

*Coca-Cola* **ANDINA**



**Annual Report**  
**2015**



**WE JOINED FOUR COUNTRIES  
TO CREATE THE NEW  
COCA-COLA ANDINA.  
WE ARE A GREAT COMPANY,  
WHERE HAPPINESS  
IS WITHOUT BORDERS.**

Company Identification

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Open Stock Corporation  
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# OUR COMPANY





## MISSION

Add value growing sustainably, refreshing our consumers and sharing moments of optimism with our clients.

## VISION

Lead the beverage market, being recognized for our management excellence, people and welcoming culture.

## VALUES

INTEGRITY

TEAM WORK

ATTITUDE

AUSTERITY

ORIENTED  
ON RESULTS

FOCUSED  
ON OUR  
CUSTOMERS



“ Over 23 years and countless challenges, gave me the opportunity to reinvent myself with commitment, enthusiasm and standing up for my values. These achievements were attained thanks to the help, competence, responsibility and effort of people who accompanied me then and now. God’s support, that of my family and people with whom I have crossed paths during my life for some reason. It’s all a part of and we are a part of. I leave my doors open to challenges, because they give life; as well as ideas and suggestions, because they help you grow. True to the idea that before being managers, we are people. ”

**ADRIÁN FARÍAS**  
*Sales Administration Deputy Manager*

Photograph of Julio Hernández, Technical Operator Line 5,  
Renca Plant and in charge of Andina Chile's Photography Team.



## Letter from the Chairman

**Juan Claro González**



I am pleased to present Coca-Cola Andina's Annual Report and seventh Sustainability Report, simultaneously reporting on the Company's financial-economic and sustainability performance.

For Coca-Cola Andina, 2015 was a year of many challenges considering that we had to face the deterioration of the economies of the countries where we are operating.

In Argentina, 2015 was characterized by a stagnant economy, as well as the continued control over prices. The economy grew only 2.0%, while inflation continued at high levels at around 28.0%. In addition, there was a strong devaluation towards the end of the year, which meant that the average exchange rate devalued 14.1% during 2015. Among the highlights of the year, we can mention that, as a result of our solid execution at the point of sale our volumes grew 2.1%. We also increased our prices by 33.3% on average during the year. Our market shares increased in the main categories where we participate, with an increase of 0.2 points in the soft drinks category and 4.1 points in juices. Argentina's

financial result was outstanding, achieving an EBITDA of A\$1,128.1 million.

Meanwhile, Brazil continues a process of economic slowdown, which resulted in a 3.8% GDP contraction. In addition, inflation reached 10.7%, well above the goal of the Central Bank, and currency devalued 41.6% during the year. In this context, our volumes fell 5.3%, but we were able to increase our market share for soft drinks by 0.9 points. In addition, our average prices recorded an increase of 9.2%. These price increases, along with improvements in efficiencies and productivity, allowed us to achieve an EBITDA of R\$511.6 million, representing a 4.7% growth over the previous year.

In the case of Chile, 2015 was a year of little growth, with GDP increasing approximately 2.0%, and the exchange rate devaluing 14.7%. Our volumes increased 0.8%, highlighting the growth of our low-calories brands which increased 6.2%, in spite of the weather conditions that adversely affected consumption. Additionally we gained 0.8 points of market share in the soft drinks segment, thus closing the year at 69.3 points

**In 2015 we have reached over 52 million consumers, refreshing unique moments of their lives. As a Company we had a year of learning and capitalization of achievements. We strive to maintain communicated with our stakeholders, not only with consumers, but also with shareholders, suppliers, collaborators and the community in general.**

on average. Furthermore, EBITDA increased 8.4%, reaching CLP\$103,142 million.

Lastly, in Paraguay the economy showed a moderate growth of approximately 4.7%, but private consumption continues at low levels, and currency devalued 16.8%. In this context, our volumes fell 1.8%, although our soft drinks market share grew 3.4 points, reaching 65.6 points on average. Furthermore, EBITDA grew by 6.9%.

The good results attained were a consequence of maintaining our strategic focus on the following aspects:

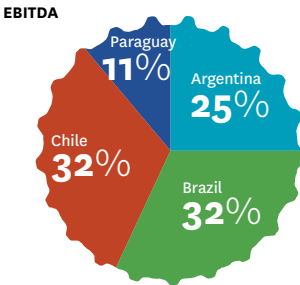
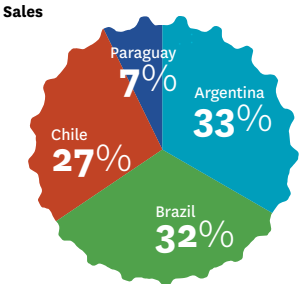
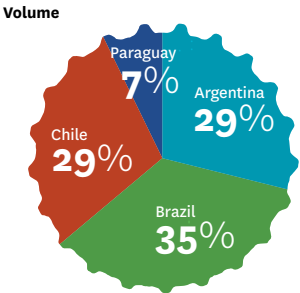
- › Strengthening The Coca-Cola Company's brands by increasing the offer of products according to the need for hydration, wellness and accessibility of our consumers. An example of this is the successful implementation of our marketing strategy called Masterbrand, launches of new juice flavors, new format options for waters, the extension of returnable packaging, and the different plans to deepen personal consumption options.
- › Implementation of cost-saving, productivity, and flexibility initiatives in all of our operations. In this area, the most noteworthy are the optimization projects in logistic operations, such as automating the processes at deposits, internalization of distribution fleet and changes in distribution and transportation models.

› Evolution of client service models, developing and implementing ambitious Route to Market projects.

› Profitable and sustainable growth with a solid financial discipline through a prioritization of capital investments in projects of greater strategic impact, generating results and value contribution, both economic, social and environmental, with high levels of governance and transparency.

As a result of the previous aspects, while volume showed a 1.3% contraction, reaching 819.9 million unit cases, consolidated income grew 4.5% compared to the previous year, reaching CLP\$1,877,394 million, and consolidated EBITDA reached CLP\$316,228 million, an increase of 9.1%. Furthermore, EBITDA margin recorded an expansion of 72 basis points.

In 2015 we have reached over 52 million consumers, refreshing unique moments of their lives. As a Company we had a year of learning and capitalization of achievements. We strive to maintain communicated with our stakeholders, not only with consumers, but also with shareholders, suppliers, collaborators and the community in general. Some results of these efforts are the materiality matrix, the labor environment survey, and the energy-efficiency acknowledgments obtained with our cold equipment.



We moved forward in sustainability management and we increased transparency even more, a value that we reaffirm every year through commitments, such as adherence to the UN Global Pact initiative. We have re-launched our web site, providing relevant and timely information to our stakeholders, developing new communication channels and for the follow-up of reports.

The expectations of our stakeholders are definitely changing towards an harmonious development. Coca-Cola Andina is anticipating and responding successfully to these challenges. Along with The Coca-Cola Company, a key partner to keep us at the forefront on sustainability issues, we are leading several projects that we have been working on for over 4 years such as the Colectivo in Brazil (oriented toward inclusion and recycling) and Replenish (preservation of water sources) in Argentina.

We know that our priority sustainability challenges are related to water, waste management, energy efficiency and nutrition. We understand that the best way to address them is with our work plan in conjunction with the public sector, non-profit organizations and partners who face the same challenges. The outstanding cases of our sustainability report reflect our conviction that the collaborative work in addressing initiatives, continues to give satisfactory results in terms of scope, coverage and measurable benefits.

In the field of innovation, we significantly progressed on perfecting our processes to encourage and manage the generation of ideas for the improvement of operations and internal and external customer service systems.

We feel the satisfaction of being recognized by different agencies, media and public opinion, for our efforts and achievements. For example, this year we obtained the first place in the category of Leading Company in Corporate Governance, second place in the category Director of Leading Company in Sustainability and third place in General Manager, Leading Company in Sustainability, awarded by the 2020 Sustainable Leaders Agenda - ALAS20. In addition, Coca-Cola Andina was recognized as the second most admired company in Chile in the ranking organized by PricewaterhouseCoopers and Diario Financiero.

We were also elected first among Mass Consumption Companies where students would like to work (Diario Pulso), whose research highlighted as a prime factor the balance between life and work. We obtained awards such as the CCIL 2015 Execution Cup - Key Accounts Best Execution, 1st place CCIL Quality ranking (Brazil), 2nd place trophy GSCC London Award on operating excellence (Brazil), honorable mention for the energy-saving project of cold equipment at customer locations, recognized by Hub Sustentabilidad in Chile, 1st prize Industry

Ministry of the province of Córdoba, Argentina, for Eco-efficiency Management, Recognition for Commitment to Education, Junior Achievement Argentina, among the most prominent awards.

A milestone for Coca-Cola Andina was the initial implementation phase of the World Class Manufacturing methodology in all our operations. This is a management methodology that allows identifying systemic and permanent improvement opportunities in production and operating processes and a Behavior-Based Safety Program. We have promoted this initiative since we are convinced that the satisfaction and safety of our collaborators are core investments for the generation of shared value.

Looking at 2016, with an even more restrictive scenario, it is worth mentioning that we continue working on the project of the new Duque de Caxias plant in Brazil, which already began its construction process and we expect will begin operating in mid-2017.

We remain confident to continue capturing the results from our efforts to reduce costs and expenses at all of Coca-Cola Andina's operations and make the most out of the opportunities offered by the markets. We will also seek to optimize capacity use of our facilities, improve the product mix, strengthening the sales of products with higher added value.

This confidence is based on the abilities we have developed and consolidated over the years, the great commitment and passion of our collaborators, the strength of the brands we sell and an ever improving value chain, more and better customer service models, renewing the affection our consumers have towards our products.

In 2016 we will continue to work focused on the fulfillment of our 2020 vision that entails being recognized for our management excellence and keeping our priorities in the achievement of results, reputation, transparency and socio-environmental empathy.

On behalf of the Company's Board of Directors I would like to thank all shareholders for their trust, and also thank Coca-Cola Andina's collaborators for their effort, ethics and loyalty towards the company, and urge them to remain equally committed to the challenges we have established for the year 2016.

**Juan Claro González**  
Chairman of the Board of Directors





Embotelladora Andina S.A. (hereinafter interchangeably “Coca-Cola Andina” or the “Company”) is one of the three largest Coca-Cola bottlers in Latin America, servicing franchised territories with almost 52.2 million people, delivering during 2015 more than 4,600 billion liters of soft drinks, juices, and bottled waters. Coca-Cola Andina has the franchise to produce and commercialize Coca-Cola products in certain territories in Argentina (through the company Embotelladora del

Atlántico, S.A. hereinafter interchangeably “Edasa” or “Coca-Cola Andina Argentina”), Brazil (through the company Rio de Janeiro Refrescos Ltda., hereinafter “Coca-Cola Andina Brasil”), Chile (through the company Embotelladora Andina S.A., hereinafter “Coca-Cola Andina Chile”), and in all of Paraguay (through the company Paraguay Refrescos S.A. hereinafter “Coca-Cola Paresa”). The Company is controlled in equal parts by the Chadwick Claro, Garcés Silva, Hurtado Berger, Said Handal and

Said Somavía families, in accordance with a shareholders’ agreement. The Company’s proposal to generate value is being leader in the non-alcoholic beverage market, developing a relationship of excellence with consumers of its products, as well as with its employees, customers, suppliers and with its strategic partner Coca-Cola.

### Consolidated Financial Highlights

(Figures in MCH\$)

	2015	2014	2013**	2012*	2011	2010
Net Sales	1,877,394	1,797,200	1,521,681	1,172,293	982,864	888,714
Operating Income	215,596	186,773	171,284	154,164	142,424	149,234
Net Income	88,098	75,807	90,267	88,269	97,027	103,600
EBITDA	316,229	289,740	254,621	207,988	181,922	186,248
Total Assets	2,209,361	2,269,173	2,082,961	1,539,836	741,959	695,206
Financial Debt	791,470	762,935	686,409	265,531	89,324	83,219
Shareholders' Equity	851,534	918,998	881,433	893,605	421,979	394,865
EOP price Andina A (Ch\$)	1,955	1,472	1,850	2,437	1,850	1,920
EOP price Andina B (Ch\$)	2,130	1,717	2,413	3,012	2,270	2,369
EOP price AKO A (US\$)	16.28	14.30	28.24	29.94	20.85	23.80
EOP price AKO B (US\$)	17.41	17.00	21.04	37.97	25.94	30.20

\* Includes figures of Embotelladoras Coca-Cola Polar only for the 4th quarter of 2012

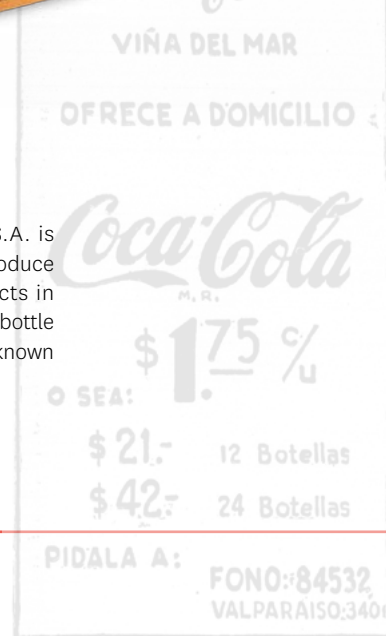
\*\* Includes figures of Ipiranga only for the 4th quarter of 2013



# History

'40

In 1946 Embotelladora Andina S.A. is established with the license to produce and distribute Coca-Cola products in Chile. Transition from the individual bottle towards the 24-bottle case (today known as "unit case").



In 1960 The San Joaquín Plant is inaugurated in Santiago. The Company acquires a 45% ownership interest in Embotelladora Concepción.

'60



'70

17 millones de botellas serán envasadas mensualmente en Talca  
NUEVAS INSTALACIONES DUPLICARÁN PRODUCCION DE EMBOTELLADORA TALCA  
INTENDENTE PRESIDIO CEREMONIA



In 1974 the Company acquires an additional 46% in Embotelladora Concepción. In 1975 the Company acquires a 34% ownership interest in Embotelladora Talca. In 1978 Termas Mineral de Chanqueahue and the brand Agua Mineral Vital are purchased. The Company increases to 80% its ownership interest in Embotelladora Talca. In 1979 operations begin at the Chanqueahue Vital production facility in Rengo and Embotelladora Concepción in Temuco.



'90

In 1991 Envases Multipack in the packaging business begins operations. In 1992 Vital is born and dedicated to the business of juices and mineral waters in Chile. Andina acquires a minority ownership in INTI, a Coca-Cola product bottling Company in Córdoba, Argentina. In 1994 placement of 7,076,700 American Depositary Receipts (ADRs) on the NYSE, collecting US\$127 million. Entrance to the Brazilian market begins with the acquisition of Rio de Janeiro Refrescos, bottling Company located in the city of Rio de Janeiro, with a bottling facility in Jacarepaguá. In 1995 Envases Central begins operations. Greater presence in the Argentine market with the acquisition of Embotelladora del Atlántico, controller of the Coca-Cola bottling facilities for the franchises of Rosario and Mendoza. In 1996 a 49% ownership interest of Vital is sold to The Coca-Cola Company along with the brands: Kapo, Andina and Vital. Expansion into Argentina continues, acquiring an additional 36% ownership interest in EDASA, an additional 79% in INTI (today merged with EDASA), 100% of Complejo Industrial PET in Buenos Aires (dedicated to the packaging business), and a 15% of Cican, a Coca-Cola product canning facility. The Coca-Cola Company enters into Andina's ownership with an 11% stake. In 1997 stock split creating series A & B shares. An additional 5% stake in EDASA is acquired. US\$350 million issue in the U.S. market in tranches of 10, 30, and 100 years. In 1998 Andina repurchases the 49% stake that The Coca-Cola Company held in Vital but The Coca-Cola Company remains with ownership of all brands. In 1999 inauguration of the Montecristo production facility in Córdoba, Argentina.



'80

Launch of the PET non-returnable 2-lt bottle. In 1981 the plastishield format is introduced in Chile, the most modern non-returnable format in the world. Launch of diet soft drinks, TAB and Sprite Light. In 1982 Andina sells its ownership interest in Embotelladora Talca and Embotelladora Concepción to Sociedad de Inversiones Williamson. In 1984 launch of Diet Coca-Cola. In 1985 Inversiones Freire acquires control over Andina. In 1986 sale of the bottling facility in Viña del Mar.



2000

Acquisition of the Brazilian Coca-Cola bottler for Niteroi, Vitoria and Governador Valadares. In 2001 Joint Venture between Multipack and Crowpla creating the new Company Envases CMF for the packaging business. Andina issues UF 7,000,000 in bonds (7 and 25 years). Tender Offer for the partial repurchase of bonds issued in the US market. In 2002 EDASA concentrates all productive operations at the Montecristo production facility in Córdoba and shuts down the Mendoza and Rosario plants. In 2003 EDASA takes control over CIPET. Andina is awarded the "Carlos Vial Espanoso" award, which distinguishes the most relevant Chilean Company in terms of labor relations and with more dedication to human capital. In 2004 franchise swap between Rio de Janeiro Refrescos and a subsidiary of The Coca-Cola Company in the State of Minas Gerais for the franchise of Nova

Iguaçu located in the State of Rio de Janeiro. Series B shares of Andina become eligible as investment instruments for the Chilean Pension Funds (Series A shares have always been eligible investment instruments). In 2005 Vital is divided into two companies, creating Vital Aguas. Hence, Vital exclusively develops the juice and other non-carbonated beverage business and Vital Aguas, along with the other Coca-Cola bottlers in Chile develops the water business. In 2006 the Company obtains the 2005 National Award for Quality and Competitiveness, distinction given by the Presidency of the Republic of Chile. Andina is the first Company in the mass consumption sector to obtain this award. In 2007 Andina inaugurates Maipú and Puente Alto Distribution Centers in Santiago. The Coca-Cola Company along with the Coca-Cola bottlers in Brazil create a



Joint Venture, Mais Indústria de Alimentos, in order to enhance the non-carbonated business for the entire System in that country. In 2008 Andina incorporates the Benedictino brand to its water portfolio in Chile. Acquisition in Brazil through the Mais joint venture of the Sucos del Valle brand, leader in the juice segment in this market. In 2009 Andina commemorates its 15th Anniversary of listing on The New York Stock Exchange. In Argentina we received the National Award for Quality, the highest recognition granted to private companies and public organizations.

'10

In 2010 Andina significantly increases production and distribution capacity in Chile, Argentina and Brazil. In 2011 Andina commemorates 65 years and the new bottling facility in Chile begins operations. The juice business is restructured and Vital becomes Vital Jugos, a joint venture with the other Coca-Cola bottlers in Chile. In 2012 materialization of the merger with Embotelladoras Coca-Cola Polar S.A., incorporating Paraguay and new territories in Chile and Argentina. Acquisition of 40% of Sorocaba Refrescos in Brazil. Change of corporate image to Coca-Cola Andina. In 2013, the acquisition of 100% of the shares of Companhia de Bebidas Ipiranga in Brazil becomes material. Additionally, Andina issues UF 5,000,000 in bonds in tranches of 7 and 21 years in the Chilean market and

US\$575 million in 10-year term bonds in the U.S. market. In 2014 Andina issues UF 3,000,000 in twenty-one year-term bonds in the Chilean market.



## Deeds of Incorporation

Embotelladora Andina S.A. is an open stock corporation, incorporated by means of a public deed dated February 7, 1946, before Mr. Luciano Hiriart Corvalán, Public Notary of Santiago. An abstract of this deed is registered on page 768, N° 581 of the Santiago Registry of Commerce of 1946, and was published in the Official Daily Newspaper issue N° 20,413 dated March 25, 1946.

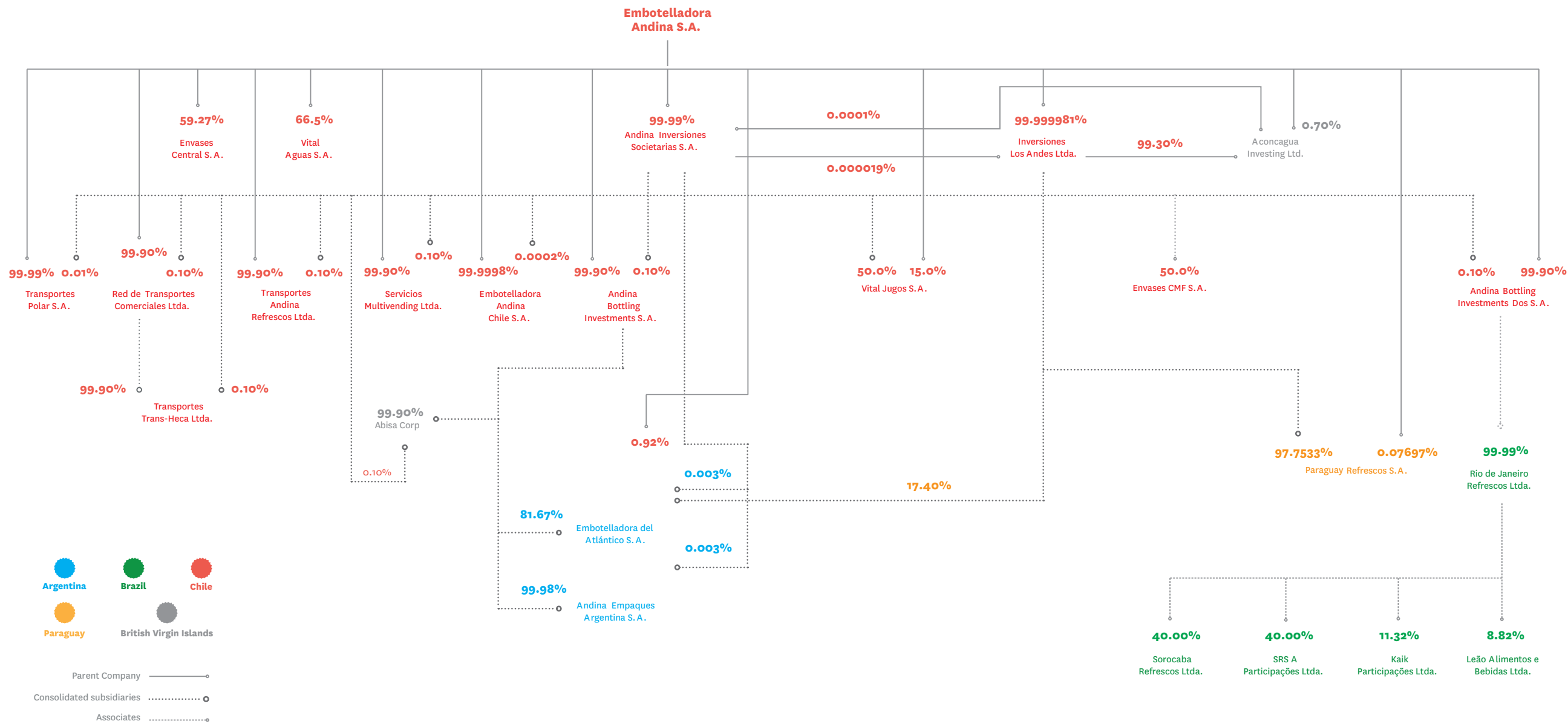
The Chilean Treasury Department, upon Decree N°1,364 of March 13, 1946, which is registered on page 770 N°582 of the Santiago Registry of Commerce of 1946, approved the Company's bylaws, authorized its creation, and declared it duly incorporated.

The latest amendment to the Company's bylaws was approved at the Special General Shareholders' Meeting held June 25, 2012. The minutes thereof were brought into a public deed dated July 12, 2012 before Mr. Luciano Hiriart Corvalán, Public Notary of Santiago. An abstract thereof is registered on page 49151 N°34479 of the Santiago Registry of Commerce of 2012, and was published in the Official Daily Newspaper dated August 1, 2012.

Subsequently, by public deed dated 14 October 2013, granted by Mr. Luciano Hiriart Corvalán, Public Notary of Santiago, evidence was noted of a full-fledged equity decrease according to the provisions of article 27 of Chilean Company Law N° 18,046. An abstract of this deed is scored aside from the Company's social inscription on the Santiago Registry of Commerce, dated October 16 of the same year. In accordance with the above, the share capital decreased by Ch\$21,724,544, and was divided into 473,289,301 Series A shares and 473,281,303 Series B shares.



# COMPANY STRUCTURE



## Corporate Governance

A Board of Directors<sup>1</sup>, whose members are proposed and elected every three years by the General Annual Shareholders' Meeting, controls Andina's management<sup>2</sup>. Board members are elected by separate voting of the Series A and Series B shareholders as follows: holders of Series A shares elect 12 Directors and holders of Series B shares elect 2 Directors. The Directors may or may not be shareholders, and will hold their offices for three years with the possibility to be re-elected for an indefinite number of periods.

The Company has an Executive Committee which was established by unanimous agreement of the Board of Directors of the Company at its session held on April 22, 1986, and its duty is to supervise the Company's general business and the control of operations on a permanent basis and through periodic sessions, and to propose guidelines concerning the administration of the Company's business. The members of the Executive Committee of the Board of Directors of Embotelladora Andina S.A. are the following directors: Eduardo Chadwick Claro, Arturo Majlis Albala, José Antonio Garcés Silva (junior), Gonzalo Said

Handal and Salvador Said Somavía, who were elected during regular Board session held on April 30, 2013. The Chairman of the Board, Mr. Juan Claro González and the Chief Executive Officer, Mr. Miguel Ángel Peirano, are also members of this committee, who participate by own right. This Committee meets permanently throughout the year.

The Company also has an Ethics Committee, which was established by the Board of Directors of the Company at its session held January 28, 2014. The following are included among its duties and responsibilities: i) receive, acknowledge, and investigate irregularity reports referred to in law N°20,393 on crime prevention, and recommend actions to be followed in each of the cases; (ii) establish and develop procedures to promote the ethical conduct of Company employees; (iii) supervise compliance with the provisions of the code of ethics, and resolve queries and disputes that its application might generate; (iv) establish mechanisms for dissemination of the code of ethics, and general matters of ethical character.



This Committee is composed by three directors, who are appointed by the Board of Directors and will occupy their posts until their successors are elected, or until resignation or dismissal. The current members of the Ethics Committee are the directors Mr. José Antonio Garcés Silva, Mr. Juan Claro González and Mr. José De Gregorio Rebeco.

Even though the Company has not established a formal process that allows its shareholders to communicate with the directors, shareholders desiring to do so may manifest their opinions, considerations or recommendations before or during the Shareholders' Meeting (the "Meeting") which will be heard and attended by the Chairman of the Board, or by the Chief Executive Officer of the Company, and any such recommendations will be submitted for the consideration of shareholders in attendance during the Meeting. Andina has not defined a formal policy with respect

to the attendance of the directors at the Meeting, but it is customary for them to attend voluntarily. Likewise, Andina does not have a policy that is different from what is required by Chilean Law with respect to the nomination of a shareholder as a candidate to be a member of the Board of Directors of the Company. Consequently, any interested shareholder may attend a Meeting to propose a specific candidate as director when an election is to take place.

In accordance to Chilean Law, Andina is not required to have a Directors' Nominating Committee, as in other countries.

Further information regarding Corporate Governance matters and the difference with U.S. standards are included in our 20-F Form filed with the SEC every year, and on our website [www.koandina.com](http://www.koandina.com), as of April 30, 2016.

1. For the period ended December 31, 2015, the Board of Directors incurred in Ch\$41,840,928 million related to legal counsel.
2. The last election of Directors took place at the General Shareholders' Meeting dated April 25, 2013.



# Directors’ Committee



Pursuant to Article 50 bis of Chilean Company Law N°18,046 and in accordance to the dispositions of Circular N°1956 and Circular N°560 of the Chilean Superintendence of Securities and Insurance, the current Directors’ Committee was elected during Board Session dated April 30, 2013. The Committee is composed of Mr. Gonzalo Parot Palma (as Committee Chairman and as Independent Director), Mr. Arturo Majlis Albala and Mr. Salvador Said Somavía.

Between January 1 and April 30, 2013, the Directors’ Committee was composed by the following people: Gonzalo Parot Palma (Chairman), Enrique Cibié Bluth and Arturo Majlis Albala, the first two holding the position of Independent Directors.

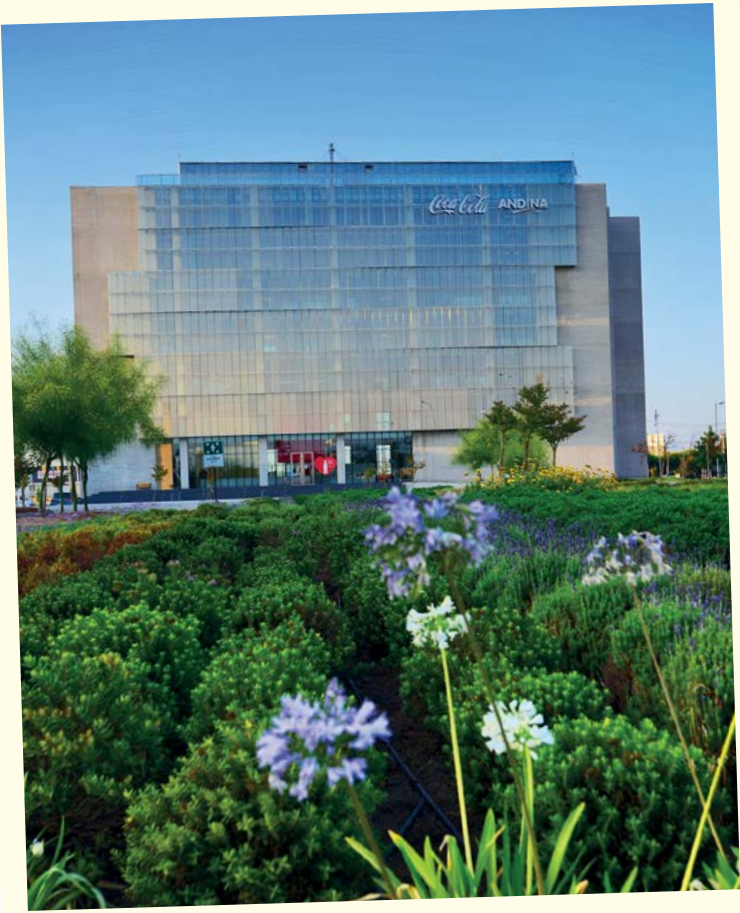
Pursuant to Article 50 bis of Chilean Corporation Law N°18,046, we inform about the tasks carried out by Embotelladora Andina S.A.’s Directors’ Committee, reporting that during 2015 the Committee developed the following activities:

- › Examined the reports of external auditors, of the balance sheets and other financial statements, presented by the administrators of the Company to the shareholders, and to take a position on such reports before they are presented to shareholders for their approval.

- › Proposed External Auditors and Private Rating Agencies, accordingly to the Board of Directors were proposed to the Shareholders’ Meeting.
- › Examined information regarding the operations referred to by Title XVI of Law N°18,046 and report on these operations. For detailed information regarding these operations, please refer to the Notes of the Consolidated Financial Statements included in this annual report.
- › Examine the salary systems and compensation plans of managers, principal officers and employees.
- › Report to the Board of Directors whether it is convenient or not to hire an external auditing Company to render services that do not form part of the external audit, when they are not forbidden in accordance to article 242 of Chilean Law N°18,045 on Securities Market, in that the nature of those services may generate a risk of loss of independence.
- › Reviewed and approved the Company’s 20F and verified management compliance with Rule 404 of the Sarbanes Oxley Act (Rule 404 states that management must evaluate Company internal controls on a yearly basis).
- › Reviewed anonymous complaints.
- › Reviewed internal audit reports.

- › Reviewed and approved Corporate Policy on Purchases and Investments.
- › Reviewed and monitored the Internal Control system in accordance to the new COSO 2013 standard.
- › Reviewed and followed up on the implementation of the Coke One System.
- › Reviewed and reported to the Board about the Corporate Policy on Conflict of Interest.
- › Followed up on the fulfillment of the Conciliation Agreement concluded with Chile’s National Economic Prosecutor (Fiscalía Nacional Económica)
- › Requested counseling to comply with General Rule N ° 385 of Chile’s Superintendence of Securities and Insurance, and to follow up on the reports referred to the progress in this area.
- › Acknowledged and analyzed the origin of a new business model for Stills.
- › Reviewed the terms of the Corporate Policy on Insurance.

Finally, we inform that during 2015, the Directors’ Committee incurred in Ch\$42,354,736 in expenses relating to business consulting provided by Ernst & Young on internal control matters, corporate transparency market research and analysis, and maintenance of the Company’s channel for anonymous reports.



# Sarbanes-Oxley Audit Committee<sup>1</sup>

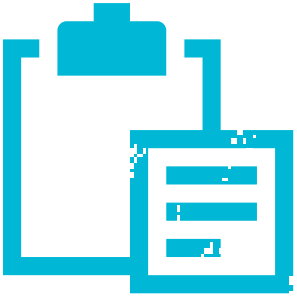
In accordance with NYSE and SEC requirements regarding compliance with the Sarbanes-Oxley Act, the Board of Directors established the first Audit Committee on July 26, 2005. The current Audit Committee was elected during Board Session held April 30, 2013. Mr. Gonzalo Parot Palma, Mr. Arturo Majlis Albala, and Mr. Salvador Said Somavía were elected as members of the Audit Committee.

It was determined that Mr. Gonzalo Parot Palma complied with the independence standards set forth in the Sarbanes-Oxley Act, SEC and NYSE regulations. Also, Mr. Parot has been appointed by the Board of Directors as the financial expert in accordance

with the definitions of the listing standards of the NYSE and the Sarbanes-Oxley Act. The resolutions, agreements and organization of the Audit Committee are governed by the rules relating to Board Meetings and to the Company’s Directors’ Committee. Since its creation, the sessions of the Audit Committee have been held with the Directors’ Committee, since some of the functions are very similar and the members of both of these Committees are the same.

The Audit Committee Charter that is available on our website: [www.koandina.com](http://www.koandina.com), defines the duties and responsibilities of this Committee. The Audit Committee is

responsible for analyzing the Company’s financial statements; supporting the financial supervision and rendering of accounts; ensuring management’s development of reliable internal controls; ensuring compliance by the audit department and external auditors of their respective roles; and reviewing auditing practices.



1. For the period ended December 31, 2015, the Audit Committee did not incur any expenses.

Board of Directors\*



1 2 3 4 5 6 7



8 9 10 11 12 13 14

- 1 Arturo Majlis Albala**  
Attorney at Law  
Chilean Tax Id N°: 6.998.727-3

**2 Franz Alscher**  
Economist  
Foreign citizen

**3 Gonzalo Said Handal**  
Commercial Engineer  
Chilean Tax Id N°: 6.555.478-K

**4 Emilio Rodríguez Larraín**  
Attorney at Law  
Foreign citizen

**5 Ricardo Vontobel**  
Business Administrator  
Foreign citizen

**6 Juan Claro González**  
*Chairman of the Board*  
Entrepreneur  
Chilean Tax Id N°: 5.663.828-8

**7 Juan Andrés Fontaine Talavera**  
Commercial Engineer  
Chilean Tax Id N°: 6.068.568-1

**8 Mariano Rossi**  
Business Administrator  
Foreign citizen

**9 Salvador Said Somavía**  
Commercial Engineer  
Chilean Tax Id N°: 6.379.626-3

**10 Gonzalo Parot Palma**  
Civil Industrial Engineer  
Chilean Tax Id N°: 6.703.799-5

**11 José Antonio Garcés Silva**  
*Vice Charman on the Board*  
Commercial Engineer  
Chilean Tax Id N°: 8.745.864-4

**12 José De Gregorio Rebeco**  
Civil Industrial Engineer  
Chilean Tax Id N°: 7.040.498-2

- 13 Eduardo Chadwick Claro**  
Civil Industrial Engineer  
Chilean Tax Id N°: 7.011.444-5

**14 Francisco Javier Crespo**  
Industrial Engineer  
Foreign citizen

\* Date appointed:  
April 25, 2013

Notes

1. The Directors Messrs. Eduardo Chadwick Claro, José Antonio Garcés Silva, Gonzalo Said Handal and Salvador Said Somavía hold an ownership interest in the Company, a detail of which can be found on page 100 of this Annual Report. The Director Mr. Arturo Majlis Albala owns company stock representing a 0.0005% of Series A shares and 0.0016% Series B shares. Additionally none of the others Directors holds Andina's stock.

2. People who are not currently Company Directors but who were directors during the last 2 years are identified as follows:
- Brian J. Smith**  
*Bachelor Of Arts*  
Foreign Citizen  
Appointed on April 27, 2012 as director. Cessation of office date: April 25, 2013
- Enrique Cibié Bluth**  
*Commercial Engineer*  
Chilean Tax Id N°: 6.027.149-6  
Appointed on April 27, 2012 as alternate director. Cessation of office date: April 25, 2013
3. The Board of Directors of Coca-Cola Andina is composed of 14 directors and there are no women within the Board. Nine

of them are Chilean citizens and five of them are foreign citizens. All current members of the Board are older than 40 years of age and 2 between 41 and 50, 8 between 51 and 60, 4 between 61 and 70, there are no Directors over the age of 70. Directors who are currently members of the Company's Board of Directors have been in office for at least the 3-year statutory period, and considering that its members may be indefinitely re-elected, 9 have exercised their position between 3 and 6 years, none more than 6 and less than 9 years, 5 between 9 and 12 years, and none more than 12 years.





## Our Employees\*

Of total Company employees, 14,127 are male and 1,680 are female. Of them, 2,950 are Chilean citizens and 12,467 are foreign citizens. Of the foreign citizens, 12,429 employees are of national origin of their respective Operations.

Of total Company employees, 5,233 are under 30 years of age, 6,164 are between 30 and 40, 3,074 between 41 and 50, 1,163

between 51 and 60, 165 between 61 and 70, and 3 are older than 70.

Of total Company employees, 7,919 have performed their role in the Company for less than 3 years, 3,195 between 3 and 6 years, 1,205 for more than 6 and less than 9 years, 1,237 between 9 and 12 years, and 2,251 for more than 12 years.

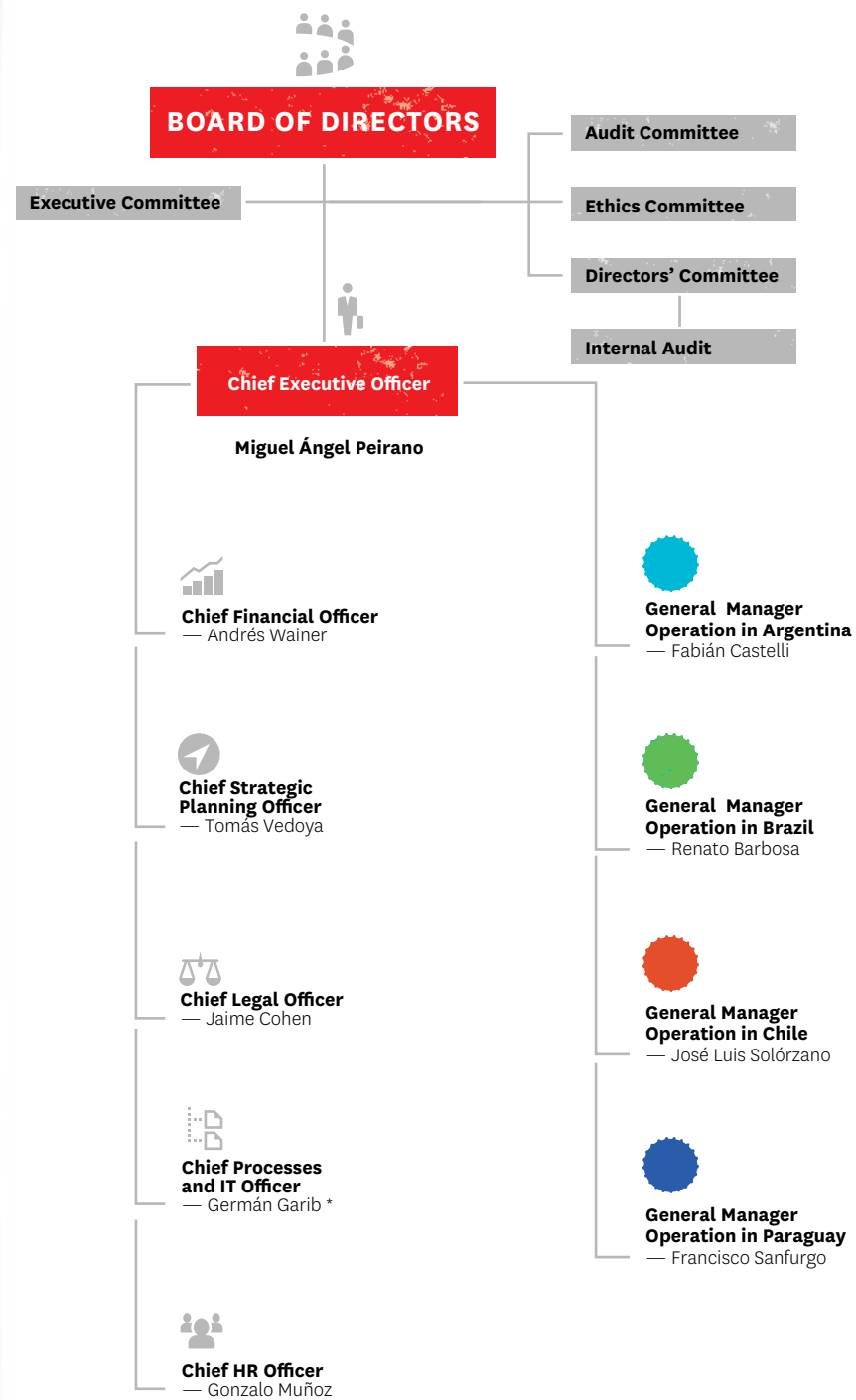


	MANAGERS AND PRINCIPAL OFFICERS	PROFESSIONALS AND TECHNICIANS	OTHER EMPLOYEES	TEMPORARIES	TOTAL 2015
Argentina					
Embotelladora del Atlántico S.A.	101	674	1,937	470	3,182
Andina Empaques Argentina S.A.	5	38	113	31	187
Brazil					
Rio de Janeiro Refrescos Ltda.	63	5,705	2.271	-	8,039
Chile					
Embotelladora Andina S.A.	56	1,022	1,285	289	2,652
Vital Jugos S.A.	1	32	76	23	132
Vital Aguas S.A.	4	123	299	31	457
Envases Central S.A.	3	25	45	10	83
Paraguay					
Paraguay Refrescos S.A.	33	250	626	167	1,076
TOTAL	266	7,869	6,652	1,021	15,808

\* The number of employees is calculated as equivalent to full time hours, which means that extraordinary hours are considered as additional employees.



# Administrative Structure



\* Germán Garib left his position on January 31, 2016 and has been replaced as Chief Processes and IT Officer by Mr. Carlos Gálvez, beginning February 1, 2016.





Management Structure

CORPORATE OFFICE¹

**Miguel Ángel Peirano**  
Chief Executive Officer  
Chilean Tax Id.: 23.836.584-8  
Electrical Engineer  
(IN OFFICE SINCE JANUARY 1, 2012)

**Andrés Wainer**  
Chief Financial Officer  
Chilean Tax Id.: 10.031.788-5  
Economist  
(IN OFFICE SINCE JANUARY 1, 2012)

**Tomás Vedoya**  
Chief Strategic Planning Officer  
Chilean Tax Id.: 23.058.990-9  
Commercial Engineer  
(IN OFFICE SINCE FEBRUARY 23, 2015)

**Jaime Cohen**  
Chief Legal Officer  
Chilean Tax Id.: 10.550.141-2  
Attorney at Law  
(IN OFFICE SINCE SEPTEMBER 1, 2008)

**Germán Garib²**  
Chief Process & Information Officer  
Chilean Tax Id.: 7.366.921-9  
Civil Engineer  
(IN OFFICE SINCE MAY 8, 1998)

**Gonzalo Muñoz**  
Chief Human Resources Officer  
Chilean Tax Id.: 7.691.376-5  
Certified Public Accountant  
(IN OFFICE SINCE JANUARY 1, 2015)

**Augusto Veas**  
Corporate Risk and Controlling Manager  
Chilean Tax Id.: 8.954.388-6  
Certified Public Accountant  
(IN OFFICE SINCE JUNE, 2015)



1. Administratively Embotelladora Andina S.A. is structured as a holding company made up of one corporate office and one operating facility in each of the countries it carries out business.
2. Germán Garib left his position on January 31, 2016 and has been replaced as Chief Processes and IT Officer by Mr. Carlos Gálvez, RUT N° 9.096.278-7 beginning February 1, 2016.
3. None of the principal officers hold Andina's stock.
4. Diversity in the General Manager's office and other Managing areas that report to the General Manager: The General Manager and Principal Managers of Coca-Cola Andina are 10, all men. Of them, 6 are Chilean citizens and 4 are foreign citizens. Within the principal officers, there are no officers younger than 30 years old, 1 is between 30 and 40, 3 are between 41 and 50, 5 between 51 and 60 and 1 is between 61 and 70 years old. Regarding seniority within the Company, of the principal officers of Coca-Cola Andina, 4 of them have held their position for less than 3 years, 3 between 3 and 6 years, 1 for more than 6 and less than 9 years, 1 between 9 and 12 years and 1 for more than 12 years.

Main Operations

ARGENTINA

**Fabián Castelli**  
General Manager  
Dni 17.744.981  
Industrial Engineer  
(IN OFFICE SINCE APRIL 1ST, 2014)

**Fernando Ramos**  
Finance and  
Administration Manager

**Pablo Teobaldo**  
Commercial Manager

**Daniel Palacios**  
Quality Manager

**Lilia Hidalgo**  
Human Resources  
Manager

**Hugo Aquerman**  
Institutional Relations  
Manager

**Pablo Bardin**  
Industrial Manager

**Santiago López**  
Distribution and Logistics  
Manager

**Diego Garavaglia**  
Integration Manager

**Roberto Otegui¹**  
Patagonia Manager

**Daniel Caridi**  
General Manager Andina  
Empaques Argentina S.A.

BRAZIL

**Renato Barbosa**  
General Manager  
Foreign citizen, Economist  
(IN OFFICE SINCE JANUARY 1, 2012)

**David Parkes**  
Finance and  
Administration Manager

**Marcio Greco**  
Strategic Planning  
Manager

**Rodrigo Ormachea**  
Commercial Manager

**Max Ciarlini**  
Human Resources  
Manager

**Fernando Fragata**  
Legal Manager

**Rui Barreto**  
Ribeirao Preto Manager

**Rodrigo Klee**  
Logistics and Operations  
Manager

**Ana María Trinidad**  
Suply Manager

**Wagner Carrer**  
RP Commercial Manager

CHILE

**José Luis Solórzano**  
General Manager  
RUT 10.023.094-1,  
Commercial Engineer  
(IN OFFICE SINCE APRIL 1, 2014)

**Alberto Moreno**  
Finance and  
Administration Manager

**Sebastián Tagle Pérez**  
Commercial Manager

**Rodrigo Marticorena**  
Human Resources  
Manager

**Javier Urrutia**  
Legal Deputy Manager

**María Cecilia Facetti**  
S&OP Manager

**José María Sánchez**  
National Industrial  
Manager

**Alejandro Vargas**  
National Logistics Manager

**Rodolfo Peña**  
Regions' Manager

**Fernando Jaña**  
Red de Transportes  
Comerciales Limitada  
Manager

**Alejandro Zalaquett**  
Coke One Manager

PARAGUAY

**Francisco Sanfurgo**  
General Manager  
Chilean Tax Id N°  
7.053.083-K, Mechanical  
Engineer  
(IN OFFICE SINCE JANUARY 1, 2005)

**Eduardo Yulita**  
Finance, Administration  
and Systems

**Melina Bogado**  
Marketing Manager

**Leonardo Calvete**  
Quality Manager

**María Teresa Llamosas**  
Human Resources  
Manager

**Carlos Stuardo**  
Industrial Manager

**Julio Fiandro**  
Logistics Manager

1. \*Since February 26, 2016, Roberto Otegui no longer belongs to the Company. The position of Patagonia Manager will not be replaced.

## Company Ownership

The dividend distribution policy has consisted of paying out a percentage not lower than 30% of the Company's earnings for the period, no material changes to this policy are expected in the future. Historically the Company has carried out dividend payments through interim dividends and one final dividend payable in April of the following year. Since the year 2000 the Company has paid out an additional dividend every year based on available surplus cash at the end of each period, which is previously approved at the General Shareholders' Meeting.

During 2015 Distributable Earnings were equal to Net Income.

Their voting and economic rights mainly differentiate Series A and Series B shares.

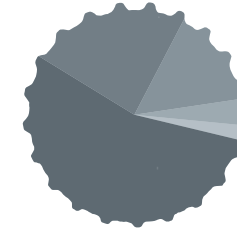
The preference of Series A shares consists of the right to choose 12 of the 14 directors. The preference of Series B shares consists of the right to receive all and any dividends that the Company distributes per share being those interim, definitive, minimum required, additional or possible, increased by 10%. The preference of Series A and Series B shares will last for the term that expires on December 31, 2130. Upon expiration of this term, Series A and B will be deleted and the shares which form them will be automatically transformed into common stock without any preference, eliminating the split into series of shares.

### Shareholders' Summary and Comments

Pursuant to General Rule N° 30 of the Chilean Superintendence of Securities and Insurance and article 74 of Law N° 18.046, it is informed that neither the Committee nor shareholders or groups of shareholders representing or holding 10% or more of the issued shares with voting rights have made comments or suggestions concerning the running of Company business.

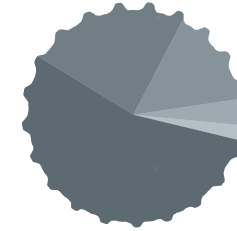
However, the minutes of the Regular Shareholders' Meeting of 2015 include all observations made by every shareholder that expressed his/her opinion during said meeting.

Series A



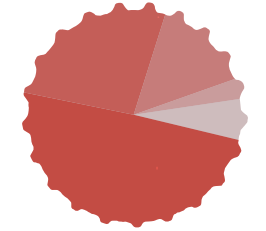
■	55.7%	*Controlling Group
■	22.7%	Others
■	14.7%	Coca-Cola
■	4.6%	Chilean Pension Funds
■	2.3%	ADRs

Series B



■	43.8%	*Controlling Group
■	29.3%	Others
■	14.7%	Coca-Cola
■	1.5%	Chilean Pension Funds
■	10.7%	ADRs

Total



■	49.8%	*Controlling Group
■	26.0%	Others
■	14.7%	Coca-Cola
■	3.1%	Chilean Pension Funds
■	6.5%	ADRs

\*See Description of Controlling Group on page 100.

TWELVE MAIN SHAREHOLDERS	SERIES A	SERIES B	TOTAL	OWNERSHIP INTEREST (%)
Coca-Cola de Chile S. A.	67,938,179	67,938,179	135,876,358	14.35
Inversiones Cabildo Spa*	52,987,375	49,650,863	102,638,238	10.84
Inversiones Sh Seis Limitada*	52,989,375	37,864,863	90,854,238	9.60
Banco de Chile por Cuenta de Terceros	30,249,791	50,979,234	81,229,025	8.58
The Bank of New York Mellon	11,023,308	50,815,002	61,838,310	6.53
Inversiones Nueva Delta S.A.*	46,426,645		46,426,645	4.90
Inversiones El Olivillo Limitada*	46,426,645		46,426,645	4.90
Banco Itaú por Cuenta de Inversionistas	24,815,996	21,498,386	46,314,382	4.89
Rentas Ima Ltda.*		38,978,263	38,978,263	4.12
Inversiones Nueva Sofía Ltda.*	2,985,731	25,678,583	28,664,314	3.03
Inversiones Las Gaviotas Dos Ltda.*	13,513,594	13,513,594	27,027,188	2.86
Banco Santander - Jp Morgan	12,344,452	14,196,648	26,541,100	2.80

\* Company Related to the Controlling Group

The total number of shareholders of Embotelladora Andina S.A. at December 31, 2015 is 869 shareholders of the Series A and 1,206 shareholders of the Series B.

DIVIDENDS*		SERIES A <sup>1</sup>	SERIES B <sup>1</sup>	TOTAL PAID <sup>2</sup>
January	Interim	9.00	9.90	8,945
May	Final	15.00	16.50	14,908
August	Additional	15.00	16.50	14,908
October	Interim	15.00	16.50	14,908
<b>Total 2015</b>		<b>54.00</b>	<b>59.40</b>	<b>53,671</b>
<b>Total 2014</b>		<b>52.40</b>	<b>57.64</b>	<b>52,080</b>
<b>Total 2013</b>		<b>71.60</b>	<b>78.76</b>	<b>71,163</b>

1. Ch\$ per share

2. Million nominal Ch\$

\* All dividend payments were reported as material events and timely filed with Chilean Superintendence of Securities and Insurance and the SEC, and were also posted on our website.



# Our Business





  
Argentina







## Argentina



- San Juan • Mendoza • San Luis • Córdoba • Santa Fe • Entre Ríos
- La Pampa • Neuquén • Río Negro • Chubut • Santa Cruz • Tierra del Fuego
- Western Province of Buenos Aires.

### General Information 2015

Total Sales Volume (MUCs)		
 <b>234.2</b>		
Soft drinks	Juices & Others	Waters
200.3	24.4	9.6

Total Per capita Annual Consumption (8 oz. bottles)		
 <b>392</b>		
Soft drinks	Juices & Others	Waters
346	16	30

Market Share* (%)		
		
Soft drinks	Juices & Others	Waters
61.6	30.5	13.0

 Clients	66,000
Franchise Extension (Thousand Km²)	1,892
Franchise Population (million)	13.9
Operating Income (MCH\$)	58,474
 EBITDA (MCH\$)	79,646

\* Source: AC Nielsen

Business Description\*

Coca-Cola Andina Argentina produces and commercializes the following products licensed by The Coca-Cola Company:

Coca-Cola, Coca-Cola Light, Coca-Cola Zero, Coca-Cola Life, Fanta Naranja, Fanta Naranja Zero, Fanta Limón, Fanta Pomelo, Sprite, Sprite Zero, Quatro Liviana, Schweppes Citrus, Schweppes Tónica, Schweppes Pomelo, Schweppes Lima Limón, Crush Naranja, Crush Lima Limón, Kin (carbonated and non-carbonated soda water), Bonaqua (carbonated and non-carbonated mineral water) and Aquarius (10 flavors). Additionally, it produces and commercializes Cepita (9 flavors), Powerade (5 flavors), Té frío, fuze Tea, and Black Fire energizing drink. It also commercializes the following beer brands: Amstel, Budweiser, Heineken, Sol, Imperial (5 varieties), Palermo, Schneider Bieckert, Kunstmann (3 varieties).

License Agreements

These Agreements are international standard contracts The Coca-Cola Company enters into with bottlers outside the United States for the sale of concentrates and beverage basis for certain Coca-Cola soft drinks and non-soft drink beverages. In accordance with these contracts we have the right to produce and commercialize Coca-Cola soft drinks in our franchise territory. Although this is not an exclusive right, the Coca-Cola Company has never authorized any other entity to produce or commercialize Coca-Cola soft drinks or other Coca-Cola beverages in our franchise territory. The Agreement states as franchise territory the provinces of Córdoba, Mendoza, San Juan, San Luis and Entre Ríos, as well as part of the provinces of Santa Fe and Buenos Aires, Chubut, Santa Cruz, Neuquén, Río Negro, La Pampa, Tierra del Fuego, Antártica and South Atlantic Islands. The Agreement with The Coca-Cola Company was extended for 5 years beginning February 10, 2012, until February 10, 2017.

Production and Distribution

Coca-Cola Andina Argentina operates 3 production facilities for soft drinks, one located in Córdoba with 10 lines and an average utilization capacity during 2015 of 61.0%; one located in Bahía Blanca (Province of Buenos Aires) with 3 lines and an average utilization capacity during 2015 of 81.5%; one located in Trelew (Province of Chubut) with 3 lines and an average utilization capacity during 2015 of 41.6%. Additionally the Córdoba plant also has the capacity to produce juices for it which it has 3 lines with an average utilization capacity of 47.9% and it also has the capacity to produce mineral water and other products through one line with an average utilization capacity of 34.4%. Finally, at the Bahía Blanca plant the company has the capacity to produce juices through 1 line

with an average utilization capacity of 14.7%. Additionally it manages 283 automatic soft drink vending machines.

Also, during June 2012, we inaugurated at the Córdoba production facility a plant for the processing of raw sugar, with nominal processing capacity of approximately 350 tons/per day upon conclusion of next year’s forecasted investments. The process has multiple stages and continues in development given the complexity of the operation, reaching 63% of plant utilization during 2015. This innovative integration into the value chain is unique in the Coca-Cola system.

The distribution of products is carried out through third party distributing companies with a fleet of 94 contractors with a total of 859 trucks.

Clients and Suppliers

The twelve main clients are:

Jumbo Retail Argentina S.A., Inc Sociedad Anónima, SAIEP, WalMart Argentina S.R.L., Pont Andrés Roberto, Vargas José Luis, Mistura S.A., J Y H Distribuciones S.R.L., Coop Obrera L.T.D., López Hnos. S.R.L., Garzón S.R.L. and Manzur Fortunato Alberto.

None of the clients by themselves concentrate more than 10% of the sales carried out.

The suppliers of main raw materials are:

- › Concentrate: Servicios y Productos para Bebidas Refrescantes S.R.L.<sup>1</sup>
- › Sweetener: Atanor S.C.A., Ingenio y Refinería San Martín del Tabacal S.R.L.,
- › Water: We own water wells and pay a fee to the Dirección Provincial de Aguas Sanitarias.

› Carbon Dioxide: Praxair Argentina S.R.L. and Air Liquide Argentina S.A.

› Packaging (Bottles): Cattorini Hermanos S.A.C.I.F., Andina Empaques Argentina S.A.<sup>2</sup>, and AMCOR Pet Packaging de Argentina S.A.

› Boxes: Andina Empaques Argentina S.A.<sup>2</sup>, and Cabelma S.A.

› Plastic Caps: Andina Empaques Argentina S.A.<sup>2</sup>, Alusud Argentina S.R.L., Sinea Plásticos S.A. and Bericap S.A.

› Metallic Caps: Aro S.A. Exportação Importação Indústria Comercio and Metalgráfica Cearence S.A.

› Electric Energy: Compañía Administradora del Mercado Mayorista Eléctrico S.A. (CAMMESA).

› Thermocontractable: Río Chico S.A., Petropack S.A. and Plastinadino S.A.

› Labels: Luis y Miguel Zanniello S.A. and Envases John S.A.

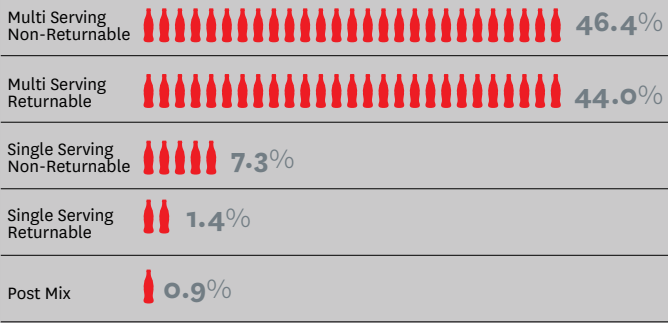
Servicios y Productos para Bebidas Refrescantes S.R.L.<sup>1</sup> concentrates by itself at least 10% of the purchases carried out.

\* For an in-depth description of our business in Argentina, refer to our annual report on Form 20-F which will be available beginning April 30, 2016 on our website: [www.koandina.com](http://www.koandina.com).

1. Shareholder  
2. Subsidiary

Argentina in figures

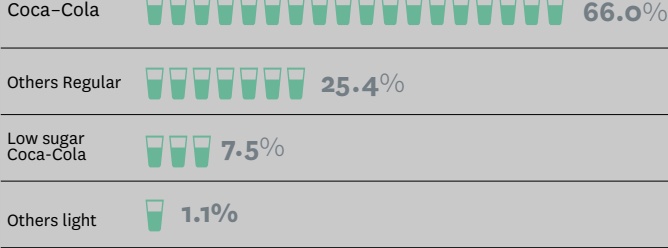
Sales by Format Soft Drinks



Sales by Channel



Sales by Flavor Soft Drinks







  
Brazil








# Brazil



• Rio de Janeiro • Espíritu Santo • part of São Paulo • part of Minas Gerais

## General Information 2015

Total Sales Volume (MUCs)				
		290.6		
Soft drinks	Juices & Others	Waters	Beers	
235.6	30.8	6.4	17.8	

Market Share* (%)			
	Soft drinks	Juices & Others	Waters
	62.3	38.2	6.9

Total Per capita Annual Consumption (8 oz. bottles)				
		303		
Soft drinks	Juices & Others	Waters	Beers	
256	21	7	19	

 Clients	97,000
Franchise Extension (thousand Km²)	165
Franchise Population (million)	21.9
Operating Income (mCh\$)	75,936
 EBITDA (mCh\$)	102,508

\* Source: AC Nielsen



Business Description \*

Coca-Cola Andina Brazil commercializes products of The Coca-Cola Company and Heineken. It produces, sells and distributes the following products licensed by The Coca-Cola Company: Coca-Cola, Coca-Cola Light, Coca-Cola Zero, Kuat, Kuat Zero, Fanta (5 flavors), Fanta Zero (2 flavors), Sprite, Sprite Zero, Crystal (mineral water), Aquarius Fresh Limão, Schweppes Tônica, Schweppes Citrus, Schweppes Soda,Ig (4 flavors), Kapo (8 flavors), Suco Mais (3 flavors) Kapo Chocolate (flavored milk), Burn, Chá Verde, Leão Ice Tea (2 flavors), Leão Ice Tea Zero (2 flavors), Powerade (5 flavors), Del Valle Frut (4 flavors), Del Valle Mais (8 flavors), Del Valle Mais Light (6 flavors), ), Kapo (6 flavors), Del Valle 100% (2 flavors), Del Valle Reserva (2 flavors), Matte Leão (3 flavors),Matte Leão Diet (2 flavors), Matte Leão Zero (2 flavors), Guaraná Power (2 flavors). Additionally it distributes the following beer brands: Kaiser, Heineken, Bavaria, Xingu, Sol, Premium, Dos Equis, Murphys, Amstel, Sagres, Desperados Edelweiss and Birra Moretti.

License Agreements

These agreements are international standard contracts The Coca-Cola Company enters into with bottlers outside the United States for the sale of concentrates and beverage basis for certain Coca-Cola soft drinks and non-soft drink beverages. In accordance with these contracts we have the right to produce and distribute Coca-Cola soft drinks in our franchise territory. Although this is not an exclusive right, the Coca-Cola

Company has never authorized any other entity to produce or distribute Coca-Cola soft drinks or other Coca-Cola beverages in our franchise territory. The agreement states as franchise territory: the majority of the State of Rio de Janeiro, the totality of the State of Espírito Santo and part of the states of São Paulo y Minas Gerais.

The term of the agreement with The Coca-Cola Company is five years beginning October 3, 2012, ending October 3, 2017.

The Coca-Cola Company, Cervejarías Kaiser S.A., Molson Inc. and the Brazilian Association of Manufacturers of Coca-Cola entered into an agreement of understanding and a convention regarding the distribution of beer produced and imported by Kaiser, through Coca-Cola´s distribution system. The distribution agreements signed after May 30, 2003 have duration of 20 years and are renewable.

Production and Distribution

Coca-Cola Andina Brazil operates three production facilities (i) one plant located in Jacarepaguá in the State of Rio de Janeiro, with 11 production lines and 71.9% of utilization capacity; (ii) one plant located in Vitoria in the State of Espírito Santo with 3 production lines and 61.2% of utilization capacity (iii) one plant in Ribeirão Preto in the state of São Paulo with 11 production lines and 58.8% of utilization capacity. The distribution of products is carried out through company-owned transportation companies

(809 trucks) and third party transportation companies (264 trucks). Additionally it manages 472 vending machines.

Clients and Suppliers

The twelve main clients of Coca-Cola Andina Brazil are:

Prezunic Comercial Ltda., Sociedade Comercial Champfer Ltda., Atacadao S.A, Carrefour Comércio e Indústria Ltda., Distribuidor de Bebidas Real Cola Ltda., Supermercados Mundial Ltda., Marco Atacadista S.A., Xantocarpa Participações Ltda., Supermarket, Companhia Brasileira De distribuição Cdb S.A, Savegnago and Super Mercado Zona Sul S.A.

None of our clients by themselves concentrate more than 10% of the sales carried out.

The suppliers of main raw materials are:

- › Concentrate: Recofarma Indústrias do Amazonas Ltda.<sup>1</sup>
- › Sweetener: Usina Alta Mogiana S.A., Açúcar e Alcool, Guarani S.A., Central E M Açúcar e Alcool Ltda (Moreno).
- › Water: Companhia Estadual de Água e Esgoto do Rio de Janeiro, and Companhia Espírito Santense de Sanenamento.
- › Carbon dioxide: White Martins Gases S.A., and. Light Esco Ltda., Linde Gases S.A.

- › Packaging (bottles): Brasalpla Brazil Indústria de Embalagens Ltda., Amcor PET Packaging do Brazil Ltda., and Owens-Illinois do Brazil Industria e Comercio S.A.
- › Aluminum cans and caps: Rexam Beverage Can South, Latapack Ball Embalagens Ltda.
- › Caps: Aro S.A., Bericap do Brasil Ltda., and Closure Systems International (Brazil) Sistemas de Vedação Ltda.
- › Electric energy: Light Esco Ltda., Light S.A. and Centrais Elétricas S.A.
- › Distributed Products: Leão Alimentos e Bebidas Ltda.<sup>2</sup> and Cervejarias Kaiser S.A.

Leão Alimentos e Bebidas Ltda., Cervejarias Kaiser S.A. and Recofarma Industrias do Amazonas Ltda. each concentrate by themselves at least 10% of the purchases carried out.

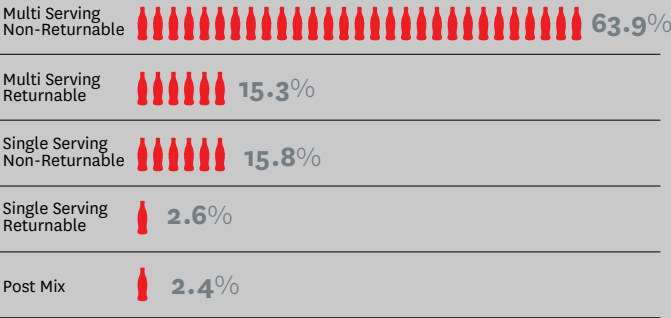
\* For an in-depth description of our business in Brazil, refer to our annual report on Form 20-F which will be available beginning April 30, 2016 on our website: [www.koandina.com](http://www.koandina.com).

1 Related to Shareholder Coca-Cola de Chile S.A.

2 Subsidiary

Brazil  
in figures

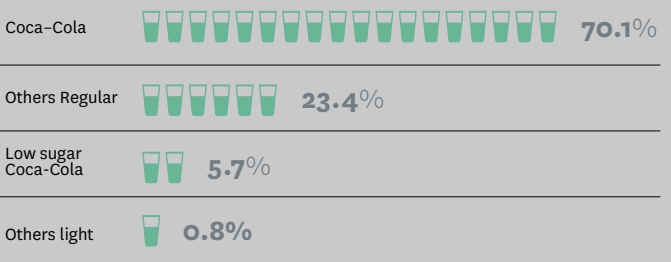
Sales by Format Soft Drinks



Sales by Channel



Sales by Flavor Soft Drinks





  
Chile






## Chile



• Antofagasta • Atacama • Coquimbo • Región Metropolitana  
• San Antonio • Cachapoal • Aysén • Magallanes

### General Information 2015

Total Sales Volume (MUCs)		
 <b>233.7</b>		
Soft drinks	Juices & Others	Waters
165.5	32.8	35.4

Total Per capita Annual Consumption (8 oz. bottles)		
 <b>533</b>		
Soft drinks	Juices & Others	Waters
408	49	76

Market Share* (%)		
		
Soft drinks	Juices & Others	Waters
69.3	34.8	42.5

 Clients	65,000
Franchise Extension (thousand Km²)	398
Franchise Population (million)	9.5
Operating Income (MCH\$)	63,059
 EBITDA (MCH\$)	103,142

Business Description\*

Coca-Cola Andina Chile produces and distributes the following products licensed by The Coca-Cola Company: Coca-Cola, Coca-Cola Light, Coca-Cola Zero, Coca-Cola Life, Fanta, Fanta Zero, Sprite, Sprite Zero, Nordic Mist Agua Tónica, Nordic Mist Ginger Ale, Nordic Mist Zero, Quatro (4 flavors), Burn, Inca Kola, Inca Kola Zero, Cantarina (5 flavors), Aquarius (5 flavors) and Benedictino. Additionally it distributes the products of Vital Jugos: Kapo (4 flavors), Andina del Valle (11 flavors), Andina del Valle Nutridefensas (5 flavors), Andina del Valle Sabores Caseros (3 flavors), Fuze Tea (5 flavors), Powerade (4 flavors), Powerade Light (3 flavors) and Glaceau Vitamin Water (5 flavors); Vital Aguas: Vital con gas, Vital sin gas, Vital soft gas; Envases Central: canned soft drinks Coca-Cola, Coca-Cola Light, Coca-Cola Zero, Coca-Cola Life, Fanta, Fanta Zero, Sprite, Sprite Zero, Nordic Mist Agua Tónica, Nordic Mist Ginger Ale, Nordic Mist Zero, Quatro (4 flavors), Burn. In pet 500 cc format, Fanta Zero, Sprite Zero, Quatro (4 flavors), Inca Kola, Inca Kola Zero, Aquarius (5 flavors) and in the 1.5 liter format Aquarius (5 flavors); Coca-Cola de Chile S.A. with café Blak, and some liquor in Punta Arenas. These products are commercialized in returnable and non-returnable glass and PET bottles, post-mix syrup, cans and Tetra Pak.

License Agreements

These agreements are international standard contracts The Coca-Cola Company enters into with bottlers outside the United States for the sale of concentrates and beverage basis for certain Coca-Cola soft drinks and non-soft drink beverages. In accordance with these contracts we have the right to produce and distribute Coca-Cola soft drinks in our franchise territory. Although this is not an exclusive right, The Coca-Cola Company has never authorized any other entity to produce or distribute Coca-Cola soft drinks or other Coca-Cola beverages in our franchise territory.

This Agreement states as franchise territory: the Metropolitan Region in Santiago, the Province of San Antonio in the Fifth Region; and the Province of Cachapoal (including San Vicente de Tagua-Tagua) in the Sixth Region. The Bottler Agreement with The Coca-Cola Company is in full force and effect until January 1, 2018.

On the other hand and as a result of the merger by absorption of Embotelladoras Coca-Cola Polar into Embotelladora Andina during 2012, The Coca-Cola Company authorized Embotelladora Andina S.A. to be the legal successor of the license agreement for the following territories in Chile: II, III, IV, XI, and XII regions as well the Chilean Antarctic, this agreement is in full force and effect until October 30, 2019.

Production and Distribution

Coca-Cola Andina operates 4 production facilities throughout Chile. (i) One plant located in Renca with 10 lines. Utilization capacity for 2015 was 70.8%. (ii) One plant located in Coquimbo with 3 lines. Utilization capacity for 2015 was 42.4%. (iii) One plant located in Antofagasta with 4 lines. Utilization capacity for 2015 was 65.8%; and (iv) one plant in Punta Arenas with 2 lines. Utilization capacity for 2015 was 30.2%.

The distribution of products is done through Company owned transportation and third party companies. Of the vehicles utilized (75 are Company-owned and 622 owned by contractors).

Coca-Cola Andina Chile also manages 1,738 vending machines for soft drinks and snacks through its subsidiary, Servicios Multivending, and 422 additional vending machines outside the central regions.

Clients and Suppliers

The twelve main clients are:

Wal-Mart Chile Comercial S.A., Cencosud Retail S.A., Rendic Hnos. S.A, Hipermercados Tottus S.A., Alimentos Fruna Ltda., Alvi Supermercados Mayoristas S.A., Aramark Servicios Mineros Y Remotos, Sodexho Chile S.A., Súper 10 S.A., Supermercados Montserrat S.A.C., Ekono S.A. and Compass Catering S.A.

None of our clients by themselves concentrate more than 10% of the sales carried out.

The suppliers of main raw materials are:

- › Concentrate: Coca-Cola de Chile S.A.<sup>1</sup>
- › Sweetener: Industria Azucarera Nacional S.A., Sucden Chile S.A. and Sucden Americas.
- › Water: Aguas Andinas S.A.
- › Carbon dioxide: Linde Gas Chile S.A., Praxair Chile S.A. and Praxair Argentina.
- › Packaging (bottles): Envases CMF S.A., Cristalerías de Chile S.A., Cristalerías Toro S.A.C.I., Cristalpet S.A. Uruguay.
- › Aluminum cans and caps: Rexam Chile S.A.
- › Caps: Envases CMF S.A.<sup>2</sup>, Sinea S.A., Alucaps Mexicana S.A. de C.V.
- › Electric energy: Chilectra S.A.

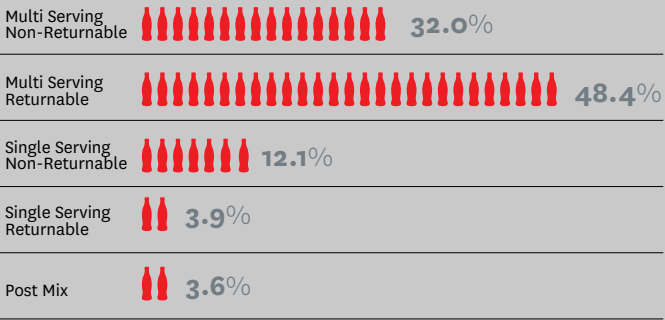
Coca-Cola de Chile S.A., Industria Azucarera Nacional S.A. and Sucden each concentrate by themselves at least 10% of the purchases carried out.

\* For an in-depth description of our business in Chile, refer to our annual report on Form 20-F which will be available beginning April 30, 2016 on our website: [www.koandina.com](http://www.koandina.com).

1. Shareholder  
2. Related Company

Chile  
in figures

Sales by Format Soft Drinks



Sales by Channel



Sales by Flavor Soft Drinks







Paraguay










## Paraguay

• The entire country

### General Information 2015

Total Sales Volume (MUCs)		
 <b>61.4</b>		
Soft drinks	Juices & Others	Waters
52.4	3.4	5.6
Total Per capita Annual Consumption (8 oz. bottles)		
 <b>211</b>		
Soft drinks	Juices & Others	Waters
180	12	19

Market Share* (%)		
		
Soft drinks	Juices & Others	Waters
65.3	38.2	49.4
 Clients		53,000
Franchise Extension (thousand Km <sup>2</sup> )		407
Franchise Population (million)		6.9
Operating Income (mCh\$)		22,167
 EBITDA (mCh\$)		34,972

\* Source: AC Nielsen



Business Description

Coca-Cola Paresa produces, sells and distributes the following products licensed by The Coca-Cola Company: Coca-Cola, Coca-Cola Zero, Fanta Naranja, Fanta Naranja Zero, Fanta Naranja Mandarina, Fanta Guaraná; Fanta Piña, Fanta Uva Schweppes Tónica, Schweppes Citrus, Sprite, Sprite Zero, Crush Naranja, Crush Piña, Crush Pomelo, Crush Guaran, Frugos Durazno, Frugos Manzana, Frugos Naranja, Frugos Pera, Frugos Naranja light, and Frugos Naranja Casera, Aquarius (4 flavors), Dasani, Powerade (5 flavors). These products are commercialized in returnable and non-returnable glass and PET bottles, bag-in-box syrup, cans and tetra.

License Agreements

These agreements are international standard contracts The Coca-Cola Company enters into with bottlers outside the United States for the sale of concentrates and beverage basis for certain Coca-Cola soft drinks and non-soft drink beverages. In accordance with these contracts we have the right to produce and distribute Coca-Cola soft drinks in our franchise territory. Although this is not an exclusive right, the Coca-Cola Company has never authorized any other

entity to produce or distribute Coca-Cola soft drinks or other Coca-Cola beverages in our franchise territory.

The agreement states as franchise territory all of the Paraguayan territory and it is in is in full force and effect until September 1, 2020.

Production and Distribution

Coca-Cola Paresa operates one production facility located in Asunción with a total of 8 bottling lines, with 73.0% utilization capacity, 2 tetra lines with 60.0% utilization capacity and 2 blowing lines with 85.0% utilization capacity. All NRPET lines were converted to Short Finish.

The distribution of products is carried out through third party distributing companies with an average fleet of 238 trucks that deliver our products to our clients throughout Paraguay. Additionally, we count on 43 third party trucks for the transportation of our products among the different cities in the country.

Clients and Suppliers

The twelve main clients of Coca-Cola Paresa are:

Stock Supermarket Chain; S6 Supermarket Chain; España Supermarket Chain; MC Donalds; Real Supermarket Chain; Pueblo Supermarket Chain; Salema Supermarket Chain; Petrobras Spacio 1; Mayorista La Alegría; Mayorista Despensa Las Hermanitas; Copetrol CopeMarket and, Cadena de Supermercado.

None of our clients by themselves concentrate more than 10% of the sales carried out.

The suppliers of main raw materials are:

- › Concentrate: Servicios y Productos Argentina<sup>1</sup>; and Recofarma Industrias do Amazonas Ltda.<sup>2</sup>
- › Sweetener: Industria Paraguaya de Alcoholes S.A.
- › Water: Coca-Cola Paresa owns water wells.
- › Packaging (bottles): Cattorini Hnos.; Lux (glass).
- › Plastic caps: Andina Empaques Argentina<sup>2</sup> and Sinea S.A.
- › Crown Caps: Aro S.A.
- › Preforms: Industrias PET S.A.
- › Electric energy: ANDE-Administración Nacional de Electricidad.

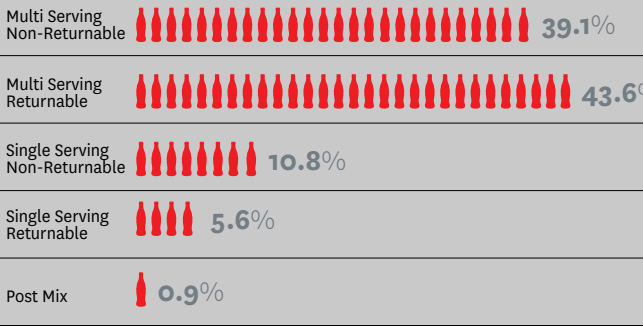
Industria Paraguaya de Alcoholes S.A. and Recofarma Industrias do Amazonas S.A.<sup>2</sup> each concentrate by themselves at least 10% of the purchases carried out.

<sup>\*</sup> For an in-depth description of our business in Paraguay, refer to our annual report on Form 20-F which will be available beginning April 30, 2016 on our website: [www.koandina.com](http://www.koandina.com).

1. Shareholder  
2. Company related to shareholder

Paraguay  
in figures

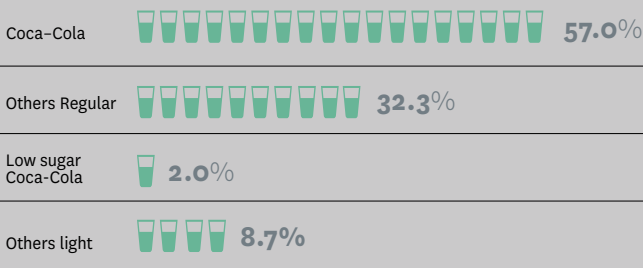
Sales by Format Soft Drinks



Sales by Channel



Sales by Flavor Soft Drinks



# Other Operations



## Andina Empaques Argentina S.A.

At a Special General Shareholders' Meeting held November 1, 2011, Embotelladora del Atlántico decided to divide part of its equity to form a new company under the name of Andina Empaques Argentina S.A. (hereinafter "AEA"), transferring to this company all activity and assets necessary in order to develop the operations of the packaging division. Accounting and tax effects began January 1st, 2012.

As a successor of the packaging division and aligned with our strategy to become the supplier of the Andina's group of companies, during 2015 we supplied non-returnable preforms and returnable PET bottles to Coca-Cola Andina Argentina. Outside the Andina Group, Coca-Cola Femsa in Buenos Aires continued being the main client Andina Empaques Argentina S.A.

### Production and Sales by Format

Andina Empaques Argentina operates one plant for the production of preforms, returnable PET bottles and plastic caps located at Tigre in the province Buenos Aires, Argentina. The plant has 13 injection lines, 3 blowing lines, 1 case line and 1 caps line.

Average utilization capacity during 2015 was 90.88% for injection lines, 73.9% for blowing lines, 58.0% for cases and 89.8% for plastic caps. Sales by format during 2015 were 48.8 million PET returnable bottles and 794.9 million preforms for non-returnable PET bottles, 0.18 million for cases and 475 million for plastic caps.

### Main suppliers of raw materials

- › Resin: DAK Americas Argentina S.A., PBB Polisor S.A., Ineos Sales (UK) Limited and PTT Polymer Marketing Company Lmt.
- › Coloring: Colormatrix, Kemkoll, Clariant and Arcolor.
- › Ink: Nazdar Shawnee.
- › Labels: Multi-Color Corp.
- › Packaging: Argencraf S.A., N.E.M. S.A., Afema S.A., and Fadecco S.A.
- › Electric energy: Edenor S.A., Cammesa, Termoandes S.A.

DAK Americas Argentina SA concentrate by itself at least 10% of the purchases carried out.

### Main Clients

The main clients are: Embotelladora del Atlántico S.A.<sup>4</sup>, Coca-Cola Femsa S.A., Paraguay Refrescos S.A.<sup>4</sup>, Grupo Arca, Envases CMF S.A.<sup>3</sup>, Reginald Lee S.A., Montevideo Refrescos S.A., Embotelladora Andina S.A.<sup>5</sup>

Embotelladora del Atlántico S.A.<sup>4</sup>, Cola Femsa S.A., Grupo Arca each concentrate by themselves at least 10% of the sales carried out.



Vital Jugos S.A.

In agreement with The Minute Maid Co. and Coca-Cola de Chile S.A., Vital Jugos S.A. produces nectars, fruit juices, fantasy drinks and isotonic beverages under the brands: Andina del Valle (fruit juices and fruit nectars), Kapo (fantasy drink) Fuze Tea (ready-to-drink tea), Powerade (isotonic); and Glaceau Vitamin Water (flavored water beverage). The juice brand Andina del Valle is commercialized in Tetra Pak packaging, non-returnable PET bottles, and in returnable and non-returnable glass bottles. Kapo is commercialized in sachets; Fuze Tea in non-returnable PET bottles; Powerade in Tetra Pak packaging and non-returnable PET bottles; and Glaceau Vitamin Water in non-returnable PET bottles.

In January of 2011, the juice production business is restructured allowing the incorporation of the other Coca-Cola bottlers in Chile to the ownership of Vital S.A., which changes its corporate name to Vital Jugos S.A. As a result of the merger by absorption of Embotelladoras Coca-Cola Polar into Embotelladora Andina which took place at the end of 2012, the ownership structure of Vital Jugos was amended beginning November 2012 as follows: Andina Inversiones Societarias 50%, Embonor S.A. 35% y Embotelladora Andina S.A. 15%.

Juice Bottler Agreement

In 2005, Vital Jugos S.A. and The Coca-Cola Company ("TCCC") entered into a Juice Bottler Agreement by which TCCC authorized Vital Jugos S.A. to produce, prepare and bottle in packaging previously approved by TCCC the abovementioned brands. Andina and Embonor have the right to purchase products from Vital Jugos S.A. Currently said agreement is in the process of being renewed. Additionally, Andina, Vital Jugos and Embonor have agreed with TCCC the respective agreements and authorizations to

produce, package, and sell these products at their respective production facilities.

Production and Distribution

Vital Jugos operates one production facility located in Santiago with 9 lines for the production of Andina del Valle Fuze Tea, Powerade, Aquarius and Glaceau Vitamin Water; and 7 lines for the production of Kapo. Average utilization capacity for the year 2015 was 73.6%. In Chile, exclusively the Coca-Cola bottlers in the country distribute the products of Vital Jugos. The distribution agreements stipulate the distribution of products in each of the bottlers' respective franchise territories.

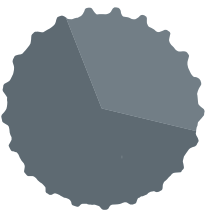
Main Suppliers

- › Concentrate: Coca-Cola de Chile S.A.<sup>1</sup>
- › Sweetener: Embotelladora Andina S.A.<sup>5</sup>
- › Fruit Pulp: Aconcagua Foods S.A., Cicoc-itríco Cutrale-Brasil, Nufri SAT-España.
- › Packaging, Bottles and Cans: Tetra Pak de Chile Ltda., Envases Del Pacífico S.A.<sup>2</sup>, Flexa, Envases CMF S.A.<sup>3</sup>
- › Caps: Alusud Embalajes Chile Ltda., Alucap S.R.L., Portola Packaging Inc.(SILGAN)

Tetra Pak, Envases CMF S.A.<sup>3</sup> and Coca Cola de Chile S.A.<sup>1</sup> each concentrate by themselves at least 10% of the purchases carried out.

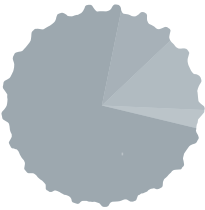
1. Shareholder  
2. Shareholder related  
3. Equity Investee  
4. Subsidiary  
5. Parent Company

Sales by Client



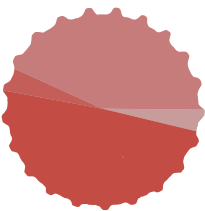
Andina 65.3%  
Embonor 34.7%

Sales by Product



Andina 74.5%  
Kapo 9.7%  
Powerade 12.8%  
Fuze Tea & Others 3.0%

Sales by Format



Multi Serving Non-Returnable 49.3%  
Multi Serving Returnable 4.0%  
Single Serving Non-Returnable 43.1%  
Single Serving Returnable 3.6%



Vital Aguas S.A.

In agreement with The Coca-Cola Company, Vital Aguas S.A. prepares and bottles the following brands: Vital (mineral water) in the following versions: with gas, without gas and soft gas. Vital mineral water is commercialized in returnable glass bottles and non-returnable PET bottles. As a result of the merger by absorption of Embotelladoras Coca-Cola Polar into Embotelladora Andina which took place at the end of 2012, the ownership structure of Vital Aguas was amended beginning November 2012 as follows: Embotelladora Andina S.A. 66.5% and Embonor S.A. 33.5%.

Water Manufacturer and Packaging Agreement

In 2005, Vital Aguas S.A. and The Coca-Cola Company entered into a Water Manufacturing and Packaging Agreement for the preparation and packaging of beverages regarding the brands Vital, Chanqueahue, Vital de Chanqueahue and Dasani; incorporating at the beginning of 2008 the Benedictino brand to the product portfolio elaborated by Vital Aguas S.A. in accordance to this agreement. Currently said agreement is in the process of being renewed.

Production and Distribution

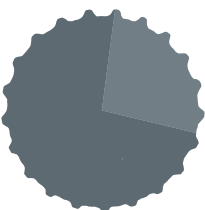
Vital Aguas S.A. operates 4 production lines for mineral water and purified water at the production facility located in Chanqueahue, in the municipality of Rengo in Chile. During 2015, average utilization capacity was a 98.7%. In Chile, exclusively Andina and Embonor, the other Coca-Cola bottler in the country, distribute the products of Vital Aguas S.A. The distribution agreements stipulate the distribution of products in each of the bottlers' respective franchise territories.

Main Suppliers

- › Concentrate: Coca-Cola de Chile S.A.<sup>1</sup>
- › Carbon dioxide: Linde Gas Chile S.A.
- › Packaging: Envases CMF S.A.<sup>2</sup>, Cristalerías de Chile S.A., Cristalerías Toro S.A.C.I.
- › Caps: Alusud Embalajes Chile Ltda., Alucap S.R.L., Portola Packaging Inc.

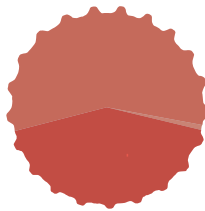
Envases CMF S.A.<sup>2</sup> and Coca Cola de Chile S.A.<sup>1</sup> each concentrate by themselves at least 10% of the raw material purchases carried out.

Sales by Client



Andina 73.4%  
Embonor 26.6%

Sales by Format



Multi Serving Non-Returnable 42.4%  
Single Serving Non-Returnable 56.8%  
Single Serving Returnable 0.8%

1. Shareholder  
2. Equity Investee

Envases Central S.A.

The Company is mainly focused on the production of the following brands of soft drinks: Coca-Cola, Fanta and Sprite and non-carbonated beverages containing 10% fruit juice, Aquarius (pear, apple, grape and pineapple) and the energy drink Burn. The canning of these products is in 350 ml, 310 ml and 250 ml cans, and the bottling is in non-returnable PET bottles of 250 ml, 500 ml, 580 ml, and 1.5 lt (only for Aquarius). The Coca-Cola bottlers in Chile, along with Coca-Cola de Chile, share the ownership of Envases Central. Embotelladora Andina holds a 59.27% stake, Embotelladora Coca-Cola Embonor holds a 34.31%, and Coca-Cola de Chile holds a 6.42% stake.

License Agreement

These agreements are international standard contracts The Coca-Cola Company enters into with bottlers outside the United States for the sale of concentrates and beverage basis for certain Coca-Cola soft drinks and non-soft drink beverages

The term of the agreement with The Coca-Cola Company is in the process of being renewed.

Production and Distribution

Envases Central S.A. operates one production facility located in Santiago, with 1 line for cans and 1 line for PET bottles. During 2015, the canning and bottling

lines operated at an average of 80%, of its installed capacity. In Chile, exclusively the Coca-Cola bottlers in the country distribute the products of Envases Central S.A. The distribution agreements stipulate for the distribution of products within each of the respective franchise territories.

Main Clients:

Embotelladora Andina S.A.<sup>3</sup> and Coca-Cola Embonor S.A.

Embotelladora Andina S.A.<sup>3</sup> and Coca-Cola Embonor S.A. each concentrate by themselves at least 10% of the sales carried out.

Main Suppliers:

- › Aluminum cans and caps: Rexam Chile S.A.
- › Concentrate: Coca Cola de Chile S.A.<sup>1</sup>
- › Sweetener: Embotelladora Andina S.A.<sup>3</sup>
- › Plastic Bottles: Envases CMF S.A.<sup>2</sup>
- › Plastic caps: Envases CMF S.A.<sup>2</sup>

Rexam Chile S.A., Coca-Cola de Chile S.A.<sup>1</sup>, Embotelladora Andina S.A.<sup>3</sup>, Envases CMF S.A.<sup>2</sup> each concentrate by themselves at least 10% of the raw material purchases carried out.

1. Shareholder  
2. Equity Investee  
3. Matriz



Envases CMF S.A.

Envases CMF produces returnable and non-returnable bottles, returnable and non-returnable preforms and caps. Starting 2012, In January 2012, the property of Envases CMF is equally divided among Andina S.A. Inversiones Societarias (a wholly owned subsidiary of Embotelladora Andina) and Embonor Empaques S.A.

Production and Sales by Format

Envases CMF operates one production facility for the manufacture of PET bottles located in Santiago. The plant has 12 preform injection lines, 12 blowing lines, 11 lines for conventional injection and 1 injector blowing line. During 2015, average utilization capacity of the production lines was 90.7%, 90.1%, 82.2% and 95.4%, respectively.

Sales by format during 2015 were 265 million non-returnable PET bottles, 31 million

returnable PET bottles and 463 million preforms for non-returnable bottles and 716 million in conventional injection products.

Main Suppliers

Resin: Jiangyin Xingyu New Material Co., Vinmar International, Far Eastern Textile Ltd., Indorama Ventures.

Masterbatch: Clariant Colorquímica Chile S.A., Colormatirx do Brasil Industrial and Holland USA.

Ink: Nazdar Shawnee.

Labels: Multi-Color Corp.

Packaging: Impresos y Cartonajes S.A.,<sup>3</sup> Volcanes Ltda., Plastiberg Ltda.

Jiangyn Xingyu New MaterialCo. Vinmar International and Far Eastern Textile Ltd. each concentrate by themselves at least 10% of the raw material purchases carried out during 2015.

Main Clients

Embotelladora Andina S.A.<sup>1</sup>, Embonor Empaques S.A., Vital Jugos S.A., Vital Aguas S.A Coca-Cola Embonor S.A., Envases Central S.A., Tres Montes S.A., Emb. Bolivianas Unidas S.A., Soprole S.A., Embotelladora del Atlántico S.A., Fábrica de Envases Plásticos and Clorox Chile S.A.

Embotelladora Andina S.A. Embonor Empaques S.A., Vital Jugos S.A. y Vital Aguas S.A., each concentrate by themselves at least 10% of the sales carried out during 2015.

1. Parent Company.



# Corporate Social Responsibility

*Coca-Cola* ANDINA



**Sustainability Report  
2015**



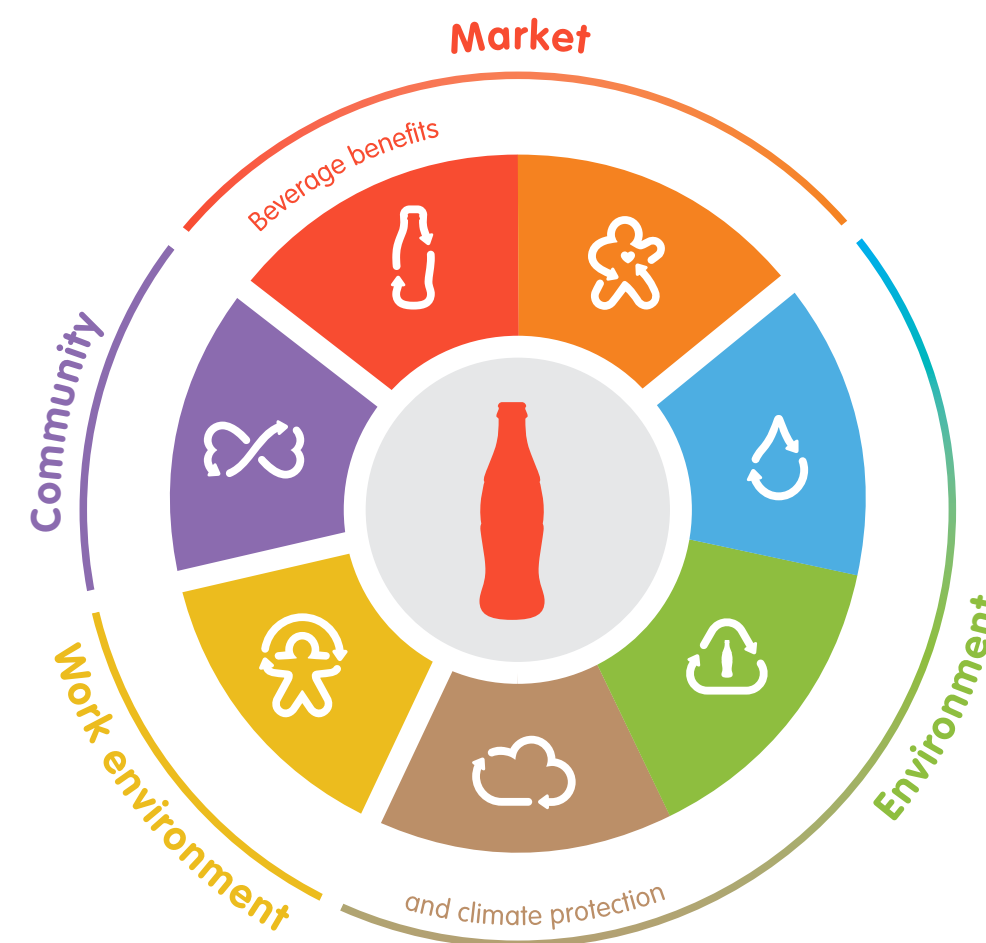
## Corporate Social Responsibility

The 2015 Sustainability Report collects the daily valuable contributions of our employees and the Company as a whole in Argentina, Brazil, Chile and Paraguay. In the Report you can find projects and actions that inspire others and generate value for our employees, customers, consumers, suppliers and the communities where we have the privilege to operate.



› You can access our Corporate Social Responsibility Report by scanning the QR code, in the enclosed pendrive in the Annual Report (Spanish version), or on our website.

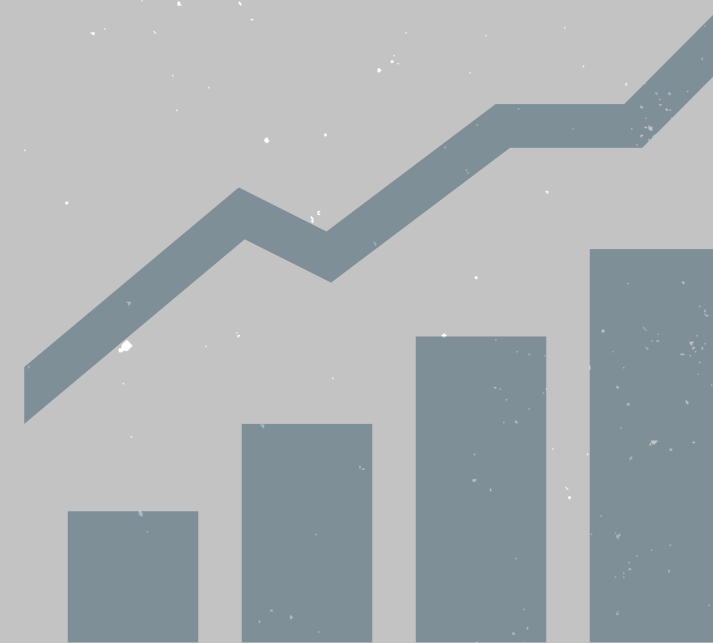
### Axis of our Sustainability Management



Learn about the lessons learned and work plans in each of the pillars of our sustainability strategy, accessing our Sustainability Report. We have prepared this report in accordance with GRI4 international sustainability guidelines and the International Standard of Social Responsibility ISO 26000.



# Additional Information



## Capital Expenditures

(MILLION NOMINAL US DOLLARS)	2015	2014	2013
Argentina			
Embotelladora del Atlántico S.A.	43.4	41.5	96.1
Andina Empaques Argentina S.A.	2.5	3.5	8.5
Brazil			
Rio de Janeiro Refrescos Ltda.*	37.9	53.0	114.8
Chile			
Embotelladora Andina S.A.	68.6	68.5	108.1
Vital Jugos S.A.	3.8	6.8	4.7
Vital Aguas S.A.	1.8	0.6	1.4
Envases Central S.A.	2.3	3.2	2.2
Paraguay			
Paraguay Refrescos S.A.	11.4	23.0	34.8
TOTAL	171.7	200.1	370.6

\* Figures include the operation of Ipiranga for the fourth quarter of 2013.

### Financial Activities

During 2015, the Company did not used external financing.

As of December 31, 2015 Company net debt amount to US\$581.6 million. This figure is calculated considering the mark to market of Cross Currency Swaps (“CCS”) entered into to hedge the debt in U.S. dollars.

Total financial assets, including the aforementioned CCS amounted to US\$560.6 million. Excluding the CCS, financial assets amounted to US\$305.1 million. This cash surplus is invested in short-term fixed income money markets and time deposits, and 20.2% is denominated in UFs, 36.8% in chilean pesos, 20.0% in brazilian real, 2.2% in U.S. dollars, 14.5% in Argentine Pesos and 6.3% in paraguayan guaraní.

On the other hand, financial debt level reached US\$1,142.2 million, US\$575 million of which correspond to the bond issuance in the U.S. market carried out in September, 2013. For this bond, CCS were entered into in Real and UFs so that, of the total debt, (including the CCS effect) 58.8% is denominated in UFs, 40.3% in brazilian real, 0.4% in Argentine Pesos, and 0.4% in U.S. dollars.

In addition to the Cross Currency Swaps, Andina occasionally uses exchange rate hedging agreements from time to time to backup commitments in currencies different from those used in its operations, due to obligations arising from acquisition of fixed assets and/or raw material purchases.

### Investment and Financing Policy

The Deeds of Embotelladora Andina S.A. do not define a fixed financing structure or

an investment policy. Within the faculties that the Shareholders have given, the Board of Directors has the faculty to define the financing and investment policy. On the other hand, during Board Session held December 20, 2011, supplemented by the agreements during Board Session held August 28, 2012, se established that the realization of certain types of investments and the hiring of certain financing requires prior consent of the Company’s Board of Directors.

### Insurance

Embotelladora Andina S.A. and its subsidiaries maintain annual insurance agreements with top of the line companies. The principal insurance policies cover: fire risks, earthquake and losses due to stoppage, including lost profits as a result of such accidents. Additionally, there are other policies with specific coverage among others: air, sea and land transportation, motor vehicles, terrorism, civil liability and product civil liability.

### Equipment

Main equipment is composed of bottling lines and auxiliary equipment, market assets, and packaging and distribution assets. All of them are well preserved and are sufficient to sustain the normal functioning of operations.

### Research and Development

Given the line of business and the support provided by The Coca-Cola Company as franchisor to its bottlers, the Company’s research and development expenses are not meaningful.



# Risk Factors

We have identified the following risks that could significantly and adversely affect the Company's financial condition and operating results:

**Relationship with The Coca-Cola Company:** 76% of our net sales for the year ended December 31, 2015 were derived from the distribution of soft drinks under The Coca-Cola Company trademarks, and an additional 19% was derived from the distribution of other beverages also bearing trademarks owned by The Coca-Cola Company. We produce, market and distribute Coca-Cola products through standard bottler agreements between our bottler subsidiaries and, in each case, The Coca-Cola Company's local subsidiary or The Coca-Cola Company, or, in the case of juices and nectars, The Minute Maid

Company, a subsidiary of The Coca-Cola Company. The Coca-Cola Company has the ability to exercise substantial influence over our business through its rights under these bottler agreements. Under these bottler agreements, The Coca-Cola Company unilaterally sets the prices for Coca-Cola soft drink concentrate sold to us. The Coca-Cola Company also monitors our prices and has the right to review and approve our marketing, operational and advertising plans. In addition, The Coca-Cola Company may unilaterally set the price for its concentrate, and it may in the future increase the price we pay for concentrate, increasing our costs. These factors may impact our profit margins, which could adversely affect our net income and results of operations. Our marketing campaigns for Coca-Cola products are designed and

controlled by The Coca-Cola Company. The Coca-Cola Company also makes significant contributions to our marketing expenses, although it is not required to contribute a particular amount. Accordingly, The Coca-Cola Company may discontinue or reduce such contribution at any time. Pursuant to the bottler agreements, we are required to submit a business plan to The Coca-Cola Company for prior approval on a yearly basis. In accordance with our bottler agreements, The Coca-Cola Company may, among other things, require that we demonstrate the financial ability to meet our business plan, and if we are not able to demonstrate our financial capacity, The Coca-Cola Company may terminate our rights to produce, market and distribute Coca-Cola soft drinks or other Coca-Cola beverages in territories where we have such

approval. Under these bottler agreements, we are prohibited from producing, bottling, distributing or selling any products that could be substituted for, be confused with or be considered an imitation of, Coca-Cola soft drinks or other Coca-Cola beverages and products.

We depend on The Coca-Cola Company to renew our bottler agreements, which are subject to termination by The Coca-Cola Company in the event we default or upon expiration of their respective terms. We currently are party to five bottler agreements: two agreements for Chile, which expire in 2018 and 2019, one agreement for Brazil, which expires in 2017, one agreement for Argentina, which expires in 2017, and one agreement for Paraguay, which expire in September 2020. We cannot provide any assurance that our bottler agreements will be maintained or extended upon their termination. Even if they are renewed, we cannot provide any assurance that renewal will be granted on the same terms as those currently in effect. Termination, non-extension or non-renewal of any of our bottler agreements would have a material adverse effect on our business, financial condition and results of operation.

In addition, any acquisition we make of bottlers of Coca-Cola products in other territories may require, among other things, the consent of The Coca-Cola Company under bottler agreements to which such other bottlers are subject. We cannot assure you that The Coca-Cola Company will consent to any future geographic expansion of our Coca-Cola beverage business. In addition, we cannot assure you that our relationship with The Coca-Cola Company will not deteriorate or otherwise undergo significant changes in the future. If such changes do occur, our operations and financial results and condition could be materially affected.

**Nonalcoholic beverage business environment:** Consumers, public health officials and government officials in the majority of

our markets, are increasingly concerned with public health consequences associated with obesity, particularly among young people. In addition, some researchers, health advocates and dietary guidelines are encouraging consumers to reduce consumption of sugar-sweetened beverages and beverages sweetened with nutritive or alternative sweeteners. Increasing public concern about these issues; possible new taxes on sugar-sweetened beverages; additional governmental regulations concerning the marketing, labeling, packaging or sale of our beverages; and negative publicity resulting from actual or threatened legal actions against nonalcoholic beverage companies relating to the marketing, labeling or sale of beverages may reduce demand for our products, which could adversely affect our profitability. The nonalcoholic beverage business environment in our territories is evolving rapidly as a result of, among other things, changes in consumer preferences, including changes based on health and nutrition considerations and obesity concerns; shifting consumer tastes and needs; changes in consumer lifestyles; and competitive product and pricing pressures. In addition, the nonalcoholic beverage retail landscape is dynamic and constantly evolving, and if we are unable to adapt successfully to the changing environment and retail landscape, our share of nonalcoholic beverage sales, volume growth and overall financial results will be adversely affected.

**Highly competitive business:** The soft drink and nonalcoholic beverage businesses are highly competitive in each of the territories in which we operate. We compete with bottlers of local and regional brands, including low cost beverages and Pepsi products. This competition in each of the regions where we operate is likely to continue, and we cannot assure you that it will not intensify in the future, which could materially and adversely affect our financial condition and results of operations.

**Raw material prices:** Numerous raw materials, including concentrate, sugar and resin, are used in producing beverages and containers. Prices for concentrate are determined by The Coca-Cola Company, and we cannot assure you that The Coca-Cola Company will not increase the price for concentrate or change the manner in which these prices are calculated. We purchase our raw materials from both domestic and international suppliers, some of which must be approved by The Coca-Cola Company, which may limit the number of suppliers available to us. Because the prices of the main raw materials are denominated in U.S. dollars, we are subject to local currency risk with respect to each of our operations. If any of the Chilean peso, Brazilian real, Argentine peso, or Paraguayan guaraní were to depreciate significantly against the U.S. dollar, the cost of certain raw materials in our respective territories could rise significantly, which could have an adverse effect on our financial condition and results of operations. We cannot assure you that these currencies will not lose value against the U.S. dollar in the future. Additionally, some raw material prices are subject to high volatility, which could also have a material adverse effect on our profitability. The supply or cost of specific raw materials could be adversely affected by domestic or global price changes, strikes, weather conditions, governmental controls or other factors. Any sustained interruption in the supply of these raw materials or any significant increase in their price could have a material adverse effect on our financial performance.

**Instability in the supply of utility services:** Our operations depend on a stable supply of utilities and fuel in the countries where we operate. Electrical power outages could lead to increased energy prices and possible service interruptions. Interruptions in the supply of water could also generate an increase of our production costs and possible service interruptions. We cannot assure you that in the future we will not





experience energy or water supply interruptions that could materially and adversely affect our business. In addition, a significant increase in energy prices would raise our costs, which could materially impact our results of operations. Fluctuations in oil prices have adversely affected our cost of energy and transportation in the regions where we operate and we expect that they will continue to do so in the future. We cannot assure you that fuel prices will not increase in the future, and a significant increase in fuel price may have a significant effect on our financial performance.

**Water scarcity and poor water quality:**

Water is the main ingredient in substantially all of our products. It is also a limited resource in many parts of the world, facing unprecedented challenges from overex-

ploitation, increasing pollution and poor management. As demand for water continues to increase around the world, and as the quality of available water deteriorates, we may incur increasing production costs or face capacity constraints that could adversely affect our profitability or net operating revenues.

We are also subject to uncertainty regarding the interpretation of the laws of the countries in which we operate, and any ambiguity or uncertainty regarding the interpretation or application of regulations can result in increased production costs or penalties for non-compliance, which are impossible or difficult to predict. We also anticipate discussions on new regulations on ownership and water usage in Chile and Paraguay.

**Labeling requirements:** The countries in which we operate may adopt significant advertising restrictions as well as additional product labeling or warning requirements relating to the chemical content or perceived adverse health consequences of certain of our Coca-Cola products or other products. We will also be subject to uncertainty with respect to the interpretation of the regulations, and any ambiguity or uncertainty with respect to the interpretation or application of the regulation could result in non-compliance and associated costs and penalties, which are impossible or difficult to predict. These types of requirements, may adversely affect sales of our products.

**Brand image and product quality:** Our beverage business is highly dependent on maintaining the reputation of our products

in the countries where we operate. If we fail to maintain high standards for product quality, our reputation and ability to remain a distributor of Coca-Cola beverages in the countries where we operate could be jeopardized. In addition, we may be liable if the consumption of any of our products causes injury or illness. Negative publicity or incidents related to our products may reduce their demand and could have a material adverse effect on our financial performance.

**Tax uncertainty in Brazil:** Ipiranga is party to a series of ongoing administrative tax proceedings in which the Brazilian federal tax authorities have claimed that Ipiranga has unpaid liabilities for value-added taxes on industrialized products (imposto sobre produtos industrializados, or IPI) in an aggregate amount, as of December 31, 2015, of approximately R\$1,206,853,388. These procedures are at different administrative as well as judicial procedural stages. We disagree with the Brazilian tax authority's position and believe that it was entitled to claim IPI tax credits in connection with its purchases of certain exempt inputs from suppliers located in the Manaus Free Trade Zone, and believe that the Brazilian tax authority's claims are without merit. Our external Brazilian counsel has advised us that it believes Ipiranga's likelihood of loss in most of these procedures should be classified as possible to remote (i.e., approximately 30% likelihood). Despite the foregoing, the outcome of these claims is subject to uncertainty, and it is impossible to predict its final resolution. Finally, pursuant to the agreement under which we agreed to acquire Ipiranga's shares, the sellers agreed to indemnify us for such tax obligations and established a five-year duration escrow account to support this indemnity liability, in an amount equivalent to R\$270,018,165.

**Trademark infringement:** A significant portion of our sales derives from sales of soft drinks branded with Coca-Cola

trademarks, as well as other trademarks. If other parties attempt to misappropriate trademarks we use, we may be unable to protect these trademarks. The maintenance of the reputation of these brands is essential for the future success of our beverage business. Misappropriation of trademarks we use, or challenges thereto, could have a material adverse effect on our financial performance.

**Weather conditions, natural disasters, earthquakes and tsunamis:** Lower temperatures and higher rainfall may negatively impact consumer patterns, which may result in lower per capita consumption of our beverage offerings. Additionally, adverse weather conditions or natural disasters may affect road infrastructure in the countries in which we operate and limit our ability to sell and distribute our products.

**Insurance coverage:** We maintain insurance for our principal facilities and other assets. Our insurance coverage protects us in the event we suffer certain losses resulting from theft, fraud, expropriation, business interruption, natural disasters or other similar events or from business interruptions caused by such events. In addition, we maintain insurance policies for our directors and officers. We cannot assure you that our insurance coverage will be sufficient or will provide adequate compensation for losses that we may incur.

**Information systems:** We are increasingly dependent on information technology networks and systems, including over the Internet, to process, transmit and store electronic information. In particular, we depend on our information technology infrastructure for digital marketing activities and electronic communications among us and our clients, suppliers and also among our subsidiaries. Security breaches of this infrastructure can create system disruptions, shutdowns or unauthorized disclosure of confidential information. If we are unable to prevent such breaches, our operations

could be disrupted, or we may suffer financial damage or loss because of lost or misappropriated information.

**Perception of risk in emerging economies:** International investors, as a general rule, consider the countries where we operate to be emerging market economies. Consequently, economic conditions and the market for securities of emerging market countries influence investors' perceptions of Chile, Brazil, Argentina and Paraguay and their evaluation of securities of companies located in these countries.

During periods of heightened investor concern regarding emerging market economies, the countries where we operate may experience significant outflows of U.S. dollars.

In addition, in these periods the companies based in the countries where we operate have faced higher costs for raising funds, both domestically and abroad, as well as limited access to international capital markets, which have negatively affected the prices of the aforementioned countries' securities. Although economic conditions are different in each of the emerging-market countries, investors' reactions to developments in one of these countries may affect the securities of issuers in the others. For example, adverse developments in emerging market countries may lead to decreased investor interest in investing in the securities of Chilean companies, including the Bonds.

**Collective labor Agreements, strikes or other labor unrest:** A substantial portion of our employees is covered by collective bargaining labor agreements. These agreements generally expire every year. Our inability to renegotiate these agreements on satisfactory terms could cause work stoppages and interruptions, which may adversely impact our operations. Amendments to the terms and conditions of existing agreements could also increase our costs or otherwise have an adverse





effect on our operational efficiency. We experience periodic strikes and other forms of labor unrest through the ordinary course of business. For example, in 2008 we experienced a strike in our production facilities in Chile, which lasted for a period of approximately two weeks, and which had a significant effect on our production capacity. We cannot assure you labor interruptions or other labor unrest will not occur in the future. If we experience strikes, work stoppages or other forms of labor unrest at any of our production facilities, our ability to supply finished beverages to customers could be impaired, which would reduce our net operating revenues and could expose us to customer claims.

**Regulation, which is complex and subject to change:** We are subject to local regulations in each of the territories in which we operate. The principal areas in which we are subject to regulation are water, environment, labor, taxation, health, consumer protection, advertising and antitrust. Regulation could also affect our ability to set prices for our products. The adoption of new laws or regulations or a stricter interpretation or enforcement thereof in the countries in which we operate may increase our operating costs or impose restrictions on our operations which, in turn, may adversely affect our financial condition, business and results. Further changes in current regulations may result in increased compliance costs, which may have an adverse effect on our results or financial condition.

**Expenses in relation with environmental laws and regulations:** We are subject to various environmental laws and regulations that apply to our containers, products and activities. If these environmental laws and regulations are strengthened or newly established in jurisdictions in which we conduct our businesses, we may be forced to incur considerable expenses in order to comply with such laws and regulations. Such expenses may have a material adverse effect

on our results of operations and financial position. To the extent we determine that it is not financially sound for us to continue to comply with such laws and regulations, we may have to curtail or discontinue our activities in the affected business areas.

**Adverse determinations in legal proceedings:** In the ordinary course of our business, we become involved in various other claims, lawsuits, investigations and governmental and administrative proceedings, some of which are or may be significant. In addition, Coca-Cola Andina Brazil is party to a series of ongoing administrative tax proceedings in which the Brazilian federal tax authorities have claimed that Coca-Cola Andina Brazil has unpaid liabilities for value-added taxes on industrialized products (imposto sobre produtos industrializados, or IPI) involving aggregate claims of a significant amount. Adverse judgments or determinations in one or more of these proceedings could require us to change the way we do business or use substantial resources in adhering to the settlements and could have a material adverse effect on our business, including, among other consequences, by significantly increasing the costs required to operate our business. Ineffective communications, during or after these proceedings, could amplify the negative effects, if any, of these proceedings on our reputation and may result in a negative market impact on the price of our securities. Additionally, adverse preliminary decisions in one or more of these proceedings may require the use of substantial financial resources during its review by a higher court.

**New tax laws or amendment of existing laws:** We cannot assure you that any governmental authority in any country where we operate will not impose new taxes or increase taxes on our products in the future. The imposition of new taxes or increases in taxes on our products may have a material adverse effect on our business, financial condition, prospects and results.

## Risks Relating to Argentina

**Economic conditions in Argentina:** 10.0% of our assets as of December 31, 2015 and 33.4% of our net sales for the year ended December 31, 2015 corresponded to our operations in Argentina. Because demand for soft drinks and beverage products is usually correlated to economic conditions prevailing in the local market, which in turn is dependent on the macroeconomic condition of the country, the financial condition and results of operations of our business operations in Argentina are, to a considerable extent, dependent upon political and economic conditions prevailing in Argentina.

The economic crisis in Europe, the international demand for Argentine products, the instability and competitiveness of the Argentine peso against foreign currencies, confidence among consumers and foreign and domestic investors, the significant and increasing inflation rate and future political, financial and economic uncertainties, among other factors, may affect the development of the Argentine economy.

**Political and economic instability in Argentina:** In the period from 1998 through 2003, Argentina experienced acute economic difficulties that culminated in the restructuring of substantially all of Argentina's sovereign indebtedness. There were a succession of presidents during this crisis period and various states of emergency were declared that suspended civil liberties and instituted restrictions on transfers of funds abroad and foreign exchange controls, among other measures. Argentina's GDP contracted 10.9% in 2002. Beginning in 2003, Argentine GDP began to recover and from 2004 to 2008 recorded an average rate of growth of 8.4%. The global economic crisis of 2008 led to a sudden economic decline, accompanied by political and social unrest, inflationary and Argentine

peso depreciation pressures and lack of consumer and investor confidence, which have forced the Argentine government to adopt different measures, including the tightening of foreign exchange controls, the elimination of subsidies to the private sector and the proposal for new taxes. On the other, until December 2015, the Argentine government increased its intervention level in some of the areas of the economy. For example, in May of 2012, the Argentine government nationalized YPF S.A., Argentina's largest and previously Spanish-owned oil company and previously of the Argentine State. Expropriations and other interventions by the Argentine government such as the one relating to YPF can have an adverse impact on the level of foreign investment in Argentina, the access of Argentine companies to the international capital markets and Argentina's commercial and diplomatic relations with other countries. Despite the

Government change occurred in December 2015 in Argentina, the level of governmental intervention in the economy in the future may continue, which may have adverse effects on Argentina's economy and, in turn, our business, results of operations and financial condition.

**Restrictions on currency conversions and remittances abroad:** Under current Argentine law, we may declare and distribute dividends with respect to our Argentine subsidiary and Argentine banks may lawfully process payments of those dividends to us and other non-resident shareholders. Our declaration and distribution of dividends is subject to certain statutory requirements and must be consistent with our audited financial statements. The processing of payment of dividends by Argentine banks is subject to Argentine Central Bank regulations, including verification of our Argentine

subsidiary's compliance with foreign debt and direct investment disclosure obligations. In addition to statutory and administrative rules affecting our Argentine subsidiary's payment of dividends, during 2012 the Argentine government imposed discretionary restrictions on Argentine companies as part of a policy to limit outbound transfers of U.S. dollars. These de facto restrictions essentially halted dividend payments to non-resident shareholders. The new Argentine Government which took office in December 2015 has significantly diminished these restrictions and our Argentine subsidiary could recently distribute dividend. Nonetheless, we cannot assure you that we will be able to cause our Argentine subsidiary to distribute dividends to its non-resident shareholders now or in the foreseeable future, despite otherwise meeting all statutory and regulatory requirements for payment.





**Restrictions on imports:** Pursuant to a resolution of the Argentine Federal Tax Authority (“Administración Federal de Ingresos Públicos—AFIP”), since February 2012, prior to the execution of any purchase order or similar document, Argentine importers were required to file before the AFIP a “Prior Import Statement” (Declaración Jurada Anticipada de Importación) providing information on future imports. Compliance with this requirement was verified by the Argentine customs upon arrival of the goods into Argentina and was a condition for the authorization of the payment of the purchase price by the Argentine financial entities. Although this is intended merely as an information regime, it may be used for purposes of restricting imports into Argentina. A similar regime was also imposed in respect of the import and export of services, and resulted in additional restrictions being imposed on

the payments made by Argentine residents on services provided by foreign residents.

While the change of the Argentine Government occurred in December 2015 considerably relaxed restrictions on imports of goods and services, replacing the AISS by a Comprehensive System of Monitoring Imports (Sistema Integral de Monitoreo de Importaciones - SIMI) (together with the implementation of automatic and non-automatic licenses) while maintaining the DJAS, we cannot assure that those restrictions will be completely removed or that it will not return to the previous situation. Restrictions on Argentine imports of goods and services of our subsidiaries may adversely affect our financial conditions or results of operations.

**Inflation in Argentina:** Argentina has experienced high levels of inflation in recent

decades, resulting in large devaluations of its currency. Moreover, after changes in personnel and in the methodology used to calculate the consumer price index at the INDEC in 2007, the accuracy of its measurements has been put in doubt by economists and investors, and the consumer price index and wholesale price index could be substantially higher than those indicated by the INDEC until December 2015. With the change of the Argentine Government in December 2015, INDEC has suspended the issuance of reports on consumer price index and wholesale price index until June 2016, date on which, according to INDEC, it will begin to report new indexes. We cannot assure INDEC will disseminate new indexes or that they will be accurate or appropriate. The lack of issuance of consumer price indexes and other proper and accurate INDEC indexes could cause a significant decrease in confidence in the Argentine

economy, which could, in turn, have a material adverse effect on our operations and financial condition.

In the past, inflation has materially undermined the Argentine economy and the government’s ability to generate conditions that foster economic growth. In addition, high inflation or a high level of price instability may materially and adversely affect the business volume of the financial system. This result, in turn, could adversely affect the level of economic activity and employment in the country.

High inflation would also undermine Argentina’s foreign competitiveness and adversely affect economic activity, employment, real salaries, consumption and interest rates. In addition, the dilution of the positive effects of the Argentine peso devaluation on the export-oriented sectors of the Argentine economy even attached to the exchange restriction elimination, will decrease the level of economic activity in the country. In turn, a portion of the Argentine debt is adjusted by the Coeficiente de Estabilización de Referencia, the Stabilization Coefficient Index, or “CER Index,” a currency index that is strongly tied to inflation. Therefore, any significant increase in inflation would cause an increase in Argentina’s debt and, consequently, the country’s financial obligations. A high level of uncertainty with respect to these economic indicators, and a general lack of stability with respect to inflation, could cause a shortening of contract terms and affect the ability of businesses to plan and make decisions, thereby potentially materially and adversely affecting economic activity and lowering consumers’ and individuals’ income and their purchasing power, all of which could have a material adverse effect on our financial condition and operating results.

The ability to obtain financing and to attract direct foreign investment Argentina has very limited access to foreign financing. This substantial uncertainty on the out-

standing defaulted debt limits the access of Argentina to foreign financing in the international markets. Without access to international private financing, Argentina may not be able to finance its obligations, which could also inhibit the ability of the Argentine Central Bank to adopt measures to curb inflation and could adversely affect Argentina’s economic growth and public finances, which could, in turn, adversely affect our operations in Argentina, our financial condition and the results of our operations.

**Depreciation and volatility of the Argentine peso:** Given the economic and political conditions in Argentina, we cannot predict whether, and to what extent, the value of the Argentine peso may depreciate or appreciate against the U.S. dollar, the euro or other foreign currencies. With the change of the Argentine Government in December 2015, the exchange market was released, although not completely, and the gap between the exchange rate published by the BCRA and the black market exchange rate was considerably reduced. We cannot predict how these conditions will affect the consumption of our products. Moreover, we cannot predict whether the new Argentine government will continue its monetary, fiscal, and exchange rate policy amendments and if so, what impact any of these changes could have on the value of the Argentine peso and, accordingly, on our financial condition, results of operations and cash flows, and on our ability to transfer funds abroad in order to comply with commercial or financial obligations. According to IFRS, which is the method under which the Company presents its results, the results generated by our operations in Argentina are translated to the reporting currency using the official exchange rate.

**Preempt or respond to social unrest:** Future government policies to preempt, or in response to, social unrest may include expropriation, nationalization, forced renegotiation or modification of existing

contracts, suspension of the enforcement of creditors’ rights, new taxation policies and changes in laws and policies affecting foreign trade and investment. Such policies could destabilize the country and adversely and materially affect the Argentine economy, and thereby our business, results of operations and financial condition.

**Salary increases to be paid to employees in the private sector:** In the past, the Argentine government has passed laws, regulations and decrees requiring companies in the private sector to increase wages and provide specified benefits to employees, and may do so again in the future. It is possible that the Argentine government could adopt measures mandating salary increases and/or the provision of additional employee benefits in the future, which could have a material and adverse effect on our expenses and business, results of operations and financial condition.

Legislative and public policy changes: during the year 2015 a new Civil and Commercial Code of the Republic of Argentina came into force that regulates all legal relations of our Argentine subsidiary with its customers, suppliers and consumers. In addition, the new Argentine Government which took office in December 2015 has announced that it is considering various bills that could amend the Argentine legislation on issues such as tax, customs, social security, labor, commercial, among other areas. Also, the new Government has announced changes in various public policies, including an increase in controls of the competition act. We cannot guarantee that these legislative amendments, if approved, may not adversely affect our financial condition or results of operations of our Argentine subsidiaries.





### Risks Relating to Brazil

**Economic conditions in Brazil:** 36.6% of our assets as December 31, 2015 and 32.3% of our consolidated net sales for the year ended December 31, 2015 corresponded to our operations in Brazil. Because demand for soft drinks and beverage products is usually correlated to economic conditions prevailing in the relevant local market, which in turn is dependent on the macroeconomic condition of the country in which the market is located, our financial condition and results of operations to a considerable extent are dependent upon political and economic conditions prevailing in Brazil. The Brazilian economy is also affected by international economic and market conditions in general, especially economic and market conditions in the United States. Similarly to other emerging market countries, the Brazilian currency depreciated significantly during 2014, attributed in part to an outflow of capital related to the expectation that the United States Federal Reserve will reduce or end its “quantitative easing” economic stimulus measures. The Brazilian economy is therefore subject to uncertainties and risks related to changes in economic conditions and policy measures in countries such as the United States and China, as well as the European Union and elsewhere.

**The Brazilian government influence over the Brazilian economy:** The Brazilian government has intervened in the Brazilian economy and occasionally makes significant changes to monetary, tax and credit policies, among others. The Brazilian government’s measures to control inflation, stimulate economic expansion and implement other policies have included, among others, salary and price controls, appreciation or depreciation of the Brazilian real, foreign exchange adjustments, control over remittances abroad and intervention by the Central Bank of Brazil to change the basic interest rates. We cannot foresee or control which measures or policies the Brazilian government may adopt in the

future. Our activities, financial and operating results, as well as our estimates may be adversely affected by changes in the policies adopted by the Brazilian government. Any unfavorable policy changes by the Brazilian government could adversely affect us. Uncertainty over whether the Brazilian government will implement changes in policy or laws affecting these and other factors in the future may contribute to economic uncertainty in Brazil. These factors, as well as uncertainties about the policies or regulations to be adopted by the Brazilian government with respect to these factors may adversely affect us, including our activities and financial performance.

**Inflation in Brazil:** Brazil has historically experienced extremely high rates of inflation. Inflation, and several measures taken by the Federal Government in order to control it, combined with speculation about possible government measures, had significant negative effects on the Brazilian economy. Inflationary pressures may result in governmental interventions in the economy, including policies that could adversely affect the general performance of the Brazilian economy, which, in turn, could adversely affect our business operations in Brazil. Inflation may also increase our costs and expenses, and we may be unable to transfer such costs to our customers, reducing our profit margins and net income. In addition, inflation could also affect us indirectly, as our customers may also be affected and have their financial capacity reduced. Any decrease in our net sales or net income, as well as any reduction in our financial performance, may also result in a reduction in our net operating margin. Our customers and suppliers may be affected by high inflation rates and such effects on our customers and suppliers may adversely affect us.

**The Brazilian real is subject to depreciation and volatility:** The Brazilian currency has fluctuated over the past three decades. We cannot guarantee that the real will not

again depreciate or appreciate against the U.S. dollar in the future. In addition, we cannot guarantee that any depreciation or appreciation of the real against the U.S. dollar or other currencies will not have an adverse effect on our business.

Any depreciation of the real against the U.S. dollar could create additional inflationary pressure, which might result in the Brazilian government adopting restrictive policies to combat inflation. This could lead to increases in interest rates, which might negatively affect the Brazilian economy as a whole, as well as our results of operations, in addition to restricting our access to international financial markets. It also reduces the U.S. dollar value of our revenues. On the other hand, future appreciation of the real against the U.S. dollar might result in the deterioration of Brazil’s current and capital accounts, as well as a weakening of Brazilian GDP growth derived from exports.

### Risks Relating to Chile

**Economic conditions in Chile:** 39.3% of our assets as of December 31, 2014 and 27.3% of our net sales for the year ended December 31, 2015 corresponded to our operations in Chile. Thus, our financial condition and results of operations depend significantly on economic conditions prevailing in Chile.

We cannot assure you that the future development of the Chilean economy will not impair our ability to successfully carry out our business plan or materially adversely affect our business, financial condition or results of operations.

**Inflation in Chile:** high levels of inflation could adversely affect the Chilean economy and have a material adverse effect on our financial condition and results of operations

if we are unable to increase our prices in line with inflation. Periods of higher inflation may also slow the growth rate of the Chilean economy, which could lead to reduced demand for our products and decreased sales. Additionally, an important part of our financial debt is UF-denominated, and therefore the value of the debt reflects any increase of the inflation in Chile.

**The Chilean peso is subject to depreciation and volatility:** The Chilean government’s economic policies and any future changes in the value of the Chilean peso against the U.S. dollar could adversely affect our operations and financial results. The Chilean peso has been subject to large nominal devaluations in the past and may be subject to significant fluctuations in the future.

### Risks Relating to Paraguay

**Economic conditions in Paraguay:** 14.1% of our assets as of December 31, 2015 and 7.0% of our net sales for the year ended December 31, 2015 corresponded to our operations in Paraguay. Because demand for soft drinks and beverage products is generally related to the economic conditions prevailing in the local market which, in turn, depend on the macroeconomic and political conditions of the country, our financial situation and our results of operations could be adversely affected by changes in these factors over which we have no control.





**Inflation in Paraguay:** An increase in inflation in Paraguay could decrease the purchasing power of our consumers in the country, which could adversely affect our volumes and impact our sales income. We cannot assure you that inflation in Paraguay will not increase significantly.

**The Paraguayan guaraní is subject to depreciation and volatility:** The exchange rate of Paraguay is free and floating and the Banco Central de Paraguay, or Paraguay Central Bank (“BCP”), actively participates in the exchange market in order to smooth abrupt oscillations. A significant depreciation of the local currency could adversely affect our financial situation and financial results, as approximately 25% of our total costs of raw materials and supplies are in U.S. dollars, as well as impact other expenses such as professional fees and maintenance costs.

**Risk Factors Relating to the ADRs and Common Stock**

**Preemptive rights:** According to the Ley de Sociedades Anónimas No. 18.046 and the Reglamento de Sociedades Anónimas (collectively, the “Chilean Companies Law”), whenever we issue new shares for cash, we are required to grant preemptive rights to holders of our shares (including shares represented by ADRs), giving them the right to purchase a sufficient number of shares to maintain their existing ownership percentage. However, we may not be able to offer shares to United States holders of ADRs pursuant to preemptive rights granted to our shareholders in connection with any future issuance of shares unless a registration statement under the U.S. Securities Act of 1933, as amended, is effective with respect to such rights and shares, or an exemption

from the registration requirements of the U.S. Securities Act of 1933, as amended, is available.

Under the procedure established by the Central Bank of Chile, the foreign investment agreement of a Chilean company with an existing ADR program will become subject to an amendment (which will also be deemed to incorporate all laws and regulations applicable to international offerings in effect as of the date of the amendment) that will extend the benefits of such contract to new shares issued pursuant to a preemptive rights offering to existing ADR owners and to other persons residing and domiciled outside of Chile that exercise preemptive rights, upon request to the Central Bank of Chile. We intend to evaluate at the time of any rights offering the costs and potential liabilities associated with any such registration statement as well

as the indirect benefits to us of enabling United States ADR holders to exercise preemptive rights and any other factors that we consider appropriate at the time, and then make a decision as to whether to file such registration statement.

We cannot assure you that any registration statement would be filed. To the extent ADR holders are unable to exercise such rights because a registration statement has not been filed, the depositary will attempt to sell such holders’ preemptive rights and distribute the net proceeds thereof if a secondary market for such rights exists and a premium can be recognized over the cost of any such sale. If such rights cannot be sold, they will expire and ADR holders will not realize any value from the grant of such preemptive rights. In any such case, such holder’s equity interest in the Company would be diluted proportionately.

**Shareholder’s rights definition:** Under the United States federal securities laws, as a foreign private issuer, we are exempt from certain rules that apply to domestic United States issuers with equity securities registered under the United States Securities Exchange Act of 1934, as amended, including the proxy solicitation rules, the rules requiring disclosure of share ownership by directors, officers and certain shareholders. We are also exempt from certain of the corporate governance requirements of the Sarbanes-Oxley Act of 2002 and the New York Stock Exchange, Inc., including the requirements concerning independent directors.

Our corporate affairs are governed by the laws of Chile and our estatutos or bylaws, which function not only as our bylaws but also as our articles of incorporation. Under such laws, our shareholders may have fewer or less well-defined rights than they might have as shareholders of a corporation incorporated in a U.S. jurisdiction.

Pursuant to Law No. 19,705, enacted in December 2000, the controlling shareholders of an open stock corporation can only sell their controlling shares via a tender offer issued to all shareholders in which the bidder would have to buy all the offered shares up to the percentage determined by it, when the price paid is substantially higher than the market price (that is, when the price paid was higher than the average market price of a period starting 90 days before the proposed transaction and ending 30 days before such proposed transaction, plus 10%).

**Volatility and illiquidity:** The Chilean securities markets are substantially smaller, less liquid and more volatile than major securities markets in the United States. The Bolsa de Comercio de Santiago (the “Santiago Stock Exchange”), which is Chile’s principal securities exchange, had a market capitalization of approximately US\$191,510 million at December 31, 2015 and an average monthly trading volume of approximately US\$1,861 million for 2015. The lack of liquidity is explained, in part, to the relatively small size of the Chilean securities markets and may have a material adverse effect on the trading prices of our shares. Because the market for our ADRs depends, in part, on investors’ perception of the value of our underlying shares, this lack of liquidity for our shares in Chile may have a significant effect on the trading prices of our ADR’s.





Facilities

We maintain production plants in each of the principal population centers that comprise the franchise territories. In addition, we maintain distribution centers and administrative offices in each of the franchise territories. The following table sets forth in square meters, our principal facilities in each of the franchise territories:

ARGENTINA	Main Use	m²	Property
Embotelladora del Atlántico S.A.			
Bahía Blanca *	Offices / Production of Soft Drinks / Distribution Center / Warehouses	102,708	Own
Bahía Blanca	Comercial Offices	576	Leased
Bariloche	Offices / Distribution Centers / Warehouses	1,870	Leased
Bragado	Comercial Offices	42	Leased
Carlos Paz	Comercial Offices	30	Leased
Carmen de Patagones	Comercial Offices / Warehouses	1,600	Leased
Chacabuco *	Offices / Distribution Centers / Warehouses	25,798	Own
Comodoro Rivadavia	Offices / Distribution Centers / Warehouses	7,500	Leased
Concepción del Uruguay	Comercial Offices	118	Leased
Concordia	Offices / Distribution Centers / Warehouses	1,289	Leased
Córdoba *	Offices / Production of Soft Drinks and stills / Distribution Center / Warehouses / Land	991,604	Own
Coronel Suárez	Offices / Distribution Centers / Warehouses	1,173	Leased
General Pico	Offices / Distribution Centers / Warehouses	1,000	Leased
Gualectuaychú *	Comercial Offices / Distribution Centers / Warehouses	15,525	Own
Junín	Comercial Offices	1,471	Leased
Mendoza	Offices / Distribution Centers / Warehouses	100	Leased
Monte Hermoso *	Real Estate	36,452	Own
Neuquén *	Offices / Distribution Centers / Warehouses	10,157	Own
Olavarría	Offices / Distribution Centers / Warehouses	1,974	Leased
Paraná	Comercial Offices	318	Leased
Pehuajo	Offices / Distribution Centers / Warehouses	1,060	Leased
Pergamino *	Offices / Cross Docking	15,700	Own
Puerto Madryn	Offices	115	Leased
Río Gallegos	Distribution Centers / Warehouses	2,491	Leased

\* Properties free of encumbrances

ARGENTINA	Main Use	m²	Property
Río Grande	Offices / Distribution Centers / Warehouses	4,518	Leased
Río IV *	Cross Docking	7,482	Own
Río IV	Comercial Offices	93	Leased
Rosario *	Offices / Distribution Center / Warehouses / Real Estate	27,814	Own
San Francisco	Comercial Offices	63	Leased
San Juan *	Offices / Distribution Centers / Warehouses	48,036	Own
San Luis *	Comercial Offices / Distribution Centers / Warehouses	5,205	Propia
San Martín de los Andes	Offices / Distribution Centers / Warehouses	70	Leased
San Nicolás	Comercial Offices	30	Leased
San Rafael	Comercial Offices	58	Leased
Santa Fe	Comercial Offices	238	Leased
Santo Tomé *	Offices / Distribution Centers / Warehouses	88,309	Own
Trelew *	Offices / Production of Soft Drinks / Distribution Center / Warehouses	51,000	Own
Tres Arroyos	Comercial Offices / Cross Docking / Warehouses	1,548	Leased
Ushuaia	Offices / Distribution Centers / Warehouses	1,360	Leased
Ushuaia	Comercial Offices	94	Leased
Venado Tuerto	Comercial Offices / Distribution Centers / Warehouses	2,449	Leased
Villa María	Comercial Offices	98	Leased
Villa Mercedes	Comercial Offices	70	Leased
Monte Hermoso *	Real Estate	300	Own
Bialet Masse *	Real Estate	880	Own
Rivadavia (Mendoza) *	Warehouses	782	Own
Río IV *	Real Estate	1,914	Own
Río IV *	Real Estate	5,170	Own
Andina Empaques Argentina S.A.			
Buenos Aires *	Production of PET bottles, Preforms and Caps	27,043	Own

\* Properties free of encumbrances

BRAZIL	Main Use	m²	Property
Rio de Janeiro Refrescos Ltda.			
Jacarepaguá	Offices / Production of Soft Drinks / Distribution Center / Warehouses	249,470	Own
Duque de Caxias *	Land to build a Plant	2,243,953	Own
Nova Iguaçu *	Distribution Centers / Warehouses	82,618	Own
Bangu *	Distribution Centers	44,389	Own
Campos *	Distribution Centers	42,370	Own
Itambi *	Distribution Centers	149,000	Leased
Cabo Frío *	Distribution Centers - Desactivated	1,985	Own
Sao Pedro da Aldeia *	Distribution Centers	10,139	Own
Itaperuna *	Cross Docking	2,500	Leased
Caju 1 *	Distribution Centers	4,866	Own
Caju 2 *	Distribution Centers	8,058	Own
Vitória (Cariacica) *	Offices / Production of Soft Drinks / Distribution Center / Warehouses	93,320	Own
Cachoeiro do Itapemirim *	Cross Docking	8,000	Leased
Linhares *	Cross Docking	1,500	Leased
Serra *	Distribution Centers	28,000	Leased
Ribeirão Preto	Offices / Production of Soft Drinks / Distribution Center / Warehouses	238,096	Own
Ribeirão Preto	Real Estate	279,557	Own
Franca	Distribution Centers	32,500	Own
Mococa *	Distribution Centers	40,056	Leased
Araraquara *	Distribution Centers	12,698	Leased
Castelo Branco *	Distribution Centers	11,110	Leased
Sao Joao da Boa Vista, Araraquara e Sao Paulo	Real Estate	32,506	Own

\* Properties free of encumbrances

CHILE	Main Use	m²	Property
Embotelladora Andina S.A.			
Renca *	Offices / Production of Soft Drinks / Distribution Center / Warehouses	380,833	Own
Carlos Valdovinos *	Distribution Centers / Warehouses	106,820	Own
Puente Alto *	Distribution Centers / Warehouses	68,682	Own
Maipú *	Distribution Centers / Warehouses	45,833	Own
Rancagua *	Distribution Centers / Warehouses	25,920	Own
San Antonio *	Distribution Centers / Warehouses	19,809	Own
Antofagasta *	Offices / Production of Soft Drinks / Distribution Center / Warehouses	34,729	Own
Calama *	Distribution Centers / Warehouses	10,700	Own
Taltal *	Distribution Centers / Warehouses	975	Own
Tocopilla *	Distribution Centers / Warehouses	562	Own
Coquimbo *	Offices / Production of Soft Drinks / Distribution Center / Warehouses	31,383	Own
Copiapó *	Distribution Centers / Warehouses	26,800	Own
Ovalle *	Distribution Centers / Warehouses	6,223	Own
Vallenar *	Distribution Centers / Warehouses	5,000	Own
Illapel	Distribution Centers / Warehouses	s/d	Leased
Punta Arenas *	Offices / Production of Soft Drinks / Distribution Center / Warehouses	109,517	Own
Coyhaique *	Distribution Centers / Warehouses	5,093	Own
Puerto Natales	Distribution Centers / Warehouses	850	Leased
Vital Jugos S.A.			
Renca *	Offices / Production of Juices	40,000	Own
Vital Aguas S.A.			
Rengo *	Offices / Production of Waters	344,700	Own
Envases Central S.A.			
Renca *	Offices / Production of Soft Drinks	50,100	Own

PARAGUAY	Main Use	m²	Property
Paraguay Refrescos S.A.			
San Lorenzo *	Offices / Production of Soft Drinks / Warehouses	275,292	Own
Coronel Oviedo *	Offices / Warehouses	32,911	Own
Encarnación *	Offices / Warehouses	12,744	Own
Ciudad del Este *	Offices / Warehouses	14,620	Own

\* Properties free of encumbrances



## Subsidiaries and Equity Investees > Argentina

Embotelladora del Atlántico S.A.°	Andina Empaques Argentina S.A.°
Address Ruta Nacional 19, Km 3.7, Córdoba.	Address Austria 650 - Gral. Pacheco - partido de Tigre.
Argentine Tax Id N° 30-52913594/3	Argentine Tax Id N° 30-71213488-3
Telephone (54-351) 496 8888	Telephone (54-11) 4715 8000
Shareholders' Equity (at 12/31/15) ThCh\$ 3,782,900	Shareholders' Equity (at 12/31/15) ThCh\$ 2,472,553
% the investment represents in the Parent Company's assets 4.00	% the investment represents in the Parent Company's assets 0.50
% that the Parent Company holds in the capital of the subsidiary or equity investee*	% that the Parent Company holds in the capital of the subsidiary or equity investee*
Directly 0.92	Directly -
Indirectly 99.07	Indirectly 99.98
Corporate Purpose Manufacture, bottle, distribute and commercialize non-alcoholic beverages	Corporate Purpose Design, produce and commercialize plastic products, mainly packaging.
Commercial Relationship Coca-Cola bottler in Argentina.	Commercial Relationship Supplier of plastic bottles and preforms.
Board of Directors / Management Council Gonzalo Manuel Soto <sup>4</sup> Fabián Castelli Jaime Cohen <sup>2</sup> Laurence Paul Wiener (a) Adriana Paola Caballero (a) <sup>4</sup>	Board of Directors / Management Council Gonzalo Manuel Soto <sup>4</sup> Fabián Castelli Jaime Cohen <sup>2</sup> Laurence Paul Wiener (a) Adriana Paola Caballero (a) <sup>4</sup>
General Manager Fabián Castelli	General Manager Daniel Caridi

## Subsidiaries and Equity Investees > Brazil

Rio de Janeiro Refrescos Ltda.	Kaik Participações Ltda.
Address Rúa André Rocha 2299, Taquara, Jacarepaguá, Rio de Janeiro.	Address Av. Maria Coelho de Aguiar 215, bloco A, 1° Andar, Jardim São Luis, São Paulo.
Brazilian Tax Id N° 00.074.569/0001-00	Brazilian Tax Id N° 40.441.792/0001-54
Telephone (55-21) 2429 1779	Telephone (55-11) 2102 5563
Shareholders' Equity (at 12/31/15) ThCh\$ 119,168,159	Shareholders' Equity (at 12/31/15) ThCh\$ 228
% the investment represents in the Parent Company's assets 10.92	% the investment represents in the Parent Company's assets 0.05
% that the Parent Company holds in the capital of the subsidiary or equity investee **	% that the Parent Company holds in the capital of the subsidiary or equity investee **
Directly -	Directly -
Indirectly 99.99	Indirectly 11.32
Corporate Purpose Manufacture and commercialize beverages in general, powdered juices and other related semi-processed products.	Corporate Purpose Invest in other companies with its own resources.
Commercial Relationship Coca-Cola bottler in Brazil.	Commercial Relationship -
Directorio / Consejo de Administración Renato Barbosa Fernando Fragata <sup>3</sup> Rodrigo Klee <sup>3</sup> David Parkes <sup>3</sup> Antonio Rui de Lima Barreto Coelho <sup>3</sup>	Directorio / Consejo de Administración Luiz Eduardo Tarquinio Carlos Eduardo Correa Ricardo Vontobel <sup>1</sup> Francisco Miguel Alarcón Ruy Campos Vieira Renato Barbosa <sup>3</sup>
General Manager Renato Barbosa	General Manager -

Leão Alimentos e Bebidas Ltda	Sorocaba Refrescos Ltda.	SRSA Participações Ltda.
Address Rua Rockfeller 1361, Bairro Prado Velho, Curitiba, Paraná.	Address Rod.Raposo Tavares, Km 104, Jardim Jaraguá, Sorocaba, São Paulo.	Address Rua Antonio Aparecido Ferraz, 795, Sala 01, Jardim Itanguá, Sorocaba, São Paulo.
Brazilian Tax Id N° 72.114.994/0001-88	Brazilian Tax Id N° 45.913.696/0001-85	Brazilian Tax Id N° 10.359.485/0001-68
Telephone (55-11) 3809 5000	Telephone (55-15) 3229 9930	Telephone (55-15) 3229 9906
Shareholders' Equity (at 12/31/15) ThCh\$ 135,975,226	Shareholders' Equity (at 12/31/15) ThCh\$ 10,643,928	Shareholders' Equity (at 12/31/15) ThCh\$ 3,637
% the investment represents in the Parent Company's assets 0.58	% the investment represents in the Parent Company's assets 1.07	% the investment represents in the Parent Company's assets 0.01
% that the Parent Company holds in the capital of the subsidiary or equity investee **	% that the Parent Company holds in the capital of the subsidiary or equity investee **	% that the Parent Company holds in the capital of the subsidiary or equity investee **
Directly -	Directly -	Directly -
Indirectly 8.82	Indirectly 40	Indirectly 40
Corporate Purpose Manufacture and commercialize food and beverages in general, and beverage concentrate. Invest in other companies.	Corporate Purpose Manufacture and commercialize food and beverages in general, and beverage concentrate. Invest in other companies.	Corporate Purpose Purchase and sale of real estate investments and property management.
Commercial Relationship Produces sensible products for Coca-Cola bottlers in Brazil.	Commercial Relationship Coca-Cola bottler in Brazil.	Commercial Relationship Business supporting company
Board of Directors / Management Council Axel Eric Meeus d'Argenteuil Ruben Lahyr Schneider Emerson Vontobel José Ramón Martínez Alonso Alexander Fernandes Delgado Renato Barbosa Marcelo Jose Texeira Izzo Ricardo Vontobel <sup>1</sup> José Ramires Sandor Leonar de Souza Xiemar Zarazua Lopes	Board of Directors / Management Council Renato Barbosa <sup>3</sup> Cristiano Biagi Giordano Biagi Gonzalo Said <sup>1</sup> Luiz Lacerda Biagi	Board of Directors / Management Council Renato Barbosa <sup>3</sup> Cristiano Biagi Giordano Biagi Gonzalo Said <sup>1</sup> Luiz Lacerda Biagi
General Manager Axel de Meeus	General Manager Cristiano Biagi	General Manager Cristiano Biagi

\* Non-traded corporation

\* There have been no participation variations in the last year

\*\* There have been no participation variations in the last year, with the exception of Leão Alimentos y Bebidas Ltda. where until 2012, the Brazilian subsidiary, Rio de Janeiro Refrescos Ltda. held a 5.74% direct ownership interest in the equity of Sistema de Alimentos de Bebida do Brasil Ltda., and a 36.4% in Holdfab 2 Participações Ltda., through which it held an 18.2% indirect ownership interest in Leão Junior S.A. During 2013, there was a restructuring of the juice and mate business, whereby the companies in which Rio de Janeiro Refrescos Ltda. held an interest were merged. As a result of the restructuring Rio de Janeiro Refrescos Ltda. ended up with a 9.57% ownership interest in Leon Alimentos y Bebidas Ltda., the legal successor of these companies. This percentage increased to 10.87% with the acquisition and subsequent merger of Companhia de Bebidas Ipiranga that also held an ownership interest in Leon Alimentos y Bebidas Ltda.

1. Embotelladora Andina S.A. director

2. Embotelladora Andina S.A. officer

3. Rio de Janeiro Refrescos Ltda. officer

4. External Counsel.

(a) Alternate

Subsidiaries and Equity Investees

> Chile

Embotelladora Andina Chile S.A.°	Vital Jugos S.A.°	Vital Aguas S.A.°	Transportes Andina Refrescos Ltda.°°
Address	Address	Address	Address
Av. Miraflores 9153. Renca, Santiago.	Av. Américo Vespucio 1651. Renca, Santiago.	Camino a la Vital 1001. Comuna de Rengo, IV Región.	Av. Miraflores 9153, piso 4, Renca, Santiago.
Chilean Tax Id N°	Chilean Tax Id N°	Chilean Tax Id N°	Chilean Tax Id N°
76.070.406-7	93.899.000-K	76.389.720-6	78.861.790-9
Telephone	Telephone	Telephone	Telephone
(56-2) 2338 0520	(56-2) 2620 4100	(72) 512206 680016	(56-2) 2550 9445
Shareholders' Equity (at 12/31/15)	Shareholders' Equity (at 12/31/15)	Shareholders' Equity (at 12/31/15)	Shareholders' Equity (at 12/31/15)
ThCh\$ 14,069,067	ThCh\$ 20,675,167	ThCh\$ 4,331,154	ThCh\$ 816,140
% the investment represents in the Parent Company's assets	% the investment represents in the Parent Company's assets	% the investment represents in the Parent Company's assets	% the investment represents in the Parent Company's assets
0.17	0.78	0.18	0.06
% that the Parent Company holds in the capital of the subsidiary or equity investee*	% that the Parent Company holds in the capital of the subsidiary or equity investee*	% that the Parent Company holds in the capital of the subsidiary or equity investee*	% that the Parent Company holds in the capital of the subsidiary or equity investee*
Directly 99.9998	Directly 15.00	Directly 66.5	Directly 99.90
Indirectly 0.0002	Indirectly 50.00	Indirectly -	Indirectly 0.09
Corporate Purpose	Corporate Purpose	Corporate Purpose	Corporate Purpose
Manufacture, bottle, distribute and commercialize non-alcoholic beverages.	Manufacture, distribute and commercialize all kinds of food products, juices and beverages.	Manufacture, distribute and commercialize all kinds of waters and beverages in general.	Provide administration services and management of domestic and foreign ground transportation.
Commercial Relationship	Commercial Relationship	Commercial Relationship	Commercial Relationship
Leasing of productive infrastructure	Produces juices for Coca-Cola bottlers in Chile.	Produces mineral water for Coca-Cola bottlers in Chile.	Provides ground transportation services.
Board of Directors / Management Council	Board of Directors / Management Council	Board of Directors / Management Council	Board of Directors / Management Council
Miguel Ángel Peirano² Andrés Wainer² Jaime Cohen²	José Luis Solórzano² Alberto Moreno² Cristián Hohlberg José María Sánchez² Germán Garib ² (a) Jaime Cohen² (a) José Domingo Jaramillo (a) Andrés Wainer ² (a)	José Luis Solórzano ² Alberto Moreno ² Cristián Holberg José María Sánchez ² Germán Garib ² (a) Jaime Cohen ² (a) José Domingo Jaramillo (a) Andrés Wainer ² (a)	N/A
General Manager	General Manager	General Manager	
José Luis Solórzano	César Vargas	César Vargas	

Transportes Polar S.A.°	Servicios Multivending Ltda.°°	Envases CMF S.A.°	Envases Central S.A.°
Address	Address	Address	Address
Av. Miraflores 9153, piso 4. Renca, Santiago.	Av. Miraflores 9153, piso 4. Renca, Santiago.	La Martina 0390. Pudahuel, Santiago.	Av. Miraflores 8755. Renca, Santiago.
Chilean Tax Id N°	Chilean Tax Id N°	Chilean Tax Id N°	Chilean Tax Id N°
96.928.520-7	78.536.950-5	86.881.400-4	96.705.990-0
Telephone	Telephone	Telephone	Telephone
(56-2) 2550 9445	(56-2) 2677 2700	(56-2) 2544 8222	(56-2) 2599 9300
Shareholders' Equity (at 12/31/15)	Shareholders' Equity (at 12/31/15)	Shareholders' Equity (at 12/31/15)	Shareholders' Equity (at 12/31/15)
ThCh\$ 1,619,315	ThCh\$ 862,248	ThCh\$ 32,981,986	ThCh\$ 7,562,354
% the investment represents in the Parent Company's assets	% the investment represents in the Parent Company's assets	% the investment represents in the Parent Company's assets	% the investment represents in the Parent Company's assets
0.24	0.04	0.86	0.32
% de participación de la Matriz en el Capital de la subsidiaria o asociada*	% de participación de la Matriz en el Capital de la subsidiaria o asociada*	% de participación de la Matriz en el Capital de la subsidiaria o asociada*	% de participación de la Matriz en el Capital de la subsidiaria o asociada*
Directly 99.99	Directly 99.90	Directly -	Directly 59.27
Indirectly -	Indirectly 0.09	Indirectly 50.00	Indirectly -
Corporate Purpose	Corporate Purpose	Corporate Purpose	Corporate Purpose
Freight transportation in general in the beverage industry and other processed goods.	Commercialize products through equipment and vending machines.	Manufacture and sale of plastic products and bottling services and beverage containers.	Manufacture and packaging of all kinds of beverages, and commercialize all kinds of packaging.
Commercial Relationship	Commercial Relationship	Commercial Relationship	Commercial Relationship
Provides ground transportation services.	Provides product sales through vending machines.	Supplier of plastic bottles, preforms and caps.	Produces cans and some small formats for Coca-Cola bottlers in Chile.
Board of Directors / Management Council	Board of Directors / Management Council	Board of Directors / Management Council	Board of Directors / Management Council
José Luis Solórzano² Rodolfo Peña² Alberto Moreno²	N/A	Salvador Said ¹ Andrés Vicuña Cristián Hohlberg Germán Garib ² Matías Mackenna Andrés Wainer ²	Diego González José Luis Solórzano ² José María Sánchez ² Alberto Moreno ² Cristián Hohlberg José Jaramillo Diana Rosas (a) Germán Garib ² (a) Jaime Cohen ² (a) Andrés Wainer ² (a) Matías Mackenna (a) Juan Paulo Valdés (a)
General Manager		General Manager	General Manager
Alejandro Vargas		Christian Larraín	Patricio Delpiano



Subsidiaries and Equity Investees

> Chile

Andina Bottling Investments S.A.°	Andina Bottling Investments Dos S.A.°	Andina Inversiones Societarias S.A.°	Inversiones Los Andes Ltda.°°°
Address Av. Miraflores 9153, piso 7, Renca, Santiago.	Address Av. Miraflores 9153, piso 7, Renca, Santiago.	Address Av. Miraflores 9153, piso 7, Renca, Santiago.	Address Av. Miraflores 9153, piso 7, Renca, Santiago.
Chilean Tax Id N° 96.842.970-1	Chilean Tax Id N° 96.972.760-9	Chilean Tax Id N° 96.836.750-1	Chilean Tax Id N° 96.971.280-6
Telephone (56-2) 2338 0520	Telephone (56-2) 2338 0520	Telephone (56-2) 2338 0520	Telephone (56-2) 2338 0520
Shareholders' Equity (at 12/31/15) ThCh\$ 234,490,447	Shareholders' Equity (at 12/31/15) ThCh\$ 8,513,734	Shareholders' Equity (at 12/31/15) ThCh\$ 33,676,108	Shareholders' Equity (at 12/31/15) ThCh\$ 77,237,135
% the investment represents in the Parent Company's assets 19.04	% the investment represents in the Parent Company's assets 7.75	% the investment represents in the Parent Company's assets 1.68	% the investment represents in the Parent Company's assets 13.42
% that the Parent Company holds in the capital of the subsidiary or equity investee* Directly 99.90 Indirectly 0.10	% that the Parent Company holds in the capital of the subsidiary or equity investee* Directly 99.90 Indirectly 0.10	% that the Parent Company holds in the capital of the subsidiary or equity investee* Directly 99.99 Indirectly 0.0001	% that the Parent Company holds in the capital of the subsidiary or equity investee* Directly 99.99 Indirectly 0.0001
Corporate Purpose Manufacture, bottle and commercialize beverages and food in general. Invest in other companies.	Corporate Purpose Carryout exclusively foreign permanent investments or lease all kinds of real estate.	Corporate Purpose Invest in all types of companies and commercialize food products in general.	Corporate Purpose Invest in financial instruments for its own account or on behalf of third parties.
Commercial Relationship Investment vehicle	Commercial Relationship Investment vehicle	Commercial Relationship Investment vehicle	Commercial Relationship Investment vehicle
Board of Directors / Management Council Miguel Ángel Peirano² Andrés Wainer² Jaime Cohen² Germán Garib² (a) Tomás Vedoya² (a) Gonzalo Muñoz² (a)	Board of Directors / Management Council Miguel Ángel Peirano² Andrés Wainer² Jaime Cohen² Germán Garib² (a) Tomás Vedoya² (a) Gonzalo Muñoz² (a)	Board of Directors / Management Council Miguel Ángel Peirano² Andrés Wainer² Jaime Cohen² Germán Garib² (a) Tomás Vedoya² (a) Gonzalo Muñoz² (a)	Board of Directors / Management Council N/A
Gerente General Miguel Ángel Peirano²	Gerente General Miguel Ángel Peirano²	Gerente General Miguel Ángel Peirano²	

Red de Transportes Comerciales Ltda.°°°	Tranportes Trans-Heca Ltda.°°°°
Address Av. Miraflores 9153, piso 4 Renca, Santiago.	Address Av. Miraflores 9153, piso 4 Renca, Santiago.
Chilean Tax Id N° 76.276.604-3	Chilean Tax Id N° 78.775.460-0
Telephone (56-2) 25509500	Telephone (56-2) 25509500
Shareholders' Equity (at 12/31/15) ThCh\$ 1,429,835	Shareholders' Equity (at 12/31/15) ThCh\$ 1,080,795
% the investment represents in the Parent Company's assets 0.05	% the investment represents in the Parent Company's assets 0.03
% that the Parent Company holds in the capital of the subsidiary or equity investee* Directly 99.90 Indirectly 0.10	% that the Parent Company holds in the capital of the subsidiary or equity investee* Directly - Indirectly 100
Corporate Purpose Freight transportation in general in the beverage industry and other processed goods.	Corporate Purpose Freight transportation in general in the beverage industry and other processed goods.
Commercial Relationship Provides ground transportation services.	Commercial Relationship Provides ground transportation services.
Board of Directors / Management Council N/A	Board of Directors / Management Council N/A

\* There have been no participation variations in the last year.

° Non-traded corporation.

°° Limited liability companies that do not have a Board of Directors, rather they have a Management Council

°°° Management of the company corresponds to the shareholder Embotelladora Andina S.A. through its agents or specially appointed representatives.

°°°° Management of the company corresponds to the shareholder Red de Transportes Comerciales Ltda. through its agents or specially appointed representatives.

1. Director and Member of the Controlling Group of Embotelladora Andina S.A.

2. Embotelladora Andina S.A. officer

(a) Alternate

# Subsidiaries and Equity Investees

## > Paraguay

Paraguay Refrescos S.A. °
Address Acceso Sur, Ruta Ñemby Km 3,5 - Barcequillo - San Lorenzo.
Paraguayan Tax Id N° 80.003.400-7
Telephone (595) 21 959 1000
Shareholders' Equity (at 12/31/15) ThCh\$ 9,904,604
% the investment represents in the Parent Company's assets 11.72
% that the Parent Company holds in the capital of the subsidiary or equity investee*
Directly 0.076
Indirectly 97.75
Corporate Purpose Manufacture, distribute and commercialize carbonated and non-carbonated non-alcoholic beverages.
Commercial Relationship Coca-Cola bottler in Paraguay
Board of Directors / Management Council Andrés Wainer¹ Francisco Sanfurgo Jaime Cohen¹ Germán Garib¹ (a)
General Manager Francisco Sanfurgo

# Subsidiaries and Equity Investees

## > British Virgin Islands

Abisa Corp.	Aconcagua Investing Ltda.
Address Vanterpool Plaza, 2°Piso, Wickhams Cay 1, Road Town Tortola.	Address Vanterpool Plaza, Wickhams Cay 1, P.O. Box 873 Road Town, Tortola, British Virgin Island.
BVI Registration N° 512410 / RUT 59.144.140-K	BVI Registration N° 569101
Telephone (1-284) 494 5959	Telephone (1-284) 494 5959
Shareholders' Equity (at 12/31/15) ThCh\$ 12,594,313	Shareholders' Equity (at 12/31/15) ThCh\$ 523,599
% the investment represents in the Parent Company's assets 13.42	% the investment represents in the Parent Company's assets 1.03
% that the Parent Company holds in the capital of the subsidiary or equity investee*	% that the Parent Company holds in the capital of the subsidiary or equity investee*
Directly -	Directly 0.70
Indirectly 100	Indirectly 99.3
Corporate Purpose Invest in financial instruments, for its own account or on behalf of third parties.	Corporate Purpose Invest in financial instruments, for its own account or on behalf of third parties.
Commercial Relationship Investment company.	Commercial Relationship Investment company
Board of Directors / Management Council Miguel Ángel Peirano¹ Andrés Wainer¹ Jaime Cohen¹ Germán Garib¹	Board of Directors / Management Council Jaime Cohen¹ Andrés Wainer¹ Miguel Angel Peirano¹

° Non-traded corporation  
\* There have been no participa-  
tion variations in the last year  
1. Embotelladora Andina S.A.  
officer  
(a) Alternate





# Controlling Group

The following group of individuals and corporations controls Embotelladora Andina S.A. (“Andina”):

## Controlling Group

Controlling Group: Inversiones SH Seis Limitada (“SH6”), Inversiones Cabildo SpA (“Cabildo”), Inversiones El Olivillo Limitada and Inversiones Alerce Limitada, today known as Inversiones Chucao Limitada (“Chucao”), Inversiones Nueva Delta S.A. (“Nueva Delta”), Inversiones Nueva Delta Dos S.A. (“Nueva Delta Dos”), Inversiones Las Gaviotas Dos Limitada (“Las Gaviotas Dos”), Inversiones Playa Negra Dos Limitada, today known as Inversiones Playa Negra SpA (“Playa Negra”), Inversiones Don Alfonso Dos Limitada, today known as Don Alfonso Limitada (“Don Alfonso”), Inversiones El Campanario Dos Limitada, today known as Inversiones El Campanario Limitada (“Campanario”), Inversiones Los Robles Dos Limitada, today known as Inversiones Los Robles Limitada (“Los Robles”) and Inversiones Las Viñas Dos Limitada, today known as Inversiones Las Niñas Dos SpA (“Las Niñas Dos”).

Under the Agreement, SH6 holds 50,001,664 Series A shares of Andina, Cabildo holds 50,001,664 Series A shares of Andina, Chucao holds 50,001,644 Series A shares of Andina, Nueva Delta holds 46,426,645 Series A shares of Andina, and Nueva Delta Dos holds 3,574,999 Series A shares of Andina. Las Gaviotas Dos holds 13,513,594 Series A shares of Andina, Playa Negra holds 322,336 Series A shares of Andina, and Don Alfonso, Campanario, Los Robles and Las Niñas Dos each hold 9,788,363 Series A shares of Andina.

The persons and representatives for management listed below are the final controllers of the aforementioned corporations.

Shareholders or partners of the companies that are part of the Controlling Group:

1. SH6: Inversiones SH Seis Limitada, R.U.T. N° 76.273.760-4. This company’s direct and indirect ownership is held by:

(a) Inmobiliaria e Inversiones Punta Larga Limitada, R.U.T. N° 96.580.490-0, holder of 14.2069% of share capital. Jaime Said Handal, C.N.I. N° 4.047.015-8 directly owns 99.92% of this company;

(b) Inversiones Bullish Limitada, R.U.T. N° 76.167.252-5, holder of 14.2069% of share capital. Gonzalo Said Handal, C.N.I. N° 6.555.478-K indirectly owns 97.2873% of this company;

(c) Inversiones Berkleee Limitada, R.U.T. N° 77.077.030-0, holder of 14.2069% of share capital. Javier Said Handal, C.N.I. N° 6.384.873-5 directly owns 99% of this company;

(d) Inversiones Harvest Limitada, R.U.T. N° 77.077.250-8, holder of 14.2069% of share capital. Bárbara Said Handal, C.N.I. N° 4.708.824-0 directly owns 69.66% of this company;

(e) Inversiones Oberon Limitada, R.U.T. N° 76.126.745-0, holder of 14.2069% of share capital. Marisol Said Handal, C.N.I. N° 6.384.872-7 indirectly owns 90.0885% of this company;

(f) Inversiones Rinascente Limitada, R.U.T. N° 77.077.070-K, holder of 14.2069% of share capital. Cristina Said Handal; C.N.I. N° 5.522.896-5 directly owns 94.0580% of this company;

(g) Jaime, Gonzalo, Javier, Bárbara, Marisol and Cristina Said Handal, each are holders of 0.00006175% of share capital; and

(h) Inmobiliaria Pro Seis Limitada, R.U.T. N° 76.268.900-6, holder of 14.7581% of share capital. Jaime, Gonzalo, Javier, Bárbara, Marisol and Cristina Said Handal indirectly own this company in equal parts each.

2. Cabildo: Inversiones Cabildo SpA, R.U.T. N° 76.062.133-1. This company’s direct and indirect ownership is held by:

(a) Inversiones Delfin Uno S.A., R.U.T. N° 76.005.604-9, holder of 1.10% of share capital. Mrs. Isabel Margarita Somavía Dittborn, C.N.I. N° 3.221.015-5 has a 99% ownership interest in this company;

(b) Inversiones Delfin Dos S.A., R.U.T. N° 76.005.591-3, holder of 1.10% of share capital. Mr. José Said Saffie, C.N.I. N° 2.305.902-9 has a 99% ownership interest in this company;

(c) Inversiones Delfin Tres S.A., R.U.T. N° 76.005.585-9, holder of 37.74% of share capital. Mr. Salvador Said Somavía, C.N.I. N° 6.379.626-3 has a 99% ownership interest in this company;

(d) Inversiones Delfin Cuatro S.A., R.U.T. N° 76.005.582-4, holder of 18.87% of share capital. Mrs. Isabel Said Somavía, C.N.I. N° 6.379.627-1 has a 99% ownership interest in this company;

(e) Inversiones Delfin Cinco S.A., R.U.T. N° 76.005.503-4, holder of 18.87% of share capital. Mrs. Constanza Said Somavía, C.N.I. N° 6.379.628-K has a 99% ownership interest in this company;

(f) Inversiones Delfin Seis S.A., R.U.T. N° 76.005.502-6, holder of 18.87% of share capital. Mrs. Loreto Said Somavía, C.N.I. N°

6.379.629-8 has a 99% ownership interest in this company;

(g) Ledimor Financial Corp., R.U.T. N° 59.038.220-5, holder of 2.21% of share capital. The final controllers of this company are Mr. José Said Saffie and Mrs. Isabel Margarita Somavía Dittborn, each holding 30% of its shares, Mr. Salvador Said Somavía holding 16% of its shares. Isabel Said Somavía, Mrs. Constanza Said Somavía, and Mrs. Loreto Said Somavía, each holding 8% of share capital.

(h) Opirel S.A., R.U.T. N° 59.002.280-2, holder of 0.87% of share capital. The final controllers of this company are Mr. José Said Saffie and Mrs. Isabel Margarita Somavía Dittborn, each holding 30% of its shares, Mr. Salvador Said Somavía holding 16% of its shares. Isabel Said Somavía, Mrs. Constanza Said Somavía, and Mrs. Loreto Said Somavía each holding 8% of share capital, and

(i) Donaler Investment Corp., R.U.T. N° 59.070.760-0, holder of 0.37% of share capital. The final controllers of this company are Mr. José Said Saffie and Mrs. Isabel Margarita Somavía Dittborn, each holding 30% of its shares, Mr. Salvador Said Somavía holding 16% of its shares. Isabel Said Somavía, Mrs. Constanza Said Somavía, and Mrs. Loreto Said Somavía each holding 8% of share capital.

3. Chucao: Inversiones El Olivillo Limitada and Inversiones Alerce Limitada were absorbed by Inversiones Chucao Limitada, pursuant to a merger by incorporation as evidenced by a public deed dated December 9, 2014, granted by the Notary Public of Santiago of Mr. Sergio Carmona Barrales, an abstract of which is registered on page 11,305 N°7.078 of the Public Registry of Commerce of the City of Santiago of the year 2015. Subsequently Inversiones Chucao Limitada was

amended by a public deed dated September 10, 2015, granted by the Notary Public of Santiago of Mr. Eduardo Diez Morello, an abstract of which is registered on page 72,932 N°42,639 of the Public Registry of Commerce of the City of Santiago of that same year. As a result of the transfer of rights and change in corporate purpose evidenced in the previously mentioned deed, the company Hydra Investment and Shipping Corp withdraws from the company; Inversiones HB S.A. is responsible for the management of the company and Inversiones Chucao Limitada’s social rights are distributed as follows: 99.25% ownership interest for Inversiones Lleuque Limitada (equally owned by Pamela Hurtado Berger, C.N.I. N° 7.050.827-3 and Madeline Hurtado Berger, C.N.I. N° 7.050.867-2); and 0.75% ownership interest for Hydra Inversiones Limitada.

4. Nueva Delta: Inversiones Nueva Delta S.A., R.U.T. N° 76.309.233-K, 99.986% owned by Inversiones Nueva Sofia S.A., R.U.T. N° 76.366.690-5. This company’s direct and indirect ownership is held by:

(a) Mr. José Antonio Garcés Silva (senior), C.N.I. N° 3.984.154-1 holds 8.648%, who also maintains political rights through a special series of shares in the parent company;

(b) Mrs. María Teresa Silva Silva, C.N.I. N° 3.717.514-5 holds 1.60%;

(c) Mrs. María Teresa Garcés Silva, C.N.I. N° 7.032.690-6 holds 17.95%;

d) Mrs. María Paz Garcés Silva, C.N.I. N° 7.032.689-2 holds 17.95%;

(e) Mr. José Antonio Garcés Silva (junior), C.N.I. N° 8.745.864-4 holds 17.95%;

(f) Mr. Matías Alberto Garcés Silva, C.N.I. N° 10.825.983-3 holds 17.95%; and

(g) Mr. Andrés Sergio Garcés Silva, C.N.I. N° 10.828.517-6 holds 17.95%.

5. Nueva Delta Dos: Inversiones Nueva Delta Dos S.A., R.U.T. N° 76.309.244-5, 99.986% owned by Inversiones Nueva Sofia S.A. (This company’s direct and indirect ownership is the same as the one set forth in the previous paragraph for Nueva Delta).

6. Las Gaviotas Dos: Inversiones Las Gaviotas Dos Limitada, R.U.T. N° 76.273.887-2, 99.3917% owned by Las Gaviotas SpA whose final controller (as representative for management) is Mr. Andrés Herrera Ramírez, and 0.6083% owned by Patricia Claro Marchant.

7. Playa Negra: Inversiones Playa Negra Dos Limitada, R.U.T. N° 76.273.973-9, 100% owned by Patricia Claro Marchant.

8. Don Alfonso: Inversiones Don Alfonso Limitada, R.U.T. N° 76.273.918-6, 73.40437% owned by María de la Luz Chadwick Hurtado and 0,05062% owned by Carlos Eugenio Lavín García-Huidobro, and 26.54501% owned by Inversiones FLF Limitada (99.5% controlled by Francisco José Lavín Chadwick) whose final controller (as representative for management) is Mrs. María de la Luz Chadwick Hurtado.

9. Campanario: Inversiones El Campanario Limitada, R.U.T. N° 76.273.959-3, 86.225418% owned by María Soledad Chadwick Claro, 0.013235% owned by Josefina Dittborn Chadwick, 0.011603% owned by Julio Dittborn Chadwick, 6.874872% owned by Inversiones Melitta Limitada (99% controlled by Josefina Dittborn Chadwick) and 6.874872% owned by Inversiones DV Limitada (99% controlled by Julio Dittborn Chadwick), whose final controller (as representative for management) is Mrs. María Soledad Chadwick Claro.

10. Los Robles: Inversiones Los Robles Limitada, R.U.T. N° 76.273.886-4, 78.740150% owned by María Carolina Chadwick Claro, 1.114596% owned by Inveraray Investments Corp., 0.107735% owned by Felipe Tomás Cruzat Chadwick, 0.107735% owned by Carolina María Errázuriz Chadwick, 0.107735% owned by Jacinta María Errázuriz Chadwick, 6.607349411% owned by Inversiones Bocaleón Limitada (99.9902% controlled by Felipe Tomás Cruzat Chadwick), 6.607349411% owned by Inversiones Las Dalias Limitada (99.993% controlled by Carolina María Errázuriz Chadwick) and 6.607349411% owned by Inversiones Las Hortensias Limitada (99.9903% controlled by Jacinta María Errázuriz Chadwick), whose final controller (as representative for management) is Mrs. María Carolina Chadwick Claro.

11. Las Niñas Dos: Inversiones Las Niñas Dos SpA, R.U.T. N° 76.273.943-7, 100% owned by Inversiones Las Niñas Limitada (96% controlled by María Eugenia, María José, Alejandra María and Magdalena María all Chadwick Braun), whose final controller (as representative for management) is Mr. Eduardo Chadwick Claro.

III

Direct and indirect ownership interest in Andina (including Series A and Series B shares) held by members of the Controlling Group or persons related thereto:<sup>1</sup>

		SERIES A	SERIES B
A	Inversiones SH Seis Limitada	52,989,375	37,864,863
B	The estate of Jaime Said Demaría	-	49,600
Ownership interest by Series:		11.1960%	8.0109%
a	Inversiones Cabildo SpA	52,987,375	49,650,863
b	José Said Saffie	-	49,600
Ownership interest by Series:		11.1956%	10.5013%
		Serie A	Serie B
a	Inversiones Chucao Limitada <sup>2</sup>	50,001,644	-
b	Inversiones HB S.A. <sup>3</sup>	1,569,731	1,898,212
c	Rentas IMA Limitada <sup>4</sup>	-	38,978,263
d	Alberto Hurtado Fuenzalida	-	49,600
Ownership interest by Series:		10.8964%	8.6473%
a	Nueva Delta	46,426,645	-
b	Nueva Delta Dos	3,574,999	-
c	Inversiones Nueva Sofía Limitada	2,985,731	25,678,583
d	José Antonio Garcés Silva	-	49,600
Ownership interest by Series:		11.1956%	5.4361%
a	Inversiones Las Gaviotas Dos Limitada	13,513,594	13,513,594
b	Inversiones Playa Negra SpA	322,336	322,336
c	Inversiones El Campanario Limitada	9,788,363	9,788,363
d	Inversiones Los Robles Limitada	9,788,363	9,788,363
e	Inversiones Las Niñas Dos SpA	9,788,363	9,788,363
f	Inversiones Don Alfonso Limitada	9,788,363	9,788,363
Ownership interest by Series:		11.1960%	11.1960%

1. Excluding Inversiones Freire S.A.'s nominal ownership interest of 23 Series A shares of Andina and Inversiones Freire Dos S.A.'s 4 Series A shares of Andina.

2. Inversiones Chucao Limitada, RUT 76.427.893-3, legal successor of Inversiones El Olivillo Limitada and Inversiones Alerce pursuant to the merger agreement through a public deed dated December 9, 2014 in the Notary Public of Carmona in Santiago, and is controlled (99.25% direct ownership) by Inversiones Llleuque Limitada.

3. Inversiones HB S.A., Rut 96.842.220-0 is controlled by (100% indirect ownership) by the following people: Alberto Hurtado Fuenzalida, C.N.I. 2.593.323-0; Pamela Hurtado Berger, C.N.I. 7.050.827-3; and Madeline Hurtado Berger, C.N.I. 7.050.867-2.

4. Rentas IMA Limitada, Rut 76.409.659-2, legal successor of Inversiones Mar Adentro Limitada, pursuant to the merger agreement through a public deed dated October 21, 2014 in the Notary Public of Carmona un Santiago, and is controlled (88.33% direct ownership) by Inversiones HB S.A.

IV

The only shareholder, different from the Controlling Group, that exceeds 10% ownership interest in Andina is:

	SERIES A	SERIES B
Coca-Cola de Chile S.A.	67,938,179	67,938,179
Ownership interest by Series:	14.3545%	14.3547%

The Controlling Group acts in accordance with a joint action agreement between the parties (the “Agreement”).

According to the Agreement, the Controlling Group shall jointly exercise Andina’s control to ensure the majority of votes at shareholder meetings and Board sessions. The resolutions of the Controlling Group are approved by at least four of the five parties, except for certain matters that require unanimity.

On the other hand, and subject to the fulfillment of the rules of the Securities Market Law in Chile, the Agreement sets forth sale options of each party with respect to the other at a market price plus a premium of 9.9% and 25%, with 30-days window to exercise in June every year, and in June of 2017 and 2027 respectively; and in the case that all but one of the parties decide to sell, the Agreement regulates a right of first option to purchase for a period of one year.

The Agreement is formalized through a private instrument signed between the parties, and has an indefinite duration.

In connection with The Coca-Cola Company’s investment in Andina, The Coca-Cola Company and the Controlling Group entered into a Shareholders’ Agreement dated September 5, 1996, providing for certain restrictions on the transfer of Andina’s capital stock by the Controlling Group. Specifically, the Controlling Group is restricted from trans-

ferring its Series A shares without the prior authorization of The Coca-Cola Company. The Shareholders’ Agreement also provides for certain corporate governance matters, including The Coca-Cola Company’s right to elect two members among our directors so long as The Coca-Cola Company and its subsidiaries collectively own a certain percentage of Series A shares. In addition, in related agreements, the Controlling Group granted The Coca-Cola Company an option, exercisable upon the occurrence of certain changes in the beneficial ownership of the Controlling Group, to acquire 100% of the Series A shares held by them at a price and in accordance with procedures established in such agreements.

Relevant Changes in Company Share Ownership

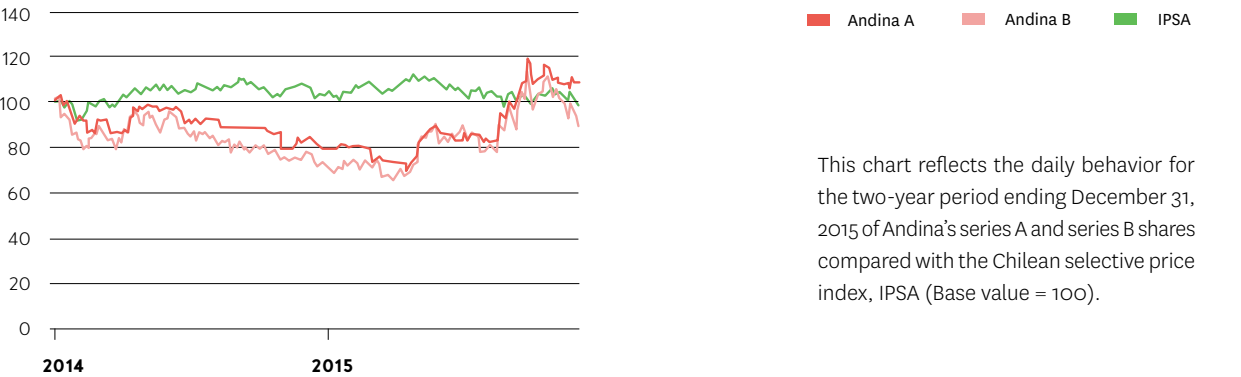
During 2014 there were no relevant changes in Company share ownership. However, on January 9, 2014, Inversiones HB S.A., member of the Controlling Group informed about the sale of 7,000,000 Series B shares for a total amount of ThCh\$15,891 million.



# Stock Market Trading Information

## > Chile

Andina’s shares are traded on the Chilean Stock Market since 1955. The Securities Registry N° is 00124. In 1997 there was a stock split dividing Andina’s shares into two series. The ticker symbol on the Chilean Stock Exchange for Andina’s shares is Andina-A and Andina-B. Andina’s stock in Chile is handled by Sercor [www.sercor.cl](http://www.sercor.cl)



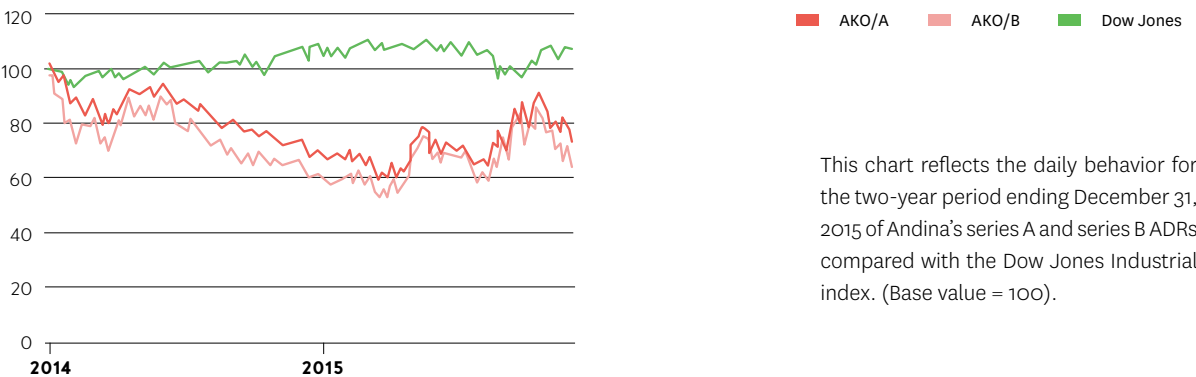
		ANDINA-A			ANDINA-B		
2015		Shares Traded (million)	Total Traded (million CH\$)	Average Price (CH\$)	Shares Traded (million)	Total Traded (million CH\$)	Average Price (CH\$)
Bolsa de Comercio de Santiago	1st Quarter	9.9	13,721	1,437	19.2	32,872	1,717
	2nd Quarter	11.1	15,988	1,497	37.5	73,436	1,950
	3rd Quarter	9.8	17,208	1,724	29.4	64,829	2,167
	4th Quarter	11.4	22,673	1,979	20.5	47,812	2,314
Bolsa Electrónica de Chile	1st Quarter	0.2	268	1,448	2.6	4,473	1,732
	2nd Quarter	0.3	400	1,387	7.7	14,382	1,887
	3rd Quarter	0.2	341	1,807	3.7	8,273	2,199
	4th Quarter	0.3	563	1,997	2.4	5,960	2,368
Bolsa de Corredores / Bolsa de Valores	1st Quarter	0.0	6	1,495	Not Traded		
	2nd Quarter	Not Traded			0.0	1	2,080
	3rd Quarter	Not Traded			0.0	10	1,890
	4th Quarter	Not Traded			Not Traded		

Source: Certificates from the respective Stock Exchanges.  
Note: As of December 30, 2015, Andina-A and Andina-B shares had a presence of 59.44% and 100% respectively.

# Stock Market Trading Information

## > New York Stock Exchange

Andina’s ADRs were listed on the New York Stock exchange in 1994. One ADR is equal to 6 shares of common stock. In 1997 there was a stock split dividing Andina’s shares into two series. The ticker symbol on the New York Stock Exchange for Andina’s ADRs is AKO/A and AKO/B. The depositary bank for Andina’s ADRs is The Bank of New York Mellon [www.bnymellon.com](http://www.bnymellon.com).



		AKO-A			AKO-B		
2015		ADRs traded (million)	Total Traded <sup>1</sup> (MUS\$)	Average Price (US\$)	ADRs traded (million)	Total Traded <sup>1</sup> (MUS\$)	Average Price (US\$)
1st Quarter		0.24	3.26	13.79	1.86	30.05	16.43
2nd Quarter		0.15	2.13	14.63	4.72	90.21	18.70
3rd Quarter		0.22	3.39	15.23	2.72	53.14	19.17
4th Quarter		0.20	3.36	16.91	2.61	53.24	20.10

<sup>1</sup> Total Traded calculated as the Average Price times Volume of Shares Traded  
Source: Bloomberg

Compensation Board of Directors

2015	Directors' Compensation Ch\$	Executive Committee Ch\$	Directors' and Audit Committee Ch\$	Total Ch\$
Juan Claro González *	144,000,000	-	-	144,000,000
Arturo Majlis Albala	72,000,000	72,000,000	24,000,000	168,000,000
Gonzalo Said Handal	72,000,000	72,000,000	-	144,000,000
José Antonio Garcés Silva	72,000,000	72,000,000	-	144,000,000
Salvador Said Somavía	72,000,000	72,000,000	24,000,000	168,000,000
Eduardo Chadwick Claro	72,000,000	72,000,000		144,000,000
Gonzalo Parot Palma **	72,000,000	-	24,000,000	96,000,000
Francisco Crespo	72,000,000			72,000,000
Emilio Rodríguez Larraín	72,000,000			72,000,000
José Fernando De Gregorio Rebeco	72,000,000			72,000,000
Juan Andrés Fontaine Talavera	72,000,000			72,000,000
Franz Alscher	72,000,000			72,000,000
Ricardo Vontobel	72,000,000			72,000,000
Mariano Rossi	72,000,000			72,000,000
Total Gross Amounts	1,080,000,000	360,000,000	72,000,000	1,512,000,000

\* Includes an additional Ch\$72 million as Chairman of the Board of Directors  
\*\*Independent Director of the Company, pursuant to current regulations

2014	Directors' Compensation Ch\$	Executive Committee Ch\$	Directors' and Audit Committee Ch\$	Total Ch\$
Juan Claro González *	144,000,000	-	-	144,000,000
Arturo Majlis Albala	72,000,000	72,000,000	24,000,000	168,000,000
Gonzalo Said Handal	72,000,000	72,000,000	-	144,000,000
José Antonio Garcés Silva	72,000,000	72,000,000	-	144,000,000
Salvador Said Somavía	72,000,000	72,000,000	24,000,000	168,000,000
Eduardo Chadwick Claro	72,000,000	72,000,000		144,000,000
Gonzalo Parot Palma **	72,000,000	-	24,000,000	96,000,000
Francisco Crespo	72,000,000			72,000,000
Emilio Rodríguez Larraín	72,000,000			72,000,000
José Fernando De Gregorio Rebeco	72,000,000			72,000,000
Juan Andrés Fontaine Talavera	72,000,000			72,000,000
Franz Alscher	72,000,000			72,000,000
Ricardo Vontobel	72,000,000			72,000,000
Mariano Rossi	72,000,000			72,000,000
Total Gross Amounts	1,080,000,000	360,000,000	72,000,000	1,512,000,000

\* Includes an additional Ch\$72 million as Chairman of the Board of Directors  
\*\*Independent Director of the Company, pursuant to current regulations

Compensation Principal Officers

The Company does not provide general incentives other than its compensation plans, except in the case of its principal officers, whose compensation plans are composed of a fixed remuneration and a performance bonus, which try to adapt to the reality and competitive conditions in each market, and whose amounts vary according to the position or exercised responsibility. Such performance bonuses are payable only to the extent that personal goals of each principal officer and company goals are met, which are previously defined for each case in particular.

For the period ended December 31, 2015 the amount of fixed compensations paid to Coca-Cola Andina’s principal officers amounted to ThCh\$4,308 (ThCh\$3,859 in 2014). Likewise, the amount of compensation paid in performance bonuses amounted to ThCh\$2,362 (ThCh\$2,468 in 2014).


The proportion of average base gross salary of female executives regarding male executives is 69.3%, while the proportion of average base gross salary of female workers regarding male workers is 109.1%.





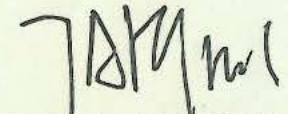
## Statement of Responsibility

The Board of Directors of Embotelladora Andina S.A. and the Chief Executive Officer who have signed this statement, are responsible under oath of the accuracy of the information provided in the 2015 Annual Report, in accordance with the provisions of General Rule N° 346 dated May 3, 2013, of the Chilean Superintendence of Securities and Insurance (Superintendencia de Valores y Seguros).



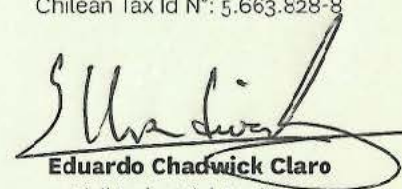
**Juan Claro González**

Chairman of the Board  
Entrepreneur  
Chilean Tax Id N°: 5.663.828-8



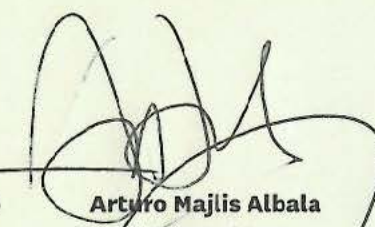
**José Antonio Garcés Silva**

Vice Chairman of the Board  
Commercial Engineer  
Chilean Tax Id N°: 8.745.864-4




**Eduardo Chadwick Claro**

Civil Industrial Engineer  
Chilean Tax Id N°: 7.011.444-5



**Arturo Majlis Albala**

Attorney at Law  
Chilean Tax Id N°: 6.998.727-3



**Gonzalo Said Hargal**

Commercial Engineer  
Chilean Tax Id N°: 6.555.478-K



**Salvador Said Somavía**

Commercial Engineer  
Chilean Tax Id N°: 6.379.626-3



**Franz Alscher**

Economist  
Foreign citizen



**Francisco Crespo**

Industrial Engineer  
Foreign citizen




**Emilio Rodríguez Larraín**

Attorney at Law  
Foreign citizen



**Juan Andrés Fontaine Talavera**

Commercial Engineer  
Chilean Tax Id N°: 6.068.568-1




**José De Gregorio Rebeco**

Civil Industrial Engineer  
Chilean Tax Id N°: 7.040.498-2



**Gonzalo Parot Palma**

Ingeniero Civil Industrial  
RUT 6.703.789-5



**Mariano Rossi**

Business Administrator  
Foreign citizen

**Ricardo Vontobel<sup>1</sup>**

Business Administrator  
Foreign citizen

**Miguel Ángel Peirano**

CEO  
Electric Engineer  
Chilean Tax Id N°: 13.836.584-8



1. Ricardo Vontobel resigned to the Board of Directors on January 28, 2016

*Coca-Cola* **ANDINA**

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