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QUIÑENCO S.A. ANNOUNCES CONSOLIDATED RESULTS FOR THE FIRST QUARTER OF 2018

(Santiago, Chile, May 29, 2018) Quiñenco S.A., a leading Chilean business conglomerate, announced today its consolidated financial results under IFRS, for the first quarter ended March 31, 2018.

Consolidated financial results are presented in accordance with IFRS and the regulations established by the Commission for the Financial Market (CMF, formerly Superintendency of Securities and Insurance). All figures are presented in nominal Chilean pesos, unless stated otherwise. Figures in US$ have been converted from Chilean pesos (Ch$) at the observed exchange rate on March 31, 2018 (Ch$603.39 = US$1.00), unless indicated otherwise, and are only provided for the reader's convenience.

1Q 2018 HIGHLIGHTS

Net income of Ch$36,636 million, 17.2% below 1Q 2017, mainly explained at the corporate level due to lower financial income, greater losses from the unfavorable impact of higher inflation on liabilities and higher tax-related expenses, and lower results at Enex. Better operating results were reported by all other main operating companies.

Noteworthy is the 21.8% rise in net income posted by CCU, boosted by strong operating performance in the International Business and Chile segments.

Net income at Enex declined mostly due to greater operating expenses, mainly higher transport costs, despite positive performance of fuels and lubricants.

Hapag-Lloyd reported a lower loss based on strong growth in transport volumes. Banco de Chile's results were favorably impacted by higher inflation and loan growth. SM SAAM's net income grew reflecting good performance of port terminals and logistics.

Earnings per share amounted to Ch$22.03 in 1Q 2018.

GROUP HIGHLIGHTS – FIRST QUARTER 2018 AND SUBSEQUENT EVENTS

Quiñenco – Dividend Distribution

At the Ordinary Shareholders' Meeting held on April 27, 2018, shareholders approved a dividend distribution corresponding to 2017 net income of Ch$32.69860 per share, payable as of May 9, 2018, to those shareholders registered with the company as of May 3, 2018. The total amount of the dividend is Ch$54,370 million, equivalent to 50% of 2017 net income.

Agreement between CCU and ABI terminating Budweiser license in Argentina closed

On May 2, 2018, CCU announced the execution of the agreement with AB Inbev (ABI) regarding the anticipated termination of the distribution license for Budweiser in Argentina, after having received all the necessary regulatory approvals. Therefore, CCU Argentina received US$306 million in a single payment, US$10 million for the production of Budweiser, and ABI transferred the brands Isenbeck, Diosa, Norte, Iguana and Báltica, among others, to CCU Argentina. In addition, CCU Argentina is to receive up to US$28 million annually for a commercial transition of up to three years.

Invexans establishes a new office in London

On April 10, 2018, Invexans reported the establishment of a fully-owned subsidiary in London: Invexans Limited (Invexans UK). The purpose of the company is to develop Quiñenco and its subsidiaries' international businesses, particularly in Europe, but also in other countries. On May 7 an Extraordinary Shareholders' Meeting approved the sale of up to 50% of Invexans' assets to Invexans Ltd. London was chosen given its condition of international business hub with excellent connectivity, and taking into consideration its regulatory framework, quality and availability of services, among others. Consolidating international investments in one vehicle with this location will grant flexibility and synergies, such as improvements in management and financial efficiencies.

Techpack to deregister from local Financial Market Commission

An Extraordinary Shareholders' Meeting held May 14, 2018, agreed to deregister Techpack from the Financial Market Commission (CMF), and to delist its shares from the securities register. Withdrawal rights were established at a price of US$0.61421 per share (payable in Chilean pesos, Ch$380.90717 per share), corresponding to the book value as of December 31, 2017, since Techpack's shares are not currently traded.

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INFORMATION ON FINANCIAL STATEMENTS AND SEGMENTS

FORMAT OF FINANCIAL STATEMENTS

In accordance with the definition issued by the Financial Market Commission, the line "Gains (losses) of operating activities" includes the following concepts: Gross income, Other operating income, Distribution Costs, Administrative expenses, Other operating expenses, and Other gains (losses). In accordance with this definition, this document refers to Gains (losses) of operating activities or Operating Income in the same manner.

SEGMENT INFORMATION

In accordance with IFRS requirements, financial information is reported for the six segments defined by Quiñenco for this purpose: Manufacturing, Financial, Energy, Transport, Port Services and Other. However, in order to allow a better understanding of the consolidated financial statements, the latter and the subsequent analysis, have been divided in Banking and Non-banking (Industrial) activities, as follows:

- **Industrial Sector**: includes the following Segments and main companies:

i) Manufacturing
- Invexans
- Techpack

ii) Financial
- LQ Inversiones Financieras (LQIF holding)

iii) Energy
- Enex

iv) Transport
- Compañía Sud Americana de Vapores (CSAV)

v) Port Services
- SM SAAM

vi) Other
- Quiñenco and others (includes CCU, Banchile Seguros de Vida (Banchile Vida), SegChile Seguros Generales (SegChile), Quiñenco holding, and eliminations)

The companies composing this sector reported their financial statements in accordance with IFRS. Invexans, Techpack, CSAV and SM SAAM report their financial statements in US dollars, and translate them to Chilean pesos for consolidation purposes.

Invexans' main asset is its 28.55% stake in Nexans, a French multinational company leader in the world cable industry. As of March 31, 2018, Quiñenco has a 98.7% stake in Invexans.

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On May 31, 2016, Techpack sold its entire flexible packaging business to Australian packaging company Amcor. Techpack has classified any income or expenses related to the transaction with Amcor, as discontinued operations in 2017 and 2018. During the last quarter of 2016, Techpack acquired a 0.53% stake in Nexans through the Paris stock exchange. Thus, as of March 31, 2018, through its subsidiaries Invexans and Techpack, Quiñenco has a 29.08% interest in Nexans.

As of March 31, 2018, Quiñenco's ownership of Techpack was 100.0%.

During the last quarter of 2017 CSAV sold its entire stake in Norgistics Chile to third parties, and determined the closing of the offices of Norgistics in Peru, Mexico and China. Therefore in 2017 and 2018 all of Norgistics operations have been classified has discontinued activities in the income statement. During the fourth quarter of 2017, Quiñenco acquired an additional 0.2% stake in CSAV, reaching 56.2%.

In 2017 the general insurance company SegChile started its operations. As of March 31, 2018, Quiñenco has a 66.3% interest in SegChile.

On May 24, 2017, Hapag-Lloyd materialized the merger with United Arab Shipping Company Limited (UASC). The shareholders of UASC received shares equivalent to a 28% stake in Hapag-Lloyd. Thus, existing shareholders of Hapag-Lloyd diluted their stakes. CSAV's stake in Hapag-Lloyd was reduced from 31.4% to 22.6%. During the fourth quarter of 2017, CSAV acquired additional shares of Hapag-Lloyd, reaching a stake of 25.5% at year-end and as of March 31, 2018.

Banking Sector: includes the following Segments and main companies:

i) Financial

- Banco de Chile
- SM Chile

These companies reported their financial statements partially in accordance with IFRS, as determined by the Superintendency of Banks and Financial Institutions.

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ANALYSIS OF CONSOLIDATED RESULTS

Summarized Consolidated Income Statement

Sector /Segment	Manufacturing		Financial		Energy		Transport		Port Services		Other		Total	
	1Q 17	1Q 18	1Q 17	1Q 18	1Q 17	1Q 18	1Q 17	1Q 18	1Q 17	1Q 18	1Q 17	1Q 18	1Q 17	1Q 18
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Consolidated Income (Loss) Industrial Sector	(709)	**656**	(3,505)	**(3,428)**	9,924	**5,330**	(14,554)	**(12,967)**	5,517	**5,507**	13,182	**6,880**	9,855	**1,978**
Consolidated Income Banking Sector	-	-	122,073	**124,454**	-	-	-	-	-	-	-	**126**	122,073	**124,580**
Consolidated Net Income (Loss)	(709)	**656**	118,569	**121,026**	9,924	**5,330**	(14,554)	**(12,967)**	5,517	**5,507**	13,182	**7,006**	131,928	**126,557**
Net Income (Loss) Attributable to Non-controlling Interests	67	(20)	89,795	91,630	-	-	(6,408)	(5,683)	3,480	3,206	753	789	87,688	89,922
Net Income (Loss) Attributable to Controllers' Shareholders	**(777)**	**676**	**28,774**	**29,396**	**9,924**	**5,330**	**(8,146)**	**(7,284)**	**2,037**	**2,301**	**12,429**	**6,217**	**44,240**	**36,636**

* Corresponds to the contributions of each business segment to Quiñenco´s net income.

Net Income – 1Q 2018

Quiñenco reported a net gain of Ch$36,636 million in the first quarter of 2018, 17.2% below the gain of Ch$44,240 million reported in the same period in 2017. This variation is primarily explained by lower results at the corporate level and at Enex, partially compensated by better results at CCU, Techpack, CSAV, Banco de Chile, and SM SAAM. At the corporate level, lower financial income, the unfavorable effect of higher inflation on liabilities and higher tax-related expenses were reported in 1Q 2018. Enex's contribution declined in 1Q 2018, mainly owing to higher operating expenses, mostly due to transport costs and expenses related to service stations, despite 3.4% growth in gross income, based mainly on good performance of fuels and lubricants. CCU, however, reported a favorable quarter with 21.8% growth in net income, based on higher operating results of the International Business and Chile segments. Techpack's contribution increased due to better non-operating income, primarily gains from exchange rate differences, higher financial income and the gain on the sale of fixed assets. CSAV, in turn, reduced its net losses based on improved results at Hapag-Lloyd, with strong operating income, boosted by growing transport volumes following the merger with UASC. Banco de Chile's net income increased reflecting higher operating revenues, mostly due to the favorable impact of higher inflation, despite increased operating expenses and loan loss provisions. SM SAAM's results in turn, were also up due to favorable performance of port terminals, boosted by the ports of Guayaquil and Caldera, and of logistics, compensating the absence of activities in Peru in the current quarter, following the sale of its stake in Tramarsa during the second quarter of 2017.

Earnings per ordinary share amounted to Ch$22.03 in the first quarter of 2018.

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Consolidated Income Statement Breakdown

		Quarters			
		1Q 17		1Q 18	
		MCh$	MUS$	MCh$	MUS$
Industrial Sector					
Revenues		**559,493**	**927.2**	**645,463**	**1,069.7**
Manufacturing	- Invexans & Techpack	2	0.0	2	0.0
Financial	- LQIF holding	-	-	-	-
Energy	- Enex	447,843	742.2	526,404	872.4
Transport	- CSAV	14,826	24.6	12,069	20.0
Port Services	- SM SAAM	70,012	116.0	76,347	126.5
Other	- Quiñenco & others	26,810	44.4	30,642	50.8
Operating income (loss)		**21,588**	**35.8**	**15,636**	**25.9**
Manufacturing	- Invexans & Techpack	480	0.8	(399)	(0.7)
Financial	- LQIF holding	(966)	(1.6)	(398)	(0.7)
Energy	- Enex	11,766	19.5	6,336	10.5
Transport	- CSAV	(87)	(0.1)	175	0.3
Port Services	- SM SAAM	7,937	13.2	10,364	17.2
Other	- Quiñenco & others	2,458	4.1	(442)	(0.7)
Non-operating income (loss)		**(4.272)**	**(7.1)**	**(1,631)**	**(2.7)**
Interest income		3,909	6.5	3,268	5.4
Interest expense		(12,398)	(20.5)	(12,520)	(20.7)
Share of net income/loss from related co.		8,455	14.0	12,420	20.6
Foreign exchange gain (loss)		(183)	(0.3)	434	0.7
Indexed units of account restatement		(4,056)	(6.7)	(5,232)	(8.7)
Income tax		(5,851)	(9.7)	(11,314)	(18.8)
Net income (loss) from discontinued operations		(1,610)	(2.7)	(714)	(1.2)
Consolidated Net Income (Loss) Industrial Sector		**9,855**	**16.3**	**1,978**	**3.3**
Banking Sector					
Operating revenues		422,945	700.9	445,174	737.8
Provision for loan losses		(63,115)	(104.6)	(70,945)	(117.6)
Operating expenses		(192,273)	(318.7)	(204,330)	(338.6)
Operating income (loss)		167,558	277.7	169,899	281.6
Non-operating income (loss)		(17,050)	(28.3)	(17,061)	(28.3)
Income tax		(28,434)	(47.1)	(28,.259)	(46.8)
Consolidated Net Income (Loss) Banking Sector		**122,073**	**202.3**	**124,580**	**206.5**
Consolidated Net Income		131,928	218.6	126,557	209.7
Net Income Attributable to Non-controlling Interests		87,688	145.3	89,922	149.0
Net Income Attributable to Controllers' Shareholders		**44,240**	**73.3**	**36,636**	**60.7**

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Industrial Sector

Revenues – 1Q 2018

Consolidated revenues totaled Ch$645,463 million in the first quarter of 2018, 15.4% above those of the same period in 2017, primarily due to higher revenues at Enex, and to a lesser extent, sales growth at SM SAAM[1] and Banchile Vida. These increments were partly offset by lower revenues at CSAV.

Consolidated sales in the first quarter of 2018 can be broken down as follows: Enex (81.6%), SM SAAM (11.8%), CSAV (1.9%), and others (4.7%).

Operating Income[2] – 1Q 2018

Operating income for the first quarter of 2018 reached a gain of Ch$15,636 million, compared to a gain of Ch$21,588 million in the first quarter of 2017. The decline in consolidated operating results is primarily attributable to Enex, mostly due to higher operating expenses, and, to a lesser extent, to lower results at Quiñenco at the corporate level, at Invexans and Banchile Vida, partially compensated by improved operating results at SM SAAM, and also at LQIF holding and Techpack.

EBITDA[3] – 1Q 2018

EBITDA amounted to Ch$30,713 million in 1Q 2018, down 10.1% from the first quarter of 2017. The decline is primarily explained by lower EBITDA from Enex, partially compensated by growth at SM SAAM during the quarter.

Non-Operating Results[4] – 1Q 2018

Non-operating income amounted to a loss of Ch$1,631 million in the first quarter of 2018, compared to a loss of Ch$4,272 million in the same quarter of 2017.

Proportionate share of net income of equity method investments (net) – 1Q 2018

Quiñenco's proportionate share of net income from equity method investments (net), which primarily includes the results from CCU, as well as Invexans' share in the results of Nexans[5], CSAV's share in the results of Hapag-Lloyd, and SM SAAM's affiliates, reached a gain of Ch$12,420 million, compared to a gain of Ch$8,455 million in 1Q 2017.

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[1] It is worth noting that since Techpack, Invexans, CSAV and SM SAAM report in US dollars and translate their financial statements to Chilean pesos for consolidation purposes, variations analyzed in Chilean pesos vary from those in US dollars. For analysis of Techpack, Invexans, CSAV and SM SAAM's results in US dollars, refer to Segment/Operating company analysis.

[2] Operating income includes: Gross income (revenues minus cost of sales), Distribution costs, Administrative expenses, Other operating revenue, Other operating expenses, and Other gains/losses.

[3] EBITDA is calculated as: Operating income minus/plus Other gains/losses plus Depreciation plus Amortization of intangibles.

[4] Non-operating results include the following items: Financial income, Financial costs, Proportionate share of equity method investments, Foreign currency exchange differences, and Indexed units of account restatement.

[5] Nexans only reports results as of June and December, in accordance with French regulations and IFRS.

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Quiñenco's proportionate share of net income from IRSA (CCU) increased by 22.5% to Ch$16,490 million.
SM SAAM's proportionate share in its affiliates decreased by 43.4% to Ch$2,603 million.
CSAV's proportionate share of net income from Hapag-Lloyd (adjusted by fair value accounting), amounted to a loss of Ch$6,824 million, compared to a loss of Ch$10,087 million in 1Q 2017.

Interest Income - 1Q 2018

Interest income for the first quarter of 2018 amounted to Ch$3,268 million, 16.4% less than that obtained in 1Q 2017. This variation corresponds mainly to lower financial income at Quiñenco (corporate level).

Interest Expense - 1Q 2018

Interest expense for the first quarter of 2018 amounted to Ch$12,520 million, 1.0% greater than in 1Q 2017. The variation is mainly explained by higher financial costs at Enex and at Quiñenco (corporate level), and to a lesser extent at SM SAAM. Financial costs at Techpack, Invexans and CSAV, however, diminished.

Foreign currency exchange differences – 1Q 2018

In 1Q 2018, the gains (losses) specific to foreign currency translation differences amounted to a gain of Ch$434 million, compared to a loss of Ch$183 million reported in 1Q 2017, primarily attributable to more favorable results at Techpack, and SM SAAM, partially compensated by lower results at Banchile Vida, Enex, and Invexans.

Indexed units of account restatement – 1Q 2018

The gain or loss derived from the restatement of assets and liabilities indexed to units such as the *Unidad de Fomento* or UF (inflation indexed) amounted to a loss of Ch$5,232 million in the first quarter of 2018, compared to a loss of Ch$4,056 million reported in the same period of 2017. The variation is mainly explained by Quiñenco and LQIF holding, due to the unfavorable effect of higher inflation during the current quarter.

Income Taxes – 1Q 2018

The industrial sector reported an income tax expense of Ch$11,314 million in 1Q 2018, compared to Ch$5,851 million reported in 1Q 2017, primarily due to higher tax expense at Quiñenco, CSAV, and SM SAAM, partially offset by lower tax expense at Enex.

Discontinued Operations – 1Q 2018

In 1Q 2018 the result of discontinued operations amounted to a loss of Ch$714 million, compared to a loss of Ch$1,610 million in 1Q 2017. In both periods the loss corresponds mainly to discontinued operations of Techpack, and to a much lesser extent, to discontinued operations at CSAV.

Non-controlling Interests – 1Q 2018

In the first quarter of 2018, at a consolidated level (including both Industrial and Banking net income), net income attributable to non-controlling interests amounted to Ch$89,922 million. Of the total amount reported in 1Q 2018, Ch$62,234 million corresponds to minority shareholders' share of Banco de Chile and SM Chile's net

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income. Remaining net income attributable to non-controlling interest is mainly explained by minority shareholders' share of LQIF's net income, and to a much lesser extent, of SM SAAM's net income.

Banking Sector

Operating Revenues - 1Q 2018

Operating revenues for the first quarter of 2018 amounted to Ch$445,174 million, 5.3% above the first quarter of 2017, mainly due to the favorable effect of higher inflation during the quarter, and also due to higher other operating income and growth in income from loans.

Provision for Credit Risk - 1Q 2018

Provisions for loan losses at Banco de Chile amounted to Ch$70,945 million in the first quarter of 2018, 12.4% higher than the provisions registered in the first quarter of 2017, mainly attributable to a favorable risk performance in the wholesale segment in the previous quarter, and also growth in average loans, particularly in the retail segment.

Operating Expenses - 1Q 2018

Operating expenses went up by 6.3% to Ch$204,330 million in 1Q 2018, primarily reflecting higher personnel expenses at Banco de Chile.

Non-operating Results - 1Q 2018

During the first quarter of 2018 non-operating results amounted to a loss of Ch$17,061 million, a slight 0.1% above the first quarter of 2017, primarily explained by higher accrued interest expense of the Subordinated Debt with the Chilean Central Bank mostly offset by better results from equity investments.

Consolidated Net Income - 1Q 2018

Consolidated net income for the banking sector amounted to Ch$124,580 million in 1Q 2018, up by 2.1% from the same period in 2017, mainly due to higher operating revenues, partially compensated by increased operating expenses and loan loss provisions.

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CONSOLIDATED BALANCE SHEET ANALYSIS (vis-à-vis the 4th quarter of 2017)

Condensed Consolidated Balance Sheet

	12-31-2017		03-31-2018	
	MCh$	MUS$	MCh$	MUS$
Current assets industrial sector	876,109	1,452.0	**931,828**	1,544.3
Non-current assets industrial sector	4,286,096	7,103.4	**4,251,677**	7,046.3
Assets financial sector	32,824,184	54,399.6	**33,243,733**	55,094.9
Total Assets	**37,986,388**	**62,955.0**	**38,427,239**	**63,685.6**
Current liabilities industrial sector	433,419	718.3	**409,397**	678.5
Long-term liabilities industrial sector	1,389,293	2,302.5	**1,392,553**	2,307.9
Liabilities financial sector	29,615,351	49,081.6	**30,019,925**	49,752.1
Non-controlling interests	3,589,077	5,948.2	**3,635,181**	6,024.6
Shareholders' equity	2,959,248	4,904.4	**2,970,183**	4,922.5
Total Liabilities & Shareholders' equity	**37,986,388**	**62,955.0**	**38,427,239**	**63,685.6**

Current Assets Industrial Sector

Current assets increased by 6.4% compared to the fourth quarter of 2017, primarily due to a higher cash balance, mostly attributable to the dividend from Banco de Chile received by LQIF, partially offset by investments in fixed assets carried out by Enex and SM SAAM, liabilities paid by SM SAAM and also tax payments related to the sale of its stake in Tramarsa. In addition, trade receivables and inventories at Enex diminished.

Non Current Assets Industrial Sector

Non current assets decreased by a slight 0.8% compared to the fourth quarter of 2017, mainly reflecting a lower balance of equity investments. This decrease is mostly explained by a lower balance at Hapag-Lloyd, mostly due to conversion adjustments and period losses, partially compensated by a higher balance at IRSA, due to period gains and conversion adjustments. Lower fixed assets and intangibles at SM SAAM also contributed to the decrease. These negative variations were partly offset by higher other financial assets, mainly at Banchile Vida and SM SAAM.

Assets Banking Sector

Total assets of the banking sector increased by 1.3% compared to the fourth quarter of 2017. Loans to customers increased by 1.7% with respect to December 2017, reflecting growth in commercial loans, consumer loans, and to a lesser extent, in residential mortgage loans.

Current Liabilities Industrial Sector

Current liabilities decreased by 5.5% compared to the fourth quarter of 2017, primarily due to lower tax payables at SM SAAM, lower trade receivables at Enex, and lower provisions at CSAV. These reductions were partly offset by an increase in dividends payable at Quiñenco, and higher liabilities due to bonds at Quiñenco and LQIF holding, mainly due to the effect of inflation-indexed adjustments.

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Long-term Liabilities Industrial Sector

Long-term liabilities increased by a slight 0.2% compared to the fourth quarter of 2017, mainly due to a higher non-financial liabilities at Banchile Vida, the transfer of provisions to the long term at Quiñenco, and a higher balance of deferred tax liabilities, mainly corresponding to SM SAAM. These increments were partly offset by lower liabilities at SM SAAM.

Liabilities Banking Sector

Liabilities corresponding to the banking sector decreased by 1.4% compared to the fourth quarter of 2017.

Minority Interest

Minority interest increased by 1.3% compared to the fourth quarter of 2017.

Equity

Shareholders’ equity increased by 0.4% compared to the fourth quarter of 2017, mainly due to period earnings, net of dividends, partly offset by a decrease in other reserves, primarily including unfavorable conversion effects at CSAV, and to a lesser extent, at SM SAAM, Techpack, and CCU, as well as a positive equity variation from Banco de Chile.

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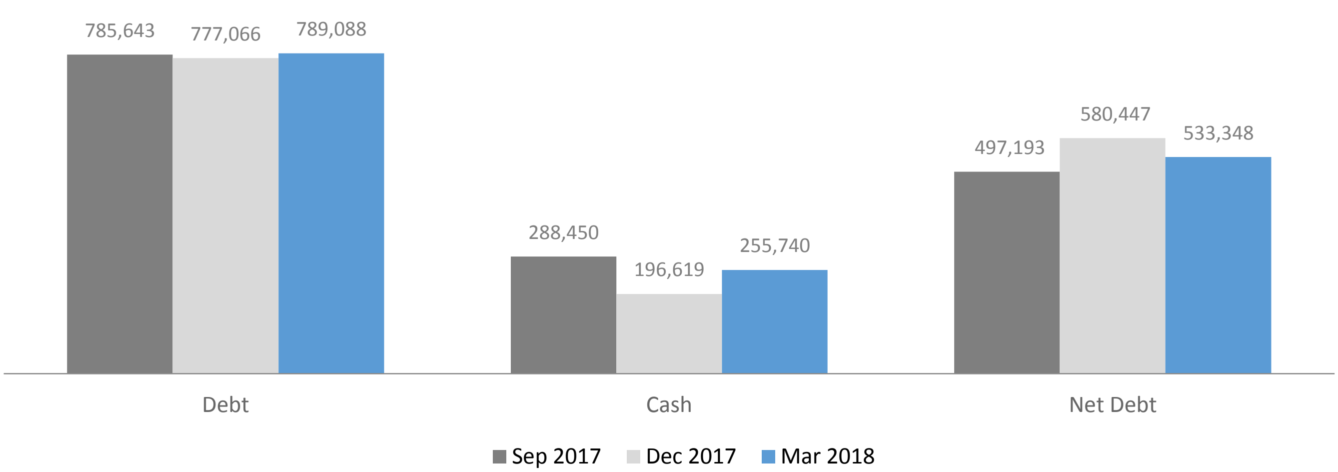
QUIÑENCO CORPORATE LEVEL DEBT AND CASH

As of March 31, 2018	Debt		Cash & Equivalents		Total Net Debt	
	MCh$	MUS$	MCh$	MUS$	MCh$	MUS$
Corporate level	660,437	1,094.5	201,898	334.6	458,539	759.9
Adjusted for:						
50% interest in LQIF	95,555	158.4	53,315	88.4	42,241	70.0
50% interest in IRSA	33,096	54.9	527	0.9	32,569	54.0
Total	**789,088**	**1,307.8**	**255,740**	**423.8**	**533,348**	**883.9**

The debt to total capitalization ratio at the corporate level (unadjusted) was 17.7% as of March 31, 2018.

Corporate Level Adjusted[6] Cash & Debt

(Millions of Ch$)



[6] Adjusted for 50% interest in LQIF holding and IRSA.

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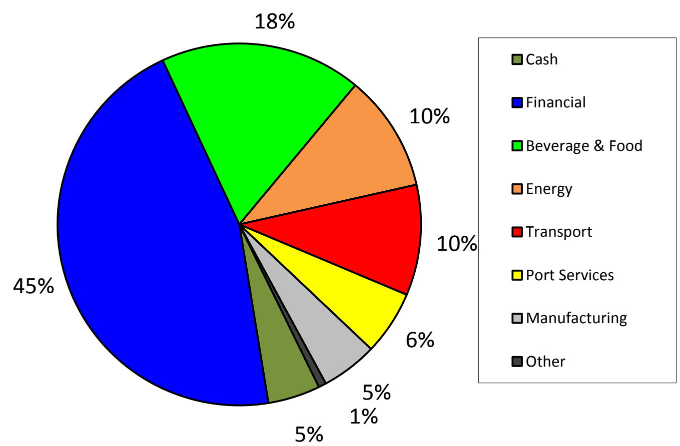
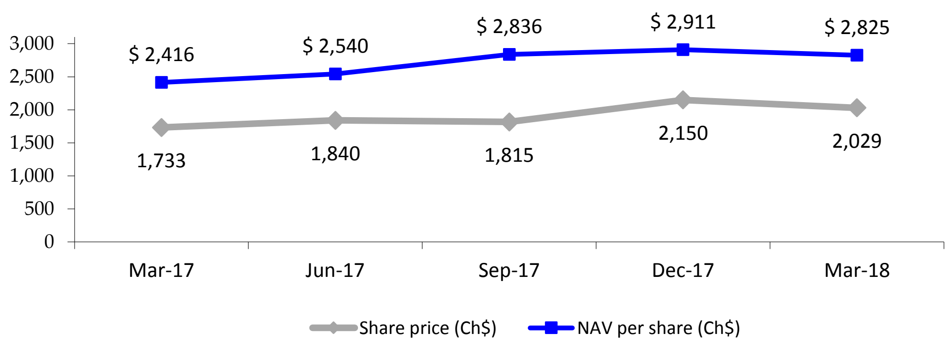
NAV

As of March 31, 2018, the estimated net asset value (NAV) of Quiñenco was US$7.8 billion (Ch$2,825 per share) and market capitalization was US$5.6 billion (Ch$2,029 per share). The discount to NAV is estimated at 28.2% as of the same date.

NAV as of March 31, 2018
US$7.8 billion



NAV/Share Price Trend
as of March 31, 2018



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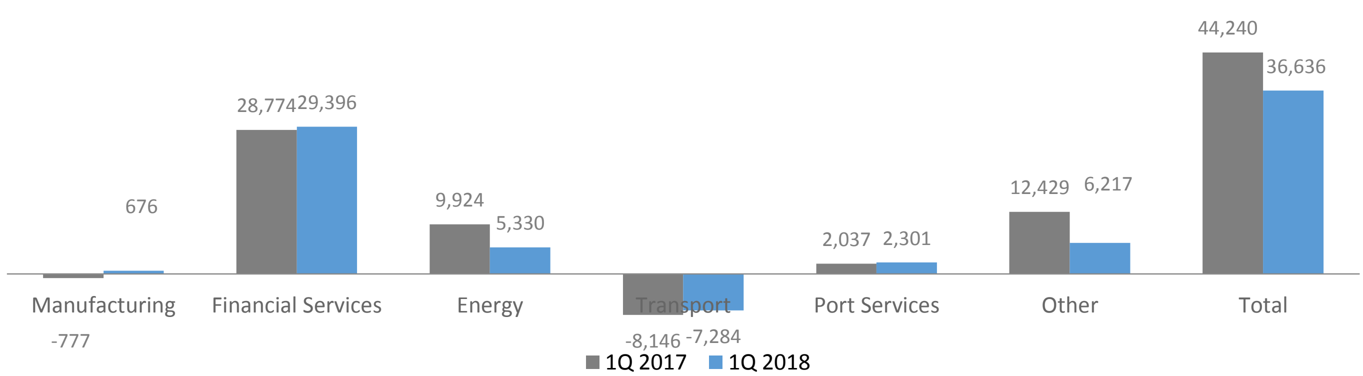
SEGMENT / OPERATING COMPANY ANALYSIS

Sector /Segment	Manufacturing		Financial		Energy		Transport		Port Services		Other		Total	
	1Q 17	1Q 18	1Q 17	1Q 18	1Q 17	1Q 18	1Q 17	1Q 18	1Q 17	1Q 18	1Q 17	1Q 18	1Q 17	1Q 18
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Industrial Sector														
Income (loss) from continued operations before taxes	872	**1,356**	(3,678)	**(3,463)**	12,158	**6,149**	(10,866)	**(7,296)**	7,519	**9,018**	11,312	**8,242**	17,316	**14,005**
Income tax	8	**(3)**	174	**35**	(2,234)	**(818)**	(3,668)	**(5,654)**	(2,002)	**(3,511)**	1,870	**(1,362)**	(5,851)	**(11,314)**
Net loss from discontinued operations	(1,589)	**(697)**	-	**-**	-	**-**	(21)	**(17)**	-	**-**	-	**-**	(1,610)	**(714)**
Net income (loss) industrial sector	(709)	**656**	(3,505)	**(3,428)**	9,924	**5,330**	(14,554)	**(12,967)**	5,517	**5,507**	13,182	**6,880**	9,855	**1,978**
Banking Sector														
Net income before taxes	-	**-**	150,508	**152,713**	-	**-**	-	**-**	-	**-**	-	**126**	150,508	**152,838**
Income tax	-	**-**	(28,434)	**(28,259)**	-	**-**	-	**-**	-	**-**	-	**-**	(28,434)	**(28,259)**
Net income banking sector	-	**-**	122,073	**124,454**	-	**-**	-	**-**	-	**-**	-	**126**	122,073	**124,580**
Consolidated net income (loss)	(709)	**656**	118,569	**121,026**	9,924	**5,330**	(14,554)	**(12,967)**	5,517	**5,507**	13,182	**7,006**	131,928	**126,557**
Net income (loss) attributable to Non-controlling interests	67	**(20)**	89,795	**91,630**	-	**-**	(6,408)	**(5,683)**	3,480	**3,206**	753	**789**	87,688	**89,922**
Net Income (Loss) Attributable to Controllers' shareholders	**(777)**	**676**	**28,774**	**29,396**	**9,924**	**5,330**	**(8,146)**	**(7,284)**	**2,037**	**2,301**	**12,429**	**6,217**	**44,240**	**36,636**

Contribution to Net Income by Segment
(Millions of Ch$)



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MANUFACTURING SEGMENT

The following table details the contribution of the investments in the Manufacturing segment during 2017 and 2018 to Quiñenco's net income:

	1Q 17		1Q 18	
	MCh$	MUS$	MCh$	MUS$
Invexans	1,086	1.8	(359)	(0.6)
Techpack	(1,863)	(3.1)	1,035	1.7
Total Manufacturing Segment	**(777)**	**(1.3)**	**676**	**1.1**

As of March 31, 2017 and 2018, Quiñenco's ownership of Invexans was 98.7%. As of March 31, 2017 and 2018, Quiñenco's ownership of Techpack was 100.0%.

INVEXANS

	1Q 17		1Q 18		1Q 17	1Q 18
	MCh$	MUS$	MCh$	MUS$	ThUS$	ThUS$
Sales	2	0.0	-	-	3	**-**
Operating loss	1,027	1.7	(348)	(0.6)	1,546	**(578)**
Non-operating income (loss)	74	0.1	(23)	(0.0)	113	**(39)**
Net loss controller	1,100	1.8	(364)	(0.6)	1,657	**(605)**
Total assets			330,249	547.3		**547,327**
Shareholders' equity			314,870	521.8		**521,836**

Invexans reports its financial statements in US dollars, and translates them to Chilean pesos for consolidation purposes based on the US$/Ch$ exchange rate at the end of the period in the case of the Balance Sheet, and the monthly average exchange rate in the case of the Income Statement. Invexans' figures in Chilean pesos are included for reference. However, the following analysis is based on the company's financial statements in US dollars, as filed with the CMF, as shown in the last two columns of the table.

In accordance with French regulations and IFRS, Nexans does not publish financial statements for the quarters ended in March and September. In view of this, Invexans requested and was granted approval from the CMF to use December and June financial information for March and September, respectively. Therefore, these quarters only reflect exchange rate conversion effects and changes in the stake in Nexans corresponding to that quarter.

1Q 2018 Results

Invexans reported an operating loss of US$578 thousand, compared to the gain of US$1,546 thousand reported in 1Q 2017, mainly explained by the gain of US$2,239 thousand from the sale of assets available for sale reported in 1Q 2017.

Non-operating income amounted to a loss of US$39 thousand, compared to a gain of US$113 thousand in 1Q 2017. The variation is mostly attributable to a lower result from exchange rate differences.

Invexans posted a net loss of US$605 thousand in 1Q 2018, which compares unfavorably with the gain of US$1,657 thousand reported in 1Q 2017, primarily explained by lower operating income.

TECHPACK

	1Q 17		1Q 18		1Q 17	1Q 18
	MCh$	MUS$	MCh$	MUS$	ThUS$	ThUS$
Sales	-	-	2	0.0	-	**3**
Operating income	(548)	(0.9)	(51)	(0.1)	(835)	**(88)**
Net income (loss) from discontinued operations	(1,589)	(2.6)	(697)	(1.2)	(2,408)	**(1,158)**
Net income (loss) Controller	(1,863)	(3.1)	1,035	1.7	(2,824)	**1,726**
Total assets			142,262	235.8		**235,771**
Shareholders' equity			139,067	230.5		**230,476**

Techpack carries its accounting in US dollars, and translates its financial statements to Chilean pesos for consolidation purposes based on the US$/Ch$ exchange rate at the end of the period in the case of the Balance Sheet, and the monthly average exchange rate in the case of the Income Statement. Techpack's figures in Chilean pesos are included for reference. However, the following analysis is based on the company's financial statements in US dollars, as filed with the CMF, as shown in the last two columns of the table.

On May 31, 2016, Techpack sold its entire flexible packaging business to Australian Amcor. Due to this sale, the results of the transaction and of the flexible packaging business have been classified as a discontinued operation in both periods.

1Q 2018 Results

During the first quarter of 2018, Techpack's operating income amounted to a loss of US$88 thousand, an improvement from the loss of US$835 thousand reported in 1Q 2017, mostly explained by a non-recurring gain from the sale of fixed assets available for sale, during 1Q 2018.

Non-operating income for the quarter amounted to a gain of US$2,964 thousand, higher than the gain of US$487 thousand reported in 1Q 2017, primarily attributable to greater gains from exchange differences, and also to higher financial income and a more favorable effect of a higher level of inflation during the current quarter.

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Discontinued operations reported a loss of US$1,158 thousand in 1Q 2018, down from the loss of US$2,408 thousand in 1Q 2017. The latter is primarily attributable to the downward price adjustment reported in 1Q 2017 related to the sale of the flexible packaging business. In 1Q 2018 Techpack reported income tax expense, whereas in 1Q 2017 it registered an income tax credit. Thus, net income for 1Q 2018 reached a gain of US$1,726 thousand, improving from the loss of US$2,824 thousand reported in 1Q 2017, due to better non-operating and operating results, and a lower loss from discontinued operations.

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FINANCIAL SEGMENT

The following table details the contribution of the investments in the Financial Segment during 2017 and 2018 to Quiñenco's net income:

	1Q 17		1Q 18	
	MCh$	MUS$	MCh$	MUS$
LQIF holding	(1,752)	(2.9)	(1,714)	(2.8)
Banking sector	30,526	50.6	31,110	51.6
Total Financial Segment	**28,774**	**47.7**	**29,396**	**48.7**

As of March 31, 2017 and 2018, Quiñenco's ownership of LQIF was 50.0%. LQIF's economic rights in Banco de Chile were 33.4% as of March 31, 2017 and 33.9% as of March 31, 2018.

LQIF Holding

LQIF holding registered a loss of Ch$3,428 million, 2.2% below the loss of Ch$3,505 million reported in 1Q 2017, mainly explained by a lower amortization of intangibles, partially offset by a higher loss from the effect of inflation on financial obligations denominated in UFs, due to a higher variation of 0.63% in the UF in the current quarter compared to 0.47% in 1Q 2017.

Banking Sector

The Banking sector is comprised of Banco de Chile and SM Chile. The most relevant item of the income statement in the case of SM Chile is the interest expense of the Subordinated Debt with the Chilean Central Bank, mainly due to the effect of higher inflation during the current quarter.

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BANCO DE CHILE

	1Q 17		1Q 18	
	MCh$	MUS$	MCh$	MUS$
Operating revenues	422,719	700.6	**444,919**	737.4
Provision for loan losses	(63,115)	(104.6)	**(70,945)**	(117.6)
Operating expenses	(192,193)	(318.5)	**(204,247)**	(338.5)
Net income controller	139,993	232.0	**142,651**	236.4
Loan portfolio	25,408,098	42,108.9	**25,859,759**	42,857.5
Total assets	31,806,415	52,712.9	**33,243,741**	55,094.9
Shareholders' equity	2,896,265	4,800.0	**3,103,014**	5,142.6
Net financial margin	4.6%		**4.7%**	
Efficiency ratio	45.5%		**45.9%**	
ROAE	19.1%		**18.2%**	
ROAA	1.8%		**1.7%**	

1Q 2018 Results

Banco de Chile reported net income of Ch$142,651 million in the first quarter of 2018, increasing by 1.9% with respect to the first quarter of 2017. This increment is primarily explained by higher operating revenues, partially offset by greater operating expenses and increased loan loss provisions.

Operating revenues, which include net financial income, fee income and other operating income, increased by 5.3% to Ch$444,919 million in the first quarter of 2018. This growth is primarily attributable to the favorable effect of higher inflation during the quarter, with a rise of 0.63% in the UF in 1Q 2018 compared to 0.47% in 1Q 2017. To a lesser extent, revenues also grew due to higher other operating income from the sale of fixed assets and higher income from assets received in lieu of payment. Income from loans also increased based on higher overall lending spreads. Revenues from the management of trading and available for sale instruments also posted an increase, primarily due to favorable shifts in interest rates, as did income from demand deposits, reflecting a 5.9% rise in average balances. Finally, fee income also grew based on higher revenues from mutual funds management, insurance and stock brokerage, partially offset by lower income from transactional services, mostly explained by the credit card business. These favorable effects were partly offset by a drop in revenues from funding and gapping, due to the decline of interest rates over the past two years and its repricing effect on assets rather than liabilities.

Provisions for loan losses amounted to Ch$70,945 million, 12.4% up from 1Q 2017. This increase is mainly attributable to the wholesale segment, where provisions were released in the previous quarter, and greater provisions based on loan growth, primarily in the retail segment.

Operating expenses increased by 6.3% to Ch$204,247 million in 1Q 2018, mostly due to higher personnel expenses, reflecting the non-recurring effect of a special bonus granted as part of the collective bargaining process with one of the Bank's unions and also an increment in salaries. Other operating expenses also increased, mainly due to higher country risk provisions and higher expenses related to assets received in lieu of payment.

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As of March 2018, the Bank's loan portfolio had experienced an annual growth of 1.8% and a quarterly increase of 1.7%. Annual growth reflects the expansion of 6.9% in retail banking loans, boosted by a 6.5% increment in loans from middle and higher income personal banking, mostly reflecting residential mortgage loans, and a 10.9% rise in loans to SMEs. The wholesale segment, in turn, registered a 5.5% decrease in loans, mainly explained by a reduction in loans denominated in foreign currency, due to the appreciation of the Chilean peso and a lower loan balance.

Banco de Chile is the second ranked bank in the country with a market share of 17.2% of total loans (excluding operations of subsidiaries abroad) as of March 2018. Its return on average equity (annualized) reached 18.2% in 1Q 2018.

Interest Subordinated Debt

In the first quarter of 2018 accrued interest expense of the Subordinated Debt with the Chilean Central Bank was 1.0% higher than the first quarter of 2017, mainly due to higher inflation in the current quarter.

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ENERGY SEGMENT

The following table details the contribution of the investments in the Energy Segment during 2017 and 2018 to Quiñenco's net income:

	1Q 17		1Q 18	
	MCh$	MUS$	MCh$	MUS$
Enex	9,924	16.4	5,330	8.8
Total Energy Segment	**9,924**	**16.4**	**5,330**	**8.8**

As of March 31, 2017 and 2018, Quiñenco controls 100% of the energy segment.

ENEX

	1Q 17		1Q 18	
	MCh$	MUS$	MCh$	MUS$
Sales	447,843	742.2	**526,404**	872.4
Operating income	11,766	19.5	**6,336**	10.5
Net income Controller	9,924	16.4	**5,330**	8.8
Total assets			**847,157**	1,404.0
Shareholders' equity			**573,149**	949.9

1Q 2018 Results

Enex's consolidated sales during 1Q 2018 reached Ch$526,404 million, up by 17.5% from 1Q 2017, mainly due to higher sales volumes in the industrial channel and higher fuel prices in both service stations and the industrial channel. The total volume dispatched by Enex during the quarter amounted to 982 thousand cubic meters, 12.9% higher than in 1Q 2017, of which 97.7% corresponds to fuels.

Gross income during the period reached Ch$51,547 million, 3.4% above 1Q 2017, primarily due to improved margins per unit in the service stations channel. Gross income from the industrial channel also increased, boosted by higher volumes that offset lower margins per unit. Lubricants also contributed with higher gross income, based on both sales volume growth and improved margins per unit. However, these effects were partially offset by a lower favorable effect of inventories valued at lower costs in a context of rising reference prices, in the current quarter. Operating income during the quarter reached a gain of Ch$6,336 million, down by 46.2% from 1Q 2017, largely due to higher operating expenses, mainly attributable to greater transport expenses related to the growth in sales volume along with higher rates, and higher fee expenses related to the service station channel. To a lesser extent, other operating income declined reflecting dividends from Sonacol received during the first quarter of 2017. These negative variations were partially compensated by the growth in gross income explained above. EBITDA reached Ch$11,202 million in the first quarter of 2018, 31.0% lower than the first quarter of 2017.

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Non-operating income amounted to a loss of Ch$188 million in 1Q 2018, compared to the gain of Ch$391 million reported in 1Q 2017, mostly explained by higher financial costs, lower income from equity investments, and to a lesser extent, lower gains from exchange rate differences. Net income for 1Q 2018 amounted to Ch$5,330 million, 46.3% below net income reported in 1Q 2017, primarily reflecting lower operating results during the quarter and, to a lesser extent, lower non-operating results, partially compensated by lower income tax expense.

TRANSPORT SEGMENT

The following table details the contribution of the investments in the Transport Segment during 2017 and 2018 to Quiñenco's net income:

	1Q 17		1Q 18	
	MCh$	MUS$	MCh$	MUS$
CSAV	(8,146)	(13.5)	(7,284)	(12.1)
Total Transport Segment	**(8,146)**	**(13.5)**	**(7,284)**	**(12.1)**

As of March 31, 2017 and 2018, Quiñenco's ownership of CSAV was 56.0% and 56.2%, respectively. Quiñenco's proportionate share in CSAV's results is adjusted by the fair value accounting of this investment at Quiñenco. During 1Q 2017 and 1Q 2018 the adjustment was a lower result of Ch$7 million and a lower result of Ch$9 million, respectively.

CSAV

	1Q 17		1Q 18		1Q 17	1Q 18
	MCh$	MUS$	MCh$	MUS$	ThUS$	ThUS$
Sales	14,826	24.6	**12,069**	20.0	22,599	**20,007**
Operating income (loss)	(87)	(0.1)	**175**	0.3	(151)	**281**
Net income (loss) controller	(14,538)	(24.1)	**(12,954)**	(21.5)	(22,068)	**(21,410)**
Total assets			**1,354,849**	2,245.4		**2,245,396**
Shareholders' equity			**1,267,896**	2,101.3		**2,101,288**

CSAV reports its financial statements in US dollars, and translates them to Chilean pesos for consolidation purposes based, in general terms, on the US$/Ch$ exchange rate at the end of the period in the case of the Balance Sheet, and the monthly average exchange rate in the case of the Income Statement. CSAV's figures in Chilean pesos are included for reference. However, the following analysis is based on the company's financial statements in US dollars, as filed with the CMF, as shown in the last two columns of the table. In 2017 CSAV sold its stake in Norgistics Chile and determined the closure of its other offices. Therefore, all of Norgistics operations have been classified as discontinued operations in 2017 and 2018 in the income statement.

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1Q 2018 Results

CSAV's consolidated sales in 1Q 2018 reached US$20.0 million, decreasing 11.5% with respect to 1Q 2017. Although transport volumes of the car carrier business increased, average freight rates decreased and sales of slots in the car carrier business also diminished. The decrease in average freight rates was partly mitigated through bunker adjustment factors given the increase in fuel prices during the period. Gross income increased 18.1% to US$2.1 million, mainly reflecting further efficiencies, which compensated higher fuel prices.

Operating income amounted to a gain of US$0.3 million in 1Q 2018, compared to a loss of US$0.2 million reported in 1Q 2017, primarily reflecting the improvement in gross income explained above together with a reduction in sales and administrative expenses.

Non-operating income for the quarter amounted to a loss of US$12.4 million, improving in comparison to the loss of US$16.4 million reported in 1Q 2017. This favorable variation is primarily due to CSAV's share in Hapag-Lloyd's results for the first quarter, adjusted by CSAV's fair value accounting of this investment, which in all amounted to a loss of US$11.3 million. Hapag-Lloyd reported a net loss of US$46 million in the first quarter of 2018, which compares favorably with the loss of US$63 million reported in 1Q 2017. Hapag-Lloyd's sales increased 41.7%, boosted by 47.9% growth in transported volumes, owing mainly to the merger with UASC, partially offset by a decline of 2.6% in average freight rates, reflecting ongoing competition and the integration of UASC. Thus, Hapag-Lloyd's EBIT reached a gain of US$66 million in 1Q 2018, substantially above the gain of US$8 million reported in 1Q 2017. EBITDA amounted to US$270 million, up by 87.2% from 1Q 2017, with the EBITDA margin reaching 8.4%. At the non-operating level, the German shipping company reported higher financial costs, due to the addition of UASC's debt.

CSAV reported a net loss of US$21.4 million in 1Q 2018, compared to a net loss of US$22.1 million in 1Q 2017, reflecting improved performance of Hapag-Lloyd and, to a lesser extent, better performance in the car carrier business, offset by greater income tax expense.

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PORT SERVICES SEGMENT

The following table details the contribution of the investments in the Port Services Segment during 2017 and 2018 to Quiñenco's net income:

	1Q 17		1Q 18	
	MCh$	MUS$	MCh$	MUS$
SM SAAM	2,037	3.4	2,301	3.8
Total Port Services Segment	**2,037**	**3.4**	**2,301**	**3.8**

As of March 31, 2017 and 2018, Quiñenco's ownership of SM SAAM was 52.2%. Quiñenco's proportionate share in SM SAAM's results is adjusted by the fair value accounting of this investment at Quiñenco. During 1Q 2017 and 1Q 2018 the adjustment was a lower result of Ch$261 million and a lower result of Ch$401 million, respectively.

SM SAAM

	1Q 17		1Q 18		1Q 17	1Q 18
	MCh$	MUS$	MCh$	MUS$	ThUS$	ThUS$
Sales	70,012	116.0	76,347	126.5	106,894	**126,794**
Operating income	7,937	13.2	10,364	17.2	12,135	**17,190**
Net income controller	4,670	7.7	4,907	8.1	7,143	**8,131**
Total assets			881,453	1,460.8		**1,460,835**
Shareholders' equity			465,406	771.3		**771,319**

SM SAAM reports its financial statements in US dollars, and translates them to Chilean pesos for consolidation purposes based, in general terms, on the US$/Ch$ exchange rate at the end of the period in the case of the Balance Sheet, and the monthly average exchange rate in the case of the Income Statement. SM SAAM's figures in Chilean pesos are included for reference. However, the following analysis is based on the company's financial statements in US dollars, as filed with the CMF, as shown in the last two columns of the table.

1Q 2018 Results

In the first quarter of 2018 SM SAAM's consolidated sales reached US$126.8 million, up by 18.6% from 1Q 2017, primarily explained by higher revenues from port terminals and, to a lesser extent, from tug boats, partially offset by lower revenues from logistics Chile. Revenues from port terminals increased a strong 50.6%, primarily reflecting 46% growth in volumes transferred, particularly at Guayaquil (TPG), based on new contracts signed in 2017, and also due to the addition of Puerto Caldera in Costa Rica in February 2017. Revenues from tug boats increased 7.0% mostly explained by increased special services in Canada, Uruguay and Chile. Revenues from logistics, however, decreased 21.5% mainly owing to the restructuring process of the division. Consolidated revenues can be broken down as follows: Ports (49.9%), Tug boats (37.4%), and Logistics and others (12.7%).

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Gross income amounted to US$34.2 million, 23.5% higher than 1Q 2017, explained mostly by higher gross income of port terminals and tug boats, and to a lesser extent, of logistics. During 1Q 2018 operating income amounted to US$17.2 million, 41.7% greater than the gain reported in 1Q 2017, primarily explained by the addition of Puerto Caldera and good performance of the port of Guayaquil. To a lesser extent, tug boats and logistics also contributed with improved operating results. SM SAAM's consolidated EBITDA[7] reached US$33.5 million in 1Q 2018, 25.1% higher than the same period in 2017, mainly attributable to the port terminals segment, and, to a lesser extent, to tug boats, which more than offset lower EBITDA from the logistics segments.

Non-operating income for the quarter amounted to a loss of US$0.4 million, compared to a gain of US$1.4 million in 1Q 2017. This variation is mainly explained by the sale of SM SAAM's stake in Tramarsa in April 2017, therefore only the first quarter of 2017 includes activities in Peru. Also, tug boats in Brazil and the ports in Chile had slightly lower results during the quarter.

SM SAAM reported a net gain of US$8.1 million in 1Q 2018, up by 13.8% from 1Q 2017, mainly due to favorable performance of the port division and better results of logistics, compensating the absence of activities in Peru in the current quarter due to the sale of SM SAAM's minority stake in Tramarsa.

[7] Corresponds to EBITDA reported by SM SAAM.

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OTHER SEGMENT

The following table details the contribution from investments in the Segment Other during 2017 and 2018 to Quiñenco's net income:

	1Q 17		1Q 18	
	MCh$	MUS$	MCh$	MUS$
IRSA (CCU) [8]	13,457	22.3	16,490	27.3
Quiñenco & other	(1,028)	(1.7)	(10,273)	(17.0)
Total Other Segment	**12,429**	**20.6**	**6,217**	**10.3**

As of March 31, 2017 and 2018, Quiñenco's ownership of CCU was 30.0%.

CCU

	1Q 17		1Q 18	
	MCh$	MUS$	MCh$	MUS$
Sales	448,686	743.6	**472,163**	782.5
Operating income	77,042	127.7	**89,849**	148.9
Net income controller	46,598	77.2	**56,745**	94.0
Total assets			**1,960,857**	3,249.7
Shareholders' equity			**1,106,488**	1,833.8

1Q 2018 Results

CCU reports its results in accordance with the following three business segments: Chile, International Business, and Wine. Chile includes beer, non-alcoholic beverages, and spirits. The International Business segment includes beer, cider, non-alcoholic beverages, and spirits in Argentina, Uruguay and Paraguay. Wine includes the commercialization of wine, mainly in the export market. CCU's sales in the first quarter of 2018 grew by 5.2% compared to the first quarter of 2017, as a result of 3.7% growth in consolidated sales volumes, driven by the International Business segment, and 1.5% higher average prices in terms of Chilean pesos. Sales growth was led by the International Business operating segment, with a 16.0% increment, given a strong 22.1% rise in volumes, boosted mostly by Argentina and followed by Uruguay and Paraguay, offsetting 5.1% lower average prices. The Chile segment posted 3.7% growth in sales reflecting 5.6% higher average prices compensating a decline of 1.7% in volumes. The Wine segment, however, posted a decrease of 7.6% in sales, with a fall of 6.8% in volumes and 0.9% lower average prices.

Gross income rose by 7.3% to Ch$264,318 million, boosted by higher gross income in the International Business and Chile segments, reflecting revenue management efforts, efficiencies in supply and manufacture, and the appreciation of the Chilean peso with respect to the US dollar, reducing costs denominated in US dollars, despite the negative

[8] Corresponds to Quiñenco's proportionate share of CCU's net income, prepared in accordance with IFRS.

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effect on costs of the depreciation of the Argentine peso during the period. Gross income from the Wine segment, however, decreased mainly due to a higher cost of wine following weak harvests. The gross margin as a percentage of sales increased from 54.9% in 1Q 2017 to 56.0% in 1Q 2018.

Operating income reached Ch$89,849 million, increasing 16.6% from 1Q 2017, primarily explained by the increase in gross income explained above, and lower losses from derivatives in the current quarter. Although marketing, selling, distribution and administrative expenses (MSD&A) increased 3.1%, as a percentage of sales they diminished from 37.6% to 36.9%, mainly reflecting efficiencies in logistics and economies of scale in the International Business segment, despite high levels of inflation in Argentina. In the Chile segment, MSD&A expenses increased relative to sales, mostly due to marketing initiatives and lower dilution of fixed costs. In the Wine segment, MSD&A expenses also increased as a percentage of sales. EBITDA amounted to Ch$112,570 million in 1Q 2018, increasing 12.3% from 1Q 2017.

CCU reported non-operating losses of Ch$7,323 million, 2.0% below the loss of Ch$7,475 million reported in 1Q 2017. The variation is mainly explained by greater financial income, lower financial costs and a more favorable result from the effect of inflation on indexed liabilities, partially offset by higher losses of equity investments, mostly in Colombia, and to a lesser extent, higher losses from exchange rate differences.

Net income for the first quarter of 2018 amounted to Ch$56,745 million, 21.8% higher than the same quarter in 2017, primarily due to improved operating performance, partly offset by higher income tax expense due to higher taxable income and a higher corporate tax rate in Chile (which increased from 25.5% to 27%), mitigated by a reduction of the corporate tax rate in Argentina (from 35% to 30%) and a positive impact on taxes of assets in foreign currencies.

QUIÑENCO and Others

The higher loss of Quiñenco and others is mainly explained at the corporate level by lower financial income resulting from a lower cash balance, a greater negative effect of inflation on liabilities in UFs, due to higher inflation in the current quarter, higher tax expenses and also 1Q 2017 includes the reversal of a tax contingency provision. The contribution from Banchile Vida diminished by 21.5% with respect to the same period in 2017, mostly explained by lower operating income.

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All of Quiñenco's Earnings and Press Releases and other relevant information on the Company, including quarterly financial statements, are available for viewing on the Company's website:

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