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QUIÑENCO S.A. ANNOUNCES CONSOLIDATED RESULTS FOR THE FIRST QUARTER OF 2014

(Santiago, Chile, May 30, 2014) Quiñenco S.A., a leading Chilean business conglomerate, announced today its consolidated financial results under IFRS, for the first quarter ended March 31, 2014.

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, 2014 (Ch\$551.18 = US\$1.00), unless indicated otherwise, and are only provided for the reader's convenience.

1Q 2014 HIGHLIGHTS

- Net income¹ amounted to a gain of Ch\$36,625 million in the first quarter of 2014, 12.1% below the same period in 2013, primarily due to two non-recurring gains reported in 2013: a gain of Ch\$14,023 million reported by Madeco related to its investment in Peru, and a gain of Ch\$5,445 million arising from an extraordinary amortization of the Subordinated debt with the Central Bank reported by LQIF.
- A gain of Ch\$86,117 million for Quiñenco, generated by the sale of Banco de Chile shares held by LQIF, is not included in net income. In accordance with IFRS it is registered as an increment in equity.
- Consolidated revenues reached Ch\$619 billion, 53.1% higher than the first quarter of 2013, boosted by growth at Enx.
- Enx and Banco de Chile reported sound operating performance and positive results, while CCU's net income remained stable. CSAV, in turn, has continued improving as reflected in reduced losses. SM SAAM's results, however, were impacted by the port strike in Chile.
- Earnings per ordinary share amounted to a gain of Ch\$22.03 for the first quarter of 2014.

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



GROUP HIGHLIGHTS – FIRST QUARTER 2014 AND SUBSEQUENT EVENTS

LQIF – Sells Banco de Chile shares through secondary offering

In January, 2014, LQIF carried out a secondary offering, equivalent to a 7.2% stake in Banco de Chile, receiving approximately US\$818 million. LQIF sold 6,700 million shares at a price of Ch\$67 per share. Thus the Bank's free float increased from 17.6% to 24.8%. The transaction generated a gain for Quiñenco of Ch\$86,117 million. However, in accordance with IFRS this gain was reported as an increment in equity and therefore had no effect in period earnings.

CSAV – Announces new capital increases

On February 13, 2014, CSAV announced two capital increases, one for US\$200 million to complete the financing of its 7 new vessels, which was approved by the Shareholders' Meeting held on March 21, 2014, and a second possible new capital increase of up to US\$400 million, to be carried out if the merger with Hapag Lloyd is materialized.

Madeco – Closure of profiles subsidiary in Chile

On March 10, 2014, Madeco announced the closure of its profile's subsidiary Indalum, due to a sustained loss of competitiveness, due to higher costs, mainly of energy, and loss of economies of scale, together with growing lower priced imports of aluminum and PVC profiles.

Madeco – Announces capital increase of US\$200 million

On March 10, 2014, Madeco announced a capital increase of US\$200 million, approved by the Shareholders' Meeting held in April, in order to finance the expansion of the flexible packaging business, primarily investments in the companies it has in Chile, Peru, Argentina, and Colombia (including a new plant in this country), the potential acquisition of new companies in these and other markets in the region, and the partial prepayment of liabilities.

CSAV – Binding agreement to merge with Hapag Lloyd signed

Following a non-binding agreement signed in January, 2014, on April 16, 2014, CSAV announced a binding MOU with the German shipping company Hapag Lloyd (HL), to merge CSAV's container business with HL, becoming shareholder in the merged company with a 30% stake. CSAV would be the largest shareholder, and through a shareholders' agreement would control around 75% of the combined entity. The new company would be the 4th largest operator worldwide. The transaction is subject to approvals from antitrust authorities in various jurisdictions.

Madeco – Announces new name

On April 16, 2014, Madeco's Shareholders' Meeting approved the decision to change the company's name to Tech Pack, in accordance with its current main business line.



Invexans – Capital increase of US\$270 million

As approved by Invexans' Extraordinary Shareholders' Meeting in November 2013, Invexans is currently carrying out a capital increase where it expects to raise US\$270 million through the issue of 15 billion new shares. The funds will be destined to finance the shares acquired to increase its stake in Nexans, including its participation in Nexans' capital increase, as well as the reduction of liabilities. Invexans' current stake in Nexans is 28.0%.

Quiñenco – Dividend Distribution

At the Ordinary Shareholders Meeting held on April 30, 2014, shareholders approved a dividend distribution corresponding to 2013 net income of Ch\$45.05 per share, payable as of May 12, 2014, to those shareholders registered with the company as of May 6, 2014. The total amount of the dividend is Ch\$74,904 million, equivalent to 60.00% of 2013 net income.

CCU – Enters Bolivian beverage market

On May 7, 2014, CCU announced its incursion in Bolivia, through the acquisition of a 34% stake of Bebidas Bolivianas (BBO). CCU can push this stake up to 51%. BBO produces and commercializes alcoholic and non alcoholic beverages.

Invexans – Agreement with Nexans terminated

On May 22, 2014, Invexans and Nexans announced the termination of the agreement in place since 2011. On May 15, 2014, Invexans had requested the termination of the agreement to the French company, given that the main objective of the agreement to consolidate Invexans as Nexans' reference shareholder has been accomplished. On May 22, 2014, Nexans' Board of Directors approved the request. Invexans has also declared that it does not intend to gain more than 30% control of Nexans, nor does it intend to divest totally or partially its stake in the French cable company.



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.

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

- Invexans
- Madeco

ii) Financial

- LQ Inversiones Financieras (LQIF holding)

iii) Energy

- Enex

iv) Other

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

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

On March 27, 2013, Madeco's Extraordinary Shareholders' Meeting approved the division of the company in Invexans as the legal successor, and a new company named Madeco. Invexans' main asset is its 28.0% stake in Nexans, a French multinational company leader in the world cable industry. Madeco's main assets are Alusa (flexible packaging), Madeco Mills (brass mills), and Indalum (profiles). During 2013 Madeco decided to discontinue the brass mills business in Chile and Argentina, and in March 2014 announced the decision to close the profiles business. As of March 31, Quiñenco's stake in Invexans and Madeco was 65.9%. Madeco has classified in 2013 the companies Madeco Mills, Decker Industrial and Indalum as discontinued operations in the income statement.



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 13	1Q 14	1Q 13	1Q 14	1Q 13	1Q 14	1Q 13	1Q 14	1Q 13	1Q 14
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Consolidated Income (Loss) Industrial Sector	15,123	(1,194)	1,258	(2,610)	5,821	12,135	(1,823)	(4,995)	20,378	3,336
Consolidated Income Banking Sector	-	-	106,010	130,405	-	-	-	-	106,010	130,405
Consolidated Net Income (Loss)	15,123	(1,194)	107,267	127,795	5,821	12,135	(1,823)	(4,995)	126,388	133,741
Net income (loss) attributable to Non-controlling interests	8,640	112	75,738	96,534	-	-	361	470	84,739	97,115
Net Income (loss) attributable to Controllers' Shareholders	6,483	(1,305)	31,529	31,261	5,821	12,135	(2,184)	(5,465)	41,649	36,625

Net Income – 1Q 2014

Quiñenco reported a net gain of Ch\$36,625 million in the first quarter of 2014, 12.1% below the same period in 2013, primarily due to non-recurring gains reported in 1Q 2013: a non-recurring gain reported by Madeco related to its investment in Peruplast, and a non-recurring gain arising from an extraordinary amortization of the Subordinated Debt with the Central Bank due to the sale of options on shares in Banco de Chile's capital increase reported by LQIF. However, Enex contributed with strong growth in net income, doubling its contribution with respect to 2013, boosted by the acquisition of Terpel Chile. Banco de Chile also reported positive results, with 24.1% growth in net income, while CSAV continued to improve its performance, reducing period losses. Although CCU's net income grew, its contribution decreased reflecting the dilution in ownership. SM SAAM's results were impacted negatively by the port strike in Chile during January 2014. At the corporate level, losses generated by a higher rate of inflation on liabilities in UFs together with higher debt in UFs, were partially compensated by higher net financial income during the quarter, reflecting a higher cash balance.

Earnings per ordinary share amounted to a gain of Ch\$22.03 in the first quarter of 2014.



Consolidated Income Statement Breakdown

	1Q 13		1Q 14	
	MCh\$	MUS\$	MCh\$	MUS\$
Industrial Sector				
Revenues	404,312	733.5	618,835	1,122.7
Manufacturing - Invexans & Madeco	38,731	70.3	45,849	83.2
Financial - LQIF holding	-	-	-	-
Energy - Enex	342,724	621.8	549,303	996.6
Other - Quiñenco & others	22,857	41.5	23,682	43.0
Operating income (loss)	32,323	58.6	17,969	32.6
Manufacturing - Invexans & Madeco	19,888	36.1	1,747	3.2
Financial - LQIF holding	4,531	8.2	(940)	(1.7)
Energy - Enex	8,212	14.9	16,633	30.2
Other - Quiñenco & others	(308)	(0.6)	527	1.0
Non-operating income (loss)	(7,249)	(13.2)	(10,473)	(19.0)
Interest income	4,626	8.4	7,787	14.1
Interest expense	(9,648)	(17.5)	(9,559)	(17.3)
Share of net income/loss from related co.	(1,016)	(1.8)	(2,264)	(4.1)
Foreign exchange gain (loss)	(507)	(0.9)	(7)	(0.0)
Indexed units of account restatement	(703)	(1.3)	(6,430)	(11.7)
Income (loss) tax	(4,734)	(8.6)	(3,535)	(6.4)
Net income (loss) from discontinued operations	39	0.1	(626)	(1.1)
Consolidated Net Income (Loss) Industrial Sector	20,378	37.0	3,336	6.1
Banking Sector				
Operating revenues	339,410	615.8	408,497	741.1
Provision for loan losses	(49,843)	(90.4)	(76,354)	(138.5)
Operating expenses	(149,273)	(270.8)	(160,042)	(290.4)
Operating income (loss)	140,294	254.5	172,100	312.2
Non-operating income (loss)	(15,405)	(27.9)	(20,601)	(37.4)
Income (loss) tax	(18,879)	(34.3)	(21,094)	(38.3)
Consolidated Net Income (Loss) Banking Sector	106,010	192.3	130,405	236.6
Consolidated Net Income	126,388	229.3	133,741	242.6
Net income attributable to Non-controlling interests	84,739	153.7	97,115	176.2
Net income attributable to Controllers' shareholders	41,649	75.6	36,625	66.4



Revenues – 1Q 2014

Consolidated revenues totaled Ch\$618,835 million in the first quarter of 2014, 53.1% above those of the same period in 2013, primarily due to 60.3% growth in sales of Enex, boosted by the acquisition of Terpel Chile at the end of June 2013, and to a lesser extent by higher sales at Madeco², reflecting sales of flexible packaging, and at Banchile Vida.

Consolidated sales in the first quarter of 2014 can be broken down as follows: Enex (88.8%), Madeco (7.4%), and others (3.8%).

Operating Income³ - 1Q 2014

Operating income for the first quarter of 2014 reached a gain of Ch\$17,969 million, compared to a gain of Ch\$32,323 million in the first quarter of 2013. The decline in consolidated operating results is primarily attributable to negative goodwill of Ch\$14,023 million reported by Madeco for its investment in Peruplast in 1Q 2013, and a non-recurring gain reported by LQIF generated by an extraordinary amortization of the Subordinated Debt with the Central Bank due to the sale of options on shares in Banco de Chile's capital increase, also reported in 1Q 2013. Enex, however, contributed with a higher operational result that doubled the amount reported in the previous quarter, boosted by the addition of Terpel Chile's operations. Banchile Vida's results increased by 12.9% during the quarter.

EBITDA⁴ – 1Q 2014

EBITDA amounted to Ch\$23,817 million in 1Q 2014, up 19.3% from the first quarter of 2013, generated mainly by Enex's, Madeco's, and Banchile Vida's operations.

Non-Operating Results⁵ – 1Q 2014

Non-operating income amounted to a loss of Ch\$10,473 million in the first quarter of 2014, compared to a loss of Ch\$7,249 million in the same quarter of 2013.

Proportionate share of net income of equity method investments (net) – 1Q 2014

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\$2,264 million, compared to a loss of Ch\$1,016 million in 1Q 2013.

² It is worth noting that since Madeco and Inxans 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 Madeco's and Inxans' results in US dollars, refer to Segment/Operating company analysis.

³ Operating income includes: Gross income (revenues minus cost of sales), Distribution costs, Administrative expenses, Other operating revenue, Other operating expenses, and Other gains/losses.

⁴ EBITDA is calculated as: Operating income minus/plus others gains/losses plus depreciation plus amortization of intangibles.

⁵ 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 14.9% to Ch\$11,307 million.

Quiñenco's proportionate share of net income from CSAV amounted to a loss of Ch\$15,585 million, an improvement of 6.9% over the loss in 1Q 2013.

Quiñenco's proportionate share of net income from SM SAAM decreased by 17.3% to a gain of Ch\$2,096 million.

Interest Income - 1Q 2014

Interest income for the first quarter of 2014 amounted to Ch\$7,787 million, 68.3% above that obtained in 1Q 2013. This variation corresponds mainly to higher financial income at Quiñenco and, to a lesser extent, LQIF holding, slightly offset by lower financial income at Enex.

Interest Expense - 1Q 2014

Interest expense for the first quarter of 2014 amounted to Ch\$9,559 million, 0.9% lower than in 1Q 2013. The variation is mainly explained by lower financial costs at LQIF holding, partially offset by higher financial costs at Quiñenco and Invexans.

Foreign currency exchange differences – 1Q 2014

In 1Q 2014, the gains (losses) specific to foreign currency translation differences amounted to a loss of Ch\$7 million, compared to a loss of Ch\$507 million reported in 1Q 2013, primarily attributable to lower losses at Madeco and higher gains at Invexans, partially offset by higher losses at Enex.

Indexed units of account restatement – 1Q 2014

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\$6,430 million in the first quarter of 2014, compared to a loss of Ch\$703 million reported in the same period of 2013, mainly explained by Quiñenco and LQIF holding, 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 in UFs at Quiñenco.

Income Taxes – 1Q 2014

The industrial sector reported income tax of Ch\$3,535 million, compared to income tax of Ch\$4,734 million reported in the first quarter of 2013, primarily due to lower income tax at Madeco and a higher income tax credit at LQIF holding, partially offset by higher income tax at Enex.

Discontinued Operations – 1Q 2014

In 1Q 2014 the result of discontinued operations amounted to a loss of Ch\$626 million, compared to a gain of Ch\$39 million in 1Q 2013. Discontinued operations correspond to the Madeco Mills (brass mills Chile), Decker Industrial (brass mills Argentina) and Indalum (profiles), reported by Madeco.



Non-controlling Interests – 1Q 2014

In the first quarter of 2014, at a consolidated level (including both Industrial and Banking net income), net income attributable to non-controlling interests amounted to Ch\$97,115 million. Of the total amount reported in 1Q 2014, Ch\$64,847 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 2014

Operating revenues for the first quarter of 2014 amounted to Ch\$408,497 million, 20.4% above the first quarter of 2013, mainly due to growth in net financial income at Banco de Chile, primarily based on strong loan portfolio growth during the period, income related to the Bank's net asset position in UFs and a higher rate of inflation, and an increment in the balance of current accounts and demand deposits.

Provision for Credit Risk - 1Q 2014

Provisions for loan losses at Banco de Chile amounted to Ch\$76,354 million in the first quarter of 2014, 53.2% higher than the provisions registered in the first quarter of 2013, primarily attributable to growth of loans in the retail segment, particularly to individuals, and the deterioration of the financial condition of certain wholesale clients, and to a lesser extent of small and medium sized companies.

Operating Expenses - 1Q 2014

Operating expenses increased by 7.2% to Ch\$160,042 million in 1Q 2014, mainly explained by an increase of 7.2% in Banco de Chile's operating expenses to Ch\$159,980 million, mostly related to higher personnel, administrative, and general expenses in 1Q 2014.

Non-operating Results - 1Q 2014

During the first quarter of 2014 non-operating results amounted to a loss of Ch\$20,601 million, 33.7% higher than in the first quarter of 2013, 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 2014, and to a lesser extent, due to lower income from related companies.

Consolidated Net Income - 1Q 2014

Consolidated net income for the banking sector amounted to Ch\$130,405 million in 1Q 2014, up by 23.0% over the same period in 2013, due to higher operating revenues, that compensated higher provisions for credit risk, increased expenses, lower non-operating results and higher income tax.



CONSOLIDATED BALANCE SHEET ANALYSIS (vis-à-vis the 4th quarter of 2013)

Condensed Consolidated Balance Sheet

	12-31-2013		03-31-2014	
	MCh\$	MUS\$	MCh\$	MUS\$
Current assets industrial sector	900,417	1,633.6	1,168,648	2,120.3
Non-current assets industrial sector	2,642,199	4,793.7	2,599,757	4,716.7
Assets financial sector	25,929,314	47,043.3	26,127,246	47,402.4
Total assets	29,471,930	53,470.6	29,895,650	54,239.4
Current liabilities industrial sector	452,481	820.9	484,043	878.2
Long-term liabilities industrial sector	863,702	1,567.0	876,289	1,589.8
Liabilities financial sector	23,728,953	43,051.2	23,861,016	43,290.8
Non-controlling interests	2,009,433	3,645.7	2,120,552	3,847.3
Shareholders' equity	2,417,361	4,385.8	2,553,750	4,633.2
Total liabilities & shareholders' equity	29,471,930	53,470.6	29,895,650	54,239.4

Current Assets Industrial Sector

Current assets increased by 29.8% compared to the fourth quarter of 2013, primarily due to a higher balance of cash resulting from the sale of Banco de Chile shares carried out by LQIF in January 2014 for Ch\$437.796 million, partially offset by the payment of dividends from LQIF to Citigroup. To a lesser extent the increase is also explained by higher assets available for sale due to the discontinuation of Indalum's activities in 2014.

Non Current Assets Industrial Sector

Non current assets decreased by 1.6% compared to the fourth quarter of 2013, mainly due to a lower balance of goodwill following the sale of Banco de Chile shares on behalf of LQIF, which was partially compensated by a higher balance of equity investments. Said increase is explained by Nexans, reflecting the additional 1.45% stake acquired by Invexans and conversion adjustments, by SM SAAM due to period earnings and conversion adjustments, and by IRSA due to period earnings net of dividends, partially offset by a decrease at CSAV due to period losses net of conversion adjustments.

Assets Banking Sector

Total assets of the banking sector increased by 0.8% compared to the fourth quarter of 2013. Loans to customers increased by 0.5% with respect to December 2013, reflecting growth in residential mortgages and consumer loans, which was mostly offset by a reduction in commercial loans.

Current Liabilities Industrial Sector

Current liabilities increased by 7.0% over the fourth quarter of 2013, mainly due to higher loans at Invexans and, to a lesser extent, at Quiñenco, the latter due to inflation adjustments. The increment is also explained by dividends provisioned by Quiñenco, and was partially compensated by lower tax payables at Madeco.



Long-term Liabilities Industrial Sector

Long-term liabilities increased by 1.5% in comparison to the fourth quarter of 2013, mainly explained by a higher balance of bonds at Quiñenco and LQIF, reflecting inflation adjustments, and also at Madeco, reflecting conversion adjustments.

Liabilities Banking Sector

Liabilities corresponding to the banking sector increased by 0.6% compared to the fourth quarter of 2013.

Minority Interest

Minority interest increased by 5.5% in comparison to the fourth quarter of 2013, primarily explained by higher minority interest at Banco de Chile.

Equity

Shareholders' equity increased by 5.6% compared to the fourth quarter of 2013 primarily due to the variation in other reserves, explained mainly by an increase of Ch\$86,117 million arising from the sale of Banco de Chile shares carried out by LQIF during the quarter, and to a lesser extent, by the conversion effect of translating CSAV's, SM SAAM's and Invexans' financial statements from US dollars to Chilean pesos. These increases in other reserves were partially offset by conversion adjustments at CCU and cash flow hedges at LQIF. The growth in shareholders' equity is also explained by period earnings, net of dividends provisioned.



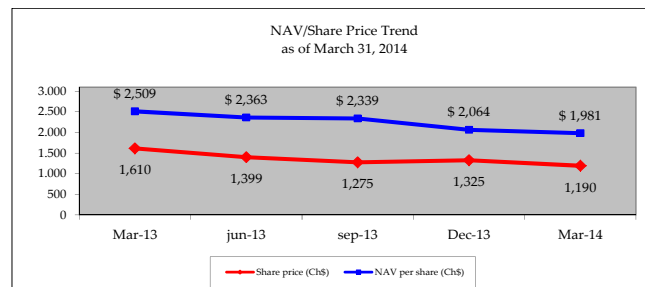
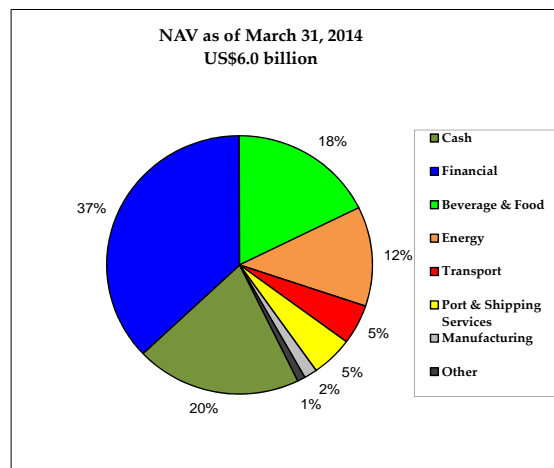
Quiñenco Corporate Level Debt and Cash

As of March 31, 2014	Debt		Cash & equivalents		Total Net Debt	
	MCh\$	MUS\$	MCh\$	MUS\$	MCh\$	MUS\$
Corporate level	428,438	777.3	734,223	1,332.1	(305,785)	(554.8)
Adjusted for:						
50% interest in LQIF	83,108	150.8	41,145	74.6	41,962	76.1
50% interest in IRSA	38,195	69.3	431	0.8	37,763	68.5
Total	549,741	997.4	775,800	1,407.5	(226,060)	(410.1)

The debt to total capitalization ratio at the corporate level (unadjusted) was 14.0% as of March 31, 2014.

NAV

As of March 31, 2014, the estimated net asset value (NAV) of Quiñenco was US\$6.0 billion (Ch\$1,981 per share) and market capitalization was US\$3.6 billion (Ch\$1,190 per share). The discount to NAV is estimated at 39.9% as of the same date.





SEGMENT /OPERATING COMPANY ANALYSIS

Sector /Segment	Manufacturing		Financial		Energy		Other		Total	
	1Q 13	1Q 14	1Q 13	1Q 14	1Q 13	1Q 14	1Q 13	1Q 14	1Q 13	1Q 14
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Industrial Sector										
Net income (loss) from continued operations before taxes	17,838	73	1,111	(3,923)	7,397	15,498	(1,272)	(4,151)	25,074	7,496
Income tax	(2,754)	(641)	147	1,313	(1,575)	(3,364)	(552)	(844)	(4,734)	(3,535)
Net income (loss) from discontinued operations	39	(626)	-	-	-	-	-	-	39	(626)
Net income (loss) industrial sector	15,123	(1,194)	1,258	(2,610)	5,821	12,135	(1,823)	(4,995)	20,378	3,336
Banking Sector										
Net income before taxes	-	-	124,888	151,499	-	-	-	-	124,888	151,499
Income tax	-	-	(18,879)	(21,094)	-	-	-	-	(18,879)	(21,094)
Net income banking sector	-	-	106,010	130,405	-	-	-	-	106,010	130,405
Consolidated net income (loss)	15,123	(1,194)	107,267	127,795	5,821	12,135	(1,823)	(4,995)	126,388	133,741
Net income (loss) attributable to Non-controlling interests	8,640	112	75,738	96,534	-	-	361	470	84,739	97,115
Net income (loss) attributable to Controllers' shareholders	6,483	(1,305)	31,529	31,261	5,821	12,135	(2,184)	(5,465)	41,649	36,625

MANUFACTURING SEGMENT

The following table details the contribution of the investments in the Manufacturing segment during 2013 and 2014 to Quiñenco's net income:

	1Q 13		1Q 14	
	MCh\$	MUS\$	MCh\$	MUS\$
Invexans	(373)	(0.7)	(535)	(1.0)
Madeco	6,855	12.4	(770)	(1.4)
Total Manufacturing Segment	6,483	11.8	(1,305)	(2.4)

As of March 31, 2014 and 2013, Quiñenco's ownership of Invexans was 65.9% and 64.3%, respectively. As of March 31, 2014 and 2013, Quiñenco's ownership of Madeco was 65.9% and 64.3%, respectively.



INVEXANS

	1Q 13		1Q 14		1Q 13	1Q 14
	MCh\$	MUS\$	MCh\$	MUS\$ ⁶	ThUS\$	ThUS\$ ⁷
Sales	70	0.1	117	0.2	149	212
Operating loss	(372)	(0.7)	(497)	(0.9)	(786)	(903)
Net loss controller	(580)	(1.1)	(812)	(1.5)	(1,227)	(1,491)
Total assets			349,333	633.8		633,791
Shareholders' equity			216,663	393.1		393,089

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 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 (now Invexans) 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 (now Invexans) 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 2014 Results

During the first quarter of 2014 Invexans obtained a net loss of US\$1,491 thousand, greater than the loss of Ch\$1,227 thousand reported in the first quarter of 2013. This variation is largely explained by higher financial costs due to a higher level of debt in comparison to 1Q 2013, required to acquire shares of Nexans. These higher costs were partially compensated by higher exchange rate gains and lower income tax during the quarter.

⁶ Converted to US\$ at the observed exchange rate on March 31, 2014 (Ch\$551.18 = US\$1.00).

⁷ Corresponds to Financial Statements in US dollars as reported by Invexans to the Superintendency of Securities and Insurance (SVS).



MADECO

	Quarters				Quarters	
	1Q 13		1Q 14		1Q 13	1Q 14
	MCh\$	MUS\$	MCh\$	MUS\$ ⁸	ThUS\$	ThUS\$ ⁹
Sales	38,660	70.1	45,732	83.0	81,877	82,845
Operating income	20,260	36.8	2,244	4.1	42,911	4,095
Net loss discontinued operations	39	0.1	(626)	(1.1)	82	(1,126)
Net income (loss) controller	10,661	19.3	(1,168)	(2.1)	22,587	(2,103)
Total assets			294,868	535.0		534,976
Shareholders' equity			55,255	100.2		100,248

Madeco 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. 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.

1Q 2014 Results

Madeco's sales, which correspond entirely to flexible packaging, amounted to US\$82,845 thousand in the first quarter of 2014, up by 1.2% from the previous quarter, based on growth in sales volumes of 7.0%, reflecting strong growth in Colombia and Argentina, partially offset by lower average prices.

Gross income reached US\$14,172 thousand, down by 7.8% from 1Q 2013 mainly due to the lower average prices, reflecting an overall reduction of margins in the industry. Operating income amounted to US\$4,095 thousand, substantially lower than the gain reported in 1Q 2013, mostly explained by negative goodwill of US\$29,690 thousand arising from the fair value valuation by Madeco of its investment in Peruplast, and to a lesser extent, by a gain of US\$8,127 thousand from the sale of part of Peruplast's old plant, both reported in 1Q 2013. In addition, during 1Q 2014 sales and administrative expenses went up mostly due to higher distribution costs and increased expenses related to the creation of a corporate structure for the company.

Non-operating income for the quarter amounted to a loss of US\$2,524 thousand, posting an improvement with respect to the US\$4,220 thousand loss reported in 1Q 2013, primarily attributable to lower exchange rate losses, and to a lesser extent, to lower financial costs and gains related to the favorable effect of the change in the US\$/UF parity on the company's liabilities in UFs.

⁸ Converted to US\$ at the observed exchange rate on March 31, 2014 (Ch\$551.18 = US\$1.00).

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



Income tax for the quarter amounted to US\$1,113 thousand, substantially lower than in 1Q 2013. However, discontinued operations, which correspond to Madeco Mills, Decker Industrial and Indalum, reported a loss of US\$1,126 thousand in 1Q 2014, compared to a gain of US\$82 thousand in the previous quarter. Thus, net income for 1Q 2014 reached a loss of US\$2,103 thousand.

FINANCIAL SEGMENT

The following table details the contribution of the investments in the Financial Segment during 2013 and 2014 to Quiñenco's net income:

	1Q 13		1Q 14	
	MCh\$	MUS\$	MCh\$	MUS\$
LQIF holding	629	1.1	(1,305)	(2.4)
Banking sector	30,900	56.1	32,566	59.1
Total Financial Segment	31,529	57.2	31,261	56.7

As of March 31, 2013 and 2014, Quiñenco's ownership of LQIF was 50.0%. LQIF's economic rights in Banco de Chile were 39.7% as of March 31, 2013 and 32.7% as of March 31, 2014.

LQIF Holding

LQIF holding registered a loss of Ch\$2,610 million compared to a gain of Ch\$1,258 million in 1Q 2013, mainly explained by a gain generated by an extraordinary amortization of the Subordinated Debt with the Central Bank due to the sale of options on shares in Banco de Chile's capital increase, reported in 1Q 2013. Also, in 1Q 2014 LQIF holding reported greater losses related to the effect of higher inflation on financial obligations denominated in UFs. These negative variations were partially offset by lower financial costs during the quarter and a higher income tax credit in 1Q 2014, related to increased tax losses.

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.



BANCO DE CHILE

	1Q 13		1Q 14	
	MCh\$	MUS\$	MCh\$	MUS\$
Operating revenues	338,772	614.6	407,953	740.1
Provision for loan losses	(49,843)	(90.4)	(76,354)	(138.5)
Operating expenses	(149,210)	(270.7)	(159,980)	(290.3)
Net income controller	121,470	220.4	150,750	273.5
Loan portfolio	19,200,938	34,836.1	20,965,208	38,037.0
Total assets	23,825,746	43,226.8	26,130,050	47,407.5
Shareholders' equity	2,145,081	3,891.8	2,292,247	4,158.8
Net financial margin	4.8%		5.6%	
Efficiency ratio	44.0%		39.2%	
ROAE	23.0%		24.8%	
ROAA	2.1%		2.1%	

1Q 2014 Results

Banco de Chile reported net income of Ch\$150,750 million in the first quarter of 2014, increasing by 24.1% with respect to the first quarter of 2013. These results are based on loan portfolio growth, the favorable effect of higher inflation on the Bank's net asset position in UFs, a positive overall repricing effect as a result of cuts in the monetary policy interest rate, a moderately steeper yield curve in comparison to the previous quarter allowing term gapping, and growth in current accounts and demand deposits, more than compensating higher provisions for loan losses and increased operating expenses.

Operating revenues, which include net financial income, fee income and other operating income, increased by 20.4% to Ch\$407,953 million in the first quarter of 2014. This increment is mainly attributable to a 10.8% annual growth in average loans compensating somewhat lower spreads, an 11.8% annual increase in average balances of current accounts and demand deposits, a greater contribution from the Bank's net asset position in UFs given a higher rate of inflation, additional income from the management of the Bank's securities portfolio, repricing of liabilities resulting from drops in short-term nominal interest rates and shorter terms than the Bank's assets, a moderately steeper yield curve increasing term gapping possibilities, and a positive exchange rate effect on the hedging of US\$ denominated loan loss provisions given the depreciation of the Chilean peso. These positive variations were partially offset by lower fee income, mostly due to regulatory effects as well as exchange rate effects on cobranding expenses.

Provisions for loan losses amounted to Ch\$76,354 million, 53.2% higher than in 1Q 2013. This increase is mainly explained by the 10.8% increase in average loans, mostly explained by provisions related to individuals, the deterioration in the financial situation of certain wholesale clients and SMEs, and a negative exchange rate effect on US\$ denominated loan provisions.



Operating expenses increased by 7.2% to Ch\$159,980 million, mainly due to a 5.6% increment in personnel expenses, mostly owing to inflation adjustments, higher headcount and higher performance bonuses, a 6.6% growth in administrative expenses mainly related to credit assessment, and higher expense provisions and general expenses.

As of March 2014, the Bank's loan portfolio had experienced an annual growth of 9.2% and a quarterly increase of only 0.5% with respect to December 2013. Annual portfolio growth is driven by all credit products, but particularly by residential mortgage loans that increased 13.7% reflecting a still dynamic real estate sector, although the bank has tightened credit requirements and increased lending spreads to compensate potential higher credits risk given the economic slowdown, and by consumer loans, which posted annual growth of 8.4%, where growth in middle and upper income segments is the focus. Commercial loans reduced their growth rate to 7.7% annually and decreased 1.3% with respect to 4Q 2013.

Banco de Chile is the first ranked bank in the country with a market share of 18.0% of total loans according to information published by the Chilean Superintendency of Banks for the period ended March 31, 2014. Its return on equity after taxes (annualized) reached 26.3%, compared to 18.1% for the local financial system, according to the same source.

Interest Subordinated Debt

In the first quarter of 2014 accrued interest expense of the Subordinated Debt with the Chilean Central Bank was 29.9% higher than the first quarter of 2013, due to the effect of the higher rate of inflation in 1Q 2014 as compared to the previous period.

ENERGY SEGMENT

The following table details the contribution of the investments in the Energy Segment during 2013 and 2014 to Quiñenco's net income:

	1Q 13		1Q 14	
	MCh\$	MUS\$	MCh\$	MUS\$
Enx	5,821	10.6	12,135	22.0
Total Energy Segment	5,821	10.6	12,135	22.0

As of March 31, 2013 and 2014, Quiñenco controls 100% of the energy segment.



ENEX¹⁰

	1Q 13		1Q 14	
	MCh\$	MUS\$	MCh\$	MUS\$
Sales	342,724	621.8	549,303	996.6
Operating income (loss)	8,212	14.9	16,633	30.2
Net income (loss) controller	5,821	10.6	12,135	22.0
Total assets			747,269	1,355.8
Shareholders' equity			479,652	870.2

1Q 2014 Results

Enex's consolidated sales during 1Q 2014 reached Ch\$549,303 million, up by 60.3% from 1Q 2013, mainly based on 50.7% growth in total volume, boosted by the acquisition of Terpel Chile at the end of June 2013. The total volume dispatched during the quarter amounted to 874 thousand cubic meters, of which 95.8% correspond to fuels.

Gross income during the period reached Ch\$47,222 million, increasing 60.4% over 1Q 2013, primarily due to the growth in sales volume reflecting the addition of Terpel Chile's operations, and to a lesser extent an improved margin in fuels and lubricants. Operating income during the quarter reached a gain of Ch\$16,633 million, growing 102.5% with respect to 1Q 2013, mostly due to the growth in gross income explained above, along with higher other operating income, partly offset by greater administrative expenses also reflecting the addition of Terpel Chile's operations.

Non-operating income amounted to a loss of Ch\$1,135 million, 39.2% higher than the loss reported in 1Q 2013, mainly due to the negative variation in exchange rate differences and lower financial income.

Net income for 1Q 2014 amounted to Ch\$12,135 million, substantially higher than the Ch\$5,821 million reported in 1Q 2013, primarily due to the improved operating results explained above, partially offset by the higher non-operating loss and higher income tax expense during the quarter, reflecting the effect of higher quarterly results.

¹⁰ Enex corresponds to the consolidated financial statements of Enex S.A.



OTHER SEGMENT

The following table details the contribution from investments in the Segment Other during 2013 and 2014 to Quiñenco's net income:

	1Q 13		1Q 14	
	MCh\$	MUS\$	MCh\$	MUS\$
IRSA (CCU) ¹¹	13,285	24.1	11,307	20.5
CSAV	(17,070)	(31.0)	(15,885)	(28.8)
SM SAAM	2,534	4.6	2,096	3.8
Quiñenco & other	(933)	(1.7)	(2,983)	(5.4)
Total Segment Others	(2,184)	(4.0)	(5,465)	(9.9)

As of March 31, 2014 and 2013, Quiñenco's ownership of CCU was 30.0% and 33.1%, respectively. As of March 31, 2014 and 2013, Quiñenco's ownership of CSAV was 46.0% and 37.44%, respectively. As of March 31, 2014 and 2013, Quiñenco's ownership of SM SAAM was 42.44% and 37.44%, respectively.

The contribution from CSAV and SM SAAM corresponds to Quiñenco's proportional share in their respective net income for the period, adjusted by the fair value accounting for these investments at Quiñenco. The adjustment in the case of CSAV amounted to Ch\$109 million for the first quarter in 2014 and to a downward adjustment of Ch\$93 million in 2013. In the case of SM SAAM the adjustment for 1Q 2014 amounted to Ch\$537 million and to Ch\$437 million in 1Q 2013, both downward adjustments.

CCU

	1Q 13		1Q 14	
	MCh\$	MUS\$	MCh\$	MUS\$
Sales	304,100	551.7	334,811	607.4
Operating income	57,840	104.9	57,301	104.0
Net income controller	40,315	73.1	40,568	73.6
Total assets			1,630,016	2,957.3
Shareholders' equity			995,497	1,806.1

1Q 2014 Results

Starting 2014, CCU reports its results in accordance with the following three business segments: Chile, Río de la Plata, and Wine. Chile includes beer, non-alcoholic beverages, and spirits. The Río de la Plata segment includes beer, cider, non-alcoholic beverages, and spirits in Argentina, Uruguay and Paraguay. CCU's sales in the first quarter of 2014 grew by 10.1% compared to the first quarter of 2013, as a result of higher consolidated sales volumes together with higher average prices. The 6.3% growth in sales volumes was led by the Chile segment with 6.6% growth,

¹¹ Corresponds to Quiñenco's proportionate share of CCU's net income, prepared in accordance with IFRS.



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followed by Río de la Plata with 5.0% growth, mainly reflecting the addition of the business in Paraguay compensating lower volumes in Argentina, and by Wine with 10.3% growth. In terms of revenues it is worth noting the 24.9% increase in the Wine segment, reflecting higher average prices coupled with volume growth during the quarter.

Gross profit rose by 6.7% to Ch\$185,784 million, somewhat lower than the growth in sales due to higher costs. The gross margin as a percentage of sales decreased from 57.3% in 1Q 2013 to 55.5% in 1Q 2014.

Operating income reached Ch\$57,301 million, decreasing a slight 0.9% from 1Q 2013, primarily due to higher distribution costs, reflecting higher salaries and increased costs of fuel, as well as greater marketing expenses. As a percentage of sales, SG&A expenses rose from 38.4% in 1Q 2013 to 39.4% in 1Q 2014. This higher expenses were partially compensated by gains in 1Q 2014 related to hedges covering foreign exchange rate variations on taxes. 1Q 2014 EBITDA amounted to Ch\$72,330 million, 1.2% lower than in 1Q 2013.

CCU reported non-operating losses of Ch\$3,792 million compared to a loss of Ch\$4,290 million in 1Q 2013. The variation is mainly explained by higher financial income, resulting from an increased cash position following the company's capital increase in 2013, which was partially offset by higher exchange rate losses related to the depreciation of the Chilean peso, a greater loss related to the effect of higher inflation on financial obligations denominated in UFs, and also increased financial costs.

Net income for the first quarter of 2014 amounted to Ch\$40,568 million, up by 0.6% from the same quarter in 2013, primarily due to improved non-operating results and lower income tax, explained by lower results in the Río de la Plata and Chile operating segments and a positive effect of exchange rate changes on taxes, together with stable operating income.

CSAV

	1Q 13	1Q 14
	ThUS\$	ThUS\$
Sales	877,139	745,195
Operating income (loss)	(94,234)	(63,585)
Net income (loss) Controller	(95,969)	(65,888)
Total assets		2,353,999
Shareholders' equity		949,935

1Q 2014 Results

Since IFRS was implemented, operating revenue and cost of sales of shipping services in course are registered according to their degree of completion. For those voyages that cannot be estimated precisely, revenue is registered only if related costs can be recovered, accounting the same amount as revenues and costs. If the voyage is estimated beforehand to present losses, then this loss is provisioned as cost of sales only. This implied revenues and cost of sales of US\$25 million in 1Q 2014 and revenues and cost of sales of US\$27 million in 1Q 2013.

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CSAV's consolidated sales in 1Q 2014 reached US\$745.2 million, decreasing by 15.0% with respect to 1Q 2013, primarily due to a drop in freight rates which offset a 1.8% growth in transported volume. During 1Q 2014 gross income amounted to a loss of US\$8.7 million, a deterioration with respect to the gain of US\$8.0 million reported in 1Q 2013, due to the drop in freight rates. Operating income, however, reached a loss of US\$63.6 million in 1Q 2014, an improvement over the loss of US\$94.2 million obtained in 1Q 2013, primarily explained by a provision of US\$40 million in 1Q 2013 for the potential costs that the company could be liable to pay as a result of antitrust investigations in the car carrier business, and to a lesser extent by lower administrative expenses, resulting from lower personnel expenses and lower administrative advisories.

Non-operating income for the quarter amounted to a loss of US\$11.2 million as compared to a loss of US\$7.8 million reported in 1Q 2013. This variation is primarily due to lower results of equity investments, and also due to lower exchange rate gains.

CSAV reported a net loss of US\$65.9 million in 1Q 2014, 31.3% lower than the loss reported in 1Q 2013, based on the improvement in operating income explained above, and a higher income tax credit during the quarter, partially offset by lower non-operating results during the current quarter.

SM SAAM

	1Q 13	1Q 14
	ThUS\$	ThUS\$
Sales	120,791	122,064
Operating income	16,217	13,047
Net income controller	16,798	11,083
Total assets		1,074,767
Shareholders' equity		668,142

1Q 2014 Results

In the first quarter of 2014, SM SAAM's operations were impacted by the port strike in January 2014, in Chile. The strike implied a drop in the level of activity and the payment of a one-time bonus of US\$5.1 million to the port workers, on behalf of SM SAAM.

In the first quarter of 2014 SM SAAM's consolidated sales reached US\$122.1 million, up by only 1.1% from 1Q 2013, due to the negative effect of the port strike in Chile on all three business segments, which was partially compensated by improved performance of tugboats in Brazil and Mexico and of the port terminals in Iquique, Mexico, Ecuador, and USA. Revenues of the tugboats segment increased 9.4%, mainly explained by the operations in Brazil and Mexico. Revenues of the port segment grew 8.3% during the quarter, resulting from higher revenues in Florida, Mexico, Ecuador and Iquique. The Logistics segment, in turn, reported a decrease of 11.7% in revenues, mainly due to the effects of the port strike in Chile, and lower activity in containers depot and port operations in Chile.



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Consolidated revenues can be broken down as follows: Tugboats (43.9%), Logistics and others (33.6%), and ports (22.5%).

Gross income amounted to US\$28.0 million, 4.9% lower than in 1Q 2013, owing to higher costs related to the port strike in Chile in all business segments. During 1Q 2014 operating income amounted to US\$13.0 million, 19.5% lower than the previous period, primarily explained by the negative effect of the port strike. Also, during the current quarter the result from derivatives was lower and other operating expenses increased. Sales and administrative expenses remained stable as a percentage of sales at 11.4%. SM SAAM's consolidated EBITDA reached US\$26.5 million in 1Q 2014, up 1.3% from the previous period.

Non-operating income for the quarter amounted to a gain of US\$2.5 million, 49.8% lower than the gain of US\$4.9 million reported in 1Q 2013. This variation is mainly explained by a lower contribution from equity investments, due to the effect of the port strike in Chile, partially compensated by higher exchange rate gains.

SM SAAM reported a net gain of US\$11.1 million in 1Q 2014, down by 34.0% from 1Q 2013, mainly due to the negative impact of the port strike in Chile on operating and non-operating results, and slightly higher income tax during the quarter.

QUIÑENCO and Others

The variation of Quiñenco and others is mainly explained at the corporate level by greater inflation adjustment losses, due to a higher rate of inflation together with an increased level of liabilities in UFs at the corporate level, and higher financial costs, partially compensated by increased financial income reflecting a higher level of cash. The contribution from Banchile Seguros de Vida, on the other hand, increased by 12.3% with respect to the previous quarter, mainly due to a growth in operating results.

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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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