

CEASE OF CONFIDENTIALITY OF MATERIAL EVENT

CORPORATE NAME : EMBOTELLADORA ANDINA S.A.
SECURITIES REGISTRY : 00124
TAX IDENTIFICATION N° : 91.144.000-8

In accordance with the provisions of Article 9 and Article 10, paragraph two of Law No. 18,045, and General Rule No. 30 of the Chilean Superintendence of Securities and Insurance, and duly authorized to that effect by the board of directors, I hereby inform the cease of the reasons for the confidentiality of the material event regarding Embotelladora Andina S.A. (“Andina”), its business, its values of public offering or the tender of them as a material event, previously informed to the Chilean Superintendence of Securities and Insurance in our letter dated January 13, 2012:

During a confidential board session held January 13, 2012, Mr. Gonzalo Said was appointed as negotiator to explore a possible merger with Embotelladoras Coca-Cola Polar S.A. and with the support of JP Morgan Securities and Juan Francisco Gutiérrez, the directors of Embotelladoras Coca-Cola Polar S.A. were contacted for such purpose.

Subsequently, during board session held January 31, 2012, the board was informed about the terms of said initial agreement (“Agreement Memorandum”) intended to be subscribed between Andina and its controlling shareholders and Embotelladoras Coca-Cola Polar S.A. and its controlling shareholders, containing the general conditions and clauses leading to a merger by incorporation of Embotelladoras Coca-Cola Polar S.A. to Andina. The subscription of the Agreement Memorandum was approved by the Board of Directors.

As a consequence of the Agreement Memorandum I hereby inform the Chilean Superintendence of Securities and Insurance about the cease of confidentiality of the material event informed on January 13, 2012 and accordingly we will proceed to inform the market about this situation through a material event.

Santiago, February 2, 2012.

(signed)
Andrés Wainer
Chief Financial Officer
Embotelladora Andina S.A.

MATERIAL EVENT

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On this date, the Company and its controllers, Inversiones Freire Limitada and Inversiones Freire Dos Limitada (jointly, “Freire”), and, Embotelladoras Coca-Cola Polar S.A. and its controller, Inversiones Los Aromos Limitada, have signed a memorandum of understanding, which contains the general conditions leading to the merger by incorporation to take place between Embotelladoras Coca-Cola Polar S.A. and the Company, which would be the acquiring company. According to the aforementioned memorandum, a promissory merger agreement will be negotiated in good faith, which will contain the final terms and conditions thereof, along with a shareholders agreement format that will be signed between Freire and Inversiones Los Aromos Limitada once the merger materializes. Every reasonable effort will be made in order to conclude this process on a date yet to be determined but in any event, no later than March 15th, 2012.

The operation will be materialized through a merger by acquisition and exchange of newly issued shares of the Company, at a rate of 0.33269 Series A Company shares and 0.33269 Series B Company shares, per each share of Embotelladoras Coca-Cola Polar S.A. (“Exchange Rate”).

The Exchange Rate implies that the current shareholders of Embotelladoras Coca-Cola Polar S.A. will have a 19.68% of the shareholding ownership of the Company once merged.

Prior to the execution of the merger, the Company and Embotelladoras Coca-Cola Polar S.A. will distribute dividends to their shareholders, in addition to those already declared and distributed to date, of the corresponding incomes of 2011, in the amount of Ch\$28,155,862,307 and Ch\$29,565,609,857, respectively, which represents Ch\$35.27 per Series A share and Ch\$38.80 per Series B share in the case of the Company, and Ch\$105.59 per share in the case of Embotelladoras Coca-Cola Polar S.A.

Considering figures for the 12 month-period ended September 30, 2011, the merged entity would have a pro-forma sales volume of 641 million unit cases, equivalent to approximately US\$2,563 million in net sales, becoming one of the largest Coca-Cola bottlers in Latin America with operations in Argentina, Brazil, Chile and Paraguay.

Santiago, February 2, 2012.

(signed)
Andrés Wainer
Chief Financial Officer