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QUIÑENCO S.A. ANNOUNCES CONSOLIDATED RESULTS FOR THE FIRST QUARTER OF 2012

(Santiago, Chile, May 29, 2012) Quiñenco S.A., a leading Chilean business conglomerate, announced today its consolidated financial results under IFRS, for the first quarter ended March 31, 2012.

Consolidated financial results are presented in accordance with IFRS and the regulations established by the Superintendency of Securities and Insurance (SVS). 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, 2012 (Ch\$487.44 = US\$1.00), unless indicated otherwise, and are only provided for the reader's convenience.

1Q 2012 HIGHLIGHTS

- Net income¹ amounted to a gain of Ch\$8,962 million in the first quarter of 2012, below the same period in 2011, primarily due to losses posted during the period by Quiñenco's equity investment CSAV. However, CSAV improved its operating performance as a result of the restructuring plan implemented in mid 2011. Quarterly results were also affected by lower financial income and higher financial costs, mostly at the corporate level.
- Consolidated revenues reached Ch\$404 billion with the incorporation of Enex's revenues as of June 2011.
- The contribution of operating companies during the first quarter of 2012 was boosted by the incorporation of Enex as of June 2011 and of SM-SAAM as of February 2012, as well as by the positive results obtained by Banco de Chile and Madeco. Despite growth in revenues and gross income, CCU posted lower net income due to a non-recurring gain registered in 1Q 2011.
- Earnings per ordinary share amounted to a gain of Ch\$6.79 for the first quarter of 2012.

¹ Net income corresponds to Net income attributable to Controllers' shareholders.



GROUP HIGHLIGHTS – FIRST QUARTER 2012 AND SUBSEQUENT EVENTS

Quiñenco – Raises funds through Bond Issue and Capital Increase

During January 2012, Quiñenco placed a bond issuance of UF 4,650,000 (approximately US\$200 million) in the local market. Starting in December 2011 and finishing in February 2012, Quiñenco raised approximately US\$500 million in equity through the issuance of 200 million new shares. Funds are primarily to be used in the capital increase of CSAV, as well as in other investments.

Quiñenco – Reaches 37.44% of Compañía Sud Americana de Vapores and SM-SAAM

During January and February 2012, Quiñenco subscribed US\$547 million in CSAV's capital increase of US\$1.2 billion, thus increasing its share in the company to 37.44%. Consequently with the success of this capital increase, as of February 15, 2012, SAAM (port & shipping services) was spun-off from CSAV, and SM-SAAM was established as the controlling entity of SAAM. CSAV shareholders as of February 29 received 1.1168666991 shares of SM-SAAM for each share of CSAV. SM-SAAM shares are traded as of March 1, 2012 on local stock exchanges. Quiñenco's share in SM-SAAM is also 37.44%.

Quiñenco – Dividend Distribution

At the Ordinary Shareholders Meeting held on April 26, 2012, shareholders approved a dividend distribution corresponding to 2011 net income of Ch\$32.71 per share, payable as of May 7, 2012, to those shareholders registered with the company as of May 6, 2012. The total amount of the dividend is Ch\$43,982 million, equivalent to 50.00% of 2011 net income.

FORMAT OF FINANCIAL STATEMENTS

As of 2012, the Superintendency of Securities and Insurance (SVS) has modified the format of the Income Statement, adding the line "Gains (losses) of operating activities". As defined by the SVS this sub-total 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. It is worth noting that until the year 2011, Operating Income as defined by Quiñenco did not include the item Other gains (losses), and therefore is not comparable to the definition of operating income used as of the first quarter in 2012.

SEGMENT INFORMATION

In accordance with IFRS requirements, financial information is reported for the four segments defined by Quiñenco for this purpose: Manufacturing, Financial, Energy and Others. 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

- Madeco

ii) Financial

- LQ Inversiones Financieras (LQIF holding)

iii) Energy

- Enx

iv) Other

- Quiñenco and others (includes CCU, Compañía Sud Americana de Vapores, SM-SAAM and eliminations)

The companies composing this sector reported their financial statements in accordance with IFRS. Madeco reports its financial statements in US dollars, and translates them to Chilean pesos for consolidation purposes.

On March 22, 2011, Quiñenco acquired directly a 10% stake in Compañía Sud Americana de Vapores (CSAV) from Maritima de Inversiones (Marinsa). On April 6, 2011, Quiñenco acquired, directly and indirectly through its subsidiaries Inversiones Río Bravo and Inmobiliaria Norte Verde, an additional 8% stake. During June and July 2011, Quiñenco and its subsidiaries subscribed an additional 2.6% share from the capital increase carried out by CSAV. During January and February 2012, Quiñenco and its subsidiaries subscribed an additional 16.8% share from the capital increase carried out by CSAV. Thus, as of March 31, 2012, Quiñenco holds directly and indirectly a 37.4% share in CSAV. As of February 15, 2012, SAAM (port & shipping services) was spun-off from CSAV, and SM-SAAM was established as the controlling entity of SAAM. CSAV shareholders as of February 29 received 1.1168666991 shares of SM-SAAM for each share of CSAV. SM-SAAM shares are traded as of March 1, 2012 on local stock exchanges. Quiñenco's share in SM-SAAM is also 37.44%.

On May 31, 2011, Quiñenco acquired through its indirect subsidiary Inversiones Río Cobre Ltda. the companies Shell Chile S.A.C.I., Inversiones Shell S.A., and Shell Trading Chile S.A., from Royal Dutch Shell Plc for a total amount of US\$633 million, including working capital and cash.

In August 2011, Shell Chile S.A.C.I., Inversiones Shell S.A., and Shell Trading Chile S.A. changed their legal names to Enx S.A., Inversiones Enx S.A., and Enx Trading S.A., respectively. The energy sector includes these three companies, as well as Inversiones Río Cobre Ltda., and the latter's holding company Inversiones Río Aurum S.A., a fully-owned indirect subsidiary of Quiñenco. As part of the financing of the acquisition of Enx, Inversiones Río Aurum obtained bank debt amounting to US\$155 million, with Quiñenco's guarantee. The energy sector's results correspond to 2012 only, following the acquisition on May 31st, 2011.

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.

Summarized Consolidated Income Statement

Sector /Segment	Manufacturing		Financial		Energy		Other		Total	
	1Q 11	1Q 12	1Q 11	1Q 12	1Q 11	1Q 12	1Q 11	1Q 12	1Q 11	1Q 12
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Consolidated Income (Loss) Industrial Sector	4,078	16,275	(5,442)	(6,052)	-	2,212	22,981	(28,642)	21,617	(16,209)
Consolidated Income Banking Sector	-	-	-	101,218	-	-	-	-	-	101,218
Consolidated Net Income (Loss)	4,078	16,275	94,222	95,166	-	2,212	22,981	(28,642)	121,281	85,010
Net income (loss) attributable to Non-controlling interests	2,395	7,567	66,170	68,282	-	-	(507)	199	68,058	76,048
Net Income (loss) attributable to Controllers' Shareholders	1,683	8,707	28,052	26,884	-	2,212	23,488	(28,840)	53,223	8,962

Net Income – 1Q 2012

Quiñenco reported a net gain of Ch\$8,962 million in the first quarter of 2012, below the net income reported for the same period in 2011, primarily due to losses posted during the period by Quiñenco's equity investment CSAV. In addition, financial income dropped mainly at the corporate level, due to a lower cash balance and a lower market value of its financial investments, and financial costs increased due to a higher level of debt following Quiñenco's bond issuances and the debt required to finance the acquisition of Enx. Banco de Chile and Madeco contributed with positive results during the quarter, as did Enx and SM-SAAM, as of 2012. CCU, however, reported lower net income due to a non-recurring gain related to insurance settlements registered in 1Q 2011.

Earnings per ordinary share amounted to a gain of Ch\$6.79 in the first quarter of 2012.

Consolidated Income Statement Breakdown

	1Q 2011		1Q 2012	
	MCh\$	MUS\$	MCh\$	MUS\$
Industrial Sector				
Revenues	79,902	163.9	404,057	828.9
Manufacturing - Madeco	52,279	107.3	50,401	103.4
Financial - LQIF holding	-	-	-	-
Energy - Enex	-	-	328,782	674.5
Other - Quiñenco & others	27,623	56.7	24,874	51.0
Operating income (loss)²	3,369	6.9	26,379	54.1
Manufacturing - Madeco	5,330	10.9	22,959	47.1
Financial - LQIF holding	(2,287)	(4.7)	(1,564)	(3.2)
Energy - Enex	-	-	3,797	7.8
Other - Quiñenco & others	326	0.7	1,186	2.4
Non-operating income (loss)³	18,907	38.8	(35,917)	(73.7)
Interest income	9,362	19.2	4,656	9.6
Interest expense	(4,587)	(9.4)	(9,256)	(19.0)
Share of net income/loss from related co.	15,198	31.2	(21,479)	(44.1)
Foreign exchange gain (loss)	349	0.7	(3,930)	(8.1)
Indexed units of account restatement	(1,415)	(2.9)	(5,908)	(12.1)
Income (loss) tax	(659)	(1.4)	(6,669)	(13.7)
Net income (loss) from discontinued operations	-	-	-	-
Consolidated Net Income (Loss) Industrial Sector	21,617	44.3	(16,207)	(33.3)
Banking Sector				
Operating revenues	304,741	625.2	339,093	695.7
Provision for loan losses	(26,121)	(53.6)	(46,949)	(96.3)
Operating expenses	(141,492)	(290.3)	(155,415)	(318.8)
Operating income (loss)	137,128	281.3	136,730	280.5
Non-operating income (loss)	(17,623)	(36.2)	(20,644)	(42.4)
Income (loss) tax	(19,841)	(40.7)	(14,868)	(30.5)
Consolidated Net Income Banking Sector	99,664	204.5	101,218	207.7
Consolidated Net Income (Loss)	121,281	248.8	85,010	174.4
Net income attributable to Non-controlling interests	68,058	139.6	76,048	156.0
Net income attributable to Controllers' shareholders	53,223	109.2	8,962	18.4

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 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.

Revenues – 1Q 2012

Consolidated revenues totaled Ch\$404,057 million in the first quarter of 2012, significantly above those of the same period in 2011, primarily due to the incorporation of Enex's results as of June 2011, which amounted to Ch\$328,782 million in sales. Revenues from Banchile Seguros de Vida, included in Quiñenco and others, however, decreased 10.1% during the quarter. Madeco's sales also diminished 3.6% with respect to 1Q 2011, mainly due to lower revenues from brass mills, reflecting a lower sales volume and lower average copper prices, partially compensated by higher sales of the profiles unit, boosted by increased activity in the construction sector, and higher revenues of flexible packaging, mostly in Peru⁴.

Consolidated sales in the first quarter of 2012 can be broken down as follows: Enex (81.4%), Madeco (12.5%), and others (6.1%).

Operating Income - 1Q 2012⁵

Operating income for the first quarter of 2012 reached a gain of Ch\$26,379 million, compared to a gain of Ch\$3,369 million in the first quarter of 2011. The improvement in consolidated operating results is primarily attributable to Madeco's growth in operating income, mainly reflecting negative goodwill arising from the change in the accounting method of its investment in Nexans. Also, Enex's results contributed Ch\$3,797 million in operating income, and Banchile Seguros de Vida's results grew by 48.1% during the quarter.

EBITDA⁶ – 1Q 2012

EBITDA amounted to Ch\$5,967 million in 1Q 2012, up 10.4% from Ch\$5,403 million in 1Q 2011, generated mainly by Enex's and Banchile Seguros de Vida's operations.

Non-Operating Results⁷ – 1Q 2012

Non-operating income amounted to a loss of Ch\$35,917 million in the first quarter of 2012, compared to non-operating income of Ch\$18,907 million in the same quarter of 2011. The variation between the two periods is mostly explained by losses from equity investments.

Proportionate share of net income of equity method investments (net) – 1Q 2012

Quiñenco's proportionate share of net income from equity method investments (net), which primarily includes the results from CCU, CSAV, and SM-SAAM reached a loss of Ch\$21,479 million, compared to a gain of Ch\$15,198 million in 1Q 2011.

⁴ It is worth noting that since Madeco reports in US dollars and translates its financial statements to Chilean pesos for consolidation purposes, variations analyzed in Chilean pesos vary from those in US dollars. For analysis of Madeco's results in US dollars as reported to the SVS, refer to Segment/Operating company analysis.

⁵ Operating income includes: Gross income (revenues minus cost of sales), Distribution costs, Administrative expenses, Other operating revenue, Other operating expenses, and Other gains/losses.

⁶ EBITDA is calculated as: Operating income minus/plus others gains/losses plus depreciation plus amortization of intangibles.

⁷ 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.

Quiñenco's proportionate share of net income from CCU decreased by 11.8% to Ch\$13,136 million.
Quiñenco's proportionate share of net income from CSAV amounted to a loss of Ch\$37,628 million.
Quiñenco's proportionate share of net income from SM-SAAM amounted to a gain of Ch\$2,837 million.

Interest Income - 1Q 2012

Interest income for the first quarter of 2012 amounted to Ch\$4,656 million, 50.3% below that obtained in 1Q 2011. This variation corresponds mainly to lower financial income at Quiñenco, reflecting a lower balance of cash and the lower market value of its financial assets. It is worth noting that as of the first quarter of 2011, Quiñenco values its financial assets related with its cash position at the Corporate level at fair value, with effect on the income statement.

Interest Expense - 1Q 2012

Interest expense for the first quarter of 2011 amounted to Ch\$9,256 million, substantially higher than the Ch\$4,587 million reported in 1Q 2011. The variation is mainly explained by the addition of Enx as of June 2011, which includes the interest expense generated by the debt required to finance its acquisition, as well as higher interest expense at Quiñenco reflecting its bond issuances carried out in June 2011 and January 2012, and to a lesser extent at Madeco and LQIF.

Foreign currency exchange differences – 1Q 2012

In 1Q 2012, the gains (losses) specific to foreign currency translation differences amounted to a loss of Ch\$3,930 million, compared to a gain of Ch\$349 million reported in 1Q 2011, primarily attributable to losses at Quiñenco due to a loan granted to CSAV denominated in USD, partially offset by net gains at Madeco due to its net asset position in Reales.

Indexed units of account restatement – 1Q 2012

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\$5,908 million in the first quarter of 2011, compared to a loss of Ch\$1,415 million reported in the same period of 2011, due to the higher rate of inflation prevailing in the current quarter and its adjustment effect on liabilities in UFs, together with a higher level of liabilities, primarily at Quiñenco.

Income Taxes – 1Q 2012

The industrial sector reported income tax of Ch\$6,669 million, compared to income tax of Ch\$659 million reported in the first quarter of 2011, primarily due to higher income tax at Madeco during the quarter, primarily corresponding to deferred taxes related to the change in the accounting method of its investment in Nexans.

Non-controlling Interests – 1Q 2012

In the first quarter of 2012, at a consolidated level (including both industrial and banking net income), net income attributable to non-controlling interests amounted to Ch\$76,048 million. Of the total amount reported in 1Q 2012, Ch\$40,250 million corresponds to minority shareholders' share of Banco de Chile and SM Chile's net

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

II. Banking Sector

Operating Revenues - 1Q 2012

Operating revenues for the first quarter of 2012 amounted to Ch\$339,093 million, 11.3% above the first quarter of 2011, mainly due to growth in net financial income at Banco de Chile, based on strong loan portfolio growth during the period, an increment in the balance of current accounts and demand deposits together with increasing nominal interest rates, and the favorable effect of the higher rate of inflation.

Provision for Credit Risk - 1Q 2012

Provisions for loan losses at Banco de Chile amounted to Ch\$46,950 million in the first quarter of 2012, 79.7% higher than the provisions registered in the first quarter of 2011, primarily attributable to increasing levels of overdue loans in the industry, as well as the strong 19.2% growth in average loans during the year.

Operating expenses - 1Q 2012

Operating expenses increased by 9.8% to Ch\$155,415 million, mainly explained by an increase of 9.9% in Banco de Chile's operating expenses to Ch\$155,350 million, mostly related to the Bank's increased commercial activity and revenues that led to higher headcount in the commercial areas and expansion of the distribution network. Also, personnel expenses grew reflecting salary increases resulting from the collective bargaining process carried out in 2011.

Non-operating Results - 1Q 2012

During the first quarter of 2012 non-operating results amounted to a loss of Ch\$20,644 million as compared to a loss of Ch\$17,623 million in the first quarter of 2011, primarily explained by higher accrued interest expense of the Subordinated Debt with the Chilean Central Bank, owing to the higher rate of inflation registered during the first quarter of 2012, and to a lesser extent due to lower income from related companies.

Net Income - 1Q 2012

Net income for the banking sector amounted to Ch\$101,218 million up by 1.6% over the same period in 2011, due to higher operating revenues and lower income tax that compensated higher provisions for credit risk and higher operating expenses.

CONSOLIDATED BALANCE SHEET ANALYSIS (vis-à-vis the 4th quarter of 2011)

Condensed Consolidated Balance Sheet

	12-31-2011		03-31-2012	
	MCh\$	MUS\$	MCh\$	MUS\$
Current assets industrial sector	532,325	1,092.1	715,831	1,468.6
Non-current assets industrial sector	1,977,472	4,056.9	2,238,832	4,593.0
Assets financial sector	21,740,945	44,602.3	21,954,299	45,040.0
Total assets	24,250,742	49,751.2	24,908,962	51,101.6
Current liabilities industrial sector	253,693	520.5	253,049	519.1
Long-term liabilities industrial sector	658,223	1,350.4	767,853	1,575.3
Liabilities financial sector	20,284,941	41,615.3	20,479,439	42,014.3
Non-controlling interests	1,493,945	3,064.9	1,576,034	3,233.3
Shareholders' equity	1,559,940	3,200.3	1,832,586	3,759.6
Total liabilities & shareholders' equity	24,250,742	49,751.2	24,908,962	51,101.6

Current Assets Industrial Sector

Current assets increased by 34.5% compared to the fourth quarter of 2011, mainly due to funds received from Quiñenco's capital increase amounting to Ch\$250,042 million, Quiñenco's bond issuance of UF 4,650,000, and dividend income received by LQIF from Banco de Chile. On the other hand, Ch\$269,685 million were invested in an additional 16.8% share in CSAV, increasing Quiñenco's stake in the company to 37.44%.

Non Current Assets Industrial Sector

Non current assets increased by 13.2% compared to the fourth quarter of 2011, mainly due to the increased share in CSAV, also reflected in the equity investment SM-SAAM that was spun-off from CSAV on February 15, 2012. In addition, Madeco's investment in Nexans is now accounted for as an equity investment instead of a financial asset, increasing the value of this investment. These increases were partially offset by CSAV's loss during the quarter, and by lower deferred taxes due to the change in the accounting method of Nexans.

Assets Banking Sector

Total assets of the banking sector increased by 1.0% compared to the fourth quarter of 2011. Loans to customers increased by 19.4% with respect to December 2011, reflecting growth in all segments, and particularly of commercial and residential mortgage loans.

Current Liabilities Industrial Sector

Current liabilities decreased by only 0.3% over the fourth quarter of 2011, mainly due to lower account payables at Enex.

Long-term Liabilities Industrial Sector

Long-term liabilities increased by 16.7% in comparison to the fourth quarter of 2011, mainly explained by the bond issuance carried out by Quiñenco in January 2012 of UF 4,650,000.

Liabilities Banking Sector

Liabilities corresponding to the banking sector increased by 1.0% compared to the fourth quarter of 2011.

Minority Interest

Minority interest increased by 5.5% in comparison to the fourth quarter of 2011 mainly explained by higher minority interest in LQIF, Banco de Chile and Madeco.

Equity

Shareholders' equity increased by 17.5% compared to the fourth quarter of 2011 primarily reflecting the capital increase carried out during the period, and to a lesser extent due to the variation in other reserves, corresponding to the reversal of the losses generated by the valuation of financial assets available for sale (Nexans), partially offset by the conversion effect of translating CSAV and Madeco's financial statements from dollars to Chilean pesos, as well as period earnings net of dividends provisioned.

Quiñenco Corporate Level Debt and Cash

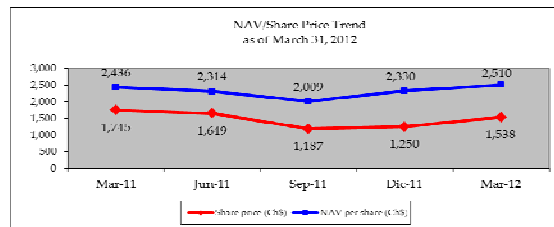
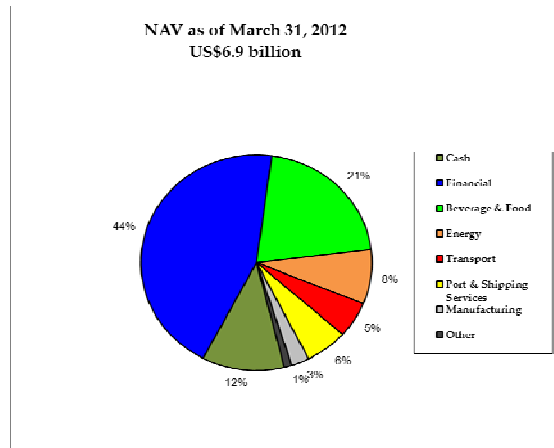
As of March 31, 2012	Debt		Cash & equivalents		Total Net Debt	
	MCh\$	MUS\$	MCh\$	MUS\$	MCh\$	MUS\$
Corporate level	319,778	656.0	387,994	796.0	(68,216)	(139.9)
Adjusted for:						
50% interest in LQIF	92,152	189.1	57,762	118.5	34,390	70.6
50% interest in IRSA	7,323	15.0	212	0.4	7,111	14.6
100% interest in Aurum*	73,088	149.9	23	0.0	73,064	149.9
Total	492,340	1,010.1	445,990	915.0	46,349	95.1

* Parent company of Enx. Debt is currently guaranteed by Quiñenco

The debt to total capitalization ratio at the corporate level (unadjusted) was 14.1% as of March 31, 2012.

NAV

As of March 31, 2012, the estimated net asset value (NAV) of Quiñenco was US\$6.9 billion (Ch\$2,510 per share) and market capitalization was US\$4.2 billion (Ch\$1,538 per share). The discount to NAV is estimated at 38.7% as of the same date.



SEGMENT /OPERATING COMPANY ANALYSIS

Sector /Segment	Manufacturing		Financial		Energy		Other		Total	
	1Q 11	1Q 12	1Q 11	1Q 12	1Q 11	1Q 12	1Q 11	1Q 12	1Q 11	1Q 12
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Industrial Sector										
Net income (loss) from continued operations before taxes	5,126	21,981	(6,126)	(6,561)	-	2,622	23,277	(27,580)	22,277	(9,539)
Income (loss) tax	(1,048)	(5,706)	684	509	-	(410)	(296)	(1,062)	(659)	(6,669)
Net income (loss) industrial sector	4,078	16,275	(5,442)	(6,052)	-	2,212	22,981	(28,642)	21,617	(16,209)
Banking Sector										
Net income before taxes	-	-	-	116,086	-	-	-	-	-	116,086
Income (loss) tax	-	-	-	(14,868)	-	-	-	-	-	(14,868)
Net income banking sector	-	-	-	101,218	-	-	-	-	-	101,218
Consolidated net income (loss)	4,078	16,275	94,222	95,166	-	2,212	22,981	(28,642)	121,281	85,010
Net income (loss) attributable to Non-controlling interests	2,395	7,567	66,170	68,282	-	-	(507)	199	68,058	76,048
Net income (loss) attributable to Controllers' shareholders	1,683	8,707	28,052	26,884	-	2,212	23,488	(28,840)	53,223	8,962

MANUFACTURING SEGMENT

The following table details the contribution of the investments in the Manufacturing segment during 2011 and 2012 to Quiñenco's net income:

	1Q 11		1Q 12	
	MCh\$	MUS\$	MCh\$	MUS\$
Madeco	1,683	3.5	8,707	17.9
Total Manufacturing Segment	1,683	3.5	8,707	17.9

As of March 31, 2012 and 2011, Quiñenco's ownership of Madeco was 54.4% and 47.7%, respectively.

MADECO

	1Q 11		1Q 12		1Q 11	1Q 12
	MCh\$	MUS\$	MCh\$	MUS\$ ⁸	ThUS\$ ⁹	ThUS\$
Sales	52,279	107.3	50,401	103.4	108,488	103,112
Operating income ¹⁰	5,330	10.9	22,959	47.1	10,974	47,075
Net loss discontinued operations	-	-	-	-	-	-
Net income (loss) Controller	3,532	7.2	15,993	32.8	7,265	32,907
Total assets			435,759	894.0		893,973
Shareholders' equity			292,659	600.4		600,400

Madeco 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. Madeco'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 SVS, as shown in the last two columns of the table.

Until 2011, the investment in Nexans was valued as a financial asset available for sale. As of January 11, 2012, Madeco gained significant influence in Nexans with the appointment of a member of the Compensations Committee, in addition to three Board members, therefore as of that date Nexans is valued as an equity method investment. However, 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, Madeco requested and was granted approval from the SVS 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 2012 Results

Madeco's sales declined 5.0% to US\$103,112 thousand in the first quarter of 2012 compared to the same period of 2011, primarily due to lower sales of brass mills, partially compensated by higher sales of profiles and flexible packaging. Sales of brass mills decreased 20.5% due to a lower sales volume and lower average prices, reflecting the drop in copper prices. Sales of the profiles unit increased 20.6% based on increased activity in the construction sector. Flexible packaging sales remained stable with respect to 1Q 2011, mainly due to sales growth in Peru, offset by lower sales in Chile and Argentina.

During the first quarter of 2012, sales of the flexible packaging unit accounted for 52.3% of sales, followed by brass mills (31.1%), and profiles (16.5%).

⁸ Converted to US\$ at the observed exchange rate on March 31, 2012 (Ch\$487.44 = US\$1.00).

⁹ Correspond to Financial Statements in US dollars as reported by Madeco to the Superintendency of Securities and Insurance (SVS).

¹⁰ Operating income includes: Gross income minus Distribution Costs, Administrative expenses, Other operating revenue, Other operating expenses, and Other gains/losses.

Gross income reached US\$16,435 thousand, decreasing 12.5% with respect to 1Q 2011, mainly due to lower gross income from brass mills, due to the decrease in sales and a lower gross margin amid a more competitive environment. The flexible packaging unit also recorded a decrease in gross income, mostly explained by higher costs of raw material and non-recurring production costs related to the start-up of the new plant in Peru and a reorganization of the plant in Chile. Gross income from profiles increased in line with sales growth.

Operating income reached US\$47,075 thousand, substantially higher than the US\$10,974 thousand reported in 1Q 2011. This positive variation is primarily due to negative goodwill of US\$53,476 thousand arising from the change in the accounting method of Madeco's investment in Nexans, from a financial asset to an equity method investment. The latter was partially offset by the lower gross income explained above, as well as provisions and expenses reported in 1Q 2012 related to a legal contingency in Brazil.

Non-operating income for the quarter amounted to a loss of US\$1,853 thousand, compared to a loss of US\$414 thousand in 1Q 2011. This variation is mainly explained by higher financial costs due to the financing required for the investments in Nexans' shares, partly compensated by exchange rate gains due to the company's exposure in Brazilian reales.

Madeco reported a net gain of US\$32,907 thousand for the first quarter of 2012, due to the higher operating income explained above, partially offset by lower non-operating results and higher income tax in 1Q 2012 than in 1Q 2011, mainly due to deferred taxes arising from the change in the accounting method of the investment in Nexans.

FINANCIAL SEGMENT

The following table details the contribution of the investments in the Financial Segment during 2011 and 2012 to Quiñenco's net income:

	Quarter			
	1Q 11		1Q 12	
	MCh\$	MUS\$	MCh\$	MUS\$
LQIF holding	(2,717)	(5.6)	(3,022)	(6.2)
Banking sector	30,769	63.1	29,906	61.4
Total Financial Segment	28,052	57.5	26,884	55.2

As of March 31, 2012 and 2011, Quiñenco's ownership of LQIF was 50.0%. LQIF's economic rights in Banco de Chile were 40.8% as of March 31, 2011 and 39.5% as of March 31, 2012.

LQIF Holding

LQIF holding registered a loss of Ch\$6,052 million compared to a loss of Ch\$5,442 million in 1Q 2011, mainly due to higher losses related to the effect of increased inflation on financial obligations denominated in UFs coupled with higher financial obligations, and higher financial costs also due to the higher level of debt. These expenses were partially offset by increased financial income during the quarter, and higher operating income due to the

amortization of certain intangibles arising from the merger with Citibank in 2008, that was completed in December 2011.

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 Subordinated Debt with the Chilean Central Bank.

BANCO DE CHILE

	1Q 2011		1Q 2012	
	MCh\$	MUS\$	MCh\$	MUS\$
Operating revenues	303,435	622.5	337,720	692.8
Provision for loan losses	(26,120)	(53.6)	(46,950)	(96.3)
Operating expenses	(141,403)	(290.1)	(155,350)	(318.7)
Net income	116,885	239.8	121,161	248.6
Loan portfolio	14,871,771	30,510.0	17,754,739	36,424.5
Total assets	19,399,626	39,799.0	21,955,641	45,042.8
Shareholders' equity	1,411,514	2,895.8	1,766,586	3,624.2
Net financial margin	5.0%		4.9%	
Efficiency ratio	46.6%		46.0%	
ROAE	28.1%		23.8%	
ROAA	2.5%		2.2%	

1Q 2012 Results

Banco de Chile reported net income of Ch\$121,161 million in the first quarter of 2012, increasing by 3.7% with respect to the first quarter of 2011. These results are based on loan portfolio growth that has remained at two digits, a higher rate of inflation that has increased the revenues from the Bank's net asset position in UFs, and a leading market position in current accounts and demand deposits together with high nominal interest rates, which offset higher provisions for loan losses, higher operating expenses and lower fee income.

Operating revenues, which include net financial income, fee income and other operating income, increased by 11.3% to Ch\$337,720 million in the first quarter of 2012. This growth in operating revenues was primarily due to higher net financial income.

Net financial income reached Ch\$254,817 million, growing 16.8% with respect to that obtained in the first quarter of 2011, due to strong loan portfolio growth of 19.4% that more than offset a decrease in lending spreads; the net financial margin decreased from 5.0% in 1Q 2011 to 4.9% in 1Q 2012, growth of 13.3% in the average balance of current accounts and demand deposits together with higher nominal interest rates that increased the contribution from these non-interest bearing liabilities, and increased income from the Bank's net asset position in UFs given a higher rate of inflation. Net financial income comprised 75.5% of operating revenues in 1Q 2012.

Fee income decreased by 3.5% to Ch\$75,266 million, mainly due to lower fees from specialized financial services (mutual funds and stock brokerage), which were only partly compensated by higher fee income from traditional banking products (credit and debit cards).

Provisions for loan losses amounted to Ch\$46,950 as compared to Ch\$26,120 million reported in 1Q 2011. This 79.7% increase is explained by increasing levels of overdue loans across the whole industry, mostly concentrated in the retail banking segment, following the slowdown in aggregate demand and commercial activity in the second half of 2011, as well the strong 19.2% growth in average loans during the year. However, it is worth noting that allowances double the amount of past due loans, which in turn represent 1.15% of total loans.

Operating expenses increased by 9.9% to Ch\$155,350 million, in line with the Bank's higher level of commercial activity and operating revenues. Personnel and administrative expenses increased due to salary increases resulting from the collective bargaining process carried out in 2011, greater headcount in the commercial areas, the expansion in the distribution network, and inflation during the period.

As of March 2012, the Bank's loan portfolio had demonstrated a strong annual growth of 19.4% and a quarterly increase of 2.2% with respect to December 2011. Annual portfolio growth is driven by all credit products, but particularly by commercial loans that grew 18.8% based on greater demand for credit from both small/medium sized companies and large companies. Residential mortgage loans continued with a strong growth of 24.0% over the past year, based on a competitive cost of funding and a strategic approach to build long-term relationships with customers. Consumer loans also posted strong growth of 15.5%, based on increased activity in credit cards and installment loans.

Banco de Chile is the first ranked bank in the country with a market share of 19.7% of total loans according to information published by the Chilean Superintendency of Banks for the period ended March 31, 2012. Its return on equity after taxes (annualized) reached 27.4%, compared to 17.3% for the local financial system, according to the same source.

Interest Subordinated Debt

In the first quarter of 2012 accrued interest expense of the Subordinated Debt with the Chilean Central Bank was 15.2% higher than the first quarter of 2011, due to the effect of the higher rate of inflation in 1Q 2012 as compared to the previous period.

ENERGY SEGMENT

The following table details the contribution of the investments in the Energy Segment during 2011 to Quiñenco's net income:

	1Q 12	
	MCh\$	MUS\$
Enex	2,212	4.5
Total Energy Segment	2,212	4.5

As of March, 2012, Quiñenco controls 100% of the energy segment. Results correspond to the three month period in 2012, following the acquisition on May 31, 2011.

ENEX¹¹

	1Q 12	
	MCh\$	MUS\$
Sales	328,782	674.5
Operating income (loss)	3,797	7.8
Net income (loss) Controller	2,212	4.5
Total assets	435,286	893.0
Shareholders' equity	231,286	474.5

During 1Q 2012, Enex reported net income of Ch\$2,212 million. Sales during the period reached Ch\$328,782 million, corresponding primarily to sales of fuels, followed by lubricants, asphalts, chemical products and services. The total volume dispatched during the quarter amounted to 547 thousand cubic meters, of which 93% corresponds to fuels. Gross income during the period reached Ch\$25,703 million, due to the cost of fuel and the other products distributed by Enex. Operating income during the quarter reached a gain of Ch\$3,797 million, due to gross income partially offset by sales and administrative expenses of Ch\$22,338 million. Non-operating income amounted to a loss of Ch\$1,175 million, mostly attributable to the financial costs related to the bank debt required to finance the acquisition of Enex.

¹¹ The energy sector (Enex) includes Enex S.A., Inversiones Enex S.A., and Enex Trading S.A., as well as Inversiones Río Cobre Ltda., and the latter's holding company Inversiones Río Aurum S.A., both fully-owned indirect subsidiaries of Quiñenco. As part of the financing of the acquisition of Enex, Inversiones Río Aurum obtained bank debt amounting to US\$155 million, with Quiñenco's guarantee.

OTHER SEGMENT

The following table details the contribution from investments in the Segment Others during 2011 and 2012 to Quiñenco's net income:

	1Q 11		1Q 12	
	MCh\$	MUS\$	MCh\$	MUS\$
IRSA (CCU) ¹²	14,896	30.6	13,136	26.9
CSAV	-	-	(37,628)	(77.2)
SM-SAAM	-	-	2,837	5.8
Quiñenco & others	8,592	17.6	(7,185)	(14.7)
Total Segment Others	23,488	48.2	(28,840)	(59.2)

As of March 31, 2012 and 2011, Quiñenco's ownership of CCU was 33.1%. As of March 31, 2012, Quiñenco's ownership of both CSAV and SM-SAAM was 37.44%.

CCU

	1Q 11		1Q 12	
	MCh\$	MUS\$	MCh\$	MUS\$
Sales	242,263	497.0	281,482	577.5
Operating income (loss)	65,977	135.4	54,188	111.2
Net income (loss)	45,515	93.4	40,225	82.5
Total assets			1,280,562	2,627.1
Shareholders' equity			580,939	1,191.8

1Q 2012 Results

CCU's sales in the first quarter of 2012 grew by 16.2% compared to the first quarter of 2011, as a result of higher consolidated sales volumes and higher average prices. The 8.8% growth in sales volumes was led by spirits (+25.4%), non-alcoholic beverages (+18.6%), wine (+5.8%), and the Chilean beer segment (+5.6%). The Argentine beer segment, however, decreased 1.9%. The growth of the spirits segment reflects the successful addition of Pernod Ricard products. Average prices increased by 7.2%, mainly reflecting a higher average price of beer in Argentina, due to the exchange rate, increased prices of spirits based on a change in sales mix, also reflecting the Pernod Ricard products, and to a lesser extent of non-alcoholic beverages, wine, and beer in Chile.

Gross profit rose by 15.2% to Ch\$155,208 million, slightly below the growth in sales due to increased cost of sales, which went up by 17.4%. The gross margin as a percentage of sales decreased from 55.6% in 1Q 2011 to 55.1% in 1Q 2012.

¹² Corresponds to Quiñenco's proportionate share of CCU's net income, prepared in accordance with IFRS.

Operating income reached Ch\$54,188 million, falling by 17.9% from 2011, lower than the strong growth in gross profit mainly due to a non-recurring gain reported in 1Q 2012 of Ch\$12,603 million related to the settlement of insurance claims from the earthquake, and to a lesser extent due to hedging losses reported in 2012. Also, SG&A expenses were higher in 1Q 2012 due to inflationary pressures in Argentina and higher distribution costs in Chile. As a percentage of sales, SG&A expenses rose from 34.1% in 1Q 2011 to 35.3% in 1Q 2012. 1Q 2012 EBITDA amounted to Ch\$69,280 million, decreasing 10.5% with respect to 1Q 2011.

CCU reported non-operating losses of Ch\$2,870 million compared to a loss of Ch\$2,168 million in 1Q 2011. The variation is mainly explained by higher losses related to the effect of the higher rate of inflation on financial obligations denominated in UFs, partially compensated by a lower level of obligations in UFs, as well as lower results from the associate Foods during the quarter. On the other hand, net financial expenses decreased as a result of higher cash balances.

Net income for the first quarter of 2012 amounted to Ch\$40,225 million, down by 11.6% from the same quarter in 2011, primarily due to the aforementioned non-recurring gain from the insurance settlement in 2011 and lower non-operating results, partially offset by lower income tax in 1Q 2012 due to the lower prevailing corporate tax rate in Chile, and the effect of foreign exchange fluctuations on taxes.

CSAV

	1Q 11	1Q 12
	ThUS\$	ThUS\$
Sales	1,454,537	832,063
Operating income (loss)	(197,287)	(175,288)
Net income (loss)	(186,355)	(205,229)
Total assets		2,702,421
Shareholders' equity		973,898

1Q 2012 Results

During the first quarter of 2012 CSAV reported a net loss of US\$205 million, 10.1% higher than the loss reported in the previous period. However, due to the spin-off of SAAM as of February 15, 2012, financial statements as of March 2012 no longer include this company, and therefore differ from the first quarter 2011 which did include it.

CSAV's consolidated sales in 1Q 2012 decreased by 42.8% with respect to 2011, primarily due to a 43.0% reduction in transported volume of containership services as a result of the restructuring plan implemented in the second quarter of 2011, which reduced the company's operating scale, suspending some services and modifying others, thus changing the markets and service mix of the company's operations. The decrease is also explained to a lesser extent by the spin-off of SAAM, which had sales of US\$89 million during the first quarter of 2011.

During 1Q 2012 gross income amounted to a loss of US\$127 million, without variation with respect to 1Q 2011, due to a drop in cost of sales in line with the drop in transported volumes explained above. Operating income was a loss

of US\$175 million in 1Q 2012, 11.2% lower than the loss obtained in 1Q 2011, primarily due to a 20.6% reduction in administrative expenses, explained by the spin-off of SAAM, that contributed with US\$11 million in expenses in 1Q 2011, and also due to the restructuring plan implemented by the company.

Non-operating income for the quarter amounted to a loss of US\$17 million as compared to a gain of US\$1 million reported in 1Q 2011. This negative variation is primarily due to exchange rate losses in 1Q 2012, arising from the company's liabilities in UFs.

Discontinued operations, which includes all the costs related to the restructuring plan such as excess capacity and subleases, amounted to a loss of US\$27 million.

CSAV reported a net loss of US\$205 million in 1Q 2012, due to the lower non-operating results and the loss of discontinued operations explained above, partially mitigated by a lower operating loss during the quarter.

SM-SAAM

	1Q 12
	ThUS\$
Sales	110,557
Operating income (loss)	15,049
Net income (loss)	15,697
Total assets	926,818
Shareholders' equity	628,341

1Q 2012 Results

In the first quarter of 2012 SM-SAAM's consolidated sales reached US\$111 million, corresponding to logistics (40.1%), tug boats (39.0%), and ports (24.7%).

During 1Q 2012 gross income amounted to a gain of US\$28 million, explained by logistics (34.3%), tug boats (41.0%), and ports (24.7%). Operating income reached US\$15 million in 1Q 2012, based on the gross income mentioned above, partially offset by administrative expenses of US\$14 million.

Non-operating income for the quarter amounted to a gain of US\$5 million, mainly attributable to income from equity investments amounting to US\$6 million and financial income of US\$2 million, partially offset by financial costs of US\$2 million.

SM-SAAM reported a net gain of US\$16 million in 1Q 2012, mainly based on the company's positive operating result, together with a non-operating gain during the quarter.



QUIÑENCO and Others

The variation of Quiñenco and others is mainly explained by lower financial income at the corporate level, reflecting a lower cash balance and a lower market value of its financial assets, exchange rate losses mainly owing to a USD loan granted to CSAV by Quiñenco, greater adjustment losses due to a higher rate of inflation together with increased liabilities in UFs, and higher financial costs reflecting the higher level of debt in 2012 following the bond issuances carried out by Quiñenco in June 2011 and January 2012. Banchile Seguros de Vida, however, contributed with a 48.9% growth in net income with respect to the previous period.

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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:

www.quinenco.cl
www.quinencogroup.com