,589,127)	(307,591)	—	(16,033,622)

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NOTE 5 — CASH AND CASH EQUIVALENTS

Cash and cash equivalents are detailed as follows as of March 31, 2015 and December 31, 2014:

Description By item	03.31.2015	12.31.2014
	ThCh\$	ThCh\$
Cash	526,121	595,442
Bank balances	25,277,947	13,931,375
Time deposits	10,639,655	13,159,563
Mutual funds	47,025,590	51,828,054
Total cash and cash equivalents	83,469,313	79,514,434
By currency	ThCh\$	ThCh\$
Dollar	2,709,932	5,747,745
Euro	11,539	15
Argentine Peso	112,009	1,317,489
Chilean Peso	25,767,569	17,708,037
Paraguayan Guaraní	21,276,930	9,385,359
Brazilian Real	33,591,334	45,355,789
Total cash and cash equivalents	83,469,313	79,514,434

5.1 Time deposits

Time deposits defined as cash and cash equivalents are detailed as follows at March 31, 2015 and December 31, 2014:

Placement	Institution	Currency	Principal	Annual	03.31.2015
			ThCh\$	rate	ThCh\$
				%	
03-31-2015	Banco Santander	Chilean pesos	900,000	3.00	900,000
03-31-2015	Banco Regional S.A.E.C.A.	Paraguayan Guaranies	4,531,054	4.00	4,531,054
02-13-2015	Banco Citibank NA	Paraguayan Guaranies	1,294,587	4.75	1,302,337
02-12-2015	Banco BBVA Paraguay S.A.	Paraguayan Guaranies	1,941,880	4.50	1,953,132
02-12-2015	Banco Itaú Paraguay S.A.	Paraguayan Guaranies	1,941,880	4.50	1,953,132
		Total			10,639,655

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<u>Placement</u>	<u>Institution</u>	<u>Currency</u>	<u>Principal</u>	<u>Annual</u>	<u>12.31.2014</u>
			<u>ThCh\$</u>	<u>rate</u>	<u>ThCh\$</u>
				<u>%</u>	
11-28-2014	Banco de Chile	Chilean pesos	3,800,000	3.60	3,810,980
11-28-2014	Banco Santander	Chilean pesos	2,500,000	3.72	2,508,525
12-31-2014	Banco Regional S.A.E.C.A.	Paraguayan Guaranies	4,218,542	4.00	4,218,542
12-19-2014	Banco Citibank NA	Paraguayan Guaranies	1,310,758	4.75	1,310,758
12-19-2014	Banco Itaú Paraguay S.A.	Paraguayan Guaranies	1,310,758	4.50	1,310,758
Total					13,159,563

5.2 Money Market

Money market mutual fund's shares are valued using the share values at the close of each reporting period. Below is a description for the end of each period:

<u>Institution</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>
Mutual fund Soberano Banco Itaú — Brazil	16,229,203	41,354,014
Mutual fund Corporativo Banchile — Chile	8,633,202	7,006,132
Mutual fund Santander — Brazil	7,005,331	—
Mutual fund Bradesco — Brazil	5,214,807	—
Mutual fund BCI — Chile	4,906,000	—
Mutual fund Itaú — Chile	2,621,000	—
Mutual fund BBVA- Chile	2,150,000	—
Mutual fund Wells Fargo — USA	159,304	154,261
Western Assets Institutional Cash Reserves — USA	104,544	3,313,647
Mutual fund Banco Galicia — Argentina	2,199	—
Total mutual funds	47,025,590	51,828,054

NOTE 6 — OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS

Below are the financial instruments held by the Company at March 31, 2015 and December 31, 2014, other than cash and cash equivalents. They consist of time deposits with short-term maturities (more than 90 days), restricted mutual funds and derivative contracts. Financial instruments are detailed as follows:

a) Current year 2015

Time deposits

Placement	Maturity	Institution	Currency	Principal	Annual	03.31.2015
				ThCh\$	rate	ThCh\$
					%	
08-29-2014	08-31-2015	Banco Itaú - Chile	Unidad de Fomento	6,000,000	0.60%	6,151,938
08-29-2014	08-31-2015	Banco Santander - Chile	Unidad de Fomento	6,000,000	0.70%	6,155,582
09-26-2014	05-13-2015	Banco Santander - Chile	Unidad de Fomento	8,950,000	0.15%	9,129,120
09-26-2014	09-30-2015	Banco HSBC - Chile	Unidad de Fomento	8,950,000	0.54%	9,147,501
10-07-2014	09-24-2015	Banco de Chile - Chile	Unidad de Fomento	4,650,000	0.35%	4,742,241
11-06-2014	08-13-2015	Banco de Chile - Chile	Unidad de Fomento	4,000,000	1.60%	4,068,459
11-06-2014	11-12-2015	Banco Santander - Chile	Unidad de Fomento	4,000,000	1.58%	4,068,133
11-06-2014	08-13-2015	Banco Itaú - Chile	Unidad de Fomento	4,000,000	1.47%	4,066,342
12-10-2014	08-13-2015	Banco Santander - Chile	Unidad de Fomento	6,580,000	3.28%	6,645,379
12-10-2014	05-13-2015	Banco Itaú - Chile	Unidad de Fomento	3,290,000	3.87%	3,328,674
12-12-2014	08-13-2015	Banco Itaú - Chile	Unidad de Fomento	400,000	3.50%	404,168
12-19-2014	08-26-2015	Banco Santander - Chile	Unidad de Fomento	4,100,000	3.86%	4,144,113
12-19-2014	08-26-2015	Banco Santander - Chile	Unidad de Fomento	3,500,000	3.59%	3,534,981
12-26-2014	10-27-2015	Banco Santander - Chile	Unidad de Fomento	2,000,000	2.75%	2,014,161
12-29-2014	10-27-2015	Banco Santander - Chile	Unidad de Fomento	4,750,000	2.81%	4,783,271
12-30-2014	10-27-2015	Banco de Chile - Chile	Unidad de Fomento	3,500,000	2.55%	3,521,943
01-02-2015	10-27-2015	Banco de Chile - Chile	Unidad de Fomento	4,000,000	2.74%	4,026,085
02-20-2015	05-26-2015	Banco Santander - Chile	Unidad de Fomento	3,500,000	0.60%	3,514,344
02-20-2015	05-27-2015	Banco Santander - Chile	Chilean pesos	3,500,000	3.36%	3,512,740
02-20-2015	05-27-2015	Banco BBVA - Chile	Chilean pesos	4,000,000	3.24%	4,014,040
02-18-2015	04-07-2015	Banco Industrial - Argentina	Argentinean pesos (1)	291,201	22.25%	298,433
02-09-2015	04-10-2015	Banco ICBC - Argentina	Argentinean pesos (1)	355,124	21.75%	365,592
02-18-2015	04-20-2015	Banco Industrial - Argentina	Argentinean pesos (1)	355,124	23.00%	364,240
02-18-2015	05-05-2015	Banco ICBC - Argentina	Argentinean pesos (1)	284,099	21.75%	290,996
02-20-2015	04-21-2015	Banco ICBC - Argentina	Argentinean pesos (1)	163,357	21.75%	167,134
02-27-2015	05-04-2015	Banco ICBC - Argentina	Argentinean pesos (1)	170,459	21.75%	173,711
03-25-2015	05-26-2015	Banco Galicia - Argentina	Argentinean pesos (1)	305,406	22.70%	306,696
03-17-2015	05-18-2015	Banco Industrial - Argentina	Argentinean pesos (1)	284,099	23.50%	286,760
				Subtotal		<u>93,226,777</u>

(1) Corresponds to time deposits entered into in order to guaranty derivative operations in Argentina

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	<u>03.31.2015</u>
	<u>ThCh\$</u>
Mutual funds	
Banco Crédito e Inversiones - Chile	1,143,081
Bonds	
Bonds Provincia Buenos Aires - Argentina	3,330
Guarantee Funds	
Guarantee funds for derivative operations Rofex-Argentina (1)	2,561,285
Derivative futures contracts	
Derivative futures contracts (see note Note 21)	<u>2,219,619</u>
Total other current financial assets	Total <u><u>99,154,092</u></u>

(1) Corresponds to funds that should remain restricted according to the partial results from derivative operations in Argentina.

b) Non current 2015

	<u>03.31.2015</u>
	<u>ThCh\$</u>
Time Deposits	
Banco Votorantim	17,090
	<u>17,090</u>
Derivative futures contracts	
Derivative futures contracts (see note Note 21)	111,952,691
Total other non-current financial assets	Total <u><u>111,969,781</u></u>

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a) Current year 2014

Time deposits

<u>Placement</u>	<u>Maturity</u>	<u>Institution</u>	<u>Currency</u>	<u>Principal</u> ThCh\$	<u>Annual</u> <u>rate</u> %	<u>12.31.2014</u> ThCh\$
08-14-2014	02-13-2015	Banco Santander - Chile	Unidad de fomento	4,500,000	1.65%	4,632,134
08-14-2014	02-13-2015	Banco de Chile - Chile	Unidad de fomento	4,500,000	1.25%	4,625,025
08-14-2014	02-13-2015	Banco Estado - Chile	Unidad de fomento	4,500,000	1.15%	4,623,248
08-19-2014	02-13-2015	Banco Santander - Chile	Unidad de fomento	5,480,000	1.45%	5,633,637
08-29-2014	08-31-2015	Banco Itaú - Chile	Unidad de fomento	6,000,000	0.60%	6,143,820
08-29-2014	08-31-2015	Banco Santander - Chile	Unidad de fomento	6,000,000	0.70%	6,145,932
09-26-2014	05-13-2015	Banco Santander - Chile	Unidad de fomento	8,950,000	0.15%	9,127,301
09-26-2014	09-30-2015	Banco HSBC - Chile	Unidad de fomento	8,950,000	0.54%	9,136,789
10-07-2014	09-24-2015	Banco de Chile - Chile	Unidad de fomento	4,650,000	0.35%	4,738,930
11-06-2014	08-13-2015	Banco de Chile - Chile	Unidad de fomento	4,000,000	1.60%	4,053,000
11-06-2014	11-12-2015	Banco Santander - Chile	Unidad de fomento	4,000,000	1.58%	4,052,877
11-06-2014	08-13-2015	Banco Itaú - Chile	Unidad de fomento	4,000,000	1.47%	4,052,197
12-10-2014	08-13-2015	Banco Santander - Chile	Unidad de fomento	6,580,000	3.28%	6,592,590
12-10-2014	05-13-2015	Banco Itaú - Chile	Unidad de fomento	3,290,000	3.87%	3,297,427
12-12-2014	08-13-2015	Banco Itaú - Chile	Unidad de fomento	400,000	3.50%	400,739
12-19-2014	08-26-2015	Banco Santander - Chile	Unidad de fomento	4,100,000	3.86%	4,105,275
12-19-2014	08-26-2015	Banco Santander - Chile	Unidad de fomento	3,500,000	3.59%	3,504,188
12-26-2014	10-27-2015	Banco Santander - Chile	Unidad de fomento	2,000,000	2.75%	2,000,764
12-29-2014	10-27-2015	Banco Santander - Chile	Unidad de fomento	4,750,000	2.81%	4,750,742
12-30-2014	10-27-2015	Banco de Chile - Chile	Unidad de fomento	3,500,000	2.55%	3,500,248
11-28-2014	03-02-2015	Banco Citibank NA - Paraguay	Paraguayan guaraníes	1,310,758	4.75%	1,310,758
11-28-2014	03-02-2015	Banco BBVA Paraguay S.A.	Paraguayan guaraníes	1,310,758	4.75%	1,310,758
11-03-2014	01-02-2015	Banco Galicia - Argentina	Argentine pesos (1)	366,130	20.75%	366,130
11-05-2014	01-05-2015	Banco HSBC - Argentina	Argentine pesos (1)	148,668	20.00%	148,668
11-07-2014	01-06-2015	Banco Galicia - Argentina	Argentine pesos (1)	365,348	20.75%	365,348
11-17-2014	01-16-2015	Banco Industrial - Argentina	Argentine pesos (1)	291,128	22.00%	291,128
12-17-2014	02-18-2015	Banco Industrial - Argentina	Argentine pesos (1)	152,652	21.00%	152,652
11-21-2014	01-20-2015	Banco Galicia - Argentina	Argentine pesos (1)	304,783	20.75%	304,783
12-09-2014	02-09-2015	Banco Santander Río - Argentina	Argentine pesos (1)	349,255	20.90%	349,255
12-16-2014	02-18-2015	Banco Industrial - Argentina	Argentine pesos (1)	370,189	21.00%	370,189
12-19-2014	02-18-2015	Banco Santander Río - Argentina	Argentine pesos (1)	383,087	20.90%	383,087
12-22-2014	02-18-2015	Banco ICB - Argentina	Argentine pesos (1)	160,501	20.00%	160,501
12-29-2014	02-27-2015	Banco Santander Río - Argentina	Argentine pesos (1)	211,092	20.90%	211,092
Subtotal						<u>100,841,212</u>

(1) Corresponds to time deposits entered into in order to guaranty derivative operations in Argentina

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	<u>12.31.2014</u>
	ThCh\$
Mutual funds	
Banco Crédito e Inversiones - Chile	23,514
Western Assets Institutional Cash Reserves - USA	1,107,579
	<u>1,131,093</u>
Bonds	
Bonds Provincia Buenos Aires - Argentina	3,584
Guarantee Funds	
Guarantee funds for derivative operations Rofex-Argentina (1)	1,729,820
Derivative futures contracts	
Derivative futures contracts (see note Note 21)	2,871,333
Total other current financial assets	<u><u>106,577,042</u></u>

(2) Corresponds to funds that should remain restricted according to the partial results from derivative operations in Argentina.

c) **Non current 2014**

	<u>12.31.2014</u>
	ThCh\$
Time Deposits	
Banco Votorantim	19,533
	<u>19,533</u>
Derivative futures contracts	
Derivative futures contracts (see note Note 21)	51,007,240
Total other non-current financial assets	<u><u>51,026,773</u></u>

NOTE 7 — CURRENT AND NON-CURRENT NON-FINANCIAL ASSETS

NOTE 7.1 Other current non-financial assets

<u>Description</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>
Prepaid expenses	5,297,635	6,178,285
Fiscal credits	253,813	1,466,228
Prepaid insurance	147,622	53,402
Prepaid insurance (Argentine)	64,228	9,924
Other current assets	128,898	79,342
Total	5,892,196	7,787,181

NOTE 7.2 Other non-current, non-financial assets

<u>Description</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>
Judicial deposits (1)	19,498,456	22,717,093
Prepaid expenses	5,335,215	5,624,838
Fiscal credits	3,661,482	4,409,561
Others	455,354	305,288
Total	28,950,507	33,056,780

(1) See note 22.2

NOTE 8 — TRADE AND OTHER RECEIVABLES

The composition of trade and other receivables is detailed as follows:

Trade and other receivables	03.31.2015			12.31.2014		
	Assets before provisions	Allowance for doubtful accounts	Commercial debtors net assets	Assets before provisions	Allowance for doubtful accounts	Commercial debtors net assets
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Current commercial debtors						
Trade debtors	120,961,918	(7,170,889)	113,791,029	164,026,718	(7,028,207)	156,998,511
Other current debtors	31,670,402	—	31,670,402	30,963,659	—	30,963,659
Current commercial debtors	152,632,320	(7,170,889)	145,461,431	194,990,377	(7,028,207)	187,962,170
Prepayments suppliers	5,466,122	—	5,466,122	6,017,624	—	6,017,624
Other current accounts receivable	818,555	(58,427)	760,128	4,189,001	(58,371)	4,130,630
Commercial debtors and other current accounts receivable	158,916,997	(7,229,316)	151,687,681	205,197,002	(7,086,578)	198,110,424
Non-current accounts receivable						
Trade debtors	94,546	—	94,546	100,105	—	100,105
Other non-current debtors	7,657,312	—	7,657,312	6,997,704	—	6,997,704
Non-current accounts receivable	7,751,858	—	7,751,858	7,097,809	—	7,097,809
Trade and other receivable	166,668,855	(7,229,316)	159,439,539	212,294,811	(7,086,578)	205,208,233

Aging of debtor portfolio	Number of clients	03.31.2015	Number of clients	12.31.2014
		ThCh\$		ThCh\$
Up to date non-securitized portfolio	25,981	47,470,514	25,834	59,916,856
1 and 30 days	66,576	61,256,428	63,235	92,184,412
31 and 60 days	521	1,506,339	583	1,309,832
61 and 90 days	379	1,346,865	396	420,965
91 and 120 days	315	928,895	334	481,396
121 and 150 days	279	497,526	210	353,768
151 and 180 days	288	418,756	197	207,522
181 and 210 days	373	726,617	306	568,956
211 and 250 days	206	509,806	199	548,469
More than 250 days	1,391	6,394,718	1,248	8,134,647
Total	96,309	121,056,464	92,542	164,126,823

	03.31.2015	12.31.2014
	ThCh\$	ThCh\$
Current comercial debtors	120,961,918	164,026,718
Non-current comercial debtors	94,546	100,105
Total	121,056,464	164,126,823

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The movement in the allowance for doubtful accounts between January 1 and March 31, 2015 and January 1 and December 31, 2014, are presented below:

	<u>03.31.2015</u>	<u>12.31.2014</u>
	ThCh\$	ThCh\$
Opening balance	7,086,578	2,678,879
Bad debt expense	1,092,687	4,459,276
Reverse applied against the provision	(741,385)	(35,827)
Change due to foreign exchange differences	(208,564)	(15,750)
Movement	142,738	4,407,699
Ending balance	<u>7,229,316</u>	<u>7,086,578</u>

NOTE 9 — INVENTORIES

The composition of inventories is detailed as follows:

<u>Details</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
	ThCh\$	ThCh\$
Raw materials	78,074,792	74,691,675
Finished goods	44,434,519	47,894,403
Spare parts and supplies	26,598,054	26,213,284
Work in progress	421,289	289,740
Other inventories	2,851,553	3,039,477
Obsolescence provision (1)	(2,423,779)	(2,400,961)
Total	<u>149,956,428</u>	<u>149,727,618</u>

The cost of inventory recognized as cost of sales is ThCh\$ 294,030,388 and ThCh\$ 266,522,204 at March 31, 2015 and 2014, respectively.

- (1) The provision for obsolescence is primarily related more to the obsolescence of parts classified as inventories than finished goods and raw materials.

NOTE 10 — CURRENT AND DEFERRED INCOME TAXES

For the period ended March 31, 2015, the Company had taxable profits of ThCh\$ 64,344,562, comprised of profits with credits for first category income tax amounting to ThCh\$53,682,038 and profits without credits amounting to ThCh\$ 10,662,524

10.1 Tax Reform

On September 29, 2014, the Official Daily Newspaper published Law N°20,780 which amends the Chilean tax regime, with the main following changes:

- It establishes a new system of semi-integrated taxation, which can be used as an alternative to the integrated regime of attributed income. Taxpayers may opt freely to any of the two to pay their taxes. In the case of Embotelladora Andina S.A. by a general rule established by law the semi-integrated taxation system applies, which should be subsequently ratified by a future General Shareholders Meeting.
- The semi-integrated system establishes the gradual increase in the first category tax rate for the business years 2014, 2015, 2016, 2017 and 2018 onwards, increasing to 21%, 22.5%, 24%, 25.5% and 27% respectively.
- Regarding the amendments to deferred taxes resulting from rate changes to be applied during the reversal period of differences between the bases of valuation of assets and liabilities by deferred taxes, were recognized on December 31, 2014, according to Circular Letter N° 856 of the SVS with a charge to accumulated earnings, amounting to a total of ThCh\$23,615,151.

10.2 Current tax assets

Current tax payables correspond to the following items:

<u>Description</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>
Monthly provisional payments	5,471,473	5,727,642
Tax credits (1)	476,608	297,407
Total	<u>5,948,081</u>	<u>6,025,049</u>

(1) Tax credits correspond to income tax credits on training expenses, purchase of property, plant and equipment, and donations.

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10.2 Current tax liabilities

Current tax payables correspond to the following items

<u>Description</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>
Income tax expense	1,912,344	2,931,206
Total	<u>1,912,344</u>	<u>2,931,206</u>

10.3 Income tax expense

The current and deferred income tax expenses for the years ended March 31, 2015 and 2014 are detailed as follows:

<u>Item</u>	<u>03.31.2015</u>	<u>03.31.2014</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>
Current income tax expense	12,738,662	4,026,082
Adjustment to current income tax from the previous fiscal year	(196,408)	295,491
Withholding tax expense foreign subsidiaries	781,542	1,124,922
Other deferred tax expense (income)	(3,809)	35,699
Current income tax expense	<u>13,319,987</u>	<u>5,482,194</u>
Income (expense) for the creation and reversal of current tax difference	(1,477,883)	3,505,815
Expense (income) for deferred taxes	<u>(1,477,883)</u>	<u>3,505,815</u>
Total income tax expense	<u>11,842,104</u>	<u>8,988,009</u>

10.4 Deferred income taxes

Los saldos acumulados netos de las diferencias temporarias originaron activos y pasivos por impuestos diferidos, el detalle es el siguiente:

Temporary differences	03.31.2015		12.31.2014	
	Activos	Pasivos	Activos	Pasivos
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Property, plant and equipment	1,839,112	47,213,949	1,825,735	50,035,641
Obsolescence provision	1,698,465	—	1,789,886	—
Employee benefits	1,200,834	—	3,092,399	—
Post-employment benefits	—	664,256	82,299	798,459
Tax loss carried-forwards (1)	10,352,169	—	12,301,624	—
Tax Goodwill Brazil	42,144,274	—	51,257,770	—
Contingency provision	27,321,885	—	29,553,200	—
Foreign exchange differences (Foreign Subsidiaries) (2)	—	1,717,075	—	2,612,804
Allowance for doubtful accounts	1,035,970	—	977,330	—
Tax resulting from holding inventories (Argentina)	1,895,521	—	1,892,625	—
Assets and liabilities for placement of bonds	—	817,540	—	809,091
Lease liabilities	3,635,947	—	4,441,730	—
Inventories	169,512	—	—	78,337
Distribution rights	—	166,690,192	—	178,308,862
Others	565,721	1,288,358	939,033	1,636,584
Subtotal	91,859,410	218,391,370	108,153,631	234,279,778
Net Liabilities	—	126,531,960	—	126,126,147

(1) Tax losses associated mainly with our subsidiary in Chile - Embotelladora Andina Chile S.A., which is in the process of implementation of their manufacturing and commercial operations, the amount totals to ThCh\$9,865,266 and other minor subsidiaries in Chile ThCh\$486,903. Tax losses in Chile do not have an expiration date

(2) Corresponds to deferred tax exchange differences generated upon translation of debts in foreign currency in the Brazilian subsidiary, Rio de Janeiro Refrescos Ltda. that in terms of tax, are recognized in Brazil upon liquidation.

10.5 Deferred tax liability movement

The movement in deferred income tax accounts is as follows:

Item	03.31.2015 ThCh\$	12.31.2014 ThCh\$
Opening Balance	126,126,147	105,537,484
Increase due to merger Increase (decrease) in deferred tax	3,201,273	(4,931,757)
Increase resulting from Tax Reform rates	—	23,334,999
Decrease due to foreign currency translation	(2,795,460)	2,185,421
Movements	405,813	20,588,663
Ending balance	126,531,960	126,126,147

10.6 Distribution of domestic and foreign tax expense

For the periods ended March 31, 2015 and 2014, domestic and foreign tax expense are detailed as follows:

Income tax	03.31.2015 ThCh\$	03.31.2014 ThCh\$
Current income taxes		
Foreign	(12,263,292)	(3,652,046)
Domestic	(1,056,695)	(1,830,148)
Current income tax expense	(13,319,987)	(5,482,194)
Deferred income taxes		
Foreign	2,711,999	(2,391,606)
Domestic	(1,234,116)	(1,114,209)
Deferred income tax expense	1,477,883	(3,505,815)
Income tax expense	(11,842,104)	(8,988,009)

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10.7 Reconciliation of effective rate

Below is the reconciliation between the effective tax rate and the statutory rate:

Reconciliation of effective rate	03.31.2015	03.31.2014
	ThCh\$	ThCh\$
Net income before taxes	48,106,194	33,687,854
Tax expense at legal rate (22,5%)	(10,823,894)	—
Tax expense at legal rate (20,0%)	—	(6,737,571)
Effect of a different tax rate in other jurisdictions	(2,125,576)	(360,958)
Permanent differences:		
Non-taxable revenues	2,344,935	1,108,641
Non-deductible expenses	(656,244)	(2,141,111)
Tax effect of tax provided in excess of prior period	196,408	295,491
Foreign subsidiaries tax withholding expense and other legal tax debits and credits	(777,733)	(1,152,501)
Adjustments to tax expense	1,107,366	(1,889,480)
Tax expense at effective rate	(11,842,104)	(8,988,009)
Effective rate	24.6%	26.7%

Below are the income tax rates applicable in each jurisdiction where the Company operates:

Country	Rate	
	2015	2014
Chile	22.5%	20%
Brazil	34%	34%
Argentina	35%	35%
Paraguay	10%	10%

NOTE 11 — PROPERTY, PLANT AND EQUIPMENT

11.1 Balances

Property, plant and equipment are detailed below at the end of each period:

Item	Property, plant and equipment, gross		Cumulative depreciation and impairment		Property, plant and equipment, net	
	03.31.2015	12.31.2014	03.31.2015	12.31.2014	03.31.2015	12.31.2014
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Construction in progress	23,413,891	25,522,059	—	—	23,413,891	25,522,059
Land	72,267,118	76,957,848	—	—	72,267,118	76,957,848
Buildings	212,899,717	223,273,615	(49,172,307)	(51,215,168)	163,727,410	172,058,447
Plant and equipment	467,226,327	489,218,564	(232,129,858)	(235,979,731)	235,096,469	253,238,833
Information technology	16,993,076	17,527,911	(12,495,300)	(12,706,055)	4,497,776	4,821,856
Fixed facilities and accessories		34,015,967	(9,635,105)	(8,960,420)	24,939,944	25,055,547
Vehicles	32,456,981	36,966,300	(18,905,432)	(20,796,517)	13,551,549	16,169,783
Leasehold improvements	673,998	786,269	(319,086)	(340,149)	354,912	446,120
Other property, plant and equipment (1)		404,317,216	(262,077,078)	(265,512,424)	127,296,194	138,804,792
Total	1,249,879,429	1,308,585,749	(584,734,166)	(595,510,464)	665,145,263	713,075,285

(1) Other property, plant and equipment is composed of bottles, market assets, furniture and other minor assets.

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The net balance of each of these categories at March 31, 2015 and December 31,2014 is detailed as follows:

Other property, plant and equipment	03.31.2015	12.31.2014
	ThCh\$	ThCh\$
Bottles	56,897,470	62,769,011
Marketing and promotional assets	61,476,361	66,444,241
Other property, plant and equipment	8,922,363	9,591,540
Total	<u>127,296,194</u>	<u>138,804,792</u>

The Company has insurance to protect its property, plant and equipment and its inventory from potential losses. The geographic distribution of those assets is detailed as follows:

Chile	: Santiago, Puente Alto, Maipú, Renca, Rancagua y San Antonio, Antofagasta, Coquimbo and Punta Arenas.
Argentina	: Buenos Aires, Mendoza, Córdoba y Rosario, Bahía Blanca, Chacabuco, La Pampa, Neuquén, Comodoro Rivadavia, Trelew, andTierra del Fuego
Brazil	: Río de Janeiro, Niteroi, Campos, Cabo Frío, Nova Iguazú, Espirito Santo, Vitoria parts Sao Paulo and Minas Gerais.
Paraguay	: Asunción, Coronel Oviedo, Ciudad del Este and Encarnación.

11.2 Movements

Movements in property, plant and equipment are detailed as follows between January 1 and March 31, 2015 and January 1 and December 31, 2014:

	<u>Construction in progress</u>	<u>Land</u>	<u>Buildings, net</u>	<u>Plant and equipment, net</u>	<u>IT Equipment, net</u>	<u>Fixed facilities and accessories, net</u>	<u>Vehicles, net</u>	<u>Leasehold improvements, net</u>	<u>Other property, plant and equipment, net</u>	<u>Property, plant and equipment, net</u>
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance at January 1, 2015	25,522,059	76,957,848	172,058,447	253,238,833	4,821,856	25,055,547	16,169,783	446,120	138,804,792	713,075,285
Additions	5,501,041	—	68,100	2,330,448	91,148	94	66,314	—	4,889,534	12,946,679
Disposals	(6,712)	—	(13,096)	(529,140)	—	—	—	—	(309,347)	(858,295)
Transfers between items of property, plant and equipment	(6,203,987)	—	1,503,240	539,943	252,645	560,660	372,208	653	2,974,638	—
Depreciation expense	—	—	(1,210,785)	(8,499,640)	(469,371)	(674,782)	(1,016,796)	(28,095)	(13,389,332)	(25,288,801)
Impairment losses recognized in the income statement	—	—	—	109,834	—	—	—	—	(109,834)	—
Increase (decrease) due to foreign currency translation differences	(1,398,510)	(4,690,730)	(8,711,036)	(12,347,938)	(204,198)	6,633	(1,983,946)	(63,766)	(73,079)	(29,466,570)
Other increase (decrease)	—	—	32,540	254,129	5,696	(8,208)	(56,014)	—	(5,491,178)	(5,263,035)
Total movements	(2,108,168)	(4,690,730)	(8,331,037)	(18,142,364)	(324,080)	(115,603)	(2,618,234)	(91,208)	(11,508,598)	(47,930,022)
Ending balance at March 31, 2015	23,413,891	72,267,118	163,727,410	235,096,469	4,497,776	24,939,944	13,551,549	354,912	127,296,194	665,145,263

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	Construction in progress	Land	Buildings, net	Plant and equipment, net	IT Equipment, net	Fixed facilities and accessories, net	Vehicles, net	Leasehold improvements, net	Other property, plant and equipment, net	Property, plant and equipment, net
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance at January 1, 2014	36,544,802	76,063,090	151,816,612	240,721,094	5,584,185	33,207,964	15,121,864	567,041	133,323,156	692,949,808
Additions	61,749,644	—	2,689,039	46,090,966	403,941	196,726	921,557	—	13,661,737	125,713,610
Disposals	(16,668)	(109,252)	(22,864)	(3,017,160)	(1,296)	(1,940)	(51,126)	—	(1,299,940)	(4,520,246)
Transfers between items of property, plant and equipment	(71,807,784)	—	22,189,920	13,217,587	920,853	(5,762,142)	4,710,288	—	36,531,278	—
Depreciation expense	—	—	(5,510,350)	(37,943,247)	(2,020,178)	(1,818,210)	(4,661,508)	(132,184)	(47,832,641)	(99,918,318)
Increase (decrease) due to foreign currency translation differences	(912,128)	1,004,086	568,887	(1,733,312)	54,839	(766,851)	206,760	11,208	9,964,653	8,398,142
Other increase (decrease)	(35,807)	(76)	327,203	(4,097,095)	(120,488)	—	(78,052)	55	(5,543,451)	(9,547,711)
Total movements	(11,022,743)	894,758	20,241,835	12,517,739	(762,329)	(8,152,417)	1,047,919	(120,921)	5,481,636	20,125,477
Ending balance at December 31, 2014	<u>25,522,059</u>	<u>76,957,848</u>	<u>172,058,447</u>	<u>253,238,833</u>	<u>4,821,856</u>	<u>25,055,547</u>	<u>16,169,783</u>	<u>446,120</u>	<u>138,804,792</u>	<u>713,075,285</u>

NOTE 12 — RELATED PARTY DISCLOSURES

Balances and transactions with related parties as of March 31, 2015 and December 31, 2014 are detailed as follows:

12.1 Accounts receivable:

12.1.1 Current:

<u>Taxpayer ID</u>	<u>Company</u>	<u>Relationship</u>	<u>Country of origin</u>	<u>Currency</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
					<u>ThCh\$</u>	<u>ThCh\$</u>
96.891.720-K	Embonor S.A.	Related to Shareholder	Chile	Chilean pesos	4,190,943	5,629,383
96.517.210-2	Embotelladora Iquique S.A.	Related to Shareholder	Chile	Chilean pesos	345,033	359,933
96.919.980-7	Cervecería Austral S.A.	Related to director	Chile	Dollars	6,850	4,847
77.755.610-k	Comercial Patagona Ltda.	Related to director	Chile	Chilean pesos	297	290
		Total			<u>4,543,123</u>	<u>5,994,453</u>

12.1.2 Non current:

<u>Taxpayer ID</u>	<u>Company</u>	<u>Relationship</u>	<u>Country of origin</u>	<u>Currency</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
					<u>ThCh\$</u>	<u>ThCh\$</u>
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Chilean pesos	24,752	24,752
		Total			<u>24,752</u>	<u>24,752</u>

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12.2 Accounts payable:

12.2.1 Current:

<u>Taxpayer ID</u>	<u>Company</u>	<u>Relationship</u>	<u>Country of origin</u>	<u>Currency</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
					<u>ThCh\$</u>	<u>ThCh\$</u>
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Chilean pesos	25,525,506	14,076,916
Foreign	Servicio y Productos para Bebidas Refrescantes S.R.L.	Shareholder	Argentina	Argentine pesos	7,325,019	5,831,334
Foreign	Recofarma do Industrias Amazonas Ltda.	Related to Shareholder	Brazil	Brazilian real	8,125,124	13,482,012
86.881.400-4	Envases CMF S.A.	Associate	Chile	Chilean pesos	4,049,457	6,281,874
Foreign	Coca-Cola Perú	Related to Shareholder	Perú	Dollars	5,078,145	5,354,145
Foreign	Leao Alimentos e Bebidas Ltda.	Associate	Brazil	Brazilian real	8,519,726	10,356,646
89.996.200-1	Envases del Pacífico S.A.	Related to director	Chile	Chilean pesos	494,473	583,862
		Total			<u>59,117,450</u>	<u>55,966,789</u>

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12.3 Transactions:

Taxpayer ID	Company	Relationship	Country of origin	Description of transaction	Currency	Cumulative 03.31.2015 ThCh\$
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Purchase of concentrates	Chilean pesos	37,008,387
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Purchase of advertising services	Chilean pesos	4,799,122
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Lease of water fountain	Chilean pesos	1,115,087
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Sale of services and others	Chilean pesos	709,387
86.881.400-4	Envases CMF S.A.	Associate	Chile	Purchase of bottles	Chilean pesos	10,992,552
86.881.400-4	Envases CMF S.A.	Associate	Chile	Sale of packaging materials	Chilean pesos	698,800
96.891.720-K	Embonor S.A.	Related to Shareholder	Chile	Sale of finished products	Chilean pesos	11,675,769
96.517.310-2	Embotelladora Iquique S.A.	Related to Shareholder	Chile	Sale of finished products	Chilean pesos	789,597
Foreign	Recofarma do Industrias Amazonas Ltda.	Related to Shareholder	Brazil	Purchase of concentrates	Brazilian real	23,165,186
Foreign	Recofarma do Industrias Amazonas Ltda.	Related to Shareholder	Brazil	Advertising participation payment	Brazilian real	4,091,961
Foreign	Leao Alimentos e Bebidas Ltda.	Associate	Brazil	Purchased of products	Brazilian real	4,303,110
Foreign	Servicio y Productos para Bebidas Refrescantes S.R.L.	Shareholder	Argentina	Purchase of concentrates	Argentine peso	36,116,007
Foreign	Servicio y Productos para Bebidas Refrescantes S.R.L.	Shareholder	Argentina	Advertising participation payment	Argentine peso	1,850,003
89.996.200-1	Envases del Pacifico S.A.	Related to director	Chile	Purchase of raw materials	Chilean pesos	875,891
Foreign	Coca-Cola Perú	Related to Shareholder	Perú	Purchase of concentrates and advertising participation	Chilean pesos	347,420
Foreign	Sorocaba Refrescos S. A.	Asociada	Brazil	Purchased of products	Brazilian real	151,875

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Taxpayer ID	Company	Relationship	Country of origin	Description of transaction	Currency	Cumulative 12.31.2014 ThCh\$
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Purchase of concentrates	Chilean pesos	132,201,085
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Purchase of advertising services	Chilean pesos	4,112,331
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Lease of water fountain	Chilean pesos	3,143,674
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Sale of services and others	Chilean pesos	5,494,143
86.881.400-4	Envases CMF S.A.	Associate	Chile	Purchase of bottles	Chilean pesos	35,394,840
86.881.400-4	Envases CMF S.A.	Associate	Chile	Sale of packaging materials	Chilean pesos	2,210,686
96.891.720-K	Embonor S.A.	Related to Shareholder	Chile	Sale of finished products	Chilean pesos	12,526,172
96.517.310-2	Embotelladora Iquique S.A.	Related to Shareholder	Chile	Sale of finished products	Chilean pesos	2,369,911
Foreign	Recofarma do Industrias Amazonas Ltda.	Related to Shareholder	Brazil	Purchase of concentrates	Brazilian real	101,724,406
Foreign	Recofarma do Industrias Amazonas Ltda.	Related to Shareholder	Brazil	Advertising participation payment	Brazilian real	19,598,422
Foreign	Leao Alimentos e Bebidas Ltda.	Associate	Brazil	Purchase of concentrates	Brazilian real	35,118,038
Foreign	Servicio y Productos para Bebidas Refrescantes S.R.L.	Shareholder	Argentina	Purchase of concentrates	Argentine pesos	112,809,593
Foreign	Servicio y Productos para Bebidas Refrescantes S.R.L.	Shareholder	Argentina	Advertising participation payment	Argentine pesos	15,624,972
89.996.200-1	Envases del Pacífico S.A.	Related to director	Chile	Purchase of raw materials	Chilean pesos	1,718,878
84.505.800-8	Vendomática S.A.	Related to director	Chile	Sale of finished products	Chilean pesos	—
Foreign	Coca-Cola Perú	Related to Shareholder	Perú	Purchase of concentrates and advertising participation	Chilean pesos	986,989

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12.4 Key management compensation

Salaries and benefits paid to the Company's key management personnel including directors and managers, are detailed as follows:

<u>Description</u>	<u>03.31.2015</u>	<u>03.31.2014</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>
Executive wages, salaries and benefits	1,509,659	1,700,068
Director allowances	378,000	378,000
Contract termination benefits	—	—
Accrued benefits during the last five years and paid during the period	—	—
Total	<u>1,887,659</u>	<u>2,078,068</u>

NOTE 13 — EMPLOYEE BENEFITS

As of March 31, 2015 and December 31, 2014, the Company had recorded reserves for profit sharing and for bonuses totaling ThCh\$3,796,587 and ThCh\$14,563,449, respectively.

This liability is included in other non-current non-financial liabilities in the statement of financial position.

Employee benefits expense is allocated between the cost of sales, cost of marketing, distribution costs and administrative expenses.

13.1 Personnel expenses

Personnel expenses included in the consolidated statement of income statement are as follows:

<u>Description</u>	<u>03.31.2015</u>	<u>03.31.2014</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>
Wages and salaries	53,348,765	46,627,014
Employee benefits	11,957,562	11,438,229
Severance and post-employment benefits	1,024,255	1,288,874
Other personnel expenses	3,557,751	2,869,990
Total	<u>69,888,333</u>	<u>62,224,107</u>

13.2 Number of Employees

	<u>03.31.2015</u>	<u>03.31.2014</u>
Number of employees	15,862	16,273
Number of average employees	15,942	16,360

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13.3 Post-employment benefits

This item represents post employment benefits which are determined as stated in Note 2.17.

<u>Beneficios post-empleo</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
	ThCh\$	ThCh\$
Provisión no corriente	8,551,008	8,125,107
Total	8,551,008	8,125,107

13.4 Post-employment benefits movement

The movements of post-employment benefits for the periods ended March 31, 2015 and December 31, 2014 are detailed as follows:

<u>Movements</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
	ThCh\$	ThCh\$
Opening balance	8,125,107	8,758,111
Service costs	1,576,070	1,385,620
Interest costs	53,757	199,314
Net actuarial losses	135,193	342,990
Benefits paid	(1,339,119)	(2,560,928)
Total	8,551,008	8,125,107

13.5 Assumptions

The actuarial assumptions used at March 31, 2015 and December 31, 2014 were:

<u>Assumptions</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
Discount rate	2.7%	2.7%
Expected salary increase rate	2.0%	2.0%
Turnover rate	5.4%	5.4%
Mortality rate (1)	RV-2009	RV-2009
Retirement age of women	60 years	60 years
Retirement age of men	65 years	65 years

(1) Mortality assumption tables prescribed for use by the Chilean Superintendence of Securities and Insurance.

NOTE 14 — INVESTMENTS IN ASSOCIATES ACCOUNTED FOR USING THE EQUITY METHOD

14.1 Balances

Investments in associates using equity method of accounting are detailed as follows:

Taxpayer ID	Name	Country of Incorporation	Functional Currency	Carrying Value		Percentage interest	
				03.31.2015 ThCh\$	12.31.2014 ThCh\$	03.31.2015 %	12.31.2014 %
86.881.400-4	Envases CMF S.A. (1)	Chile	Chilean pesos	18,108,890	17,684,657	50.00%	50.00%
Foreign	Leao Alimentos e Bebidas Ltda. (2)	Brazil	Brazilian real	13,075,117	14,910,530	8.82%	8.82%
Foreign	Kaik Participacoes Ltda. (2)	Brazil	Brazilian real	1,112,538	1,276,042	11.32%	11.32%
Foreign	SRSA Participacoes Ltda.	Brazil	Brazilian real	244,381	238,647	40.00%	40.00%
Foreign	Sorocaba Refrescos S.A.	Brazil	Brazilian real	27,462,563	31,940,337	40.00%	40.00%
Total				60,003,489	66,050,213		

(1) In these company, regardless of the percentage of ownership interest, it was determined that no controlling interest was held, only a significant influence, given that there was not a majority vote of the Board of Directors to make strategic business decisions.

(2) In these companies, regardless of the percentage of ownership interest held, the Company has significant influence, given that it has a representative on each entity's Board of Directors.

14.2 Movement

The movement of investments in associates accounted for using, the equity method is shown below, for the period ended March 31, 2015 and December 31, 2014:

Details	03.31.2015	12.31.2014
	ThCh\$	ThCh\$
Opening Balance	66,050,213	68,673,399
Dividends received	—	(1,590,674)
Variation of minimum dividends from equity investees	—	149,938
Share in operating income	1,084,645	2,169,272
Unrealized income	21,317	85,266
Other decrease investment in associate (Sale participation in Leon Alimentos y Bebidas Ltda.).	—	(4,194,955)
Deferred tax effect resulting from change in related tax rate in associate	—	(438,347)
Decrease due to foreign currency translation differences	(7,152,686)	1,196,314
Ending Balance	60,003,489	66,050,213

The main movements for the periods ended 2015 and 2014 are detailed as follows:

- During the year ended December 31, 2014, the Company received dividends from its equity investee, Envases CMF S.A. in the amount of ThCh\$ 760,037.
- During the year ended December 31, 2014, Sorocaba Refrescos S.A. has distributed dividends of ThCh\$830,637.
- In October 2014, Rio Janeiro Refrescos Ltda., sold the 2.05% stake in Leão Alimentos e Bebidas Ltda. according to volume quotas for ThCh\$ 4,495,771 generating earnings amounting to ThCh\$ 300,816, which were recognized as a credit to results.

14.3 Reconciliation of share of profit in investments in associates:

Details	03.31.2015	03.31.2014
	ThCh\$	ThCh\$
Share of profit of investment accounted for using the equity method	1,084,645	691,223
Unrealized earnings in inventory acquired from associates and not sold at the end of period, presented as a discount in the respective asset account (containers and/or inventories)	(185,585)	(170,480)
Amortization of Fair Value in Vital Jugos S. A	21,317	21,317
Income Statement Balance	920,377	542,060

14.4 Summary financial information of associates:

The attached table presents summarized information regarding the Company's equity investees as of March 31, 2015:

	Envases CMF S.A.	Sorocaba Refrescos S.A.	Kaik Participacoes Ltda.	SRSA Participacoes Ltda.	Leao Alimentose Bebidas Ltda.
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Total assets	61,681,625	116,886,771	9,828,370	5,358,084	333,016,222
Total liabilities	24,398,017	48,230,419	—	4,747,130	184,761,689
Total revenue	12,618,256	3,486,546	120,143	—	69,066,311
Net income of associate	805,831	2,089,778	120,143	607,047	2,370,154
Reporting date	03/31/2015	02/28/2015	02/28/2015	02/28/2015	02/28/2015

NOTE 15 — INTANGIBLE ASSETS AND GOODWILL

15.1 Intangible assets other than goodwill

Intangible assets other than goodwill as of the end of each reporting period are detailed as follows:

Detail	March 31, 2015			December 31, 2014		
	Gross Amount	Cumulative Amortization	Net Amount	Gross Amount	Cumulative Amortization	Net Amount
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Distribution rights (1)	683,643,141	—	683,643,141	719,385,108	—	719,385,108
Software	21,929,589	(14,283,634)	7,645,955	22,591,363	(14,242,229)	8,349,134
Others	521,305	(75,360)	445,945	521,234	(74,197)	447,037
Total	706,094,035	(14,358,994)	691,735,041	742,497,705	(14,316,426)	728,181,279

(1) According to note 3 Business Combinations, these assets correspond to the rights to produce and distribute Coca-Cola products in the territories where Embotelladoras Coca-Cola Polar S.A., maintained franchises in Chile, Argentina and Paraguay and in the territories in parts of Sao Paulo and Minas Gerais maintained by Companhia de Bebidas Ipiranga. Such distribution rights are composed as follows and are not subject to amortization:

	03.31.2015	12.31.2014
	ThCh\$	ThCh\$
Chile	300,305,727	300,305,727
Brazil	197,271,135	230,712,143
Paraguay	184,334,150	186,636,782
Argentina	1,732,129	1,730,456
Total	683,643,141	719,385,108

The movement and balances of identifiable intangible assets are detailed as follows for the period January 1 to March 31, 2015 and January 1 to December 31, 2014:

Details	March 31, 2015				December 31, 2014			
	Distribution Rights	Rights	Software	Total	Distribution Rights	Rights	Software	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance	719,385,108	447,037	8,349,134	728,181,279	691,355,453	453,737	8,797,302	700,606,492
Increase due to acquisitions	—	—	—	—	—	—	—	—
Additions	—	—	167,755	167,755	—	—	3,191,059	3,191,059
Amortization	—	(1,092)	(670,482)	(671,574)	—	(4,365)	(3,048,607)	(3,052,972)
Other increases (decreases)								
(1)	(35,741,967)	—	(200,452)	(35,942,419)	28,029,655	(2,335)	(590,620)	27,436,700
Ending balance	683,643,141	445,945	7,645,955	691,735,041	719,385,108	447,037	8,349,134	728,181,279

(1) Mainly corresponds to the foreign currency effect of converting foreign subsidiaries' distribution rights.

15.2 Goodwill

Movement in goodwill is detailed as follows:

Period ended March 31, 2015

<u>Operating segment</u>	<u>01.01.2015</u>	<u>Additions</u>	<u>Disposals</u>	<u>Foreign currency</u>	<u>03.31.2015</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>	<u>or impairments</u>	<u>translation differences</u>	<u>ThCh\$</u>
			<u>ThCh\$</u>	<u>where functional</u>	
				<u>currency is different</u>	
				<u>from presentation currency</u>	
				<u>ThCh\$</u>	
Operación Chilena	8,503,023	—	—	—	8,503,023
Operación Brazileira	90,122,057	—	—	(12,914,947)	77,207,110
Operación Argentina	10,058,725	—	—	9,653	10,068,378
Operación Paraguaya	8,240,394	—	—	(101,665)	8,138,729
Total	116,924,199	—	—	(13,006,959)	103,917,240

Period ended March 31, 2014

<u>Operating segment</u>	<u>01.01.2014</u>	<u>Additions</u>	<u>Disposals</u>	<u>Foreign currency</u>	<u>12.31.2014</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>	<u>or impairments</u>	<u>translation differences</u>	<u>ThCh\$</u>
			<u>ThCh\$</u>	<u>where functional</u>	
				<u>currency is different</u>	
				<u>from presentation currency</u>	
				<u>ThCh\$</u>	
Operación Chilena	8,522,488	—	(19,465)	—	8,503,023
Operación Brazileira	88,659,503	—	(292,365)(1)	1,754,919	90,122,057
Operación Argentina	11,404,496	—	—	(1,345,771)	10,058,725
Operación Paraguaya	7,192,580	—	—	1,047,814	8,240,394
Total	115,779,067	—	(311,830)	1,456,962	116,924,199

(1) Corresponds to goodwill generated from the acquisition of Compañía de Bebidas Ipiranga, refer to Note 3.

15.3 Impairment Test

Management reviews the business performance based on geography. Goodwill is monitored by management at the operating segment level which includes the Chilean, Brazilian, Argentinian and Paraguayan operations. Distribution rights are monitored for impairment geographically at the CGU or group of CGUs, which correspond to specific territories for which Coca Cola distribution rights have been acquired. These CGUs or group of CGUs consists of Chilean Regions, Argentina South, Brazil (Ipiranga territories) and Paraguay.

The recoverable amount of all CGUs and operating segments has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management. Cash flows beyond the budgeted period are extrapolated using the estimated average volume growth rates, which do not exceed the long term average growth rates. Management determined annual volume growth rates, discount rates and local inflation rates for each CGU to be key assumptions. The volume of sales in each period is the main driver for revenue and costs. Annual volume growth rates are based on past performance and management's expectations of market development. The discount rates used are US Dollar pre-tax rates and reflect specific risks relating to each country of operations. Local inflation rates are based on available country data and information provided by financial institutions.

The main assumptions used in the calculations, performed at March 31, 2015 (the impairment tests are performed annually):

<u>Country</u>	<u>Volume Growth Rate</u>	<u>Discount Rate</u>	<u>Local Inflation Rate</u>
Argentina	2.9%	32.8%	22.7%
Brazil	2.9%	10.7%	5.2%
Chile	3.7%	8.7%	3.1%
Paraguay	3.8%	12.4%	5.0%

As a result of the annual test there were no impairments identified in any of the CGUs (distribution rights) or reporting segments (goodwill).

The fair value of Company's Chilean Regions CGU is approximately equal to net book value. The distribution rights associated with this CGU were acquired in the Polar acquisition in October 2012. The Chilean Regions CGU is sensitive to expected future growth rates in sales volumes and sales prices, as well as changes in the discount rate, including market and risk premiums. The Chilean Regions CGU's failure to meet management's objectives or a future increase in the discount rate could result in future impairment of some or all of the Chilean Regions distribution rights, which were ThCh\$ 300,305,727 at March 31, 2015.

NOTE 16 — OTHER CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

Liabilities are detailed as follows:

Current	03.31.2015	12.31.2014
	ThCh\$	ThCh\$
Bank loans	49,974,973	41,675,933
Bonds payable	12,954,761	17,623,883
Deposits in guarantee	15,190,025	15,982,913
Derivative contract obligations (see note 21)	5,295,156	4,431,484
Leasing agreements	3,060,575	3,688,227
Total	86,475,490	83,402,440
Non-current	03.31.2015	12.31.2014
	ThCh\$	ThCh\$
Bank loans	37,718,563	46,414,771
Bonds payable	664,603,977	657,220,248
Derivative contract obligations (see note 21)	19,362,691	22,981,421
Total	721,685,231	726,616,440

The fair value of the aforementioned financial liabilities is presented below:

Current	Book Value 03.31.2015	Fair Value 03.31.2015	Book Value 12.31.2014	Fair Value 12.31.2014
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Bank Loans (1)	49,974,973	50,327,921	41,675,933	42,604,758
Bonds Payable (2)	12,954,761	13,933,165	17,623,883	18,852,764
Deposits in guarantee (3)	15,190,025	15,190,025	15,982,913	15,982,913
Derivative contract obligations (see note 21)	5,295,156	5,295,156	4,431,484	4,431,484
Total	83,414,915	84,746,267	79,714,213	81,871,919
Non-current	03.31.2015	03.31.2015	12.31.2014	12.31.2014
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Bank loans (1)	37,718,563	33,933,001	46,414,771	41,861,984
Bonds payable (2)	664,603,977	714,762,021	657,220,248	701,322,386
Total	702,322,540	748,695,022	703,635,019	743,184,370

- (1) The fair values are based on discounted cash flows using market based discount rates as of year-end and are Level 2 fair value measurements.
- (2) The fair value of corporate bonds are classified as a Level 1 fair value measurements based on quoted prices for the Company's obligations.
- (3) The fair value approximates book value considering the nature and term of the obligations

16.1.1 Bank obligations, current

Tax ID,	Indebted Entity		Tax ID,	Creditor Entity		Currency	Type Amortization	Effective Rate	Nominal Rate	Maturity		Total	
	Name	Country		Name	Country					Up to 90 days	90 days To 1 year	at 03.31.2015	at 12.31.2014
										ThCh\$	ThCh\$	ThCh\$	ThCh\$
91.144.000-8	Embotelladora Andina S.A.	Chile	97.036.000-K	Banco Santander	Chile	Chilean pesos	Monthly	1.10%	1.10%	2,636	—	2,636	9,633
91.144.000-8	Embotelladora Andina S.A.	Chile	97.032.000-8	BBVA	Chile	Chilean pesos	At maturity	5.00%	5.00%	—	—	—	205,000
96.705.990-0	Envases Central S.A.	Chile	97.080.000-K	Banco BICE	Chile	Chilean pesos	Semiannually	4.29%	4.29%	—	230,446	230,446	211,137
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco de la Ciudad de Bs.As.	Argentina	Argentine pesos	Quarterly	15.25%	15.25%	184,837	468,763	653,600	658,980
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco de la Nación Argentina (1)	Argentina	Argentine pesos	Monthly	14.80%	9.90%	165,228	591,873	757,101	748,896
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco de la Nación Argentina	Argentina	Argentine pesos	Monthly	9.90%	9.90%	50,763	150,572	201,335	201,332
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco de la Nación Argentina	Argentina	Argentine pesos	Monthly	23.06%	23.06%	—	—	—	853,102
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco de la Nación Argentina	Argentina	Argentine pesos	Monthly	23.38%	23.38%	—	—	—	4,587,880
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco de la Nación Argentina	Argentina	Argentine pesos	Monthly	24.63%	24.63%	11,500	8,522,965	8,534,465	—
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco Galicia y Bs. As.	Argentina	Argentine pesos	Quarterly	15.00%	15.00%	20,665	19,976	40,641	60,977
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco Galicia y Bs. As.	Argentina	Argentine pesos	Quarterly	15.25%	15.25%	377,098	1,006,775	1,383,873	1,390,819
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco Macro Bansud	Argentina	Argentine pesos	Monthly	15.25%	15.25%	52,813	152,973	205,786	198,950
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco Santander Río	Argentina	Argentine pesos	Monthly	15.25%	15.25%	82,041	236,725	318,766	319,284
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	BBVA Banco Francés	Argentina	Argentine pesos	Monthly	15.25%	15.25%	49,072	144,285	193,357	186,837
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Nuevo Banco de Santa Fe	Argentina	Argentine pesos	Quarterly	15.00%	15.00%	—	—	—	210,727
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Nuevo Banco de Santa Fe	Argentina	Argentine pesos	Monthly	15.00%	15.00%	70,483	70,137	140,620	—
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Nuevo Banco de Santa Fe	Argentina	Argentine pesos	Trimestral	15.25%	15.25%	143,622	399,514	543,136	545,149
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Nuevo Banco Santa Fe	Argentina	Argentine pesos	At maturity	28.00%	28.00%	—	—	—	5,080,638
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Nuevo Banco Santa Fe	Argentina	Argentine pesos	At maturity	19.75%	19.75%	3,560,560	—	3,560,560	—
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Nuevo Banco Santa Fe	Argentina	Argentine pesos	At maturity	18.50%	18.50%	3,396,003	—	3,396,003	—
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Nuevo Banco Santa Fe	Argentina	Argentine pesos	At maturity	17.50%	17.50%	1,242,494	—	1,242,494	—
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Comercial Bank of China	Argentina	Argentine pesos	Quarterly	15.25%	15.25%	82,988	234,382	317,370	317,750
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Bank HSBC Argentina S.A	Argentina	Argentine pesos	Quarterly	15.25%	15.25%	82,988	234,382	317,370	317,750
Foreign	Andina Empaques Argentina S.A.	Argentina	Foreign	Banco Galicia y Bs.As.	Argentina	Argentine pesos	Monthly	30.25%	30.25%	—	—	—	453,690
Foreign	Andina Empaques Argentina S.A.	Argentina	Foreign	Banco Galicia y Bs.As.	Argentina	Argentine pesos	At maturity	15.25%	15.25%	—	—	—	316,153
Foreign	Andina Empaques Argentina S.A.	Argentina	Foreign	Banco Galicia y Bs.As.	Argentina	Argentine pesos	At maturity	17.50%	17.50%	309,417	—	309,417	—
Foreign	Andina Empaques Argentina S.A.	Argentina	Foreign	Banco Galicia y Bs.As.	Argentina	Argentine pesos	Monthly	15.25%	15.25%	80,532	236,748	317,280	—
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	VOTORANTIM	Brazil	Brazilian real	Monthly	9.40%	9.40%	28,102	—	28,102	65,788
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	ITAÚ - Finame	Brazil	Dollars	Semiannually	2.992%	2.992%	—	19,885,062	19,885,062	16,118,096
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	ITAÚ - Finame	Brazil	Brazilian real	Monthly	6.60%	6.60%	913,205	2,672,796	3,586,001	4,197,133
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Santander	Brazil	Brazilian real	Monthly	7.15%	7.15%	93,391	314,225	407,616	440,866
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Bradesco	Brazil	Brazilian real	Monthly	4.50%	4.50%	145,683	366,221	511,904	603,278
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Brazilian real	Monthly	7.00%	7.00%	756,774	2,133,258	2,890,032	3,376,088
Total											49,974,973	41,675,933	

(1) The Bicentennial loan granted at a prime rate by Banco de la Nación Argentina to Embotelladora del Atlántico S.A., is a benefit from the Argentine government to encourage investment projects. Embotelladora del Atlántico S.A. registered investment projects and received this loan at a prime rate of 9.9% annually.

16.1.2 Bank obligations, non-current

Tax ID,	Indebted Entity		Creditor Entity			Currency	Type Amortization	Effective Rate	Nominal Rate	Maturity					at 03.31.2015
	Name	Country	Tax ID,	Name	Country					1 year up to 2 years	More 2 years Up to 3 years	More 3 years Up to 4 years	More 4 years Up to 5 years	More 5 Years	
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Brazilian real	Monthly	6.63%	6.63%	3,567,613	2,165,867	965,596	56,309	—	6,755,385
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Santander	Brazil	Brazilian real	Monthly	7.15%	7.15%	407,208	163,440	135,628	79,960	—	786,236
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Dollars	Monthly	2.992%	2.992%	7,080,276	7,080,276	—	—	—	14,160,552
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Bradesco	Brazil	Brazilian real	Monthly	4.50%	4.50%	244,147	—	—	—	—	244,147
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Brazilian real	Monthly	7.00%	7.00%	2,836,359	2,721,511	2,717,564	2,717,564	217,566	11,210,564
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco de la Nación Argentina	Argentina	Argentine pesos	Monthly	14.80%	9.90%	389,778	—	—	—	—	389,778
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco de la Nación Argentina	Argentina	Argentine pesos	Monthly	9.90%	9.90%	100,382	—	—	—	—	100,382
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Nuevo Banco de Santa Fe	Argentina	Argentine pesos	Quarterly	15.25%	15.25%	42,171	—	—	—	—	42,171
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco Galicia y Bs. As	Argentina	Argentine pesos	Quarterly	15.25%	15.25%	653,427	—	—	—	—	653,427
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco Ciudad de Bs. As.	Argentina	Argentine pesos	Quarterly	15.25%	15.25%	170,459	—	—	—	—	170,459
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco HSBC Argentina S.A	Argentina	Argentine pesos	Quarterly	15.25%	15.25%	241,484	—	—	—	—	241,484
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Comercial Bank of China	Argentina	Argentine pesos	Quarterly	15.25%	15.25%	241,484	—	—	—	—	241,484
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco BBVA Francés	Argentina	Argentine pesos	Monthly	15.25%	15.25%	219,732	—	—	—	—	219,732
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco Santander Río	Argentina	Argentine pesos	Monthly	15.25%	15.25%	78,979	—	—	—	—	78,979
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco Macro Bansud	Argentina	Argentine pesos	Monthly	15.25%	15.25%	237,821	—	—	—	—	237,821
Foreign	Andina Empaques Argentina S.A.	Argentina	Foreign	Banco Galicia y Bs As.	Argentina	Argentine pesos	Monthly	15.25%	15.25%	236,749	—	—	—	—	236,749
96.705.990-0	Envases Central S.A.	Chile	97.080.000-K	Banco Bice	Chile	Chilean pesos	Semiannually	4.29%	4.29%	204,369	—	—	—	—	204,369
96.705.990-0	Envases Central S.A.	Chile	97.080.000-K	Banco Bice	Chile	Chilean pesos	Semiannually	3.43%	3.43%	872,422	872,422	—	—	—	1,744,844
Total														<u>37,718,563</u>	

(1) The Bicentennial loan granted at a prime rate by Banco de la Nacion Argentina to Embotelladora del Atlántico S.A., is a benefit from the Argentine government to encourage investment projects. Embotelladora del Atlántico S.A. registered investment projects and received this loan at a prime rate of 9.9% annually.

16.1.2 Bank obligations, non-current December 31,2014

Tx ID	Indebted Entity		Creditor Entity			Currency	Type Amortization	Effective Rate	Nominal Rate	Maturity					at 12.31.2014
	Name	Country	Tx ID	Name	Country					1 year up to 2 years	More 2 years Up to 3 years	More 3 years Up to 4 years	More 4 years Up to 5 years	More 5 Years	
									ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Brazilian real	Monthly	6.63%	6.63%	4,169,265	3,582,205	1,133,230	65,787	—	8,950,487
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Santander Río	Brazil	Brazilian real	Monthly	7.15%	7.15%	476,272	310,662	158,529	117,869	—	1,063,332
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Dólar USA	Monthly	2.992%	2.992%	8,280,509	8,280,509	—	—	—	16,561,018
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Bradesco	Brazil	Brazilian real	Monthly	4.50%	4.50%	428,302	—	—	—	—	428,302
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Brazilian real	Monthly	7.00%	7.00%	3,327,965	3,157,786	3,131,517	3,131,517	820,546	13,569,331
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco de la Nación Argentina	Argentina	Argentine pesos	Monthly	14.80%	9.90%	581,022	—	—	—	—	581,022
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco de la Nación Argentina	Argentina	Argentine pesos	Monthly	9.90%	9.90%	150,428	—	—	—	—	150,428
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Nuevo Banco de Santa Fe	Argentina	Argentine pesos	Quarterly	15.25%	15.25%	175,174	—	—	—	—	175,174
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco Galicia y Bs. As	Argentina	Argentine pesos	Quarterly	15.25%	15.25%	988,071	—	—	—	—	988,071
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco Ciudad de Bs. As.	Argentina	Argentine pesos	Quarterly	15.25%	15.25%	326,400	—	—	—	—	326,400
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco HSBC Argentina S.A	Argentina	Argentine pesos	Quarterly	15.25%	15.25%	319,305	—	—	—	—	319,305
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Comercial Bank of China	Argentina	Argentine pesos	Quarterly	15.25%	15.25%	319,305	—	—	—	—	319,305
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco BBVA Francés	Argentina	Argentine pesos	Monthly	15.25%	15.25%	269,432	—	—	—	—	269,432
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco Santander Río	Argentina	Argentine pesos	Monthly	15.25%	15.25%	157,737	—	—	—	—	157,737
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco Macro Bansud	Argentina	Argentine pesos	Monthly	15.25%	15.25%	290,509	—	—	—	—	290,509
Foreign	Andina Empaques Argentina S.A.	Argentina	Foreign	Banco Galicia y Bs As.	Argentina	Argentine pesos	Monthly	15.25%	15.25%	315,363	—	—	—	—	315,363
96.705.990-0	Envases Central S.A.	Chile	97.080.000-K	Banco Bice	Chile	Chilean pesos	At maturity	4.29%	4.29%	1,949,555	—	—	—	—	1,949,555
Total														46,414,771	

(1) The Bicentennial loan granted at a prime rate by Banco de la Nacion Argentina to Embotelladora del Atlántico S.A., is a benefit from the Argentine government to encourage investment projects. Embotelladora del Atlántico S.A. registered investment projects and received this loan at a prime rate of 9.9% annually.

16.2.1 Bonds payable

Composition of bonds payable	Current		Non-Current		Total	
	03.31.2015	12.31.2014	03.31.2015	12.31.2014	03.31.2015	12.31.2014
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Bonds (face value)	13,079,141	18,457,970	670,499,640	662,420,327	683,578,781	680,878,297
Expenses of bond issuance and discounts on placement	(124,380)	(834,087)	(5,895,663)	(5,200,079)	(6,020,043)	(6,034,166)
Net balance presented in statement of financial position	12,954,761	17,623,883	664,603,977	657,220,248	677,558,738	674,844,131

16.2.2 Current and non-current balances

Obligations with the public correspond to bonds in UF issued by the parent company on the Chilean market and bonds in US dollars issued by the parent company on the international market. Following is a detail of the these instruments:

	Series	Face amount	Unit of Adjustment	Interest rate	Final Maturity	Interest Payment	Date Amortization of capital	03.31.2015	12.31.2014
								ThCh\$	ThCh\$
Bonds, current portion									
SVS Registration N°640 SVS 08.23.2010	A	625.000	Unidad de fomento	3.0%	15-08-2017	Semiannually	15-08-2015	6,211,397	6,363,030
SVS Registration N°254 SVS 06.13.2001	B	2.901.125	Unidad de fomento	6.5%	01-06-2026	Semiannually	01-06-2015	5,890,955	4,749,263
SVS Registration N°641 08.23.2010	C	1.500.000	Unidad de fomento	4.0%	15-08-2031	Semiannually	15-02-2021	177,810	548,679
SVS Registration N°759 08.20.2013	C	1.000.000	Unidad de fomento	3.5%	16-08-2020	Semiannually	16-02-2017	106,795	284,837
SVS Registration N°760 08.20.2013	D	4.000.000	Unidad de fomento	3.8%	16-08-2034	Semiannually	16-02-2032	463,475	1,236,149
SVS Registration N°760 04.02.2014	E	3.000.000	Unidad de fomento	3.75%	01-03-2035	Semiannually	01-09-2032	228,709	914,996
Yankee Bonds	—	575.000.000	Dollars	5.0%	01-10-2023	Semiannually	01-10-2023	—	4,361,016
Total current portion								13,079,141	18,457,970
Bonds non-current portion									
SVS Registration N°640 SVS 08.23.2010	A	625.000	Unidad de fomento	3.0%	15-08-2017	Semiannually	15-08-2016	9,233,543	12,313,550
SVS Registration N°254 SVS 06.13.2001	B	2.901.125	Unidad de fomento	6.5%	01-06-2026	Semiannually	01-06-2016	67,066,180	67,077,946
SVS Registration N°641 08.23.2010	C	1.500.000	Unidad de fomento	4.0%	15-08-2031	Semiannually	15-02-2021	36,934,170	36,940,650
SVS Registration N°759 08.20.2013	C	1.000.000	Unidad de fomento	3.5%	16-08-2020	Semiannually	16-02-2017	24,622,780	24,662,705
SVS Registration N°760 08.20.2013	D	4.000.000	Unidad de fomento	3.8%	16-08-2034	Semiannually	16-02-2032	98,491,120	98,662,919
SVS Registration N°760 04.02.2014	E	3.000.000	Unidad de fomento	3.75%	01-03-2035	Semiannually	01-09-2032	73,868,347	73,881,307
Yankee Bonds	—	575.000.000	Dollars	5.0%	01-10-2023	Semiannually	01-10-2023	360,283,500	348,881,250
Total non-current portion								670,499,640	662,420,327

Accrued interest included in the current portion of bonds totaled ThCh\$2,555,848 and ThCh\$8,122,961 at March 31, 2015 and December 31, 2014, respectively.

16.2.3 Non-current maturities

	Series	Year of maturity				Total non-current 03-31-2015 ThCh\$
		2016 ThCh\$	2017 ThCh\$	2018 ThCh\$	After ThCh\$	
SVS Registration N°640 08.23.2010	A	3,077,848	6,155,695	—	—	9,233,543
SVS Registration N°254 06.13.2001	B	4,651,490	4,953,835	5,275,834	52,185,021	67,066,180
SVS Registration N°641 08.23.2010	C	—	—	—	36,934,170	36,934,170
SVS Registration N°759 08.20.2013	C	—	6,155,695	6,155,695	12,311,390	24,622,780
SVS Registration N°760 08.20.2013	D	—	—	—	98,491,120	98,491,120
SVS Registration N°760 04.02.2014	E	—	—	—	73,868,347	73,868,347
Yankee Bonds	—	—	—	—	360,283,500	360,283,500
		<u>7,729,338</u>	<u>17,265,225</u>	<u>11,431,529</u>	<u>634,073,548</u>	<u>670,499,640</u>

16.2.4 Market rating

The bonds issued on the Chilean market had the following rating at March 31, 2015:

AA : ICR Compañía Clasificadora de Riesgo Ltda. rating

AA : Fitch Chile Clasificadora de Riesgo Limitada rating

The rating of bonds issued on the international market as of March 31, 2015 is the following:

BBB : Standard&Poors rating

A- : Fitch Chile Clasificadora de Riesgo Limitada rating.

16.2.5 Restrictions

16.2.5.1 Restrictions regarding bonds placed abroad.

On September 26, 2013, Andina issued a bond in the U.S. Market (Yankee Bonds) for US\$575 million at a coupon rate of 5.000% maturing on October 1, 2023. These bonds do not have financial restrictions.

16.2.5.2 Restrictions regarding bonds placed in the local market.

Restrictions regarding the issuance of bonds for a fixed amount registered under number 254.

During 2001, Andina placed local bonds in the Chilean market. The issuance was structured into two series, one of which matured during 2008.

The outstanding series as of March 31, 2015 is Series B for a nominal amount of up to UF 4 million, of which amount UF 3.7 million in bonds were placed with final maturity in the year 2026 at a 6.50% annual interest rate. The balance of outstanding capital as of March 31, 2015 is UF2,901 million.

Series B was issued with charge to the Bonds Line registered with the Securities Registered under number 254 dated June 13, 2001.

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Regarding Series B, the Issuer is subject to the following restrictions:

- Maintain an indebtedness level where Consolidated Financial Liabilities does not exceed Consolidated Equity by 1.20 times. For these purposes Consolidated Financial Liabilities shall be regarded as Liabilities Payable bearing interest, namely: (i) other current financial liabilities, plus (ii) other non-current financial liabilities. Consolidated Equity will be regarded as total equity including non-controlling interest.

As of March 31, 2015, Indebtedness Level is 0.89 times of Consolidated Equity.

The breakdown of accounts with the respective amounts used for the previous calculation is summarized as follows (in thousand Chilean pesos):

As of March 31, 2015, the values of items included in this indicator are the following:	ThCh\$
Other current financial liabilities	86,475,490
Other non-current financial liabilities	721,685,231
Total Consolidated Equity	903,610,632

- Maintain, and in no manner lose, sell, assign or transfer to a third party, the geographical area currently denominated as the “Metropolitan Region” (Región Metropolitana) as a territory in Chile in which we have been authorized by The Coca-Cola Company for the development, production, sale and distribution of products and brands of the licensor, in accordance to the respective bottler or license agreement, renewable from time to time.
- Not lose, sell, assign, or transfer to a third party any other territory of Argentina or Brazil, which as of this date is franchised by TCCC to the Company for the development, production, sale and distribution of products and brands of such licensor, as long as any of these territories account for more than 40% of the Issuer’s Adjusted Consolidated Operating Cash Flow.
- Maintain consolidated assets free of any pledge, mortgage or other encumbrances for an amount at least equal to 1.30 times of the issuer’s unsecured consolidated liabilities.

As of March 31, 2015, this index is 1.63 times

The breakdown of accounts with the respective amounts used for the previous calculation is summarized as follows:

As of March 31, 2015, the values of items included in this restriction are the following:	ThCh\$
Consolidated assets free of collateral, mortgages or other liens	2,066,594,799
Unsecured consolidated liabilities payable	1,266,538,213

Restrictions regarding bond lines registered in the Securities Registered under numbers 640 and 641.

As a consequence of our merger with Coca-Cola Polar S.A., Andina became a debtor of the following two bonds placed in the Chilean market in 2010:

- UF 1.0 million of Series A bonds due 2017, bearing an annual interest of 3.00%. As of March 31, 2015, the balance of outstanding capital is UF 0.625 million
- UF 1.5 million of Series C bonds due 2031, bearing an annual interest rate of 4.00%. As of March 31, 2015, the balance of outstanding capital is UF 1.5 million.

Series A and Series C were issued with charge to the Bond Lines registered with the Securities Registrar, under numbers 640 and 641, respectively, both on August 23, 2010

Regarding Series A and Series C, the Issuer is subject to the following restrictions:

- Maintain a level of “Net Financial Debt” within its quarterly financial statements that may not exceed 1.5 times, measured over figures included in its consolidated statement of financial position. To this end, net financial debt shall be defined as the ratio between net financial debt and total equity of the issuer (equity attributable to controlling owners plus non-controlling interest). On its part, net financial debt will be the difference between the Issuer’s financial debt and cash.

As of March 31, 2015, Net Financial Debt was 0.57 times.

The breakdown of accounts with the respective amounts used for the previous calculation is summarized as follows:

As of March 31, 2015, the values of items included in this indicator are the following:	ThCh\$
Cash and cash equivalent	83,469,313
Other current financial assets	99,154,092
Other non-current financial assets	111,969,781
Other current financial liabilities	86,475,490
Other non-current financial liabilities	721,685,231
Total Consolidated Equity	903,610,632

- Maintain consolidated assets free of any pledge, mortgage or other encumbrances for an amount at least equal to 1.30 times of the issuer’s unsecured consolidated liabilities.

As of March 31, 2015, this index is 1.63 times.

The breakdown of accounts with the respective amounts used for the previous calculation is summarized as follows:

As of March 31, 2015, the values of items included in this restriction are the following:	ThCh\$
Consolidated assets free of collateral, mortgages or other liens	2,066,594,799
Consolidated liabilities payable not guaranteed	1,266,538,213

- Not carry out investments in instruments issued by related parties, nor carry out with these parties any other operations not related to normal business, in conditions that may be more unfavorable to the Issuer regarding those prevailing in the market.

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- Maintain a level of “Financial net coverage” in its quarterly financial statements of more than 3 times. Net financial coverage means the ratio between the Issuer’s Ebitda for the past 12 months and net financial expenses (financial income less financial expenses) of the issuer for the past 12 months. However, this restriction will be considered breached when the mentioned net financial coverage level is lower than the level previously indicated during two consecutive quarters.

As of March 31, 2015 Net Financial Coverage level is 5.31 times.

The breakdown of accounts with the respective amounts used for the previous calculation is summarized as follows:

As of March 31, 2015, the values of items included in this indicator are the following:	ThCh\$
(+) Consolidated Ebitda between January 1 and March 31, 2015	91,903,158
(+) Consolidated Ebitda between January 1 and December 31, 2014	289,739,619
(-) Consolidated Ebitda between January 1 and March 31, 2014	76,499,031
Consolidated Ebitda twelve months (between January 1, april 2014 and march 31, 2015)	305,143,746
(+) Consolidated Financial income between January 1 and March 31, 2015	2,539,833
(+) Consolidated Financial income between January 1 and December 31, 2014	8,655,623
(-) Consolidated Financial income between January 1 and March 31, 2014	1,797,837
Consolidated Financial income twelve months (between January 1, april 2014 and march 31, 2015)	9,397,619
(+) Consolidated Financial expenses between January 1 and March 31, 2015	15,399,516
(+) Consolidated Financial expenses between January 1 and December 31, 2014	65,081,431
(-) Consolidated Financial expenses between January 1 and March 31, 2014	13,628,030
Consolidated Financial expenses twelve months (between January 1, april 2014 and march 31, 2015)	66,852,917

Restrictions regarding bond lines registered in the Securities Registrar under numbers 759 and 760.

During 2013 and 2014, Andina placed local bonds in the Chilean market. The issuance was structured into two series.

- Series C outstanding as of March 31, 2015, for a nominal value of up to UF 3 million, of which bonds were placed for a nominal amount of UF1.0 million with final maturity during year 2020 at an annual interest rate of 3.50% issued against line number 759. Outstanding capital as of March 31, 2015 is UF 1.0 million.
- Series D and E outstanding at March 31, 2015 for a total nominal value of UF 8 million, of which UF 4 million were placed in bonds during August, 2013 (series D) and UF 3 million during April, 2014 (series E), with final maturity in 2034 and 2035, respectively, issued with charge against line number 760. The anual interest rates are 3.8% for Series D and 3.75% for Series E. The outstanding capital balance at March 31, 2015 of both series amounts to UF 7.0 million.

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Regarding Series C, D and E, the Issuer is subject to the following restrictions:

- Maintain an indebtedness level where Net Consolidated Financial Liabilities does not exceed Consolidated Equity by 1.20 times. For these purposes Consolidated Financial Liabilities shall be regarded as Liabilities Payable bearing interest, namely: (i) other current financial liabilities, plus (ii) other non-current financial liabilities, less (iii) cash and cash equivalent and (iv) other current financial assets. Consolidated Equity will be regarded as total equity including non-controlling interest.

As of March 31, 2015, Indebtedness Level is 0.69 times of Consolidated Equity.

The breakdown of accounts with the respective amounts used for the previous calculation is summarized:

As of March 31, 2015, the values of items included in this indicator are the following:	ThCh\$
Cash and cash equivalent	83,469,313
Other current financial assets	99,154,092
Other current financial liabilities	86,475,490
Other non-current financial liabilities	721,685,231
Total Consolidated Equity	903,610,632

- Maintain consolidated assets free of any pledge, mortgage or other encumbrances for an amount at least equal to 1.30 times of the issuer's unsecured consolidated liabilities payable.

As of March 31, 2015, this index is 1.63 times.

The breakdown of accounts with the respective amounts used for the previous calculation is summarized as follows:

As of March 31, 2014, the values of items included in this restriction are the following:	ThCh\$
Consolidated assets free of collateral, mortgages or other liens	2,066,594,799
Consolidated liabilities payable not guaranteed	1,266,538,213

- Maintain, and in no manner lose, sell, assign or transfer to a third party, the geographical area currently denominated as the "Metropolitan Region" as a territory franchised to the Issuer in Chile by The Coca-Cola Company, hereinafter also referred to as "TCCC" or the "Licensor" for the development, production, sale and distribution of products and brands of said licensor, in accordance to the respective bottler or license agreement, renewable from time to time. Losing said territory, means the non-renewal, early termination or cancellation of this license agreement by TCCC, for the geographical area today called "Metropolitan Region". This reason shall not apply if, as a result of the loss, sale, transfer or disposition, of that licensed territory is purchased or acquired by a subsidiary or an entity that consolidates in terms of accounting with the Issuer.
- Not lose, sell, assign, or transfer to a third party any other territory of Argentina or Brazil, which as of the issuance date of these instruments is franchised by TCCC to the Issuer for the development, production, sale and distribution of products and brands of such licensor, as long as any of these territories account for more than 40% of the Issuer's Adjusted Consolidated Operating Cash Flow of the audited period immediately before the moment of loss, sale, assignment or transfer. For these purposes, the term "Adjusted Consolidated Operating Cash Flow" shall mean the addition of the following accounting accounts of the Issuer's Consolidated Statement of Financial Position: (i) "Gross Profit" which includes regular activities and cost of sales; less (ii) "Distribution Costs"; less (iii) "Administrative Expenses"; plus (iv) "Participation in profits (losses) of associates and joint ventures that are accounted for using the equity method"; plus (v) "Depreciation"; plus (vi) "Intangibles Amortization".

As of March 31, 2015 and December 31, 2014, the Company complies with all financial collaterals.

16.2.6 Repurchased bonds

In addition to UF bonds, the Company holds bonds that it has repurchased in full through companies that are included in the consolidation:

Through its subsidiaries, Abisa Corp S.A. (formerly Pacific Sterling), Embotelladora Andina S.A. repurchased its Yankee Bonds issued on the U.S. Market during the years 2000, 2001, 2002, 2007 and 2008. On December 15, 2014, Embotelladora Andina S.A. rescued US\$200 million in outstanding bonds from its subsidiary Abisa Corp S.A., thus since legally debtor and creditor are joined in a single entity, the mentioned bond liability becomes extinguished.

The subsidiary Rio de Janeiro Refrescos Ltda. maintains a liability corresponding to a bond issuance for US \$75 million due in December 2020 and semi-annual interest payments. On March 31, 2015 these issues belong to Andina, until December 31, 2012 belong to the subsidiary Abisa Corp S.A., (former Pacific Sterling). On January 1, 2013, Abisa Corp S.A. transferred the totality of this asset to Embotelladora Andina S.A., passing the latter to be the creditor of the above mentioned Brazilian subsidiary. As a result, in these consolidated financial statements the assets and liabilities related to the transaction have been eliminated. In addition, the transaction has been treated as a net investment of the group in the Brazilian subsidiary, consequently the effects of exchange rate differences between the dollar and the functional currency of each one have been recorded in other comprehensive incomes.

16.3.1 Derivative contract obligations.

Please see details in Note 21.

16.4.1 Current liabilities for leasing agreements

Indebted Entity		Tax, ID	Creditor Entity		Currency	Amortization type	Effective rate	Nominal rate	Maturity		Total	
Name	Country		Name	Country					Up to 90 days	90 days to 1 year	at 03.31.2015	at 12.31.2014
									ThCh\$	ThCh\$	ThCh\$	ThCh\$
Rio de Janeiro Refrescos Ltda.	Brazil	Extranjera	Banco Itaú	Brazil	Brazilian real	Monthly	10.21%	10.22%	33.533	100.598	134,131	78,580
Rio de Janeiro Refrescos Ltda.	Brazil	Extranjera	Banco Santander	Brazil	Brazilian real	Monthly	9.65%	9.47%	5.096	15.289	20,385	23,756
Rio de Janeiro Refrescos Ltda.	Brazil	Extranjera	Cogeracao Ligth Esco	Brazil	Brazilian real	Monthly	13.00%	13.00%	117.868	229.590	347,458	605,105
Rio de Janeiro Refrescos Ltda.	Brazil	Extranjera	Alfa	Brazil	Brazilian real	Monthly	13.00%	13.00%	60.602	162.199	222,801	242,819
Rio de Janeiro Refrescos Ltda.	Brazil	Extranjera	Banco Bradesco	Brazil	Brazilian real	Monthly	13.06%	13.06%	56.690	61.030	117,720	247,844
Rio de Janeiro Refrescos Ltda.	Brazil	Extranjera	Banco Citibank	Brazil	Brazilian real	Monthly	12.70%	12.70%	223.315	343.641	566,956	655,131
Rio de Janeiro Refrescos Ltda.	Brazil	Extranjera	Banco Santander	Brazil	Brazilian real	Monthly	12.68%	12.68%	408.157	1.124.403	1,532,560	1,712,752
Rio de Janeiro Refrescos Ltda.	Brazil	Extranjera	Banco Itaú	Brazil	Brazilian real	Monthly	13.49%	13.49%	25.335	14.820	40,155	48,496
Embotelladora del Atlántico S.A.	Argentina	Extranjera	Tetra Pak SRL	Argentina	Dollars	Monthly	12.00%	12.00%	18.733	59.676	78,409	73,744
Total										3,060,575	3,688,227	

16.4.2 Obligaciones por contratos de leasing, no corrientes

Indebted Entity		Tax, ID	Creditor Entity		Currency	Amortization Type	Effective rate	Nominal Rate	Maturity					at
Name	Country		Name	Country					1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years	more 5 years	03.31.2015
									ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Rio de Janeiro Refrescos Ltda.	Brazil	Extranjera	Banco Itaú	Brazil	Brazilian real	Monthly	10.21%	10.22%	283,289	—	—	—	—	283,289
Rio de Janeiro Refrescos Ltda.	Brazil	Extranjera	Banco Santander	Brazil	Brazilian real	Monthly	9.65%	9.47%	16,144	—	—	—	—	16,144
Rio de Janeiro Refrescos Ltda.	Brazil	Extranjera	Cogeracao Ligth Esco	Brazil	Brazilian real	Monthly	13.00%	13.00%	1,901,297	14,832,337	—	—	—	16,733,634
Rio de Janeiro Refrescos Ltda.	Brazil	Extranjera	Alfa	Brazil	Brazilian real	Monthly	13.00%	13.00%	55,917	—	—	—	—	55,917
Rio de Janeiro Refrescos Ltda.	Brazil	Extranjera	Banco Bradesco	Brazil	Brazilian real	Monthly	13.06%	13.06%	76,010	—	—	—	—	76,010
Rio de Janeiro Refrescos Ltda.	Brazil	Extranjera	Banco Citibank	Brazil	Brazilian real	Monthly	12.70%	12.70%	747,100	—	—	—	—	747,100
Rio de Janeiro Refrescos Ltda.	Brazil	Extranjera	Banco Santander	Brazil	Brazilian real	Monthly	12.68%	12.68%	842,194	—	—	—	—	842,194
Rio de Janeiro Refrescos Ltda.	Brazil	Extranjera	Banco Itaú	Brazil	Brazilian real	Monthly	13.49%	13.49%	112,851	—	—	—	—	112,851
Embotelladora del Atlántico S.A.	Argentina	Extranjera	Tetra Pak SRL	Argentina	Dollars	Monthly	12.00%	12.00%	187,911	307,641	—	—	—	495,552
Total										19,362,691				

16.4.2 Non-Current liabilities for leasing agreements December 31, 2014

Indebted Entity		Creditor Entity			Currency	Amortization type	Effective rate	Nominal rate	Maturity					at 12.31.2014
Name	Country	Tax.ID	Name	Type					1 year to 2 years	2 years to 3 years	3 years to 4 years	4 years to 5 years	more 5 years	
									ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Brazilian real	Monthly	10.21%	10.22%	479,460	—	—	—	—	479,460
Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Santander	Brazil	Brazilian real	Monthly	9.65%	9.47%	18,881	—	—	—	—	18,881
Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Cogeracao Ligth Esco	Brazil	Brazilian real	Monthly	13.00%	13.00%	1,945,291	17,775,797	—	—	—	19,721,088
Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Alfa	Brazil	Brazilian real	Monthly	13.00%	13.00%	43,401	—	—	—	—	43,401
Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Bradesco	Brazil	Brazilian real	Monthly	13.06%	13.06%	125,635	—	—	—	—	125,635
Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Citibank	Brazil	Brazilian real	Monthly	12.70%	12.70%	786,477	—	—	—	—	786,477
Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Santander	Brazil	Brazilian real	Monthly	12.68%	12.68%	1,306,378	—	—	—	—	1,306,378
Embotelladora del Atlántico S.A.	Argentina	Foreign	Tetra Pak SRL	Argentina	Dollars	Monthly	12.00%	12.00%	500,101	—	—	—	—	500,101
													Total	<u>22,981,421</u>

NOTE 17 — TRADE AND OTHER CURRENT ACCOUNTS PAYABLE

a) Trade and other current accounts payable are detailed as follows:

<u>Item</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>
Trade accounts payable	112,527,505	160,783,084
Withholdings tax	33,303,527	47,207,050
Others	15,650,597	20,188,978
Total	<u>161,481,629</u>	<u>228,179,112</u>

b) The Company maintains commercial lease agreements for forklifts, vehicles, properties and machinery. These lease agreements have an average duration of one to five years excluding renewal options. No restrictions exist with respect to the lessee by virtue of these lease agreements.

Future payments of the Company's operating leases are as follows:

<u>Item</u>	<u>03.31.2015</u>
	<u>ThCh\$</u>
Maturity within one year	4,572,710
Maturity between one and eight years	2,634,055
Total	<u>7,206,765</u>

Total expenses related to operating leases maintained by the Company as of March 31, 2015 and 2014 amounted to ThCh\$1,294,717 and ThCh\$1,077,607 respectively.

NOTE 18 — CURRENT AND NON-CURRENT PROVISIONS

18.1 Balances

The balances of provisions recorded by the Company at March 31, 2015 and December 31, 2014 are detailed as follows:

<u>Description</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>
Litigation (1)	67,140,009	77,812,345
Total	<u>67,140,009</u>	<u>77,812,345</u>
Current	319,062	365,832
Non-current	66,820,947	77,446,513
Total	<u>67,140,009</u>	<u>77,812,345</u>

(1) Corresponds to the provision for probable fiscal, labor and trade contingency losses based on the opinion of our legal advisors, according to the following breakdown:

<u>Detail (see note 22.1)</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>
Tax Contingencies	60,334,389	68,750,633
Labor Contingencies	3,499,212	4,671,795
Civil Contingencies	3,306,408	4,389,917
Total	<u>67,140,009</u>	<u>77,812,345</u>

18.2 Movements

Movement of provisions is detailed as follows:

Description	03.31.2015			12.31.2014		
	Litigation	Others	Total	Litigation	Others	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening Balance at January	77,812,345	—	77,812,345	77,812,294	—	77,812,294
Additional provisions	30,634	—	30,634	—	—	—
Increase (decrease) in existing provisions	935,771	—	935,771	1,064,399	—	1,064,399
Payments	(621,789)	—	(621,789)	(2,403,975)	—	(2,403,975)
Increase (decrease) due to foreign exchange differences	(11,016,952)	—	(11,016,952)	1,339,627	—	1,339,627
Total	67,140,009	—	67,140,009	77,812,345	—	77,812,345

NOTE 19 — OTHER CURRENT AND NON-CURRENT NON-FINANCIAL LIABILITIES

Other current and non-current liabilities at each reporting period end are detailed as follows:

Description	03.31.2015	12.31.2014
	ThCh\$	ThCh\$
Minimum Dividend 2015	10,819,395	—
Minimum Dividend 2014	695,729	695,729
Dividend payable	257,543	9,164,842
Employee remuneration payable	3,796,587	14,563,449
Accrued vacations	14,743,445	13,183,296
Other	2,129,747	2,192,222
Total	32,442,446	39,799,538
Current	32,099,934	39,367,048
Non-current	342,512	432,490
Total	32,442,446	39,799,538

NOTE 20 — EQUITY

20.1 Paid-in capital

On August 21, 2013 saw the decline of paid capital as of right for not having alienated third 67 shares of Series A and 8,065 Series B shares, which the Company acquired in 2012, to shareholders exercised their right to retire when it was merged with Embotelladoras Coca-Cola Polar S.A, thus passing the capital paid a total of ThCh \$ 270,759,299 to a total of ThCh\$ 270,737,574.

The paid-in capital of the Company totaled ThCh\$270,737,574 as of March 31, 2015 and 2014. The distribution and classification is detailed as follows:

20.1.1 Number of shares:

Series	Number of shares subscribed		Number of shares paid in		Number of voting shares	
	2015	2014	2015	2014	2015	2014
A	473,289,301	473,289,301	473,289,301	473,289,301	473,289,301	473,289,301
B	473,281,303	473,281,303	473,281,303	473,281,303	473,281,303	473,281,303

20.1.2 Equity:

Series	Subscribed Capital		Paid-in capital	
	2015	2014	2015	2014
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
A	135,379,504	135,379,504	135,379,504	135,379,504
B	135,358,070	135,358,070	135,358,070	135,358,070
Total	270,737,574	270,737,574	270,737,574	270,737,574

20.1.3 Rights of each series:

- Series A : Elect 12 of the 14 Directors
- Series B : Receives an additional 10% of dividends distributed to Series A and elects 2 of the 14 Directors.

20.2 Dividend policy

According to Chilean law, cash dividends must be paid equal to at least 30% of annual net profit, barring a unanimous vote by shareholders to the contrary. If there is no net profit in a given year, the Company will not be legally obligated to pay dividends from retained earnings. At the April 2014 Annual Shareholders Meeting, the shareholders authorised to pay out of the 2013 earnings one final dividend to complete 30% required by the law 18,046 and 2 additional dividends payments; one in May, 2014 and the other in August, 2014.

Pursuant to Circular Letter N° 1,945 of the Chilean Superintendence of Securities and Insurance dated September 29, 2009, the Company's Board of Directors decided to maintain the initial adjustments from adopting IFRS as retained earnings for future distribution.

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Retained earnings at the date of IFRS adoption amounted to ThCh\$ 19,260,703, of which ThCh\$ 2,052,178 have been realized at March 31, 2015 and are available for distribution as dividends in accordance with the following:

Description	Event when amount is realized	Amount of accumulated earnings at 01.01.2009	Realized at 03.31.2015	Amount of accumulated earnings at 03.31.2015
		ThCh\$	ThCh\$	ThCh\$
Revaluation of assets parent Company	Sale or impairment	14,800,384	(4,640,704)	10,159,680
Foreign currency translation differences of investments in related companies and subsidiaries	Sale or impairment	4,653,301	2,175,027	6,828,328
Full absorption cost accounting parent Company	Sale of products	305,175	(305,175)	—
Post-employment benefits actuarial calculation parent Company	Termination of employees	946,803	(574,724)	372,079
Deferred taxes complementary accounts parent Company	Amortization	(1,444,960)	1,293,398	(151,562)
Total		19,260,703	(2,052,178)	17,208,525

The dividends declared and paid during 2015 and 2014 are presented below:

Dividend payment date	Dividend type	Profits imputable to dividends	Ch\$ per Series A Share	Ch\$ per Series B Share	
2014	May	Additional	Retained Earnings	12.37	13.61
2014	May	Final	2013	1.46	1.61
2014	August	Additional	Retained Earnings	12.37	13.61
2014	October	Interim	2014	13.10	14.41
2015	January	Interim	2014	9.00	9.90

20.3 Reserves

The balance of other reserves include the following:

<u>Description</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>
Polar acquisition	421,701,520	421,701,520
Foreign currency translation reserves	(102,927,792)	(53,285,698)
Cash flow hedge reserve	15,011,729	6,125,615
Reserve for employee benefit actuarial gains or losses	(1,237,993)	(1,237,993)
Legal and statutory reserves	5,435,538	5,435,538
Total	<u>337,983,002</u>	<u>378,738,982</u>

20.3.1 Polar acquisition

This amount corresponds to the fair value of the issuance of shares of Embotelladora Andina S.A., used to acquire Embotelladoras Coca-Cola Polar S.A.

20.3.2 Cash flow hedge reserve

They arise from the fair value of the existing derivative contracts that have been qualified for hedge accounting at the end of each financial period. When contracts are expired, these reserves are adjusted and recognized in the income statement in the corresponding period (see Note 21).

20.3.3 Reserve for employee benefit actuarial gains or losses

Corresponds to the restatement effect of employee benefits actuarial losses, that according to IAS 19 amendments must be carried to other comprehensive income.

20.3.4 Legal and statutory reserves

In accordance with Official Circular No. 456 issued by the Chilean Superintendence of Securities and Insurance, the legally required price-level restatement of paid-in capital for 2009 is presented as part of other equity reserves and is accounted for as a capitalization from Other Reserves with no impact on net income or retained earnings under IFRS. This amount totaled ThCh\$ 5,435,538 at December 31, 2009.

20.3.5 Foreign currency translation reserves

This corresponds to the conversion of the financial statements of foreign subsidiaries whose functional currency is different from the presentation currency of the consolidated financial statements. Additionally exchange differences between accounts receivable kept by the companies in Chile with foreign subsidiaries are presented in this account, which have been treated as investment equivalents accounted for using the equity method. A breakdown of translation reserves is presented below:

<u>Description</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>
Brazil	(72,456,974)	(30,861,504)
Argentina	(56,318,694)	(56,273,418)
Paraguay	38,235,184	41,657,749
Exchange rate differences in related companies	(12,387,308)	(7,808,525)
Total	<u>(102,927,792)</u>	<u>(53,285,698)</u>

The movement of this reserve for the fiscal periods ended March 31, 2015 and December 31, 2014 respectively is detailed as follows:

<u>Description</u>	<u>03.31.2015</u>	<u>12.31.2014</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>
Brazil	(41,595,470)	5,264,204
Argentina	(45,276)	(10,185,483)
Paraguay	(3,422,565)	33,070,967
Exchange rate differences in related companies	(4,578,783)	92,325
Total	<u>(49,642,094)</u>	<u>28,242,013</u>

20.4 Non-controlling interests

This is the recognition of the portion of equity and income from subsidiaries that are owned by third parties, Details of this account at March 31, 2015 are as follow:

Details	Non-controlling Interests		
	Percentage	Shareholders	Income
	%	Equity	
	2015	2015	2015
		ThCh\$	ThCh\$
Embotelladora del Atlántico S.A.	0.0171	14,727	1,453
Andina Empaques Argentina S.A.	0.0209	2,270	177
Paraguay Refrescos S.A.	2.1697	6,054,349	133,414
Vital S.A.	35.0000	8,972,002	61,713
Vital Aguas S.A.	33.5000	2,008,337	59,702
Envases Central S.A.	40.7300	4,775,186	(57,010)
Total		21,826,871	199,449

20.5 Earnings per share

The basic earnings per share presented in the statement of comprehensive income is calculated as the quotient between income for the period and the average number of shares outstanding during the same period.

The earnings per share used to calculate basic and diluted earnings per share is detailed as follows:

Earnings per share	03.31.2015		
	SERIES A	SERIES B	TOTAL
Earnings attributable to shareholders (ThCh\$)	17,173,784	18,890,857	36,064,641
Average weighted number of shares	473,289,301	473,281,303	946,570,604
Earnings per basic and diluted share (in Chilean pesos)	36.29	39.91	38.10

Earnings per share	03.31.2014		
	SERIES A	SERIES B	TOTAL
Earnings attributable to shareholders (ThCh\$)	11,588,115	12,746,720	24,334,835
Average weighted number of shares	473,289,301	473,281,303	946,570,604
Earnings per basic and diluted share (in Chilean pesos)	24.48	26.93	25.71

NOTE 21 — DERIVATIVE ASSETS AND LIABILITIES

The company held the following derivative instruments at March 31, 2015 and December 31, 2014:

21.1 Derivatives accounted for as cash flow hedges:

a) Cross Currency Swap Itau Credit.

As of March 31, 2015, the Company maintained derivative contracts to ensure U.S. dollar denominated bank liabilities in Brazil amounting to ThUS\$ 53,574, to convert them to liabilities in Brazilian Real. The valuation of these contracts was performed at their fair values, yielding a receivable value of ThCh\$12,478,979 at March 31, 2015 which is presented in other financial assets non-current. These swap contracts have the same terms of the underlying bond obligation and expire in 2017. In addition, the excess value of the derivative above the hedged items of ThCh\$ 309,330 (ThCh\$ 639,447 in December 31, 2014) has been recognized within other equity reserves as of March 31, 2015 and December 31, 2014. The amount of income recognized in results for financial liabilities in US Dollars that were neutralized by the recycling of derivative contracts from equity amounted to ThCh\$3,947,125 at March 31, 2015.

b) Cross Currency Swaps associated with US Bonds.

At March 31, 2015, the Company entered into cross currency swap derivative contracts to convert US Dollar public bond obligations of US\$570 million into UF and Real liabilities to hedge the Company's exposure to variations in foreign exchange rates. These swap contracts have the same terms of the underlying bond obligation and expire in 2023. The fair value of these derivatives resulted in an asset of ThCh\$99,473,712 at March 31, 2015, which is presented as other financial assets non-current. In addition excess value of the derivative above the hedged items of ThCh\$14,872,853 has been recognized within other equity reserves as of March 31, 2015. The income of the ineffective portion amount of ThCh\$20,316 associated with this hedge was recorded in other gains and losses.

The amount of net earnings recognized in income for financial liabilities in U.S. dollars and those declared as effective that were neutralized by the recycling of capital derivative contracts amounted to ThCh\$38,702,518.

21.2 Derivatives accounted for as financial assets and liabilities at fair value through profit and loss:

In 2013 and 2014, the Company entered into foreign currency forward contracts to hedge its exposure to expected future raw materials purchases in US Dollars during the years 2014 and 2015. The total amount of outstanding forward contracts were US\$77.3 million at March 31, 2015 (US\$125.1 million at December 31, 2014). These agreements were recorded at fair value, resulting in a net loss of ThCh\$1,346,256 for the period ended March 31, 2015 (net gains of ThCh\$ 2,382,061 at March 31, 2014). The fair value of these derivative contracts is an asset of ThCh\$ 2,871,333 and liability of ThCh\$ 5,295,156 at March 31, 2015 (assets of ThCh\$2,871,333 and liabilities of ThCh\$4,431,484 at December 31, 2014). The agreements that ensure future flows of foreign currency have been designated as hedge beginning August 1, 2014, following hedge accounting as of that date, at March 31, 2015, as a result of this methodology the Company registered a net balance of ThCh\$170,454 as a capital decrease associated with the fair value of existing contracts. Futures contracts that ensure prices of future materials have not been designated as hedge agreements, whereby its effects on variations in fair value are accounted for directly under statements of income in the "other gains and losses" account.

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These derivative contracts do not qualify for hedge accounting and are accounted for as investment contracts with the changes in fair value recorded directly in the income statement each reporting period.

Fair value hierarchy

The Company had total assets related to its foreign exchange derivative contracts of ThCh\$114,172,310 and liabilities to ThCh\$5,295,156 at March 31, 2015 (assets for ThCh\$53,878,573 and liabilities for ThCh\$4,431,484 at December 31, 2014). Those contracts covering existing items have been classified in the same category of hedged, the net amount of derivative contracts by concepts covering forecasted items have been classified in financial assets and financial liabilities, All the derivative contracts are carried at fair value in the consolidated statement of financial position, The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included in level 1 that are observable for the assets and liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices)

Level 3: Inputs for assets and liabilities that are not based on observable market data.

During the period ended March 31, 2015, there were no transfers of items between fair value measurement categories; all of which were valued during the period using level 2.

	Fair Value Measurements at March 31, 2015			
	Quoted prices in active markets	Observable market data (Level 2)	Unobservable market data (Level 3)	Total
	for identical assets or liabilities (Level 1)			
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Assets				
Current assets				
Other current financial assets	—	2,219,619	—	2,219,619
Other non-current financial assets	—	111,952,691	—	111,952,691
Total assets	—	114,172,310	—	114,172,310
Liabilities				
Current liabilities				
Other current financial liabilities	—	5,295,156	—	5,295,156
Total liabilities	—	5,295,156	—	5,295,156

	Fair Value Measurements at December 31, 2014			
	Quoted prices in active markets	Observable market data (Level 2)	Unobservable market data (Level 3)	Total
	for identical assets or liabilities (Level 1)			
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Assets				
Current assets				
Other current financial assets	—	2,871,333	—	2,871,333
Other non-current financial assets	—	51,007,240	—	51,007,240
Total assets	—	53,878,573	—	53,878,573
Liabilities				
Current liabilities				
Other current financial liabilities	—	4,431,484	—	4,431,484
Total liabilities	—	—	—	—
Assets	—	4,431,484	—	4,431,484

NOTE 22 — CONTINGENCIES AND COMMITMENTS

22.1 Lawsuits and other legal actions:

In the opinion of the Company's legal counsel, the Parent Company and its subsidiaries do not face judicial or extra-judicial contingencies that might result in material or significant losses or gains, except for the following:

- 1) Embotelladora del Atlántico S.A. faces labor, tax, civil and trade lawsuits. Accounting provisions have been made for the contingency of a probable loss because of these lawsuits, totaling ThCh\$1,455,931. Management considers it unlikely that non-provisioned contingencies will affect the Company's income and equity, based on the opinion of its legal counsel. Additionally Embotelladora del Atlántico S.A. maintains time deposits for an amount of ThCh\$906,603 to guaranty judicial liabilities.
- 2) Rio de Janeiro Refrescos Ltda. faces labor, tax, civil and trade lawsuits. Accounting provisions have been made for the contingency of a probable loss because of these lawsuits, totaling ThCh\$65,337,316. Management considers it unlikely that non-provisioned contingencies will affect the Company's income and equity, based on the opinion of its legal counsel. As it is customary in Brazil, Rio de Janeiro Refrescos Ltda. maintains judicial deposits and assets given in pledge to secure the compliance of certain processes, irrespective of whether these have been classified as a possible, probable or remote. The amounts deposited or pledged as a legal guarantees as of March 31, 2015 and December 31, 2014 amounted to ThCh\$97,198,733 and ThCh\$113,574,536 respectively

- a) Tax contingencies resulting from credits on tax on industrialized products (IPI).

Rio de Janeiro Refrescos is a party to a series of proceedings under way, in which the Brazilian federal tax authorities demand payment of value-added tax on industrialized products (*Imposto sobre Produtos Industrializados*, or IPI) allegedly owed by ex-Companhia de Bebidas Ipiranga totaling approximately R\$1,379,707,155.

The Company rejects the position of the Brazilian tax authority in these procedures, and considers that Companhia de Bebidas Ipiranga was entitled to claim IPI tax credits in connection with purchases of certain exempt raw materials from suppliers located in the Manaus free trade zone.

Based on the opinion of its advisers, and judicial outcomes to date, Management estimates that these procedures do not represent probable losses, and has net recorded a provision on these matters.

Notwithstanding the above, the accounting standards of financial information related to business combination in terms of distribution of the purchase price, establish that contingencies must be valued one by one according to their probability of occurrence and discounted to fair value from the date on which it is deemed the loss can be generated. According to this criteria, an initial provision has been made in the business combination accounting for an amount of R\$ 200.6 million equivalent to ThCh\$39,180,782. (ThCh\$45,822,657 in currency of December 31, 2014).

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- a) Tax contingencies on ICMS and IPI causes.

They refer mainly to tax settlements issued by advance appropriation of ICMS credits on fixed assets, payment of the replacement of ICMS tax to the operations, untimely IPI credits calculated on bonuses, among other claims.

The Company does not consider that these judgments will result in significant losses, given that their loss is considered unlikely. However, the accounting standards of financial information related to business combination in terms of distribution of the purchase price, establish contingencies must be valued one by one according to their probability of occurrence and discounted to fair value from the date on which it is deemed that the loss can be generated. According to this criteria, an initial provision has been made in the business combination accounting for an amount of R\$ 126.3 million equivalent to ThCh\$ 24,668,658. (ThCh\$28,850,456 in currency of December 31, 2014).

- 3) Embotelladora Andina S.A., faces labor, tax, civil and trade lawsuits. Accounting provisions have been made for the contingency of a probable loss because of these lawsuits, totaling ThCh\$319,062. Management considers it is unlikely that non-provisioned contingencies will affect income and equity of the Company, in the opinion of its legal advisors.

22.2 Direct guarantees and restricted assets:

Guarantees and restricted March 31, 2015 and December 31, 2014 are detailed as follows:

Guarantees that compromise assets including in the financial statements:

Guarantee in favor of	Provided by Name	Relationship	Committed assets		Carrying at 03.31.2015 ThCh\$	Balance pending payment on the closing date of the financial statements	
			Guarantee	Type		03-31-2015 ThCh\$	12-31-2014 ThCh\$
Bodega San Francisco	Embotelladora Andina S.A.	Parent Company	Cash and cash equivalents	Cash and cash equivalents	6,788	6,788	6,788
Gas licuado Lipigas S.A.	Embotelladora Andina S.A.	Parent Company	Cash and cash equivalents	Cash and cash equivalents	1,140	1,140	1,140
Nazira Tala	Embotelladora Andina S.A.	Parent Company	Cash and cash equivalents	Cash and cash equivalents	3,416	3,416	3,416
Nazira Tala	Embotelladora Andina S.A.	Parent Company	Cash and cash equivalents	Cash and cash equivalents	3,508	3,508	3,508
Inmob. e Invers. Supetar Ltda.	Transportes Polar S.A.	Subsidiary	Cash and cash equivalents	Cash and cash equivalents	4,579	4,579	4,579
María Lobos Jamet	Transportes Polar S.A.	Subsidiary	Cash and cash equivalents	Cash and cash equivalents	2,565	2,565	2,565
Reclamantes ações trabalhistas	Rio de Janeiro Refrescos Ltda.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	12,278,339	12,278,339	21,961,631
Diversos	Rio de Janeiro Refrescos Ltda.	Subsidiary	Property, plant and equipment	Property, plant and equipment	84,920,354	84,920,354	91,612,725
Distribuidora Baraldo S.H.	Embotelladora del Atlántico S.A.	Subsidiary	Cash and cash equivalents	Other non-current, non-financial assets	1,420	1,420	1,419
Acuña Gomez	Embotelladora del Atlántico S.A.	Subsidiary	Cash and cash equivalents	Other non-current, non-financial assets	2,131	2,131	2,129
Municipalidad Gral. Alvear	Embotelladora del Atlántico S.A.	Subsidiary	Cash and cash equivalents	Other non-current, non-financial assets	9,179	9,179	9,170
Municipalidad San Martin Mza	Embotelladora del Atlántico S.A.	Subsidiary	Cash and cash equivalents	Other non-current, non-financial assets	25,569	25,569	25,544
Nicanor López	Embotelladora del Atlántico S.A.	Subsidiary	Cash and cash equivalents	Other non-current, non-financial assets	1,524	1,524	1,522
Municipalidad Bariloche	Embotelladora del Atlántico S.A.	Subsidiary	Cash and cash equivalents	Other non-current, non-financial assets	386,090	386,090	385,720
Municipalidad San Antonio Oeste	Embotelladora del Atlántico S.A.	Subsidiary	Cash and cash equivalents	Other non-current, non-financial assets	3,020	3,020	3,017
Municipalidad Chivilcoy	Embotelladora del Atlántico S.A.	Subsidiary	Cash and cash equivalents	Other non-current, non-financial assets	980,567	980,567	979,627
Municipalidad Carlos Casares	Embotelladora del Atlántico S.A.	Subsidiary	Cash and cash equivalents	Other non-current, non-financial assets	6,341	6,341	6,334
Granada Maximiliano	Embotelladora del Atlántico S.A.	Subsidiary	Cash and cash equivalents	Other non-current, non-financial assets	12,784	12,784	12,772
CICSA	Embotelladora del Atlántico S.A.	Subsidiary	Guarantees CICSA for packaging	Other current financial assets	39,561	39,561	39,524
Locadores varios	Embotelladora del Atlántico S.A.	Subsidiary	Guarantee deposit for rentals	Other current financial assets	14,733	14,733	10,710
Aduana de Ezeiza	Embotelladora del Atlántico S.A.	Subsidiary	Importación Maquinaria	Other current financial assets	9,934	9,934	9,924
Municipalidad de Junin	Embotelladora del Atlántico S.A.	Subsidiary	Cash and cash equivalents	Other non-current, non-financial assets	8,308	8,308	8,300
Almada Jorge	Embotelladora del Atlántico S.A.	Subsidiary	Cash and cash equivalents	Other non-current, non-financial assets	17,349	17,349	17,332
Banco Santander Rio	Embotelladora del Atlántico S.A.	Subsidiary	Cash and cash equivalents	Other current financial assets	—	—	943,434
Banco Galicia	Embotelladora del Atlántico S.A.	Subsidiary	Cash and cash equivalents	Other current financial assets	306,696	306,696	1,036,261
Banco HSBC	Embotelladora del Atlántico S.A.	Subsidiary	Cash and cash equivalents	Other current financial assets	—	—	148,666
Banco Industrial	Embotelladora del Atlántico S.A.	Subsidiary	Cash and cash equivalents	Other current financial assets	949,433	949,433	813,969
Banco ICBC	Embotelladora del Atlántico S.A.	Subsidiary	Cash and cash equivalents	Other current financial assets	997,433	997,433	160,501
Rofex	Embotelladora del Atlántico S.A.	Subsidiary	Cash and cash equivalents	Other current financial assets	2,561,285	2,561,285	1,729,820
					103,554,046		

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Guarantees provided without obligation of assets included in the financial statements:

Guarantee in favor of	Provided by Name	Relationship	Committed assets		Balance pending payment on the closing date of the financial statements		Date of guarantee release	
			Guarantee	Type	03.31.2015	12.31.2014	2015	2016
					ThCh\$	ThCh\$	ThCh\$	ThCh\$
Linde Gas Chile	Embotelladora Andina S.A.	Parent Company	Guarantee insurance	Guarantee insurance	546,075	546,075	—	—
Echeverría, Izquierdo Ingeniería y Construcción.	Embotelladora Andina S.A.	Parent Company	Guarantee insurance	Guarantee insurance	515,348	515,348	—	—
Rabdstad Chile S.A.	Embotelladora Andina S.A.	Parent Company	Guarantee insurance	Guarantee insurance	640,000	640,000	640,000	—
Processos trabalhistas	Rio de Janeiro Refrescos Ltda.	Subsidiary	Guarantee insurance	Guarantee insurance	567,285	567,285	—	—
Processos administrativos	Rio de Janeiro Refrescos Ltda.	Subsidiary	Guarantee insurance	Guarantee insurance	2,041,360	2,041,360	—	—
Governo Federal	Rio de Janeiro Refrescos Ltda.	Subsidiary	Guarantee insurance	Guarantee insurance	86,750	86,750	—	—
Governo Estadual	Rio de Janeiro Refrescos Ltda.	Subsidiary	Guarantee insurance	Guarantee insurance	9,632,911	9,632,911	—	—
Others	Rio de Janeiro Refrescos Ltda.	Subsidiary	Guarantee insurance	Guarantee insurance	1,246,117	1,246,117	—	—

NOTE 23 — FINANCIAL RISK MANAGEMENT

The Company's businesses are exposed to a variety of financial and market risks (including foreign exchange risk, interest rate risk and price risk). The Company's global risk management program focuses on the uncertainty of financial markets and seeks to minimize potential adverse effects on the performance of the Company. The Company uses derivatives to hedge certain risks. Below is a description of the primary policies established by the Company to manage financial risks.

Interest Rate Risk

As of March 31, 2015, the Company carried all of its debt liabilities at a fixed rate, variability factors are given by the currencies in which they are set: UF and US\$ (are variable). As a result, the risk of fluctuations in market interest rates on the Company's cash flows is low..

The Company's greatest indebtedness corresponds to bonds of own issuance; the portion of bonds issued in the local market are denominated in Unidades de Fomento, indexed to inflation in Chile (the Company's sales are correlated with UF variations). If inflation in Chile would have generated a UF variation of 1.0% during the period between January 1 and March 31, 2015 (instead of -0,02%, excluding changes in the level of sales), the Company's income would have been lower by ThCh\$3,399,890

There are also bonds of own issuance amounting to US\$575 million, which are hedged against the fluctuation of the U.S. dollar with cross currency swap agreements.

Exchange Rate Risk

The company is exposed to three types of risk caused by exchange rate volatility:

a) Exposure of foreign investment: this risk originates from the translation of net investment from the functional currency of each country (Brazilian Real, Paraguayan Guaraní, Argentine Peso) to the Parent Company's reporting currency (Chilean Peso). Appreciation or devaluation of the Chilean Peso with respect to each of the functional currencies of each country, originates decreases and increases in equity, respectively. The Company does not hedge this risk.

a.1 Investment in Argentina

As of March 31, 2015, the Company maintains a net investment of ThCh\$95,677,364 in Argentina, composed by the recognition of assets amounting to ThCh\$214,631,586 and liabilities amounting to ThCh\$118,954,222. These investments reported 30.5% of the Company's consolidated sales revenues

As of March 31, 2015, the Argentine peso appreciated 0,1% with respect to the Chilean peso.

There are currently exchange restrictions in Argentina and a parallel foreign exchange market with a higher exchange rate than the official exchange rate.

If the official exchange rate in Argentina devalued reaching the informal rate of \$ 12.72 (32.1% devaluation), the Company would have lower income from the operations in Argentina of ThCh\$1,798,638, and a decrease in equity of ThCh\$20,887,319, originated by lower asset recognition of ThCh\$55,293,572 and lower liabilities recognition of ThCh\$34,406,523

a.2 Investment in Brazil

As of March 31, 2015, the Company maintains a net investment of ThCh\$246,634,832 in Brazil, composed by the recognition of assets amounting to ThCh\$750,675,218 and liabilities amounting to ThCh\$504,040,386. These investments reported 35.5% of the Company's consolidated sales revenues

As of March 31, 2015, the Brazilian Real devaluated 14.5% with respect to the Chilean peso

If the exchange rate of the Brazilian Real devaluated an additional 5% with respect to the Chilean Peso, the Company would have lower income from the operation in Brazil of ThCh\$660,796, and decrease in equity of ThCh\$11,331,171, originated by lower asset recognition of ThCh\$33,786,880 and lower liabilities recognition of ThCh\$22,455,709.

a.3 Investment in Paraguay

As of March 31, 2015, the Company maintains a net investment of ThCh\$279,035,882 in Paraguay, composed by the recognition of assets amounting to ThCh\$318,076,596 and liabilities amounting to ThCh\$39,040,714. These investments reported 7.1% of the Company's consolidated sales revenues.

As of March 31, 2015, the Paraguayan Guarani devaluated 14.6% with respect to the Chilean peso

If the exchange rate of the Paraguayan Guarani devaluated an additional 5% with respect to the Chilean Peso, the Company would have lower income from the operations in Paraguay of ThCh\$290,815, and decrease in equity of ThCh\$12,998,838, originated by lower asset recognition of ThCh\$15,053,684 and lower liabilities recognition of ThCh\$2,055,026.

b) Net exposure of assets and liabilities in foreign currency: the risk stems mostly from carrying liabilities in US dollar, so the volatility of the US dollar with respect to the functional currency of each country generates a variation in the valuation of these obligations, with consequent effect on results.

As of March 31, 2015, the Company maintains a net liability position totaling ThCh\$379,293,224, basically composed of obligations with the public and bank liabilities for ThCh\$382,003,156 offset partially by financial assets denominated in dollars for ThCh\$2,709,932.

Of total financial liabilities denominated in US dollars, ThCh\$21,719,656 come from debts taken by the Brazilian operation and are exposed to the volatility of the Brazilian Real against the US dollar. On the other

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and ThCh\$360,283,500 of US dollar liabilities correspond to Chilean operations, which are exposed to the volatility of the Chilean Peso against the US dollar

In order to protect the Company from the effects on income resulting from the volatility of the Brazilian Real and the Chilean Peso against the U.S. dollar, the Company maintains derivative contracts (cross currency swaps) to cover almost 100% of US dollar-denominated financial liabilities.

By designating such contracts as hedging derivatives, the effects on income for variations in the Chilean Peso and the Brazilian Real against the US dollar, are mitigated annulling its exposure to exchange rates.

The Company's net exposure as of March 31, 2015 to foreign currency over existing assets and liabilities, discounting the derivatives contracts, is an asset position of ThCh\$422,968.

c) Assets purchased or indexed to foreign currency exposure: this risk originates from purchases of raw materials and investments in property, plant and equipment, whose values are expressed in a currency other than the functional currency of the subsidiary. Changes in the value of costs or investments can be generated through time, depending on the volatility of the exchange rate.

Annual purchases of raw materials denominated or indexed in U.S. dollars, amounts to 19% of our cost of sales or approximately US\$340 million.

In addition, and depending on market conditions, the Company enter into foreign currency derivatives contracts to lessen the effect of the exchange rate over cash expenditures expressed in US dollar, which mainly correspond to payment to suppliers of raw materials and fixed assets. US\$77.3 million for future purchases have been hedged as of March 31, 2015.

According to the percentage of purchases of raw materials which are carried out or indexed to U.S. dollars, a possible change in the value of the US dollar by 5% in the four countries where the Company operates, and excluding derivatives contracts taken to mitigate the effect of currency volatility, keeping everything constant, would lead to a lower accumulated result amounting to ThCh\$2,424,026 as of March 31, 2015. Currently, the Company has contracts to hedge this effect in Argentina, Brazil and Chile

d) Riesgo de commodities

The Company is subject to a risk of price fluctuations in the international markets for sugar, aluminum and PET resin, which are inputs required to produce beverages and, as a whole, account for 35% to 40% of operating costs. Procurement and anticipated purchase contracts are made frequently to minimize and/or stabilize this risk. When allowed by market conditions commodity hedges have also been used in the past. The possible effects that exist in the present consolidated financial statements of a 5% eventual rise in prices of its main raw materials, would be a reduction in our accumulated results for the period ended March 31, 2015 of approximately ThCh\$4,331,487. To minimize the risk often supply contracts and anticipated purchases are made when market conditions warrant. Also been used commodity derivative instruments by \$10.1 million.

e) Liquidity risk

The products we sell are mainly paid for in cash and short term credit, therefore the Company's main source of financing comes from the cash flow of our operations. This cash flow has historically been sufficient to cover the investments necessary for the normal course of our business, as well as the distribution of dividends approved by the General Shareholders' Meeting. Should additional funding be required for future geographic expansion or other needs, the main sources of financing to consider are: (i) debt offerings in the Chilean and foreign capital markets (ii) borrowings from commercial banks, both internationally and in the local markets where the Company operates; and (iii) public equity offerings

The following table presents our contractual and commercial obligations as of March 31, 2015:

Item	Maturity				
	1 year	More 1 year up to 2	More 2 years up to 3	More 3 years up to 4	More 4 years
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Bank debt	42,309,073	27,410,446	19,099,562	8,744,963	—
Bonds payable	42,220,797	45,115,338	53,778,927	41,434,575	889,852,148
Operating lease obligations	7,635,810	4,472,479	2,341,886	1,457,386	1,213,321
Purchase obligations	145,393,518	28,247,922	9,589,657	96,878,076	163,991
Total	237,559,198	105,246,185	84,810,032	148,515,000	891,229,460

NOTE 24 — EXPENSES BY NATURE

Other expenses by nature are:

Details	01.01.2015	01.01.2014
	03.31.2015	03.31.2014
	ThCh\$	ThCh\$
Direct production costs	229,603,483	209,821,185
Payroll and employee benefits	69,888,333	62,224,107
Transportation and distribution	48,179,835	45,240,086
Marketing	13,445,842	12,927,364
Depreciation and amortization	25,959,283	24,441,019
Repairs and maintenance	7,163,789	5,690,022
Other expenses	43,536,142	35,908,881
Total	437,776,707	396,252,664

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NOTE 25 — OTHER INCOME

Other operating income is detailed as follows:

Details	01.01.2015 03.31.2015	01.01.2014 03.31.2014
	ThCh\$	ThCh\$
Gain on disposal of property, plant and equipment	90,489	69,907
Adjustment of judicial deposit (Brazil)	367,681	191,070
Others	75,149	53,796
Total	533,319	314,773

NOTE 26 — OTHER EXPENSES

Other expenses are detailed as follows:

Details	01.01.2015 03.31.2015	01.01.2014 03.31.2014
	ThCh\$	ThCh\$
Disposal and write-off of property, plant and equipment	126,957	203,286
Tax on bank debits	2,204,239	1,638,248
Non-operating fees	301,080	215,091
Distribution restructuring project (Chile)	399,236	—
Contingencies	1,227,384	1,183,217
Donations	—	48,718
Merger expenses	—	118,194
Others	91,571	335,152
Total	4,350,467	3,741,906

NOTE 27 — FINANCIAL INCOME AND EXPENSES

Financial income and expenses are detailed as follows:

a) Finance income

Description	01.01.2015 03.31.2015 ThCh\$	01.01.2014 03.31.2014 ThCh\$
Interest income	2,255,445	1,412,851
Other interest income	284,388	384,986
Total	2,539,833	1,797,837

a) Finance expenses

Description	01.01.2015 03.31.2015 ThCh\$	01.01.2014 03.31.2014 ThCh\$
Bond interest	11,092,647	7,282,912
Bank loan interest	2,925,891	6,200,572
Other interest costs	1,380,978	144,546
Total	15,399,516	13,628,030

NOTE 28 — OTHER GAIN AND (LOSSES)

Other gains and (losses) are detailed as follows:

Details	01.01.2015 03.31.2015 ThCh\$	01.01.2014 03.31.2014 ThCh\$
Gains (loss) on derivative transactions raw materials	(1,346,256)	2,382,061
Losses on ineffective portion of hedge derivatives (1)	20,316	(1,414,515)
Other income and (expenses)	(20,802)	(109,054)
Total	(1,346,742)	858,492

(1) See note 21 (b).

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NOTE 29 — THE ENVIRONMENT

The Company has made disbursements totaling ThCh\$1,314,247 for improvements in industrial processes, equipment to measure industrial waste flows, laboratory analysis, consulting on environmental impacts and others.

These disbursements by country are detailed as follows:

Country	Period ended 2015		Future commitments	
	Recorded as expenses	Capitalized to property, plant and equipment	To be Recorded as expenses	To be capitalized to property, plant and equipment
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Chile	246,369	—	—	—
Argentina	351,734	—	1,417,195	—
Brazil	602,655	79,449	803,155	538,873
Paraguay	25,269	8,771	—	20,231
Total	1,226,027	88,220	2,220,350	559,104

NOTE 30 - AUDITOR'S FEES

Details of the fees paid to the external auditors are as follows:

Description	2015	2014
	ThCh\$	ThCh\$
Remuneration of the Auditor for auditing services	972,600	755,423

NOTE 31 — SUBSEQUENT EVENTS

The shareholders' meeting held on April 22, 2015, resolved to distribute the following dividends:

- a) A final dividend against 2014 fiscal year profits, payable in May 2015 by the following amounts:

\$15,00 per series A shares
\$16,50 per series B shares

- b) An additional dividends against accumulated profits payable in August 2015 by the following amounts:

\$15,00 per series A shares
\$16,50 per series B shares

Except as provided above there are no subsequent events that may significantly affect the Company's consolidated financial position.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Santiago, Chile.

EMBOTELLADORA ANDINA S.A.

By: /s/ Andrés Wainer

Name: Andrés Wainer

Title: Chief Financial Officer

Santiago, May 11, 2015