
OPEN UP YOUR WORLD

CCU

**Citi 16th Annual Latin America Conference**

**New York, March 2008**

# Forward-Looking Statements

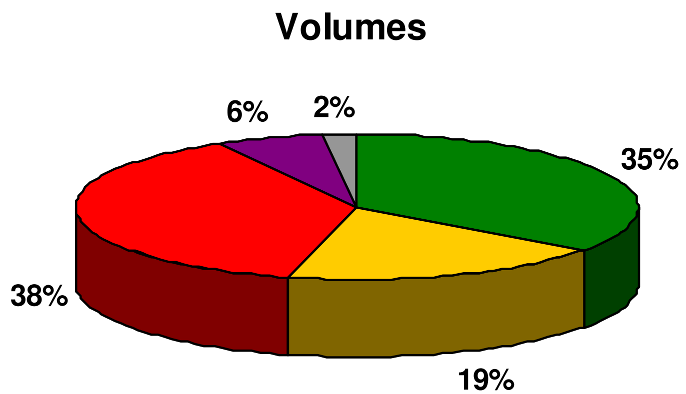
- Statements made in this presentation that relate to CCU's future performance or financial results are forward-looking statements, which involve uncertainties that could cause actual performance or results to materially differ. We undertake no obligation to update any of these statements. Listeners are cautioned not to place undue reliance on these forward-looking statements. These statements should be taken in conjunction with the additional information about risk and uncertainties set forth in CCU's annual report on Form 20-F filled with the US Securities and Exchange Commission.

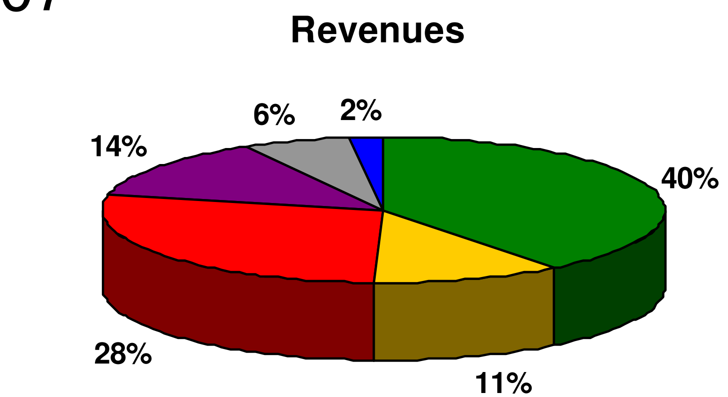
# Agenda

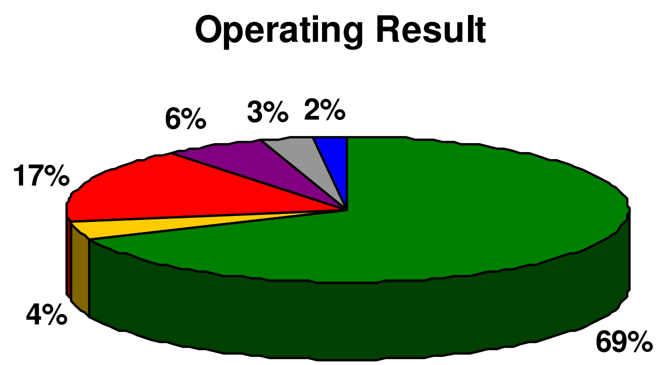
Page

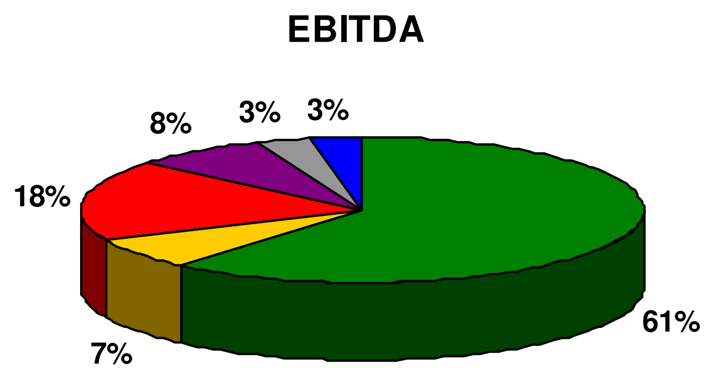
# 1. Indicators Breakdown by Segment

2007



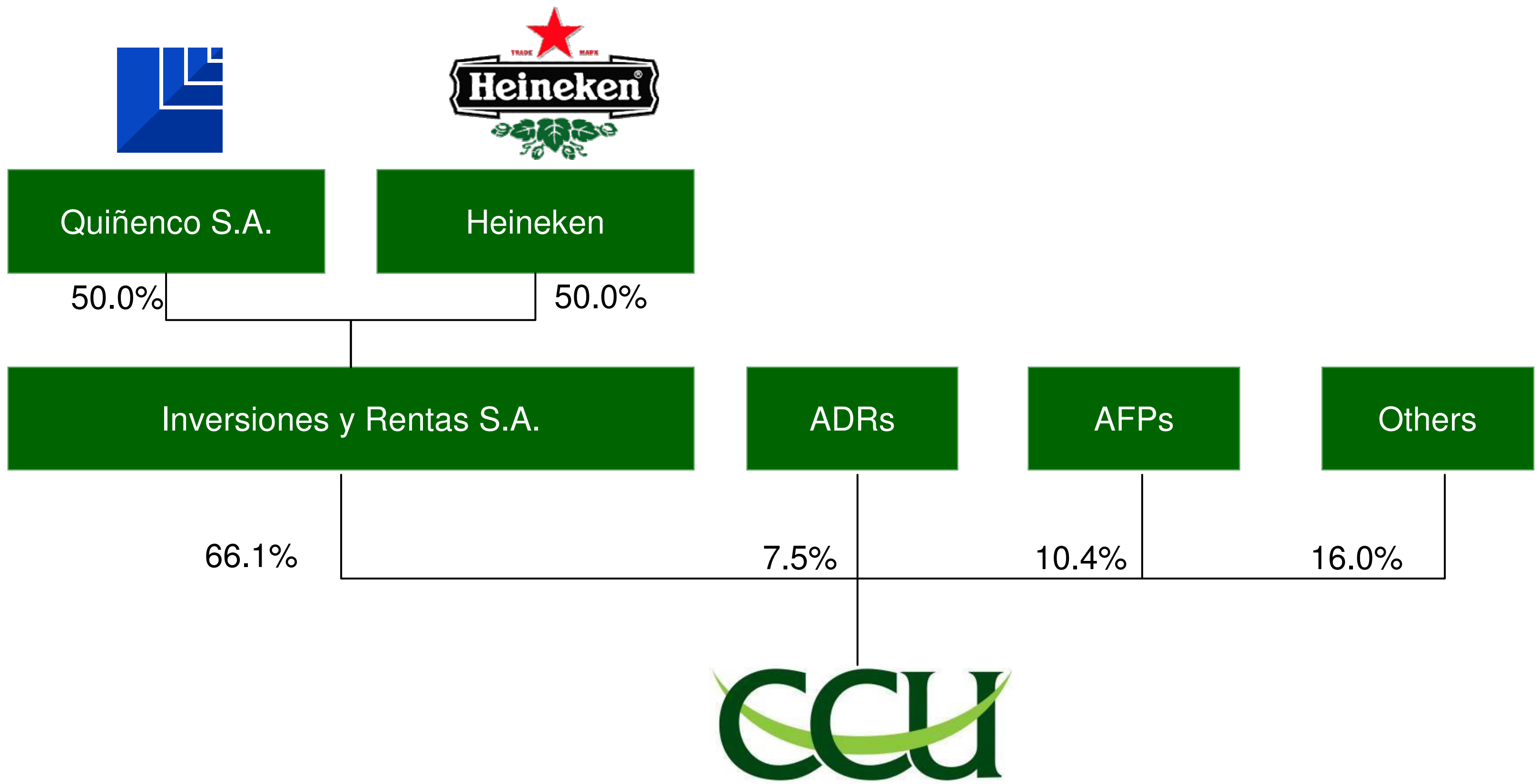




Beer Chile | Beer Argentina
Soft Drinks | Wine
Spirits | Others

* Figures as of December 2007

# 2. Shareholders Structure




AFPs: Pension funds
Shareholders structure as of December 31, 2007

# 3. Organic Growth

## Per capita consumption 2007

| | Chile | Argentina | Spain | USA |
|---|---|---|---|---|
| **RTD (Liters)** | **222** | **380** | **571** | **532** |
| **Beer** | 34 | 39 | 91 | 75 |
| **CSD** | 117 | 123 | 102 | 175 |
| **Juices** | 14 | 4 | 37 | 53 |
| *Nectar* | *11* | - | - | - |
| *Other Juices* | *3* | - | - | - |
| **Water** | 17 | 116 | 163 | 120 |
| *Mineral Water* | *11* | - | - | - |
| *Purified Water* | *6* | - | - | - |
| **Functionals** | 0.4 | 2 | 6 | 17 |
| **Wine** | 15 | 30 | 36 | 10 |
| **Spirits** | 4 | 1 | 7 | 5 |
| *Pisco* | *3* | - | - | - |
| *Other Spirits* | *1* | *1* | *7* | 5 |
| **Milk** | 20 | 65 | 128 | 78 |

| Argentina/Chile | Spain/Chile | USA/Chile |
|---|---|---|
| **1.7X** | **2.6X** | **2.4X** |

- **Categories with high growth potential**

PCC: CCU estimates, Canadean
Income per capita (PPP): 1.2 times Argentina/Chile, 2.3 times Spain/Chile and 3.5 times USA/Chile,
Income per capita (PPP): Source World Bank, 2007.

# 4. New Developments

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- CPCh

PISQUERA DE CHILE S.A.
CCU-CONTROL


- Entering into new categories
  - Products with caffeine
  - Rum
  - Ice Tea


Feb’07 May’07 Nov’07

- Agreement with Nestlé Waters

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Nestlé
Good Food, Good Life

# 5. Operational Excellence

- Maximize operational excellence

## MaxEO

### PRICIS
*(Integral Review of Raw Material Costs and Services)*

- Optimization and Raw Materials Costs Reduction:
  - Raw Materials
  - Materials
  - Services

### OCA
*(Supply Chain Optimization)*

- Supply
- World Class Manufacturing
- Logistic

### PBC
*(Zero Based Budget)*

- 100% budget with ZBB methodology

### O2
*(Organization of Opportunities)*

- Review of
  - 360° appraisal
  - Structure and competitive levels
  - Rotation
  - Incentives

# 6. Performance Indicators
## As of December 2007

Constant Chilean Pesos Converted to US$ Dollars

| US$ Millions [1] | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | CAGR |
|---|---|---|---|---|---|---|---|
| **Profitability** | | | | | | | |
| Operating income | 89.4 | 107.5 | 134.2 | 146.7 | 172.3 | 204.0 | 17.9% |
| EBITDA | 192.2 | 202.5 | 228.6 | 237.5 | 263.2 | 295.4 | 9.0% |
| ROCE[2] | 8.6% | 11.4% | 15.0% | 15.8% | 18.2% | 21.4% | |
| **Growth** | | | | | | | |
| Volumes (MM liters) | 1,013 | 1,090 | 1,135 | 1,231 | 1,340 | 1,422 | 7.0% |
| Market share[3] | 26.5% | 27.6% | 27.8% | 29.0% | 29.2% | 29.6% | |
| Revenues | 818.7 | 900.0 | 961.5 | 1,085.9 | 1,179.7 | 1,264.4 | 9.1% |
| **Sustainability** | | | | | | | |
| First preference | 26.8% | 30.0% | 29.6% | 32.1% | 32.0% | 29.4% | |
| Organizational environment[4] | 67 | 69 | 72 | 70 | 72 | 72 | |

Source: CCU & Adimark
[1] Accumulated figures in real pesos as of December 2007, converted to US$ million as of December 2007, US$1=Ch$496.89
[2] ROCE: Return on Capital Employed of 12 months ended December of each year.
[3] Weighted market share of all businesses that CCU participates.
[4] Measured by an internal survey ended December of each year.

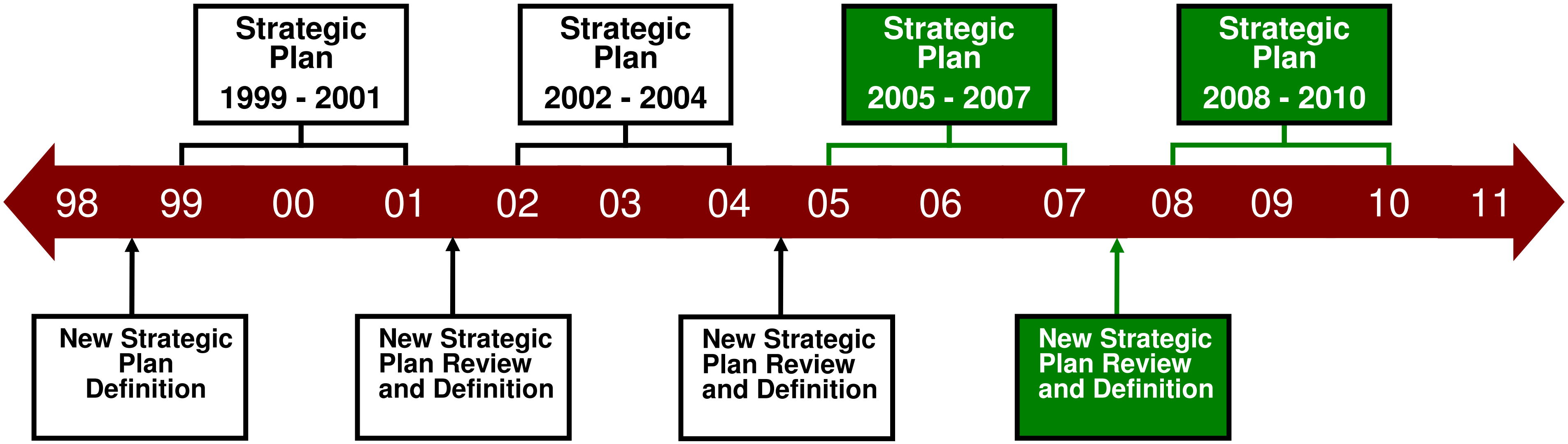
# 6. Performance Indicators
## As of December 2007

Nominal US$ Dollars

| US$ Millions [1] | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | CAGR |
|---|---|---|---|---|---|---|---|
| **Profitability** | | | | | | | |
| Operating income | 77.7 | 93.4 | 116.6 | 127.5 | 149.7 | 204.0 | 21.3% |
| EBITDA | 167.0 | 176.0 | 198.7 | 206.4 | 228.7 | 295.4 | 12.1% |
| ROCE[2] | 8.6% | 11.4% | 15.0% | 15.8% | 18.2% | 21.4% | |
| **Growth** | | | | | | | |
| Volumes (MM liters) | 1,013 | 1,090 | 1,135 | 1,231 | 1,340 | 1,422 | 7.0% |
| Market share[3] | 26.5% | 27.6% | 27.8% | 29.0% | 29.2% | 29.6% | |
| Revenues | 711.4 | 782.1 | 835.5 | 943.6 | 1,025.2 | 1,264.4 | 12.2% |
| **Sustainability** | | | | | | | |
| First preference | 26.8% | 30.0% | 29.6% | 32.1% | 32.0% | 29.4% | |
| Organizational environment[4] | 67 | 69 | 72 | 70 | 72 | 72 | |

Source: CCU & Adimark
[1] Accumulated figures in nominal dollars
[2] ROCE: Return on Capital Employed of 12 months ended December of each year.
[3] Weighted market share of all businesses that CCU participates.
[4] Measured by an internal survey ended December of each year.

# 7. CCU Strategic Plan
## Three years perspective, Context and Considerations



# 7. CCU Strategic Plan
## 2005 - 2007 Strategic Plan

**Strategic Objectives**

SO#1 Expand, strengthen and increase the profitability of the beer businesses in Chile and Argentina

SO#2 Increase profitability of the wine business

SO#3 Achieve excellence in the execution of our business processes ("Plan Punto Máximo" (PPM))

SO#4 Pursue leadership in all occasions of consumption within the Chilean beverage industry through growth, consolidation initiatives, and strengthening of the Company's key brands

SO#5 Develop CCU's capabilities in the confectionery category creating a platform for future growth in the ready-to-eat products and concentrates

SO#6 Strengthen CCU's role in guaranteeing quality internally and guaranteeing its brands and categories externally

# 7. CCU Strategic Plan

## 2008 - 2010 Strategic Plan

### Strategic Objectives

SO#1 Grow and strengthen all our businesses in the beverage industry, with focus on First Preference

SO#2 Balance the management of our PPM segments, in terms of Profitability, Growth & Sustainability, under a scenario of increased concentration and complexity

SO#3 Transform Transportes CCU into a source of long-term competitive advantage

SO#4 Execute MaxEO

SO#5 Increase the relevance of innovation within the Preference Model Management Process

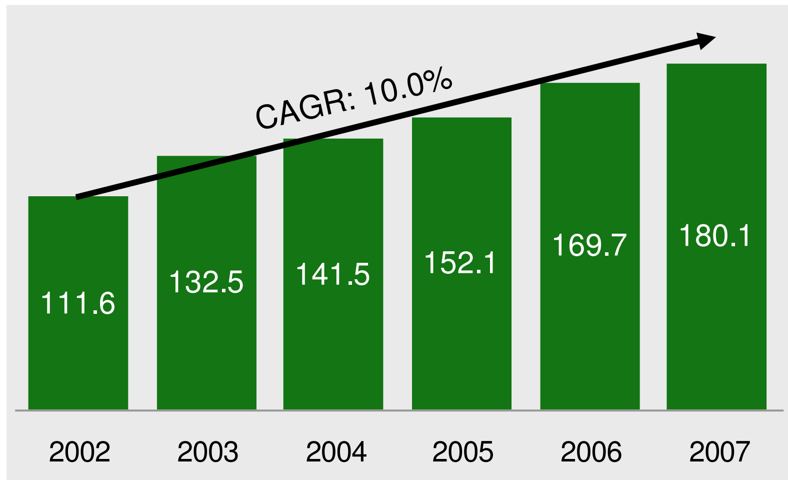
SO#6 Leverage our strategic and operating capabilities in order to grow beyond our current businesses and territories

# Agenda

Page

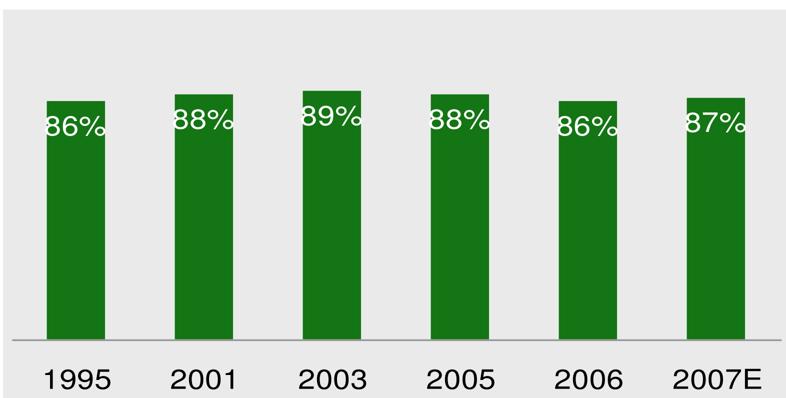
# 1. Beer Chile


## EBITDA (US$MM)



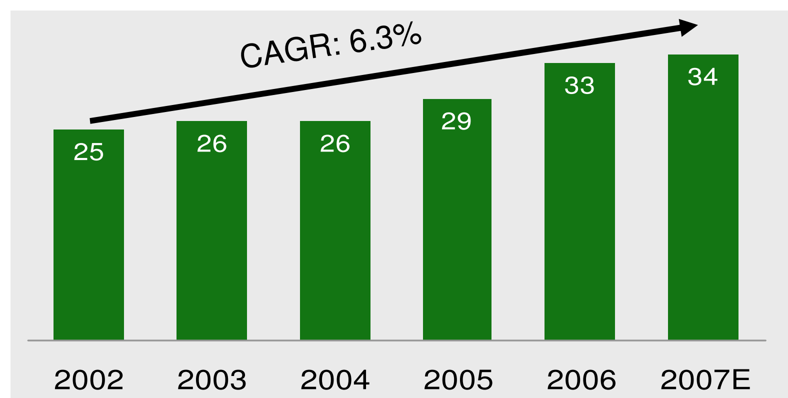

Source: CCU
Note: Figures in US$ million as of December, 2007

## Market share (%)




Source: CCU estimates

## Per capita consumption (liters)

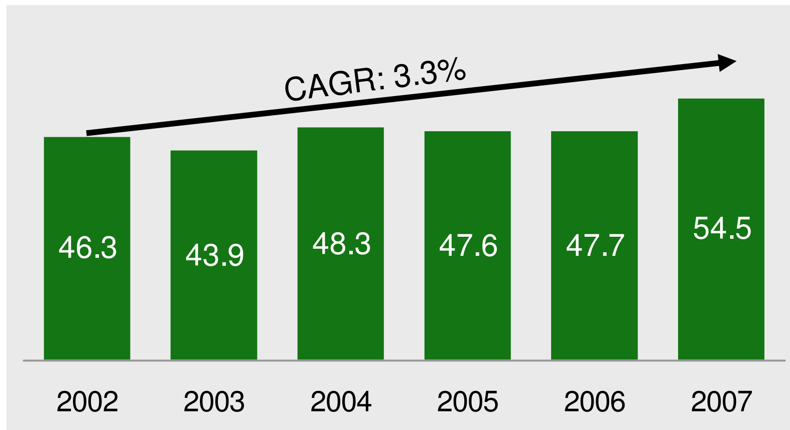



Source: CCU estimates

# 2. Soft Drinks, Nectars and Mineral Water

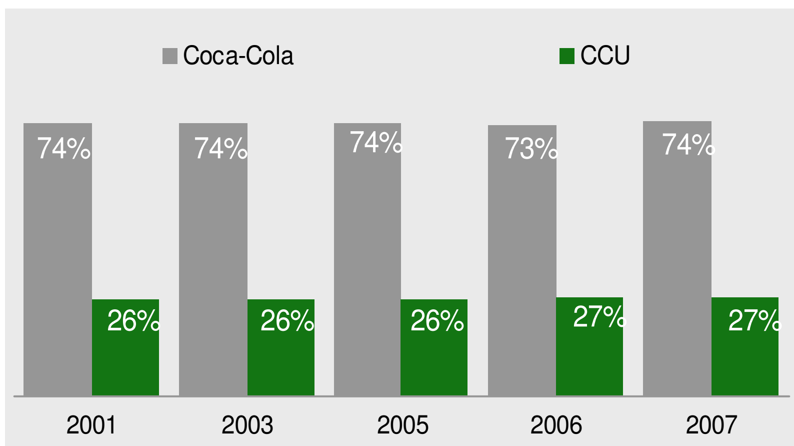



## EBITDA (US$MM)



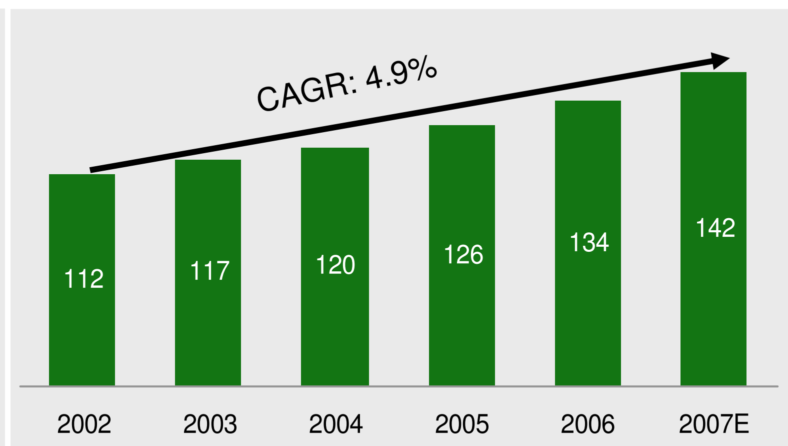

Source: CCU
Includes soft drinks, nectars and mineral waters
Note: Figures in US$ millions as of December, 2007

## Market share (SD, N & MW) (%)




Source: ANBER, only considers CCU's and Coca-Cola system sales in Chile

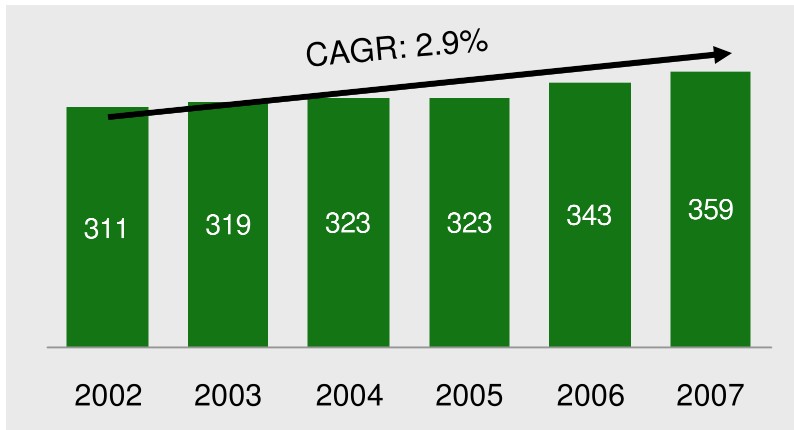
## Per capita consumption (liters)




Source: CCU estimates
Includes soft drinks, nectars and mineral water

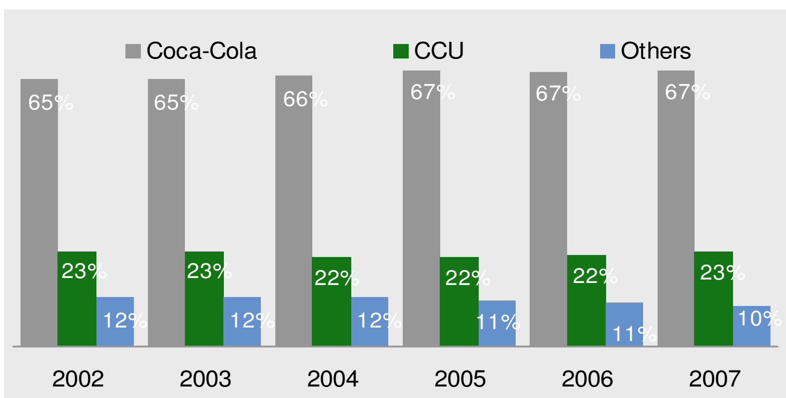
# 2. Soft Drinks


## Volumes (MM liters)



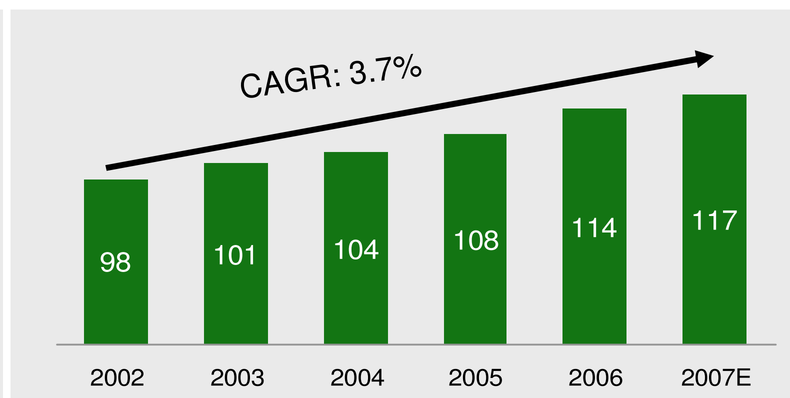

Source: CCU

## Soft drinks market share (%)



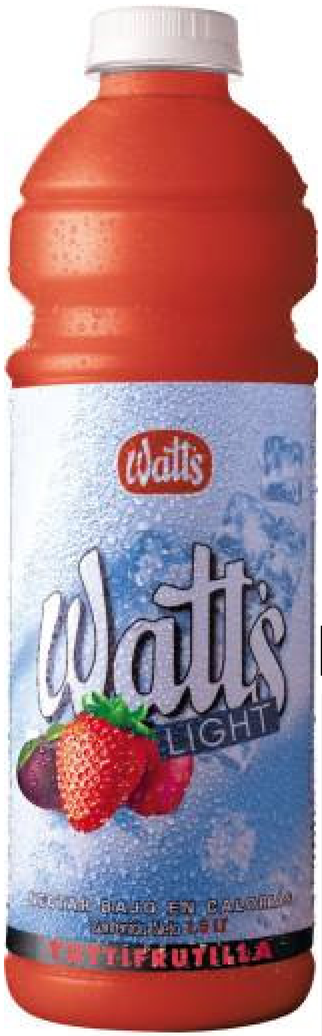

Source: ACNielsen

## Per capita consumption (liters)

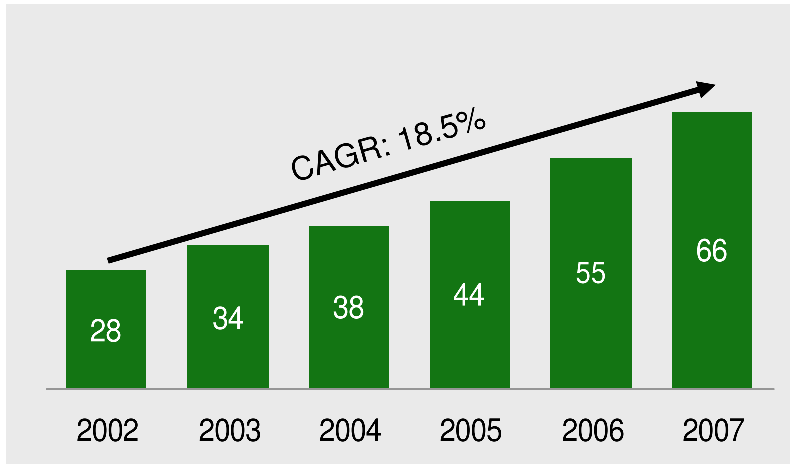



Source: CCU estimates

# 2. Nectars

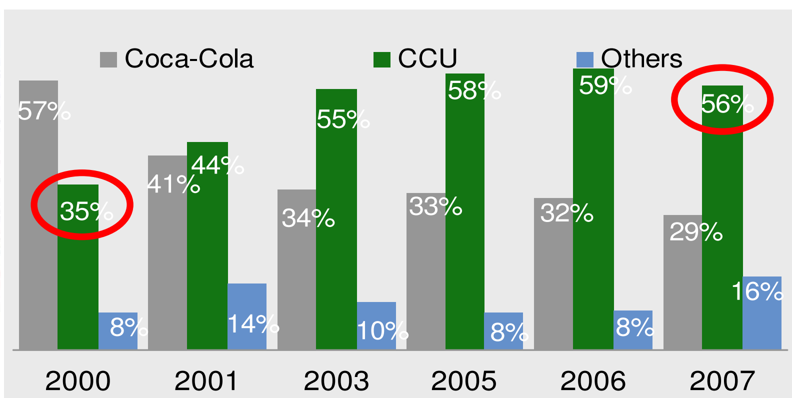



## Volumes (MM liters)



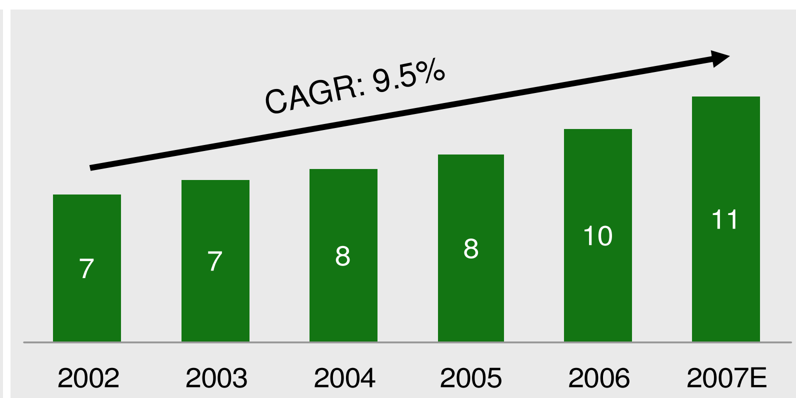

Source: CCU

## Bottled nectar market share (%)




Source: ACNielsen

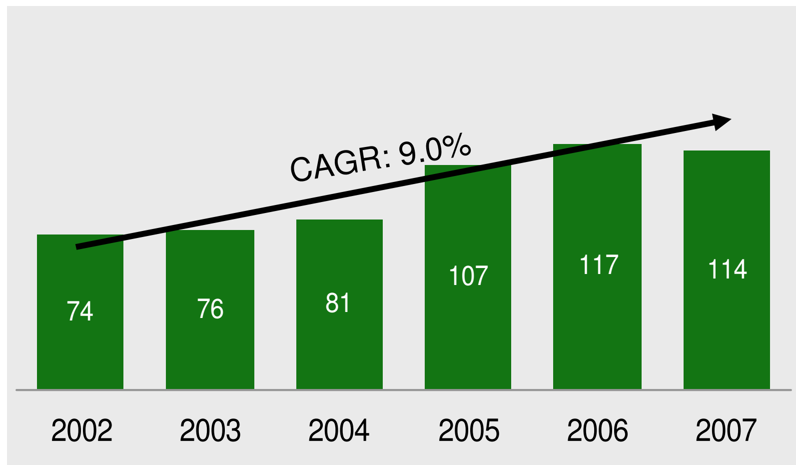
## Per capita consumption (liters)




Source: CCU estimates
Note: Includes all nectars

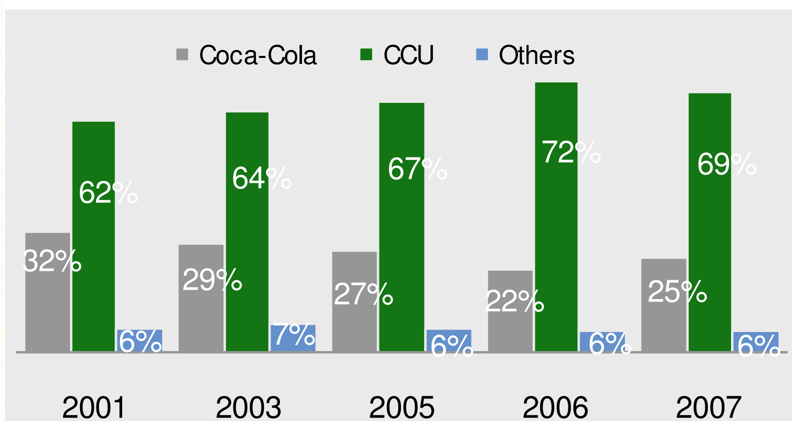
# 2. Mineral Water


### Volumes (MM liters)



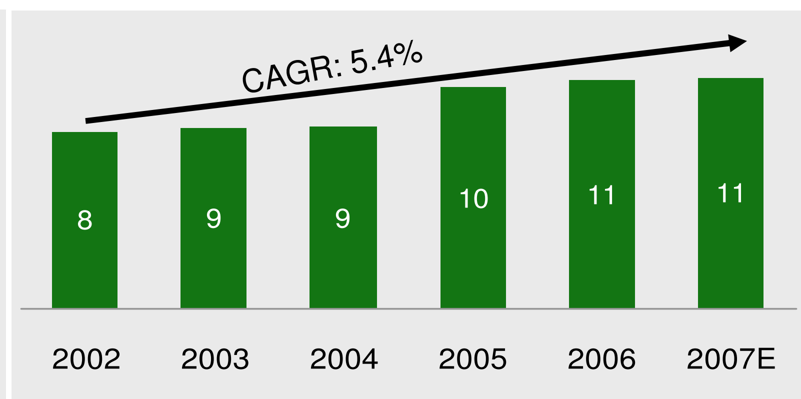

Source: CCU

### Mineral water market share (%)




Source: ACNielsen

### Per capita consumption (liters)

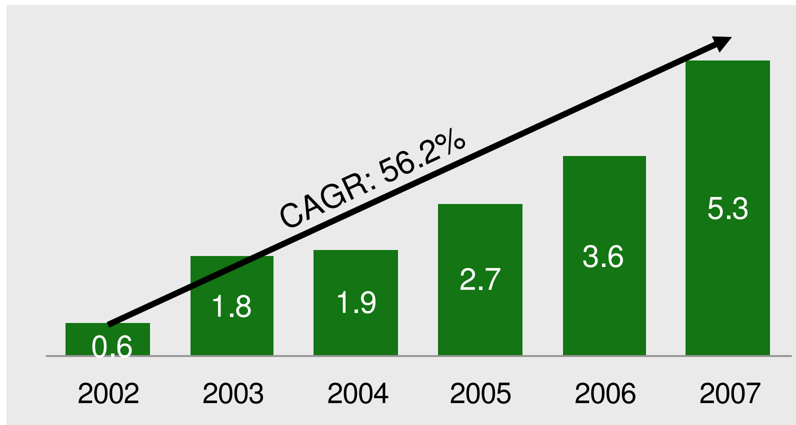



Source: CCU estimates
Note: Includes only mineral water

# 3. Functional Products



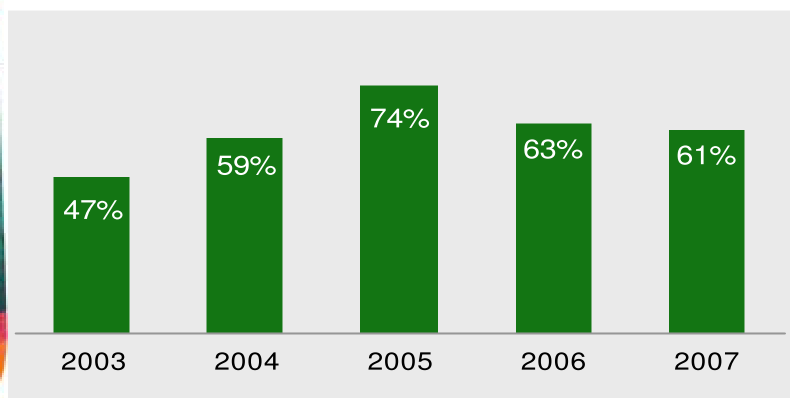
**Volumes (MM liters)**




Source: CCU

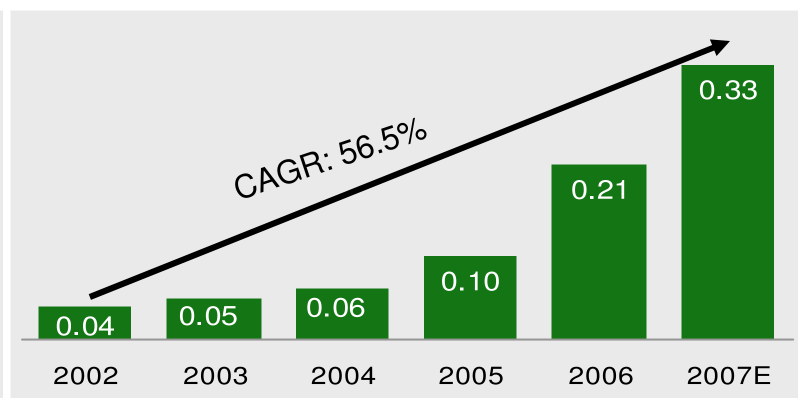


**Functional products market share (%)**




Source: ACNielsen

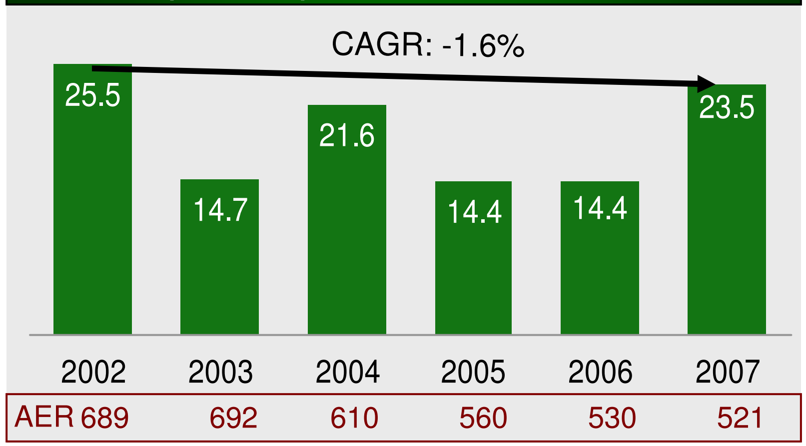
**Per capita consumption (liters)**




Source: CCU estimates

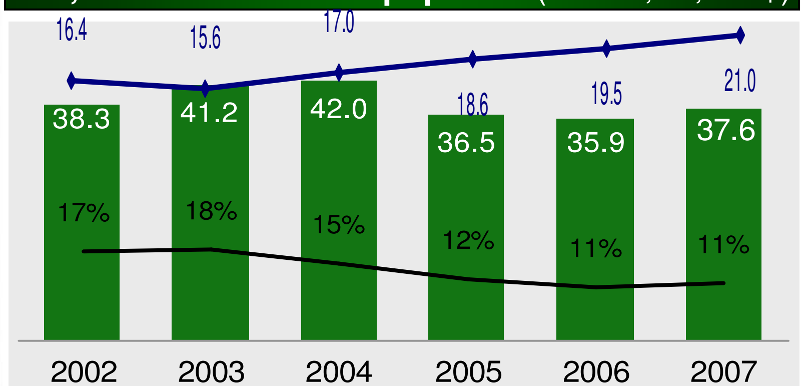
# 4. Wines


## EBITDA (US$MM)



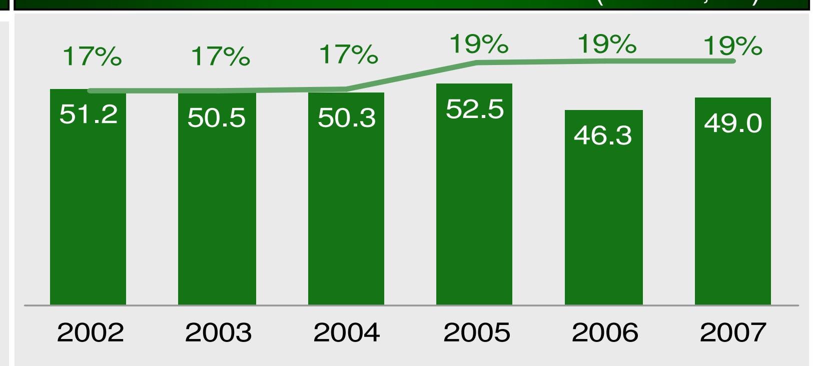

Source: CCU AER: Nominal average exchange rate
Note: Figures in US$ million as of December, 2007

## Vol., mkt. share and exp. prices (MM Lt, %, US$)




Source: Wineries of Chile Association, VSP
Note: Does not include bulk wine
Prices in US$ per case

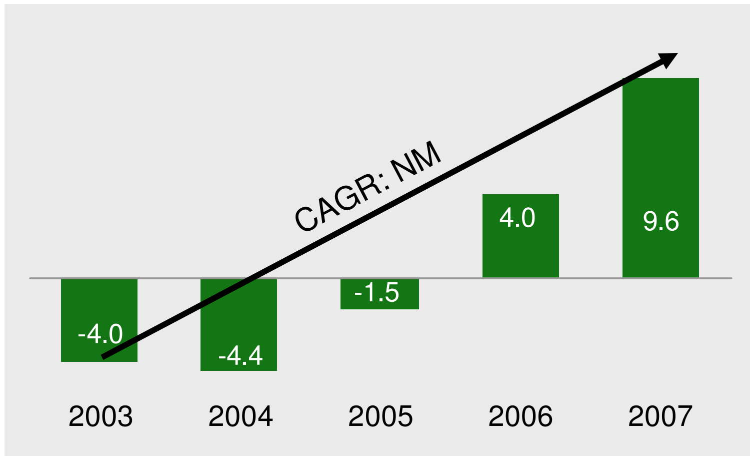
## Sales and domestic market share (MM Lt, %)




Source: ACNielsen and CCU

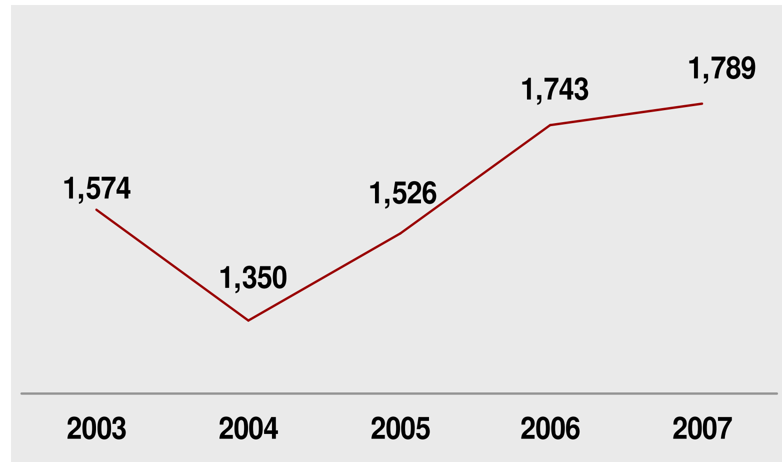
# 5. Spirits


## EBITDA (US$MM)



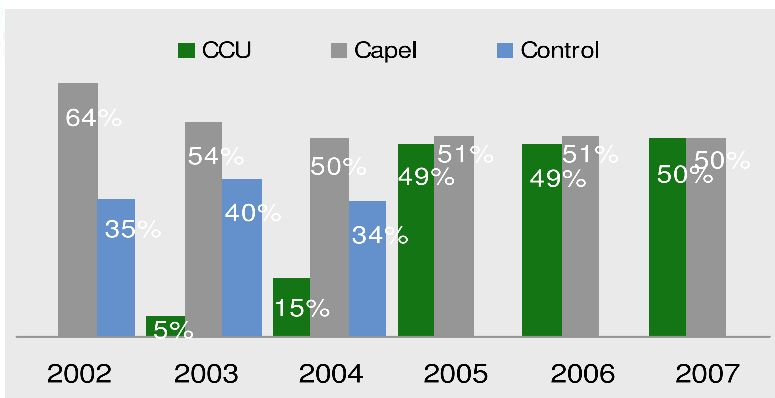

Source: CCU
Note: Figures in US$ million as of December, 2007

## Pisco price (Ch$/Liter)



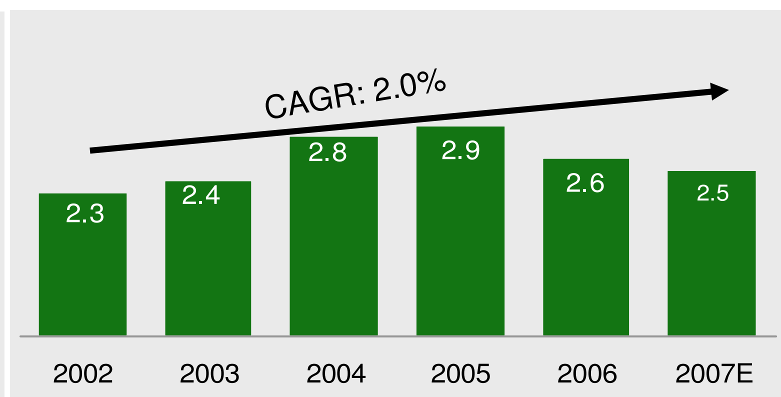

Source: CCU
Note: Figures in Ch$ million as of December, 2007

## Pisco market share (%)




Source: ACNielsen for years 2002 to 2004 and industry estimates for years 2005, 2006 and 2007

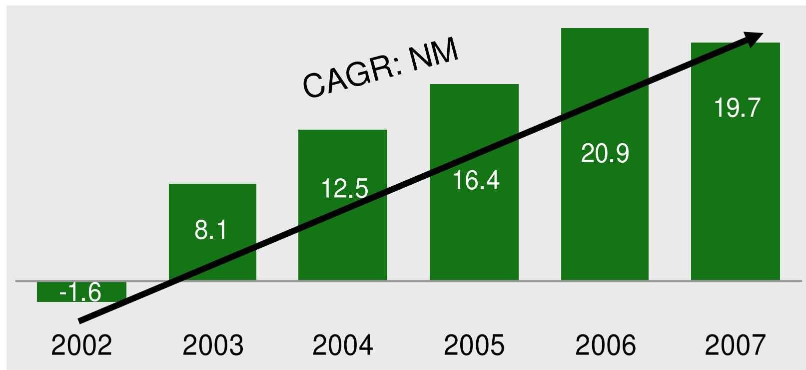
## Pisco per capita consumption (liters)




Source: CCU estimates

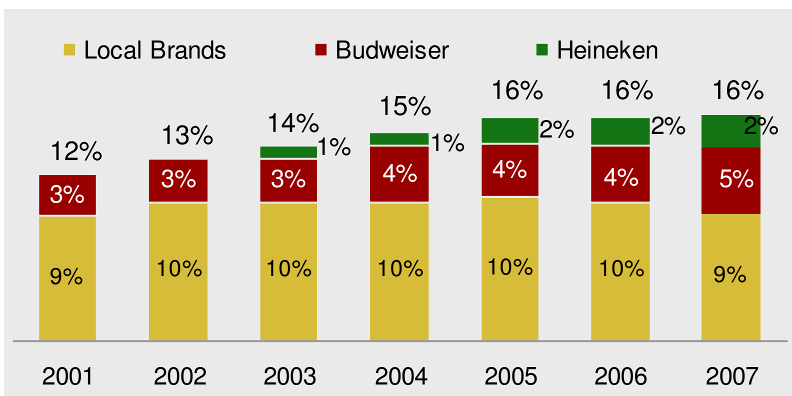
# 6. Beer Argentina


## EBITDA (US$MM)



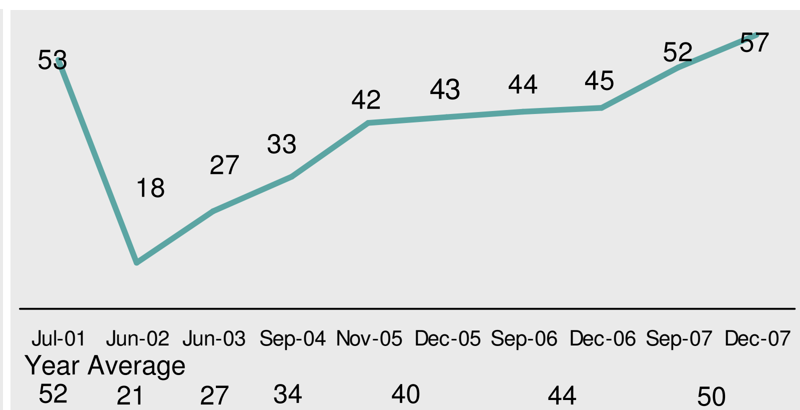

Source: CCU
Note: Figures in US$ million as of December, 2007

## Market share




Source: Argentine Beer Industry Chamber

## Argentina’s beer price (US$/HL)




Source: CCU

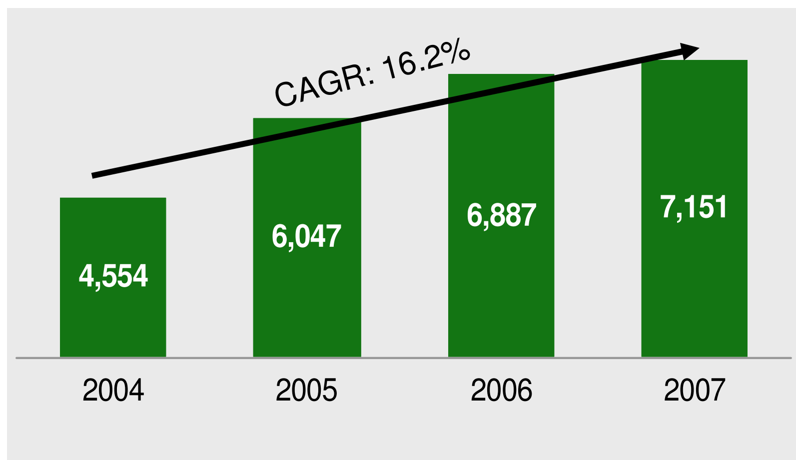
# 7. Confectionery

## Calaf – Ready-to-eat snacks


EMBOTELLADORA CCU S.A.

**Access to over 90,000 clients**

## Sale volumes (tons)

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