

# CONCHA Y TORO



Investor Presentation – 4Q14 & 12M14 Results

April 1, 2015

# 4Q & 12M 2014 Results



# Highlights: 4Q 2014 vs 4Q 2013

**Higher performance in sales, growth of 27.5% in value and 11.6% in volume.**

**EBITDA Margin: 15.6%.**

**Premiumization of exports sales, growth of 17.6% volume in 2014.**

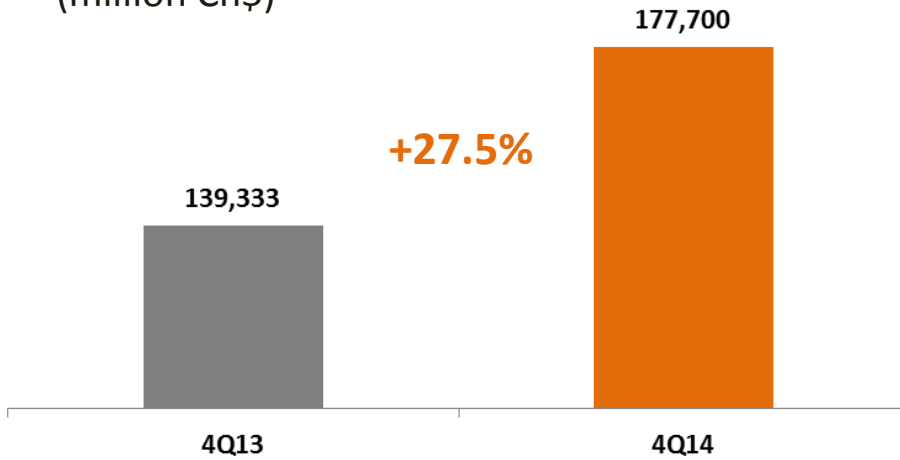
**Leading position in Chilean bottled exports.**

**Concha y Toro became the 4<sup>th</sup> winery in commercialized volume during 2014 (world wide)**

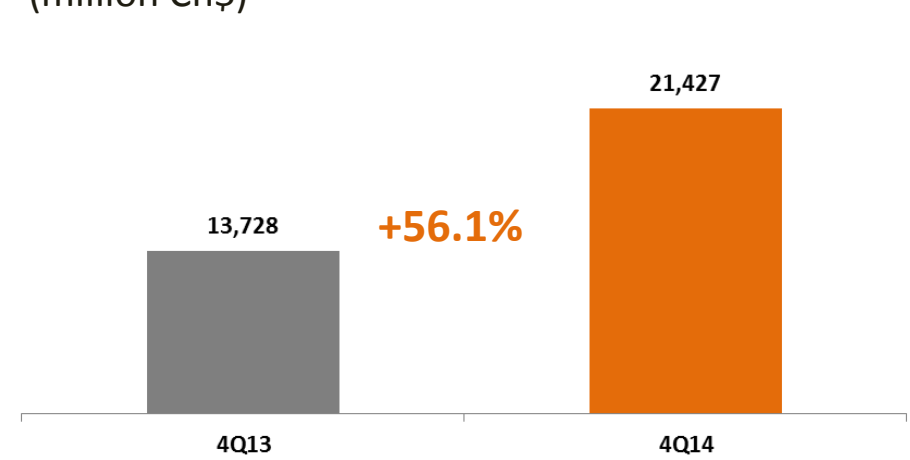


# Performance 4Q 2014

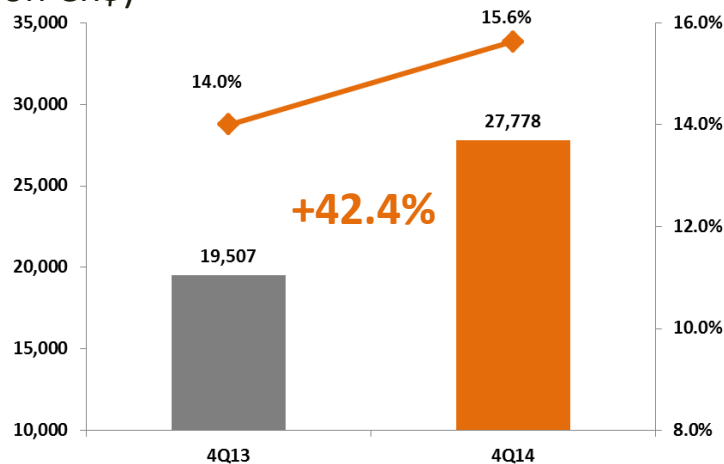
## Consolidated Sales (million Ch\$)



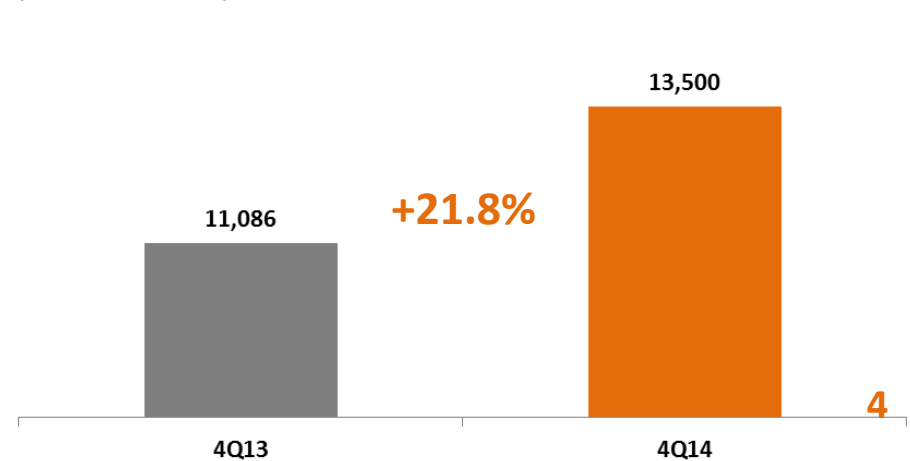
## Consolidated Operating Income (million Ch\$)



## Consolidated EBITDA (million Ch\$)

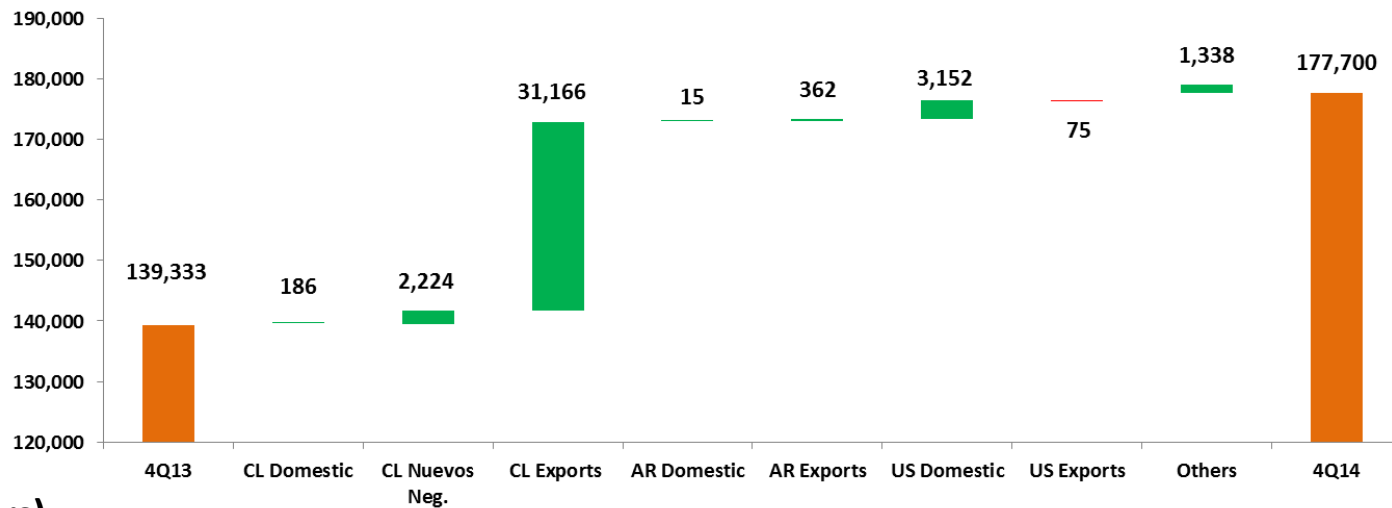


## Consolidated Net Profit (million Ch\$)

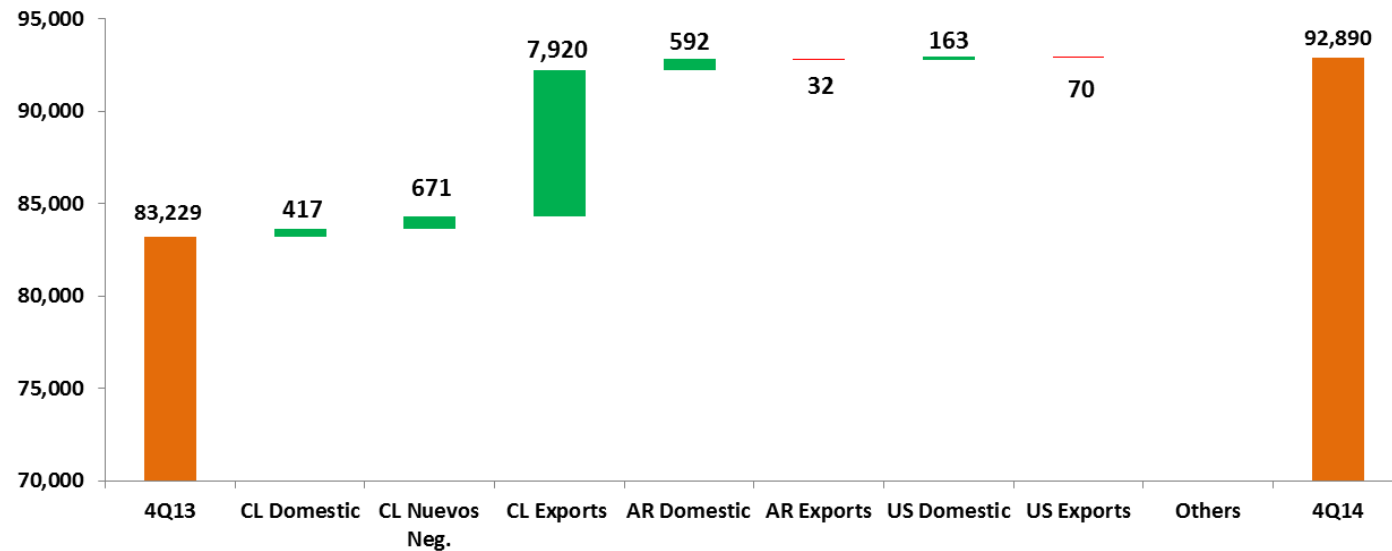


# Sales Variation by Origin 4Q 2014

(Million Ch\$)

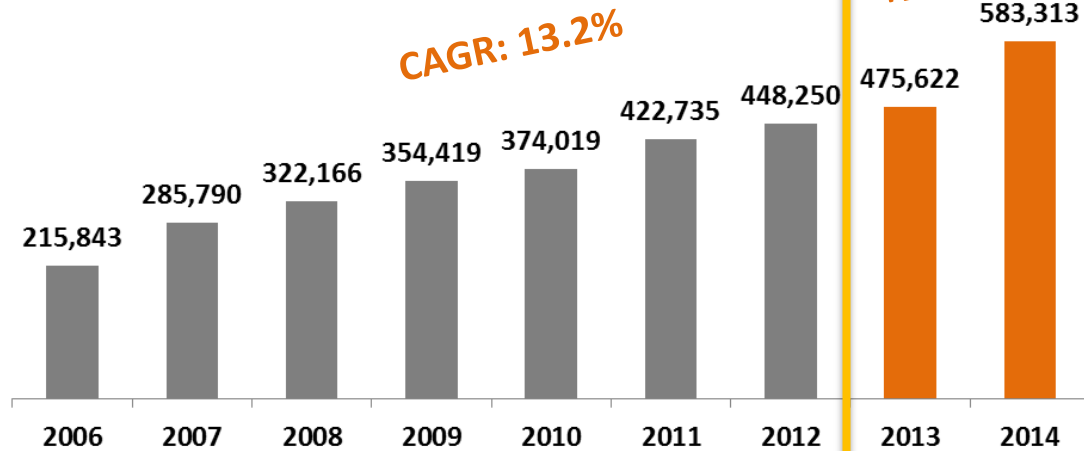


(Thousand liters)

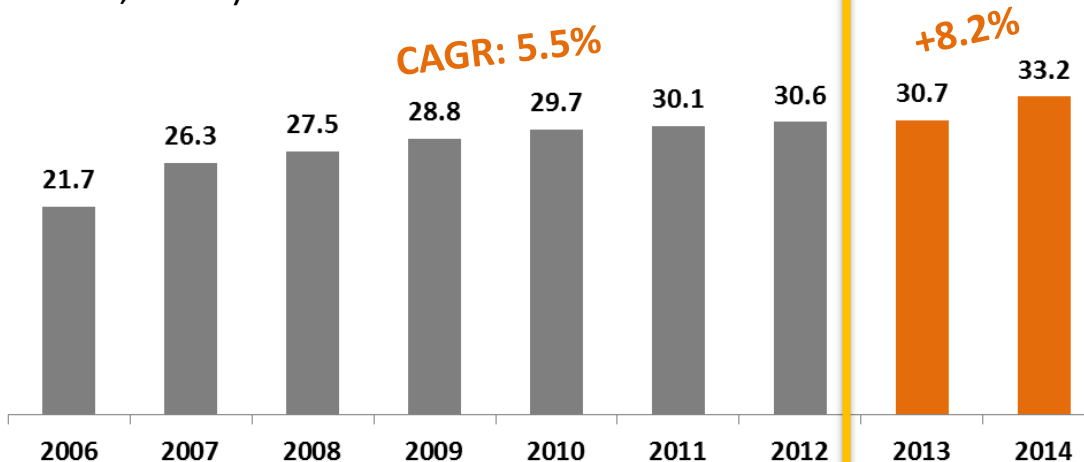


# Consolidated Sales 12M2014

## Consolidated Sales (million Ch\$)



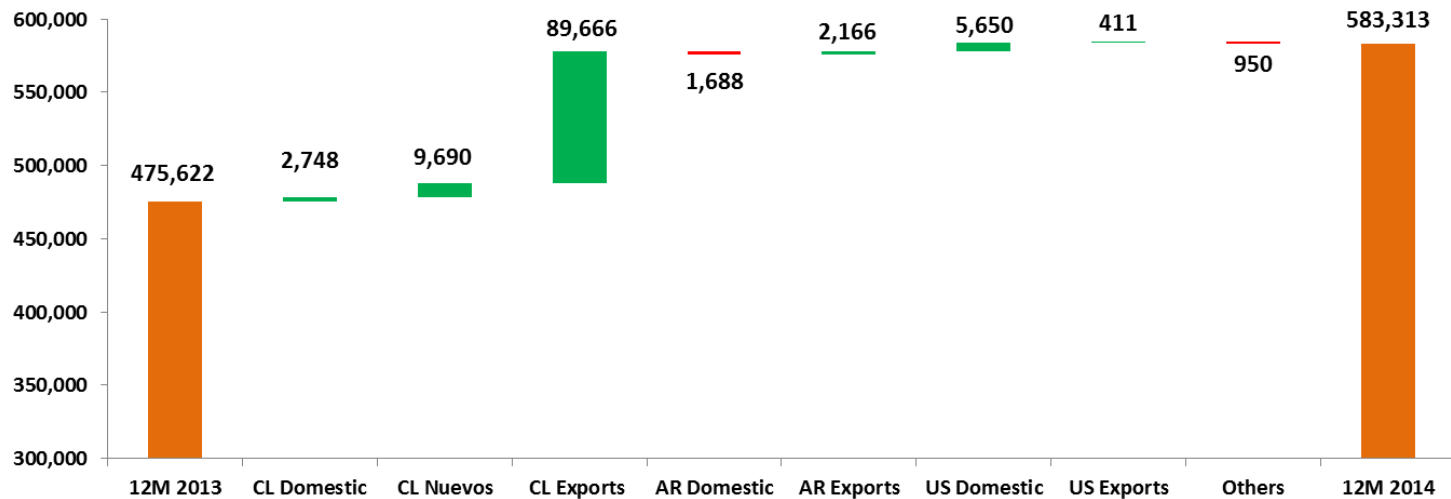
## Consolidated Volume (million 9 liter cases, Wine)



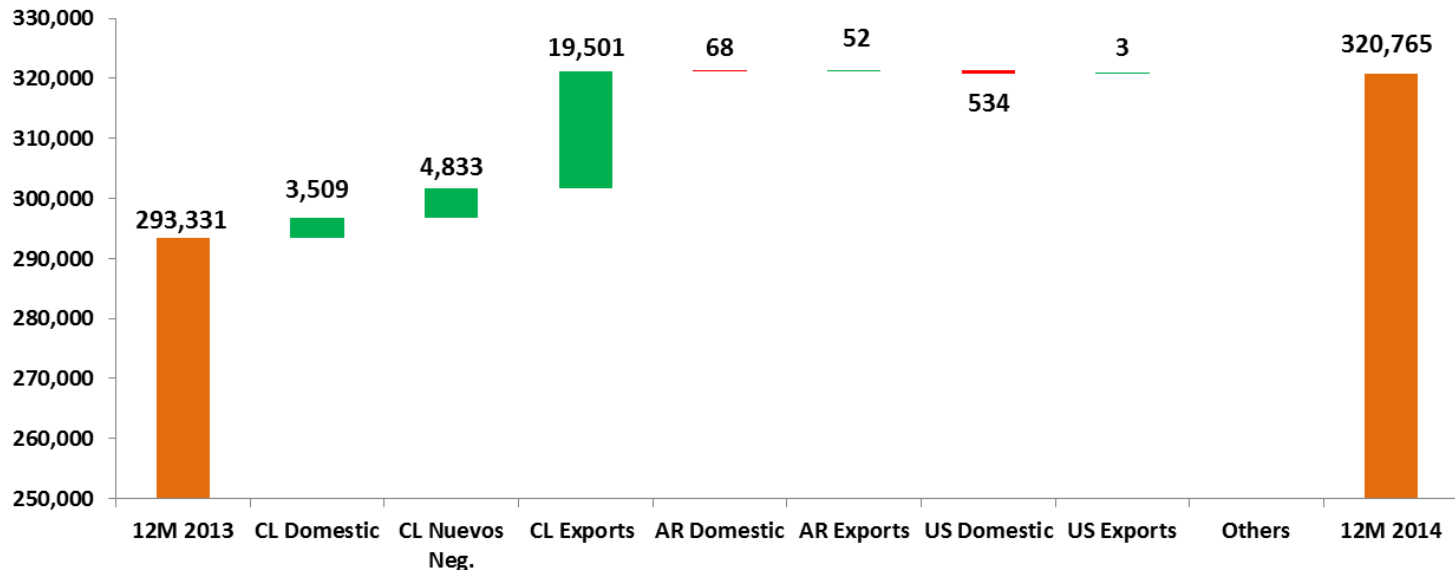


## Sales Variation by Origin 12M 2014

(Million Ch\$)



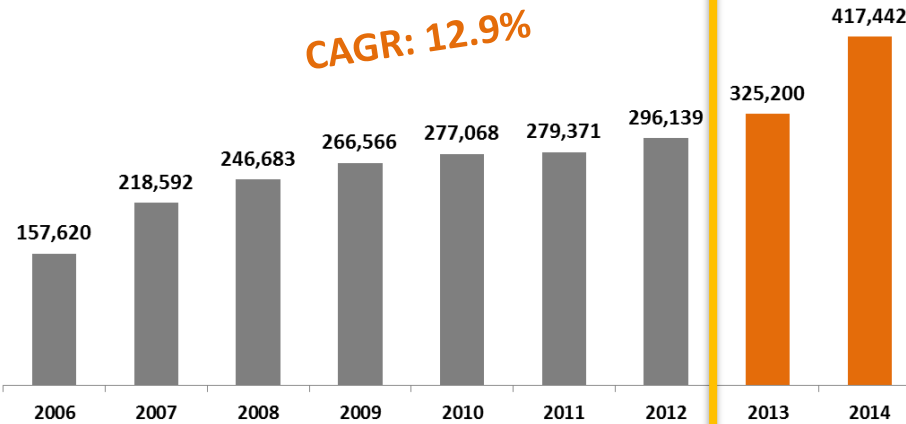
(Thousand liters)



## Export Sales 12M2014

### Export Sales (million Ch\$)

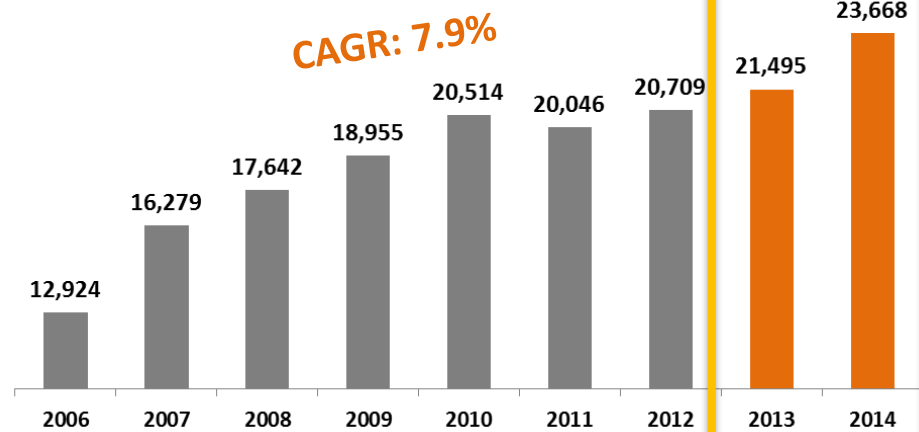
CAGR: 12.9%



### Export Volume

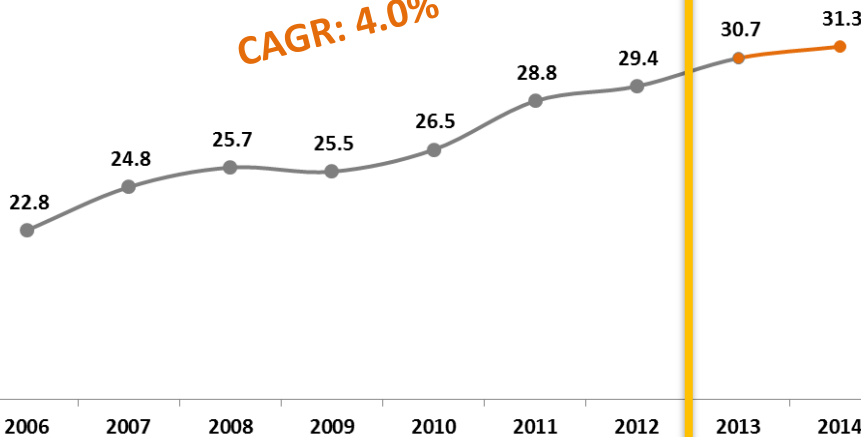
(thousand 9 liter cases)

CAGR: 7.9%



### Average Export Price (US\$ / 9 liter Case)

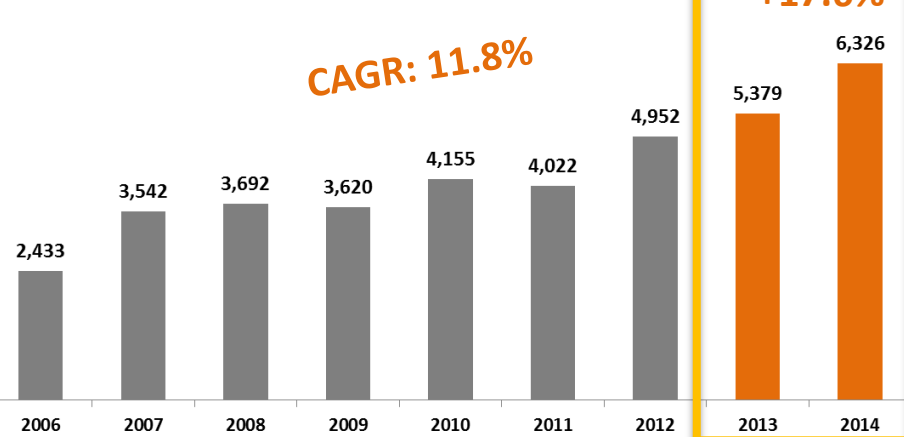
CAGR: 4.0%



### Premium Wines Export Volume

(thousand 9 liter cases)

CAGR: 11.8%





# Leading Position Over Chilean Exports

## CyT Exports of Bottled Wine

	Volume	Value
2004	29.2%	25.8%
2005	32.2%	27.2%
2006	33.4%	28.3%
2007	34.9%	30.2%
2008	37.0%	31.4%
2009	38.3%	32.3%
2010	36.6%	31.5%
2011	33.7%	29.7%
2012	35.4%	31.3%
2013**	33.9%	30.5%
<b>2014**</b>	<b>32.2%</b>	<b>29.7%</b>

Source: Vinos de Chile

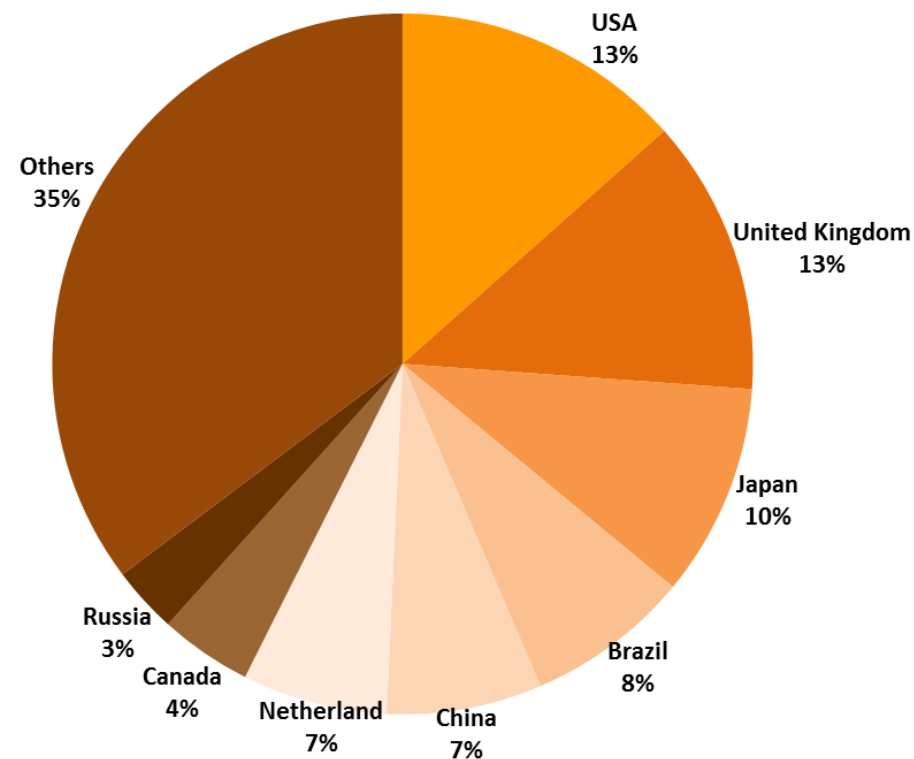
(\*) Includes bottled & Bag in Box

(\*\*) Does not include the wine Bottled by CyT in UK

Volume Pro-forma (including UK  
bottled wine):

**35,4% (as of Dec-14)**

## Chilean Destination of Bottled Exports



Source: Vinos de Chile

# Leading Position Over Chilean Exports

Rank 2014	Country	Share over chilean bottled exports (volume)	Growth 2014/2013	% Part of CyT in total chilean bottled exports	Rank CyT over Chilean Exports
1	USA	13.4%	-1.6%	39.2%	1
2	United Kingdom	12.7%	-16.1%	39.2%	1
3	Japan	9.8%	17.9%	28.8%	1
4	Brazil	7.6%	19.9%	24.5%	1
5	China	7.2%	28.5%	14.2%	1
6	Netherland	6.7%	6.3%	23.3%	1
7	Canada	4.3%	6.0%	36.3%	1
8	Russia	3.1%	-7.3%	26.4%	1
9	Denmark	2.6%	1.9%	28.2%	1
10	Germany	2.4%	11.9%	20.6%	1
11	Mexico	2.4%	-5.9%	43.6%	1
12	Ireland	2.2%	15.5%	18.8%	2

Source: Vinos de Chile

# Concha y Toro Export Growth by Region

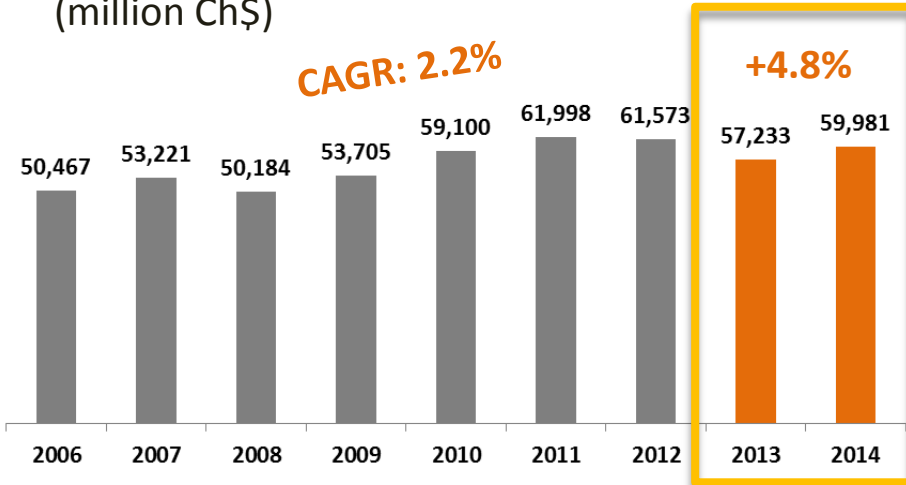
Region	Mix of Export Sales				% Change Volume			
	2011	2012	2013	2014	2011	2012	2013	2014
U.K.	25.3%	26.8%	25.8%	27.6%	-9.1%	8.5%	-0.8%	16.9%
Continental Europe	18.5%	18.2%	18.6%	16.9%	-7.0%	1.0%	4.0%	-0.2%
Nordics (SWE, FIN, NOR)	4.8%	4.9%	5.1%	5.8%	-5.2%	6.0%	5.7%	25.1%
U.S.A.	16.3%	15.0%	13.8%	12.8%	-2.0%	-5.5%	-5.5%	1.9%
Canada	4.4%	4.2%	4.4%	4.3%	-3.4%	-0.2%	-4.8%	6.4%
Asia	9.1%	10.7%	11.6%	12.0%	8.6%	20.0%	12.3%	12.7%
South America (excl. Brazil)	6.7%	5.9%	5.4%	5.7%	20.9%	-9.5%	-5.7%	14.7%
Brazil	3.0%	3.1%	3.8%	4.1%	1.4%	6.6%	26.1%	16.9%
Caribe	2.6%	2.6%	2.4%	2.3%	-5.8%	0.1%	-5.2%	2.0%
Central America	6.9%	6.0%	6.6%	6.2%	1.7%	-10.3%	13.1%	1.9%
Africa/Others	2.5%	2.5%	2.4%	2.4%	22.7%	3.6%	-0.2%	8.2%
Total	100.0%	100.0%	100.0%	100.0%	-2.3%	2.5%	2.2%	9.4%

It considers exports and the sales of our distribution subsidiaries (UK, Nordics, Brazil, Singapore and Mexico)

## Domestic Market - Chile

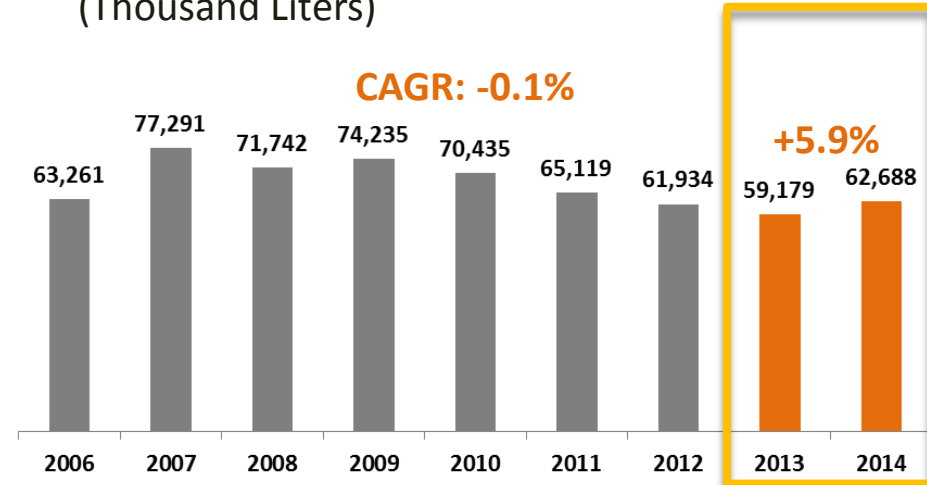
**Domestic Market – Wine Sales**  
(million Ch\$)

**CAGR: 2.2%**



**Domestic Market – Wine Volume**  
(Thousand Liters)

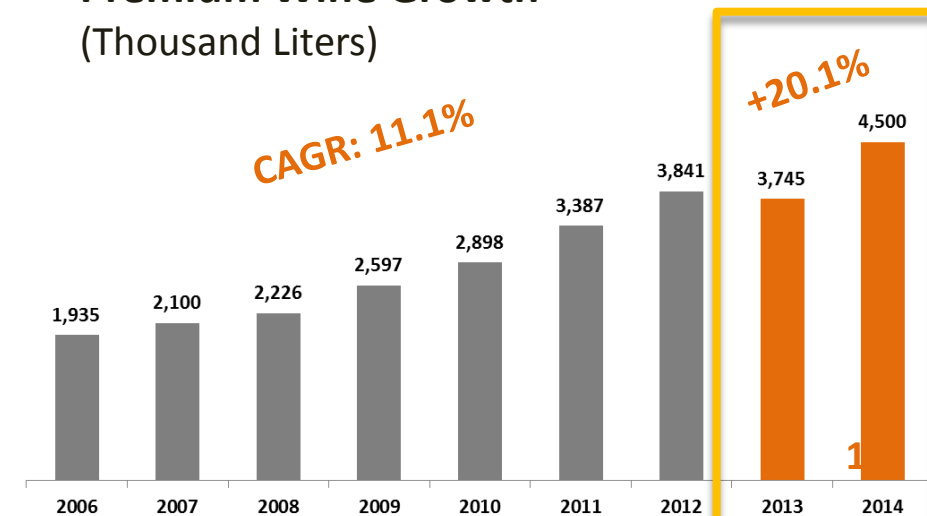
**CAGR: -0.1%**



Year	% Premium/ Total Volume	% Premium/ Total Value
2006	3.1%	13.0%
2007	2.7%	13.2%
2008	3.1%	15.2%
2009	3.5%	16.3%
2010	4.1%	17.5%
2011	5.2%	20.2%
2012	6.2%	22.9%
2013	6.3%	24.3%
2014	7.2%	28.0%

**Premium Wine Growth**  
(Thousand Liters)

**CAGR: 11.1%**



# Sales Disclosure 12M2014

## Sales Breakdown by Origin

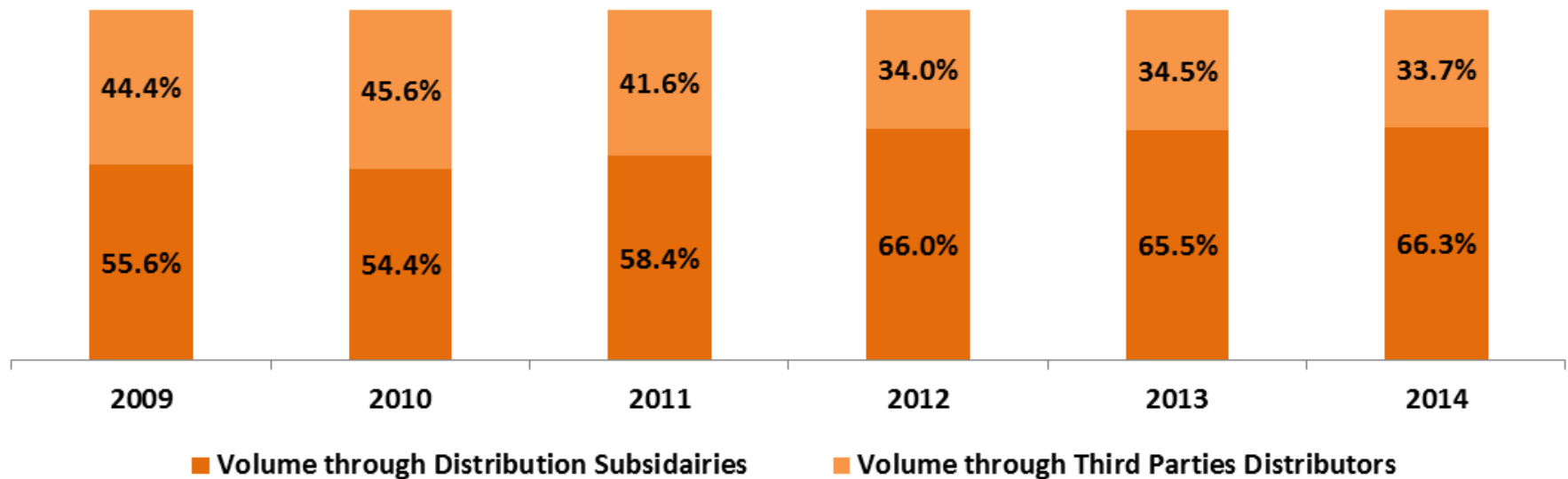


- Export Markets include exports to third parties and distribution subsidiaries
- US and ARG exports excludes shipments to the company's distribution subsidiaries

## Sales Breakdown by Currency

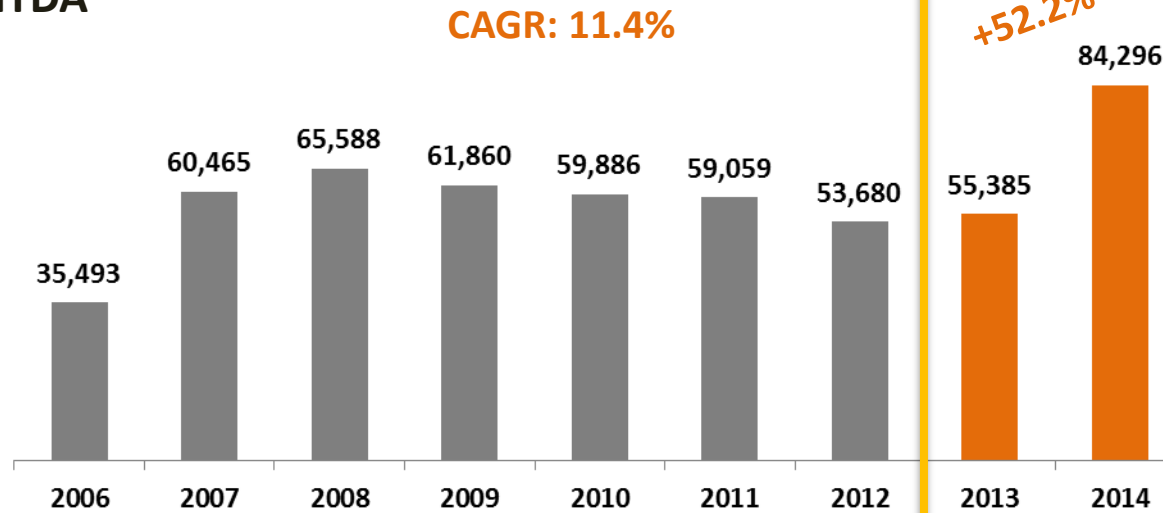
	Currency Mix	
	12M14	12M13
CLP	18.7%	20.5%
USD	35.0%	35.7%
GBP	19.7%	17.4%
EUR	10.5%	9.9%
CAD	2.8%	2.8%
ARG	0.8%	1.3%
SEK	2.9%	2.7%
NOK	0.8%	0.9%
BRL	6.3%	6.0%
MXN	2.6%	2.8%

# Distribution Subsidiaries: Driving the Growth

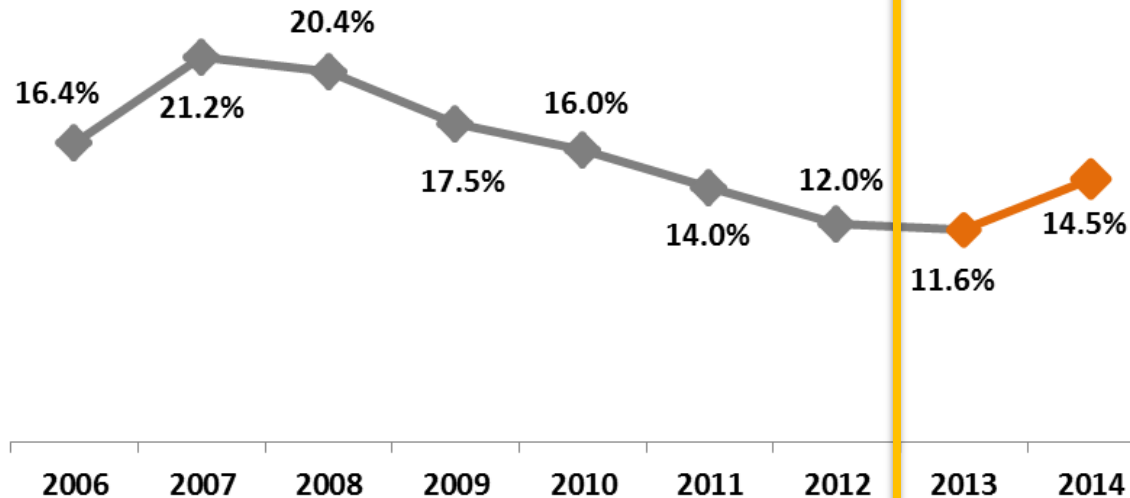


# Consolidated EBITDA 12M2014

## Consolidated EBITDA (million Ch\$)



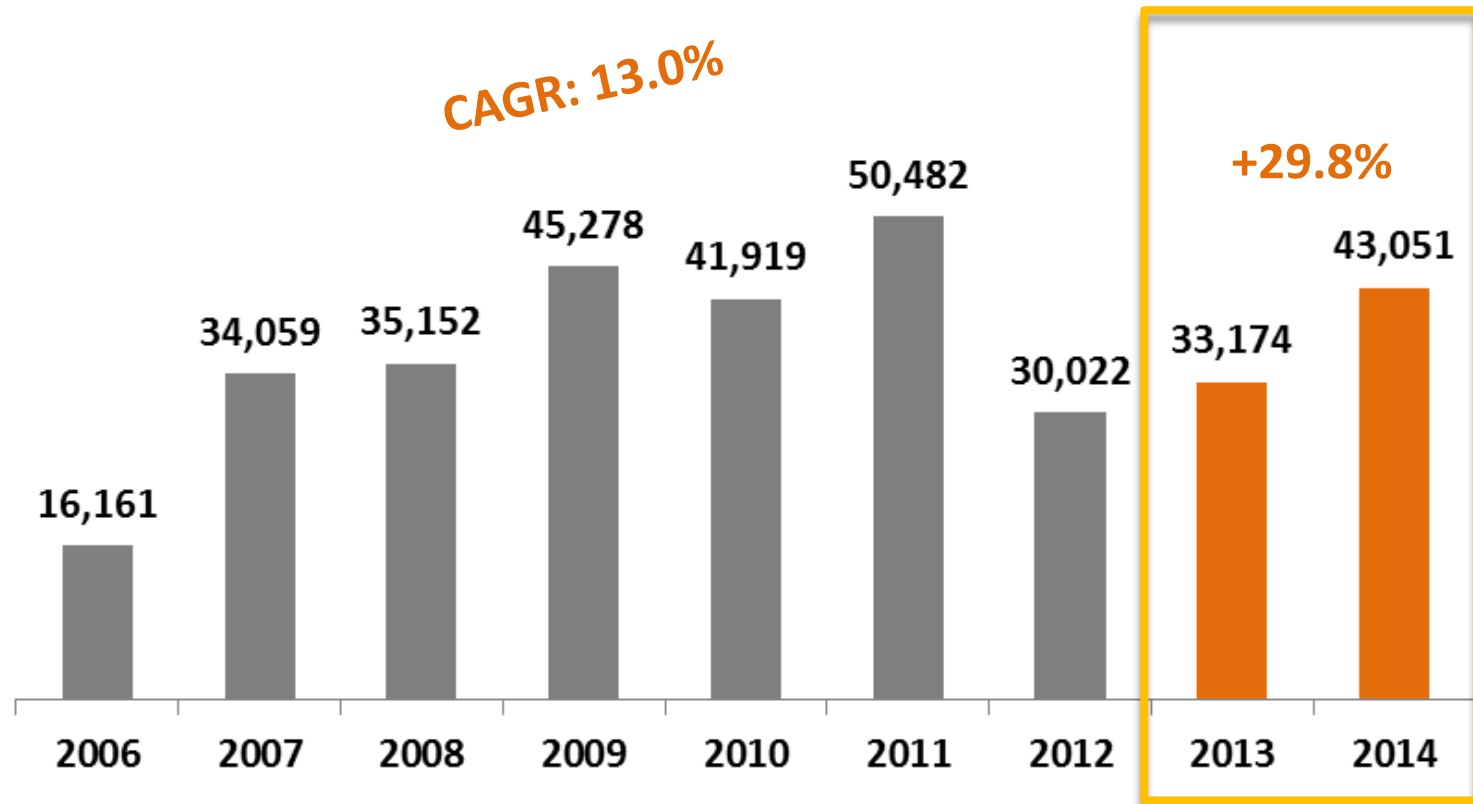
## Consolidated Mg. EBITDA (% of Sales)





# Consolidated Net Profit 12M2014

**Consolidated Net Profit**  
(million Ch\$)

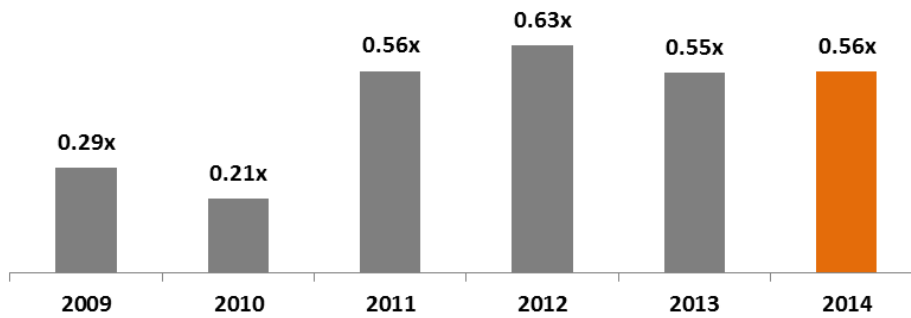


# Financial Position

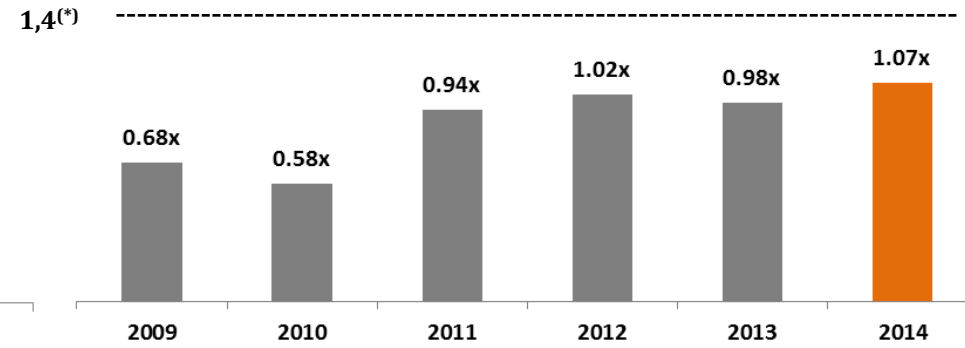


# Conservative Capital Structure (As of Dec-14)

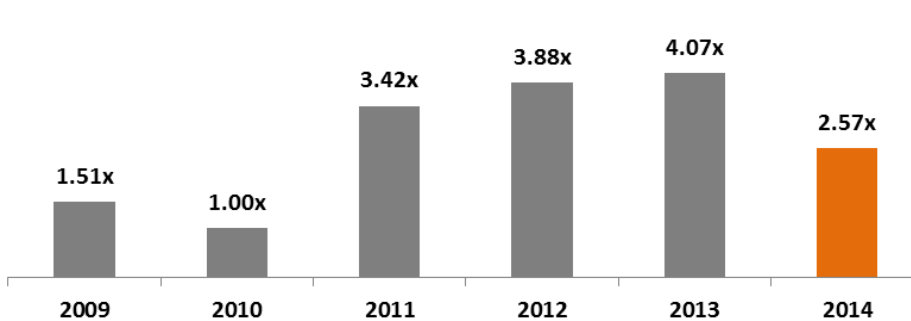
Financial Debt / Equity



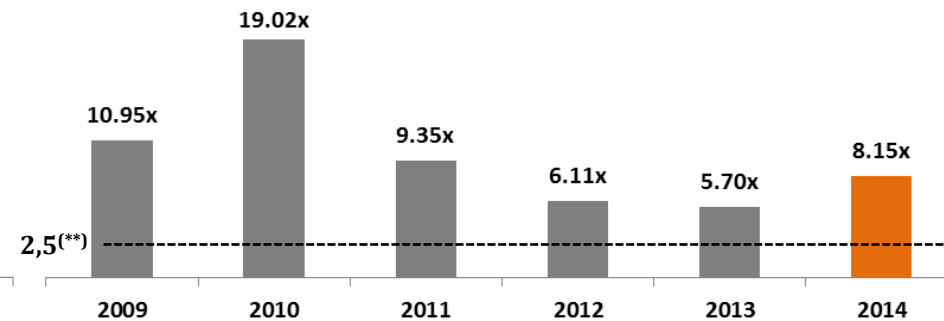
Total Liabilities / Equity



Net Financial Debt / EBITDA <sup>(1)</sup>



EBITDA <sup>(1)</sup> / Financial Expenses<sup>(1)</sup>



Liabilities: Current Liabilities + Non Current Liabilities

Financial Debt: Other current financial liabilities + Other non current financial liabilities - Derivatives

Net Financial Debt: Other current financial liabilities + Other non current financial liabilities - Derivatives - Cash and cash equivalents

(1) Last 12 months

Financial expenses excludes financial income

(\*) As covenant, the issuer should have a Leverage not higher that 1.4 times. Leverage: Liabilities / Equity.

(\*\*) As covenant, the issuer should have a EBITDA / Financial expenses ratio at least 2.5 times.

Source: Superintendencia de Valores y Seguros (SVS)

# Financial Debt

Financial Debt* as of:	Dec-14		Dec-13	
	Ch\$ MM	Av. Interest rate	Ch\$ MM	Av. Interest rate
USD	131,496	3.03%	134,679	3.10%
EUR	0	0.00%	0	0.00%
GBP	0	0.00%	2,859	1.49%
CLP	33,582	5.05%	0	0.00%
UF	66,493	3.46%	80,898	3.74%
ARS	5,384	23.68%	6,884	16.39%
BRL	5,707	12.79%	7,907	11.63%
MXN	1,915	5.18%	2,725	5.69%
SEK	0	0.00%	973	2.10%
<b>Total</b>	<b>244,577</b>	<b>4.12%</b>	<b>236,925</b>	<b>4.00%</b>

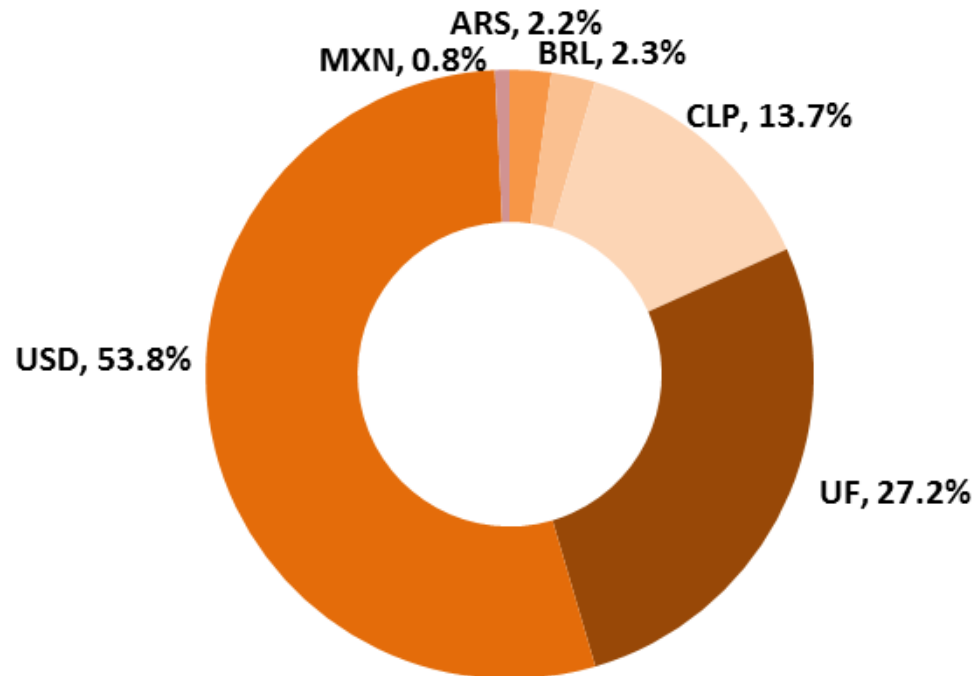
\* Does not include interest accrued.

In nominal Chilean Pesos at the end of each period

# Financial Debt

## Financial Debt by Currency

As of December 31, 2014 <sup>(1)</sup>

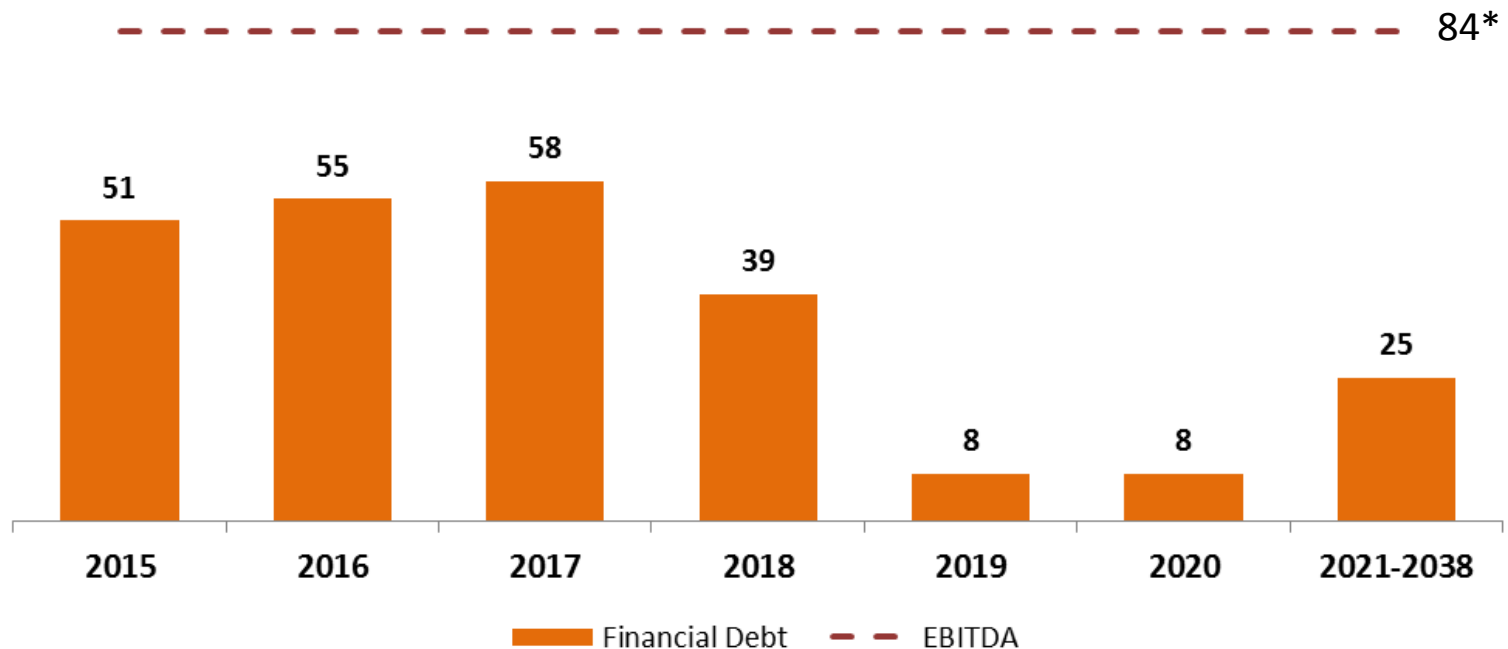


Source: The Company

(1) Considers current and non current financial liabilities excluding derivatives

# Financial Debt

Expected Maturity Date<sup>(1)</sup>, as of December 31, 2014  
(Million Ch\$)

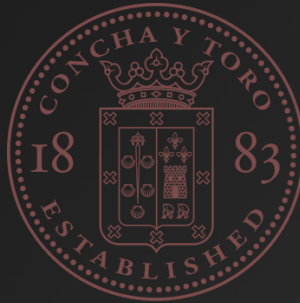


Source: The Company

(1) Considers current and non current financial liabilities excluding derivatives

\* EBITDA, Last 12 Months (as of December 2014)

# CONCHA Y TORO



Investor Presentation – 4Q14 & 12M14 Results

April 1, 2015



# Exhibits



## Sales 4Q2014 & 12M2014

<b>Total Sales<sup>(*)</sup> (in Ch\$ million)</b>	<b>4Q14</b>	<b>4Q13</b>	<b>Change (%)</b>	<b>12M 2014</b>	<b>12M 2013</b>	<b>Change (%)</b>
Chile Domestic Market - wine	15,210	15,024	1.2%	59,981	57,233	4.8%
Chile Domestic Market - new business	11,770	9,546	23.3%	41,645	31,955	30.3%
Export markets <sup>(1)</sup>	124,536	93,369	33.4%	396,185	306,519	29.3%
Argentina Domestic	1,395	1,380	1.1%	4,451	6,140	-27.5%
Argentina Exports <sup>(2)</sup>	4,017	3,655	9.9%	16,382	14,216	15.2%
U.S.A. Domestic	16,478	13,326	23.7%	52,252	46,602	12.1%
U.S.A. Exports <sup>(2)</sup>	1,080	1,156	-6.5%	4,875	4,464	9.2%
Other Revenues	3,215	1,876	71.3%	7,542	8,492	-11.2%
<b>Total Sales</b>	<b>177,700</b>	<b>139,333</b>	<b>27.5%</b>	<b>583,313</b>	<b>475,622</b>	<b>22.6%</b>

<b>Total Volume<sup>(*)</sup> (thousand liters)</b>	<b>4Q14</b>	<b>4Q13</b>	<b>Change (%)</b>	<b>12M 2014</b>	<b>12M 2013</b>	<b>Change (%)</b>
Chile Domestic Market - wine	15,284	14,866	2.8%	62,688	59,179	5.9%
Chile Domestic Market - New Business	6,110	5,439	12.3%	22,056	17,223	28.1%
Export markets <sup>(1)</sup>	61,699	53,779	14.7%	201,486	181,985	10.7%
Argentina Domestic	1,785	1,193	49.6%	5,027	4,959	1.4%
Argentina Exports <sup>(2)</sup>	2,415	2,446	-1.3%	9,941	9,888	0.5%
U.S.A. Domestic	5,257	5,094	3.2%	17,977	18,511	-2.9%
U.S.A. Exports <sup>(2)</sup>	340	411	-17.1%	1,590	1,586	0.2%
<b>Total Volume</b>	<b>92,890</b>	<b>83,229</b>	<b>11.6%</b>	<b>320,765</b>	<b>293,331</b>	<b>9.4%</b>
	10.321103	9.2476169		35.6405252	32.5923559	

<u>Average Price (per liter)</u>	<u>Currency</u>						
Chile Domestic Market - wine	Ch\$	995.2	1,005.9	-1.1%	957.0	965.9	-0.9%
Export Markets	US\$	3.40	3.40	-0.1%	3.47	3.41	1.9%
Argentina Domestic	US\$	1.86	2.62	-28.8%	1.89	2.74	-30.9%
Argentina Exports	US\$	3.02	3.17	-4.8%	3.14	3.17	-0.7%
U.S.A. Domestic	US\$	5.31	5.07	4.7%	5.23	5.10	2.6%
U.S.A. Exports	US\$	5.31	5.44	-2.5%	5.40	5.68	-4.9%

(1) Export Volumes include exports to third parties and sales volumes of the company's distribution subsidiaries (UK, Nordics, Brazil, Singapore, Mexico).

(2) This figure excludes shipments to the company's distribution subsidiaries.

(\*) This figure includes bulk wine sales.

# Chilean Domestic Market - Wine

## Market Share – Domestic Market (Volume)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Concha y Toro</b>	<b>27.1</b>	<b>28.6</b>	<b>30.0</b>	<b>29.7</b>	<b>31.5</b>	<b>30.7</b>	<b>30.4</b>	<b>29.6</b>	<b>28.5</b>	<b>27.1</b>
Santa Rita	24.4	25.5	27.9	28.7	28.9	29.4	29.1	28.0	29.5	30.9
San Pedro	21.7	21.9	21.8	23.0	22.5	24.4	24.6	26.7	27.3	28.7
Santa Carolina	3.2	3.1	2.3	2.0	1.8	1.8	1.7	1.5	1.4	1.1
Others	23.6	20.9	18.0	16.6	15.3	13.7	14.2	14.2	13.4	12.2

Source: Nielsen

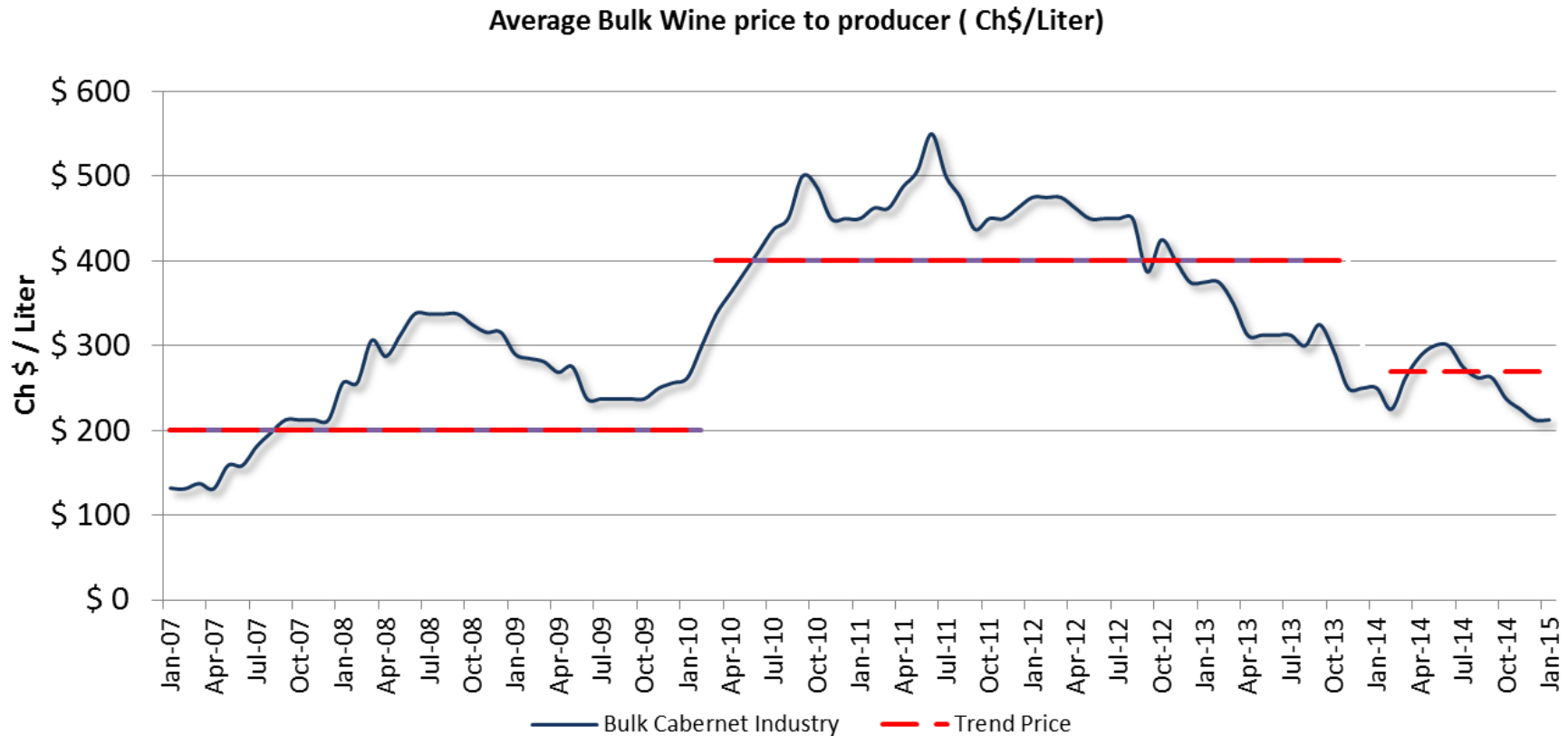
# Performance 4Q & 12M 2014

Income Statement	4Q14	4Q13	Change %	12M14	12M13	Change %
<b>Sales (Ch\$ million)</b>	<b>\$ 177,700</b>	<b>\$ 139,333</b>	<b>27.5%</b>	<b>\$ 583,313</b>	<b>\$ 475,622</b>	<b>22.6%</b>
Exports * (Ch\$ million)	\$ 129,633	\$ 98,180	32.0%	\$ 417,442	\$ 325,200	28.4%
Exports * (US\$ million)	\$ 219	\$ 196	11.3%	\$ 728	\$ 654	11.4%
% Exports	73.0%	70.5%		71.6%	68.4%	
Export volume * ('000 cases)	7,162	6,293	13.8%	23,668	21,495	10.1%
Operating Result (Ch\$ million)	\$ 21,427	\$ 13,728	56.1%	\$ 63,882	\$ 36,625	74.4%
Op Results (Sales %)	12.1%	9.9%		11.0%	7.7%	
EBITDA (Ch\$ million)	\$ 27,778	\$ 19,507	42.4%	\$ 84,296	\$ 55,385	52.2%
EBITDA (% Sales)	15.6%	14.0%		14.5%	11.6%	
Net Income (Ch\$ million)	\$ 13,500	\$ 11,086	21.8%	\$ 43,051	\$ 33,174	29.8%
Net Income (% Sales)	7.6%	8.0%		7.4%	7.0%	
EPS (Ch\$)	\$ 18.1	\$ 14.8	21.8%	\$ 57.6	\$ 44.4	29.8%
Stock Value	\$ 1,187	\$ 986	20.3%	\$ 1,187	\$ 986	20.3%

\* Export Sales considers total exports and the sales of our distribution subsidiaries.

# Significant shift in Chilean bulk wine price curve

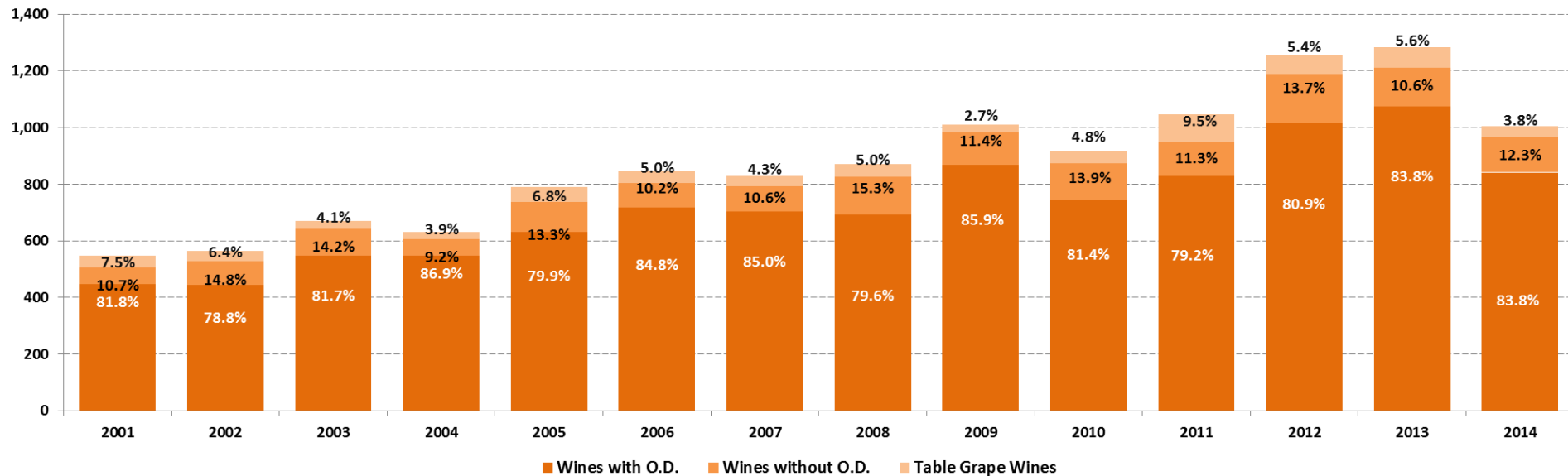
## Chilean Bulk Wine Price (Cabernet Sauvignon, Maule Valley)



Source: ODEPA

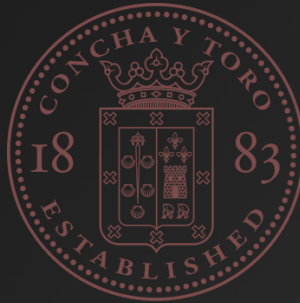
## Chilean Harvest Through the Years

### Historical Harvest Volume (Million Liters)



Source: SAG

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