



QUIÑENCO S.A.

**FOR IMMEDIATE RELEASE**

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**Quiñenco S.A. Subscribes to Banco Edwards Capital Increase**

December 9, 1999 – Santiago, Chile - Quiñenco S.A. (NYSE: LQ) announced that it has exercised its preemptive rights to subscribe to 814.6 million shares in Banco de A. Edwards's capital increase, representing an investment of approximately US\$68 million. The subscription is equivalent to 51.2% of the shares offered during the capital increase.

Through a purchase of the preemptive rights of Mr. Jacobo Ergas, Quiñenco has subscribed to an additional 414.0 million shares, for approximately US\$35 million. Quiñenco and Mr. Ergas have agreed that Quiñenco will sell to Mr. Ergas shares corresponding to at least 26% of the capital increase, provided that Quiñenco's stake in Banco Edwards is maintained at least at 51%. These shares will be sold in exchange for payment deferred over three years.

Quiñenco S.A. is the controlling entity of a portfolio of companies involved in financial services, copper and aluminum products, beverages, telecommunications, foods, hotels and residential real estate development. Quiñenco is based in Santiago, Chile, and its businesses operate throughout the countries of the Southern Cone.

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