



Investor Presentation 1Q20 Results

May 2020

Forward Looking Statements

This presentation contains forward-looking statements, that should be considered as good faith estimates. Such statements are subject to risks and uncertainties outside of Viña Concha y Toro's control that could cause Viña Concha y Toro's actual results to differ materially from those set forth in the forward-looking statements. These risks factors include but are not limited to the risks factors in Viña Concha y Toro's Financial Statements, Note 5 ("Gestión de Riesgos Financieros"). Forward-looking statements speak only as of the date they are delivered, Viña Concha y Toro undertake no obligation to publicly update or revise them considering developments which differ from those anticipated.

1. Top line mainly driven by strong Export Markets

Sales (Ch\$ million)	1Q20	1Q19	Chg (%)
Export Markets	98,359	84,542	16.3%
Chile	15,155	16,178	(6.3%)
Argentina	636	846	(24.8%)
USA	28,524	20,826	37.0%
Total Wine Sales	142,674	122,393	16.6%
Non-Wine Sales	8,440	8,294	1.8%
Total Sales	151,113	130,687	15.6%

- Wine sales: **+16.6% in 1Q20**, driven by Export markets and USA, with a positive f/x impact.

Volume (thousand liters)	1Q20	1Q19	Chg (%)
Export Markets	40,058	39,348	1.8%
Chile	12,197	13,430	(9.2%)
Argentina	1,216	902	34.7%
USA	7,228	7,058	2.4%
Total Wine Volume	60,700	60,739	(0.1%)
Non-Wine Volume	3,725	3,659	1.8%
Total Volume	64,425	64,398	0.0%

- Wine volume was stable with mixed trends: growth at the distribution offices and USA and decreases in Asia and Chile.

Growth is driven by distribution offices in UK, Brazil, and Nordics

Sales breakdown by category in the Market Matrix

A Markets:

- Positive performance where we have been able to execute our strategy and promptly respond to the demands in the new scenario marked by the COVID-19.
- Strongest performers were UK, Brazil and Nordics.
- Volume decline in China reflecting strict lockdowns since mid-January 2020
- Chile was impacted by selective quarantines and the cease of promotional activities at large retailers.

B Markets:

- Declines were seen in South Korea and countries in Western Europe, where promotions were restricted during the quarter.

C Markets:

- Positive performance across main markets in South America and Eastern Europe. Declines in Asia and some countries in Central America and the Caribbean.

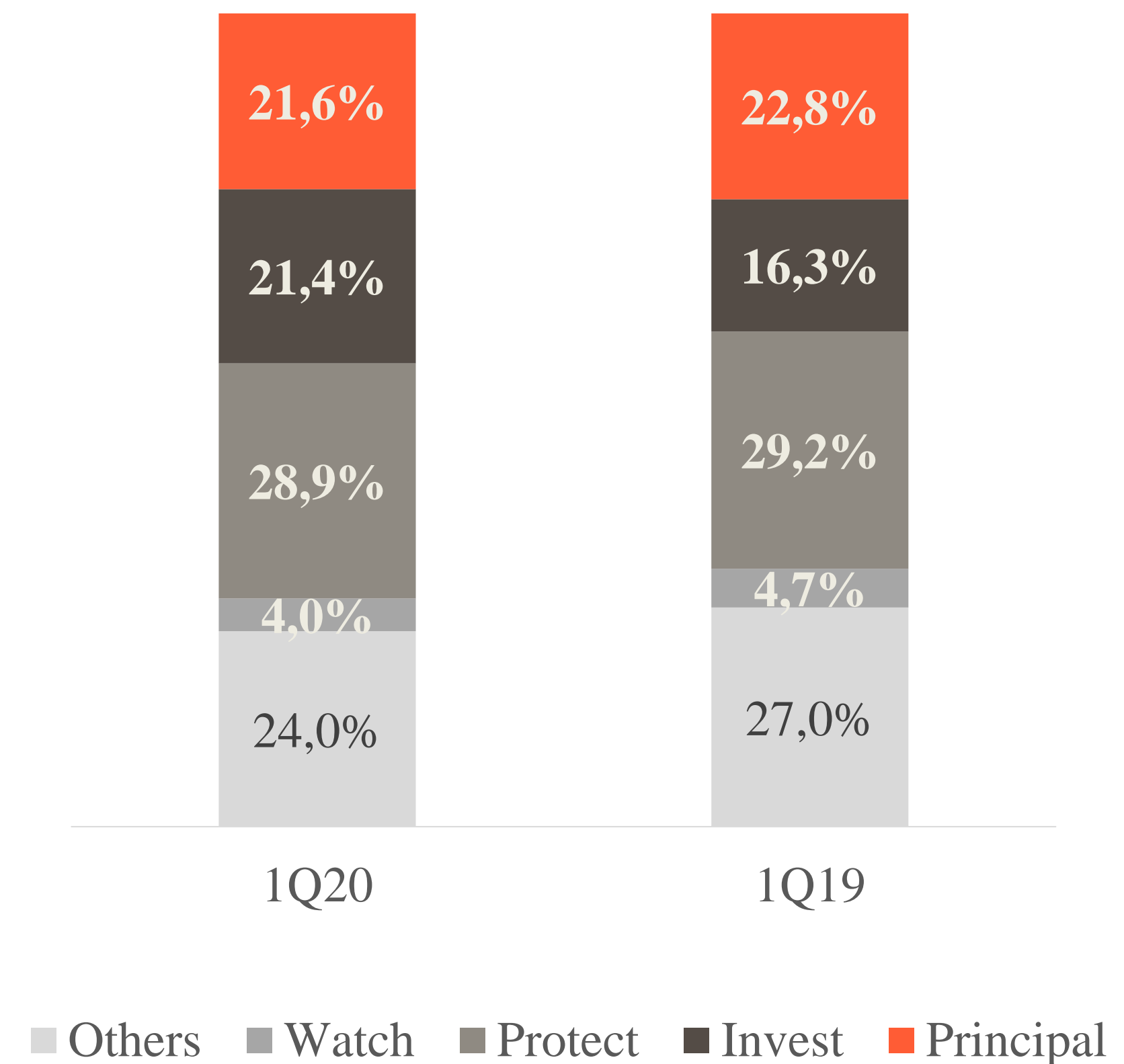
Sales by Market	Value	Volume
A Markets		
UK	24.0%	11.5%
USA	36.6%	0.9%
Chile	(3.6%)	(6.8%)
Brazil	62.2%	64.2%
Mexico	16.0%	3.4%
Canada	18.3%	6.5%
Nordics	30.3%	17.2%
Japan	22.0%	(3.6%)
China	(59.2%)	(58.0%)
Total A	18.1%	2.1%
Total B	(9.5%)	(17.1%)
Total C	22.7%	3.9%
Consolidated	15.6%	0.1%

1Q20 growth was driven by Invest brands

Sales growth by brand category

	Value	Volume
Principal	9.4%	(5.2%)
Invest	52.2%	47.3%
Protect	14.5%	(2.1%)
Watch	(1.9%)	(14.7%)
Other brands	3.1%	(3.7%)

Sales value breakdown by brand category



Casillero del Diablo – Mixed volume performance across markets

- Overall volume declined 5.2% (-62,600 cases), mainly explained by decreases in China (-26,400 cases), and South Korea (-19,400 cases).
- Strong growth in the most relevant markets: the UK (+15,300 cases), Brazil (+14,900 cases), Chile (+4,800 cases).



Invest Brand Category: +47% volume growth



**CONO SUR
BICICLETA**
1,438



**CONO SUR
ORGANICO**
234



**TRIVENTO
RESERVE**
945



DIABLO
112



1000 STORIES
160



BONTERRA
485

1Q20 VOLUME GROWTH **▲ 70%**

▲ 79%

▲ 37%

▲ 75%

▲ 19%

▲ 32%

2. EBITDA +47% in 1Q20

(Ch\$ million)	1Q20	1Q19	Var %
Sales	151,113	130,687	15.6%
Gross profit	58,370	43,161	35.2%
Gross margin	38.6%	33.0%	560 bp
SG&A	(41,633)	(33,442)	24.5%
SG&A/Sales	(27.6%)	(25.6%)	(200 bp)
Other Income, exp	(282)	(313)	(10.2%)
EBIT	16,455	9,406	75.0%
EBIT margin	10.9%	7.2%	370 bp
EBITDA	22,327	15,199	46.9%
EBITDA margin	14.8%	11.6%	310 bp

- Sales driven by brands in the Invest brand category and exports through distribution offices.
- Gross margin driven by favorable f/x effect, lower cost of wine, partly offset by higher dry costs.
- SG&A: Increased related to f/x impact on foreign subsidiaries expenses, and an impact of Ch\$2,243 million from change in accountability of excise tax in the USA. Before that effect, SG&A/Sales was 26.1%, +50bp vs. 1Q19.
- EBITDA grew 47% and margin expanded 310bp.

EBITDA margin evolution through quarters

EBITDA Margin*	1Q	2Q	3Q	4Q	12M
2017	11.1%	15.1%	14.7%	16.2%	14.5%
2018	12.9%	14.9%	13.5%	15.9%	14.5%
2019	12.1%	16.8%	17.6%	17.8%	16.4%
2020	14.8%				

In 2020, the Company achieved a historical 1Q EBITDA margin, continuing with the positive trend seen in the past quarters.

*Adjusted figures in the previous quarters to exclude non-recurring items related to the restructuring process..

3. Non-operating profit

(Ch\$ million)	1Q20	1Q19	Chg (%)	Var \$
Financial income	403	59	581.6%	344
Financial costs	(3,612)	(2,829)	27.6%	(782)
Share of profit (loss) of associates and joint ventures using equity method	(343)	(80)	327.0%	(263)
Exchange differences	(1,214)	913		(2,127)
Adjustment units	(339)	76		(415)
Non-operating profit (loss)	(5,105)	(1,862)	174.2%	(3,243)

Lower non-operating profit in 1Q20 vs. 1Q19 is primarily explained by lower exchange differences from the depreciation of the Chilean peso, and higher financial costs related to a higher debt level, and f/x impact on the US-dollar denominated debt.

4. Results summary – 1Q20

(Ch\$ million)	1Q20	1Q19	Chg (%)
Sales	151,113	130,686	15.6%
EBIT	16,455	9,406	75.0%
EBIT margin	10.9%	7.2%	370 bp
Non-operating profit	(5,105)	(1,862)	174.2%
Profit before taxes	11,351	7,544	50.5%
Tax expense	(3,570)	(2,137)	67.0%
Net profit	7,863	5,328	47.6%
Net margin	5.2%	4.1%	110 bp

The bottom line reflects a higher EBIT, lower non-operating profit, and higher tax expenses related to f/x impact on foreign subsidiaries, especially in Argentina.

5. Final Remarks

- In last months, in a scenario marked by severe lockdowns and quarantine in most of the markets where we operate, we have seen a positive response from consumers, with stable to growing demand in many markets, which has allowed us to grow in spite of the declines seen in markets where we are more exposed to tourism or the on-trade channel.
- Wine demand has been boosted by increasing sales in the off-trade channel, where we have a high exposure.
- The markets where we have integrated distribution models have outperformed. The close relation with clients has allowed us to give an agile response to the new demands, becoming in this particular context a competitive advantage.



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