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

(Santiago, Chile, November 28, 2012) Quiñenco S.A., a leading Chilean business conglomerate, announced today its consolidated financial results under IFRS, for the third quarter ended September 30, 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 September 30, 2012 (Ch\$473.77 = US\$1.00), unless indicated otherwise, and are only provided for the reader's convenience.

### 3Q 2012 HIGHLIGHTS

- Net income<sup>1</sup> amounted to a gain of Ch\$58,809 million in the third quarter of 2012, a substantial improvement with respect to the loss posted in 3Q 2011. The improvement is primarily explained by a positive contribution from CSAV, which obtained earnings during the period, after seven quarters of losses. Enx also contributed with positive results, explained by growth in operating income and non-recurring income tax credit. Quarterly results were also affected by lower exchange rate gains and higher financial costs, mostly at the corporate level.
- Consolidated revenues reached Ch\$418 billion, up by 9.8% mostly due to higher revenues at Enx.
- The contribution of the Banking sector was boosted by lower accrued interest of the Subordinated Debt, and stable performance of Banco de Chile. The other operating companies however, namely CCU, Madeco and SM-SAAM, contributed with slightly lower bottom line results during the quarter, mainly owing to a decline in operating income. Banchile Vida, however, posted two digit strong growth in net income.
- Earnings per ordinary share amounted to a gain of Ch\$44.08 for the third quarter of 2012.

<sup>1</sup> Net income corresponds to Net income attributable to Controllers' shareholders.

**GROUP HIGHLIGHTS – THIRD QUARTER 2012 AND SUBSEQUENT EVENTS**

**Banco de Chile – Capital increase of \$250,000 million**

The Extraordinary Shareholders Meeting of Banco de Chile held on October 17, 2012, approved a capital increase of \$250 billion, through the issuance of 3,939,489,442 common shares of “Banco de Chile-T” series). This new series has the same rights as other Banco de Chile shares, with the exception that its holders will not receive dividends and fully paid-in shares with charge to distributable earnings for the fiscal year 2012. Once these dividends and fully paid-in shares have been distributed and paid, “Banco de Chile-T” shares will automatically become “Banco de Chile” shares. This capital increase will enable the Bank to support its organic growth, maintain suitable capital indicators and increase the free-float of its shares. The capital raised in 2011, which was intended to support 3 years of growth, given the rapid expansion of the Bank’s business, was only sufficient for 2011 and 2012.

LQIF, controlling entity of Banco de Chile, has announced its intention to subscribe the shares corresponding to the ordinary preemptive rights period, and to not subscribe the shares corresponding to the special preemptive rights period (corresponding to the rights of the shareholders of SAOS).

**CCU invests in water businesses in Uruguay and Chile**

On September 14, 2012, CCU acquired 100% of the shares of the companies Marzurel S.A, Milotur S.A., and Coralina S.A. in Uruguay, becoming the majority shareholder and controller of Andrimar S.A. These companies own the assets related to the production and marketing of bottled mineral waters under the Nativa brand, and carbonated softdrinks under the Nix brand. In all, this is an operation of 540 thousand hectoliters and revenues of US\$20 million, providing a growth platform to develop a multi-category business in Uruguay.

On October 16, 2012, CCU announced an agreement to acquire 51% of Manantial, a Chilean home and office delivery of purified water in bottles with the use of dispensers (HOD). The transaction is subject to certain conditions, including a due diligence process.

**CCU increases its stake in VSPT**

During the 3Q 2012, as a financial investment, CCU increased its stake in VSPT by 9.88%, reaching a 59.88% share.

**Madeco increases its stake in Nexans to 22.5%**

In accordance with the agreement reached with Nexans in early 2011, Madeco further increased its share in the French multinational leading cable company to 22.5% as of November 2012.



**Madeco signs amendment of agreement with Nexans**

On November 26, 2012, Madeco and Nexans signed an amendment to their agreement from early 2011. This amendment will allow Madeco to increase its stake in Nexans' shares and voting rights from 22.5% up to 28%, extending the ten year agreement to November 2022. Also, during a 3 year period ending November 26, 2015, Madeco's share in Nexans must be least 20% (lock-up) and no more than 28% (stand-still). If, during this 3 year period, Madeco's stake in Nexans surpasses 25%, the lock-up obligation automatically increases to 25%. This amendment does not impact Madeco's participation in Nexans' Board of Directors, and maintains its voting rights limited at 20% regarding major transactions.

## 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 third 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 (CSAV), SM-SAAM, Banchile Seguros de Vida (Banchile Vida) 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 June 30, 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. In May and June, Quiñenco's indirect subsidiaries Inversiones Río Cobre Ltda. And Inversiones Río Aurum S.A., were merged in Enx S.A.

**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	
	3Q 11	3Q 12	3Q 11	3Q 12	3Q 11	3Q 12	3Q 11	3Q 12	3Q 11	3Q 12
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Consolidated Income (Loss) Industrial Sector	358	(1,663)	(3,239)	(9,140)	320	22,867	(22,566)	15,660	(25,126)	27,725
Consolidated Income Banking Sector	-	-	80,845	85,671	-	-	-	-	80,845	85,671
<b>Consolidated Net Income (Loss)</b>	<b>358</b>	<b>(1,663)</b>	<b>77,606</b>	<b>76,531</b>	<b>320</b>	<b>22,867</b>	<b>(22,566)</b>	<b>15,660</b>	<b>55,719</b>	<b>113,396</b>
Net income (loss) attributable to Non-controlling interests	469	(452)	52,786	54,314	-	-	3,039	725	56,294	54,587
<b>Net Income (loss) attributable to Controllers' Shareholders</b>	<b>(111)</b>	<b>(1,211)</b>	<b>24,820</b>	<b>22,217</b>	<b>320</b>	<b>22,867</b>	<b>(25,605)</b>	<b>14,935</b>	<b>(575)</b>	<b>58,809</b>

#### Net Income – 3Q 2012

Quiñenco reported a net gain of Ch\$58,809 million in the third quarter of 2012, a significant improvement over the loss of Ch\$575 million reported for the same period in 2011, primarily due to gains posted during the period by Quiñenco's equity investment CSAV, resulting from the restructuring of its operations and improved market conditions. Enx also contributed with important growth in net income, based on sound operating performance and an income tax credit. Banchile Vida, for its part, reported significant growth in operating and bottom line results. The contribution from CCU, Madeco and, to a lesser extent, SM-SAAM, however, was slightly lower than 3Q 2011. At a corporate level, financial costs increased due to a higher level of debt, and exchange rate gains in 3Q 2011 from a net asset position in US dollars were not repeated in 3Q 2012.

Earnings per ordinary share amounted to a gain of Ch\$44.08 in the third quarter of 2012.

### Consolidated Income Statement Breakdown

	3Q 11		3Q 12	
	MCh\$	MUS\$	MCh\$	MUS\$
<b>Industrial Sector</b>				
<b>Revenues</b>	<b>380,270</b>	<b>802.6</b>	<b>417,625</b>	<b>881.5</b>
Manufacturing - Madeco	54,049	114.1	51,292	108.3
Financial - LQIF holding	-	-	-	-
Energy - Enex	297,507	628.0	339,549	716.7
Other - Quiñenco & others	28,715	60.6	26,784	56.5
<b>Operating income (loss)</b>	<b>196</b>	<b>0.4</b>	<b>1,870</b>	<b>3.9</b>
Manufacturing - Madeco	2,796	5.9	9	0.0
Financial - LQIF holding	(2,296)	(4.8)	(1,549)	(3.3)
Energy - Enex	1,623	3.4	2,409	5.1
Other - Quiñenco & others	(1,926)	(4.1)	1,001	2.1
<b>Non-operating income (loss)</b>	<b>(24,342)</b>	<b>(51.4)</b>	<b>12,512</b>	<b>26.4</b>
Interest income	5,250	11.1	5,302	11.2
Interest expense	(4,975)	(10.5)	(7,962)	(16.8)
Share of net income/loss from related co.	(25,855)	(54.6)	14,418	30.4
Foreign exchange gain (loss)	2,090	4.4	865	1.8
Indexed units of account restatement	(852)	(1.8)	(111)	(0.2)
Income (loss) tax	(980)	(2.1)	13,343	28.2
<b>Consolidated Net Income (Loss) Industrial Sector</b>	<b>(25,126)</b>	<b>(53.0)</b>	<b>27,725</b>	<b>58.5</b>
<b>Banking Sector</b>				
Operating revenues	310,005	654.3	305,419	644.7
Provision for loan losses	(45,168)	(95.3)	(40,348)	(85.2)
Operating expenses	(151,870)	(320.6)	(159,665)	(337.0)
Operating income (loss)	112,967	238.4	105,406	222.5
Non-operating income (loss)	(16,820)	(35.5)	(14,522)	(30.7)
Income (loss) tax	(15,302)	(32.3)	(5,213)	(11.0)
<b>Consolidated Net Income Banking Sector</b>	<b>80,845</b>	<b>170.6</b>	<b>85,671</b>	<b>180.8</b>
<b>Consolidated Net Income</b>	<b>55,719</b>	<b>117.6</b>	<b>113,396</b>	<b>239.3</b>
Net income attributable to Non-controlling interests	56,294	118.8	54,587	115.2
<b>Net income attributable to Controllers' shareholders</b>	<b>(575)</b>	<b>(1.2)</b>	<b>58,809</b>	<b>124.1</b>

## I. Industrial Sector

### Revenues – 3Q 2012

Consolidated revenues totaled Ch\$417,625 million in the third quarter of 2012, 9.8% above those of the same period in 2011, primarily due to higher sales at Enex, which registered 14.1% growth during the quarter based mainly on higher sales volumes. Madeco's sales, however, diminished 5.1% with respect to 3Q 2011, mainly due to lower revenues from brass mills, primarily reflecting a lower sales volume, partially compensated by higher sales of the flexible packaging unit, boosted by the incorporation of the new associate in Colombia, and to a lesser extent, by moderate sales growth in the profiles unit.<sup>2</sup> Revenues from Banchile Vida, included in Quiñenco and others, decreased 6.8% during the quarter.

Consolidated sales in the third quarter of 2012 can be broken down as follows: Enex (81.3%), Madeco (12.3%), and others (6.4%).

### Operating Income - 3Q 2012<sup>3</sup>

Operating income for the third quarter of 2012 reached a gain of Ch\$1,870 million, compared to a gain of Ch\$196 million in the third quarter of 2011. The improvement in consolidated operating results is primarily attributable to Banchile Vida's operating results that grew 31.6%, boosted by a lower cost of sales. Enex also contributed with 48.5% growth in operating income due to sales growth and lower SG&A expenses, and LQIF holding reported a lower operating loss due to lower other operating expenses, reflecting the completion of the amortization period of certain intangibles arising from the merger with Citibank, in December 2011. Madeco, however, reported a decrease in operating income mainly reflecting a loss from the change in the stake in Nexans, and an operating loss in brass mills.

### EBITDA<sup>4</sup> – 3Q 2012

EBITDA amounted to Ch\$9,835 million in 3Q 2012, growing 59.0% with respect to 3Q 2011, generated mainly by Madeco's, Banchile Vida's and Enex's operations.

### Non-Operating Results<sup>5</sup> – 3Q 2012

Non-operating income amounted to a gain of Ch\$12,512 million in the third quarter of 2012, compared to a non-operating loss of Ch\$24,342 million in the same quarter of 2011. The variation between the two periods is mostly explained by an improvement in results of equity investments.

<sup>2</sup> 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.

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

<sup>4</sup> EBITDA is calculated as: Operating income minus/plus Other gains/losses plus Depreciation plus Amortization of intangibles.

<sup>5</sup> 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.

**Proportionate share of net income of equity method investments (net) – 3Q 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 gain of Ch\$14,418 million, compared to a loss of Ch\$25,855 million in 3Q 2011. In the case of CSAV and SM-SAAM, the proportionate share is adjusted by the fair value estimated for these investments at Quiñenco. (For more detail see Segment/operating Company Analysis).

Quiñenco's proportionate share of net income from CCU decreased by 20.2% to Ch\$5,729 million.  
Quiñenco's proportionate share of net income from CSAV improved to a gain of Ch\$8,708 million.  
Quiñenco's proportionate share of net income from SM-SAAM amounted to a loss of Ch\$148 million.

**Interest Income - 3Q 2012**

Interest income for the third quarter of 2012 amounted to Ch\$5,302 million, 1.0% above that obtained in 3Q 2011. This variation is mainly explained by higher financial income at Enex, offset by lower financial income at Quiñenco, mostly reflecting a lower balance of cash. It is worth noting that 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 - 3Q 2012**

Interest expense for the third quarter of 2011 amounted to Ch\$7,962 million, substantially higher than the Ch\$4,975 million reported in 3Q 2011. The variation is mainly explained by higher financial expenses at LQIF, reflecting its bond issuance that refinanced bank debt with Banco de Chile, eliminated in consolidation, and at Quiñenco, reflecting its bond issuances carried out in June 2011 and January 2012, and to a lesser extent at Madeco.

**Foreign currency exchange differences – 3Q 2012**

In 3Q 2012, the gains (losses) specific to foreign currency translation differences amounted to a gain of Ch\$865 million, compared to a gain of Ch\$2,090 million reported in 3Q 2011, primarily attributable to a loss at Quiñenco compared to a gain in 3Q 2011, due to a net asset position in US dollars, partially offset by gains at Madeco.

**Indexed units of account restatement – 3Q 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\$111 million in the third quarter of 2011, compared to a loss of Ch\$852 million reported in the same period of 2011, due to the lower rate of inflation prevailing in the current quarter and its adjustment effect on liabilities in UFs.

**Income Taxes – 3Q 2012**

The industrial sector reported an income tax credit of Ch\$13,343 million, compared to income tax of Ch\$980 million reported in the third quarter of 2011, primarily due to an income tax credit at Enex, mostly



corresponding to deferred taxes, partially offset by higher income tax at LQIF holding, due to the effect of the recently approved tax reform that raised the corporate tax rate in Chile to 20%.

#### **Non-controlling Interests – 3Q 2012**

In the third quarter of 2012, at a consolidated level (including both industrial and banking net income), net income attributable to non-controlling interests amounted to Ch\$54,587 million. Of the total amount reported in 3Q 2012, Ch\$31,654 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 Banchile Vida's net income.

## **II. Banking Sector**

#### **Operating Revenues - 3Q 2012**

Operating revenues for the third quarter of 2012 amounted to Ch\$305,419 million, a slight 1.5% below the third quarter of 2011. At Banco de Chile net financial income decreased during the quarter, while fee income remained stable.

#### **Provision for Credit Risk - 3Q 2012**

Provisions for loan losses at Banco de Chile amounted to Ch\$40,349 million in the third quarter of 2012, 10.7% lower than the provisions registered in the third quarter of 2011, primarily attributable to lower provisions in the wholesale segment, despite annual growth in loans.

#### **Operating expenses - 3Q 2012**

Operating expenses increased by 5.1% to Ch\$159,665 million, mainly explained by an increase of 5.1% in Banco de Chile's operating expenses to Ch\$159,609 million, mostly due to higher marketing expenses focused on maintaining brand recognition.

#### **Non-operating Results - 3Q 2012**

During the third quarter of 2012 non-operating results amounted to a loss of Ch\$14,522 million as compared to a loss of Ch\$16,820 million in the third quarter of 2011, primarily explained by lower accrued interest expense of the Subordinated Debt with the Chilean Central Bank, owing to the lower rate of inflation registered during the third quarter of 2012, and also due to lower income from related companies.

#### **Net Income - 3Q 2012**

Net income for the banking sector amounted to Ch\$85,671 million up by 6.0% over the same period in 2011, due to lower provisions for loan losses, lower accrued interest expense of the Subordinated Debt, and lower income tax, arising from the recently approved tax reform that increased the corporate tax rate in Chile. These variations compensated higher operating expenses together with lower operating revenues during the period.

**CONSOLIDATED BALANCE SHEET ANALYSIS (vis-à-vis the 2nd quarter of 2012)**

**Condensed Consolidated Balance Sheet**

	06-30-2012		09-30-2012	
	MCh\$	MUS\$	MCh\$	MUS\$
Current assets industrial sector	607,657	1,282.6	<b>601,681</b>	1,270.0
Non-current assets industrial sector	2,222,704	4,691.5	<b>2,238,010</b>	4,723.8
Assets financial sector	22,471,245	47,430.7	<b>22,731,960</b>	47,981.0
<b>Total assets</b>	<b>25,301,605</b>	<b>53,404.8</b>	<b>25,571,651</b>	<b>53,974.8</b>
Current liabilities industrial sector	200,374	422.9	<b>236,443</b>	499.1
Long-term liabilities industrial sector	734,620	1,550.6	<b>718,427</b>	1,516.4
Liabilities financial sector	20,959,149	44,239.1	<b>21,144,889</b>	44,631.1
Non-controlling interests	1,574,765	3,323.9	<b>1,608,662</b>	3,395.4
Shareholders' equity	1,832,697	3,868.3	<b>1,863,229</b>	3,932.8
<b>Total liabilities &amp; shareholders' equity</b>	<b>25,301,605</b>	<b>53,404.8</b>	<b>25,571,651</b>	<b>53,974.8</b>

**Current Assets Industrial Sector**

Current assets decreased by 1.0% compared to the second quarter of 2012, mainly due to lower cash and cash equivalents at Enx, due mainly to investments in fixed assets, and at Quiñenco, primarily for bond amortization and interest payments, mostly offset by higher trade receivables at Enx.

**Non Current Assets Industrial Sector**

Non current assets increased by a slight 0.7% compared to the second quarter of 2012, mainly due to a lower balance of equity investments, explained by a decrease in the value of the investment in Nexans, primarily due to exchange rate adjustments, and to a lesser extent due to a reduction in SM-SAAM, also due to exchange rate adjustments, partially offset by an increase of the investment in CSAV and IRSA, owing mainly to quarterly earnings. This decrease was partially offset by higher deferred taxes at Enx.

**Assets Banking Sector**

Total assets of the banking sector increased by 1.2% compared to the second quarter of 2012. Loans to customers increased by 2.4% with respect to June 2012, reflecting growth in residential mortgage and consumer loans, partially offset by a decrease in commercial loans during the quarter.

**Current Liabilities Industrial Sector**

Current liabilities increased by 18.0% over the second quarter of 2012, mainly due to higher dividend provisions at Quiñenco, increased trade payables at Enex, and to a lesser extent by higher liabilities at LQIF, Madeco and Enex.

**Long-term Liabilities Industrial Sector**

Long-term liabilities decreased by 2.2% in comparison to the second quarter of 2012, mainly explained by lower long term debt at Quiñenco, and to a lesser extent at Madeco.

**Liabilities Banking Sector**

Liabilities corresponding to the banking sector increased by 0.9% compared to the second quarter of 2012.

**Non-controlling Interests**

Non-controlling interests increased by 2.2% with respect to June 2012.

**Equity**

Shareholders' equity increased by 1.7% with respect to June 2012, due to period earnings net of dividends provisioned, partially offset by the conversion effect of translating CSAV, SM-SAAM, and Madeco's financial statements from dollars to Chilean pesos, producing a decline in other reserves.



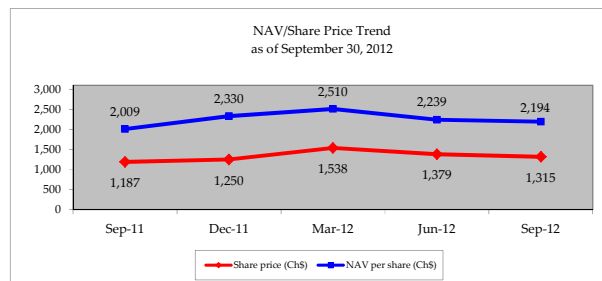
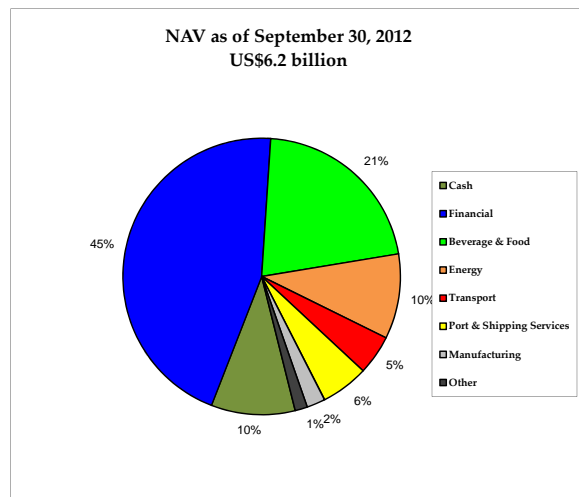
Quiñenco Corporate Level Debt and Cash

As of September 30, 2012	Debt		Cash & equivalents		Total Net Debt	
	MCh\$	MUS\$	MCh\$	MUS\$	MCh\$	MUS\$
Corporate level	307,296	648.6	324,966	685.9	(17,670)	(37.3)
Adjusted for:						
50% interest in LQIF	79,523	167.9	1,720	3.6	77,803	164.2
50% interest in IRSA	3,613	7.6	221	0.5	3,392	7.2
<b>Total</b>	<b>390,433</b>	<b>824.1</b>	<b>326,907</b>	<b>690.0</b>	<b>63,526</b>	<b>134.1</b>

The debt to total capitalization ratio at the corporate level (unadjusted) was 13.9% as of September 30, 2012.

NAV

As of September 30, 2012, the estimated net asset value (NAV) of Quiñenco was US\$6.2 billion (Ch\$2,194 per share) and market capitalization was US\$3.7 billion (Ch\$1,315 per share). The discount to NAV is estimated at 40.1% as of the same date.



### SEGMENT /OPERATING COMPANY ANALYSIS

Sector /Segment	Manufacturing		Financial		Energy		Other		Total	
	3Q 11	3Q 12	3Q 11	3Q 12	3Q 11	3Q 12	3Q 11	3Q 12	3Q 11	3Q 12
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
<b>Industrial Sector</b>										
Net income (loss) from continued operations before taxes	813	(1,123)	(3,392)	(3,147)	176	2,026	(21,744)	16,625	(24,146)	14,381
Income (loss) tax	(455)	(540)	153	(5,993)	144	20,841	(822)	(965)	(980)	13,343
Net loss from discontinued operations	-	-	-	-	-	-	-	-	-	-
<b>Net income (loss) industrial sector</b>	<b>358</b>	<b>(1,663)</b>	<b>(3,239)</b>	<b>(9,140)</b>	<b>320</b>	<b>22,867</b>	<b>(22,566)</b>	<b>15,660</b>	<b>(25,126)</b>	<b>27,725</b>
<b>Banking Sector</b>										
Net income before taxes	-	-	96,147	90,884	-	-	-	-	96,147	90,884
Income (loss) tax	-	-	(15,302)	(5,213)	-	-	-	-	(15,302)	(5,213)
<b>Net income banking sector</b>	<b>-</b>	<b>-</b>	<b>80,845</b>	<b>85,671</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>80,845</b>	<b>85,671</b>
<b>Consolidated net income (loss)</b>	<b>358</b>	<b>(1,663)</b>	<b>77,606</b>	<b>76,531</b>	<b>320</b>	<b>22,867</b>	<b>(22,566)</b>	<b>15,660</b>	<b>55,719</b>	<b>113,396</b>
Net income (loss) attributable to Non-controlling interests	469	(452)	52,786	54,314	-	-	3,039	725	56,294	54,587
Net income (loss) attributable to Controllers' shareholders	(111)	(1,211)	24,820	22,217	320	22,867	(25,605)	14,935	(575)	58,809

### MANUFACTURING SEGMENT

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

	3Q 11		3Q 12	
	MCh\$	MUS\$	MCh\$	MUS\$
Madeco	(111)	(0,2)	(1,211)	(2,6)
<b>Total Manufacturing Segment</b>	<b>(111)</b>	<b>(0,2)</b>	<b>(1,211)</b>	<b>(2,6)</b>

As of September 30, 2012 and 2011, Quiñenco's ownership of Madeco was 55.4% and 54.4%, respectively.

## MADECO

	3Q 11		3Q 12		3Q 11	3Q 12
	MCh\$	MUS\$	MCh\$	MUS\$	ThUS\$	ThUS\$
Sales	54,049	114.1	51,292	108.3	<b>114,642</b>	<b>106,341</b>
Operating income	2,796	5.9	9	0.0	<b>5,938</b>	<b>(80)</b>
Net loss discontinued operations	-	-	-	-	-	-
Net income (loss) Controller	(204)	(0.4)	(2,186)	(4.6)	<b>(362)</b>	<b>(4,614)</b>
Total assets			446,170	941.7		<b>941,744</b>
Shareholders' equity			292,341	617.1		<b>617,054</b>

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.

### 3Q 2012 Results

Madeco's sales declined 7.2% to US\$106,341 thousand in the third quarter of 2012 compared to the same period of 2011, primarily due to lower sales of brass mills, partially compensated by higher sales of flexible packaging. Sales of brass mills decreased 37.4%, primarily due to a lower sales volume of exports. Sales of the flexible packaging unit increased 9.9% with respect to 3Q 2011, mainly due to the addition of the new associate in Colombia. Sales of the profiles unit increased by 2.3% based on increased activity in the construction sector.

During the third quarter of 2012, sales of the flexible packaging unit accounted for 61.8% of sales, followed by brass mills (23.0%), and profiles (15.2%).

Gross income reached US\$20,185 thousand, increasing 2.7% with respect to 3Q 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, however, recorded an increase in gross income of 15.4%, mostly reflecting the incorporation of the associate in Colombia. Gross income from profiles also increased, rising by 15.5% due to a more favorable sales mix.

Operating income reached a loss of US\$80 thousand, down from a gain of US\$5,938 thousand in 3Q 2011, due to the drop in gross income from brass mills. Growth in gross income of the flexible packaging unit was offset by higher

SG&A expenses in Argentina. Operating income of the profile unit increased due to the growth in gross income and a stable level of SG&A expenses. Also, during the quarter a loss of US\$5,543 thousand was registered at the corporate level due to a variation in Madeco's stake in Nexans, resulting from Madeco not subscribing shares issued by Nexans to comply with employee options and convertible bonds.

Non-operating income for the quarter amounted to a loss of US\$2,339 thousand, compared to a loss of US\$4,159 thousand in 3Q 2011. This variation is mainly explained by exchange rate gains at the associate in Colombia, compared to losses in 3Q 2011 mainly related to exposure in Brazilian reales. Financial costs, on the other hand, increased with respect to the previous quarter due to the financing required for the investments in Nexans' shares. Finally, it is worth noting that since Nexans does not report results as of September, the quarter does not include the proportional result of this equity investment.

Madeco reported a net loss of US\$4,614 thousand for the third quarter of 2012, compared to a loss of US\$362 thousand in 3Q 2011. The variation is due to the lower operational results explained above, and higher income tax during the quarter, mainly owing to income tax in Peru, Colombia and Argentina, partially compensated by an improved non-operating result.

## FINANCIAL SEGMENT

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

	3Q 11		3Q 12	
	MCh\$	MUS\$	MCh\$	MUS\$
LQIF holding	(1,617)	(3.4)	(4,565)	(9.6)
Banking sector	26,437	55.8	26,782	56.5
<b>Total Financial Segment</b>	<b>24,820</b>	<b>52.4</b>	<b>22,217</b>	<b>46.9</b>

As of September 30, 2012 and 2011, Quiñenco's ownership of LQIF was 50.0%. LQIF's economic rights in Banco de Chile were 39.5% as of September 30, 2011 and 39.8% as of September 30, 2012.

## LQIF Holding

LQIF holding registered a loss of Ch\$9,140 million compared to a loss of Ch\$3,239 million in 3Q 2011, mainly due to higher income tax, due to the tax reform approved in September 2012 increasing the corporate tax rate, and to a lesser extent due to higher financial costs. These variations were partially compensated by gains related to the effect of low inflation on financial obligations denominated in UFs during the quarter, and a drop in the amortization of intangibles due to the completion in December 2011 of the amortization period of certain intangibles arising from the merger with Citibank in 2008.

### 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

	3Q 11		3Q 12	
	MCh\$	MUS\$	MCh\$	MUS\$
Operating revenues	309,461	653.2	<b>304,949</b>	643.7
Provision for loan losses	(45,168)	(95.3)	<b>(40,349)</b>	(85.2)
Operating expenses	(151,812)	(320.4)	<b>(159,609)</b>	(336.9)
Net income (loss)	98,308	207.5	<b>99,785</b>	210.6
Loan portfolio	16,776,474	35,410.6	<b>18,376,394</b>	38,787.6
Total assets	21,433,798	45,240.9	<b>22,739,005</b>	47,995.9
Shareholders' equity	1,697,745	3,583.5	<b>1,834,542</b>	3,872.2
Net financial margin	4.72%		<b>4.2%</b>	
Efficiency ratio	49.1%		<b>52.3%</b>	
ROAE	21.0%		<b>20.1%</b>	
ROAA	1.9%		<b>1.8%</b>	

### 3Q 2012 Results

Banco de Chile reported net income of Ch\$99,785 million in the third quarter of 2012, increasing by 1.5% with respect to the third quarter of 2011. These results are explained by growing loans and slightly higher lending spreads, lower provisions for loan losses, and lower income tax, despite lower inflation during the quarter, greater operating expenses and lower results from the accrual of the Bank's investment portfolio.

Operating revenues, which include net financial income, fee income and other operating income, diminished by 1.5% to Ch\$304,979 million in the third quarter of 2012, mainly due to lower net financial income. Fee income remained stable at Ch\$75,665 million.

Net financial income reached Ch\$223,309 million, decreasing 1.9% with respect to that obtained in the third quarter of 2011, due to lower income from the Bank's net asset position in UFs given a lower rate of inflation, lower results from treasury activities, reflecting the effect of lower inflation on the accrual of fixed income securities held in the Bank's portfolio, and a negative exchange rate effect on the hedge of US\$ denominated provisions for loan losses, owing to the appreciation of the Chilean peso in 3Q 2012 versus its depreciation in 3Q 2011. These negative factors were partially offset by strong loan portfolio growth of 9.5%, a slight increase in lending spreads compensating higher credit risk observed in the industry, and growth of 10.1% in the average balance of current accounts and demand deposits, providing a low-cost source of funding. Net financial income comprised 73.2% of operating revenues in 3Q 2012.



Provisions for loan losses amounted to Ch\$40,349 as compared to Ch\$45,168 million reported in 3Q 2011. This decrease of 10.7% despite strong annual loan growth, is mainly explained by lower provisions in the wholesale segment, due to the release of Ch\$8 billion of allowances for loan losses following the upgrade of the credit risk classification of a wholesale banking customer, a positive exchange rate effect on US-denominated provisions due to the appreciation of the Chilean peso, and provisions established in 3Q 2011 for specific customers with higher credit risk. The provisions of the retail segment, however, increased in line with loan growth.

Operating expenses increased by 5.1% to Ch\$159,609 million, mainly due to higher administrative expenses, mostly reflecting increased marketing expenses focused on maintaining brand recognition. Personnel expenses decreased in 2012 due to a special bonus of \$28 billion granted in 3Q 2011 as part of the collective bargaining agreement concluded in that period. However, this drop was offset by an increase in other operating expenses, due to the release in 3Q 2011 of a contingency provision of \$22 billion, set in 2Q 2011, related to the same collective bargaining process. Excluding the above mentioned non-recurring item, personnel expenses increased by 7.9% due to salary increases.

Net income during the quarter reached Ch\$99,785 million, up 1.5% from 3Q 2011 despite lower operating revenues and increased operating expenses, due to lower income tax reflecting tax benefits associated with the Bank's deferred tax position and the increase in the corporate tax rate in Chile as of 2012.

As of September 2012, the Bank's loan portfolio had demonstrated an annual growth of 9.5% and a quarterly increase of 2.4% with respect to June 2012. Annual portfolio growth is driven by all credit products, but particularly by commercial loans that grew 6.3%, mainly based on greater demand for credit from small/medium sized companies. Residential mortgage loans continued with a strong growth of 18.6% over the past year, based on a competitive funding cost and tailor-made financing alternatives for individuals. Consumer loans posted growth of 11.2%, based on increased activity in credit cards and installment loans.

Banco de Chile is the second ranked bank in the country with a market share of 18.9% of total loans according to information published by the Chilean Superintendency of Banks for the period ended September 30, 2012. Its return on equity after taxes (annualized) reached 23.8%, compared to 14.1% for the local financial system, according to the same source.

### **Interest Subordinated Debt**

In the third quarter of 2012 accrued interest expense of the Subordinated Debt with the Chilean Central Bank was 18.9% lower than the third quarter of 2011, due to the effect of the lower rate of inflation in 3Q 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:

	3Q 11		3Q 12	
	MCh\$	MUS\$	MCh\$	MUS\$
Enex	320	0,7	22.867	48,3
Total Energy Segment	320	0,7	22.867	48,3

As of September 30, 2012, Quiñenco controls 100% of the energy segment.

### ENEX<sup>6</sup>

	3Q 11		3Q 12	
	MCh\$	MUS\$	MCh\$	MUS\$
Sales	297,507	628.0	339,549	716.7
Operating income (loss)	1,623	3.4	2,409	5.1
Net income (loss) Controller	320	0.7	22,867	48.3
Total assets			518,897	1,095.3
Shareholders' equity			332,023	700.8

Enex's consolidated sales during 3Q 2012 reached Ch\$339,549 million, compared to Ch\$297,507 million in 3Q 2011, based on a higher sales volume in the current period, mainly of fuels and asphalts. The total volume dispatched during the quarter amounted to 523 thousand cubic meters, of which 94% corresponds to fuels, increasing by 10.2% with respect to 3Q 2011.

Gross income during the period reached Ch\$24,648 million, compared to Ch\$26,917 million in 3Q 2011, reflecting a slightly lower gross margin due to the reclassification of certain SG&A expenses as cost of sales in 2012. Operating income during the quarter reached a gain of Ch\$2,409 million, growing 48.5% with respect to the previous period, due to the higher sales level and lower SG&A expenses, partially offset by lower other operating income, explained by dividend income from Sonacol in 3Q 2011, whereas in 2012 dividends from Sonacol were received in the 2Q (Ch\$2,172 million).

Non-operating income amounted to a loss of Ch\$384 million, an improvement over the loss of \$1,447 million reported in 3Q 2011. The variation is mostly attributable to higher financial income and exchange rate gains, arising

<sup>6</sup> Enex corresponds to the consolidated financial statements of Enex S.A.

from a fall in the exchange rate during the quarter and the company's net liabilities in USD, partially offset by losses from the restatement of indexed units of account.

Net income for the 3Q 2012 amounted to Ch\$22,867 million, substantially higher than the \$320 million reported in 3Q 2011, due to an income tax credit corresponding primarily to deferred taxes, as well as improved operating and non-operating results.

#### OTHER SEGMENT

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

	3Q 11		3Q 12	
	MCh\$	MUS\$	MCh\$	MUS\$
IRSA (CCU)	7,181	15.2	5,730	12.1
CSAV	(33,208)	(70.1)	8,709	18.4
SM-SAAM	-	-	(148)	(0.3)
Quiñenco & other	422	0.9	644	1.4
<b>Total Segment Others</b>	<b>(25,605)</b>	<b>(54.0)</b>	<b>14,935</b>	<b>31.5</b>

As of September 30, 2012 and 2011, Quiñenco's ownership of CCU was 33.1%. As of September 30, 2012, Quiñenco's ownership of both CSAV and SM-SAAM was 37.44%.

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 estimated for these investments at Quiñenco (CSAV is accounted for by the equity method since July 2011). The adjustment in the case of CSAV amounted to Ch\$279 million for the period January-September 2012, and to Ch\$957 million for the period July-December 2011. The total adjustments for both periods were booked during 3Q 2012. In the case of SM-SAAM the adjustment for the period January-September 2012 amounted to Ch\$1,723 million, also accounted for entirely in 3Q 2012.

CCU

	3Q 11		3Q 12	
	MCh\$	MUS\$	MCh\$	MUS\$
Sales	220,042	464.4	243,977	515.0
Operating income (loss)	36,760	77.6	31,650	66.8
Net income (loss)	22,050	46.5	17,388	36.7
Total assets			1,267,484	2,675.3
Shareholders' equity			592,805	1,251.3

3Q 2012 Results

CCU's sales grew by 10.9% in the third quarter of 2012 compared to the third quarter of 2011, as a result of higher consolidated sales volumes and higher average prices. The 6.3% growth in sales volumes was led by spirits (+11.7%) and non-alcoholic beverages (+11.1%), followed by wine (+3.8%), the Argentine beer segment (+3.2%), and the Chilean beer segment (+2.2%). The growth of the spirits segment reflects the successful addition of Pernod Ricard products. Average prices increased by 4.8%, mainly reflecting a higher average price of beer in Argentina, due to the exchange rate, a change in mix, and price increases in order to partially compensate inflation. Average prices of spirits rose 5.0% based on a change in sales mix, reflecting the Pernod Ricard products. Average prices of non-alcoholic beverages, beer in Chile, and wine also increased with respect to the previous period.

Gross profit rose by 13.4% to Ch\$127,715 million, higher than the growth in sales due to an 8.3% growth in cost of sales. The gross margin as a percentage of sales increased from 51.2% in 3Q 2011 to 52.3% in 3Q 2012.

Operating income reached Ch\$31,650 million, decreasing by 13.9% from 2011 despite the growth in gross profit, mainly due to hedging gains registered in 3Q 2011 vs. hedging losses in 3Q 2012, and also due to higher SG&A expenses, primarily explained by inflationary pressures in Argentina, higher distribution costs in Chile, and higher marketing expenses. As a percentage of sales, SG&A expenses rose from 36.8% in 3Q 2011 to 39.0% in 3Q 2012. EBITDA amounted to Ch\$47,277 million, increasing 5.9% with respect to 3Q 2011.

CCU reported non-operating losses of Ch\$1,517 million compared to a loss of Ch\$2,788 million in 3Q 2011. The variation is mainly explained by gains in 3Q 2012 related to the effect of the slightly negative variation in the UF on financial obligations denominated in UFs compared to an increase in the previous period, and to a lesser extent, by gains from exchange rate differences. On the other hand, net financial expenses increased slightly.

Net income for the third quarter of 2012 amounted to Ch\$17,388 million, down by 21.1% from the same quarter in 2011, primarily due to the decline in operating income explained above, partially offset by improved non-operating results. Also, due to the tax reform approved in September 2012, the corporate tax rate as of this year was raised, thus increasing income tax expense by \$6,126 million during the quarter.

## CSAV

	3Q 11	3Q 12
	ThUS\$	ThUS\$
Sales	1,153,978	<b>854,699</b>
Operating income (loss)	(354,891)	<b>37,284</b>
Net income (loss) Controller	(342,836)	<b>55,775</b>
Total assets		<b>2,579,409</b>
Shareholders' equity		<b>878,464</b>

Due to SAAM's spin-off in February 2012, SAAM has been classified as a discontinued operation.

### 3Q 2012 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.

CSAV's consolidated sales in 3Q 2012 reached US\$854.7 million, decreasing by 25.9% with respect to 3Q 2011, primarily due to a 37.6% reduction in transported volume to 489,675 TEUs<sup>7</sup>, as a result of the restructuring plan implemented in the third quarter of 2011, which reduced the company's operating scale, suspending some services, modifying others, and establishing new joint service agreements, thus changing the markets and service mix of the company's operations. This lower volume was partly compensated by a 23.0% increase in average revenue per TEU.

During 3Q 2012 gross income amounted to a gain of US\$96.2 million, a significant improvement with respect to the loss of US\$283.9 million reported in 3Q 2011, due to a drop in cost of sales exceeding the drop in transported volumes explained above, resulting from a more efficient cost structure, both in variable and fixed costs. Operating income reached a gain of US\$37.3 million in 3Q 2012, an improvement over the loss of US\$354.9 million obtained in 3Q 2011, primarily explained by higher gross income. Also, administrative expenses decreased by 17.4%, explained by the reduction in organizational levels and headcount, consistent with the new scale of operation.

Non-operating income for the quarter amounted to a loss of US\$16.6 million as compared to a gain of US\$6.6 million reported in 3Q 2011. This negative variation is primarily due to exchange rate losses in 3Q 2012, arising from the company's liabilities in UFs, lower results of equity investments, and higher financial costs reflecting the company's higher level of liabilities.

Discontinued operations registered a net loss of US\$3.5 million (US\$8.6 million before taxes), compared to a loss of US\$23.9 million in 3Q 2011. The loss in 3Q 2011 reflects the results of SAAM that amounted to a consolidated gain of

<sup>7</sup> TEU: Twenty-foot equivalent unit, representing the capacity of a standard 20-foot long intermodal container.

US\$15.6 million and restructuring costs of US\$39.5 million. In 3Q 2012, the loss corresponds to costs related to the restructuring plan, including onerous contracts signed during the period for vessel subleases (US\$12.7 million), and a reduction in provisioned costs (US\$4.1 million).

CSAV reported a net gain of US\$55.8 million in 3Q 2012, a significant improvement with respect to the loss of US\$342.8 million reported in 3Q 2011, based on the positive operating income explained above, and a credit of US\$44.4 million during the quarter due to deferred tax assets, arising from the recently approved tax reform that raised the corporate tax rate in Chile. Non-operating losses, and to a lesser extent, the loss from discontinued operations, partly offset these favorable effects.

### SM-SAAM

	SM-SAAM		SAAM	
	3Q 11	3Q 12	3Q 11	3Q 12
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Sales	-	<b>111,191</b>	104,704	<b>111,191</b>
Operating income (loss)	-	<b>12,068</b>	16,692	<b>12,770</b>
Net income (loss) Controller	-	<b>8,609</b>	14,674	<b>9,337</b>
Total assets		<b>992,036</b>		<b>993,042</b>
Shareholders' equity		<b>645,176</b>		<b>658,580</b>

SM-SAAM started its operations as such in February 2012. However, in the following analysis some comparisons are made with SAAM's stand-alone figures in 2011.

### 3Q 2012 Results

In the third quarter of 2012 SM-SAAM's consolidated sales, which correspond entirely to SAAM, reached US\$111.2 million, increasing 6.2% with respect to SAAM's sales in 3Q 2011. This positive variation is mainly explained by growth in the tugboat and logistics segments. The consolidated sales mix during the quarter was: tugboats (41.6%), logistics (37.8%), and ports (20.6%).

During 3Q 2012 gross income, corresponding entirely to SAAM, amounted to a gain of US\$27.5 million, 3.4% lower than that obtained by SAAM in the previous period, due to a higher cost of sales as a percentage of sales, in all business segments, offsetting sales growth. SM-SAAM's operating income reached US\$12.1 million in 3Q 2012. Operating income for SAAM reached US\$12.8 million, decreasing by 23.5% due to higher SG&A expenses, reflecting the strengthening of the development division, the implementation of new operations in Mexico, Honduras and Colombia, development and implementation of a new SAP platform, and higher salaries due to market pressures. SM-SAAM's slightly lower operational result in comparison with SAAM is primarily explained by administrative expenses incurred in its listing on the local Stock Exchange. SM-SAAM's consolidated EBITDA reached US\$21.3 million in 3Q 2012. SAAM's EBITDA, in turn, reached US\$21.7 million, decreasing by 7.4% from 3Q 2011.

Non-operating income for the quarter for SM-SAAM amounted to a gain of US\$2.1 million, and for SAAM a gain of US\$2.1 million, compared to a gain of US\$1.7 million reported by SAAM in 3Q 2011. The variation is mainly explained by a lower contribution from equity investments, primarily due to port strikes and higher taxes, partly offset by lower exchange rate losses.

SM-SAAM reported a net gain of US\$8.6 million in 3Q 2012, based mainly on the company's positive operating result, together with a non-operating gain during the quarter, partially offset by income tax. SAAM, in turn, obtained a net gain of US\$9.3 million, decreasing by 36.4% with respect to 3Q 2011, due to lower operational and non-operational results, and higher income tax. The latter is explained by the September 2012 tax reform that increased the corporate tax rate to 20%.

### QUIÑENCO and Others

The variation of Quiñenco and others is mainly explained by Banchile Vida, which contributed with growth of 21.6% in net income in the quarter. This growth was partially offset by higher financial costs at the corporate level, reflecting the increment in the level of debt in 2012 following the bond issuances carried out by Quiñenco in June 2011 and January 2012, and lower financial income due to a lower cash balance. On the other hand, a slight gain from adjustment of indexed units reflects the effect of the decline in the UF during the quarter on liabilities in UFs, also at the corporate level.

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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](http://www.quinenco.cl)  
[www.quinencogroup.com](http://www.quinencogroup.com)