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QUIÑENCO S.A. ANNOUNCES CONSOLIDATED RESULTS FOR THE THIRD QUARTER OF 2008

(Santiago, Chile, October 30, 2008) Quiñenco S.A., a leading Chilean business conglomerate, announced today its consolidated financial results in Chilean GAAP, for the third quarter ended September 30, 2008.

Consolidated financial results are presented in accordance with Chilean GAAP. All figures are presented in constant Chilean pesos and have been adjusted to reflect the effects of inflation (9.3% year-over-year). Figures in US\$ have been converted from Chilean pesos (Ch\$) at the observed exchange rate on September 30, 2008 (Ch\$551.31 = US\$1.00) and are only provided for the reader's convenience.

3Q 2008 HIGHLIGHTS

- **Net income reached Ch\$51,527 million (US\$93.5 million) in 3Q 2008, compared to Ch\$13,694 million (US\$24.8 million) in 3Q 2007, mainly reflecting the non-recurring profit registered at Madeco due to the sale of its Wire and Cable business unit to Nexans.**
- **Madeco's contribution during 3Q 2008 reached Ch\$35,535 million (US\$64.5 million), primarily due to the non-recurring profit related to the sale of the wire and cable unit to Nexans, as of September 30, 2008.**
- **Consolidated sales rose by 19.5% in 3Q 2008 to Ch\$229,312 million (US\$415.9 million), mainly attributable to growth of Madeco's revenues.**
- **Results from equity method investments reflected the positive results of Banco de Chile during the quarter. Income from equity investments amounted to Ch\$39,451 million (US\$71.6 million).**
- **YTD net earnings amounted to Ch\$214,080 million (US\$388.3 million), up by 149.1% from the Ch\$85,957 million (US\$155.9 million) reported for the nine months ended September 30, 2007.**
- **Earnings per share amounted to Ch\$45.02 (US\$0.08) for the third quarter of 2008.**



GROUP HIGHLIGHTS – THIRD QUARTER 2008 AND SUBSEQUENT EVENTS

Madeco – Transaction with Nexans completed

On September 30, 2008, Madeco announced closure of the agreement signed in February 2008, whereby Madeco agreed to transfer its wire and cable units in Chile, Peru, Brazil, Argentina and Colombia to Nexans in exchange for US\$448 million and 2.5 million shares of Nexans. Following fulfillment of the agreed conditions, on September 30 Madeco received US\$393 million in cash, corresponding to US\$448 million net of debt, minority interest, withholding taxes and changes in working capital, among others, and 2.5 million shares of Nexans valued at US\$218 million as of the same date. Thus, Madeco became the main shareholder of Nexans with an 8.9% share. Final adjustments to the figures of the transaction are being reviewed by both parties within a period of 60 business days as of the closing date. Due to these potential changes, Madeco has escrowed US\$37 million in favor of Nexans. The final financial effects of the transaction will be reported once the process is finalized.

CCU - Viña San Pedro and Viña Tarapacá Merger

In July 2008, CCU informed that the Board of Directors approved the merger of Viña Tarapacá (VT) and Viña San Pedro (VSP), subject to mutual due diligences and Shareholders' approval, among others. The merger between VSP and VT would be carried out with a ratio of 60%-40% respectively. Prior to the merger, CCU is to purchase from the controllers of VT, Compañía Chilena de Fósforos (CCF), 25% of VT's capital at US\$33.1 million. Thus, shareholders of the new merged company would be CCU with 44.9%, CCF with 30%, and other shareholders the remaining 25.1%. The transaction is expected to close by November 2008.



Net Income Contribution

Sector/Company	Quiñenco's ownership % at 9/30/2008	Quarter				Year to Date	
		3Q 2007 MCh\$	2Q 2008 MCh\$	3Q 2008 MCh\$	3Q 2008 MUS\$	YTD 2007 MCh\$	YTD 2008 MCh\$
Financial Services: Banco de Chile (1)	27.1%	20,100	18,200	23,991	43.5	53,722	58,423
Food & Beverage: CCU (2)	33.1%	3,621	4,349	3,367	6.1	15,612	19,181
Telecommunications: Telefónica del Sur (3)	74.4%	1,005	747	577	1.0	3,999	2,338
Manufacturing: Madedco (4)	45.2%	1,881	2,809	35,535	64.5	8,636	39,438
Other operating companies (5)		(1,106)	(99)	(367)	(0.7)	(7,421)	(536)
Total operating companies		25,501	26,006	63,103	114.5	74,548	118,844
Quiñenco & holding companies (6)		(11,807)	(11,048)	(11,576)	(21.0)	11,409	95,236
Total		13,694	14,958	51,527	93.5	85,957	214,080

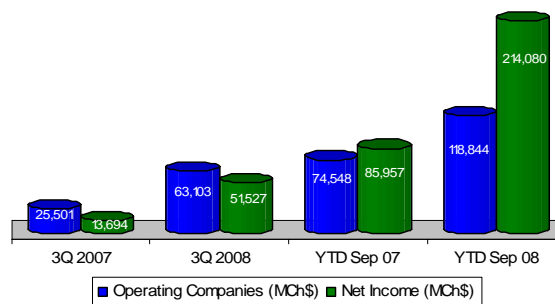
The figures provided in the above table correspond to Quiñenco's proportionate share of each company's net income (loss).

- (1) Represents Quiñenco's economic rights in Banco de Chile (29.7% in September 2007). Voting rights as of September 2008 of 61.7% are held through LQIF.
- (2) Indirect ownership through IRSA S.A. and IRSA Ltda. IRSA is controlled jointly between Quiñenco and Heineken.
- (3) Direct and indirect ownership through VTR S.A.
- (4) Direct and indirect ownership through Río Grande S.A.
- (5) In 2007, Other operating companies included Indalsa and subsidiaries and Río Rimac S.A. and subsidiaries. In 2008, these companies are grouped with Quiñenco and holding companies (with a net profit of Ch\$2,503 million or US\$4.5 million) as they no longer carry out commercial activity.
- (6) Quiñenco corporate level.

Net Income – 3Q 2008

Quiñenco reported net income of Ch\$51,527 million (US\$93.5 million) in the third quarter of 2008, compared to net income of Ch\$13,694 million (US\$24.8 million) in the same period of 2007. The increase in quarterly net income was mainly due to higher income from the operating companies. Earnings per ordinary share amounted to Ch\$45.02 (US\$0.08) in 3Q 2008.

The net income contribution from operating companies was Ch\$63,103 million (US\$114.5 million), more than double that of the same quarter in 2007. The increase was mainly attributable to a higher contribution from Madeco, which registered non-recurrent income from the sale of its wire and cable business unit to Nexans. Banco de Chile's contribution also increased by 19.4% in relation to the same quarter in 2007.





Consolidated Income Statement Breakdown

	Quarter			Year to Date		
	3Q 2007 MCh\$	2Q 2008 MCh\$	3Q 2008 MCh\$	3Q 2008 MUS\$	YTD 2007 MCh\$	YTD 2008 MCh\$
Revenues						
Madeco	175,483	226,391	212,670	385.8	533,987	622,004
Telefónica del Sur	16,004	15,894	16,390	29.7	48,842	48,538
Quiñenco & holding	372	252	252	0.4	877	962
Total Revenues	191,859	242,537	229,312	415.9	583,706	671,504
Operating income (loss)						
Madeco	12,708	17,196	13,331	24.2	38,260	40,533
Telefónica del Sur	2,850	1,604	1,944	3.5	8,764	5,889
Quiñenco & holding	(2,912)	(2,786)	(3,369)	(6.1)	(8,644)	(10,018)
Total Operating income (loss)	12,646	16,014	11,906	21.6	38,380	36,404
Non-operating income (loss)						
Interest income	1,251	2,692	1,840	3.3	5,226	6,772
Share of net income/loss from related co:						
Banco de Chile	20,100	27,148	35,786	64.9	53,722	87,146
CCU	3,621	4,349	3,367	6.1	15,612	19,181
Other equity investments	453	348	298	0.5	893	724
Other non-op income	(197)	3,243	148,456	269.3	46,269	287,917
Amortization of GW expense	(6,641)	(12,313)	(27,247)	(49.4)	(19,344)	(51,395)
Interest expense	(7,328)	(10,239)	(9,056)	(16.4)	(23,084)	(27,669)
Other non-op expenses	(1,605)	(2,879)	(26,182)	(47.5)	(3,706)	(32,774)
Price-level restatement	(3,535)	(3,528)	(434)	(0.8)	(4,745)	(4,459)
Foreign exchange gains & losses	1,456	(563)	(9,324)	(16.9)	3,934	(10,042)
Total Non-operating income (loss)	7,575	8,258	117,504	213.1	74,777	275,401
Income Tax	(3,020)	(509)	(25,702)	(46.6)	(13,120)	(29,108)
Extraordinary items	-	-	-	-	-	-
Minority Interest	(3,935)	(9,160)	(52,799)	(95.7)	(15,330)	(69,933)
Amortization of negative GW	428	355	618	1.1	1,250	1,316
Net income (loss)	13,694	14,958	51,527	93.5	85,957	214,080

Revenues – 3Q 2008

Consolidated revenues for the third quarter of 2008 reached Ch\$229,312 million (US\$415.9 million), up by 19.5% from the Ch\$191,859 million (US\$348.0 million) reported in the third quarter of 2007, almost entirely explained by a 21.2% increase in Madeco's sales, mainly as a result of higher sales of the cable units in Chile and Brazil.

Consolidated sales can be broken down as follows: Madeco (92.7%), Telefónica del Sur (7.2%) and others (0.1%).

Operating Income - 3Q 2008

Operating income for the third quarter of 2008 reached Ch\$11,906 million (US\$21.6 million), down 5.9% from the Ch\$12,646 million (US\$22.9 million) reported in the third quarter of 2007. The decrease in consolidated operating income was primarily attributable to Telsur, which despite a stable level of revenues registered lower operating income due to increased depreciation and operating costs, related to new product development. This decrease was only partially offset by higher operating income at Madeco based on growth in revenues.



EBITDA – 3Q 2008

EBITDA amounted to Ch\$20,718 million (US\$37.6 million) in 3Q 2008, compared to Ch\$21,810 million (US\$39.6 million) in 3Q 2007, a decrease of 5.0%, mainly attributable to Telsur's operations.

Non-Operating Results – 3Q 2008

Quiñenco reported non-operating income of Ch\$117,504 million (US\$213.1 million) in the third quarter of 2008, compared to non-operating income of Ch\$7,575 million (US\$13.7 million) in the same quarter of 2007. The significant variation between the two periods is primarily explained by the effects of the sale of Madeco's wire and cable unit to Nexans. The main items included in non-operating results are discussed below:

Proportionate share of net income of equity method investments (net)

Quiñenco's proportionate share of net income from equity method investments (net), which includes the results from Banco de Chile and CCU, Quiñenco's most significant investments, reached Ch\$39,451 million (US\$71.6 million), compared to Ch\$24,174 million (US\$43.8 million) in 3Q 2007, an increase of 63.2%.

The increase mainly corresponds to an increment in the proportionate share of net income from Banco de Chile of Ch\$15,686 million (US\$28.4 million), explained by the increase of 33.4% in Banco de Chile's net income for the period and the increase in Quiñenco's economic rights in the bank, which went from 29.7% in September 2007 to 40.4% in September 2008, as a result of the association with Citigroup and subsequent merger with Citibank Chile on January 1, 2008 (see Minority Interest).

The income contribution from CCU during the period fell 7.0% reflecting the corresponding decrease in the company's net income during the period.

Other non-operating income

Other non-operating income was Ch\$148,456 million (US\$269.3 million), compared to a loss of Ch\$197 million (US\$0.4 million) in the third quarter of 2007. Other non-operating income in 3Q 2008 mainly corresponds to non-recurring income registered at Madeco associated to the sale of its wire and cable units to Nexans.

Amortization of goodwill expense

Amortization of goodwill expense amounted to Ch\$27,247 million (US\$49.4 million) in the third quarter of 2008, an increase of Ch\$20,606 million (US\$37.4 million) mainly due to a non-recurrent amortization of goodwill related to the sale of the cables unit to Nexans amounting to approximately Ch\$15,000 million (US\$27 million). The increase in goodwill expense is also explained by the incorporation of Citigroup in LQIF and the subsequent merger of Citibank Chile with Banco de Chile.

Interest Expense

Interest expense for the third quarter of 2008 amounted to Ch\$9,056 million (US\$16.4 million), an increase of 23.6% compared to the same period in 2007, mainly attributable to higher interest expense at Madeco due to increased short term financing needs related mostly to the corporate reorganization process and working capital.

Other non-operating expenses

Other non-operating expenses amounted to Ch\$26,182 million (US\$47.5 million), compared to Ch\$1,605 million (US\$2.9 million) in the third quarter of 2007, corresponding mainly to Madeco due to the reversal of equity reserves related to the valuation of foreign companies, associated to the sale of those investments.



Price-level restatement

Price-level restatement losses amounted to Ch\$434 million (US\$0.8 million) in the third quarter of 2008, compared to price-level restatement losses of Ch\$3,535 million (US\$6.4 million) in the same period in 2007, mainly explained by lower losses at Madeco.

Foreign Currency Exchange Differences

In 3Q 2008, the losses specific to foreign currency differences amounted to Ch\$9,324 million (US\$16.9 million), compared to gains amounting to Ch\$1,456 million (US\$2.6 million) reported in the third quarter of 2007, almost entirely attributable to Madeco's operations, which were mostly impacted by the appreciation of the US dollar during the period.

Income Taxes – 3Q 2008

Quiñenco reported income tax expense of Ch\$25,702 million (US\$46.6 million), compared to Ch\$3,020 million (US\$5.5 million) in the same period of 2007, due to a higher taxable income during the period.

Minority Interest – 3Q 2008

In the third quarter of 2008, Quiñenco reported a deduction from income of Ch\$52,799 million (US\$95.7 million), compared to a deduction from income of Ch\$3,935 million (US\$7.1 million) in 3Q 2007. Of the total amount reported in 3Q 2008, Ch\$43,962 million (US\$79.7 million) corresponds to minority shareholders' proportionate share of Madeco's third quarter income, and Ch\$8,273 million (US\$15.0 million) corresponds to Citigroup's interest (32.96%) in LQIF's net income.



CONSOLIDATED BALANCE SHEET ANALYSIS (vis-à-vis the 2nd quarter of 2008)

Condensed Consolidated Balance Sheet

	As of 9/30/07 MCh\$	As of 6/30/08 MCh\$	As of 9/30/08 MCh\$	As of 9/30/08 MUS\$
Current assets	539,505	640,001	601,311	1,090.7
Fixed assets	336,370	349,087	274,634	498.1
Other assets	1,056,299	1,603,394	1,705,844	3,094.2
Total assets	1,932,174	2,592,482	2,581,789	4,683.0
Current liabilities	218,625	348,668	310,085	562.4
Long-term liabilities	454,519	378,823	283,793	514.8
Minority interest	214,819	642,460	703,784	1,276.6
Shareholders' equity	1,044,211	1,222,531	1,284,127	2,329.2
Total liabilities & shareholders' equity	1,932,174	2,592,482	2,581,789	4,683.0

Current Assets

Current assets decreased 6.0% compared to the second quarter of 2008, mainly due to a reduction in current assets at Madeco, resulting from lower account receivables and inventories owing mostly to the sale of the wire and cable unit to Nexans, which were partly offset by higher cash and equivalents, also resulting mainly from the transaction.

Fixed Assets and Other Assets

Fixed assets decreased by 21.3% compared to the second quarter of 2008, mainly reflecting the sale of Madeco's wire and cable unit to Nexans.

Other assets increased by 6.4% compared to the second quarter of 2008, mostly attributable to the 2.5 million shares of Nexans subscribed by Madeco.

Current Liabilities

Current liabilities decreased by 11.1% compared to the second quarter of 2008, primarily attributable to short term debt payments at Madeco, and amortization of Quiñenco's bond.

Long-term Liabilities

Long-term liabilities decreased by 25.1% compared to the second quarter of 2008, reflecting reduced bank obligations at the Corporate level as well as at Madeco.

Minority Interest

Minority interest increased by 9.5% compared to the second quarter of 2008, mostly attributable to minority interest in Madeco.

Equity

Shareholders' equity increased by 5.0% compared to the second quarter of 2008 mainly owing to higher quarterly earnings at Madeco which reflect a non-recurrent profit due to the sale of the wire and cable unit to Nexans.



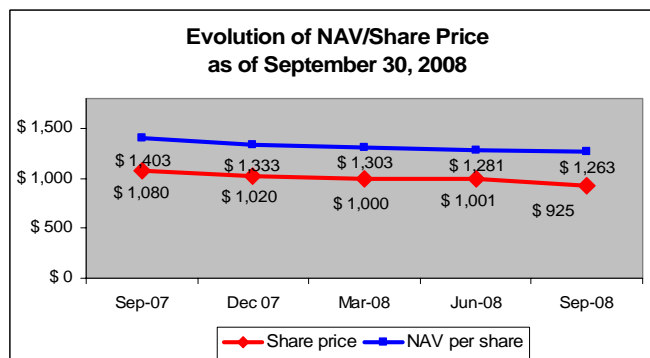
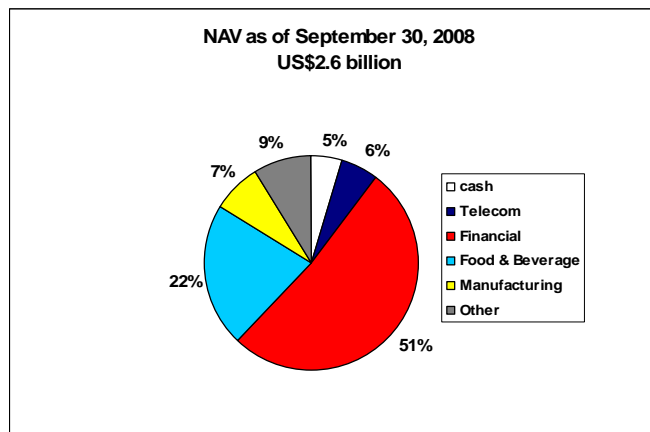
Quiñenco Corporate Level Debt and Cash

As of September 30, 2008	Debt		Cash & equivalents		Net Debt	
	MCh\$	MUS\$	MCh\$	MUS\$	MCh\$	MUS\$
Corporate level	325,324	590.1	99,925	181.3	225,399	408.8
Adjusted for:						
32.96% interest of Citigroup in LQIF	(54,507)	(98.9)	(1,015)	(1.8)	(53,492)	(97.0)
50.00% interest in IRSA	16,744	30.4	514	0.9	16,229	29.4
Total	287,561	521.6	99,424	180.3	188,136	341.3

The debt to total capitalization ratio at the corporate level (unadjusted) was 15.8% as of September 30, 2008.

NAV

As of September 30, 2008, the estimated net asset value (NAV) of Quiñenco was US\$2,622 million (Ch\$1,263 per share) and market capitalization was US\$1,920 million (Ch\$925 per share). The discount to NAV is estimated at 27% as of the same date.





SECTOR /OPERATING COMPANY ANALYSIS

FINANCIAL SERVICES SECTOR

The following table details Quiñenco's proportionate share of income from investments in the Financial Services sector during 2007 and 2008:

FINANCIAL SERVICES							
	Ownership %	3Q 2007 MCh\$	2Q 2008 MCh\$	3Q 2008 MCh\$	3Q 2008 MUS\$	YTD 2007 Mch\$	YTD 2008 MCh\$
Banco de Chile (1)	40.4%	20,100	27,148	35,786	64.9	53,722	87,146

1) Ownership % in the above table corresponds to LQIF's economic rights in Banco de Chile as of September 30, 2008. Quiñenco's share of 3Q 2008 income from Banco de Chile is 67.04% (equivalent to Ch\$23,991 million).

BANCO DE CHILE

	Quarter			Accumulated for Year		
	3Q 2007 MCh\$	3Q 2008 MCh\$	3Q 2008 MUS\$	YTD 2007 MCh\$	YTD 2008 MCh\$	YTD 2008 MUS\$
Operating revenues	211,964	297,846	540.3	564,496	820,378	1,488.1
Provision for loan losses	(12,525)	(30,461)	(55.3)	(42,093)	(91,579)	(166.1)
Operating expenses	(102,068)	(129,586)	(235.1)	(292,461)	(425,724)	(772.2)
Net Income (loss)	69,856	93,167	169.0	178,785	215,251	390.4
Loan portfolio				10,735,184	13,038,136	23,649.4
Total assets				13,804,955	17,148,793	31,105.5
Shareholders' equity				1,045,235	1,267,109	2,298.4
Net interest margin	5.0%	6.6%				
Efficiency ratio	48.2%	43.5%				
ROAE	28.6%	27.5%				
ROAA	2.0%	2.4%				

Note: Financial figures for periods before 2008 correspond to Banco de Chile as it existed prior to the merger with Citibank Chile.

3Q 2008 Results

Banco de Chile reported net income of Ch\$93,167 million (US\$169.0 million) in the third quarter of 2008, an increase of 33.4% compared to the third quarter of 2007, mainly reflecting strong growth of 40.5% in operating revenues. This increase more than offset the rise in operating expenses of Ch\$27,518 million (US\$49.9 million), mainly attributable to the merger of Banco de Chile and Citibank Chile (as of January 1, 2008), and higher provisions for loan losses of Ch\$17,936 million (US\$32.5 million).

Operating revenues increased by 40.5% to Ch\$297,846 million (US\$540.3 million) in the third quarter of 2008. The rise in operating revenues was primarily due to an increase in net financial income, up by 50.2% to Ch\$236,664 million (US\$429.3 million) as a result of a 13.1% growth in average interest earning assets and a sharp increase of 163 basis points in the net financial margin from 5.0% in 3Q 2007 to 6.6% in 3Q 2008. The net financial margin rose mainly due to increased revenues associated to the management of UF/CLP Gap positions given a higher rate of inflation during the period, a higher contribution from non-interest bearing liabilities (demand deposits) reflecting higher nominal interest rates, and an increase in the average lending spread mainly owing to the incorporation of Citibank Chile's consumer loan portfolio. Net financial income comprised 79.5% of operating revenues in 3Q 2008.

Fee income increased by 13.9% to Ch\$54,647 million (US\$99.1 million), mainly reflecting the commercial synergies derived from the merger with Citibank Chile, along with the incorporation of Citibank Chile customers. The strength



of the Bank's distribution network together with customer base expansion, mainly in the retail segment, also contributed to fee income growth.

Provisions for loan losses were Ch\$30,461 million (US\$55.3 million), which represented an increase of Ch\$17,936 million (US\$32.5 million) compared to the same period of 2007. The sharp increase is explained by the incorporation of Citibank Chile's loan portfolio, organic loan growth, and higher risk profiles associated with the consumer and small and medium companies portfolios, reflecting the global and local economic scenario.

Operating expenses increased by 27.0% to Ch\$129,586 million (US\$235.1 million) compared to the third quarter of 2007. The increase was primarily attributable to the incorporation of Citibank Chile's cost base and organic business growth.

Price-level restatement losses increased from Ch\$18,421 million (US\$33.4 million) to Ch\$32,883 million (US\$59.6 million) as a result of the increase in net amounts of non-monetary assets and liabilities due to the merger and a higher inflation rate used for adjustment purposes (3.59%) compared to the three month period ended September 30, 2007 (3.18%).

As of September 2008, the Bank's loan portfolio had demonstrated robust growth of 21.5% over the last twelve month period. The loan expansion reflects sustained organic growth, as well as the incorporation of Citibank Chile's loan portfolio. Commercial loans, consumer loans and foreign trade loans were the drivers of the portfolio expansion.

Banco de Chile is the second ranked bank in the country with a market share of 19.5% according to information published by the Chilean Superintendency of Banks for the period ended September 30, 2008. Its return on capital and reserves after taxes (annualized) reached 27.3%, compared to 15.7% for the local financial system, according to the same source.



FOOD & BEVERAGE SECTOR

The following table details Quiñenco's proportionate share of income (loss) from investments in the Food & Beverage sector during 2007 and 2008:

FOOD & BEVERAGE							
	Ownership %	3Q 2007 MCh\$	2Q 2008 MCh\$	3Q 2008 MCh\$	3Q 2008 MUS\$	YTD 2007 MCh\$	YTD 2008 MCh\$
CCU	33.1%	3,621	4,349	3,367	6.1	15,612	19,181

CCU

	Quarter			Accumulated for Year		
	3Q 2007 MCh\$	3Q 2008 MCh\$	3Q 2008 MUS\$	YTD 2007 MCh\$	YTD 2008 MCh\$	YTD 2008 MUS\$
Sales	150,099	169,080	306.7	469,720	517,928	939.4
Operating income (loss)	18,578	19,950	36.2	69,782	78,506	142.4
Net Income (loss)	10,946	10,186	18.5	47,229	58,025	105.3
Total Assets				778,293	883,982	1,603.4
Shareholders' equity				412,493	461,106	836.4

3Q 2008 Results

In the third quarter of 2008, CCU's sales grew by 12.6% compared to the third quarter of 2007, mainly due to an increase in consolidated sales volumes and higher average prices. The growth in sales volume was led by the Argentine beer segment (+45.9%), the Chilean beer segment (+6.6%), and non-alcoholic beverages (+4.1%), and was partially offset by lower volumes of wines and spirits. Growth of the Argentine beer business was boosted by the acquisition of ICSA. Higher average prices are explained by beer in Argentina, wine and soft drinks segments. Spirits, nectars, beer in Chile and mineral water, however, registered lower average prices.

Operating income increased by 7.4% to Ch\$19,950 million (US\$36.2 million), lower than the growth in revenues due to higher costs in the beer and non-alcoholic business segments, partially compensated by lower costs in wine and spirits, which reduced the gross margin as a percentage of sales slightly from 50.2% in the third quarter of 2007 to 49.9% in the third quarter of 2008. Also, SG&A expenses increased 13.6% mostly associated with higher transportation costs owing to the higher cost of fuel. Thus, the consolidated operating margin was 11.8% during the quarter, compared to 12.4% in the same period in 2007. EBITDA reached Ch\$32,926 million (US\$59.7 million) up 7.8% from the third quarter of 2007.

CCU reported non-operating losses of Ch\$5,863 million (US\$10.6 million), up by 21.9% from the Ch\$4,808 million (US\$8.7 million) reported in 3Q 2007. The decrease in non-operating results was mainly attributable to higher foreign currency exchange losses due to the depreciation of the Chilean peso during the period, and higher net financial expenses due to higher debt and lower real interest rates received on deposits. These higher expenses were partly offset by higher net non-operating income/expenses mainly due to the reversal of a provision subsequent to settlement of a legal dispute in a subsidiary in Argentina.

Net income amounted to Ch\$10,186 million (US\$18.5 million), 6.9% below the net income of Ch\$10,946 million (US\$19.9 million) reported in the third quarter of 2007, due to the aforementioned lower non-operating results and higher income tax, which offset the increase in operating results. The higher average tax rate reflects the increased contribution of the business in Argentina within total results.



TELECOMMUNICATIONS SECTOR

The following table details Quiñenco's proportionate share of income from investments in the Telecommunications sector during 2007 and 2008:

TELECOMMUNICATIONS							
	Ownership %	3Q 2007 MCh\$	2Q 2008 MCh\$	3Q 2008 MCh\$	3Q 2008 MUS\$	YTD 2007 MCh\$	YTD 2008 MCh\$
Telefónica del Sur	74.4%	1,005	747	577	1.0	3,999	2,338

TELEFONICA DEL SUR

	Quarter			Accumulated for Year		
	3Q 2007 MCh\$	3Q 2008 MCh\$	3Q 2008 MUS\$	YTD 2007 MCh\$	YTD 2008 MCh\$	YTD 2008 MUS\$
Sales	16,004	16,390	29.7	48,842	48,538	88.0
Operating income (loss)	2,850	1,944	3.5	8,764	5,889	10.7
Net Income (loss)	1,362	776	1.4	5,425	3,141	5.7
Total Assets				160,446	172,202	312.4
Shareholders' equity				82,320	83,422	151.3

3Q 2008 Results

Telefónica del Sur's revenues reached Ch\$16,390 million (US\$29.7 million) up by 2.4% from the Ch\$16,004 million (US\$29.0 million) reported in the third quarter of 2007. This increase is mainly due to growth in IP digital television, wide-band internet, reflecting a 4.5% growth in the number of clients and lower average prices due to migration to bundled products. On the other hand, traditional telephony and long distance revenues declined during the quarter, following the industry trend in these segments.

Basic telephony services accounted for 44.4% of all revenues, followed by Internet (24.6%), access charges (13.2%), long distance services (5.7%), security services (4.3%), public telephones (3.0%), digital TV (3.5%) and other services (1.3%).

Operating income fell by 31.8% to Ch\$1,944 million (US\$3.5 million) mainly explained by the increment in depreciation related to investments in new product development, including wireless networks and infrastructure for internet and digital TV services, which have not yet reached break-even. Operating costs also increased in comparison to the previous period due to costs related to the new digital IP television programming, and higher costs of international wide-band, and higher costs of energy.

Telefónica del Sur reported non-operating losses of Ch\$942 million (US\$1.7 million), 11.4% less than the loss of Ch\$1,062 million (US\$1.9 million) registered in the third quarter of 2007. The lower loss is mainly explained by income from the sale of fixed assets and lower financial expenses, which more than offset a higher charge of monetary correction reflecting the increased inflation rate.

Telefónica del Sur reported net income of Ch\$776 million (US\$1.4 million), a decrease of 43.1% compared to the third quarter of 2007, mainly as a result of the aforementioned deterioration in operating results, which was partially mitigated by lower non-operational losses.



MANUFACTURING SECTOR

The following table details Quiñenco's proportionate share of income (loss) from investments in the Manufacturing sector during 2007 and 2008:

MANUFACTURING							
	Ownership %	3Q 2007 MCh\$	2Q 2008 MCh\$	3Q 2008 MCh\$	3Q 2008 MUS\$	YTD 2007 MCh\$	YTD 2008 MCh\$
Madeco	45.2%	1,881	2,809	35,535	64.5	8,636	39,438

MADECO						
	Quarter			Accumulated for Year		
	3Q 2007 MCh\$	3Q 2008 MCh\$	3Q 2008 MUS\$	YTD 2007 MCh\$	YTD 2008 MCh\$	YTD 2008 MUS\$
Sales	175,483	212,670	385.8	533,987	622,004	1,128.2
Operating income (loss)	12,708	13,331	24.2	38,260	40,533	73.5
Net Income (loss)	4,074	78,667	142.7	18,712	87,306	158.4
Total assets				545,684	596,240	1,081.5
Shareholders' equity				295,808	397,407	720.8

3Q 2008 Results

Madeco's sales increased 21.2% to Ch\$212,670 million (US\$385.8 million) in the third quarter of 2008, boosted by 6.8% growth in consolidated sales volumes, together with higher copper and aluminum prices. Overall, sales growth reflects the positive increase in revenues of the cable units in Chile and Brazil. In terms of business units, sales of the cable and flexible packaging units grew 31.7% and 39.4% respectively, sales of aluminum profiles increased 5.9% and sales of brass mills dropped by 26.3%.

Sales of the cables business unit reached Ch\$148,319 million (US\$269.0 million), 31.7% over 3Q 2007, primarily due to higher sales of cables in Chile and Brazil, and of copper rod to third parties in Chile. Brass mills sales reached Ch\$22,938 million (US\$41.6 million), 26.3% less than the previous period, due to lower volumes sold in Chile. Sales of flexible packaging increased by 39.4% to Ch\$32,258 million (US\$58.5 million) boosted by higher sales volumes in Chile and Argentina. Despite 22.2% growth in sales volumes of aluminum profiles, revenues of this unit increased only 5.9% due to lower average prices.

Sales of the wire and cable business unit, which has been sold to Nexans as of September 30, 2008, accounted for 69.7% of total sales, followed by flexible packaging (15.2%), brass mills (10.8%), and aluminum profiles (4.3%).

Operating income increased by 4.9% to Ch\$13,331 million (US\$24.2 million). Although gross income increased in line with the growth in revenues, this was offset by an increase of 42.7% in SG&A expenses during the period, owing mainly to higher SG&A expenses of the wire and cable business unit associated with the corporate reorganization process to carry out the sale of this unit to Nexans.

Operating income of the wire and cable business unit accounted for 62.2% of total operating income, followed by flexible packaging (29.7%), brass mills (5.5%) and aluminum profiles (2.6%). The operating margin decreased from 7.2% of sales in 3Q 2007 to 6.3% of sales in 3Q 2008, due to the higher SG&A expenses explained above. EBITDA reached Ch\$16,945 million (US\$30.7 million), practically flat in relation to the third quarter of 2007 (up by 0.8%).



Non-operating losses varied significantly during the quarter from a loss of Ch\$5,358 million (US\$9.7 million) in the third quarter of 2007 to a gain of Ch\$91,616 million (US\$166.2 million), reflecting the reflecting the non-recurring profit registered due to the sale of the wire and cable unit to Nexans, as of September 30, 2008.

Madeco reported a net profit of Ch\$78,667 million (US\$142.7 million) for the third quarter of 2008. , reflecting the aforementioned non-recurring profit from the sale of the wire and cable unit to Nexans, and to a lesser extent, improved operating performance during the 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