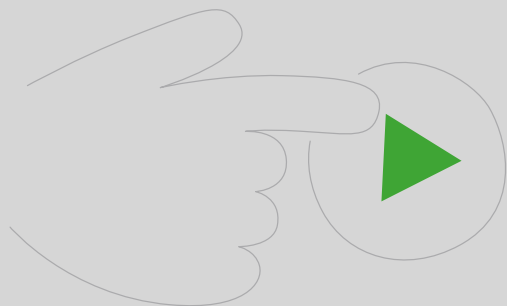


Coca-Cola **ANDINA**



INDEX



03

Identification

Company identification
Contact information
About our first Integrated Report

11

Who we are

Letter from the Chairman
History of the company
Andina at a glance
A diversified regional platform



20



Strategy

Our strategic view
Strategic pillars
Sustainability pillars



26

How we create value

Market environment and regulatory framework
Business model
Business areas
Generated and distributed economic value

37

Corporate Governance

Corporate Governance Model
Corporate Governance Bodies
Board of Directors
Compensation Policy
Ethics, compliance function and internal control
Risk management

65

Social commitment

Beverage benefits
Community
Working environment



90

Environmental commitment

Water stewards
Sustainable packaging
Energy management and climate protection

106

Commitment to sustainable value creation

Results 2018 fiscal year
Shareholders and investors
Main metrics

130

Company Structure

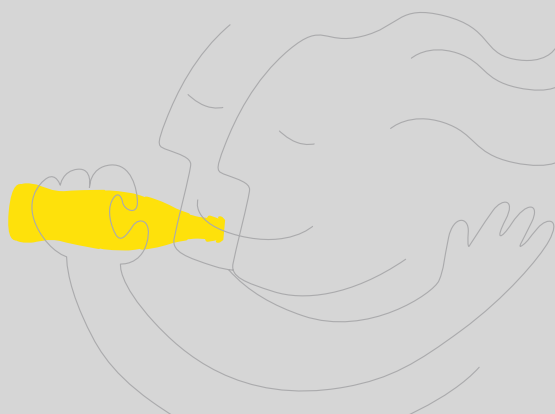
Company Ownership
Controlling Group
Detail of other operations
Statement of responsibility

149

GRI Content Index

171

Consolidated financial statements at December 31, 2018 and 2017





Company Identification

> 102-1; 102-3

Corporate name: Embotelladora Andina S.A.
Fantasy name: N/A
Type of corporation: Open stock corporation
Address: Miraflores 9153, Renca commune, Santiago
Chilean Tax ID: 91.144.000-8

ADDRESSES

> 102-3; 102-4

Argentina: Ruta Nacional 19, Km 3,7, Córdoba.
Tel: (54 351) 496 8800.

Brazil: Rua André Rocha 2299, Tanquara, Jacarepaguá,
Rio de Janeiro.
Tel: (55 21) 2429 1530.

Chile: Miraflores 9153, comuna de Renca, Santiago.
Tel: (56 2) 26 11 5838.

Paraguay: Acceso Sur, Km 3,5, San Lorenzo, Asunción.
Tel: (596 21) 959 1000.

COMPANY DESCRIPTION

> 102-5; 102-18

Embotelladora Andina S.A. (hereinafter “Coca-Cola Andina” or the “Company”) is among the three largest Coca-Cola bottlers in Latin America, servicing franchised territories with almost 52.3 million people, delivering 4.263 million liters of soft drinks, juices, and bottled waters during 2018.

Coca-Cola Andina has the franchise to produce and commercialize Coca-Cola products in certain territories in Argentina (through Embotelladora del Atlántico), in Brazil (through Rio de Janeiro Refrescos, hereinafter “Coca-Cola Andina Brazil”), in Chile, (through Embotelladora Andina S.A., hereinafter “Coca-Cola Andina Chile”) and in all of Paraguay (through Paraguay Refrescos S.A. hereinafter “Paresa”). The Chadwick Claro, Garcés Silva, Hurtado Berger, Said Handal and Said Somavía families control Coca-Cola Andina in equal parts. The Company’s proposal to generate value is being a leader in the non-alcoholic beverages 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.

For more company information visit www.koandina.com.

MNEMONICS

Santiago Stock Exchange

Andina-A
Andina-B
Stock Department in Chile:
SerCor (www.sercor.cl).

Securities Registry No. of Chile’s Financial Market
Commission (CMF): 00124

New York Stock Exchange (NYSE)

AKO-A
AKO-B
ADR equivalence: each one equals six shares of common stock.
ADR Depositary bank: The Bank of New York Mellon
(www.bnymellon.com)

INDEXES IN WHICH IT PARTICIPATES

For the third consecutive year, in 2018 we were listed in the Sustainability Index of the Santiago Stock Exchange (Dow Jones Sustainability Index Chile) and for the second consecutive year in the Latin American Integrated Market Sustainability Index (DJSI-MILA). This is the fruit of our conviction in the generation of shared value and the effort to lead the new market trends in corporate sustainability.

Dow Jones Sustainability Index Score

41
2015

63
2016

70
2017

72
2018



SANTIAGO STOCK EXCHANGE INDEXES

ANDINA A
S&P/CLX IGPA

ANDINA B
S&P/CLX IPSA
S&P/CLX INTER-10
S&P/CLX IGPA MID
S&P/CLX IGPA

EXTERNAL AUDITORS

EY Servicios Profesionales de Auditoría y Asesorías SpA
(RUT: 77.802.430-6).

CURRENT RISK RATINGS

Local

AA

International Credit Rating Clasificadora de Riesgo Ltda. rating.

AA

Fitch Chile Clasificadora de Riesgo Ltda. rating.

International

BBB

Standard Poor's Global Ratings rating.

BBB+

Fitch Ratings, Inc. rating.



DEEDS OF INCORPORATION

> 102-5

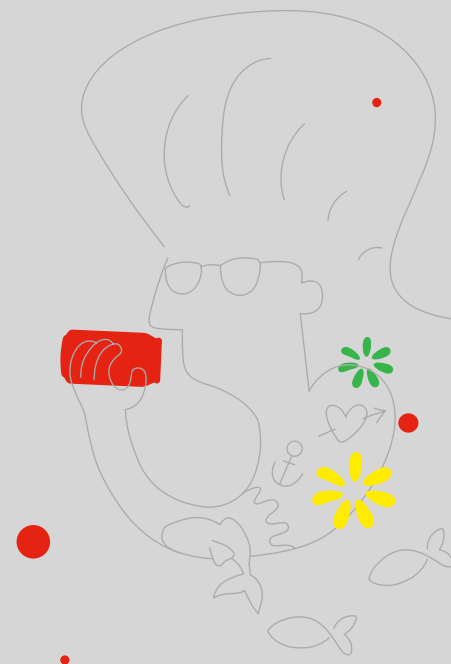
Embotelladora Andina S.A. is an open stock corporation, incorporated by means of a public deed dated February 7, 1946, before the Notary Public of Santiago, Mr. Luciano Hiriart Corvalán. An abstract of this deed is registered on page 768, N° 581 of the Santiago Registry of Commerce of 1946, and was published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



The Company's bylaws were approved by Supreme Decree N°1,364 of March 13, 1946, which is registered on page 770 N°582 of the Santiago Registry of Commerce of 1946.

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 the Notary Public of San Miguel, Ms. Patricia Donoso Gomien. An abstract thereof is registered on page 49,151 N°34,479 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 October 14, 2013, granted by the notary public of Santiago, Mr. Eduardo Avello Concha, 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.



Contact information

> 102-3; 102-4; 102-53

CORPORATE OFFICE

Av. Miraflores 9153, Piso 7, Renca. Santiago de Chile
Tel. (56 2) 2338 0520
www.koandina.com

INVESTOR RELATIONS CONTACT INFORMATION

Paula Vicuña

Investor Relations Manager
Tel. (56 2) 23380520
Address: Miraflores 9153, Piso 7, Renca, Santiago, Chile
E-mail: andina.ir@koandina.com

SUSTAINABILITY CONTACT INFORMATION

Consuelo Barrera

Tel. (54) 351 4968304
Address: Ruta Nacional 19, Km. 3,7, Córdoba, Argentina
E-mail: informesanuales@koandina.com



About our first Integrated Annual Report

> 102-49

2018 marks a milestone in our history: we present our First Integrated Annual Report, which reflects that sustainability is part of our business model and is present daily in each of the decisions that we make. We understand that our financial results are the result of our three-dimension management: economic, social and environmental.

In order for our Company to be successful we must recognize our responsibility to society, with our collaborators, clients, shareholders and with all those who are interested in our activity.

“We understand that our mission goes beyond gaining profitability and that the benefits we generate must reach society in its entirety, both current and future generations.”

Miguel Ángel Peirano, Chief Executive Officer.

SCHEMATIC TO FACILITATE THE READING OF THE REPORT

#goPaperless

The challenge is to reduce the consumption of paper without affecting our readers, we understand that it is for the benefit of all and that is why we want you to join us in this decision.

Our 2018 Integrated Annual Report will be available in digital version through our market communication channels: the website and the investor relations application, which can be installed on your phones through the App Store and Google Play.

Design

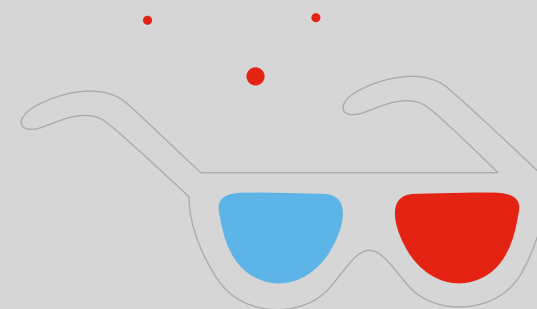
The contour Coca-Cola bottle design, elements of Coca-Cola marketing campaigns, logos and all references to the trademarks of The Coca-Cola Company contained

in this Report are the property of The Coca-Cola Company. All artwork and photographs contained in this Integrated Report are the property of Embotelladora Andina S.A.

PREPARATION CRITERIA

> 102-12; 102-15; 102-46; 102-48; 102-52; 102-54

- Follows guidelines developed by the Global Reporting Initiative – GRI standards in its exhaustive “conformity” mode.
- Framework guidance for Integrated Reports of the International Integrated Reporting Council (IIRC).
- Mandatory requirements of General Standard No. 30 of Chile’s Financial Market Commission have been considered.
- Principles set forth in the Accountability Principles Standard AA1000-APS 2008 on inclusion, relevance and response to stakeholders.
- Additionally, this report constitutes disclosure on how Coca-Cola Andina links its performance to Sustainable Development Goals (SDGs) of the United Nations Global Compact.
- The Company upholds its commitment to annually report on its environmental, social and economic performance. Therefore, and different from 2017 reports, in 2018 we joined the annual report and the sustainability report into a single document: the Integrated Annual Report.



PREPARATION AND APPROVAL PROCESS

> 102-46

In preparing our first Integrated Report we formed a work team composed of multiple areas, both of our corporate office and of each one of the operations. We included the Company's senior management, board of directors and investors, in a process of semi-structured face interviews, to validate the material issues of Coca-Cola Andina. Once the Report was prepared, it was reviewed and approved by the Chief Executive Officer and the Board of Directors.

MATERIALITY

> 102-4; 102-21; 102-37

Creating value for our stakeholders

We are responsible not only for our business, but also for the social and environmental atmosphere in which we operate. From that perspective, we take on this commitment with the highest priority and put it into practice in our daily management. We work in network with the sustainability committees of each of our operations to identify and interact with their different stakeholders: The Coca-Cola Company, collaborators, clients, investors and shareholders, community and governments. Thus, our Company will be sustainable in the long term, involving and creating shared value with its stakeholders.

According to the Global Reporting Initiative ("GRI"), materiality refers to "those aspects that reflect the significant, social, environmental and economic impacts of the organization or those that could exert a substantial influence on stakeholder assessments and decisions".

To determine those issues, we performed a validation process of the material aspects in the following stakeholders: shareholders, senior management and investors.

Stakeholder identification

> 102-4; 102-21; 102-42; 102-43

To identify stakeholders, that is, those Individuals or groups who directly or indirectly affect the Company's activity, in addition to GRI, the AA1000 Accountability standards were followed, on dialogue with these groups. To achieve this purpose, first they were separated according to their specific interests and then their participation was given priority in the preparation of this report.

Following, whether sustainability standards and domestic policies meet the expectations of different stakeholders is validated, as well as emerging issues and/or concerns that have been identified through the communication channels.

Permanently through the sustainability committees and the network that these form, the identified publics are reviewed in order to guarantee their representativeness year by year, validating if there were variations in their expectations.

The following table reflects the seven stakeholders with which we relate and that have the capacity to influence our strategy, management and dialogue channels. We seek to know your expectations and identify opportunities to generate shared value.





Stakeholders and dialogue channels

> 102-4; 102-21; 102-37; 102-40; 102-42; 102-43

Stakeholders	Communication channels		
Shareholders	• Conferences with shareholders • Respond to shareholders • Shareholder visits • Meetings with shareholders	• Shareholders' Meeting • Integrated Annual Report • Digital channels • Anonymous reporting channel	• 20F • Results' conferences • Results' Reports
The Coca-Cola Company	• Regular communication • Meetings • Participation of joint initiatives	• Direct relationships with specific areas • Building joint plans	• Audits • Anonymous reporting channel
Government	• Regular communication	• Meetings with different levels of Government	• Integrated Annual Report • Anonymous reporting channel
Collaborators	• Regular communication • Digital channels	• Climate analysis and work satisfaction surveys • Internal magazine	• Integrated Annual Report • Anonymous reporting channel
Suppliers	• Regular communication • Digital channels • Periodic meetings	• Interviews • Surveys • Audits	• Plant visits • Integrated Annual Report • Anonymous reporting channel
Clients	• Regular communication • Digital channels • Periodic meetings • Interviews	• Surveys and satisfaction analysis • Service centers and customer development, call centers	• Plant visits • Integrated Annual Report • Anonymous reporting channel
Consumers and Community	• Digital channels • Relationship activities • Participation in organizations	• Surveys and perception analysis and assessment • Plant visits	• Integrated Annual Report • Anonymous reporting channel

Material issues for stakeholders > 102-47

Identification

> 102-43; 103-1

The purpose of our first Integrated Report is to respond to the issues that influence Coca-Cola Andina's ability to create value and that are of interest to the groups with which we relate.

To define material issues, the Company has considered its own activity and how it contributes to sustainable development, its strategic values and objectives, the concerns of its relevant stakeholders, the trends and key issues of the sector, global challenges, sustainability criteria (DJSI, FTSE4Good, MSCI, ESG) and current legislation and regulations.

We perform gap studies with tools such as ETHOS and DJSI and take into account the priorities of The Coca-Cola Company, as well as those of the different public consulted.

Prioritizing relevant topics

> 102-37; 102-43; 102-44; 103-1

During 2018, a process of interviews and meetings was conducted both internally and externally with stakeholders, updating their materiality assessment.

Validation

> 102-43; 103-1

The most important subjects and with the greatest potential of influence in the activities and in the strategy of the group, were submitted to a stakeholder validation process -through interviews and work meetings -in order to know their position on those subjects them and the importance they assign to them.

Review

> 102-43; 103-1

The results of materiality assessments are periodically reviewed and updated as part of the Integrated Annual Report elaboration process.

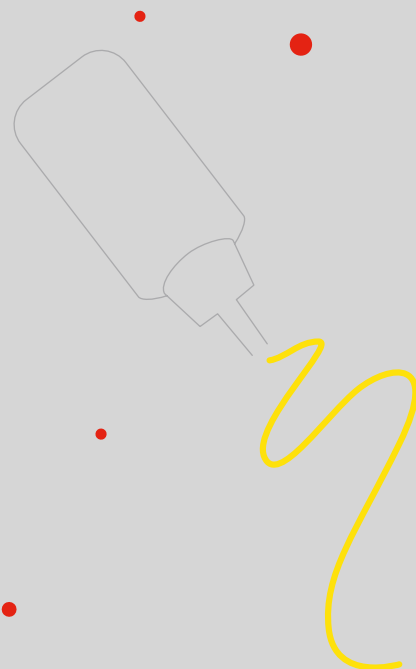
The material issues that are relevant to management are monitored with more than 40 indicators that apply to the entire Company and the area responsible for this task is Management Control. Improvements are reviewed and proposed on a quarterly basis.





Management focus

> 102-4; 102-21; 102-43; 102-47; 102-49; 103-1;
103-2; 103-3; 204-1; 301-1; 301-2; 302-3; 403-2;
404-1; 416-1

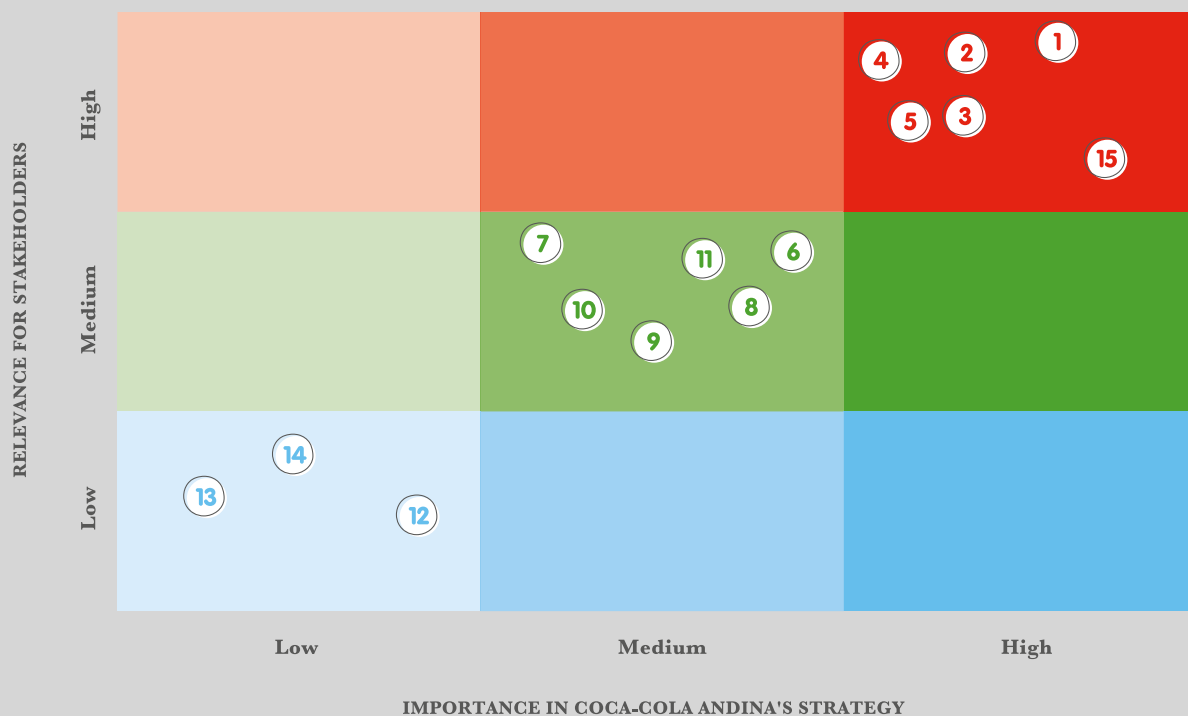


Sustainability Pillars	Material Subject	Key indicators	Linked SDG
 Beverage benefits	Quality and excellence of our products Product wellness Responsible marketing	- Calories sold - Kilocalories sold on total liters sold - Light and Zero sales - Calories sold regarding total liters sold	3, 12
 Community	Client development Suppliers' development Economic and social development of local communities Human rights	- Customer Satisfaction - Percentage of national suppliers - Percentage of national suppliers with respect to total of active suppliers - Percentage of suppliers assessed in human rights - Number of people impacted by benefits of developed programs	1, 5, 8, 10, 11, 17
 Energy management and climate protection	Efficient distribution of our products Energy management	- Efficiency in energy consumption - Energy Used (mjoules) per liter of beverage produced	7, 11, 13, 15
 Sustainable packaging	Sustainable packaging and residue management	- Solid Waste generation - Grams of waste generated per liter of drink produced - Solid waste recycling - Percentage of recycled waste in relation to the waste generated - Returnables mix	11, 12, 13, 14
 Water stewardship	Water management	- Efficiency in water consumption - Number of liters of water needed to produce one liter of beverage	6, 13, 15
 Work environment	Management of internal work environment, quality of life and people development	- Work safety - LTIR Number of accidents - LTISR Severity of accidents - Employee turnover - Internal work environment - Bi-annual survey	5, 8, 15
 Corporate Governance	Business management transparency Relationship with stakeholders (Coca-Cola, clients, communities, etc.) Risk management	- Approval of audits - Investor relations metrics % risk tolerance	5, 8, 10, 12, 16



Materiality Matrix

> 102-15; 102-21; 102-43; 102-47



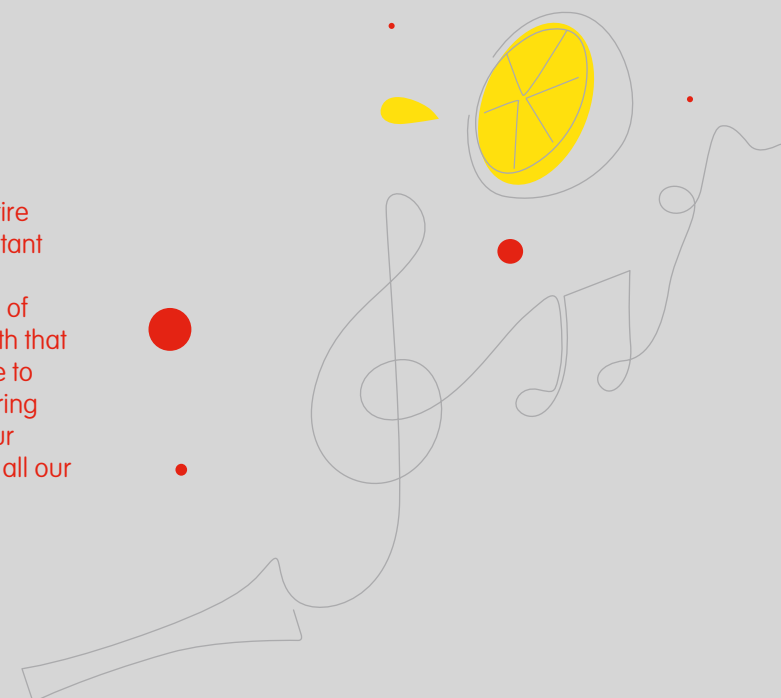
1. Quality and excellence of our products
2. Product wellness
3. Client development
4. Suppliers' development
5. Economic and social development of local communities
6. Efficient distribution of our products
7. Sustainable packaging and residue management
8. Water management
9. Energy management
10. Management of internal work environment, quality of life and people development
11. Human rights
12. Business management transparency
13. Relationship with stakeholders (Coca-Cola, clients, communities, etc.)
14. Responsible marketing
15. Risk management



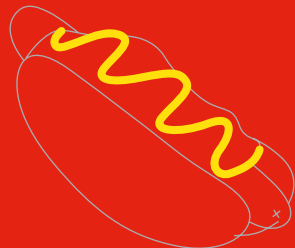
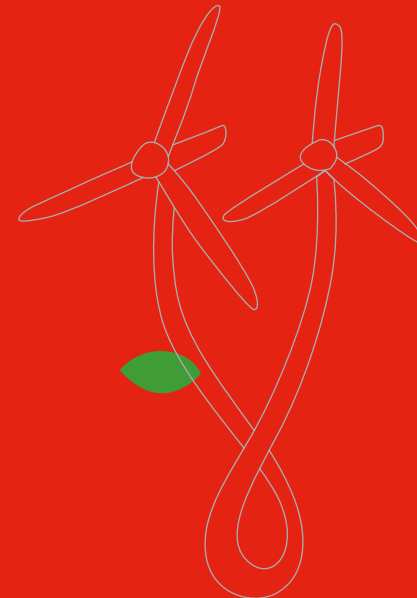
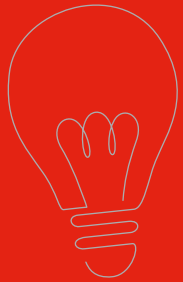
“ At Embotelladora Andina we care about our entire environment, about our stakeholders. It is important for us to do things right, not for compliance, but because we have a deep conviction. This is part of our Company culture and it drives us to work with that view, it is part of our values. Sometimes we have to choose options with higher costs when considering the extra financial variables, but this is part of our culture. We are convinced it generates value for all our shareholders and stakeholders. ”

Gonzalo Said Handal, Director.

> 102-14



Who we are





The positive results are the fruition of a constant review of our pricing and packaging strategy, which has allowed us to achieve benefits in each of our markets, along with a continuous search for improvement in the efficiency of our processes.

Message from the Chairman of the Board of Directors

> 102-7; 102-12; 102-14; 102-23; 102-31; 201-1; 202-2

On behalf of the Board of Directors I preside, I am pleased to present Coca-Cola Andina's first Integrated Report, where you can find our results account with a triple view: economic, social and environmental.

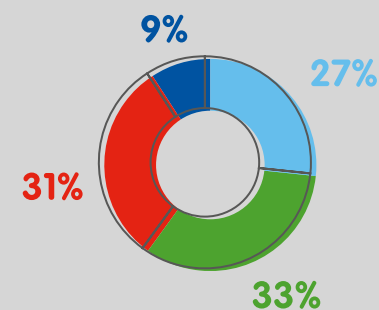
At Coca-Cola Andina we made the decision to move towards an integrated report that reflects our way of doing business. We are convinced that it is our responsibility to generate shared value for all of the Company's stakeholders. To do so in a sustainable way, we manage the business with a broad future vision, making decisions that allow not only to generate the greatest profitability for our shareholders, but also to provide well-being in the communities of which we are a part, positively influencing the care of the environment, developing fair trade with our customers and suppliers, and strengthening a healthy working environment for our collaborators.

In this path of adding value to our shareholders, the main challenge of the year was brought by the prevailing political and economic conditions in the countries where Coca-Cola Andina operates, that were marked by the currency depreciation in Argentina and Brazil, low economic growth levels and disparate consumption rates, among others.

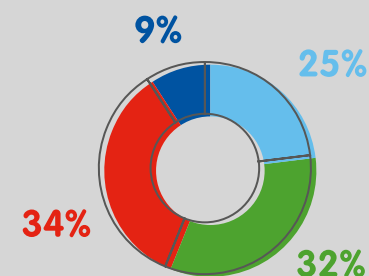
We addressed the different scenarios with a solid strategy that was reflected in our commercial management, achieving an improvement in the market share for soft drinks in three of our four operations, highly efficient processes and an acceleration in product innovation and business models for our customers and consumers.

The results reflect an excellent work of our team, that in recent years, has devoted efforts to share and transfer good practices, and to learn from mistakes creating effective spaces for debate, integrating the value chain with the vision of building a common future that every day urges us to go further.

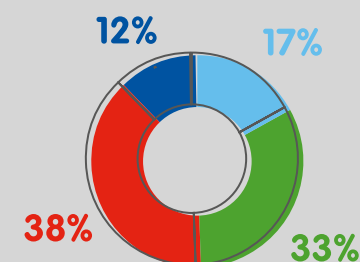
VOLUME



SALES



EBITDA





The fruit of these efforts have made us become a proactive company regarding the new expectations of our stakeholders, which was reflected in our financial results in local currency, in the work done in each one of the countries and in our market share. All this leaves us in an excellent competitive position ready to face new challenges.

In 2018 EBITDA reached CLP 324,964 million, a drop of 3.8% compared to 2017, mainly impacted by the effect of translation of figures upon consolidating the results of Argentina and to a lesser extent Brazil, resulting from the devaluation of the Argentine peso and the Brazilian real with respect to the Chilean peso. Our EBITDA margin reached 19.4%, an increase of 115 basis points compared to the previous year. In local currency, the four operations showed EBITDA growths: Argentina 3.4% (with IAS 29, in real terms), Brazil 8.9%, Chile 7.7% and Paraguay 10.7%.

In addition, in order to continue adding value to our shareholders and investors, we reduced financing costs and



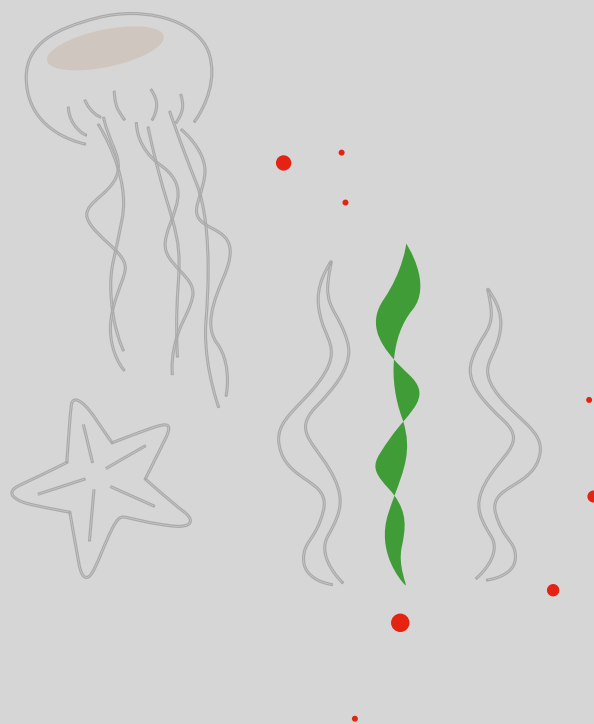
improved the Company's debt profile. This was achieved through the partial repurchase of the bonds we had issued in the United States, an operation that was refinanced with the issuance of bonds in Chile.

Finally, the Company's net income (income attributable to the owners if the controller) reached CLP 96,603 million, 18.0% lower than in the previous period. Dividends distributed during 2018 totaled CLP 85,475 million, increasing 13.2% over the previous year.

line of Guallaraucos alternatives. In Argentina's operation, we invested in a canning line with which we will produce a greater variety of formats and new flavors. In Chile, we continued innovating in the reformulation of our products pursuant to the requirements of the Labelling Law, which allows us to continue leading the market with low-calorie, sugar-free, and sugar-reduced products. To reinforce this strategic pillar of developing new products with a focus on consumers and their new consumer preferences, representatives of Coca-Cola Andina are part of the Innovation Team of Coca-Cola Brasil.

Another strategic focus is that we evolve every year to become water stewards that, added to the value of process efficiency, urge us to keep and expand coverage of our water access programs in each region where we operate. Also, the Company's active commitment to environmental care led us to subscribe the new certified clean energy supply contract for 100% of the demand for three of our plants in Chile, an exemplary precedent for the rest of our operations. Along these lines, we are proud of the operation of our new Duque de Caxias plant, that brought material recognitions to our digital development in the industrial universe, where we implemented industry technologies 4.0, laying the foundations for future growth and industrial management.

At Coca-Cola Andina we take care of actively responding to the concerns of our stakeholders and we approach them, we validate materiality and renew the commitments assumed. One of the strategic focuses is to evolve into a total beverage company, diversifying the product portfolio to offer options appropriate for every consumer style. Specifically, in 2018 we continued promoting the AdeS seed-based products and we incorporated the complete





Diversification of the product portfolio and water care are commitments that inspire us to be protagonists in packaging management, which has directed us to lead important investments in 2018. The New Aseptic production line in Chile, thanks to its technology, allows to reduce the PET used in the bottles by 40%. In post-consumption aspects, we continue positioning in the recovery circuit, through alliances with strategic partners that improve the working conditions of cooperatives and base recyclers. We constantly maintain and grow our programs in this area, thus achieving an annual recovery of more than four tons of plastic.

It is clear to us, and this Integrated Report is evidence that the Sustainable development of our business is strategic and runs in a transversal way in all the Company's projects. Convinced that we can improve the quality of life of the communities around us, we maintain initiatives such as "Coletivo Joven" in Brazil, that improves the future perspective of the young people involved, and it also helps them to find a job. In the case of Paraguay, women's empowerment has been one of the most relevant focuses of the year and in 2018 we launched the program "Emprendemos Juntas" through which we provide management tools to clients allowing them to grow in their businesses and strengthen the development of our value chain. We know that we still need to grow in inclusion issues, so this year we took great steps, and, in this report, you will find more details of how our Company faces these commitments and prepares for new challenges.

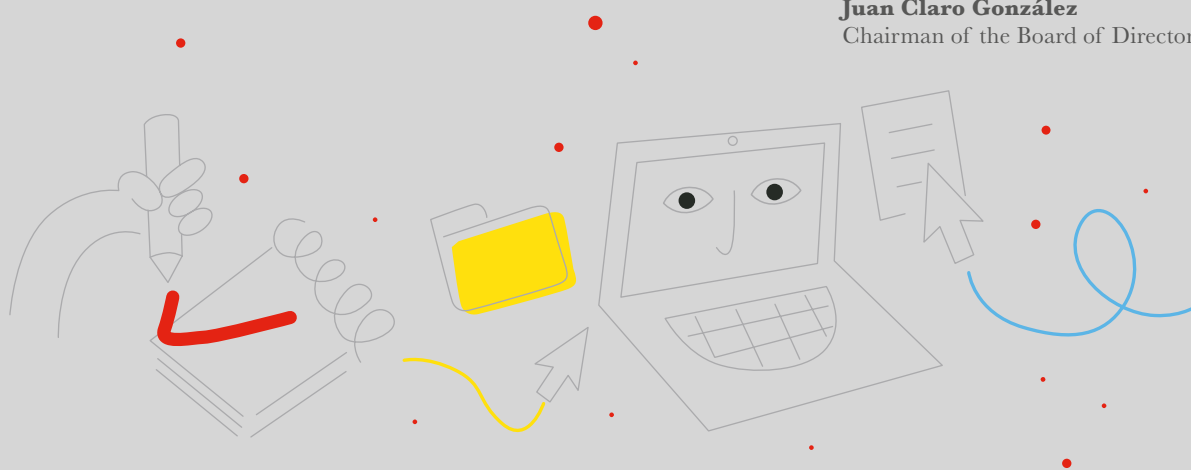
We maintain our commitment to adhere to the United Nations Global Compact, one of the world's largest voluntary initiatives of corporate responsibility, which represents our firm goal of reaching increasingly challenging goals -financial, market, social, environmental and Corporate Governance- in a framework of ethics and transparency. In this sense, we are proud to announce that we were recognized by the magazine, Institutional Investor, as a leader in the category of "Investor Relations Professionals" in the mid cap food and beverage sector for the second consecutive year. We also received the highest

award in the category Leader in Investor Relations from ALAS20. Following the distinctions, the sustainability maturity in Coca-Cola Andina continues to bear fruit, as today the Company is positioned in indexes such as Dow Jones MILA, DJSI Chile, the FTSE 4Good Emerging Index and the Vigeo Eiris Emerging 70 Ranking.



Finally, I want to acknowledge and thank all the team that makes up this great family, Coca-Cola Andina, for their efforts, contributions and shared visions that have helped us to move in the right direction. We have a group of committed collaborators who are encouraged to innovate and give the best of each one to grow and develop in a sustainable way, which together with the strength of the great Coca-Cola brand, motivates us every day to go further, much further.

Juan Claro González
Chairman of the Board of Directors



History of the company

> 102-2

'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").

'60

The San Joaquín Plant is inaugurated in Santiago.

Acquisition of a 45% ownership interest in Embotelladora Concepción.

1974

The Company acquires an additional 46% in Embotelladora Concepción.



1975

The Company acquires 34% of Embotelladora Talca.

1978

Termas Mineral de Chanqueahue and the brand Agua Mineral Vital are purchased.

Ownership interest in Embotelladora Talca increases to 80%.

1979

Operations begin at the Chanqueahue Vital production facility in Rengo and Embotelladora Concepción in Temuco.

1980

Launch of the PET non-returnable 2-lt bottle.

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.

1982

Andina sells its ownership interest in Embotelladora Talca and Embotelladora Concepción to Sociedad de Inversiones Williamson.

1984

Launch of Diet Coca-Cola.



1985

Inversiones Freire acquires control over the Company.



1986

Sale of the bottling facility in Viña del Mar.

1991

Envases Multipack a company dedicated to the packaging, is established.

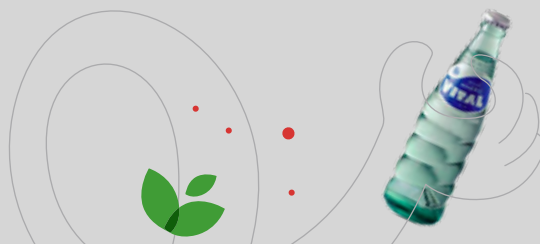
1992

Vital is established, a company dedicated to the business of juices and mineral waters in Chile.

Coca-Cola Andina acquires a minority ownership in INTI, a Coca-Cola product bottling Company in Córdoba, Argentina.

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.



1995

ENAVES CENTRAL BEGINS OPERATIONS.

Entry to the Argentine market continues with the acquisition of Embotelladora del Atlántico S.A. (EDASA), controller of the Coca-Cola bottling facilities for the territories of Rosario and Mendoza.

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 LINTI (today merged with EDASA), 100% of CIPET 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 the Company's ownership with an 11% stake.



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.

1998

Coca-Cola Andina repurchases the 49% stake that The Coca-Cola Company held in Vital with The Coca-Cola Company keeping ownership of all brands.



1999

INAUGURATION OF THE MONTECRISTO PRODUCTION FACILITY IN CÓRDOBA, ARGENTINA.

2000

In Brazil, acquisition of the Coca-Cola bottler for Niterói, Vitoria and Governador Valadares.

2001

JOINT VENTURE BETWEEN MULTIPACK AND CROWPLA CREATING ENAVES CMF, THAT PARTICIPATES IN THE PACKAGING BUSINESS.

Coca-Cola Andina issues UF 7,000,000 in bonds maturing in 7 and 25 years. Partial repurchase of bonds issued abroad.

2003

EDASA absorbs CIPET.

Andina Chile is awarded the "Carlos Vial Espantoso" award, which distinguishes the most relevant Chilean Company in terms of labor relations and with greater dedication to human capital.

2004

Franchise swap of the Governador Valadares franchise between Rio de Janeiro Refrescos and a subsidiary of The Coca-Cola Company in Brazil for the franchise of Nova Iguaçu in the State of Rio de Janeiro.

2005

Vital is divided into two companies, creating Vital Aguas S.A. Hence, Vital exclusively develops the juice and other non-carbonated beverage business while Vital Aguas S.A., along with the other Coca-Cola bottlers in Chile, develops the water business.

2006

The Company obtains the 2005 National Award for Quality, given by the Presidency of the Republic of Chile, becoming the first Company in the mass consumption sector to obtain this award.



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 (Mais), in order to enhance the non-carbonated business for the entire System in that country.

2008

Andina Chile 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.

2009

In Argentina we receive the National Award for Quality of the Republic of Argentina, the highest recognition granted to private companies and public organizations.

2010

The Company performs significant increases in production and distribution capacity in Chile, Argentina and Brazil.



2011

COCA-COLA ANDINA COMMEMORATES 65 YEARS AND THE NEW RENCA PLANT IN CHILE BEGINS OPERATIONS.

The juice business is restructured.

Vital becomes Vital Jugos, forming a joint venture with the other Coca-Cola bottlers in Chile.

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.

Additionally there is a change of the corporate image to Coca-Cola Andina.



2013

MATERIALIZATION OF THE ACQUISITION OF 100% OF THE SHARES OF COMPANHIA DE BEBIDAS IPIRANGA IN BRAZIL (IPIRANGA)

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.

2014

The Company issues UF 3,000,000 in 21 year-term bonds in the Chilean market.

2016

The Coca-Cola del Valle New Ventures S.A. joint venture is created on January 28, 2016 with Coca-Cola de Chile S.A. and Embonor S.A. (Embonor) to develop a new model and commercial policies for the production and commercialization of still beverages.

The Company begins distribution of Monster Energy products.

2017

On March 28, 2017, The Coca-Cola Company, together with its bottlers in Latin America, announces the closing of the acquisition of the AdeS vegetable protein-based beverage business from Unilever.

2018

Andina Chile begins the distribution of alcoholic beverages owned by the Diageo group.

In conjunction with the Coca-Cola system in Chile, it materialized the purchase of 100% of Comercializadora Novaverde S.A., a company dedicated to the processing and marketing of fruits, ice creams, vegetables and food in general, mainly under the brand Guallarauc. Finally, the Company issues UF 5.700.000 in bonds to 21 years in the Chilean market, and a partial repurchase of the issuance of bonds issued by the Company in the year 2013 in the U.S. market.



Andina at a glance

> 102-2; 102-4; 102-7; 102-8; 201-1

TERRITORY

2,870,000 km²

POPULATION

52.6 million

VOLUME

UC 751 million

SALES

USD 2,569 million

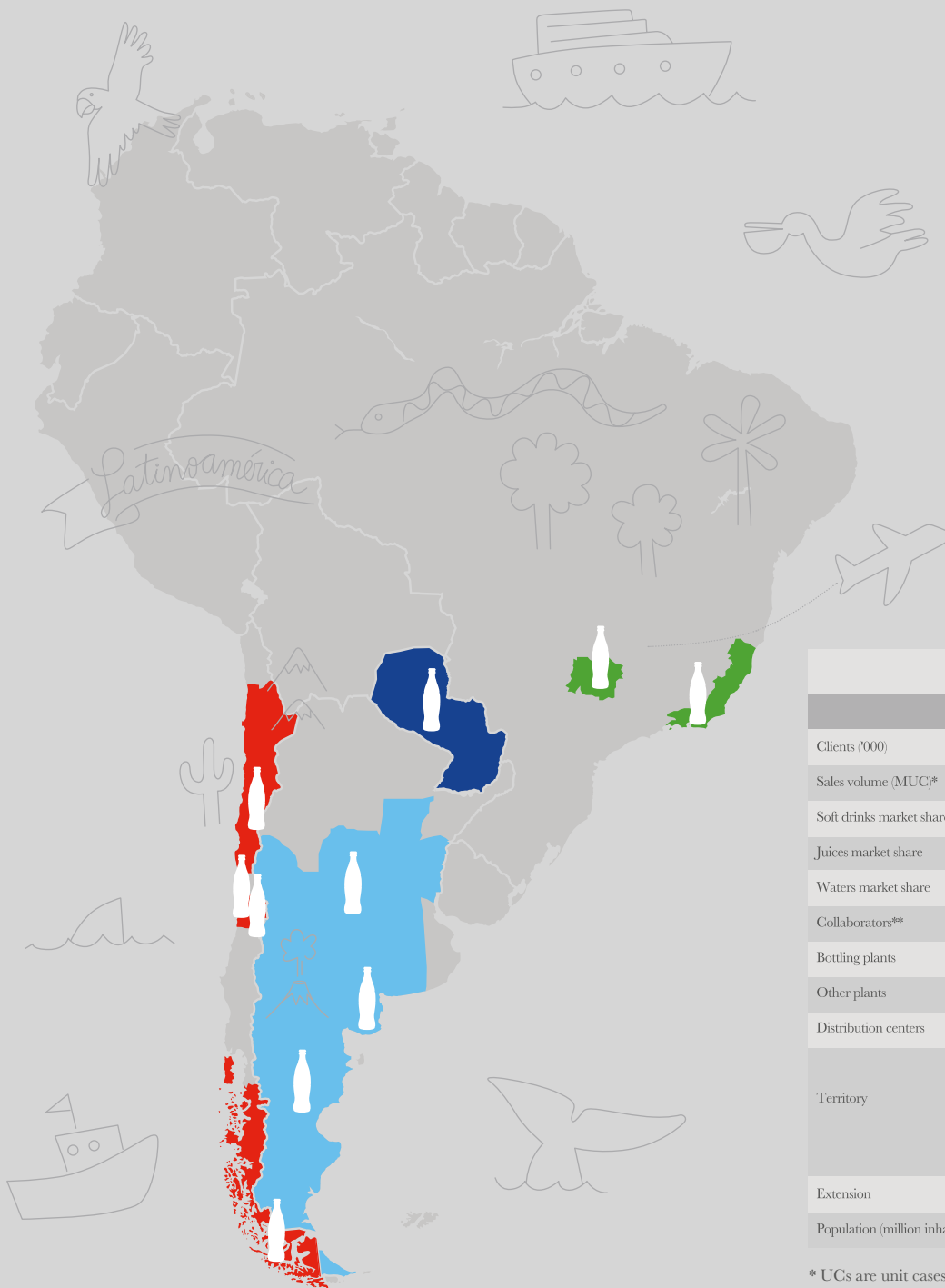
EBITDA

USD 502 million

	Argentina			Brazil			Chile			Paraguay		
	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
Clients (*000)	64	64	60	79	89	86	63	65	67	53	57	55
Sales volume (MUC)*	218.8	211.4	201.9	266.1	248.9	249.2	232.2	231.0	231.4	62.0	65.0	68.2
Soft drinks market share	61.6%	62.3%	63.0%	63.4%	63.2%	63.3%	68.2%	67.5%	66.8%	67.7%	68.9%	71.6%
Juices market share	46.2%	46.2%	47.6%	31.4%	27.7%	25.1%	34.6%	35.4%	36.6%	39.5%	39.5%	37.0%
Waters market share	14.5%	16.3%	17.4%	8.2%	10.7%	13.8%	42.9%	41.2%	41.3%	44.5%	33.4%	30.9%
Collaborators**	3,328	3,247	3,176	7,918	7,780	7,895	3,485	3,419	4,676	1,527	1,580	1,600
Bottling plants	3	3	3	2	2	3	4	4	4	1	1	1
Other plants	1	1	1	0	0	0	0	1	1	0	0	0
Distribution centers	23	45	45	16	16	17	17	17	17	3	4	6
Territory	San Juan, Mendoza, San Luis, Córdoba, Santa Fe, Entre Ríos, La Pampa, Neuquén, Río Negro, Chubut, Santa Cruz, Tierra del Fuego and the western province of Buenos Aires.			Part of the states of Rio de Janeiro, São Paulo and Minas Gerais and the state of Espírito Santo.			Antofagasta, Atacama, Coquimbo, Región Metropolitana, San Antonio, Cachapoal, Aysén and Magallanes.			The entire Paraguayan territory		
Extension	1,9 million km ²			165 thousand km ²			398 thousand km ²			407 thousand km ²		
Population (million inhabitants)	13.9			21.9			9.7			7.1		

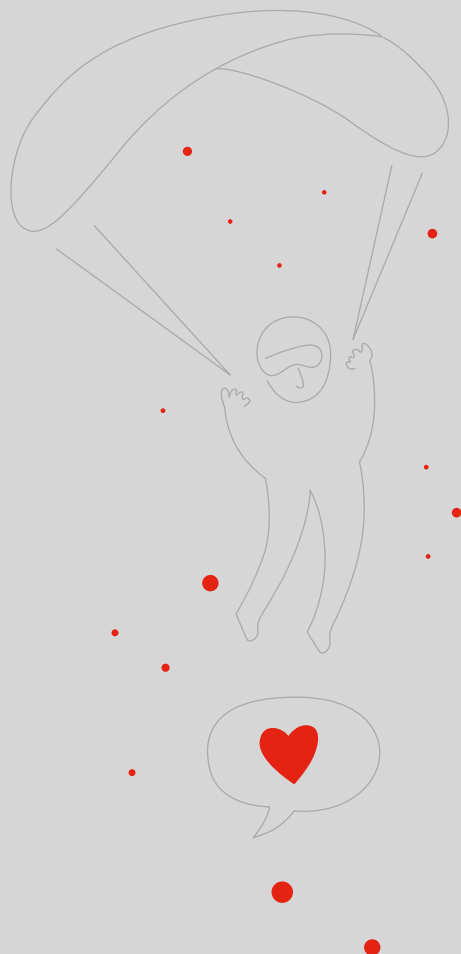
* UCs are unit cases

** Chile's collaborators show an increase in 2018 due to an adjustment in the exposure criterion of hired hours.





A diversified regional platform



Consolidated financial summary (Million CLP)

> 102-2; 102-7

	2014	2015	2016	2017	2018
Results					
Sales volume (MUC)	830,6	819,9	779,0	756,3	750,6
Net sales	1,797,200	1,877,394	1,777,459	1,848,879	1,672,916
Operating income	186,773	215,596	213,670	238,726	225,370
Net income	75,807	88,098	90,526	117,836	96,603
EBITDA	289,740	316,229	311,004	337,890	324,964
Balance					
Total assets	2,269,173	2,209,361	2,199,110	2,114,859	2,214,505
Financial debt	762,935	791,470	750,761	729,899	760,436
Equity	918,998	851,534	842,170	813,233	863,715
Profitability and efficiency					
ROE	8.59%	10.17%	10.97%	14.62%	11.82%
ROA	3.47%	4.04%	4.11%	5.46%	4.46%
Attributed benefit per share (CLP) Series A	79.75	92.82	95.64	124.49	102.06
Attributed benefit per share (CLP) Series B	79.75	92.82	95.64	124.49	102.06
Number of Series A shares	473,289,301	473,289,301	473,289,301	473,289,301	473,289,301
Number of Series B shares	473,281,303	473,281,303	473,281,303	473,281,303	473,281,303
Series A closing price (CLP)**	1,472	1,955	2,289	2,850	2,250
Series B closing price (CLP)**	1,717	2,108	2,491	3,067	2,595
AKO A closing price (USD)	14.30	16.28	20.53	26.51	18.89
AKO B closing price (USD)	17.00	17.41	22.47	29.28	22.82
Market capitalization at end of fiscal year - Series A shares (CLP million)	696,682	925,281	1,083,359	1,348,875	1,064,806
Market capitalization at end of fiscal year - Series B shares (CLP million)	812,624	997,582	1,179,038	1,451,459	1,227,976
Dividends per Series A shares (CLP) ¹	43.30	54.00	68.00	76.00	86.00
Dividends per Series B shares (CLP) ¹	47.63	59.40	74.80	83.60	94.60

¹ Includes Dividends Paid during the year

*Adjusted EBITDA: considers Revenues, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with Chile's Financial Market Commission and set in accordance to IFRS, plus Depreciation.

** Closing price on the Santiago Stock Exchange

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Our strategic view

> 102-16; 102-47



MISSION

Add value by growing in a sustainable way, refreshing our consumers and sharing moments of optimism with our clients.



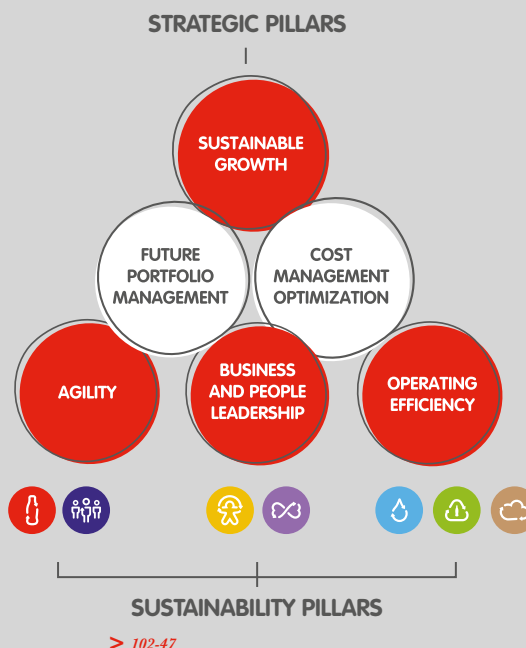
VISION

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



VALUES

- Integrity
- Teamwork
- Attitude
- Austerity
- Results-oriented
- Customer Focus



Strategic Pillars

> 103-2; 102-3



SUSTAINABLE GROWTH

At Coca-Cola Andina we create sustainable value for our shareholders and stakeholders:

Increasing productivity in asset utilization and cost structure optimization.

Growing organically and inorganically, in a sustainable way, in an environment of ethics and transparency.

Leading the beverage market, refreshing our consumers and sharing moments of optimism with them.

Earning their preference with high quality products to diversify habits and consumption occasions, offering high level of availability, accessibility and service.

Creating shared value with our stakeholders.

Developing, in a constant way, processes of excellence and efficiency in the use of resources, promoting permanent innovation in new and better ways to build economic, social and environmental value.

Promoting high levels of human capital management performance, knowledge and information systems.

Fostering well-being and advancement in the workplace



MANAGE FUTURE PORTFOLIO:

- In order to capture the multiple opportunities and challenges in each of the markets in which it operates, Coca-Cola Andina has focused on continuing to expand its portfolio, with the aim of accompanying the needs of our consumers:
 - Coca-Cola Andina has deepened its immediate consumption portfolio, which enhances the transactions of our products capturing profitable volume and accompanying the consumer in modern, dynamic and flexible lifestyles.
 - Coca-Cola Andina has developed the sugar-free and reduced sugar category: currently, 53% of the portfolio is made up of these products.
 - Coca-Cola Andina continues to expand its beverage portfolio: the distribution of Monster Energy products began in 2016, AdeS seed-based beverages began their distribution in 2017. Likewise, in 2018 the purchase of Sociedad Comercializadora Novaverde S.A. was materialized, initiating with it the production and commercialization of products bearing the Guallaraucó trademark (juices and ice-cream). Finally, and also in 2018, Rio de Janeiro Refrescos Ltda. began the distribution of Verde Campo products, and Andina Chile began the distribution of alcoholic beverages brands of the Diageo group.



COST MANAGEMENT OPTIMIZATION

- In the framework of capacity development and knowledge management process, we plan and manage to coordinate the work of our four operations in an orderly and synergistic manner. With the development of multioperation work teams, focusing on commercial, industrial, supply chain, finance and human resources processes, we carried out simultaneous implementations based on the invaluable contribution of our collaborators in every Operation.
- **In this way, the countries with the most experience in certain topics support and share this knowledge with the rest of the organization, standardizing the practices of excellence in all the territories where Coca-Cola Andina operates, capturing value and knowledge and reducing the time to implement improvements and innovations.**



AGILITY

- Implementation of an intelligent delivery system to our customers called Green Mile, which began in Coca-Cola Andina Brasil and because of the good results achieved it is projected to be applied in all operations. This tool provides mobility solutions that guarantee real-time visibility, optimizing decision-making to drivers, supervisors and managers, providing a high level of detail, logistical operation and delivery status.
- We continue to acquire experiences with our marketing channel MiCoca-Cola, a website that allows purchases from a computer or a cell phone. Our greatest apprenticeship was with launches such as Hotsale, Black Friday and Cyber Monday.
- We continue growing with our commercial App, a platform made up of a set of web and mobile applications that seek to meet our customers' needs in a more agile and modern way.





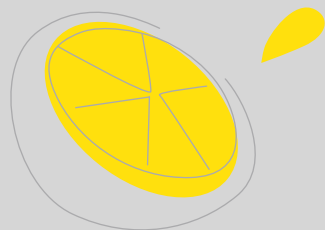
BUSINESS AND PEOPLE LEADERSHIP

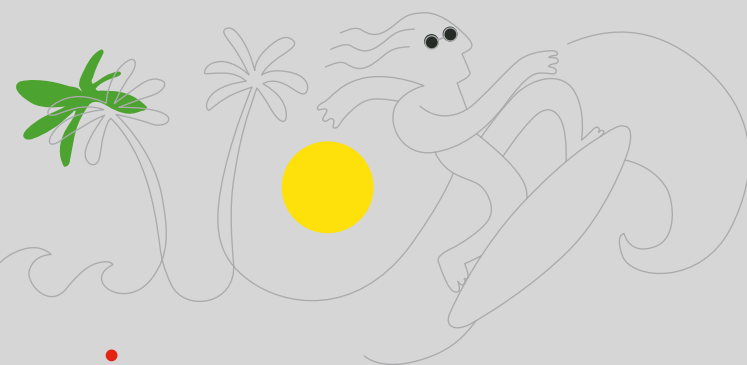
- Business leadership: At Coca-Cola Andina we have a sustainable growth model for the business, which is based on the diversification of products, customers, packaging and consumers, to reduce the risk and capture the new trends of our current and potential consumers. We are aware of the role of our stakeholders in the value chain. They are a fundamental link to grow the business and continue to be positive leaders for those around us. The positioning of our brands is the result of the business leadership.
- Coca-Cola Andina has defined a strategic agenda that tries to attract, develop and retain the best talents in order to meet business challenges. Several performance evaluation initiatives, leadership development at all levels, succession programs and career and advancement plans, organizational climate improvement, design of optimal and flexible structures, competitive and performance-related compensation strategies were carried out. The work environment management and human capital development agenda involves a balanced offer of job well-being, which we consider key to ensure that the best people want to develop their careers at Coca-Cola Andina.
- **The Company is on the path of continuing to encourage the incorporation of people with disabilities. As an agent of change, we recognize that it is key to give opportunities by making inclusive hiring, offering conditions so that they can be productive professionally and as part of this great team, more diverse and valuable.**



OPERATING EFFICIENCY

- The Company aims to continue the search for efficiencies in all its processes, particularly in production and logistics. The Duque de Caxias plant, which began operating in 2018, will allow to add 30% of installed capacity in the country, being a plant with technology focused on productivity and reduction of costs and at the same time efficient and responsible with the environmental impact.
- Installation of loading docks and automatic unloading of trucks in Chile, being the first implementation of this technology in Latin America. This reduces transfer costs, optimizes times, reduces accident risk and improves the working condition in the warehouses where it operates.





Sustainability pillars

> 102-47



BEVERAGE BENEFITS

> 416-1, 416-2; 417-1, 417-2; 417-3; 419-1

We want to share moments of optimism with our consumers and provide them with a wide-ranging high quality portfolio that responds to the diversity of habits and occasions of each one of them.

We have statistical process control that allows for an early detection of deviations that are corrected, thus achieving the highest quality. Moreover, the products that go through the “Sensory Analysis Program” continue to increase, where collaborators themselves are quality ambassadors of our products. Also, we incorporated the indicator of “grams of sugar for every 200 ml sold”, to our management panel to show the strong commitment that we have in offering options without sugar or reduced in sugar.



WATER STEWARDSHIP

> 303-1; 303-2; 303-3; 306-1; 306-3; 306-5

Water is a fundamental resource for life. Aware of this, we strive for responsible use, we develop processes that allow greater efficiency in their consumption and we replenish this vital resource to nature. As part of The Coca-Cola System we share the commitment to replenish 100% of water used and in 2018 we managed to exceed the target of 2.02 in our water use indicator.



SUSTAINABLE PACKAGING

> 306-2

Our packaging is focused on reducing, recycling and reusing materials, in order to preserve natural resources.

Our new challenge is to work to recover 100% of our postconsumer packaging by the year 2030. Complementarily, we continue to work to increase our percentage of returnable packaging, as well as increase the percentage of recycled resin used in making our bottles. Internally we undertake to increase our percentage of recycling and reduce our waste generation.



ENERGY MANAGEMENT

> 302-1; 302-3; 302-4; 302-5

We are committed to growing in our industrial and commercial activities in harmony with the environment, being proactive and innovative.

Energy efficiency is a commitment that we have strongly installed in each of our decisions. That is why we must meet the 0.35 megajoules¹ per liter of produced beverage by 2020.



WORK ENVIRONMENT

> 401-1 401-2; 403-1; 403-2; 403-4; 404-1; 404-3; 405-1

We promote a safe and welcoming working environment. We believe that motivated people are the basis of business sustainability, enabling to build a better company.

The main commitments in this pillar are related to the safety of people and the working environment. For this we have indicators of quantity and severity of accidents, diversity and favorable working environment.

¹ Unit derived from the International System, used to measure energy, work and heat.

**COMMUNITY**

> 412-1; 413-1

We seek to contribute to the progress of the communities where we develop our activities, through programs aimed at fostering local economies, generating opportunities and improving the quality of life of people. All the initiatives with the community and our value chain have the commitment of shared value, seeking to improve the quality of life of the people around us.

**CORPORATE GOVERNANCE**

> 102-18; 102-22; 102-23; 102-24; 102-25; 102-30; 102-32; 102-35; 401-5

We continuously seek the identification and management of expectations of the Company's stakeholders, developing policies and rules of operation that guarantee the transparency and alignment of actions on the material issues of concern of these stakeholders, as well as the development of effective communication with stakeholders.

Our commitment is to continue to grow in Risk Management, delivering mitigation plans to senior management thus growing the business with a view to anticipation.

ADHERENCE TO THE GLOBAL COMPACT NETWORK

> 102-12; 102-13

We are part of The Coca-Cola System and we are proud of that. As bottlers we operate according to the strictest international standards and we relate to an extensive chain of regional value, promoting mutually beneficial links that allow us to create shared value and develop sustainable operations.

In line with the objective of integrating the business with social, environmental, ethical and good governance criteria, Coca-Cola Andina voluntarily adhered to the Global Compact Network of the United Nations (UN), establishing a commitment to the 10 principles guiding the initiative and focusing on human rights, labor rights, the environment and the fight against corruption.

These principles are in line with the 17 Sustainable Development Goals, which define the 2030 UN Agenda established by the United Nations in the field of sustainable development.

**CORPORATE GOVERNANCE****BEVERAGE BENEFITS****COMMUNITY****WORKING ENVIRONMENT****WATER STEWARDSHIP****SUSTAINABLE PACKAGING****ENERGY MANAGEMENT****SUSTAINABLE DEVELOPMENT GOALS**

> 102-13



How we create value

Market environment and regulatory framework

> 102-6

The maturity of consumers and the socio-political context have placed health and the environment as protagonists of the public agenda, which is evidenced by actions ranging from communication campaigns to the design of specific legal standards.

We see a change in consumer behavior, who are more aware of health, changing their needs and preferences. This has led to increasingly demanding innovative, high-quality products.

In this context, the Governments of most of the markets where the Company participates are demanding more strict regulations on goods and services that can affect

health. In Chile, Congress passed a Food Labelling Law that came into force in 2016, with new information requirements for certain consumer products, including soft drinks, juices, and bottled water like ours.

To meet the diverse needs of our consumers, Coca-Cola Andina is focused on expanding its product portfolio in order to capture these new consumer trends and maintain leadership in its markets. In that sense, we make great efforts both to provide new options and to deliver clear nutritional information.

We offer a portfolio that covers 129 brands (soft drinks, juices, water, beer and spirits).

Business model and areas

> 102-9

SOLID SHAREHOLDER STRUCTURE AND STRATEGIC ALLIANCE WITH THE COCA-COLA COMPANY

- At Coca-Cola Andina we produce and distribute the products licensed by The Coca-Cola Company.
- Among the beverages licensed by The Coca-Cola Company there is a wide range of carbonated soft drinks, fruit juices, mineral and purified water, flavored waters, isotonic and energy drinks. During 2017, seed-based beverages such as AdeS are incorporated into the system.
- We maintain a strong relationship with The Coca-Cola Company, which is our main strategic partner. We work collaboratively on issues of marketing, product development, technology and projects of shared value in the communities where we operate.



> 102-7; 102-8



53

MILLION CONSUMERS



4,263

MILLION LITERS OF OUR BRANDS SOLD EACH YEAR



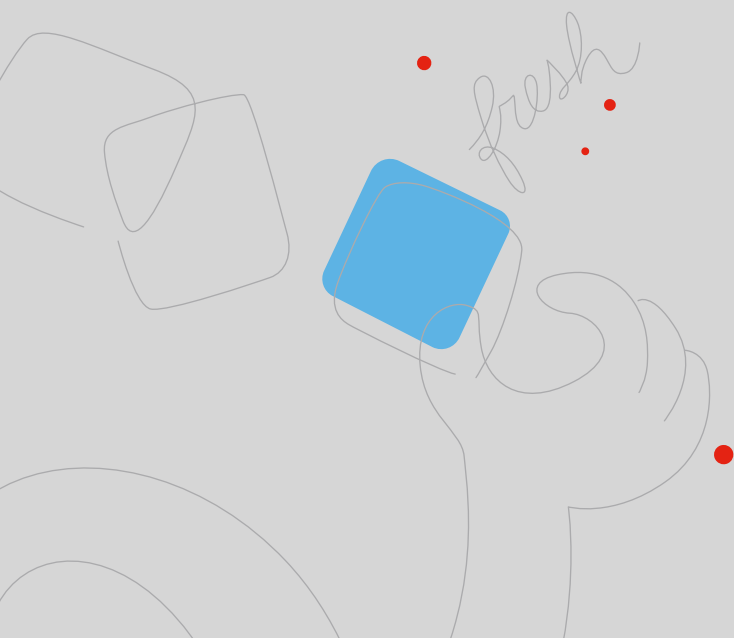
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COUNTRIES



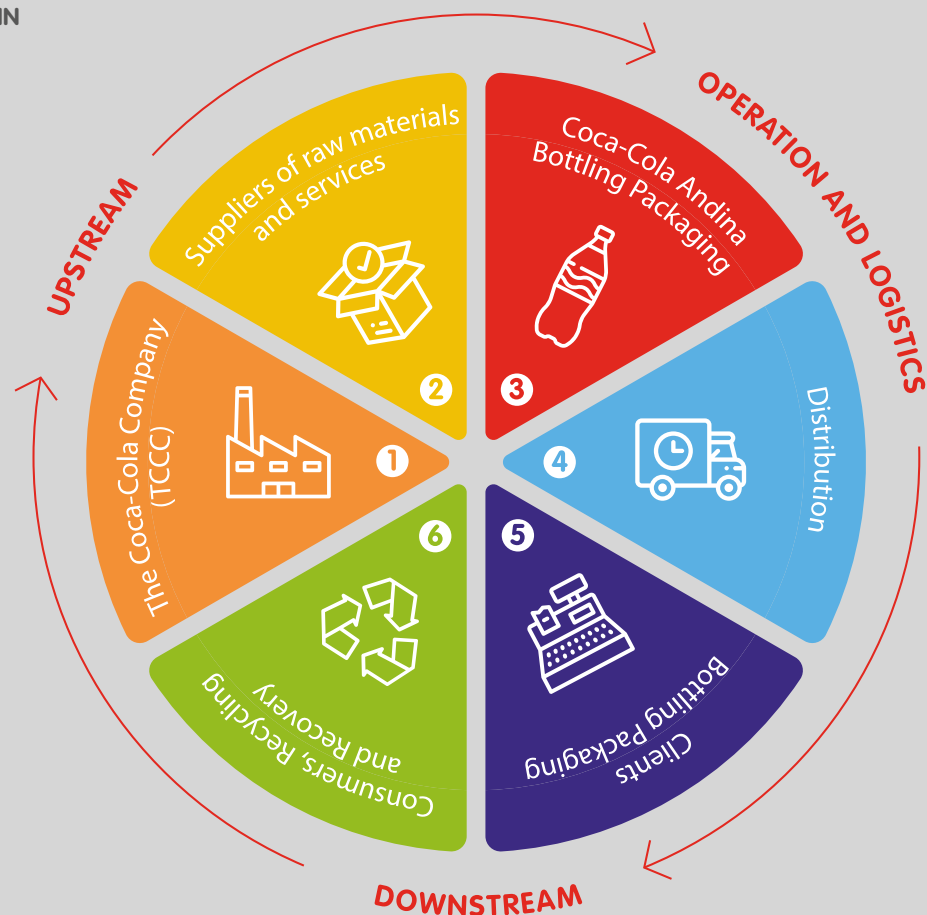
17,386

COLLABORATORS



VALUE CHAIN

> 102-9; 308-2

**The Coca-Cola Company (TCCC)**

- Supplier of concentrates and syrups.
- The Coca-Cola System Operating Standards (KORE).
- Standards for suppliers of raw materials.
- 2020 Sustainability Goals - Sustainable Agriculture

The relationship with The Coca-Cola Company (TCCC) has a substantial influence on our business and our operations. 70% of net sales for the year ended December 31, 2018 derived from the distribution of soft drinks with proprietary brands of The Coca-Cola Company and an

additional 24% was explained by the distribution of other products. For more detailed review Chapter D Risk Factors of Form 20-F on the corporate website Coca-Cola Andina. The Coca-Cola Company is our franchisee and our supplier of syrup concentrate.

We have an audit and control system audit of The Coca-Cola System “KORE” and we must comply with high standards that are constantly audited.

We have sustainability goals for the year 2020, an audit system for raw material suppliers and compliance with the principles of sustainable agriculture.

**Suppliers of Raw Materials and Services**

> 102-10

- Includes suppliers that provide raw materials and services to the various operations in Argentina, Brazil, Chile and Paraguay.
- Implementation of sustainable packaging.

At Coca-Cola Andina we believe that suppliers are a key link in the value chain. That is why we work together with those who share our values and operate in an ethical way to achieve excellence in the quality of their products and services.

Suppliers include those who provide raw materials and services to our operations in Argentina, Brazil, Chile and Paraguay.

Supplier Evaluation: At Coca-Cola Andina we maintain a win-win relationship with our suppliers, generating mutually beneficial partnerships. The evaluation considers the environmental, social and economic dimensions.

The Company has a policy that is embodied in the Guiding Principles for Suppliers.

We strive to acquire and purchase from local suppliers based in the cities where we have production plants and main distribution centers.

Review supplier detail by country on page 34.



Coca-Cola Andina Bottling Packaging

> 102-9

- Includes all bottling and packaging processes of our products.

We take care that our packaging is focused on reducing, recycling and reusing, in order to preserve natural resources.

Three main resources are needed to market a bottle: water, energy and packaging. Both The Coca-Cola Company and Coca-Cola Andina are committed to sustainability.

Bottling plants meet rigorous efficiency objectives, both in waste and water and energy. Among other actions are the following: the reduction of the use of materials, through lighter packaging; reuse of water in washing machines, and incorporation of clean energies. For further details, review the chapters on Sustainable Packaging, Water Stewards and Energy Management (on pages 66, 74, 80, 82, 91, 96, 103).



Distribution

> 102-9

- Includes distribution (Own Distribution Centers).
- Route optimization in order to reach everyone in the most efficient way.

At Coca-Cola Andina we seek to integrate the distribution chain in an efficient way, aware of the impact it generates.

We are concerned with innovating in technology to manage the logistics, taking into account the drivers, truck assistants, vehicles, the relationship with the community and clients, as well as environmental aspects.

At our Company we have both own and third-party fleets for the distribution service. We have more than 200 companies with whom we outsource and together we put to the service of customers, more than 2,734 trucks-of which 999 are own-which make possible the delivery of our products in each territory.



Clients

> 102-9

- Includes the wide network of customers, mostly small kiosks and mom & pops.
- Refrigeration with new technologies that reduce energy consumption.

We have a large network of customers who are mostly kiosks and mom & pops, which we consider strategic partners in our business model and have become a key link in the value chain. They generate a great social impact in the communities in which they are inserted, contributing to the economic development of local economies. They are responsible for 33% of the Company's sales. We accompany their growth with modern cold equipment. Supermarkets, for their part, represent 30% of our sales and with them we seek process synergies that generate shared value.



Consumers, recycling and recovery

- Includes recycling and recovery strategies in conjunction with the community.
- Improvements in reverse logistics.
- Accompaniment to recyclers.
- Consumer awareness.

Cola-Cola Andina's marketing campaigns are designed in conjunction with The Coca-Cola Company and all are framed within our responsible marketing policy. We are committed to working close to our consumers and making them aware that they are part of our packaging recovery chain. We also seek to provide them with options so that they can choose to make responsible purchases, we offer return options for both returnable containers and those that are disposable.

At Coca-Cola Andina we take care of the complete cycle of our packaging, it is part of our value creation model. We design collaborative recovery processes with the existing circuits in each of the communities where we operate. We encourage entrepreneurship that want to be part of waste valorization and we seek to strengthen returnable packaging.



Business areas

RESULTS BY BUSINESS AREAS

> 102-2; 102-7

EBITDA distribution percentage each year

Country	2014	2015	2016	2017	2018
Argentina	17%	25%	23%	23%	17%
Brazil	40%	32%	31%	32%	33%
Chile	32%	32%	35%	34%	38%
Paraguay	11%	11%	11%	11%	12%

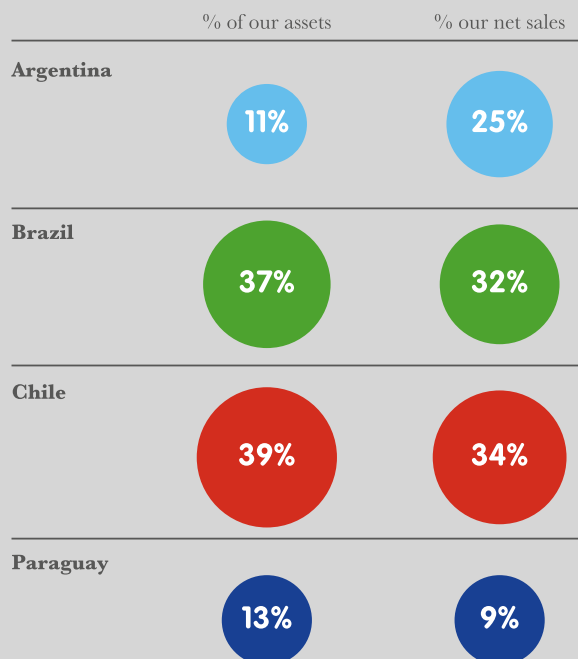
Main products commercialized by country

> 102-2; 102-6; 102-7



Argentina: Coca-Cola Andina Argentina produces and commercializes the following products licensed by The Coca-Cola Company: Coca-Cola, Coca-Cola Light, Coca-Cola Zero, Fanta Naranja, Fanta Naranja Zero,

Fanta Limón, Fanta Pomelo, Sprite, Sprite Zero, Quatro Liviana, Schweppes Citrus, Schweppes Tónica, Schweppes Pomelo, Schweppes Zero, Crush Naranja, Crush Pomelo Crush Lima Limón, Kin sparkling and still, Bonaqua sparkling and still (mineral water), Aquarius and Aquarius Cero (3 flavors). Additionally, it produces and commercializes Cepita juices, Powerade, Powerade Zero and in certain provinces it commercializes the following beer brands: Amstel, Budweiser, Heineken, Sol, Imperial, Palermo, Schneider, Bieckert, Kunstmann, Isenbeck and Miller. Additionally, in all of its franchise territory it commercializes AdeS products. These products are commercialized in returnable and non-returnable glass and PET packaging, post mix syrup, cans and Tetra Pak.



Brazil: Coca-Cola Andina Brasil commercializes the products of The Coca-Cola Company and Heineken. The Coca-Cola Company brands produced, sold and distributed are: Coca-Cola, Coca-Cola Zero, Kuat,

Kuat Zero, Fanta Laranja, Fanta Laranja Zero, Fanta Uva, Fanta Guaraná, Fanta Zero, Sprite, Sprite Zero, Schweppes Tónica, Schweppes Citrus, Del Valle 100%, Del Valle Frut, Del Valle Mais, Del Valle Mais Light, Kapo, Sabores Caseros, Del Valle Nutri, Crystal (sparkling and still mineral water), I9, Powerade, Powerade Zero, Fuze Ice Tea, Fuze Ice Tea Zero, Fuze Mate Leão, Fuze Mate Leão Zero, Guaraná Leão, Matte Leão, and Matte Leão Zero. It also distributes the following beer brands: Amstel, Bavaria, Heineken, Kaiser, Murphy'S, Sol and Xingu. Additionally, in all of its franchise territory, it commercializes AdeS products, Verde Campo products (Shake Whey, Lactfree and Minilac) and distributes Monster and Burn. These products are commercialized in returnable and non-returnable glass and PET packaging, post mix syrup, cans and Tetra Pak.



Chile: Coca-Cola Andina Chile produces and commercializes the following products licensed by The Coca-Cola Company: Coca-Cola, Coca-Cola Light, Coca-Cola Zero, Fanta Naranja, Fanta Naranja Zero, Fanta Uva, Fanta Guarana, Fanta Piña, Inca Kola, Inca Kola Zero, Nordic Mist Agua Tónica, Nordic Mist Ginger Ale, Nordic Mist Zero, Quatro, Sprite, Sprite Zero, Cantarina, Limon & Nada y Guallaraucagua de Fruta. It distributes products of Vital Jugos: Andina del Valle, Andina del Valle Light, Andina del Valle Nutridefensas, Kapo; of Vital Aguas: Vital (sparkling and still), Smartwater, Benedictino, Aquarius, Aquarius Cero and Café Blak. Through the Koolife business unit it commercializes GoldPeak, GoldPeak Diet, Core Power and Zico among others. Additionally it distributes Monster and it commercializes AdeS products in all of its franchise territory. It also commercializes Guinness beer, Tanqueray gin, Smirnoff vodka, Johnnie Walker whisky, Don Julio tequila and Baileys, among others. These products are commercialized in returnable and non-returnable glass and PET packaging, post mix syrup, cans and Tetra Pak.



Paraguay: Coca-Cola Paresa produces 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, Schweppes, Schweppes Tónica, Schweppes Citrus, Schweppes Pomelo, Sprite, Sprite Zero, Crush Naranja, Crush Piña, Crush Pomelo, Frugos Manzana, Frugos Durazno, Frugos Naranja, Frugos Naranja Light, Frugos Pera, Frugos Naranja Casera, Aquarius, Dasani (sparkling and still), Powerade and Burn. Additionally, it commercializes AdeS products. These products are commercialized in returnable and non-returnable glass and PET packaging, bag-in-box syrup, cans and Tetra Pak.

License agreements by country

> 102-2; 102-9



Argentina: The License Agreements are international standard contracts that The Coca-Cola Company enters into with bottlers outside the United States for the sale of concentrates and beverage basis for certain soft drinks and non-soft drink

beverages. In accordance with these contracts we have the right to produce and commercialize soft drinks bearing the trademarks of The Coca-Cola Company 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 soft drinks or other beverages bearing the trademarks of The Coca-Cola Company 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, Antarctic and South Atlantic Islands.

The term of the agreement with The Coca-Cola Company has been extended until September 30, 2022.



Brazil: The License 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 soft drinks and non-

soft drink beverages. In accordance with these contracts we have the right to produce and distribute soft drinks bearing the trademarks of The Coca-Cola Company 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 soft drinks or other beverages bearing the trademarks of The Coca-Cola Company 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 has been extended until October 4, 2022.

The Coca-Cola Company, Cervejarias 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. Although the term of these agreements it currently under judicial discussion, Coca-Cola Andina understands that the distribution agreements signed after May 30, 2003 have a duration of 20 years and are renewable.



Chile: The License 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 soft drinks and non-soft

drink beverages. In accordance with these contracts we have the right to produce and distribute soft drinks bearing the trademarks of The Coca-Cola Company 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 soft drinks or other beverages bearing the trademarks of The Coca-Cola Company in these territories.

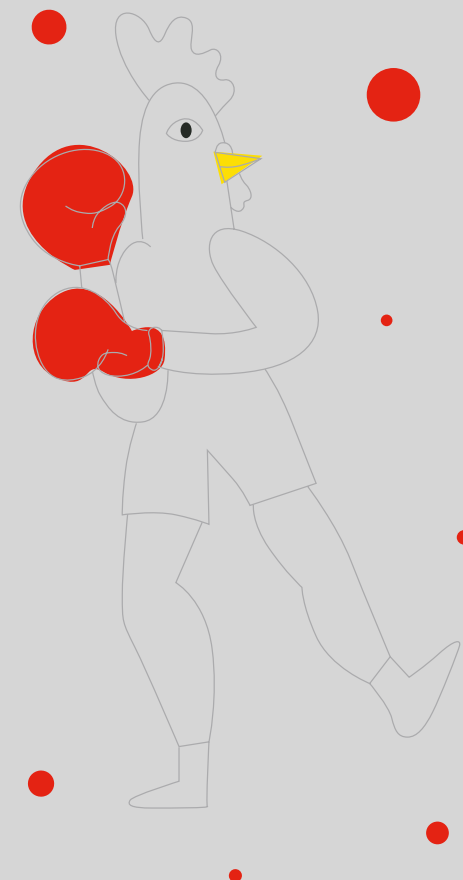
The License Agreement of Embotelladora Andina S.A. states as franchise territory, the Metropolitan Region in Santiago, the Province of San Antonio in the Fifth Region; and the Province of Cachapoal, including the commune of San Vicente de Tagua-Tagua in the Sixth Region, and is in full force and effect until January 1, 2023.

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 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, in full force and effect until October 31, 2019.



Paraguay: The License 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 soft drinks and non-soft drink beverages. In accordance with these contracts we have the right to produce and distribute soft drinks bearing the trademarks of The Coca-Cola Company 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 soft drinks or other beverages bearing the trademarks of The Coca-Cola Company in this territory.

The term of the License Agreement with The Coca-Cola Company has been extended until September 1, 2020.





Production and distribution by country

> 102-2; 102-9



Argentina: Coca-Cola Andina Argentina operates three production plants: **(i)** one located in Córdoba with 15 lines, with an average utilization capacity of 41.9%, **(ii)** another one in Bahía Blanca (Province of Buenos Aires) with 4 lines, with an average utilization capacity of 42.3% and **(iii)** a third located in Trelew (Province of Chubut) with 3 lines, with an average capacity of 38.9%. In addition, it manages 277 auto-vending machines.

Additionally, in June 2012 a plant was launched for the treatment of raw sugar, with a nominal processing capacity of approximately 370 tons per day and, since 2017, approval for the use of 100% raw sugar, is maintained, reaching a plant utilization of 71.2%.

The distribution of products is carried out through 94 third-party transport companies, with a fleet of 813 trucks.



Brazil: Coca-Cola Andina Brasil operates 3 production plants: **(i)** one plant in Jacarepaguá, in the state of Rio de Janeiro, which has 12 production lines with a utilization capacity of 66.7%; and **(ii)** one plant in Ribeirão Preto, in the state of São Paulo, which has 13 production lines and a utilization capacity of 37.0%. In addition, in December 2017 the Duque de Caxias plant began operating; **(iii)**, in the state of Rio de Janeiro, which has 3 production lines and a utilization capacity of 22.0%.

The distribution of products is carried out through company owned transport (828 trucks) and 5 third-party transport companies (103 trucks).



Chile: Coca-Cola Andina Chile operates 4 plants throughout Chile: **(i)** one plant in Rencá that has 10 production lines with a utilization capacity of 60.9%; **(ii)** one plant in Coquimbo that has 3 production lines with a utilization capacity of 38.9%; **(iii)** one plant in Antofagasta with 5 production lines and a utilization capacity of 48.1%; and **(iv)** one plant in Punta Arenas that has 2 production lines with a utilization capacity of 32.4%.

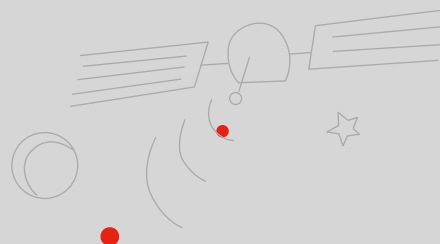
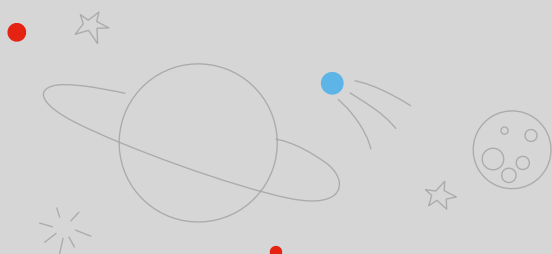
The distribution of products is carried out through 82 third-party transport companies (487 trucks) and company owned (171 trucks).

In addition, Coca-Cola Andina Chile manages 811 auto-vending machines for soft drinks and snacks, through its subsidiary Servicios Multivending Ltda. On the other hand, we control Vital Aguas, Vital Jugos and ECSA (see more on pages 140 and 142).



Paraguay: Coca-Cola Paresa operates one production plant in the city of Asunción, with 13 bottling lines, 7 for soft drinks with a utilization capacity of 73.0%, 4 lines are used for juices with a utilization capacity of 47.0%, 1 line is used for water with a utilization capacity of 88.0% and 2 blowing lines with a utilization capacity of 100%.

The distribution of products is carried out through an outsourced fleet (48 companies), which consists of 332 trucks for the delivery of our products to customers throughout Paraguay.





12 principal clientes by country

> 102-2; 102-6; 102-9



Argentina: S.A. Imp. y Exp. de la Patagonia, Jumbo Retail Argentina S.A., Inc Sociedad Anónima, Wal-Mart Argentina S.R.L., Mistura S.A., Sita S.A., Pont Andrés Roberto, Garzon S.R.L., Cooperativa Obrera Ltda C y V, Cencosud S.A., El Gringo S.R.L., and Día Argentina S.A.

None of the clients individually concentrate more than 10% of total sales carried out.



Brazil: Companhia Brasileira De Distribuição Cdb S.A., Assai, Atacadão S.A., Rede Integra, Supermercados Mundial Ltda., Cencosud Brasil Comercial Ltda., Super Market, Super Mercado Zona Sul S.A., Marko Atacadista S.A., Guanabara, Savegnago Supermercados Ltda., and Carrefour Comércio e Indústria Ltda.

None of the clients individually concentrate more than 10% of total sales carried out.



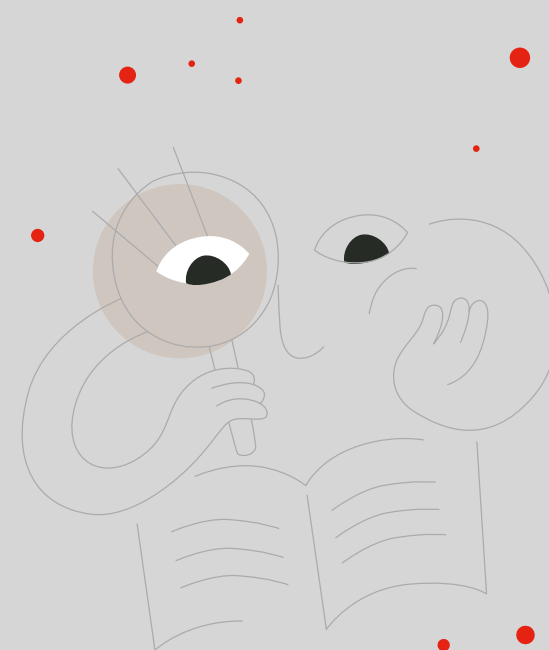
Chile: Walmart Chile Comercial S.A., Cencosud Retail S.A., Rendic Hermanos S.A., Alimentos Fruna Ltda., Hipermercados Tottus S.A., Arcos Dorados Restaurantes DE, Aramark Servicios Mineros y Remotos, Alvi Supermercados Mayoristas S.A., Supermercado y Dist.Uno Market, Distrib. y Com. Tilicura S.A., Supermercados Montserrat S.A.C., and Super 10 S.A.

Walmart Chile Comercial S.A. individually concentrates more than 10% of total sales carried out.



Paraguay: Cadena de Supermercados S6, Cadena de Supermercados Stock, Cadena de Supermercados Real, Tienda de Conveniencia Petrobras, Cadena de Tiendas de Cercanía City Market, Cadena de Supermercados Gran Vía, Cadena de Supermercado Salemma, Autoservice Sonia, Cadena de Tiendas de Cercanía Biggie, Mayorista Lekaja S.R.L, McDonald's and Cadena de Supermercados Luisito.

None of the clients individually concentrate more than 10% of total sales carried out.



PRINCIPAL SUPPLIERS

Concentrate, water, packaging, caps and energy

12 principal suppliers by country

> 102-6; 102-7; 102-9



Argentina: Concentrate: Servicios y Productos para Bebidas Refrescantes S.R.L.¹ | Sweetner: Complejo Azucarero Concepción e Ingredion Argentina S.A. | Water: EDASA has its own water wells and pays a fee to the Dirección Provincial de Aguas Sanitarias. | Carbon dioxide: Praxair Argentina S.R.L. and Air Liquide Argentina S.A. | Packaging (bottles): Andina Empaques Argentina S.A.², Cattorini Hermanos S.A.C.I.F.E.I. and Dak Americas Argentina S.A. | Cases: Andina Empaques Argentina S.A.² and Cabelma S.A. | Plastic caps: Andina Empaques Argentina S.A.² and Alusud Argentina S.R.L. | Metal caps: Metalgráfica Cearence S.A. and Alucaps Mexicana de Occidente. | Electrical energy: Compañía Administradora del Mercado Mayorista Eléctrico S.A. (CAMMESA) and Termoandes S.A. | Thermocontractable: Río Chico S.A., Ipesa Ind. Plast S.A. and Platinadino S.A. | Labels: Luis y Miguel Zanniello S.A. and Envases John S.A. | LPG (liquefied gas): Repsol YPF Gas S.A. and Total Especialidades Argentina.

Servicios y Productos para Bebidas Refrescantes S.R.L.¹ concentrates at least 10% of total purchases carried out.

¹ Shareholder

² Subsidiary



Brazil: Resale products: Cervejarias Kaiser S.A., Total Distribuidora de Bebidas Ltda and Leão Alimentos e Bebidas Ltda.² | Concentrate: Recofarma Industrias do Amazonas Ltda.¹ | Preforms: Engpack Embalagens São Paulo S.A. and Lorenpet Industria e Comercio de Plasticos LTDA. | Cans and aluminum caps: Ball Embalagens Ltda., Crown Emb Met da Amazonia S.A. | Sweetner: Usina Alta Mogiana S.A. Açúcar e Alcool and Central Energetica Moreno Açúcar e Alcool Ltda. | Electrical energy/gases: Ecogen Rio Solucoes Energeticas SA, NC Energia SA and Companhia Paulista de Força e Luz. | Water: Companhia Estadual de Água e Esgoto do Rio de Janeiro and Departamento de Água e Esgoto de Ribeirão Preto | Caps: Bericap do Brasil Ltda., Mirvi Brasil AS and America Tampas S.A. | Packaging (Refpet): RioPet Embalagens S.A. | Thermocontractable: S R Embalagens Plasticas Ltda, Patena Ind C R Filmes Plastico Ltda. and Valfilm ne Industria e Comercio de Plasticos Ltda. | Juices: Tecnovin do Brasil S.A., Citrus Juice Ltda., Sumabras do Brasil – and Industria y Comercio de Sucos de Maca Ltda. | Labels: PP Print Embalagens S.A., Mazda Embalagens LTDA and Converplast Embalagens Ltda.

Cervejarias Kaiser S.A., Recofarma Industrias do Amazonas Ltda.¹ and Leão Alimentos e Bebidas Ltda.² concentrate at least 10% of total purchases carried out.

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

² Equity investee



Chile: Concentrate: Coca-Cola de Chile S.A.¹ | Sweetner: Iansa Ingredientes S.A., Sucden Chile S.A. and Sucden Américas and Comercializadora de Productos PANOR | Water: Aguas Andinas S.A. | Carbon dioxide: Linde Gas Chile S.A. | Packaging (bottles): Envases CMF S.A.², Cristalerías de Chile S.A. and Cristalerías Toro S.A.C.I. | Caps: Envases CMF S.A.², Sinea S.A. and Alucaps Mexicana S.A. de C.V.

Coca-Cola de Chile S.A.¹, concentrates at least 10% of total purchases carried out.

¹ Shareholder

² Equity investee



Paraguay: Concentrate: Servicios y Productos Argentina¹ and Recofarma Industrias do Amazonas Ltda.² | Sugar: Industria Paraguaya de Alcoholes S.A. and Azucarera Paraguaya S.A. | Preforms: Industrias PET S.A. | Resale products: Unilever de Paraguay S.A. and Alimentos de Soja SAU | Packaging (bottles): Cattorini Hnos. (vidrio) | Tetra raw materials: Tetra Pak Ltda. | Plastic caps: Andina Empaques Argentina² and Sinea S.A. | Fructose: Ingredion Argentina S.R.L. | Electrical Energy: ANDE - Administración Nacional de Electricidad.

Industria Paraguaya de Alcoholes S.A., Recofarma Industrias do Amazonas S.A.², Servicios y Productos Argentina¹ and Azucarera Paraguaya S.A. concentrate at least 10% of total purchases carried out.

¹ Shareholder

² Related company



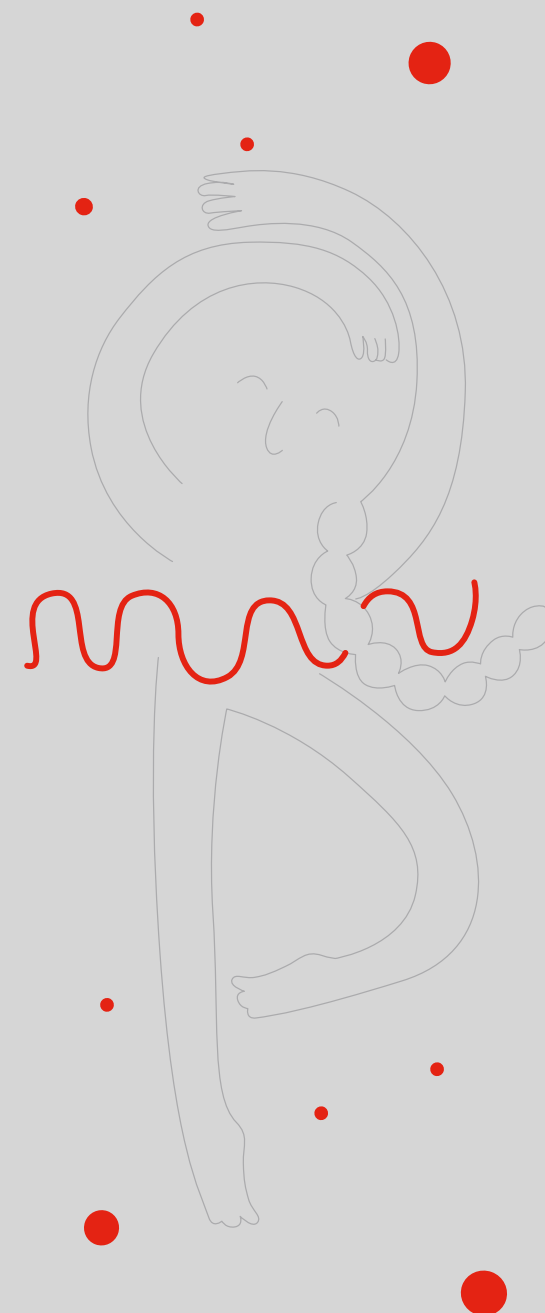


Information breakdown by country

> 102-2; 102-7; 102-9

	Argentina	Brazil	Chile	Paraguay
Total sales volume (MUC)	201.9	249.2	231.4	68.2
Soft drinks	167.0	201.5	154.7	56.1
Juices and other non-alcoholic	11.7	24.0	36.0	5.0
Water	23.2	7.7	40.5	7.0
Beer and other alcoholic	0	16.0	0.2	0
Total per capita annual consumption	391.03	265.00	521.82	231.50
Soft drinks	269.86	220.02	376.95	190.60
Juices and other non-alcoholic	18.74	19.27	54.81	17.00
Water	31.35	8.21	89.67	23.90
Beer and other alcoholic*	71.08	17.50	0.39	0
Sales by format				
% family size non-returnable	42 %	61 %	36 %	42 %
% family size returnable	46 %	20 %	41 %	42 %
% single-serve non-returnable	10 %	14 %	14 %	12 %
% single-serve returnable	1 %	2 %	4 %	3 %
% post mix	1 %	2 %	4 %	1 %
Sales by channel				
% mom & pops	33 %	23 %	46 %	28 %
% wholesales	32 %	26 %	12 %	36 %
% supermarkets	31 %	34 %	30 %	12 %
% on-premise	3 %	17 %	12 %	24 %
Sales by flavor - soft drinks				
% Coca-Cola	60 %	70 %	49 %	54 %
% Other sugary	24 %	20 %	21 %	29 %
% Coca-Cola low sugar	11 %	6 %	24 %	3 %
% Others light	5 %	4 %	6 %	14 %

*Beer and other alcoholic in Argentina corresponds to commission for beer distribution services.



Economic value generated and distributed

> 102-2; 102-7; 201-1; 204-1

Economic value generated	CLP ('000)
Revenues: Includes CF lines: collection for sales of goods and services + other collections of the operation	2,296,830,656
Sales of fixed assets and others: Includes CF lines: collection for sales of fixed assets and loss of control in subsidiaries	260,116
Subtotal	2,297,090,772
Net effect of financing activities: total financing activities of CF excluding dividend payments	-42,308,227
Total economic value generated	2,254,782,545
Economic value distributed	
Suppliers, contractors, distributors	-1,561,571,553
Purchase of property, plant & equipment and intangibles	-122,972,582
Salaries	-199,460,816
State contributions (1)	-280,626,221
Dividend payments	-87,535,698
Social investment (2)	-57,237
Total economic value distributed	-2,252,224,107
Total net flow for the period (*)	2,558,438

Additional details	CLP ('000)
State contributions (1)	
Income tax	22,836,688
Customs duty	4,146,558
Net value added tax (VAT) paid	28,693,471
Property taxes	1,418,018
Disallowed expense tax	144,963
Financial credit tax	1,248,165
Foreign services paid	5,646,070
Payment of commercial and industrial patents	367,625
Less franchises and tax credits	-1,773,585
Others: 1.- Tax collector	13,118,451
2.- Tax on debits and credits	2,423,963
3.- Tax on gross revenue and contributions	2,355,833
Total	280,626,221
Social investment (2)	
NGO contributions	22,881
Others	34,356
Total	57,237
Penalties and fines	
Lawsuit payments	26,478
Payment of Seremi (Ministry's Regional Office) and labor fines	302,451
Total	328,929





Corporate Goveranance



Corporate Governance Model



“ At Coca-Cola Andina we understand that the Company's goal is not only to generate profitability for shareholders, but to positively influence the places where we have operations. We perform a task where not only do we provide our products, but we also provide well-being and we take care of the environment. ”

Miguel Ángel Peirano, Chief Executive

> 102-16

It is essential for us to safeguard the ethical and responsible behavior in all the places where we operate. Every day we strongly promote actions that allow us to return to society what it has contributed to us. In this line, we care about supporting the development and improvement of communities where we are present.

In this context, our system and Corporate Governance management become an essential part of creating value not only for shareholders, but for all our stakeholders.



Corporate Governance Structure

> 102-16; 102-17

We have a strong Corporate Governance structure and our Board of Directors, as the highest management body, is concerned with continually strengthening it and reinforcing a long-term model, ensuring the creation of sustainable value.

Commitment to sustainable value creation in a framework of transparency, ethics and corporate responsibility is a strategic goal of our corporate governance. For this we have a structure that allows us to integrate our policies and procedures in all our operations, which is accomplished, among other things, by risk mitigation, with reliable information and with an adequate safeguard of the assets.

Also, at Coca-Cola Andina we have a crime prevention model pursuant to Chilean Law No. 20,393, which was certified by the company MC Compliance S.A. for two years, since June 21, 2018. According to the foregoing, the Company is constantly concerned about training all their collaborators in the knowledge of this prevention model and of disseminating internal policies and processes, to generate a culture of ethics and transparency.



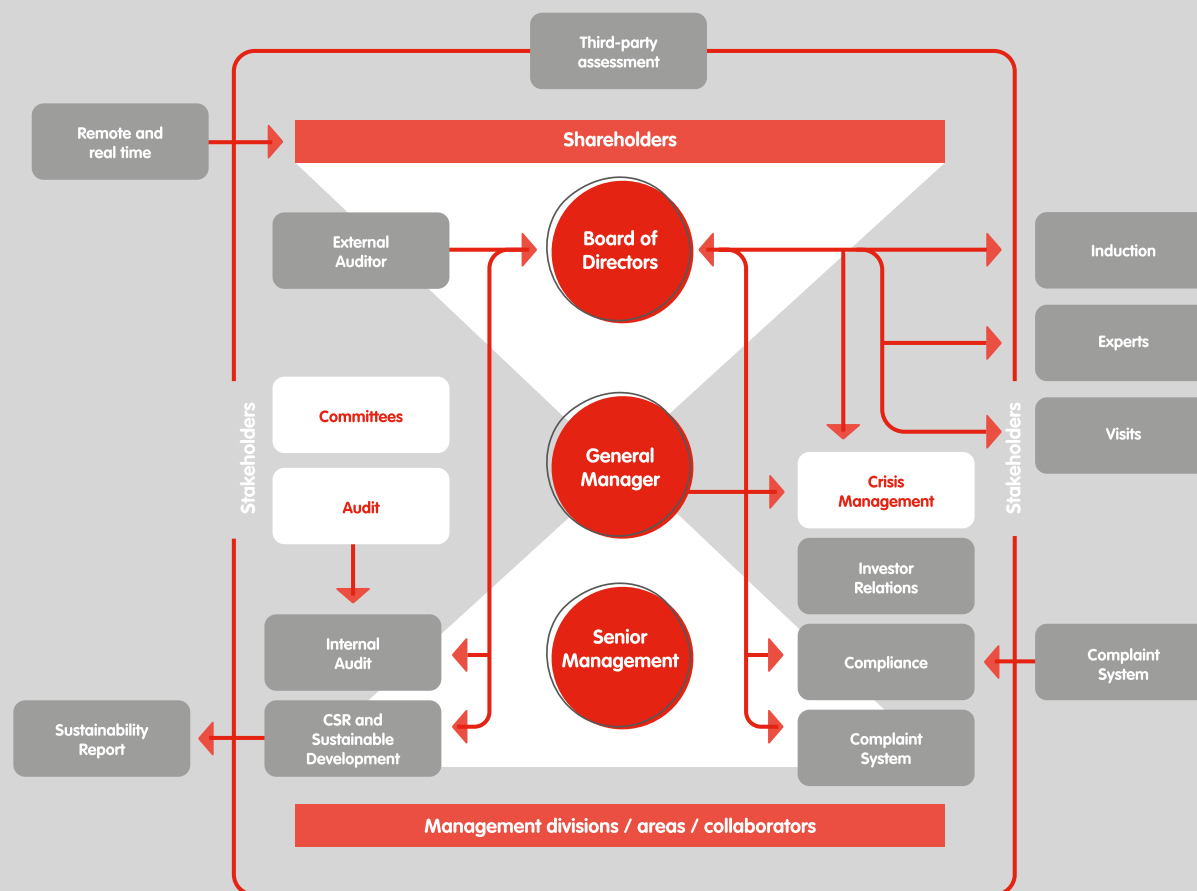
At Coca-Cola Andina we are organized as a holding of operating companies in each of the countries in which we are present and a corporate office. Thus, the Company's operations in Argentina, Brazil, Chile and Paraguay report to the corporate office. Our decision-making approach is decentralized, giving our operations an autonomy level that is framed in certain limits to maintain strategic control of business. The purpose of the corporate office is to carry out an adequate monitoring and control of our strategic goals and to generate synergies between operations.

The goals of our Corporate Governance Model include:

> 102-20; 102-28

- To guarantee the sustainable value generation of the Company, both from the economic and financial point of view, as well as social and environmental.
- To promote a culture of business ethics that helps the Board of Directors and management to prevent potential irregularities.
- To provide an effective framework for transparency, control and responsible management, establishing policies and rules for decision-making.
- Take care of the corporate reputation to contribute to the creation of value in the long term.
- To enhance the transparency and reliability of the Company's financial information.
- Control management efficiency, process improvement and regulatory compliance.

> 102-10; 102-16; 102-18



Company Ownership at 12.31.2018

	Total shares	Ownership %
Controlling Group ¹	430,294,206	45%
Others	285,580,052	30%
Coca-Cola	138,696,482	15%
Chilean Pension Funds	62,937,328	7%
ADR	29,062,536	3%
Total	946,570,604	100%

¹ See description of Controlling Group on page 130





Twelve Main Shareholders at 12.31.2018

> 102-5

Company name	Series A	Series B	Total Shares	Ownership interest (%)
Coca-Cola de Chile S.A.	67,938,179	67,938,179	135,876,358	14.4
Inversiones Cabildo SpA*	52,987,375	49,650,863	102,638,238	10.8
Inversiones SH Seis Limitada*	52,989,375	37,864,863	90,854,238	9.6
Banco de Chile por cuenta de Terceros	31,567,665	42,227,632	73,795,297	7.8
Banco Santander - JP Morgan	15,916,262	34,075,745	49,992,007	5.3
Inversiones El Olivillo Limitada*	46,426,645	-	46,426,645	4.9
Inversiones Nueva Delta S.A.*	46,426,645	-	46,426,645	4.9
Banco Itaú por cuenta de Inversionistas	15,689,745	22,490,439	38,180,184	4.0
Inversiones Nueva Sofia Ltda.*	2,985,731	25,678,583	28,664,314	3.0
Inversiones Playa Amarilla SpA*	13,513,594	13,513,594	27,027,188	2.9
The Bank of New York Mellon	2,069,172	23,854,338	25,923,510	2.7
Inversiones Los Robles Limitada*	9,788,363	9,788,363	19,576,726	2.1

* Company related to Controlling Group

The total number of shareholders of Embotelladora Andina S.A. at December 31, 2018 is 779 shareholders of the Series A and 1,131 shareholders of the Series B.

VOTING RIGHTS AND ELECTION OF DIRECTORS

> 102-18

Our social capital is divided in Series A and Series B shares, both preferred and without nominal value, with the following characteristics, rights and privileges:

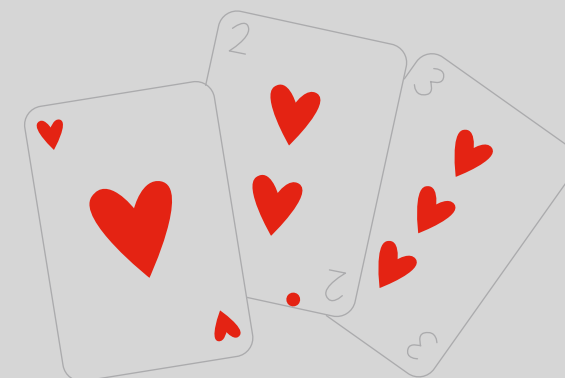
Holders of the Series have the right to choose 12 of the 14 directors.

Holders of the Series B shares have the right to choose two directors. The preference of Series B 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.

Directors may or may not be shareholders, they will last three years in their position and may be reelected for an indefinite number of periods.

At Coca-Cola Andina we do not have a policy other than the one established in Chilean law regarding the proposal by a shareholder of any candidate to be director of the Company. Accordingly, any interested shareholder may attend the Shareholders' Meeting and express their proposal for a particular candidate for director, for a corresponding election.





BOARD OF DIRECTORS AND SHAREHOLDERS' MEETINGS

> 102-18; 102-24

Our administration is exercised by a Board of Directors composed of 14 members, elected by shareholders every three years at the General Shareholders' Meeting. The last election of directors took place at the General Shareholders' Meeting on April 19, 2018. Directors are elected at the Shareholders' Meeting by separate votes from Series A and Series B shareholders, as follows: Series A holders elect 12 directors, and Series B holders elect 2 directors. Directors may or may not be shareholders of the Company, they will last three years in their duties and may be re-elected indefinitely.

The Company's Board of Directors meets monthly, according to a previously established agenda. The topics to be discussed in each session are determined according to the interests and needs of the Company, and in order to cover all those matters that are relevant to the development of the business.

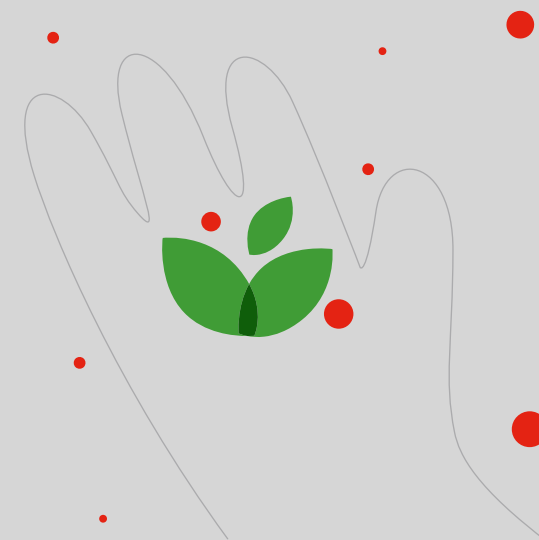
While the Company does not have a formal process for shareholders to send communications to directors, shareholders who wish to do so may express their views, considerations or recommendations before or during the celebration of the General Shareholders' Meeting, who will be heard and received by the Chairman of the Board or by the Company's Chief Executive Officer and shall be

subject to consideration of the shareholders present at the Shareholders' Meeting.

General Shareholders' Meetings are held once a year, within the first four months following the date of the annual balance sheet. Special Shareholders' Meetings can be established at any time and in accordance with the corporate needs to discuss and decide any matter of its competence, provided that it is indicated in the corresponding notice to shareholders. The only condition to participate in a Shareholders' Meeting is to have shares of the Company.

Andina does not have a defined policy regarding the attendance of the directors to the Shareholders' Meetings, but it is customary that they are voluntarily present during the course of the Shareholders' Meeting. Likewise, the Company does not maintain a policy other than that established in Chilean law, with regard to the proposal by a shareholder of any candidate to be director of the Company. Accordingly, any interested shareholder may attend the Shareholders' Meeting and express his/her proposal for a particular candidate for director, when an election corresponds.

According to Chilean law, Andina does not require, as in other countries, a permanent Directors' Appointment Committee.



We include more information on Corporate Governance issues and the difference with U.S. standards (hereinafter and indistinctly US) on Form 20-F, which is annually filed with the Securities and Exchange Commission (SEC), and which will be available on our website www.koandina.com, beginning April 30, 2019.

SUMMARY AND COMMENTS OF SHAREHOLDERS

Pursuant to General Rule No. 30 of Chile's Superintendence of Securities and Insurance -today the Financial Market Commission- and article 74 of Law No. 18,046, it is reported that neither the Directors' Committee, nor shareholders or groups of shareholders that represent or possess 10% or more of the shares issued with voting rights, have made comments or proposals regarding the progress of the Company's business. Notwithstanding the foregoing, in the Minutes of the General Shareholders' Meeting of 2018, it was recorded that the shareholders were offered the floor to respond to their concerns, but no further motions, consultations or doubts were expressed.



Composition of the Board of Directors

> 102-8; 102-18; 102-22; 102-23; 102-27; 106-1; 405-1

Appointment date: April 19, 2018

ARTURO MAJLIS ALBALA

Vice Chairman of the Board of Directors
Lawyer
Chilean Tax Id N°:
6.998.727-3

EDUARDO CHADWICK CLARO

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

GONZALO SAID HANDAL

Business Administrator
Chilean Tax Id N°:
6.555.478-K

MARIANO ROSSI

Business Administrator
Foreign citizen

JUAN CLARO GONZÁLEZ

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

SALVADOR SAID SOMAVÍA

Business Administrator.
Chilean Tax Id N°:
6.379.626-3

ENRIQUE RAPETTI

Accountant
Foreign citizen

* Independent directors of the Company.

Following we identify those people who are not currently directors of the Company, but who were directors within the last two years:

José de Gregorio Chamóis
Industrial Civil Engineer
RUT: 7.040.498-2
Elected on June 25, 2012 as director.
Date of termination in office: April 26, 2017.

Francisco Javier Crespo,
Industrial Engineer
Foreign citizen
Elected on June 25, 2012 as director.
Date of termination in office: April 26, 2017.

Susana Tonda Mitri
Business Administrator
RUT: 5.500.244-4
Elected on April 21, 2016 as director.
Date of termination in office: March 13, 2018.

Juan Andrés Fontaine Talavera
Business Administrator
RUT: 6.068.568-1
Elected on April 26, 2013 as director.
Date of termination in office: February 27, 2018.

Karim Yahi
Auditor
Foreign citizen
Elected on April 26, 2017 as director.
Date of termination in office: April 19, 2018.

During 2018 the Board of Directors incurred expenses in the amount of CLP393,293,000 for training in matters of interest, consultancy and audit expenses, among others.

The directors Messrs. Eduardo Chadwick Claro, José Antonio Garcés Silva, Gonzalo Said Handal and Salvador Said Somavía hold an ownership interest in the Company, whose detail is presented on page 130 of this document. The Director Mr. Arturo Majlis Albala holds a 0.0005% interest in the Series A shares and a 0.0016% interest in the Series B shares of the Company. None of the other directors of the Company holds Company shares.

MANUEL ARROYO

Business administration and law degree
Foreign citizen

GONZALO PAROT PALMA*

Civil Industrial Engineer
Chilean Tax Id N°:
6.703.799-5

JOSÉ ANTONIO GARCÉS SILVA

Business Administrator
Chilean Tax Id N°:
8.745.864-4

PILAR LAMANA GAETE*

Business Administrator
Chilean Tax Id N°:
8.538.550-K

RODRIGO VERGARA MONTES

Business Administrator
Chilean Tax Id N°:
7.980.977-2

FELIPE JOANNON VERGARA

Economist
Chilean Tax Id N°:
6.558.360-7

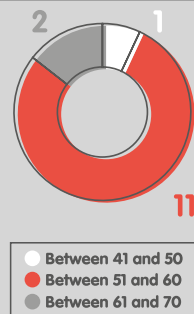
GEORGES DE BOURGUIGNON ARNDT

Economist
Chilean Tax Id N°:
7.269.147-4

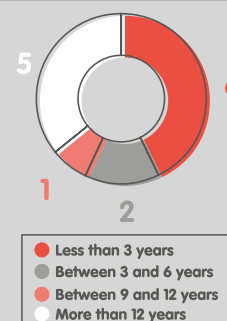
GENDER



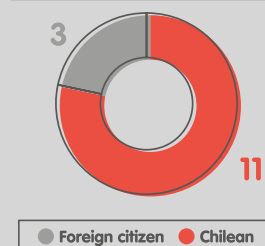
AGE



SENIORITY



CITIZENSHIP





DIRECTORS' COMMITTEES

> 102-18; 102-22; 102-25

Executive Committee

The Company has an Executive Committee, which was created by unanimous agreement of the Company's Board of Directors during session held April 22, 1986 and that is in charge of permanently supervising the general operation and control of the Company's business holding periodic sessions, and also is in charge of proposing guidelines regarding the management of the Company's business. The Executive Committee of the Board of Directors of Embotelladora Andina S.A. is currently comprised by the following Directors: Messrs. Eduardo Chadwick Claro, Arturo Majlis Albala, José Antonio Garcés Silva (junior), Gonzalo Said Handal, and Salvador Said Somavía, who were elected during general Board Session held April 26, 2018. The Executive Committee is also comprised by the Chairman of the Board, Mr. Juan Claro González and the chief executive officer who participate by their own rights. This Committee meets monthly throughout the year and during 2018 did not incur any expenses.

Culture, Ethics and Sustainability Committee

> 102-20; 205-2

The Company has a Culture, Ethics and Sustainability Committee, which was established by the Company's Board of Directors at its session held January 28, 2014.

Within its duties and responsibilities are: receive, know and investigate the reports of irregularities referred to in Law No. 20,393 on crime prevention and recommend actions to follow in each of the cases; establish and develop procedures aimed at fostering the ethical conduct of the Company's collaborators; Monitor compliance with the Code of Ethics and resolve the queries and conflicts that its application may generate; and establish mechanisms for the dissemination of the Code of Ethics and general matters of an ethical nature.

The Culture, Ethics and Sustainability Committee of Embotelladora Andina S.A. meets monthly with guests of the various operations, who expose what is done in the field. The current members of the Culture, Ethics and Sustainability Committee are Messrs. José Antonio Garcés Silva, Gonzalo Said Handal and Felipe Joannon Vergara, in addition to the Chairman of the Board, who integrates it by his own right. During the year 2018, the Culture, Ethics and Sustainability Committee did not incur any expenses.

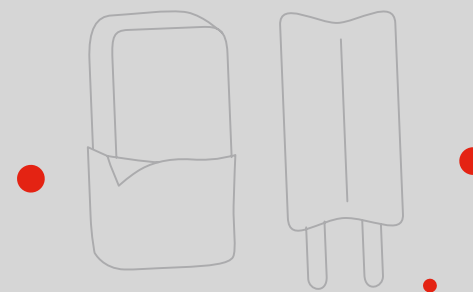
Directors' Committee

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 Financial Market Commission a new Directors' Committee was elected during Board Session held on April 26, 2018.



The directors Mrs. Pilar Lamana Gaete and Mr. Gonzalo Parot Palma (both as Independent Directors), and Mr. Salvador Said Somavía comprise the Committee. Mr. Gonzalo Parot Palma is the Chairman of the Company's Directors' Committee.

Between April 30, 2013 and April 26, 2017, the Directors' Committee was comprised by Mr. Gonzalo Parot Palma (as Chairman and independent director), Arturo Majlis Albala and Salvador Said Somavía. Between April 26, 2017 and April 26, 2018 it was composed by Pilar LaMana, Gonzalo Parot (both as independent directors, and the latter in his capacity as Chairman) and Salvador Said Somavía.

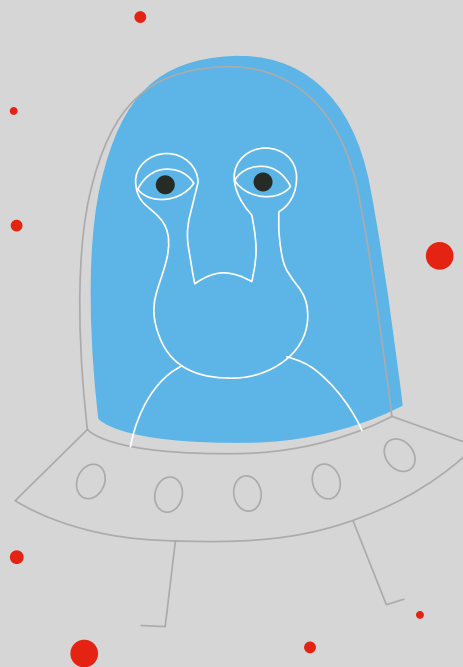




Pursuant to article 50 bis of Law No. 18,046 (Chile's Corporate Law), we report on the duties performed by the Directors' Committee of Embotelladora Andina S.A., informing that during 2018 the Committee developed, among others, the following activities:

- Examine the reports of external auditors, the balance sheets and other financial statements, presented by the administrators of the Company, and take a position on such reports before they were presented to shareholders for their approval.
- Analyze and prepare the proposal of external auditors and private rating agencies to the Board of Directors, which were suggested to the respective Shareholders' Meeting.
- Examine information regarding the operations referred to by Title XVI of Law N°18,046 and issue a report on those operations.
- Examine the salary systems and compensation plans of the Company's managers, principal officers and employees.
- Review anonymous reports.
- Review and approve the 20F and compliance with Rule 404 of the Sarbanes-Oxley Act.
- Prepare the budget proposal for the Committee's operation.
- Review Internal Audit Reports.
- Periodically interview the Company's external auditors' representatives.
- Interview human resources managers.
- Review operating budget between related companies (production Joint Ventures).
- Review Internal Control Model.
- Analyze and approve the Internal Audit certification processes.
- Review and approve press releases that refer to the Company's communications.
- Review the Company's four Operations' Internal Control Standards, including Critical Risks in accounting processes, compliance of corporate policies, tax contingencies, IT and status of Internal and External Audit observations.
- Analyze Management and Risk Control Model.
- Analyze IAS 29.
- Review Crime Prevention Model Law No. 20,393.
- Review progress on implementation of IT systems.
- Review corporate insurances, including cyber-safety.
- Review judicial contingencies in the four operations.
- Review Impairment test model.
- Review judicial procedure and contingency analysis.
- Review relevant tax risks.

- Analyze possible improvements to corporate governance.
- Prepare the Annual Management Report.
- Finally, during 2018, the Directors' Committee incurred expenses of Ch\$72,358,000. These expenses relate to consultancies on anti-trust and legal matters, among others.



Sarbanes-Oxley Audit Committee

> 102-22; 102-18; 102-34

In accordance with NYSE and SEC requirements regarding compliance with the Sarbanes-Oxley Act, the Board of Directors established an Audit Committee on July 26, 2005. The current Audit Committee was elected during Board Session held on April 26, 2018. The Committee is composed of the directors Mrs. Pilar Lamana Gaete, Mr. Gonzalo Parot Palma, and Mr. Salvador Said Somavía determining that Mrs. Pilar Lama Gaete and Mr. Gonzalo Parot Palma fulfill the independence standards set forth in the Sarbanes-Oxley Act and SEC and NYSE regulations. Also, Mr. Parot was 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.

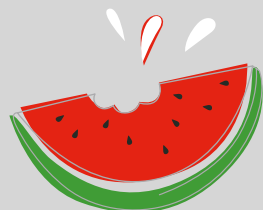
The resolutions, agreements and organization of the Sarbanes-Oxley Audit Committee are governed by the rules relating to Board Meetings and to the Company's Directors' Committee. Since its creation, the sessions of the Sarbanes-Oxley Audit Committee have been held with the Directors' Committee, since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

The Sarbanes-Oxley 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.

The Sarbanes-Oxley Audit Committee Charter that is available on our website: www.koandina.com, defines the duties and responsibilities of this Committee. For the period ended December 31, 2018, the Sarbanes-Oxley Audit Committee did not incur any expenses.



Participation in Committee > 102-18; 102-22; 102-34		Executive Committee	Culture, Ethics and Sustainability Committee	Directors' Committee pursuant to article 50 bis Chilean Corporate Law No. 18,046	Sarbanes & Oxley Audit Committee (1)
Created on		April 22, 1986	January 28, 2014	July 27, 2001	July 26, 2005
Committee President		-	José Antonio Garcés Silva	Gonzalo Parot Palma	Gonzalo Parot Palma
Composition election		Board Session held 04/26/2018	Board Session held 05/29/2018	Board Session held 04/26/2018	Board Session held 04/26/2018
Series A	Position				
Juan Claro González	Chairman	•			
Arturo Majlis Albala	Vice Chairman	•			
Manuel Arroyo	Director				
Eduardo Chadwick Claro	Director	•			
José Antonio Garcés Silva	Director	•	•		
Felipe Joannon Vergara	Director		•		
María del Pilar Lamana Gaete	Director			•	•
Gonzalo Parot Palma	Director			•	•
Enrique Rapetti	Director				
Gonzalo Said Handal	Director	•	•		
Salvador Said Somavía	Director	•		•	•
Rodrigo Vergara Montes	Director				
Series B					
Mariano Rossi	Director				
Georges de Bourguignon Arndt	Director				
Officer					
Miguel Ángel Peirano	Chief Executive Officer	•			



Activities of the Board of Directors during the period

> 102-18

Our Board of Directors holds yearly scheduled sessions, which are held at least once a month, while special meetings are agreed upon when they are convened by the Chairman or requested by one or more directors. The quorum for a Board session is established by the presence of an absolute majority of the directors.

Resolutions are approved with the affirmative vote of the absolute majority of those directors present in the session, except in those cases in which the law or the statutes require a greater quorum, and the Chairman is the one who settles a result against any tie. The main duty of the Board of Directors is to ensure, above all other considerations, the interests of Company. The average attendance for the 2018 period was 87.5%.

Meeting with the external audit company

The Board of Directors of Coca-Cola Andina has agreed to meet quarterly with the external audit company. To this end, the external audit company is invited to participate in quarterly Board sessions to discuss and report, among others, the audit plan; any differences detected in the audit procedure with respect to accounting practices, administrative and internal audit systems; any serious deficiencies that have been detected and all those irregular situations which by their nature must be communicated to the competent supervisory bodies; results and possible conflicts of interest that may exist in the relationship with the auditing firm or its personnel, both for the provision of other services to the Company or to the companies of its business group, as well as other situations. During the period they met in five Board sessions.

Induction and formation of the Board of Directors

> 102-17; 102-25; 102-27

Induction

At Coca-Cola Andina we have an induction procedure for new directors, in order to facilitate the process of understanding and knowledge of their position and the Company. This process is that within 15 days of the assumption of their position, the Chief Executive Officer of the Company gives each new director an Induction Binder. It contains documents and information on the following subjects: The mission, vision, strategic objectives,

principles and values that guide the Company, the policies of inclusion, sustainability, diversity and risk management approved by the Board, and the legal framework applicable to the Company, the Board of Directors and its principal officers. It also contains an explanation of the duties of care, confidentiality, loyalty, diligence and information, which according to current legislation, is of the responsibility of each member of the Board, setting some examples, of judgments, penalties or pronouncements occurred at the local level with respect to these duties; and it also indicates what a conflict of interest is for this Board of Directors in accordance with the Company's Conflict of Interest Policy.

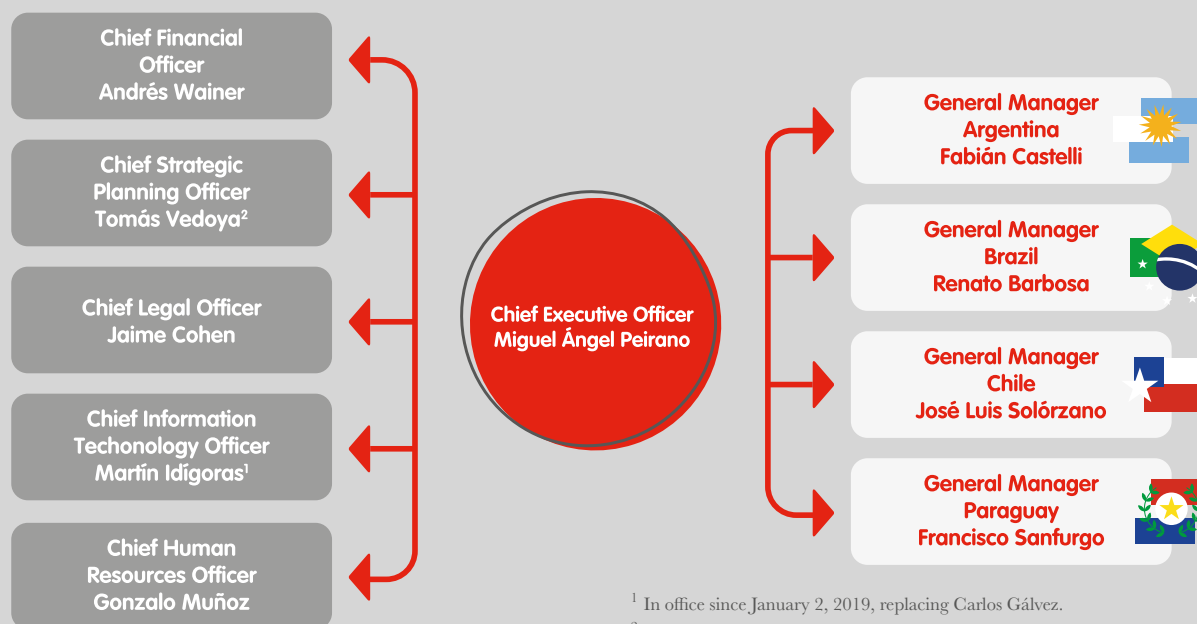
It also Includes an explanation of the business, issues and risks, including sustainability, and the reasons why the Board of Directors considers that they have such a condition. It also points out the relevant stakeholders identified by the Company, and the main mechanisms used to meet their expectations and maintain a stable and lasting relationship with them.

The Induction procedure considers the new Director to be informed of the main agreements adopted in the last two years, and the reasons why those agreements were taken or other options were discarded, as well as the more relevant to the quarterly and annual Financial Statements, together with the notes to those financial statements and other accounting criteria. In addition to the aforementioned Induction Binder, the induction procedure involves the new director meeting with Company officers in charge of the Executive Vice-Presidency, Corporate Legal Management, Audit Unit, and Corporate Administration and Finance Management, as requested by each new director.

Training

At Coca-Cola Andina we have a formal training mechanism for the members of the Board of Directors, which includes lectures, expositions and delivery of materials. During 2018, the Board of Directors was trained in two opportunities, in matters of strategic communication and corporate reputation.

Management structure



¹ In office since January 2, 2019, replacing Carlos Gálvez.

² Tomás Vedoya fulfilled his duties until January 31, 2019.



Corporate structure

> 102-18; 202-1

Administratively Embotelladora Andina S.A. is structured as a holding company made up of a Corporate Office and an Operation in each of the countries it is present, except in Chile where Coca-Cola Andina operates directly.

Miguel Ángel Peirano

Chief Executive Officer
Chilean Tax Id.: 23.836.584-8
Electrical Engineer
In office since January 1, 2012

Jaime Cohen

Chief Legal Officer
Chilean Tax Id.: 10.550.141-2
Lawyer
In office since September 30, 2008

Andrés Wainer

Chief Financial Officer
Chilean Tax Id.: 10.031.788-5
Economist
In office since November 1, 2010

Martín Idígoras

Chief Information Technology Officer
Chilean Tax Id.: 22.526.397-7
Degree in Information Systems
In office since January 2, 2019



Tomás Vedoya

Chief Strategic Planning Officer
Chilean Tax Id.: 23.058.990-9
Business Administrator
In office since February 23, 2015 until January 31, 2019

Gonzalo Muñoz Armendáriz

Chief Human Resources Officer
Chilean Tax Id.: 7.691.376-5
Certified Public Accountant
In office since January 5, 2015

Fabián Castelli

General Manager
Embotelladora del Atlántico S.A.
Argentina
DNI: 17.744.981
Industrial Engineer
Foreign citizen
In office since April 1, 2014

José Luis Solórzano Hurtado

General Manager Embotelladora Andina S.A.
Chile
Chilean Tax ID: 10.023.094-1
Business Administrator
In office since April 1, 2014

Renato Barbosa

General Manager Rio de Janeiro Refrescos Ltda.
Brazil
Economist
Foreign citizen
In office since January 1, 2012.

Francisco Sanfurgo

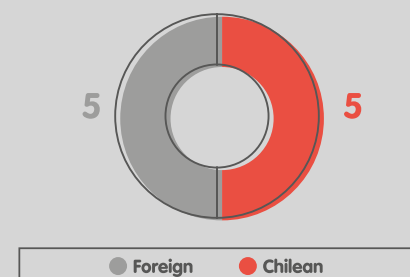
General Manager Paresa Paraguay
Chilean Tax ID: 7.053.083-K
Mechanical Engineer
In office since January 1, 2005.

None of the principal officers hold ownership interest in Embotelladora Andina S.A.

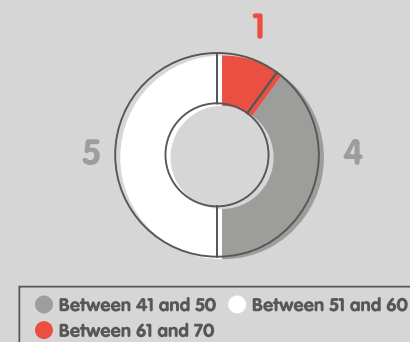
Management diversity

> 202-2

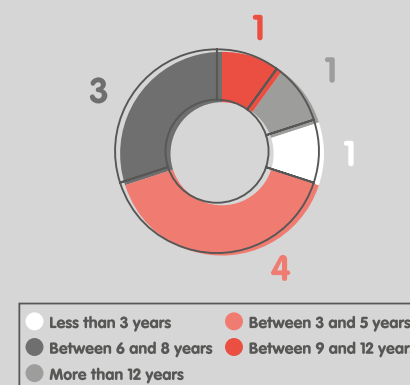
CITIZENSHIP



AGE



SENIORITY



Diversity: Management reporting to the Chief Executive Officer: The Chief Executive Officer and the First Line of Managers of Coca-Cola Andina, total 10, all men.



Corporate structure

Principal operations



Argentina

General Manager

Fabián Castelli
DNI 17.744.981
Industrial Engineer
In office since April 1, 2014

Finance and Administration Manager

Fernando Ramos

Commercial Manager

Diego Garavaglia¹

Human Resources Manager

Lilia Hidalgo

Operations Manager

Pablo Bardin²

Logistics and Distribution Manager

Santiago López Novotny³

Legal Manager

Ariel Molina

General Manager Andina Empaques S.A.

Daniel Caridi



Brazil

General Manager

Renato Barbosa
Foreign citizen
Economist
In office since January 1, 2012

Administration and Finance Manager

David Parkes

Strategic Planning Manager

Marcio Greco

Commercial Manager

Rui Barreto⁴

Human Resources Manager

Max Ciarlini

Legal and Institutional Relations Manager

Fernando Fragata

Operations/Logistics Manager

Rodrigo Klee⁵



Chile

General Manager

José Luis Solórzano
Chilean Tax ID: 10.023.094-1
Business Administrator
In office since April 1, 2014

Administration and Finance Manager

Alejandro Zalaquett

Commercial Manager

Rodrigo Ormaechea⁶

Human Resources Manager

Rodrigo Marticorena

Legal Manager

Javier Urrutia

S&OP Manager

María Cecilia Facetti

Innovation Manager

Alejandro Palma

National Operations Managers

Alejandro Vargas⁷

Regions Manager

Rodolfo Peña

Technology Manager

Sergio Venosa



Paraguay

General Manager

Francisco Sanfurgo
Chilean Tax ID: 7.053.083-K
Mechanical Engineer
In office since January 1, 2005

Administration, Finance and Information Systems Manager

Eduardo Yulita

Commercial Manager

Melina Bogado

Quality Manager

Leonardo Calvete

Human Resources Manager

María Teresa Llamosas

Industrial Manager

Carlos Stuardo

Logistics & Supply Chain Manager

Julio Fiandro

Public Affairs and Community Manager

Ángel Almada

1. Departure of Pablo Teobaldo on 05/05/2018, the position is occupied by Diego Garavaglia

2. Departure of Daniel Palacios on 03/29/2018, the position is absorbed by the management area of Pablo Bardin

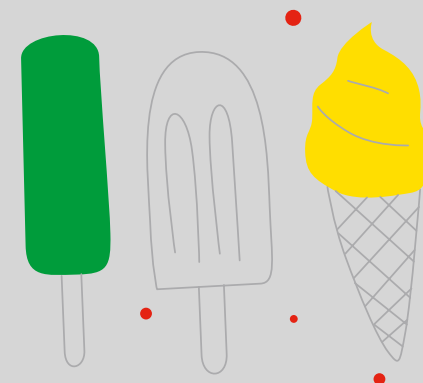
3. The position of Supply Chain Manager occupied by Diego Garavaglia until 05/2018 is absorbed by the management area of Santiago Lopez Novotny.

4. Rui Barreto, former Manager of Ribeirão Preto, assumes responsibility for the Sales and Marketing area of all of Andina Brazil and maintains the logistics responsibility of Ribeirão Preto.

5. Rodrigo Klee assumed responsibilities of the Industrial and Quality areas of Ribeirão Preto.

6. In office since March 1, 2018 instead of Sebastián Tagle.

7. In Addition to the National Logistics Management, on June 1, 2018 assumes the Industrial Management replacing José María Sánchez, becoming Operations Manager.



COMPENSATION POLICY

> 102-18; 102-35; 102-36

COMPENSATION OF DIRECTORS

2018	Directors' Compensation ThCh\$	Executive Committee ThCh\$	Directors' Committee ThCh\$	Total ThCh\$
Juan Claro González ¹	144,000			144,000
Arturo Majlis Albala	72,000	72,000		144,000
Gonzalo Said Handal	72,000	72,000		144,000
José Antonio Garcés Silva	72,000	72,000		144,000
Salvador Said Somavía	72,000	72,000	24,000	168,000
Eduardo Chadwick Claro	72,000	72,000		144,000
Gonzalo Parot Palma ²	72,000		24,000	96,000
Manuel Arroyo Prieto ⁴	60,000			60,000
Rodrigo Vergara Montes ⁴	54,000			54,000
Juan Andrés Fontaine Talavera ³	12,000			12,000
Mariano Rossi	72,000			72,000
Susana Tonda Mitri ³	18,000			18,000
Georges de Bourguignon Arndt	72,000			72,000
Enrique Rapetti	72,000			72,000
Karim Yahi ³	24,000			24,000
Pilar Lamana Gaete ²	72,000		24,000	96,000
Felipe Joannon Vergara ⁴	54,000			54,000
Total gross	1,086,000	360,000	72,000	1,518,000

1. Includes Ch\$72 million additional as Chairman of the Board.
3. Left the Board in 2018.

2. Is an independent director of the Company, pursuant to current standards.
4. Joined the Board in 2018.

2017*	Directors' Compensation ThCh\$	Executive Committee ThCh\$	Directors' Committee ThCh\$	Total ThCh\$
Juan Claro González ¹	144,000			144,000
Arturo Majlis Albala	72,000	72,000	8,000	152,000
Gonzalo Said Handal	72,000	72,000		144,000
José Antonio Garcés Silva	72,000	72,000		144,000
Salvador Said Somavía	72,000	72,000	24,000	168,000
Eduardo Chadwick Claro	72,000	72,000		144,000
Gonzalo Parot Palma ²	72,000		24,000	96,000
Francisco Crespo ³	24,000			24,000
José de Gregorio Rebeco ³	24,000			24,000
Juan Andrés Fontaine Talavera	72,000			72,000
Mariano Rossi	72,000			72,000
Susana Tonda Mitri	72,000			72,000
Georges de Bourguignon Arndt	72,000			72,000
Enrique Rapetti	72,000			72,000
Karim Yahi ⁴	48,000			48,000
Pilar Lamana Gaete ^{2, 4}	48,000		16,000	64,000
Total gross	1,080,000	360,000	72,000	1,512,000

1. Includes Ch\$72 million additional as Chairman of the Board.
3. Left the Board in 2017.

2. Is an independent director of the Company, pursuant to current standards.
4. Joined the Board in 2017.

* In 2017, total gross expense was inaccurately reported. The correct figure is Ch\$1,512,000,00.

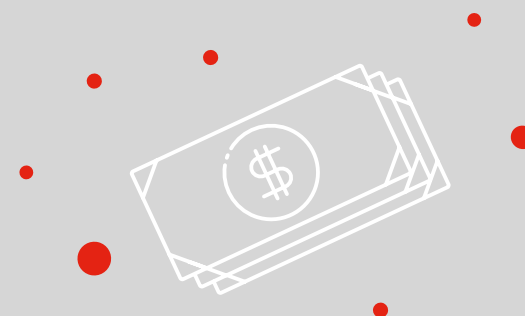
COMPENSATION PRINCIPAL OFFICERS

In the case of principal officers, compensation plans are composed of a fixed remuneration and a performance bonus, that try to adapt to the reality and competitive conditions in each market, and whose amounts vary according to the position and/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, 2018 the amount of fixed compensations paid to Coca-Cola Andina's principal officers amounted to Ch\$3,782 million (Ch\$4,020 million in 2017). Likewise, the amount of compensation paid in performance bonuses amounted to Ch\$2,516 million (Ch\$2,769 million in 2017).

For the period ended December 31, 2018, severance payments to managers and principal officers of Embotelladora Andina S.A. amounted to Ch\$52 million. During the period ended December 31, 2017 no severance payments were made to managers and principal officers of Embotelladora Andina S.A.

We do not publicly disclose compensation information of individual officers, since Chilean law does not require disclosure of this information.



Ethics, compliance and internal control function

CORPORATE POLICIES

> 102-10; 102-11; 102-16; 102-30; 102-31; 103-1; 106-1

Corporate Policies are an integral part of our Corporate Governance model and are mandatory for all the operations and companies that are part of Coca-Cola Andina. These contain guidance on substantive matters related to governance, as is the case of the delegation of authority, conflicts of interest, powers of attorney, investments in financial instruments, purchases and investments, accounting criteria, the use of privileged information, performance management, compensation, complaints management, crime prevention, among others.

Risk management

> 102-5; 102-10; 102-11; 102-29; 102-30; 102-31; 102-34; 103-1; 106-1; 201-2; 307-1; 406-1; 408-1; 409-1; 410-1; 415-1; 416-1; 416-2; 418-1; 419-1

At the Company we understand that good Corporate Governance practices required by the market and driven by regulatory agencies are key factors in risk management, given their direct contribution to the fulfillment of our objectives.

Consequently, risk management commits and involves the whole Company and should be considered as an initiative that strengthens Corporate Governance and is key in its development, ensuring business sustainability.

We take care to reasonably ensure the mitigation of risks that threaten our Company in such a way to ensure long-term sustainability. We have a continuous risk management process:

RISK FACTORS

We identify the following significant risks that may materially and adversely affect the Company's financial condition and results of operations.

Relationship with The Coca-Cola Company: 70% of net sales for the year ended December 31, 2018 were derived from the distribution of soft drinks under The Coca-Cola Company trademarks and an additional 24% were 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 local subsidiary of The Coca-Cola Company or The Coca-Cola Company; or, in the case of juices and nectars, The Minute Maid Company, a subsidiary of The Coca-Cola Company (hereinafter, the "Bottler Agreements"). The Coca-Cola Company has the ability to exert an important influence on the business of the Company through its rights under the Bottler Agreements. According to the Bottler Agreements, The Coca-Cola Company unilaterally sets the prices for Coca-Cola concentrate and soft drinks (in the case of pre-mixed soft drinks by The Coca-Cola Company) that they sell to us. The Coca-Cola Company also monitors prices and has the right to review and approve our marketing, operating and advertising plans.

Continuous risk management Process: > 102-11; 102-17; 102-18; 102-30; 102-31





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 soft drinks or other beverages and products under the trademarks of The Coca-Cola Company.



We depend on The Coca-Cola Company to renew our Bottler Agreements. We currently are party to two agreements for Chile, one agreement for Brazil, one agreement for Argentina, and one agreement for Paraguay. 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.

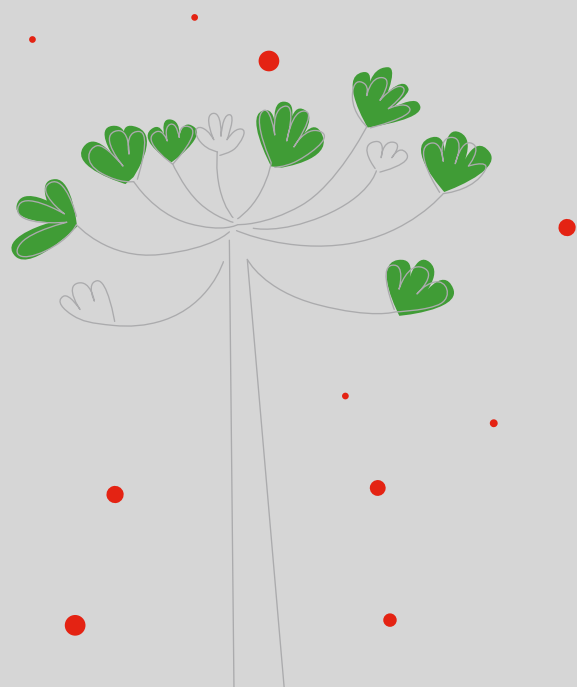


We cannot assure you that The Coca-Cola Company will consent to any future geographic expansion of our Coca-Cola beverage business. In addition, we cannot assure you that our relationship with The Coca-Cola Company will not deteriorate or otherwise undergo significant changes in the future. If such changes 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. Additionally, 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, the possibility of taxes on sugar-sweetened beverages, other sweeteners, additional governmental



regulations concerning the marketing, labeling, packaging or sale of our beverages and any 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 dynamic and constantly 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 preferences and needs; and changes in consumer lifestyles; competitive products and price pressures.

In addition, the non-alcoholic beverage retail landscape is dynamic and is constantly evolving, and if we are unable to successfully adapt in this environment, our participation in the sales of non-alcoholic beverages, and financial results in general would be negatively affected.

Competitive environment: The soft drink and nonalcoholic beverage businesses in general 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.

Prices of raw materials: numerous raw materials are used in the production of beverages and packaging, including sugar and resin, whose prices can present great volatility. Concentrate prices are determined by The Coca-Cola Company and we cannot assure that The Coca-Cola Company will not increase the price of concentrate or change the way they calculate these prices.

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. Domestic or global price changes could adversely affect the supply or cost of specific raw materials, strikes, weather conditions, taxes, 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.



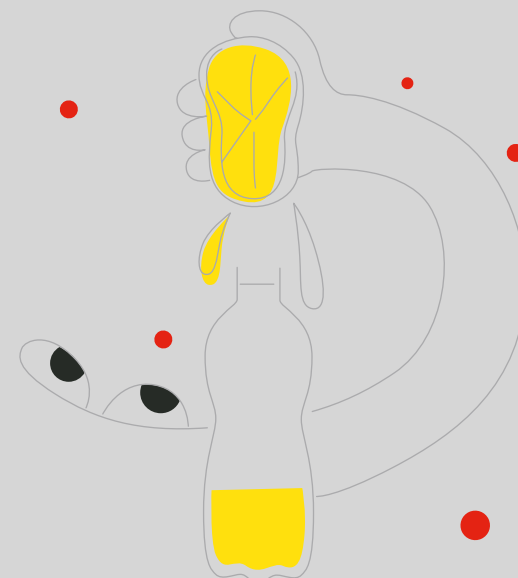
Instability in the supply of utility service: in the countries in which we operate, our operations depend on of a stable supply of basic services and fuel. Power outages could lead to increased energy prices and possible service interruptions.



Failures in the water supply or energy could also generate increases in our production costs, and possible interruptions of services.

We cannot assure that in the future we are not going to have power interruptions or supply of water, which could adversely affect our business. The fluctuation in oil prices has affected the energy and transport costs in the regions where we operate. We cannot assure that the prices of oil will not increase in the future and should this occur it could have a significant impact 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, subject to changes and unpredictable situations from overexploitation, 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.





Labelling 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 may be subject to ambiguity or uncertainty with respect to its interpretation and application which could result in non-compliance and associated costs and penalties, which are impossible or difficult to predict. These requirements may adversely affect sales of our products.

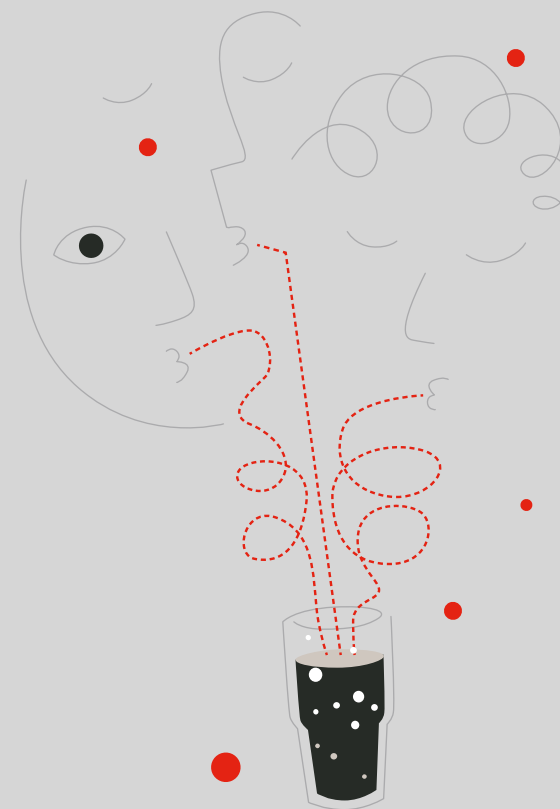
In addition, the Chilean congress passed a new law which became effective on June 27, 2016, with respect to labeling of certain consumer products, including soft drinks and bottled juices and waters such as ours. The second phase of the law began on June 27, 2018, which hardened the parameters of information required for the labelling of products offered on the market.

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. 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, absorbed by Rio de Janeiro Refrescos Ltda. in December of 2013, is part of a series of administrative tax procedures, activities that are in progress where Brazilian Federal tax authorities have stated that Ipiranga has non-paid liabilities for value added taxes on industrialized products (Tax on Industrialized products-IPI) for a total amount of approximately BRL 1,990,400,000. These procedures are at different procedural states, both administrative and judicial. We disagree with the position of the Brazilian tax authority and we uphold the right to claim IPI tax credits in connection with purchases of certain tax free raw materials from suppliers located in the Manaus Free Trade Zone. We believe that the claims of

the Brazilian tax authority have no merits. Regarding the aforementioned processes, our Brazilian consultants have advised us to qualify the loss of Ipiranga as remote (i.e. about 30% of probability). Notwithstanding the foregoing, the final result of these statements is subject to uncertainty and it is impossible to predict their final resolution.

Trademark Infringement: A significant portion of our sales is derived from the sales of soft drinks that carry Coca-Cola trademarks, as well as other brands. If others try misappropriating the trademarks we use, we may be unable to protect these trademarks. Maintaining the reputation of these trademark is essential for the future success of our beverage business. An improper appropriation of the brands we use, or related challenges, could have an adverse material effect in our financial performance.



Weather conditions or natural disasters: lower temperatures and higher rainfall may negatively impact consumer patterns, which may result in lower per capita consumption of our beverages. 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. 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. Infrastructure flaws can create system disruptions, shutdowns or unauthorized disclosure of confidential information. If we are unable to prevent such flaws, 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 in which 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, during these periods 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 the securities of Chilean companies.





Collective bargaining 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. 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 beverages to customers could be impaired, which would reduce our net operating revenues and could expose us to customer claims.

Extensive 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,

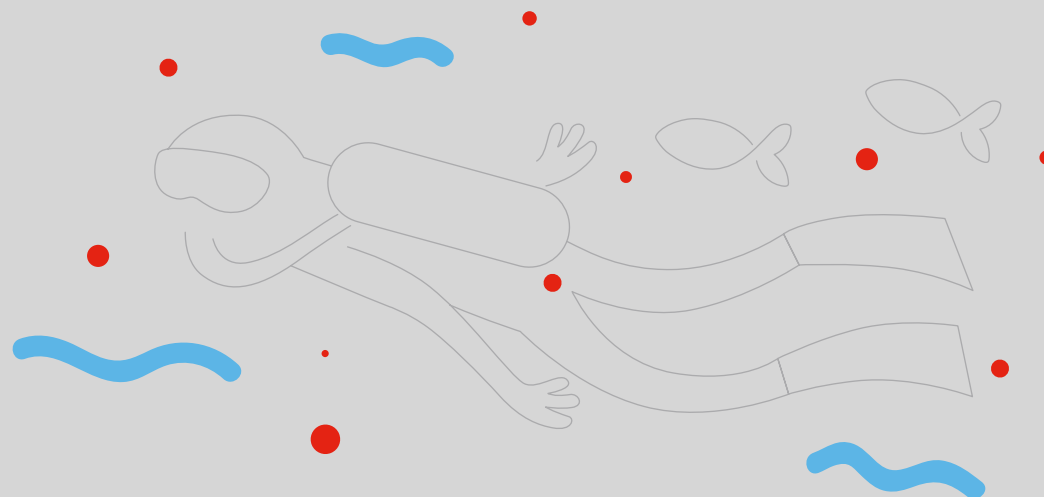
labelling, taxation, health, consumer protection, advertising and antitrust. Regulation could also affect our ability to set prices for our products. The adoption of new laws or regulations or a stricter interpretation or enforcement thereof in the countries in which we operate may increase our operating 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 associated 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 might 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 judgments or determinations in legal proceedings: in the ordinary course of our business, we become involved in various claims, lawsuits, investigations and governmental and administrative proceedings, some of which are or may be significant. Additionally, Coca-Cola Andina Brasil is part of a series of ongoing administrative tax proceedings, in which the Brazilian federal tax authorities have stated that Coca-Cola Andina Brasil has non-paid liabilities for value added tax on industrialized products (IPI) involving total sums for a very significant amount. Judgments or adverse determinations in one or more of these proceedings may require that we change our way of doing business or use substantial resources to adhere to judicial decisions and may have a material adverse effect on our business, including, among other consequences, a significant increase in the costs required to operate our business. Communicational errors, during or after these proceedings, could increase the negative effects if any of these procedures impact our reputation and can result in a negative market impact on the price of our financial instruments. 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 modification of existing laws. Tax incentives: we cannot assure you that any governmental authority in any country where we operate will not impose new taxes or increase the value of these on our raw materials, products or packaging.

The imposition of new taxes or increases in taxes on our raw materials, products or packaging, may have a material adverse effect over our business, financial condition and results.

Likewise, we cannot assure that these authorities are going to maintain and/or renew tax incentives that currently benefit some of our operations. The modification or non-renewal of such incentives may have a significant adverse impact on our business, financial situation, prospects and results.



Risks relating to Argentina:

Economic conditions in Argentina:

11% of our assets as of December 31, 2018 and 23% of our net sales for the year ended December 31, 2018 corresponded to our operations in

Argentina. Because the demand for beverages and soft drinks is generally correlated to the prevailing economic conditions in the local market, which in turn depends on the macroeconomic conditions of the country where the market is located, the financial condition and operating results largely depend on the prevailing political and economic conditions in Argentina.

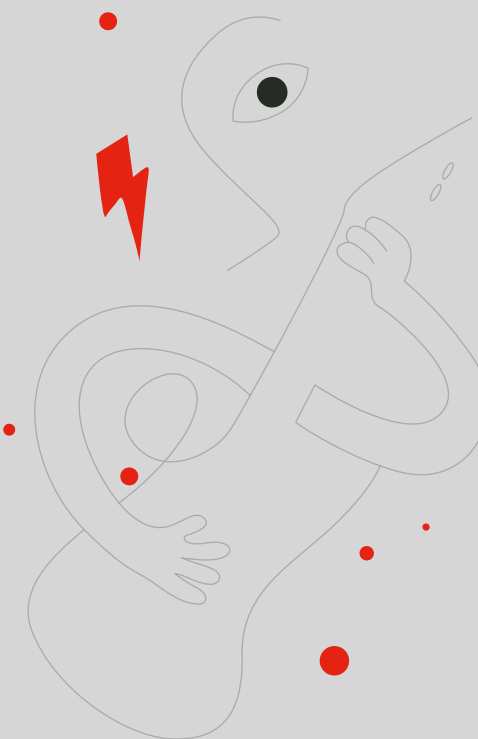
The economic crisis in Europe, the international demand for Argentine products, the instability and the competitiveness of the Argentine peso against foreign currencies, the confidence among consumers and local and foreign investors, the high rate of inflation and

future political, financial and economic uncertainties, among other factors, can affect the development of the Argentine economy.

Political and economic instability in Argentina:

During the period 1998 to 2003, Argentina experienced acute economic difficulties that culminated in the restructuring of virtually all of Argentina's sovereign debt. During this crisis period there were a succession of presidents and several states of emergency were declared, cancelling civil liberties and instituting restrictions on the transfers of funds abroad and foreign exchange controls on foreign currencies, among other measures.

The global economic crisis of 2008 led to a sudden economic downturn, accompanied by political and social disturbances, inflationary pressures, the depreciation of the Argentine peso and the lack of confidence of consumers and investors, who forced the Argentine Government to adopt several measures, including the hardening of exchange controls, the elimination of subsidies for the private sector and the proposal of new taxes.

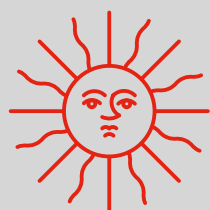




On the other hand, until December 2015, the Argentine government increased its intervention level in some of the areas of the economy. For example, in May of 2012, the Argentine government nationalized YPF S.A., Argentina's largest and previously Spanish-owned oil company, which was originally an Argentinian state-owned entity. 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 change in government that occurred in December 2015, 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.

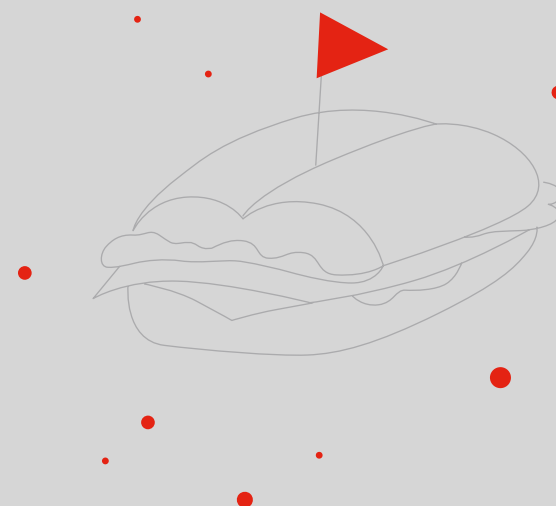
In addition to statutory and administrative rules affecting our Argentine subsidiary's payment of dividends, during 2012 the Argentine government imposed discretionary restrictions on Argentine companies as part of a policy to limit outbound transfers of U.S. dollars. These restrictions halted dividend payments to non-resident shareholders. The new administration in office since December 2015 began significantly decreasing these restrictions and our Argentine subsidiary recently could begin distributing dividends.



Nonetheless, we cannot assure that we will be able to cause our Argentine subsidiary to distribute dividends to its non-resident shareholders, despite otherwise meeting all statutory and regulatory requirements for payment.

Restrictions on imports: since February 2012, pursuant to a resolution of the Argentine Federal Tax Authority ("Administración Federal de Ingresos Públicos—AFIP") Argentine importers were required to file a "Prior Import Statement" ("Declaración Jurada Anticipada de Importación—DJAI") with the AFIP 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 fiscal entities. Although this was intended merely as an information gathering regime, it may in the future be used for purposes of restricting imports into Argentina. A similar regime was also imposed in respect of the import and export of services (known by its initials as "DJAS") and resulted in additional restrictions being imposed on the payments made by Argentine residents on services provided by foreign residents. While the change in the Argentine government that occurred in December 2015 relaxed restrictions on imports of goods and services and replaced the Prior Import Statement system described above with a Comprehensive System of Monitoring Imports (Sistema Integral de Monitoreo de Importaciones—(SIMI), together with the implementation of automatic and non-automatic

licenses), and repealed the requirements of the DJAS, we cannot assure that these restrictions will be completely removed or that they will no return to their previous status. Restrictions on Argentine imports of goods and services of our subsidiaries may adversely affect our financial conditions or results of operations.



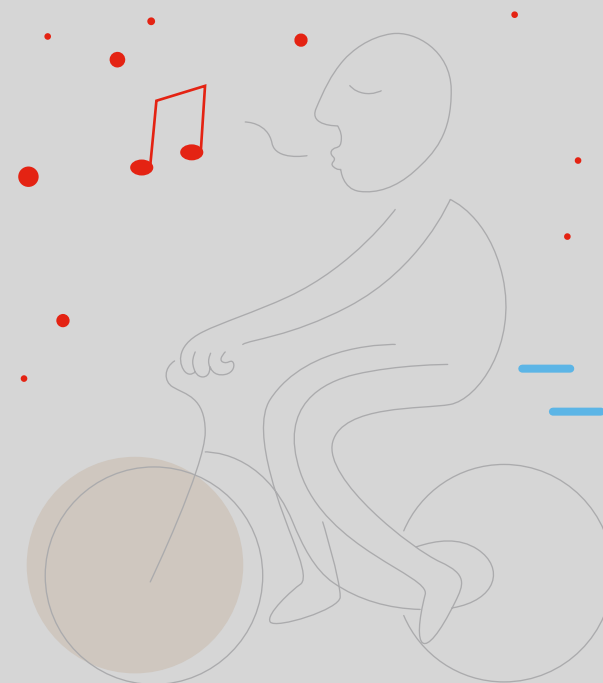
Inflation in Argentina: Argentina has experienced high levels of inflation in recent decades, resulting in large devaluations of its currency. Moreover, after changes in personnel and in the methodology used to calculate the consumer price index at the INDEC in 2007, the accuracy of its past measurements has been put into doubt by economists and investors, and the consumer price index and wholesale price index might have been substantially higher than those indicated by the INDEC for years prior to December 2015. With the change of the Argentine Government in December 2015, INDEC suspended the issuance of reports on the consumer and wholesale price indices until June 2016, at which time it began disseminating a new indexes. We cannot assure that the new indexes are adequate. The failure to issue consumer price and other appropriate indexes could lead to a significant decrease in confidence in the Argentine economy which, in turn, could have a material adverse effect on our operations and financial condition.



During 2018, Argentina was declared as a hyperinflationary economy by the Financial Accounting Standards Board of the United States of America, and the International Accounting Standards Board. This implied that since July 2018, the Company began to apply IAS 29 of IFRS regarding its financial reports, requiring to report the results of its operations in Argentina as if this economy was hyperinflationary from January 1, 2018 and, as a result, restate accumulated results as of that month. In addition, by application of IAS 29, we had to translate figures in Argentine pesos to Chilean pesos, using the period closing exchange rate (and not the average exchange rate), affecting the exchange rate considered and thus reducing the Company's results of operations and net earnings. We do not know how long this situation will remain, nor can we assure that the statement of hyperinflationary economy will be reversed in the short term, which could negatively affect our operations.

High inflation would also undermine Argentina's foreign competitiveness and adversely affect economic activity, employment, real salaries, consumption and interest

rates. In addition, a dilution of the positive effects of the Argentine peso devaluation on the export-oriented sectors of the Argentine economy, even with the elimination of the exchange restriction, could 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 or CER index, the Stabilization Coefficient 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 materially and adversely affecting economic activity and consumers' income and their purchasing power, all of which could have a material adverse effect on our financial condition and operating results.



Ability to obtain financing and attract direct foreign investment:

Argentina has limited access to external financing. If it did not have access to private international financing, Argentina might not be able to finance its obligations, which could also hinder the ability of Argentina's Central Bank to adopt measures to curtail inflation and could negatively affect the economic growth of Argentina and its public finance, that in turn could negatively affect our operations in Argentina, as well as their economic condition.

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.

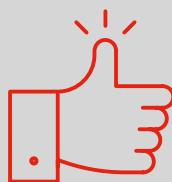
With the change of the Argentine Government in December 2015, the exchange market was partially deregulated, and the gap between the exchange rate published by the BCRA and the black-market exchange rate was considerably reduced. We cannot predict how these



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, based on which our Company presents its results, results generated by our operation in Argentina are converted to the reporting currency using the official exchange rate.

Prevention and response 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 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 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: in 2015 a new Civil and Commercial Code of the Republic of Argentina went 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 Argentinian legislation on issues such as tax, customs, social security, labor, and commerce, among other areas. Also, the government has announced changes in various public policies, including an increase in controls under 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 related to Brazil

Economic conditions in Brazil:

37% of our assets at December 31, 2018 and 33% of our consolidated net sales for the year ended December 31, 2018 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.

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.

Influence of the Brazilian government over the economy: the Brazilian government has intervened the Brazilian economy and once in a while it has significantly changed monetary, tax and credit policies, among others. The Brazilian Government's efforts to control inflation, stimulate economic expansion, and implement other policies have included, among others, controls on wages and prices, appreciation or depreciation of Brazilian real, foreign currency adjustments, control over remittances abroad and intervention by the Central Bank of Brazil to change the basic interest rates. We cannot anticipate or control what measures or policies the Brazilian Government will 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 change by the Brazilian government could adversely affect us. Uncertainty as to whether the Brazilian government will implement changes in policies or laws that affect these and other factors in the future can contribute to economic uncertainty in Brazil. These factors, as well as the uncertainties about the policies or regulations that will be adopted by the Brazilian Government on these factors, can 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 regarding possible governmental measures, had significant negative effects on the Brazilian economy.

Inflationary pressures can result in government intervention in the economy, including policies that could negatively affect the overall performance of the Brazilian economy, which in

turn could adversely affect our business operations in Brazil. Inflation can also increase costs and expenses, and we may be unable to transfer those costs to our customers, reducing our profit margins and net income. Moreover, inflation could also indirectly affect us, and our customers may also be affected by a reduction in their financial capacity. Any decline in net sales or net revenues, as well as any reduction in our financial performance, may also result in a reduction in our net operating margin. Our customers and suppliers can be affected by high rates of inflation and such effects on our customers and suppliers can affect us.



Depreciation and volatility: the Brazilian currency has fluctuated over the past three decades. We cannot guarantee that the real will not again deprecate or appreciate against the U.S. dollar. Additionally we cannot guaranty 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 pressures, which could result in the adoption of restrictive policies to combat inflation by the Brazilian government. This could lead to an increase in interest rates, which could negatively affect the Brazilian economy as a whole, as well as operating results, as well as restrict access to international financial markets. It also reduces the U.S. dollar value of our income. On the other hand, a future appreciation of the real against the US dollar could result in the deterioration of current accounts and capital accounts of Brazil, as well as a weakening of the Brazilian GDP growth derived from exports.



Adverse judicial determinations: Coca-Cola Andina Brasil is part of a series of tax, judicial and administrative procedures involving very significant total amounts. Adverse judgments or determinations in one or more of these procedures, or changes in the way certain tax rules are currently interpreted, could not only have very significant adverse effects for our Company, but could also require that we change our way of doing business, implying a significant increase in the costs required to operate.

The eventual termination of the Heineken product distribution agreement could adversely affect our profitability: in July 2017 Heineken Brazil notified the termination of the agreement according to which Rio de Janeiro Refrescos Ltda. commercializes and distributes Heineken brand beers in our franchise territories in Brazil. Rio de Janeiro Refrescos Ltda. understands that the expiration of this agreement is



scheduled for the year 2022, which is why we submitted this dispute to an arbitration process.

While we continue to market the aforementioned products, and Heineken Brazil remains obligated to distribute its products through The Coca-Cola System during the course of the arbitration process indicated above, the final result is subject to uncertainty, and it is not possible for us to predict its final resolution. An unfavorable result of this arbitration process could result in the termination of the agreement according to which Rio de Janeiro Refrescos Ltda. commercializes and distributes Heineken brand beers, which could have a significant adverse impact on our business in Brazil.

Changes in tax laws: The Brazilian government regularly implements changes to tax regimes that may increase our and our customers' tax burdens. These changes include modifications in the tax rates and, on occasion, enactment of temporary taxes, the proceeds of which are earmarked for designated governmental purposes. In the past, the Brazilian government has presented certain tax reform proposals, which have been mainly designed to simplify the Brazilian tax system, to avoid internal disputes within and between the Brazilian states and municipalities, and to redistribute tax revenues. The tax reform proposals provide for changes in the

rules governing the federal Social Integration Program (Programa de Integração Social, or "PIS") and Social Security Contribution (Contribuição para o Financiamento da Seguridade Social, or "COFINS") taxes, the state Tax on the Circulation of Merchandise and Services (Imposto Sobre a Circulação de Mercadorias e Serviços, or "ICMS") and some other taxes, such as increases in payroll taxes. These proposals may not be approved and passed into law. The effects of these proposed tax reform measures and any other changes that result from enactment of additional tax reforms have not been, and cannot be, quantified. However, some of these measures, if enacted, may result in increases in our overall tax burden, which could negatively affect our overall financial performance.

During 2018, the Brazilian government reduced the value-added tax on industrialized products (Imposto sobre Produtos Industrializados or IPI) applicable to soft drinks concentrate, from 20% to 4%. This measure negatively affected our operations, since it significantly reduced the tax credit derived from the purchases of concentrate from the Manaus free zone that currently benefits Rio de Janeiro Refrescos, and the soft drinks industry as a whole.

Given the high tax burden in Brazil, federal and state authorities of that country offer a series of significant tax incentives to certain territories and/or localities in order to attract investment, particularly for manufacturers and other companies operating and investing in Brazil. Coca-Cola Andina Brazil has received some of these tax incentives and its results are strongly influenced by these incentives. Although these incentives have been renewed in the past, we cannot assure that they will continue to be renewed in the future. Termination, non-extension or non-renewal of said tax incentives could have a material adverse effect on our business, financial condition and results of operation.





Risks relating to Chile

Economic conditions in Chile:

39% of our assets as of December 31, 2018 and 35% of our net sales for

the year ended December 31, 2018 corresponded to our operations in Chile. Therefore, our financial condition and operating results depend significantly on Chile's prevailing economic conditions.

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

Inflation in Chile: High rates of inflation could affect the Chilean economy and have a significant adverse effect on our financial condition and results if we are not able to increase prices in line with inflation.

Periods of increased inflation may also decrease the growth rate of the Chilean economy, which could lead to a reduction in demand for our products and a decrease in sales. Finally, an important part of our financial debt is denominated in UF, and therefore the value of the debt reflects any increase in inflation in Chile.

Depreciation and volatility of the Chilean peso: 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 related to Paraguay

Economic conditions in Paraguay:

13% of our assets as of December 31, 2018 and 9% of our net sales for the

year ended December 31, 2018 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.

Economic conditions in Argentina and Brazil:

the situation of the Paraguayan economy is strongly influenced by the economic situation in Argentina and Brazil. A deterioration in the economic situation of these countries could adversely affect our financial condition and operating results.

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 that inflation in Paraguay will not significantly increase.

Depreciation and volatility of Paraguayan

Guarani: Paraguay's exchange rate is free and floating and the Central Bank of Paraguay (BCP) participates actively in the exchange market in order to soften the abrupt oscillations.

However, as approximately 25% of our total raw material and supply costs are denominated in U.S. dollars, a significant depreciation of the local currency could adversely affect our financial situation and results, as well as impact other expenses, such as professional fees and maintenance costs.



Risks related to 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.

Definition of rights: 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 of the offered shares up to the percentage determined by it, where the price paid is substantially higher than the market price (that is, when the price paid was higher than the average market price for a period starting 90 days before the proposed transaction and ending 30 days before such proposed transaction, plus 10%).

Liquidity and volatility: the Chilean securities markets are substantially smaller, less liquid and more volatile than major securities markets in the United States. The lack of liquidity is owed, 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 ADRs.



Social commitment



Beverage benefits

> 103-1; 103-2; 103-3



We Support the Sustainable Development Goal #3 of the UN, which seeks to ensure a healthy life and promote welfare for all in all ages.

Our bet is to provide options to be and feel good in the categories of energy, hydration, nutrition and relaxation.

WHY IS THIS PILLAR IMPORTANT TO OUR STAKEHOLDERS?

We understand that one of the concerns of our stakeholders is the amount of calories and sugar contained in our beverages, the quality of our products, and also that our marketing practices are responsible.

HOW DO WE MANAGE IT?

We are much more than the leading brand of beverages. We are a Company that deals with the integral wellbeing of our collaborators, clients, consumers and the community in general.

We are a total beverage Company and we have a wide and diverse portfolio that allows us to connect with all our consumers, in their changing consumption habits, at different times of the day. Our proposal is to provide options in the categories of energy, hydration, nutrition and relaxation.

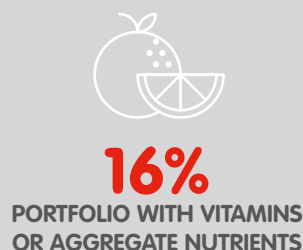
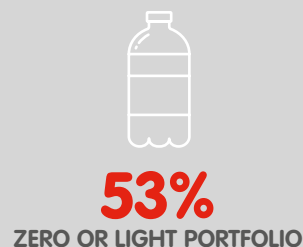
We aim to adapt, being flexible to the needs of our consumers, modifying recipes, incorporating sugar-free soft drinks, providing a multiplicity of options and guaranteeing the availability to all our customers.

HOW DO WE MEASURE THE MANAGEMENT OF THIS PILLAR?

> 417-1; 417-2; 417-3

We have set sugar reduction goals in our products, as well as looking for new opportunities in the beverage market.

The most relevant indicators of this pillar seek to manage innovation and calorie trend. Our business plan has managed to reduce kilocalories by 7% in just one year and we currently have more than 72 low or sugar-free options. Our purpose is to reach 2020 with 50% of the sugar-free beverage portfolio.

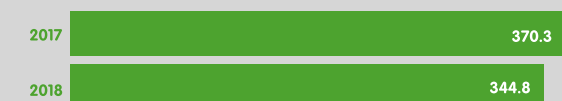


Kcal/liters sold

Argentina



Brazil



Chile



Paraguay

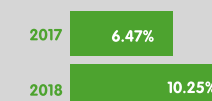


Light and zero Sales

Argentina



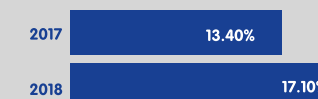
Brazil



Chile



Paraguay



OUR PORTFOLIO

> 102-2

	Chile	Brazil	Argentina	Paraguay
Soft drinks				
Juices and others				
Waters				
Beer				
Spirits				

Guallarauco joins the Andina family

An agreement was reached in October 2018 for the incorporation of Guallarauco, a premium juice company to Coca-Cola del Valle, a company made up of Coca-Cola Chile, Andina and Embonor. This agreement will allow a significant expansion of the Company's portfolio since Guallarauco, with more than 30 years of history, is a leading brand in frozen fruits, bottled juices and nectars and fruit desserts.



Fernando Jaña, general manager of Coca-Cola del Valle, said that they will work together, learning from each other to continue delivering consumers the same quality and innovation that have made this brand one of their favorites, further enhanced by the marketing and distribution capacity of the Coca-Cola System.

In addition, the DNA of Guallarauco remains: keeping the brand, the entire product line and collaborators.

Diageo

Additionally, since August Coca-Cola Andina -as part of the Coca-Cola System in Chile- reached an agreement with Diageo to distribute its products, using the extensive logistics and distribution base throughout its franchise territory in Chile, thus directly serving customers of the HORECA channel, wholesalers with alcohol patents, liquor stores, stores with alcohol patents, C-Stores, gas stations and local supermarkets (supermarket chains with national coverage are excluded). This agreement optimizes and makes a profitable use of the extensive network of logistics and distribution that the Company has in across its entire franchise territory in Chile.

INITIATIVES

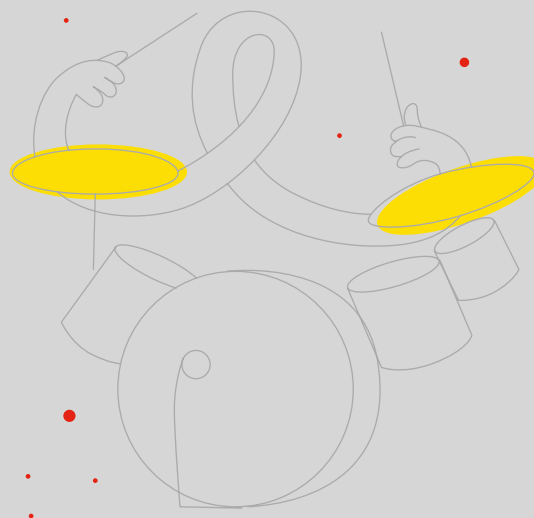
Launching Coca-Cola Sin Azúcar (sugar-free Coca-Cola), the main growth engine of 2018

In 2015, through Coca-Cola's One Brand Strategy, we began to boost the growth of sugar-free options, increasing their availability and attractiveness. Based on the global goal maintained by The Coca-Cola Company to reach 50% of the portfolio consisting of sugar-free or low-sugar products by 2020 answering to problems related to calorie intake, as we want to be an active part of solving problems.

To accelerate this growth and give the exponential jump we need, in 2018 we launched the new Coca-Cola Sin Azúcar, seeking to attract new consumers and make available to the public an original version and a sugar-free version matching the exquisite taste of Coca-Cola Original.

The communication focus is to make the new Coca-Cola Sin Azúcar known, accompanied by a clearer name for the consumer, simplifying its healthier choice, a winning formula and a new visual identity.

At Coca-Cola Andina Argentina we continue leading industry changes and adapting our offer to the tastes and needs of our consumers. Since its launch last January, the new beverage grows at a two-digit monthly rate, reaching 16.5% for the full year 2018 (operation in Argentina).



Today we have a 100% sustainable portfolio democratized for any type of consumer because there is a sugar-free version for each of our products and we can reach all our customers.

Undoubtedly the growth of sugar-free soft drinks has to do with the sustainability of our business and is within the main focus of this company because we consider it a social benefit.

Quality and excellence of products

> 416-1; 416-2

Garantizar la seguridad y calidad de nuestros productos es Guaranteeing the safety and quality of our products is our permanent commitment and the most important responsibility we have with our consumers.

We are concerned with complying with the government health regulations of the countries in which we operate, ensuring the permanent monitoring of food safety standards and using safe packaging materials.

At Coca-Cola Andina we have an Integrated Sustainability System, which allows us to work according to world class standards for all our production plants and distribution centers in the four countries in which we operate.

KORE is a demanding program developed by The Coca-Cola Company and designed specifically for our activity, which incorporates standards and requirements that go beyond the scope of ISO certifications and that is mandatory for any own or franchised operation of Coca-Cola in the world. 100% of our production plants and main distribution centers in the four countries in which we operate are certified in:

	Argentina	Brazil ¹	Chile ²	Paraguay
Quality: ISO 9001	•	•	•	•
Environment: ISO 14001	•	•	•	•
Occupational Health and Safety 18001	•	•	•	•
Food Safety FSSC 22000	•	•	•	•
GAO, corporate requirements The Coca-Cola Company			•	•
Behavior-based safety	•	•	•	•

¹ Duque de Caxias has no yet been audited

² Renca was audited by GAO





All our packaging components are subject to safety assessments and must be allowed for use by health authorities in all the countries where our products are commercialized.

The Coca-Cola Company has its own audit organization called GAO (Global Audit Organization), which maintains an audit system.

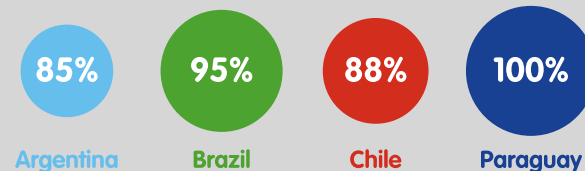
In the plants reviewed, no non-compliance was recorded during the relevant period of our 2018 Integrated Annual Report. In all cases work is carried out in the form of continuous improvement, so the aforementioned reviews serve to detect opportunities for improvements.

Sensory Analysis Program: This program seeks that each collaborator becomes a true ambassador of the brand to guarantee the quality of our products. The quality area of each Operation in in charge of Sensory Analysis management. During 2018 we highlighted the following results: 92% of SKU analyzed and 531 panelists trained.

Number of trained panelists



SKUs¹ analyzed



¹ SKU: Production unit



Healthy Cooking Workshops

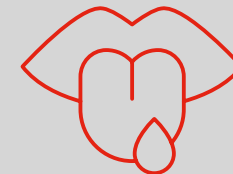
Argentina

> 416-1; 416-2

Healthy Cooking Workshops were held during 2018 and were part of a project that emerged from the foundation called Banco de Alimentos de Córdoba (Córdoba Food Bank foundation) and counted with the collaboration of the school of gastronomy and hospitality “Pimienta Negra” and the sponsorship of Andina.

The Banco de Alimentos, whose main mission is to contribute to reduce hunger through food recovery, in addition to educating on a healthy diet in the city of Córdoba and surrounding areas, proposed this instance to train 80 mentors of social organizations with recipes and advice that would allow for better nutrition for the children who come to these institutions. Sofia Orellana, head of the social area of the foundation argues that “one of the problems in the soup kitchens, is not so much malnutrition throughout Cordoba, but rather obesity, which is caused by malnutrition in the first years of life, mainly because of the consumption of carbohydrates. In addition, the Banco de Alimentos receives provisions with high nutritional value, but these are not taken into account because they do not

know how to add them to the daily menu. Based on this predicament, four workshops were organized of four classes each: The first was on vegetables, the second on fruits, the third on legumes and the fourth on nuts.



Coca-Cola Andina facilitated the booklets, aprons and bandanas to each of the attendees, “this is considered pampering to them, because one does not fathom how far it is for the socioeconomic reality of the soup kitchens, the fact of being able to pay a cooking course” says Sofia. She also recounts that the selection of mentors that participated was made considering those organizations with more children and women who can replicate the knowledge of the workshops to more people substantially increasing the impact of the learned practices.



The closing of the workshops was held in the bottling plant where the 79 participants obtained their corresponding certificates and cooked for those who were present showing what they learned throughout the project. In addition, the Banco de Alimentos of Cordoba and Coca-Cola Andina committed to continue this initiative in the coming years.

Healthy cooking workshops managed to improve the nourishment quality of 2,178 children, youth and adults from 30 social organizations, the nutritional growth of food delivered by the foundation increased by 6.13% since the programs were imparted.



In the last year we have reduced added sugar in 17 soft drinks, we have also made them more nutritious, with addition of vitamins and minerals.

Innovation and Nutrition Brazil

> 416-1; 416-2

Coca-Cola Andina, together with The Coca-Cola Company, is always aware of the idea of improving the quality and variety of its portfolio.

For that reason, the inauguration, in September 2018, of the First Innovation Center in Rio de Janeiro is great news. At this center scientists test ingredients and packaging for new products or to improve the old ones, always based on the demands of consumers.

Innovation Centers are part of the Research and Development area (R&D) and there are six others around the world. The idea of having an Innovation Center in Brazil resulted from the vision of servicing a region that marks a trend in Latin America. This center works in partnership with the one in Mexico, seeking to share and reduce learning curves. The initiative guarantees unprecedented agility: i.e. the projects will gain two to three months' advantage with the decrease in the export time of raw materials and samples. The innovation team is composed by professionals from different areas and works in synergy with other sectors of the company, conveying collaboration, inspiration, information on innovation and agility in the development of new products.

With the emergence of this new space in the area, there will be a significant expansion of the company's three main innovation approaches: ingredients and nutrition, product categories and packaging.



“ In Chile, five years ago we used 110 thousand tons of sugar. Today, we use around 65 thousand tons. ”

Andrés Wainer, Chief Financial Officer



New launches



Argentina

Cepita 0% Azúcar Agregado (Naranja)
Ades Chocolate
Ades Leche de Almendra
Kin
Monster



Brazil

Coca-Cola Plus com Café
Yas
Agua de Coco
Suco Concentrado
Dv Fresh (2 Flavors)
Ades Leite
Smartwater
Sprite Mint
Fanta Guaraná Zero



Chile

Fanta Guaraná
& Nada Limón
& Nada Naranja
Aquarius Kids Tera 200
Bidón Benedictino 6,5 lts
Guallarauco
Aquarius Upsize Pet 1.6
Aquarius Limonada Jengibre
Aquarius Pomelo Menta
Smartwater
Ades Chocolate
Ades Almendra
Ades Coco
Koolife
Fanta Piña
Fanta Uva
Zico



Paraguay

Kin
Dasani Touch Limon

Labelling with nutritional information

Chile

Chile enacted the Labelling Law No. 20,606, which requires to label the containers with a warning seal of “high in”, which indicates that this product contains high levels of sugar, sodium, saturated fats and/or calories; it restricts advertising directed to children under 14 years of age, in addition to its sale, promotion and free delivery in educational establishments.

The regulation was a pioneer in the world given its level of requirements. At Coca-Cola Andina we interpreted the law as an opportunity to develop a portfolio with wide versions of regular low-sugar and sugar-free soft drinks. We were the first beverage company in the world to commit to placing the calorie content and quantity of sugar, total fat and sodium in the labels of our product portfolio.

In 2018, the second stage of this Law came into force, in which the labels were maintained, but new limits were set for nutrients and the obligation that all advertising of products with seals should incorporate the message “prefer food with less warning seals”.

Koolife / Monster Chile

We believe our opportunities lay in continuing growing in new customers, reaching more points of sales and with presence in relevant channels for each type of product. We want to be where the sophisticated consumer is and present at every consumption occasion. We have integrated into the operation of Coca-Cola Andina, uniting the best of each one: Koolife, an import expert, and Andina with its strength in distribution; allowing us to rapidly capture the market.

During 2018 we achieved leadership in market share (measured in volume) in the energy segment (Operation in Chile) with our brand, Monster. The gain of more than 500 basis points was based on a great joint work of our commercial teams with Monster teams. We are convinced that during 2019 we will consolidate this innovation-based leadership with new variants and concretion of new customers.



Content Limits of energy, sodium, total sugars and saturated fats in liquid foods

Nutrient or Energy	Effective date ¹	24 months after effective date ²	24 months after effective date ³
Energy kcal/100 ml	100	80	70
Sodium mg/100 ml	100	100	100
Total Sugars g/100 ml	6	5	5
Saturated Fats g/100 ml	3	3	3

¹Effective date: 06.27.2016

²Effective date: 06.27.2018

³Effective date: 06.27.2019

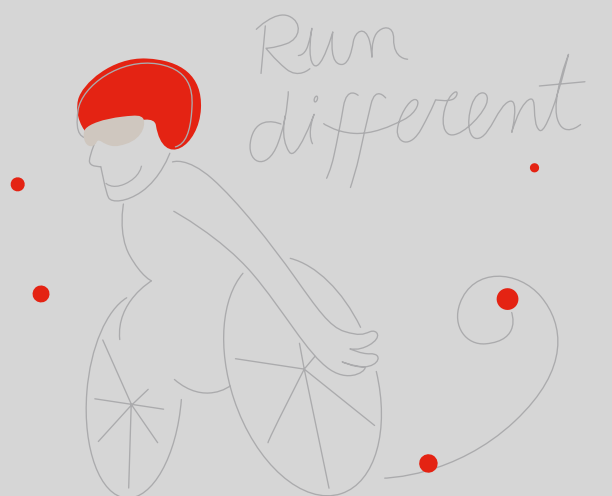
For Coca-Cola Andina it is important to have an active and responsible role with our community and for this reason we provide objective, meaningful and comprehensible nutritional information about all our products. We know the importance of informing consumers through our labels. Evidence-based nutritional labelling allows our consumers to make decisions that meet their individual nutritional and energy requirements as well as those of their families.

Responsible marketing

> 417-1; 417-2; 417-3

We have a responsible marketing policy, which stipulates that no advertising is directed to children under 12 years for any of the Company's products, advertising is not shown in media whose audience of children under 12 is greater than 35% and children under 12 are not shown drinking any of the products without the presence of a responsible adult.

We use daily food guides (Guía Diaria de Alimentación – “GDA” for its acronym in Spanish), a nutritional information tool presented in a tablet format in the labeling of the products. According to Coca-Cola's global policy, all labels (except glass and water) must contain GDAs. In Latin America, Coca-Cola presents the number of calories, along with the percentage of the daily value (DV%) in the front of the packaging, being consistent with the commitment to offer consumers transparent nutritional information regarding their products. In addition, a nutritional information panel provides additional data on proteins, carbohydrates, fiber and, when the product contains them, minerals and vitamins.



Calorie-free sweeteners used in the Company's light/zero soft drinks are safe for the entire population, including children above the age of 2, pregnant and lactating women. This is endorsed by international agencies, such as the US Federal Food and Drug Administration (FDA), the Food and Agriculture Organization of the United Nations (FAO), the World Health Organization (WHO), the FAO/WHO Joint Expert Committee on Food Additives (JECFA) and the European Food Safety Authority (EFSA).

Go to link

CLIENT DEVELOPMENT

Clients represent a key link in our value chain, since in addition to the social impact they generate for the growth of local economies, they are responsible for a significant percentage of the Company's sales. We seek to accompany them with development programs that boost their results: In 2018 we dictated 3,915 hours of training and the average growth in the benefitted businesses was 5%.

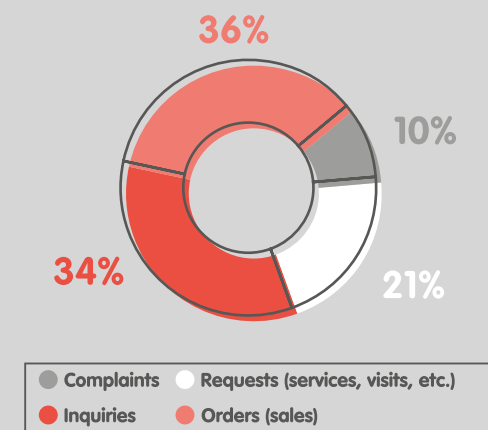
Number of clients



Percentage of client satisfaction > 416-1

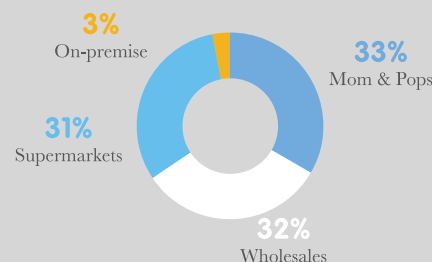


CUSTOMER SERVICE

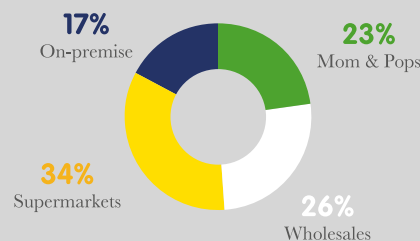


Sales by type of client by country:

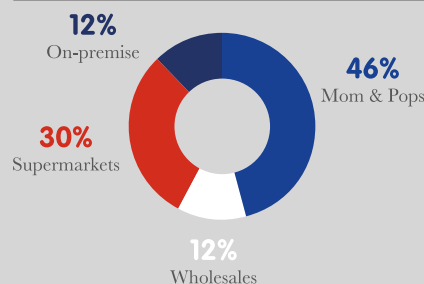
Argentina



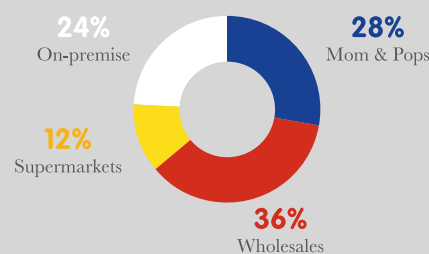
Brazil



Chile



Paraguay

New canning line
Argentina

Coca-Cola Andina Argentina invested US\$11 million in a new canning line at its plant in the city of Córdoba increasing operating lines to a total of 16 total.

Together with Coca-Cola Argentina we launched a canning line in Córdoba, reinforcing the strategy of developing packaging for personal consumption. With a production capacity of more than 55 million liters per year, production tests began in November 2018. The production will be destined for internal consumption and also for export to other countries of the region.

This new investment makes us the first bottler in the interior of the country to have its own canning line and we move forward in our objective of generating a sustainable and responsible growth of the company's products, promoting packaging of suitable sizes for personal consumption and more alternatives for sugar-free options in all sales channels: "We are sure that cans will be the fastest growing product in the coming years within our

portfolio. We estimate a production of 28 million liters for 2019," commented Pablo Bardin, industrial manager of Coca-Cola Andina.

The new line produces at a speed of one thousand cans per minute and packaging will be filled that will be available for Coca-Cola Original, Coca-Cola Sin Azúcar, Coca-Cola Light, Sprite Sin Azúcar, Fanta Sin Azúcar and Schweppes Sin Azúcar, in the territory of the Coca-Cola Andina bottling plant.

The increase in the multiplicity of containers (variety of portions) is one of the company's global line of growth. In addition, there are two innovations in the format: the first is the new Coca-Cola mini 220 ml (with sugar and sugar-free) and also another 310 ml Coca-Cola can.

By increasing our own production capacity, we plan to grow the participation of cans in our sales volume and add new products to this format. This decision is accompanied by important investments carried out in the last 10 years in terms of cold equipment.



Community

> 103-1; 103-2; 103-3; 404-2



We assume Sustainable Development Goal #11 supporting the communities in which we operate. We pay special attention to developing programs that support young people and women, generating skills and opportunities so that they can develop.

We Seek to contribute to the progress of the communities where we develop our activities, through programs to promote the local economies, generate opportunities and improve the quality of life of people.

“The function of the company is to understand what our responsibilities are, towards the shareholders, as well as towards the societies in which we are immersed, the consumers and stakeholders. For several years now, and increasingly proactively and more intensively, we are striving to give a part back to communities and consumers and support them in the development and improvement of the places where they live.”

Miguel Ángel Peirano, Chief Executive Officer.

WHY IS THIS PILLAR IMPORTANT TO OUR STAKEHOLDERS?

Our stakeholders, including our collaborators, communities, suppliers and government, are interested in continuing to develop social initiatives that support inclusion, training and employability. At Coca-Cola Andina we have taken on the role to contribute in the development of the communities, contributing to public goods, that improve the quality of life of the people.



HOW DO WE MANAGE IT?

Our policy of social investment is based on strategic pillars: to be a good neighbor, to promote education, social inclusion and environmental care (water and waste).

We are convinced that there are increased actors with whom we can establish synergies to enhance the results of initiatives in the community. We prioritize those alliances and programs with a long-term vision.

We have tools for dialogue and constant communication to know their needs and focus programs and initiatives according to their interests and concerns, making them part of the design and implementation of the initiative. We hold regular meetings with the municipalities where our operations are located, to better understand the economic and social context in which we are immersed, and we collaborate quickly in situations of catastrophe.

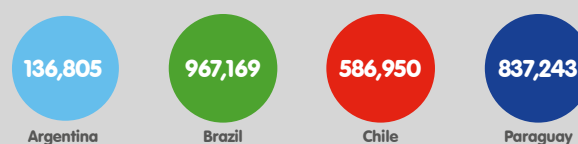
HOW DO WE MEASURE THE MANAGEMENT OF THIS PILLAR?

All initiatives in this pillar are coordinated with strategic partners that allow for a constant implementation and monitoring. Some of these are monitored by four indicators: two social (“love for the brand “ and “trust in the future”) and two business (“volume” and “employability”). In the case of suppliers, we measure and accompany their social, environmental and economic development, seeking mutually beneficial long-term relationships.

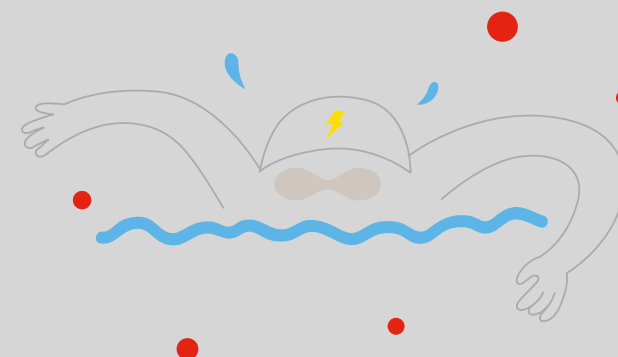
“Identifying the greatest opportunities implies listening and having a continuing dialogue with stakeholders.”

Carolina Losicer, Recruitment, Communication and Social Responsibility Manager.

Investment in the community 2018¹



¹ Shared investment with The Coca-Cola Company



INITIATIVES



Argentina

- Healthy Kitchen Workshop with Banco de Alimentos and Pimienta Negra
- Installation of filters for access to water in vulnerable areas
- Shelter construction with PET bricks
- Alliance with Volkswagen to install Eco-points
- Construction of two houses with the NGO Techo
- Educational Programs with Junior Achievement (JA)
- Women Entrepreneurs Workshop and sewing with NGOS OMAS and JA
- Solidarity Fairs: Sale of products made by NGOS
- Christmas Solidarity: Visits to different institutions such as hospitals and geriatric centers



Brazil

- Movimento Coletivo Reciclar pelo Brasil week: Support to cooperatives of the State of Rio de Janeiro and the interior of São Paulo, with technical accompaniment, training and investment
- Movimento Coletivo Week: volume sold in a given week is intended for investments for access to water in Northeastern Brazil
- Youth Collective: Training young people to join the job market



Chile

- Program “Renca, Play and learn in Community” in alliance with Fútbol Más and the municipality of Renca
- Environmental Education in Schools in alliance with Kyklos and the municipalities of Renca, Maipú, Puente Alto and San Joaquín
- Interscholastic Environmental Colleges RE ATTITUDE: Recycling contest of PET bottles and returnable lids at 100 Colleges in the Metropolitan Region
- Spaces Recovery Program in neighborhoods with Fútbol Más in Santa Emilia, Renca
- Monster BMX Events in the communes of Renca, Maipú, Puente Alto and San Joaquín
- Coca-Cola Christmas Caravan in the Communes of Renca, Maipú, Puente Alto and San Joaquín
- Open Door Program: Cola-Andina movie theatre; Happiness Factory
- We celebrated three years of partnership with Banco de Alimentos
- APL pilot REP Certification with CENEM of the Climate Change Agency, the Ministry of Environment and the Ministry of Energy
- We signed APL, zero residues to sanitary fillings with Sofofa. of the Climate Change Agency, the Ministry of Environment and the Ministry of Health
- ATTITUDE RE Internal Campaign, a framework for environmental and sustainability initiatives



Paraguay

- Beginning of consulting of the Saraki Foundation for the diagnosis and inclusion of people with disabilities
- Installation of containers for PET waste recovery in events sponsored by the brand, such as: bullfights, interschool sports, etc.
- Visits to communities near the Plant to start supporting environmental care projects in partnership with the Tierranuestra Foundation, with the H2O project (Water Sounds)
- PET bottle cap collection for donating to the LUCHA NGO that leads initiatives for children with cancer
- Emprendemos Juntas: Trainings in finance and administration to more than 2,500 vulnerable women to strengthen their economic independence
- Resupply water from sustainable agriculture with 149 producers in the Mbaracayú Reserve (Canindeyú)
- Improving access to safe water and generating behavior change of people to adopt appropriate water related practices



13,967
PLANT VISITS



We actively participate in the following organizations:



Argentina

- Instituto Argentino de Responsabilidad Social Empresaria
- Fundación Banco de Alimentos Córdoba
- Fundación Banco de Alimentos Mendoza
- Fundación Banco de Alimentos Rosario
- Fundación FONBEC- Fondo para Becas
- Proyecto Agua Segura
- Junior Achievement Córdoba
- Cooperativa Los Carreros
- Asociación Civil SOLES
- Asociación Hospital Infantil
- Fundación CONIN
- Fundación OMAS
- Entrecosturas
- Fundación Ecoinclusión
- Fundación Empate
- Asociación Civil TECHO



Brazil

- Instituto Coca-Cola Brasil
- AFBCC - Associação Fabricantes Brasileiros de Coca Cola
www.afbcc.com.br
- ACRJ- Associação Comercial do Rio de Janeiro
- ABIR - Associação Brasileira das Indústrias de Refrigerante
www.abir.org.br
- CIESP - Centro de Indústria do Estado de São Paulo
- CIRJ - Confederação das Industrias do Rio de Janeiro
www.firjan.com.br/cirj
- ARBERISA – Associação Recreativa e Beneficiente dos Empregados de Companhia de Bebidas Ipiranga
- CIESP - Centro de Indústria do Estado de São Paulo



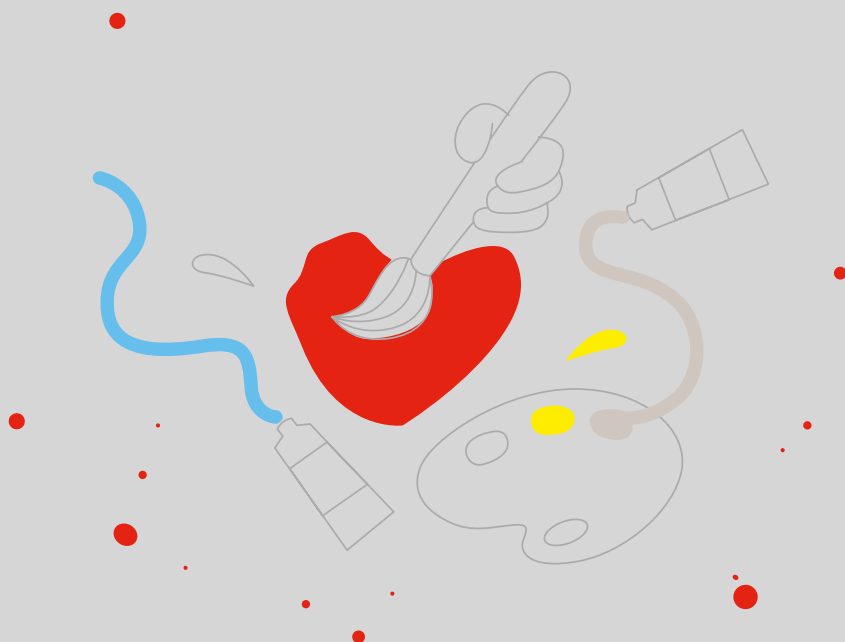
Chile

- Fundación Fútbol Más
www.futbolmas.org
- Empresa B Kyklos
www.kyklos.cl
- Sofofa
www.sofofa.cl
- AB Chile
www.abchile.cl
- Red de alimentos
www.redalimentos.cl
- ACCIÓN Empresas: Sumando Valor
www.sumandovalor.cl
- Hub de sustentabilidad: Fundación Chile
www.hubsustentabilidad.com
- Coaniquem
www.coaniquem.cl/consejos
- Empresa B Triciclos
www.triciclos.net/es
- AGIP
www.agipchile.cl
- Conf. Gremial de Comercio Detallista
- AIA
www.aia.cl
- Cámara de Comercio de Santiago
www.ccs.cl
- ANDA
www.anda.cl



Paraguay

- A todo Pulmón
- ADEC: Asociación de Empresarios Cristianos
- Asociación FullBright: Asociación de becarios de la Embajada Americana
- Aspatal: Asociación paraguaya de tecnólogos de alimentos.
- Banco de Alimentos
- BID: Banco Interamericano de Desarrollo
- Bomberos Voluntarios
- CAP: Cámara de Anunciantes del Paraguay
- Club de Ejecutivos
- Cruz Roja Paraguaya
- Defensores del Chaco: foro de agua y juventud
- Dirección General de Gestión Ambiental.
- Doctores de la Risa: asistencia en hospitales públicos
- Embajada de Estados Unidos
- Enseña Paraguay: reforzar educación en colegios públicos
- Fundación Dequeni - acciones para fomentar la educación
- Fundación Gabriela Duarte: para incentivar la música
- Fundación Pa'i Puku: fundación que administra escuela en el Chaco
- Fundación Paraguaya/Programa de Empoderamiento de la Mujer
- Fundación San Rafael: chicos con Leucemia
- Fundación SONICA Paraguay: empoderamiento de jóvenes a través de la música



INITIATIVES

Education support programs

Argentina

> 413-1

In 2018, Coca-Cola Andina in collaboration with Junior Achievement developed seven educational programs in four provinces of the country; the main focus is entrepreneurship as a motivational tool to face life's challenges. In total we reached 1,528 students, 685 were part of the Young Entrepreneurs Program that is aimed at high school students between 16 or 17 years old and whose goal is to provide them with the necessary tools to learn to become entrepreneurs in different areas of their lives, and also reinforce their education in values.

**4,033 HOURS VOLUNTEERING**

28 Andina collaborators volunteered to teach one and a half hours a week for three months in different educational institutions and, together with the teachers, to sensitize students and the community about the importance of the role of the entrepreneur in the development of society. Through the program, the students identify the attributes of the entrepreneurs, associate the values that are linked to the performance of daily actions, continue to develop their socio-labor profile, manage projects and generate a social

entrepreneurship: "It was excellent because it made our entrepreneurship skills emerge. It makes us want to help those who need it and aspire to more in life" commented Ana Basualdo senior year student of the Monseñor de Andrea Institute, one of the schools involved in the project. Thanks to all the programs in which the Bottler participated during 2018, Coca-Cola Andina Argentina received the award for the greatest contribution to educational programs, supporting 31 lectures during the year; to name a few: "Sustainable Entrepreneurs", "Young Entrepreneurs", "Women Entrepreneurs", "Stay in School" and "Partners for One day".

It should be noted that within the "Women Entrepreneurs" program, 55 women were trained from the highly vulnerable area, Barrio Chacras de la Merced, this is a community located in the vicinity of the Córdoba plant. In this way, they commenced starting-up their business plans and businesses.

In addition, we continued working with the Scholarship Fund for Students (FONBEC for its acronym in Spanish), which helps children and youngsters who due to lack of financial means, are unable to cope with their studies. Coca-Cola Andina Argentina makes a co-participative monetary contribution between the workers and the company to help and accompany the children to continue their academic process.

In the last year, 107 collaborators sponsored students not only economically, but also through meetings, generating an affective bond, giving them support, incentives and valuing the effort that every child and youngster makes to become better individuals every day.


College scholarships
Chile

Education is the basis for the progress of any nation, this is why at Coca-Cola Andina Chile for more than ten years, we are proud to have the Academic Excellence Scholarship program. It consists of granting five annual scholarships to the children of our collaborators who are in the last year of high school or the first year of college and the quotas are assigned according to the academic performance of the candidates.



The benefit consists of financing 70% of tuition, and the annual fee for a college degree. There is a broad diversity of careers and the merits have resulted that, in the last two years, 60% of the scholarships are granted to women.

Each year we evaluate and benefit five new applicants, who will keep the scholarship until the end of their careers, depending on how they meet the requisites of the program regulations.





Coletivo Project Brazil

> 413-2

With the firm commitment to contribute to the progress of the communities, we continue to develop the Coletivo Program. The vision of the project since it started in 2008, has been to improve the quality of life of the most vulnerable sectors of Brazil.

We have been able to capitalize on the learnings during all these years and today the program is based on four pillars:

Connecting with communities: we seek alliances with non-profit organizations that already act locally and recognized by the community. Young educators living in the community where the program is implemented and a field team that can act locally.

Educational methodology: We increasingly seek to educate in gender equality and human rights, first steps in labor life and prospects.

Employability: The main learning was to partner with companies from different areas who had the same goals to complement the program, which allowed to use the same platform for online recruitment increasing employability of young people.

Evaluation and monitoring: We knew how to be consistent in monitoring indicators to make prompt decisions and find fresh solutions. We measure desertion, employment rate, satisfaction, and future level of trust.



76%
OF PARTICIPANTS OF "EMPRENDAMOS
JUNTAS" HAS SAVINGS AND 48%
STARTED A NEW BUSINESS

The Coletivo Jovem program connects thousands of young people with job opportunities so that they can achieve their dreams. There are more than 28,500 beneficiaries in the program and 70% of the participants are women. Young people show a 20% increase in future trust and 30% of the participants get their first job which allows a 40% increase in their family income, improving the quality of life of many Brazilian families.

During this last time, we have received the support of the IDB and UNWOMEN, acknowledgments that validate the work performed throughout these years and encourage us to continue developing our goals.

Emprendamos Juntas (Let's Start it Up Together) Paraguay

> 413-1

At Coca-Cola we are aware that women's empowerment has a lot to do with the success of the community in which they live. When women are trained and treated fairly, society and the economy benefit immediately and create a more sustainable future for all. In 2010, Coca-Cola launched the 5by20 initiative in recognition of the economic potential of women and the challenges they face.

The global goal was the economic empowerment of 5 million women for 2020.

In line with the global initiative - five million empowered women for 2020: the ambitious goal of our program 5by20 - Coca Cola Paresa and Fundación Paraguaya sponsored the program "Emprendamos Juntas" (Let's Start it Up Together), which in 2017 trained a total of 750 women, and during 2018 it benefited 2,500 Paraguayan women from our value chain, including customers, suppliers, recyclers, and artisans. The training they received in management and administration allowed them to project an endeavor or improve the one they already had in place. This program is focused on providing opportunities for training and tools for women in vulnerable situations, so that they can have a more active role in the development of their endeavors. Our goal is for women to earn income, diversify, to save and have access to credit, to be development agents in their communities.



Mbaracayú Self-sustaining School

Paraguay

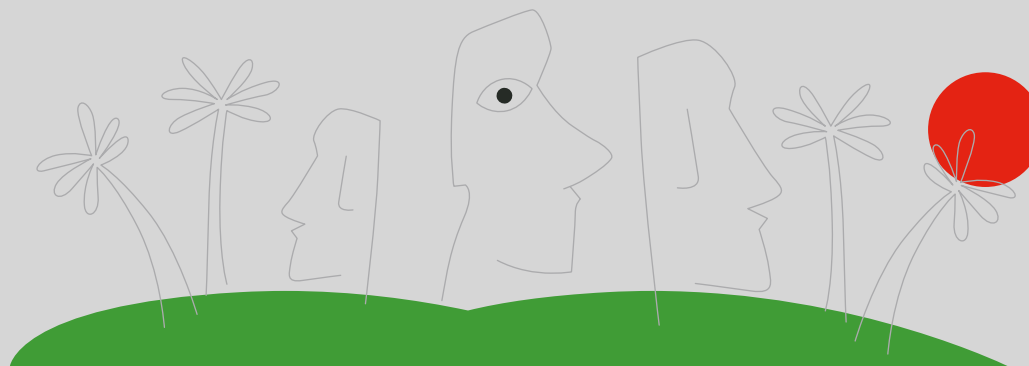
> 304-1; 304-3

In the middle of the forest of Mbaracayú, where Coca-Cola Paresa develops several conservation programs, a school receives more than 100 students each year to become independent women. The Mbaracayú Educational Center for Sustainable Development, an initiative of the Moisés Bertoni Foundation in partnership with Fundación Paraguaya, is a peculiar boarding school that offers quality education to girls in the area. These are Paraguayan peasants, indigenous ethnic groups, who study Technical Baccalaureate in Environmental Sciences and who do so in an ideal setting: the reserve occupies 64,405 hectares.

Futbol Más and “No. 1 Fan” stores, Chile

“Renca, Plays and Learns in community” is a pioneering program in Chile, developed in partnership with the municipality of Renca, Coca-Cola Andina and Futbol Más. This program seeks to improve the coexistence within the 14 municipal schools of the area, through the methodology of 5 Futbol Más values (joy, responsibility, teamwork, respect and creativity) and transfer these improvements to the neighborhoods, enhancing the role of ambassadors of key actors for our business, our partners in the mom & pops channel. The program was oriented to the schools, 839 people participated directly or indirectly, including teachers, directors, cleaning staff, students, guardians and grocers of neighborhood. Enrique San Martín, General Inspector of the Captain José Luis Araneda school commented: “The work that is done is fundamental, so that the children feel emotionally attached to their neighborhood, their school and their family. That is how affection is created, where one sees the growth, care and coexistence.”

The program was so successful that the vast majority of children want the project to continue in their schools as it generates great integration between men and women and a healthy coexistence and interaction between schools and neighborhoods to which they belong, enhanced by the program “No. 1 Fan”, an initiative where 14 stores in the area were ambassadors of the program seeking to enhance the role of local businesses. The grocers were in charge of communicating to the members of the neighborhood the timetables of workshops and activities, through a kit of materials, like blackboards, bibs, Coca-Cola Andina and



Futbol Más bracelets, flyers and green cards where boys, girls and neighbors of the area expressed in them an inspiration or motivation message towards the school closest to the store; answering the question: “What’s the nicest thing about my neighborhood school?” In addition, each store was used as a gathering place for neighbors, increasing the flow of visits, strengthening the relationship between grocers and Andina’s salespeople and improving sales.



Also, in conjunction with Futbol Más and the municipality of Renca, for 2 years we have been present in the Santa Emilia slum; for the purpose of recovering the neighborhood soccer field for sporting uses and to promote tools of values and resilience among the children and the neighborhood council, recovering spaces that were lost due to drug trafficking. The initiative counts with 384 hours of workshops; 6 inter-neighborhood leagues; 3 local and 3 visitor leagues, 8 community meetings at the Neighborhood Council with parents and guardians, we trained 5 socio-sporting leaders who may continue performing the workshops at the neighborhood soccer field, we generated participation and awareness of 13 guardians at the monthly community meetings, the participation of 32 families at the weekend meetings and we have impacted on 121 children.

Go to link





SUPPLIER DEVELOPMENT

> 308-1; 308-2; 414-1; 414-2

At Coca-Cola Andina we believe that our suppliers are a key link in our value chain. For this, we work together with those who share our values and operate in an ethical way to achieve excellence.

Number of suppliers

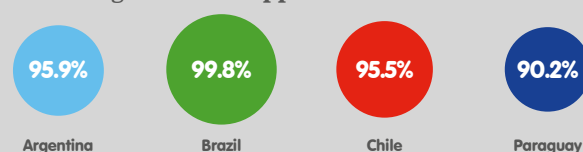


We Prioritize the hiring of local suppliers

We try to make purchases and purchase to suppliers Located in the cities where we have the plants and the main distribution centers.

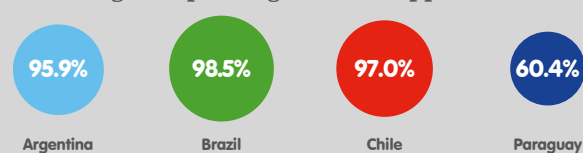
Essentially, this decision seeks to promote the development of local supplier companies, generate an integration with the supply chain, reduce the delivery time and the risk of exposure to variations in foreign currency rates. The added value that the Coca System-Cola generates, in conjunction with its entire value chain, is representing 0.3% of GDP¹ of the countries where it operates. The joint task with suppliers favors greater benefits both economic and social, as well as environmental.

Percentage of local suppliers > 204-1



¹ According to Argentina research. "Socio-Economic Impact of The Coca-Cola System", 2016

Percentage of spending on local suppliers

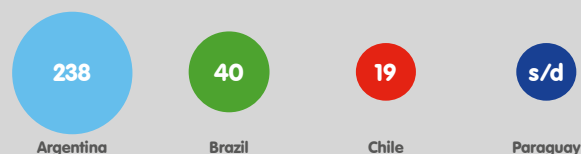


Supplier Evaluation

> 414-1

We are involved in generating a Win-Win relationship with our suppliers, supporting their activities and generating key partnerships with those who are critical to the operation. Our policy is to encourage their growth, betting on their continuous improvement and, aspects of social responsibility, environmental care and greater development in quality will prevail when choosing suppliers.

Number of suppliers assessed by Coca-Cola



Supplier Guiding Principles

> 308-1

At Coca-Cola Andina we are committed to defending the fundamental principles of international human rights in the workplace, wherever we operate. Our commitment to human rights is formalized in the respect of the United Nations Declaration of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work of the United Nations Global Compact. The Company's policy on this subject is reflected in the "Supplier Guiding Principles". These premises communicate our values and expectations, highlight the importance of responsible workplace practices, seeking that our suppliers respect human rights and comply -at least- with the requirements of the law. The main suppliers of Coca-Cola Andina must comply with the requirements of the document and then undergo periodic evaluations conducted by accredited and independent oversight firms.

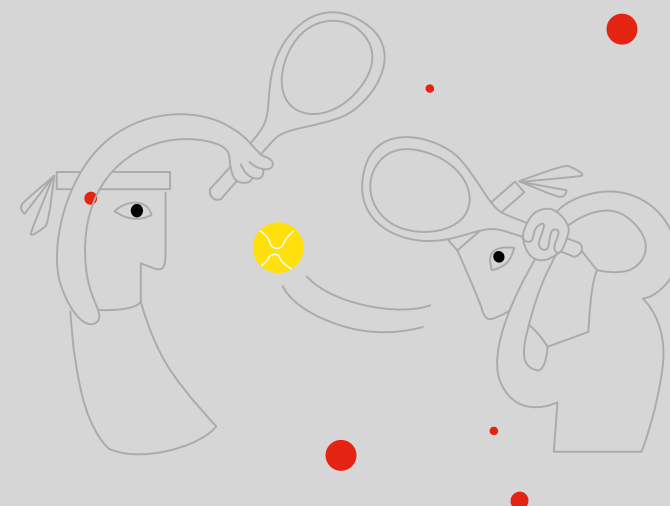


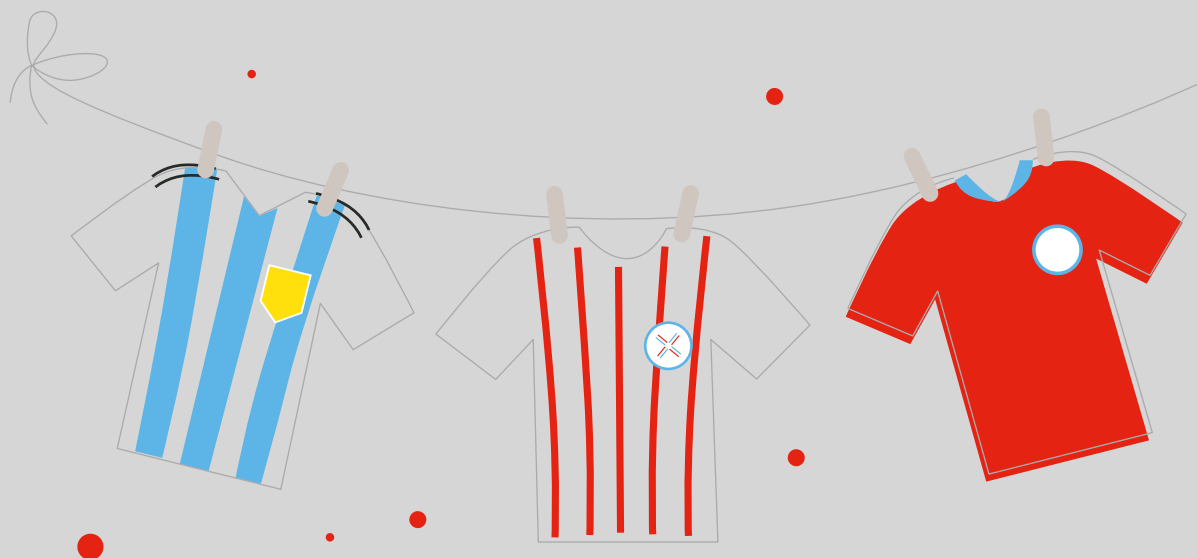
297

SUPPLIERS, EVALUATED AND APPROVED IN THE ASPECTS OF HUMAN RIGHTS AND LEGAL COMPLIANCE

Our suppliers must meet the following requirements:

- Respect for freedom of association and collective bargaining.
- Prohibit child labor.
- Prohibit Forced Labor and Abuse of Labor
- Eliminate discrimination.
- Work Hours and Wages
- Provide a Safe and Healthy Workplace
- Protect the Environment
- Business Integrity.
- Compliance with Applicable Laws and Standards
- Complaint and solution procedures.
- Adequate and effective management systems





> 414-1; 414-2

Primary Suppliers: The Coca-Cola Company has a supplier participation program that provides a framework for action. It consists of seven improvement stages in order to achieve the fulfillment of our Sustainable Agriculture Guiding Principles (SAGP). Suppliers receive information and guidance on evaluations, audits, measurement of progress and validation of performance so that they can qualify for sustainability certification. In this way, they develop and implement specific programs for crops with the aim of improving the economic well-being of farming communities; optimize performance and protect natural resources throughout the supply chain.



Workshop for suppliers and service providers

Every year Coca-Cola Andina carries out the Suppliers Workshop in each region where it operates. The original idea was born in the Brazilian operation and given its satisfactory results, Argentina replicated the practice for the second consecutive year, and in 2018

Paraguay joined. The goal is to involve our value chain stakeholders actively and responsibly, focusing on corporate governance, the environment and communities. The procurement area, which organizes the event, aims to encourage companies that work with the Company to innovate and grow in a sustainable way, sharing information and trends that help generate new and better businesses. Suppliers from different areas are involved at the local, national and international level, dealing with issues related to the company, purchasing, marketing and sustainability, posing the challenges that the future demands. In the sessions, dynamics generate among the attendees with the purpose of establishing bonds, sharing good practices and detecting opportunities that can be translated into contributions of value.

Human rights self-assessment

> 410-1

The Coca-Cola Company develops a human rights self-assessment checklist. These lists help to raise awareness and due diligence to address the impacts that, according to experience, can be present in the value chain. By conducting timely assessments with periodic follow-ups, human rights risks are identified and mitigated. Once the problem is identified, community participation is expected to be at the heart of any mitigation strategy. These self-assessment tools are part of the ongoing human rights due

diligence process carried out by the Company. Coca-Cola Andina is part of The Coca-Cola Company system and collaborates with the follow-ups.

Supply chain committees

We participate in the bottlers supply committees of The Coca-Cola Company, where we work on joint initiatives for strengthening business volumes and good commercial practices, achieving agreements for the development of suppliers of strategic raw materials and adaptations to our quality standards.



Work Atmosphere

> 103-1; 103-2; 103-30; 401-1; 401-2; 401-3



Goal 3: Ensure a healthy life and promote well-being for everybody of in all ages.

Goal 5: Achieve gender equality and empower all women and girls.

Goal 8: Promote sustained economic growth, inclusive and sustainable, full and productive employment and decent work for all.

WHY IS THIS PILLAR IMPORTANT FOR OUR STAKEHOLDERS?

Nothing great has been done in the world without great passion and teamwork, where the whole is more than the sum of its parts. That is the synergy that characterizes us and we continue to reinforce it, confident that when we are surrounded of passionate people to pursue a common purpose, anything is possible. We are more than 16,000 collaborators throughout the four operations. We seek to give our collaborators the best place to work, convinced that work happiness is essential to the development of our activities, the well-being of our economic growth and, ultimately, the success of the organization. When we analyze the social impact of the Company, we see that Coca-Cola Andina not only gives employment and joy to millions of people in the world, but it is also able to enter the homes, be at the tables and in the environments of its collaborators. Hence the responsibility of caring for our people and their families.

For Coca-Cola Andina, the importance of people is one of its basic business pillars and future success factor. To respect them is to offer them a balanced development perspective both in the professional and personal aspects.

HOW DO WE MANAGE IT?

We perform a variety of targeted initiatives to ensure the safety, health care and prevention, education and ongoing training, employment inclusion of people with disabilities, enjoyment and integration of families. To do this, we use fair and transparent policies and processes that guide us in the management of our collaborators, and we adapt to their new needs based on feedback and permanent dialogue.

At Coca-Cola Andina we work with clear goals and objectives. That is why we have tools for selection, performance evaluation and constant training. We are concerned to promote the diversity that will allow us to travel the path of excellence.

Our team

> 102-8

Employees by entity and by gender

Country	2016		2017		2018	
	Men	Women	Men	Women	Men	Women
Argentina	3,041	287	2,967	279	2,904	272
Brazil	7,116	802	6,954	826	6,895	1,000
Chile*	3,060	425	3,006	413	2,919	436
Paraguay	1,349	178	1,429	151	1,433	167
Holding	Sin dato	Sin dato	22	17	22	17
Total	14,566	1,692	14,378	1,686	14,173	1,892

Of the Company's total collaborators, 14,173 are men and 1,892 women. Of them, 3,072 are Chilean and 12,642 foreigners. Of the foreigners, 12,269 collaborators are nationals of their respective operations. Of the Company's total collaborators, 4,386 are less than 30 years old; 6,408 are between 30 and 40 years old; 3,307 between 41 and 50 years; 1,412 between 51 and 60 years; 193 between 61 and 70 years; and 10 are more than 70 years. Of total collaborators, 6,592 have been in office for less than three years; 3,433 between three and six years; 1,767 more than six and less than nine years; 1,222 between nine and 12 years and 2,699 over 12 years.

* Chile's collaborators show an increase in 2018 due to an adjustment in the exposure criterion of hours hired. These hours have no breakdown.

HOW DO WE MEASURE THE MANAGEMENT OF THIS PILLAR?

Job satisfaction is a strategic priority. That is why, since 2008 we have tools such as the climate survey, to know what the satisfaction and motivation level is. The survey is conducted in all of our operations at the same time, biannually.

A succession plan is monitored to ensure the sustainability of working environments.





INITIATIVES

Training and development

Argentina

> 401-1; 401-2; 401-3

At Coca-Cola Andina we are convinced that in order to live up to our customers and consumers, we need constant change and evolution. Therefore, at each of the Company's operations we encourage and generate different instances such as courses, trainings and lectures that provide our collaborators with knowledge and strategies with the aim of improving day by day.

Coaching: In 2018 we developed the Strategic Management program called "Coach Leadership Skills" for second-line managers. The aim of this program was to provide leadership skills from the coaching approach. Highlighting the importance of developing both intrapersonal skills (self-knowledge and auto-management) and interpersonal skills (social awareness and relationship management).



Universidad Andina: The training programs of Coca-Cola Andina Argentina were carried out in the framework of Universidad Andina. As a transversal and significant impact on any of these initiatives, it is important to promote a sense of belonging, internal training and knowledge of our business. Our schools and programs are mainly nourished by In-house Instructors which increase and deepen the impact of actions.

Our main actions in 2018 were: Business Understanding, Technical Manufacturing School, Logistics School, Administration and Finance School, SIS Conference, Excel Academy. In total, 1,624 collaborators participated, and 12,623 hours of training were imparted.



Brazil

Industrial Force: Coca-Cola Andina Brazil developed a specific program to enhance operational levels of the production team. Each year a theme of action is defined, encouraging the development of our people and contributing directly to the needs of our business.

The Industrial Force is a project that began in 2010 and in 2018 our challenge was to empower professionals for Industrial Welding. In partnership with the SENAI Institute, we established a laboratory truck with 14 micro welding offices at our Jacarepaguá plant during the course period.



Leadership Development Program: Leadership development is one of the pillars defined to support our Company's sustainable growth strategy.

To promote agility and operational efficiency, we believe that managers are the main gear to provide the necessary rhythm and achieve our results. As an innovation in the training of our leaders in 2018, we sought new learning experiences, where each leader decided his/her paths of knowledge. All the contents were conceived and developed in several simultaneous conferences. It involved 2 intensive days of activities and exchange of experiences, with voluntary registrations, reaching an adhesion index of 96%. The overall evaluation of the program reached a satisfaction index of 90% and had 82 spontaneous comments that appeared with praise and expectations for the next edition.

Commitment Program: The Commitment Program of Coca-Cola Andina Brazil aims to inspire the best of each of our collaborators through the connection and individual intrinsic motivation for the purpose of adding value. Managers are the transformation agents of the program, who are constantly trained and empowered to connect people, motivations, goals and development.



Chile

> 404-2

Leadership Development Programs: At Coca-Cola Andina Chile, since the year 2015 we have invested an important part of our training resources in developing the leadership skills that our Company needs in order to be successful in the long run.

The 2018 Leadership Development Program consisted of 3 programs focused on different leader segments (managers and deputy managers, area heads and supervisors): Labor Law, Strategic Leadership, Leadership for Supervisors and Feedback 360.

These programs enable to better prepare leaders to face multiple business challenges: changes in legislation, cultural and social trends, tools to design and implement the strategy at all levels, increase the commitment of workers and strengthen our succession plans.

The results have been positive. In 2018 alone, the commitment and satisfaction of the collaborators in the professional and private roles improved by 8pp and 4pp, respectively. The overall evaluation of our executives has also improved from different perspectives (Feedback 360), being recognized as more inclusive (+ 6%), more curious (+ 6%) and more agile (+ 3%). They have also had a positive impact in the short term. Programs such as Strategic Management (developed in conjunction with the Graduate School of the Universidad Católica de

Córdoba in Argentina) have generated significant returns for the application of improvements throughout our value chain such as: alternatives for distribution of products at low temperatures, for the better management of the administrative processes of clients and for the reduction of water consumption in the bottling process of drums, with potential returns of more than \$800 million.

Paraguay

Systemic Coaching: This program is developed since 2017 supported by an external consultant. The first phase was carried out with Managers in individual coaching, in 2018 we started the second phase of the work with Managers and Deputy Managers, reviewing our culture based on Systemic Coaching. Among other things, this 3-year work process will allow collaborators to be co-creators of the process and new culture.

Technical Skills for production sectors: During 2018 we developed 2 technical training modules for 30 Industrial sector employees along with the National Professional Promotion Service (SNPP for its acronym in Spanish), these trainings consisted of Pneumatic Control, Sequential Control and Industrial Safety, imparting a total of 160 hours, and thus obtaining the degree of Technical Assistant in Mechatronics, the participants concluded these modules being able to apply the acquired knowledge in the different sectors to which they belong such as: Maintenance, Bottling, General Services, Syrup Room, Blowing and Juice Plant.

Continuous Improvement and Sustainability

Program: In order to implement a culture of continuous improvement of Production Line efficiencies and to establish a management system that ensures the sustainability over time, several actions were implemented: Problem Analysis Workshop, Advanced Improvement Group, 5s Program Development, implementation of Single Minute Exchange of Die and Waste Reduction Method.

Destape Excellence Program: Destape Excellence Program is a monthly recognition to the sales force. Since 2018 we evolved this Program and launched Destape Team. Each team corresponds to each "District" of the commercial structure and is evaluated on a bimonthly basis.

Harvard Workshop: The purpose of the workshop is to help participants increase their individual skills as negotiators, particularly focusing on handling situations where both achievements and relationships are important. Four managers participated as part of their planned development in the succession plan, carrying out a total of 36 hours of classes at the University campus located in Cambridge MA, USA.

Performance Evaluation Feedback: This program seeks that participants incorporate practical techniques, to objectively evaluate, through qualitative and quantitative tools, and to develop work plans aimed at improving results of people and equipment, thus implementing an efficient evaluation system in the Company. A total of 103 leaders participated.



329,391

TRAINING HOURS IMPARTED



34,828

TRAINING HOURS IMPARTED TO WOMEN



19

AVERAGE TRAINING HOURS PER EMPLOYEE > 404-1

Our commitment to inclusion

> 405-1; 405-2

At Coca-Cola Andina, we consider that people with disabilities can contribute in many ways and our goal is to harness and empower their talent and skills, we consider diversity as a fundamental factor to improve year after year.

In Brazil, we continue with the Employment Inclusion program for people with disabilities, which, in conjunction with the National Service of Industrial Learning (SENAI for its acronym in Spanish), and our goal is to professionally educate people for labor insertion. Today, there are 287 people with disabilities working at our operations in that country, equivalent to 3.82% of the total number of workers.



The company also pays special attention to labor inclusion of young people. Argentina has the Primer Paso, Pila program and since 2018 it adhered to the Professional Inclusion Program (PIP) that gives young newcomers of different careers, the possibility of having their first formal experience. The Young Apprentice program continues in Brazil that allows them to be included in the labor market, providing constant trainings and an economic income that allows them to help their families or loved ones. Between 2014 and 2018, 578 young people participated in the program, 59% of which are women.

At Coca-Cola Andina Chile, trainings were imparted on the subjects of diversity and inclusion with the participation of 706 collaborators. In addition, within the country's operations, we have eight workers who have some kind of disability.

In Paraguay, we are working with the Saraki Foundation, which seeks to develop processes and actions so that people with disabilities have access to the opportunities and necessary resources to fully participate in economic, social and cultural activities. Trainings and counseling were provided on the incorporation process of people with disabilities to the company and for the same purpose a building diagnosis was performed.

People with disabilities and social minorities

Country	2015	2016	2017	2018
Brazil	147	173	220	366
Chile	-	-	-	14



Impulsa Mujeres Program

> 405-1; 405-2

"Impulsa Mujeres" is the first program for the Development of Women Leaders of the Gender Equality pillar of our Diversity and Inclusion strategy. This program seeks to accelerate the development of women who are now in leadership positions and thus increase their presence in key positions for decision making in the Company.

In this first version, 22 women from Coca-Cola Andina in the four countries participated in a four-day Workshop in Santiago de Chile. Issues addressed were involved the main characteristics that distinguish the people who reach relevant leadership roles: self-knowledge and authenticity, purpose, network management and become architects of their lives.

After this, a mentoring process began with Coca-Cola Andina leaders and of the system, which seeks to maintain the development cycle and expand the understanding of the business, networking and boosting new experiences.

Compensation and benefits

They are focused on health care and prevention; the development of a healthy lifestyle and the progress and enjoyment of the family. The compensations and benefits that Coca-Cola Andina offers consider those required by labor law in each one of the countries in which we have operations, but every year the areas are strive to go beyond.



In 100% of operations

HEALTH

Maternity and Paternity Leave.
Medical assistance and insurance
Life insurance additional to legal mandatory.

EDUCATION

Discounts on the rates of different education programs for employees.

SOCIAL

Leave for marriage, death of close family member, siblings and grandparents.

ECONOMIC

Free Beverages.
Christmas care package.
Payment day (last business day of the month or previous Friday).
Discount club (vehicles, properties, services, etc).
Supplementary annual salary.

In 75% of operations

HEALTH

Maternity leave and paid lactation time (six months of decrease to half a day of work without salary reduction for women reinstated after maternity leave).
Work Gymnastics: Access to plans of physical activities in own installations or by agreement, for the integral care and recreation.
Preventive vaccination programs (dengue, influenza, yellow fever, hepatitis A, etc.).
Complete annual medical check-up for managers, heads of areas and supervisors
Nutritionist at plant.

SOCIAL

Special Entertainment (labor day, woman's day, child's day, secretary's day, etc.)
Casual Friday.
Tickets to participate in events.

ECONOMIC

School Kit, bonus for children under the age of 18.
Cafeteria service.
End of year gift.
Products available to the employee for internal consumption .
Discount on the purchase of company products.
Additional amount for University or tertiary degree for DCCT workers.
Extraordinary advance of salary.

In 50% of operations

HEALTH

Dental Plan.
Discount programs with health institutions and pharmacies

EDUCATION

Leave for rendering exams.

SOCIAL

Flexible working hours for areas where the operation is not affected.
Internal Library.
Enjoyment of holiday while on vacation period.
Vacation pay with vacation plus.
Summer and winter garments for supporting personnel.
4 day leave of absence for spouse's death.
1 day leave of absence for blood donation.
Additional 2-day holiday Leave for trips more than 1000kms for a 10-day minimum (DCCT).
Christmas party for worker and family.
Extension of 1 day leave of absence death of indirect relative (the law gives 1 day).
Day Care - Nursery.

ECONOMIC

Retirement bonus.
Shuttle service for all staff
Contest for children of collaborators with best grades.
Gift for birth of a child.
Free soft drinks for birthdays of the children of collaborators.
Reimbursement of expenses in hotels to the worker within collective bargaining agreements with a cap.
Subsidy payment medical leaves for first 3 days not covered health plan.

In 25% of operations

HEALTH

Health insurance or social work plan. Includes the employee and family group, being the Company who absorbs all the differences that involve the value of the plan versus legal contributions.
Food re-education Programs.
Sports and recreation Program for workers.
Snack: Fruit and Yogurt for administrative positions.
Conferences, workshops and speeches to collaborators and family group.
Extended paternity leave 7 consecutive days (including legal requirement).

EDUCATION

Scholarships of academic excellence to children of workers for University career.

SOCIAL

Additional vacation week for heads of area and senior positions
Accompaniment for retired employees.
Half Day on Birthday (FCCT).
Moving 1 day leave of absence.
Christmas Gift for children of workers.
Extended Paternity Leave 1 day (The law determines 2, we give 3).
Lactation Room.

ECONOMIC

Housing Policy consisting of the granting of subsidy to five workers per year.
Banco Galicia Branch at Montecristo plant.
Optional Auto/home Insurance with the Company's insurance broker
12 additional salaries to the collective life insurance at a very low cost and/or incorporate the spouse into the insurance coverage

Note:

DCCT (within collective bargaining agreement)
FCCT (outside collective bargaining agreement)





Health and safety, a challenge for all

> 403-1; 403-2; 403-3; 404-4

All of Coca-Cola Andina's operations have a Safety Management Program based on Behavior and whose main purpose is the implementation of a Safety Culture through the commitment and responsibility of senior management as well as managers, and through the effective participation of collaborators, third-parties, and service suppliers.

The program has three stages:

- Phase I made up of requirements 1 to 5: Commitment Letter, Golden Rules, integration, Communication Program, Accident and Incident Management.
- Phase II made up of requirements 6 to 11: Acknowledgment Program; Disciplinary Measures; Behavioral; Safety Dialogues; Safety Academy; training; Management Analysis; Rating
- Phase III is the last one for certification, it is made up of requirements 14 to 16: Family Safety Program; Third Party Safety Program; Quality of Life Program.



Argentina

The program has been implemented in the three production plants (Córdoba, Bahía Blanca and Trelew), and in the main distribution centers and commercial offices of the Cuyo and Litoral Regions. During 2018 we have exceeded the stages of external audits of the program as planned.

Management implanted Safety committees at the Córdoba plant, where each manager leads the Safety review meetings of his/her area.

This has allowed us to achieve an improvement in the incident frequency rate and the lost time injury frequency rate of 35% over the previous year and 70% with respect to the start of the program, in both cases.

Brazil

During 2018, Andina Brasil, together with the Zero Incident Program (PAZ, for its acronym in Spanish), managed to reduce work incident rates in the Distribution areas and Distribution Centers (warehouses) and also based on the implementation of the control program of collaborators with leave of absence of more than 15 days. In addition, in the audits carried out in the plants of Jacarepaguá and Ribeirão Preto we obtained exceptionally good scores, both for phase I and phase II and our Ribeirão Preto plant has already been recommended to move on to phase III.

Complementarily there is the Fleet Safety Program in which we obtained increasing results in its applicability at all hierarchical levels, with tangible reduction of accidents in our transport fleet.





Chile

We obtained an official recognition of ACHS (Chile's Safety Association) due to our "excellence in the management of incident reduction 2018" and were introduced as one of the Success Cases at the ACHS Annual Meeting where political and business authorities took part.

- We achieved Phase 1 certification of the Behavior-Based Safety Program (PSBC, for its acronym in Spanish) for the entire facilities in Renca and for the Coquimbo plant.
- Regarding 2017, we achieved a 51% LTIR reduction and 80% LTISR reduction.
- In the management of RTM (external fleets), we reached a LTIR of 8.46 which corresponds to an annual reduction of 36% with respect to the previous year, representing 66 less incidents.

“At Coca-Cola Andina we are proud of the progress we have made in these last 6 years and for all the accomplishments in achieving the cultural change that positions the safety of people as a non-negotiable value. We have been able to reflect our progress in a significant reduction of our incident and severity indicators in all our operations throughout Chile, which challenges us to continue improving in the search of world-class results.”

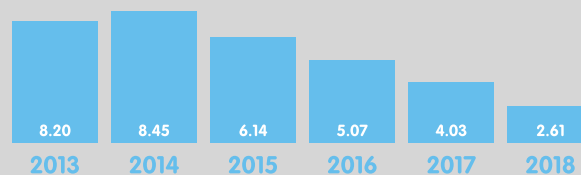
José Luis Palacios, Andina's Quality, Safety and Environment Manager.

Paraguay

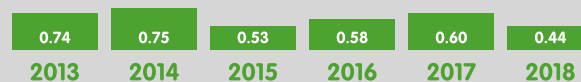
The behavior-based safety program in Paraguay is two years old, currently in its second phase and planning the transition to the third and final phase in March 2019. This program managed to involve all personnel in the safety aspects, in every area of the company, generating different safety routines according to the position within the organization. Today at PARESA, 100% of the population works Safety in some way or another, they update their knowledge, change their beliefs, or contribute in improvements for everyone's integrity. The result: a plant with the lowest incident rate in the region.

LTIR > >403-2

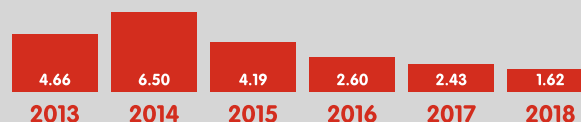
Argentina



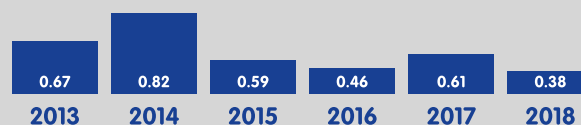
Brazil



Chile

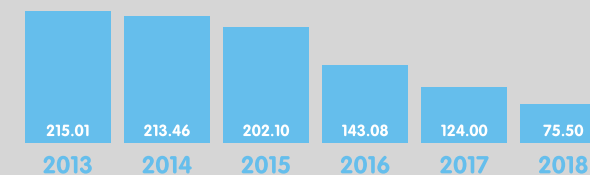


Paraguay



LTISR

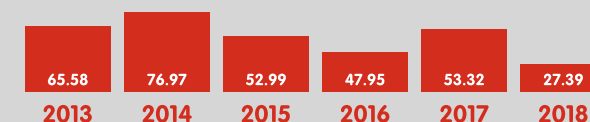
Argentina



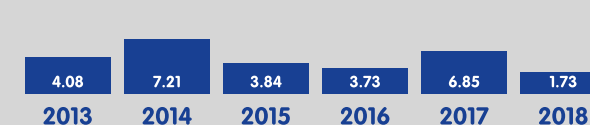
Brazil



Chile



Paraguay





Labor Relations

> 102-41, 402-1; 403-4

At Coca-Cola Andina we respect and support the right to freedom of association in all countries where we operate. We have a dialogue with the trade union organizations to which our collaborators belong.

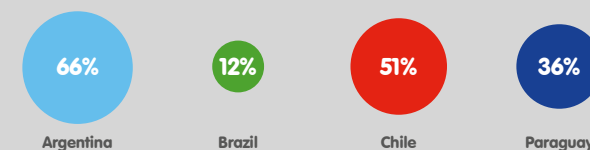
Wage updates are negotiated with trade unions on the dates specified through categories and all collaborators, whether or not affiliated with a trade union, they are covered by the collective bargaining agreements of the area of activity to which they belong. Over the last few years, not only did we work on the economic benefits, but also on the non-economic ones, seeking to adapt to the new needs of our collaborators.

We conduct regular meetings with trade union organizations, in order to prevent significant impacts on collaborators; so if there is a project that impacts them, the changes and ways of implementation are previously agreed upon. The adhesion of collaborators by type of contract is presented in the following table.

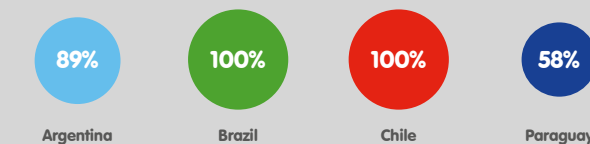
Relationship between minimum initial wage (basic salary without additional) and local legal minimum wage

Country	2015	2016	2017	2018
Argentina	297%	281%	361%	372%
Brazil	112%	108%	106%	106%
Chile	100%	100%	100%	120%
Paraguay	100%	117%	116%	118%

Percentage of unionized staff



Percentage of collaborators with performance evaluation





Environmental Commitment



Water Stewards

> 103-1; 103-2; 103-3; 301-1;



“Water is a fundamental resource for life and, aware of it, we strive for a responsible use, we develop processes that allow greater consumption efficiency and we replenish this vital resource to nature.”

Goal 6: Ensure water availability, its sustainable management and sanitation for all. Water free from impurities and accessible to all is an essential part of the world we want to live in.

WHY IS THIS PILLAR IMPORTANT TO OUR STAKEHOLDERS?

Water is an essential resource for life and also a human right. Therefore, Andina worries about using responsibly its main raw material, which is water.

HOW DO WE MANAGE IT?

The coverage is total, because it reaches each of our operations and also all the communities with which we interact. We point out that we are recognized for having a solid effluent management, we take care that the

wastewater we evacuate to Municipal systems complies with local regulations and “Coca-Cola Operational Requirements” (KORE).

To achieve this, we have a strategy that has four strategic focal points: Reduce, Reuse, Recycle and Replenish. In this way, our actions comply with one or more of these strategic focal points.

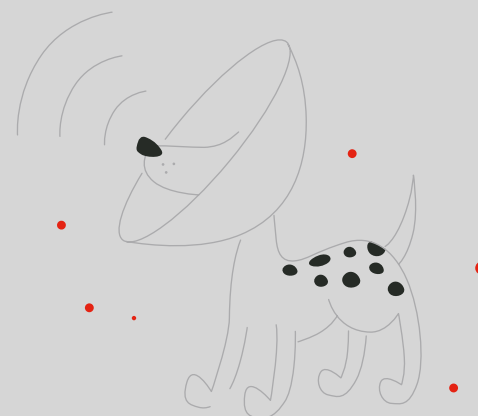
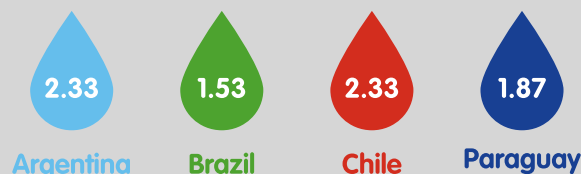
HOW DO WE MEASURE THE MANAGEMENT OF THIS PILLAR?

Consumption is measured by liters of water consumed per liter of manufactured product and each location has a different reality: there are regions that present many beverage formats with different flavors, which implies greater sanitation and washing of lines and thus more water consumption. Each country has a different reality both in terms of quality and quantity, posing different challenges to us.

EFFICIENCY IN THE USE OF WATER

Consumption is measured by

Liters of water used per liter manufactured



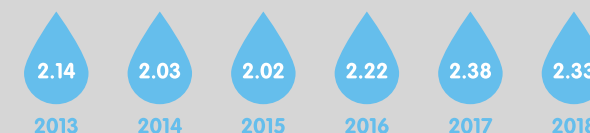
Also, depending the investment amounts approved, we set annual goals. In 2018 we exceeded our goal, reaching a ratio of 2.01 lt/lt.

lt/lt: Liters consumed/liters of beverage produced

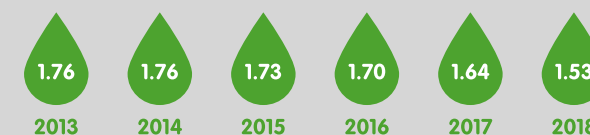
Efficiency in water consumption

Liters of water used per liter manufactured

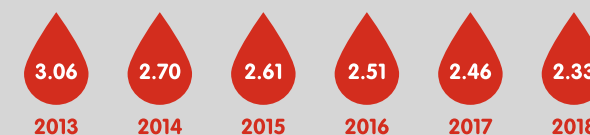
Argentina



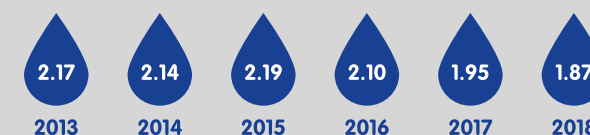
Brazil



Chile



Paraguay





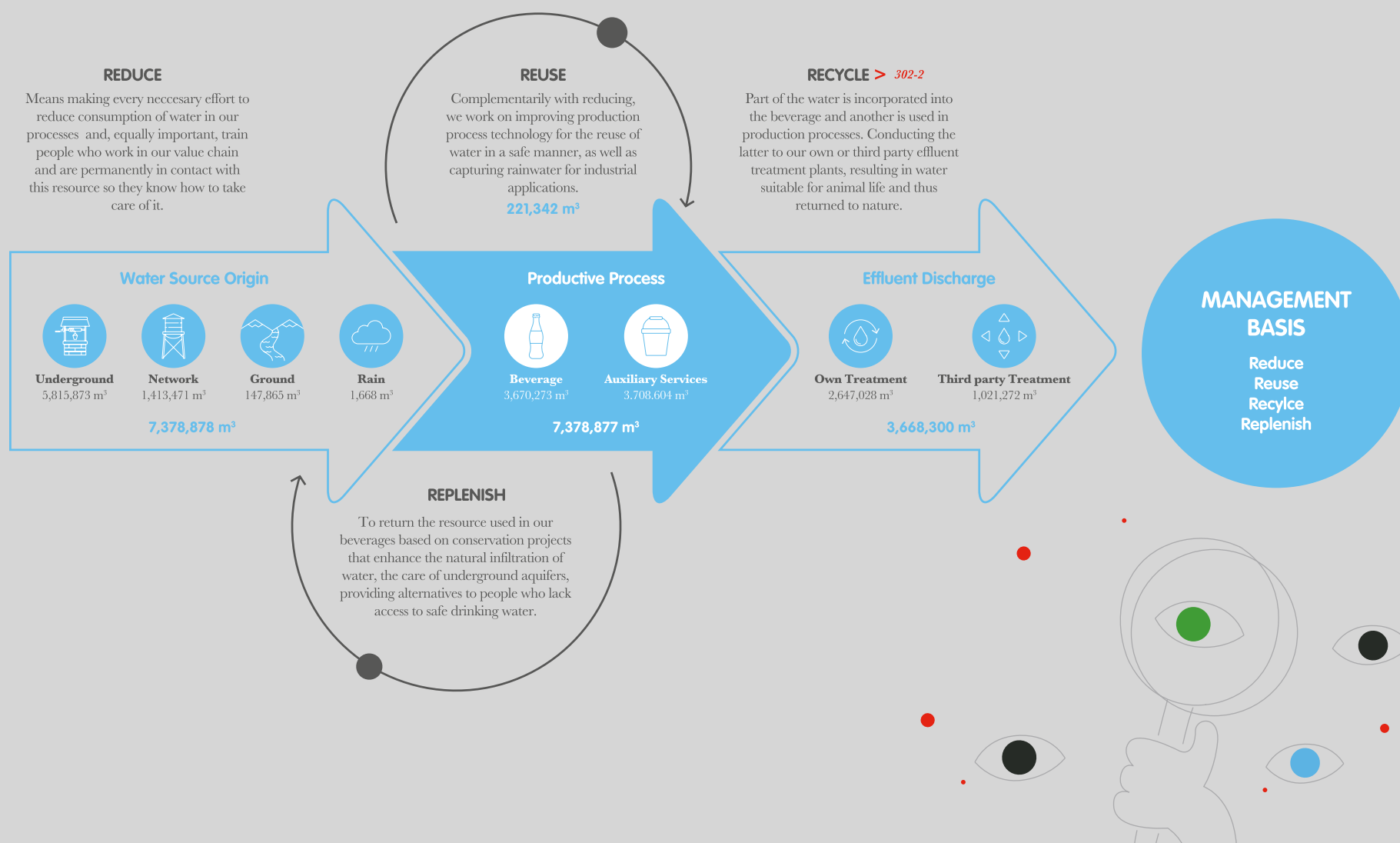
Origin of water supply

> 301-1; 306-1

Water is the main raw material of our products, therefore we focus on the need to ensure the sustainability of the resource both in terms of availability and quality. It is also a shared natural resource with all the communities where we operate; therefore, we have an obligation to promote its care not only inside our plants but also within the groups in which we interact. We are concerned that communities know and develop cultural awareness regarding the importance of water care, so we do not become affected by the contamination of this resource, the lack of it or its misuse.

The origin of water is diverse: some plants feed on natural effluents (whether they take water from open channels or well water) but also from the local sanitary matrix. In Chile and Argentina almost all the water that is used in the operations comes from underground waterways and a small percentage comes from the municipal networks of the locations where the plants are located. Coca-Cola Andina Brasil is mainly supplied through the municipal network and the other part through wells. While in Paraguay the operations obtain water from underground waterways and a small portion is obtained by collecting rainwater.

It is important to note that our Company is recognized for having a fairly solid effluent management. In three of the four operations we have our own treatment plants that ensure that the wastewater we evacuate to municipal systems complies with local regulations and the "Coca-Cola Operational Requirements" (KORE). Inside and outside our plants, we also develop initiatives that contribute to promoting a culture of good use of water, aware that it is a scarce good that may not have infinite availability and that it involves costs.





INITIATIVES

Reduce

- **Optimization of water treatment systems:** among the initiatives we develop at Coca-Cola Andina in Chile is the optimization of water treatment systems. To do this, in Renca we have a macro project consisting of three phases: the first is the receipt of the incoming water for arsenic abatement; the second is the separation of the resource used for production process and services, and the third is the reuse of water.
- **Efficiency in water treatment plants:** all plants have an incoming water treatment plant, whether the source is underground, superficial, network or rain. The purpose of this part of the process is to permanently analyze the quality of the water source and process it until reaching the necessary parameters that are defined for the entry to beverage production.

Replenish

Every drop of water used must be replenished to the planet. Inspired by this premise, The Coca-Cola Company committed itself to fulfilling an ambitious goal: to replenish communities and the environment the equivalent of 100% of the water it uses in the elaboration of its beverages and its production processes by the year 2020. By August 2017, this goal was not only accomplished but it was exceeded.



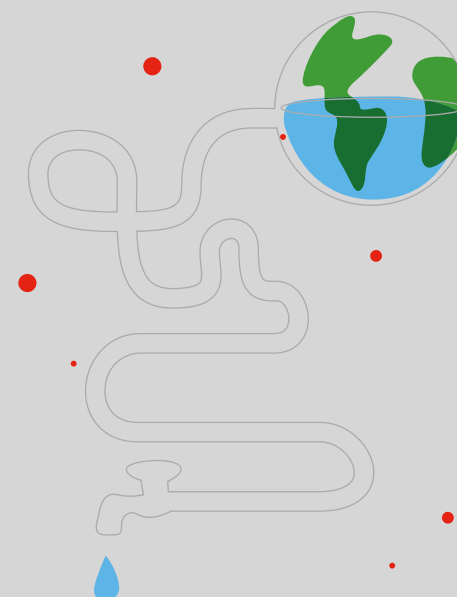
Through programs and partnerships with public and private entities around the world, the equivalent of 115% of the water used by Coca-Cola worldwide, is now being returned to the planet. "Replenish" the water imposes Coca-Cola

the triple challenge of being more and more efficient in its use and to encourage reforestation and the protection of watersheds around the world. The impact of developing global projects in these areas has multiple positive social externalities, which can contribute to the education of the population, to perfect the local subsistence, improve water quality and make people aware of the scarcity of this resource and the need to care for it.

Safe Water Argentina

5,168 boys and girls from schools in the territory of Coca-Cola Andina Argentina already have safe water access technologies and during 2018 participated in workshops on healthy hygiene and water care habits. The actions are part of the joint work carried out by Coca-Cola de Argentina, its bottling partner Andina, in partnership with the social enterprise Proyecto Agua Segura (Safe Water Project), and interacting with the nation's Ministries of Social Development, Education and Agribusiness as well as civil society associations across the country.

Thus, 33 schools in Córdoba, Neuquén, Entre Ríos, Mendoza, and Río Negro received microbiological filters that allow the treatment of water consumed by children in these institutions and they were also trained, a fact that will impact on the quality of life of several generations.



Water Links-Ykua'a (Water Knowledge) Paraguay

This program seeks to inspire and generate emotions to connect the heart with the intellect. We seek not only good artists, but a real social commitment, sensitive to popular art in order to connect with communities. The Water Links Project gives 40,000 people in 65 communities access to drinkable water. Providing drinkable water systems and a proper sewer system to communities are the main challenges of this program. In addition, it seeks to sensitize and mobilize the communities benefitted regarding the appropriate practices related to water, sanitation and hygiene.

The project in Paraguay is part of the "Water Links" program of One Drop, the Inter-American Development Bank (IDB), The Coca-Cola Foundation and the FEMSA Foundation, and is implemented by the Moisés Bertoni Foundation in partnership with the Environmental Sanitation Service. (SENASA, for its acronym in Spanish) and other actors. "Ykua'a" began to be implemented in August 2017 and has a duration of three years. With a US\$2.1 million investment, the project not only includes the installation of infrastructure, but also helps each community to seek its own economic resources to maintain it.

Go to link



17,540 PEOPLE BENEFITTED WITH ACCESS TO NEW OR IMPROVED DRINKING WATER SYSTEMS



6,950 PEOPLE WITH SYSTEMS/NEW OR IMPROVED SEWAGE FACILITIES/SANITATION

Duque de Caxias Brazil

The new Duque de Caxias plant, which began production during 2018, has efficiency in its DNA, a main characteristic to respect the use of water resources. The 3 filling lines have a production capacity of 402 million liters per year. The operation is located in a 217 hectares piece of land, 15% of which is destined for preservation.

A milestone in this project was the recovery of the dam located in the land, which has a capacity of 156,000 cubic meters. It was completely cleaned by extracting 37,000 tons of waste. It should be clarified that all the recovery of the dam complied with the new safety regulations of the State Institute of the Environment (INEA for its acronym in Portuguese).

The relationship with the community was also an important link in this project, some of the initiatives were:

- provide environmental education to 20 schools in the area,
- sanitize 50 hectares that were contaminated due to the process pervious carried out on the land,
- we replanted 4,000 trees on the premises,
- we complemented (together with the water concession company) the water supply network for the Taquara neighborhood, and we adapted the drainages of the road route.



The project gives great importance to the Taquara river, protecting the entire riverbank that is in our area, so we developed rainwater delay barrels mitigating the impacts on the river bed. In addition, we recovered 320 cubic meters of rainwater.

The effluent treatment station, which has a capacity of 48 cubic meters per hour, ends with an osmosis process that allows the reuse of water delivering 15 cubic meters per hour.

We are proud to have one of the best plants in Latin America and this is the horizon that shows us the best practices both in process and in the care of the environment.



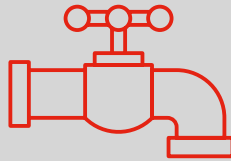
Mbaracayú Reserve Paraguay

Together with the Fundación Moisés Bertoni, Fundación Avina and Coca-Cola we carry out the water replenishment project based on sustainable agriculture in the Mbaracayú Forest Reserve Biosphere, located in the Department of Canindeyú, in the eastern region of Paraguay. The Reserve's core area has a surface of 64,000 hectares with lush vegetation. This favors rainwater infiltration that recharges the aquifer in a natural way. Researches carried out by experts from the Fundación Bertoni show that there are areas around the Reserve in which the dismantling for agricultural purposes and the practice of an unsustainable agriculture are reducing the soil's capacity to feed quality water to the underground natural reserve.

The poor management of soil by mankind causes its gradual impoverishment and erosion, preventing the infiltration of rainwater and affecting the aquifer reserve. The replenishment project seeks to develop good agricultural practices in 300 hectares of 300 small farmers in the reserve in 4 years. These good agricultural practices will allow permanent vegetative cover, recovering soil absorption capacity as well as productivity. Currently, two years of the project have been completed,

160 hectares have been worked on, and 149 producers have been directly benefited.

The “win-win” concept is key because it improves the quality of the land, it economically benefits the producers and it increases the infiltration of water to aquifers. The abundance of the vital element in this region demands a huge responsibility, so we seek to disseminate among the population in that area, the importance of taking care of the resource and the best ways to use it.



Coca-Cola has operations in different countries with diverse water situations; raising awareness of the importance of water care is something that the Company carries in its DNA and promotes within the organization as well as in the communities where it has operations. With projects like this we look for the community to be with us and be a water steward. In this context, professionals from the Fundación Moisés Bertoní provide technical assistance, raw materials and expertise, working together with the producers so that they capitalize the techniques and then replicate them. The minimum condition requested is to devote at least one hectare of its ownership to this project and to the implementation of good practices.

The first step is to work that portion of soil with a sustainable view, to recover it for productive purposes and return the water infiltration capacity to the groundwater. From this perspective, practices such as clearing the ground and planting corn not only translate into a crop that the producer can take advantage of immediately, but also provides sustenance for the so-called “green manure”. It is made up of plants that grow around corn, but when they die, they decompose naturally, providing a sufficient amount of organic matter to start the next crop, without having to remove the soil or use synthetic fertilizers.

The project has a four-year duration during which the incorporation of producers will be gradual. Worldwide,

in 2007 the Company committed to replenish nature and communities with 100% of the water it uses in its products and production processes by 2020. This initiative, like others we have implemented in different regions, will allow us to achieve the proposed goal by generating a culture of protection of water resources.

Efficiency in returnable lines

Returnable bottling lines consume more water than those that bottle single-use products, thus the technology used by washing machines is key to water saving and reuse in the process. Including new technology in these lines as well as incorporating new returnable lines are initiatives essential for water management. In 2018 the Duque de Caxias lines began production, which makes the use of the resource more efficient and this is reflected in the indicator.

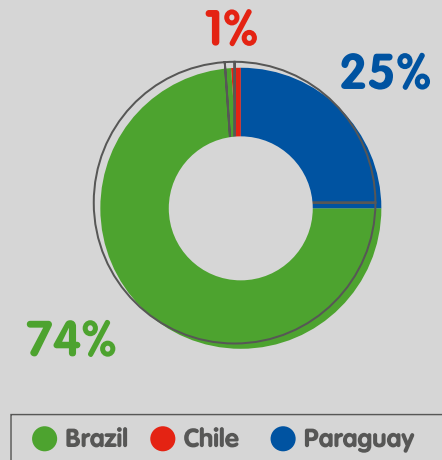
Recycle

Effluent Treatment

It is important to out that our Company is recognized for having a solid effluent management. In three of the four operations we have our own treatment plants, which guarantee that the wastewater we evacuate to the municipal systems complies with local regulations and “Coca-Cola Operational Requirements” (KORE).

Inside and outside our plants, we also develop initiatives that contribute to promoting a culture of good use of water, aware that it is a scarce good that may not have infinite availability and that it involves costs.

WATER REUSE





Sustainable packaging

> 103-1, 103-2, 103-3



“Our packaging is focused on reducing, recycling and reusing materials, in order to preserve natural resources”

Goal 12: Ensure sustainability in consumption and production

WHY IS THIS PILLAR IMPORTANT TO OUR STAKEHOLDERS?

Caring for natural resources is becoming an increasingly relevant issue to our stakeholders and this leads us to actively care of the entire life cycle of the products we sell.

HOW DO WE MANAGE IT?

At Coca-Cola Andina we need the use of three main resources: water, energy and packaging, in order to commercialize a bottle. To manage this pillar we focus on three types of actions: Reduce, Reuse and Recycle.

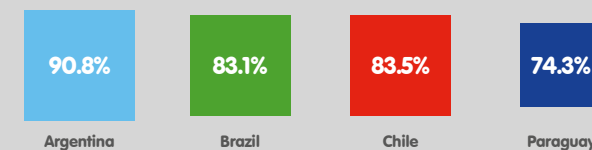
HOW DO WE MEASURE THE MANAGEMENT OF THIS PILLAR?

The generation of waste per litre of product produced. The lower the indicator, the greater the efficiency in the consumption of materials.

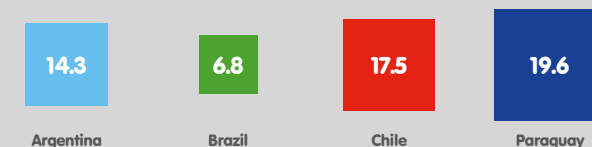
The percentage of recycled waste from waste generated.

Our commitment along with The Coca-Cola Company, is to help to recollect and recycle one bottle or can for each of those we sell by the year 2030 (“World Without Waste” commitment). In the year 2030 we must help recollect and recycle 100% of the packaging we commercialize.

Solid waste recycling > 302-3



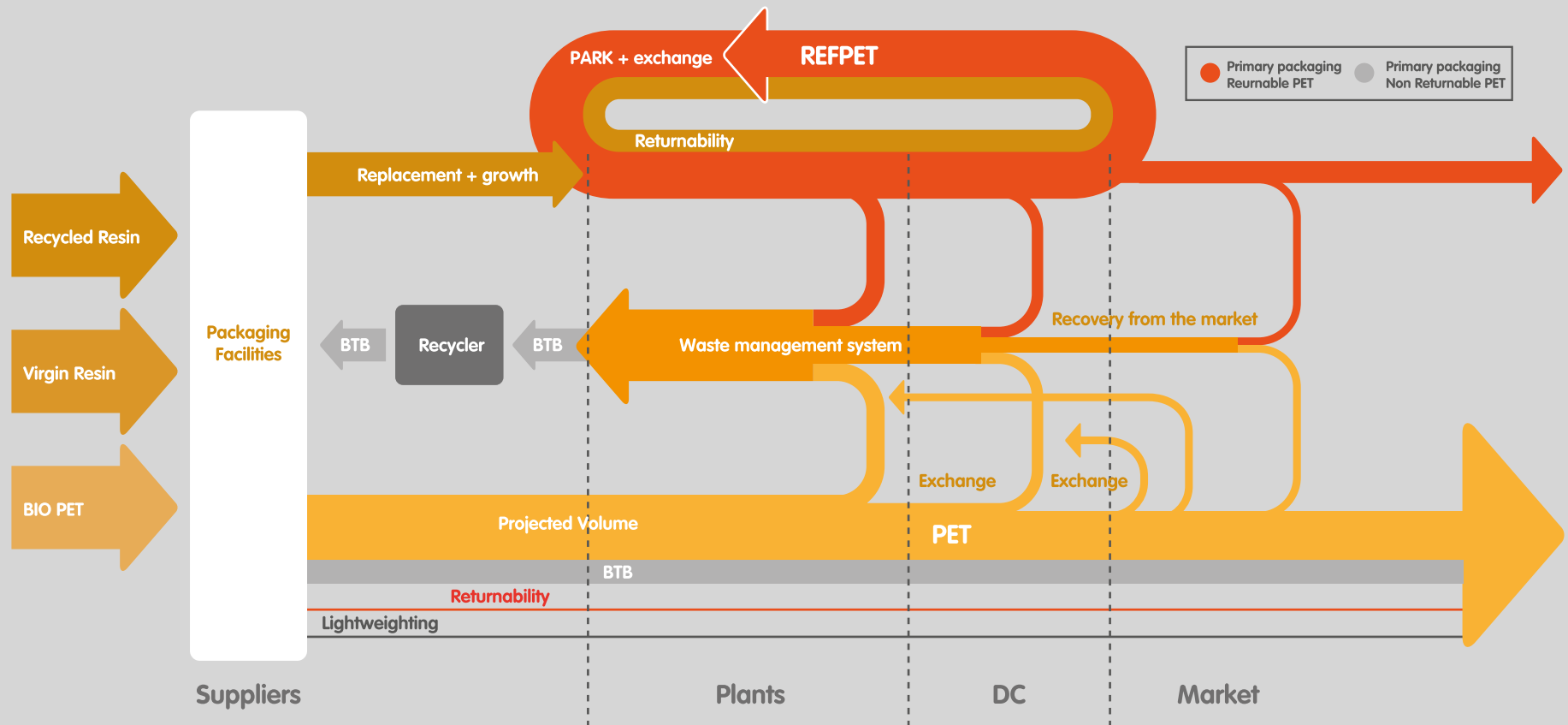
Solid waste generation (gr/l manufactured beverage) > 306-3





BOTTLE LIFE CYCLE

> 301-3



The four countries achieved a recovery of 7,728 tons of post consumption waste thanks to the initiatives developed.

> 306-2



“The great challenge is to understand that our business no longer ends at a supermarket gondola or when a consumer drinks our product, it ends when we take care of the waste generated, in the breadth of the business view from a sustainability stand point.”

José Luis Solórzano, General Manager Andina Chile.

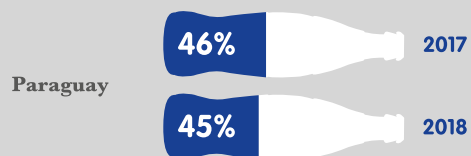
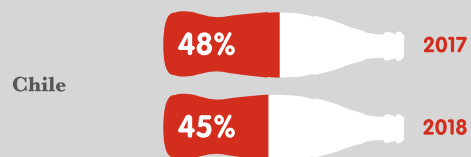
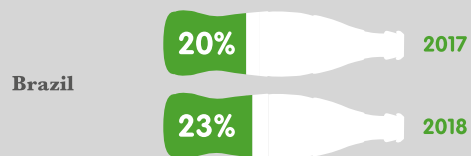
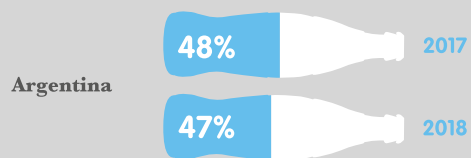
INITIATIVES

> 301-3

Returnable containers

In the Company we believe in returnability, therefore year by year we make efforts to maintain and introduce these packages to all our customers.

Percentage of sales in returnable packaging



A unique bottle

Since 2015 the Company seeks to be proactive to market trends, as well as regarding the legislation that applies to each operation. To be prepared in these contexts we proposed the possibility of having a unique returnable bottle, that allows us to continue encouraging the use of this type of container, as well as respond quickly with varied packaging options. The project is framed in a strong commitment that we have with the nutritional information that we include on our labels. The main goal of this challenging project is to reduce sugar and communicate it in an agile and clear way.

Returnable packaging is very environmentally friendly, its carbon footprint is lower than that of single-use containers and its useful life ends at our plant, thus achieving the recycling of almost 100% of returnable bottles used. In addition, it is a format where we provide the same excellence and quality of products in an affordable way.

The scope of the project contemplates all of Andina's operations and considers the useful life of bottles currently on the market, this means that it will take approximately two years to replace 100% of the bottles on the market. Also, we began adapting our facilities to incorporate equipment that can place and remove labels from the bottles that are returned.

The main benefits that the project provides are efficiency, savings and flexibility, three aspects directly aligned to our strategy.





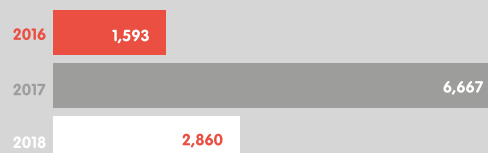
Bottle to Bottle

Bottle to bottle is a project that seeks to increase the percentage of recycled resin in our plastic containers. From the beginning, we work with the current legislation complying with the percentages allowed in each country and then we increase the recovery for its correct transformation into food grade recycled resin. As part of The Coca-Cola System we encourage our packaging to be recycled, either to reinsert in our own processes or in other industries.

2018 was the first year where the price of recycled resin declined, matching the price of virgin resin, that further encourages us to continue with the efforts we make to capture post-consumption. This year we reached 5% of recycled resin in our bottles.

As a background, we have had a valuable experience with returnable packing crates that are made with the scrap of crates that end their useful life and we have also obtained great results with glass bottles that have more than 70% of recycled glass.

Tons of recycled resin (t)



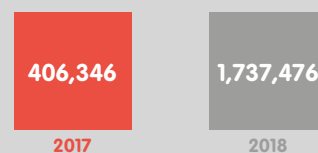
Design

Every year we have formats that still have the possibility of reducing their weight according to the line where they are being produced. During 2018, efforts to lighten the containers led to an annual resin-saving of 1,345 tons. This also meant a savings of US \$1,737,476.

PET Savings



With savings in USD



The savings of 2018 include Vital Aguas S.A. and Vital Jugos S.A., where 75% of the volume is commercialized by Coca-Cola Andina Chile.

Clean production Chile

Coca-Cola Andina Chile is part of the 15 companies in the sector that received the certification of the Clean Production Agreement (APL, for its acronym in Spanish). The main achievement of the agreement is to work collaboratively and proactively under the REP Law (extended liability of the producer), developing a national pilot plan of differential provision of household waste collection, backed by the Municipality of Providencia. During the year, neighbors contributed 27,000 kilos of waste, where 95.6% was allocated to waste valorization, thus reducing sanitary landfills by 22 cubic meters, equivalent to reducing 11 tons of CO₂. All the information released in the pilot was confirmed by the Ministry of the Environment, obtaining specific information that can aid in setting the goals of the law.

[Go to link](#)





Glass Recycling

Returnable glass bottles are reused in all operations. We have the commitment of the consumers to return the containers used for their subsequent processing, washing and entry into production. The bottles are selected and those that are discarded are sent to the Ecological Island of each plant to be reconditioned and shipped to recyclers.

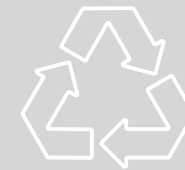
APET, aseptic line Chile

Coca-Cola Chile inaugurated a new world class filling line for Andina del Valle nectars, which through a 100% aseptic technology (APET) will increase the process speed by delivering an improved final product.

The USD 40 million investment performed through Coca-Cola del Valle, a company that is composed of Coca-Cola Chile, Coca-Cola Andina and Coca-Cola Embonor, will increase production capacity by 25%.

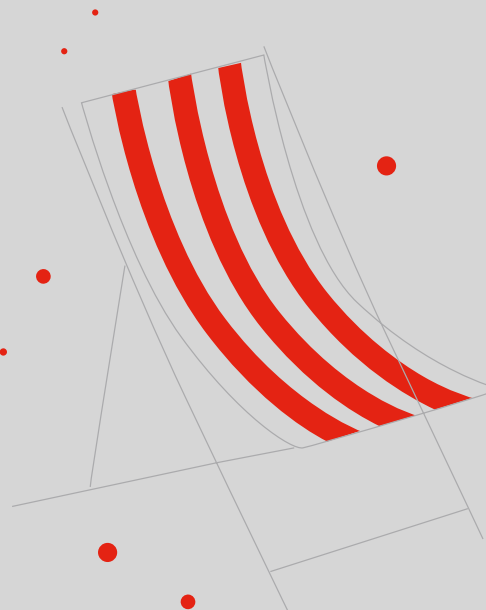
Andina del Valle's packaging will have a new presentation, with an innovative bottle that incorporates eco-design in its development. It is the second container to count with the environmental label "Low in Waste", endorsed by the Ministry of the Environment. The look of the new family-size bottles and its more ecological materiality are a direct consequence of the new aseptic line that does not require a hot-fill process, "this new technology allows to deliver the product in a packaging with less plastic, which will reduce the amount of plastic used during an entire year in more than 1,700 tons", explains Felipe Daniel, Technical Commercialization Manager of Coca-Cola Chile.

Another feature is that in environmental terms the facilities will have savings of 40% of drinking water and a 14% reduction of energy consumption because of the low consumption lighting system and highly efficient boilers. In terms of emissions, this technology will reduce more than 200 tons of CO2 per year.



Chile is the first Latin American country where Coca-Cola launches the new APET technology on a commercial scale: "We are a total beverage company, so our permanent goal is to offer products to meet all the needs and tastes of our consumers. The Nectar category needed innovation and we are doing it according to a trend that is already installed: products with superior flavor, a better package and with sustainable value," says Daniel Vercelli, General Manager of Coca-Cola Chile.

The change responds to a global trend of the company to innovate in the packaging so that, from a circular economy perspective, from the beginning containers are designed thinking that they will return to the value chain, thereby reducing waste.





Kyklos , Environmental education Chile

The “Environmental education Program, Coca-Cola Andina Kyklos”, arises with the aim of providing educational tools and raising awareness about environmental care, and particularly recycling. We want to generate and instill a recycling culture in each one of the schools, empowering children, parents, guardians, and employees, transforming them in “environmental leaders of their community”, contributing to improve their personal and academic development, in addition to the welfare of their community.

During 2018, we consolidated 2 years of alliance with Kyklos and the 4 municipalities of the communes where we operate in the Central zone: Renca, Maipú, Puente Alto and San Joaquín. Currently, 47 schools participate in the program, 32,000 environmental leaders were formed, and more than 36,000 kg of waste were recovered, almost 5000 kg of which were PET, thus enhancing from the school communities its reincorporation in the production cycle of material and thus avoiding its final destination to be landfills.

Also, thanks to the program, 11 of the 14 municipal schools of Renca and 2 of the 10 municipal gardens of Renca were certified under the National System of Environmental Certification for Establishments (SNAE, for its acronym in Spanish).

The project has helped to generate significant changes in the communities and neighborhoods where it is inserted, modifying the perception of the communes’ garbage, such as Renca, which is the first commune to have its entire network of municipal schools with clean points.

Attitude matters Chile

Attitude RE is a citizen campaign developed jointly with Coca-Cola de Chile, Coca-Cola Andina, Coca-Cola Embonor and TVN (Televisión Nacional de Chile) and aims to promote a responsible awareness committed to the environment, promoting three key concepts: Return, Recycle and Recreate. Encourage sustainable habits to take the necessary step from an economic model where everything is disposable, to a new one where the residues do not end up in landfills, but they are transformed into other products.

Through our strategy, “A World without Waste”, our goal is to recover 100% of the packaging we bring to the market. For that, we must work with different partners, share best practices, be very active in building better collection and recycling systems and motivate people.

As part of the campaign, together with Kyklos, we carried out the Colegio Actitud RE Contest, an initiative for the recovery of plastic bottles and returnable packaging lids (to promote returnability) in 100 schools in the Metropolitan Region: we recovered nine tons of plastic.

Coletivo Reciclagem Brazil

At Coca-Cola Andina we believe in the transforming potential of networking, of which the Packaging Industry Agreement is a clear example. Signed at the end of 2015, this alliance promotes the development of a waste action plan in the context of reverse logistics, in order to reduce by 22% the quantity of post consumption containers destined to landfills by the end of 2018.



Coca-Cola Andina Brasil, as founder and driver of the Entrepreneurial Commitment to Recycling (CEMPRE), is the leader of the creation called the Packaging Business Coalition, which was a determining factor in signing that agreement.

Post consumption recycling (tons) > 301-3, 306-2





Sponsorship of Cooperatives Argentina

During 2018 we continued to sponsor the “Los Carreros” Cooperative of Villa Urquiza. Today we have 12 Ecopoints in large areas (supermarkets, hypermarkets, educational institutions and building complexes) to enhance the collection of these elements.

The structures of the Dinosaurio Mall and Hipermercado Libertad de Rodríguez del Busto were expanded, from a 2 x 2 meters to a 2 x 8 meters dimension, since they were quickly completed by consumers who deposited their empty bottles and were overflowing in a few days.

We continue to generate relationships with different agencies and companies: two more points were installed at Banco de Alimentos and at the Volkswagen plant located in Córdoba, collecting from this last location 350 kilos of PET between May and December.

Since the beginning of the program 33,462 kilos of PET have been collected in the network of Ecopoints arranged for the members of the “Los Carreros” Cooperative, translating into a considerable increase of their income

from AR\$14,306 in 2016 to AR\$ 268,460 in 2018. Besides contributing work safety tools for 19 cooperative members we were able to increase their income which has a direct impact on their quality of life and that of their families.

Houses made of recycled material Argentina

In November 2018, Coca-Cola Andina Argentina and the social organization called Techo, built two houses made of recycled material in the Guiñazu neighborhood in the city of Córdoba. The evolutionary housing program involved the building of these houses with panels made up of 10 tons of recycled discarded material based on plastic and fiber from packaging material and bottles that can be recovered. These materials undergo a shredding, heating and pressing process, which is then melted and made into high strength plates.

Voluntaries from Embotelladora del Atlántico, Techo and families from the Guiñazu neighborhood took part in this activity, working during an entire weekend to build the two emergency housing projects in the neighborhood located in the northernmost area of the city of Córdoba.



The neighborhood houses approximately 300 families. These families have a very vulnerable situation and live in precarious conditions, one of the significant problems of that community.

In addition to the construction of houses, these kinds of actions find their strength in the bonds generated among the participants, who not only unite for building purposes, but share life experiences through the joint work.

Thanks to everybody's collaboration it was possible to work to improve the housing quality of two families, also generating a difference in the environment and the community where the work took place.

Energy management and climate protection

> 103-1; 103-2, 103-3; 302-3; 302-4



Goal 7: Ensure access to affordable, secure, sustainable and modern energy for all

Goal 11: Making cities and human settlements inclusive, safe, resilient and sustainable

WHY IS THIS PILLAR IMPORTANT TO OUR STAKEHOLDERS?

Efficient use of energy not only generates economic benefits for the organization, but also for the community. In general, since it makes available a resource that is scarce and is also public good. Therefore, all our stakeholders have conveyed their concern about it, of the responsible use of this resource and the active protection of Climate change.

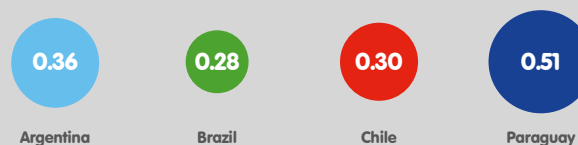
HOW DO WE MANAGE IT?

At Coca-Cola Andina we understand that it is key to identify and manage the environmental impacts of our operations throughout the entire value chain. Caring for resources trying to impact the environment as little as possible is part of our Company's DNA. We continually work to optimize our processes, through a more efficient use of our resources and the incorporation of new technologies that allow us to reduce the effects of greenhouse gas emissions (GHG) in our operations.

HOW DO WE MEASURE THE MANAGEMENT OF THIS PILLAR?

We have reports on environmental management indicators, reflecting fuel consumption production processes and at the facilities, as well as in the commercial and logistical activities that indirectly report emission values recorded. The energy use ratio and the carbon footprint emission are used to measure it.

Energy use ratio (Mj/produced liters)



Energy Source

Coca-Cola Andina's commitment to the environment is the rational use of natural resources. Therefore, most of the energy we use at our plants comes from renewable sources: electric energy from hydroelectric plants, boilers that use biomass (organic matter originated in a spontaneous or provoked biological process, which can be used as a source of energy), biogas as fuel, wind and solar energy. Likewise, as a company we believe that using renewable sources is not sufficient, it is also necessary to reduce the consumption of these clean energies, seeking to reduce the impact on the environment and to be more supportive in the distribution of energy resources demanding less energy in our productive activity.

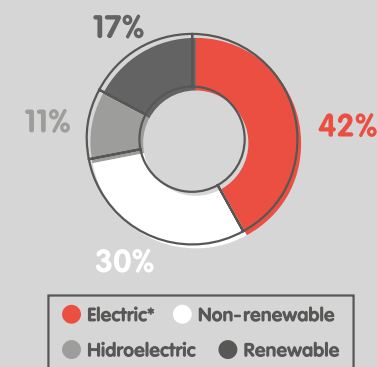
A proper energy management implies taking care of the line efficiencies in each of the plants making sure that consumptions are adequate and working together with our suppliers, demanding the use of low consumption equipment and transportation and with technological renewal to a certain degree. Good management reduces environmental impact, improves the energy matrix, generates reasonable consumption and lowers costs.

Being truly aware of environmental care implies a 360-degree approach. That is why we aim at growing industrial and commercial activities of the plants in harmony with the ecosystems of the zones of operation,

being innovators and proactive rather than reactive. Greater productive efficiencies imply lower energy consumption. To understand how we are and where we can improve, we count with a system of reports of environmental management indicators, reflecting the consumption of fuel in production processes and at the facilities themselves, as well as in the commercial and logistic activities that indirectly report the recorded emission values. We also have corporate procedures and requirements, which mark the policies and metrics for calculating Environmental Performance Indicators.

Our purpose is to create a culture of care about water, energy and sorting residues inside and outside the Company.

ENERGY USE > 301-1



* Electric power corresponds to the one purchased according to the availability of the electricity grid of the country.



INITIATIVES

> 302-4

Renewable energy
Chile
100% renewable energy at the operations of
Coca-Cola Andina Chile

The Company entered into a 4-year agreement with Engie and Pacific Hydro and since October 1, 2018 it has a completely new energy system Engie is a global services and energy group with three primary business areas: low-carbon energy generation, including natural gas and renewable energy, energy infrastructure and solutions for clients and counts with I-REC international certification.

On the other hand, Pacific Hydro develops, builds and operates renewable energy projects and sells power and products that reduce carbon emissions. In Chile since 2002, Pacific Hydro produces clean energy through run-of the-river hydroelectric power stations located in Region VI of the country. At these power stations, a portion of running water is diverted from a flowing river, using the force of the moving water to spin turbines and generate power, which is then returned to the river.

Representatives of both these companies along with Coca-Cola Andina Chile agreed to the terms of the contracts which ensure power supply for the operations of Embotelladora Andina, Envases Central, Vital Jugos and Vital Aguas located in Chile in the cities of Santiago and Antofagasta.

With this agreement, equivalent to 13 GWh/year, Engie and Pacific Hydro will help Andina Chile to reduce CO₂ emissions by 4500 tons annually, thus improving business sustainability and competitiveness.


Austerity, a value that we put into practice
Brazil

Following the practices implemented for energy saving we have implemented a natural and LED lighting system that has a return on investment of 11 months. We are sure that these projects clearly communicate to all our collaborators that we must take care of the energy and be aware that each one can contribute to this purpose.

We maintain our cogeneration power plant and CO₂ and N₂ generator, achieving stability in the provision of this resource. This power plant achieves the utilization of 70% of the thermal energy from the combustion of fuels used in the production processes. Another implementation carried out at the Duque de Caxias plant was VRF air conditioning systems (variable refrigerant volume) that makes the equipment consume between 30% and 40% less energy to cool the environments.


Training for renewable energy development
Argentina

In recent years, the world shows great growth in the development of clean and renewable energies powered by the use of increasingly efficient equipment.

At Coca-Cola Andina Argentina we did not remain oblivious to this advance and inaugurated solar photovoltaic panels to generate electricity and solar thermal sensors to produce hot water at the Montecristo plant. We also took another step towards training on a Photovoltaic Systems that allowed to understand the possibilities and the potential of the different sources of renewable energy. We were able to internalize on the benefits of each of the sources of clean energies and prioritized them. During 2018 we installed the panels and with the tools learned we will monitor the impact on energy saving and be able to technically compare the best alternatives, taking into account their economic viability.

Acknowledgments that encourage us to improve Paraguay

> 305-7

For the second consecutive year Coca-Cola Andina Paraguay received the “Ozone-friendly Company Contest” award given by the Ministry of Environment of Paraguay. This contest celebrates annually the validity of the Montreal Protocol, designed to protect the ozone layer, and with the aim of highlighting the commitment of companies that contribute to the fulfillment of the obligations stipulated in the document and that applied strategies and actions aimed at reducing and/or avoiding the emission of ozone depleting substances (ODS) into the atmosphere.

Precisely, the distinction received by our operation in Paraguay corresponds to the category “Promotion of alternative substances to ODS”.



We applied as an innovative industry for the use of R-744 Gas (CO₂) as refrigerant gas in the soft drink coolers used at the points of sale (visi-coolers). CO₂ is regarded as the best ecological alternative to other refrigerants, as it is environmentally friendly and safe for the future. In line with this commitment, we have carried forward other actions, such as the replacement of all refrigeration gases of the plant's air conditioning equipment using R-22 (HCFCs) for ecological gases such as R-404 A and R-134 a (both HFC), in addition to the actions performed with the visicoolers.

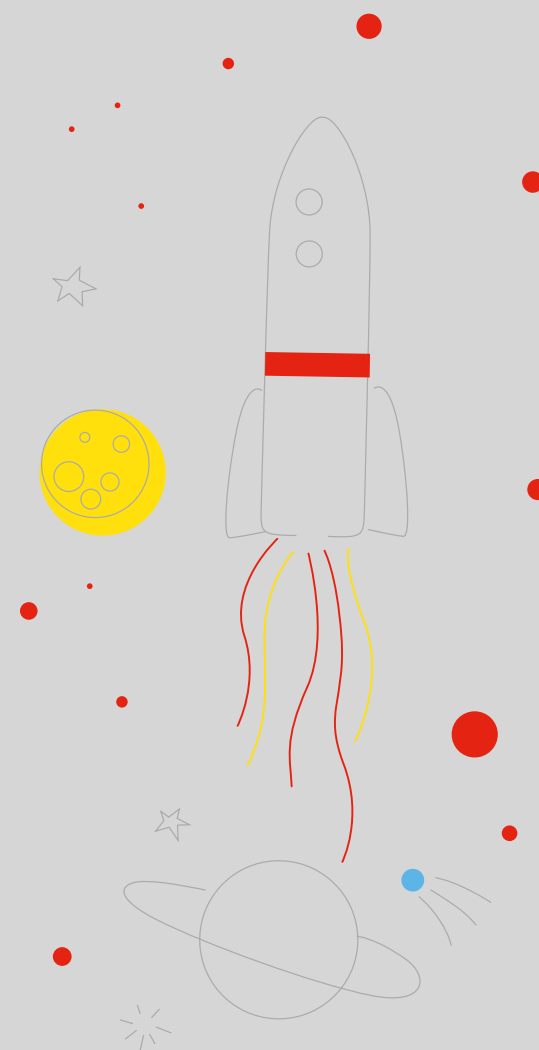
Gas emissions

With the purpose of contributing to avoid the greenhouse effect, at Coca-Cola Andina we carry out initiatives to reduce the carbon footprint, encourage energy savings and promote good practices, from the beginning of the production of the beverage until it reaches the family table.

Scope 1 measurement considers direct emissions from consumption of fuels in production processes and/or in equipment owned or controlled by the Company.

Scope 2 refers to indirect emissions resulting from the consumption of electrical energy in processes, commercial and logistic activities or by equipment owned or controlled by the Company.

Scope 3 emissions are defined as other indirect sources associated with residue treatment and the fuel used by our third-party distributors.



Total CO₂ emissions (EQ)

A1 74,176,769.49

A2 37,073,613.71

A3 64,646,934.38

175,897,317.57

Kg CO₂ (EQ)

47.92

Ratio

Cold equipment CO₂ emissions (EQ)

140,716,949.26

COLD EQUIPMENT

61%

39%

● Cold equipment with energy savings
● Cold equipment without energy savings

* Ratio= gr CO₂ EQ per liter produced



Commitment to the creation of sustainable value



Results 2018 fiscal year

> 102-7; 201-1

RELEVANT FINANCIAL ASPECTS

- Consolidated sales volume amounted to 750.6 million unit cases, representing a 0.8% decrease compared to the previous year.
- Accumulated consolidated operating income reached CLP 225,370 million, a reduction of 5.6% compared to the previous year.
- Accumulated consolidated adjusted EBITDA was CLP 324,964 million, a reduction of 3.8% compared to 2017.
- Income attributable to the Owners of the controller decreased 18.0% in the year, reaching CLP 96,603 million in December 2018.

VOLUME AND NET SALES

The decrease in sales volume is explained mainly by the decrease in volume of the franchise in Argentina, given especially in the second half of the year, after the strong devaluation of the Argentine peso, it translated into a strong consumption contraction.

This reduction was partially offset by the increase in volume in the franchises of Brazil, Chile and Paraguay.

Consolidated net sales reached CLP 1,672,916 million, a reduction of 9.5%, explained by the negative effect upon translation of figures from our operations in Argentina and Brazil.

OPERATING COSTS

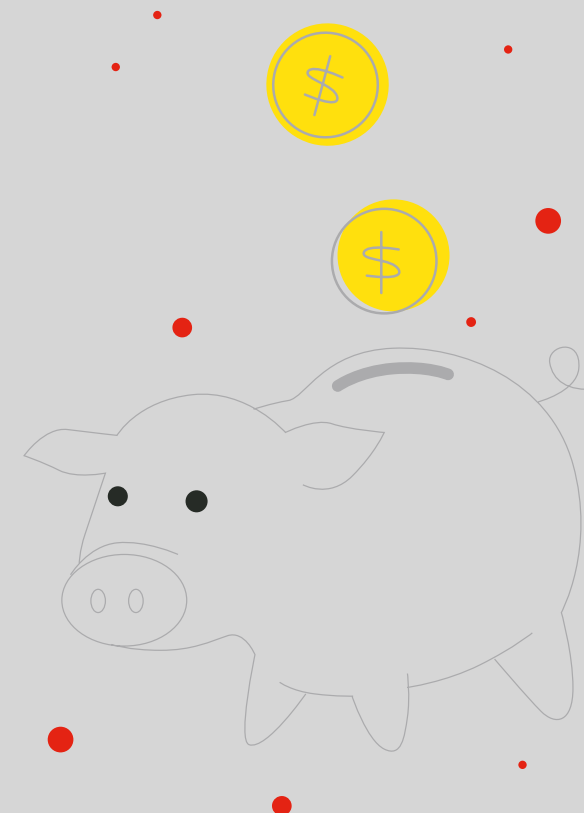
Consolidated sales cost decreased by 9.4%, which is mainly explained by **(i)** the effect upon translation of figures from our subsidiaries in Argentina and Brazil, **(ii)** the reduction in the use of sugar in Brazil and Chile, due to reformulations we have made, and **(iii)** the lower cost of sugar in Brazil and

Chile. The foregoing was partially offset by **(i)** the income increase in local currency in the four operations, which has a direct impact on the cost of concentrate, **(ii)** the effect of the devaluation of the Argentine peso and Brazilian real on our dollarized costs, and **(iii)** the higher cost of PET resin.

RESULTS FOR THE FISCAL YEAR

Consolidated adjusted EBITDA reached CLP 324,964 million, a reduction of 3.8%. Adjusted EBITDA margin was 19.4%, an expansion of 115 basis points.

Net Income attributable to the controllers was CLP 96,603 million, a decrease of 18.0% and net margin reached 5.8%.





FINANCIAL POSITION

> 102-7

Financial debt level reached USD 1,112 million, of which USD 369 million corresponds to a bond in the international market, USD 669 million to bonds in the Chilean local market, and USD 75 million to bank debt. The financial debt, including the CCS (“Cross Currency Swaps”) effect, is denominated 60.4% in UF, 37.5% in Brazilian reais, 1.3% in Chilean pesos, 0.5% in U.S. dollars, 0.2% in Argentine pesos and 0.1% in Paraguayan Guarani.

As of December 31, 2018, the Company’s Net Debt, including the aforementioned CCS effect, reached USD 773 million.

During the last year, the Company used external financing to cover temporary cash deficits and a portion of its investment plan.

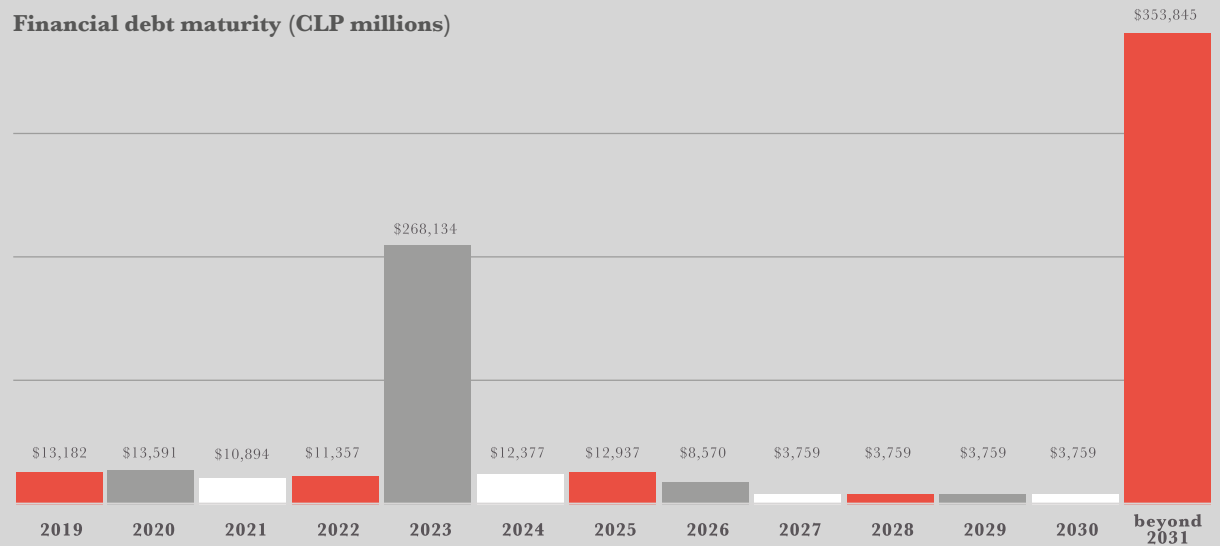
In addition to Cross Currency Swaps, Coca-Cola Andina periodically uses exchange-rate hedging insurance to support payment commitments in currencies other than that of its business, either by obligations arising from the acquisition of fixed assets or by purchases of raw material.

Repurchase of bonds in the international market and placement of bonds in the local market

On October 5, the Company successfully placed a bond for UF 5.7 million, at a rate of 2.83% for a period of 21 years. This involved a spread of 73 basis points over the corresponding BCU (Central Bank bonds adjustable in UF). Total demand for the bond reached 2.3 times the amount placed.

The use of the funds raised was to finance the partial repurchase of USD 210 million of the nominal value of the 10-year bond that Andina has on the international market for a total of USD 575 million, with maturity in 2023. This repurchase allowed to improve the maturity profile of the Company’s debt, as well as reduce financing costs.

Financial debt maturity (CLP millions)



Principal financial indicators

Indicator	Definition	Unit	Dec-17	Dec-18	Dec 2018 vs- Dec 2017
Liquidity					
Current liquidity	Current Asset/ Current Liability	Times	1.1	1.1	1.5%
Acid ratio	(Current Asset – Inventories)/ Current Liability	Times	0.8	0.8	-4.5%
Activity					
Investment		Ch\$ million	147,934	128,854	-12.9%
Inventory turnover	Cost of Sales/ Average Inventory	Times	7.7	6.8	-11.6%
Indebtedness					
Indebtedness ratio	Total Liabilities/ (Minority interest + Equity)	Times	1.6	1.6	-2.3%
Financial expense coverage	EBIT (Earnings before interests and taxes)* (Financial Expenses – Financial Income)	Times	4.9	4.0	-18.1%
Net debt/Adjusted EBITDA	Net Debt/Adjusted EBITDA*	Times	1.5	1.7	7.6%
Profitability					
Over equity	Net Income for the Fiscal Year*/ Average Equity	%	14.6%	11.8%	-2.8pp
Over total assets	Net Income for the Fiscal Year*/ Average Assets	%	5.5%	4.5%	-1.0pp

* Value corresponds to the sum of the last 12 moving months



Liquidity: Current liquidity showed a positive variation of 1.5% compared to December 2017 explained by the 2.0% decrease in current liabilities in this period, explained by the decrease in trade and other current accounts payable (mainly because of the effect of the devaluation of the Argentine currency on these liabilities)

The acid ratio decreased by 4.5% compared to December 2017. This is because of the increase in inventories (15.2%) because of higher inventories of raw materials in the operations of Paraguay and Argentina a greater stock of finished product inventories at the closing of the fiscal year in the Chilean operation.



Activity: Investments made during 2018 reached CLP 128,854 million, reflecting a 12.9% decrease compared to the same period of 2017. This is because the investment in the new Duque de Caxias plant accumulated for the full year 2017 was greater than the investment made for this same concept during 2018.

Inventory turnover is 6.8x, an 11.6% decrease versus the same period of 2017, because the cost of sales decreased by 9.4% versus the same period of 2017.

Indebtedness: Indebtedness ratio reached the value of 1.6x at the end of December 2018, which amounts to a decrease of 2.3% from the end of December 2017. This is mainly due to the 6.6% increase in equity compared to December 2017.

Financial Expenses Coverage indicator shows a decrease of 18.1% compared with December 2017, mainly because of a decrease in financial income (-64.8%), due to lower financial income from foreign subsidiaries and that the cost above par value of the partial repurchase of bonds in U.S. dollars is recorded as a financial expense. In addition to a lower EBIT (-5.0%).

Net Debt /Adjusted EBITDA reached 1.7x, representing a 7.6% increase versus December 2017. The previous is

mainly due to the 3.8% decrease in Adjusted EBITDA resulting from the adoption of IAS 29 in Argentina and the effect of translation of figures from foreign subsidiaries upon consolidation. In addition to the 3.5% increase in net debt versus December 2017.

Profitability: Profitability indicators show a decrease when compared to December 2017. Return on equity reached 11.8%, a decrease of 2.8 percentage points compared to December 2017. The previous result is mainly due to the 18.0% decrease in net income of the period, resulting from the negative effect upon consolidation of figures of the devaluation of the Argentine peso and the Brazilian real against the Chilean peso and because of the adoption of IAS 29 in Argentina. On the other hand, return on assets was 4.5%, lower by 1.0 percentage points than the indicator measured in December 2017, also explained by the aforementioned decrease in net income.





Results in the countries where we operate

> 102-7



Argentina: Sales volume reached 201.9 million unit cases, decreasing 4.5%, explained by a decreased volume in the main categories. The drop in volumes took place in the second half of the year

because of the significant devaluation of the Argentine peso which resulted in a strong consumption contraction.

Net Sales reached CLP 413,561 million, a 25.3% decrease mainly explained by the already mentioned negative effect upon translation of figures. In nominal local currency (without IAS 29), Net Sales increased 29.8%, which was mainly explained by the implementation of price increases.

Cost of Sales decreased 27.1%, which is mainly explained by the negative effect upon translation of figures. In nominal local currency (without IAS 29) it increased by 20.9%, which is mainly explained by (i) increased revenues in local currency, having a direct incidence over concentrate costs, (ii) increased labor costs and services provided by third-parties, mainly resulting from high local inflation, (iii) the effect of the devaluation of the Argentine peso over our dollarized costs, and (iv) the greater cost of PET resin.

SG&As decreased 19.5% in the reporting currency, mainly explained by the negative effect upon translation of figures. In nominal local currency they increased 37.7% which is mainly explained by expenses such as freight, labor and services provided by third parties, which have increased due to high local inflation.

The foregoing mentioned impacts, led to an Operating Income of CLP 39,767 million, a 35.7% decrease. Operating Margin was 9.6%. In nominal local currency (without IAS 29), Operating Income increased 47.1%.

Adjusted EBITDA amounted to CLP 60,242 million, a 24.2% decrease. Adjusted EBITDA Margin was 14.6%, an expansion of 22 basis points. On the other hand, Adjusted EBITDA Margin in nominal local currency (without IAS 29) grew by 39.8%.



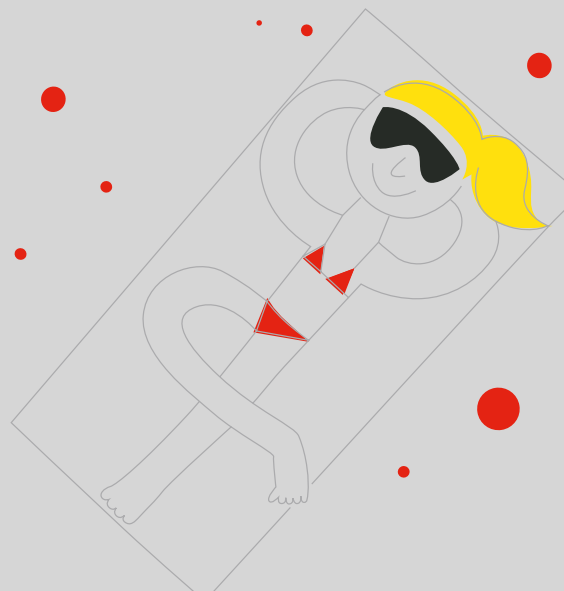
Brazil: Sales volume reached 249.2 million unit cases, increasing 0.1%, explained by higher volumes of the water and juice categories and partially offset by a decrease in the beer category. Net Sales reached CLP 540,510 million, a 10.5% decrease explained by the negative impact of the depreciation of local currency with respect to the reporting currency upon consolidation of figures. In local currency, Net Sales increased 2.9% regarding the same period of the previous year, mainly explained by increases in net average prices and greater revenue from commissions on the sale of Heineken.

Cost of Sales decreased 9.1%, which is mainly explained by the effect of translation of figures. In local currency it increased by 4.5%, which is mainly explained by (i) the negative effect over dollarized costs of the depreciation of the Brazilian real against the U.S. dollar, (ii) greater depreciation charges, explained by the new Duque de Caxias plant, and (iii) a greater cost of PET resin. These effects were partially offset by (i) the lower price of sugar, and (ii) lower use of sugar due to the reformulations we have carried out.

SG&As decreased 16.5% in the reporting currency, and in local currency they decreased 3.6%. This is mainly explained by lower advertising expenses and by other operating income recorded in this item and that in part were offset by greater freight transportation expenses.

The foregoing mentioned impacts, led to an Operating Income of CLP 79,482 million, a 5.2% decrease. Operating Margin was 14.7%. In local currency, Operating Income increased 8.1%.

Adjusted EBITDA reached CLP 106,313 million, a decrease of 4.8% regarding the previous year. Adjusted EBITDA Margin was 19.7%, an expansion of 117 basis points. In local currency Adjusted EBITDA increased by 8.9%.





Chile: Sales Volume reached 231.4 million unit cases, representing a 0.1% growth, explained by an increase in the water and juice categories, that was partially offset by a decrease in the soft drinks category. Net Sales reached CLP570,939 million, a 3.5% growth, explained by the increase in average prices and the incorporation of Diageo products to our sales, which carry a higher average price.

Cost of Sales increased 2.5%, which is mainly explained by (i) the shift in the mix towards products which have a higher unit cost, and (ii) the higher cost of PET resin. This was partially offset by the lower cost of sugar, and the lower use of sugar due to the shift in the mix towards sugar free products given the reformulations we have made.

SG&As increased 1.1% which is mainly explained by (i) greater labor expenses, and (ii) greater advertising expenses. These effects were partially offset by other operating income recorded in this item that were higher in 2018.

The foregoing mentioned impacts, led to an Operating Income of CLP 82,131 million, 12.7% higher when compared to the previous year. Operating Margin was 14.4%.

Adjusted EBITDA amounted to CLP 124,484 million, increasing 7.7%. Adjusted EBITDA Margin was 21.8%, an expansion of 86 basis points.



Paraguay: Sales volume reached 68.2 million unit cases, representing a 4.9% growth, explained by volume growths of all categories. Net Sales reached CLP 149,588 million, reflecting a 5.9% growth. In local currency Net

Sales increased 9.0%, which is explained by the already mentioned growth in Sales Volume and the implementation of price increases during the period.

Cost of Sales increased by 4.1% and in local currency it increased by 7.1%. This is mainly explained by (i) greater volumes sold, (ii) increased revenues which has a direct incidence on the cost of concentrate, and (iii) greater cost of PET resin.

SG&As increased 3.9% in the reporting currency. In local currency they increased 7.0%, explained mainly by (i) greater labor costs, and (ii) greater advertising expenses, which was partially offset by lower depreciation charges.

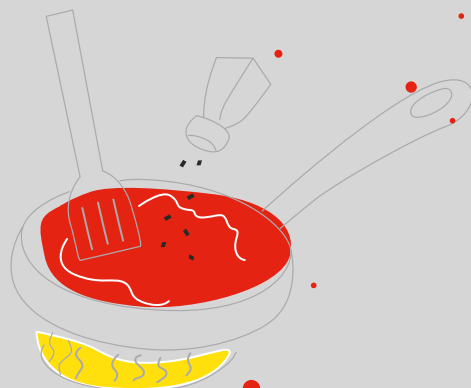
The aforementioned effects led to an Operating Income of CLP 29,087 million, 14.4% higher when compared to the previous year. Operating Margin was 19.4%. In local currency Operating Income increased 18.0%.

Adjusted EBITDA reached CLP 39,023 million, which is 7.3% higher compared to the previous year and Adjusted EBITDA Margin was 26.1%, an expansion of 34 basis points. In local currency Adjusted EBITDA increased 10.7%.

Capital Expenditures

> 203-1

		Addition to property, plant & equipment (in nominal million dollars)			
		2015	2016	2017	2018
Argentina	Embotelladora Atlántico S.A.	35	57.8	47.1	40.8
	Andina Empaques Argentina S.A.	1.9	3.7	1.9	1.8
Brazil	Rio de Janeiro Refrescos Ltda.	41.1	51.5	112.1	74.0
Chile	Embotelladora Andina S.A.	69.3	44.4	45	56.8
	Vital Jugos S.A.	3.2	7.3	1.1	0
	Vital Aguas S.A.	1.3	2.6	0.3	0
	Envases Central S.A.	1.8	1.0	4.4	1.6
Paraguay	Paraguay Refrescos	16.0	16.1	16.0	22.3
Total		169.6	184.4	227.9	197.3



Investment and Financing Policy

The By laws of Coca-Cola Andina 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

Coca-Cola Andina and its subsidiaries maintain insurance policies with top of the line companies. The principal 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: 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 significant support that the franchor provides to its bottlers, the Company's research and development expenses are complementary to the one performed by The Coca-Cola Company.

Coca-Cola Andina periodically uses exchange-rate hedging insurance to support payment commitments in currencies other than that of its business, either by obligations arising from the acquisition of fixed assets or by purchases of raw material.



Coca-Cola Andina is recognized as one of the 50 most innovative companies in Chile

The fifth edition of the Best Place to Innovate awards ceremony was held in October 2018, a joint initiative of GFK Adimark, the Center of Innovation, Entrepreneurship and Technology (CIET) of Chile's Universidad Adolfo Ibáñez (UAI), the UAI Business School and Best Place to Innovate, which annually recognizes the 50 most innovative companies in the country, among which Coca-Cola Andina was recognized.

“Innovation is part of the culture of Coca-Cola Andina. We are convinced that in a changing environment such as the one where we develop our business, it is fundamental to have a capacity to innovate and anticipate the challenges that we constantly face, always keeping our clients and consumers as the center and guide for this process,”

Miguel Ángel Peirano,
Chief Executive Officer Coca-Cola Andina

Shareholders and investors

> 102-34; 102-44; 103-2

NET SALES RELEVANT FINANCIAL ASPECTS

At Coca-Cola Andina we are concerned about giving our shareholders attractive and sustainable profitability to maintain their long-term confidence. In 2018, we fulfilled all our financial goals and significantly moved forward in other non-financial matters.

It is essential for us to provide information on the evolution of our business, our current and future view of the Company. It is a key function of the Investor Relations area to perform this duty under the principles of equality, transparency and fluency.

We emphasize our commitment to shareholders through the area of Shareholder and Investor Relations, for which Andina has been recognized as the Leading Company in Investor Relations in Chile, by The European magazine. Part of the program of this publication is to promote the best practices for the development of sustainable businesses in the world, so the recognition is framed within the category of excellence in environmental, social and corporate governance factors (ESG factors).

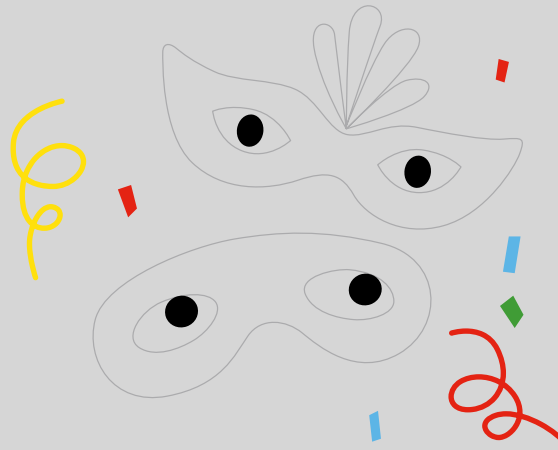
INSTITUTIONAL INVESTOR MAGAZINE RECOGNITION: LATIN AMERICA EXECUTIVE TEAM

During August the prestigious magazine Institutional Investor announced the winners of the 2018 “Latin America Executive Team” ranking, which distinguishes the best CEOs, CFOs, Investor Relations professionals and Investor Relations teams at the Latin American level. This ranking is made through a survey conducted among Institutional Investors and Market Analysts. In the case of Coca-Cola Andina, Paula Vicuña, in charge of the Company’s Investor Relations team, led the ranking in the category of Investor Relations Professionals in the mid-cap Food & Beverage sector for the second consecutive year. Additionally, Coca-Cola Andina’s Investor Relations team, which she leads, also won the first place in the same category again.

EQUAL TREATMENT

To achieve its goals, the Investor Relations area carries out the following activities:

- We had over 250 contacts with analysts and investors in 2018, with an average of 5 weekly contacts. The Company’s CEO or CFO participated in approximately 40% of the contacts.
- Company Visits. More than 50 analysts and investors are received annually, either in individual meetings or in small groups, making additional visits to the production plants, if required. In addition, the General Shareholders’ Meeting is held at our headquarters in Chile, where more than 50 shareholders are received to present the Company’s annual account.
- Quarterly conference calls where we analyze the Company’s results, where approximately 60 analysts and institutional investors from around the world are connected.
- Attendance to local and international conferences organized by the main investment banks, contacting mainly with institutional investors, portfolio managers and market analysts.



- Non deal roadshows are organized to visit current or potential investors in different financial centers of the world, as well as our main research analysts based in the United States. In 2018 we made two non-deal roadshows in Europe and one in the United States, where we visited representatives of more than 25 institutional funds and research analysts.
- During the past year, 14 personal interviews were conducted to investors to validate the material issues of Coca-Cola Andina. These meetings also raised the topics of Investor Relations practices, which was evaluated by all interviewees with a maximum grade in the delivery of information, transparency and equal treatment to investors.

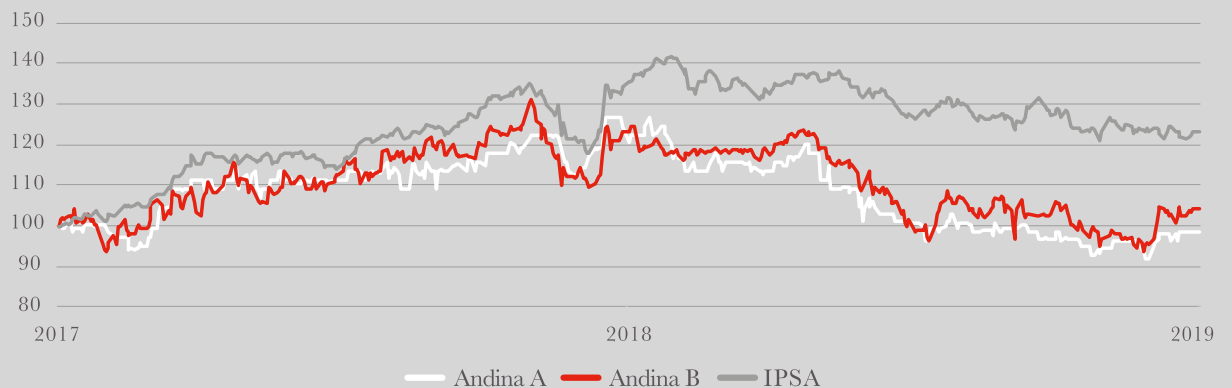
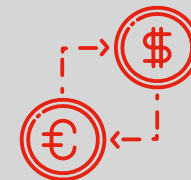
COMMUNICATION CHANNELS WITH SHAREHOLDERS:

- General Shareholders’ Meeting
- Special Shareholders’ Meetings
- Conference call
- Meetings
- Visits
- Integrated Annual Report
- 20F
- Investor Section Web Site
- IR Application of Coca-Cola Andina

STOCK MARKET TRADING INFORMATION

Chile: The Company’s shares are traded on the Chilean Stock Market since 1955. The Securities Registry N° is 00124. In 1997 Coca-Cola Andina performed a stock split dividing its shares into two series. The ticker symbol on the Chilean Stock Exchange for Andina’s shares is Andina-A and Andina-B.

This chart reflects the daily behavior for the two-year period ending December 31, 2018 of Andina’s series A and series B shares compared with the Chilean selective price index, IPSA (Base value = 100)





2018		Andina - A			Andina - B		
Chile:		Shares Traded (million)	Total Traded (M CLP)	Average Price (CLP)	Shares Traded (million)	Total Traded (M CLP)	Average Price (CLP)
Bolsa de Comercio de Santiago¹	1st Quarter	11.5	30,885	2,695	105.5	311,838	2,960
	2nd Quarter	7.9	20,393	2,572	52.8	149,922	2,837
	3rd Quarter	7.3	16,502	2,260	33.6	60,324	2,586
	4th Quarter	11.5	24,945	2,178	51.8	129,444	2,499
Bolsa Electrónica de Chile¹	1st Quarter	0.0	103	2,758	2.3	6,829	2,958
	2nd. Quarter	0.1	334	2,664	1.1	3,014	2,793
	3rd Quarter	0.0	113	2,273	1.5	3,878	2,587
	4th Quarter	0.0	95	2,183	2.7	6,691	2,480
Bolsa de Corredores de Valparaíso. Bolsa de Valores²	1st Quarter	Not Traded			Not Traded		
	2nd Quarter	Not Traded			Not Traded		
	3rd Quarter	Not Traded			Not Traded		
	4th Quarter	Not Traded			Not Traded		

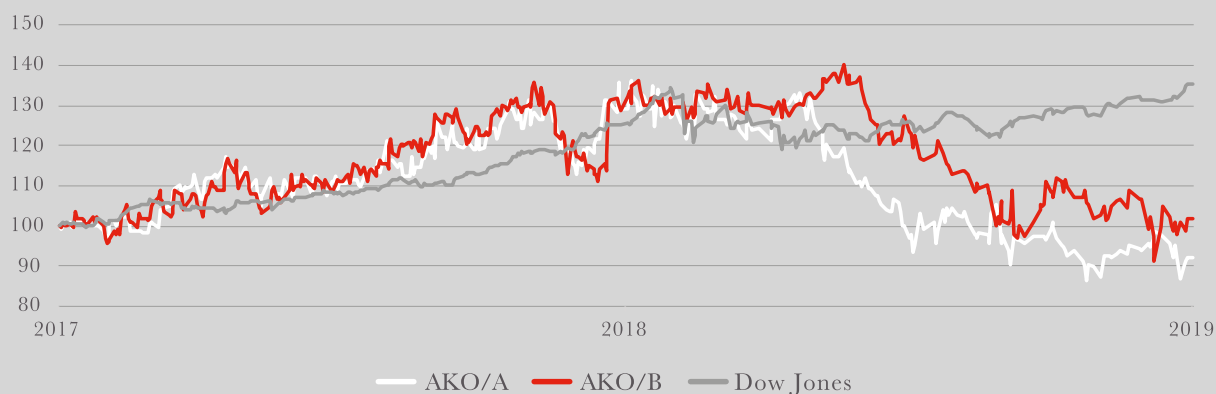
¹Source: Certificates from the respective Stock Exchanges.

² By exempt resolution No. 4,476, dated October 5, 2018, the CMF decided to revoke the authorization of existence to the Valparaíso Stock Exchange, for breach of the legal minimum requirements to operate, and under which, since October 8, 2018, no more stock exchange operations were carried out in the aforementioned stock market.



NEW YORK STOCK EXCHANGE (NYSE)

The Company's ADRs trade on the New York Stock Exchange since 1994. One ADR is equal to six shares of common stock. In 1997 Coca-Cola Andina carried out a stock split dividing shares into Series A and Series B shares. The ticker symbol on the New York Stock Exchange is AKO/A and AKO/B. The depositary bank for Andina's ADRs is The Bank of New York Mellon (www.bnymellon.com). This chart reflects the daily behavior for the two-year period ending December 31, 2018 of Andina's series A and series B ADRs compared with the Dow Jones Industrial index. (Base value = 100)





New York Stock Exchange

2018	AKO A			AKO B		
New York	ADRs traded (million)	Total Traded ¹ (M USD)	Average Price (USD)	ADRs traded (million)	Total Traded ¹ (M USD)	Average Price (USD)
1st Quarter	0.32	8.33	26.31	1.51	44.44	29.36
2nd Quarter	0.19	4.70	24.13	1.14	31.51	27.66
3rd Quarter	0.10	1.99	20.28	1.74	40.60	23.27
4th Quarter	0.17	3.20	19.24	1.80	39.32	21.81

¹ Total Traded calculated as the Average Price times Volume of Shares Traded (Source: Bloomberg).

DIVIDEND POLICY AND DIVIDENDS PAID

The dividend distribution policy has consisted of distributing a percentage of not less than 30% of the earnings of the period. No material changes are expected in this future policy. Historically, the Company has paid dividends through interim dividends and a final dividend, after its approval during the month of April by the General Shareholders' Meeting following the end of the year. Since the year 2000, the Company has paid additional dividends annually, as approved by the General Shareholders' Meeting.

During 2018, Distributable Earnings equaled Earnings for the fiscal year.

Series A and Series B are mainly differentiated by their political and economic rights.

While series A shares have the right to elect 12 of the 14 directors, Series B shares have the right to receive all and any dividends per share that are distributed by the Company, whether interim, final, mandatory minimums, additional or eventual, increased by 10%. The preferences of the Series A and Series B shares will last for the period expiring on December 31, 2130. Once this period has expired, the Series A and B will be eliminated, and the shares that form them automatically will be transformed into common stock without any preference.

Dividends		Series A ¹	Series B ¹	Total paid ²
January	Interim	21.50	23.65	21.369
May	Final	21.50	23.65	21.369
August	Additional	21.50	23.65	21.369
October	Interim	21.50	23.65	21.369
Total 2018		86.00	94.60	85.476
Total 2017		76.00	83.60	75.536
Total 2016		68.00	74.80	67.584
Total 2015		54.00	59.40	53.671
Total 2014		52.40	57.64	52.080
Total 2013		71.60	78.76	71.163

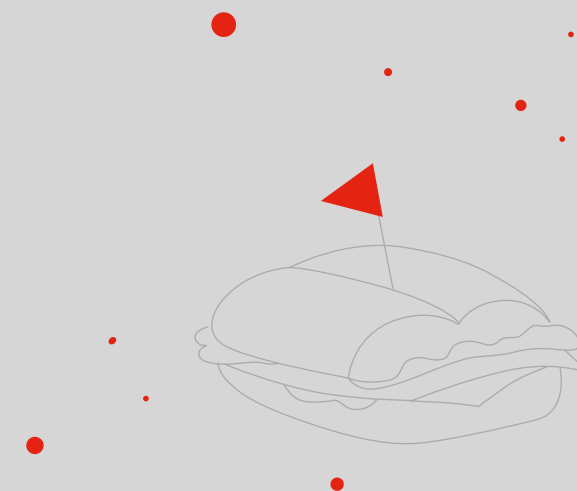
¹ CLP per share

² Nominal million CLP

SHAREHOLDERS' SUMMARY AND COMMENTS

Pursuant to General Rule N ° 30 of the Chilean Financial Market Commission (CMF) 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 General Shareholders' Meeting of 2018 include all observations made by every shareholder that expressed his/her opinion during said meeting.





Principal metrics

BEVERAGE BENEFIT PILLAR

> 102-43; 102-44; 418-1; 102-16

Percentage of client service through call center

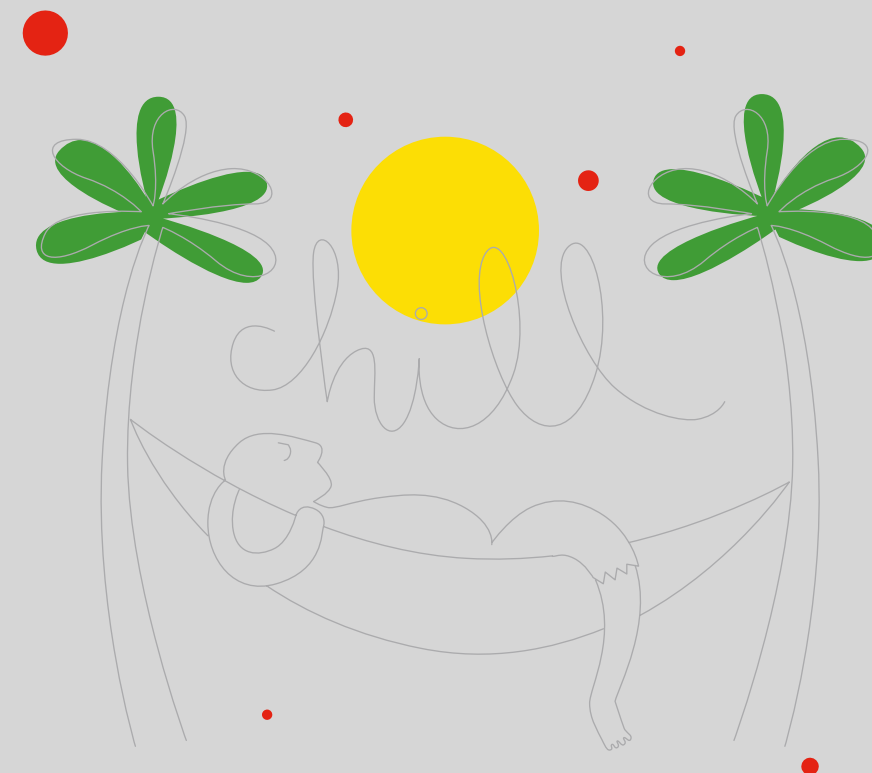
	2017	2018
Complaints	9.85%	55.79%
Orders (sales)	32.72%	5.42%
Requests (services, visits, etc.)	25.92%	20.03%
Inquiries	31.50%	18.76%
Total calls	987,149	1,780,915

COMMUNITY PILLAR

> 102-43; 102-44; 102-16

Percentage of local suppliers

	Argentina	Brazil	Chile	Paraguay
2015	97.1 %	99.8 %	95.6 %	87.0 %
2016	97.0 %	99.7 %	95.1 %	85.9 %
2017	97.0 %	99.7 %	95.4 %	87.8 %
2018	96.8 %	99.8 %	95.5 %	90.2 %



Percentage of expense in local suppliers

> 204-1

	Argentina	Brazil	Chile	Paraguay
2015	98.9 %	99.9 %	97.5 %	54.0 %
2016	97.0 %	99.8 %	97.5 %	40.0 %
2017	98.6 %	99.3 %	98.9 %	64.5 %
2018	95.87 %	98.45 %	97.00 %	60.4 %



WORK ENVIRONMENT PILLAR

> 102-8; 403-1; 403-2; 403-3; 403-4; 404-1; 404-2; 404-3; 405-2; 406-1; 410-1; 412-2

Coca-Cola Andina collaborators by gender and category

	Argentina		Brazil		Chile		Paraguay		Holding	
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
Managers and principal officers (N; N-1; N-2)	14	86	11	52	20	55	15	22	6	11
Professionals and technicians with people in charge (N-3)	46	413	59	230	12	60	31	149	2	3
Professionals and technicians without people in charge (N-3)	98	189	316	393	153	388	63	74	5	6
Other workers	69	1,891	614	6,220	229	1,834	58	1,083	4	2
Seasonal workers	45	325	0	0	22	582	0	105	0	0
Total	272	2,904	1,000	6,895	436	2,919	167	1,433	17	22

Collaborators by gender and age

> 102-8

	Argentina		Brazil		Chile		Paraguay		Holding	
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
Under 18	0	0	8	11	0	0	0	0	0	0
Between 18 and 29	45	498	373	1,821	130	729	72	694	2	3
Between 30 and 40	151	1,400	370	2,713	181	1,013	63	505	7	5
Between 41 and 50	64	781	135	1,387	87	670	23	151	4	5
Between 51 and 60	12	191	53	601	37	418	9	81	3	7
Between 61 and 70	0	34	4	63	2	84	0	3	1	2
Over 70	0	0	0	5	0	5	0	0	0	0
Total	272	2,904	943	6,601	436	2,919	167	1,434	17	22



> 102-8	Managers and principal officers (N; N-1; N-2)	Professionals and technicians with people in charge (N-3)	Professionals and technicians without people in charge (N-3)	Other workers	Seasonal workers	Total 2018
Argentina						
Embotelladora del Atlántico S.A.	95	439	263	1,836	365	2,998
Andina Empaques Argentina S.A.	5	20	25	124	4	178
Brazil						
Rio de Janeiro Refrescos Ltda.	63	289	709	6,834	-	7,895
Chile						
Embotelladora Andina S.A.	74	-	652	2,575	873	4,174
Vital Aguas S.A.	-	12	23	53	9	97
Vital Jugos S.A.	-	37	47	200	-	284
Envases Central S.A.	1	23	26	71	-	121
Paraguay						
Paraguay Refrescos S.A.	37	180	137	1,141	105	1,600
Holding	17	5	11	6	-	39
Total	292	1,005	1,893	12,840	1,356	17,386

* The number of collaborators is calculated as equivalent full time hours, which means that overtime is considered as additional collaborators.

Distribution by seniority at the Company

> 102-8

	Argentina	Brazil	Chile	Paraguay	Holding
Less than 3 years	661	3,682	1,543	698	8
Between 3 and 6 years	467	1,991	596	367	12
More than 6 and less than 9 years	447	771	389	153	7
Between 9 and 12 years	371	387	315	147	2
More than 12 years	1,230	713	511	235	10
Total	3,176	7,544	3,355	1,600	39





Collaborators by nationality

	Argentina	Brazil	Chile	Paraguay	Holding
Chilean	15	2	3,020	4	31
National	3,148	7,529	-	1,592	-
Foreigners	13	13	335	4	8

New hirings in 2018 ¹

> 401-1

	Argentina		Brazil		Chile		Paraguay		Holding	
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
30 years old or younger	10	61	102	609	19	36	15	37	-	2
Between 30 and 50 years	10	45	86	801	22	72	6	19	-	2
More than 50 years	-	1	2	74	1	6	-	-	-	-

¹ Correspond to permanent entries

Ratio between the minimum initial wage¹ and the legal local minimum wage

> 401-1; 405-2

Country	2015	2016	2017	2018
Argentina	2.97	2.81	3.61	3.71
Brazil	1.12	1.08	1.06	1.06
Chile	1	1	1	1.2
Paraguay	1	1.17	1.1649	1.18

¹ Base salary without additional

Note: Salary gap by gender is:
Executive position women/men: 70.8%
Other positions women/men: 112.7%





Representation by generation and gender

> 102-8

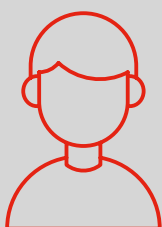
	2018		2017	
	Mujeres	Hombres	Mujeres	Hombres
Millenials (20 - 35 years)	1,192	8,186	1,002	7,351
Gen X (between 36 and 51)	454	4,504	577	5,833
Boomers (between 52 and 71 years)	68	893	64	1,221
Unknown	138	325	-	-

Turnover rate by age group

Country	Less than 30 years	Bewteen 30 and 50 years	More than 50 years	Total 2018
Argentina	0.74	0.34	0.52	0.40
Brazil	2.43	2.20	2.42	2.29
Chile	1.75	1.11	0.86	1.23
Paraguay	0.52	0.45	0.10	0.43
Total	1.95	1.39	1.48	1.53

Turnover rate by gender

Country	Women	Men	Total
Argentina	0.73	0.38	0.40
Brazil	1.78	2.34	2.29
Chile	1.28	1.22	1.23
Paraguay	0.58	0.41	0.43
Total	1.36	1.55	1.53





Training

	2017	2018
Total training hours imparted	230,235	329,391
Total training hours imparted to women	35,466	34,828
Average training hours per employee	14	19
Total investment in training (US\$)	-	632,140
Investment per employee (US\$/TH)	-	119
% of women participants	15 %	11 %
% of men participants	85 %	89 %
Average hours women training	20.84	18.41
Average hours men training	13.51	19.01
Issues		
% development of work skills	48%	44 %
% development of competences and employability	28%	25 %
% work safety	17%	23 %
% sustainability and environment	4%	3 %
% ethics and business code	3%	5 %



Average training hours by category

	Argentina		Brazil		Chile		Paraguay		Holding	
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
Managers and principal officers	95.71	100.88	36.65	24.84	0	32.05	49.13	50.77	33.5	14.82
Professionals and technicians with people in charge	22.09	25.83	33.35	35.67	38.67	19.60	39.4	30.48	2	52.00
Professionals and technicians without people in charge	55.85	54.16	14.61	16.98	6.2	191.48	13.02	12.92	28.4	37.33
Other workers	11.16	18.68	16.49	15.48	10.36	5.30	25.31	14.95	2.75	2.00
Seasonal workers	15.73	16.88	-	-	0.82	0.08	-	12.50	-	-
Total	34.22	24.25	17.11	16.31	8.72	20.52	25.43	16.83	21.06	24.86

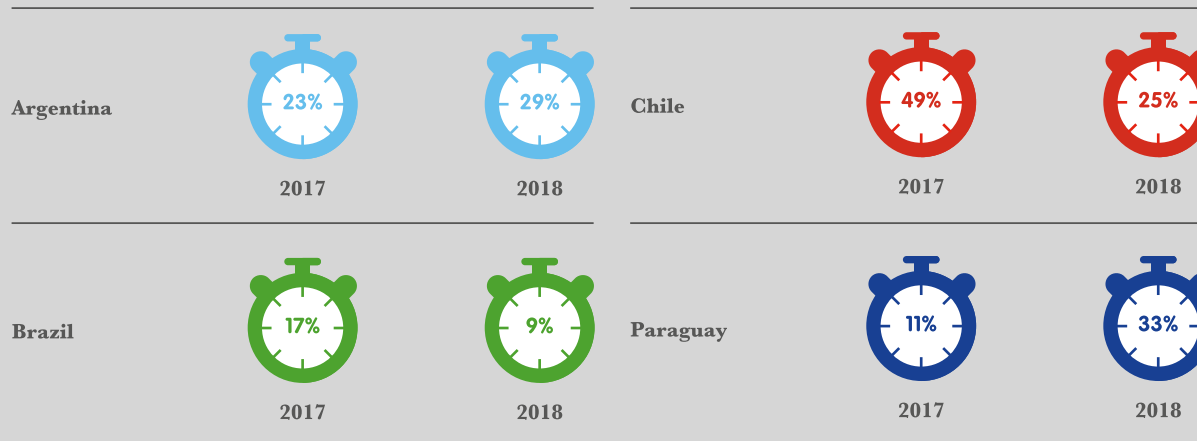


Health and Safety

Absenteeism rate

	Argentina	Brazil	Chile	Paraguay
2017	2.85 %	1.50 %	4.00 %	1.30 %
2018	2.46 %	1.35 %	4.03 %	1.76 %

Percentage of accident hours that include third parties



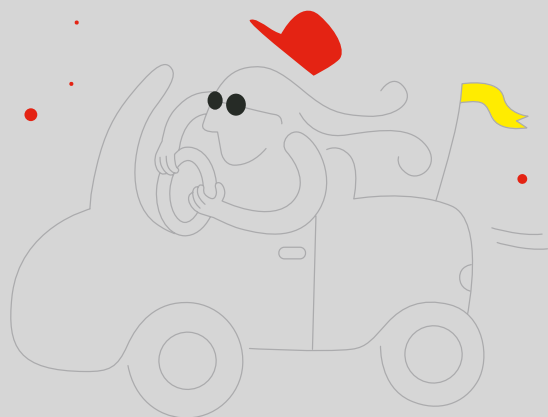
Percentage of Collaborators with Performance Evaluation

	Argentina	Brazil	Chile	Paraguay
2017	65.72 %	100.00 %	96.00 %	61.00 %
2018	88.53 %	100.00 %	100.00 %	90.91 %

Maternity/paternity leave

> 401-3

	Number of collaborators who took leave		Number of collaborators who continue to work after taking leave	
	Maternity	Paternity	Maternity	Paternity
Argentina	22	118	22	118
Brazil	38	192	30	173
Chile	30	90	28	No data
Paraguay	10	56	10	54
Total	100	456	90	345





WATER STEWARDSHIP PILLAR

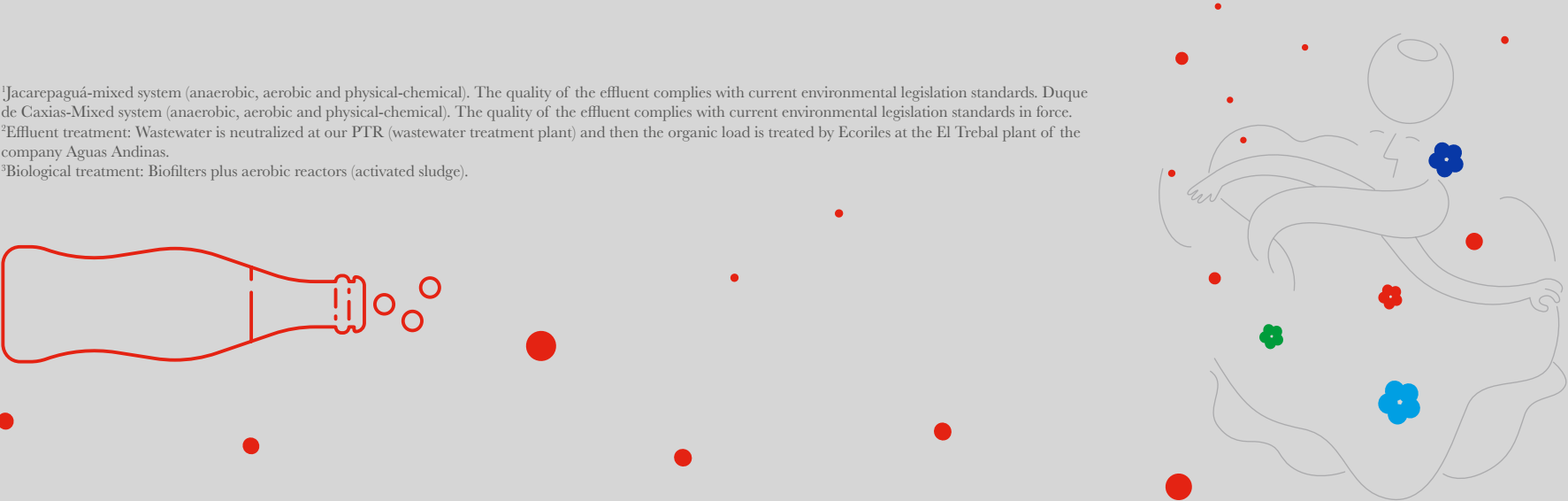
> 301-1; 303-1; 303-2; 306-1; 306-2; 306-3; 306-4; 306-5

Water consumption (liters)								
Country	2011	2012	2013	2014	2015	2016	2017	2018
Argentina	1,694,360,700	1,873,029,865	2,061,169,755	2,661,571,787	2,692,832,790	2,752,280,913	2,831,417,952	2,661,128,940
Brazil	1,909,754,000	1,815,232,000	1,884,794,000	1,906,945,242	2,422,473,000	2,197,955,000	2,028,497,948	1,934,800,372
Chile	1,391,200,000	2,823,436,707	2,887,571,404	2,570,378,697	2,454,498,180	2,360,736,000	2,162,181,234	2,075,850,893
Paraguay	746,510,300	819,494,770	765,562,370	768,418,161	772,119,270	746,510,300	707,881,540	707,097,850
Total wastewater discharge (liters) treated in own effluent plants								
Argentina	630,895,000	695,480,000	754,808,465	973,027,890	949,811,532	1,093,905,242	1,581,458,551	1,464,346,682
Brazil ¹	530,650,000	368,085,000	415,232,000	582,413,226	678,639,000	542,863,080	655,179,140	655,502,840
Chile ²	415,239,000	421,979,000	680,307,658	1,122,048,901	531,720,000	-	195,132,000	197,409,000
Paraguay ³	373,478,000	421,979,000	320,489,110	290,687,081	409,630,540	389,538,000	343,297,620	329,769,680
Total wastewater discharge (liters) treated in external effluent plants								
Argentina	-	-	-	-	407,062,085	67,070,000	60,830,000	53,666,023
Brazil	-	-	-	-	-	199,486,000	-	-
Chile	-	-	-	-	-	1,313,359,632	1,089,283,441	967,606,000
Paraguay	-	-	-	-	-	-	-	-

¹Jacarepaguá-mixed system (anaerobic, aerobic and physical-chemical). The quality of the effluent complies with current environmental legislation standards. Duque de Caxias-Mixed system (anaerobic, aerobic and physical-chemical). The quality of the effluent complies with current environmental legislation standards in force.

²Effluent treatment: Wastewater is neutralized at our PTR (wastewater treatment plant) and then the organic load is treated by Ecoriles at the El Trebal plant of the company Aguas Andinas.

³Biological treatment: Biofilters plus aerobic reactors (activated sludge).





PACKAGING AND WASTE MANAGEMENT

> 301-1; 301-2; 301-3; 306-4; 306-2

Generation of solid waste (gram/liter of produced beverages)					
País	2014	2015	2016	2017	2018
Argentina	13.74	12.96	13.98	15.74	14.25
Brazil	11.76	10.86	6.49	6.30	6.82
Chile	15.42	14.75	19.09	18.77	17.51
Paraguay	23.30	25.99	25.26	22.37	19.62
Solid waste recycling					
Argentina	91.0%	92.2%	89.7%	89.59%	90.76%
Brazil	91.0%	90.1%	88.7%	88.18%	83.07%
Chile	82.9%	83.3%	80.2%	80.56%	83.48%
Paraguay	80.0%	75.3%	71.9%	73.10%	74.30%

Raw materials used (tons)

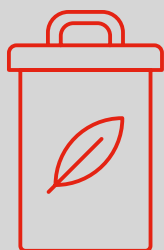
> 301-1

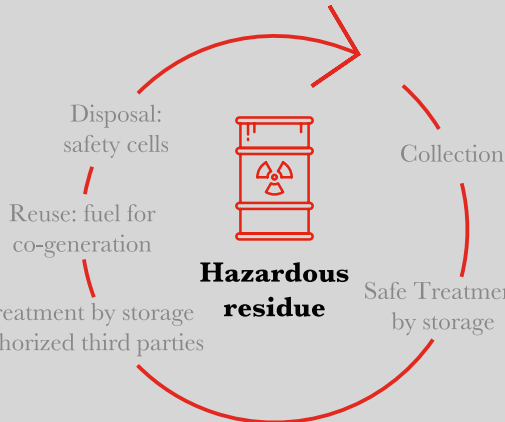
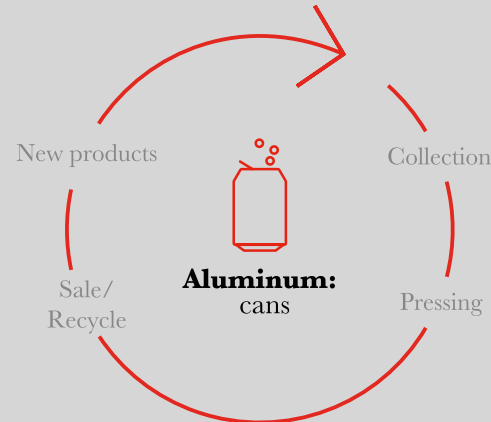
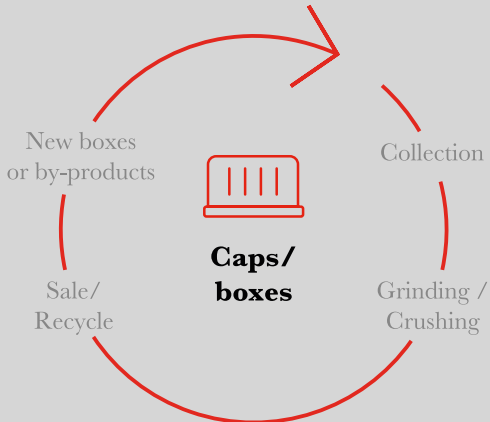
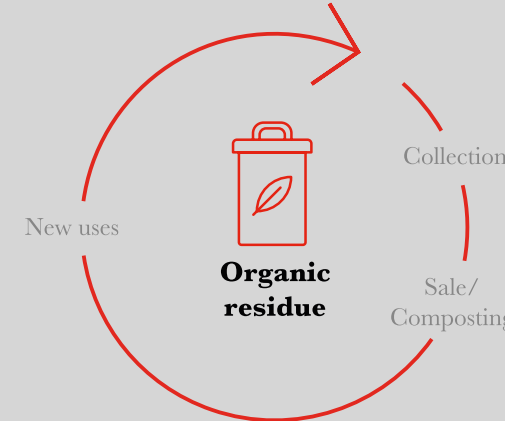
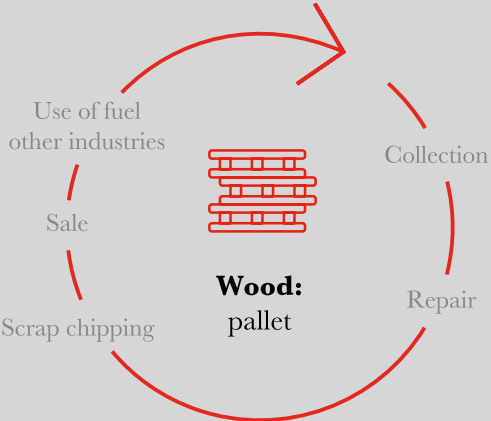
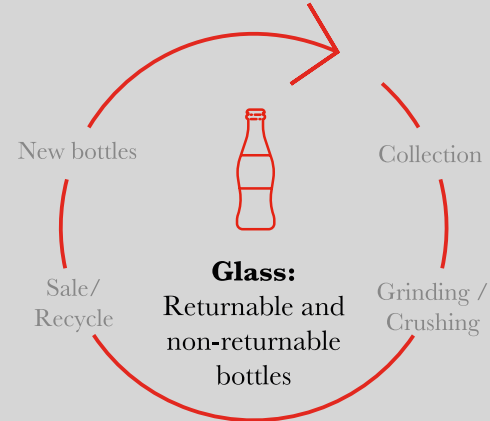
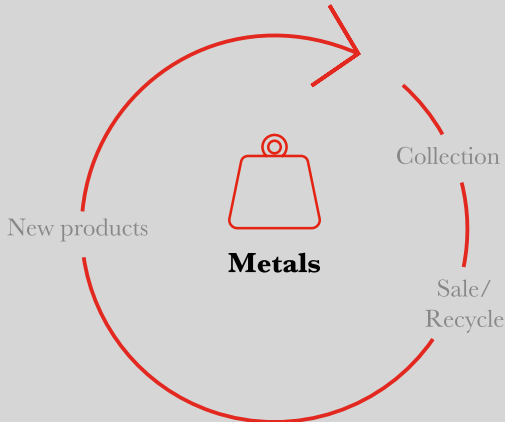
	Argentina		Brazil		Chile		Paraguay	
	2017	2018	2017	2018	2017	2018	2017	2018
Virgin PET Plastic	17,604	17,026	14,077	15,670	13,540	11,158	5,592	6,196
Recycled PET Plastic	1,240	1,023	5,426	1,837	-	-	-	-
Virgin Glass	3,492	8,823	1,420	283	8,167	4,163	-	102,233
Recycled Glass	2,875	3,911	-	-	-	1,784	1,629	2,086
Aluminio	-	-	-	6,946	-	-	-	-
Tetrabrik	-	487	-	901	-	-	-	976
Virgin Plastic Caps	2,009	1,309	2,200	1,995	1,529	1,755	810	717
Recycled Plastic Caps	-	28	-	-	-	-	-	-
Virgin Plastic Cases	353	599	569	356	313	-	19,606	304
Recycled Plastic Cases	824	986	-	-	-	-	6,535	101
Plastic stretch film + Thermo-contractible	1,907	2,313	2,696	2,777	399	285	906	152
Wood Pallets	3,288	115,573	2,958	1,840	-	-	23,709	24,884
Sugar	94,596	88,716	111,571	107,139	73,619	60,503	33,156	29,595
Fructose	9,484	289	-	-	-	-	-	4,056
CO ₂ (raw material)	8,685	7,394	9,812	9,514	7,808	7,399	2,814	2,868
Chapadur (pressed cardboard separator)	3,939	1,215,328	-	-	-	-	-	411




Solid waste generation (tons)

	Argentina		Brazil		Chile		Paraguay	
	2017	2018	2017	2018	2017	2018	2017	2018
Paper/cardboard	897	1,049	880	951	747	544	454	546
Glass	4,555	3,406	423	545	5,954	6,460	3,149	2,742
Caps	278	264	213	229	395	410	29	47
Metal (all except aluminum)	140	278	448	379	55	62	259	452
Hazardous waste	1,039	795	46	46	216	218	12	3
Aluminum	8	18	72	57	10	6	-	-
PET	2,828	2,774	1,114	1,288	1,837	1,374	327	294
Plastic (all except PET and PP from caps)	1,515	1,493	631	666	816	707	400	444
Wood	950	2,263	2,889	2,716	3,096	3,189	893	950
Organic	-	-	-	7	364	255	-	-
Other recyclable	4,287	3,151	154	253	-	-	-	13
Other non-recyclable	2,247	2,539	920	1,455	2,988	2,357	2,181	1,905





ENERGY MANAGEMENT PILLAR

> 302-1; 302-2; 302-3; 302-4; 302-5

To the extent that the supply of sensitive products, new categories and greater mix of returnable packaging is extended, processes require a higher energy consumption. The constant challenge is to reduce consumption ratios, even increasing the supply of new categories of beverages and packaging. Sensitive products, such as hot-pack juices, consume more energy than any other product; this also affects the reported ratios. On average, in the last five years the energy consumption ratio of Coca-Cola Andina remained constant, increasing its production, but not its use of energy.



Energy use ratio (MJ/liters produced)

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018
Argentina	0.30	0.28	0.33	0.30	0.34	0.33	0.34	0.35	0.36
Brazil	0.41	0.36	0.34	0.30	0.33	0.38	0.23	0.28	0.28
Chile	0.31	0.24	0.31	0.29	0.28	0.28	0.29	0.26	0.30
Paraguay	0.56	0.56	0.54	0.55	0.59	0.60	0.54	0.53	0.51

Organization total energy consumption (MJ)

Country	2013	2014	2015	2016	2017	2018
Argentina	381,459,583.5	445,780,496.4	436,258,050.8	415,967,650.4	417,306,969.0	409,235,774.0
Brazil	322,477,904.4	357,552,233.0	532,914,687.5	300,542,077.8	344,041,575.0	351,777,338.5
Chile	280,560,991.8	266,557,790.8	263,317,812.5	270,778,919.0	231,575,869.4	271,475,113.0
Paraguay	194,232,996.1	211,853,605.1	210,805,200.2	192,695,335.0	193,164,292.5	192,404,299.0
Total	1,178,731,475.8	1,281,744,125.3	1,443,295,751.0	1,179,985,998.2	1,186,090,722.9	1,224,894,542.5

Fuel consumption of renewable sources (MJ)

	2015	2016	2017	2018
Biomass	153,580,443	65,478,287	64,704,645	64,156,777
Hydroelectric	128,975,580	109,958,400	111,280,320	149,584,111
Solar	1,059	600	605	202
Biogas	12,636,824	1,365,725	11,399,241	17,114,813
Total Andina	295,193,907	176,803,012	187,384,811	230,855,903

Types of emissions

> 305-1, 305-2, 305-3; 305-4; 305-6

Scope 1 measurement considers direct emissions from consumption of fuels in production processes and/or in equipment owned or controlled by the Company. In the case of fleet vehicles, only those owned by Andina are considered.

Scope 2 refers to indirect emissions resulting from the consumption of electrical energy in processes, commercial and logistic activities or by equipment owned or controlled by the Company. To progress in this aspect we implement best practices in our facilities and share experiences with other bottlers in the search to optimize the energy use ratio, as well as the mix selected for the supply.



Scope 3 emissions are defined as other indirect sources associated with electricity used by our refrigerators and vending machines at our clients' facilities and the fuel used by our third-party distributors.

In 2018 we include-within the Scope 3-emissions associated with recycled and non-recycled waste. Total Scope 3 emissions are mostly related to the quality of energy available in each country, since the cold equipment installed at our customers consume home electric power.

The following tables show the footprint of Scope 1, 2 and 3 by country, considering that each one has its peculiarities in logistic services as well as in energy infrastructure.

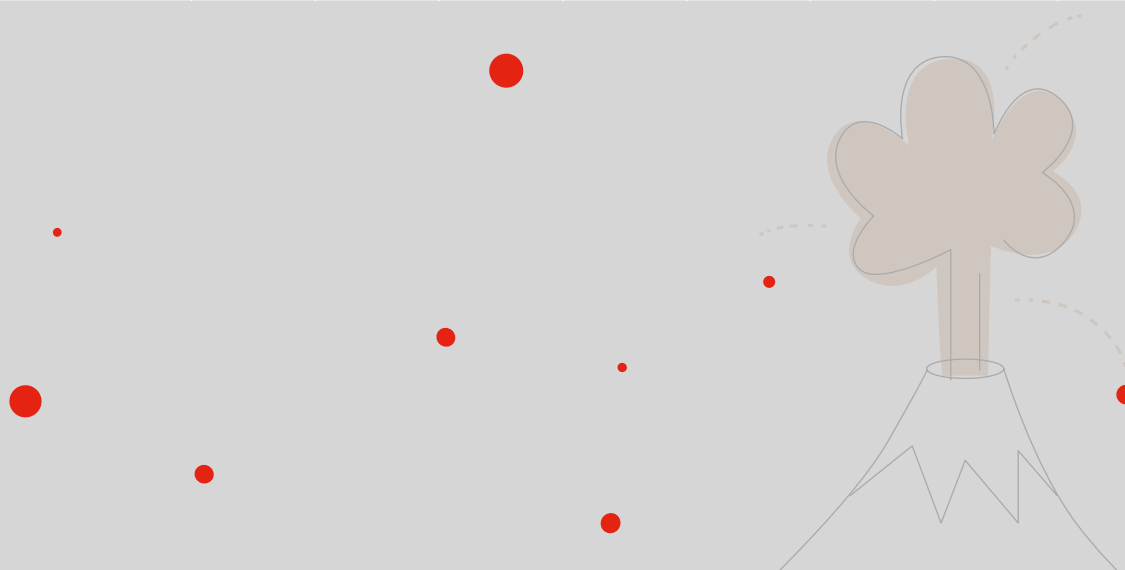
Total emissions CO² (EQ)

	2017	2018
A1	53,155,332	74,176,769
A2	61,189,906	37,073,614
A3	107,159,092	205,363,884
Kg CO ₂ (EQ)	221,504,331	316,614,267
Ratio*	60.52	47.92

* 2018 ratio does not include cold equipment

Truck fleet and km.travelled

	Argentina		Brazil		Chile		Paraguay	
	2017	2018	2017	2018	2017	2018	2017	2018
Number of trucks	829	813	947	931	637	658	314	332
Own	-	-	862	828	166	171	-	-
Third party	829	813	85	103	471	487	314	332
Kilometers travelled	40,504,200	40,712,681	14,400,858	11,292,408	20,104,219	19,079,002	12,857,548	11,508,116
Own	-	-	12,983,048	10,158,076	782,200	2,705,888	-	-
Third party	40,504,200	40,712,681	1,417,810	1,134,332	19,322,019	16,373,114	12,857,548	11,508,116





UPCOMING CHALLENGES

One of the efforts of this period was to continue with the GRI-Global Reporting Initiative guidelines in an Exhaustive manner and to advance towards an Integrated Annual Report. To this end, we updated our materiality, particularly with two stakeholders, directors and senior management and investors, which allowed us to review expectations.

We continue to enrich our annual report, so as to respond to the Sustainability Guide of Issuers of the Santiago Stock Exchange, as well as the requirements of the Dow Jones Sustainability Index, maintaining the practice of third-party verification.

To continue growing in a sustainable way, we propose challenging goals:

Financial Market

- Continue with a collaborative dialogue with regulatory entities on the basis of respect for new legislation.
- Advance in developing policies and procedures that will allow us to improve the information facilitation on the evolution of our business, our current and future look of the Company. For this we have an Investor Relations area, which performs this work under the principles of equality, transparency and fluency.

Consumers

- Continue to expand the product portfolio, incorporating new categories, strengthening the segments of nutritious and low-calorie beverages and those products that can meet the requirements of our consumers in these new trends.
- Always guarantee the supply of high quality products and services in the market, making constant investments that allow us to maintain and improve our standards.

Energy and climate

- Continue measuring our carbon footprint in order to implement projects that positively impact those most critical processes, such as the distribution and refrigeration of our products.
- Develop actions and processes that allow us to implement clean energies for our operations.

Sustainable Packaging

- Increase the use of recycled resin (Bottle to Bottle) in our PET bottles, extending the scope to all operations.
- Develop agreements with our industrial scrap recyclers to improve the competitiveness of recycled resin.

Water

- Optimize and redesign the use of water according to its quality.
- Increase the technology in our treatment plants to integrally process the effluents, returning the water used in our operations with a quality that allows for animal life.

Community

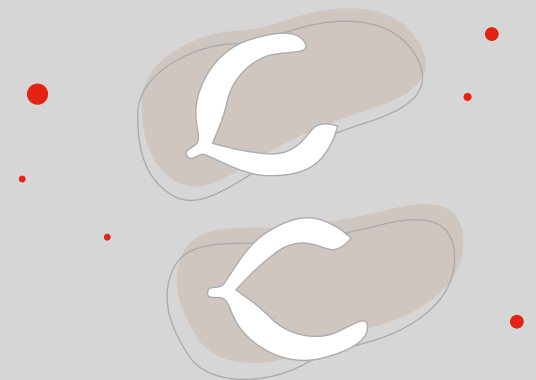
- Continue to improve, applying the best practices we have in the different operations.
- Locally each operation will continue to work with third parties and suppliers, to achieve mutual benefit and relationships that contemplate economic, social and environmental aspects.

Work Environment

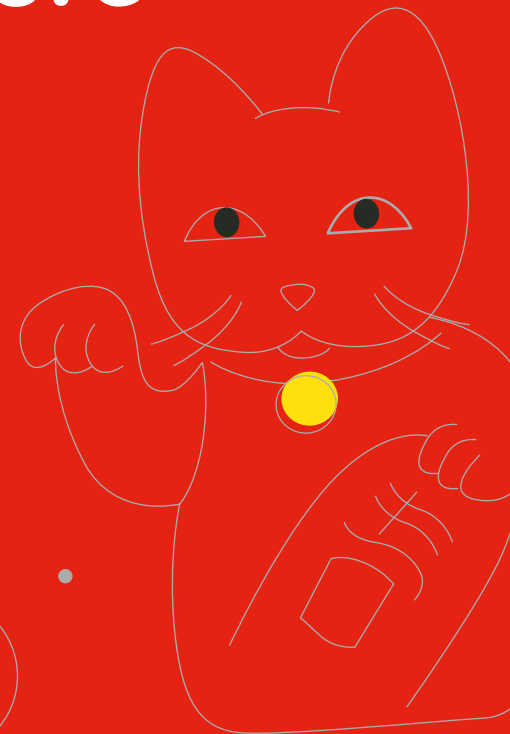
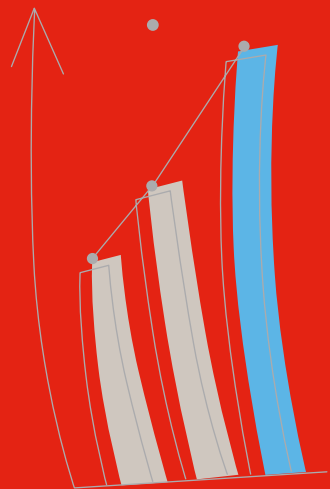
- Continue developing projects aligned to the vision proposed by our policy of respect for the person, diversity and inclusion.
- Maintain the support to volunteer programs in solidarity initiatives, that foster sustainable development and in which our collaborators are the link to know and contribute to give answers to the necessities.

Corporate Governance

- To Implement digitalization, modernizing and streamlining key risk management processes.
- Continue to develop e-learning of our corporate policies to train the entire Company on issues such as crime prevention, fraud, compliance, etc.



Company structure





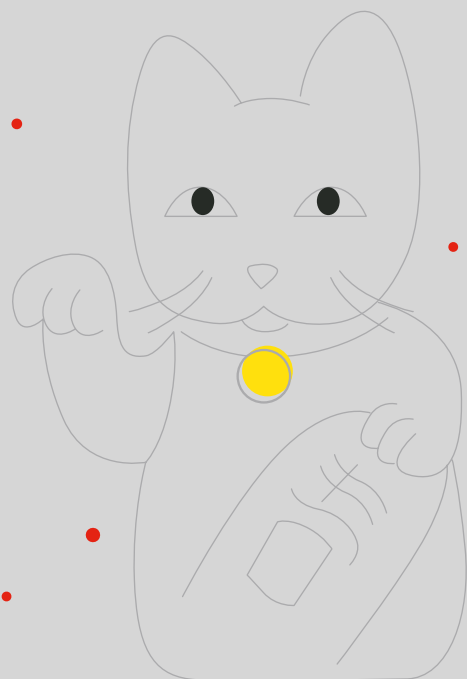
Company Ownership

> 102-18

Total number of shareholders
(December 31, 2018)

779
SERIES A

1,131
SERIES B



Controlling Group

> 102-5; 102-18

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

CONTROLLING GROUP:

Inversiones SH Seis Limitada ("SH6"), Inversiones Cabildo SpA ("Cabildo"), Inversiones Chucao Limitada, today known as Inversiones Lleuque Limitada ("Lleuque"), Inversiones Nueva Delta S.A. ("Nueva Delta"), Inversiones Nueva Delta Dos S.A. ("Nueva Delta Dos"), Inversiones Las Gaviotas Dos Limitada (today Inversiones Playa Amarilla SpA "Playa Amarilla"), 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, Lleuque 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. Playa Amarilla holds 13,513,594 Series A shares of Andina, Playa Negra holds 515,939 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.

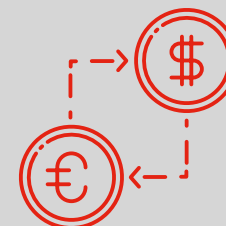
The persons and representatives for management listed below are the final controllers of the aforementioned corporations.

SHAREHOLDERS OF PARTNERS OF 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 2.13% 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 2.13% 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 38.30% 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 19.15% 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 19.15% 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 19.15% of share capital. Mrs. Loreto Said Somavía, C.N.I. N° 6.379.629-8 has a 99% ownership interest in this company.

3. Lleuque

Inversiones Chucao Limitada was dissolved through the conveyance of all of its social rights in Inversiones Lleuque Limitada pursuant to the transfer of rights and social dissolution as evidenced by a public deed dated December 20, 2016, granted by the Notary Public of Santiago of Mr. Eduardo Diez Morello, an abstract of which is registered on page 12,282 N° 6.839 of the Public Registry of Commerce of the City of Santiago of the year 2017. The management of this company corresponds to its members acting jointly; and the social rights of Inversiones Lleuque Limitada correspond equally to Mrs. Pamela Hurtado Berger, C.N.I. 7.050.827-3 and Mrs. Madeline Hurtado Berger, C.N.I. 7.050.867-2.



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 7.01%, 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 1.34%;
- (c) Mrs. María Teresa Garcés Silva, C.N.I. N° 7.032.690-6 holds 18.33%;
- (d) Mrs. María Paz Garcés Silva, C.N.I. N° 7.032.689-2 holds 18.33%;
- (e) Mr. José Antonio Garcés Silva (junior), C.N.I. N° 8.745.864-4 holds 18.33%;
- (f) Mr. Matías Alberto Garcés Silva, C.N.I. N° 10.825.983-3 holds 18.33%; and
- (g) Mr. Andrés Sergio Garcés Silva, C.N.I. N° 10.828.517-6 holds 18.33%.

5. Nueva Delta Dos

Inversiones Nueva Delta Dos S.A., R.U.T. N° 76.309.244-5, 99.95% 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. Playa Amarilla

Inversiones Playa Amarilla SpA (previously Inversiones Las Gaviotas Dos Limitada), R.U.T. N° 76.273.887-2, 100% owned by Las Gaviotas SpA whose final controller (as representative for management) is Mr. Andrés Herrera Ramírez.

7. Playa Negra

Inversiones Playa Negra SpA, 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, 6.888107% owned by Inversiones Melitta Limitada (99% controlled by Josefina Dittborn Chadwick) and 6.886475% owned by Inversiones DV Limitada (99% controlled by Julio Dittborn Chadwick), whose final controller (as representative for management) is Mrs. María Soledad Chadwick Claro.

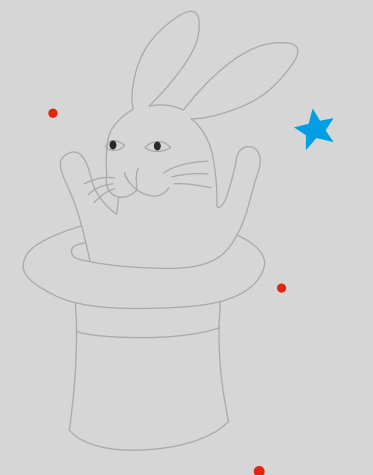


10. Los Robles

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.



Participación directa o

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:

> 102-18

		Series A	Series B
a	Inversiones SH Seis Ltda	52,989,375	37,864,863
b	Sucesión de Jaime Said Demaría	-	49,600
Ownership by Series:		11.20 %	8.01 %
a	Inversiones Cabildo SpA	52,987,375	49,650,863
b	José Said Saffie	-	49,600
Ownership by Series:		11.20 %	10.50 %
a	Inversiones Lleuque Ltda ²	50,001,644	-
b	Inversiones HB S.A. ³	1,569,731	-
c	Alberto Hurtado Fuenzalida†	-	49,600
Ownership by Series:		10.90 %	0.01 %
a	Inversiones Nueva Delta S.A.	46,426,645	-
b	Inversiones Nueva Delta Dos S.A.	3,574,999	-
c	Inversiones Nueva Sofia Ltda.	2,985,731	25,678,583
d	José Antonio Garcés Silva	-	49,600
Ownership by Series:		11.20 %	5.44 %
a	Inversiones Playa Amarilla SpA	13,513,594	13,513,594
b	Inversiones Playa Negra SpA	515,939	515,939
c	Inversiones El Campanario Ltda.	9,788,363	9,788,363
d	Inversiones Los Robles Ltda.	9,788,363	9,788,363
e	Inversiones Las Niñas Dos SpA	9,788,363	9,788,363
f	Inversiones Don Alfonso Ltda.	9,788,363	9,788,363
Ownership by Series:		11.20 %	11.20 %

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.

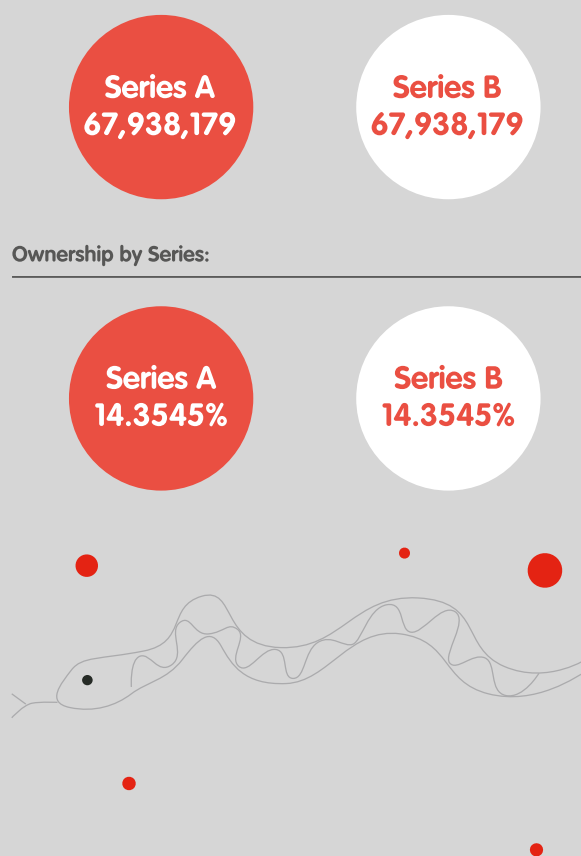
² Inversiones Lleuque Limitada, RUT 76.427.893-3, legal successor of Inversiones Chucao pursuant to the merger agreement through a public deed dated December 20, 2016 in the Notary Public of Mr. Eduardo Diez Morello in Santiago.

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.

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

> 102-24

Coca-Cola de Chile S.A.



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 transferring 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.

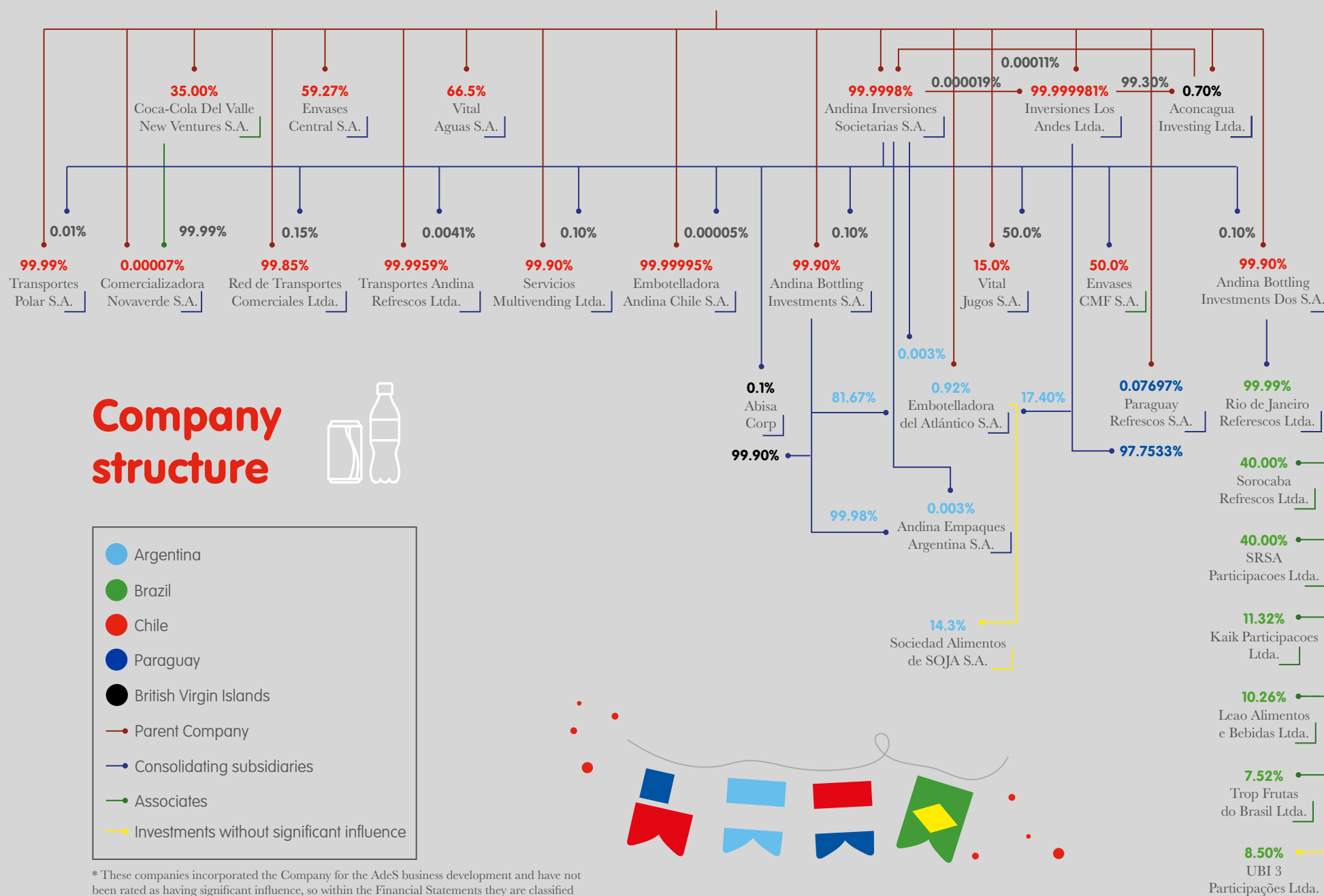
RELEVANT CHANGES IN COMPANY SHARE OWNERSHIP

> 102-5

On January 12, 2018, the companies Rentas Ima Limitada, RUT N° 76.409.659-2 and Inversiones HB S.A., RUT N° 96.842.220-0, both related to members of the Controlling Group, sold 38,978,263 and 1,898,212, respectively of the Company's Series B shares.



Embotelladora Andina S.A.



* These companies incorporated the Company for the AdeS business development and have not been rated as having significant influence, so within the Financial Statements they are classified under Other non-Current Financial Assets.



ARGENTINA SUBSIDIARIES, EQUITY INVESTMENTS AND ASSOCIATES

Embotelladora del Atlántico S. A.°

Address
Ruta Nacional 19, Km 3,7, Córdoba

Argentine Tax Id No.
30-52913594/3

Telephone
(54-351) 496 8888

Paid-in and subscribed capital
(as of 12/31/18)
Th\$3,782,900

% the investment represents in the
Parent Company's assets
6.16

% that the Parent Company holds
in the capital of the subsidiary or
equity investee*
Directly: 0.92
Indirectly: 99.07

Corporate purpose
Manufacture, bottle, distribute and
commercialize non-alcoholic beverages.
Manufacture, bottle and sell any other
beverage and derivatives.

Commercial relationship
Coca-Cola bottler in Argentina.

Board of Directors
Management Council
Gonzalo Manuel Soto³
Fabián Castelli²
Jaime Cohen¹
Laurence Paul Wiener^(S)

General Manager
Fabián Castelli²

Andina Empaques Argentina S.A.°

Address
Austria 650 - General Pacheco - Partido
de Tigre

Argentine Tax Id No.
30-71213488-3

Telephone
(54-11) 4715 8000

Paid-in and subscribed capital
(as of 12/31/18)
Th\$2,472,553

% the investment represents in the
Parent Company's assets
0.46

% that the Parent Company holds
in the capital of the subsidiary or
equity investee*
Directly: -
Indirectly: 99.98

Corporate purpose
Design, produce and commercialize
plastic products, mainly packaging.

Commercial relationship
Supplier of plastic bottles and preforms.

Board of Directors
Management Council
Gonzalo Manuel Soto³
Fabián Castelli²
Jaime Cohen¹
Laurence Paul Wiener^(S)

General Manager
Daniel Caridi

Alimentos de SOJA S.A.

Address
25 de Mayo 555, Piso 1, Buenos Aires

Argentine Tax Id No.
33-715-23028-9

Telephone
(54-11) 5196 8300

Paid-in and subscribed capital
(as of 12/31/18)
Th\$16,805,327

% the investment represents in the
Parent Company's assets
0.45

% that the Parent Company holds
in the capital of the subsidiary or
equity investee**
Directly: -
Indirectly: 14.305

Corporate purpose
On its account, or that of third parties
or associated with third parties, in this
Republic or abroad, perform the following
activities: manufacture, marketing, import,
export, processing, fractionation,
packaging, distribution of food products
for human consumption and beverages
in general and their raw materials
and respective related products and
by-products, in their different stages and
processes.

Commercial relationship
Produces soy-based products for
Coca-Cola bottlers in Argentina.

Board of Directors
Management Council
Gerardo Beramendi
Roberta Valenca
José María Cagliolo
Roberto Chávez
Guillermo Aponte González
Juan Félix Alba Loaiza
Javier Sánchez Carranza
David Lee
Mercedes Rodríguez Canedo^(S)
María Sol Jares Cánovas^(S)
Francisco Jeldres^(S)
Omar Kiriadre^(S)
Jorge Luis López^(S)
Rubén Sergio Coronel^(S)
Fernando Ramos Meneghetti^(S)
Teodoro Federico Kundig^(S)
Esteban Eduardo Mele^(S)

General Manager
José Marquina



BRAZIL SUBSIDIARIES, EQUITY INVESTMENTS AND ASSOCIATES

Rio de Janeiro Refrescos Ltda.

Address
Rua André Rocha 2299, Taquara,
Jacarepaguá, Rio de Janeiro

CNPJ
00.074.569/0001-00

Telephone
(55-21) 2429 1779

Paid-in and subscribed capital
(as of 12/31/18)
Th\$119,168,159

% the investment represents in the
Parent Company's assets
12.02

% that the Parent Company holds
in the capital of the subsidiary or
equity investee*
Directly: -
Indirectly: 99.99

Corporate purpose
Manufacture and commercialize
beverages in general, powdered juices
and other related semiprocessed products.

Commercial relationship
Coca-Cola bottler in Brazil.

Board of Directors
Management Council
Renato Barbosa²
Fernando Fragata²
Rodrigo Klec²
David Parkes²
Antonio Rui de Lima Barreto Coelho²

General Manager
Renato Barbosa²

Notes Brazil:

* There have been no variations in ownership interest in the last two years
** There were variations in ownership interest in the last year. At the end
of 2017, Embotelladora Andina S.A. indirectly through Rio de Janeiro
Refrescos Ltda (RJR) had an ownership interest of 8.82% in the social
capital of Leão Alimentos e Bebidas Ltda. (Leão). By an amendment of
the social by-laws of Leão dated August 7, 2017, which was recorded in
the São Paulo Commercial Board on July 18, 2018, RJR acquired
1,503,003,875 shares that Spal Indústria Brasileira de Bebidas S.A. and
141,159,274 shares that Sorocaba Refrescos S.A. had in the social capital
of Leão. As a result of these acquisitions, at 31 December 2018, RJR holds
11,721,316,957 shares of the share capital of Leão, equivalent to 10.26%
of total share capital.
1 Embotelladora Andina S.A. officer
2 Rio de Janeiro Refrescos Ltda. officer

Kaik Participações Ltda.

Address
Av. Maria Coelho de Aguiar 215, bloco A,
1º Andar, Jardim São Luis, São Paulo

CNPJ
40.441.792/0001-54

Telephone
(55-11) 2102 5563

Paid-in and subscribed capital
(as of 12/31/18)
Th\$186

% the investment represents in the
Parent Company's assets
0.06

% that the Parent Company holds
in the capital of the subsidiary or
equity investee*
Directly: -
Indirectly: 11.32

Corporate purpose
Invest in other companies with own
resources.

Commercial relationship
-

Board of Directors
Management Council
Luiz Eduardo Tarquinio
Carlos Eduardo Correa
Ricardo Vontobel
Francisco Miguel Alarcón
Renato Barbosa²

Leão Alimentos e Bebidas Ltda

Address
Rua Apes Leme, nº 524 - 10º andar, São
Paulo, São Paulo

CNPJ
72.114.994/0001-88

Telephone
(55-11) 3809 5000

Paid-in and subscribed capital
(as of 12/31/18)**
Th\$212,339,742

% the investment represents in the
Parent Company's assets
0.98

% that the Parent Company holds
in the capital of the subsidiary or
equity investee*
Directly: -
Indirectly: 10.26

Corporate purpose
Manufacture and commercialize food and
beverages in general, and beverage
concentrate. Invest in other companies.

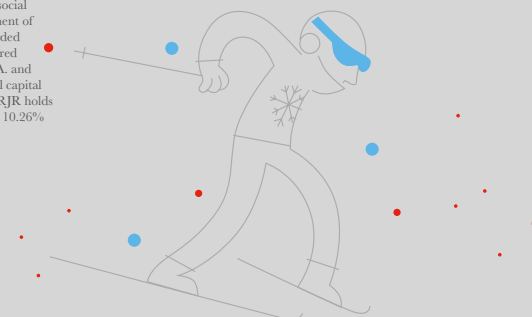
Commercial relationship
Produces sensible products for
Coca-Cola bottlers in Brazil.

Board of Directors
Management Council
Henrique Braun
Claudia Lorenzo
Alexandre Fernandes Delgado
Marcelo Gil
Renato Barbosa²
Neuri Pereira
Ian Craig
Emerson Vontobel
Mario Veronezi
Dirk Schneider
Ruben Schneider
Sérgio Ferreira

General Manager
Axel de Meeus

Notes Argentina:

° Non-traded corporation.
* There have been no variations in ownership interest in the last year.
** In the last year there were variations in ownership interest. At the end of the 2017 fiscal
year, Embotelladora Andina S.A. indirectly through Embotelladora del Atlántico S.A. (EDASA)
held 12.96% (76,507,211 shares) of the social capital of Alimentos de Soya S.A. On August
23, 2018 the capitalization of the contributions carried out but shareholders in 2017 was
approved. As a result of such capitalization, EDASA maintained its ownership interest but with
a holding of 84,692,875 shares. On August 24, 2018, EDASA acquired 8,849,363 shares from
the shareholder Salta Refrescos S.A. according to volume quotas, so the ownership interest of
EDASA increased to 14.30% with a holding of 93,542,238 shares. Finally, on August 28, 2018
and December 3, 2018 respectively, two capital increases were approved with which EDASAs
holding increased to 113,431,590 and then to 130,449,895 shares, respectively, and maintained
its ownership interest of 14.30% at the end of 2018.
1 Embotelladora Andina S.A. officer
2 Embotelladora del Atlántico S.A. officer
3 External attorney.
(S) Alternate.





CHILE SUBSIDIARIES, EQUITY INVESTMENTS AND ASSOCIATES

Sorocaba Refrescos Ltda.

Address

Rod.Raposo Tavares, Km 104, Jardim Jaraguá, Sorocaba, São Paulo

CNPJ

45.913.696/0001-85

Telephone

(55-15) 3229 9930

Paid-in and subscribed capital

(as of 12/31/18)
Th\$10,876,206

% the investment represents in the Parent Company's assets
1.04

% that the Parent Company holds in the capital of the subsidiary or equity investee*
Directly: -
Indirectly: 40

Corporate purpose

Manufacture and commercialize food and beverages in general, and beverage concentrate. Invest in other companies.

Commercial relationship

Coca-Cola bottler in Brazil

Board of Directors / Management Council

Renato Barbosa²
Cristiano Biagi
Giordano Biagi
Miguel Ángel Peirano¹
Cláudio Sérgio Rodrigues
Luiz Lacerda Biagi

General Manager

Cristiano Biagi

Trop Frutas do Brasil Ltda.

Address

Avenida PRF Samuel Batista Cruz, 9853, 115.591.0060 M2, CEP 29909-900, Linhares. Espírito Santo

CNPJ

07.757.005/0001-02

Paid-in and subscribed capital

(as of 12/31/17)
Th\$73,055,641

% the investment represents in the Parent Company's assets
0.28

% that the Parent Company holds in the capital of the subsidiary or equity investee Ω
Directly: -
Indirectly: 7.52

Corporate purpose

Manufacture, commercialize and export natural fruit pulp and coconut water.

Commercial Relationship

Produces products for Coca-Cola bottlers in Brazil.

Board of Directors / Management Council

Dirk Schneider
Ruben Schneider
Sérgio Ferreira

SRSA Participações Ltda.

Address

Rua Antonio Aparecido Ferraz, 795, Sala 01, Jardim Itanguá, Sorocaba, São Paulo

CNPJ

10.359.485/0001-68

Telephone

(55-15) 3229 9906

Paid-in and subscribed capital

(as of 12/31/17)
Th\$3,717

% the investment represents in the Parent Company's assets
0

% that the Parent Company holds in the capital of the subsidiary or equity investee*
Directly: -
Indirectly: 40

Corporate purpose

Purchase and sale of real estate investments and property management.

Commercial Relationship

Business supporting company.

Board of Directors / Management Council

Renato Barbosa²
Cristiano Biagi
Giordano Biagi
Miguel Ángel Peirano¹
Claudio Sergio Rodrigues
Luiz Lacerda Biagi

General Manager

Cristiano Biagi

UBI 3 Participações Ltda.

Address

Rua Teonilio Niquine nº 30, Galpão B, Jardim Piemonte, Betim, Minas Gerais.

CNPJ

27.158.888/0001-41

Telephone

(55-21) 2559.1032

Paid-in and subscribed capital

(as of 12/31/17)
Th\$71,153,656

% the investment represents in the Parent Company's assets
0

% that the Parent Company holds in the capital of the subsidiary or equity investee Ω
Directly: -
Indirectly: 8.50

Corporate purpose

Invest in other companies with own resources. Purchase and sale of real estate investments and property management.

Commercial Relationship

Produces soy-based products for Coca-Cola bottlers in Brazil.

Board of Directors / Management Council

Pedro Rocha Lima Massa
Neuri Amabile Firgotto Pereira
Rodrigo Mattos Assunção

Embotelladora Andina Chile S.A.°

Address

Av. Miraflores 9153, Renca, Santiago

RUT

76.070.406-7

Telephone

(56-2) 2611 5838

Paid-in and subscribed capital

(as of 12/31/18)
Th\$36,569,067

% the investment represents in the Parent Company's assets
1.64

% that the Parent Company holds in the capital of the subsidiary or equity investee*
Directly: 99.99995
Indirectly: 0.00005

Corporate purpose

Manufacture, bottle, distribute and commercialize non-alcoholic beverages.

Commercial Relationship

Leasing of productive infrastructure.

Board of Directors / Management Council

Miguel Ángel Peirano²
Andrés Wainer²
Jaime Cohen²

General Manager

José Luis Solórzano²

Vital Jugos S.A.°

Address

Av. Américo Vespucio 1651, Renca, Santiago

RUT

93.899.000-K

Telephone

(56-2) 2620 4100

Paid-in and subscribed capital

(as of 12/31/18)
Th\$20,675,167

% the investment represents in the Parent Company's assets
0.64

% that the Parent Company holds in the capital of the subsidiary or equity investee*
Directly: 15.00
Indirectly: 50.00

Corporate purpose

Manufacture, distribute and commercialize all kinds of food products, juices and beverages.

Commercial Relationship

Produces juices for Coca-Cola bottlers in Chile.

Board of Directors / Management Council

José Luis Solórzano²
Alejandro Zalaquett²
Cristián Hohlberg
Jaime Cohen² (S)
José Domingo Jaramillo^(S)
Andrés Wainer² (S)

General Manager

Alberto Moreno

Notes Chile:

* There have been no variations in ownership interest in the last year.

Ω This Company was incorporated in 2018

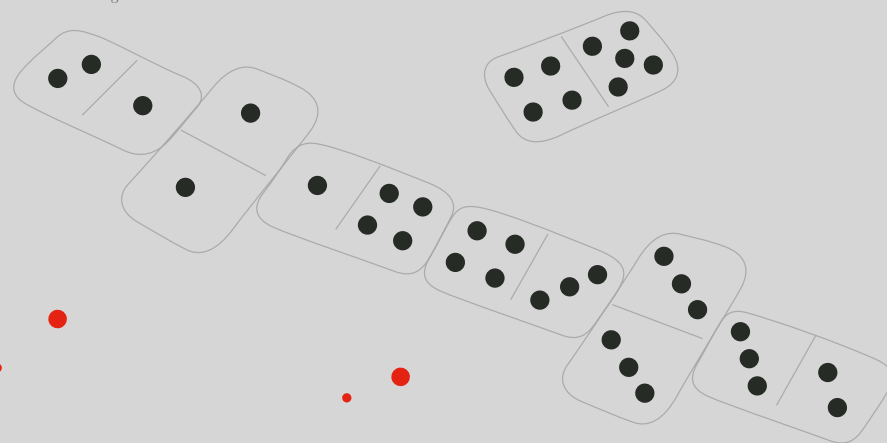
° Closed Stock Corporation

° ° ° They are limited liability companies in which the management of the company corresponds to Embotelladora Andina S.A. through specially appointed agents or representatives.

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

2 Embotelladora Andina S.A. officer

(S) Alternate



Vital Aguas S.A.°**Address**

Camino a la Vital 1001, Comuna de Rengo

RUT

76.389.720-6

Telephone

(56-2) 2346 4245

Paid-in and subscribed capital

(as of 12/31/18)
Th\$4,331,154

% the investment represents in the Parent Company's assets
0.18

% that the Parent Company holds in the capital of the subsidiary or equity investee*

Directly: 66.5
Indirectly: -

Corporate purpose

Manufacture, distribute and commercialize all kinds of waters and beverages in general.

Commercial Relationship

Produces mineral water for Coca-Cola bottlers in Chile.

Board of Directors / Management Council

José Luis Solórzano²
Alejandro Zalaquett²
José Domingo Jaramillo
Jaime Cohen² ^(S)
Matías Mackenna^(S)
Andrés Wainer² ^(S)

General Manager

Alberto Moreno

Coca-Cola del Valle New Ventures S.A.°**Address**

Av. Miraflores 8755, Renca, Santiago

RUT

76.572.588-7

Paid-in and subscribed capital (as of 12/31/18)

Th\$84,442,238

% the investment represents in the Parent Company's assets
1.35

% that the Parent Company holds in the capital of the subsidiary or equity investee*

Directly: 35
Indirectly: -

Corporate purpose

Manufacture, distribute and commercialize all kinds of juices, waters and beverages in general.

Commercial Relationship

Produces mineral water and juices for Coca-Cola bottlers in Chile.

Board of Directors / Management Council

Miguel Ángel Peirano²
José Luis Solórzano²
Rodrigo Ormachea²
Cristián Hohlberg
José Jaramillo
Joao Santos
Robertta Cabral
Daniel Vercelli
Gerardo Beramendi
Diana Rosas
Tomás Vedoya² ^(S)
Alejandro Zalaquett² ^(S)
Rodolfo Peña² ^(S)
Juan Paulo Valdés^(S)
Matías Mackenna^(S)
Mercedes Rodríguez^(S)
Maria Sol Jares^(S)
Ezequiel Fernández^(S)
Francisco Jeldres^(S)
Omar Kiriadre^(S)

Gerente General

Fernando Jaña

Transportes Andina Refrescos Ltda.°°°**Address**

Av. Miraflores 9153, piso 4, Renca, Santiago

RUT

78.861.790-9

Telephone

(56-2) 2611 5838

Paid-in and subscribed capital (as of 12/31/18)
Th\$12,620,628

% that the Parent Company holds in the capital of the subsidiary or equity investee
0.50

% that the Parent Company holds in the capital of the subsidiary or equity investee*

Directly: 99.9959
Indirectly: 0.0041

Corporate purpose

Provide administration services and management of domestic and foreign ground transportation.

Commercial Relationship

Provides ground transportation services.

Board of Directors / Management Council

N/A

Transportes Polar S.A.°**Address**

Av. Miraflores 9153, piso 4, Renca, Santiago

RUT

96.928.520-7

Telephone

(56-2) 2611 5838

Paid-in and subscribed capital (as of 12/31/18)
Th\$1,619,315

% the investment represents in the Parent Company's assets
0.15

% that the Parent Company holds in the capital of the subsidiary or equity investee*

Directly: 99.99
Indirectly: 0.01

Corporate purpose

Freight transportation in general in the beverage industry and other processed goods.

Commercial Relationship

Provides ground transportation services.

Board of Directors / Management Council

José Luis Solórzano²
Rodolfo Peña²
Alejandro Zalaquett²

General Manager

Alejandro Vargas²

Servicios Multivending Ltda.°°°**Address**

Av. Miraflores 9153, piso 4, Renca, Santiago

RUT

78.536.950-5

Telephone

(56-2) 2611 5838

Paid-in and subscribed capital (as of 12/31/18)
Th\$862,248

% the investment represents in the Parent Company's assets
0.04

% that the Parent Company holds in the capital of the subsidiary or equity investee*

Directly: 99.90
Indirectly: 0.10

Corporate purpose

Commercialize products through equipment and vending machines.

Commercial Relationship

Provides product sales through vending machines.

Board of Directors / Management Council

N/A

Envases CMF S.A.°**Address**

La Martina 0390, Pudahuel, Santiago

RUT

86.881.400-4

Telephone

(56-2) 2544 8222

Capital suscrito y pagado (as of 12/31/18)
Th\$32,981,986

% the investment represents in the Parent Company's assets
0.86

% that the Parent Company holds in the capital of the subsidiary or equity investee*

Directly: -
Indirectly: 50.00

Corporate purpose

Manufacture and sale of plastic products and bottling services and beverage containers.

Commercial Relationship

Supplier of plastic bottles, preforms and caps.

Board of Directors / Management Council

Salvador Said¹
Andrés Vicuña
Cristián Hohlberg
Matías Mackenna
Andrés Wainer²
Tomás Vedoya²

General Manager

Christian Larrain



**Envases Central S.A.°****Address**

Av. Miraflores 8755, Renca, Santiago

RUT

96.705.990-0

Telephone

(56-2) 2599 9300

Paid-in and subscribed capital (as of 12/31/18)

Th\$7,562,354

% the investment represents in the Parent Company's assets

0.32

% that the Parent Company holds in the capital of the subsidiary or equity investee*

Directly: 59.27

Indirectly: -

Corporate purpose

Manufacture and packaging of all kinds of beverages, and commercialize all kinds of packaging.

Commercial Relationship

Produces cans and some small formats for Coca-Cola bottlers in Chile.

Board of Directors / Management Council

Alejandro Zalaquett²

José Luis Solórzano²

José María Sánchez²

Daniel Vercelli

Cristián Hohlberg

José Jaramillo

Diana Rosas[®]

Jaime Cohen² [®]

Andrés Wainer² [®]

Matías Mackenna[®]

Juan Paulo Valdés[®]

General Manager

Isabel León

Andina Bottling Investments S.A.°**Address**

Av. Miraflores 9153, piso 7, Renca, Santiago

RUT

96.842.970-1

Telephone

(56-2) 2338 0520

Paid-in and subscribed capital (as of 12/31/18)

Th\$234,490,447

% the investment represents in the Parent Company's assets

19.56

% that the Parent Company holds in the capital of the subsidiary or equity investee *

Directly: 99.90

Indirectly: 0.10

Corporate purpose

Manufacture, bottle and commercialize beverages and food in general. Invest in other companies.

Commercial Relationship

Investment vehicle.

Board of Directors / Management Council

Miguel Ángel Peirano²

Andrés Wainer²

Jaime Cohen²

Tomás Vedoya² [®]

Gonzalo Muñoz² [®]

Carlos Gálvez² [®]

General Manager

Miguel Ángel Peirano²

Andina Bottling Investments Dos S.A.°**Address**

Av. Miraflores 9153, piso 7, Renca, Santiago

RUT

96.972.760-9

Telephone

(56-2) 2338 0520

Paid-in and subscribed capital (as of 12/31/18)

Th\$8,513,734

% the investment represents in the Parent Company's assets

6.59

% that the Parent Company holds in the capital of the subsidiary or equity investee*

Directly: 99.90

Indirectly: 0.10

Corporate purpose

Manufacture, bottle and commercialize beverages and food in general. Invest in other companies.

Commercial Relationship

Investment vehicle.

Board of Directors / Management Council

Miguel Ángel Peirano²

Andrés Wainer²

Jaime Cohen²

Tomás Vedoya² [®]

Gonzalo Muñoz² [®]

Carlos Gálvez² [®]

General Manager

Miguel Ángel Peirano²

Andina Inversiones Societarias S.A.°**Address**

Av. Miraflores 9153, piso 7, Renca, Santiago

RUT

96.836.750-1

Telephone

(56-2) 2338 0520

Paid-in and subscribed capital (as of 12/31/18)

Th\$30,082,325

% the investment represents in the Parent Company's assets

1.39

% that the Parent Company holds in the capital of the subsidiary or equity investee*

Directly: 99.9998

Indirectly: 0.0001

Corporate purpose

Invest in all types of companies and commercialize food products in general.

Commercial Relationship

Investment vehicle.

Board of Directors / Management Council

Miguel Ángel Peirano²

Andrés Wainer²

Jaime Cohen²

Tomás Vedoya² [®]

Gonzalo Muñoz² [®]

Carlos Gálvez² [®]

General Manager

Miguel Ángel Peirano²

Inversiones Los Andes Ltda. °°°**Address**

Av. Miraflores 9153, piso 7, Renca, Santiago

RUT

96.971.280-6

Telephone

(56-2) 2338 0520

Paid-in and subscribed capital (as of 12/31/18)

Th\$77,237,135

% the investment represents in the Parent Company's assets

12.91

% that the Parent Company holds in the capital of the subsidiary or equity investee*

Directly: 99.9981

Indirectly: 0.000019

Corporate purpose

Invest in all kinds of goods and real estate for its own account or on behalf of third parties.

Commercial Relationship

Investment vehicle.

Board of Directors / Management Council

N/A

Red de Transportes Comerciales Ltda. °°°**Address**

Av. Del Valle Norte 937, of. 554, Ciudad Empresarial, Huechuraba

RUT

76.276.604-3

Telephone

(56-2) 2993 9704

Capital suscrito y pagado (as of 12/31/18)

Th\$2,200,313

% the investment represents in the Parent Company's assets

0.04

% that the Parent Company holds in the capital of the subsidiary or equity investee*

Directly: 99.85

Indirectly: 0.15

Corporate purpose

Freight transportation in general in the beverage industry and other processed goods.

Commercial Relationship

Provides services of ground transportation and products commercialization.

Board of Directors / Management Council

N/A





PARAGUAY SUBSIDIARIES, EQUITY INVESTMENTS AND ASSOCIATES

Comercializadora Novaverde S.A. Ω

Address

Carretera General San Martín Km. 16,5
Calle Simón Bolívar, Sitio 19, Colina,
Santiago

RUT

77.526.480-2

Telephone

Paid-in and subscribed capital

(as of 12/31/18)
Th\$14,856,772

% the investment represents in the
Parent Company's assets
0.38

% that the Parent Company holds
in the capital of the subsidiary or
equity investee Ω

Directly: 0.00007
Indirectly: 35

Corporate purpose

Company dedicated to the processing and
commercialization of fruits, ice creams,
vegetables and food in general, under the
Guallarauco brand.

Commercial relationship

Sale of juices, flavored waters, among
others, to the Coca-Cola bottlers in Chile.

Board of Directors / Management Council

Roberta Cabral
Daniel Vercelli
Francisco Jeldres
José Luis Solórzano²
Rodrigo Ormaechea³
José Jaramillo Jiménez³
María Sol Jares³
Mercedes Rodríguez³
Gerardo Beramendi³
Tomás Vedoya² Ω
Alejandro Zalaquett² Ω
Matías Mackenna³

General Manager

Juan Luis Piwonka

Paraguay Refrescos S.A. °

Address

Acceso Sur, Ruta Ñemby Km 3,5 -
Barcequillo -San Lorenzo, Asunción

RUT

80.003.400-7

Telephone

(595) 21 959 1000

Paid-in and subscribed capital

(as of 12/31/18)
Th\$9,904,604

% the investment represents in the
Parent Company's assets
10.95

% 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 nonalcoholic beverages.

Commercial relationship

Coca-Cola bottler in Paraguay.

Board of Directors / Management Council

Andrés Wainer¹
Francisco Sanfurno²
Jaime Cohen¹
Gonzalo Muñoz¹

General Manager

Francisco Sanfurno²

Notes Paraguay:

°Non-traded corporation

* Ownership interest has not had variations during the last year

1 Embotelladora Andina S.A. officer

2 Paraguay Refrescos S.A. officer



ISLAS VÍRGENES BRITÁNICAS SUBSIDIARIES, EQUITY INVESTMENTS AND ASSOCIATES

Abisa Corp.

Address

Vanterpool Plaza, 2ºPiso, Wickhams Cay
1, Road Town Tortola, British Virgin
Island

Registration N°

512410 / RUT 59.144.140-K

Telephone

(1-284) 494 5959

Paid-in and subscribed capital

(as of 12/31/18)
Th\$12,594,313

% the investment represents in the
Parent Company's assets
14.32

% that the Parent Company holds
in the capital of the subsidiary or
equity investee*

Directly: -
Indirectly: 100

Corporate purpose

Invest in financial instruments, for its own
account or on behalf of third parties.

Commercial relationship

Investment company.

Board of Directors / Management Council

Miguel Ángel Peirano¹
Andrés Wainer¹
Jaime Cohen¹
Tomás Vedoya¹

Notes British Virgin Islands:

* Ownership interest has not had variations during the last year

1 Embotelladora Andina S.A. officer

Aconcagua Investing Ltd.

Address

Vanterpool Plaza, Wickhams Cay 1, P.O.
Box 873 Road Town, Tortola, British
Virgin Island

Registration N°

569101

Telephone

(1-284) 494 5959

Paid-in and subscribed capital

(as of 12/31/18)
Th\$523,599

% the investment represents in the
Parent Company's assets
0.99

% that the Parent Company holds
in the capital of the subsidiary or
equity investee*

Directly: 0.70
Indirectly: 99.3

Corporate purpose

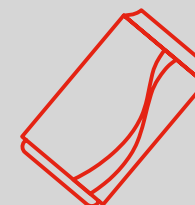
Invest in financial instruments, for its own
account or on behalf of third parties.

Commercial relationship

Investment company.

Board of Directors / Management Council

Jaime Cohen¹
Andrés Wainer¹
Miguel Ángel Peirano¹





Detail other operations

ANDINA EMPAQUES ARGENTINA S.A.

Andina Empaques Argentina S.A. (hereinafter “AEA”), is a company formed in 2011 from the division of Embotelladora del Atlántico S.A. for the purpose of designing, manufacturing, and commercializing plastic products, mainly bottles. In developing its activities in the packaging division and aligned with our strategy to become the supplier of Coca-Cola Andina’s group of companies, during 2018 AEA supplied non-returnable preforms, plastic caps, cases and returnable PET bottles to Coca-Cola Andina Argentina.

Production and sales by format

Andina Empaques Argentina operates one plant for the production of preforms, returnable PET bottles, plastic cases and caps located at Tigre in the province Buenos Aires, Argentina. The plant has 13 injection lines, three blowing lines, one line for cases and two lines for caps. Average utilization capacity during 2018 was 82.0% for injection lines, 54.04% for blowing lines, 92.1% for cases and 59.5% for plastic caps.

Sales by format during 2018 were 38.9 million Ref PET bottles and 667.0 million preforms for non-returnable bottles, 0.7 million cases and 596.9 million plastic caps.

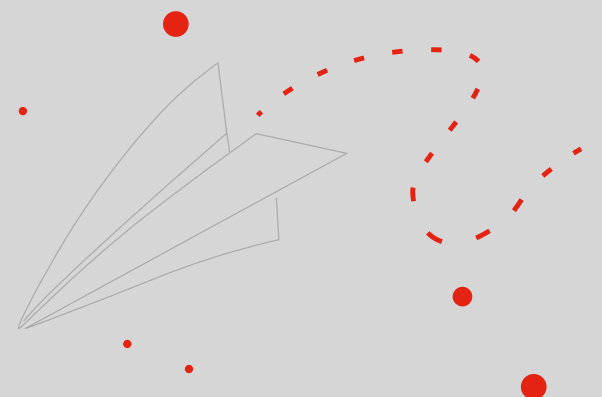
Main Clients

Embotelladora del Atlántico S.A. (Subsidiary)
Coca-Cola Femsa S.A.
Paraguay Refrescos S.A.(Subsidiary)
Reginald Lee S.A.,
Grupo Arca
Andina Chile (Associate)
Montevideo Refrescos S.A.

Embotelladora del Atlántico S.A. (Subsidiary) Cola Femsa S.A., Paraguay Refrescos S.A. and Grupo Arca each individually concentrate at least 10% of the sales carried out

Main suppliers:

Resin: DAK Americas Argentina S.A., PBB Polisor S.A., Dow Chemical and PTT Polymer Marketing Company Lmt |
Coloring: PoliOne, Kemkoll, Clariant and Arcolor |
Ink: Nazdar Shawnee |
Labels: Multi-Color Corp.
Packaging: Argencraf S.A., Nem S.A., Afema S.A., and Fadecco S.A.
Electric energy: Edenor S.A., Cammesa and Termoandes S.A.
DAK Americas Argentina SA concentrate by itself at least 10% of the purchases 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 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 glass bottles; Glaceau Vitamin Water in non-returnable PET bottles and Powerade 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 S.A. 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. Said agreement is currently in the process of being renewed. Additionally, Andina, Vital Jugos and Embonor have agreed with The Coca-Cola Company the respective agreements and authorizations to produce, package, and sell these products at their respective production facilities.

Production and Distribution

Vital Jugos S.A. operates one production facility located in Santiago with 8 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 2018 was 59.4%. In Chile, exclusively the Coca-Cola bottlers in the country distribute the products of Vital Jugos 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.¹

Sweetener: Embotelladora Andina S.A.²

Fruit Pulp: Cicocitrico Cutrale-Brasil, Comercializadora Tradecos Chile Ltda. and Aconcagua Foods S.A.

Packaging, Bottles and Cans: Tetra Pak de Chile Ltda., Alusa Chile S.A. and Envases CMF S.A.³ |

Caps: Alusud Embalajes Chile Ltda., Alucaps Mexico de Occidente S.A. de C.V. and Portola Packaging Inc. (SILGAN)

Tetra Pak, Envases CMF S.A.³ and Coca-Cola de Chile S.A.¹ each individually concentrate at least 10% of the purchases carried out.

¹ Shareholder

² Parent Company

³ Associate

Main clients

Embotelladora Andina S.A.¹ and Coca-Cola Embonor S.A.



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 and without gas. Vital mineral water is commercialized in non-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%.

In 2005, Vital Jugos S.A. and The Coca-Cola Company (“TCCC”) entered into a Juice Bottler Agreement by which The Coca-Cola Company authorized Vital Jugos S.A. to produce, prepare and bottle the aforementioned brands in packaging previously approved by The Coca-Cola Company.

Andina and Embonor have the right to purchase products from Vital Jugos S.A. Said agreement is currently in the process of being renewed. Additionally, Andina, Vital Jugos and Embonor have agreed with The Coca-Cola Company to produce, package, and sell these products at their respective production facilities.

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. Said agreement is currently in the process of being renewed.

Production and Distribution

Vital Aguas S.A. operates 5 production lines for mineral water and purified water at the production facility located in Chanqueahue, in the municipality of Rengo in Chile. During 2018, average utilization capacity was a 58.2%. 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.¹ | **Carbon dioxide:** Linde Gas Chile S.A. **Packaging:** Envases CMF S.A.², Cristalerías de Chile S.A., Envases del Pacífico S.A. and Calalsa Industrial S.A. **Caps:** Alusud Embalajes Chile Ltda., MBF Embalagens LTDA (Aptar) and Envases CMF S.A.

Envases CMF S.A.² and Coca-Cola de Chile S.A.¹ each individually concentrate at least 10% of the raw material purchases carried out.

¹ Shareholder

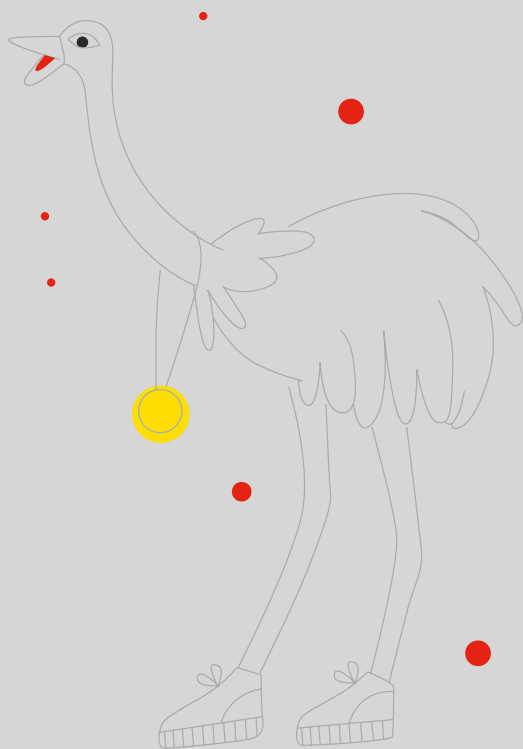
² Associate

ENAVSES CENTRAL S.A.

The Company is mainly focused on the production of the following brands of soft drinks: Coca-Cola, Fanta and Sprite, Aquarius (pear, apple, lemon, grape and peach) and the energy drink Burn. The canning of these products is in 350 ml, 310 ml 250 ml and 220 ml cans, and in non-returnable PET bottles of 250 ml, 500 ml, 580 ml, and 1.5 lt (only Aquarius). The Coca-Cola bottlers in Chile, along with Coca-Cola de Chile, share the ownership of Envases Central. 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 License Agreements are international standard agreements The Coca-Cola Company enters into with bottlers outside the United States of America for the sale of concentrate and beverage bases for certain Coca-Cola soft drinks and non-soft drink beverages. The term of the agreement with The Coca-Cola Company is in effect until March 31, 2021.



Production and Distribution

Envases Central S.A. operates one production facility located in Santiago, with one line for cans and one line for PET bottles. During 2018, the canning and bottling lines operated at an average of 44%, 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.¹ and Coca-Cola Embonor S.A.

Main Suppliers:

Aluminum cans and caps: Ball Chile S.A. |

Concentrate: Coca-Cola de Chile S.A.² | **Sweetener:** Embotelladora Andina S.A.¹ | **Plastic Bottles:** Envases CMF S.A.³ | **Plastic caps:** Envases CMF S.A.³

Ball Chile S.A., Coca-Cola de Chile S.A.², Embotelladora Andina S.A.¹ each individually concentrate at least 10% of the raw material purchases carried out.

Embotelladora Andina S.A.¹ and Coca-Cola Embonor S.A. each individually concentrate at least 10% of the sales carried out.

¹ Parent Company

² Shareholder

³ Associate

ENAVSES CMF S.A

Envases CMF is mainly dedicated to the production of returnable and non-returnable bottles, returnable and non-returnable preforms and caps. Since 2012, Envases CMF is owned by Andina Inversiones Societarias S.A. (50%) and by Embonor Empaques S.A. (50%).

Production and Sales by Format

Envases CMF operates one production facility for the manufacture of PET bottles located in Santiago. The plant has 13 preform injection lines, 12 blowing lines, 14 lines for conventional injection, 4 injector blowing lines and 3 extraction-blowing lines. During 2018, average utilization capacity of the production lines was 66.0%, 51.0%, 67.0%, 61.4% and 83.0% respectively.

Sales by format during 2018 were 154 million non-returnable PET bottles, 24 million returnable PET bottles and 631 million preforms for non-returnable bottles and 883 million products from conventional injection.

Main Clients

Embotelladora Andina S.A.¹, Coca-Cola Embonor S.A., Vital Jugos S.A., Vital Aguas S.A., Envases Central S.A., Embonor Empaques S.A., Nestlé Chile S.A., Tres Montes S.A., Empresas Demaria S.A., Embotelladoras Bolivianas Unidas S.A., Fábrica de Envases Plásticos Artel S.A.I.C.

Main Suppliers

Resin: Jiangyin Xingyu New Material Co., Far Eastern Textile Ltd., Dak Americas LLC USA and China Resources.

Matrix

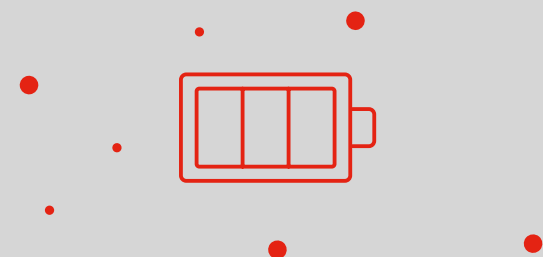
Embotelladora Andina S.A.¹ and Coca-Cola Embonor S.A., each individually concentrate at least 10% of the sales carried out.

Jiangyin Xingyu New Material Co., Dak Americas LLC USA, China Resources and Far Eastern Textile LTD., each individually concentrate at least 10% of the raw material purchases carried out.

¹ Parent Company

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:





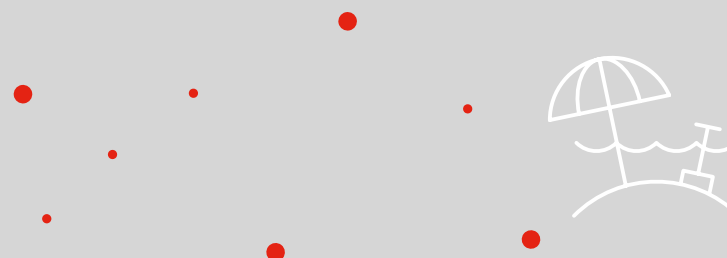
	Main use	Square meters	Property
Argentina			
Embotelladora del Atlántico S.A.			
Azul	Distribution Centers / Warehouses	600	Third Parties
Bahía Blanca	Offices / Production of Soft Drinks / Distribution Center / Warehouses	102,708	Own
Bahía Blanca	Warehouses (Don Pedro)	6,000	Leased
Bahía Blanca	Commercial Offices	903	Leased
Bahía Blanca	Real Estate (parking lot)	73,150	Own
Bahía Blanca	Warehouses (M&F Palletizer -EDF deposit)	1,400	Leased
Bariloche	Offices / Distribution Centers / Warehouses	1,870	Leased
Bialet Masse	Real Estate	880	Own
Bolívar	Warehouses	700	Third Parties
Bragado	Commercial Offices	38	Leased
Carlos Casares	Commercial Logistic Operations	345	Third Parties
Carlos Paz	Commercial Offices	270	Leased
Carmen de Patagones	Commercial Offices / Warehouses / Crossdocking	1,600	Leased
Chacabuco	Offices / Distribution Centers / Warehouses	25,798	Own
Chivilcoy	Distribution Centers / Warehouses	1,350	Third Parties
Chivilcoy	Commercial Offices	72	Leased
Comodoro Rivadavia	Offices / Distribution Centers / Warehouses	7,500	Leased
Concepción del Uruguay	Crossdocking		Third Parties
Concepción del Uruguay	Commercial Offices	118	Leased
Concordia	Offices / Third party Distribution Centers / Warehouses	1,289	Leased

Córdoba	Offices / Production of soft drinks and other still beverages / Distribution Centers / Real estate	959,585	Own
Córdoba (H.Primo)	Commercial Offices / parking lot / Deposit	1,173	Leased
Córdoba (San Isidro)	Deposit and Offices	8,808	Own
Córdoba	Deposit (Cencosud)	s/d	Leased
Córdoba	Deposit (Rigar)	8,800	Leased
Córdoba	Deposit (Ricardo Balbín)	2,500	Leased
Córdoba	Deposit (Agnolon)	6,000	Leased
Coronel Pringles	Commercial logistic operations	675	Third Parties
Coronel Suárez	Offices / Distribution Centers / Warehouses	1,000	Leased
Embalse	Commercial logistic operations	600	Third Parties
General Pico	Offices / Distribution Centers / Warehouses	15,525	Own
General Roca	Distribution Centers / Warehouses	2,548	Third Parties
Gualectuaychu	Offices / Distribution Centers / Warehouses	2,392	Leased
Junín (Buenos Aires)	Cross Docking	995	Third Parties
Junín (Buenos Aires)	Commercial Offices	108	Leased
Junín (Mendoza)	Commercial Offices	234	Leased
Mendoza	Offices / Distribution Centers / Warehouses	36,452	Own
Monte Hermoso	Real Estate	300	Own
Neuquén	Offices / Distribution Centers / Warehouses	10,157	Own
Olavarría	Offices / Distribution Centers / Warehouses	3,065	Leased
Paraná	Commercial Offices	318	Leased
Pehuajó	Offices / Distribution Centers / Warehouses	1,060	Leased
Pergamino	Offices / Cross Docking	15,700	Own
Puerto Madryn	Commercial Offices	115	Leased
Rafaela	Commercial logistic operations	1,000	Third Parties



Río Gallegos	Distribution Centers / Warehouses	2,491	Leased
Río Grande	Offices / Distribution Centers / Warehouses	2,460	Leased
Río Cuarto	Housing	1,914	Own
Río Cuarto	Private Passageway	5,170	Own
Río Cuarto	Cross Docking	7,482	Own
Río Cuarto	Commercial Offices	93	Leased
Río Tercero	Commercial logistic operations	600	Third Parties
Rivadavia (Mendoza)	Deposit	800	Own
Rosario	Offices / Distribution Centers / Warehouses / Parking Lot / Real Estate	27,814	Own
San Francisco	Commercial Offices	63	Leased
San Francisco	Crossdocking	800	Third Parties
San Juan	Offices / Distribution Centers / Warehouses	48,036	Own
San Luis	Offices / Distribution Centers / Warehouses	5,205	Own
San Martín de Los Andes	Offices / Distribution Center / Warehouses	1,500	Third Parties
San Nicolás	Crossdocking	1,320	Third Parties
San Nicolás	Commercial Offices	50	Leased
San Rafael	Commercial Offices	58	Leased
Santa Fe	Commercial Offices	238	Leased
Santa Rosa	Distribution Centers / Warehouses	1,100	Third Parties
Santo Tomé	Administrative Offices / Distribution Centers / Warehouses	88,309	Own
Trelew	Offices / Production of Soft Drinks / Distribution Centers / Warehouses	51,000	Own
Trelew	Warehouses	1,500	Leased
Trenque Lauquen	Distribution Center / Warehouses / Commercial Offices	1,185	Third Parties
Tres Arroyos	Offices / Crossdocking / Warehouses	1,548	Leased

Ushuaia	Offices / Distribution Centers / Warehouses	1,360	Leased
Ushuaia	Commercial Offices	94	Leased
Venado Tuerto	Offices / Distribution Centers / Warehouses	2,449	Leased
Villa María	Commercial Offices	125	Leased
Villa María	Crossdocking	1,200	Third Parties
Villa Mercedes	Commercial Offices	70	Leased
Villa Mercedes	Crossdocking	600	Third Parties
Andina Empaques Argentina S.A.			
Buenos Aires	Production of bottles, PET Preforms, Plastic Caps and Cases	27,043	Own
Buenos Aires	Deposit adjoining the production plant	1,041	Leased
Buenos Aires	Deposit adjoining the production plant	940	Leased





	Main use	Square meters	Property
BRAZIL			
Rio de Janeiro Refrescos Ltda.			
Jacarepaguá	Offices / Production of Soft Drinks / Distribution Center / Warehouses	249,470	Own
Duque de Caxias	Offices / Production of Soft Drinks / Distribution Center / Warehouses	2,243,953	Own
Nova Iguaçu	Distribution Centers / Warehouses	82,618	Own
Bangu	Distribution Centers	44,389	Own
Campos	Distribution Centers	36,083	Own
Cabo Frio	Distribution Centers - inactive	1,985	Own
São Pedro da Aldeia 1	Distribution Centers	10,139	Concession
Itaperuna	Cross Docking	2,500	Leased
Caju 1	Distribution Centers	4,866	Own
Caju 2	Distribution Centers	8,058	Own
Caju 3	Parking Lot	7,400	Leased
Vitória (Cariacica)	Distribution Centers	93,320	Own
Cachoeiro do Itapemirim	Cross Docking	8,000	Leased
Linhares	Cross Docking	1,500	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	33,669	Leased
Araraquara	Distribution Centers	11,658	Leased
São Paulo	Real Estate	69	Own
São João da Boa Vista, Araraquara, São Paulo	Cross Docking	20,773	Own
São Pedro da Aldeia 2	Parking Lot	6,400	License
Itaipu	Commercial Offices	750	Leased
Nova Friburgo	Commercial Offices	350	Leased

	Main use	Square meters	Property
CHILE			
Embotelladora Andina S.A.			
Renca	Offices / Production of Soft Drinks / Distribution Center / Warehouses	380,833	Own
Renca	Warehouses	55,562	Own
Renca	Warehouses	11,211	Own
Renca	Warehouses	46,965	Own
Carlos Valdovinos	Distribution Centers / Warehouses	106,820	Own
Puente Alto	Distribution Centers / Warehouses	68,682	Own
Maipú	Distribution Centers / Warehouses	45,833	Own
Demetrop (Metropolitan Region)	Warehouses	s/d	Leased
Trailerlogistic (Metropolitan Region)	Warehouses	s/d	Leased
Monster (Metropolitan Region)	Warehouses	s/d	Leased
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
Antofagasta	Offices / Production of Soft Drinks / Distribution Center / Warehouses	8,028	Own
Calama	Distribution Centers / Warehouses	10,700	Own
Taltal	Distribution Centers / Warehouses - Inactive	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



	Main use	Square meters	Property
CHILE			
Vital Jugos S.A.			
Renca	Offices / Production of Juices	40,000	Own
Vital Aguas S.A.			
Rengo	Offices / Production of Waters	573,620	Own
Envases Central S.A.			
Renca	Offices / Production of Soft Drinks	51,907	Own

	Main use	Square meters	Property
PARAGUAY			
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





Statement of responsibility

> 102-19

The 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 2018 Intergated Annual Report, in accordance with the provisions of General Rule N° 346 dated May 3, 2013, of Chile's Financial Market Commission.

Juan Claro González
Presidente
RUT: 5.663.828-8

Manuel Arroyo
Director
Extranjero

Pilar Lamana Gaete
Directora independiente
RUT: 8.538.550-K

Gonzalo Said Hualde
Director
RUT: 6.555.478-K

Georges de Boutquignon Arnet
Director
RUT: 7.269.147-4

Arturo Majlis Albala
Vicepresidente
RUT: 6.998.727-3

José Antonio García Silva
Director
RUT: 8.745.864-4

Gonzalo Parot Palma
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Salvador Said Sarmiento
Director
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Mariano Rossi
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Eduardo Chacabick Claro
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GRI contents index





The indicators that relate to the principles of the United Nations Global Compact are identified in red.

GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Coca-Cola Andina background and profile	102-1	Report the name of the organization.	Page 4	
	102-2	a. Describe the activities of the organization. b. Report the primary brands, products and services, include an explanation of any products or services forbidden in certain markets	Pages 15, 16, 17, 18, 19, 30, 31, 32, 33, 35, 36, 67, 71	
	102-3	Report the location of the organization's headquarters.	Pages 4, 5	
	102-4	Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	Pages 4, 18, 30, 31, 32, 33, 34, 35	
	102-5	Report the nature of ownership and legal form.	Pages 5, 40	
	102-6	Report the markets served, including i. geographic breakdown ii. sectors served iii. types of customers and beneficiaries.	Pages 18, 30, 33, 35	
	102-7	Report the scale of the organization	Pages 12, 18, 19, 27, 35, 36, 107, 108, 111 and the chapter on Financial Statements	
	102-8	Report on employees and other workers	Pages 18, 27, 82, 117, 118, 120	
	102-9	Supply chain	Pages 28, 29, 32, 33, 34 and 35	
	102-10	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.	Pages 12, 13, 14 and page 17. In addition to the Exhibit page N° 197.	



GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Coca-Cola Andina background and profile	102-11	Report whether and how the precautionary approach or principle is addressed by the organization.	Page 39 and from pages 50 to 64 under: "Risk Management" We have 20 work operations certified under international standards. Which are audited every year. Certifications: ISO9001; ISO14001; OHSAS 18001; FSSC 22000; KORE standard; HACCP; Top Ten Fatality; Supplier Guiding Principles. See also: Corporate Sustainability Policy Corporate Risk Management Policy http://www.koandina.com/	
	102-12	List externally developed economic, environmental and social minutes, principles, or other initiatives to which the organization subscribes or which it endorses.	We participate in several external initiatives of an economic, social and environmental nature, all voluntary and in order to improve our processes and share our experiences. Pages 6, 14 and 25 Coca-Cola Andina adheres to the principles and initiatives in which The Coca-Cola Company and The Coca-Cola System participate. Among them are the UN Global Pact and the UN Declaration of Human Rights. Embotelladora Andina S.A. signed its adherence to the United Nations Global Pact in Chile during 2015, which it maintained during 2018.	
	102-13	List memberships of associations	Page 76	
Coca-Cola Andina's Strategy	102-14	Provide a statement from the most senior decision-maker of the organization	Pages 10, 12, 13, and 14	6.2
	102-15	Provide a description of key impacts, risks, and opportunities.	From page 50 through 64 See also: Corporate Governance Practice Document Prosecutor's Office 2014 Pag 8. (http://www.koandina.com/uploads/Adjuntos/Practicas%20de%20Gobierno%20Corporativo_fiscalia2017.pdf)	7.4.2
Ethics and integrity	102-16	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	Pages: 21; 38, 39 and 50 and in: Ethics Code: http://www.koandina.com/uploads/Adjuntos/CodigodeEticav1_0.pdf Suppliers and Third Party Ethics Code : http://www.koandina.com/uploads/Adjuntos/Codigo_Etica_Proveedores .	
	102-17	Mechanisms for seeking advice and ethical concerns	Pages : 38, 39, 50 See also: Koandina web- Anonymous Reports Section Ethics Code V1_0 – Conflicts of Interest Pag. 2 and 3; Pag. 9 and 10 In the event that a person faces a Conflict of Interest, or detects a Potential Conflict of Interest, he or she must inform the Company in a timely manner, and refrain from carrying out actions that generate or can generate such a conflict, unless expressly authorized and in writing from the Ethics Committee of the Company. http://www.koandina.com/uploads/Adjuntos/CodigodeEticav1_0.p	



GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Governance	102-18	Corporate Governance Structure	Pages 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 49, 130 and 133 See also: Response to indicator 102-26 F20 Page 82 and 83 - Directors, Senior Management and Employees http://www.koandina.com/uploads/reportes_financieros/2017%2020F.pdf Corporate Sustainability Policy and Corporate Risk Control Management Policy. http://www.koandina.com/pagina.php?p=gobierno-politicas	
	102-19	Authority delegation	Page 40 In addition, the company has specific guidelines for the delegation of authority formalized in a “Corporate Policy Document of Delegation of Authority” and the Board meets once a month to know the results of the company and all matters of its competence. For more information see: F20 Page 82 and 83 - Directors, Senior Management and Employees http://www.koandina.com/uploads/reportes_financieros/2017%2020F.pdf	
	102-20	Executive-level responsibility for economic, environmental and social topics	Pages 43, 45, 47, 48 The company has people responsible for sustainability, environment, safety and relationship with stakeholders, who are in charge of managing social and environmental aspects. Corporate Sustainability Policy and Corporate Risk Management Policy http://www.koandina.com/pagina.php?p=gobierno-politicas	
	102-21	Consultation among stakeholders on economic, environmental and social topics.	Pages. 7, 8, 9 and 10. In addition, on the occasion of responding each year General Rule No. 385 of Chile’s Financial Market Commission, the Board of Directors conducts a review of all the issues relating to compliance, which include specific suggestions of practices relating to economic, sustainability, risk management and social. It is noteworthy that the above-mentioned standard seeks to provide the market with information regarding the corporate governance practices of listed companies; addressing the effect of different aspects related to the operation of the Board; The relationship between the Company, shareholders and general public; management and control of risks applied in the Company; and the evaluation by a third party of the adoption of these practices.	
	102-22	Composition of the highest governance body and its committees	Pages 42, 43 and 45. Also complement with the answer in this indicator with indicator 102-24. On independence, see: Chile – U.S.A. Comparison of Corporate Governance Standards http://www.koandina.com/uploads/Adjuntos/comparacion_estandares_gob_corporativo%20CHile-EEUU.pdf 20F Composition of the Board of Directors and Principal Officers (Gender and Age) and Competence and Experience. http://www.koandina.com/uploads/reportes_financieros/2017%2020F.pdf	



GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Governance	102-23	Chair of the highest governance body	Neither the Chairman nor the directors hold executive positions. Also see page 42 of this Integrated Annual Report	
	102-24	Nomination and selection processes for the highest governance body	Page 130. The election of the Board of Directors is carried out in accordance with Chile's Corporations Law (18,046). The Board is the body through which the administration of the company is exercised and it is elected by the General Shareholders' Meeting in each statutory period, in our case every 3 years. The holders of Series A shares electing 12 directors and Series B shares elect 2 directors. The directors can or will not be shareholders of the Company, they last in their mandate 3 years and they can be re-elected indefinitely. Currently the Board of Directors is made up of 9 Chilean directors and 5 foreign directors, all of them men, who have specialized knowledge and experience to perform their duties. Although it is not a legal requirement, knowledge and experience are considered when selecting them, and their curriculum vitae always accompany their nomination. Chilean law requires that in certain cases corporations have independent directors. We are required to do so and the independence of these directors is guaranteed, since they must comply with legal requirements such as not maintaining a certain relationship of kinship, or relationship as shareholder, manager or officer of the Company. These directors are proposed by shareholders who represent 1% or more of the shares of the company and their candidacies are presented 10 days before the Shareholders' Meeting in which the Board of Directors is renewed. Two days prior to the Shareholders' Meeting, candidates must present a statement of independence in which they state that they comply with the legal requirements and they are committed to remaining independent throughout their period. 20F Board of Directors and Shareholders' Meetings. http://www.koandina.com/uploads/reportes_financieros/2017%2020F.pdf	
	102-25	Conflicts of interest	Pages 43 and 44. Also review: Document "Corporate Governance Practices (General Rule 385)" http://www.koandina.com/uploads/NCG%20385.pdf Ethics Code V1.0 point 2. Page 2 http://www.koandina.com/uploads/Adjuntos/CodigodeEticav1_0.pdf	



GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Governance	102-26	Highest governance body's and senior executives' roles in the selection of goals, values and strategy	Pages: 38 through 50. We also point out that the Board of Directors has an Executive Committee in charge of monitoring and proposing guidelines for the general progress of the company's business and the control of operations on an ongoing basis through periodic sessions. Also, and as prescribed in article 50 bis of law 18,046 on corporations, and in accordance with the provisions of the Circular N ° 1956 and Circular N ° 560 of Chile's Superintendence of Securities and Insurance the Board of Directors has a Directors' Committee, whose functions are: to examine the reports of external auditors, the balance sheet and other financial statements presented by the directors of the Company to shareholders, and to rule on these prior to their presentation to the shareholders for approval. Propose external auditors and risk rating agencies to the Board, which are suggested to the respective shareholders' meeting. Review information relating to the operations referred to in Title XVI of Law N ° 18.046 and report on them. Examine remuneration systems and compensation plans for managers, top executives and workers of the company. Report to the Board with respect to the desirability of hiring or not the company's external audit for the provision of services that are not part of the external audit, when they are not prohibited pursuant to provisions of article 242 of the stock market Act No. 18,045. Review and approve the company's 20-F report and verify the compliance by management of rule 404 of the Sarbanes Oxley Act (Under section 404 of the Sarbanes Oxley Act, Management should make an annual assessment of internal controls of the company). All this, notwithstanding other functions which it performs such as analyze and follow corporate policies, review the origin and implementation of new systems or business models. For more information see: Amendment to Company Bylaws 06/25/2012 Art.10 http://www.koandina.com/uploads/Adjuntos/Estatutos%20Societarios%20Reforma%2025-06-12.pdf Fiscal Corporate Governance Practices 2014 refers to the operation of the Board of Directors in point A. http://www.koandina.com/uploads/Adjuntos/Practicas%20de%20Gobierno%20Corporativo_fiscalia2014.pdf	
	102-27	Highest governance body's collective knowledge	Page 46 of this 2018 Integrated Report, the Company is also concerned with contributing to its major specialization by conducting lectures with experts, specialized presentations, elaborating specific reports, etc. Visits from the Executive Committee are also made to each country (Argentina, Brazil, Chile and Paraguay) and specialists in economic policy are invited.	



GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Governance	102-28	Evaluation of the highest governance body's performance	Page 30 There are policies and specific procedures for managing the different risks associated with our operation. To this end, the Company has a Risk Management area whose function is to propose and implement standards and control activities to mitigate them. In addition, the Board agreed to meet at least quarterly with the Company's Risk Management area in order to analyze the proper functioning of the risk management process, the risk matrix used by the unit (as well as the main sources of risk and methodologies for the detection of new risks and probability and impact of occurrence of those that are most relevant), and the recommendations and improvements that would be appropriate in order to better manage the risks of the entity. See also: Document "Corporate Governance Practices (General Rule 385)" http://www.koandina.com/uploads/NCG%20385.pdf Corporate Risk Control Management Policy http://www.koandina.com/pagina.php?p=gobierno-politicas	
	102-29	Identification and management of economic, environmental, and social impacts	Pages: 39 and 43. There are policies and specific procedures for managing the different risks associated with our operation. To this end, the Company has a Risk Management area whose function is to propose and implement standards and control activities to mitigate them. In addition, the Board agreed to meet at least quarterly with the Company's Risk Management area in order to analyze the proper functioning of the risk management process, the risk matrix used by the unit (as well as the main sources of risk and methodologies for the detection of new risks and probability and impact of occurrence of those that are most relevant), and the recommendations and improvements that would be appropriate in order to better manage the risks of the entity. See also: Document "Corporate Governance Practices (General Rule 385)" http://www.koandina.com/uploads/NCG%20385.pdf Corporate Risk Control Management Policy http://www.koandina.com/pagina.php?p=gobierno-politicas	
	102-30	Effectiveness of the risk management process	Page: 50. We have implemented a Management and Risk Control Model (GCR). In this model, the Board plays a fundamental role, including among its main responsibilities the knowledge and understanding of all relevant risks the Company assumes, approve the strategy and general guidelines of the GCR and monitor the continuous operation of the GCR processes reported by the Risk Committee through the evaluations conducted by Internal Audit (which depends on the Board of Directors).	



GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Governance	102-31	Evaluation of economic, environmental and social issues	Pages: From 50 to 64. Pursuant to the provisions of the Corporate Risk Control Management Policy which was approved by the Board of Directors in December 2015, the Risk Committee will inform the Board of Directors on a quarterly basis: 1. The proper functioning of the risk management process. 2. The risk matrix used by the Company as well as the main sources of risks and methodologies for the detection of new risks and the probability and impact of occurrence of those most relevant. 3. The recommendations and improvements that in the opinion of the Risk Committee would be pertinent to carry out in order to better manage the risks of the Company. 4. Contingency plans designed to react against the materialization of critical events, including the continuity of the Board of Directors in crisis situations. 5. Audit Results.	
	102-32	Role of the highest governing body in the elaboration of sustainability reports	Page 43 The Board approves the Integrated Annual Report during the session prior to the General Shareholders' Meeting, which shall rule on the Report and approve it.	
	102-33	Communicating critical concerns	Pages 42, 43, 44 and 45. The Board of Directors holds scheduled sessions at least once a month, where several topics are discussed, among which are the important concerns conveyed to the highest governance body. The decision-making approach is decentralized, giving operations a sufficient level of autonomy, which is framed within certain limits to maintain strategic control over the business. (Corporate Policy Document for Delegation of Authority)	
	102-34	Nature and total number of critical concerns	Page 44: The main topics and concerns that were conveyed to the highest governance body included the review of anonymous complaints, the analysis of internal audit reports, the review and approval of corporate policies such as corporate sustainability and risk management, or other rules applicable to corporate governance or the company, internal control systems, review and approval of new business, review and approval of results, consolidated and by operation. Some of these subjects were reviewed in the Executive Committee and then analyzed by the Board of Directors, others were directly addressed in the Board of Directors. The mechanism of resolution is determined according to their nature, if they come from a specific operation, from management or the Anonymous Complaints channel. The Board of Directors meets once a month to know the results of the company and all other matters of its competence.	
	102-35	Remuneration Policies	Page 49 Also review: 20F - Section B. Remunerations 2018 Document Minutes of GSM, Page xx and xx puntos xx and xx http://www.koandina.com/	



GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Governance	102-36	Process to determine remuneration	Review: 20F - Punto B. Remunerations - http://www.koandina.com/ 2018 Document Minutes of GSM, Page XX and XX gives more detail of the procedure through which remunerations are assigned to the Board of Directors, members of the Executive Committee, members of the Director s' Committee and Audit Committee. http://www.koandina.com/uploads/comunicados/	
	102-37	Involvement of stakeholders in remuneration	Pages: 7, 8, 9 and 10	
	102-38	Total annual compensation ratio	This information is confidential to protect the personal security of employees and senior management of our organization.	
	102-39	Percentage increase ratio in total annual compensation	This information is confidential to protect the personal security of employees and senior management of our organization.	
Participation of Stakeholders	102-40	Stakeholder participation	Page 8	4.5; 5.3
	102-41	Collective bargaining agreements	Page 89	4.5; 5.3
	102-42	Identification and selection of stakeholders	Page 8	4.5; 5.3
	102-43	Focus for participation of stakeholder groups	Pages 7 to 10	4.5; 5.3
	102-44	Key Issues and concerns mentioned	The areas in charge of sustainability in each country have periodic meetings with the Public Affairs and Sustainability area of The Coca-Cola Company. Key issues are detected during those meetings, during 2018 some of the issues were: Climate Change, Coca-Cola Company World without waste, transport impacts.	4.5; 5.3
Preparation of the Report	102-45	Entities included in the consolidated financial statements	Page 134. This Integrated Annual Report 2018 comprises the same entities and are presented simultaneously. The main bottling plants of the countries Argentina, Brazil, Chile and Paraguay are Consolidated.	



GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Preparation of the Report	102-46	Definition of the report contents and aspect of boundaries.	Pages 6 and 7. We also point out that the period reported is between January 1, 2018 and December 31, 2018. It considers the operations of Coca-Cola Andina in Argentina, Brazil, Chile and Paraguay: Andina Chile, Andina Argentina; Andina Brazil; Andina Paraguay and Vital S.A.-The currency used, unless otherwise specified, when referring to a U.S. dollar by using “US\$”; to a Chilean peso, “Ch\$”, to a Brazilian Real, “R\$”.	
	102-47	Material aspects	Pages 21, 24 and 25	
	102-48	Restatement of information provided in the report	Page 6: This is the first year of the Integrated Annual Report. The elaboration methodology was according to the mandatory requirements of Chile’s Financial Market Commission (CMF) and the Global Reporting Initiative (GRI). In Addition, a progress report is included for the United Nations Global Compact.	
	102-49	Changes in the preparation of the report	Page 6. This is the first year of the Integrated Annual Report	4.5; 5.3
	102-50	Reporting period	Between January 1, 2018 and December 31, 2018	
	102-51	Date of most recent previous report	March 2018	
	102-52	Reporting cycle of 2018 Annual Integrated Report	Annual	
	102-53	Contact point for questions regarding 2018 Annual Integrated Report	Page 5	
	102-54	Statement of preparation of report in accordance with GRI Standards	Page 6. This Integrated Annual Report has been prepared in accordance with GRI Standards: Comprehensive option	
	102-55	GRI Contents Index	Page 148	
	102-56	External assurance	Page 168	



GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Management Focus	103-1	Material topics and boundaries	Pages: 50, 74, 82, 96, 103	
	103-2	Management focus and its components		6.3.6
	103-3	Management focus evaluation		
Economic Performance	201-1	Direct economic value generated and distributed	Page 36	6.8.1; 6.8.2; 6.8.3; 6.8.9
	201-2	Financial Implications and other risks and opportunities arising from climate change	Risks/opportunities are detected and are treated through the Risk Management process. Some identified during 2018, were: Regulatory: Law on labelling, taxes for sugars, taxes for the generation of waste and diversity law. Environmental: precipitations, temperatures and Environmental pollution by pollution. Page 50	6.5.5
	201-3	Defined benefit plan Obligations and other	Page 86. The Company complies with the current system of pension obligations in all countries where it has operations.	6.8.7
	201-4	Financial Assistance received from the government	Page 36 and there was no financial aid in the period.	6.3.9; 6.8.1; 6.8.2; 6.8.7; 6.8.9
Market presence	202-1	Standard initial rate per gender versus local minimum wage ratio	The wage gap by gender: Officers: 70.8% Others: 112.7%	
	202-2	Proportion of senior officers hired from the local community	Page 47	
Indirect Economic Impacts	203-1	Investments in Infrastructure and services supported	Page 111	6.3.9; 6.6.6; 6.6.7; 6.7.8; 6.8.1; 6.8.2; 6.8.5; 6.8.7; 6.8.9



GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Indirect Economic Impacts	203-2	Significant indirect economic impacts	Page 36 and Exhibit Coca-Cola Andina as part of the Coca-Cola System generates added value in countries where it operates equivalent to approximately 0.3% of the country's GDP. The economic value distributed table also shows the contributions to Treasury, salaries to direct employees and investments. When we include the indirect impact that the Coca-Cola System generates in each region where it operates, this GDP equivalent amounts to 1%.	
Acquisition Practices	204-1	Proportion of spending on local suppliers	Pages: 116, 36 We refer to "national" as a synonym of "local"	6.4.3; 6.6.6; 6.8.1; 6.8.2; 6.8.7
Anti-Corruption	205-1	Operations assessed for corruption-related risks	Page 43	6.6.1; 6.6.2; 6.6.3
	205-2	Policies and procedures for communication and training in the fight against corruption.	E-learning of the Corporate Policy of Crime Prevention on Law No 20,393 were carried out Page 43	6.6.1; 6.6.2; 6.6.3; 6.6.6
	205-3	Confirmed Cases of corruption and measures taken.	The allegations received through the Ethics Point Channel: 61, which were reviewed, treated and closed: 44, of them 7 relate to issues of corruption.	6.6.1; 6.6.2; 6.6.3; 6.6.6
Unfair competition	206-1	Total number of legal actions for anti-competitive behavior, anti-trust, and Monopoly practices and their outcomes.	None have been recorded in the period.	6.6.1; 6.6.2; 6.6.5; 6.6.7
Materials	301-1	Materials used by weight or volume	The Integrated Annual Report publishes the raw materials used and which of them are recycled. Page 124 In the chapter "Water Stewards" water consumption is published and initiatives to increase replenishment are undertaken as a renewable resource. Page 92 The Renewable energy used is published in the chapter "Energy Management and Climate Protection" Page 103	6.5.4
	301-2	Percentage of recycled input materials used	Page 99 and 124 Sustainable Packaging. Recycled material is used: 5% for plastic bottles, 30% for glass bottles and 46% for plastic boxes.	6.5.4



GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Materials	301-3	Percentage of products sold and their packaging materials that are reclaimed by category.	Pages 97, 98, 99, 100, 101 38,5% (global company) of products sold are regenerated at the end of their useful life by the Company itself. 100% of cases (secondary packaging) are regenerated at the end of their useful life by the Company itself. We support environmental initiatives and encourage the recovery of packaging that do not yet have formal reclamation circuits. “	6.5.3; 6.5.4; 6.7.5
Energy	302-1	Energy consumption within the organization	Page 127 Heating and cooling are included in the electrical consumption value.	
	302-2	Energy consumption outside of the organization	Page 127	6.5.4
	302-3	Energy intensity	Page 127	6.5.4
	302-4	Reduction of energy consumption	Pages 103,104 and 127	
	302-5	Reductions in energy requirements of products and services	Pages 127; 104 Total energy consumption increased by 3.3%, mainly by the use of diesel oil and propane in our operations in Chile. On the other hand, it should be mentioned that Argentina, Brazil and Paraguay decreased consumption with respect to 2017.	6.5.4; 6.5.5
Water	303-1	Water withdrawal by source	Pages 91 a la 95. The methods of calculation and registration are standards of The Coca-Cola Company for all bottlers. (EOSH Performance Measurements and Water Resource Sustainability)	6.5.4
	303-2	Water sources significantly affected by withdrawal of water	Pages 91 a la 95 Following the policy of The Coca-Cola Company, actions are carried out to replenish to nature the water used. Information on these programs is contained in the “Water Stewards” chapter.	6.5.4
	303-3	Percentage and total volume of water recycled and reused	Pages 95 and 92 There are only cases of reuse in washing equipment (e.g. bottle washers) where water is recovered from the final rinsing. This improves the WUR ratio but we do not have a meter in 100% of machines to know the specific savings of this action. Water used or captured from precipitation is treated to make it suitable for animal life. There are rain water cisterns for fire prevention.	6.5.4



GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Biodiversity	304-1	Owned, leased or managed operations centers located within or near protected areas or areas of great value for biodiversity outside protected areas	We do not have operations in protected areas	
	304-2	Significant impacts of activities, products and services in biodiversity	We do not have operations in protected areas	
	304-3	Protected or restored habitats	We do not have operations in protected areas	
	304-4	Species listed on the IUCN Red List and local conservation lists whose habitats are located in areas affected by the operations	We do not have operations in protected areas	6.5.5
Emissions	305-1	Direct GHG (scope 1).	Page 128	6.5.5
	305-2	Energy indirect GHG (scope 2).	Page 128	
	305-3	Other indirect GHG (scope 3).	Page 128 Scope 3 50,38 % Argentina 0,98 % Brazil 25,79 % Chile 22,85 % Paraguay	
	305-4	GHG intensity.	Page 105. Scope 1, 2 and 3 ratio for Embotelladora Andina is 47.92 gr CO2 eq/Liter of beverage produced.	



GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Emissions	305-5	Reduction of GHG.	Pages 128 Reductions in plant processes, improvements in fleets and incorporating clean energies 3,094 TN CO ² EQ	6.5.5
	305-6	Emissions of ozone-depleting substances. (ODS)	Page 105 Cooling gases used in cooling equipment, mainly CO ² and HCFC-22	
	305-7	NOX, SOX, and other significant air emissions.	The gases reported below are those used by cold equipment. Which change according to need and disposed of according to the legislation of each country. Cooling gases (R134A, R513 and others): 5,126 kg NOX: 11981 kg SOX: Not measured MP10:262 kg	
Effluents and waste	306-1	Total water discharge by quality and destination.	Page 123. Output parameters respond to the requirements of The Coca-Cola Company in its Waste Water Quality document. The delivery is quality suitable for animal life with fish habitat at the end of the process.	6.5.3; 6.5.4
	306-2	Total weight of waste by type and disposal method.	Page 96, 124,125. 84.5% of waste is recycled (global Andina value). We refer to recyclables when processed to reuse and organic residues also enter this criterion and are destined to composting as hazardous wastes that are destined as energy recovery in cement industries kilns. 2.2% are hazardous wastes that are treated according to the laws of each country (for example, security cells). 14.3% are general wastes that go to sanitary landfills.	6.5.3
	306-3	Significant spills	There were no significant spills in the period	6.5.3
	306-4	Transport of hazardous waste	100% of hazardous wastes are treated by third parties within the countries where they originate.	
	306-5	Water Bodies affected by water discharges and/or runoff	100% of the company's effluents are treated, so there are no significant impacts on water resources. It is managed through the requirement of The Coca-Cola Company Source Water Vulnerability Assessment (SVA)	6.5.3; 6.5.4; 6.5.6
Environmental Compliance	307-1	Non-compliance with environmental legislation and regulations	No significant penalties or fines for breach of legislation have been produced and/o environmental regulations.	4.6



GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Environmental Assessment of suppliers	308-1	Percentage of new suppliers examined according to environmental criteria	Page 128 Reductions in plant processes, improvements in fleets and incorporating clean energies of 3,094 tons of CO ² eq	6.3.5; 6.6.6; 7.3.1
	308-2	Significant, real and potential negative environmental Impacts on the supply chain and measures.	Page 28 Work is performed with critical suppliers and on significant impacts on the chain: Upstream: initiatives are performed with primary and secondary packaging suppliers to reduce their weight. Also, to reuse the industrial scrap of the plants in order to produce new packaging, guaranteeing quality of waste and managing the transformation of the same with partners. In order to reduce the impact of waste generation. Downstream: initiatives are performed with suppliers of coolers to place more efficient equipment at customer locations and with distribution suppliers to make delivery routes more efficient, seeking to reduce fuel consumption and the carbon footprint. Promote commercial efforts aimed at a greater percentage of sales in returnable bottles, are to reduce use of raw materials.	
Employment	401-1	New employee hiring and staff turnover	Page 119 The new hires for the entire company reached 2,034 employees with permanent contract. Rotation is a key performance indicator in each country. Argentina: 0.41% Brazil: 2.29% Chile: 1.22% Paraguay: 0.26%”	6.4.3
	401-2	Benefits for full-time employees that are not given to part-time or temporary employees	Page 86. The same benefits are granted regardless of the extension of the working day, in all significant locations of operation. The new hires for the entire company reached 2,034 employees with permanent contract. Rotation is a key performance indicator in each country. Argentina: 0.41%, Brazil: 2.29%, Chile: 1.22%, Paraguay: 0.26%”	6.4.8; 6.8.7
	401-3	Parental leave	Page 122	6.4.4
Worker-company Relations	402-1	Minimum notice periods regarding operational changes, including those specified in collective agreements.	As a general provision, the minimum number of notice is 30 days in all regions	6.4.4; 6.4.5
Health and safety at work	403-1	Percentage of total workforce represented in formal joint management-worker health and safety committees.	Page 87	6.4.6



GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Health and safety at work	403-2	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work related fatalities.	Page 88	6.4.6; 6.8.8
	403-3	Workers with high incidence or high risk of diseases related to their occupation.	Andina has a detailed analysis by type of worker and position performed, referring to the risks they can be submitted to (by e.g. professional deafness, possible skeletal muscle diseases, and respiratory diseases). For each type of risk, it has specific mitigation measures. These include adaptations of equipment and facilities to comply with the standards established, the delivery of (PPE) personal protective equipment adapted to each type of risk, training on the importance of its use and monitoring measures for the purpose of verifying its use. Also, annual or periodic checkups are performed to track and control the identified risks.	
	403-4	Health and safety topics covered in formal agreements with trade unions.	Pages 88 and 89 The functioning of the committees is defined in the Behavior-based Safety Program.	6.4.6
Training	404-1	Average hours of training per year per employee by gender, and by employee category.	Pages 83 and 84	6.4.7
	404-2	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Pages 74, 83, 84	6.4.7; 6.8.5
	404-3	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	Page 122	6.4.7
Diversity	405-1	Diversity in the Board of Directors and employees	Page 42	6.2.3; 6.3.7; 6.3.10; 6.4.3
	405-2	Ratio of basic salary and remuneration of women to men	Page 119	6.3.7; 6.3.10; 6.4.4; 6.4.4



GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Cases of Discrimination	406-1	Number of incidents of discrimination and corrective actions taken.	No incidents have occurred in the period.	6.3.6; 6.3.7; 6.3.10; 6.4.3
Freedom of association and Collective Bargaining	407-1	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights.	Page 80 All suppliers must meet the standards and requirements of The Coca-Cola System and the Guiding Principles for Suppliers.	6.3.3; 6.3.4; 6.3.5; 6.3.8; 6.3.10; 6.4.5; 6.6.6
Child Labor	408-1	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	Page 80 The prohibition of the recruitment of children under 18 years old is incorporated in the Internal Rules of Order, Hygiene and Safety Standards, as well as the regulation of contractors. All suppliers must comply with the standards and requirements of The Coca-Cola System, and the Guiding Principles for Suppliers.	6.3.3; 6.3.4; 6.3.5; 6.3.7; 6.3.10; 6.6.6; 6.8.4
Forced Labor	409-1	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced labor.	Page 8 and 80 All suppliers must comply with the standards and requirements of The Coca-Cola System, and the Guiding Principles for Suppliers. Random checks and audits are performed to detect possible episodes. In addition, the Anonymous Complaints Channel is available to receive claims.	6.3.3; 6.3.4; 6.3.5; 6.3.10
Safety Matters	410-1	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations.	Page 74, 80. The security personnel of all the facilities are outsourced.	
Rights of indigenous people	411-1	Cases of violations of rights of indigenous peoples	There are no cases in the period	
Human Rights Assessment	412-1	Total number and percentage of operations that have been subject to human rights reviews or impact assessments.	The reporting organization must submit the following information: 100% of bottling plants are assessed in human rights periodically by third parties hired by The Coca-Cola Company. a. 18,107 hours (ethics and code of conduct). It developed an e-learning of policies, training people of all countries, page XX. The reporting organization must submit the following information: a. All raw materials have audits in The Coca-Cola Company's Guiding Principles.	



GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Human Rights Assessment	412-2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Page 84	6.3.5
	412-3	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.	Page 80 All suppliers must meet the standards and requirements of The Coca-Cola System and the Guiding Principles for Suppliers.	6.3.3; 6.3.5; 6.6.6
Local Communities	413-1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Page 25, 74, 75 The relationship with the community is managed from the areas responsible for sustainability and institutional relations, always aligned with The Coca-Cola Company and the definitions of their Public Affairs divisions.	6.3.9; 6.5.1; 6.5.2; 6.5.3; 6.8
	413-2	Operations with significant -current and potential- negative impacts on local communities.	No significant negative effects on the local communities where we have operations have been determined.	
Social Assessment of local suppliers	414-1	Percentage of new suppliers that were screened using labor practices criteria.	Page 74 and 80.	6.3.3; 6.3.4; 6.6.3.5; 6.6.6
	414-2	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken.	Page 81	6.3.5; 6.4.3; 6.6.6; 7.3.1
Public Policy	415-1	Contributions to political parties	None have been recorded in the period.	
Health and safety at work	416-1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	Pages: from 66 through 73	6.3.9; 6.5.1; 6.5.2; 6.5.3; 6.8



GRI Standard	GRI	Content	Page No. / Answer	ISO 26000 Linked clauses
Health and safety at work	416-2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.	There have been no incidents arising from non-compliance with the regulations or voluntary codes relating to the impacts of products and services on health and safety in the period. The quality and safety area aims to guarantee the safety of the food we produce, managing it through the identification, prevention, evaluation and control of the processes until the final consumer.	6.3.9; 6.3.5; 6.8
Labelling and Marketing	417-1	Product and service information required for product and service information labeling.	Page 71, 72	6.7.1
	417-2	Number of incidents of non-compliance concerning product and service information labeling	Page 71, 72	6.6.1; 6.6.2; 6.6.3; 6.6.6
	417-3	Number of incidents of non-compliance concerning marketing communications.	Page 71,72	4.6
Customer Privacy	418-1	Number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	None have been recorded in the period.	6.7.1; 6.7.2; 6.7.7
Socio-Economic Compliance	419-1	Non-compliance with laws and regulations concerning social and economic aspects	Total amount amounts to US \$47,180 and which corresponds to 22 fines assignable to Chile's operations (9) and Brazil (13).	4.6



ACKNOWLEDGEMENTS:

General Coordination

Consuelo Barrera and Paula Vicuña.

Collaboration

Eduardo Salas Valenzuela; Juan Antonio Miranda; Neiva Fátima Vieira; Carlos Moncada; Graciela Cegla; María Victoria Claro; Alberto Moreno; Rodrigo Ruiz; Mariana Paz González Cortés; Augusto Veas; Ignacio Morales; Cecilia Abati and Ramiro Pucci.

Drafting assistance

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We are interested in your opinion

It is important for us to know your opinion, so we can improve our sustainability management.

We invite you to send your suggestions, questions or any comment regarding this Integrated Report to: andina.ir@koandina.com, as well as to the offices of our operations.



Limited Assurance Statement of Coca Cola Andina S.A. Integrated Report 2018

To the President and Directors of
Coca Cola Andina S.A.

Scope

We have performed an independent limited assurance engagement on the information and data presented in Coca Cola Andina S.A. 2018 Integrated Report.

Preparation of the Integrated Report is the responsibility of the Management of Coca Cola Andina S.A. The Management of Coca Cola Andina S.A. is also responsible for the data and affirmations included in the Integrated Report, definition of the scope and management and control of the information systems that have provided the reported information.

Standards and Assurance Procedures

Our review has been performed in accordance with the International Standard on Assurance Engagements ISAE 3000, established by the International Auditing and Assurance Board of the International Federation of Accountants and the version GRI Standards of the guidelines for the preparation of sustainability reports under the Global Reporting Initiative (GRI).

We conducted our assurance procedures in order to:

- ▶ Determine whether the information and data presented in the 2018 Integrated Report are duly supported by evidence.
- ▶ Verify the traceability of the information disclosed by Coca Cola Andina S.A. in its Integrated Report 2018.
- ▶ Determine whether Coca Cola Andina S.A. has prepared its 2018 Integrated Report in accordance with the Content and Quality Principles of the GRI Standards.
- ▶ Confirm Coca Cola Andina S.A. self-declared (Core or Comprehensive) option of the GRI Standards to its report.

Work Performed

Our assurance procedures included enquiries to the Management of Coca Cola Andina S.A. involved in the development of the Integrated Report process, in addition to other analytical procedures and sampling methods as described below:

- ▶ Interviews with key Coca Cola Andina S.A. personnel, in order to assess the 2018 Integrated Report preparation process, the definition of its content and its underlying information systems.
- ▶ Review of supporting documents provided by Coca Cola Andina S.A.
- ▶ Review of formulas and calculations by recalculation.
- ▶ Review of the 2018 Integrated Report in order to ensure its phrasing and format does not mislead the reader regarding the information presented.

Our Responsibility

Our responsibility is limited to the procedures mentioned above, corresponding to a limited assurance which is the basis for our conclusions.

We do not apply extended verification procedures or audits, since these processes require a greater level of evidence and longer work times.

Conclusions

Subject to our limitations of scope noted above and on the basis of our procedures for this limited assurance of Coca Cola Andina S.A. Integrated Report, we conclude that nothing has come to our attention that would cause us to believe that:

- ▶ The information and data disclosed in Coca Cola Andina S.A. 2018 Integrated Report are not presented fairly.
- ▶ Coca Cola Andina S.A. 2018 Integrated Report has not been prepared in accordance with the GRI Standards for the preparation of sustainability reports under the Global Reporting Initiative.
- ▶ Coca Cola Andina S.A. self-declared option does not meet the GRI Standards requirements for this option.

Improvement Recommendations

Without affecting our conclusions as set out above, we have detected some improvement opportunities for Coca Cola Andina S.A. Integrated Report 2018, which are detailed in a recommendations report presented to Coca Cola Andina S.A. Administration.

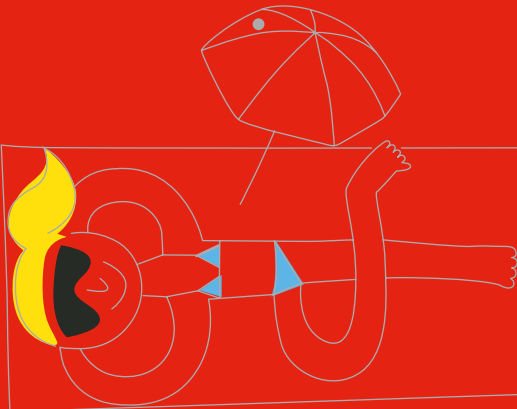
Truly Yours,

EY Consulting SpA

Eduardo Valente Neto
PI Chile Leader

March 18, 2019
I-00099/19

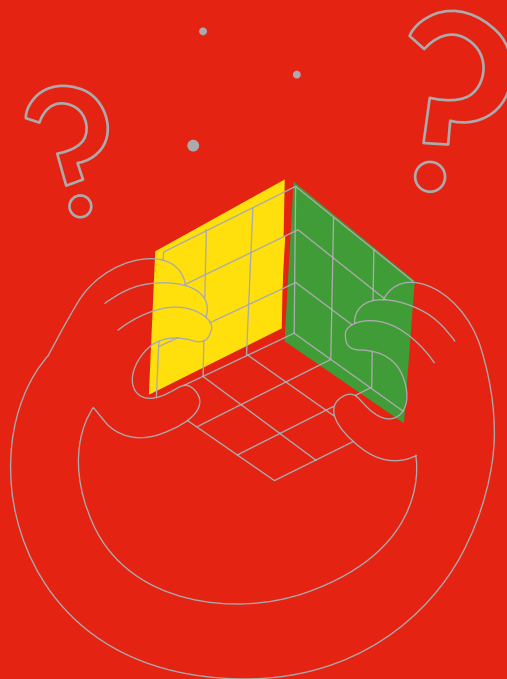
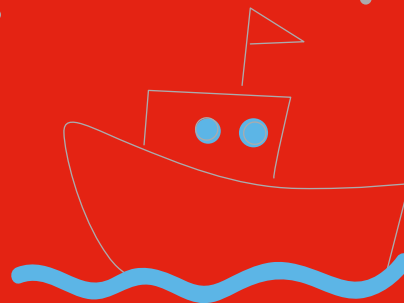
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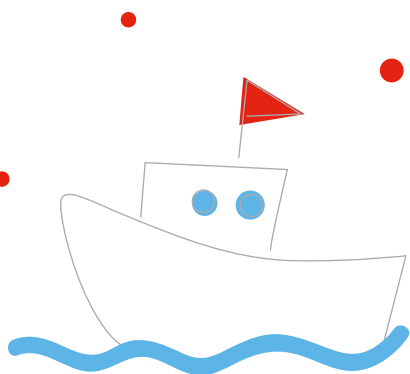


Consolidated Financial Statements

as of December 31, 2018 and 2017

• Embotelladora Andina S.A. and Subsidiaries





173

Consolidated Statements of Financial Position as of December 31, 2018 and 2017



175

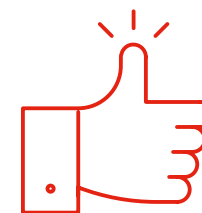
Consolidated Statements of Income by Function for the periods between January 1 and December 31, 2018 and 2017

INDEX



176

Consolidated Statements of Comprehensive Income for the periods between January 1 and December 31, 2018 and 2017



178

Consolidated Statements of Direct Cash Flows for the periods between January 1 and December 31, 2018 and 2017

179

Summarized Financial Statements - Subsidiaries



177

Consolidated Statements of Changes in Equity for the periods between January 1 and December 31, 2018 and 2017





EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES
Consolidated Statements of Financial Position

ASSETS	NOTE	12.31.2018	12.31.2017
Current assets:		ThCh\$	ThCh\$
Cash and cash equivalents	4	137,538,613	136,242,116
Other financial assets	5	683,567	14,138,161
Other non-financial assets	6.1	5,948,923	5,611,861
Trade and other accounts receivable, net	7	174,113,323	191,284,680
Accounts receivable from related companies	11.1	9,450,263	5,370,232
Inventory	8	151,319,709	131,363,000
Current tax assets	9.2	2,532,056	-
Total Current Assets		481,586,454	484,010,050
Non-Current Assets:			
Other financial assets	5	97,362,295	74,259,085
Other non-financial assets	6.2	34,977,264	47,394,345
Trade and other receivables	7	1,270,697	2,395,851
Accounts receivable from related parties	11.1	74,340	156,492
Investments accounted for under the equity method	13.1	102,410,945	86,809,069
Intangible assets other than goodwill	14.1	668,822,553	663,272,878
Goodwill	14.2	117,229,173	93,598,217
Property, plant and equipment	10.1	710,770,968	659,750,499
Deferred income tax assets	9.5	-	3,212,981
Total Non-Current Assets		1,732,918,235	1,630,849,417
Total Assets		2,214,504,689	2,114,859,467

The accompanying notes 1 to 30 form an integral part of these Consolidated Financial Statements.


EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES
Consolidated Statements of Financial Position

LIABILITIES AND EQUITY	NOTE	12.31.2018	12.31.2017
		ThCh\$	ThCh\$
LIABILITIES			
Current Liabilities:			
Other financial liabilities	15	56,114,977	67,981,405
Trade and other accounts payable	16	238,109,847	257,519,477
Accounts payable to related parties	11.2	45,827,859	33,961,437
Provisions	17	3,485,613	2,676,418
Income taxes payable	9.3	9,338,612	3,184,965
Employee benefits current provisions	12	33,210,979	35,955,643
Other non-financial liabilities	18	33,774,214	27,007,977
Total Current Liabilities:		419,862,101	428,287,322
Non-Current Liabilities:			
Other financial liabilities	15	716,563,778	675,767,201
Trade and other payables	16	735,665	1,132,926
Provisions	17	58,966,913	62,947,748
Deferred income tax liabilities	9.5	145,245,948	125,204,566
Post-employment benefit liabilities	12	9,415,541	8,286,355
Total Non-Current Liabilities:		930,927,845	873,338,796
EQUITY	19		
Issued capital		270,737,574	270,737,574
Retained earnings		462,221,463	335,523,254
Other reserves		110,854,089	185,049,228
Equity attributable to equity holders of the parent		843,813,126	791,310,056
Non-controlling interests		19,901,617	21,923,293
Total Equity		863,714,743	813,233,349
Total Liabilities and Equity		2,214,504,689	2,114,859,467

The accompanying notes 1 to 30 form an integral part of these Consolidated Financial Statements.

**EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES****Consolidated Statements of Income by Function for the periods ended December 31, 2018 and 2017**

		01.01.2018	01.01.2017
		12.31.2018	12.31.2017
	NOTE	ThCh\$	ThCh\$
Net sales		1,672,915,799	1848878619
Cost of sales	23	-968,027,774	-1069024964
Gross Profit		704,888,025	779853655
Other income	24	2,609,168	550,834
Distribution expenses	23	-165,775,484	-192,927,875
Administrative expenses	23	-313,742,853	-348,199,321
Other expenses	25	-16,057,763	-16,701,471
Other (loss) gains	27	-2,707,859	-2,537,269
Financial income	26	3,940,244	11,194,375
Financial expenses	26	-55,014,660	-55,220,369
Share of profit (loss) of investments in associates and joint ventures accounted for using the equity method	13.3	1,411,179	-80,360
Foreign exchange differences		-1,449,256	-1,370,910
Income by indexation units		-5,085,140	-3,762,930
Net income before income taxes		153,015,601	170,798,359
Income tax expense	9.4	-55,564,855	-51,797,634
Net income		97,450,746	119,000,725
Net income attributable to			
Equity holders of the parent		96,603,371	117,835,790
Non-controlling interests		847,375	1,164,935
Net income		97,450,746	119,000,725
Earnings per Share, basic and diluted		Ch\$	Ch\$
Earnings per Series A Share	19.5	97.2	118.56
Earnings per Series B Share	19.5	106.92	130.42

The accompanying notes 1 to 30 form an integral part of these Consolidated Financial Statements.

**EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES****Consolidated Statements of Comprehensive Income for the periods ended December 31, 2018 and 2017**

	01.01.2018	01.01.2017
	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Net income	97,450,746	119,000,725
Other Comprehensive Income:		
Components of other comprehensive income that will not be reclassified to net income for the period, before taxes		
Actuarial losses from defined benefit plans	-63,463	-329,477
Components of other comprehensive income that will be reclassified to net income for the period, before taxes		
Gain (losses) from exchange rate translation differences	-72,455,525	-68,831,435
Gain (losses) from cash flow hedges	-13,151,841	-813,844
Income tax related to components of other comprehensive income that will not be reclassified to net income for the period		
Income tax benefit related to defined benefit plans	16,184	84,017
Income tax related to components of other comprehensive income that will be reclassified to net income for the period		
Income tax related to exchange rate translation differences	2,476,204	232,666
Income tax related to cash flow hedges	2,554,551	167,348
Total other comprehensive income	-80,623,890	-69,490,725
Total comprehensive income	16,826,856	49,510,000
Comprehensive income attributable to:		
Equity holders of the parent	16,370,635	48,725,522
Non-controlling interests	456,221	784,478
Total Comprehensive income	16,826,856	49,510,000

The accompanying notes 1 to 30 form an integral part of these Consolidated Financial Statements.

**EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES****Consolidated Statements of Changes in Equity as of December 31, 2018 and 2017**

	Other reserves									
	Issued capital	Reserves for exchange rate differences	Cash flow hedge reserve	Actuarial gains or losses in employee benefits	Other reserves	Total other reserves	Retained earnings	Controlling Equity	Non-Controlling interests	Total Equity total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance as of 01/01/2018	270,737,574	-237,077,572	-3,094,671	-1,915,587	427,137,058	185,049,228	335,523,254	791,310,056	21,923,293	813,233,349
Changes in accounting policies	-	-	-	-	-	-	79,499,736	79,499,736	-	79,499,736
Restated opening balance	270,737,574	-237,077,572	-3,094,671	-1,915,587	-427,137,058	185,049,228	415,022,990	870,809,792	21,923,293	892,733,085
Changes in Equity										
Comprehensive Income										
Earnings	-	-	-	-	-	-	96,603,371	96,603,371	847,375	97,450,746
Other comprehensive income	-	-69,596,956	-10,597,290	-38,490	-	-80,232,736	-	-80,232,736	-391,154	-80,623,890
Total Comprehensive income	-	-69,596,956	-10,597,290	-38,490	-	-80,232,736	96,603,371	16,370,635	456,221	16,826,856
Dividends	-	-	-	-	-	-	-85,475,291	-85,475,291	-2,477,897	-87,953,188
Increase (decrease) from other changes	-	-	23,029	-	6,014,568	6,037,597	36,070,393	42,107,990	-	42,107,990
Total changes in equity	-	-69,596,956	-10,574,261	-38,490	6,014,568	-74,195,139	47,198,473	-26,996,666	-2,021,676	-29,018,342
Ending balance as of 12/31/2018	270,737,574	-306,674,528	-13,668,932	-1,954,077	433,151,626	110,854,089	462,221,463	843,813,126	19,901,617	863,714,743

	Other reserves									
	Issued capital	Reserves for exchange rate differences	Cash flow hedge reserve	Actuarial gains or losses in employee benefits	Other reserves	Total other reserves	Retained earnings	Controlling Equity	Non-Controlling interests	Total Equity total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance as of 01/01/2017	270,737,574	-168,744,355	-2,448,175	-1,785,032	427,137,058	254,159,496	295,708,512	820,605,582	21,564,445	842,170,027
Changes in Equity										
Comprehensive Income										
Earnings	-	-	-	-	-	-	117,835,790	117,835,790	1,164,935	119,000,725
Other comprehensive income	-	-68,333,217	-646,496	-130,555	-	-69,110,268	-	-69,110,268	-380,457	-69,490,725
Comprehensive income	-	-68,333,217	-646,496	-130,555	-	-69,110,268	117,835,790	48,725,522	784,478	49,510,000
Dividends	-	-	-	-	-	-	-78,021,048	-78,021,048	-425,630	-78,446,678
Total changes in equity	-	-68,333,217	-646,496	-130,555	-	-69,110,268	39,814,742	-29,295,526	358,848	-28,936,678
Ending balance as of 12/31/2017	270,737,574	-237,077,572	-3,094,671	-1,915,587	427,137,058	185,049,228	335,523,254	791,310,056	21,923,293	813,233,349

The accompanying notes 1 to 30 form an integral part of these Consolidated Financial Statements.

**EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES****Consolidated Statements of Direct Cash Flows as of December 31, 2018, and 2017**

		01.01.2018	01.01.2017
	NOTA	12.31.2018	12.31.2017
Cash flows provided by (used in) Operating Activities		ThCh\$	ThCh\$
Cash flows provided by Operating Activities			
Receipts from the sale of goods and the rendering of services (including taxes)		2,296,830,656	2,388,420,701
Payments for Operating Activities			
Payments to suppliers for goods and services (including taxes)		-1,526,444,730	-1,495,009,304
Payments to and on behalf of employees		-199,460,816	-221,146,637
Other payments for operating activities (value-added taxes on purchases, sales and others)		-267,827,342	-333,155,023
Dividend received		601,022	1,540,090
Interest payments		-41,353,013	-53,103,434
Interest received		3,545,313	8,240,023
Income tax payments		-29,904,176	-40,654,077
Other cash movements (tax on bank debits Argentina and others)		-707,552	-7,171,991
Cash flows provided by (used in) Operating Activities		235,279,362	247,960,348
Cash flows provided by (used in) Investing Activities			
Investment in associates	13.2	-15,615,466	-15,570,161
Proceeds from sale of Property, plant and equipment		260,116	99,421
Purchase of Property, plant and equipment		-121,063,273	-168,857,680
Purchase of intangible		-	-11,923,449
Proceeds from other long-term assets (term deposits over 90 days)		13,883,132	81,258,426
Purchase of other long-term assets (term deposits over 90 days)		-	-41,059,494
Payments on forward, term, option and financial exchange agreements		6,403,152	1,374,638
Other payments on purchase of financial instruments		-1,953,309	-14,153,111
Net cash flows used in Investing Activities		-118,085,648	-168,831,410
Cash Flows generated from (used in) Financing Activities			
Proceeds from short-term loans obtained		29,850,728	71,801,741
Loan payments		-44,234,859	-52,146,995
Financial lease liability payments		-2,395,966	-4,745,884
Dividend payments by the reporting entity		-87,535,698	-74,968,175
Other inflows (outflows) of cash (Placement and payment of public obligations)		-10,319,483	-18,286,457
Net cash flows (used in) generated by Financing Activities		-114,635,278	-78,345,770
Net increase in cash and cash equivalents before exchange differences		2,558,436	783,168
Effects of exchange differences on cash and cash equivalents		3,574,340	-5,804,932
Effects of inflation on cash and cash equivalents in Argentina		-4,836,279	-
Net decrease in cash and cash equivalents		1,296,497	-5,021,764
Cash and cash equivalents – beginning of year	4	136,242,116	141,263,880
Cash and cash equivalents - end of year	4	137,538,613	136,242,116

The accompanying notes 1 to 30 form an integral part of these Consolidated Financial Statements.



Summarized Financial Statements - Subsidiaries

EMBOTELLADORA ANDINA CHILE S.A.

RUT: 76.070.406-7

Ended at December 31, 2018 and 2017

	2018	2017
	ThCh\$	ThCh\$
BALANCE SHEET		
Assets		
Current assets	8,270	30,398
Non-current assets	59,041,413	67,687,830
Total assets	59,049,683	67,718,228
Liabilities		
Current liabilities	22,810,544	33,430,899
Non-current liabilities	-	-
Capital and reserves	34,287,329	31,362,623
Accrued earnings (losses)	1,951,810	2,924,706
Total liabilities and shareholders' equity	5,9049,683	67,718,228
INCOME STATEMENT		
Operating income	3,026,715	4,958,159
Non-operating income	-738,154	-1,208,864
Income before income taxes	2,288,561	3,749,295
Income taxes	-336,751	-824,589
Net income (loss)	1,951,810	2,924,706
STATEMENTS OF CASH FLOWS		
Cash flows from operating activities	5,506,384	13,389,306
Cash flows from investment activities	-	-
Cash flow from financing activities	-5,504,110	-13,390,218
Effect of of inflation in cash and cash equivalents	-	-
Cash and cash equivalents at the end of the period	357	1,269
Balance cash and cash equivalents	2,631	357

**VITAL JUGOS S.A.****RUT: 93.899.000-K****Ended at December 31, 2018 and 2017**

	2018	2017
	ThCh\$	ThCh\$
BALANCE SHEET		
Assets		
Current assets	16,005,424	21,347,810
Non-current assets	16,969,708	19,737,769
Total assets	32,975,132	41,085,579
Liabilities		
Current liabilities	11,018,878	14,456,831
Non-current liabilities	28,298	174,422
Capital and reserves	21,153,490	25,644,819
Accrued earnings (losses)	774,466	809,507
Total liabilities and shareholders' equity	32,975,132	41,085,579
INCOME STATEMENT		
Operating income	1,001,894	1,222,416
Non-operating income	-45,393	-167,647
Income before income taxes	956,501	1,054,769
Income taxes	-182,035	-245,262
Net income (loss)	774,466	809,507
STATEMENTS OF CASH FLOWS		
Cash flows from operating activities	-1,801,136	2,662,227
Cash flows from investment activities	-4,466	-1,118,659
Cash flow from financing activities	-	18,236
Effect of of inflation in cash and cash equivalents	-3,209	-71,450
Cash and cash equivalents at the end of the period	3,892,549	2,402,195
Balance cash and cash equivalents	2,083,739	3,892,549

**VITAL AGUAS S.A.****RUT: 76.389.720-6****Ended at December 31, 2018 and 2017**

	2018	2017
	ThCh\$	ThCh\$
BALANCE SHEET		
Assets		
Current assets	4,616,490	4,414,563
Non-current assets	5,287,639	5,876,875
Total assets	9,904,129	10,291,438
Liabilities		
Current liabilities	3,803,117	3,816,533
Non-current liabilities	171,184	157,558
Capital and reserves	5,820,289	5,864,668
Accrued earnings (losses)	109,539	452,679
Total liabilities and shareholders' equity	9,904,129	10,291,438
INCOME STATEMENT		
Operating income	176,171	447,151
Non-operating income	-61,366	123,113
Income before income taxes	114,805	570,264
Income taxes	-5,266	-117,585
Net income (loss)	109,539	452,679
STATEMENTS OF CASH FLOWS		
Cash flows from operating activities	208,638	259,999
Cash flows from investment activities	88,674	-496,564
Cash flow from financing activities	-1,739	15,454
Effect of of inflation in cash and cash equivalents	-1,036	-2,732
Cash and cash equivalents at the end of the period	637,055	860,898
Balance cash and cash equivalents	931,592	637,055

**ENVASES CENTRAL S.A.****RUT: 96.705.990-0****Ended at December 31, 2018 and 2017**

	2018	2017
	ThCh\$	ThCh\$
BALANCE SHEET		
Assets		
Current assets	13,737,336	8,605,758
Non-current assets	12,239,333	14,625,162
Total assets	25,976,669	23,230,920
Liabilities		
Current liabilities	13,063,735	7,672,687
Non-current liabilities	1,041,400	2,092,245
Capital and reserves	11,983,836	12,924,062
Accrued earnings (losses)	-112,302	541,926
Total liabilities and shareholders' equity	25,976,669	23,230,920
INCOME STATEMENT		
Operating income	36,769	821,994
Non-operating income	-283,128	-56,065
Income before income taxes	-246,359	765,929
Income taxes	134,057	-224,003
Net income (loss)	-112,302	541,926
STATEMENTS OF CASH FLOWS		
Cash flows from operating activities	2,666,065	1,664,141
Cash flows from investment activities	-1,239,219	-2,818,010
Cash flow from financing activities	-734,583	1,154,544
Effect of of inflation in cash and cash equivalents	432	1,290
Cash and cash equivalents at the end of the period	4,685	2,721
Balance cash and cash equivalents	697,380	4,686

**TRANSPORTES ANDINA REFRESCOS LTDA.****RUT: 78.861.790-9****Ended at December 31, 2018 and 2017**

	2018	2017
	ThCh\$	ThCh\$
BALANCE SHEET		
Assets		
Current assets	5,030,924	3,299,292
Non-current assets	20,806,062	17,388,195
Total assets	25,836,986	20,687,487
Liabilities		
Current liabilities	11,926,316	9,239,233
Non-current liabilities	2,812,062	1,872,361
Capital and reserves	6,867,109	5,978,980
Accrued earnings (losses)	4,231,499	3,596,913
Total liabilities and shareholders' equity	25,836,986	20,687,487
INCOME STATEMENT		
Operating income	5,571,344	4,470,440
Non-operating income	147,986	214,402
Income before income taxes	5,719,330	4,684,842
Income taxes	-1,487,831	-1,087,929
Net income (loss)	4,231,499	3,596,913
STATEMENTS OF CASH FLOWS		
Cash flows from operating activities	9,946,817	18,414,415
Cash flows from investment activities	-7,231,059	-5,543,598
Cash flow from financing activities	-2,684,739	-12,864,760
Effect of of inflation in cash and cash equivalents	-	-
Cash and cash equivalents at the end of the period	33,894	27,837
Balance cash and cash equivalents	64,914	33,894

**SERVICIOS MULTIVENDING LTDA.****RUT: 78.536.950-5****Ended at December 31, 2018 and 2017**

	2018	2017
	ThCh\$	ThCh\$
BALANCE SHEET		
Assets		
Current assets	1,531,192	1,308,782
Non-current assets	660,967	570,890
Total assets	2,192,159	1,879,672
Liabilities		
Current liabilities	1,254,621	990,595
Non-current liabilities	35,364	48,803
Capital and reserves	839,417	707,288
Accrued earnings (losses)	62,757	132,986
Total liabilities and shareholders' equity	2,192,159	1,879,672
INCOME STATEMENT		
Operating income	79,683	133,594
Non-operating income	2,747	36,173
Income before income taxes	82,430	169,767
Income taxes	-19,673	-36,781
Net income (loss)	62,757	132,986
STATEMENTS OF CASH FLOWS		
Cash flows from operating activities	-4,989,861	1,819,156
Cash flows from investment activities	1,490,770	-1,637,187
Cash flow from financing activities	3,556,583	-74,378
Effect of of inflation in cash and cash equivalents	-	-
Cash and cash equivalents at the end of the period	125,063	17,472
Balance cash and cash equivalents	182,555	125,063

**ANDINA BOTTLING INVESTMENTS S.A.****RUT: 96.842.970-1****Ended at December 31, 2018 and 2017**

	2018	2017
	ThCh\$	ThCh\$
BALANCE SHEET		
Assets		
Current assets	2,361	873
Non-current assets	433,239,566	387,600,810
Total assets	433,241,927	387,601,683
Liabilities		
Current liabilities	2,483	28,419
Non-current liabilities	-	-
Capital and reserves	415,085,837	355,508,180
Accrued earnings (losses)	18,153,607	32,065,084
Total liabilities and shareholders' equity	433,241,927	387,601,683
INCOME STATEMENT		
Operating income	-387,493	-375,712
Non-operating income	18,541,100	32,440,796
Income before income taxes	18,153,607	32,065,084
Income taxes	-	-
Net income (loss)	18,153,607	32,065,084
STATEMENTS OF CASH FLOWS		
Cash flows from operating activities	-101,069	253,582
Cash flows from investment activities	-	-253,830
Cash flow from financing activities	-	-
Effect of of inflation in cash and cash equivalents	102,557	-492
Cash and cash equivalents at the end of the period	873	1,613
Balance cash and cash equivalents	2,361	873

**ANDINA BOTTLING INVESTMENTS DOS S.A.****RUT: 96.972.760-9****Ended at December 31, 2018 and 2017**

	2018	2017
	ThCh\$	ThCh\$
BALANCE SHEET		
Assets		
Current assets	255,925,557	9,741
Non-current assets	267,098,850	494,604,343
Total assets	523,024,407	494,614,084
Liabilities		
Current liabilities	377,044,214	552,475
Non-current liabilities	-	333,034,195
Capital and reserves	132,774,782	116,345,743
Accrued earnings (losses)	13,205,411	44,681,671
Total liabilities and shareholders' equity	523,024,407	494,614,084
INCOME STATEMENT		
Operating income	-274,446	-282,402
Non-operating income	17,170,351	48,797,683
Income before income taxes	16,895,904	48,515,281
Income taxes	-3,690,494	-3,833,610
Net income (loss)	13,205,410	44,681,671
STATEMENTS OF CASH FLOWS		
Cash flows from operating activities	-303,535	14,716,334
Cash flows from investment activities	-	-14,715,519
Cash flow from financing activities	-	-
Effect of of inflation in cash and cash equivalents	312,122	1,534
Cash and cash equivalents at the end of the period	9,741	7,392
Balance cash and cash equivalents	18,328	9,741

**ANDINA INVERSIONES SOCIETARIAS S.A.****RUT: 96.836.750-1****Ended at December 31, 2018 and 2017**

	2018	2017
	ThCh\$	ThCh\$
BALANCE SHEET		
Assets		
Current assets	313,828	700,407
Non-current assets	30,576,986	32,680,461
Total assets	30,890,814	33,380,868
Liabilities		
Current liabilities	10,568	115,229
Non-current liabilities	-	-
Capital and reserves	30,013,931	31,696,993
Accrued earnings (losses)	866,315	1,568,645
Total liabilities and shareholders' equity	30,890,814	33,380,868
INCOME STATEMENT		
Operating income	-93,584	-14,528
Non-operating income	959,906	1,583,173
Income before income taxes	866,322	1,568,645
Income taxes	-7	-
Net income (loss)	866,315	1,568,645
STATEMENTS OF CASH FLOWS		
Cash flows from operating activities	-184,577	72,322
Cash flows from investment activities	-	119,018
Cash flow from financing activities	-	3,294
Effect of of inflation in cash and cash equivalents	1,093	-1,145
Cash and cash equivalents at the end of the period	218,219	24,730
Balance cash and cash equivalents	34,735	218,219

**RIO DE JANEIRO REFRESCOS LTDA.****CNPJ: 00.074.569/0001-00****Ended at December 31, 2018 and 2017**

	2018	2017
	ThCh\$	ThCh\$
BALANCE SHEET		
Assets		
Current assets	135,259,768	132,815,845
Non-current assets	679,183,347	663,556,969
Total assets	814,443,115	796,372,814
Liabilities		
Current liabilities	128,146,943	135,595,155
Non-current liabilities	420,218,066	393,125,740
Capital and reserves	229,207,313	223,113,073
Accrued earnings (losses)	36,870,792	44,538,845
Total liabilities and shareholders' equity	814,443,115	796,372,814
INCOME STATEMENT		
Operating income	75,412,555	88,631,776
Non-operating income	-28,452,775	-30,373,425
Income before income taxes	46,959,780	58,258,351
Income taxes	-10,088,988	-13,719,506
Net income (loss)	36,870,792	44,538,845
STATEMENTS OF CASH FLOWS		
Cash flows from operating activities	44,949,860	82,519,432
Cash flows from investment activities	-32,536,213	-80,552,500
Cash flow from financing activities	-5,099,823	-3,437,440
Effect of of inflation in cash and cash equivalents	-1,073,404	-2,801,143
Cash and cash equivalents at the end of the period	21,800,551	26,072,201
Balance cash and cash equivalents	28,040,970	21,800,550

**EMBOTELLADORA DEL ATLÁNTICO S.A.****CUIT: 30-52913594-3****Ended at December 31, 2018 and 2017**

	2018	2017
	ThCh\$	ThCh\$
BALANCE SHEET		
Assets		
Current assets	78,222,876	97,285,008
Non-current assets	156,224,157	94,369,129
Total assets	234,447,033	191,654,137
Liabilities		
Current liabilities	82,148,269	109,594,738
Non-current liabilities	15,897,476	1,339,723
Capital and reserves	115,096,882	47,937,699
Accrued earnings (losses)	21,304,406	32,781,977
Total liabilities and shareholders' equity	234,447,033	191,654,137
INCOME STATEMENT		
Operating income	35,341,079	61,748,029
Non-operating income	3,460,256	-12,919,480
Income before income taxes	38,801,335	48,828,549
Income taxes	-17,496,929	-16,046,572
Net income (loss)	21,304,406	32,781,977
STATEMENTS OF CASH FLOWS		
Cash flows from operating activities	28,560,174	18,912,974
Cash flows from investment activities	-27,428,696	-38,886,133
Cash flow from financing activities	-10,644,812	17,035,767
Effect of of inflation in cash and cash equivalents	-3,494,326	-3,019,041
Cash and cash equivalents at the end of the period	19,698,698	25,655,132
Balance cash and cash equivalents	6,691,037	19,698,699

**ANDINA EMPAQUES ARGENTINA S.A.****CUIT: 30-71213488-3****Ended at December 31, 2018 and 2017**

	2018	2017
	ThCh\$	ThCh\$
BALANCE SHEET		
Assets		
Current assets	4,329,932	7,143,561
Non-current assets	9,251,800	6,413,307
Total assets	13,581,732	13,556,868
Liabilities		
Current liabilities	2,309,810	2,944,499
Non-current liabilities	1,169,270	28,444
Capital and reserves	9,643,672	7,185,845
Accrued earnings (losses)	458,980	3,398,080
Total liabilities and shareholders' equity	13,581,732	13,556,868
INCOME STATEMENT		
Operating income	3,017,688	5,104,256
Non-operating income	-1,181,183	-68,873
Income before income taxes	1,836,505	5,035,383
Income taxes	-1,377,525	-1,637,303
Net income (loss)	458,980	3,398,080
STATEMENTS OF CASH FLOWS		
Cash flows from operating activities	339,283	1,484,815
Cash flows from investment activities	-1,272,037	-1,458,862
Cash flow from financing activities	-	-144,009
Effect of of inflation in cash and cash equivalents	38,141	-72,693
Cash and cash equivalents at the end of the period	993,576	1,184,326
Balance cash and cash equivalents	98,963	993,577

**ABISA CORP S.A.****N° DE REGISTRO: 512410 / RUT: 59.144.140-K****Ended at December 31, 2018 and 2017**

	2018	2017
	ThCh\$	ThCh\$
BALANCE SHEET		
Assets		
Current assets	317,440,017	316,408,461
Non-current assets	-	-
Total assets	317,440,017	316,408,461
Liabilities		
Current liabilities	288,359	496,359
Non-current liabilities	-	-
Capital and reserves	315,912,102	312,575,240
Accrued earnings (losses)	1,239,556	3,336,862
Total liabilities and shareholders' equity	317,440,017	316,408,461
INCOME STATEMENT		
Operating income	208,000	-3,359
Non-operating income	1,031,556	3,340,221
Income before income taxes	1,239,556	3,336,862
Income taxes	-	-
Net income (loss)	1,239,556	3,336,862
STATEMENTS OF CASH FLOWS		
Cash flows from operating activities	-612	-10,514
Cash flows from investment activities	-	9,936
Cash flow from financing activities	-	-
Effect of of inflation in cash and cash equivalents	162	-484
Cash and cash equivalents at the end of the period	2,722	3,784
Balance cash and cash equivalents	2,272	2,722

**TRANSPORTES POLAR S.A.****RUT: 96.928.520-7****Ended at December 31, 2018 and 2017**

	2018	2017
	ThCh\$	ThCh\$
BALANCE SHEET		
Assets		
Current assets	406,520	515,746
Non-current assets	7,249,659	7,453,788
Total assets	7,656,179	7,969,534
Liabilities		
Current liabilities	2,992,765	3,439,736
Non-current liabilities	1,299,350	1,312,270
Capital and reserves	2,397,534	2,149,283
Accrued earnings (losses)	966,530	1,068,245
Total liabilities and shareholders' equity	7,656,179	7,969,534
INCOME STATEMENT		
Operating income	1,329,724	1,834,856
Non-operating income	10,463	-414,657
Income before income taxes	1,340,187	1,420,199
Income taxes	-373,657	-351,954
Net income (loss)	966,530	1,068,245
STATEMENTS OF CASH FLOWS		
Cash flows from operating activities	1,027,231	4,489,597
Cash flows from investment activities	-327,465	-92,534
Cash flow from financing activities	-797,797	-4,292,699
Effect of of inflation in cash and cash equivalents	-	-
Cash and cash equivalents at the end of the period	105,068	704
Balance cash and cash equivalents	7,037	105,068

**INVERSIONES LOS ANDES LTDA.****RUT: 96.971.280-6****Ended at December 31, 2018 and 2017**

	2018	2017
	ThCh\$	ThCh\$
BALANCE SHEET		
Assets		
Current assets	14	185,757
Non-current assets	287,786,718	263,133,278
Total assets	287,786,732	263,319,035
Liabilities		
Current liabilities	1,847,843	733,024
Non-current liabilities	-	-
Capital and reserves	260,957,738	237,454,324
Accrued earnings (losses)	24,981,151	25,131,687
Total liabilities and shareholders' equity	287,786,732	263,319,035
INCOME STATEMENT		
Operating income	-391,992	-375,529
Non-operating income	29,046,862	28,412,236
Income before income taxes	28,654,870	28,036,707
Income taxes	-3,673,719	-2,905,020
Net income (loss)	24,981,151	25,131,687
STATEMENTS OF CASH FLOWS		
Cash flows from operating activities	-252,580	982,027
Cash flows from investment activities	-	-1,144,713
Cash flow from financing activities	-	-
Effect of of inflation in cash and cash equivalents	252,406	162,790
Cash and cash equivalents at the end of the period	188	84
Balance cash and cash equivalents	14	188

**ACONCAGUA INVESTING LTDA.****N° DE REGISTRO: 569101****Ended at December 31, 2018 and 2017**

	2018	2017
	ThCh\$	ThCh\$
BALANCE SHEET		
Assets		
Current assets	-	37
Non-current assets	21,856,527	21,856,490
Total assets	21,856,527	21,856,527
Liabilities		
Current liabilities	8,908	8,908
Non-current liabilities	-	-
Capital and reserves	21,847,619	21,423,809
Accrued earnings (losses)	-	423,810
Total liabilities and shareholders' equity	21,856,527	21,856,527
INCOME STATEMENT		
Operating income	-	-
Non-operating income	-	423,810
Income before income taxes	-	423,810
Income taxes	-	-
Net income (loss)	-	423,810
STATEMENTS OF CASH FLOWS		
Cash flows from operating activities	-	-
Cash flows from investment activities	-	-
Cash flow from financing activities	-	-
Effect of of inflation in cash and cash equivalents	-	-
Cash and cash equivalents at the end of the period	-	-
Balance cash and cash equivalents	-	-

**PARAGUAY REFRESCOS S.A****RUT: 80.003.400-7****Ended at December 31, 2018 and 2017**

	2018	2017
	ThCh\$	ThCh\$
BALANCE SHEET		
Assets		
Current assets	37,309,706	30,419,844
Non-current assets	248,751,791	234,278,289
Total assets	286,061,496	264,698,133
Liabilities		
Current liabilities	21,870,719	17,297,339
Non-current liabilities	16,323,385	14,847,776
Capital and reserves	222,237,028	209,373,050
Accrued earnings (losses)	25,630,364	23,179,968
Total liabilities and shareholders' equity	286,061,496	264,698,133
INCOME STATEMENT		
Operating income	29,860,172	26,665,695
Non-operating income	371,066	37,269
Income before income taxes	30,231,238	26,702,964
Income taxes	-4,600,874	-3,522,996
Net income (loss)	25,630,364	23,179,968
STATEMENTS OF CASH FLOWS		
Cash flows from operating activities	11,394,620	30,821,869
Cash flows from investment activities	-9,684,466	-14,476,783
Cash flow from financing activities	-330,067	-21,561,316
Effect of of inflation in cash and cash equivalents	941,206	-228,238
Cash and cash equivalents at the end of the period	8,780,393	14,224,861
Balance cash and cash equivalents	11,101,685	8,780,393

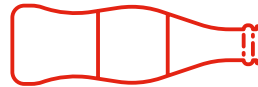
**RED DE TRANSPORTES COMERCIALES LTDA.****RUT: 76.276.604-3****Ended at December 31, 2018 and 2017**

	2018	2017
	ThCh\$	ThCh\$
BALANCE SHEET		
Assets		
Current assets	2,526,991	1,540,913
Non-current assets	377,646	622,202
Total assets	2,904,637	2,163,115
Liabilities		
Current liabilities	1,811,657	678,213
Non-current liabilities	118,691	94,730
Capital and reserves	1,390,115	1,365,611
Accrued earnings (losses)	-415,826	24,561
Total liabilities and shareholders' equity	2,904,637	2,163,115
INCOME STATEMENT		
Operating income	-199,875	148,215
Non-operating income	-61,123	-60,644
Income before income taxes	-260,998	87,571
Income taxes	-154,828	-63,010
Net income (loss)	-415,826	24,561
STATEMENTS OF CASH FLOWS		
Cash flows from operating activities	77,611	-80,116
Cash flows from investment activities	15,745	173,868
Cash flow from financing activities	-32,767	183,412
Effect of of inflation in cash and cash equivalents	-	-
Cash and cash equivalents at the end of the period	389,637	112,473
Balance cash and cash equivalents	450,227	389,637

Coca-Cola **ANDINA**



INDEX



01

Consolidated Financial Statements
Embotelladora Andina S.A. and
Subsidiaries

02

Analysis of the Financial Statements

03

Material Events





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Independent Auditor's Report

(Translation of the report originally issued in Spanish)

To Shareholders and Directors
Embotelladora Andina S.A.

We have audited the accompanying consolidated financial statements of Embotelladora Andina S.A. and subsidiaries ("the Company"), which comprise the consolidated statement of financial position as of December 31, 2018 and 2017, and the related consolidated statements of comprehensive income, changes in shareholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

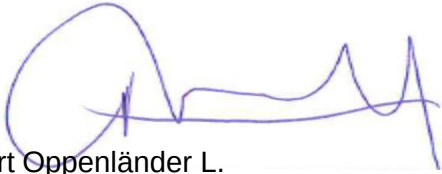
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Regulatory Basis of Accounting

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Embotelladora Andina S.A. and subsidiaries as of December 31, 2018 and 2017, and the results of their operations and their cash flows for the years then ended in accordance with International Financial Reporting Standards.

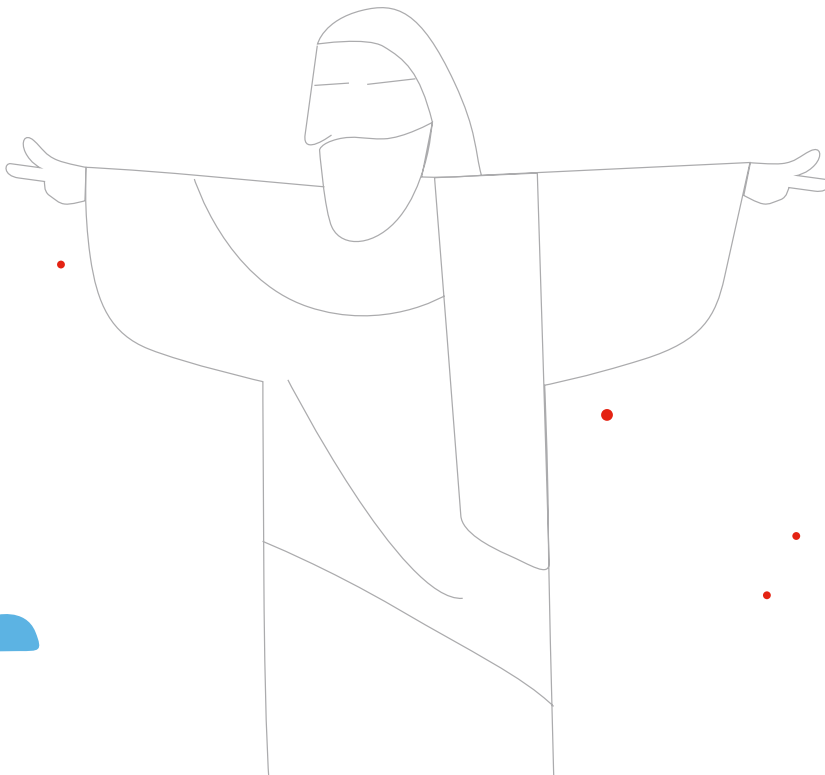
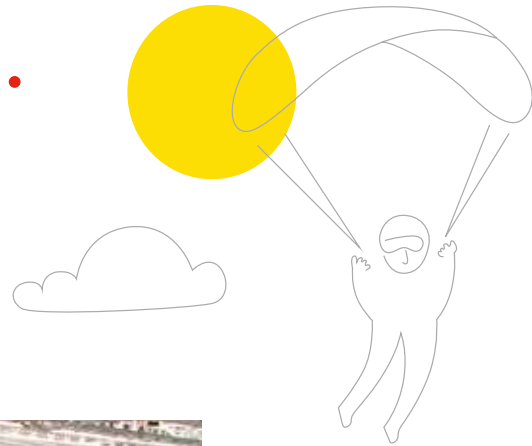


Albert Oppenländer L.

EY Audit SpA

Santiago February 28, 2019

Consolidated Financial Statements



EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES

Consolidated Financial Statements

INDEX

Consolidated Statements of Financial Position as of December 31, 2018 and 2017	1
Consolidated Statements of Income by Function for the period between January 1 and December 31, 2018 and 2017	3
Consolidated Statements of Comprehensive Income for the period between January 1 and December 31, 2018 and 2017	4
Consolidated Statements of Changes in Equity for the period between January 1 and December 31, 2018 and 2017	5
Consolidated Statements of Cash Flows for the period between January 1 and December 31, 2018 and 2017	6
Notes to the Consolidated Financial Statements.....	7

EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES

Consolidated Statements of Financial Position

ASSETS	NOTE	12.31.2018 ThCh\$	12.31.2017 ThCh\$
Current assets:			
Cash and cash equivalents	4	137,538,613	136,242,116
Other financial assets	5	683,567	14,138,161
Other non-financial assets	6.1	5,948,923	5,611,861
Trade and other accounts receivable, net	7	174,113,323	191,284,680
Accounts receivable from related companies	11.1	9,450,263	5,370,232
Inventory	8	151,319,709	131,363,000
Current tax assets	9.2	2,532,056	-
Total Current Assets		481,586,454	484,010,050
Non-Current Assets:			
Other financial assets	5	97,362,295	74,259,085
Other non-financial assets	6.2	34,977,264	47,394,345
Trade and other receivables	7	1,270,697	2,395,851
Accounts receivable from related parties	11.1	74,340	156,492
Investments accounted for under the equity method	13.1	102,410,945	86,809,069
Intangible assets other than goodwill	14.1	668,822,553	663,272,878
Goodwill	14.2	117,229,173	93,598,217
Property, plant and equipment	10.1	710,770,968	659,750,499
Deferred income tax assets	9.5	-	3,212,981
Total Non-Current Assets		1,732,918,235	1,630,849,417
Total Assets		2,214,504,689	2,114,859,467

The accompanying notes 1 to 30 form an integral part of these Consolidated Financial Statements

EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES

Consolidated Statements of Financial Position

LIABILITIES AND EQUITY	NOTE	12.31.2018 ThCh\$	12.31.2017 ThCh\$
LIABILITIES			
Current Liabilities:			
Other financial liabilities	15	56,114,977	67,981,405
Trade and other accounts payable	16	238,109,847	257,519,477
Accounts payable to related parties	11.2	45,827,859	33,961,437
Provisions	17	3,485,613	2,676,418
Income taxes payable	9.3	9,338,612	3,184,965
Employee benefits current provisions	12	33,210,979	35,955,643
Other non-financial liabilities	18	33,774,214	27,007,977
Total Current Liabilities		419,862,101	428,287,322
Other financial liabilities	15	716,563,778	675,767,201
Trade and other payables	16	735,665	1,132,926
Provisions	17	58,966,913	62,947,748
Deferred income tax liabilities	9.5	145,245,948	125,204,566
Post-employment benefit liabilities	12	9,415,541	8,286,355
Non-Current Liabilities:		930,927,845	873,338,796
Equity:	19		
Issued capital		270,737,574	270,737,574
Retained earnings		462,221,463	335,523,254
Other reserves		110,854,089	185,049,228
Equity attributable to equity holders of the parent		843,813,126	791,310,056
Non-controlling interests		19,901,617	21,923,293
Total Equity		863,714,743	813,233,349
Total Liabilities and Equity		2,214,504,689	2,114,859,467

The accompanying notes 1 to 30 form an integral part of these Consolidated Financial Statements

EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES

Consolidated Statements of Income by Function for the periods ended December 31, 2018 and 2017

		01.01.2018 12.31.2018	01.01.2017 12.31.2017
	NOTE	ThCh\$	ThCh\$
Net sales		1,672,915,799	1,848,878,619
Cost of sales	23	(968,027,774)	(1,069,024,964)
Gross Profit		704,888,025	779,853,655
Other income	24	2,609,168	550,834
Distribution expenses	23	(165,775,484)	(192,927,875)
Administrative expenses	23	(313,742,853)	(348,199,321)
Other expenses	25	(16,057,763)	(16,701,471)
Other (loss) gains	27	(2,707,859)	(2,537,269)
Financial income	26	3,940,244	11,194,375
Financial expenses	26	(55,014,660)	(55,220,369)
Share of profit (loss) of investments in associates and joint ventures accounted for using the equity method	13.3	1,411,179	(80,360)
Foreign exchange differences		(1,449,256)	(1,370,910)
Income by indexation units		(5,085,140)	(3,762,930)
Net income before income taxes		153,015,601	170,798,359
Income tax expense	9.4	(55,564,855)	(51,797,634)
Net income		97,450,746	119,000,725
Net income attributable to			
Equity holders of the parent		96,603,371	117,835,790
Non-controlling interests		847,375	1,164,935
Net income		97,450,746	119,000,725
Earnings per Share, basic and diluted			
		Ch\$	Ch\$
Earnings per Series A Share	19.5	97.20	118.56
Earnings per Series B Share	19.5	106.92	130.42

The accompanying notes 1 to 30 form an integral part of these Consolidated Financial Statements

EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income for the periods ended December 31, 2018 and 2017

	01.01.2018	01.01.2017
	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Net income	97,450,746	119,000,725
Other Comprehensive Income:		
Components of other comprehensive income that will not be reclassified to net income for the period, before taxes		
Actuarial losses from defined benefit plans	(64,463)	(329,477)
Components of other comprehensive income that will be reclassified to net income for the period, before taxes		
Gain (losses) from exchange rate translation differences	(72,455,525)	(68,831,435)
Gain (losses) from cash flow hedges	(13,151,841)	(813,844)
Income tax related to components of other comprehensive income that will not be reclassified to net income for the period		
Income tax benefit related to defined benefit plans	16,184	84,017
Income tax related to components of other comprehensive income that will be reclassified to net income for the period		
Income tax related to exchange rate translation differences	2,476,204	232,666
Income tax related to cash flow hedges	2,554,551	167,348
Total other comprehensive income	(80,623,890)	(69,490,725)
Total comprehensive income	16,826,856	49,510,000
Equity holders of the parent	16,370,635	48,725,522
Non-controlling interests	456,221	784,478
Total comprehensive income	16,826,856	49,510,000

The accompanying notes 1 to 30 form an integral part of these Consolidated Financial Statements

EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity as of December 31, 2018 and 2017

	Other reserves						Retained earnings	Controlling Equity	Non-Controlling interests	Total Equity
	Issued capital	Reserves for exchange rate differences	Cash flow hedge reserve	Actuarial gains or losses in employee benefits	Other reserves	Total other reserves				
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance as of 01/01/2018	270,737,574	(237,077,572)	(3,094,671)	(1,915,587)	427,137,058	185,049,228	335,523,254	791,310,056	21,923,293	813,233,349
Changes in accounting policies	-	-	-	-	-	-	79,499,736	79,499,736	-	79,499,736
Restated opening balance	270,737,574	(237,077,572)	(3,094,671)	(1,915,587)	427,137,058	185,049,228	415,022,990	870,809,792	21,923,293	892,733,085
Changes in Equity										
Comprehensive Income										
Earnings	-	-	-	-	-	-	96,603,371	96,603,371	847,375	97,450,746
Other comprehensive income	-	(69,596,956)	(10,597,290)	(38,490)	-	(80,232,736)	-	(80,232,736)	(391,154)	(80,623,890)
Total Comprehensive income	-	(69,596,956)	(10,597,290)	(38,490)	-	(80,232,736)	96,603,371	16,370,635	456,221	16,826,856
Dividends	-	-	-	-	-	-	(85,475,291)	(85,475,291)	(2,477,897)	(87,953,188)
Increase (decrease) from other changes	-	-	23,029	-	6,014,568	6,037,597	36,070,393	42,107,990	-	42,107,990
Total changes in equity	-	(69,596,956)	(10,574,261)	(38,490)	6,014,568	(74,195,139)	47,198,473	(26,996,666)	(2,816,674)	(29,018,342)
Ending balance as of 12/31/2018	270,737,574	(306,674,528)	(13,668,932)	(1,954,077)	433,151,026	110,854,089	462,221,463	843,813,126	19,901,617	863,714,743

	Other reserves						Retained earnings	Controlling Equity	Non-Controlling interests	Total Equity
	Issued capital	Reserves for exchange rate differences	Cash flow hedge reserve	Actuarial gains or losses in employee benefits	Other reserves	Total other reserves				
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance as of 01/01/2017	270,737,574	(168,744,355)	(2,448,175)	(1,785,032)	427,137,058	254,159,496	295,708,512	820,605,582	21,564,445	842,170,027
Changes in Equity										
Comprehensive Income										
Earnings	-	-	-	-	-	-	117,835,790	117,835,790	1,164,935	119,000,725
Other comprehensive income	-	(68,333,217)	(646,496)	(130,555)	-	(69,110,268)	-	(69,110,268)	(380,457)	(69,490,725)
Comprehensive income	-	(68,333,217)	(646,496)	(130,555)	-	(69,110,268)	117,835,790	48,725,522	784,878	49,510,000
Dividends	-	-	-	-	-	-	(78,021,048)	(78,021,048)	(425,630)	(78,446,678)
Total changes in equity	-	(68,333,217)	(646,496)	(130,555)	-	(69,110,268)	39,814,742	(29,295,526)	358,848	(28,936,678)
Ending balance as of 12/31/2017	270,737,574	(237,077,572)	(3,094,671)	(1,915,587)	427,137,058	185,049,228	335,523,254	791,310,056	21,923,293	813,233,349

The accompanying notes 1 to 30 form an integral part of these Consolidated Financial Statements



EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES

Consolidated Statements of Direct Cash Flows as of December 31, 2018, and 2017

		01.01.2018 12.31.2018	01.01.2017 12.31.2017
<i>Cash flows provided by (used in) Operating Activities</i>	NOTE		
<i>Cash flows provided by Operating Activities</i>		ThCh\$	ThCh\$
Receipts from the sale of goods and the rendering of services (including taxes)		2,296,830,656	2,388,420,701
<i>Payments for Operating Activities</i>			
Payments to suppliers for goods and services (including taxes)		(1,526,444,730)	(1,495,009,304)
Payments to and on behalf of employees		(199,460,816)	(221,146,637)
Other payments for operating activities (value-added taxes on purchases, sales and others)		(267,827,342)	(333,155,023)
Dividend received		601,022	1,540,090
Interest payments		(41,353,013)	(53,103,434)
Interest received		3,545,313	8,240,023
Income tax payments		(29,904,176)	(40,654,077)
Other cash movements (tax on bank debits Argentina and others)		(707,552)	(7,171,991)
<i>Cash flows provided by (used in) Operating Activities</i>		235,279,362	247,960,348
<i>Cash flows provided by (used in) Investing Activities</i>			
Investment in associates	13.2	(15,615,466)	(15,570,161)
Proceeds from sale of Property, plant and equipment		260,116	99,421
Purchase of Property, plant and equipment		(121,063,273)	(168,857,680)
Purchase of intangible		-	(11,923,449)
Proceeds from other long-term assets (term deposits over 90 days)		13,883,132	81,258,426
Purchase of other long-term assets (term deposits over 90 days)		-	(41,059,494)
Payments on forward, term, option and financial exchange agreements		6,403,152	1,374,638
Other payments on purchase of financial instruments		(1,953,309)	(14,153,111)
<i>Net cash flows used in Investing Activities</i>		(118,085,648)	(168,831,410)
<i>Cash Flows generated from (used in) Financing Activities</i>			
Proceeds from short-term loans obtained		29,850,728	71,801,741
Loan payments		(44,234,859)	(52,146,995)
Financial lease liability payments		(2,395,966)	(4,745,884)
Dividend payments by the reporting entity		(87,535,698)	(74,968,175)
Other inflows (outflows) of cash (Placement and payment of public obligations)		(10,319,483)	(18,286,457)
<i>Net cash flows (used in) generated by Financing Activities</i>		(114,635,278)	(78,345,770)
<i>Net increase in cash and cash equivalents before exchange differences</i>		2,558,436	783,168
Effects of exchange differences on cash and cash equivalents		3,574,340	(5,804,932)
Effects of inflation on cash and cash equivalents in Argentina		(4,836,279)	-
<i>Net decrease in cash and cash equivalents</i>		1,296,497	(5,021,764)
Cash and cash equivalents – beginning of year	4	136,242,116	141,263,880
<i>Cash and cash equivalents - end of year</i>	4	137,538,613	136,242,116

The accompanying notes 1 to 30 form an integral part of these Consolidated Financial Statements



EMBOTELLADORA ANDINA S.A. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

NOTE 1 - CORPORATE INFORMATION

Embotelladora Andina S.A. RUT (Chilean Tax Id. N°) 91.144.000-8 (hereafter “Andina,” and together with its subsidiaries, the “Company”) is registered under No. 00124 of the Securities Registry and is regulated by Chile’s Financial Market Commission (previously the Superintendence of Securities and Insurance) pursuant to Law 18.046.

The principal activities of Embotelladora Andina S.A. are to manufacture, bottle, commercialize and/or distribute Coca-Cola products and brands registered by The Coca-Cola Company. The Company has operations and is licensed by The Coca-Cola Company in its territories Chile, Brazil, Argentina and Paraguay. In Chile, the geographic areas in which the Company has distribution franchises are regions II, III, IV, XI, XII, Metropolitan Region, Rancagua and San Antonio. In Brazil, in the states of Rio de Janeiro, Espirito Santo, Niteroi, Vitoria, Nova Iguaçu, part of Sao Paulo and part of Minas Gerais. In Argentina, in the provinces of Mendoza, Córdoba, San Luis, Entre Ríos, Santa Fe, Rosario, Santa Cruz, Neuquén, El Chubut, Tierra del Fuego, Río Negro, La Pampa and the western zone of the Province of Buenos Aires. In Paraguay, the franchised territory covers the whole country. Regarding licenses for the territories in Chile, some are in the renewal process and others in October 2023. In Argentina they expire in 2022; in Brazil they are in the renewal process and in Paraguay they expire in 2020. Said licenses are renewable upon the request of the licensee and at the sole discretion of The Coca-Cola Company. These licenses are expected to be renewed under similar conditions on the date of expiration.

As of the date of this report, regarding Andina’s principal shareholders, the Controlling Group¹ holds 55.72% of the outstanding shares with voting rights, corresponding to the Series A shares.

The head office of Embotelladora Andina S.A. is located on Miraflores 9153, borough of Renca, Santiago, Chile.

¹ Controlling Group: Inversiones SH Seis Limitada , Inversiones Cabildo SpA, Inversiones Chucao Limitada, today Inversiones Lleuque Limitada , Inversiones Nueva Delta S.A. , Inversiones Nueva Delta Dos S.A. , Inversiones Las Gaviotas Dos Limitada, today Inversiones Playa Amarilla SpA , Inversiones Playa Negra Dos Limitada, today Inversiones Playa Negra SpA , Inversiones Don Alfonso Dos Limitada, today Inversiones Don Alfonso Limitada , Inversiones El Campanario Dos Limitada, today Inversiones El Campanario Limitada , Inversiones Los Robles Dos Limitada, today Inversiones Los Robles Limitada and Inversiones Las Viñas Dos Limitada, today Inversiones Las Niñas Dos SpA . For more information on the structure of the Controlling Group please refer to page 58 of Andina’s 2017 Annual Report, available at www.koandina.com

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

2.1 Periods covered

These Consolidated Financial Statements encompass the following periods:

Statement of Financial Position: As of December 31, 2018 and 2017.

Income Statements by Function and Comprehensive Income: For the periods between January 1 and December 31, 2018 and 2017.

Statements of Changes in Equity: Balance and movements between January 1 and December 31, 2018 and 2017.

Statements of Direct Cash Flows: For the periods between January 1 and December 31, 2018 and 2017.

2.2 Basis of preparation

The Company's Consolidated Financial Statements for the periods ended December 31, 2018 and 2017 have been prepared in accordance with International Financial Reporting Standards (hereinafter "IFRS") issued by the International Accounting Standards Board (hereinafter "IASB").

The Consolidated Financial Statements are presented in accordance to the historic cost criteria, although amended by the revaluation of certain financial instruments and derivative financial instruments and have been prepared, based on accounting records kept by the Parent Company and by other entities forming part thereof.

These Consolidated Financial Statements reflect the consolidated financial position of Embotelladora Andina S.A. and its subsidiaries, which were approved by the Board of Directors on February 28, 2019.

2.3 Basis of consolidation

2.3.1 Subsidiaries

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

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



The interest of non-controlling shareholders is presented in the consolidated statement of changes in equity and the consolidated statement of income by function under "Non-Controlling Interest" and "Earnings attributable to non-controlling interests", respectively.

The consolidated financial statements include all assets, liabilities, income, expenses, and cash flows after eliminating and adjusting intercompany transactions of the following entities:

Taxpayer ID	Name of the Company	Holding control (percentage)					
		12-31-2018			12-31-2017		
		Direct	Indirect	Total	Direct	Indirect	Total
59.144.140-K	Abisa Corp S.A.	-	99.99	99.99	-	99.99	99.99
Foreign	Aconcagua Investing Ltda.	0.71	99.28	99.99	0.71	99.28	99.99
96.842.970-1	Andina Bottling Investments S.A.	99.90	0.09	99.99	99.90	0.09	99.99
96.972.760-9	Andina Bottling Investments Dos S.A.	99.90	0.09	99.99	99.90	0.09	99.99
Foreign	Andina Empaques Argentina S.A.	-	99.98	99.98	-	99.98	99.98
96.836.750-1	Andina Inversiones Societarias S.A.	99.98	0.01	99.99	99.98	0.01	99.99
76.070.406-7	Embotelladora Andina Chile S.A.	99.99	-	99.99	99.99	-	99.99
Foreign	Embotelladora del Atlántico S.A.	0.92	99.07	99.99	0.92	99.07	99.99
96.705.990-0	Envases Central S.A.	59.27	-	59.27	59.27	-	59.27
96.971.280-6	Inversiones Los Andes Ltda.	99.99	-	99.99	99.99	-	99.99
Foreign	Paraguay Refrescos S.A.	0.08	97.75	97.83	0.08	97.75	97.83
76.276.604-3	Red de Transportes Comerciales Ltda.	99.90	0.09	99.99	99.90	0.09	99.99
Foreign	Rio de Janeiro Refrescos Ltda.	-	99.99	99.99	-	99.99	99.99
78.536.950-5	Servicios Multivending Ltda.	99.90	0.09	99.99	99.90	0.09	99.99
78.861.790-9	Transportes Andina Refrescos Ltda.	99.90	0.09	99.99	99.90	0.09	99.99
96.928.520-7	Transportes Polar S.A.	99.99	-	99.99	99.99	-	99.99
76.389.720-6	Vital Aguas S.A.	66.50	-	66.50	66.50	-	66.50
93.899.000-k	Vital Jugos S.A.	15.00	50.00	65.00	15.00	50.00	65.00

2.3.2 Investments in associates

Associates are all entities over which the Group exercises significant influence but does not have control, the results of these associates are accounted for using the equity method.

Accounting policies of the associates are changed, where necessary, to ensure conformity with the policies adopted by the Company and unrealized gains are eliminated.

2.4 Financial reporting by operating segment

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

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

2.5 Functional currency and presentation currency

2.5.1 Functional currency

Items included in the financial statements of each of the entities in the Company are measured using the currency of the primary economic environment in which the entity operates (“functional currency”). The functional currency of each of the Operations is the following:

<u>Company</u>	<u>Functional currency</u>
Andina Empaques Argentina	Argentine Peso
Embotelladora del Atlántico	Argentine Peso
Embotelladora Andina	Chilean Peso
Paraguay Refrescos	Guaraní
Rio de Janeiro Refrescos	Reales

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

Functional currency in hyperinflationary economies

According to the criteria established in the International Accounting Standard No. 29 Financial information in Hyperinflationary Economies, as of July 2018, Argentina's economy is considered to be hyperinflationary. This determination was carried out on the basis of a series of qualitative and quantitative criteria, among which the presence of an accumulated inflation rate of more than 100% for three years stands out. In accordance with IAS 29, the financial statements of companies in which Embotelladora Andina S.A. participates in Argentina have been retrospectively restated by applying a general price index to the historical cost, in order to reflect the changes in the purchasing power of the Argentinean peso, as of the closing date of these financial statements.

Non-monetary assets and liabilities were re-expressed since February 2003, the last date an inflation adjustment was applied for accounting purposes in Argentina. In this context, it should be mentioned that the group made its transition to IFRS on 1 January 2004, applying the attributed cost exemption for Property, plant and equipment.

For consolidation purposes in Embotelladora Andina S.A. and as a result of the adoption of IAS 29, the results and financial situation of our subsidiaries in Argentina were converted to the closing exchange rate (AR/CLP) as of December 31, 2018, in accordance with IAS 21 "Effects of foreign currency exchange rate variations", when dealing with a hyperinflationary economy. Previously, the results of the Argentinean subsidiaries were converted to the average exchange rate of the period, as is the case for the conversion of the results of the rest of the subsidiaries operating in other countries whose economies are not considered hyperinflationary.

Whereas the functional and presentation currency of Embotelladora Andina S.A. does not correspond to that of a hyperinflationary economy, according to the guidelines set out in IAS 29, the re-expression of periods is not required in the consolidated financial statements of the Group.

Inflation for the periods January to December 2018 and 2017 amounted to 47.6% and 24.8%, respectively.

The first time adoption of IAS 29 resulted in a positive adjustment in the accumulated results of Embotelladora Andina S.A., for Th\$79,499,736 (net of taxes) as of January 1, 2018. On the other hand, during 2018, the adoption of this standard generated earnings by the re-expression of balance sheet accounts for Th\$8,516,369, which is recognized in the consolidated income statement under "Income by readjustment units". In addition, since the Argentinean economy was declared as hyperinflationary, a net loss effect was recorded for Th\$15,743,592 in the fiscal year's income, generated by inflation adjustment and translation at the closing exchange rate at December 31, 2018.

2.5.2 Presentation currency

The presentation currency is the Chilean peso, which is the functional currency of the parent company, for such purposes, the financial statements of subsidiaries are translated from the functional currency to the presentation currency as indicated below:

- a. Translation of financial statements whose functional currency does not correspond to hyperinflationary economies (Brazil and Paraguay)

Financial statements measured as indicated are translated to the presentation currency as follows:

- The balance sheet is translated to the closing exchange rate at the balance sheet date and the income statement is translated at the average monthly exchange rates, the differences that result are recognized in equity under other comprehensive income.
- Cash flow income statement are also translated at average exchange rates for each transaction.
- When an account receivable from related companies is designated as hedge investment, translation differences are recorded under comprehensive income, net of deferred taxes. On disposal of the investment, such translation differences are recognized in the income statement as part of the gain or loss on the disposal of the investment.

- b. Conversion of financial statements whose functional currency corresponds to hyperinflationary economies (Argentina)

Financial statements measured in their functional currency, with inflation adjustments since they correspond to a hyperinflationary economy, are translated to the presentation currency as follows:

- The balance sheet is translated at the closing exchange rate at the balance sheet date;
- Results are translated at the closing exchange rate at the balance sheet date
- When an account receivable from related companies is designated as hedge investment, translation differences are recorded under comprehensive income, net of deferred taxes. On disposal of the investment, such translation differences are recognized in the income statement as part of the gain or loss on the disposal of the investment.

- c. Comparative figures

According to the IAS, figures of previous years are not adjusted or re-expressed when the presentation currency is that of a non-hyperinflationary economy, as is the case of the Chilean peso, thus, financial statements of previous years are not amended.

2.5.3 Exchange rates and value of the UF

Date	Exchange rate to the Chilean Peso					
	US\$ dollar	R\$ Brazi lian Real	A\$ Argent ine Peso	UF Unidad de Fomento	G\$ Paragua yan Guaraní	€ Euro
12.31.2018	694.77	179.30	18.43	27,565.79	0.117	794.75
12.31.2017	614.75	185.84	32.96	26,798.14	0.110	739.15

2.6 Property, plant, and equipment

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

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

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

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

The estimated useful lives by asset category are:

Assets	Range in years
Buildings	30-50
Plant and equipment	10-20
Warehouse installations and accessories	10-30
Furniture and supplies	4-5
Motor vehicles	5-7
Other Property, plant and equipment	3-8
Bottles and containers	2-8

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

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

Gains and losses on disposals of property, plant, and equipment are calculated by comparing the proceeds to the carrying amount and are charged to other expenses by function or other gains, as appropriate.

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

2.7 Intangible assets and Goodwill

2.7.1 Goodwill

Goodwill represents the excess of the consideration transferred over the Company's interest in the net fair value of the net identifiable assets of the subsidiary and the fair value of the non-controlling interest in the subsidiary on the acquisition date. Since goodwill is an intangible asset with indefinite useful life, it is recognized separately and tested annually for impairment. Goodwill is carried at cost less accumulated impairment losses.

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

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

2.7.2 Distribution rights

Distribution rights are contractual rights to produce and/or distribute products under the Coca-Cola brand and other brands in certain territories in Argentina, Brazil, Chile and Paraguay that were acquired during Business Combination. Distribution rights are born from the process of valuation at fair value of the assets and liabilities of companies acquired in business combinations. Distribution rights have an indefinite useful life and are not amortized, as the Company believes that the agreements will be renewed indefinitely by the Coca-Cola Company with similar terms and conditions. They are subject to impairment tests on an annual basis.

2.7.3 Software

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

2.8 Impairments of non-financial assets

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

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

2.9 Financial assets

Pursuant to IFRS 9, except for certain trade accounts receivable, the Group initially measures a financial asset at its fair value plus transaction costs, in the case of a financial asset that is not at fair value, reflecting changes in P&L.

According to IFRS 9, financial assets are subsequently measured at fair value with changes in P&L (FVPL), amortized cost or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: The Group's business model for managing assets; and if the contractual cash flows of financial instruments represent "solely payments of principal and interest" on the outstanding principal amount (the "SPPI criterion").

The new classification and measurement of the Group's financial assets is as follows:

- Financial asset at amortized cost for financial instruments that are maintained within a business model with the objective of maintaining the financial assets to collect contractual cash flows that meet the SPPI criterion. This category includes the Group's trade and other accounts receivable.
- Financial assets measured at fair value with changes in other comprehensive income (FVOCI), with gains or losses recognized in P&L at the time of liquidation. Financial assets in this category correspond to the Group's instruments that meet the SPPI criterion and are kept within a business model both to collect cash flows and to sell.

Other financial assets are classified and subsequently measures as follows:

- Equity instruments at fair value with changes in other comprehensive income (FVOCI) without recognizing earnings or losses in P&L at the time of liquidation. This category only includes equity instruments that the Group intends to keep in the foreseeable future and that the Group has irrevocably chosen to classify in this category in the initial recognition or transition.
- Financial assets at fair value with changes in P&L (FVPL) include derivative instruments and equity instruments quoted that the Group had not irrevocably chosen to classify at FVOCI in the initial recognition or transition. This category also includes debt instruments whose cash flow characteristics do not comply with the SPPI criterion or are not kept within a business model whose objective is to recognize contractual cash flows or sale.

The Group's financial liabilities accounting, to a large extent continues to be same as the one set forth in IAS 39. Similar to the requirements of IAS 39, IFRS 9 requires that assets for contingent services be treated as financial instruments measured at fair value, with changes in fair value recognized in P&L.

Pursuant to IFRS 9, implicit derivatives are no longer separated from a principal financial asset. Financial assets, however, are classified according to contractual terms and the Group's business model.

2.10 Derivatives financial instruments and hedging activities

The Company and its subsidiaries use derivative financial instruments to mitigate risks relating to changes in foreign currency and exchange rates associated with raw materials, and loan obligations.

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

2.10.1 Derivative financial instruments designated as cash flow hedges

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

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

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

2.10.2 Derivative financial instruments not designated for hedging

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

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

The Company also evaluates the existence of derivatives implicitly in contracts and financial instruments as stipulated by IFRS 9 and classifies them pursuant to their contractual terms and the business model of the group. As of December 31, 2018 and 2017, the Company had no implicit derivatives.

Fair value hierarchy

The Company maintains assets related to foreign currency derivative contracts which were classified as Other current and non-current financial assets and Other current and non-current financial liabilities, respectively, and are accounted at fair value within the statement of financial position. The Company uses the following hierarchy to determine and disclose the fair value of financial instruments with assessment techniques:

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

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

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

During the reporting periods there were no transfers of items between fair value measurement categories. All of which were valued during the period using Level 2.

2.11 Inventories

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

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

2.12 Trade receivables

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

2.13 Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank balances, time deposits and other short-term highly liquid and low risk of change in value investments and mutual funds with original short-term maturities equal to or less than three months.

2.14 Other financial liabilities

Resources obtained from financial institutions as well as the issuance of debt securities are initially recognized at fair value, net of costs incurred during the transaction. Then, liabilities are valued by accruing interests in order to equal the current value with the future value of liabilities payable, using the effective interest rate method.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualified assets, considered as those that require a substantial period of time in order to get ready for their forecasted use or sale, are added to the cost of those assets until the period in which the assets are substantially ready to be used or sold.

2.15 Income tax

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

Deferred income taxes are calculated using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements, using the tax rates that have been enacted or substantively enacted on the balance sheet date and are expected to apply when the deferred income tax asset is realized, or the deferred income tax liability is settled.

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

The Company does not recognize deferred income taxes for temporary differences from investments in subsidiaries in which the Company can control the timing of the reversal of the temporary differences and it is probable that they will not be reversed in the near future.

2.16 Employee benefits

The Company has a provision to cover indemnities for years of service that will be paid to employees in accordance with individual and collective agreements subscribed with employees, which is recorded at actuarial value in accordance with IAS 19.

Results from updated of actuarial variables are recorded within other comprehensive income in accordance with IAS 19.

Additionally, the Company has retention plans for some officers, which have a provision pursuant to the guidelines of each plan. These plans grant the right to certain officers to receive a cash payment on a certain date once they have fulfilled with the required years of service.

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

2.17 Provisions

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

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

2.18 Leases

a) Operating leases

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

b) Finance leases

Leases of Property, plant and equipment where the Company has substantially all the risks and rewards of ownership are classified as finance leases that are capitalized at the inception of the lease of the item of Property, plant and equipment at the lower of the fair value of the leased assets and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges. The interest element is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2.19 Deposits for returnable containers

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

This liability pertains to the deposit amount that is reimbursed when the customer or distributor returns the bottles and containers in good condition, together with the original invoice. The liability is estimated based on the number of bottles given to clients and distributors, the estimated number of bottles in circulation, and a historical average weighted value per bottle or containers. Deposits for returnable containers are presented as a current liability in other financial liabilities because the Company does not have legal rights to defer settlement for a period in excess of one year. However, the Company does not anticipate any material cash settlements for such amounts during the upcoming year.

2.20 Revenue recognition

Pursuant to IFRS 15, Revenues are recognized on the physical delivery of products to customers and no kind of contract exists granting additional rights to clients that can be unilaterally enforced.

Revenues from regular activities include fair value of the consideration received or to be received for goods sold during the regular course of the Company's activities. These revenues are transferred and are presented net of VAT, reimbursements, deductions and discounts.

The Company recognizes said Revenues when they can be reliably valued, and when it is probable that the future economic benefits will flow to the Company.

2.21 Contributions of The Coca-Cola Company

The Company receives certain discretionary contributions from The Coca-Cola Company (TCCC) mainly related to the financing of advertising and promotional programs for its products in the territories where the Company has distribution licenses. The contribution received from TCCC are recognized in net income after the conditions agreed with TCCC in order to become a creditor to such incentive have been fulfilled, they are recorded as a reduction in the marketing expenses included in the Administration Expenses account. Given its discretionary nature, the portion of contributions received in one period does not imply it will be repeated in the following period.

2.22 Dividend payments

Dividend distribution to Company shareholders is recorded as a liability in the Company's Consolidated Financial Statements, considering the 30% minimum dividend of the period's earnings established by Chilean Corporate Law.

2.23 Critical accounting estimates and judgments

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

2.23.1 Impairment of goodwill and intangible assets with indefinite useful lives

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

2.23.2 Fair Value of Assets and Liabilities

IFRS requires in certain cases that assets and liabilities be recorded at their fair value. Fair value is the price that would be received for selling an asset or paid to transfer a liability in a transaction ordered between market participants at the date of measurement.

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

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

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

2.23.3 Allowances for doubtful accounts

The Company evaluates the collectability of trade receivables using several factors. When the Company becomes aware of a specific inability of a customer to fulfill its financial commitments, a specific provision for doubtful accounts is estimated and recorded, which reduces the recognized receivable to the amount that the Company estimates to be able to collect. In addition to specific provisions, allowances for doubtful accounts are also determined based on the restated value of expected credit losses pursuant to IFRS 9.

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

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

2.23.5 Liabilities for deposits of returnable container

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

2.24.1 New accounting standards (Standards, Interpretations and Amendments) effective application for annual periods beginning on or after January 1, 2018.

Standards and interpretations, as well as the improvements and amendments to IFRS, which have been issued, effective at the date of these financial statements, are detailed below. The Company has applied these rules concluding that they will not significantly affect the financial statements.

Standards, Interpretations and Amendments		Mandatory Application Date
IFRS 9	Financial Instruments	January 1, 2018
IFRS 15	Revenue from Contracts with Customers	January 1, 2018
IFRIC 22	Foreign Currency Transactions and Advanced Considerations	January 1, 2018
IAS 28	Investments in Associates and Joint Ventures– decision to measure participation in associates and joint ventures at fair value with changes in results	January 1, 2018

IFRS 9 “Financial Instruments”

The final version of IFRS 9 *Financial Instruments* was issued in July 2014, incorporating all the phases of the IASB project to replace IAS 39 *Financial Instruments: Recognition and Measurement* for the annual periods beginning on or after January 1, 2018, this standard includes new requirements based on classification, measurement, impairment and hedge accounting principles, it introduces a “more prospective” model for expected credit losses for impairment accounting and a significantly reformed focus for hedge accounting.

The adoption of the aforementioned standards, interpretations and amendments do not have a significant impact on the Company’s Consolidated Financial Statements.

IFRS 15 “Revenue from Contracts with Customers”

IFRS 15 *Revenue from Contracts with Customers*, is a joint project with FASB to eliminate differences upon revenue recognition between IFRS and US GAAP, which was issued in May 2014, it is applicable to all customer contracts, it replaces IAS 11 construction contracts, IAS 18 revenues and related interpretations, and applies to all revenues arising from customer contracts, unless such contracts are within the scope of other standards. The new standard establishes a five-step model for accounting for revenues from contracts with customers, this model will facilitate the comparability of companies from different industries and regions. According to IFRS 15, revenues are recognized in an amount that reflects the consideration to which the entity expects to be entitled in exchange for transfer of control of goods or the provision of services to a customer.

The standard requires that the entities apply more judgment, taking into consideration all relevant facts and circumstances when applying each step of the model to the contracts with its customers. The standard also specifies the accounting for incremental costs arising from obtaining a contract and the costs directly related to the fulfillment of a contract.

With regards to the reporting segment of Embotelladora Andina, revenue channels are mainly related to the sale of finished product and the delivery of promotional products, which are currently being recognized in the statement of income when the Company transfers these products to the customers. These revenue channels are supported by contracts with different retailers through traditional and modern channels, in which prices with such customers are constantly negotiated due to the high turnover of the Company’s products and in order to remain competitive in the market.

The adoption of the aforementioned standards, interpretations and amendments do not have a significant impact on the Company’s Consolidated Financial Statements.

IFRIC Interpretation 22 “Foreign Currency Transactions and Advanced Considerations”

The Interpretation addresses the way to determine the date of the transaction in order to establish the exchange rate to be used on the initial recognition of the related asset, expense or income (or the corresponding part of these) in the de-recognition of accounts of a non-monetary asset or liability arising from a payment or collection of advanced consideration in foreign currency, for this purpose the date of the transaction corresponds to the moment in which an entity initially recognizes the non-monetary asset or liability arising from the payment or collection of the advanced consideration. If there are multiple advanced payments or collections, the entity shall determine a transaction date for each advanced consideration payment or collection.

The adoption of the aforementioned standards, amendments and interpretations do not have a significant impact on the Company’s Consolidated Financial Statements.

IAS 28 “Investments in associates and joint ventures - decision to measure participation in associates and joint ventures at fair value with changes in results”

The amendment clarifies that an entity that is a venture capital organization, or another qualifying entity, can choose in the initial recognition to assess its investments in associates and joint ventures at fair value with changes in results. If an entity that is not itself an investment entity has an interest in an associate or joint venture that is an investment entity, it may choose to keep the measurement at fair value applied by its associate. The amendment must be applied retrospectively.

The adoption of the aforementioned standards, amendments and interpretations do not have a significant impact on the Company’s Consolidated Financial Statements.

2.24.2 New accounting standards (Standards, Interpretations and Amendments) effective application for annual periods beginning on or after January 1, 2019.

Standards and interpretations, as well as the improvements and amendments to IFRS, which have been issued, but are still not effective at the date of these financial statements, are detailed below. The Company has not performed an early application of these rules:

	New Standards	Mandatory application date
IFRS 16	Leases	January 1, 2019
IFRIC 23	Uncertainty over Income Tax Treatments	January 1, 2019
Conceptual Framework	Revised Conceptual Framework	January 1, 2020

IFRS 16 “Leases”

In January 2016, the IASB issued IFRS 16 *Leases*.

IFRS 16 sets the definition of a lease agreement and specifies the accounting treatment of assets and liabilities arising from these contracts from the point of view of the lessor and lessee. The new standard does not differ significantly from the preceding standard, IAS 17 *Leases*, regarding accounting treatment from the point of view of the lessor. However, from the point of view of the lessee, the new standard requires the recognition of assets and liabilities for most of leasing contracts. IFRS 16 will be mandatory for annual periods beginning after January 1, 2019. Early application is permitted if adopted together with IFRS 15 *Revenue from Contracts with Customers*.

The adoption of the aforementioned standards, amendments and interpretations do not have a significant impact on the Company's consolidated financial statements.

IFRIC 23 “Uncertainty over Income Tax Treatments”

In June 2017, the IASB issued IFRIC Interpretation 23, clarifying the application of recognition and measurement criteria required by IAS 12 *Income Taxes* when there is uncertainty about the tax treatments. This interpretation shall be applied for annual periods beginning after January 1, 2019.

The adoption of the aforementioned standards, amendments and interpretations do not have a significant impact on the Company's consolidated financial statements.

Revised Conceptual Framework

The IASB issued a Revised Conceptual Framework in March 2018, incorporating some new concepts, providing updated definitions and recognition criterion for assets and liabilities and clarifying some important concepts.

Changes in the Conceptual Framework may affect the application of IFRS when no standard applies to a given transaction or event. The Revised Conceptual Framework becomes effective for periods ending on or after January 1, 2020.

The Company will assess the impact of these new definitions.

Amendments and Improvements		Mandatory application date
IFRS 3	Business Combinations	January 1, 2019
IFRS 9	Financial Instruments	January 1, 2019
IFRS 11	Joint Arrangements	January 1, 2019
IAS 12	Income Taxes	January 1, 2019
IAS 23	Borrowing Costs	January 1, 2019
IAS 28	Investments in Associates	January 1, 2019
IAS 19	Employee Benefits – Amendment, reduction or liquidation of the plan	January 1, 2019
IFRS 10 and IAS 28	Consolidated Financial Statements – sale or contribution of assets between an investor and its associate or joint venture	To be defined

IFRS 3 “Business Combinations”

The amendments clarify that when an entity gets control of an entity that is a joint venture, the requirements for a phased business combination are applicable, including the interests previously held on the assets and liabilities of a joint venture presented at fair value. The amendments must apply to business combinations made after January 1, 2019. Early application is allowed.

The entity will perform an assessment of the impact of the improvement once it becomes effective.

IFRS 9 “Financial Instruments – Payments with negative compensation”

A debt instrument can be measured at amortized cost, cost or at fair value through another comprehensive result, provided that the contractual cash flows are only principal and interest payments on the outstanding principal capital and the instrument is carried out within the business model for that classification. Amendments to IFRS 9 aim to clarify that a financial asset meets the criterion of only principal plus interest payments regardless of the event or circumstance that causes the anticipated termination of the contract or of which party pays or receives reasonable compensation for early termination of the contract.

Amendments to IFRS 9 shall apply when prepayment is approximate to unpaid capital and interest amounts in such a way as to reflect the change in reference interest rate. This implies that prepayments at fair value or for an amount including the fair value of the cost of an associated hedging instrument will normally satisfy the criterion only principal payments plus interest only if other elements of the change in fair value, such as the effects of credit risk or liquidity are not representative. Application begins January 1, 2019 and will be retrospectively performed with early adoption allowed.

The Company will assess the impact of the amendment once it becomes effective.

IFRS 11 “Joint Arrangements”

The amendment affects joint arrangements on interests previously held in a joint operation. A participating party, but that does not have the joint control of a joint operation could gain control if the joint operation activity constitutes a business as defined by IFRS 3. The amendments clarify that the interests previously maintained in that joint operation are not re-measured at the time of the operation. The amendments shall apply to transactions in which the joint control is acquired after January 1, 2019. Early application is allowed.

The Company will assess the impact of the amendment once it becomes effective.

IAS 12 “Income Taxes”

The amendments clarify that the income tax on dividends generated by financial instruments classified as equity are more directly linked to past transactions or events that generated distribution of profits than distribution to the owners. Therefore, an entity recognizes income tax on dividends in results, other comprehensive income or equity, according to where the entity originally recognized those transactions or past events. The amendments shall apply to dividends recognized after January 1, 2019.

The Company will assess the impact of the amendment once it becomes effective.

IAS 23 “Borrowing Costs”

The amendments clarify that an entity treats any indebtedness originally made to develop a qualified asset as a general loan when substantially all the activities necessary to culminate that asset for use or sale are complete. Amendments should be applied beginning January 1, 2019.

The Company will assess the impact of the amendment once it becomes effective.

IAS 28 Investments in Associates

The amendments clarify that an entity applies IFRS 9 Financial Instruments for long-term investments in associates or joint ventures for those investments that do not apply the equity method but which, in substance, is part of the net investment in the associate or joint venture. This clarification is relevant because it implies that the expected credit loss model, described in IFRS 9, applies to these long-term interests. Entities should apply the amendments retrospectively, with certain exceptions, and shall become effective beginning January 1, 2019. Early application is allowed.

The Company will assess the impact of the amendment once it becomes effective.

IAS 19 Employee Benefits – Amendment, reduction or liquidation of the plan

Amendments to IAS 19 address accounting when the plan is amended, reduced or liquidated during a reporting period.

The amendments specify that when a plan has been amended, reduced or liquidated during the annual reporting period, the entity must:

- Determine the current cost of services for the remainder of the period following the amendment, reduction or liquidation of the plan, using the actuarial assumptions used to re-measure the liability (asset) for net defined benefits, reflecting the benefits offered under the plan and the assets of the plan after that event.
- Determine the net interest for the remainder of the period after the amendment, reduction or liquidation of the plan using: net liabilities (assets), for defined benefits that reflect the benefits offered under the plan and the assets of the plan after that event; and the discount rate used to re-measure net liabilities (assets) for defined benefits.

The amendments clarify that an entity first determines any past service costs, or a gain or loss in liquidation, without considering the asset ceiling effect. This amount is recognized under income. An entity then determines the asset ceiling effect after the plan is amended, reduced, or liquidated. Any change in that effect, excluding the amounts included in net interest, is recognized under other comprehensive income.

This clarification states that entities may have to recognize a past service cost, or a result in liquidation that reduces a surplus that was not recognized before. Changes to the asset ceiling effect are not offset by those amounts.

The amendments apply to amendments, reductions or liquidations of the plan occurring at or after the commencement of the first annual reporting period beginning on or after January 1, 2019. Early application is permitted, which must be disclosed.

The entity will evaluate the impact of the amendment once it becomes effective.

IFRS 3 Business Combinations – Defining business

The IASB issued amendments regarding the definition of a business in IFRS 3 Business Combinations, to help entities determine whether an acquired set of activities and assets is a business or not. The IASB clarifies the minimum requirements for defining a business, eliminates the assessment as to whether market participants are able to replace any missing items, includes guidance to help entities evaluate whether a process acquired is substantial, reduces the definitions of a business and products and introduces an optional fair value concentration test.

The amendments must apply to business combinations or asset acquisitions occurring on or after the commencement of the first annual reporting period commencing on or after January 1, 2020. Consequently, entities do not have to revise those transactions that occurred in previous periods. Early adoption is permitted and must be disclosed.

Given that amendments are prospectively applied to transactions or other events occurring on or after the date of first application, most entities will probably not be affected by these amendments in the transition. However, those entities that consider acquiring a set of activities and assets after applying the amendments must first of all update their accounting policies in a timely manner.

The amendments could also be relevant in other areas of IFRS (for example, that may be relevant when a controller loses control of a subsidiary and has early adopted the sale or contribution of assets between an investor and its associate or business combination) (Amendments to IFRS 10 and IAS 28).

The entity will carry out an assessment of the impact of the amendment once it becomes effective.

IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors- Definition of material

In October 2018, the IASB issued amendments to IAS 1 *Presentation of Financial Statements* and IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, to align the definition of "material" in all standards and to clarify certain aspects of the definition. The new definition states that information is material if omitting it, erroneously declaring it, or hiding it could reasonably be expected to influence decisions that primary users of general-purpose financial statements take based on those financial statements, which provide financial information about a specific reporting entity.

The amendments must be applied prospectively. Early adoption is permitted and must be disclosed.

Although amendments to the definition of *material* are not expected to have a significant impact on an entity's financial statements, the introduction of the term "hide" in the definition could impact the way in which materiality judgments are made in the practice, elevating the importance of how information is communicated and organized in the financial statements.

The entity will carry out an assessment of the impact of the amendment once it becomes effective.

IFRS 10 Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures – sale or contribution of assets between an investor and its associate or joint venture

The amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures* (2011) address a recognized inconsistency between the requirements of IFRS 10 and IAS 28 (2011) in the treatment of the contribution or sale of assets between an investor and the associate or joint venture. Amendments, issued in September of 2014, established that when the transaction involves a business (both in a subsidiary or not) it recognizes all profit or loss generated. A partial gain or loss is recognized when the transaction involves assets that do not constitute a business, even when the assets are in a subsidiary. The date of mandatory application of these amendments is to be determined since IASB is waiting for the results of its research project on accounting using the equity method. These amendments must be applied retrospectively, and early adoption is permitted, which must be disclosed.

The Company will assess the impact of the amendment once it becomes effective.

NOTE 3 – REPORTING BY SEGMENT

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

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

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

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

- Operation in Chile
- Operation in Brazil
- Operation in Argentina
- Operation in Paraguay

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

Expenses and income managed and paid by the Corporate Office in Chile, which would also be substantially incurred, independent to the existence of foreign subsidiaries, are assigned to the operation in Chile to the soft drinks segment.

Total revenues by segment include sales to unrelated customers and inter-segments, as indicated in the consolidated statement of income.



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

For the period ended December 31, 2018	Chile Operation	Argentina Operation	Brazil Operation	Paraguay Operation	Intercompany Eliminations	Consolidated total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Net sales	570,939,102	413,560,523	540,509,549	149,588,252	(1,681,627)	1,672,915,799
Cost of sales	(336,719,937)	(214,647,052)	(329,529,112)	(88,813,300)	1,681,627	(968,027,774)
Distribution expenses	(55,798,363)	(62,899,574)	(38,835,833)	(8,241,714)		(165,775,484)
Administrative expenses	(109,373,432)	(93,149,904)	(88,809,386)	(22,410,131)		(313,742,853)
Finance income	1,744,821	(44,030)	2,019,489	219,964	-	3,940,244
Finance expense	(23,772,554)	(133,822)	(31,108,284)	-	-	(55,014,660)
Interest expense, net*	(22,027,733)	(177,852)	(29,088,795)	219,964	-	(51,074,416)
Share of the entity in income of associates	298,359	-	1,112,820	-	-	1,411,179
Income tax expense	(22,000,539)	(18,874,454)	(10,088,988)	(4,600,874)	-	(55,564,855)
Other income (loss)	(11,540,167)	(2,639,386)	(8,399,463)	(111,834)	-	(22,690,850)
Net income of the segment reported	13,777,290	21,172,301	36,870,792	25,630,363	-	97,450,746
Depreciation and amortization	42,353,664	20,474,446	26,830,835	9,935,501	-	99,594,446
Current assets	228,108,768	80,908,212	148,356,724	37,309,706	-	494,683,410
Non-current assets	644,395,166	160,587,931	666,086,391	248,751,791	-	1,719,821,279
Segment assets, total	872,503,934	241,496,143	814,443,115	286,061,497	-	2,214,504,689
Carrying amount in associates and joint ventures accounted for using the equity method, total	50,136,065	-	52,274,880	-	-	102,410,945
Capital expenditures and other	67,709,231	28,702,138	32,536,213	9,684,466	-	138,632,048
Current liabilities	186,831,021	83,013,418	128,146,943	21,870,719	-	419,862,101
Non-current liabilities	477,319,648	17,066,746	420,218,066	16,323,385	-	930,927,845
Segment liabilities, total	664,150,669	100,080,164	548,365,009	38,194,104	-	1,350,789,916
Cash flows provided by in Operating Activities	150,035,425	28,899,457	44,949,860	11,394,620	-	235,279,362
Cash flows (used in) provided by Investing Activities	(47,164,236)	(28,700,733)	(32,536,213)	(9,684,466)	-	(118,085,648)
Cash flows (used in) provided by Financing Activities	(98,560,576)	(10,644,812)	(5,099,823)	(330,067)	-	(114,635,278)

(*) Financial expenses associated with external financing for the purchase of companies, including capital contributions are presented in this item.

For the period ended December 31, 2017	Chile Operation	Argentina Operation	Brazil Operation	Paraguay Operation	Intercompany Eliminations	Consolidated total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Net sales	551,873,458	553,788,059	603,897,747	141,277,230	(1,957,875)	1,848,878,619
Cost of sales	(328,579,003)	(294,370,581)	(362,686,353)	(85,346,902)	1,957,875	(1,069,024,964)
Distribution expenses	(54,777,094)	(87,032,428)	(43,483,958)	(7,634,395)	-	(192,927,875)
Administrative expenses	(110,969,260)	(106,504,163)	(109,095,660)	(21,630,238)	-	(348,199,321)
Finance income	19,057,630	2,116,590	6,575,528	257,906	(16,813,279)	11,194,375
Finance expense	(32,594,796)	(4,663,527)	(34,767,713)	(7,612)	16,813,279	(55,220,369)
Interest expense, net*	(13,537,166)	(2,546,937)	(28,192,185)	250,294	-	(44,025,994)
Share of the entity in income of associates	246,084	(243)	(326,201)	-	-	(80,360)
Income tax expense	(16,871,257)	(17,683,875)	(13,719,506)	(3,522,996)	-	(51,797,634)
Other income (loss)	(11,312,509)	(10,441,173)	(1,855,039)	(213,025)	-	(23,821,746)
Net income of the segment reported	16,073,253	35,208,659	44,538,845	23,179,968	-	119,000,725
Depreciation and amortization	42,688,326	17,648,018	27,879,514	10,948,033	-	99,163,891
Current assets	223,245,173	97,529,488	132,815,545	30,419,844	-	484,010,050
Non-current assets	636,482,010	96,532,150	663,556,969	234,278,288	-	1,630,849,417
Segment assets, total	859,727,183	194,061,638	796,372,514	264,698,132	-	2,114,859,467
Carrying amount in associates and joint ventures accounted for using the equity method, total	33,789,538	-	53,019,531	-	-	86,809,069
Capital expenditures and other	64,480,973	40,347,989	91,198,657	14,476,783	-	210,504,402
Current liabilities	169,508,083	105,886,744	135,595,156	17,297,339	-	428,287,322
Non-current liabilities	463,997,113	1,368,167	393,125,740	14,847,776	-	873,338,796
Segment liabilities, total	633,505,196	107,254,911	528,720,896	32,145,115	-	1,301,626,118
Cash flows provided by Operating Activities	79,451,122	38,904,028	98,783,329	30,821,869	-	247,960,348
Cash flows (used in) provided by Investing Activities	(49,677,671)	(40,344,994)	(64,331,960)	(14,476,785)	-	(168,831,410)
Cash flows (used in) provided by Financing Activities	(91,800,089)	16,891,759	(3,437,440)	-	-	(78,345,770)

(*) Financial expenses associated with external financing for the purchase of companies, including capital contributions are presented in this item.

NOTE 4 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents are detailed as follows:

Description	12.31.2018	12.31.2017
By item	ThCh\$	ThCh\$
Cash	2,907,276	139,835
Bank balances	46,425,927	29,234,531
Time deposits	1,500,315	10,616,688
Mutual funds	86,705,095	96,251,062
Total cash and cash equivalents	<u>137,538,613</u>	<u>136,242,116</u>
By currency	ThCh\$	ThCh\$
Dollar	5,917,041	6,973,298
Euro	51,401	17,245
Argentine Peso	6,726,906	19,681,449
Chilean Peso	86,121,695	80,985,719
Paraguayan Guaraní	10,680,600	6,804,997
Brazilian Real	28,040,970	21,779,408
Total cash and cash equivalents	<u>137,538,613</u>	<u>136,242,116</u>

4.1 Time deposits

Time deposits defined as cash and cash equivalents are detailed as follows:

Placement	Institution	Currency	Principal	Annual rate	12.31.2018	12.31.2017
			ThCh\$	%	ThCh\$	ThCh\$
12-29-2017	Banco Santander	Chilean pesos	7,500,000	2.52%	-	7,516,275
12-29-2017	Banco Santander	Chilean pesos	2,700,000	2.40%	-	2,700,360
12-29-2017	Banco Santander	Chilean pesos	400,000	2.40%	-	400,053
12-28-2018	Banco Santander	Chilean pesos	700,000	2.52%	700,147	
12-28-2018	Banco Santander	Chilean pesos	800,000	2.52%	800,168	
Total					<u>1,500,315</u>	<u>10,616,688</u>

4.2 Money Market

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

Institution	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Western Asset Institutional Cash Reserves - USA	15,214,062	3,740,526
Fondo mutuo Banco Chile BTG	13,090,507	5,823,608
Fondo mutuo Larrain Vial - Chile	13,082,767	6,349,486
Fondo mutuo Itaú - Brasil	8,579,254	4,922,923
Fondo mutuo Banco Security - Chile	7,667,585	14,242,343
Fondo mutuo Scotiabank - Chile	7,528,086	5,878,523
Fondo mutuo Santander - Brazil	7,177,468	4,748,368
Fondo mutuo Votorantim	5,630,641	-
Fondo mutuo BCI - Chile	4,804,238	-
Fondo Fima Premium B - Argentina	2,952,316	1,495,556
Fondo mutuo Banco Estado - Chile	-	9,002,000
Fondo mutuo Bradesco - Brazil	978,171	5,046,882
Fondo Fima Ahorro Plus C - Argentina	-	8,275,073
Fondo Fima Ahorro Pesos C - Argentina	-	8,308,664
Fondo mutuo Corporativo Banchile - Chile	-	17,645,940
Citi Institutional Liquid Reserves Limited (CGAM)	-	771,170
Total	86,705,095	96,251,062

NOTE 5 – OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS

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

a) Current portion

a.1 Time deposits

Placement	Maturity	Institution	Currency	Principal ThCh\$	Annual rat %	12.31.2018	12.31.2017
03-15-2018	03-15-2019	Votorantim	Brazilian reais	12,729	8.82%	14,040	-
08-09-2017	02-12-2018	Banco Santander - Chile	Unidad de fomento	7,000,000	1.04%	-	7,082,167
09-25-2017	02-26-2018	BCI	Unidad de fomento	1,500,000	1.36%	-	1,516,454
09-25-2017	05-28-2018	Banco Santander - Chile	Unidad de fomento	5,000,000	0.94%	-	5,049,376
06-13-2017	03-15-2018	Votorantim	Brazilian reais	20,013	8.82%	-	21,145
						14,040	13,669,142

a.2 Rights in Forward Contracts

	12.31.2018 ThCh\$	12.31.2017 ThCh\$
Rights in Forward Contracts – Forwards (see details in Note 20)	669,527	469,019
Total other Financial Assets, current	683,567	14,138,161

b) Non-current

	12.31.2018 ThCh\$	12.31.2017 ThCh\$
Rights in forward contracts (see note 20)	87,446,662	61,898,833
Rights in AdeS(1) manufacturing companies	13,475,279	14,153,111
Increase (decrease) in foreign currency exchange(2)	(3,559,646)	(1,792,859)
Total	97,362,295	74,259,085

- (1) On December 27, 2016, Coca-Cola Andina confirmed to The Coca-Cola Company its decision to participate in the “AdeS” business and commercialize said products in all its franchise territories. As a result, the operation materialized on March 28, 2017, and pursuant to the agreements, implied a disbursement of US\$39 million, ThCh\$14,153,111 were allocated to the purchase of rights in the manufacturing company “AdeS” and ThCh\$11,923,449 were allocated to distribution rights of the “AdeS” products. The rights in the acquired companies are distributed as follows:

- Purchase of 13.0% interest in the Argentine company Alimentos de Soya S.A. for ThCh\$9,661,283.
- Purchase of 8.5% interest in the Brazilian company UBI 3 Participações Ltda. for ThCh\$4,491,828.

- (2) Effects of adopting IAS 29 are included herein

NOTE 6 – OTHER CURRENT AND NON-CURRENT NON-FINANCIAL ASSETS

Note 6.1 Other current, non-financial assets

	12.31.2018	12.31.2017
Description	ThCh\$	ThCh\$
Prepaid expenses	4,967,255	4,839,465
Tax credit remainder	18,022	169,120
Guarantee deposit (Argentina)	3,013	6,608
Other current assets	960,633	596,668
Total	5,948,923	5,611,861

Note 6.2 Other non-current, non-financial assets

	12.31.2018	12.31.2017
Description	ThCh\$	ThCh\$
Advance payment to suppliers of property, plant & equipment (1)	-	24,269,901
Judicial deposits (see note 21.2)	18,590,597	18,393,546
Fiscal credits	13,222,720	2,287,051
Prepaid expenses	810,662	1,113,154
Others	2,253,285	1,330,693
Total	34,977,264	47,394,345

(1) Corresponds to advance payments made for the construction of the new “Duque de Caxias” bottling plant in Brazil.

NOTE 7 – TRADE AND OTHER RECEIVABLES

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

	12.31.2018			12.31.2017		
Trade and other receivables	Assets before provisions	Allowance for doubtful accounts	Commercial debtors net assets	Assets before provisions	Allowance for doubtful accounts	Commercial debtors net assets
Current commercial debtors	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Trade debtors	150,933,965	(3,205,749)	147,728,216	157,926,958	(3,521,734)	154,405,224
Other current debtors	19,552,539	(2,830,299)	16,722,240	31,015,390	(2,825,453)	28,189,937
Current commercial debtors	170,486,504	(6,036,048)	164,450,456	188,942,348	(6,347,187)	182,595,161
Prepayments suppliers	8,672,820	-	8,672,820	8,057,544	-	8,057,544
Other current accounts receivable	1,252,207	(262,160)	990,047	778,901	(146,926)	631,975
Commercial debtors and other current accounts receivable	180,411,531	(6,298,208)	174,113,323	197,778,793	(6,494,113)	191,284,680
Non-current accounts receivable						
Trade debtors	66,510	-	66,510	58,336	-	58,336
Other non-current debtors	1,204,187	-	1,204,187	2,335,322	-	2,335,322
Other non-current accounts receivable	-	-	-	2,193	-	2,193
Non-current accounts receivable	1,270,697	-	1,270,697	2,395,851	-	2,395,851
Trade and other receivables	181,682,228	(6,298,208)	175,384,020	200,174,644	(6,494,113)	193,680,531

Stratification of portfolio current and non-current debtors from credit operations

	12.31.2018 ThCh\$	12.31.2017 ThCh\$
Up to date non-securitized portfolio until 30 days	144,172,500	151,275,377
31 and 60 days	1,815,954	908,980
61 and 90 days	250,560	1,050,476
91 and 120 days	148,622	331,740
121 and 150 days	310,986	709,400
151 and 180 days	141,434	62,834
181 and 210 days	674,676	82,863
211 and 250 days	176,333	538,081
More than 250 days	3,309,410	3,025,543
Total	151,000,475	157,985,294

The Company has an approximate number of 268,000 clients, which may have balances in the different sections of the stratification. The number of clients is distributed geographically with 67,000 in Chile, 86,000 in Brazil, 55,000 in Argentina and 57,000 in Paraguay.

	12.31.2018 ThCh\$	12.31.2017 ThCh\$
Current commercial debtors	150,933,965	157,926,958
Non-current commercial debtors	66,510	58,336
Total	151,000,475	157,985,294

The movement in the allowance for doubtful accounts is presented below:

	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Opening balance	6,494,113	6,697,156
Bad debt expense	1,629,761	2,004,958
Provision application	(1,257,591)	(1,708,602)
Change due to foreign exchange differences	(568,075)	(499,399)
Movement	(195,905)	(203,043)
Ending balance	6,298,208	6,494,113

NOTE 8 – INVENTORIES

The composition of inventories is detailed as follows:

Details	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Raw materials (1)	86,102,495	78,216,172
Finished goods	37,213,848	32,097,377
Spare parts and supplies	28,777,180	19,774,056
Work in progress	780,324	676,609
Other inventories	1,049,165	4,134,237
Obsolescence provision (2)	(2,603,303)	(3,535,451)
Total	151,319,709	131,363,000

The cost of inventory recognized as cost of sales as of December 31, 2018 and 2017, is ThCh\$968,027,774 and ThCh\$1,069,024,964, respectively

- (1) Approximately 80% is composed of concentrate and sweeteners used in the preparation of beverages, as well as caps and PET supplies used in the packaging of the product.
- (2) The obsolescence provision is related mainly with the obsolescence of spare parts classified as inventories and to a lesser extent to finished products and raw materials. The general standard is to provision all those multi-functional spare parts without utility in rotation in the last four years prior to the technical analysis technical to adjust the provision. In the case of raw materials and finished products, the obsolescence provision is determined according to maturity.

NOTE 9 – CURRENT AND DEFERRED INCOME TAXES

9.1 Tax Reform

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

- It establishes a new system of semi-integrated taxation, which can be used as an alternative to the integrated regime of attributed income. Taxpayers may opt freely to any of the two to pay their taxes. In the case of Embotelladora Andina S.A. by a general rule established by law the semi-integrated taxation system applies, which was ratified by the Shareholders' Meeting.
- The semi-integrated system establishes the gradual increase in the first category tax rate for the business years 2014, 2015, 2016, 2017 and 2018 onwards, increasing to 21%, 22.5%, 24%, 25.5% and 27% respectively.

9.2 Current tax assets

Description	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Tax credits (*)	2,532,056	-
Total	2,532,056	-

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

9.3 Current tax liabilities

Current tax payable are detailed as follows:

Description	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Income tax expense	9,338,612	3,184,965
Total	9,338,612	3,184,965

9.4 Income tax expense

The current and deferred income tax expenses are detailed as follows:

Item	12.31.2018	12.31.2018
	ThCh\$	ThCh\$
Current income tax expense	38,313,980	40,183,261
Current tax adjustment previous period	312,403	137,455
Withholding tax expense foreign subsidiaries	7,364,213	6,730,031
Other current tax expense (income)	474,105	(5,733)
Current income tax expense	46,464,701	47,045,014
Income (expense) for the creation and reversal of current tax difference(*)	9,100,154	4,752,620
Expense (income) for deferred taxes	9,100,154	4,752,620
Total income tax expense	55,564,855	51,797,634

(*) Includes IAS 29 effect, due to inflation in Argentina

9.5 Deferred income taxes

The net cumulative balances of temporary differences that give rise to deferred tax assets and liabilities are detailed as follows:

Temporary differences	12.31.2018		12.31.2017	
	Assets	Liabilities	Assets	Liabilities
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Property, plant and equipment	5,420,447	46,181,359	5,978,377	47,179,903
Obsolescence provision	910,076	112,359	2,215,341	200,979
Employee benefits	5,169,161	131,829	5,391,796	-
Post-employment benefits	90,941	1,014,354	61,155	1,020,522
Tax loss carried-forwards (1)	9,137,392	-	10,056,534	-
Tax Goodwill Brazil	18,836,838	-	23,195,957	-
Contingency provision	26,796,262	-	31,177,351	-
Foreign exchange differences (2)	13,083,953	-	7,631,498	-
Allowance for doubtful accounts	1,262,977	-	1,155,542	-
Coca-Cola incentives (Argentina)	352,061	-	451,790	-
Assets and liabilities for placement of bonds	-	1,327,727	-	1,297,000
Lease liabilities	1,328,320	-	1,083,010	-
Inventories	347,470	-	350,746	-
Distribution rights	-	173,273,994	-	163,850,599
Others	-	5,940,224	3,729,093	920,772
Subtotal	82,735,898	227,981,846	92,478,190	214,469,775
Total liabilities net	-	145,245,948	3,212,981	125,204,566

(1) Tax losses mainly associated with the subsidiary Embotelladora Andina Chile S.A. In Chile tax losses have no expiration date

(2) Corresponds to differed taxes for exchange rate differences generated on the translation of debt expressed in foreign currency in the subsidiary Rio de Janeiro Refrescos Ltda. and which for tax purposes are recognized in Brazil when incurred. This item also includes the effects of the differences generated in the appraisal of forward contracts.

9.6 Deferred tax liability movement

The movement in deferred income tax accounts is as follows:

Item	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Opening Balance	121,991,585	125,608,802
Increase (decrease) in deferred tax	11,303,016	(3,417,011)
Increase (decrease) due to foreign currency translation(*)	(11,951,347)	(200,206)
Movements	23,254,363	(3,617,217)
Ending balance	145,245,948	121,991,585

(*) Includes IAS 29 effect, due to inflation in Argentina

9.7 Distribution of domestic and foreign tax expense

The composition of domestic and foreign tax expense is detailed as follows:

Income tax	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Current income taxes		
Foreign	(24,442,984)	(30,258,395)
Domestic	(22,021,717)	(16,786,619)
Current income tax expense	(46,464,701)	(47,045,014)
Deferred income taxes		
Foreign	(9,121,332)	(4,667,982)
Domestic	21,178	(84,638)
Deferred income tax expense	(9,100,154)	(4,752,620)
Income tax expense	(55,564,855)	(51,797,634)

9.8 Reconciliation of effective rate

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

Reconciliation of effective rate	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Net income before taxes	153,606,681	170,798,359
Tax expense at legal rate (27.0%)	(41,544,270)	-
Tax expense at legal rate (25.5%)	-	(43,553,581)
Effect of a different tax rate in other jurisdictions	967,671	(4,971,103)
Permanent differences:		
Non-taxable revenues	12,752,599	9,645,068
Non-deductible expenses	(11,141,237)	(4,020,729)
Tax effect on excess tax provision prior periods	(295,632)	125,021
Effect of tax restatement Chilean companies	2,566,163	(1,465,753)
Foreign subsidiaries tax withholding expense and other legal tax debits and credits	(18,870,149)	(7,556,557)
Adjustments to tax expense	(14,988,256)	(3,272,950)
Tax expense at effective rate	(55,564,855)	(51,797,634)
Effective rate	36.2%	30.6%

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

Country	Rate	
	2018	2017
Chile	27.0%	25.5%
Brazil	34.0%	34.0%
Argentina	30.0%	35.0%
Paraguay	10.0%	10.0%



NOTE 10 – PROPERTY, PLANT AND EQUIPMENT

10.1 Balances

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

Item	Property, plant and equipment, gross		Cumulative depreciation and impairment		Property, plant and equipment, net	
	12.31.2018	12.31.2017	12.31.2018	12.31.2017	12.31.2018	12.31.2017
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Construction in progress	26,048,670	84,118,716	-	-	26,048,670	84,118,716
Land	100,479,196	96,990,155	-	-	100,479,196	96,990,155
Buildings	371,279,937	222,101,850	(157,119,586)	(59,716,002)	214,160,351	162,385,848
Plant and equipment	623,568,795	431,876,945	(416,164,810)	(276,043,865)	207,403,985	155,833,080
Information technology	22,752,205	20,697,750	(17,567,484)	(16,070,425)	5,184,721	4,627,325
Fixed facilities and accessories	43,717,907	32,990,387	(22,660,738)	(13,400,510)	21,057,169	19,589,877
Vehicles	53,682,179	52,587,886	(31,883,578)	(23,324,621)	21,798,601	29,263,265
Leasehold improvements	144,914	115,768	(112,737)	(108,353)	32,177	7,415
Other Property, plant and equipment (1)	438,350,022	395,823,718	(323,743,924)	(288,888,900)	114,606,098	106,934,818
Total	1,680,023,825	1,337,303,175	(969,252,857)	(677,552,676)	710,770,968	659,750,499

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



The net balance of each of these categories is detailed as follows:

Other Property, plant and equipment	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Bottles	51,522,834	51,876,569
Marketing and promotional assets	45,739,948	42,798,282
Other Property, plant and equipment	17,343,316	12,259,967
Total	114,606,098	106,934,818

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

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

10.2 Movements

Movements in Property, plant and equipment are detailed as follows:

	Construction in progress	Land	Buildings, net	Plant and equipment, net	IT Equipment, net	Fixed facilities and accessories, net	Vehicles, net	Leasehold improvements, net	Other, net	Property, plant and equipment, net
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance at January 1, 2018	84,118,716	96,990,155	162,385,848	155,833,080	4,627,325	19,589,877	29,263,265	7,415	106,934,818	659,750,499
Additions	65,284,334	-	504,675	17,924,606	783,299	165,226	1,451,462	1,430	42,793,277	128,854,309
Disposals	-	(5,465)	(209,713)	(1,002,133)	-	-	(203,036)	-	(1,588,050)	(3,008,397)
Transfers between items of Property, plant and equipment	(109,893,610)	-	45,032,440	54,460,571	622,222	1,481,081	(2,218,354)	22,000	10,493,650	-
Depreciation expense	-	-	(7,001,828)	(39,182,401)	(1,830,295)	(2,668,535)	(5,201,263)	(11,112)	(41,727,196)	(97,622,630)
Increase (decrease) due to foreign currency translation differences	(6,880,059)	(4,615,830)	(14,485,709)	(17,048,903)	(414,850)	(4,048,135)	(1,722,767)	169	(16,954,922)	(66,171,006)
Other increase (decrease) (1)	(6,580,711)	8,110,336	27,934,638	36,419,165	1,397,020	6,537,655	429,294	12,275	14,654,520	88,914,192
Total movements	(58,070,046)	3,489,041	51,774,503	51,570,905	557,396	1,467,292	(7,464,664)	24,762	7,671,280	51,020,469
Ending balance at December 31, 2018	26,048,670	100,479,196	214,160,351	207,403,985	5,184,721	21,057,169	21,798,601	32,177	114,606,098	710,770,968

(1) Mainly correspond to effects of adopting IAS 29 in Argentina.



	Construction in progress	Land	Buildings, net	Plant and equipment, net	IT Equipment, net	Fixed facilities and accessories, net	Vehicles, net	Leasehold improvements, net	Other, net	Property, plant and equipment, net
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance at January 1, 2017	49,986,111	91,961,876	173,073,161	190,402,625	6,122,912	20,466,113	23,896,425	190,523	110,051,139	666,150,885
Additions	89,392,003	4,955,929	1,674,734	4,992,508	945,827	(4,161)	1,512,162	13,529	44,451,636	147,934,167
Disposals	-	-	(300,079)	(700,973)	(1,062,530)	-	(173,190)	-	(790,242)	(3,027,014)
Transfers between items of Property, plant and equipment	(41,957,409)	-	3,450,060	24,250,647	1,133,684	2,548,441	2,253,061	-	8,321,516	-
Depreciation expense	-	-	(5,880,770)	(36,026,939)	(2,190,107)	(2,112,681)	(5,303,332)	(61,033)	(45,746,096)	(97,320,958)
Increase (decrease) due to foreign currency translation differences	(13,319,346)	72,350	(9,538,737)	(20,492,851)	(320,634)	(1,307,835)	7,441,057	(34,272)	(7,670,229)	(45,170,497)
Other increase (decrease) (1)	17,357	-	(92,521)	(6,591,937)	(1,827)	-	(362,918)	(101,332)	(1,682,906)	(8,816,084)
Total movements	34,132,605	5,028,279	(10,687,313)	(34,569,545)	(1,495,587)	(876,236)	5,366,840	(183,108)	(3,116,321)	(6,400,386)
Ending balance at December 31, 2017	84,118,716	96,990,155	162,385,848	155,833,080	4,627,325	19,589,877	29,263,265	7,415	106,934,818	659,750,499

(1) Mainly correspond to property, plant & equipment write-offs.



NOTE 11 – RELATED PARTY DISCLOSURES

Balances and main transactions with related parties are detailed as follows:

11.1 Accounts receivable:

11.1.1 Current:

Taxpayer ID	Company	Relationship	Country of origin	Currency	12.31.2018	12.31.2017
					ThCh\$	ThCh\$
96.891.720-K	Embonor S.A.	Shareholder related	Chile	Chilean pesos	4,344,082	4,220,936
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Chilean pesos	2,175,934	-
Foreign	Coca Cola de Argentina	Director related	Argentina	Argentinean pesos	1,684,357	-
Foreign	UBI 3 (Ades)	Shareholder related	Argentina	Argentinean pesos	455,823	-
Foreign	Alimentos de Soja S.A.U.	Shareholder related	Argentina	Argentinean pesos	371,712	-
96.517.210-2	Embotelladora Iquique S.A.	Shareholder related	Chile	Chilean pesos	228,387	303,866
86.881.400-4	Envases CMF S.A.	Associate	Chile	Chilean pesos	161,460	-
96.919.980-7	Cervecería Austral S.A.	Director related	Chile	U.S. Dollars	26,557	16,674
77.755.610-K	Comercial Patagona Ltda.	Director related	Chile	Chilean pesos	1,951	-
Foreign	Servicio y Productos para Bebidas Refrescantes S.R.L.	Shareholder	Chile	Argentinean pesos	-	181,414
76.572.588-7	Coca Cola del Valle New Ventures S.A.	Associate	Chile	Chilean pesos	-	647,342
Total					9,450,263	5,370,232



11.1.2 Non-current:

Taxpayer ID	Company	Relationship	Country of origin	Currency	12.31.2018	12.31.2017
					ThCh\$	ThCh\$
96.714.870-9	Coca-Cola de Chile S. A.	Shareholder	Chile	Chilean pesos	74,340	156,492
Total					74,340	156,492

11.2 Accounts payable:

11.2.1 Current:

Taxpayer ID	Company	Relationship	Country of origin	Currency	12.31.2018	12.31.2017
					ThCh\$	ThCh\$
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Chilean pesos	21,286,933	12,458,055
Foreign	Recofarma do Industrias Amazonas Ltda.	Shareholder related	Brazil	Brazilian real	8,681,099	15,891,797
86.881.400-4	Envases CMF S.A.	Associate	Chile	Chilean pesos	5,702,194	2,807,572
Foreign	Servicio y Productos para Bebidas Refrescantes S.R.L.	Shareholder	Argentina	Argentinean pesos	5,479,714	-
Foreign	Leão Alimentos e Bebidas Ltda.	Associate	Brazil	Brazilian real	3,132,515	2,539,052
Foreign	Monster	Shareholder related	Brazil	Brazilian real	664,565	-
76.572.588-7	Coca Cola del Valle New Ventures S.A.	Associate	Chile	Chilean pesos	649,046	-
89.996.200-1	Envases del Pacífico S.A.	Director related	Chile	Chilean pesos	139,468	193,685
96.891.720-K	Embonor S.A.	Shareholder related	Chile	Chilean pesos	92,325	-
Foreign	Alimentos de Soja S.A.U.	Shareholder related	Argentina	Argentinean pesos	-	71,276
Total					45,827,859	33,961,437



11.3 Transactions:

Taxpayer ID	Company	Relationship	Country of origin	Description of transaction	Currency	Cumulative 12.31.2018 ThCh\$
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Purchase of concentrates	Chilean pesos	149,933,143
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Purchase of advertising services	Chilean pesos	3,508,010
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Sale of raw materials and other	Chilean pesos	1,156,744
86.881.400-4	Envases CMF S.A.	Associate	Chile	Purchase of bottles	Chilean pesos	14,319,777
86.881.400-4	Envases CMF S.A.	Associate	Chile	Purchase of raw materials	Chilean pesos	18,914,788
86.881.400-4	Envases CMF S.A.	Associate	Chile	Purchase of caps	Chilean pesos	107,859
86.881.400-4	Envases CMF S.A.	Associate	Chile	Purchase services and others	Chilean pesos	1,593,798
86.881.400-4	Envases CMF S.A.	Associate	Chile	Purchase of containers	Pesos chilenos	4,096,502
86.881.400-4	Envases CMF S.A.	Associate	Chile	Sale of packaging and raw materials	Chilean pesos	3,981,631
96.891.720-K	Embonor S.A.	Related to Shareholder	Chile	Sale of finished products	Chilean pesos	41,933,095
96.517.310-2	Embotelladora Iquique S.A.	Related to Shareholder	Chile	Sale of finished products	Chilean pesos	2,570,315
89.996.200-1	Envases del Pacífico S.A.	Related to director	Chile	Purchase of raw materials and materials	Pesos chilenos	1,007,382
94.627.000-8	Parque Arauco S.A.	Related to director	Chile	Rent of spaces	Chilean pesos	91,685
Foreign	Recofarma do Industrias Amazonas Ltda.	Related to Shareholder	Brazil	Purchase of concentrates	Brazilian real	95,449,139
Foreign	Recofarma do Industrias Amazonas Ltda.	Related to Shareholder	Brazil	Refund and other purchases	Brazilian real	7,641,736
Foreign	Servicio y Productos para Bebidas Refrescantes S.R.L.	Shareholder	Argentina	Purchase of concentrates	Argentine pesos	98,947,407
Foreign	Servicio y Productos para Bebidas Refrescantes S.R.L.	Shareholder	Argentina	Advertising participation payment	Argentine pesos	5,727,498
Foreign	KIAK Participaciones	Subsidiary	Brazil	Purchase of concentrate and marketing recovery	U.S. dollar	42,292
Foreign	Leão Alimentos e Bebidas Ltda.	Associate	Brazil	Purchase of products	Brazilian real	357,286
Foreign	Sorocaba Refrescos S.A.	Associate	Brazil	Purchase of products	Brazilian real	698,090
76.572.588-7	Coca Cola Del Valle New Ventures SA	Common Shareholder	Chile	Sale of services and others	Chilean pesos	1,391,110
Foreign	Trop Frutas do Brasil Ltda.	Associate	Brazil	Purchase of products	Brazilian real	86,994
Foreign	Alimentos de Soja S.A.U.	Related to Shareholder	Argentina	Payment of fees and services	Argentine pesos	1,623,794
96.633.550-5	Sinea S.A.	Ownership held by an officer's uncle	Chile	Purchase of raw materials	Chilean pesos	581,508



Taxpayer ID	Company	Relationship	Country of origin	Description of transaction	Currency	Cumulative 12.31.2017
						ThCh\$
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Purchase of concentrates	Chilean pesos	140,609,445
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Purchase of advertising services	Chilean pesos	1,823,190
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Lease of water fountain	Chilean pesos	2,989,115
96.714.870-9	Coca-Cola de Chile S.A.	Shareholder	Chile	Sale of raw materials and other	Chilean pesos	2,163,225
86.881.400-4	Envases CMF S.A.	Associate	Chile	Purchase of bottles	Chilean pesos	20,865,624
86.881.400-4	Envases CMF S.A.	Associate	Chile	Purchase of raw materials	Chilean pesos	12,617,540
86.881.400-4	Envases CMF S.A.	Associate	Chile	Purchase of caps	Chilean pesos	477,188
86.881.400-4	Envases CMF S.A.	Associate	Chile	Purchase services and others	Chilean pesos	357,456
86.881.400-4	Envases CMF S.A.	Associate	Chile	Sale services and others	Chilean pesos	14,944
86.881.400-4	Envases CMF S.A.	Associate	Chile	Purchase of packaging	Chilean pesos	2,960,894
86.881.400-4	Envases CMF S.A.	Associate	Chile	Sale of packaging and raw materials	Chilean pesos	2,942,690
96.891.720-K	Embonor S.A.	Related to Shareholder	Chile	Sale of finished products	Chilean pesos	42,561,124
96.517.310-2	Embotelladora Iquique S.A.	Related to Shareholder	Chile	Sale of finished products	Chilean pesos	2,650,329
89.996.200-1	Envases del Pacífico S.A.	Related to director	Chile	Purchase of raw materials and materials	Chilean pesos	1,676,013
94.627.000-8	Parque Arauco S.A.	Related to director	Chile	Rent of spaces	Chilean pesos	90,032
99.279.000-8	Euroamerica Seguros de Vida S.A.	Related to director	Chile	Purchase of insurance policies	Chilean pesos	312,231
Foreign	Recofarma do Industrias Amazonas Ltda.	Related to Shareholder	Brazil	Purchase of concentrates	Chilean pesos	196,738,018
Foreign	Recofarma do Industrias Amazonas Ltda.	Related to Shareholder	Brazil	Refund and other purchases	Chilean pesos	5,099,040
Foreign	Servicio y Productos para Bebidas Refrescantes S.R.L.	Shareholder	Argentina	Purchase of concentrates	Argentine pesos	272,541,272
Foreign	Servicio y Productos para Bebidas Refrescantes S.R.L.	Shareholder	Argentina	Advertising participation payment	Argentine pesos	12,584,231
Foreign	KAIK Participações	Associate	Brazil	Refund and other purchases	Brazilian real	6,614
Foreign	Leão Alimentos e Bebidas Ltda.	Associate	Brazil	Purchase of products	Brazilian real	104,103
Foreign	Coca-Cola Peru	Related to Shareholder	Peru	Purchase of concentrate and marketing recovery	U.S. dollar	7,147,534
Foreign	Sorocaba Refrescos S.A.	Associate	Brazil	Purchase of products	Brazilian real	574.881
89.862.200-2	Latam Airlines Group S.A.	Related to director	Chile	Sale of products	Chilean pesos	652.588
76.572.588-7	Coca Cola Del Valle New Ventures SA	Common Shareholder	Chile	Sale of services and others	Chilean pesos	1.444.162
Foreign	Trop Frutas do Brasil Ltda.	Associate	Brazil	Purchase of products	Brazilian real	317.565
Foreign	Alimentos de Soja S.A.U.	Related to Shareholder	Argentina	Payment of fees and services	Argentine pesos	538.546

11.4 Key management compensation

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

Description	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Executive wages, salaries and benefits	6,056,337	6,454,846
Director allowances	1,495,123	1,513,100
Accrued benefit last five years and paid during the fiscal year	242,907	334,477
Contract termination benefit	51,534	-
Total	7,845,901	8,302,423

NOTE 12 – CURRENT AND NON-CURRENT EMPLOYEE BENEFITS

Employee benefits are detailed as follows:

Description	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Accrued vacations	19,536,809	20,769,275
Employee remuneration payable	13,674,170	15,186,368
Indemnities for years of service	9,415,541	8,286,355
Total	42,626,520	44,241,998
	ThCh\$	ThCh\$
Current	33,210,979	35,955,643
Non-current	9,415,541	8,286,355
Total	42,626,520	44,241,998

12.1 Indemnities for years of service

The movements of employee benefits, valued pursuant to Note 2 are detailed as follows:

Movements	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Opening balance	8,286,355	8,157,745
Service costs	957,593	1,727,905
Interest costs	565,167	300,755
Net actuarial losses	271,045	(530,059)
Benefits paid	(664,619)	(1,369,991)
Total	9,415,541	8,286,355

12.1.1 Assumptions

The actuarial assumptions used are detailed as follows:

Assumptions	12.31.2018	12.31.2017
Discount rate	2.7%	2.7%
Expected salary increase rate	2.0%	2.0%
Turnover rate	5.4%	5.4%
Mortality rate	RV-2009	RV-2009
Retirement age of women	60 years	60 years
Retirement age of men	65 years	65 years

12.2 Personnel expenses

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

Description	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Wages and salaries	195,162,903	215,715,214
Employee benefits	50,254,164	50,127,117
Severance and post-employment benefits	5,535,410	7,410,936
Other personnel expenses	16,014,364	14,205,259
Total	266,966,841	287,458,526

12.3 Number of Employees

	12.31.2018	12.31.2017
Number of employees	16,098	15,924
Number of average employees	15,364	15,784

NOTE 13 – INVESTMENTS IN ASSOCIATES ACCOUNTED FOR USING THE EQUITY METHOD

13.1 Balances

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

Taxpayer ID	Name	Country of Incorporation	Functional Currency	Carrying Value		Percentage interest	
				12.31.2018	12.31.2017	12.31.2018	12.31.2017
				ThCh\$	ThCh\$	%	%
86.881.400-4	Envases CMF S.A. (1)	Chile	Chilean peso	18,743,604	18,528,567	50.00%	50.00%
Foreign	Leão Alimentos e Bebidas Ltda. (2)	Brazil	Brazilian real	21,727,894	22,163,333	10.26%	10.26%
Foreign	Kaik Participações Ltda. (2)	Brazil	Brazilian real	1,228,256	1,228,350	11.32%	11.32%
Foreign	SRSA Participações Ltda.	Brazil	Brazilian real	94,706	189,290	40.00%	40.00%
Foreign	Sorocaba Refrescos S.A.	Brazil	Brazilian real	22,979,029	23,079,130	40.00%	40.00%
Foreign	Trop Frutas do Brasil Ltda. (2)	Brazil	Brazilian real	6,244,839	6,359,428	7.52%	7.52%
76.572.588-7	Coca Cola del Valle New Ventures S.A.	Chile	Chilean peso	31,392,617	15,260,971	35.00%	35.00%
Total				102,410,945	86,809,069		

- (1) In these company, regardless of the percentage of ownership interest, it was determined that no controlling interest was held, only a significant influence, given that there was not a majority vote of the Board of Directors to make strategic business decisions.
- (2) In these companies, regardless of the percentage of ownership interest held, the Company has significant influence, given that it has a representative on each entity's Board of Directors.

13.2 Movement

The movement of investments in associates accounted for using the equity method is shown below:

Details	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Opening Balance	86,809,069	77,197,781
Other investment increases in associates (Capital contributions to Leão Alimentos e Bebidas Ltda. and Coca-Cola del Valle New Ventures S.A.)	15,615,466	15,570,161
Dividends received	(403,414)	(1,540,090)
Share in operating income	2,194,144	932,340
Unrealized income	85,268	85,268
Increase (Decrease) due to foreign currency translation differences	(1,889,588)	(5,436,391)
Ending Balance	102,410,945	86,809,069

The main movements for the fiscal years ended December 31, 2018 and 2017, are the following:

- During fiscal years 2018 and 2017, Embotelladora Andina S.A. made capital contributions in Coca-Cola del Valle New Ventures S.A. in the amount of ThCh\$15,615,466 and ThCh\$10,185,000.
- During fiscal years 2018 and 2017, Envases CMF S.A., agreed to distribute dividends in the amount of ThCh\$403,414 and ThCh\$1,540,090, respectively. Embotelladora Andina S.A. participates in those dividends pursuant to its ownership interest.
- During fiscal years 2018 and 2017 Sorocaba Refrescos S.A. did not distribute dividends.
- During fiscal year 2017, Leão Alimentos e Bebidas Ltda. carried out capital increases. Rio de Janeiro Refrescos Ltda. participated in these capital increases pursuant to its ownership interest for amounts of ThCh\$5,385,161.

13.3 Reconciliation of share of profit in investments in associates:

Details	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Share of profit of investment accounted for using the equity method	2,194,144	932,340
Unrealized earnings in inventory acquired from associates and not sold at the end of period, presented as a discount in the respective asset account (containers and/or inventories)	(868,233)	(1,097,968)
Amortization of Fair Value in Envases CMF S.A.	85,268	85,268
Income Statement Balance	1,411,179	(80,360)

13.4 Summary financial information of associates:

The following table presents summarized information regarding the Company's equity investees as of December 31, 2018:

	Envases CMF S.A.	Sorocaba Refrescos S.A.	Kaik Participações Ltda.	SRSA Participações Ltda.	Leão Alimentos e Bebidas Ltda.	Trop Frutas do Brasil Ltda.	Coca-Cola del Valle New Ventures S.A.
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Total assets	78,714,139	106,598,837	10,850,626	513,823	257,149,411	96,963,355	101,275,213
Total liabilities	40,800,603	49,151,318	34	277,055	57,538,296	21,568,158	11,582,021
Total revenue	53,073,645	57,570,452	348,705	233,182	161,749,228	12,169,188	2,673,496
Net income (loss) of associate	1,086,050	936,360	348,705	233,182	2,000,217	7,753,517	1,506,540
Reporting date	12-31-2018	11-30-2018	11-30-2018	11-30-2018	11-30-2018	11-30-2018	12-31-2018

The following table presents summarized information regarding the Company's equity investees as of December 31, 2017:

	Envases CMF S.A.	Sorocaba Refrescos S.A.	Kaik Participações Ltda.	SRSA Participações Ltda.	Leão Alimentos e Bebidas Ltda.	Trop Frutas do Brasil Ltda.	Coca-Cola del Valle New Ventures S.A.
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Total assets	74,308,406	111,697,833	10,851,460	473,226	282,895,158	88,327,243	48,190,779
Total liabilities	36,654,412	54,000,005	35	-	79,689,080	11,407,361	4,594,308
Total revenue	49,924,142	52,507,920	(137,002)	469,509	198,216,570	3,345,146	-
Net income (loss) of associate	2,405,060	(1,541,788)	(137,007)	469,509	(157,266)	1,927,488	(248,532)
Reporting date	12-31-2017	12-31-2017	12-31-2017	12-31-2017	12-31-2017	12-31-2017	11-30-2017

NOTE 14 – INTANGIBLE ASSETS AND GOODWILL

14.1 Intangible assets other than goodwill

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

Detail	12-31-2018			12-31-2017		
	Gross	Cumulative	Net	Gross	Cumulative	Net
	Amount	Amortization	Amount	Amount	Amortization	Amount
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Distribution rights (1)	661,285,834	(259,434)	661,026,400	656,411,004	(116,387)	656,294,617
Software	31,526,159	(24,160,202)	7,365,957	27,595,084	(21,087,741)	6,507,343
Others	728,198	(298,002)	430,196	511,470	(40,552)	470,918
Total	693,540,191	(24,717,638)	668,822,553	684,517,558	(21,244,680)	663,272,878

- (1) Correspond to the contractual rights to produce and distribute Coca-Cola products in certain parts of Argentina, Brazil, Chile and Paraguay. Distribution rights result from the valuation process at fair value of the assets and liabilities of the companies acquired in business combinations. Production and distribution contracts are renewable for periods of 5 years with Coca-Cola. The nature of the business and renewals that Coca-Cola has permanently done on these rights, allow qualifying them as indefinite contracts. These production and distribution rights, and in conjunction with the assets that are part of the cash-generating units, are annually subjected to the impairment test. Such distribution rights are composed in the following manner and are not subject to amortization: except for the Monster rights that are amortized in the term of the agreement which is 4 years.

	12.31.2018	12.31.2017
Distribution rights	ThCh\$	ThCh\$
Chile (excluding Metropolitan Region, Rancagua and San Antonio)	304,888,183	304,969,889
Brazil (Rio de Janeiro, Espírito Santo, Ribeirão Preto and the investments in Sorocaba and Leão Alimentos e Bebidas Ltda.)	181,583,404	187,695,738
Paraguay	172,594,328	162,825,074
Argentina (North and South)	1,960,485	803,916
Total	661,026,400	656,294,617

The movement and balances of identifiable intangible assets are detailed as follows:

Details	01-01-2018 to 12-31-2018				01-01-2017 to 12-31-2017			
	Distribution		Software	Total	Distribution		Software	Total
	Rights	Rights			Rights	Rights		
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Opening balance	656,294,617	470,918	6,507,343	663,272,878	674,920,063	470,918	5,605,081	680,996,062
Additions	-	-	3,718,038	4,264,098	11,923,449 (1)	-	2,907,715	14,831,164
Amortization	(112,601)	(40,722)	(1,971,417)	(2,170,360)	(116,387)	-	(1,842,933)	(1,959,320)
Other increases (decreases) (2)	4,844,384	-	(888,007)	919,080	(30,432,508)	-	(162,520)	(30,595,028)
Total	661,026,400	430,196	7,365,957	668,822,553	656,294,617	470,918	6,507,343	663,272,878

- (1) Corresponds to distribution rights paid in Argentina, Paraguay and Chile resulting from the transaction in which The Coca-Cola Company acquired the “AdeS” business described in previous notes.
- (2) Mainly corresponds to the foreign currency effect of converting foreign subsidiaries’ distribution rights into the presentation currency.

14.2 Goodwill

Goodwill is considered as the excess acquisition cost over fair value of the group's ownership interest in identifiable net assets of the acquired subsidiary at the acquisition date.

14.2.1 Measurement of recoverable goodwill value

Goodwill is annually reviewed but its recoverable value is checked during anticipated periods, if there are facts indicating a possible impairment. These signs may include new legal dispositions, changes in the economic environment affecting business operating performance indicators, movements in the competition, or the sale of a significant part of the cash-generating unit (CGU).

Management reviews business performance based on geographic segments. Goodwill is monitored by operating segment that includes different cash generating units of the operations in Chile, Brazil, Argentina and Paraguay. Impairment of distribution rights is geographically monitored at the CGU or group of cash generating units that correspond to specific territories for which Coca-Cola distribution rights have been acquired. These cash generating units or groups of cash generating units are composed by:

- Regions in Chile (excluding Metropolitan Region, province of Rancagua and province of San Antonio)
- Argentina North
- Argentina South
- Brazil (state of Rio de Janeiro and Espirito Santo)
- Brazil (Ipiranga territories)
- Brazil: (investment in the associate Sorocaba)
- Brazil: (investment in the associate Leão Alimentos S.A.)
- Paraguay

In order to check if goodwill has suffered an impairment loss, the company compares its book value with its recoverable value, and an impairment loss is recognized for the excess of the book value amount of the asset over its recoverable amount. To determine the recoverable values of the CGU, management considers the discounted cash flow method as the most appropriate method.

14.2.2 Main assumptions used in the annual test:

a. Discount rate:

The real discount rate applied in the annual test carried out in December 2018 was estimated with the Capital Asset Pricing Model, which allows estimating a discount rate according to the risk level of the CGU in the country where it operates. A nominal discount rate before taxes is used according to the following table:

	Discount Rate 2017	Discount Rate 2017
Argentina	21.2%	17.1%
Chile	8.1%	7.2%
Brazil	10.9%	9.6%
Paraguay	10.1%	9.1%

Management carries out the annual goodwill impairment test as of December 31 of each year for each CGU.

b. Other assumptions

Financial projections to determine the present net value of future cash flows of the CGU are modelled based on the main historical variables, and the respective budgets approved by the CGU. In this sense, a conservative growth rate is used, which reach 3% for the soft drinks category and up to 7% for the less developed categories such as juices and water. Perpetuity growth rates between 1% and 2.5% are established by operation depending on the level of consumption maturity of the products at each operation are set beyond the fifth year of projection. In this sense, the variables of greater sensitivity in these projections correspond to discount rates applied in order to determine the net present value of projected flows, perpetuity growths and EBITDA margin considered in each CGU.

For purposes of sensitizing the impairment test, variations were made to the main variables used in the model. Following we present the ranges used for each of the modified variables:

- Discount rate: Increase/decrease of up to 100bps as value in the rate with which the future flows are discounted to bring them to present value
- Perpetuity: Increase/decrease of up to 75bps in the rate to calculate the perpetual growth of future flows
- EBITDA margin: Increase/decrease of 100bps in the EBITDA margin of operations, which is applied per year for the projected periods, i.e. for the years 2019-2023

14.2.3 Conclusions

The Company performs annual impairment assessments annually, as a result of the tests carried out at December 31, 2018 and 2017 no signs of impairment were identified in any of the CGUs, assuming conservative EBITDA margins projections and in line with market history.

Despite the deterioration of the macroeconomic conditions experienced by the economies of the countries where the cash generating units develop their operations, recovery values from the impairment test were higher than the book values of assets.

14.2.4 Goodwill by business segment and country

Movement in Goodwill as of December 31, 2018 and December 31, 2017 is detailed as follows:

Operating segment	01.01.2018	Additions/ Disposals	Foreign currency translation differences where functional currency is different from presentation currency	12.31.2018
	ThCh\$			ThCh\$
Chilean operation	8,503,023	-	-	8,503,023
Brazilian operation	73,509,080	-	(428,980)	73,080,100
Argentine operation	4,672,971	-	23,645,158	28,319,129
Paraguayan operation	6,913,143	-	414,778	7,327,921
Total	93,598,217	-	23,630,956	117,229,173

Operating segment	01.01.2017	Additions/ Disposals	Foreign currency translation differences where functional currency is different from presentation currency	12.31.2017
	ThCh\$		ThCh\$	ThCh\$
Chilean operation	8,503,023	-	-	8,503,023
Brazilian operation	81,145,834	-	(7,636,754)	73,509,080
Argentine operation	5,972,515	-	(1,299,544)	4,672,971
Paraguayan operation	7,298,133	-	(384,990)	6,913,143
Total	102,919,505	-	(9,321,288)	93,598,217

NOTE 15 – OTHER CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

Liabilities are detailed as follows:

Current	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Bank loans	21,542,736	31,470,003
Bonds payable	20,664,481	20,156,295
Deposits in guarantee	12,242,464	13,849,504
Derivative contract obligations (see note 20)	130,829	445,278
Leasing agreements	1,534,467	2,060,325
Total	56,114,977	67,981,405
Non-current	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Bank loans	2,439,253	13,057,542
Bonds payable	700,327,057	648,228,554
Leasing agreements	13,797,468	14,481,105
Total	716,563,778	675,767,201



The fair value of financial assets and liabilities as of December 31, 2018 and 2017 is presented below:

Current	Book Value 12.31.2018 ThCh\$	Fair Value 12.31.2018 ThCh\$	Book Value 12.31.2017 ThCh\$	Fair Value 12.31.2017 ThCh\$
Cash and cash equivalents (3)	137,538,613	137,538,613	136,242,116	136,242,116
Other financial assets (3)	683,567	683,567	14,138,161	14,138,161
Trade and other accounts receivable (3)	187,210,279	187,210,279	191,284,680	191,284,680
Accounts receivable from related companies (3)	9,450,263	9,450,263	5,370,232	5,370,232
Bank loans (1)	21,542,736	20,298,761	31,470,003	31,006,898
Bonds payable (2)	20,664,481	22,318,939	20,156,295	22,484,452
Deposits in guarantee (3)	12,242,464	12,242,464	13,849,504	13,849,504
Derivative contract obligations (3) (see note 20)	130,829	130,829	445,278	445,278
Leasing agreements (3)	1,534,467	1,534,467	2,060,325	2,060,325
Trade and other accounts payable (3)	238,109,847	238,109,847	257,519,477	257,519,477
Accounts payable from related companies (3)	45,827,859	45,827,859	33,961,437	33,961,437
Non-current	12.31.2018 ThCh\$	12.31.2018 ThCh\$	12.31.2017 ThCh\$	12.31.2017 ThCh\$
Other financial assets (3)	97,362,295	97,362,295	74,259,085	75,259,085
Trade and other receivables	1,270,697	1,270,697	2,395,851	2,395,851
Accounts receivable from related companies (3)	74,340	74,340	156,492	156,492
Bank loans (1)	2,439,253	2,307,396	13,057,542	11,588,575
Bonds payable (2)	700,327,057	755,694,265	648,228,554	722,044,324
Leasing agreements (3)	13,797,468	13,797,468	14,481,105	14,481,105
Trade and other accounts payable (3)	735,665	735,665	1,132,926	1,132,926

(1) The fair values are based on discounted cash flows using market discount rates as of the close of each fiscal year and are Level 2 fair value measurements.

(2) The fair value of corporate bonds is classified as Level 2 fair value measurements based on quoted prices for the Company's obligations.

(3) The fair value approximates book value considering the nature and term of the obligations.



15.1.1 Bank obligations, current

										Maturity		Total	
Indebted Entity				Creditor Entity			Type	Effective	Nominal	Up to	90 days	at	at
Tax ID,	Name	Country	Tax ID,	Name	Country	Currency	Amortization	Rate	Rate	90 days	To 1 year	12.31.2018	12.31.2017
										ThCh\$	ThCh\$	ThCh\$	ThCh\$
91.144.000-8	Embotelladora Andina S.A.	Chile	97032000-8	Banco Scotiabank	Chile	Chilean pesos	Monthly	3.64%	3.64%	-	-	-	300,000
96.705.990-0	Envases Central S.A.	Chile	97.006.000-6	Banco BCI	Chile	UF	Semiannually	2.13%	2.13%	-	726,943	726,943	709,794
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco de la Nación Argentina	Argentina	Argentine pesos	Monthly	20.00%	20.00%	1,071	-	1,071	9,965,133
Foreign	Embotelladora del Atlántico S.A.	Argentina	Foreign	Banco Galicia y Buenos Aires S.A.	Argentina	Argentine pesos	Monthly	20.00%	20.00%	-	-	-	3,352,417
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Brazilian real	Monthly	7.48%	7.48%	-	-	-	298,456
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Santander	Brazil	Brazilian real	Monthly	6.63%	6.63%	-	-	-	1,359,471
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Brazilian real	Monthly	6.63%	6.63%	82,480	88,935	171,415	-
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Santander	Brazil	Brazilian real	Monthly	7.15%	7.15%	83,151	194,366	277,517	-
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Brazilian real	Quarterly	7.15%	7.15%	-	-	-	1,611,747
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Brazilian real	Semiannually	4.50%	4.50%	-	-	-	2,541,016
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Santander	Brazil	Brazilian real	Quarterly	4.50%	4.50%	616,808	1,838,770	2,455,578	-
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Brazilian real	Quarterly	6.24%	6.24%	-	17,910,212	17,910,212	11,331,969
Total												21,542,736	31,470,003



15.1.2 Bank obligations, non-current

Indebted Entity			Creditor Entity			Currency	Type	Effective Rate	Nominal Rate	Maturity					at 12.31.2018
										1 year up to 2 years	More 2 years Up to 3 years	More 3 years Up to 4 years	More 4 years Up to 5 years	More 5 Years	
Tax ID	Name	Country	Tax ID	Name	Country		Amortization			ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
96.705.990-0	Envases Central S.A.	Chile	97.006.000-6	Banco BCI	Chile	UF	Semiannually	2.1%	2.1%	1,434,786	-	-	-	-	1,434,786
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Brazilian real	Monthly	6.6%	6.6%	72,439	43,033	43,033	81,225	-	239,730
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Santander	Brazil	Brazilian real	Monthly	7.2%	7.2%	151,873	-	-	-	-	151,873
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Santander	Brazil	Brazilian real	Quarterly	6.2%	6.2%	-	-	-	-	-	-
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Brazilian real	Quarterly	4.5%	4.5%	612,864	-	-	-	-	612,864
Total															2,439,253



15.1.3 Bank obligations, non-current December 31, 2017

Indebted Entity			Creditor Entity			Type	Effective	Nominal	Maturity					at	
									1 year up to	More 2 years	More 3 years	More 4 years	More 5		
Tax ID	Name	Country	Tax ID	Name	Country	Currency	Amortization	Rate	Rate	2 years	Up to 3 years	Up to 4 years	Up to 5 years	Years	31.12.2017
96.705.990-0	Envases Central S.A.	Chile	97.006.000-6	Banco BCI	Chile	Unidad de fomento	Semiannually	2.1%	2.1%	ThCh\$ 2,092,245	ThCh\$ -	ThCh\$ -	ThCh\$ -	ThCh\$ -	ThCh\$ 2,092,245
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Alfa	Brazil	Brazilian real	Monthly	7.5%	7.5%	125,461	125,461	125,461	627,305	-	1,003,688
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Brazilian real	Monthly	6.6%	6.6%	504,700	197,779	44,639	128,887	-	876,005
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Santander	Brazil	Brazilian real	Monthly	7.2%	7.2%	1,593,608	1,202,096	663,779	2,449,851	-	5,909,334
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Brazilian real	Quarterly	4.5%	4.5%	3,176,270	-	-	-	-	3,176,270
Total															13,057,542

15.1.4 Current and non-current bank obligations “Restrictions”

Bank obligations are not subject to restrictions for the reported periods.

15.2.1 Bonds payable

During 2018, Andina carried out a debt restructuring process that consisted of a partial repurchase in the amount of US\$210 million of the 144A/RegS Senior Notes and refinancing it with the placement of Series F bonds in the local market in the amount of UF 5.7 million due 2039 and accruing an annual interest rate of 2.83%.

The costs corresponding to the repurchase of bonds, associated with premium payments, overpricing and proportional amortization of placement costs and discounts in bonds in original U.S. Dollars amounting to ThCh\$9,583,000, were recorded in results under the item financial costs.

Composition of bonds payable	Current		Non-current		Total	
	12.31.2018	12.31.2017	12.31.2018	12.31.2017	12.31.2018	12.31.2017
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Bonds (face value)	21,038,064	20,547,117	704,048,747	651,459,940	725,086,811	672,007,057
Expenses of bond issuance and discounts on placement	(373,583)	(390,822)	(3,721,690)	(3,231,386)	(4,095,273)	(3,622,208)
Net balance presented in statement of financial position	20,664,481	20,156,295	700,327,057	648,228,554	720,991,538	668,384,849

15.2.2 Current and non-current balances

Obligations with the public correspond to bonds in UF issued by the parent company on the Chilean market and bonds in US dollars issued by the Parent Company on the international market. A detail of these instruments is presented below:

		Face	Unit of	Interest	final	Interest	Date		
	Series	amount	Adjustment	rate	Maturity	Payment	Amortization of capital	12.31.2018	12.31.2017
Bonds, current portion								Th Ch\$	Th Ch\$
CMF Registration N°254 CMF 06.13.2001	B	2,228,199	UF	6.5%	06.01.2026	Semiannually	00.01.2019	6,598,389	6,071,687
CMF Registration N°641 08.23.2010	C	1,500,000	UF	4.0%	08.15.2031	Semiannually	02.15.2021	614,152	597,049
CMF Registration N°759 08.20.2013	C	500,000	UF	3.5%	08.16.2020	Semiannually	02.16.2018	7,069,487	6,959,157
CMF Registration N°760 08.20.2013	D	4,000,000	UF	3.8%	08.16.2034	Semiannually	02.16.2032	1,545,334	1,502,299
CMF Registration N°760 04.02.2014	E	3,000,000	UF	3.75%	03.01.2035	Semiannually	09.01.2032	1,027,009	998,409
CMF Registration N°912 10.10.2018	F	5,700,000	UF	2.83%	09.25.2016	Semiannually	09.25-2039	1,013,805	
Bonds USA	-	365,000,000	US\$	5.0%	10.01.2023	Semiannually	10.01.2023	3,169,888	4,418,516
Total current portion								21,038,064	20,547,117
Bonds non-current portion									
CMF Registration N°254 CMF 06.13.2001	B	2,228,199	UF	6.5%	06.01.2026	Semiannually	00.01.2019	52,132,023	56,795,423
CMF Registration N°641 08.23.2010	C	1,500,000	UF	4.0%	08.15.2031	Semiannually	02.15.2021	41,348,685	40,197,210
CMF Registration N°759 08.20.2013	C	500,000	UF	3.5%	08.16.2020	Semiannually	02.16.2018	6,891,448	13,399,069
CMF Registration N°760 08.20.2013	D	4,000,000	UF	3.8%	08.16.2034	Semiannually	02.16.2032	110,263,160	107,192,560
CMF Registration N°760 04.02.2014	E	3,000,000	UF	3.75%	03.01.2035	Semiannually	09.01.2032	82,697,378	80,394,428
CMF Registration N°912 10.10.2018	F	5,700,000	UF	2.83%	09.25.2016	Semiannually	09.25-2039	157,125,003	
Bonds USA	-	365,000,000	US\$	5.0%	10.01.2023	Semiannually	10.01.2023	253,591,050	353,481,250
Bonds non-current portion								704,048,747	651,459,940

Accrued interest included in the current portion of bonds totaled ThCh\$ 7,856,274 and ThCh\$8,105,642 at December 31, 2018 and 2017, respectively.

15.2.3 Non-current maturities

	Series	Year of maturity				Total non-current
		more than 1 to 2	more than 2 to 3	more than 3 to 4	More than 5	12.31.2018
		ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
SVS Registration N°254 06.13.2001	B	6,704,717	7,134,663	7,598,414	30,694,229	52,132,023
SVS Registration N°641 08.23.2010	C	-	1,879,436	3,758,871	35,710,378	41,348,685
SVS Registration N°759 08.20.2013	C	3,445,724	3,445,724	-	-	6,891,448
SVS Registration N°760 08.20.2013	D	-	-	-	110,263,160	110,263,160
SVS Registration N°760 04.02.2014	E	-	-	-	82,697,378	82,697,378
CMF Registration N°912 10.10.2018	F	-	-	-	157,125,003	157,125,003
Bonds USA	-	-	-	-	253,591,050	253,591,050
Total		10,150,441	12,459,823	11,357,285	670,081,198	704,048,747

15.2.4 Market rating

The bonds issued on the Chilean market had the following rating as of December 31, 2018:

AA : ICR Compañía Clasificadora de Riesgo Ltda. rating
AA : Fitch Chile Clasificadora de Riesgo Limitada rating

The rating of bonds issued on the international market as of December 31, 2018, is the following:

BBB : Standard&Poors rating
BBB+ : Fitch Chile Clasificadora de Riesgo Limitada rating.

15.2.5 Restrictions

15.2.5.1 Restrictions regarding bonds placed abroad.

On September 26, 2013, Andina issued a bond in the U.S. Market (Bonds USA) for US\$575 million at a coupon rate of 5.0% maturing on October 1, 2023. These bonds do not have financial restrictions. In October 2018, there was a partial repurchase of this bond for US \$210 million, with US\$365 million remaining outstanding.

15.2.5.2 Restrictions regarding bonds placed in the local market.

For purposes of the calculation of the covenants, the amount of EBITDA that was agreed on each bond issue is included.

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

The outstanding series as of December 31, 2018, is Series B for a nominal amount of up to UF 4 million, of which amount UF 3.7 million in bonds were placed with final maturity in the year 2026 at a 6.50% annual interest rate. The balance of outstanding capital as of December 31, 2018 is UF 2,228 million.



Series B was issued with charge to the bonds line registered with the Securities Registered under number 254 dated September 13, 2001.

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

- Maintain an indebtedness level where Consolidated Financial Liabilities to Consolidated Equity does not exceed 1.20 times. For these purposes Consolidated Financial Liabilities shall be regarded as Liabilities Receivables accruing interest, namely: (i) other current financial liabilities, plus (ii) other non-current financial liabilities, less (iii) asset balances of derivative financial instruments, taken to cover exchange rate or interest rate risks on financial liabilities under "Other Current Financial Assets" and "Other non-current Financial Assets" of the Issuer's Consolidated Financial Statements. Consolidated Equity will be regarded as total equity including non-controlling interest.

As of December 31, 2018, indebtedness level is 0.78 times of Consolidated Equity.

- Maintain, and in no manner lose, sell, assign or transfer to a third party, the geographical area currently denominated as the "Metropolitan Region" (Región Metropolitana) as a territory in Chile in which we have been authorized by The Coca-Cola Company for the development, production, sale and distribution of products and brands of the licensor, in accordance to the respective bottler or license agreement, renewable from time to time.
- Not lose, sell, assign, or transfer to a third party any other territory of Argentina or Brazil, which as of this date is franchised by TCCC to the Company for the development, production, sale and distribution of products and brands of such licensor, as long as any of these territories account for more than 40% of the Issuer's Adjusted Consolidated Operating Cash Flow.
- Maintain consolidated assets free of any pledge, mortgage or other encumbrances for an amount at least equal to 1.3 times of the issuer's unsecured consolidated liabilities.

Unsecured consolidated liabilities payable shall be regarded as the total liabilities, obligations and debts of the issuer that are not secured by real guarantees on goods and assets of the latter, voluntarily and conventionally constituted by the issuer less the asset balances of derivative financial instruments, taken to cover exchange rate or interest rate risks on financial liabilities under "Other Current Financial Assets" and "Other non-current Financial Assets" of the Issuer's Consolidated Statement of Financial Position.

The following will be considered in determining Consolidated Assets: assets free of any pledge, mortgage or other lien, as well as those assets having a pledge, mortgage or real encumbrances that operate solely by law, less asset balances of derivative financial instruments, taken to hedge exchange rate or interest rate risks on financial liabilities under "Other Current Financial Assets" and "Other non-current Financial Assets" of the Issuer's Consolidated Statement of Financial Position. Therefore, Consolidated Assets free of any pledge, mortgage or other lien will only be regarded as those assets free of any pledge, mortgage or other real lien voluntarily and conventionally constituted by the issuer less asset balances of derivative financial instruments, taken to cover exchange rate or interest rate risks on financial liabilities and under "Other Current Financial Assets" and "Other non-current Financial Assets" of the Issuer's Consolidated Statement of Financial Position.

As of December 31, 2018, this index is 1.66 times.

Restrictions regarding bond lines registered in the Securities Registered under number 641.

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

- UF 1.5 million of Series C bonds due 2031, bearing an annual interest rate of 4.00%. As of December 31, 2018, the balance of outstanding capital is UF 1.5 million.

Series C was issued with charge to the Bond Lines registered with the Securities Registrar, under number 641, on August 23, 2010.

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

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

As of December 31, 2018, Net Financial Debt was 0.62 times.

- Maintain consolidated assets free of any pledge, mortgage or other encumbrances for an amount at least equal to 1.3 times of the issuer's unsecured consolidated liabilities.

Unencumbered assets refer to the assets that meet the following conditions: are the property of the issuer; classified under Total Assets of the Issuer's Financial Statements; and that are free of any pledge, mortgage or other liens constituted in favor of third parties, less "Other Current Financial Assets" and "Other Non-Current Financial Assets" of the Issuer's Financial Statements (to the extent they correspond to asset balances of derivative financial instruments, taken to hedge exchange rate and interest rate risk of the financial liabilities).

Unsecured total liabilities correspond to: liabilities from Total Current Liabilities and Total Non-Current Liabilities of Issuer's Financial Statement which do not benefit from preferences or privileges, less "Other Current Financial Assets" and "Other Non-Current Financial Assets" of the Issuer's Financial Statements (to the extent they correspond to asset balances of derivative financial instruments, taken to hedge exchange rate and interest rate risk of the financial liabilities).

As of December 31, 2018, this index is 1.66 times.

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

As of December 31, 2018, Net Financial Coverage level is 6.08 times.

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

During 2013 and 2014, Andina placed local bonds in the Chilean market. The issuances were structured into three series.

- Series C outstanding as of December 31, 2018, for a nominal value of up to UF 3 million, of which bonds were placed for a nominal amount of UF1.0 million with final maturity during year 2020 at an annual interest rate of 3.50% issued against line number 759. Outstanding capital as of December 31, 2018, is UF 0.500 million.
- Series D and E outstanding as of December 31, 2018, for a total nominal value of UF 8 million, of which UF 4 million were placed in bonds during August 2013 (series D) and UF 3 million during April 2014 (series E), with final maturity in 2034 and 2035, respectively, issued with charge against line number 760. The annual interest rates are 3.8% for Series D and 3.75% for Series E. The outstanding capital balance as of December 31, 2018, of both series amounts to UF 7.000 million.

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

- Maintain an indebtedness level where Consolidated Financial Liabilities to Consolidated Equity does not exceed 1.20 times. For these purposes Consolidated Financial Liabilities shall be regarded as Liabilities Receivables accruing interest, namely: (i) other current financial liabilities, plus (ii) other non-current financial liabilities, less (iii) cash and cash equivalent and (iv) other current financial assets, and (v) other non-current financial assets (to the extent they are asset balances of derivative financial instruments, taken to hedge exchange rate or interest rate risks on financial liabilities). Consolidated Equity will be regarded as total equity including non-controlling interest.

As of December 31, 2018, Indebtedness Level is 0.62 times of Consolidated Equity.

- Maintain consolidated assets free of any pledge, mortgage or other encumbrances for an amount at least equal to 1.3 times of the issuer's unsecured consolidated liabilities payable.

Unsecured Consolidated Liabilities Payable shall be regarded as the total liabilities, obligations and debts of the issuer that are not secured by real guarantees on goods and assets of the latter, voluntarily and conventionally constituted by the issuer less the asset balances of derivative financial instruments, taken to cover exchange rate or interest rate risks on financial liabilities under "Other Current Financial Assets" and "Other non-current Financial Assets" of the Issuer's Consolidated Statement of Financial Position.

The following will be considered in determining Consolidated Assets: assets free of any pledge, mortgage or other lien, as well as those assets having a pledge, mortgage or real encumbrances that operate solely by law, less asset balances of derivative financial instruments, taken to hedge exchange rate or interest rate risks on financial liabilities under "Other Current Financial Assets" and "Other non-current Financial Assets" of the Issuer's Consolidated Financial Statements. Therefore, Consolidated Assets free of any pledge, mortgage or other lien will only be regarded as those assets free of any pledge, mortgage or other real lien voluntarily and conventionally constituted by the issuer less asset balances of derivative financial instruments, taken to cover exchange rate or interest rate risks on financial liabilities and under "Other Current Financial Assets" and "Other non-current Financial Assets" of the Issuer's Consolidated Statement of Financial Position.

As of December 31, 2018, this index is 1.66 times.

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

Restrictions regarding bond lines registered in the Securities Registrar under number 912.

In October 2018, a Series F bond was issued in the amount of UF 5.7 million due 2039 and accruing an annual interest rate of 2.8%.

Regarding Series F Local Bond, the Issuer is subject to the following restrictions:

- Maintain an indebtedness level where Consolidated Financial Liabilities to Consolidated Equity does not exceed 1.20 times.

For these purposes Consolidated Financial Liabilities shall be regarded as Liabilities Receivables accruing interest, namely: (i) other current financial liabilities, plus (ii) other non-current financial liabilities, less (iii) cash and cash equivalent and (iv) other current financial assets, and (v) other non-current financial assets (to the extent they are asset balances of derivative financial instruments, taken to hedge exchange rate or interest rate risks on financial liabilities). Consolidated Equity will be regarded as total equity including non-controlling interest.

As of December 31, 2018, this index equals 0.62 times.

- Maintain consolidated assets free of any pledge, mortgage or other encumbrances for an amount at least equal to 1.3 times of the issuer's unsecured consolidated liabilities payable.

Unsecured Consolidated Liabilities Payable shall be regarded as the total liabilities, obligations and debts of the issuer that are not secured by real guarantees on goods and assets of the latter, voluntarily and conventionally constituted by the issuer less the asset balances of derivative financial instruments, taken to cover exchange rate or interest rate risks on financial liabilities under “Other Current Financial Assets” and “Other non-current Financial Assets” of the Issuer's Consolidated Statement of Financial Position.

The following will be considered in determining Consolidated Assets: assets free of any pledge, mortgage or other lien, as well as those assets having a pledge, mortgage or real encumbrances that operate solely by law, less asset balances of derivative financial instruments, taken to hedge exchange rate or interest rate risks on financial liabilities under "Other Current Financial Assets" and "Other non-current Financial Assets" of the Issuer's Consolidated Financial Statements. Therefore, Consolidated Assets free of any pledge, mortgage or other lien will only be regarded as those assets free of any pledge, mortgage or other real lien voluntarily and conventionally constituted by the issuer less asset balances of derivative financial instruments, taken to cover exchange rate or interest rate risks on financial liabilities and under "Other Current Financial Assets" and "Other non-current Financial Assets" of the Issuer's Consolidated Statement of Financial Position.

As of December 31, 2018, this index equals 1.66 times.

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

As of December 31, 2018, and December 31, 2017, the Company complies with all financial collaterals.

15.2.6 Repurchased bonds

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

The subsidiary Rio de Janeiro Refrescos Ltda. maintains a liability corresponding to a bond issuance for US \$75 million due in December 2020 and semi-annual interest payments. As of December 31, 2017, these issues are held by Andina. On January 1, 2013, Abisa Corp S.A. transferred the totality of this asset to Embotelladora Andina S.A., the latter becoming the creditor of the above-mentioned Brazilian subsidiary. Consequently, the assets and liabilities related to the transaction have been eliminated from these Consolidated Financial Statements. In addition, the transaction has been treated as a net investment of the group in the Brazilian subsidiary; consequently, the effects of exchange rate differences between the dollar and the functional currency of each one has been recorded in other comprehensive income.

15.3.1 Derivative contract obligations

Please see details in Note 20.



15.4.1 Current liabilities for leasing agreements

Indebted Entity		Creditor Entity							Maturity		Total	
Name	Country	Tax ID	type	Type	Currency	Amortization Type	Effective Rate	Nominal Rate	Up to 90 days	90 days to 1 year	At 12.31.2018	At 12.31.2017
									ThCh\$	ThCh\$	ThCh\$	ThCh\$
Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Brazilian real	Monthly	10.215%	10.227%	11,996	,	11,996	41,467
Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Santander	Brazil	Brazilian real	Monthly	9.65%	9.47%	51,766	23,494	75,260	504,815
Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Citibank	Brazil	Brazilian real	Monthly	8.54%	8.52%	57,750	51,823	109,573	528,801
Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Cogeração Light Esco	Brazil	Brazilian real	Monthly	13.00%	12.28%	171,115	545,863	716,978	657,610
Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Tetra Pack	Brazil	Brazilian real	Monthly	7.65%	7.39%	57,561	282,104	339,665	-
Embotelladora del Atlántico S.A.	Argentina	Foreign	Tetra Pak SRL	Argentina	Dollars	Monthly	12.00%	12.00%	280,995	-	280,995	327,632
Total											1,534,467	2,060,325

15.4.2 Non-current liabilities for leasing agreements December 31, 2018

Indebted Entity			Creditor Entity			Amortization	Effective	Nominal	Maturity					at
Name	Country	Tax ID	Name	type	Currency				1 year to	2 years to	3 years to	4 years to	More	
							rate	Rate	2 years	3 years	4 years	5 years	5 years	12.31.2018
									ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Cogeração Light Esco	Brazil	Brazilian real	Monthly	13.00%	12.28%	810,185	915,509	1,034,525	1,169,014	9,466,995	13,396,228
Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Tetra Pack	Brazil	Brazilian real	Monthly	7.65%	7.39%	401,240	-	-	-	-	401,240
TOTAL														13,797,468

15.4.3 Non-current liabilities for leasing agreements December 31, 2017

Indebted Entity			Creditor Entity				Amortization	Effective	Nominal	Maturity					at
										1 year to	2 years to	3 years to	4 years to	More	
Tax ID	Name	Country	Tax, ID	Name	Country	Currency	Type	rate	Rate	2 years	3 years	4 years	5 years	5 years	12.31.2017
										ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Itaú	Brazil	Brazilian real	Monthly	10.21%	10.22%	11,764	-	-	-	-	11,764
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Santander	Brazil	Brazilian real	Monthly	9.65%	9.47%	73,799	-	-	-	-	73,799
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Banco Citibank	Brazil	Brazilian real	Monthly	8.54%	8.52%	105,807	-	-	-	-	105,807
Foreign	Rio de Janeiro Refrescos Ltda.	Brazil	Foreign	Cogeração Light Esco	Brazil	Brazilian real	Monthly	13.00%	12.28%	743,100	839,703	948,864	1,072,216	10,685,852	14,289,735
Total															14,481,105

15.4.4 Current and non-current leasing agreements obligations “Restrictions”

Leasing agreement obligations are not subject to financial restrictions for the reported periods.

NOTE 16 – TRADE AND OTHER ACCOUNTS PAYABLE, CURRENT AND NON-CURRENT

Trade and other current accounts payable are detailed as follows:

Item	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Trade accounts payable	174,486,806	187,872,116
Withholdings tax	47,693,379	49,857,086
Accounts payable Inamar Ltda. (1)	-	356,221
Others	16,665,327	20,566,980
Total	238,845,512	258,652,403
Current	238,109,847	257,519,477
Non-current	735,665	1,132,926
Total	238,845,512	258,652,403

The Company maintains commercial lease agreements for forklifts, vehicles, properties and machinery. These lease agreements have an average duration of one to eight years excluding renewal options.

Accruable liabilities pursuant to the Company's operating leasing agreements are detailed as follows:

	Accruable liability
	ThCh\$
Maturity within one year	3,823,849
Maturity between one and five years	4,259,402
Maturity more than five years	480,963
Total	8,564,214

Total expenses related to operating leases maintained by the Company as of December 31, 2018 amount to ThCh\$6,133,282.

NOTE 17 – OTHER PROVISIONS, CURRENT AND NON-CURRENT

17.1 Balances

This account is detailed as follows:

<u>Description</u>	<u>12.31.2018</u>	<u>12.31.2017</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>
Litigation (1)	62,452,526	65,624,166
Total	62,452,526	65,624,166
Current	3,485,613	2,676,418
Non-current	58,966,913	62,947,748
Total	62,452,526	65,624,166

- (1) Corresponds to the provision for probable fiscal, labor and trade contingency losses based on the opinion of our legal advisors, detailed as follows:

<u>Detail (see note 21.1)</u>	<u>12.31.2018</u>	<u>12.31.2017</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>
Tax Contingencies	47,991,514	49,185,234
Labor Contingencies	10,376,830	10,468,704
Civil Contingencies	4,084,182	5,970,228
Total	62,452,526	65,624,166

17.2 Movements

The movement of principal provisions over law suits is detailed as follows:

<u>Description</u>	<u>12.31.2018</u>	<u>12.31.2017</u>
	<u>ThCh\$</u>	<u>ThCh\$</u>
Opening Balance as of January 01	65,624,166	73,081,893
Additional provisions	46,657	2,493,968
Increase (decrease) in existing provisions	(4,998,530)	(19,083,499)
Payments	6,139,963	22,985,793
Reverse unused provision (*)	(2,157,152)	(6,769,384)
Increase (decrease) due to foreign exchange differences	(2,202,578)	(7,084,605)
Total	62,452,526	65,624,166

(*) During fiscal years 2018 and 2017 there have been reversals of provisions amounting to Th\$ 2,157,152 and Th\$6,769,384, respectively which resulted from fines demanded by the Brazilian Treasury on the use of tax credits , because of favorable rulings on the subject for Rio de Janeiro Refrescos Ltda.

NOTE 18 – OTHER CURRENT AND NON-CURRENT NON-FINANCIAL LIABILITIES

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

Description	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Dividend payable	21,584,314	21,679,922
Other	12,189,900	5,328,055
Total	33,774,214	27,007,977

NOTE 19 – EQUITY

19.1 Number of shares:

	Number of shares subscribed		Number of shares paid in		Number of voting shares	
Series	2018	2017	2018	2017	2018	2017
A	473,289,301	473,289,301	473,289,301	473,289,301	473,289,301	473,289,301
B	473,281,303	473,281,303	473,281,303	473,281,303	473,281,303	473,281,303

19.1.1 Equity:

	Subscribed Capital		Paid-in capital	
Series	2018	2017	2018	2017
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
A	135,379,504	135,379,504	135,379,504	135,379,504
B	135,358,070	135,358,070	135,358,070	135,358,070
Total	270,737,574	270,737,574	270,737,574	270,737,574

19.1.2 Rights of each series:

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

19.2 Dividend policy

According to Chilean law, cash dividends must be paid equal to at least 30% of annual net profit, barring a unanimous vote by shareholders to the contrary. If there is no net profit in a given year, the Company will not be legally obligated to pay dividends from retained earnings. At the ordinary Shareholders' Meeting held in April 2018, the shareholders agreed to pay out of the 2017 earnings are final dividend to complete the 30% required by the Law 18,046 which will be paid in May 2018 , and an additional dividend will be paid in August 2018.

Pursuant to Circular Letter N° 1,945 of the Chilean Financial Market Commission (CMF) dated September 29, 2009, the Company's Board of Directors decided to maintain the initial adjustments from adopting IFRS as retained earnings for future distribution.

Description	Event when amount is realized	Amount of accumulated earnings at 01.01.2009 ThCh\$	Realized at 12.31.2018 ThCh\$	Amount of accumulated earnings at 12.31.2018 ThCh\$
Revaluation of assets parent Company	Sale or impairment	14,800,384	(12,007,487)	2,792,897
Foreign currency translation differences of investments in related companies and subsidiaries	Sale or impairment	4,653,301	2,618,096	7,271,397
Full absorption cost accounting parent Company	Sale of products	305,175	(305,175)	-
Post-employment benefits actuarial calculation parent Company	Termination of employees	946,803	(747,882)	198,921
Deferred taxes complementary accounts parent Company	Depreciation	(1,444,960)	1,444,960	-
Total		19,260,703	(8,997,488)	10,263,215

The dividends declared and paid per share are presented below:

Payment month		Dividend type	Profits imputable to dividends	Ch\$ per Series A Share	Ch\$ per Series B Share
2017	January	Interim	2016	19.00	20.90
2017	May	Final	2016	19.00	20.90
2017	August	Additional	Retained Earnings	19.00	20.90
2017	October	Interim	2017	19.00	20.90
2018	January	Interim	2017	21.50	23.65
2018	May	Final	2017	21.50	23.65
2018	August	Additional	Retained Earnings	21.50	23.65
2018	October	Interim	2018	21.50	23.65
2019	January	Interim	2018	21.50	23.65

19.3 Other Reserves

The balance of other reserves includes the following:

Description	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Polar acquisition	421,701,520	421,701,520
Foreign currency translation reserves	(306,674,529)	(237,077,572)
Cash flow hedge reserve	(13,668,932)	(3,094,671)
Reserve for employee benefit actuarial gains or losses	(1,954,077)	(1,915,587)
Legal and statutory reserves	5,435,538	5,435,538
Other	6,014,568	-
Total	110,854,089	185,049,228

19.3.1 Polar acquisition

This amount corresponds to the fair value of the issuance of shares of Embotelladora Andina S.A., used to acquire Embotelladoras Coca-Cola Polar S.A., which was the value of the capital increase notarized in legal terms.

19.3.2 Cash flow hedge reserve

They arise from the fair value of the existing derivative contracts that have been qualified for hedge accounting at the end of each financial period. When contracts are expired, these reserves are adjusted and recognized in the income statement in the corresponding period (see Note 20).

19.3.3 Reserve for employee benefit actuarial gains or losses

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

19.3.4 Legal and statutory reserves

The balance of other reserves is established through the following concept:

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

19.3.5 Foreign currency translation reserves

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

Details	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Brazil	(99,990,343)	(90,156,924)
Argentina(*)	(201,118,180)	(128,348,112)
Paraguay	8,623,849	(4,862,332)
Exchange rate differences in related companies	(14,189,854)	(13,710,204)
Total	(306,674,528)	(237,077,572)

The movement of this reserve for the fiscal years ended December 31, 2018 and 2017, is detailed as follows:

Details	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Brazil	(10,313,069)	(32,963,533)
Argentina	(72,770,068)	(19,961,899)
Paraguay	13,486,181	(15,407,785)
Total	(69,596,956)	(68,333,217)

19.4 Non-controlling interests

This is the recognition of the portion of equity and income from subsidiaries owned by third parties. As of December 31, 2018 and 2017, this account is detailed as follows:

Details	Non-controlling Interests					
	Ownership %		Shareholders' Equity		Income	
	2018	2017	December 2018	December 2017	December 2018	December 2017
			ThCh\$	ThCh\$	ThCh \$	ThCh \$
Embotelladora del Atlántico S.A.	0.0171	0.0171	23,260	13,765	3,633	5,590
Andina Empaques Argentina S.A.	0.0209	0.0209	2,113	2,213	96	711
Paraguay Refrescos S.A.	2.1697	2.1697	5,378,074	5,045,792	556,112	502,945
Vital S.A.	35.0000	35.0000	7,674,785	9,261,108	271,063	283,327
Vital Aguas S.A.	33.5000	33.5000	1,986,493	2,117,098	36,696	151,647
Envases Central S.A.	40.7300	40.7300	4,836,892	5,483,317	(20,225)	220,715
Total			19,901,617	21,923,293	847,375	1,164,935

19.5 Earnings per share

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

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

Earnings per share	12.31.2018		
	SERIES A	SERIES B	TOTAL
Earnings attributable to shareholders (ThCh\$)	46,001,994	50,601,377	96,603,371
Average weighted number of shares	473,289,301	473,281,303	946,570,604
Earnings per basic and diluted share (in Chilean pesos)	97.20	106.92	102.06

Earnings per share	12.31.2017		
	SERIES A	SERIES B	TOTAL
Earnings attributable to shareholders (ThCh\$)	56,112,755	61,723,035	
Average weighted number of shares	473,289,301	473,281,303	
Earnings per basic and diluted share (in Chilean pesos)	118.56	130.42	124.49

NOTE 20 – DERIVATIVE ASSETS AND LIABILITIES

Embotelladora Andina currently maintains “Cross Currency Swaps” and “Currency Forward” agreements as Derivative Financial Assets.

Cross Currency Swaps, also known as interest rate and currency swaps, are valued by the method of discounted future cash flows at a rate corresponding to the risk of the operation. The basis of the information used in the calculations is obtained in the market by using the Bloomberg terminal. Currently Embotelladora Andina maintains Cross Currency Swap for BRL/USD, for which it is necessary to discount future cash flows in Brazilian Reais and in U.S. Dollars. For this calculation, the Company uses as discount curves, the Brazilian Real Zero-Coupon and the U.S. Dollar Zero-Coupon.

On the other hand, the fair value of forward currency contracts is calculated in reference to current forward exchange rates for contracts with similar maturity profiles. To perform the above calculation, the Company uses market information available on the Bloomberg terminal.

As of the closing dates as of December 31, 2018 and December 31, 2017, the Company held the following derivative instruments:

20.1 Derivatives accounted for as cash flow hedges:

a) Cross Currency Swaps associated with US Bonds

At December 31, 2018, the Company entered into cross currency swap derivative contracts to convert US Dollar public bond obligations of US\$360 million into Real liabilities to hedge the Company's exposure to variations in foreign exchange rates. Said contracts are valued at their value and the net value to be received as of December 31, 2018 amounted to ThCh\$87,446,662. These swap contracts have the same terms of the underlying bond obligation and expire in 2023. Additionally, the fair value of these derivatives which is lower than the hedged items amounted to ThCh\$14,089,111 and has been recognized within other equity reserves as of December 31, 2018. The ineffective portion for ThCh\$2,07,802 in losses associated with this hedge was recorded in other gains and losses as of December 31, 2018.

The amount of exchange differences recognized in the statement of income related to financial liabilities in U.S. dollars and the identified effective portion that was absorbed by the amounts recognized under comprehensive income amounted to ThCh\$25,302,080 as of December 31, 2018.

20.2. Forward currency transactions expected to be very likely:

During 2018 and 2017, the Company entered into foreign currency forward contracts to hedge its exposure to expected future raw materials purchases in US Dollars during these years. The total amount of outstanding forward contracts was US\$56.8 million as of December 31, 2018 (US\$62.8 million as of December 31, 2017). These agreements were recorded at fair value, resulting in net earnings due to hedge recycling of ThCh\$7,583,354 for the period ended December 31, 2018, and hedge asset and liabilities of ThCh\$669,527 and ThCh\$130,829, respectively. Contracts that ensure future flows of foreign currency have been designated as hedge agreements, as of December 31, 2018 with a pending amount to be recycled to income in the amount of ThCh\$397,151.

Futures contracts that ensure prices of future raw materials have not been designated as hedge agreements, since they do not fulfill IFRS documentation requirements, whereby its effects on variations in fair value are accounted for directly under statements of income in the "other gains and losses" account.

Fair value hierarchy

As of December 31, 2018, the Company had total assets related to its foreign exchange derivative contracts for ThCh\$88,116,189 (ThCh\$62,367,852 as of December 31, 2017) and liabilities for ThCh\$130,829 as of December 31, 2018 (ThCh\$445,278 as of December 31, 2017). Those contracts covering existing items have been classified in the same category of hedged, the net amount of derivative contracts by concepts covering forecasted items have been classified in financial assets and financial liabilities. All the derivative contracts are carried at fair value in the consolidated statement of financial position. The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

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

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

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

Fair Value Measurements at December 31, 2018				
	Quoted prices in active markets for identical assets or liabilities (Level 1) ThCh\$	Observable market data (Level 2) ThCh\$	Unobservable market data (Level 3) ThCh\$	Total ThCh\$
Assets				
Current assets				
Other current financial assets				
Other current financial assets	-	669,527	-	669,527
Other non-current financial assets	-	87,446,662	-	87,446,662
Total assets	-	88,116,189	-	88,116,189
Liabilities				
Current liabilities				
Other current financial liabilities	-	130,829	-	130,829
Total liabilities	-	130,829	-	130,829
Fair Value Measurements at December 31, 2017				
	Quoted prices in active markets for identical assets or liabilities (Level 1) ThCh\$	Observable market data (Level 2) ThCh\$	Unobservable market data (Level 3) ThCh\$	Total ThCh\$
Assets				
Current assets				
Other current financial assets	-	469,019	-	469,019
Other non-current financial assets	-	61,898,833	-	61,898,833
Total assets	-	62,367,852	-	62,367,852
Liabilities				
Current liabilities				
Other current financial liabilities	-	445,278	-	445,278
Total liabilities	-	445,278	-	445,278

NOTE 21 – CONTINGENCIES AND COMMITMENTS

21.1 Lawsuits and other legal actions:

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

- 1) Embotelladora del Atlántico S.A. faces labor, tax, civil and trade lawsuits. Accounting provisions have been made for the contingency of a probable loss because of these lawsuits, totaling ThCh\$948,042. Management considers it unlikely that non-provisioned contingencies will affect the Company's income and equity, based on the opinion of its legal counsel. Additionally, Embotelladora del Atlántico S.A. maintains time deposits for an amount of ThCh\$656,817 to guaranty judicial liabilities
- 2) Rio de Janeiro Refrescos Ltda. faces labor, tax, civil and trade lawsuits. Accounting provisions have been made for the contingency of a probable loss because of these lawsuits, totaling ThCh\$55,518,871. Management considers it unlikely that non-provisioned contingencies will affect the Company's income and equity, based on the opinion of its legal counsel. As it is customary in Brazil, Rio de Janeiro Refrescos Ltda. maintains judicial deposits and assets given in pledge to secure the compliance of certain processes, irrespective of whether these have been classified as a possible, probable or remote. The amounts deposited or pledged as legal guarantees as of December 31, 2018 and December 31, 2017, amounted to ThCh\$31,143,415 and ThCh\$31,953,725, respectively.

To ensure fulfillment of the obligations arising from judicial proceedings faced in Brazil, Rio de Janeiro Refrescos Ltda., has taken guarantee insurance and guarantee letters amounting to R\$986,396,119 with different financial institutions and insurance companies in Brazil, through which these entities after a 0.44% annual commission, become responsible of fulfilling obligations with the Brazilian tax authorities should any trial result against Rio de Janeiro Refrescos Ltda. Additionally, if the warranty and bail letters are executed, Rio de Janeiro Refrescos Ltda. promises to reimburse to the financial institutions and Insurance Companies any amounts disbursed by them to the Brazilian government.

Main contingencies faced by Rio de Janeiro Refrescos are as follows:

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

Rio de Janeiro Refrescos is a party to a series of proceedings under way, in which the Brazilian federal tax authorities demand payment of value-added tax on industrialized products (*Imposto sobre Produtos Industrializados*, or IPI) allegedly owed by ex-Companhia de Bebidas Ipiranga. The initial amount demanded reached R\$1,330,473,161 (historical amount without adjustments), corresponding to different trials related to the same cause. In September 2014, one of these trials for R\$598,745,218, was settled in favor of the Company, and additionally during 2017 several trials were settled in favor of the Company in the amount for R\$135,282,155 however, there are new lawsuits arising after the purchase of ex-Companhia de Bebidas Ipiranga (October 2013) that amount to R\$346,232,541.

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

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

Notwithstanding the above, the IFRS related to business combination in terms of distribution of the purchase price establish that contingencies must be measured one by one according to their probability of occurrence and discounted at fair value from the date on which it is deemed the loss can be generated. According to this criterion, from a total of identified contingencies amounting R\$1,138,749,846 (including readjustments of current lawsuits), the Company recorded a provision for the beginning of business combination accounting in the amount R\$203,070,206 equivalent to ThCh\$36,411,450.

b) Tax contingencies on ICMS and IPI causes.

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

The Company does not consider that these judgments will result in significant losses, given that their loss, according to its legal counsel, is considered unlikely. However, the accounting standards of financial information related to business combination in terms of distribution of the purchase price, establish contingencies must be valued one by one according to their probability of occurrence and discounted to fair value from the date on which it is deemed that the loss can be generated. According to this criterion, an initial provision has been made in the business combination accounting for an amount of R\$76,883,016 equivalent to ThCh\$13,785,489.



- 3) Embotelladora Andina S.A. and its Chilean subsidiaries face labor, tax, civil and trade lawsuits. Accounting provisions have been made for the contingency of a probable loss because of these lawsuits, totaling ThCh\$5,970,453. Management considers it is unlikely that non-provisioned contingencies will affect income and equity of the Company, in the opinion of its legal advisors.
- 4) Paraguay Refrescos S.A. faces tax, trade, labor and other lawsuits. Accounting provisions have been made for the contingency of any loss because of these lawsuits amounting to ThCh\$15,160. Management considers it is unlikely that non-provisioned contingencies will affect income and equity of the Company, in the opinion of its legal advisors.



21.2 Direct guarantees and restricted assets:

Guarantees and restricted assets are detailed as follows:

Guarantees that compromise assets including in the financial statements:

Guarantee in favor of	Name	Relationship	Guarantee	Type	Balance pending payment on the closing date of the financial statements	
					12.31.2018	12.31.2017
					ThCh\$	ThCh\$
Industria Metalúrgica Inamar Ltda.	Embotelladora Andina S.A.	Parent Company	Land	Property, plant and equipment	-	17,991,202
Gas Licuado Lipigas S.A.	Embotelladora Andina S.A.	Parent Company	Cash and cash equivalents	Trade and other receivables	1,140	1,140
Hospital Militar	Servicios Multivending	Subsidiary	Cash and cash equivalents	Trade and other receivables	-	4,727
Parque Arauco	Servicios Multivending	Subsidiary	Cash and cash equivalents	Trade and other receivables	-	5,345
Aeropuerto Nuevo Pudahuel	Servicios Multivending	Subsidiary	Cash and cash equivalents	Other receivables	-	10,129
Hospital FACH	Servicios Multivending	Subsidiary	Cash and cash equivalents	Other receivables	-	697
Inmob. E Invers. Supetar Ltda	Transportes Polar S.A.	Subsidiary	Cash and cash equivalents	Other non-current, non-financial assets	4,579	4,579
Bodegas San Francisco Ltda.	Transportes Polar S.A.	Subsidiary	Cash and cash equivalents	Other non-current, non-financial assets	-	6,483
Maria Lobos Jamet	Transportes Polar S.A.	Subsidiary	Cash and cash equivalents	Trade and other receivables	2,565	2,565
Reclamaciones Trabajadores	Rio de Janeiro Refrescos Ltda.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	5,336,644	4,626,086
Reclamaciones Civiles Y Tributarias	Rio de Janeiro Refrescos Ltda.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	12,597,136	13,104,186
Instituciones Gubernamentales	Rio de Janeiro Refrescos Ltda.	Subsidiary	Property, plant and equipment	Property, plant and equipment	13,209,635	14,223,453
Distribuidora Baraldo S.H.	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	369	659
Acuña Gomez	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	553	989
Nicanor López	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	395	707
Labarda	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	7	12
Municipalidad Bariloche	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	21,420	38,315
Municipalidad San Antonio Oeste	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	40,682	72,768
Municipalidad Carlos Casares	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	1,645	2,943
Municipalidad Chivilcoy	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	254,430	455,104
Others	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	78	140
Granada Maximiliano	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	3,317	5,934
Cicsa	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	4,612	8,249
Locadores Varios	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	46,169	53,900
Aduana De EZEIZA	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	3,013	6,608
Municipalidad De Junin	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	1,592	5,755
Almada Jorge	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	4,949	8,853
Municipalidad De Picun Leufu	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	72	128
Migoni Marano	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	112	-
Farias Matias Luis	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	309	1,226
Temas Industriales SA - Embargo General de Fondos	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	231,077	-
Gomez Alejandra Raquel	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	35	62
Lopez Gustavo Gerardo C/Inti Saic Y Otros	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	226	403
Fondo Fima Ahorro Plus C	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, financial assets	-	519
Tribunal Superior De Justicia De La Provincia De Córdoba	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	290	-
DBC SA C CERVECERIA ARGENTINA SA ISEMBECK	Embotelladora del Atlántico S.A.	Subsidiary	Judicial deposit	Other non-current, non-financial assets	41,465	-
Marcus A.Peña	Paraguay Refrescos	Subsidiary	Building	Property, plant and equipment	4,164	3,782
Mauricio J Cordero C	Paraguay Refrescos	Subsidiary	Building	Property, plant and equipment	904	800
José Ruoti Maltese	Paraguay Refrescos	Subsidiary	Building	Property, plant and equipment	758	715
Alejandro Galeano	Paraguay Refrescos	Subsidiary	Building	Property, plant and equipment	1,251	1,107
Ana María Mazó	Paraguay Refrescos	Subsidiary	Building	Property, plant and equipment	1,191	1,054
Total					31,816,781	50,651,324



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

Provided by		Committed assets			Amounts involved	
Warranty creditor	Name	Relationship	Guarantee	Type	12.31.2018 ThCh\$	12.31.2017 ThCh\$
Importadora Casa y Regalos	Trans-Heca S.A.	Subsidiary	Guarantee insurance	Compliance lease contract	-	2,050
Inmobiliaria e Inversiones Gestion Activa Ltda	Trans-Heca S.A.	Subsidiary	Guarantee insurance	Compliance lease contract	-	4,585
Inmobiliaria Portofino	Red de Transportes comerciales Ltda.	Subsidiary	Guarantee insurance	Guarantee bond	-	900
Teléfonica Chile S.A.	Red de Transportes comerciales Ltda.	Subsidiary	Guarantee insurance	Guarantee bond	-	1,000
Inmobiliaria San Martin Logista S.A	Red de Transportes comerciales Ltda.	Subsidiary	Guarantee insurance	Guarantee bond	-	3,461
Employee procedures	Rio de Janeiro Refrescos Ltda.	Subsidiary	Guarantee insurance	Judicial action	2,601,353	1,496,862
Administrative procedures	Rio de Janeiro Refrescos Ltda.	Subsidiary	Guarantee insurance	Judicial action	8,233,853	7,185,511
Gobierno Federal	Rio de Janeiro Refrescos Ltda.	Subsidiary	Guarantee insurance	Judicial action	116,192,877	91,903,312
Gobierno Estadual	Rio de Janeiro Refrescos Ltda.	Subsidiary	Guarantee insurance	Judicial action	43,015,207	20,527,817
HSBC	Sorocaba Refrescos S.A.	Associate	Loan	co-signers	3,586,095	3,716,747
Otros	Rio de Janeiro Refrescos Ltda.	Subsidiary	Guarantee insurance	Judicial action	3,236,092	2,449,103
Aduana de Ezeiza	Embotelladora del Atlántico S.A.	Subsidiary	Bond insurance	Faithful fulfillment of contract	699,502	63,777
Aduana de Ezeiza	Andina Empaques S.A.	Subsidiary	Bond insurance	Faithful fulfillment of contract	182,459	347,990

NOTE 22 – FINANCIAL RISK MANAGEMENT

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

Interest Rate Risk

As of December 31, 2018, the Company maintains all of its debt liabilities at a fixed rate as to avoid fluctuations in financial expenses resulting from tax rate increases.

The Company's greatest indebtedness corresponds to own issued Chilean local bonds at a fixed rate in the amount of UF16,928 million denominated in UF ("UF"), a currency indexed to inflation in Chile (the Company's sales are correlated with the UF variation).

There is also the Company's indebtedness on the international market through a 144A/RegS Bond at a fixed rate for US\$365 million (original amount issued US\$575 million and partial prepayment in October 2019 for US\$210 million), denominated in dollars, and practically 100% of which has been re-denominated to BRL through Cross Currency Swaps.

Credit risk

The credit risk to which the Company is exposed comes mainly from trade accounts receivable maintained with retailers, wholesalers and supermarket chains in domestic markets; and the financial investments held with banks and financial institutions, such as time deposits, mutual funds and derivative financial instruments.

a. Trade accounts receivable and other current accounts receivable

Credit risk related to trade accounts receivable is managed and monitored by the area of Finance and Administration of each business unit. The Company has a wide base of more than 100 thousand clients implying a high level of atomization of accounts receivable, which are subject to policies, procedures and controls established by the Company. In accordance with such policies, credits must be based objectively, non-discretionary and uniformly granted to all clients of a same segment and channel, provided these will allow generating economic benefits to the Company. The credit limit is checked periodically considering payment behavior. Trade accounts receivable pending of payment are monitored on a monthly basis.

i. Sale Interruption:

In accordance with Corporate Credit Policy, the interruption of sale must be within the following framework: when a customer has outstanding debts for an amount greater than US\$ 250,000, and over 60 days expired, sale is suspended. The General Manager in conjunction with the Finance and Administration Manager authorize exceptions to this rule, and if the outstanding debt should exceed US\$1,000,000, and in order to continue operating with that client, the authorization of the Chief Financial Officer is required. Notwithstanding the foregoing, each operation can define an amount lower than US\$250,000 according to the country's reality.

ii. Impairment

The impairment recognition policy establishes the following criteria for provisions: 30% is provisioned for 31 to 60 days overdue, 60% between 60 and 91 days, 90% between 91 and 120 days overdue and 100% for more than 120 days. Exemption of the calculation of global impairment is given to credits whose delays in the payment correspond to accounts disputed with the customer whose nature is known and where all necessary documentation for collection is available, therefore, there is no uncertainty on recovering them. However, these accounts also have an impairment provision as follows: 40% for 91 to 120 days overdue, 80% between 120 and 170, and 100% for more than 170 days.

iii. Prepayment to suppliers

The Policy establishes that US\$25,000 prepayments can only be granted to suppliers if its value is properly and fully provisioned. The Treasurer of each subsidiary must approve supplier warranties that the Company receives for prepayments before signing the respective service contract. In the case of domestic suppliers, a warranty ballot (or the instrument existing in the country) shall be required, in favor of Andina executable in the respective country, non-endorsable, payable on demand or upon presentation and its validity will depend on the term of the contract. In the case of foreign suppliers, a stand-by credit letter will be required which shall be issued by a first line bank; in the event that this document is not issued in the country where the transaction is done, a direct bank warranty will be required. Subsidiaries can define the best way of safeguarding the Company's assets for prepayments under US\$25,000.

iv. Guarantees

In the case of Chile, we have insurance with Compañía de Seguros de Crédito Continental S.A. (AA rating – according to Fitch Chile and Humphreys rating agencies) covering the credit risk regarding trade debtors in Chile for 91% both for the existing as well as the expired debt, total amount of the trade debtors in Chile reached ThCh\$63,322,758. A provision of ThCh\$1,343,691 has been made for the portion of past due outstanding debt portfolio not covered by the insurance.

The rest of the operations do not have credit insurance, instead mortgage guarantees are required for volume operations of wholesalers and distributors in the case of trade accounts receivables. In the case of other debtors, different types of guarantees are required according to the nature of the credit granted.

Historically, uncollectible trade accounts have been lower than 0.5% of the Company's total sales.

b. Financial investments

The Company has a Policy that is applicable to all of the companies of the group in order to cover credit risks for financial investments, restricting both the types of instruments as well as the institutions and degree of concentration. The companies of the group can invest in:

- a. Time deposits: only in banks or financial institutions that have a risk rating equal or higher than Level 1 (Fitch) or equivalent for deposits of less than 1 year and rated A (S&P) or equivalent for deposits of more than 1 year.
- b. Mutual funds: investments with immediate liquidity and no risk of capital (funds composed of investments at a fixed-term, current account, fixed rate Tit BCRA, negotiable obligations, Over Night, etc.) in all those counter-parties that have a rating greater than or equal to AA-(S&P) or equivalent, Type 1 Pacts and Mutual Funds, with AA+ rating (S&P) or equivalent.
- c. Other investment alternatives must be evaluated and authorized by the office of the Chief Financial Officer.

Exchange Rate Risk

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

a) Exposure of foreign investment

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

a.1 Investment in Argentina

As of December 31, 2018, the Company maintains a net investment of ThCh\$141,415,980 in Argentina, composed by the recognition of assets amounting to ThCh\$241,496,143 and liabilities amounting to Ch\$100,080,163. These investments accounted for 24.6% of the Company's consolidated sales revenues

As of December 31, 2018, the Argentine peso devalued by 44.1% with respect to the Chilean peso.

If the exchange rate of the Argentine Peso depreciated an additional 5% with respect to the Chilean Peso, the Company would have lower income from the operation in Argentina of ThCh\$1,008,205 and a decrease in equity of ThCh\$4,547,092, originated by lower asset recognition of ThCh\$8,049,598 and by lower liabilities recognition of ThCh\$3,502,506.

a.2 Investment in Brazil

As of December 31, 2018, the Company maintains a net investment of ThCh\$266,078,105 in Brazil, composed by the recognition of assets amounting to ThCh\$814,443,115 and liabilities amounting to ThCh\$548,365,009. These investments accounted for 32.3% of the Company's consolidated sales revenues.

As of December 31, 2018, the Brazilian Real devalued by 3.5% with respect to the Chilean peso.

If the exchange rate of the Brazilian Real depreciated an additional 5% with respect to the Chilean Peso, the Company would have lower income from the operation in Brazil of ThCh\$1,755,781 and a decrease in equity of ThCh\$12,297,287, originated by lower asset recognition of ThCh\$36,589,434 and by lower liabilities recognition of ThCh\$ 24,292,147.

a.3 Investment in Paraguay

As of December 31, 2018, the Company maintains a net investment of ThCh\$247,867,392 in Paraguay, composed by the recognition of assets amounting to ThCh\$286,061,496 and liabilities amounting to ThCh\$38,194,104. These investments accounted for 8.9% of the Company's consolidated sales revenues.

As of December 31, 2018, the Paraguayan Guaraní appreciated by 6.0% with respect to the Chilean peso.

If the exchange rate of the Paraguayan Guaraní devalued by 5% with respect to the Chilean Peso, the Company would have lower income from the operations in Paraguay of ThCh\$1,220,490 and a decrease in equity of ThCh\$11,738,373 originated by lower asset recognition of ThCh\$13,360,934 and lower liabilities recognition of ThCh\$1,622,561.

b) Net exposure of assets and liabilities in foreign currency

This risk stems mostly from carrying liabilities in US dollar, so the volatility of the US dollar with respect to the functional currency of each country generates a variation in the valuation of these obligations, with consequent effect on results.

As of December 31, 2018, the Company maintains a net liability position totaling ThCh\$251, 124,893, basically composed of bonds payable and leasing contracts for ThCh\$257, 041,934 partially offset by financial assets denominated in dollars for ThCh\$5, 917,041.

All U.S. Dollar liabilities amounting to ThCh\$257,041,934 correspond to dollar liabilities of the Chilean, Argentinean and Brazilian operations and are, therefore, exposed to the volatility of the Chilean peso against the U.S. Dollar.

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

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

The Company's net exposure as of December 31, 2018, to foreign currency over existing assets and liabilities, discounting the derivatives contracts, is an asset position of ThCh\$2, 466,157.

c) Assets purchased or indexed to foreign currency exposure

This risk originates from purchases of raw materials and investments in Property, plant and equipment, whose values are expressed in a currency other than the functional currency of the subsidiary. Changes in the value of costs or investments can be generated through time, depending on the volatility of the exchange rate.

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

In order to minimize this risk, the Company maintains a currency hedging policy stipulating that it is necessary to enter into foreign currency derivatives contracts to lessen the effect of the exchange rate over cash expenditures expressed in US dollars, corresponding mainly to payment to suppliers of raw materials in each of the operations. This policy stipulates a 12-month forward horizon. As of December 31, 2018, US\$56.8 million for future purchases have been hedged-for the following 12 months.

According to the percentage of purchases of raw materials which are carried out or indexed to U.S. dollars, a possible change in the value of the US dollar by 5% in the four countries where the Company operates, and excluding derivatives contracts taken to mitigate the effect of currency volatility, keeping everything constant, would lead to a lower accumulated result amounting to ThCh\$5, 861,388 as of December 31, 2018. Currently, the Company has contracts to hedge this effect in Chile, Argentina, Paraguay and Brazil.

Commodities risk

The Company is subject to a risk of price fluctuations in the international markets mainly for sugar, aluminum and PET resin, which are inputs required to produce beverages and, as a whole, account for 35% to 40% of operating costs. Procurement and anticipated purchase contracts are made frequently to minimize and/or stabilize this risk. The possible effects in these Consolidated Financial Statements, in case of a 5% increase in prices of its main raw materials, would be a reduction of ThCh\$7,762,189 in earnings for the period ended December 31, 2018. To minimize this risk or stabilize often supply contracts and anticipated purchases are made when market conditions warrant.

Liquidity risk

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

The following table presents an analysis of the Company's committed maturities for liability payments throughout the coming years:

Item	Maturity				
	1 year	More than 1	More than 2	More than 3	More than 4
	ThCh\$	year up to 2	years up to 3	up to 4	years
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Bank debt	21,579,550	1,597,027	787,777	772,051	81,286
Bond payable	42,991,809	42,909,590	39,560,554	39,411,666	844,765,446
Operating lease obligations	7,305,508	9,516,692	9,072,970	9,032,343	22,059,516
Purchase obligations	64,406,811	9,126,536	9,338,111	233,004	240,600
Total	136,283,678	63,149,845	58,759,412	49,449,064	867,146,848

NOTE 23 – EXPENSES BY NATURE

Other expenses by nature are:

<u>Details</u>	01.01.2018	01.01.2017
	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Direct production costs	759,229,954	815,455,280
Payroll and employee benefits	266,966,841	287,458,526
Transportation and distribution	137,428,173	163,361,088
Marketing	17,345,951	29,209,904
Depreciation and amortization	99,594,447	99,163,891
Repairs and maintenance	28,120,097	34,253,824
Other expenses	138,860,648	181,249,647
Total	1,447,546,111	1,610,152,160

(1) Corresponds to the addition of cost of sales, administration expenses and distribution cost.

NOTE 24 – OTHER INCOME

Other income by function is detailed as follows:

<u>Details</u>	01.01.2018	01.01.2017
	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Gain on disposal of Property, plant and equipment	1,984,547	312,470
Recovery AFIP claim	232,617	-
Others	392,004	238,364
Total	2,609,168	550,834

NOTE 25 – OTHER EXPENSES

Other expenses are detailed as follows:

	01.01.2018	01.01.2017
<u>Detail</u>	<u>12.31.2018</u>	<u>12.31.2017</u>
	ThCh\$	ThCh\$
Contingencies and Non-operating fees	10,192,495	12,146,574
Tax on bank debits	4,653,929	7,669,234
Disposal and write-off of Property, plant and equipment	262,366	3,025,497
Disposal Purchase Price Allocation (PPA) in RP-Brazil	-	(6,769,384)
Others	948,973	629,550
Total	16,057,763	16,701,471

NOTE 26 – FINANCIAL INCOME AND EXPENSES

Financial income and expenses are detailed as follows:

a) Finance income

	01.01.2018	01.01.2017
<u>Detail</u>	<u>12.31.2018</u>	<u>12.31.2017</u>
	ThCh\$	ThCh\$
Interest income	1,046,580	8,370,338
Other interest income	2,893,664	2,824,037
Total	3,940,244	11,194,375

b) Finance expenses

	01.01.2018	01.01.2017
<u>Detail</u>	<u>12.31.2018</u>	<u>12.31.2017</u>
	ThCh\$	ThCh\$
Bond interest	38,547,682	42,178,816
Bank loan interest	1,828,588	5,553,485
Other interest costs	14,638,390	7,488,068
Total	55,014,660	55,220,369

NOTE 27 – OTHER (LOSSES) AND GAIN

Other (losses) and gains are detailed as follows:

	01.01.2018	01.01.2017
Details	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
(Losses) gains on ineffective portion of hedge derivatives	(2,707,802)	(2,536,079)
Other income and (expenses)	(57)	(1,190)
Total	<u>(2,707,859)</u>	<u>(2,537,269)</u>

NOTE 28 – LOCAL AND FOREIGN CURRENCY

Local and foreign currency balances as of December 31, 2018 and December 31, 2017, are the following:

CURRENT ASSETS	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Cash and cash equivalents	137,538,613	136,242,116
US Dollars	5,917,041	6,973,298
Euros	51,401	17,245
Chilean pesos	86,121,695	80,985,719
Brazilian Real	28,040,970	21,779,408
Argentine Pesos	6,726,906	19,681,449
Paraguayan Guarani	10,680,600	6,804,997
Other financial assets	683,567	14,138,161
U.S. Dollars	-	-
Chilean pesos	-	-
Unidad de Fomento	355,126	13,647,997
Brazilian Real	14,040	366,595
Argentine Pesos	300,359	123,569
Paraguayan Guarani	14,042	-
Other non-financial assets	5,948,923	5,611,861
US Dollars	45,053	70,975
Unidad de Fomento	78,623	9,790
Chilean pesos	3,589,253	3,049,402
Brazilian Real	1,275,073	1,447,790
Argentine Pesos	460,125	632,428
Paraguayan Guarani	500,796	401,476
Trade and other accounts receivable, net	174,113,323	191,284,680
US Dollars	863,794	541,579
Euros	52,332	112,763
Unidad de Fomento	1,414,800	1,673,147
Chilean pesos	73,028,244	75,797,942
Brazilian Real	66,585,089	75,387,122
Argentine Pesos	25,000,141	30,870,192
Paraguayan Guarani	7,168,923	6,901,935
Accounts receivable from related companies	9,450,263	5,370,232
US Dollars	26,557	16,674
Chilean pesos	6,911,814	5,172,144
Brazilian Real	-	-
Argentine Pesos	2,511,892	181,414
Inventory	151,319,709	131,363,000
US Dollars	2,197,382	3,046,600
Euros	12,522	262,204
Chilean pesos	50,130,341	39,750,597
Brazilian Real	36,797,523	33,834,631
Argentine Pesos	46,394,230	43,857,361
Paraguayan Guarani	15,787,711	10,611,607
Current tax assets	2,532,056	-
Chilean pesos	-	-
Brazilian Real	2,532,056	-
Total Current Assets	481,586,454	484,010,050
US Dollars	9,049,827	10,649,126
Euros	116,255	392,212
Unidad de Fomento	1,493,423	15,330,934
Chilean pesos	220,136,473	204,755,804
Brazilian Real	135,244,751	132,815,546
Argentine Pesos	81,393,653	95,346,413
Paraguayan Guarani	34,152,072	24,720,015



NON-CURRENT ASSETS	12.31.2018	12.31.2017
	ThCh\$	ThCh\$
Other financial assets	97,362,295	74,259,085
Chilean pesos	-	2,212,688
Brazilian Real	87,446,661	63,531,839
Argentine Pesos	9,915,634	8,514,558
Other non-financial assets	34,977,264	47,394,345
US Dollars	22,917	-
Unidad de Fomento	314,283	-
Chilean pesos	47,532	395,857
Brazilian Real	32,070,120	45,334,405
Argentine Pesos	2,315,682	1,626,255
Paraguayan Guarani	206,730	37,828
Trade and other receivables	1,270,697	2,395,851
Unidad de Fomento	1,204,097	2,335,322
Argentine Pesos	-	2,193
Paraguayan Guarani	90	58,336
	66,510	
Accounts receivable from related parties		156,492
Chilean pesos	74,340	156,492
	74,340	
Investments accounted for under the equity method		86,809,069
Chilean pesos	102,410,945	33,789,538
Brazilian Real	50,136,221	53,019,531
	52,274,724	
Intangible assets other than goodwill	-	
US Dollars		663,272,878
Chilean pesos	668,822,553	3,959,421
Brazilian Real	4,960,399	307,165,028
Argentine Pesos	306,508,710	188,401,129
Paraguayan Guarani	182,657,545	922,226
	2,101,571	162,825,074
	172,594,328	
Goodwill		
Chilean pesos		93,598,217
Brazilian Real	117,229,173	9,523,767
Argentine Pesos	9,523,767	72,488,336
Paraguayan Guarani	72,059,356	4,672,971
	28,318,129	6,913,143
	7,327,921	
Property, plant and equipment		659,750,499
US Dollars		
Euros	710,770,968	190,365
Chilean pesos	-	5,362,096
Brazilian Real	381,732	271,391,436
Argentine Pesos	271,625,978	240,781,729
Paraguayan Guarani	252,674,783	77,580,966
	117,532,176	64,443,907
	68,556,299	
Deferred income tax assets		
Argentine Pesos		3,212,981
	-	3,212,981
	-	
Total Non-Current Assets	1,732,918,235	1,630,849,417
US Dollars	4,983,316	4,149,786
Euros	381,732	5,362,096
Unidad de Fomento	1,518,380	2,335,322
Chilean pesos	637,916,548	624,634,806
Brazilian Real	679,183,189	663,556,969
Argentine Pesos	160,183,282	96,532,150
Paraguayan Guarani	248,751,788	234,278,288



CURRENT LIABILITIES	12.31.2018			12.31.2017		
	Up to 90 days	90 days up to 1 year	Total	Up to 90 days	90 days up to 1 year	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Other financial liabilities, current	9,377,421	46,737,556	56,114,977	13,536,530	54,444,875	67,981,405
U.S. Dollars	130,829	3,304,011	3,434,840	25,540	4,563,131	4,588,671
Unidad de Fomento	7,831,899	10,536,509	18,368,408	6,735,155	9,892,144	16,627,299
Chilean pesos	-	9,681,676	9,681,676	-	10,342,404	10,342,404
Brazilian Real	1,413,622	20,833,877	22,247,499	5,084,725	15,589,691	20,674,416
Argentinean pesos	1,071	1,357,285	1,358,356	1,691,110	13,185,694	14,876,804
Paraguayan Guaraní	-	1,024,198	1,024,198	-	871,811	871,811
Trade and other accounts payable, current	234,715,484	3,394,363	238,109,847	251,551,666	5,967,811	257,519,477
U.S. Dollars	14,514,082	-	14,514,082	11,716,262	29,728	11,745,990
Euros	4,311,724	59,951	4,371,675	2,202,581	80,070	2,282,651
Unidad de Fomento	192,055	-	192,055	2,198,131	-	2,198,131
Chilean pesos	81,099,246	3,334,412	84,433,658	82,576,800	5,823,291	88,400,091
Brazilian Real	68,940,973	-	68,940,973	74,524,169	-	74,524,169
Argentinean pesos	54,846,437	-	54,846,437	69,859,508	52,403	69,911,911
Paraguayan Guaraní	10,805,605	-	10,805,605	8,472,550	(17,681)	8,454,869
Other currencies	5,362	-	5,362	1,665	-	1,665
Accounts payable to related companies, current	45,687,476	140,383	45,827,859	33,728,629	232,808	33,961,437
U.S. Dollars	-	-	-	-	-	-
Unidad de Fomento	-	-	-	-	-	-
Chilean pesos	27,729,583	140,383	27,869,966	15,297,780	232,808	15,530,588
Brazilian Real	12,478,179	-	12,478,179	18,430,849	-	18,430,849
Argentinean pesos	5,479,714	-	5,479,714	-	-	-
Paraguayan Guaraní	-	-	-	-	-	-
Other provisions, current	1,789,275	1,696,338	3,485,613	2,616,340	60,078	2,676,418
Chilean pesos	1,789,275	1,681,178	3,470,453	2,616,340	-	2,616,340
Paraguayan Guaraní	-	15,160	15,160	-	60,078	60,078
Tax liabilities, current	4,302,370	5,036,242	9,338,612	543,874	2,641,091	3,184,965
Chilean pesos	4,302,370	1,184,842	5,487,212	184,406	-	184,406
Brazilian Real	-	-	-	359,468	359,468	718,936
Argentinean pesos	-	2,980,634	2,980,634	-	2,155,680	2,155,680
Paraguayan Guaraní	-	870,766	870,766	-	125,943	125,943
Employee benefits current provisions	10,189,264	23,021,715	33,210,979	-	35,955,643	35,955,643
Chilean pesos	1,177,114	4,854,163	6,031,277	-	6,365,543	6,365,543
Brazilian Real	-	17,180,455	17,180,455	-	16,412,363	16,412,363
Argentinean pesos	9,012,150	-	9,012,150	-	12,371,827	12,371,827
Paraguayan Guaraní	-	987,097	987,097	-	805,910	805,910
Other non-financial liabilities, current	1,346,839	32,427,375	33,774,214	648,171	26,359,806	27,007,977
Unidad de Fomento	-	-	-	-	-	-
Chilean pesos	869,964	32,276,377	33,146,341	190,529	26,111,396	26,301,925
Brazilian Real	-	-	-	-	-	-
Argentinean pesos	476,875	-	476,875	457,642	-	457,642
Paraguayan Guaraní	-	150,998	150,998	-	248,410	248,410
Total current liabilities	307,408,129	112,453,972	419,862,101	302,625,210	125,662,112	428,287,322
U.S. Dollars	14,644,911	3,304,011	17,948,922	11,741,802	4,592,859	16,334,661
Euros	4,311,724	59,951	4,371,675	2,202,581	80,070	2,282,651
Unidad de Fomento	8,023,954	10,536,509	18,560,463	8,933,286	9,892,144	18,825,430
Chilean pesos	116,967,552	53,153,031	170,120,583	100,865,855	48,875,442	149,741,297
Brazilian Real	82,832,774	38,014,332	120,847,106	98,399,211	32,361,522	130,760,733
Argentinean pesos	69,816,247	4,337,919	74,154,166	72,008,260	27,765,604	99,773,864
Paraguayan guaraní	10,805,605	3,048,219	13,853,824	8,472,550	2,094,471	10,567,021
Other currencies	5,362	-	5,362	1,665	-	1,665



12.31.2018

	More than 1 up to 3 years	More than 3 years up to 5 years	More than 5 years	Total
NON CURRENT LIABILITIES				
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Other non-current financial liabilities	28,642,101	276,409,074	411,512,603	716,563,778
U.S. Dollars	-	250,976,154	-	250,976,154
Unidad de Fomento	25,634,958	23,105,123	402,045,609	450,785,690
Chilean pesos	-	-	-	-
Brazilian Real	3,007,143	2,327,797	9,466,994	14,801,934
Non-current accounts payable	735,665	-	-	735,665
U.S. Dollars	585,289	-	-	585,289
Chilean pesos	148,680	-	-	148,680
Argentinean pesos	1,696	-	-	1,696
Other provisions, non-current	3,448,042	55,518,871	-	58,966,913
Chilean pesos	2,500,000	-	-	2,500,000
Brazilian Real	-	55,518,871	-	55,518,871
Argentinean pesos	948,042	-	-	948,042
Paraguayan Guaraní	-	-	-	-
Deferred tax liabilities	16,607,605	101,512,040	27,126,303	145,245,948
Chilean pesos	497,175	81,630,530	11,899,975	94,027,680
Brazilian Real	-	19,881,510	-	19,881,510
Argentinean pesos	16,110,430	-	-	16,110,430
Paraguayan Guaraní	-	-	15,226,328	15,226,328
Employee benefits non-current provisions	742,297	240,148	8,433,096	9,415,541
Chilean pesos	230,528	240,148	8,433,096	8,903,772
Paraguayan Guaraní	511,769	-	-	511,769
Other non-financial liabilities, non-current	-	-	-	-
Brazilian Real	-	-	-	-
Argentinean pesos	-	-	-	-
Total non-current liabilities	50,175,710	433,680,133	447,072,002	930,927,845
U.S. Dollars	585,289	250,976,154	-	251,561,443
Unidad de Fomento	25,634,958	23,105,123	402,045,609	450,785,690
Chilean pesos	3,376,383	81,870,678	20,333,071	105,580,132
Brazilian Real	3,007,143	77,728,178	9,466,994	90,202,315
Argentinean pesos	17,060,168	-	-	17,060,168
Paraguayan Guaraní	511,769	-	15,226,328	15,738,097

12.31.2017

	More than 1 up to 3 years	More than 3 years up to 5 years	More than 5 years	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Other non-current financial liabilities	8,185,760	8,153,247	659,428,194	675,767,201
U.S. Dollars	513,788	-	350,016,750	350,530,538
Unidad de Fomento	-	2,092,245	298,725,592	300,817,837
Chilean pesos	-	-	-	-
Brazilian Real	7,671,972	6,061,002	10,685,852	24,418,826
Non-current accounts payable	1,132,926	-	-	1,132,926
U.S. Dollars	748,565	-	-	748,565
Chilean pesos	356,221	-	-	356,221
Argentinean pesos	28,140	-	-	28,140
Other provisions, non-current	62,947,748	-	-	62,947,748
Chilean pesos	5,000,000	-	-	5,000,000
Brazilian Real	56,607,720	-	-	56,607,720
Argentinean pesos	1,340,028	-	-	1,340,028
Paraguayan Guaraní	-	-	-	-
Deferred tax liabilities	19,317,808	91,769	105,794,989	125,204,566
Chilean pesos	252,448	91,769	92,319,662	92,663,879
Brazilian Real	19,065,360	-	-	19,065,360
Argentinean pesos	-	-	-	-
Paraguayan Guaraní	-	-	13,475,327	13,475,327
Employee benefits non-current provisions	359,760	62,742	7,863,853	8,286,355
Chilean pesos	163,756	62,742	7,863,853	8,090,351
Paraguayan Guaraní	196,004	-	-	196,004
Other non-financial liabilities, non-current	-	-	-	-
Brazilian Real	-	-	-	-
Argentinean pesos	-	-	-	-
Total non-current liabilities	91,944,002	8,307,758	773,087,036	873,338,796
U.S. Dollars	1,262,353	-	350,016,750	351,279,103
Unidad de Fomento	-	2,092,245	298,725,592	300,817,837
Chilean pesos	5,772,425	154,511	100,183,515	106,110,451
Brazilian Real	83,345,052	6,061,002	10,685,852	100,091,906
Argentinean pesos	1,368,168	-	-	1,368,168
Paraguayan Guaraní	196,004	-	13,475,327	13,671,331

NOTE 29 – THE ENVIRONMENT

The Company has made disbursements totaling ThCh\$1,386,987 for improvements in industrial processes, equipment to measure industrial waste flows, laboratory analysis, consulting on environmental impacts and others,

These disbursements by country are detailed as follows:

Country	2018 Period		Future commitments	
	Recorded as expenses	Capitalized to Property, plant and equipment	To be recorded as expenses	To be capitalized to Property, plant and equipment
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Chile	416,116	-	-	-
Argentina	209,203	-	53,563	-
Brazil	544,026	7,216	-	-
Paraguay	65,784	144,642	-	-
Total	1,235,129	151,858	53,563	-

NOTE 30 – SUBSEQUENT EVENTS

There are no subsequent events as of December 31, 2018, that may significantly affect the Company's financial position.



Analysis

Results Report 4Q18



FEBRUARY 28, 2019

CONTACT IN SANTIAGO, CHILE

Andrés Wainer, Chief Financial Officer

Ignacio Morales, Finance and Treasury Manager

(56-2) 2338-0528 / andina.ir@koandina.com

CONFERENCE CALL DETAILS

Friday, March 1, 2019

11:00 am Chile – 9:00 am EST

DIAL-IN PARTICIPANTS

U.S.A. 1 (877) 830-2576

International (outside U.S.A.) 1 (785) 424-1726

Access Code: ANDINA

REPLAY

U.S.A. 1-844-488-7474

International (outside U.S.A.) 1-862-902-0129

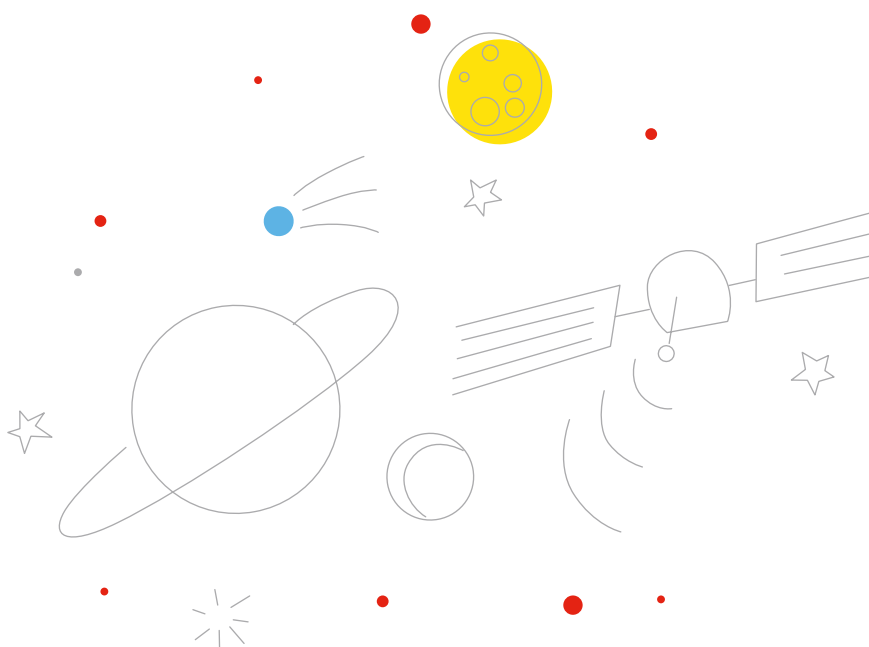
Access Code: 58214785

Replay available until March 15, 2019

AUDIO

Available at www.koandina.com

Monday, March 4, 2019



EXECUTIVE SUMMARY



Consolidated Sales Volume for the quarter was 213.5 million unit cases, decreasing 3.4% regarding the same quarter of the previous year. Accumulated Consolidated Sales Volume reached 750.6 million unit cases, which represents a 0.8% decrease with respect to the previous year.



Quarterly and accumulated consolidated results were significantly impacted by (i) the categorization of Argentina as a hyperinflationary economy, which implied the adoption of the International Accounting Standard ("IAS 29"*) over the results of our operation in Argentina, and (ii) the depreciation during the quarter of local currencies regarding the reporting currency, especially the Argentine peso and the Brazilian real. Isolating these two effects, i.e., without adopting IAS 29 on our results and based on neutral currency**, Company figures are the following:

- Consolidated Net Sales for the quarter amounted to Ch\$595,253 million, increasing 13.5%. Accumulated consolidated Net Sales reached Ch\$2,063,349 million, representing a 11.6% growth in the period.
- Consolidated Operating Income¹ for the quarter reached Ch\$101,911 million, representing a 24.1% increase. Accumulated consolidated Operating Income reached Ch\$291,375 million, a 22.1% increase.
- Consolidated Adjusted EBITDA² reached Ch\$128,578 million, an increase of 20.8% in the quarter. Accumulated Adjusted EBITDA reached Ch\$395,052 million, which represents a 16.9% growth.
- Net Income attributable to the owners of the controller reached Ch\$52,625 million, increasing 19.3% in the quarter, while for the full year Net Income attributable to the owners of the controller increased 19.2% reaching Ch\$140,473 million.



Company figures reported, which include the adoption of IAS 29 beginning January 1, 2018, are as follows:

- Consolidated Net Sales for the quarter amounted to Ch\$480,508 million, decreasing 8.4% regarding the same quarter of the previous year. Accumulated Consolidated Net Sales reached Ch\$1,672,916 million, representing a 9.5% decrease regarding the previous year.
- Consolidated Operating Income¹ for the quarter reached Ch\$81,454 million, representing a 0.8% decrease regarding the same quarter of the previous year. Accumulated Consolidated Operating Income reached Ch\$225,370 million, a 5.6% decrease with respect to the previous year.
- Consolidated Adjusted EBITDA² increased 0.8% with respect to the same quarter of the previous year, reaching Ch\$107,230 million during the quarter. Adjusted EBITDA Margin reached 22.3%, an expansion of 202 basis points with respect to the same quarter of the previous year. Consolidated Accumulated Adjusted EBITDA reached Ch\$324,964 million, which represents a 3.8% decrease compared to the previous year. Adjusted EBITDA Margin reached 19.4% during the period, an expansion of 115 basis points with respect to the previous year.
- Net Income attributable to the owners of the controller for the quarter reached Ch\$38,497 million, representing a 12.7% decrease with respect to the same quarter of the previous year. Accumulated Net Income attributable to the owners of the controller reached Ch\$96,603 million, decreasing 18.0% compared to the previous year.

Comment of the Chief Executive Officer, Mr. Miguel Ángel Peirano

"In the fourth quarter of the 2018, we continued to show solid financial results in local currency, with Adjusted EBITDA Margin expansion in our four operations. Also, volumes in Brazil, Chile and Paraguay had a slight recovery. In the case of Argentina, the devaluation and recession in which this economy has entered is affecting consumption, and thus our sales. However, the investments carried out, process improvements and market share increases leave us in a particularly advantageous position to grow profitably once that the Argentine economy recovers. 2018 was a very good year for the Company, where we can highlight the successful start-up of our Duque de Caxias plant in Brazil, which is allowing us to expand the returnability in our franchise, and thus access new consumers as well as having a source of mineral water in the state of Rio de Janeiro, which makes us much more competitive within a category that is having high growth rates. I also want to point out the acquisition of Guallaraucó in Chile, together with Coca-Cola Chile and Embonor, which allow us to access the premium juice segment, as well as the ice cream and frozen desserts segments.

Lastly, in December we received four distinctions from ALAS20, in the categories of Investor Relations, Corporate Governance, CEO Leading Company in Sustainability, and Director Leading Company in Sustainability, which fills us with pride and motivation to continue improving on issues of transparency in the delivery of information to our different stakeholders, as well as continue strengthening our corporate governance."

*Note: See page 13 for an explanation of the application of the standard. This standard must be applied for the period beginning January 1, 2018. Consequently, financial statements are expressed in current values at the end of the reporting period. Therefore, our results from each quarter will reflect the impact of IAS 29. In addition, the results of the first nine months already reported will change since this standard requires that accumulated results of our Argentine operations be presented in currency of the reporting period, in this case December, and then translated to Chilean pesos at the closing rate of the same period.

**Neutral currency for 4Q18 is calculated using the same relation of local currencies regarding the Chilean peso as that of 4Q17.

1: Operating Income considers Revenues, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with Chile's Financial Market Commission and set in accordance to IFRS.

2: Adjusted EBITDA considers Revenues, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with Chile's Financial Market Commission and set in accordance to IFRS, plus Depreciation.

CONSOLIDATED RESULTS: 4th Quarter 2018 vs. 4th Quarter 2017



Figures of the following analysis are set according to IFRS, in nominal Chilean pesos, both for consolidated results and for the results of each of our operations. All variations with respect to 2017 are nominal. It is worth mentioning that the devaluation of local currencies with respect to the dollar has a negative impact on our dollarized costs and that the devaluation of local currencies with respect to the Chilean peso has a negative impact on the consolidation of figures. The following table shows the exchange rates used:

Exchange rates used	Local currency / U.S dollar (Average exchange rate)		Chilean pesos / Local currency (Average exchange rate*)	
	4Q17	4Q18	4Q17	4Q18
Argentina	17.56	37.12	36.06	18.43
Brazil	3.25	3.81	194.92	178.30
Chile	633	679	N.A.	N.A.
Paraguay	5,643	5,941	0.11	0.11

*Except Argentina in 4Q18, where pursuant to IAS 29, the closing exchange rate is used.

Consolidated Sales Volume for the quarter reached 213.5 million unit cases, representing a 3.4% decrease with respect to the same period of 2017, explained by the drop in volumes of our operation in Argentina, which was partially offset by volume increases in our operations in Brazil, Chile and Paraguay.

Consolidated Net Sales reached Ch\$480,508 million, an 8.4% decrease, mainly explained by the negative effect upon translation of figures from our operation in Argentina.

Consolidated Cost of Sales decreased 6.4%, which is mainly explained by (i) the effect of translation of figures from our subsidiaries in Argentina and Brazil, (ii) a reduction in the use of sugar in Brazil and Chile given the reformulations carried out, (iii) the lower cost of sugar, particularly in Chile, and (iv) the already mentioned decrease in Sales Volume. This was partially offset by (i) the devaluation of the Argentine peso, the Brazilian real and the Chilean peso, impacting dollarized costs, (ii) increased revenues in local currency in Argentina, which has a direct incidence on the cost of concentrate, (iii) greater labor costs in Argentina and Paraguay, and (iv) the greater cost of PET resin in the four operations.

Consolidated Selling, General and Administrative Expenses (SG&As) decreased 16.5%, which is mainly explained by the effect upon translation of figures from our subsidiaries in Argentina and Brazil. This was partially offset by (i) inflation effects in Argentina over expenses such as freight, labor and services provided by third parties, and (ii) greater labor expenses in Chile and Paraguay.

The foregoing mentioned impacts, led to a Consolidated Operating Income of Ch\$81,454 million, a 0.8% decrease. Operating Margin was 17.0%.

Consolidated Adjusted EBITDA amounted to Ch\$107,230 million, increasing 0.8%. Adjusted EBITDA Margin was 22.3%, an expansion of 202 basis points.

Net Income attributable to the owners of the controller for the quarter was Ch\$38,497 million, a 12.7% decrease and Net Margin reached 8.0%, a contraction of 40 basis points.

ARGENTINA: 4th Quarter 2018 vs. 4th Quarter 2017



The average quarterly exchange rate ARS/USD was 37.12, which is compared with an average quarterly exchange rate ARS/USD of 17.56 in 4Q17. Depreciation of local currencies with respect to the U.S. dollar has a negative impact on our dollarized costs. In addition, according to IAS 29, the translation of figures from local currency to the reporting currency was performed using the closing exchange rate for the conversion to Chilean pesos of 18.43 CLP/ARS, which is compared with 36.06 CLP/ARS in 4Q17, where we used average exchange rates, thereby generating a negative impact on the consolidation of figures. For a better understanding of the operation in Argentina, figures of this operation are attached in nominal local currency, i.e. without the adoption of IAS 29.

Sales Volume for the quarter decreased 14.4%, reaching 54.0 million unit cases, explained by a volume reduction in all categories. Our soft drinks market share reached 64.4 points, increasing 130 basis points with respect to the same period of the previous year. Worth mentioning is that, after the significant devaluation of the Argentine peso, there was a significant contraction of consumption, which has continued to affect our sales.

Net Sales reached Ch\$110,828 million, decreasing 31.3%, mainly explained by the negative effect upon translation of figures. Net Sales in nominal local currency (without IAS 29) increased by 31.1%, explained by the implementation of price increases and that was partially offset by the already mentioned volume decrease.

Cost of Sales decreased 30.7%, mainly explained by the negative effect upon translation of figures. In nominal local currency (without IAS 29) it increased by 25.7%, which is mainly explained by (i) increased revenues in local currency which has a direct incidence over concentrate costs, (ii)

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the effect of the devaluation of the Argentine peso over our dollarized costs, and (iii) greater cost of PET resin. This was partially offset by lower volumes sold.

SG&As decreased 28.7% in the reporting currency, also mainly explained by the negative effect upon translation of figures. In nominal local currency (without IAS 29), they increased by 33.2%, which is mainly explained by expenses such as freight, labor and services provided by third parties, which have increased mainly due to high local inflation.

The foregoing effects led to an Operating Income of Ch\$11,037 million, a 42.4% decrease. Operating Margin was 10.0%. In nominal local currency (without IAS 29) Operating Income increased 47.2%.

Adjusted EBITDA amounted to Ch\$15,794 million, decreasing 32.7%. Adjusted EBITDA Margin was 14.3%, a contraction of 29 basis points. On the other hand, in nominal local currency (without IAS 29), Adjusted EBITDA increased 41.5%.

BRAZIL: 4th Quarter 2018 vs. 4th Quarter 2017



The average quarterly exchange rate BRL/USD was 3.81, which is compared with an average quarterly exchange rate BRL/USD of 3.25 in 4Q17. Depreciation of local currencies with respect to the U.S. dollar has a negative impact on our dollarized costs. Translation of figures from local currency to the reporting currency was performed using the average exchange rate for the conversion to Chilean pesos of 178.30 CLP/BRL, which is compared with 194.92 CLP/BRL in 4Q17. Therefore, there is a negative impact on the consolidation of figures.

Sales Volume for the quarter increased 0.5%, reaching 72.2 million unit cases, explained by the volume increase in the soft drinks, water and juice categories, which was partially offset by the decrease in the beer category. Our soft drinks market share in our Brazilian franchises reached 63.9 points, a contraction of 10 basis points with respect to the same period of the previous year.

Net Sales reached Ch\$160,492 million, decreasing 2.4%, mainly explained by the already mentioned effect upon translation of figures. Net Sales in local currency increased by 6.7% mainly explained by higher revenue from commissions on the sale of Heineken, as well as an increase in the average net price.

Cost of sales increased 3.6%, while in local currency it increased 13.3%, which is mainly explained by (i) the negative effect over our dollarized costs of the devaluation of the Brazilian real against the U.S. dollar, (ii) higher depreciation charges, explained by the new Duque de Caxias plant, (iii) the greater cost of PET resin, and (iv) a shift in the mix towards products carrying a higher unit cost.

SG&As decreased 18.0% in the reporting currency. In local currency, they decreased by 10.4%, which is mainly explained by lower distribution freight costs, lower advertising expenses, and by other operating income recorded in this item, that were higher in 2018 showed an increase compared with the previous year.

The foregoing effects led to an Operating Income of Ch\$28,523 million, a 0.3% decrease. Operating Margin was 17.8%. In local currency, Operating Income increased 9.1%.

Adjusted EBITDA amounted to Ch\$35,733 million, increasing 1.6% with respect to the previous year. Adjusted EBITDA Margin was 22.3%, an expansion of 88 basis points. In local currency, Adjusted EBITDA increased 11.2%.

CHILE: 4th Quarter 2018 vs. 4th Quarter 2017



The average quarterly exchange rate CLP/USD was 679, which is compared to an average quarterly exchange rate CLP/USD of 633 in 4Q17. Depreciation of local currencies with respect to the U.S. dollar has a negative impact on our dollarized costs.

During the quarter, Sales Volume reached 67.9 million unit cases, representing a 1.0% growth, explained by the increase in the water and juice categories, which was partially offset by the decrease in the soft drinks category. On the other hand, soft drinks market share, compared to the same quarter of the previous year, dropped 140 basis points reaching 66.8 points.

Net Sales reached Ch\$166,442 million, representing a 4.8% growth, mainly explained by an increase in average prices in line with inflation, as well as by the incorporation of Diageo products to our sales, which carry a higher average price.

Cost of Sales increased by 2.2%, mainly explained by (i) the shift in the mix towards products that carry a higher unit cost, (ii) the shift in the mix towards sugar free products or with low sugar contents which have a greater concentrate cost, (iii) the negative effect over our dollarized costs of

the depreciation of the Chilean peso, and (iv) the greater cost of PET resin. This was partially offset by the lower cost of sugar, and the lower use of this raw material because of the shift in the mix towards sugar free products and given the reformulations we have carried out.

SG&As decreased 1.1%, which is mainly explained by other operating income recorded in this item that showed an increase compared with the previous year, and partially offset by greater advertising expenses and greater labor costs.

The aforementioned effects led to an Operating Income of Ch\$34,568 million, 20.9% higher when compared to the previous year. Operating Margin was 20.8%.

Adjusted EBITDA reached Ch\$45,697 million, a 16.0% growth. Adjusted EBITDA Margin was 27.5%, an expansion of 266 basis points.

PARAGUAY: 4th Quarter 2018 vs. 4th Quarter 2017



The average quarterly exchange rate PYG/USD was 5,941 that is compared to an average quarterly exchange rate PYG/USD of 5,643 in 4Q17. Depreciation of local currencies with respect to the U.S. dollar has a negative impact on our dollarized costs. The translation of figures from local currency to the reporting currency was performed using the average exchange rate of 0.11 CLP/PGY for the translation to Chilean pesos, similar to the exchange rate of 4Q17.

Sales Volume during the quarter reached 19.4 million unit cases, representing a 2.6% growth, explained by an increase in the sales volume of soft drinks and, particularly water. Soft drinks market share reached 72.1 points during the quarter, 200 basis points higher compared to the previous year.

Net Sales reached Ch\$43,343 million, reflecting a 7.9% growth. In local currency Net Sales increased 5.8%, which was explained by the already mentioned increase in Sales Volume, as well as by price increases.

Cost of Sales in the reporting currency increased 4.5%. In local currency it increased 2.5% mainly explained by the already mentioned increase in volumes, a greater cost of PET resin and by higher labor costs. This was partially offset by lower expenses for sweeteners.

SG&As increased 6.9%. In local currency they increased 4.4%. This is mainly explained by higher labor expenses, partially offset by lower depreciation charges and lower advertising expenses.

The aforementioned effects led to an Operating Income of Ch\$8,632 million, higher by 20.9% compared to the previous year. Operating Margin was 19.9%. In local currency Operating Income increased 19.3%.

Adjusted EBITDA reached Ch\$11,312 million a 15.0% increase and Adjusted EBITDA Margin was 26.1%, an expansion of 162 basis points. In local currency Adjusted EBITDA increased 13.3%.

ACCUMMULATED RESULTS: Full Year 2018 vs. Full Year 2017

Figures of the following analysis are set according to IFRS, in nominal Chilean pesos, both for consolidated results and for the results of each of our operations. All variations with respect to 2017 are nominal. It is worth mentioning that the devaluation of local currencies with respect to the U.S. dollar has a negative impact on our dollarized costs and that the devaluation of local currencies with respect to the Chilean peso has a negative impact on the consolidation of figures. In addition, pursuant to IAS 29, for our operation in Argentina, the translation of figures from local currency to the reporting currency was made using the closing exchange rates for the conversion to Chilean pesos of 18.43 CLP/ARS, compared with an exchange rate of 39.16 CLP/ARS for the FY17, where we used average exchange rates, thus generating a negative impact on the consolidation of figures. The following table shows the exchange rates used:

Exchange rates used	Local currency / U.S dollar (Average exchange rate)		Chilean pesos / Local currency (Average exchange rate*)	
	FY17	FY18	FY17	FY18
Argentina	16.56	28.11	39.16	18.43
Brazil	3.19	3.65	203.20	175.59
Chile	649	638	N.A.	N.A.
Paraguay	5,619	5,732	0.12	0.11

*Except Argentina in FY18, where pursuant to IAS 29, the closing exchange rate is used.

Consolidated Results

Consolidated Sales Volume reached 750.6 million unit cases, representing a 0.8% decrease with respect to the same period of 2017, mainly explained by the volume decrease in Argentina, partially offset by the increase in volumes of Brazil, Chile and Paraguay.

Consolidated Net Sales reached Ch\$1,672,916 million, a decrease of 9.5%, explained by the negative effect upon translation of figures from our operations in Argentina and Brazil.

Consolidated Cost of Sales decreased by 9.4%, which is mainly explained by (i) the effect upon translation of figures from our subsidiaries in Argentina and Brazil, (ii) the reduction of the use of sugar in Brazil and Chile, due to the reformulations we have carried out, and (iii) lower cost of sugar in Brazil and Chile. The foregoing was partially offset by (i) increased revenues in local currency in the four operations, which has a direct incidence on the cost of concentrate, (ii) the effect of the devaluation of the Argentine peso and Brazilian real on our dollarized costs, and (iii) higher PET resin costs.

Consolidated SG&As decreased 11.4%, which is mainly explained by the effect upon translation of figures from our subsidiaries in Argentina, and Brazil, and lower advertising expenses in Brazil. This was partially offset by (i) the effect of inflation in Argentina over expenses such as labor, freight and services provided by third parties, (ii) greater labor costs in Chile and Paraguay, and (iii) greater advertising expenses in Chile.

The foregoing mentioned impacts, led to a Consolidated Operating Income of Ch\$225,370 million, a decrease of 5.6%. Operating Margin was 13.5%.

Consolidated Adjusted EBITDA amounted to Ch\$324,964 million, a decrease of 3.8%. Adjusted EBITDA Margin was 19.4%, an expansion of 115 basis points.

Net Income attributable to the controllers was Ch\$96,603 million, a decrease of 18.0% and Net Margin reached 5.8%.

Argentina

Sales Volume reached 201.9 million unit cases, decreasing 4.5%, explained by a decreased volume in the main categories. The drop in volumes took place in the second half of the year because of the significant devaluation of the Argentine peso which resulted in a strong consumption contraction.

Net Sales reached Ch\$413,561 million, a 25.3% decrease mainly explained by the already mentioned negative effect upon translation of figures. In nominal local currency (without IAS 29), Net Sales increased 29.8%, which was mainly explained by the implementation of price increases.

Cost of Sales decreased 27.1%, which is mainly explained by the negative effect upon translation of figures. In nominal local currency (without IAS 29) it increased by 20.9%, which is mainly explained by (i) increased revenues in local currency, having a direct incidence over concentrate costs, (ii) increased labor costs and services provided by third-parties, mainly resulting from high local inflation, (iii) the effect of the devaluation of the Argentine peso over our dollarized costs, and (iv) greater PET resin costs.



SG&As decreased 19.5% in the reporting currency, mainly explained by the negative effect upon translation of figures. In nominal local currency they increased 37.7% which is mainly explained by expenses such as freight, labor and services provided by third parties, which have increased due to high local inflation.

The foregoing mentioned impacts, led to an Operating Income of Ch\$39,767 million, a 35.7% decrease. Operating Margin was 9.6%. In nominal local currency (without IAS 29), Operating Income increased 47.1%.

Adjusted EBITDA amounted to Ch\$60,242 million, a 24.2% decrease. Adjusted EBITDA Margin was 14.6%, an expansion of 22 basis points. On the other hand, Adjusted EBITDA Margin in nominal local currency (without IAS 29) grew by 39.8%.

Brazil

Sales Volume reached 249.2 million unit cases, increasing 0.1%, explained by higher volumes of the water and juice categories and partially offset by a decrease in the beer category.

Net Sales reached Ch\$540,510 million, a 10.5% decrease explained by the negative impact of the depreciation of local currency with respect to the reporting currency upon consolidation of figures. In local currency, Net Sales increased 2.9% regarding the previous year, mainly explained by increases in net average prices and greater revenue from commissions on the sale of Heineken.

Cost of Sales decreased 9.1%, which is mainly explained by the effect of translation of figures. In local currency it increased by 4.5%, which is mainly explained by (i) the negative effect over dollarized costs of the depreciation of the Brazilian real against the U.S. dollar, (ii) greater depreciation charges, explained by the new Duque de Caxias plant, and (iii) a greater cost of PET resin. These effects were partially offset by the lower price of sugar, and lower use of sugar due to the reformulations we have carried out.

SG&As decreased 16.5% in the reporting currency, and in local currency they decreased 3.6%. This is mainly explained by lower advertising expenses and by other operating income recorded in this item, that showed an increase compared with the previous year. These effects were partially offset by greater freight transportation expenses.

The foregoing mentioned impacts, led to an Operating Income of Ch\$79,482 million, a 5.2% decrease. Operating Margin was 14.7%. In local currency, Operating Income increased 8.1%.

Adjusted EBITDA reached Ch\$106,313 million, a decrease of 4.8% regarding the previous year. Adjusted EBITDA Margin was 19.7%, an expansion of 117 basis points. In local currency Adjusted EBITDA increased by 8.9%.

Chile

Sales Volume reached 231.4 million unit cases, representing a 0.1% growth, explained by an increase in the water and juice categories, that was partially offset by a decrease in the soft drinks category.

Net Sales reached Ch\$570,939 million, a 3.5% growth, explained by the increase in average prices and the incorporation of Diageo products to our sales, which carry a higher average price.

Cost of Sales increased 2.5%, which is mainly explained by the shift in the mix towards products which have a higher unit cost, and the higher cost of PET resin. This was partially offset by the lower cost of sugar and the lower use of sugar due to the shift in the mix towards sugar free products and the reformulations we have made.

SG&As increased 1.1% which is mainly explained by greater labor expenses and greater advertising expenses. These effects were partially offset by other operating income recorded in this item, that showed an increase compared with the previous year.

The foregoing mentioned impacts, led to an Operating Income of Ch\$82,131 million, 12.7% higher when compared to the previous year. Operating Margin was 14.4%.

Adjusted EBITDA amounted to Ch\$124,484 million, increasing 7.7%. Adjusted EBITDA Margin was 21.8%, an expansion of 86 basis points.

Paraguay

Sales Volume reached 68.2 million unit cases, representing a 4.9% growth, explained by volume growths of all categories.

Net Sales reached Ch\$149,588 million, reflecting a 5.9% growth. In local currency Net Sales increased 9.0%, which is explained by the already mentioned growth in Sales Volume and the implementation of price increases during the period.



Cost of Sales increased by 4.1% and in local currency it increased by 7.1%. This is mainly explained by (i) greater volumes sold, (ii) increased revenues which has a direct incidence on the cost of concentrate, and (iii) greater cost of PET resin.

SG&As increased 3.9% in the reporting currency. In local currency they increased 7.0%, explained mainly by greater labor costs and greater advertising expenses, which was partially offset by lower depreciation charges.

The aforementioned effects led to an Operating Income of Ch\$29,087 million, 14.4% higher when compared to the previous year. Operating Margin was 19.4%. In local currency Operating Income increased 18.0%.

Adjusted EBITDA reached Ch\$39,023 million, which is 7.3% higher compared to the previous year and Adjusted EBITDA Margin was 26.1%, an expansion of 34 basis points. In local currency Adjusted EBITDA increased 10.7%.

NON-OPERATING RESULTS FOR THE QUARTER

Net Financial Income and Expense account recorded a Ch\$22,676 million expense, which is compared to the Ch\$11,264 million expense for the same quarter of the previous year. The increase is mainly due to the accounting effect of the partial repurchase of the bond made in October, since the higher value paid with respect to the nominal value of the bond, as well as other expenses associated with the transaction, are recorded as a financial expense, and this concept amounted to Ch\$9,583 million.

Results by Investment in Related Companies account went from a Ch\$431 million loss to a Ch\$557 million earning, which is explained by greater earnings in Brazilian equity investees.

Other Income and Expenses account recorded a Ch\$1,967 million loss compared to a Ch\$4,256 million loss reported during the same quarter of the previous year, this variation is explained by lower tax payments on bank debt in Argentina, as well as lower write-offs of property, plant and equipment.

Results by Adjustment Units and Exchange Rate Differences account went from a Ch\$2,539 million loss to a Ch\$964 million loss. This loss is mainly explained by the restatement of the Company's debt which is expressed in UF.

Income Tax went from -Ch\$19,001 million to -Ch\$17,339 million, virtually without variation.

CONSOLIDATED BALANCE SHEET

The balance of assets and liabilities as of the closing dates of these financial statements are:

	12-31-2017	12-31-2018	Variation
	MCh\$	MCh\$	MCh\$
Assets			
Current assets	484,010	481,585	-2,425
Non-current assets	1,630,849	1,732,919	102,069
Total Assets	2,114,859	2,214,505	99,645
	12-31-2017	12-31-2018	Variation
	MCh\$	MCh\$	MCh\$
Liabilities			
Current liabilities	428,288	419,862	-8,425
Non-current liabilities	873,339	930,928	57,589
Total Liabilities	1,301,626	1,350,790	49,164
	12-31-2017	12-31-2018	Variation
	MCh\$	MCh\$	MCh\$
Equity			
Non-controlling interests	21,923	19,902	-2,022
Equity attributable to the owners of the controller	791,310	843,813	52,503
Total Equity	813,233	863,715	50,481

At the closing of December, with regard to the closing of 2017, the Argentine peso and the Brazilian real depreciated against the Chilean peso, by 78.9% and 3.6%, respectively. This generated a decrease in assets, liabilities and equity accounts, due to the effect of translation of figures. On the contrary, the Paraguayan guarani appreciated against the Chilean peso by 5.7%, generating an increase in the accounts, due to the effect of translation of figures.

Assets

Total assets increased by Ch\$99,645 million, 4.7% compared to December 2017.

Current assets decreased by Ch\$2,425 million, 0.5% compared to December 2017, which is mainly explained by a decrease in Trade and Other Current Accounts Receivable (-Ch\$17,171 million) due to the strong devaluation of the Argentinean peso against the Chilean peso, originating a decrease in accounts receivable in Argentina. In addition to the decrease in Other Current Financial Assets (-Ch\$13,455 million). The mentioned decreases are offset by the increase in inventories (Ch\$19,957 million) of raw materials in the operations of Paraguay and Argentina, and by a greater stock of finished product inventories at the end of the year in the operation of Chile.

On the other hand, non-current assets increased by Ch\$102,069 million, 6.3% compared to December 2017, which is mainly explained by the increase of assets in Property, Plant and Equipment (Ch\$51,020 million), due to investments (Ch\$128,854 million), resulting mainly from investments in containers and cases, new Duque de Caxias plant and other production investments, and by the effect of the adoption of IAS 29 in Argentina (Ch\$96,660 million) on this type of assets. A decreased depreciation (-Ch\$97,623 million) and the decrease due to the negative effect on translation of figures (-Ch\$66,171 million) partially offset the aforementioned increases.

The increase in Goodwill (Ch\$26,631 million) explained by the inflation adjustment for the application of IAS 29 in Argentina and the increase in Other Non-Current Financial Assets (Ch\$23,103 million) due to the effect of the depreciation of the Brazilian real against the U.S. dollar during the period, which increased the mark to market of the cross currency swaps, also contributed positively to the non-current assets account.

Liabilities and Equity

In total, liabilities increased by Ch\$49,164 million, 3.8% compared to December 2017.

Current liabilities decreased by Ch\$8,425 million, 2.0% regarding December 2017, which is mainly explained by the decrease in Trade and Other Current Accounts Payable (-Ch\$19,410 million), due to the significant devaluation of the Argentine peso regarding the Chilean peso, which resulted in a decrease in these type of accounts in Argentina. The decrease of Other Current Financial Liabilities (-Ch\$11,866 million), is added to the above and is mainly due to the debt payment in Argentina and Brazil. The aforementioned decreases were partially offset by the increase in Current Accounts Payable to Related Entities (Ch\$11,866 million).

On the other hand, non-current liabilities increased by Ch\$57,589 million, 6.6% compared to December 2017, mainly by the increase of Other Non-Current Financial Liabilities (Ch\$40,797 million), largely explained by the effect of the depreciation of the Chilean peso against the U.S. dollar, on the amount of the U.S. dollar debt. In addition, the increase in Deferred Tax Liabilities (Ch\$20,041 million) explained by the effect of the adoption of IAS 29 in Argentina, generating an additional liability for all restated non-monetary assets.

As for equity, it increased by Ch\$50,481 million, 6.2% compared to December 2017, explained by Retained Earnings (Ch\$126,698 million) resulting from earnings obtained during the period (Ch\$96,603 million), the increase by the adoption of IAS 29 in Argentina associated to the initial balances at the closing of 2017 and subsequent periods (Ch\$115,570 million) partially offset by dividend payments (-Ch\$85,475 million). The increase in

Retained Earnings was partially offset by a decrease in Other Reserves (-Ch\$74,194 million) mainly by the effect of translation of figures from foreign subsidiaries upon consolidation, due to exchange rate variations.

FINANCIAL ASSETS AND LIABILITIES

Total financial assets amounted to US\$339 million. Excluding the market valuation effect of Cross Currency Swaps ("CCS"), financial assets amounted to US\$212 million, which are invested in time deposits and short-term fixed income mutual funds. In terms of exposure to currency, without considering derivatives, financial assets are denominated 51.6% in Chilean pesos, 19.0% in Brazilian real, 11.2% in Argentine pesos, 10.7% in U.S. dollars, and 7.5% in Paraguayan guarani.

Financial debt level reached US\$1,112 million, of which US\$369 million correspond to a bond in the international market, US\$669 million to bonds in the local Chilean market and US\$75 million to bank debt. Financial debt, including the CCS effect, is denominated 60.4% in UF, 37.5% in Brazilian real, 1.3% in Chilean pesos, 0.5% in U.S. dollars, 0.2% in Argentine pesos and 0.1% in Paraguayan guarani.

The Company's Net Debt, including the aforementioned CCS effect, reached US\$773 million.

CASH FLOW

Cash Flow	12-31-2017	12-31-2018	Variation	
	MCh\$	MCh\$	MCh\$	%
Operating	247,960	235,279	-12,681	-5.11%
Investment	-168,831	-118,086	50,745	-30.06%
Financing	-78,346	-114,635	-36,289	46.32%
Net Cash Flow for the period	783	2,558	1,775	226.69%

During the present period, the Company generated a positive net cash flow of Ch\$2,558 million, with the following breakdown:

Operating activities generated a positive net cash flow of Ch\$235,279 million, which is lower than the Ch\$247,960 million recorded in the same period of 2017 and is mainly due to higher payments to suppliers, partially offset by collections from clients.

Investment activities generated a negative cash flow of Ch\$118,086 million, with a positive variation of Ch\$50,745 million compared to the previous year, which is mainly explained by lower purchases of property, plant and equipment.

Financing activities generated a negative cash flow of Ch\$114,635 million, with a negative variation of Ch\$36,289 million compared to the previous year, which is mainly explained by lower bank financing in Argentina and Brazil and increased dividend payments.

MAIN INDICATORS

INDICATOR	Definition	Unit	Dec 17	Dec 18	Dec 18 vs Dec 17
LIQUIDITY					
Current Liquidity	$\frac{\text{Current Asset}}{\text{Current Liability}}$	Times	1.1	1.1	1.5%
Acid Ratio	$\frac{\text{Current Asset} - \text{Inventories}}{\text{Current Liability}}$	Times	0.8	0.8	-4.5%
ACTIVITY					
Investments		Ch\$ million	147,934	128,854	-12.9%
Inventory turnover	$\frac{\text{Cost of Sales}}{\text{Average Inventory}}$	Times	7.7	6.8	-11.6%
INDEBTEDNESS					
Indebtedness Ratio	$\frac{\text{Total Liabilities}}{\text{Minority interest} + \text{Equity}}$	Times	1.6	1.6	-2.3%
Financial Expenses Coverage	$\frac{\text{EBIT}^*}{\text{Financial Expenses} - \text{Financial Income}}$	Times	4.9	4.0	-18.1%
Net Debt / Adjusted EBITDA	$\frac{\text{Net Debt}}{\text{Adjusted EBITDA}^*}$	Times	1.5	1.7	7.6%
PROFITABILITY					
Over Equity	$\frac{\text{Net Income for the Fiscal Year}^*}{\text{Average Equity}}$	%	14.6%	11.8%	-2.8 pp
Over Total Asset	$\frac{\text{Net Income for the Fiscal Year}^*}{\text{Average Assets}}$	%	5.5%	4.5%	-1.0 pp

*Value corresponds to the sum of the last 12 moving months

Liquidity

Current Liquidity showed a positive variation of 1.5% compared to December 2017 explained by the 2.0% decrease in current liabilities in this period, which is mainly explained by the decrease in Trade and Other Current Accounts Payable (mainly because of the effect of the devaluation of the Argentine currency on these liabilities).

The Acid Ratio decreased by 4.5% compared to December 2017. This is explained by the increase in inventories (15.2%) due to greater inventories of raw materials in the operations of Paraguay and Argentina, and by a greater stock of finished product inventories at the closing of the fiscal year in the Chilean operation.

Activity

Investments made during 2018 reached Ch\$128,854 million, reflecting a 12.9% decrease compared to the same period of 2017. This is because the investment in the new Duque de Caxias plant accumulated for the full year 2017 was greater than the investment made for this same concept during 2018.

Inventory Turnover is 6.8x, an 11.6% decrease versus the same period of 2017, because the cost of sales decreased by 9.4% versus the same period of 2017.

Indebtedness

Indebtedness Ratio reached the value of 1.6x at the end of December 2018, which amounts to a decrease of 2.3% from the end of December 2017. This is mainly due to the 6.6% increase in equity compared to December 2017.

Financial expenses coverage indicator shows a decrease of 18.1% compared with December 2017, mainly because of a decrease in financial income (-64.8%), due to lower financial income from foreign subsidiaries and that the cost above par value of the partial repurchase of bonds in U.S. dollars is recorded as a financial expense. In addition to a lower EBIT (-5.0%)

Net Debt /Adjusted EBITDA reached 1.7x, representing a 7.6% increase versus December 2017. The previous is mainly due to the 3.8% decrease in Adjusted EBITDA resulting from the adoption of IAS 29 in Argentina and the effect of translation of figures from foreign subsidiaries upon consolidation. This added to the 3.5% increase in net debt versus December 2017.

Profitability

Profitability indicators show a decrease when compared to December 2017. Return on Equity reached 11.8%, a decrease of 2.8 percentage points compared to December 2017. The previous result is mainly due to the 18.0% decrease in net income of the period, resulting from the negative effect upon consolidation of figures of the devaluation of the Argentine peso and the Brazilian real against the Chilean peso and because of the adoption of IAS 29 in Argentina. On the other hand, Return on Assets was 4.5%, lower by 1.0 percentage points than the indicator measured in December 2017, also explained by the aforementioned decrease in net income.

MARKET RISK ANALYSIS

The Company's risk management is the responsibility of the office of the Chief Executive Officer, (through the areas of Corporate Management Control, Sustainability and Risks, which depends on the office of the Chief Financial Officer), as well as each of the management areas of Coca-Cola Andina. The main risks that the Company has identified and that could possibly affect the business are as follows:

Relationship with The Coca-Cola Company

A large part of the Company's sales derives from the sale of products whose trademarks are owned by The Coca-Cola Company, which has the ability to exert an important influence on the business through its rights under the Licensing or Bottling Agreements. In addition, we depend on The Coca-Cola Company to renew these Bottling Agreements.

Non-alcoholic beverage business environment

Consumers, public health officials, and government officials in our markets are increasingly concerned about the public health consequences associated with obesity, which can affect demand for our products, especially those containing sugar.

The Company has developed a large portfolio of sugar-free products and has also made reformulations to some of its sugary products, significantly reducing sugar contents of its products.

Raw material prices and exchange rate

Many raw materials are used in the production of beverages and packaging, including sugar and PET resin, the prices of which may present great volatility. In the case of sugar, the Company sets the price of a part of the volume that it consumes with some anticipation, in order to avoid having large fluctuations of cost that cannot be anticipated.

In addition, these raw materials are traded in dollars; the Company has a policy of hedging a portion of the dollars it uses to buy raw materials in the futures market.

Instability in the supply of utilities

In the countries in which we operate, our operations depend on a stable supply of utilities and fuel. Power outages or water shut-offs may result in service interruptions or increased costs. The Company has mitigation plans to reduce the effects of eventual outages or shut-offs.

Economic conditions of the countries where we operate

The Company maintains operations in Argentina, Brazil, Chile and Paraguay. The demand for our products largely depends on the economic situation of these countries. Moreover, economic instability can cause depreciation of the currencies of these countries, as well as inflation, which may eventually affect the Company's financial situation.

New tax laws or modifications to tax incentives

We cannot ensure that any government authority in any of the countries in which we operate will not impose new taxes or increase existing taxes on our raw materials, products or containers. Likewise, we cannot assure that these authorities are going to uphold and/or renew tax incentives that currently benefit some of our operations.

The possible termination of the Heineken product distribution agreement in Brazil

In July 2017 Heineken Brazil notified the termination of the agreement according to which Rio de Janeiro Refrescos Ltda. commercializes and distributes Heineken brand beers in our franchise territories in Brazil. Rio de Janeiro Refrescos Ltda. understands that the expiration of this agreement is scheduled for the year 2022, which is why we submitted this dispute to an arbitration process. While we continue to commercialize the aforementioned products, and Heineken Brazil is still required to distribute its products through The Coca-Cola System during the course of the arbitral procedure indicated above, the final result is subject to uncertainty, and it is not possible for us to predict its final resolution. An unfavorable outcome of this arbitration process could result in the termination of the agreement according to which Rio de Janeiro Refrescos Ltda. commercializes and distributes Heineken brand beers, which could produce a significant adverse effect on our business in Brazil.

A more detailed analysis of business risks is available in the Company's 20-F and Annual Report, available on our website.

FINANCIAL REPORTING IN HYPERINFLATIONARY ECONOMIES - ARGENTINA

On July 1, 2018, Argentina was categorized as a hyperinflationary economy thus requiring the adoption of IAS 29 “Financial Reporting in Hyperinflationary Economies” with respect to the operation of that country. The adoption date of this standard is January 1, 2018. Accordingly, financial statements are expressed at values current at the end of the reporting period. Therefore, our results from each quarter will reflect the impact of IAS 29. In addition, there is a change in the results of the first nine months already reported, since this standard requires that presentation of accumulated results of the Argentine operation be in currency of the reporting period, in this case December, and then translated to Chilean pesos at the closing rate of the same period.

Summary of main criteria applied:

- Financial Statement Position: Non-monetary items are expressed in the currency as of the reporting date. The resulting losses and gains are included in net profit (income for the fiscal year).
- Effects of first time adoption of IAS 29: Non-monetary items of the balance sheet as of December 31, 2017 are restated to reflect the general price index from the dates on which the asset or liability arose until December 31, 2017. The resulting losses and gains are recorded in accumulated results as of December 31, 2017.
- Income Statement: Income statement items are expressed in the measuring unit current at the end of the reporting period, using the variation of the general price index from the date on which expenses and revenues were accrued.
- Comparative figures presented in Argentine pesos: Figures for previous periods, are expressed applying the general price index, so that comparative financial statements are presented in terms of the measuring unit current at the end of the reporting period.
- Translation of local financial statements to Chilean pesos:
 - Financial statements: items expressed according to the indicated methodology are translated using the end of period exchange rate.
 - Comparative figures: financial statements from previous periods are not restated, since the Chilean peso is a currency of a non-hyperinflationary economy.

During 4Q18 we are reporting a positive impact of Ch\$3,098 million in our consolidated Net Sales, and negative impacts of Ch\$1,082 million in our consolidated Adjusted EBITDA and Ch\$3,767 in Net Income attributable to the owners of the controller due to the adoption of this standard.

During FY18 we are reporting negative impacts of Ch\$21,166 million in our consolidated Net Sales, Ch\$8,103 million in our adjusted EBITDA and Ch\$15,742 million in Net Income attributable to the owners of the controller, for the same reason.

RECENT EVENTS

ALAS20 awards

ALAS20 is an initiative that encourages and recognizes those companies, investors and professionals that stand out for their leadership in the environmental, social, and corporate governance fields, and that actively contribute to the sustainable development of the country.

In December, the Company received several ALAS20 awards:

- Leading Company in Corporate Governance: 3rd place
- Leading Company in Investor Relations: 1st place
- Leading Company in Sustainability CEO (Mr. Miguel Ángel Peirano): 2nd place
- Leading Company in Sustainability Board Member (Mr. Juan Claro): 3rd place

ALAS20 recognition is based on a technical and objective evaluation process of organizations that stand out for excellence in public disclosure of corporate information on sustainable development practices, corporate governance, investor relations, responsible investments and research in sustainability.

Interim Dividend 208

Interim Dividend 208 was paid on January 24, 2019: Ch\$21.5 per each Series A share; and Ch\$23.65 per each Series B share. The closing of the Shareholders' Registry for payment of this dividend was January 18, 2019.

Coca-Cola Andina is among the three largest Coca-Cola bottlers in Latin America, servicing franchised territories with almost 52.6 million people, delivering 750.6 million unit cases or 4.2 billion liters of soft drinks, juices, and bottled waters during 2018. Coca-Cola Andina has the franchise to produce and commercialize Coca-Cola products in certain territories in Argentina (through Embotelladora del Atlántico), in Brazil (through Rio de Janeiro Refrescos), in Chile (through Embotelladora Andina) and in all of Paraguay (through Paraguay Refrescos). The Chadwick Claro, Garcés Silva, Hurtado Berger, Said Handal and Said Somavía families control Coca-Cola Andina in equal parts. The Company's proposal to generate value is being a leader in the non-alcoholic beverages 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. For more company information visit www.koandina.com.

This document may contain projections reflecting Coca-Cola Andina's good faith expectation and are based on currently available information. However, the results that are finally obtained are subject to diverse variables, many of which are beyond the Company's control and which could materially impact the current performance. Among the factors that could change the performance are: the political and economic conditions on mass consumption, pricing pressures resulting from competitive discounts of other bottlers, weather conditions in the Southern Cone and other risk factors that would be applicable from time to time and which are periodically informed in reports filed before the appropriate regulatory authorities, and which are available on our website.

NYSE: AKO/A; AKO/B

BOLSA DE COMERCIO DE SANTIAGO: ANDINA-A; ANDINA-B

www.koandina.com

Embotelladora Andina S.A.
Fourth Quarter Results for the period ended December 31. Reported figures, IFRS GAAP (with IAS 29).
(In nominal million Chilean pesos, except per share)

	October-December 2018					October-December 2017					% Ch.
	Chilean Operations	Brazilian Operations	Argentine Operations (6)	Paraguay Operations	Total (1)	Chilean Operations	Brazilian Operations	Argentine Operations	Paraguay Operations	Total (1)	
VOLUME TOTAL BEVERAGES (Million UC)	67.9	72.2	54.0	19.4	213.5	67.2	71.9	63.0	18.9	221.0	-3.4%
Net sales	166,442	160,492	110,828	43,343	480,508	158,834	164,438	161,438	40,168	524,298	-8.4%
Cost of sales	(94,882)	(98,789)	(57,077)	(25,726)	(275,877)	(92,848)	(95,353)	(82,354)	(24,625)	(294,600)	-6.4%
Gross profit	71,560	61,703	53,751	17,617	204,631	65,986	69,084	79,084	15,543	229,697	-10.9%
Gross margin	43.0%	38.4%	48.5%	40.6%	42.6%	41.5%	42.0%	49.0%	38.7%	43.8%	
Distribution and administrative expenses	(36,993)	(33,180)	(42,715)	(8,984)	(121,872)	(37,395)	(40,463)	(59,931)	(8,402)	(146,190)	-16.6%
Corporate expenses (2)					(1,306)					(1,413)	-7.6%
Operating income (3)	34,568	28,523	11,037	8,632	81,454	28,591	28,622	19,153	7,141	82,094	-0.8%
Operating margin	20.8%	17.8%	10.0%	19.9%	17.0%	18.0%	17.4%	11.9%	17.8%	15.7%	
Adjusted EBITDA (4)	45,697	35,733	15,794	11,312	107,230	39,382	35,161	23,468	9,833	106,431	0.8%
Adjusted EBITDA margin	27.5%	22.3%	14.3%	26.1%	22.3%	24.8%	21.4%	14.5%	24.5%	20.3%	
Financial (expenses) income (net)					(22,676)					(11,264)	101.3%
Share of (loss) profit of investments accounted for using the equity method					557					(431)	-229.2%
Other income (expenses) (5)					(1,967)					(4,256)	-53.8%
Results by readjustement unit and exchange rate difference					(964)					(2,539)	-62.0%
Net income before income taxes					56,405					63,604	-11.3%
Income tax expense					(17,339)					(19,001)	-8.7%
Net income					39,066					44,603	-12.4%
Net income attributable to non-controlling interests					(569)					(494)	15.2%
Net income attributable to equity holders of the parent					38,497					44,109	-12.7%
Net margin					8.0%					8.4%	
WEIGHTED AVERAGE SHARES OUTSTANDING					946.6					946.6	
EARNINGS PER SHARE					40.7					46.6	
EARNINGS PER ADS					244.0					279.6	-12.7%

(1) Total may be different from the addition of the four countries because of intercountry eliminations

(2) Corporate expenses partially reclassified to the operations.

(3) Operating Income considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean Financial Market Commission and determined in accordance to IFRS.

(4) Adjusted EBITDA: considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean Financial Market Commission and determined in plus Depreciation.

(5) Other income (expenses): includes the following lines of the income statement by function included in the published financial statements in the Financial Market Commission: "Other income", "Other expenses" and "Other (loss) gains".

(6) 2018 Argentine figures are presented in accordance with IAS 29. 2017 figures do not consider IAS 29.

Embotelladora Andina S.A.

Fourth Quarter Results for the period ended December 31. Reported figures, IFRS GAAP (with IAS 29).

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

Exch. Rate : 679.35

Exch. Rate : 632.99

	October-December 2018					October-December 2017					% Ch.
	Chilean Operations	Brazilian Operations	Argentine Operations (6)	Paraguay Operations	Total (1)	Chilean Operations	Brazilian Operations	Argentine Operations	Paraguay Operations	Total (1)	
VOLUME TOTAL BEVERAGES (Million UC)	67.9	72.2	54.0	19.4	213.5	67.2	71.9	63.0	18.9	221.0	-3.4%
Net sales	245.0	236.2	159.5	63.8	703.7	250.9	259.8	255.0	63.5	828.3	-15.0%
Cost of sales	(139.7)	(145.4)	(82.2)	(37.9)	(404.2)	(146.7)	(150.6)	(130.1)	(38.9)	(465.4)	-13.1%
Gross profit	105.3	90.8	77.4	25.9	299.5	104.2	109.1	124.9	24.6	362.9	-17.5%
Gross margin	43.0%	38.4%	48.5%	40.6%	42.6%	41.5%	42.0%	49.0%	38.7%	43.8%	
Distribution and administrative expenses	(54.5)	(48.8)	(61.5)	(13.2)	(178.0)	(59.1)	(63.9)	(94.7)	(13.3)	(231.0)	-22.9%
Corporate expenses (2)					(1.9)					(2.2)	-13.9%
Operating income (3)	50.9	42.0	15.9	12.7	119.5	45.2	45.2	30.3	11.3	129.7	-7.8%
Operating margin	20.8%	17.8%	10.0%	19.9%	17.0%	18.0%	17.4%	11.9%	17.8%	15.7%	
Adjusted EBITDA (4)	67.3	52.6	22.7	16.7	157.3	62.2	55.5	37.1	15.5	168.1	-6.4%
Adjusted EBITDA margin	27.5%	22.3%	14.3%	26.1%	22.4%	24.8%	21.4%	14.5%	24.5%	20.3%	
Financial (expenses) income (net)					(33.3)					(17.8)	87.1%
Share of (loss) profit of investments accounted for using the equity method					0.8					(0.7)	-220.4%
Other income (expenses) (5)					(2.9)					(6.7)	-57.6%
Results by readjustement unit and exchange rate difference					(1.5)					(4.0)	-63.4%
Net income before income taxes					82.7					100.5	-17.7%
Income tax expense					(25.4)					(30.0)	-15.4%
Net income					57.4					70.5	-18.6%
Net income attributable to non-controlling interests					(0.8)					(0.8)	7.4%
Net income attributable to equity holders of the parent					56.5					69.7	-18.9%
Net margin					8.0%					8.4%	
WEIGHTED AVERAGE SHARES OUTSTANDING	946.6					946.6					
EARNINGS PER SHARE	0.06					0.07					
EARNINGS PER ADS	0.36					0.44					-18.9%

(1) Total may be different from the addition of the four countries because of intercountry eliminations

(2) Corporate expenses partially reclassified to the operations.

(3) Operating Income considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean Financial Market Commission and determined in accordance to IFRS.

(4) Adjusted EBITDA: considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean Financial Market Commission and determined in accordance to IFRS plus Depreciation.

(5) Other income (expenses): includes the following lines of the income statement by function included in the published financial statements in the Financial Market Commission: "Other income", "Other expenses" and "Other (loss) gains".

(6) 2018 Argentine figures are presented in accordance with IAS 29. Closing exchange rate is used to convert Chilean pesos to US dollars.

Embotelladora Andina S.A.
Twelve Months Results for the period ended December 31. Reported figures, IFRS GAAP (with IAS 29).
(In nominal million Chilean pesos, except per share)

	January-December 2018					January-December 2017					% Ch.
	Chilean Operations	Brazilian Operations	Argentine Operations (6)	Paraguay Operations	Total (1)	Chilean Operations	Brazilian Operations	Argentine Operations	Paraguay Operations	Total (1)	
VOLUME TOTAL BEVERAGES (Million UC)	231.4	249.2	201.9	68.2	750.6	231.0	248.9	211.4	65.0	756.3	-0.8%
Net sales	570,939	540,510	413,561	149,588	1,672,916	551,873	603,898	553,788	141,277	1,848,879	-9.5%
Cost of sales	(336,720)	(329,529)	(214,647)	(88,813)	(968,028)	(328,579)	(362,686)	(294,371)	(85,347)	(1,069,025)	-9.4%
Gross profit	234,219	210,980	198,913	60,775	704,888	223,294	241,211	259,417	55,930	779,854	-9.6%
Gross margin	41.0%	39.0%	48.1%	40.6%	42.1%	40.5%	39.9%	46.8%	39.6%	42.2%	
Distribution and administrative expenses	(152,088)	(131,499)	(159,146)	(31,688)	(474,421)	(150,404)	(157,401)	(197,595)	(30,508)	(535,908)	-11.5%
Corporate expenses (2)					(5,097)					(5,220)	-2.3%
Operating income (3)	82,131	79,482	39,767	29,087	225,370	72,890	83,811	61,823	25,422	238,726	-5.6%
Operating margin	14.4%	14.7%	9.6%	19.4%	13.5%	13.2%	13.9%	11.2%	18.0%	12.9%	
Adjusted EBITDA (4)	124,484	106,313	60,242	39,023	324,964	115,579	111,690	79,471	36,370	337,890	-3.8%
Adjusted EBITDA margin	21.8%	19.7%	14.6%	26.1%	19.4%	20.9%	18.5%	14.4%	25.7%	18.3%	
Financial (expenses) income (net)					(51,074)					(44,026)	16.0%
Share of (loss) profit of investments accounted for using the equity method					1,411					(80)	-1856.1%
Other income (expenses) (5)					(16,156)					(18,688)	-13.5%
Results by readjustement unit and exchange rate difference					(6,534)					(5,134)	27.3%
Net income before income taxes					153,016					170,798	-10.4%
Income tax expense					(55,565)					(51,798)	7.3%
Net income					97,451					119,001	-18.1%
Net income attributable to non-controlling interests					(847)					(1,165)	-27.3%
Net income attributable to equity holders of the parent					96,603					117,836	-18.0%
Net margin					5.8%					6.4%	
WEIGHTED AVERAGE SHARES OUTSTANDING					946.6					946.6	
EARNINGS PER SHARE					102.1					124.5	
EARNINGS PER ADS					612.3					746.9	-18.0%

(1) Total may be different from the addition of the four countries because of intercountry eliminations

(2) Corporate expenses partially reclassified to the operations.

(3) Operating Income considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean Financial Market Commission and determined in accordance to IFRS.

(4) Adjusted EBITDA: considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean Financial Market Commission and determined in accordance to IFRS plus Depreciation.

(5) Other income (expenses): includes the following lines of the income statement by function included in the published financial statements in the Financial Market Commission: "Other income", "Other expenses" and "Other (loss) gains".

(6) 2018 Argentine figures are presented in accordance with IAS 29. 2017 figures do not consider IAS 29.

Embotelladora Andina S.A.
Twelve Months Results for the period ended December 31. Reported figures, IFRS GAAP (with IAS 29).
(In nominal million US\$, except per share)

Exch. Rate : 638.02

Exch. Rate : 649.12

	January-December 2018					January-December 2017					% Ch.
	Chilean Operations	Brazilian Operations	Argentine Operations (6)	Paraguay Operations	Total (1)	Chilean Operations	Brazilian Operations	Argentine Operations	Paraguay Operations	Total (1)	
VOLUME TOTAL BEVERAGES (Million UC)	231.4	249.2	201.9	68.2	750.6	231.0	248.9	211.4	65.0	756.3	-0.8%
Net sales	894.9	847.2	595.2	234.5	2,569.3	850.2	930.3	853.1	217.6	2,848.3	-9.8%
Cost of sales	(527.8)	(516.5)	(308.9)	(139.2)	(1,490.0)	(506.2)	(558.7)	(453.5)	(131.5)	(1,646.9)	-9.5%
Gross profit	367.1	330.7	286.3	95.3	1,079.3	344.0	371.6	399.6	86.2	1,201.4	-10.2%
Gross margin	41.0%	39.0%	48.1%	40.6%	42.0%	40.5%	39.9%	46.8%	39.6%	42.2%	
Distribution and administrative expenses	(238.4)	(206.1)	(229.1)	(49.7)	(723.2)	(231.7)	(242.5)	(304.4)	(47.0)	(825.6)	-12.4%
Corporate expenses (2)					(8.0)					(8.0)	-0.6%
Operating income (3)	128.7	124.6	57.2	45.6	348.1	112.3	129.1	95.2	39.2	367.8	-5.3%
Operating margin	14.4%	14.7%	9.6%	19.4%	13.5%	13.2%	13.9%	11.2%	18.0%	12.9%	
Adjusted EBITDA (4)	195.1	166.6	86.7	61.2	501.6	178.1	172.1	122.4	56.0	520.5	-3.6%
Adjusted EBITDA margin	21.8%	19.7%	14.6%	26.1%	19.5%	20.9%	18.5%	14.4%	25.7%	18.3%	
Financial (expenses) income (net)					(80.0)					(67.8)	18.0%
Share of (loss) profit of investments accounted for using the equity method					2.2					(0.1)	-1886.6%
Other income (expenses) (5)					(24.7)					(28.8)	-14.3%
Results by readjustement unit and exchange rate difference					(10.6)					(7.9)	33.5%
Net income before income taxes					235.1					263.1	-10.7%
Income tax expense					(84.7)					(79.8)	6.1%
Net income					150.4					183.3	-17.9%
Net income attributable to non-controlling interests					(1.3)					(1.8)	-26.0%
Net income attributable to equity holders of the parent					149.1					181.5	-17.9%
Net margin					5.8%					6.4%	
WEIGHTED AVERAGE SHARES OUTSTANDING	946.6					946.6					
EARNINGS PER SHARE	0.16					0.19					
EARNINGS PER ADS	0.95					1.15					-17.9%

(1) Total may be different from the addition of the four countries because of intercountry eliminations

(2) Corporate expenses partially reclassified to the operations.

(3) Operating Income considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean Financial Market Commission and determined in accordance to IFRS.

(4) Adjusted EBITDA: considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean Financial Market Commission and determined in accordance to IFRS plus Depreciation.

(5) Other income (expenses): includes the following lines of the income statement by function included in the published financial statements in the Financial Market Commission: "Other income", "Other expenses" and "Other (loss) gains".

(6) 2018 Argentine figures are presented in accordance with IAS 29. Closing exchange rate is used to convert Chilean pesos to US dollars.

Embotelladora Andina S.A.

Fourth Quarter Results for the period ended December 31. As reported before the application of IAS 29.

(In nominal million Chilean pesos, except per share)

	October-December 2018					October-December 2017					% Ch.
	Chilean Operations	Brazilian Operations	Argentine Operations	Paraguay Operations	Total (1)	Chilean Operations	Brazilian Operations	Argentine Operations	Paraguay Operations	Total (1)	
VOLUME TOTAL BEVERAGES (Million UC)	67.9	72.2	54.0	19.4	213.5	67.2	71.9	63.0	18.9	221.0	-3.4%
Net sales	166,442	160,492	107,868	43,343	477,410	158,834	164,438	161,438	40,168	524,298	-8.9%
Cost of sales	(94,882)	(98,789)	(52,586)	(25,726)	(271,248)	(92,848)	(95,353)	(82,354)	(24,625)	(294,600)	-7.9%
Gross profit	71,560	61,703	55,282	17,617	206,162	65,986	69,084	79,084	15,543	229,697	-10.2%
Gross margin	43.0%	38.4%	51.2%	40.6%	43.2%	41.5%	42.0%	49.0%	38.7%	43.8%	
Distribution and administrative expenses	(36,993)	(33,180)	(40,960)	(8,984)	(120,117)	(37,395)	(40,463)	(59,931)	(8,402)	(146,190)	-17.8%
Corporate expenses (2)					(1,306)					(1,413)	-7.6%
Operating income (3)	34,568	28,523	14,322	8,632	84,739	28,591	28,622	19,153	7,141	82,094	3.2%
Operating margin	20.8%	17.8%	13.3%	19.9%	17.7%	18.0%	17.4%	11.9%	17.8%	15.7%	
Adjusted EBITDA (4)	45,697	35,733	16,877	11,312	108,313	39,382	35,161	23,468	9,833	106,431	1.8%
Adjusted EBITDA margin	27.5%	22.3%	15.6%	26.1%	22.7%	24.8%	21.4%	14.5%	24.5%	20.3%	
Financial (expenses) income (net)					(21,589)					(11,264)	91.7%
Share of (loss) profit of investments accounted for using the equity method					557					(431)	-229.2%
Other income (expenses) (5)					(1,925)					(4,256)	-54.8%
Results by readjustement unit and exchange rate difference					(3,170)					(2,539)	24.8%
Net income before income taxes					58,613					63,604	-7.8%
Income tax expense					(15,782)					(19,001)	-16.9%
Net income					42,831					44,603	-4.0%
Net income attributable to non-controlling interests					(567)					(494)	14.8%
Net income attributable to equity holders of the parent					42,263					44,109	-4.2%
Net margin					8.9%					8.4%	
WEIGHTED AVERAGE SHARES OUTSTANDING					946.6					946.6	
EARNINGS PER SHARE					44.6					46.6	
EARNINGS PER ADS					267.9					279.6	-4.2%

(1) Total may be different from the addition of the four countries because of intercountry eliminations

(2) Corporate expenses partially reclassified to the operations.

(3) Operating Income considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean Financial Market Commission and determined in accordance to IFRS.

(4) Adjusted EBITDA: considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean Financial Market Commission and determined in plus Depreciation.

(5) Other income (expenses): includes the following lines of the income statement by function included in the published financial statements in the Financial Market Commission: "Other income", "Other expenses" and "Other (loss) gains".

Embotelladora Andina S.A.

Fourth Quarter Results for the period ended December 31. As reported before the application of IAS 29.

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

Exch. Rate : 679.35

Exch. Rate : 632.99

	October-December 2018					October-December 2017					% Ch.
	Chilean Operations	Brazilian Operations	Argentine Operations	Paraguay Operations	Total (1)	Chilean Operations	Brazilian Operations	Argentine Operations	Paraguay Operations	Total (1)	
VOLUME TOTAL BEVERAGES (Million UC)	67.9	72.2	54.0	19.4	213.5	67.2	71.9	63.0	18.9	221.0	-3.4%
Net sales	245.0	236.2	158.8	63.8	702.7	250.9	259.8	255.0	63.5	828.3	-15.2%
Cost of sales	(139.7)	(145.4)	(77.4)	(37.9)	(399.3)	(146.7)	(150.6)	(130.1)	(38.9)	(465.4)	-14.2%
Gross profit	105.3	90.8	81.4	25.9	303.5	104.2	109.1	124.9	24.6	362.9	-16.4%
Gross margin	43.0%	38.4%	51.3%	40.6%	43.2%	41.5%	42.0%	49.0%	38.7%	43.8%	
Distribution and administrative expenses	(54.5)	(48.8)	(60.3)	(13.2)	(176.8)	(59.1)	(63.9)	(94.7)	(13.3)	(231.0)	-23.4%
Corporate expenses (2)					(1.9)					(2.2)	-13.9%
Operating income (3)	50.9	42.0	21.1	12.7	124.7	45.2	45.2	30.3	11.3	129.7	-3.8%
Operating margin	20.8%	17.8%	13.3%	19.9%	17.8%	18.0%	17.4%	11.9%	17.8%	15.7%	
Adjusted EBITDA (4)	67.3	52.6	24.8	16.7	159.4	62.2	55.5	37.1	15.5	168.1	-5.2%
Adjusted EBITDA margin	27.5%	22.3%	15.6%	26.1%	22.7%	24.8%	21.4%	14.5%	24.5%	20.3%	
Financial (expenses) income (net)					(31.8)					(17.8)	78.6%
Share of (loss) profit of investments accounted for using the equity method					0.8					(0.7)	-220.4%
Other income (expenses) (5)					(2.8)					(6.7)	-57.9%
Results by readjustement unit and exchange rate difference					(4.7)					(4.0)	16.3%
Net income before income taxes					86.3					100.5	-14.1%
Income tax expense					(23.2)					(30.0)	-22.6%
Net income					63.0					70.5	-10.5%
Net income attributable to non-controlling interests					(0.8)					(0.8)	7.0%
Net income attributable to equity holders of the parent					62.2					69.7	-10.7%
Net margin					8.9%					8.4%	
WEIGHTED AVERAGE SHARES OUTSTANDING					946.6					946.6	
EARNINGS PER SHARE					0.07					0.07	
EARNINGS PER ADS					0.39					0.44	-10.7%

(1) Total may be different from the addition of the four countries because of intercountry eliminations

(2) Corporate expenses partially reclassified to the operations.

(3) Operating Income considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean Financial Market Comission and determined in accordance to IFRS.

(4) Adjusted EBITDA: considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean Financial Market Comission and determined in accordance to IFRS plus Depreciation.

(5) Other income (expenses): includes the following lines of the income statement by function included in the published financial statements in the Financial Market Comission: "Other income", "Other expenses" and "Other (loss) gains".

Embotelladora Andina S.A.
Twelve Months Results for the period ended December 31. As reported before the application of IAS 29.
(In nominal million Chilean pesos, except per share)

	January-December 2018					January-December 2017					% Ch.
	Chilean Operations	Brazilian Operations	Argentine Operations	Paraguay Operations	Total (1)	Chilean Operations	Brazilian Operations	Argentine Operations	Paraguay Operations	Total (1)	
VOLUME TOTAL BEVERAGES (Million UC)	231.4	249.2	201.9	68.2	750.6	231.0	248.9	211.4	65.0	756.3	-0.8%
Net sales	570,939	540,510	434,947	149,588	1,694,082	551,873	603,898	553,788	141,277	1,848,879	-8.4%
Cost of sales	(336,720)	(329,529)	(215,993)	(88,813)	(969,153)	(328,579)	(362,686)	(294,371)	(85,347)	(1,069,025)	-9.3%
Gross profit	234,219	210,980	218,954	60,775	724,929	223,294	241,211	259,417	55,930	779,854	-7.0%
Gross margin	41.0%	39.0%	50.3%	40.6%	42.8%	40.5%	39.9%	46.8%	39.6%	42.2%	
Distribution and administrative expenses	(152,088)	(131,499)	(162,776)	(31,688)	(478,051)	(150,404)	(157,401)	(197,595)	(30,508)	(535,908)	-10.8%
Corporate expenses (2)					(5,097)					(5,220)	-2.3%
Operating income (3)	82,131	79,482	56,178	29,087	241,780	72,890	83,811	61,823	25,422	238,726	1.3%
Operating margin	14.4%	14.7%	12.9%	19.4%	14.3%	13.2%	13.9%	11.2%	18.0%	12.9%	
Adjusted EBITDA (4)	124,485	106,313	68,345	39,023	333,067	115,579	111,690	79,471	36,370	337,890	-1.4%
Adjusted EBITDA margin	21.8%	19.7%	15.7%	26.1%	19.7%	20.9%	18.5%	14.4%	25.7%	18.3%	
Financial (expenses) income (net)					(51,233)					(44,026)	16.4%
Share of (loss) profit of investments accounted for using the equity method					1,411					(80)	-1856.1%
Other income (expenses) (5)					(16,465)					(18,688)	-11.9%
Results by readjustement unit and exchange rate difference					(10,704)					(5,134)	108.5%
Net income before income taxes					164,789					170,798	-3.5%
Income tax expense					(51,594)					(51,798)	-0.4%
Net income					113,196					119,001	-4.9%
Net income attributable to non-controlling interests					(850)					(1,165)	-27.0%
Net income attributable to equity holders of the parent					112,346					117,836	-4.7%
Net margin					6.6%					6.4%	
WEIGHTED AVERAGE SHARES OUTSTANDING					946.6					946.6	
EARNINGS PER SHARE					118.69					124.49	
EARNINGS PER ADS					712.12					746.92	-4.7%

(1) Total may be different from the addition of the four countries because of intercountry eliminations

(2) Corporate expenses partially reclassified to the operations.

(3) Operating Income considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean Financial Market Commission and determined in accordance to IFRS.

(4) Adjusted EBITDA: considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean Financial Market Commission and determined in accordance to IFRS plus Depreciation.

(5) Other income (expenses): includes the following lines of the income statement by function included in the published financial statements in the Financial Market Commission: "Other income", "Other expenses" and "Other (loss) gains".

Embotelladora Andina S.A.
Twelve Months Results for the period ended December 31. As reported before the application of IAS 29.
(In nominal million US\$, except per share)

Exch. Rate : 638.02

Exch. Rate : 649.12

	January-December 2018					January-December 2017					% Ch.
	Chilean Operations	Brazilian Operations	Argentine Operations	Paraguay Operations	Total (1)	Chilean Operations	Brazilian Operations	Argentine Operations	Paraguay Operations	Total (1)	
VOLUME TOTAL BEVERAGES (Million UC)	231.4	249.2	201.9	68.2	750.6	231.0	248.9	211.4	65.0	756.3	-0.8%
Net sales	894.9	847.2	681.7	234.5	2,655.2	850.2	930.3	853.1	217.6	2,848.3	-6.8%
Cost of sales	(527.8)	(516.5)	(338.5)	(139.2)	(1,519.0)	(506.2)	(558.7)	(453.5)	(131.5)	(1,646.9)	-7.8%
Gross profit	367.1	330.7	343.2	95.3	1,136.2	344.0	371.6	399.6	86.2	1,201.4	-5.4%
Gross margin	41.0%	39.0%	50.3%	40.6%	42.8%	40.5%	39.9%	46.8%	39.6%	42.2%	
Distribution and administrative expenses	(238.4)	(206.1)	(255.1)	(49.7)	(749.3)	(231.7)	(242.5)	(304.4)	(47.0)	(825.6)	-9.2%
Corporate expenses (2)					(8.0)					(8.0)	-0.6%
Operating income (3)	128.7	124.6	88.0	45.6	379.0	112.3	129.1	95.2	39.2	367.8	3.0%
Operating margin	14.4%	14.7%	12.9%	19.4%	14.3%	13.2%	13.9%	11.2%	18.0%	12.9%	
Adjusted EBITDA (4)	195.1	166.6	107.1	61.2	522.0	178.1	172.1	122.4	56.0	520.5	0.3%
Adjusted EBITDA margin	21.8%	19.7%	15.7%	26.1%	19.7%	20.9%	18.5%	14.4%	25.7%	18.3%	
Financial (expenses) income (net)					(80.3)					(67.8)	18.4%
Share of (loss) profit of investments accounted for using the equity method					2.2					(0.1)	-1886.6%
Other income (expenses) (5)					(25.8)					(28.8)	-10.4%
Results by readjustement unit and exchange rate difference					(16.8)					(7.9)	112.1%
Net income before income taxes					258.3					263.1	-1.8%
Income tax expense					(80.9)					(79.8)	1.3%
Net income					177.4					183.3	-3.2%
Net income attributable to non-controlling interests					(1.3)					(1.8)	-25.7%
Net income attributable to equity holders of the parent					176.1					181.5	-3.0%
Net margin					6.6%					6.4%	
WEIGHTED AVERAGE SHARES OUTSTANDING					946.6					946.6	
EARNINGS PER SHARE					0.19					0.19	
EARNINGS PER ADS					1.12					1.15	-3.0%

(1) Total may be different from the addition of the four countries because of intercountry eliminations

(2) Corporate expenses partially reclassified to the operations.

(3) Operating Income considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean Financial Market Commission and determined in accordance to IFRS.

(4) Adjusted EBITDA: considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean Financial Market Commission and determined in accordance to IFRS plus Depreciation.

(5) Other income (expenses): includes the following lines of the income statement by function included in the published financial statements in the Financial Market Commission: "Other income", "Other expenses" and "Other (loss) gains".

Embotelladora Andina S.A.

Fourth Quarter Results for the period ended December 31, 2018.

(In local nominal currency of each period, except Argentina (3))

	October-December 2018					October-December 2017				
	Chile Million Ch\$	Brazil Million R\$	Argentina (3) Million AR\$		Paraguay Million G\$	Chile Million Ch\$	Brazil Million R\$	Argentina (3) Million AR\$		Paraguay Million G\$
	Nominal	Nominal	Nominal	IAS29	Nominal	Nominal	Nominal	Nominal	IAS 29	Nominal
TOTAL BEVERAGES VOLUME (Million UC)	67.9	72.2	54.0	54.0	19.4	67.2	71.9	63.0	63.0	18.9
NET SALES	166,442	901.0	5,869.6	6,013.8	378,703	158,834	844.2	4,478.9	6,765.6	357,846
Cost of sales	(94,882)	(554.5)	(2,871.5)	(3,097.2)	(224,789)	(92,848)	(489.5)	(2,284.6)	(3,608.6)	(219,400)
Gross profit	71,560	346.5	2,998.1	2,916.7	153,914	65,986	354.8	2,194.2	3,157.0	138,446
Gross margin	43.0%	38.5%	51.1%	48.5%	40.6%	41.5%	42.0%	49.0%	46.7%	38.7%
Distribution and administrative expenses	(36,993)	(186.0)	(2,215.8)	(2,317.8)	(78,545)	(37,395)	(207.7)	(1,662.9)	(2,522.7)	(75,257)
Operating income (1)	34,568	160.5	782.3	598.9	75,369	28,591	147.1	531.3	634.3	63,188
Operating margin	20.8%	17.8%	13.3%	10.0%	19.9%	18.0%	17.4%	11.9%	9.4%	17.7%
Adjusted EBITDA (2)	45,697	200.9	922.0	856.8	98,798	39,382	180.7	651.4	936.2	87,225
Adjusted EBITDA margin	27.5%	22.3%	15.7%	14.2%	26.1%	24.8%	21.4%	14.5%	13.8%	24.4%

(1) Operating Income considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean

Financial Market Commission and determined in accordance to IFRS.

(2) Adjusted EBITDA: considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean

Financial Market Commission and determined in accordance to IFRS plus Depreciation.

(3) Argentina 2018 figures are also presented in accordance to IAS 29, in December 2018 currency. 2017 figures are also presented in accordance to IAS 29, in December 2018 currency.

Embotelladora Andina S.A.

Twelve Months Results for the period ended December 31, 2018.

(In local nominal currency of each period, except Argentina (3))

	January-December 2018					January-December 2017				
	Chile Million Ch\$	Brazil Million R\$	Argentina (3) Million AR\$		Paraguay Million G\$	Chile Million Ch\$	Brazil Million R\$	Argentina (3) Million AR\$		Paraguay Million G\$
	Nominal	Nominal	Nominal	IAS29	Nominal	Nominal	Nominal	Nominal	IAS 29	Nominal
TOTAL BEVERAGES VOLUME (Million UC)	231.4	249.2	201.9	201.9	68.2	231.0	248.9	211.4	211.4	65.0
NET SALES	570,939	3,061.8	18,438.4	22,440.9	1,337,989	551,873	2,976.2	14,202.6	23,123.1	1,227,001
Cost of sales	(336,720)	(1,866.9)	(9,112.7)	(11,647.3)	(793,892)	(328,579)	(1,786.8)	(7,537.6)	(12,861.9)	(741,161)
Gross profit	234,219	1,194.9	9,325.7	10,793.6	544,097	223,294	1,189.4	6,665.0	10,261.2	485,841
Gross margin	41.0%	39.0%	50.6%	48.1%	40.7%	40.5%	40.0%	46.9%	44.4%	39.6%
Distribution and administrative expenses	(152,088)	(747.3)	(6,990.2)	(8,635.7)	(283,362)	(150,404)	(775.3)	(5,076.8)	(8,300.5)	(264,823)
Operating income (1)	82,131	447.7	2,335.5	2,157.9	260,735	72,890	414.2	1,588.2	1,960.7	221,018
Operating margin	14.4%	14.6%	12.7%	9.6%	19.5%	13.2%	13.9%	11.2%	8.5%	18.0%
Adjusted EBITDA (2)	124,485	600.4	2,850.4	3,268.9	349,512	115,579	551.3	2,038.5	3,161.9	315,831
Adjusted EBITDA margin	21.8%	19.6%	15.5%	14.6%	26.1%	20.9%	18.5%	14.4%	13.7%	25.7%

(1) Operating Income considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean

Financial Market Commission and determined in accordance to IFRS.

(2) Adjusted EBITDA: considers Net Sales, Cost of Sales, Distribution Costs, and Administrative Expenses included in the Financial Statements filed with the Chilean

Financial Market Commission and determined in accordance to IFRS plus Depreciation.

(3) Argentina 2018 figures are also presented in accordance to IAS 29, in December 2018 currency. 2017 figures are also presented in accordance to IAS 29, in December 2018 currency.

Embotelladora Andina S.A.

Consolidated Balance Sheet (In million Chilean pesos)

ASSETS	Variation %	
	12-31-2018	12-31-2017
Cash + Time deposits + market. Securit.	138,222	150,380
Account receivables (net)	183,563	196,655
Inventories	151,320	131,363
Other current assets	8,480	5,612
Total Current Assets	481,585	484,010
Property, plant and equipment	1,680,024	1,337,303
Depreciation	(969,253)	(677,553)
Total Property, Plant, and Equipment	710,771	659,750
Investment in related companies	102,411	86,809
Goodwill	117,229	93,598
Other long term assets	802,508	790,692
Total Other Assets	1,022,148	971,099
TOTAL ASSETS	2,214,505	2,114,859

LIABILITIES & SHAREHOLDERS' EQUITY	Variation %	
	12-31-2018	12-31-2017
Short term bank liabilities	21,543	31,470
Current portion of bonds payable	20,664	20,156
Other financial liabilities	1,665	2,506
Trade accounts payable and notes payable	283,938	291,481
Other liabilities	92,052	82,675
Total Current Liabilities	419,862	428,288
Long term bank liabilities	2,439	13,058
Bonds payable	700,327	648,229
Other financial liabilities	13,797	14,481
Other long term liabilities	214,364	197,571
Total Long Term Liabilities	930,928	873,339
Minority interest	19,902	21,923
Stockholders' Equity	843,813	791,310
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	2,214,505	2,114,859

Financial Highlights (In million Chilean pesos)

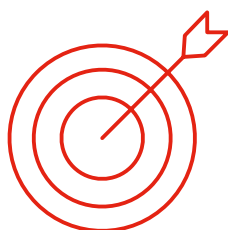
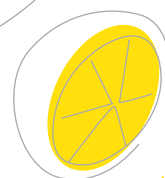
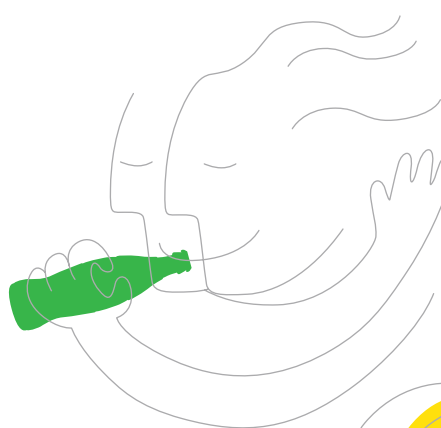
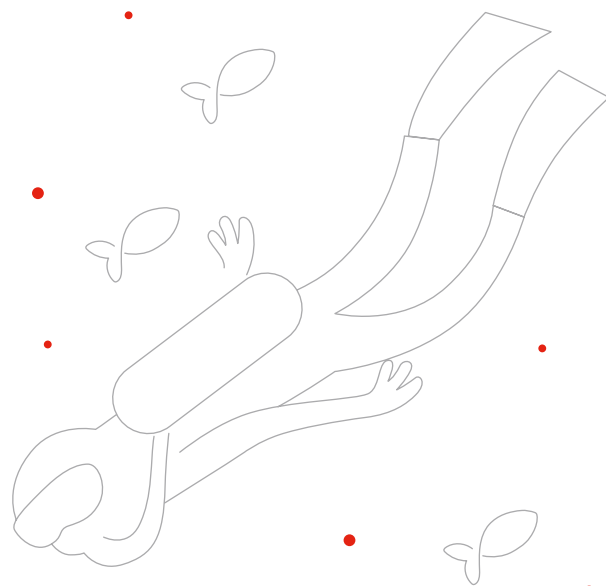
ADDITIONS TO FIXED ASSETS	Accumulated	
	12-31-2018	12-31-2017
Chile	37,548	33,000
Brazil	47,444	72,747
Argentina (*)	29,571	31,791
Paraguay	14,292	10,396
Total	128,854	147,934

DEBT RATIOS	12-31-2018	12-31-2017
Financial Debt / Total Capitalization	0.47	0.47
Financial Debt / Adjusted EBITDA L12M	2.34	2.16
*Adjusted EBITDA L12M+Interest Income/Interest Expense L12M	5.98	6.32

* Includes interest income
L12M: Last twelve months

(*) Argentina 2018 figures are presented in accordance with IAS 29. 2017 figures do not consider IAS 29.

Material Events



MATERIAL EVENT

CORPORATE NAME : **EMBOTELLADORA ANDINA S.A.**
SECURITIES REGISTRY : **00124**
TAXPAYER I.D. : **91.144.000-8**

By virtue of the stipulations in Article 9 and subparagraph 2 of Article 10 of Chile's Law 18,045, and the provisions in General Rule No. 30 of Chile's Superintendence of Securities and Insurance, and being duly empowered to this effect, I hereby report the following regarding Embotelladora Andina S.A. ("Andina" or the "Company"), its business, its securities or tender offer, as a material event:

Today, Embotelladora Andina S.A., Embonor S.A., Coca-Cola del Valle New Ventures S.A., and Coca-Cola de Chile S.A., as buyers, and Inversiones Siemel S.A. as seller, have entered into a stock purchase agreement (the "Agreement") under which the parties agreed to the terms and conditions for transferring 100% ownership of the shares of Comercializadora Novaverde S.A. ("Novaverde"), a Chilean company dedicated to produce and commercialize juices, ice cream, and food in general, mainly under the brand Guallarauco. The transaction does not include the acquisition of the business line of avocado sales and General Mills representation.

The transaction is subject to certain conditions precedent, including but not limited to, the authorization of the transaction by the Chilean Antitrust Authorities.

The purchase price of the 100% of the shares of would be around the equivalent in Chilean Pesos of 1,785,374 Unidades de Fomento, less the value of Novaverde's financial debt at the time the transaction materializes. The above-mentioned price may be modified based on certain adjustments set forth in the Agreement.

Once materialized, the property of Novaverde will be as follows: (i) Coca-Cola del Valle New Ventures S.A. will own 2,999,994 shares, (ii) Coca-Cola de Chile S.A. will own 3 shares, (iii) Embotelladora Andina S.A. will own 2 shares; and (iv) Embonor S.A. will own 1 share. Since Embotelladora Andina S.A. is a shareholder of Coca-Cola del Valle New Ventures S.A., its direct and indirect ownership in the equity capital of Novaverde, will be approximately 35%.

Santiago, January 5, 2018.

Jaime Cohen Arancibia
Chief Legal Officer
Embotelladora Andina S.A.

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER

PURSUANT TO RULE 13a-16 OR 15b-16 OF

THE SECURITIES EXCHANGE ACT OF 1934

February 2018

Date of Report (Date of Earliest Event Reported)

Embotelladora Andina S.A.

(Exact name of registrant as specified in its charter)

Andina Bottling Company, Inc.

(Translation of Registrant’s name into English)

Avda. Miraflores 9153

Renca

Santiago, Chile

(Address of principal executive office)

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

Form 20-F ☒

Form 40-F ☐

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes ☐

No ☒

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes ☐

No ☒

Indicate by check mark whether the registrant by furnishing the information contained in this Form 6-K is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934

Yes ☐

No ☒

MATERIAL EVENT

CORPORATE NAME : **EMBOTELLADORA ANDINA S.A.**

SECURITIES REGISTRY : **00124**

TAXPAYER I.D. : **91.144.000-8**

By virtue of the stipulations in Article 9 and subparagraph 2 of Article 10 of Law No. 18,045, and the provisions in General Rule No. 30, Section II of the Chilean Superintendence of Securities and Insurance, and being duly empowered to this effect by the Board of Directors, I hereby report the following regarding Embotelladora Andina S.A. (the “Company”), its business, its securities or tender offer, as a material event:

Pursuant to article 37 of Law No. 18,046, the Chairman of the Board of Directors, was notified on February 27, 2018, of the resignation of the director Mr. Juan Andrés Fontaine Talavera. Such resignation is due to personal reasons, and it will be effective immediately.

As agreed during the Company’s Board of Directors’ session held on this date, the designation of his replacement will be carried out by the shareholders of the Company at the next General Shareholders’ Meeting to be held on April 19, 2018.

The Board of Directors agreed to express its appreciation to Mr. Juan Andrés Fontaine Talavera for the work performed in the exercise of his position.

Santiago, February 28, 2018

Jaime Cohen Arancibia
Chief Legal Officer
Embotelladora Andina S.A.

SIGNATURES

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

EMBOTELLADORA ANDINA S.A.
By: /s/ Jaime Cohen
Name: Jaime Cohen
Title: Chief Legal Officer

Santiago, February 28, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER

PURSUANT TO RULE 13a-16 OR 15b-16 OF

THE SECURITIES EXCHANGE ACT OF 1934

February 2018

Date of Report (Date of Earliest Event Reported)

Embotelladora Andina S.A.

(Exact name of registrant as specified in its charter)

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(Translation of Registrant’s name into English)

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Renca

Santiago, Chile

(Address of principal executive office)

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Form 20-F ☒

Form 40-F ☐

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Yes ☐

No ☒

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes ☐

No ☒

Indicate by check mark whether the registrant by furnishing the information contained in this Form 6-K is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934

Yes ☐

No ☒

MATERIAL EVENT

CORPORATE NAME : EMBOTELLADORA ANDINA S.A.

SECURITIES REGISTRY : 00124

TAXPAYER I.D. : 91.144.000-8

By virtue of the stipulations in Article 9 and subparagraph 2 of Article 10 of Law No. 18,045, and the provisions in General Rule No. 30, Section II of the Chilean Superintendence of Securities and Insurance, and being duly empowered to this effect by the Board of Directors, I hereby report the following regarding Embotelladora Andina S.A. (the “Company”), its business, its securities or tender offer, as a material event:

The following was resolved, among other matters, at a Company’s Regular Board of Directors’ Meeting held February 27, 2018:

- I.** To convene a **Regular Shareholders Meeting** (the “Meeting”) for **April 19, 2018**, at **10:00 a.m.**, at Company’s offices located at Av. Miraflores No. 9153, Borough of Renca, Santiago.
- II.** The following matters will be discussed at the Regular Shareholders Meeting:
1. The Annual Report, Balance and Financial Statements for the year 2017; as well as the Report of Independent Auditors with respect to the Financial Statements;
 2. Earnings distribution and dividend payments;
 3. Present Company dividend distribution policy and inform about the distribution and payment procedures utilized;
 4. To renew the Board of Directors in its entirety;
 5. Determine the compensation for directors, Directors’ Committee members pursuant to article 50 bis of Chilean Corporation’s Law and of the members of the Audit Committee required by Sarbanes & Oxley Act of the United States; their annual reports and expenses incurred by both Committees;
 6. Appoint the Company’s independent auditors for the year 2018;
 7. Appoint the Company’s rating agencies for the year 2018;
 8. Report on Board agreements which took place after that last Shareholders Meeting, relating to operations referred to by article 146 and following of Chilean Corporation’s Law;
 9. Determine the newspaper where regular and special shareholder meetings notices and invitations shall be published; and
 10. In general, to resolve every other matter under its competency and any other matter of Company interest.

III. Propose to Shareholders the distribution of a Final Dividend charged against 2017 fiscal year, for the following amounts:

- a) **Ch\$21.50 (Twenty one and 50/100 Chilean Pesos)** per Series A Shares and;
- b) **Ch\$23.65 (Twenty three and 65/100 Chilean Pesos)** per Series B Shares.

If the Shareholders' Meeting approves payment of these dividends, they will be paid beginning on **May 31, 2018**. The Shareholders' Registry would close on the fifth business day prior to the payment date, for payment of these dividends.

Propose to Shareholders the distribution of an Additional Dividend on account of accumulated earnings, for the following amounts:

- a) **Ch\$21.50 (Twenty one and 50/100 Chilean Pesos)** per Series A Shares and;
- b) **Ch\$23.65 (Twenty three and 65/100 Chilean Pesos)** per Series B Shares.

If the Shareholders' Meeting approves payment of these additional dividends, they will be paid beginning on **August 30, 2018**. The Shareholders' Registry would close on the fifth business day prior to the payment date, for payment of these dividends.

Santiago, February 28, 2018

Jaime Cohen Arancibia
Corporate Legal Officer
Embotelladora Andina S.A.

SIGNATURES

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

EMBOTELLADORA ANDINA S.A.

By: /s/ Jaime Cohen

Name: Jaime Cohen

Title: Chief Legal Officer

Santiago, February 28, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER

PURSUANT TO RULE 13a-16 OR 15b-16 OF

THE SECURITIES EXCHANGE ACT OF 1934

March 2018

Date of Report (Date of Earliest Event Reported)

Embotelladora Andina S.A.

(Exact name of registrant as specified in its charter)

Andina Bottling Company, Inc.

(Translation of Registrant’s name into English)

Avda. Miraflores 9153

Renca

Santiago, Chile

(Address of principal executive office)

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

Form 20-F ☒

Form 40-F ☐

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes ☐

No ☒

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes ☐

No ☒

Indicate by check mark whether the registrant by furnishing the information contained in this Form 6-K is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934

Yes ☐

No ☒

MATERIAL EVENT

CORPORATE NAME : **EMBOTELLADORA ANDINA S.A.**

SECURITIES REGISTRY : **00124**

TAXPAYER I.D. : **91.144.000-8**

By virtue of the stipulations in Article 9 and subparagraph 2 of Article 10 of Law No. 18,045, and the provisions in General Rule No. 30, Section II of the Chilean Superintendence of Securities and Insurance, and being duly empowered to this effect by the Board of Directors, I hereby report the following regarding Embotelladora Andina S.A. (the “Company”), its business, its securities or tender offer, as a material event:

Pursuant to article 37 of Law No. 18,046, the Chairman of the Board of Directors, was notified on March 13, 2018, of the resignation of the director Ms. Susana Tonda Mitri. Such resignation is due to personal reasons, and it will be effective immediately.

The designation of his replacement will be carried out by the shareholders of the Company at the next General Shareholders’ Meeting to be held on April 19, 2018.

Santiago, March 13, 2018

Jaime Cohen Arancibia
Chief Legal Officer
Embotelladora Andina S.A.

SIGNATURES

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

EMBOTELLADORA ANDINA S.A.

By: /s/ Jaime Cohen
Name: Jaime Cohen
Title: Chief Legal Officer

Santiago, March 13, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER

PURSUANT TO RULE 13a-16 OR 15b-16 OF

THE SECURITIES EXCHANGE ACT OF 1934

April 2018

Date of Report (Date of Earliest Event Reported)

Embotelladora Andina S.A.

(Exact name of registrant as specified in its charter)

Andina Bottling Company, Inc.

(Translation of Registrant’s name into English)

Avda. Miraflores 9153

Renca

Santiago, Chile

(Address of principal executive office)

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

Form 20-F ☒

Form 40-F ☐

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes ☐

No ☒

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes ☐

No ☒

Indicate by check mark whether the registrant by furnishing the information contained in this Form 6-K is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934

Yes ☐

No ☒

MATERIAL EVENT

CORPORATE NAME : EMBOTELLADORA ANDINA S.A.
SECURITIES REGISTRY : 00124
TAXPAYER I.D. : 91.144.000-8

By virtue of the stipulations in Article 9 and subparagraph 2 of Article 10 of Law 18,045, and the provisions in General Rule No. 30 of the Chilean Superintendence of Securities and Insurance, (*Comisión para el Mercado Financiero*), and being duly empowered to this effect by the Board of Directors, I hereby report the following regarding Embotelladora Andina S.A. (the “Company”), its business, its securities or tender offer, as a material event:

The following resolutions were adopted at the General Shareholders’ Meeting held on April 19, 2018, among others:

1. The approval of the Annual Report, Statements of Financial Position and Financial Statements for the year 2017; as well as the Report of Independent Auditors with respect to the previously mentioned Financial Statements;
2. The approval of earnings distribution and dividend payments;
3. The approval of Company dividend distribution policy and the distribution and payment procedures utilized;
4. To renew the Board of Directors in its entirety, being composed by the following members:

SERIES A:

Manuel Arroyo
Eduardo Chadwick Claro
Juan Claro González
José Antonio Garcés Silva
Felipe Joannon Vergara
Arturo Majlis Albala
Pilar Lamana Gaete (Independiente)
Gonzalo Parot Palma (Independiente)
Enrique Rapetti
Gonzalo Saïd Handal
Salvador Said Somavía
Rodrigo Vergara Montes

SERIES B:

Georges de Bourguignon
Mariano Rossi

5. The approval of compensation for Directors and members of the Directors’ Committee pursuant to Chilean Corporate Law and members of the Audit Committee established

- pursuant to the Sarbanes-Oxley Act; their annual report and expenses incurred by both Committees;
6. The appointment of Ernst & Young as the Company's independent auditors for the year 2018;
 7. The appointment of Fitch Ratings and ICR as the Company's local rating agencies and Fitch Ratings and Standard & Poors as the Company's international rating agencies, for the year 2018;
 8. The approval of the report on Board agreements in accordance with articles 146 and forward of Chilean Corporate Law, regarding operations that took place after the last General Shareholders' Meeting; and,
 9. The appointment of El Mercurio from Santiago, as the newspaper where Company notices and shareholders' meetings announcements should be published.

Regarding number 2 above, the Shareholders' Meeting approved payment of a Final Dividend on account of 2017 Fiscal Year and an Additional dividend on account of retained earnings in the following amounts:

Final Dividend

Ch\$21.50 (twenty one point fifty Chilean pesos) per each Series A Shares; and
Ch\$23.65 (twenty-three point sixty five Chilean pesos) per each Series B Shares.

Payment of this final dividend will be available beginning **May 31, 2018**. The Shareholders' Registry will close on the fifth business day prior to payment date.

Additional Dividend

Ch\$21.50 (twenty one point fifty Chilean pesos) per each Series A Shares; and
Ch\$23.65 (twenty-three point sixty five Chilean pesos) per each Series B Shares.

Payment of this additional dividend will be available beginning **August 30, 2018**. The Shareholders' Registry will close on the fifth business day prior to payment date.

Santiago, April 20, 2018.

Jaime Cohen Arancibia
Corporate Legal Officer
Embotelladora Andina S.A.

SIGNATURES

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

EMBOTELLADORA ANDINA S.A.

By: /s/ Jaime Cohen
Name: Jaime Cohen
Title: Chief Legal Officer

Santiago, April 20, 2018



For Immediate Distribution / Para Distribución Inmediata

Contact / Contacto en Santiago, Chile

Paula Vicuña, Head of Investor Relations / Subgerente de Relación con Inversionistas
(562) 2338-0520 / andina.ir@koandina.com

Annual Report on Form 20-F – 2017 / Informe Anual Formulario 20-F - 2017

Santiago, Chile April 27, 2018 / 27 de abril de 2018

Coca-Cola Andina announced today that it has filed its Annual Report on Form 20-F for the fiscal year ended December 31, 2017 with the U.S. Securities and Exchange Commission. The document can be accessed by visiting either www.koandina.com or www.sec.gov. Shareholders may receive a hard copy of the report, which includes Coca-Cola Andina's audited financial statements, free of charge through the contact listed above.

Coca-Cola Andina anunció hoy que el documento 20-F para el ejercicio terminado el 31 de diciembre de 2017 fue presentado ante la Comisión de Valores e Intercambios de los EE.UU. El documento se encuentra disponible en inglés a través de www.koandina.com o www.sec.gov.

Los accionistas podrán recibir una copia impresa gratuita del informe, el cual incluye los estados financieros auditados de la sociedad a través del contacto señalado en la parte superior de este documento.

FORM 6-K

September 2018

Embotelladora Andina S.A.

Andina Bottling Company, Inc.

Avda. Miraflores 9153

Renca

Santiago, Chile

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

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes ☐ No ☒

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes ☐ No ☒

Indicate by check mark whether the registrant by furnishing the information contained in this Form 6-K is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934

Yes ☐ No ☒

MATERIAL EVENT

CORPORATE NAME : **EMBOTELLADORA ANDINA S.A.**
SECURITIES REGISTRY : 00124
TAXPAYER I.D. : 91.144.000-8

By virtue of the stipulations in Article 9 and subparagraph 2 of Article 10 of Law 18,045, and the provisions in General Rule No. 30 of the Chilean Superintendence of Securities and Insurance, (*Comisión para el Mercado Financiero*), and being duly empowered to this effect by the Board of Directors, I hereby report the following regarding Embotelladora Andina S.A. (the “Company”), its business, its securities or tender offer, as a material event:

The Company announced today the commencement of a cash tender offer (the “Tender Offer”) for a partial purchase of its 5.000% Senior Notes due 2023 (the “Notes”).

The complete terms of the Tender Offer are set forth in an Offer to Purchase, dated as of today (the “Offer to Purchase”), and any amendments or supplements thereto.

Under the Offer to Purchase, the Company is offering to purchase for cash up to US\$210,000,000 in aggregate principal amount of the Notes. The expiration date for the Tender Offer is 11:59 p.m., New York City time, on October 18, 2018. Also, as stated in the Offer to Purchase, among other considerations the tender offer is subject to various conditions, including a condition that the Company shall have completed one or more capital markets transactions and/or syndicated loans in the Chilean market on terms satisfactory to the Company.

For more information, please find attached the Press Release published today by the Company, which includes the main terms and conditions of the Offer to Purchase and shall be treated as if fully incorporated into the body of this Material Event.

Santiago, September 20, 2018.

Jaime Cohen Arancibia
Corporate Legal Officer
Embotelladora Andina S.A.



EMBOTELLADORA ANDINA ANNOUNCES OFFER TO PURCHASE FOR CASH CERTAIN OF ITS DEBT SECURITIES

SANTIAGO, September 20, 2018: Embotelladora Andina S.A. (the “Company”), a Chilean publicly held corporation, announced today that it is offering to purchase for cash up to US\$210,000,000 in aggregate principal amount (the “Tender Cap”) of its outstanding 5.000% Senior Notes due 2023 (the “Notes”). The complete terms of the tender offer are set forth in an Offer to Purchase, dated as of today (the “Offer to Purchase”), and any amendments or supplements thereto.

The Early Participation Date for the tender offer is 5:00 p.m., New York City time, on October 3, 2018, and the Expiration Date is 11:59 p.m., New York City time, on October 18, 2018. The “Total Consideration” payable to Holders that validly tender (and do not validly withdraw) their Notes on or prior to the Early Participation Date for each US\$1,000 principal amount accepted for purchase by the Company pursuant to the tender offer shall be a price equal to the amount shown for the Notes in the table below. The Total Consideration includes the Early Participation Payment.

Holders that validly tender their Notes after the Early Participation Date but at or before the Expiration Date, will receive only the Tender Offer Consideration, which is the Total Consideration less the Early Participation Payment. In addition to the Total Consideration or the Tender Offer Consideration, as applicable, Holders that validly tender (and do not validly withdraw) their Notes and whose Notes are accepted for purchase by the Company in the tender offer will receive accrued and unpaid interest from the last applicable interest payment date for the Notes up to, but excluding, the applicable settlement date (“Accrued Interest”).

The following table sets forth information with respect to the tender offer:

Title of Security	CUSIP	ISIN	Aggregate Principal Amount Outstanding	Tender Cap	Tender Offer Consideration(1)	Early Participation Payment(1)	Total Consideration(1)
5.000% Senior Notes due 2023	144A: 29081P AE5 Reg S: P3697U AD0	144A: US29081PAE51 Reg S: USP3697UAD02	US\$ 575,000,000	US\$ 210,000,000	US\$ 1,023.75	US\$ 30.00	US\$ 1,053.75

(1) Per US\$1,000 principal amount of Notes tendered and accepted for purchase by the Company, excluding Accrued Interest.

The tender offer is subject to various conditions, including a condition that the Company shall have completed a proposed issuance and placement of notes and/or borrowings under syndicated loans in the Chilean market on terms satisfactory to the Company, providing net proceeds that are at least sufficient to pay the Total Consideration and Accrued Interest for all the tendered Notes (up to the Tender Cap), plus all fees and expenses in connection with the tender offer (the “Financing Condition”).

The Company may modify or terminate the tender offer and may extend the Early Participation Date, Expiration Date or any payment date with respect to the tender offer.

If the Financing Condition is satisfied prior to the Expiration Date, the Company reserves the right, in its sole discretion, at any point following the Early Participation Date and before the Expiration Date, to accept for purchase and pay for any Notes validly tendered (and not subsequently withdrawn) on or prior to the Early Participation Date. Payment for Notes that are validly tendered by the Holders and accepted for purchase by the Company but not purchased prior to the Expiration Date will be made on the final settlement date, which is anticipated to occur on the second business day after the Expiration Date.

The Company’s acceptance for purchase of the Notes is subject to the Tender Cap. If the aggregate purchase price of Notes (not including Accrued Interest and premium over the principal of the Notes being purchased under the Tender Offer) that are validly tendered and not withdrawn would exceed the Tender Cap, the amount of Notes accepted for purchase may be subject to proration with the proration factor depending on the aggregate purchase price of the Notes validly tendered. If the aggregate principal amount of the Notes tendered on or prior to the Early Participation Date equals, or exceeds, the Tender Cap, holders who tender Notes after the Early Participation Date will not have any of their Notes accepted for purchase. If the aggregate principal amount of the Notes tendered on or prior to the Early Participation Date does not exceed the Tender Cap, Holders who validly tender Notes after the Early Participation Date may be subject to proration, but Holders who validly tender Notes on or prior to the Early Participation Date and whose Notes are accepted for purchase will not be subject to proration. The Company reserves the right, in its sole discretion, subject to applicable law, to increase the Tender Cap without extending the withdrawal rights; however, there can be no assurance the Company will do so.

The Company has retained Itau BBA USA Securities, Inc. (“Itaú BBA”), J.P. Morgan Securities LLC (“J.P. Morgan”) and Santander Investment Securities Inc. (“Santander”) as the Dealer Managers for the tender offer. Global Bondholder Services Corporation (“GBSC”) is acting as the Information Agent and Depositary for the tender offer. For additional information regarding the terms of the tender offer, please contact any of Itaú BBA at (888) 770-4828 (toll-free) or (212) 710-6749 (collect), J.P. Morgan at (866)

846-2874 (toll-free) or (212) 834-7279 (collect) or Santander at (855) 404-3636 (toll-free) or (212) 940-1442 (collect). Requests for documents and questions regarding the tendering of Notes may be directed to GBSC by telephone at (866)-470-3700 (toll-free) or (212)-430-3774 (collect), facsimile at (212) 430-3775/3779, or by email at contact@gbsc-usa.com.

This news release does not constitute an offer or an invitation to participate in the tender offer. The tender offer is being made pursuant to the Offer to Purchase, a copy of which will be delivered to holders of the Notes, and which sets forth the complete terms and conditions of the tender offer. Holders are urged to read the Offer to Purchase carefully before making any decision with respect to their Notes. The tender offer is not being made to, nor will the Company accept tenders of Notes from, holders in any jurisdiction in which it is unlawful to make such an offer or solicitation. None of the Company, their board of directors, the Dealer Managers, the Information Agent and Depositary or the trustee for the Notes makes any recommendation as to whether holders should tender Notes in response to the tender offer. Certain statements in this press release, including those describing the completion of the tender offer, constitute forward-looking statements. These statements are not historical facts but instead represent only the Company’s belief regarding future events, many of which, by their nature, are inherently uncertain and outside the Company’s control. It is possible that actual results will differ, possibly materially, from the anticipated results indicated in these statements.

Media Contact:

Paula Vicuña
Phone number: +56 2 23380523
Email: paula.vicuna@koandina.com

SIGNATURES

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

EMBOTELLADORA ANDINA S.A.

By: /s/ Jaime Cohen
Name: Jaime Cohen
Title: Chief Legal Officer

Santiago, September 20, 2018

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

FORM 6-K

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

September 2018
Date of Report (Date of Earliest Event Reported)

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

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

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

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

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

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

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

MATERIAL EVENT

CORPORATE NAME : EMBOTELLADORA ANDINA S.A.
SECURITIES REGISTRY : 00124
TAXPAYER I.D. : 91.144.000-8

By virtue of the stipulations in Article 9 and subparagraph 2 of Article 10 of Law 18,045, and the provisions in General Rule No. 30 of Chile’s Superintendence of Securities and Insurance, and being duly empowered to this effect, I hereby report the following regarding Embotelladora Andina S.A. (the “Company”), its business, its securities or tender offer, as a material event:

INTERIM DIVIDEND

As authorized by the Regular Shareholders’ Meeting held April 19, 2018, the Board of Directors during session held September 25, 2018, agreed to distribute the following amounts as interim dividend:

- a) Ch\$21.50 (twenty one point fifty Chilean pesos) per each Series A Shares; and
- b) Ch\$23.65 (twenty-three point sixty five Chilean pesos) per each Series B Shares.

This dividend will be paid on account of income from the 2018 fiscal year and will be available to shareholders beginning October 25, 2018. The Shareholders’ Registry will close on the fifth business day prior to the payment date.

Santiago, September 26, 2018

Jaime Cohen Arancibia
Chief Legal Officer
Embotelladora Andina S.A.

SIGNATURES

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

EMBOTELLADORA ANDINA S.A.

By: /s/ Jaime Cohen
Name: Jaime Cohen
Title: Chief Legal Officer

Santiago, September 26, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER

PURSUANT TO RULE 13a-16 OR 15b-16 OF

THE SECURITIES EXCHANGE ACT OF 1934

October 2018

Date of Report (Date of Earliest Event Reported)

Embotelladora Andina S.A.

(Exact name of registrant as specified in its charter)

Andina Bottling Company, Inc.

(Translation of Registrant’s name into English)

Avda. Miraflores 9153

Renca

Santiago, Chile

(Address of principal executive office)

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

Form 20-F ☒

Form 40-F ☐

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes ☐

No ☒

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes ☐

No ☒

Indicate by check mark whether the registrant by furnishing the information contained in this Form 6-K is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934

Yes ☐

No ☒

MATERIAL EVENT

CORPORATE NAME : **EMBOTELLADORA ANDINA S.A.**
SECURITIES REGISTRY : 00124
TAXPAYER I.D. : 91.144.000-8

By virtue of the stipulations in Article 9 and subparagraph 2 of Article 10 of Law 18,045, and the provisions in General Rule No. 30 of the Chilean Superintendence of Securities and Insurance (*Comisión para el Mercado Financiero*), and being duly empowered to this effect by the Board of Directors, I hereby report the following regarding Embotelladora Andina S.A., its business, its securities or tender offer, as a material event:

Today has been fully materialized the purchase of 100% of the shares of Comercializadora Novaverde S.A. (“Novaverde”), a Chilean company dedicated to produce and commercialize juices, ice cream, and frozen fruits, mainly under the brand Guallaraucó. The foregoing, due to the fulfillment of all the conditions precedent as set forth in the stock purchase agreement executed on January 5, 2018, between Embotelladora Andina S.A., Coca-Cola de Chile S.A., Coca-Cola del Valle New Ventures S.A. and Embonor S.A., as buyers, and Inversiones Siemel S.A., as seller, and whose execution was duly communicated to *Comisión para el Mercado Financiero* as a material event dated January 5, 2018.

The total price of the purchase abovementioned amounts Ch\$46,074,321,558.

As a result of the above, the property of Novaverde is currently as follows: (i) Coca-Cola del Valle New Ventures S.A. owns 2,999,994 shares, (ii) Coca-Cola de Chile S.A. owns 3 shares, (iii) Embotelladora Andina S.A. owns 2 shares, and (iv) Embonor S.A. owns 1 share.

As it was informed, since Embotelladora Andina S.A. is a shareholder of Coca-Cola del Valle New Ventures S.A., its direct and indirect ownership in the equity capital of Novaverde, will be approximately 35%.

Santiago, October 3, 2018.

Jaime Cohen Arancibia
Corporate Legal Officer
Embotelladora Andina S.A.

SIGNATURES

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

EMBOTELLADORA ANDINA S.A.
By: /s/ Jaime Cohen
Name: Jaime Cohen
Title: Chief Legal Officer

Santiago, October 3, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER

PURSUANT TO RULE 13a-16 OR 15b-16 OF

THE SECURITIES EXCHANGE ACT OF 1934

October 2018

Date of Report (Date of Earliest Event Reported)

Embotelladora Andina S.A.

(Exact name of registrant as specified in its charter)

Andina Bottling Company, Inc.

(Translation of Registrant’s name into English)

Avda. Miraflores 9153

Renca

Santiago, Chile

(Address of principal executive office)

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

Form 20-F ☒

Form 40-F ☐

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes ☐

No ☒

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes ☐

No ☒

Indicate by check mark whether the registrant by furnishing the information contained in this Form 6-K is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934

Yes ☐

No ☒

MATERIAL EVENT

CORPORATE NAME : **EMBOTELLADORA ANDINA S.A.**
SECURITIES REGISTRY : 00124
TAXPAYER I.D. : 91.144.000-8

By virtue of the stipulations in Article 9 and subparagraph 2 of Article 10 of Law 18,045, and the provisions in General Rule No. 30 of the Chilean Superintendence of Securities and Insurance, (*Comisión para el Mercado Financiero*), and being duly empowered to this effect by the Board of Directors, I hereby report the following regarding Embotelladora Andina S.A. (the “Company”), its business, its securities or tender offer, as a material event:

On August 30, 2018, the Company registered two lines of bonds with the *Comisión para el Mercado Financiero*: one for 10 years (N° 911), and the other one for 30 years (N° 912). The maximum amount of outstanding principal for both lines, considered together, is up to 10,000,000 *Unidades de Fomento* (“UFs”).

On October 5°, 2018, the Company carried out the first placement in the local market of the dematerialized bearer bonds, with charge to the line N°912, whose most significant conditions are as follows:

- Series F Bonds, *código nemotécnico* BANDI-F, issued with charge to bond line n° 912 for a total amount of 5,700,000 UFs, expiring on September 25, 2039; in which a 2.83% placement rate was obtained.

All funds obtained from said placement, will be used to finance the cash tender offer (the “Tender Offer”) for a partial purchase of its 5.000% Senior Notes due 2023.

The commencement of the Tender Offer was previously announced to the *Comisión para el Mercado Financiero* on September 20, 2018, and as stated at that time, it is subject to completion of certain conditions precedents, including one or more capital markets transactions and other conditions precedent set forth in an Offer to Purchase issued under the laws of the State of New York, United States of America.

For more information regarding the current state of the above-mentioned Offer to Purchase, please find attached the Press Release issued by the Company, which shall be treated as if fully incorporated into the body of this Material Event.

Santiago, October 5, 2018.

Jaime Cohen Arancibia
Corporate Legal Officer
Embotelladora Andina S.A.



EMBOTELLADORA ANDINA ANNOUNCES RESULTS OF OFFER TO PURCHASE FOR CASH CERTAIN OF ITS DEBT SECURITIES

SANTIAGO, CHILE, October 4, 2018: Embotelladora Andina S.A. (the “Company”), a Chilean publicly held corporation, announced today the early results for its previously announced offer to purchase (the “Tender Offer”) for cash up to US\$210,000,000 in aggregate principal amount (the “Tender Cap”) of its outstanding 5.000% Senior Notes due 2023 (the “Notes”). The Tender Offer is being made pursuant to an Offer to Purchase, dated September 20, 2018 (the “Offer to Purchase”), which sets forth the terms of the Tender Offer.

As set forth in the table below, as of 5:00 p.m., New York time, on October 3, 2018 (the “Early Participation Date”), the Company has received tenders of US\$441,729,000 aggregate principal amount of Notes. The aggregate principal amount of tendered Notes exceeds the Tender Cap. Based on the Tender Cap and the proration terms of the Tender Offer, and subject to the satisfaction or waiver by the Company of the Financing Condition and the General Conditions (as such terms are defined in the Offer to Purchase), the Company shall accept for purchase Notes in aggregate principal amount up to the Tender Cap, resulting in a Total Consideration of US\$221,287,500, plus Accrued Interest (as defined herein). Subject to the satisfaction or waiver by the Company of the aforementioned conditions, the Notes that have been validly tendered and not withdrawn at or prior to the Early Participation Date and that are accepted in the Tender Offer will be purchased, retired and cancelled on the early settlement date, which is expected to occur on or about October 10, 2018 (the “Early Settlement Date”). We reserve the right, subject to applicable law, to extend the Early Settlement Date to a later date and time as announced by us, in accordance with the Offer to Purchase.

Title of Security	CUSIP	ISIN	Aggregate Principal Amount Outstanding	Tender Cap	Aggregate Principal Amount Tendered as of the Early Participation Date	Aggregate Principal Amount to be Accepted for Purchase as of the Early Participation Date(1)	Total Consideration(1)(2)(3)
5.000% Senior Notes due 2023	144A: 29081P AE5 Reg S: P3697U AD0	144A: US29081PAE51 Reg S: USP3697UAD02	US\$ 575,000,000	US\$ 210,000,000	US\$ 441,729,000	US\$ 210,000,000	US\$ 221,287,500

(1) Subject to the satisfaction or waiver by the Company of the Financing Condition and the General Conditions (as such terms are defined in the Offer to Purchase).

(2) US\$1,053.75 per US\$1,000 principal amount of Notes tendered and accepted for purchase by the Company, excluding Accrued Interest (as defined herein).

(3) Includes an early participation payment of US\$30.00 per US\$1,000 principal amount of Notes tendered and accepted for purchase by the Company (the “Early Participation Payment”).

The Tender Offer is scheduled to expire at 11:59 p.m., New York City time, on October 18, 2018, unless extended or earlier terminated by the Company (such time, the “Expiration Date”). Because the aggregate principal amount of Notes tendered at or prior to the Early Participation Date exceeded the Tender Cap, the Company does not expect to accept for purchase any additional Notes in the Tender Offer. Withdrawal rights for the Tender Offer have expired and have not been extended.

Subject to the satisfaction or waiver by the Company of the Financing Condition and the General Conditions (as such terms are defined in the Offer to Purchase), holders of Notes who validly tendered and did not withdraw their Notes on or prior to the Early Participation Date, and whose Notes are accepted for purchase (subject to the Tender Cap and proration), will be entitled to receive on the Early Settlement Date a Total Consideration of US\$1,053.75 per US\$1,000 principal amount of Notes accepted for purchase by the Company, which includes the Early Participation Payment. In addition to the Total Consideration, accrued and unpaid interest will be paid on all Notes validly tendered and accepted for purchase from the applicable last interest payment date to, but not including, the Early Settlement Date (the “Accrued Interest”).

Holders who have not already tendered their Notes may continue to do so at any time prior to the Expiration Date, but to the extent such Notes are validly tendered and accepted for purchase, such holders will be entitled to receive only the tender offer consideration, which is equal to the Total Consideration less the Early Participation Payment (the “Tender Offer Consideration”). However, because the aggregate principal amount of Notes validly tendered at or prior to the Early Participation Date exceeds the Tender Cap, the Company does not expect to accept for purchase any additional Notes in the Tender Offer.

The Company has retained Itau BBA USA Securities, Inc. (“Itaú BBA”), J.P. Morgan Securities LLC (“J.P. Morgan”) and Santander Investment Securities Inc. (“Santander”) as the Dealer Managers for the Tender Offer. Global Bondholder Services Corporation (“GBSC”) is acting as the Information Agent and Depositary for the Tender Offer. For additional information regarding the terms of the Tender Offer, please contact any of Itaú BBA at (888) 770-4828 (toll-free) or (212) 710-6749 (collect), J.P. Morgan at (866) 846-2874 (toll-free) or (212) 834-7279 (collect), or Santander at (855) 404-3636 (toll-free) or (212) 940-1442 (collect). Requests for documents and questions regarding the tendering of Notes may be directed to GBSC by telephone at (866)-470-3700 (toll-free) or (212)-430-3774 (collect), facsimile at (212) 430-3775/3779, or by email at contact@gbsc-usa.com.

This news release does not constitute an offer or an invitation to participate in the Tender Offer. The Tender Offer is being made pursuant to the Offer to Purchase, a copy of which has been delivered to holders of the Notes, and which sets forth the complete terms and conditions of the Tender Offer. Holders are urged to read the Offer to Purchase carefully before making any decision with respect to their Notes.

The Tender Offer is not being made to, nor will the Company accept tenders of Notes from, holders in any jurisdiction in which it is unlawful to make such an offer. None of the Company, their board of directors, the Dealer Managers, the Information Agent and Depositary or the trustee for the Notes makes any recommendation as to whether holders should tender Notes in response to the Tender Offer.

Certain statements in this press release, including those describing the completion of the Tender Offer, constitute forward-looking statements. These statements are not historical facts but instead represent only the Company’s belief regarding future events, many of which, by their nature, are inherently uncertain and outside the Company’s control. It is possible that actual results will differ, possibly materially, from the anticipated results indicated in these statements.

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SIGNATURES

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

EMBOTELLADORA ANDINA S.A.

By: /s/ Jaime Cohen
Name: Jaime Cohen
Title: Chief Legal Officer

Santiago, October 5, 2018



Offer to Purchase for Cash up to US\$210,000,000 in Principal Amount of 5.000% Senior Notes due 2023

Embotelladora Andina S.A. (the “Company,” “we,” “our” or “us”), a publicly held corporation (*sociedad anónima abierta*) organized under the laws of the Republic of Chile (“Chile”), is offering to purchase for cash, upon the terms and subject to the conditions set forth in this Offer to Purchase (as it may be amended or supplemented from time to time, this “Offer to Purchase”), up to US\$210,000,000 in aggregate principal amount (the “Tender Cap”) of its outstanding 5.000% Senior Notes due 2023 (the “Notes”) from each registered or beneficial holder of Notes (each a “Holder” or “you”). We refer to our offer to Holders to purchase the Notes as the “Tender Offer.”

The Tender Offer will expire at 11:59 p.m., New York City time, on October 18, 2018, unless extended or earlier terminated by the Company (such date and time, as it may be extended or earlier terminated, the “Expiration Date”). In order to be eligible to receive the Total Consideration (as defined herein), Holders must validly tender, and not validly withdraw, their Notes by 5:00 p.m., New York City time, on October 3, 2018 (such date and time, as it may be extended or earlier terminated, the “Early Participation Date”). Tendered Notes may be validly withdrawn from the Tender Offer prior to, but not after, 5:00 p.m., New York City time, on October 3, 2018 (such date and time, as it may be extended, the “Withdrawal Deadline”). In order to be eligible to receive the Tender Offer Consideration (as defined herein), Holders must validly tender their Notes by the Expiration Date. Notes validly tendered pursuant to the Tender Offer and accepted for purchase will be accepted for purchase by the Company subject to the Tender Cap, and may be subject to proration, all as more fully described herein.

The following table summarizes the material pricing terms of the Tender Offer:

Title of Security	CUSIP No.	ISIN	Aggregate Principal Amount Outstanding	Tender Cap	Tender Offer Consideration ^{(1) (3)}	Early Participation Payment ⁽³⁾	Total Consideration ^{(2) (3)}
5.000% Senior Notes due 2023	144A: 29081P AE5 Reg S: P3697U AD0	144A: US29081PAE51 Reg S: USP3697UAD02	US\$575,000,000	US\$210,000,000	US\$1,023.75	US\$30.00	US\$1,053.75

- (1) All Holders whose Notes are accepted for purchase will also receive the applicable accrued and unpaid interest on the purchased Notes from the last interest payment date for the Notes up to, but excluding, the applicable Settlement Date (as defined herein).
- (2) The Total Consideration (as defined herein) for the Notes includes the Tender Offer Consideration (as defined herein) plus the Early Participation Payment (as defined herein), which is payable only to Holders that validly tender, and do not validly withdraw, their Notes on or prior to the Early Participation Date.
- (3) Per US\$1,000 principal amount of Notes tendered and accepted for purchase by the Company, excluding Accrued Interest (as defined below).

The Tender Offer is being made on the terms and subject to the conditions set forth in this Offer to Purchase. All of the Notes are held in book-entry form through the facilities of The Depository Trust Company (“DTC”), Clearstream Banking, société anonyme (“Clearstream”) or Euroclear Bank S.A./N.V. (“Euroclear” and, together with DTC and Clearstream, each a “Clearing System” and collectively the “Clearing Systems”). As a result, all Holders electing to tender pursuant to the Tender Offer must do so pursuant to the book-entry procedures of the Clearing System through which they hold Notes. See “Terms of the Tender Offer.”

The Dealer Managers for the Tender Offer are

Itaú BBA

J.P. Morgan

Santander

September 20, 2018

If the purchase of all Notes validly tendered in the Tender Offer on or prior to the Early Participation Date or the Expiration Date, as applicable, would cause the aggregate principal amount of the Notes being repurchased to exceed the Tender Cap, then the Tender Offer will be oversubscribed.

If the Tender Offer is oversubscribed, we will accept for purchase such tendered Notes on a prorated basis, with the proration factor depending on the aggregate principal amount of the Notes validly tendered. In the event any tendered Notes are not accepted for purchase due to proration, they will be promptly returned or credited to the Holder's account.

If the Tender Offer is oversubscribed as of the Early Participation Date, we will prorate our purchase of such Notes and will not accept for purchase any Notes tendered after the Early Participation Date. If the Tender Offer is not oversubscribed as of the Early Participation Date, Holders who validly tender Notes after the Early Participation Date may be subject to proration, but Holders who validly tender Notes on or prior to the Early Participation Date and whose Notes are accepted for purchase will not be subject to proration. For a description of the applicable proration procedures, see “Terms of the Tender Offer — Proration.”

Holders must validly tender and not validly withdraw Notes on or prior to the Early Participation Date in order to be eligible to receive the Total Consideration for such Notes purchased in the Tender Offer. Holders that validly tender their Notes after the Early Participation Date and before the Expiration Date will receive only the Tender Offer Consideration. All Holders whose Notes are accepted for purchase will also receive the applicable accrued and unpaid interest on the purchased Notes from the last interest payment date for the Notes up to, but excluding, the applicable Settlement Date (as defined below) if and when such purchased Notes are accepted for payment.

We expressly reserve the right but are under no obligation, at any point following the Early Participation Date and before the Expiration Date, to accept for purchase any of the Notes validly tendered (and not subsequently validly withdrawn) at or before the Early Participation Date, subject to all conditions to the Tender Offer having been satisfied or waived by us (the date of such purchase, the “*Early Settlement Date*”). If we elect to have an Early Settlement Date, we will announce the date selected as the Early Settlement Date and the aggregate principal amount of the Notes accepted for purchase on such date in the manner described under “Terms of the Tender Offer — Announcements.” Payment for any Notes that are validly tendered and not withdrawn and not purchased on the Early Settlement Date is anticipated to occur on the second business day after the Expiration Date (the “*Final Settlement Date*” and, together with the Early Settlement Date, each an applicable “*Settlement Date*”).

Notes may be tendered and accepted for payment only in principal amounts equal to minimum denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof. No alternative, conditional or contingent tenders will be accepted. Holders who do not tender all of their Notes should ensure that they retain a principal amount of Notes amounting to at least the minimum authorized denomination equal to US\$200,000 principal amount.

The Tender Offer is not conditioned upon any minimum amount of Notes being tendered, and we may amend, extend, terminate or withdraw any or all of the Tender Offer in whole or in part at any time, subject to applicable law.

Notwithstanding any other provision of the Tender Offer, the Company's agreement to accept for payment, and to pay for, Notes validly tendered pursuant to the Tender Offer is conditioned upon the satisfaction or waiver of the Financing Condition and the General Conditions (each as defined below). See “Terms of the Tender Offer — Conditions of the Tender Offer.”

We reserve the right, subject to applicable law, to:

- increase the Tender Cap without extending withdrawal rights, however, there can be no assurance that we will do so;
- accept for purchase and pay for all Notes validly tendered at or before the Expiration Date, and not subsequently validly withdrawn at or before the Early Participation Date, and to keep the Tender Offer open or extend the Early Participation Date, Early Settlement Date or Expiration Date to a later date and time;

- waive the Financing Condition or any and all of the General Conditions; or
- terminate, extend or otherwise amend the Tender Offer.

If the Tender Offer is terminated at any time, the Notes tendered pursuant to the Tender Offer and not accepted by the Company at the time of such termination will be returned promptly to the tendering Holders.

None of the Company or its affiliates, the Information Agent and Depositary (as defined herein), the Dealer Managers or the Trustee, is making any recommendation as to whether Holders should tender Notes in response to the Tender Offer. Holders must make their own decision as to whether to tender any of their Notes, and, if so, the principal amount of Notes to which action is to be taken.

See “Certain Significant Considerations,” “Certain United States Federal Income Tax Considerations” and “Certain Chilean Income Tax Considerations” for a discussion of certain factors that should be considered in evaluating the Tender Offer.

We and our affiliates expressly reserve the absolute right, in our sole discretion, subject to applicable law, from time to time, to redeem or purchase additional Notes in the open market, in privately negotiated transactions, through tender offers or exchange offers or otherwise. Any such purchases may be on the same terms or on terms that are more or less favorable to Holders of the Notes than the terms of the Tender Offer. Any such purchases by us or our affiliates will depend on various factors existing at that time. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) we or our affiliates may choose to pursue.

THIS OFFER TO PURCHASE SHOULD BE READ CAREFULLY BEFORE A DECISION IS MADE WITH RESPECT TO THE TENDER OFFER.

IMPORTANT INFORMATION

The Notes are held in book-entry form through the facilities of the Clearing Systems. If you desire to tender Notes through DTC, you must transfer them to the Information Agent and Depositary through DTC's Automated Tender Offer Program ("ATOP"), for which the Tender Offer for Notes held through DTC will be eligible, as described in "Terms of the Tender Offer — Procedures for Tendering — Procedures for Notes Held through DTC." If you desire to tender Notes held through Clearstream or Euroclear, you must comply with the procedures described herein and the procedures of Clearstream or Euroclear, as applicable, as described in "Terms of the Tender Offer — Procedures for Tendering — Procedures for Notes Held through Euroclear or Clearstream."

A beneficial owner whose Notes are held by a broker, dealer, commercial bank, trust company or other nominee and who desires to tender such Notes in the Tender Offer must contact its nominee and instruct the nominee to tender its Notes on its behalf. **If a broker, dealer, commercial bank, trust company or other nominee holds your Notes, such nominee may have earlier deadlines for tendering Notes in the Tender Offer at or before the Early Participation Date or the Expiration Date, as applicable. You should promptly contact the broker, dealer, commercial bank, trust company or other nominee that holds your Notes to determine its deadline or deadlines.**

There are no guaranteed delivery provisions provided for by the Company in order for Holders of Notes to validly tender Notes in the Tender Offer. Accordingly, Notes must be tendered and delivered at or before the applicable Expiration Date, if they are to be subject to purchase by the Company. For more information regarding the procedures for tendering your Notes, see "Terms of the Tender Offer — Procedures for Tendering."

Requests for additional copies of this Offer to Purchase, and requests for assistance relating to the procedures for tendering Notes, may be directed to the Information Agent and Depositary at the address and telephone numbers on the back cover of this Offer to Purchase. Requests for assistance relating to the terms and conditions of the Tender Offer may be directed to the Dealer Managers at their addresses and telephone numbers on the back cover of this Offer to Purchase. Beneficial owners may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance regarding the Tender Offer.

This Offer to Purchase contains important information that Holders are urged to read before making any decision with respect to the Tender Offer.

This Offer to Purchase does not constitute an offer to purchase securities, and any instructions relating to the Tender Offer will not be accepted from, or on behalf of, holders of Notes, in any jurisdiction which, or to or from any person to or from whom, it is unlawful to make such offer under the laws or regulations of such jurisdiction, including applicable securities laws. The Company is inviting offers to sell the Notes only under circumstances and in jurisdictions where it is lawful to do so.

This Offer to Purchase does not constitute an offer to purchase in Chile or to any resident of Chile, except as permitted by applicable Chilean law.

The delivery of this Offer to Purchase shall not under any circumstances create any implication that the information contained herein is correct as of any time subsequent to the date hereof or that there has been no change in the information set forth herein or in any attachments hereto or in the affairs of the Company or any of its affiliates since the date hereof.

No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in this Offer to Purchase, and, if given or made, such information or representation should not be relied upon as having been authorized by us, the Information Agent and Depositary, the Dealer Managers or the Trustee.

IMPORTANT DATES

Holders of Notes should take note of the following dates in connection with the Tender Offer:

Date	Calendar Date and Time	Event
Commencement Date	September 20, 2018.	The commencement date of the Tender Offer.
Early Participation Date	5:00 p.m., New York City time, on October 3, 2018, unless extended or earlier terminated by the Company in its sole discretion.	The last time and day for Holders to tender Notes to qualify for the payment of the Total Consideration, or to validly withdraw tenders of Notes. Tenders of Notes may be validly withdrawn at any time at or prior to the Early Participation Date, but not thereafter.
Withdrawal Deadline	5:00 p.m., New York City time, on October 3, 2018, unless extended or earlier terminated by the Company in its sole discretion.	The last date and time for you to validly withdraw tenders of Notes. Notes tendered after the Withdrawal Deadline cannot be withdrawn unless the Company is required to extend withdrawal rights under applicable law.
Early Settlement Date	At our option, following the Early Participation Date but prior to the Expiration Date. If we elect to have an Early Settlement Date, we will announce the date selected as the Early Settlement Date and the aggregate principal amount of the Notes accepted for purchase on such date in the manner described under “Terms of the Tender Offer — Announcements.” It is anticipated that any Early Settlement Date would be no earlier than the second business day after the Early Participation Date.	For Notes that have been validly tendered on or prior to the Early Participation Date (and not subsequently validly withdrawn) and that are accepted for payment, subject to the Tender Cap and proration, we will have the option for settlement to occur on the Early Settlement Date, subject to all conditions to the Tender Offer having been satisfied or waived. We will deposit with the Clearing Systems the amount of cash necessary to pay, and the Clearing Systems will pay, the Total Consideration payable to Holders whose Notes are accepted for purchase by the Company on the Early Settlement Date, together with any Accrued Interest on the tendered Notes.
Expiration Date	11:59 p.m., New York City time, on October 18, 2018, unless extended or earlier terminated by the Company.	The last time and day for you to tender Notes pursuant to the Tender Offer.
Final Settlement Date	It is anticipated that the Final Settlement Date will be October 22, 2018, the second business day after the Expiration Date.	The date we will deposit with the Clearing Systems the amount of cash necessary to pay, and the Clearing Systems will pay, the Total Consideration or the Tender Offer

Date	Calendar Date and Time	Event
		Consideration, as applicable, subject to the Tender Cap and proration, plus Accrued Interest on the tendered Notes, payable to Holders whose Notes were validly tendered and accepted for purchase by the Company and not purchased on the Early Settlement Date.

The Company may extend the Early Participation Date, the Early Settlement Date, the Expiration Date or the Final Settlement Date with respect to the Tender Offer. Notes validly tendered pursuant to the Tender Offer and accepted for purchase by the Company will be accepted for purchase subject to the Tender Cap, and may be subject to proration. The Company reserves the right, in its sole discretion, subject to applicable law, to increase the Tender Cap without extending withdrawal rights, however, there can be no assurance that the Company will do so.

TABLE OF CONTENTS

	<u>Page</u>
Important Information	iv
Important Dates	v
Summary.....	1
Special Note Regarding Forward-Looking Statements	6
Embotelladora Andina S.A.....	7
Incorporation of Documents by Reference	7
Available Information.....	8
Purpose of the Tender Offer	8
Terms of the Tender Offer	9
General	9
Total Consideration	9
Proration	9
Source and Amount of Funds	10
Conditions of the Tender Offer	10
Procedures for Tendering	12
Acceptance of Notes for Purchase; Payment for Notes	16
Return of Unaccepted Notes.....	17
Early Participation Date; Early Settlement Date; Expiration Date; Extensions; Amendments	17
Withdrawal Rights.....	18
Announcements	18
Brokerage Commissions.....	19
Compliance with “Short Tendering” Rule.....	19
Transfer Taxes	19
Offer Restrictions	19
Certain Significant Considerations	21
Limitations on Ability to Withdraw Notes	22
Potential Change in the Tender Cap	22
Certain United States Federal Income Tax Considerations	23
Certain Chilean Income Tax Considerations	25
Enforcement of Civil Liabilities	27
Dealer Managers and Information Agent and Depositary	28
Miscellaneous	29

SUMMARY

The following summary is provided solely for the convenience of Holders. This summary is not intended to be complete and is qualified in its entirety by reference to, and should be read in conjunction with, the information appearing elsewhere in, or incorporated by reference into, this Offer to Purchase. Each undefined capitalized term used in this Summary has the meaning set forth elsewhere in this Offer to Purchase. Holders are urged to read this Offer to Purchase in its entirety.

The Company	Embotelladora Andina S.A.
The Notes	5.000% Senior Notes due 2023.
The Tender Offer	The Tender Offer for the Notes is for cash, upon the terms and subject to the conditions set forth in this Offer to Purchase, and is for an aggregate principal amount of up to US\$210,000,000 (the “ <i>Tender Cap</i> ”). We reserve the right, subject to applicable law, to increase the Tender Cap without extending withdrawal rights, however, there can be no assurance that we will do so.
Total Consideration	The total consideration (the “ <i>Total Consideration</i> ”) for each US\$1,000 principal amount of the Notes validly tendered and accepted for purchase pursuant to the Tender Offer shall be a price equal to the amount shown for the Notes on the cover page of this Offer to Purchase, payable to Holders that validly tender (and do not validly withdraw) their Notes at or before the Early Participation Date. The Total Consideration includes the applicable Early Participation Payment as shown on the cover page of this Offer to Purchase.
Early Participation Payment	Holders of Notes who validly tender (and do not validly withdraw) their Notes on or prior to the Early Participation Date shall be entitled to receive, as part of the Total Consideration, the Early Participation Payment as shown on the cover page of this Offer to Purchase (the “ <i>Early Participation Payment</i> ”).
Tender Offer Consideration	Holders of Notes that validly tender their Notes after the Early Participation Date but at or before the Expiration Date will receive only the Tender Offer Consideration as shown on the cover page of this Offer to Purchase (the “ <i>Tender Offer Consideration</i> ”), which is the Total Consideration less the Early Participation Payment.
Accrued Interest	Subject to the terms and conditions set forth in this Offer to Purchase, in addition to the Total Consideration or the Tender Offer Consideration, as applicable, Holders who validly tender (and do not validly withdraw) their Notes and whose Notes are accepted for purchase in the Tender Offer will also receive accrued and unpaid interest from the last interest payment date for the Notes up to, but excluding, the applicable Settlement Date.
Purpose of the Tender Offer	The primary purpose of the Tender Offer, in conjunction with the financing arrangements described under “Terms of the Tender Offer — Conditions of the Tender Offer — Financing Condition,” is to refinance a portion of the

	Company's outstanding U.S. dollar-denominated debt in order to reduce interest rates and optimize the amount of the Company's Chilean peso-denominated debt.
Source of Funds.....	The Company expects to pay the cash consideration for the Tender Offer with net cash proceeds from the Financing Transactions (as defined herein). See "Terms of the Tender Offer — Conditions of the Tender Offer — Financing Condition."
Proration of the Notes.....	If the purchase of all Notes validly tendered in the Tender Offer on or prior to the Early Participation Date or the Expiration Date, as applicable, would cause the aggregate principal amount of the Notes being repurchased to exceed the Tender Cap, then the Tender Offer will be oversubscribed. If the Tender Offer is oversubscribed, we will accept for payment such tendered Notes on a prorated basis, with the proration factor depending on the aggregate principal amount of Notes validly tendered. In the event any tendered Notes are not accepted for purchase due to proration, they will be promptly returned or credited to the Holder's account. If the Tender Offer is oversubscribed as of the Early Participation Date, we will prorate our purchase of such Notes and will not accept for purchase any Notes tendered after the Early Participation Date. If the Tender Offer is not oversubscribed as of the Early Participation Date, Holders who validly tender Notes after the Early Participation Date may be subject to proration, but Holders who validly tender Notes on or prior to the Early Participation Date and whose Notes are accepted for purchase will not be subject to proration. We reserve the right, in our sole discretion, subject to applicable law, to increase the Tender Cap without extending withdrawal rights, however, there can be no assurance that we will do so. To avoid returning to any Holder Notes that are not in principal amounts of US\$200,000 or an integral multiple of US\$1,000 in excess thereof (the "<i>Authorized Denominations</i>"), if we accept some but not all validly tendered Notes, the amount of such Notes tendered by any Holder will be multiplied by the proration factor and rounded down to the nearest US\$1,000 principal amount and the remainder will be returned to such Holder; <u>provided</u> that, if the principal amount returned to a Holder would be less than the Authorized Denomination, it will be rounded up to the Authorized Denomination and the principal amount accepted will be correspondingly reduced. If proration of the Notes is required, we will determine

Expiration Date.....	the final proration factor as soon as practicable after the Early Participation Date or the Expiration Date, as applicable. The Tender Offer will expire at 11:59 p.m., New York City time, on October 18, 2018, unless extended or earlier terminated. If a broker, dealer, commercial bank, trust company or other nominee holds your Notes, such nominee may have an earlier deadline for tendering Notes in the Tender Offer. You should promptly contact the broker, dealer, commercial bank, trust company or other nominee that holds your Notes to determine its deadline.
Early Settlement Date and Final Settlement Date	For Notes that have been validly tendered at or before the Early Participation Date (and not subsequently validly withdrawn) and that are accepted for purchase by the Company, we will have the option for settlement to occur on a date we select prior to the Expiration Date, subject to all conditions to the Tender Offer having been satisfied or waived by us. Payment for any Notes that are validly tendered and not withdrawn and not purchased by the Company on the Early Settlement Date is anticipated to occur on the second business day after the Expiration Date. It is anticipated that any Early Settlement Date would be no earlier than the second business day after the Early Participation Date.
Settlement of Accepted Notes	On the applicable Settlement Date, subject to the terms of the Tender Offer and upon satisfaction or waiver of the conditions to the Tender Offer, we will (i) accept for purchase Notes validly tendered (and not validly withdrawn), and (ii) promptly pay the Total Consideration or the Tender Offer Consideration, as applicable, and pay the applicable accrued and unpaid interest, with respect to Notes that are validly tendered (and not validly withdrawn) on or prior to the Early Participation Date or the Expiration Date, as applicable, and accepted for purchase.
Conditions of the Tender Offer	Any obligation to accept and pay for Notes in the Tender Offer is conditioned upon the satisfaction or waiver of the Financing Condition and the General Conditions. See “Terms of the Tender Offer — Conditions of the Tender Offer.” Subject to applicable law, we expressly reserve the right, in our sole discretion, to amend or terminate the Tender Offer. If the Tender Offer is terminated at any time, the Notes tendered pursuant to the Tender Offer and not previously accepted for purchase will be promptly returned to the tendering Holders.

How to Tender Notes.....	See “Terms of the Tender Offer — Procedures for Tendering.” For further information, call the Information Agent and Depositary at the telephone numbers set forth on the back cover of this Offer to Purchase or consult your broker, dealer, commercial bank or trust company or other nominee for assistance.
Withdrawal Rights.....	Tenders of Notes may be validly withdrawn at any time at or prior to the Early Participation Date, but not thereafter, by following the procedures described under “Terms of the Tender Offer — Withdrawal Rights.” Tendered Notes may not be withdrawn subsequent to the Early Participation Date. Tenders of Notes may be validly withdrawn if the Tender Offer is terminated without any Notes being purchased thereunder. In the event of a termination of the Tender Offer, the Notes tendered pursuant to the Tender Offer will be promptly returned to the tendering Holders.
Certain Significant Considerations.....	See “Certain Significant Considerations” for a discussion of certain factors that should be considered in evaluating the Tender Offer.
Certain United States Federal Income Tax Considerations	For a discussion of certain United States federal income tax considerations of the Tender Offer applicable to Holders of Notes, see “Certain United States Federal Income Tax Considerations.”
Certain Chilean Income Tax Considerations	For a discussion of certain Chilean income tax considerations of the Tender Offer applicable to Holders of Notes, see “Certain Chilean Income Tax Considerations.”
Other Purchases of Notes	We and our affiliates may, in our sole discretion and subject to applicable law, from time to time redeem or purchase additional Notes in the open market, in privately negotiated transactions, through tender offers or exchange offers or otherwise. Any such purchases may be on the same terms or on terms that are more or less favorable to Holders of the Notes than the terms of the Tender Offer. Any such purchases by us or our affiliates will depend on various factors existing at that time. We may also redeem any Notes that remain outstanding in accordance with their terms. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) we or our affiliates may choose to pursue.
Untendered or Unpurchased Notes.....	Any tendered Notes that are not accepted for purchase by the Company will be returned without expense to their tendering Holder. Notes not tendered or otherwise not purchased pursuant to the Tender Offer will remain outstanding. If the Tender Offer is consummated, then the aggregate principal amount of Notes that remain outstanding will be reduced. This may adversely affect the liquidity of or increase the volatility in the market for the Notes that remain outstanding after consummation of

	the Tender Offer. See “Certain Significant Considerations.”
Dealer Managers.....	Itau BBA USA Securities, Inc., J.P. Morgan Securities LLC and Santander Investment Securities Inc. are serving as the dealer managers for the Tender Offer (the “ <i>Dealer Managers</i> ”). The address and telephone number of each Dealer Manager is listed on the back cover of this Offer to Purchase.
Information Agent and Depositary	Global Bondholder Services Corporation is serving as the “ <i>Information Agent and Depositary</i> .” The address and telephone numbers of the Information Agent and Depositary are listed on the back cover of this Offer to Purchase.
Brokerage Commissions.....	No brokerage commissions are payable by Holders to the Company, the Dealer Managers or the Information Agent and Depositary. If your Notes are held through a broker or other nominee who tenders the Notes on your behalf, your broker may charge you a commission for doing so. You should consult with your broker or nominee to determine whether any charges will apply. See “Terms of the Tender Offer — Brokerage Commissions.”
Trustee for the Notes	The Bank of New York Mellon.
Further Information	Questions concerning the terms of the Tender Offer should be directed to the Dealer Managers at their address or telephone number listed on the back cover of this Offer to Purchase. Questions concerning tender and delivery procedures and requests for additional copies of this Offer to Purchase should be directed to the Information Agent and Depositary at its address or telephone numbers listed on the back cover of this Offer to Purchase.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Offer to Purchase includes forward-looking statements within the meaning of the securities laws of applicable jurisdictions. These forward looking statements appear in a number of places in this Offer to Purchase and include, but are not limited to, all statements other than statements of historical facts contained in this Offer to Purchase, including, without limitation, those regarding the intentions, beliefs or current expectations of the Company. In some cases, you can identify forward-looking statements by terminology such as “aim,” “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” or “will” or the negative of such terms or other comparable terminology.

These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The information contained in this Offer to Purchase, including under the headings “Summary,” “Certain Significant Considerations” and “Terms of the Tender Offer — Conditions of the Tender Offer” identify important factors that could cause such differences.

EMBOTELLADORA ANDINA S.A.

We believe we are the third largest bottler of Coca-Cola trademark beverages in Latin America in terms of sales volume. We believe we are the largest bottler of Coca-Cola trademark beverages in Chile, the second largest in Argentina and the third largest in Brazil, in each case in terms of sales volume. We are also the only bottler of Coca-Cola trademark beverages in Paraguay. As of June 30, 2018, operating under agreements with The Coca-Cola Company, we served territories populated by approximately 52 million people.

In addition to our soft drinks business, which accounted approximately for 71% of our consolidated net sales during the six months ended June 30, 2018, we also: (i) produce and distribute fruit juices, other fruit-flavored beverages, flavored waters, mineral and purified water in Chile, Argentina, Brazil and Paraguay under trademarks owned by The Coca-Cola Company; (ii) manufacture polyethylene terephthalate (“PET”) bottles primarily for our own use in the packaging of Coca-Cola soft drinks in Chile and Argentina, where we also produce returnable PET bottles, cases and plastic caps; (iii) produce tea, sport drinks, energy drinks, and juices in Brazil for Leão Alimentos e Bebidas Ltda.; (iv) distribute beverages such as tea, fruit juices, energy drinks, sport drinks, seed-based beverages, lactose free dairy products and/or waters in Argentina, Brazil, Chile and Paraguay under trademarks owned by The Coca-Cola Company in each of the territories where we have authorization to do so; and (v) distribute beer in Brazil under the brands Amstel, Bavaria, Birra Moretti, Desperados, Dos Equis (XX), Edelweiss, Heineken, Murphy’s, Sol and Xingú.

During the year ended December 31, 2017 and the six months ended June 30, 2018, we had consolidated net sales of Ch\$1,848,879 million and Ch\$849,969 million, respectively, and total sales volume of 756.3 million and 368.7 million unit cases, respectively.

We intend to report our results of operations for the fiscal quarter ended September 30, 2018 on or about the end of November 2018.

Embotelladora Andina S.A. is a publicly held corporation (*sociedad anónima abierta*) organized under the laws of Chile. Our principal executive offices are located at Avenida Miraflores 9153, Piso 7, Renca, Santiago, Chile, and our telephone number at that address is +56-2-2338-0520. The Company’s website is <http://www.koandina.com/>. Any information contained in, or accessible through, our website is not incorporated by reference in, and does not constitute a part of, this Offer to Purchase.

INCORPORATION OF DOCUMENTS BY REFERENCE

The Company files annual reports, as well as current reports, with the U.S. Securities and Exchange Commission (“SEC”). These reports are available from the SEC website at <https://www.sec.gov/> and the Company’s website at <http://www.koandina.com/>. These websites have been provided solely for reference purposes and the documents and other information available through such websites are not incorporated by reference into, and do not form part of, this Offer to Purchase, except that we are incorporating by reference into this Offer to Purchase the specific documents set forth below:

- our annual report on Form 20-F for the fiscal year ended December 31, 2017 filed with the SEC on April 27, 2018; and
- our report on Form 6-K with respect to our results of operations for the six months ended June 30, 2018 furnished with the SEC on August 30, 2018.

We also incorporate by reference in this Offer to Purchase those of our reports furnished to the SEC on Form 6-K that we specifically identify as being incorporated by reference in this Offer to Purchase after the date hereof and prior to the completion of the Tender Offer.

Any statement contained herein or in a document incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Offer to Purchase to the extent that a statement contained herein or in any other subsequently filed document which also is incorporated by reference herein modifies or supersedes such

statement. Any such statement so modified or superseded shall not be deemed, except as so modified and superseded, to constitute a part of this Offer to Purchase.

When tendering the Notes discussed in this Offer to Purchase, you should rely only on the information contained or incorporated by reference in this Offer to Purchase. Neither we, nor any of the Dealer Managers or the Information Agent and Depositary, have authorized anyone to provide you with different information.

You should not assume that the information in this Offer to Purchase or any document incorporated by reference is accurate or complete at any date other than the date mentioned on the cover page of those documents.

AVAILABLE INFORMATION

The Company is an issuer in Chile of securities registered with the *Comisión para el Mercado Financiero*, the Chilean Financial Markets Commission, or “CMF.” Shares of its common stock are traded on the *Bolsa de Comercio de Santiago—Bolsa de Valores*, or the Santiago Stock Exchange, the *Bolsa Electrónica de Chile—Bolsa de Valores*, or Electronic Stock Exchange, and the *Bolsa de Corredores—Bolsa de Valores*, or the Valparaiso Stock Exchange, which we jointly refer to as the “Chilean Stock Exchanges,” under the symbols “ANDINA-A” and “Andina-B.” Accordingly, we are currently required to file quarterly and annual financial reports and issue *hechos esenciales* (notices of material events) in Spanish to the CMF, and provide copies of such reports and notices to the Chilean Stock Exchanges. All such reports and notices are available at www.cmfchile.cl and <http://www.koandina.com/>.

These reports and notices and any information contained in, or accessible through, our website are not incorporated by reference in, and do not constitute a part of, this Offer to Purchase.

PURPOSE OF THE TENDER OFFER

The primary purpose of the Tender Offer, in conjunction with the financing arrangements described under “Terms of the Tender Offer — Conditions of the Tender Offer — Financing Condition,” is to refinance a portion of the Company’s outstanding U.S. dollar-denominated debt in order to reduce interest rates and optimize the amount of the Company’s Chilean peso-denominated debt.

The Tender Offer is subject to certain conditions. See “Terms of the Tender Offers — Conditions of the Tender Offer.” The Tender Offer is not conditioned on the tender of a minimum amount of Notes.

Neither the Company, nor the Dealer Managers, the Information Agent and Depositary or any of their respective affiliates is making any recommendation as to whether Holders should tender any Notes in response to the Tender Offer. Holders must make their own decision as to whether to participate in the Tender Offer, and, if so, the principal amount of Notes to tender.

TERMS OF THE TENDER OFFER

General

On the terms and subject to the conditions described in this Offer to Purchase, we hereby invite Holders of Notes to tender for cash Notes subject to the Tender Cap and proration as described herein for the Tender Offer Consideration or the Total Consideration, as applicable, plus accrued and unpaid interest from the last interest payment date to, but excluding, the applicable Settlement Date (“*Accrued Interest*”), payable on such Settlement Date. Under no circumstances will any interest be payable because of any delay in the transmission of funds to Holders by the Information Agent and Depositary or the Clearing Systems. The Company reserves the right, but is under no obligation, to increase the Tender Cap at any time, subject to compliance with applicable law, which could result in the Company purchasing a greater aggregate principal amount of Notes in the Tender Offer. There can be no assurance that the Company will increase the Tender Cap. If the Company increase the Tender Cap, the Company does not expect to extend the Withdrawal Deadline, subject to applicable law.

As of the date of this Offer to Purchase, the aggregate outstanding principal amount of the Notes was US\$575,000,000.

The primary purpose of the Tender Offer, in conjunction with the additional financing arrangements the Company is undertaking, is to refinance a portion of the Company’s outstanding U.S. dollar-denominated debt in order to reduce interest rates and optimize the amount of the Company’s Chilean peso-denominated debt.

The Tender Offer commenced on the date of this Offer to Purchase and will expire on the Expiration Date, unless earlier terminated by us. Holders who validly tender and do not validly withdraw their Notes on or prior to the Early Participation Date will be eligible to receive the Total Consideration. **Holders validly tendering Notes after the Early Participation Date and on or prior to the Expiration Date will be eligible to receive only the Tender Offer Consideration, namely the Total Consideration less the Early Participation Payment.** If a broker, dealer, commercial bank, trust company or other nominee holds your Notes, such nominee may have an earlier deadline for tendering Notes pursuant to the Tender Offer than the Expiration Date. You should promptly contact the broker, dealer, commercial bank, trust company or other nominee that holds your Notes to determine its deadline or deadlines. The Tender Offer is open to all registered Holders of the Notes. No tenders submitted after the Expiration Date will be valid.

The Company’s agreement to accept, and pay for, Notes validly tendered pursuant to the Tender Offer is conditioned upon satisfaction or waiver of the Financing Condition and the General Conditions. Subject to applicable laws and the terms and conditions set forth in this Offer to Purchase, the Company reserves the right, in its sole discretion, to (a) waive any and all conditions to the Tender Offer, (b) extend or terminate the Tender Offer (c) otherwise amend the Tender Offer in any respect. The rights reserved by the Company in this paragraph are in addition to the Company’s rights to terminate the Tender Offer described under “— Conditions of the Tender Offer.” We reserve the right, subject to applicable law, to (i) extend the Early Participation Date, the Early Settlement Date, the Expiration Date or the Final Settlement Date to a later date and time as announced by us; (ii) waive any or all conditions to the Tender Offer; or (iii) terminate or otherwise amend the Tender Offer. We will publicly announce any such extension, amendment or termination in the manner described under “— Announcements.” There can be no assurance that we will exercise our right to extend, terminate or amend the Tender Offer. See “— Expiration Date; Extension; Termination and Amendment.”

Total Consideration

The Total Consideration for each US\$1,000 principal amount of Notes validly tendered and accepted for purchase by the Company pursuant to the Tender Offer will be the sum of (i) US\$1,023.75 and (ii) an early participation payment of US\$30.00.

Proration

If the purchase of all Notes validly tendered in the Tender Offer on or prior to the Early Participation Date or the Expiration Date, as applicable, would cause the aggregate principal amount of the Notes being purchased (not

including Accrued Interest and premium over the principal of the Notes being purchased under the Tender Offer) to exceed the Tender Cap, then the Tender Offer will be oversubscribed.

If the Tender Offer is oversubscribed, we will accept for payment such tendered Notes on a prorated basis, with the proration factor depending on the aggregate principal amount of Notes validly tendered. In the event any tendered Notes are not accepted for purchase due to proration, they will be promptly returned or credited to the Holder's account.

If the Tender Offer is oversubscribed as of the Early Participation Date, we will prorate our purchase of such Notes and will not accept for purchase any Notes tendered after the Early Participation Date. If the Tender Offer is not oversubscribed as of the Early Participation Date, Holders who validly tender their Notes after the Early Participation Date may be subject to proration, but Holders who validly tender their Notes on or prior to the Early Participation Date and whose Notes are accepted for purchase will not be subject to proration. We reserve the right, in our sole discretion, subject to applicable law, to increase the Tender Cap without extending withdrawal rights, however, there can be no assurance that we will do so.

To avoid returning Notes to any Holder that are not in the Authorized Denominations, if we accept some but not all validly tendered Notes, the amount of such Notes tendered by any Holder will be multiplied by the applicable proration factor and rounded down to the nearest US\$1,000 principal amount and the remainder will be returned to such Holder; provided that if the principal amount returned to a Holder of Notes would be less than the Authorized Denomination, it will be rounded up to the Authorized Denomination, and the principal amount accepted will be correspondingly reduced.

If proration of the Notes is required, we will determine the final proration factor as soon as practicable after the Early Participation Date or the Expiration Date, as applicable.

Source and Amount of Funds

The Company expects to pay the cash consideration for the Tender Offer with net cash proceeds from the Financing Transactions. See “Conditions of the Tender Offer — Financing Condition.”

Conditions of the Tender Offer

Financing Condition

The “*Financing Condition*” shall mean that the Company shall have completed a proposed issuance and placement of notes and/or borrowings under syndicated loans in the Chilean market (the “*Financing Transactions*”), in an amount and on terms and conditions satisfactory to the Company in its sole discretion, providing net cash proceeds that are at least sufficient to pay the Total Consideration and Accrued Interest for all the tendered Notes (up to the Tender Cap), plus all fees and expenses in connection with the Tender Offer. There can be no assurance that the Financing Transactions will be completed on a timely basis, if at all.

General Conditions

Notwithstanding any other term of the Tender Offer, subject to applicable law, we will not be required to accept for purchase or pay for any Notes validly tendered and not validly withdrawn pursuant to the Tender Offer, and may delay, amend, extend or terminate, the Tender Offer in our sole discretion, if we determine in our sole discretion that any of the following events or conditions (the “*General Conditions*”) exist or shall occur:

- (1) there shall have been threatened, instituted or be pending before any court, agency or other authority any action, suit or proceeding by any government or governmental, regulatory or administrative agency or authority or by any other person, domestic, foreign or supranational, or any judgment, order or injunction entered, enforced or deemed applicable by any such court, agency or other authority, which, directly or indirectly, challenges or seeks to make illegal, or to delay or otherwise directly or indirectly to restrain, prohibit or otherwise affect the making of the Tender Offer, the acquisition of Notes pursuant to the Tender Offer or is otherwise related in any manner to, or otherwise affects, the Tender Offer;

- (2) there shall have been any action threatened or taken, or any approval withheld, or any statute, rule or regulation invoked, proposed, sought, promulgated, enacted, entered, amended, enforced or deemed to be applicable to the Tender Offer, the Company or any of its subsidiaries, by any government or governmental, regulatory or administrative agency or authority or court, domestic or foreign, which, in our judgment, would or may directly or indirectly result in any of the consequences referred to in paragraph (1) above;
- (3) we shall have determined in our judgment that the acceptance for purchase of, or payment for, some or all of the Notes by us in the Tender Offer could violate, conflict with or constitute a breach of any contract, order, statute, law, rule, regulation, executive order, decree or judgment of any court to which the Company or any of its subsidiaries is or may be bound or subject;
- (4) there shall have occurred or in our judgment may occur any other event or development which would or may, in our judgment, (i) adversely affect in any material respect the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of the Company or any of its subsidiaries or affiliates, (ii) prohibit, prevent, restrict or delay consummation of such Tender Offer or (iii) impair any of the contemplated benefits to the Company of the Tender Offer;
- (5) at any time on or after the date of this Offer to Purchase, there has occurred any of the following:
 - (a) any general suspension of or shortening of hours for, or limitation on prices for, trading in securities in financial markets in the United States, Chile or any member country of the European Union (whether or not mandatory) or any other significant adverse change in financial markets in the United States, Chile or any member country of the European Union;
 - (b) any change in the prices for the Notes which impairs any of the contemplated benefits to the Company of the Tender Offer;
 - (c) any impairment in the trading market for debt securities;
 - (d) a declaration of a banking moratorium or any suspension of payments in respect of banks in the United States, Chile or any member country of the European Union (whether or not mandatory) or any suspension of or default in payments by any government or governmental, administrative or regulatory authority or agency in the United States, Chile or any member country of the European Union or other major securities or financial market;
 - (e) any change in currency exchange rates for the United States, Chile or any member country of the European Union or a suspension of, or limitation on, the markets therefor which impairs the Company's financial condition or prospects or any of the contemplated benefits to the Company of the Tender Offer;
 - (f) any limitation (whether or not mandatory) by any governmental authority on, or other event that, in our judgment, might affect the nature or extension of credit by banks or other lending institutions in the United States or Chile;
 - (g) any attack on, outbreak or escalation of hostilities, acts of terrorism or any declaration of a national emergency, commencement of war, armed hostilities or other national or international crisis; or
 - (h) any material adverse change in the United States or Chilean currency exchange rates or securities or financial markets generally or, in the case of any of the foregoing existing on the date hereof, a material acceleration, escalation or worsening thereof;
- (6) any approval, permit, authorization, consent or other action of any domestic or foreign governmental, administrative or regulatory agency, authority, court or third party shall not have been obtained on terms satisfactory to us, which, in our judgment in any such case, and regardless of the circumstances (including

any action or inaction by us or any of our affiliates) giving rise to any such condition, makes it inadvisable to proceed with the Tender Offer and/or with such acceptance for purchase or payment by us; or

- (7) any change or changes have occurred or are threatened that, in our judgment, would adversely affect the Company and its subsidiaries or the contemplated benefits of the Tender Offer to the Company.

Additional Information

The conditions described above are solely for the Company's benefit and may be asserted by the Company regardless of the circumstances giving rise to any such condition, including any action or inaction by the Company, and may be waived by the Company, in whole or in part, at any time and from time to time, on or before the applicable Settlement Date. The Company's failure at any time to exercise any of its rights will not be deemed a waiver of any other right, and each right will be deemed an ongoing right which may be asserted at any time and from time to time.

The Company expressly reserves the right, in its sole discretion, to terminate the Tender Offer at any time. If the Company terminates the Tender Offer in whole or in part, it will give prompt notice to the Information Agent and Depositary, and all such Notes theretofore tendered pursuant to the Tender Offer and not accepted for purchase will be returned promptly to the tendering Holders thereof.

Early Settlement Date

If the Financing Condition is satisfied prior to the Expiration Date, the Company reserves the right, in its sole discretion, at any point following the Early Participation Date and before the Expiration Date, to accept for purchase any Notes validly tendered (and not subsequently validly withdrawn) at or before the Early Participation Date and pay for such Notes on the Early Settlement Date.

If the Company elects to have an Early Settlement Date, the Company will announce the date selected as the Early Settlement Date and the aggregate principal amount of the Notes accepted for purchase on such date in the manner described under "Terms of the Tender Offer — Announcements."

Procedures for Tendering

All of the Notes are held in book-entry form through the facilities of one or more of the Clearing Systems. If you wish to tender your Notes in the Tender Offer, you should follow the applicable instructions below. There will be no Letter of Transmittal for the Tender Offer. In no event shall the Holder send any documents to the Dealer Managers or to the Company.

If you hold your Notes through a custodial entity, including a broker, dealer, bank or trust company or other nominee, in order to participate in the Tender Offer, you must instruct that custodial entity to participate on your behalf in accordance with the procedures described below. Please refer to any materials forwarded to you by such custodial entity to determine how you can timely instruct your custodian to take these actions. You should ask your custodian if you will be charged a fee to tender your Notes through the custodian or nominee.

The tender of Notes by a Holder will constitute a binding agreement between the Holder and the Company upon acceptance by the Company in accordance with the terms and subject to the conditions described in this Offer to Purchase. The contract constituted by the Company's acceptance for purchase in accordance with the terms of this Offer to Purchase of all Notes validly tendered (or defectively tendered, if such defect has been waived by the Company) shall be governed by, and construed in accordance with the law of the State of New York.

By taking these actions with respect to the Tender Offer, you and any custodial entity which holds your tendered Notes will be deemed to have agreed (i) to the terms and conditions of the Tender Offer as set forth in this Offer to Purchase and (ii) that the Company and the Information Agent and Depositary may enforce the terms and conditions against you and your custodian.

If you need assistance with respect to the procedures for participating in the Tender Offer, you should contact the Information Agent and Depositary, at the address and telephone number listed on the back cover page of this Offer to Purchase.

Procedures for Notes Held through DTC

If you beneficially own Notes through an account maintained by a broker, dealer, commercial bank, trust company or other DTC participant and you desire to tender Notes, you should contact your DTC participant promptly and instruct it to tender your Notes on your behalf.

To participate in the Tender Offer, a DTC participant must comply with the ATOP procedures of DTC described below.

In addition, either:

- the Information Agent and Depositary must receive, prior to the Expiration Date, or, in the case of Holders desiring to receive the Early Participation Payment, prior to the Early Participation Date, a properly transmitted Agent's Message (as defined herein); or
- the Information Agent and Depositary must receive, prior to the Expiration Date, or, in the case of Holders desiring to receive the Early Participation Payment, prior to the Early Participation Date, a timely confirmation of book-entry transfer of such Notes into the Information Agent and Depositary's account at DTC according to the procedure for book-entry transfer described below. DTC participants tendering through ATOP must allow sufficient time for completion of the ATOP procedures during the normal business hours of DTC on or before the Expiration Date.

The Information Agent and Depositary and DTC have confirmed that any financial institution that is a participant in DTC's system may use DTC's ATOP to tender. In order to transmit a tender of their Notes, DTC participants shall cause DTC to transfer the Notes to the Information Agent and Depositary in accordance with its procedures for transfer. DTC will then send an Agent's Message to the Information Agent and Depositary.

The term "*Agent's Message*" means a message transmitted by DTC, received by the Information Agent and Depositary and forming part of the book-entry confirmation, to the effect that:

- DTC has received an express acknowledgment from a DTC participant in ATOP that it is tendering Notes that are the subject of such book-entry confirmation;
- such DTC participant has received and agrees to be bound by the terms of the Tender Offer as described herein; and
- the agreement may be enforced against such DTC participant.

Procedures for Notes Held through Euroclear or Clearstream

If you hold Notes through Euroclear or Clearstream and wish to participate in the Tender Offer, you should follow the instructions below. The Company will only accept tenders of Notes through Euroclear or Clearstream by way of the submission by you of valid Tender Instructions (as defined below), in the form required by the relevant Clearing System and in accordance with the following procedures.

Each Holder of Notes that holds their Notes via intermediary through Euroclear or Clearstream must arrange for the intermediary through which it holds the relevant Notes to submit a Tender Instruction on its behalf to Euroclear or Clearstream, as applicable, by the deadlines specified by such Clearing System. Holders of Notes are advised to check with any custodian or nominee, or other intermediary through which it holds Notes, whether such entity would require the receipt of instructions to participate in, or notice of a revocation of your instruction to participate in, the Tender Offer before the deadlines specified in this Offer to Purchase. The deadlines set by a custodian or nominee, or by Euroclear or Clearstream, for the submission and revocation of Tender Instructions may be earlier than the relevant deadlines specified in this Offer to Purchase.

The term “*Tender Instructions*” means irrevocable instructions: (i) to block any attempt to transfer a Holder’s Notes on or prior to the Settlement Date and (ii) to debit the Holder’s account on the Settlement Date in respect of the Notes that have been tendered by the Holder. To be valid, a Tender Instruction must specify:

- the event or reference number issued by Euroclear or Clearstream;
- the name of the Holder and the securities account number in which the Notes the Holder wishes to tender are held;
- the ISIN and Common Code of such Notes;
- the principal amount of the relevant Notes the Holder wishes to tender; and
- any other information as may be required by Euroclear or Clearstream and duly notified to the tendering Holder prior to the submission of the Tender Instruction.

The tendering of Notes in the Tender Offer will be deemed to have occurred upon receipt by the Information Agent and Depositary, via Euroclear or Clearstream, as applicable, of a valid Tender Instruction in accordance with the requirements of such Clearing System. The receipt of such Tender Instruction by Euroclear or Clearstream, as applicable, will be acknowledged in accordance with the standard practices of such Clearing System and will result in the blocking of the Notes in such Clearing System so that no transfers may be effected in relation to such Notes.

Holders must take the appropriate steps through Euroclear or Clearstream, as applicable, so that no transfers may be effected in relation to such blocked Notes at any time after the date of submission of such Tender Instruction, in accordance with the requirements of such Clearing System and the deadlines required by such Clearing System. Holders of Notes are responsible for informing themselves of these deadlines and arranging for timely delivery of Tender Instructions to Euroclear or Clearstream.

By submitting a Tender Instruction, Holders authorize Euroclear or Clearstream, as applicable, to disclose the name of the direct holder of the tendered Notes to the Information Agent and Depositary, the Company and the Dealer Managers. All of the Notes tendered by the Holder will be debited from the Holder’s account, unless a lesser portion of such Notes are accepted by the Company.

The debit will occur upon receipt of an instruction from the Information Agent and Depositary. In the event that the Tender Offer is terminated by us prior to the applicable Settlement Date, as notified to Euroclear or Clearstream by the Information Agent and Depositary, the irrevocable instructions will be automatically withdrawn.

Representations, Warranties and Undertakings

By tendering Notes pursuant to this Offer to Purchase, the Holder is deemed to represent, warrant and undertake to us, the Information Agent and Depositary and the Dealer Managers that:

- the tendering Holder has received this Offer to Purchase;
- the tendering Holder acknowledges that all authority conferred or agreed to be conferred pursuant to these representations, warranties and undertakings and every obligation of the tendering Holder shall be binding upon the successors, assigns, heirs, executors, administrators, trustee in bankruptcy and legal representatives of the tendering Holder and shall not be affected by, and shall survive, the death or incapacity of the tendering Holder;
- the tendering Holder has full power and authority to tender, sell, assign and transfer the tendered Notes;
- if the tendering Holder tendering Notes through Euroclear or Clearstream holds such Notes directly in such Clearing System, by blocking the relevant Notes in the applicable Clearing System the Holder will be deemed to consent to such Clearing System providing details concerning its identity to the Information Agent and Depositary (and for the Information Agent and Depositary to provide such details to the Company, the Dealer Managers, and their respective counsel);

- the tendering Holder tendering Notes through Euroclear or Clearstream holds and will hold, until the applicable Settlement Date, the relevant Notes in the relevant Clearing System and such Notes are blocked in the relevant Clearing System and, in accordance with the requirements of, and by the deadline required by, such Clearing System, the tendering Holder has submitted, or caused to be submitted, the Tender Instruction to such Clearing System and the tendering Holder has authorized the blocking of the tendered Notes with effect on and from the date of such submission so that, at any time pending the transfer of such Notes on the applicable Settlement Date to the Company or to the Information Agent and Depositary on its behalf, no transfers of such Notes may be effected;
- the Notes will, on the applicable Settlement Date, be transferred by such tendering Holder to us in accordance with the terms of the Tender Offer, and we will acquire good, marketable and unencumbered title thereto, with full title guarantee free from all liens, restrictions, charges and encumbrances, not subject to any adverse claim or right, and together with all rights attached thereto; and
- the tendering Holder will, upon request, execute and deliver any documents deemed by the Information Agent and Depositary or us to be necessary or desirable to complete the sale, assignment and transfer of the Notes tendered.

By tendering Notes as set forth herein, and subject to and effective upon acceptance for purchase by the Company of, and payment for, the Notes tendered therewith, a tendering Holder (i) irrevocably sells, assigns and transfers to, or upon the order of, us all right, title and interest in and to all the Notes tendered thereby and accepted for purchase pursuant to the terms hereof, (ii) waives any and all other rights with respect to the Notes (including, without limitation, the tendering Holder's waiver of any existing or past defaults and their consequences in respect of the Notes and the indenture under which the Notes were issued), (iii) releases and discharges us and our affiliates from any and all claims such Holder may have now, or may have in the future, arising out of, or related to, such Notes, including, without limitation, any claims that such Holder is entitled to receive additional principal or interest payments with respect to such Notes or to participate in any repurchase, redemption or defeasance of the Notes, and (iv) irrevocably constitutes and appoints the Information Agent and Depositary as the true and lawful agent and attorney-in-fact of such Holder (with full knowledge that the Information Agent and Depositary also acts as our agent) with respect to any such tendered Notes, with full power of substitution and resubstitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (a) transfer ownership of such Notes on the account books maintained by the relevant Clearing System, together with all accompanying evidences of transfer and authenticity, to, or upon the order of, us, (b) present such Notes for transfer on the relevant security register, and (c) receive all benefits or otherwise exercise all rights of beneficial ownership of such Notes (except that the Information Agent and Depositary will have no rights to, or control over, funds from us, except as agent for the tendering Holders, for the Total Consideration or Tender Consideration, as applicable, plus any Accrued Interest, of Notes tendered pursuant to the Tender Offer, as determined pursuant to the terms of this Offer to Purchase, for any tendered Notes that are purchased by us).

By tendering Notes pursuant to the Tender Offer, the Holder will be deemed to have agreed that the delivery and surrender of the Notes is not effective, and the risk of loss of the Notes does not pass to the Information Agent and Depositary, until the procedures described above in “— Procedures for Notes Held through DTC” or “— Procedures for Notes Held through Euroclear or Clearstream,” as applicable, are complete.

Determination of Validity

The Company will determine in its sole discretion all questions as to the validity, form, eligibility, including time of receipt, and acceptance of tendered Notes. The Company reserves the absolute right to reject any and all Notes not validly tendered or any Notes whose acceptance by the Company would, in the opinion of the Company's counsel, be unlawful. The Company also reserves the right to waive any defects or irregularities either before or after the Expiration Date. The Company's interpretation of the terms and conditions of the Tender Offer will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of Notes must be cured within a time period that the Company will determine. The Company's waiver of a defect with respect to one tender of Notes shall not constitute a waiver with respect to any defect applicable to any other tender of Notes unless the Company expressly provides otherwise. None of the Company, the Dealer Managers, the Information Agent and Depositary or any other person will have any duty to give notification of any defects or irregularities nor will any of

them incur any liability for failure to give such notification. Tenders of Notes will not be considered to have been made until any defects or irregularities have been cured or waived. Any Notes received by the Information Agent and Depositary that are not validly tendered or delivered and as to which the defects or irregularities have not been cured or waived will be returned by the Information Agent and Depositary to the tendering Holders, via the facilities of the relevant Clearing System, as soon as practicable following the Expiration Date.

No Guaranteed Delivery

There are no guaranteed delivery procedures provided for by the Company in conjunction with the Tender Offer under the terms of this Offer to Purchase or any other documents.

Acceptance of Notes for Purchase; Payment for Notes

On the applicable Settlement Date, the Information Agent and Depositary will tender to the Company (i) such aggregate amount of Notes tendered for purchase in the Tender Offer (subject to the Tender Cap and to proration), whereupon the Company will deliver to the Information Agent and Depositary for delivery to tendering Holders of the Notes the amount of cash necessary to pay to each Holder whose Notes are accepted for purchase the Total Consideration or the Tender Offer Consideration, as applicable, plus the applicable Accrued Interest in respect of such Notes.

For purposes of the Tender Offer, the Company will be deemed to have accepted for purchase validly tendered and not validly withdrawn Notes, when, as and if the Company gives oral (promptly confirmed in writing) or written notice of such acceptance to the Information Agent and Depositary.

The Company will pay for Notes accepted for purchase by the Company pursuant to the Tender Offer by depositing the cash amounts with the Information Agent and Depositary. The Information Agent and Depositary will act as your agent for the purpose of receiving cash from the Company and transmitting such cash to you.

In all cases, issuance of cash for Notes accepted for purchase by the Company pursuant to the Tender Offer will be made promptly on the Settlement Date, and will be credited by the Information Agent and Depositary to the appropriate account at the applicable Clearing System, subject to the procedures set forth in “— Procedures for Tendering” above.

Notes may be tendered and accepted for payment only in principal amounts equal to minimum denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof. No alternative, conditional or contingent tenders will be accepted. Holders who do not tender all of their Notes should ensure that they retain a principal amount of Notes amounting to at least the minimum authorized denomination equal to US\$200,000 principal amount.

The Company may transfer or assign, in whole or from time to time in part, to one or more of its affiliates or any third party the right to purchase all or any of the Notes tendered pursuant to the Tender Offer, but any such transfer or assignment will not relieve the Company of any of its obligations under the Tender Offer or prejudice the rights of tendering Holders to receive the Total Consideration or the Tender Offer Consideration, as applicable.

If the Company is delayed in its acceptance for purchase of, or payment for, any Notes or is unable to accept for purchase or pay for any Notes pursuant to the Tender Offer for any reason, then, without prejudice to the Company's rights hereunder, but subject to applicable law, tendered Notes may be retained by the Information Agent and Depositary on behalf of the Company (provided that the Company will pay the consideration or return the Notes deposited by or on behalf of the Holders promptly after the termination or withdrawal of the Tender Offer).

Tendering Holders of Notes purchased in the Tender Offer will not be obligated to pay brokerage commissions or fees to the Dealer Managers, the Information Agent and Depositary or the Company or, except as otherwise described below under “Transfer Taxes,” to pay transfer taxes with respect to the purchase of their Notes. If your Notes are held through a broker or other nominee who tenders the Notes on your behalf, your broker may charge you a commission for doing so. You should consult with your broker or nominee to determine whether any charges will apply. The Company will pay certain fees and expenses of the Dealer Managers and the Information Agent and Depositary in connection with the Tender Offer. See “Dealer Managers and Information Agent and Depositary.”

Any Holder or beneficial owner that has questions concerning tender procedures should contact the Information Agent and Depositary at the address and telephone numbers set forth on the back cover of this Offer to Purchase.

Return of Unaccepted Notes

Any tendered Notes that are not accepted for purchase by the Company will be returned without expense to their tendering Holder. Such non-purchased Notes will be credited by the Information Agent and Depositary to an account maintained with each Clearing System. These actions will occur promptly after the expiration or termination of the Tender Offer.

Early Participation Date; Early Settlement Date; Expiration Date; Extensions; Amendments

The Early Participation Date is 5:00 p.m., New York City time, on October 3, 2018, unless extended, in which case the Early Participation Date will be such date and time to which the Early Participation Date is extended. If we elect to have an Early Settlement Date, we will announce the date selected as the Early Settlement Date and the aggregate principal amount of Notes accepted for purchase on such date in the manner described under “— Announcements.” It is anticipated that any Early Settlement Date would be no earlier than the second business day after the Early Participation Date. The Total Consideration and Accrued Interest will be payable in cash on the Early Settlement Date to those holders whose Notes are accepted for purchase in the Tender Offer. The Expiration Date is 11:59 p.m., New York City time, on October 18, 2018, unless extended or earlier terminated, in which case the Expiration Date will be such date and time to which the Expiration Date is extended or earlier terminated. The Company, in its sole discretion, may extend the Early Participation Date, the Early Settlement Date or Expiration Date for the Tender Offer for any purpose, including to permit the satisfaction or waiver of all conditions to any or all of the Tender Offer.

To extend the Early Participation Date, the Early Settlement Date or the Expiration Date for the Tender Offer, the Company will make a public announcement thereof before 9:00 a.m., New York City time, on the next business day after the previously scheduled Early Participation Date, Early Settlement Date or Expiration Date, as applicable. Such announcement will state that the Company is extending the offer or withdrawal period for a specified period or on a daily basis and will be made in the manner described under “— Announcements.”

The Company expressly reserves the right, subject to applicable law, to:

- accept for purchase and pay for all Notes validly tendered on or before the Expiration Date and not validly withdrawn on or before the Early Participation Date, and to keep the invitation open or extend the Early Participation Date, the Early Settlement Date or the Expiration Date for the Tender Offer to a later date and time as announced by the Company;
- waive any or all conditions to the Tender Offer; or
- terminate, extend, or otherwise amend the Tender Offer.

The Company will publicly announce any extension, amendment or termination of the Tender Offer in the manner described under “— Announcements.” If the Tender Offer is terminated at any time, the Notes tendered pursuant to the Tender Offer will be promptly returned to the tendering Holders.

The minimum period during which the Tender Offer will remain open following material changes in the terms of the Tender Offer or in the information concerning the Tender Offer will depend upon the facts and circumstances of such change, including the relative materiality of the changes. With respect to any material change in consideration or percentage of Notes sought, a minimum ten business day extension period will be made to allow for adequate dissemination of such change. If any of the terms of the Tender Offer are amended in a manner determined by the Company to constitute a material change adversely affecting any Holder, the Company will (i) promptly disclose any such amendment in a manner reasonably calculated to inform Holders of such amendment, (ii) extend the Tender Offer for a time period that the Company in its sole discretion deems appropriate, depending upon the significance of the amendment and the manner of disclosure to Holders, if the Tender Offer would otherwise expire during such time period and (iii) ensure that withdrawal rights are available if required by applicable law following notice of such amendment.

Withdrawal Rights

You may withdraw validly tendered Notes any time on or before the Early Participation Date, but not afterwards (except in certain limited circumstances where additional withdrawal rights are required by law, as determined by the Company in its sole discretion). If the Tender Offer is terminated, whether before or after the Expiration Date, without our having purchased any Notes pursuant to the Tender Offer, we will promptly return to you the Notes you tendered pursuant to the Tender Offer.

In the case of Notes held through Euroclear and Clearstream, for a withdrawal of Notes to be effective, the Holder must submit an electronic withdrawal instruction on or before the Early Participation Date in accordance with the requirements of the relevant Clearing System and the deadlines required by that Clearing System in order to unblock the tendered Notes. Tendered Notes may not be unblocked by a Holder's instruction unless such Holder is entitled to withdrawal rights pursuant to the terms of the Tender Offer.

In the case of Notes held through DTC, for a withdrawal of Notes to be effective, the Information Agent and Depositary must timely receive, on or before the Early Participation Date, either an Agent's Message or a written or faxed notice of withdrawal specifying the name of the Holder who tendered the Notes to be withdrawn, a description of the Notes to be withdrawn, the amount of Notes to be withdrawn and the number of the account at DTC to be credited with the withdrawn Notes. You must otherwise comply with the procedures of DTC. Any notice of withdrawal must be signed by the Holder in the same manner as the Holder's name is listed in the applicable Agent's Message, or be accompanied by evidence sufficient to the Information Agent and Depositary that the person withdrawing the tender has succeeded to the beneficial ownership of the Notes being withdrawn. If the Notes to be withdrawn have been delivered or otherwise identified to the Information Agent and Depositary, then an Agent's Message or a signed notice of withdrawal is effective immediately upon receipt by the Information Agent and Depositary of the Agent's Message or written or faxed notice of such withdrawal even if retransfer by DTC book-entry is not immediately effected.

If you tendered your Notes through a custodian or nominee and wish to withdraw your Notes, you will need to make arrangements for withdrawal or revocation with your custodian or nominee. Your ability to withdraw the tender of your Notes will depend upon the terms of the arrangements you have made with your custodian or nominee and, if your custodian or nominee is not the Clearing System participant tendering those Notes, the arrangements between your custodian or nominee and such Clearing System participant, including any arrangements involving intermediaries between your custodian or nominee and such Clearing System participant.

Through the relevant Clearing System, the Information Agent and Depositary will return to tendering Holders all Notes in respect of which it has received valid withdrawal instructions on or before the Early Participation Date promptly after it receives such instructions.

You may not rescind your withdrawal of tenders of Notes, and any Notes properly withdrawn will thereafter be deemed not validly tendered for purposes of the Tender Offer. However, validly withdrawn Notes may be re-tendered again following one of the appropriate procedures described herein at any time at or prior to the Expiration Date.

All questions as to the form and validity (including time of receipt) of any notice of withdrawal will be determined by the Company, in the Company's sole discretion, which shall be final and binding. None of the Company, the Information Agent and Depositary, the Dealer Managers or any other person will be under any duty to give notification of any defect or irregularity in any notice of withdrawal or incur any liability for failure to give any such notification.

Announcements

If the Company is required to make an announcement relating to an extension of the Early Participation Time, the Early Settlement Date or the Expiration Date for the Tender Offer, an amendment or termination of the Tender Offer, acceptance of the Notes for purchase, or otherwise, the Company will do so as promptly as practicable and, in the case of an extension or acceptance, no later than 9:00 a.m., New York City time, on the business day after the previously scheduled Early Participation Time, Early Settlement Date or Expiration Date, as applicable. Unless otherwise specified in this Offer to Purchase, the Company may choose to issue an announcement of this

type in any reasonable manner, but it will have no obligation to do so other than by issuing a press release or a notice sent via the Clearing Systems.

Brokerage Commissions

You are not required to pay any brokerage commissions to the Dealer Managers, the Information Agent and Depositary or the Company. If your Notes are held through a broker or other nominee who tenders Notes on your behalf, your broker may charge you a commission for doing so. You should consult with your broker or nominee to determine whether any charges will apply.

Compliance with “Short Tendering” Rule

It is a violation of Rule 14e-4 under the Exchange Act for a person, directly or indirectly, to tender Notes for such person’s own account unless the person so tendering (a) has a net long position equal to or greater than the aggregate principal amount of the securities being tendered and (b) will cause such securities to be delivered in accordance with the terms of the Tender Offer. Rule 14e-4 provides a similar restriction applicable to the tender or guarantee of a tender on behalf of another person.

A tender of Notes in response to the Tender Offer under any of the procedures described above upon acceptance by the Company in accordance with the terms and conditions of the Tender Offer will constitute a binding agreement between the tendering Holder and the Company with respect to the Tender Offer upon the terms and subject to the conditions of the Tender Offer, including the tendering Holder’s acceptance of the terms and conditions of the Tender Offer, as well as the tendering Holder’s representation and warranty that (a) such Holder has a net long position in the Notes being tendered pursuant to the Tender Offer within the meaning of Rule 14e-4 under the Exchange Act and (b) the tender of such Notes complies with Rule 14e-4.

Transfer Taxes

The Company is not aware of any obligation of Holders who tender their Notes in the Tender Offer to pay any transfer taxes. However, if transfer tax would apply to the Tender Offer, the Company will pay all transfer taxes applicable to the purchase and transfer of Notes pursuant to the Tender Offer, except if the payment of the Total Consideration or the Tender Offer Consideration, as applicable, and Accrued Interest for such Notes is being made to, or if certificates representing Notes for principal amounts not tendered or not accepted for purchase by the Company are to be delivered to, or are to be registered or issued in the name of, any person other than the registered Holder of such Notes or DTC participant in whose name such Notes are held on the books of DTC, or if the person delivering the Agent’s Message is not the person in whose name the tendered Notes are registered or are held on the books of DTC, or if a transfer tax is imposed for any reason other than the purchase of Notes under the Tender Offer, then the amount of any such transfer tax (whether imposed on the registered Holder or any other person) will be payable by the tendering Holder. If satisfactory evidence of payment of that tax or exemption from payment is not submitted, then the amount of that transfer tax will be deducted from the Total Consideration or the Tender Offer Consideration, as applicable, and Accrued Interest for such Notes otherwise payable to the tendering Holder.

Offer Restrictions

This Offer to Purchase does not constitute an offer or an invitation to participate in the Tender Offer in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such offer or invitation or for there to be such participation under applicable laws. The distribution of this Offer to Purchase in certain jurisdictions may be restricted by law. Persons into whose possession this Offer to Purchase comes are required by the Company, the Dealer Managers and the Information Agent and Depositary to inform themselves about and to observe any such restrictions.

Each Holder participating in the Tender Offer will be deemed to have provided certain representations in respect of the jurisdictions referred to below and generally as set forth in this Offer to Purchase. Any tender of Notes from a Holder that is unable to make these representations will not be accepted. Each of the Company and the Dealer Managers reserves the right, in its absolute discretion, to investigate in relation to any tender of Notes whether any such representation given by a Holder is correct, and if such investigation is undertaken and as a result

the Company determines (for any reason) in its sole discretion that such representation is not correct, such tender or delivery will not be accepted.

This Offer to Purchase does not constitute an offer to purchase in Chile or to any resident of Chile, except as permitted by applicable Chilean law.

CERTAIN SIGNIFICANT CONSIDERATIONS

In deciding whether to participate in the Tender Offer, each Holder should consider carefully, in addition to the other information contained in this Offer to Purchase, the following significant considerations:

Limited Trading Market for the Notes

If a sufficiently large number of Notes do not remain outstanding after the Tender Offer, then the trading market for the Notes that remain outstanding may be less liquid and market prices may fluctuate significantly depending on the volume of trading in such Notes. A bid for a debt security with a smaller outstanding float may command a lower price and trade with greater volatility or less volume than a comparable security with a greater float. Therefore, the market price for and liquidity of the Notes not tendered or tendered but not purchased may be affected adversely to the extent that the aggregate amount of Notes purchased by the Company pursuant to the Tender Offer reduces the float. The reduced float may also tend to make the trading price more volatile.

Holders of unpurchased Notes may attempt to obtain quotations for their Notes from their brokers; however, there can be no assurance that an active trading market will exist for the Notes following consummation of the Tender Offer. The extent of the public market for the Notes following consummation of the Tender Offer will depend upon a number of factors, including the size of the float, the number of Holders remaining at such time, and the interest in maintaining a market in such Notes on the part of securities firms.

Future Redemptions or Acquisitions of the Notes

From time to time in the future, to the extent permitted by applicable law, whether or not the Tender Offer is consummated, the Company may redeem any Notes that remain outstanding and the Company or its affiliates may acquire Notes that remain outstanding, in the open market, in privately negotiated transactions, through tender offers or exchange offers or otherwise, upon such terms and at such prices as it may determine, which may be more or less than the price to be paid pursuant to the Tender Offer and could be for cash or other consideration. Any such redemptions or purchases by us or our affiliates will depend on various factors existing at that time. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) the Company may pursue.

Tax Consequences of Participating in the Tender Offer

See “Certain United States Federal Income Tax Considerations” and “Certain Chilean Income Tax Considerations” for a discussion of certain United States federal income tax consequences and certain Chilean income tax consequences of the Tender Offer.

Conditions to the Consummation of the Tender Offer

The completion of the Tender Offer is subject to the satisfaction or waiver of certain conditions. See “Terms of the Tender Offer — Conditions of the Tender Offer.” There can be no assurance that the Tender Offer will be consummated or that any failure to consummate the Tender Offer will not have a negative effect on the market price and liquidity of the Notes.

No Recommendation Regarding Your Decision Whether to Tender Notes

None of the Company, its boards of directors, the Dealer Managers, the Information Agent and Depositary or the Trustee makes any recommendation to any Holder whether to tender or refrain from tendering any or all of such Holder’s Notes, and none of the Company nor any such other person has authorized any person to make any such recommendation. Holders are urged to evaluate carefully all information in this Offer to Purchase, consult their own investment and tax advisors and make their own decisions whether to tender Notes and, if so, the principal amount of Notes to tender.

Consideration for the Notes May Not Reflect Their Fair Value

The consideration for the Notes does not reflect any independent valuation of the Notes and does not take into account events or changes in financial markets (including interest rates) after the commencement of the Tender Offer. We have not obtained or requested a fairness opinion from any banking or other firm as to the fairness of the

consideration for the Notes. If a Holder tenders Notes, such Holder may or may not receive more or as much value than if it chose to keep them.

Limitations on Ability to Withdraw Notes

Tendered Notes may be withdrawn at any time on or prior to the Early Participation Date, but not thereafter. Holders of Notes who tender their Notes after the Early Participation Date, but on or prior to the Expiration Date, may not withdraw their tendered Notes. Therefore, you will not be able to withdraw tenders of your Notes at the time we establish how many, if any, of your Notes will be accepted as a result of the Tender Cap or proration.

Effect of the Tender Cap

The amount of Notes accepted for purchase in the Tender Offer for the Notes may be limited because of the Tender Cap, the consequences of which include, among other things, that the Company will only accept for purchase Notes up to an aggregate principal amount of Notes being purchased (not including Accrued Interest and premium over the principal of the Notes being purchased under the Tender Offer) equal to US\$210,000,000, even if Notes in excess of such amount are validly tendered. Therefore, upon application of the proration described in this Offer to Purchase, the Company may not purchase all of your Notes that are validly tendered. In addition, if the Tender Offer for the Notes is oversubscribed as of the Early Participation Date, the Company will not accept for purchase any Notes tendered after the Early Participation Date. If the Tender Offer is not fully subscribed as of the Early Participation Date, Holders who validly tender Notes after the Early Participation Date may be subject to proration, but Holders who validly tender Notes on or prior to the Early Participation Date and whose Notes are accepted for purchase will not be subject to such proration.

Potential Change in the Tender Cap

We reserve the right, but are not obligated, to increase the Tender Cap in our sole and absolute discretion. We will promptly announce any increase in the Tender Cap in the manner described under “Terms of the Tender Offer — Announcements.” In the event of any such increase, we may, but shall not be obligated (except as required by applicable law) to, extend one or more of the Early Participation Date, the Early Settlement Date, the Expiration Date and the Final Settlement Date. If we increase the Tender Cap after the Early Participation Date and do not extend the Early Participation Date, and you wish to participate in the Tender Offer for the Notes, you will not receive the Early Participation Payment.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following is a general discussion of certain U.S. federal income tax consequences of the Tender Offer to U.S. Holders (as defined below). This discussion is based on currently existing provisions of the Internal Revenue Code of 1986, as amended (the “Code”), existing, temporary and proposed Treasury regulations promulgated thereunder, and administrative and judicial interpretations thereof, all as in effect or proposed on the date hereof and all of which are subject to change or different interpretations, possibly with retroactive effect. This discussion is limited to U.S. Holders who hold the Notes as capital assets within the meaning of Section 1221 of the Code. Moreover, this discussion is for general information only and does not address all of the tax consequences that may be relevant to particular investors in light of their personal circumstances or to certain types of investors subject to special tax rules (such as U.S. Holders with a functional currency other than the U.S. dollar, persons subject to special rules applicable to former citizens and residents of the United States, financial institutions, persons subject to the alternative minimum tax, grantor trusts, S corporations, partnerships or other pass-through entities (or investors therein), regulated investment companies, real estate investment trusts, insurance companies, tax-exempt entities, dealers in securities or currencies, traders in securities who elect to apply a mark to market method of accounting, persons required to accelerate the recognition of any item of gross income with respect to the Notes as a result of such income being recognized on an applicable financial statement or persons holding the Notes in connection with a hedging transaction, straddle, conversion transaction or other integrated transaction).

As used herein, the term “U.S. Holder” means a beneficial owner of a Note that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation created or organized under the laws of the United States, any state thereof or the District of Columbia;
- an estate whose income is includible in gross income for U.S. federal income tax purposes, regardless of its source; or
- a trust whose administration is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust, or that has a valid election in effect under Treasury regulations to be treated as a U.S. person.

The term “non-U.S. Holder” means a beneficial owner of a Note (other than an entity or arrangement treated as a partnership for U.S. federal income tax purposes) that is not a U.S. Holder. The rules governing U.S. federal income taxation of non-U.S. Holders are complex and no attempt will be made to provide a summary of such rules. Non-U.S. Holders should consult with their own tax advisors to determine the effect of U.S. federal income tax laws, as well as applicable treaties, if any, with regard to the disposition of Notes pursuant to the Tender Offer.

If any entity or arrangement treated as a partnership for U.S. federal income tax purposes holds Notes, the tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership. Partners of a partnership holding Notes should consult their own tax advisors.

This discussion only addresses U.S. federal income tax consequences and does not address the effects of the Medicare tax on net investment income. U.S. Holders should consult their own tax advisors as to the particular tax consequences to them of tendering the Notes pursuant to the Tender Offer or retaining the Notes, including the applicability of any U.S. federal income and other tax laws, any state, local or foreign tax laws or any treaty, and any changes (or proposed changes) in tax laws or interpretations thereof.

Tenders of Notes Pursuant to the Tender Offer

In general, a U.S. Holder who receives cash in exchange for Notes pursuant to the Tender Offer will recognize gain or loss for U.S. federal income tax purposes equal to the difference between (1) the amount realized upon the exchange (including any Chilean tax withheld therefrom), other than any amount attributable to accrued and unpaid interest (as discussed below) and (2) the U.S. Holder’s adjusted tax basis in such Notes at the time of the exchange.

Generally, a U.S. Holder's adjusted tax basis for a Note will be equal to the cost of the Note to the U.S. Holder, increased by any market discount previously included in income by the U.S. Holder, and decreased (but not below zero) by any amortizable bond premium that the U.S. Holder has previously amortized.

Subject to the market discount rules described below, any gain or loss recognized on the disposition of Notes pursuant to the Tender Offer generally will be capital gain or loss from U.S. sources. Capital gains of non-corporate U.S. Holders derived in respect of capital assets held for more than one year are eligible for reduced rates of taxation. The deductibility of capital losses by a U.S. Holder is subject to limitations.

Market Discount

A U.S. Holder that purchased a Note at a "market discount" generally will be required to treat any gain on the sale of that Note as ordinary income (which should be treated as foreign source) to the extent of the market discount accrued through the date of the disposition, less any portion of such accrued market discount previously included in the U.S. Holder's income pursuant to an election. Subject to a statutory *de minimis* exception, market discount is the excess of the Note's stated principal amount over the U.S. Holder's tax basis in the Note immediately after its acquisition by such U.S. Holder.

Accrued Interest

Any amount received by a U.S. Holder pursuant to the Tender Offer that is attributable to accrued and unpaid interest on the Notes (including any Chilean tax withheld therefrom) will be taxable as ordinary income to the extent not previously included in income. A U.S. Holder may be entitled to deduct or credit any such Chilean withholding tax, subject to certain limitations (including that the election to deduct or credit foreign taxes applies to all foreign taxes for a particular tax year). Interest on a Note generally will be considered foreign source income and, for purposes of the U.S. foreign tax credit, generally will be considered passive category income. The rules governing the foreign tax credit are complex. U.S. Holders should consult their own tax advisors regarding the availability of the foreign tax credit under their particular circumstances.

Backup Withholding and Information Reporting

In general, information reporting will apply to all payments made to a U.S. Holder pursuant to the Tender Offer. Backup withholding tax may apply to such payments if the U.S. Holder fails to:

- furnish his, her or its taxpayer identification number (social security or employer identification number);
- certify that his, her or its number is correct;
- certify that he, she, or it is not subject to backup withholding; or
- otherwise comply with the requirements of the backup withholding rules.

A U.S. Holder generally can satisfy these certification and other requirements by completing an Internal Revenue Service Form W-9. Certain U.S. Holders (including corporations) are not subject to backup withholding and information reporting requirements. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a U.S. Holder will be allowed as a credit against such U.S. Holder's U.S. federal income tax liability and may entitle the U.S. Holder to a refund, so long as the required information is timely furnished to the Internal Revenue Service.

Non-Tendering U.S. Holders

A U.S. Holder that does not tender its Notes in the Tender Offer or does not have its tender of Notes accepted for purchase pursuant to the Tender Offer will not recognize any gain or loss as a result of the Tender Offer.

CERTAIN CHILEAN INCOME TAX CONSIDERATIONS

The following summary contains a description of certain Chilean income tax considerations relating to the Tender Offer that may be relevant to beneficial owners of the Notes. This summary is for general information purposes only and is based on the laws of Chile in effect on the date hereof, which are subject to change and which changes may have retroactive effect. In view of the number of different jurisdictions where tax laws may apply to a beneficial owner, each beneficial owner is urged to consult its own tax advisers regarding the possible tax consequences of the Tender Offer under the laws of the jurisdictions that apply to it.

THIS SUMMARY IS NOT INTENDED AS TAX ADVICE TO ANY PARTICULAR HOLDER, WHICH CAN BE RENDERED ONLY IN LIGHT OF THAT HOLDER'S PARTICULAR TAX SITUATION. ACCORDINGLY, EACH HOLDER IS URGED TO CONSULT SUCH HOLDER'S TAX ADVISER WITH RESPECT TO THE SPECIFIC TAX CONSEQUENCES OF THE TENDER OFFER TO SUCH HOLDER, INCLUDING THE APPLICATION AND AVAILABILITY OF ANY TAX TREATY TO SUCH HOLDER. ALL HOLDERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

THE INFORMATION SET FORTH BELOW IS INTENDED TO BE A GENERAL DISCUSSION ONLY AND DOES NOT ADDRESS ALL POSSIBLE CHILEAN TAX CONSEQUENCES RELATING TO THE TENDER OFFER.

The following discussion is a general summary of the material consequences under Chilean tax law, as currently in effect, of the sale of the Notes pursuant to the Tender Offer by a Foreign Holder (as defined below). It is based on the laws of Chile as in effect on the date of this Offer to Purchase, as well as regulations, rulings and decisions of the Chilean tax authorities available on or before such date and now in effect. All of the foregoing is subject to change. Under Chilean law, provisions contained in statutes such as tax rates applicable to foreign investors, the computation of taxable income for Chilean purposes and the manner in which Chilean taxes are imposed and collected may be amended only by another law. In addition, the Chilean tax authorities enact rulings and regulations of either general or specific application and interpret the provisions of Chilean tax law. Chilean tax authorities may change their rulings, regulations or interpretations prospectively or retroactively, although retroactive interpretations may not be assessed against taxpayers who act in good faith in relying on such rulings, regulations or interpretations. For the purposes of this summary, the term "*Foreign Holder*" means either (i) in the case of an individual, a person who is neither a resident nor domiciled in Chile (for purposes of Chilean taxation, (a) an individual holder is resident in Chile if he or she remained in Chile for more than six months in one calendar year, or for more than six months in two consecutive calendar years or (b) an individual is domiciled in Chile if he or she resides in Chile with the actual or presumptive intent of staying in Chile (such purpose to be evidenced by circumstances such as the acceptance of employment within Chile or the relocation of the individual's family to Chile)), or (ii) in the case of a legal entity, a legal entity that is not domiciled in Chile even if organized under the laws of Chile, unless the Notes are held by a branch, agent, representative or a permanent establishment of such entity in Chile.

Under the Chilean Income Tax Law (*Ley de Impuesto a la Renta*), payments of interest made by the Company to a Foreign Holder will generally be subject to a Chilean interest withholding tax currently assessed at a rate of 4.0%. The Company is required to withhold, declare and pay such withholding tax. As described in the applicable indenture related to the Notes, the Company has agreed, subject to specific exceptions and limitations, to pay to Holders such Additional Amounts (as such term is defined in the applicable indenture related to the Notes) as will result in the receipt by each Holder of the net amount that would otherwise have been receivable by such Holder in the absence of such withholding tax. Foreign Holders will not be subject to any Chilean withholding taxes in respect of payments of principal made by the Company with respect to the Notes.

The Chilean Income Tax Law provides that a Foreign Holder is subject to income tax on his Chilean source income. For this purpose, Chilean source income means earnings from activities performed in Chile or from the sale, disposition or other transactions in connection with assets or goods located in Chile. Pursuant to Ruling No. 604 of 2015 issued by the Chilean tax authority, capital gains earned by a Foreign Holder on the sale or disposition of a note issued abroad by a Chilean company would not be deemed as Chilean source income. Therefore, as long as this interpretation prevails, any capital gains realized on the sale or other disposition by a Foreign Holder of the

Notes generally should not be subject to any Chilean taxes provided that such sales or other dispositions occur outside of Chile (except that any premium payable on redemption or purchase by the Company of the Notes may be treated as interest and subject to the Chilean interest withholding tax, as described above).

A Holder whose Notes are not purchased by the Company pursuant to the Tender Offer will not incur in any Chilean tax liability as a consequence of the consummation of the Tender Offer.

ENFORCEMENT OF CIVIL LIABILITIES

Embotelladora Andina S.A. is a publicly held corporation (*sociedad anónima abierta*) organized under the laws of Chile. Substantially all of our directors and officers reside outside the United States (principally in Chile). In addition, all or substantially all of our assets and the assets of these persons are located outside the United States. As a result, except as explained below, it may not be possible for investors to effect service of process within the United States upon such persons, or to enforce against them or us in U.S. courts judgments predicated upon the civil liability provisions of the federal securities laws of the United States or otherwise obtained in U.S. courts.

We have been advised by Morales & Besa Ltda., our special Chilean counsel, that no treaty exists between the United States and Chile for the reciprocal enforcement of foreign judgments. It is the opinion of our Chilean counsel that Chilean courts would enforce final judgments rendered by U.S. courts by virtue of the legal principles of reciprocity and comity, subject to review in Chile of any such U.S. judgment in order to ascertain whether certain basic principles of due process and public policy have been respected, without retrial or review of the merits of the subject matter. If a U.S. court grants a final judgment, enforceability of this judgment in Chile will be subject to obtaining the relevant *exequatur* decision from the Supreme Court of Chile (*i.e.*, recognition and enforcement of the foreign judgment) according to Chilean civil procedure law in force at that time, and satisfying certain legal requirements, including the filing of a duly legalized and translated copy of the judgment. Currently, the most important of these requirements are:

- the existence of reciprocity, absent which the foreign judgment may not be enforced in Chile;
- the absence of any conflict between the foreign judgment and Chilean laws (excluding for this purpose the laws of civil procedure), jurisdiction and public policy;
- the absence of a conflicting judgment by a Chilean court relating to the same parties and arising from the same facts and circumstances;
- the Chilean court's determination that the U.S. courts had jurisdiction, that process was appropriately served on the defendant and that the defendant was afforded a real opportunity to appear before the court and defend his or her case; and
- the absence of any further means for appeal or review of the judgment in the jurisdiction where judgment was rendered.

We have been advised by Morales & Besa Ltda. that there is doubt as to the enforceability, in original actions in Chilean courts, of liabilities predicated solely on the U.S. federal securities laws and as to the enforceability in Chilean courts of judgments of U.S. courts obtained in actions predicated upon the civil liability provisions of the U.S. federal securities laws.

DEALER MANAGERS AND INFORMATION AGENT AND DEPOSITARY

The Company has retained Itau BBA USA Securities, Inc., J.P. Morgan Securities LLC and Santander Investment Securities Inc. to act as Dealer Managers in connection with the Tender Offer. The Dealer Managers may contact Holders regarding the Tender Offer and may request brokers, dealers and other nominees to forward this Offer to Purchase and related materials to beneficial owners of Notes.

The Company will reimburse the Dealer Managers for their reasonable out-of-pocket expenses. The Company has also agreed to indemnify the Dealer Managers and their affiliates against certain liabilities in connection with their services, including liabilities under the federal securities laws.

At any given time, the Dealer Managers and their affiliates, in the ordinary course of their business, may trade Notes or other of our securities for their own accounts or for the accounts of their customers, and accordingly, may hold a long or a short position in the Notes or such other securities. To the extent that the Dealer Managers or their affiliates are Holders of Notes, they may tender such Notes pursuant to the Tender Offer.

The Dealer Managers also have provided in the past, and may provide in the future, financial, advisory, investment banking and general banking services to us, for which they have received and would receive customary fees and commissions, including fees as agent, initial purchaser or underwriter with respect to any offerings of securities.

Global Bondholder Services Corporation has been appointed Information Agent and Depositary for the Tender Offer. All deliveries and correspondence sent to the Information Agent and Depositary should be directed to the address set forth on the back cover of this Offer to Purchase. The Information Agent and Depositary will receive reasonable and customary compensation for its services, will be reimbursed by the Company for reasonable out-of-pocket expenses and will be indemnified against certain liabilities in connection with the Tender Offer, including liabilities under the federal securities laws. Requests for additional copies of documentation may be directed to the Information Agent and Depositary at the address set forth on the back cover of this Offer to Purchase.

None of the Dealer Managers or the Information Agent and Depositary assume any responsibility for the accuracy or completeness of the information concerning the Tender Offer or us contained in, or incorporated by reference into, this Offer to Purchase or for any failure by us to disclose events that may have occurred and may affect the significance or accuracy of such information.

None of the Information Agent and Depositary or the Dealer Managers is making any recommendation as to whether Holders should tender Notes in response to the Tender Offer. Holders must make their own decision as to whether to tender any of their Notes, and, if so, the principal amount of Notes to which action is to be taken.

In connection with the Tender Offer, directors and officers of the Company and regular employees of the Company (who will not be specifically compensated for such services) may solicit tenders by use of the mails, personally or by telephone. The Company will also pay brokerage houses and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of this Offer to Purchase and related documents to the beneficial owners of the Notes and in handling or forwarding tenders of Notes by their customers.

MISCELLANEOUS

No person has been authorized to give any information or make any representations other than those contained or incorporated by reference herein and other materials, and, if given or made, such information or representations must not be relied upon as having been authorized by the Company, the Dealer Managers, the Information Agent and Depositary, the Trustee or any other person. The statements made in this Offer to Purchase are made as of the date on the front cover of this Offer to Purchase and the statements incorporated by reference are made as of the date of the document incorporated by reference. The delivery of this Offer to Purchase and the accompanying materials shall not, under any circumstances, create any implication that the information contained herein or incorporated by reference is correct as of a later date.

Recipients of this Offer to Purchase and the accompanying materials should not construe the contents hereof or thereof as legal, business or tax advice. Each recipient should consult its own attorney, business advisor and tax advisor as to legal, business, tax and related matters concerning the Tender Offer.

The Information Agent and Depositary for the Tender Offer is:

Global Bondholder Services Corporation

65 Broadway, Suite 404
New York, New York 10006
Attn: Corporate Actions

Banks and Brokers call: (212) 430-3774
Toll free: (866)-470-3700

By facsimile: (212) 430-3775/3779

Confirmation:
(212) 430-3774

By Mail:

65 Broadway, Suite 404
New York, New York 10006

By Overnight Courier:

65 Broadway, Suite 404
New York, New York 10006

By Hand:

65 Broadway, Suite 404
New York, New York 10006

Any questions regarding procedures for tendering Notes and any requests for additional copies of this Offer to Purchase should be directed to the Information Agent and Depositary.

The Dealer Managers for the Tender Offer are:

Itau BBA USA Securities, Inc.

767 Fifth Avenue, 50th Floor
New York, New York 10053
Attn: Liability Management Group
New York: (212) 710-6749
Toll free: (888) 770-4828

J.P. Morgan Securities LLC

383 Madison Avenue
New York, New York 10179
Attn: Latin America Debt
Capital Markets
New York: (212) 834-7279
Toll free: (866) 846-2874

Santander Investment Securities Inc.

45 East 53rd Street, 5th Floor
New York, NY 10022
Attn: Liability Management Team
New York: (212) 940-1442
Toll free: (855) 404-3636

Any questions regarding the terms of the Tender Offer should be directed to the Dealer Managers.

FORM 6-K

December 2018

Embotelladora Andina S.A.

Andina Bottling Company, Inc.

Avda. Miraflores 9153

Renca

Santiago, Chile

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

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes ☐ No ☒

Indicate by check mark if the Registrant is submitting this Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes ☐ No ☒

Indicate by check mark whether the registrant by furnishing the information contained in this Form 6-K is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934

Yes ☐ No ☒

MATERIAL EVENT

CORPORATE NAME : **EMBOTELLADORA ANDINA S.A.**
SECURITIES REGISTRY : **00124**
TAXPAYER I.D. : **91.144.000-8**

By virtue of the stipulations in Article 9 and subparagraph 2 of Article 10 of Law 18,045, and the provisions in General Rule No. 30 of Chile’s Superintendence of Securities and Insurance, and being duly empowered to this effect, I hereby report the following regarding Embotelladora Andina S.A. (the “Company”), its business, its securities or tender offer, as a material event:

INTERIM DIVIDEND

As authorized by the Regular Shareholders’ Meeting held April 19, 2018, the Board of Directors during session held December 20, 2018, agreed to distribute the following amounts as interim dividend:

- a) Ch\$21.50 (twenty one point fifty Chilean pesos) per each Series A Shares; and
- b) Ch\$23.65 (twenty-three point sixty five Chilean pesos) per each Series B Shares.

This dividend will be paid on account of income from the 2018 fiscal year and will be available to shareholders beginning January 24, 2018. The Shareholders’ Registry will close on the fifth business day prior to the payment date.

Santiago, December 21, 2018

Jaime Cohen Arancibia
Chief Legal Officer
Embotelladora Andina S.A.

SIGNATURES

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

EMBOTELLADORA ANDINA S.A.
By: /s/ Jaime Cohen
Name: Jaime Cohen
Title: Chief Legal Officer

Santiago, December 21, 2018



Coca-Cola **ANDINA**

Integrated Annual Report Exhibits