

CP 1Q18

Coca-Cola

ANDINA

Corporate Presentation 1Q18

In line with our constant effort to improve communication with the financial market and at the same time reduce waste generation, we have developed the **Coca-Cola Andina IR** App.

This is an investor relations application, and we will begin a 100% digital communication plan of our Financial Information. You can download our application from the App Store and Google Play.

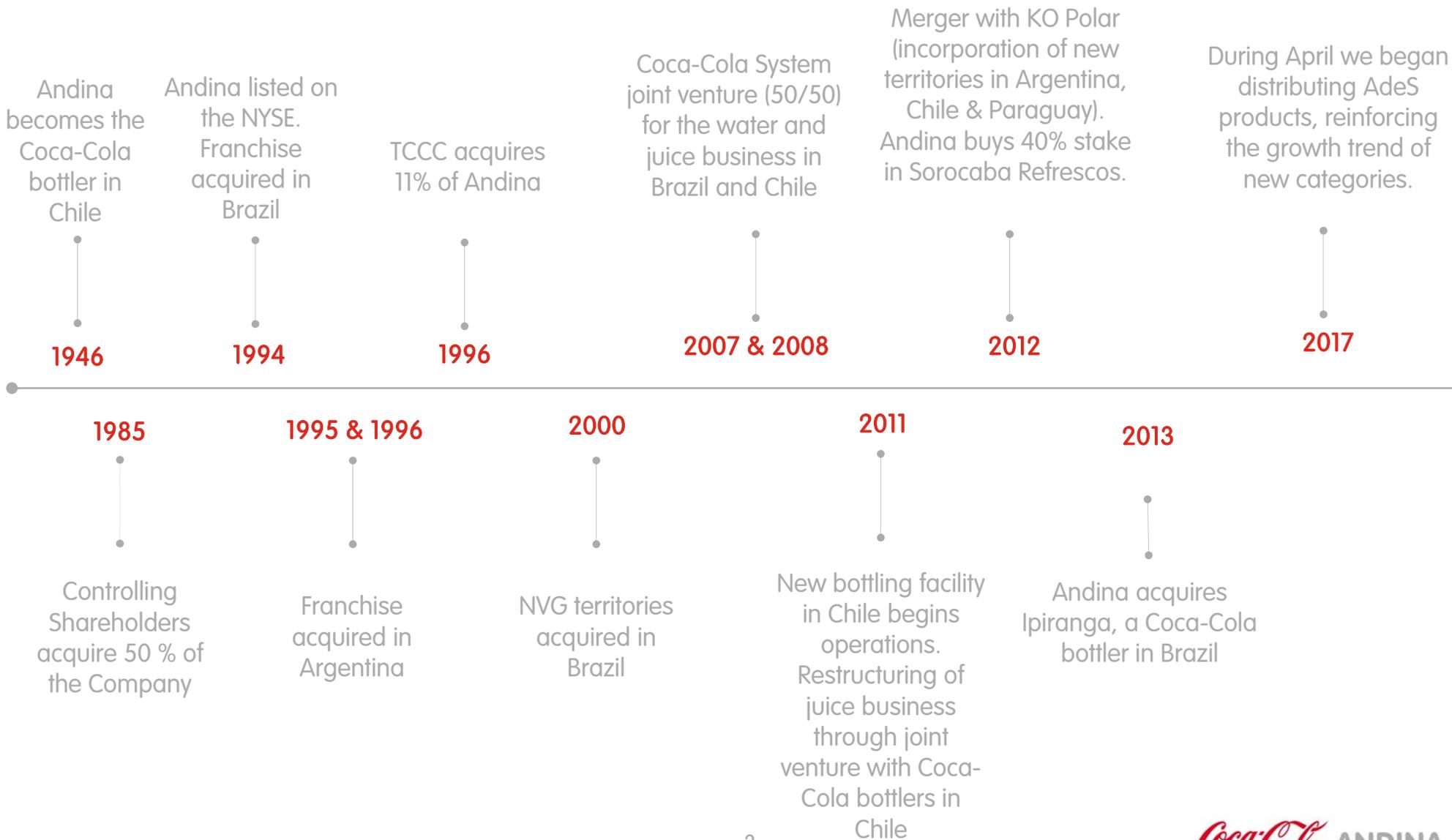


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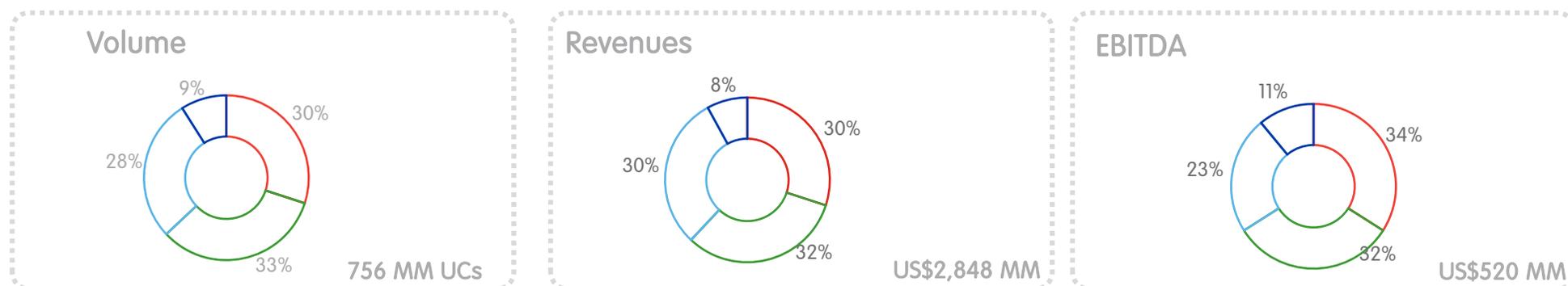
1. Company Description



History



A regional and diversified platform (FY17)

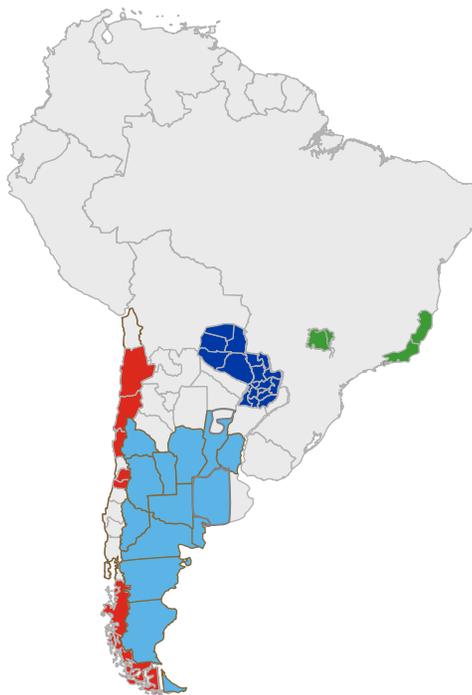


Chile

- ▶ **Territories:** Antofagasta, Atacama, Coquimbo, Metropolitan Region, San Antonio, Cachapoal, Aysen & Magallanes
- ▶ **Extension:** 398 thousand Km
- ▶ **Population covered:** 9.5 million
- ▶ **Total volume FY 2017:** 231 million UCs

Paraguay

- ▶ **Territories:** Ciudad del Este, Asunción, Coronel Oviedo, Encarnación
- ▶ **Extension:** 407 thousand Km
- ▶ **Population covered:** 7.0 million
- ▶ **Total volume FY 2017:** 65.0 million UCs



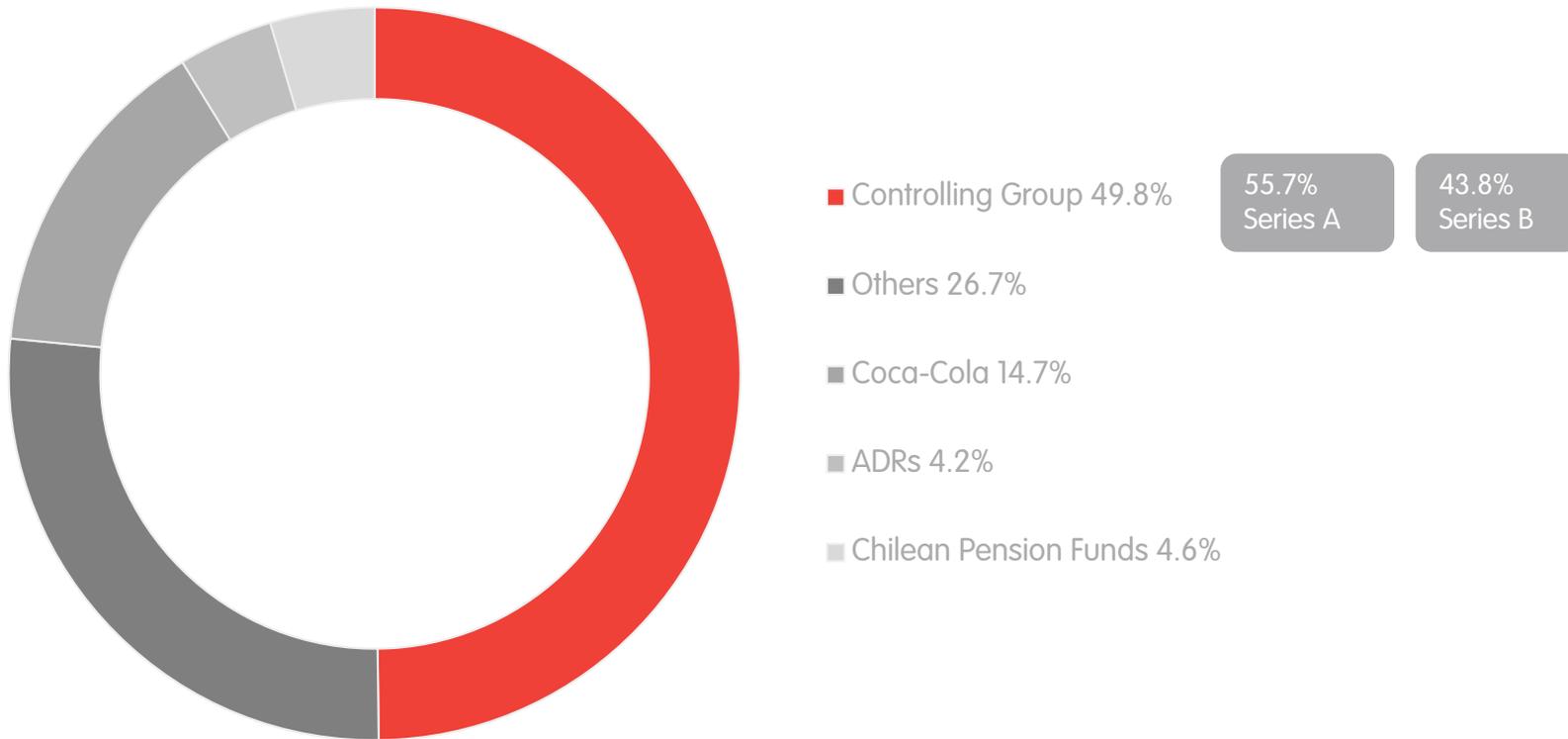
Brazil

- ▶ **Territories:** Rio de Janeiro, Espírito Santo, part of Sao Paulo and part of Minas Gerais
- ▶ **Extension:** 165 thousand Km
- ▶ **Population covered:** 21.9 million
- ▶ **Total volume FY 2017:** 248.9 million UCs

Argentina

- ▶ **Territories:** San Juan, Mendoza, San Luis, Córdoba, Santa Fé, Entre Ríos, La Pampa, Neuquén, Rio Negro, Chubut, Santa Cruz, Tierra del Fuego & Western Province of Buenos Aires
- ▶ **Extension:** 1.9 million Km
- ▶ **Population covered:** 13.9 million
- ▶ **Total volume FY 2017:** 211.4 million UCs

Ownership (As of December 31, 2017)

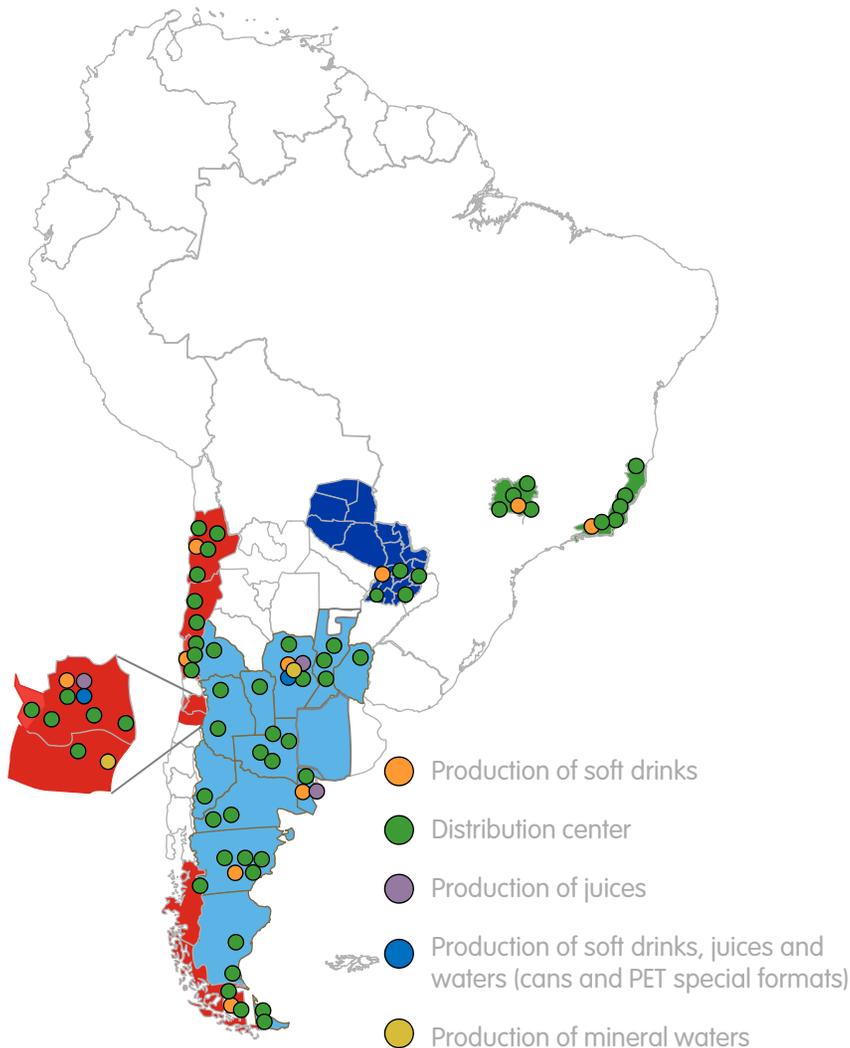


The Controlling Group is composed of 5 Chilean families with equal parts, that have a shareholders' agreement which includes TCCC.

Series A elects 12 of 14 Board members.

Series B receives an additional 10% in dividends.

Superior manufacturing and logistics capabilities



Argentina

- ▶ 3 SSD production facilities with a total of 16 lines
- ▶ Additional 2 production facilities for tetra juices and 1 for mineral water with a total of 5 lines
 - Average utilization ranged from 38,7% (water) to 48% (tetra)
- ▶ 26 distribution centers
- ▶ 859 third party trucks

Brazil

- ▶ 2 production facilities with a total of 25 lines
 - Average utilization range from 59% to 72%
- ▶ 18 distribution centers
- ▶ Fleet of 809 owned trucks, 264 third party
- ▶ 472 vending machines

Chile

- ▶ 4 production facilities with a total of 19 lines
 - Average utilization ranged from 30% to 71%
- ▶ 17 distribution centers
- ▶ Fleet of 75 owned trucks, 622 third party
- ▶ Through its subsidiaries, operates 3 additional production facilities with a total of 22 lines

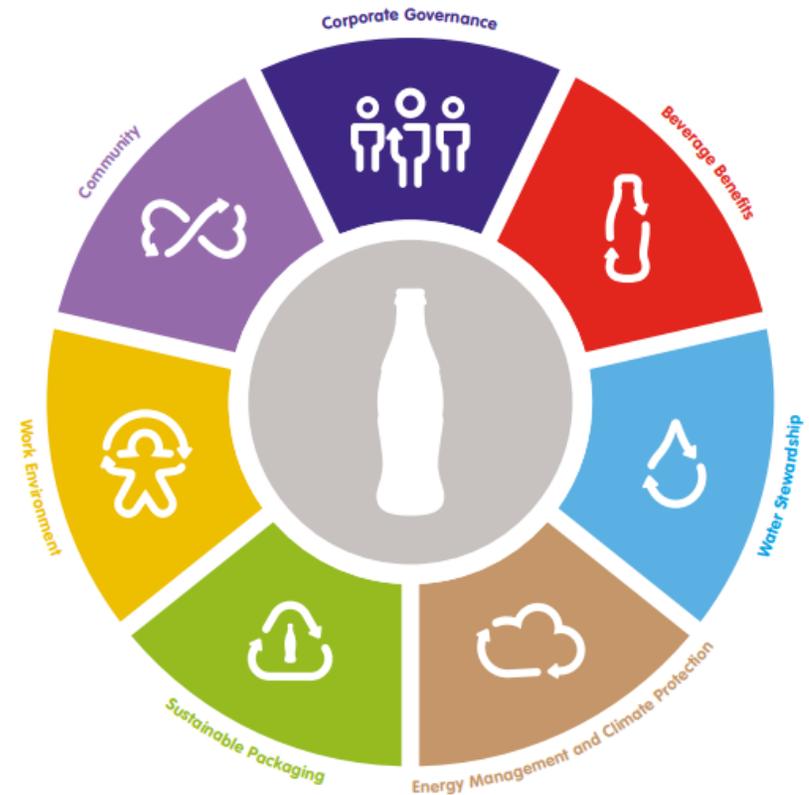
Paraguay

- ▶ 1 production facility with a total of 12 lines
 - Average utilization range from 60% to 85%
- ▶ 4 distribution centers
- ▶ Fleet of 238 third party trucks

Reaching over 281,000 clients

Committed to Sustainable Development

Pillar	Key indicators
Beverage Benefits	Calories sold Kilocalories sold on total liters sold Light and zero calories sales Percentage of liters sold of light and zero calories products, compared to total liters sold
Water Stewardship	Efficiency in water consumption Number of liters of water needed to produce one liter of beverage
Energy Management and climate protection	Efficiency in energy consumption Energy Used (Mjoules) per liter of beverage produced
Sustainable packaging	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. Work safety.
Work environment	LTIR Number of accidents LTISR Severity of accidents Employee turnover Favorable internal climate Bi-annual survey
Community	Customer Satisfaction Survey of each country to the traditional channel clients National Suppliers Percentage of national suppliers with respect to the total of active suppliers



Generating Social, Economic and Environmental Value in all of our actions

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM

EURONEXT
vigeo
INDICES
Emerging 70

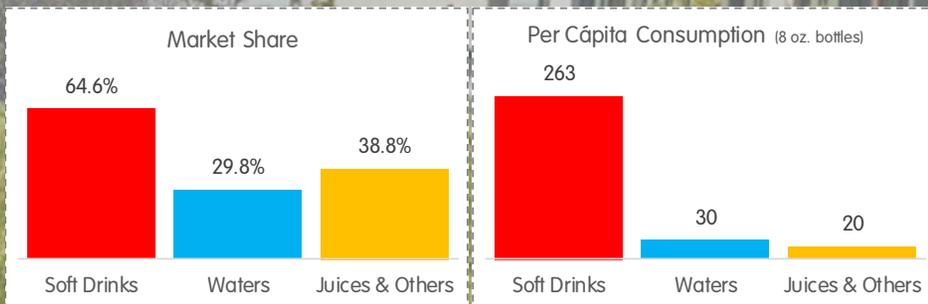
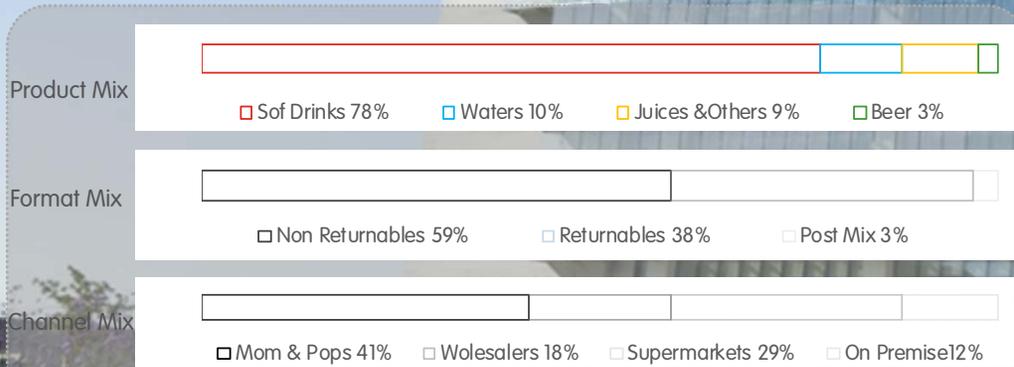

FTSE4Good

Coca-Cola ANDINA

2. Market Description

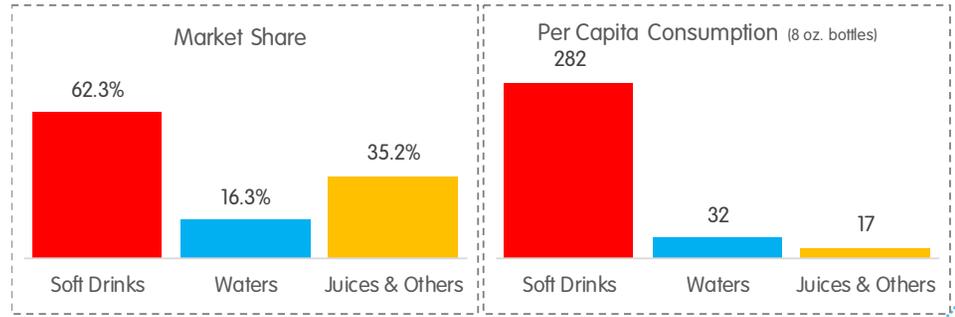
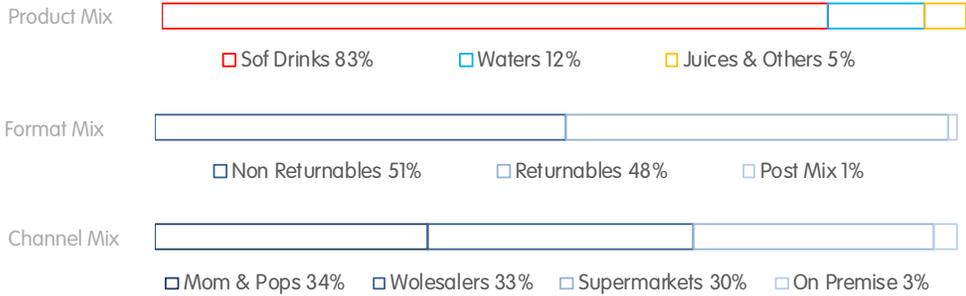


Coca-Cola Andina at a Glance: Market Structure (FY2017)

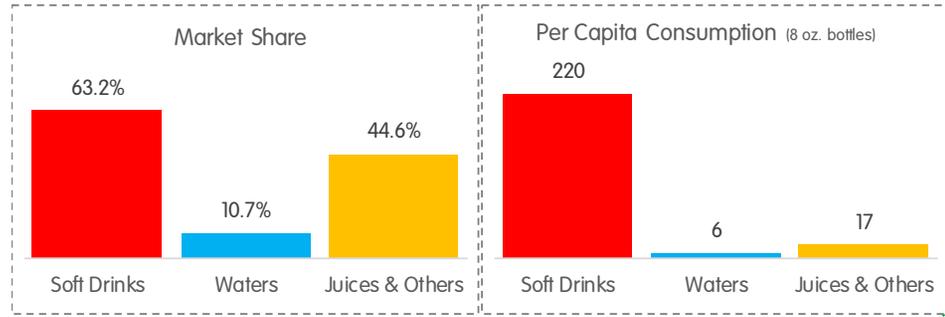
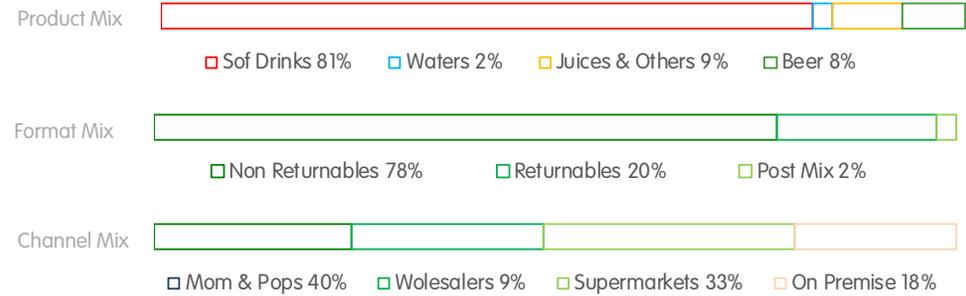


Market Structure (FY2017)

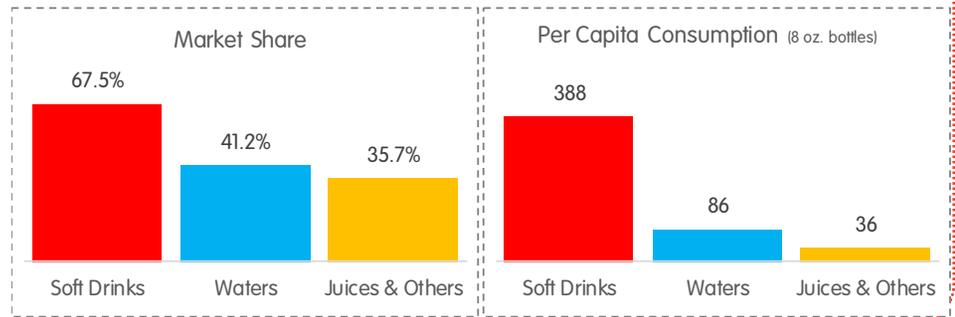
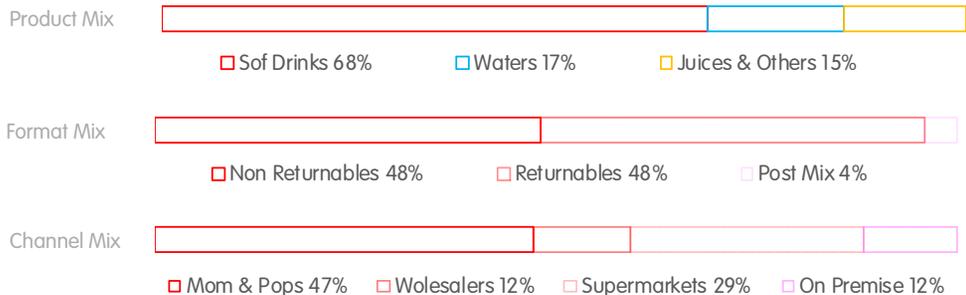
ARGENTINA



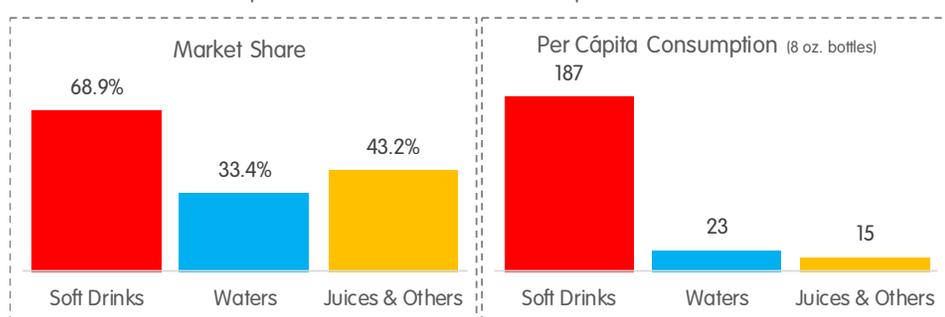
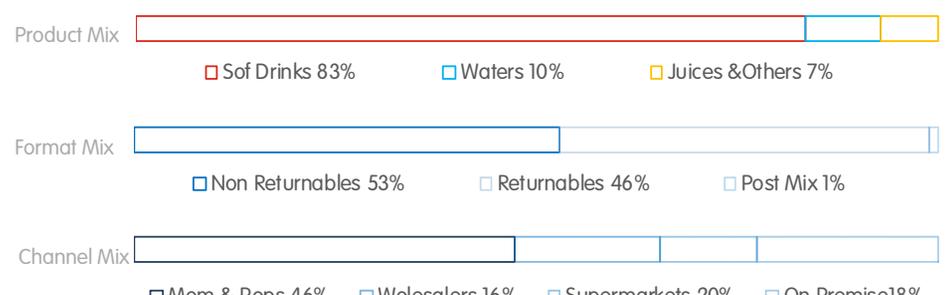
BRAZIL



CHILE

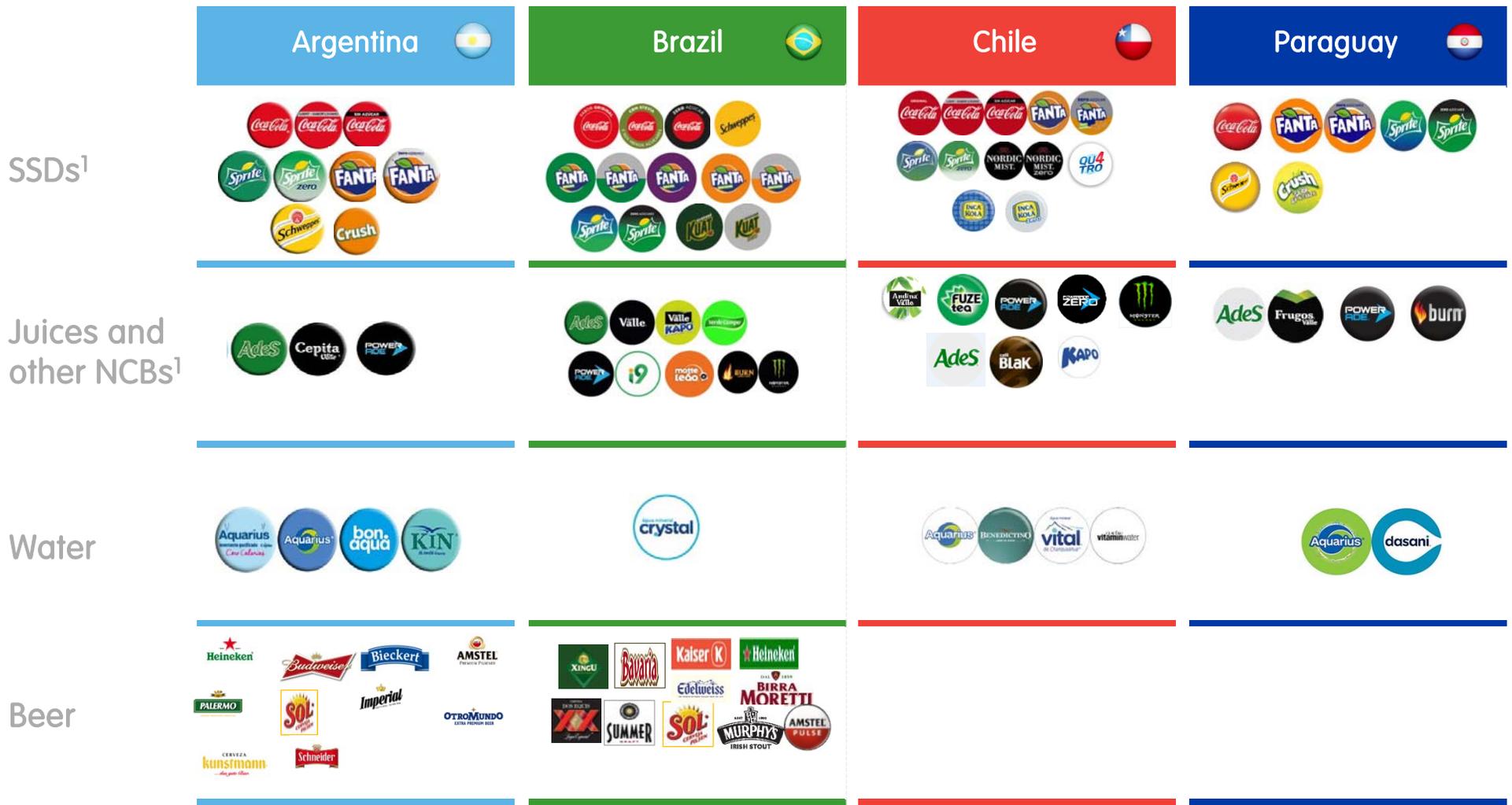


PARAGUAY



Diversified brand portfolio across segments and geographies

(As of December 31, 2017)



Source: Company filings and public releases

¹ SSDs: sparkling soft drinks; NCBs: non-carbonated soft drinks

² Total includes 0.1mmUC distributed in Chile

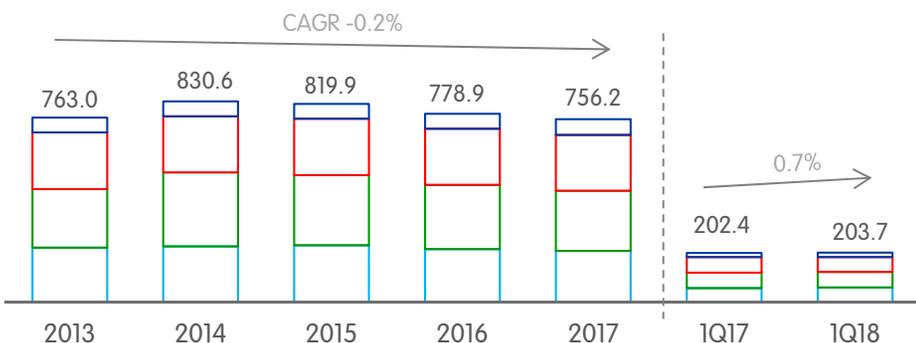
3. Financial Highlights



Track record of profitability, revenue and EBITDA growth, diversification and strong cash generation

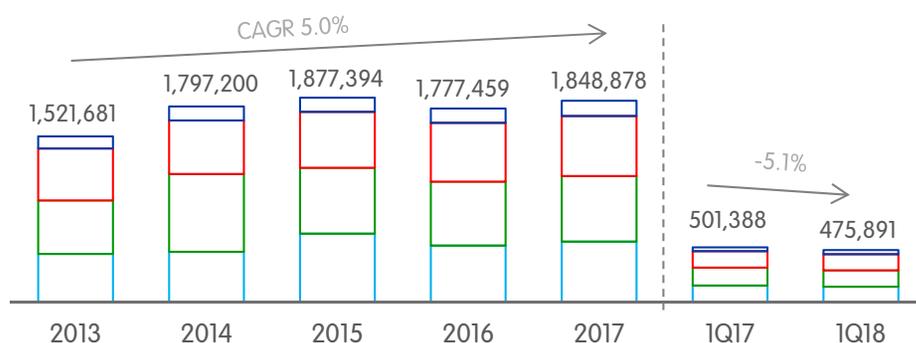
Sales volume (million UCs)

Argentina Brazil Chile Paraguay



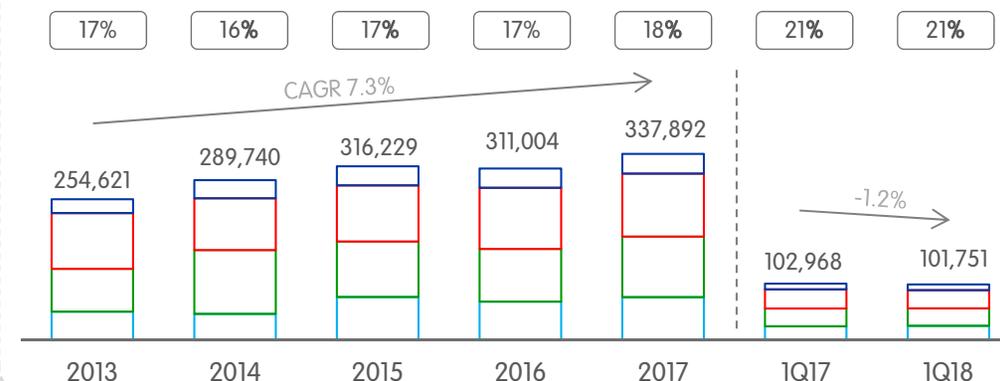
Revenues (CLP\$ mm)

Argentina Brazil Chile Paraguay



Adjusted EBITDA and Adjusted EBITDA Margin (CLP\$ mm)

Argentina Brazil Chile Paraguay Margin

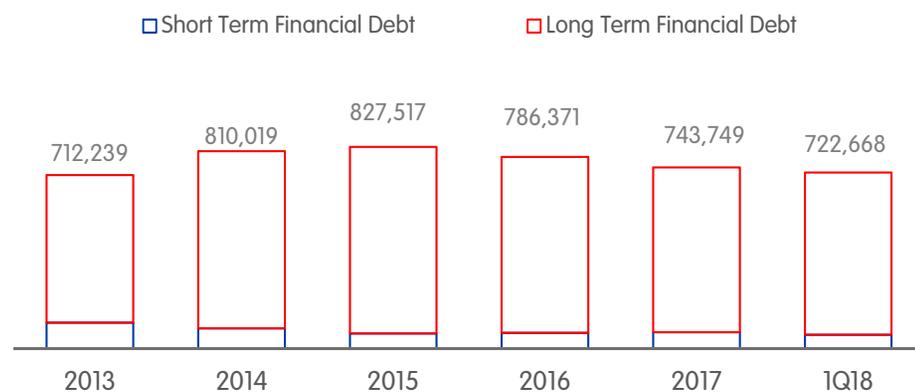


Solid Financial Position

Increase in Net Financial Debt is mainly explained by:

- US\$575MM Bond Issue for the Acquisition of Ipiranga (2013)¹
- UF5 million Chilean Bond Issued on Sept 2013, UF3 million Chilean Bond Issued on Apr 2014
- Embotelladoras Coca-Cola Polar Merger (2012)

Financial Debt (CLP\$ mm)



Financial Debt Summary (CLP\$ mm) as of March, 2018

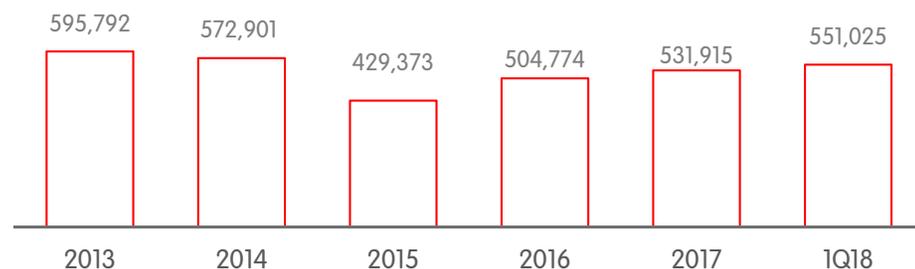
	Banks	Bonds	Total
Ch\$m	67,709	654,959	722,668
%	9.4%	90.6%	100%

Note: Banks includes: Bank, Leasing, Derivatives & Warrantee Deposits

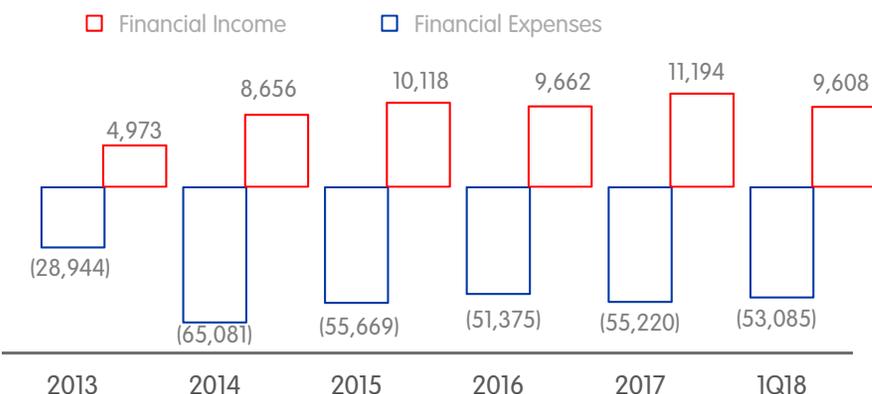
	UF	R\$	CLP\$	US\$	ARS\$	PGY\$	Total
Ch\$m	443,585	263,748	9,757	3,231	1,490	859	722,668
%	61.4%	36.5%	1.4%	0.4%	0.2%	0.1%	100%

Note: After Cross Currency Swaps without its corresponding MtM

Net Financial Debt² (CLP\$ mm)



Financial Expenses / Income (CLP\$ mm)



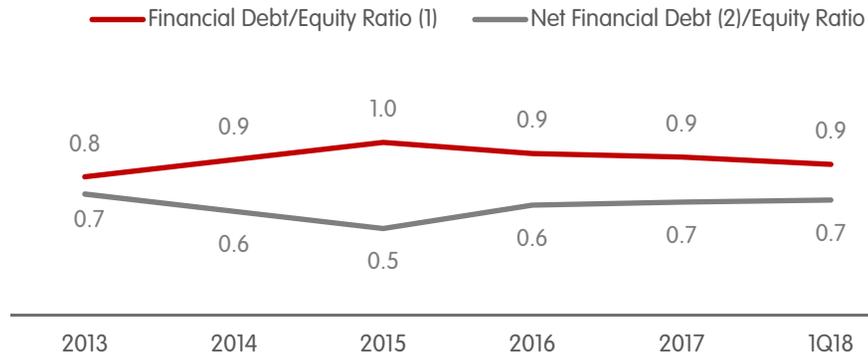
Source: Data as reported on Company filings

(1) 144A/RegS US Bond, 10 years due 2023

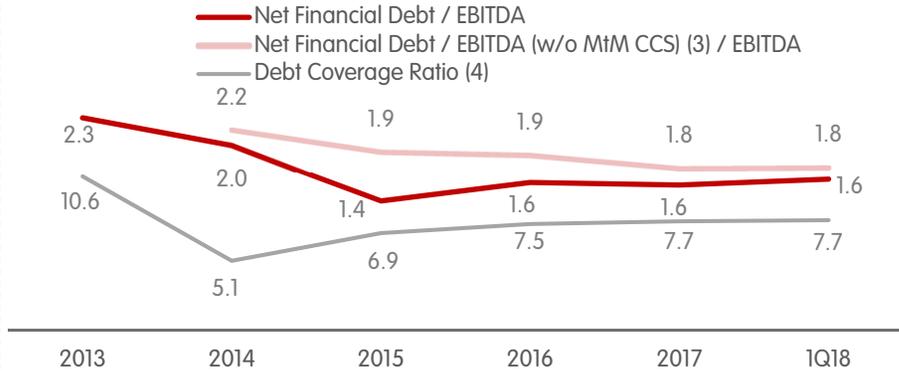
(2) Considers Cash and Cash Equivalents, Other Current Financial Assets and Other Non Current Financial Assets of CLP\$ 171,643 MM

Solid Financial Position

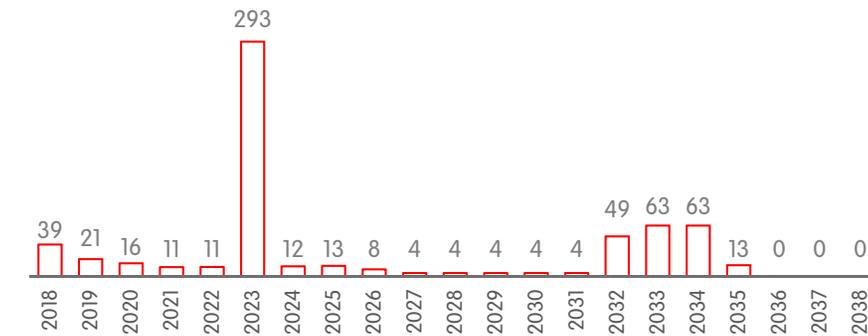
Financial Ratios (I)



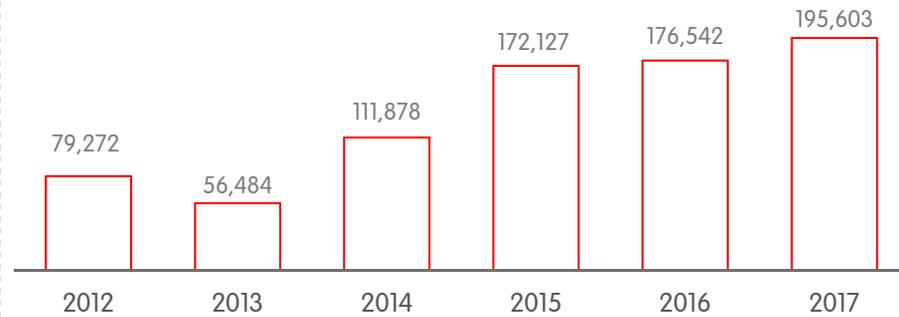
Financial Ratios (II)



Debt Amortizations (CLP\$ bn)



Free Cash Flow⁵ (CLP\$ mm)



Source: Data as reported on Company filings

(1) Financial Debt to Equity Ratio: [Other Current Financial Debt + Other Non-Current Financial Debt] / Equity

(2) Net Financial Debt: [Other Current Financial Debt + Other Non-Current Financial Debt] - [Cash + Cash Equivalents + Other Current Financial Assets + Other Non Current Financial Assets].
Other Current and Non-Current Fin. Assets considers the effect of the Mark to Market of the Cross Currency Swaps according to IAS 32, since 01.01.2014.

(3) Net Financial Debt not considering CCS's MtM effect: [Other Current Financial Debt + Other Non-Current Financial Debt] - [Cash + Cash Equivalents + Other Current Financial Assets + Other Non Current Financial Assets - CCS MtM].

For the Mark to Market of the Cross Currency Swaps (CCS MtM) see Note 21 of the Company Financial Statements.

(4) EBITDA / (Financial Expenses – Financial Income)

(5) Free Cash Flow = Operating Income + Depreciation – CAPEX – Taxes (+/-) Working Capital Variation.

Consolidated Financial Highlights (Billion Ch\$)

	2012P	2013	2013P	2014	2015	2016	2017	1Q17	1Q18
Total Volume (MUCs)	749	763	826	831	820	779	756	202	204
Net Sales	1,477	1,522	1,640	1,797	1,877	1,777	1,849	501	476
Operating Income	173	171	179	187	216	214	239	78	80
<i>Operating Margin</i>	<i>11.7%</i>	<i>11.3%</i>	<i>10.9%</i>	<i>10.4%</i>	<i>11.5%</i>	<i>12.0%</i>	<i>12.9%</i>	<i>15.6%</i>	<i>16.7%</i>
EBITDA	244	255	270	290	316	311	338	103	102
<i>EBITDA Margin</i>	<i>16.5%</i>	<i>16.7%</i>	<i>16.4%</i>	<i>16.1%</i>	<i>16.8%</i>	<i>17.5%</i>	<i>18.3%</i>	<i>20.5%</i>	<i>21.4%</i>
FX (Ch\$/USD) period average	486.3	495.5	495.5	570.8	654.4	676.8	648.6	655.1	601.8
FX (Ch\$/USD) end of period	480.0	524.6	524.6	606.8	710.1	669.5	614.8	664.0	603.4
Revenues per unit case (US\$)	4.06	4.03	4.01	3.79	3.50	3.37	3.77	3.78	3.88
EBITDA per unit case (US\$)	0.67	0.67	0.66	0.61	0.59	0.59	0.69	0.78	0.83
Legal Results		AKO FY + KOP FY + (Vital+VAS A+ECSA) FY + IPI 4Q		AKO FY + KOP FY + (Vital+VAS A+ECSA) FY + IPI FY					
Proforma Results		AKO FY + KOP FY + (Vital+VAS A+ECSA) FY + IPI 4Q		AKO FY + KOP FY + (Vital+VAS A+ECSA) FY + IPI FY					

Consolidated Financial Highlights (Million US\$)

	2012P	2013	2013P	2014	2015	2016	2017	1Q17	1Q18
Total Volume (MUCs)	749	763	826	831	820	779	756	202	204
Net Sales	3,038	3,071	3,311	3,151	2,868	2,627	2,848	765	791
Operating Income	355	346	361	328	329	316	368	119	132
<i>Operating Margin</i>	<i>11.7%</i>	<i>11.3%</i>	<i>10.9%</i>	<i>10.4%</i>	<i>11.5%</i>	<i>12.0%</i>	<i>12.9%</i>	<i>15.6%</i>	<i>16.7%</i>
EBITDA	502	514	544	508	483	460	521	157	169
<i>EBITDA Margin</i>	<i>16.5%</i>	<i>16.7%</i>	<i>16.4%</i>	<i>16.1%</i>	<i>16.8%</i>	<i>17.5%</i>	<i>18.3%</i>	<i>20.5%</i>	<i>21.4%</i>
FX (Ch\$/USD) period average	486.3	495.5	495.5	570.8	654.4	676.8	648.6	655.1	601.8
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Legal Results		AKO FY + KOP FY + (Vital+VAS A+ECSA) FY + IPI 4Q		AKO FY + KOP FY + (Vital+VAS A+ECSA) FY + IPI FY					
Proforma Results	AKO FY + KOP FY + (Vital+VAS A+ECSA) FY + IPI 4Q		AKO FY + KOP FY + (Vital+VAS A+ECSA) FY + IPI FY						

Consolidated Balance Sheet (as of March 31, 2018, in million USD and million Ch\$)

Million USD:

Assets	
Cash and Cash Equivalents	200
Current Assets	556
Non current Assets + Others	2,470
Goodwill	155
Total	3,380

Liabilities and Equity	
Current Financial Liabilities	72
Other Current Liabilities	505
Non-Current Financial Liabilities	1,103
Other Non-Current Liabilities	327
Total Equity	1,373
Total	3,380

Million Ch\$:

Assets	
Cash and Cash Equivalents	120,625
Current Assets	335,451
Non current Assets + Others	1,490,109
Goodwill	93,330
Total	2,039,515

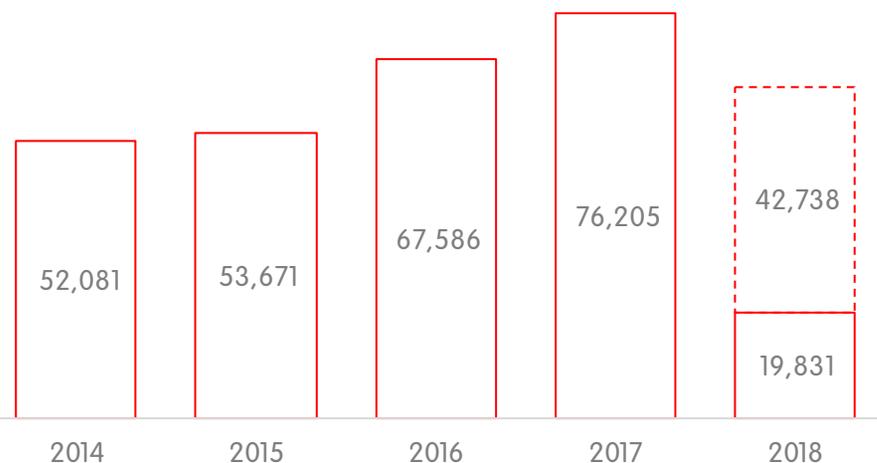
Liabilities and Equity	
Current Financial Liabilities	43,513
Other Current Liabilities	304,643
Non-Current Financial Liabilities	665,444
Other Non-Current Liabilities	197,596
Total Equity	828,319
Total	2,039,515

Net Debt Position: 913 million USD

Dividends and Market Cap (as of March 31, 2018)

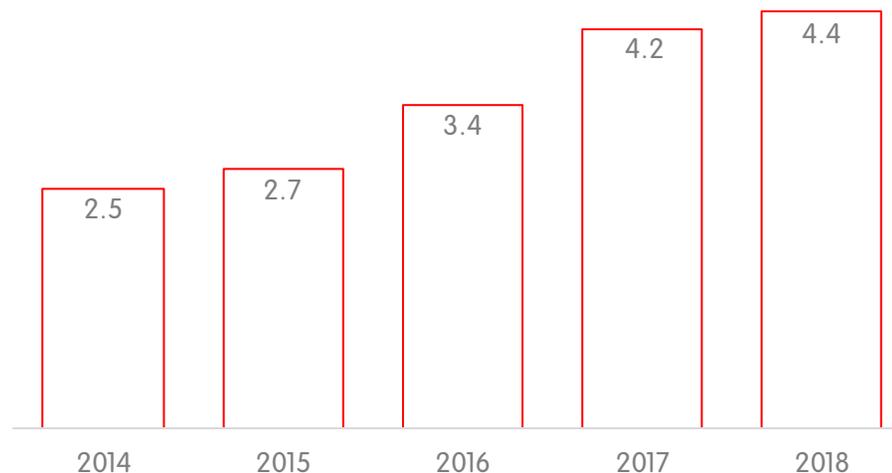
Dividend Distribution*

(million Ch\$)



Market Cap

(billion USD)



Dividend Yield**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Series A	2.9%	2.8%	3.7%	3.5%	3.3%
Series B	2.6%	2.4%	3.5%	3.5%	3.4%

Payout Ratio***

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
	58%	69%	75%	82%	69%

* 2018 includes dividends announced but not paid during the quarter

** Dividend yield is calculated as dividends per share distributed on year t over the closing price of year t-1

*** Payout ratio is calculated as dividends distributed on account of income from the fiscal year t over the Net Income of the same year.

Additional dividends distributed in year t are incorporated in year t-1 sum of dividends.

4. Strategy



Expansion potential through organic and inorganic growth avenues

Organic growth

Superior organic growth within the Coca-Cola system

▶ Fuel growth in SSD business

- Strengthen our returnable segment to provide an attractive value proposition
- Increase immediate consumption as a vehicle for recruiting and profitability
- Optimize our product portfolio and price structure



▶ Increase our share in still categories

- Implement new technologies to improve quality
- Invest in brand positioning and awareness
- Offer attractive price and packaging options
- Develop the category in the point of sale



▶ Develop best in class processes

- Invest in production, logistics and commercial capacity
- Innovate in our Route to Market (RTM) models
- Optimize the logistic network improving client delivery processes
- Invest in employee development opportunities
- Increase productivity and optimize cost structure



Inorganic growth

Key role in the consolidation process of the Coca-Cola system in Latin America

- ▶ Inorganic expansion in line with TCCC goals
- ▶ Main focus on businesses of or related to non-alcoholic beverages
- ▶ Selectively looking for opportunities in Latin America
- ▶ Flexibility in transaction structures to align incentives with potential targets
- ▶ Optimization of capital structure to continue generating value to all stakeholders



Appendix



Argentina: Main Financial Highlights (Local Currency (millions))

	2012P	2013	2014	2015	2016	2017	1Q17	1Q18
Sales Volume (MUC)	200	224	229	234	219	211	57	60
Net Sales	3,690	4,898	6,541	8,903	11,343	14,203	3,582	4,578
Operating Income	311	398	428	829	1,198	1,588	512	770
<i>Operating Margin</i>	<i>8.2%</i>	<i>8.0%</i>	<i>6.6%</i>	<i>9.3%</i>	<i>10.6%</i>	<i>11.2%</i>	<i>14.3%</i>	<i>16.9%</i>
EBITDA	444	591	689	1,128	1,557	2,039	619	874
<i>EBITDA Margin</i>	<i>11.7%</i>	<i>12.0%</i>	<i>10.6%</i>	<i>12.7%</i>	<i>13.8%</i>	<i>14.4%</i>	<i>17.2%</i>	<i>19.1%</i>
FX (AR\$/US\$) period average	4.55	5.48	8.13	9.27	15.45	16.56	15.67	19.70
FX (AR\$/US\$) end of period	4.92	6.52	8.55	13.04	15.89	18.65	15.39	20.15
Revenues per unit case (US\$)	4.09	3.97	3.52	4.09	3.49	4.04	4.02	3.91
EBITDA per unit case (US\$)	0.48	0.47	0.37	0.52	0.48	0.58	0.69	0.75

Brazil: Main Financial Highlights (Local Currency (millions))

	2012P	2013	2013P	2014	2015	2016	2017	1Q17	1Q18
Sales Volume (MUC)	253	243	305	306	291	266	249	64	65
Net Sales	2,030	2,142	2,657	2,959	3,059	3,037	2,976	791	809
Operating Income	276	257	290	354	378	369	414	124	139
<i>Operating Margin</i>	<i>13.7%</i>	<i>12.0%</i>	<i>10.9%</i>	<i>11.8%</i>	<i>12.5%</i>	<i>12.1%</i>	<i>13.9%</i>	<i>15.7%</i>	<i>17.1%</i>
EBITDA	353	342	407	489	512	501	551	158	174
<i>EBITDA Margin</i>	<i>17.4%</i>	<i>16.0%</i>	<i>15.4%</i>	<i>16.4%</i>	<i>16.9%</i>	<i>16.4%</i>	<i>18.5%</i>	<i>20.0%</i>	<i>21.4%</i>
FX (R\$/USD) period average	1.95	2.16	2.16	2.35	3.33	3.29	3.19	3.14	3.24
FX (R\$/USD) end of period	2.04	2.34	2.34	2.66	3.90	3.26	3.31	3.17	3.32
Revenues per unit case (US\$)	4.08	4.09	4.04	4.10	3.19	3.28	3.74	3.92	3.85
EBITDA per unit case (US\$)	0.71	0.65	0.62	0.67	0.54	0.54	0.69	0.78	0.83

Chile: Main Financial Highlights (Local Currency (millions))

	2012P	2013	2014	2015	2016	2017	1Q17	1Q18
Sales Volume (MUC)	233	235	232	234	232	231	65	62
Net Sales	475,824	477,918	492,072	514,733	540,427	551,873	151,295	147,712
Operating Income	65,941	66,620	56,460	63,059	68,879	72,890	24,249	23,061
<i>Operating Margin</i>	<i>13.9%</i>	<i>13.9%</i>	<i>11.5%</i>	<i>12.3%</i>	<i>12.7%</i>	<i>13.2%</i>	<i>16.0%</i>	<i>15.6%</i>
EBITDA	97,183	102,587	95,167	103,142	112,499	115,579	34,918	33,316
<i>EBITDA Margin</i>	<i>20.4%</i>	<i>21.5%</i>	<i>19.3%</i>	<i>20.0%</i>	<i>20.8%</i>	<i>20.9%</i>	<i>23.1%</i>	<i>22.6%</i>
FX (Ch\$/USD) period average	486.3	495.5	570.8	654.5	676.8	648.6	655.1	601.8
FX (Ch\$/USD) end of period	480.0	524.6	606.8	710.2	669.5	614.8	664.0	603.4
Revenues per unit case (US\$)	4.20	4.11	3.72	3.36	3.44	3.68	3.58	3.99
EBITDA per unit case (US\$)	0.86	0.88	0.72	0.67	0.72	0.77	0.83	0.90

Paraguay: Main Financial Highlights (Local Currency (millions))

	2013	2014	2015	2016	2017	1Q17	1Q18
Sales Volume (MUC)	61	63	61	62	65	17	18
Net Sales	968,523	1,010,735	1,033,215	1,107,678	1,227,001	309,472	353,045
Operating Income	129,747	157,306	176,418	199,617	221,018	67,751	77,203
<i>Operating Margin</i>	<i>13.4%</i>	<i>15.6%</i>	<i>17.0%</i>	<i>18.0%</i>	<i>18.0%</i>	<i>21.9%</i>	<i>21.9%</i>
EBITDA	220,229	260,203	278,172	296,810	315,831	91,197	99,000
<i>EBITDA Margin</i>	<i>22.7%</i>	<i>25.7%</i>	<i>26.9%</i>	<i>26.8%</i>	<i>25.7%</i>	<i>29.4%</i>	<i>28.0%</i>
FX (G\$/US\$) period average	4,280	4,459	5,209	5,731	5,619	5,653	5,578
FX (G\$/US\$) end of period	4,585	4,629	5,835	5,767	5,590	5,638	5,548
Revenues per unit case (US\$)	3.70	3.63	3.23	3.15	3.35	3.24	3.52
EBITDA per unit case (US\$)	0.84	0.94	0.87	0.84	0.86	0.95	0.98

Argentina

San Juan
Mendoza
San Luis
Córdoba
Santa Fé
Entre Ríos
La Pampa
Neuquén
Río Negro
Chubut
Santa Cruz
Tierra del Fuego
& Western Province
of Buenos Aires

Total Per Capita Annual Consumption (8 oz. bottles)

331

Soft drinks	Juices & Others	Waters
282	17	32

Total Sales Volume (MUCs)

211.4

Soft drinks	Juices & Others	Waters
174.4	10.9	26.1

Market Share (%)*

Soft drinks	Juices & Others	Waters
62.3	35.2	16.3

Franchise Extension

1,892 thousand km²

64 thousand
Clients

Franchise Population

13.9 million

Operating Income

95.2 MUSD

EBITDA

122.4 MUSD


Sales by
Format Soft
Drinks

41.8%
Multi Serving
Non-Returnable

46.2%
Multi Serving
Returnable

9.4%
Single Serving
Non-Returnable

1.5% **1.1%**
Single Serving Post Mix
Returnable


Sales by
Channel

33.6%
Traditional

33.3%
Wholesales

29.9%
Supermarkets

3.2%
On-premise


Sales by
Flavor Soft
Drinks

61.4%
Coca-Cola

26.1%
Others
Regular

9.4%
Coca-Cola Light
& Coca-Cola Zero

3.1%
Others
Light

* Source: AC Nielsen

Brazil

Rio de Janeiro
Espiritu Santo
Part of São Paulo
Minas Gerais

Total Per Capita Annual Consumption
(8 oz. bottles)

261

Soft drinks	Juices & Others	Waters	Beers
220	17	6	18

Total Sales Volume (MUCs)

248.9

Soft drinks	Juices & Others	Waters	Beers
201.7	22.2	6.0	19.0

Market Share (%)*

Soft drinks	Juices & Others	Waters
63.2	44.6	10.7

Franchise Extension
165 thousand km²

Clients
89 thousand

Franchise Population
21.9 million

Operating Income
129.1 MUSD

EBITDA
172.1 MUSD

 Sales by Format Soft Drinks



 Sales by Channel



 Sales by Flavor Soft Drinks



* Source: AC Nielsen

Chile

Antofagasta
Atacama
Coquimbo
Metropolitan Region
San Antonio
Cachapoal
Aysén
& Magallanes

Total Per Capita Annual Consumption (8 oz. bottles)

510

Soft drinks	Juices & Others	Waters
388	36	86

Total Sales Volume (MUCs)

231.0

Soft drinks	Juices & Others	Waters
157.7	34.3	39.0

Market Share (%)*

Soft drinks	Juices & Others	Waters
67.5	35.7	41.2

Franchise Extension

398 thousand km²

Clients
65 thousand

Franchise Population

9.5 million

Operating Income

112.3 MUSD

EBITDA

178.1 MUSD


Sales by
Format Soft
Drinks

35.5%
Multi Serving
Non-Returnable

43.9%
Multi Serving
Returnable

12.7%
Single Serving
Non-Returnable

4.1%
Single Serving
Returnable
3.8%
Post Mix


Sales by
Channel

47.2%
Traditional

11.9%
Wholesales

29.0%
Supermarkets

11.9%
On-premise


Sales by
Flavor Soft
Drinks

47.8%
Coca-Cola

24.8%
Others
Regular

22.2%
Coca-Cola Light
& Coca-Cola Zero

5.2%
Others
Light

* Source: AC Nielsen

Paraguay

The entire country

Total Per Capita Annual Consumption (8 oz. bottles)		
225		
Soft drinks	Juices & Others	Waters
187	15	23
Total Sales Volume (MUCs)		
65.0		
Soft drinks	Juices & Others	Waters
54.1	4.3	6.6
Market Share (%)*		
Soft drinks	Juices & Others	Waters
68.9	43.2	33.4

Franchise Extension
407 thousand km ²
Clients
57 thousand
Franchise Population
7.0 million
Operating Income
39.2 MUSD
EBITDA
56.0 MUSD



* Source: AC Nielsen

CP 1Q18

Coca-Cola

ANDINA

Corporate Presentation 1Q18