



QUIÑENCO S.A.

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Third quarter 2016

For further information contact:

Quiñenco S.A.

Pilar Rodríguez-IRO

(56) 22750-7221

Email: prodriiguez@lq.cl

QUIÑENCO S.A. ANNOUNCES CONSOLIDATED RESULTS FOR THE THIRD QUARTER OF 2016

(Santiago, Chile, November 28, 2016) Quiñenco S.A., a leading Chilean business conglomerate, announced today its consolidated financial results under IFRS, for the third quarter ended September 30, 2016.

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, 2016 (Ch\$658.02 = US\$1.00), unless indicated otherwise, and are only provided for the reader's convenience.

3Q 2016 HIGHLIGHTS

- Net income¹ amounted to a gain of Ch\$34,787 million in the third quarter of 2016, up by 14% over the same period in 2015, primarily due to Banco de Chile and SM SAAM's positive results for the quarter, offsetting lower results at CCU, CSAV and Techpack.
- Consolidated revenues grew 22% reaching Ch\$541,276 million, boosted by the consolidation with SM SAAM and growth at Enex.
- The contribution from the Financial, Port Services and Energy segments improved in 3Q 2016, whereas the Transport and Manufacturing sectors, and CCU, posted lower results.
- At the corporate level the lower level of inflation had a positive effect on indexed liabilities.
- Earnings per ordinary share amounted to a gain of Ch\$20.92 for the third quarter of 2016.

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

QUIÑENCO S.A.

Enrique Foster Sur No. 20, 14th Floor

Santiago / CHILE

Phone (56) 22750-7100

Fax # (56) 22750-7101



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GROUP HIGHLIGHTS – THIRD QUARTER 2016 AND SUBSEQUENT EVENTS

CSAV – Hapag-Lloyd signs BCA with UASC

On July 18, 2016, Hapag-Lloyd, affiliate of CSAV, announced a Business Combination Agreement with United Arab Shipping Company (UASC) to merge both companies. The transaction is subject to regulatory and contractual approvals, among others. The merger, which is expected to be completed by the end of 2016 or 1Q 2017, would consolidate Hapag-Lloyd as the fifth largest container shipping company in the world, with 237 vessels and annual transport volumes of around 10 million TEU. The merger is expected to generate annual net synergies of at least US\$400 million and reduce investments in subsequent years. On completion, UASC shareholders would receive newly issued shares of Hapag-Lloyd representing 28% of its share capital. CSAV, the City of Hamburg, and Kühne would continue to jointly control Hapag-Lloyd with around 52% of its voting shares. CSAV's stake in Hapag-Lloyd would be reduced from 31.35% to 22.6%. However, CSAV would participate in the agreed capital increase of US\$400 million for Hapag-Lloyd to take place within six months of the merger, allowing CSAV to increase its stake to 25%.

Techpack – Quiñenco launches Tender Offer for Techpack

As approved by its Board of Directors on September 27, 2016, Quiñenco carried out a Tender Offer for 34.08% of the shares of Techpack, from October 3 to November 2, 2016. The price was US\$0.54 per share. The Tender Offer was completed successfully and Quiñenco thus reached a 98.98% stake in Techpack. The total payment amounted to US\$67 million.

CSAV – Sells stake in Liquid Bulk Business

On October 19, 2016, CSAV announced the sale of its stake in the joint-venture with Odfjell Tankers that operates the liquid bulk business on the west coast of South America, as part of the company's restructuring process of its businesses, following the merger of its container ship business with Hapag-Lloyd in 2014.

SM SAAM – Stake in Puerto Caldera, Costa Rica

On September 27, 2016, SM SAAM announced an agreement to acquire control (51%) of two concessions at Puerto Caldera, the second largest port of Costa Rica, for a total amount of US\$48.5 million. Puerto Caldera is a multipurpose terminal located 79.5 km from San José, on Costa Rica's Pacific coast.

SM SAAM – Quiñenco acquires additional 0.95% stake

On November 16, 2016, Quiñenco acquired 92,758,439 shares of SM SAAM at a price of Ch\$54.5 per share, increasing its stake in the company to 51.7%.



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

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

i) Manufacturing

- Invexans
- Techpack

ii) Financial

- LQ Inversiones Financieras (LQIF holding)

iii) Energy

- Enex

iv) Transport

- Compañía Sud Americana de Vapores (CSAV)

v) Port Services

- SM SAAM in 2016

vi) Other

- Quiñenco and others (includes CCU, SM SAAM in 2015, Quiñenco holding and eliminations)

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

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 now named Techpack (formerly Madeco). Invexans' main asset is its 28.35% stake in Nexans, a French multinational company leader in the world cable industry. Techpack's main assets were Alusa (flexible packaging), Madeco Mills (brass mills), and Indalum (profiles). During 2013 Techpack decided to discontinue the brass mills business in Chile and Argentina, and in March 2014 announced the decision to close the profiles business, focusing its activities solely in packaging. In April 2014, the Shareholders' Meeting approved changing the company's name from Madeco to Techpack. On May 31, 2016, Techpack sold its entire

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Enrique Foster Sur No. 20, 14th Floor

Santiago / CHILE

Phone (56) 22750-7100

Fax # (56) 22750-7101



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flexible packaging business to Australian packaging company Amcor. Techpack has classified the companies Madeco Mills, Decker Industrial, Indalum and Alusa, and the effects of the transaction with Amcor, as discontinued operations in 2015 and 2016. For the purposes of the quarterly consolidated income statement, however, Quiñenco maintained first quarter figures as reported. As of September 30, 2016, Quiñenco's stake was 98.6% in Invexans and 65.9% in Techpack.

During July, August and December 2014 and February 2015, Quiñenco and its subsidiaries Inversiones Río Bravo and Inmobiliaria Norte Verde subscribed an additional 9.2% stake in CSAV during its capital increase, thus increasing its total holding to 56.0% as of September 2015. As of September 2016 Quiñenco's stake is 56.0%. On October 19, 2016, CSAV sold its stake in the liquid bulk joint-venture with Odjfell Tankers. Thus, in Quiñenco's consolidated financial statements, this business is classified as a discontinued operation in 3Q 2016.

During the first quarter of 2016, Quiñenco acquired an additional 8.3% stake in SM SAAM, reaching 50.8%. Therefore, as of March 2016 financial statements, SM SAAM is a consolidated subsidiary, and is accounted for in the new Port Services business segment. In 2015, SM SAAM is accounted for as an equity investment in the Other business segment.

Banking Sector: includes the following Segments and main companies:

i) Financial

- Banco de Chile
- SM Chile

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



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Summarized Consolidated Income Statement

Sector /Segment	Manufacturing		Financial		Energy		Transport		Port Services		Other		Total	
	3Q 15	3Q 16	3Q 15	3Q 16	3Q 15	3Q 16	3Q 15	3Q 16	3Q 15	3Q 16	3Q 15	3Q 16	3Q 15	3Q 16
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Consolidated Income (Loss)														
Industrial Sector	1,971	(1,727)	(5,177)	(4,064)	3,966	4,914	5,130	2,763	-	11,501	(1,508)	(4,422)	4,382	8,966
Consolidated Income Banking Sector	-	-	114,015	126,771	-	-	-	-	-	-	-	-	114,015	126,771
Consolidated Net Income (Loss)	1,971	(1,727)	108,837	122,707	3,966	4,914	5,130	2,763	-	11,501	(1,508)	(4,422)	118,396	135,736
Net Income (Loss) Attributable to Non-controlling Interests	1,650	(730)	83,126	93,116	-	-	2,328	1,316	-	6,459	688	789	87,792	100,950
Net Income (Loss) Attributable to Controllers' Shareholders	321	(996)	25,711	29,591	3,966	4,914	2,802	1,448	-	5,042	(2,196)	(5,211)	30,605	34,787

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

Net Income – 3Q 2016

Quiñenco reported a net gain of Ch\$34,787 million in the third quarter of 2016, 13.7% above the same period in 2015, primarily based on the higher contribution from the Banking sector, reflecting the growth in Banco de Chile's net income, and from SM SAAM, mostly boosted by the addition of TISUR in Peru together with the increase in Quiñenco's stake in the company during 2016. Enex also contributed with 23.9% growth in net income, boosted by higher sales volumes of fuels. CCU, Techpack and CSAV, however, reduced their contributions to bottom line results. In the case of CCU, primarily due to the negative impact of the devaluation of the Argentine peso on the operations in that market, partly compensated by better performance in the Chile segment. In the case of Techpack, the current quarter does not include any operating activities. CSAV, in turn, posted a net profit in the quarter, reflecting favorable performance of Hapag-Lloyd, based primarily on efficiencies and cost reductions and therefore improved margins, and positive operating income of its direct businesses. Net income was, however, lower than that of the previous quarter due to higher income tax expense. At the corporate level, the lower level of inflation had a favorable impact on indexed liabilities.

Earnings per ordinary share amounted to a gain of Ch\$20.92 in the third quarter of 2016.



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Consolidated Income Statement Breakdown

	3Q 15		3Q 16	
	MCh\$	MUS\$	MCh\$	MUS\$
Industrial Sector				
Revenues	444,222	675.1	541,276	822.6
Manufacturing	- Invexans & Techpack	28	0.0	(19) (0.0)
Financial	- LQIF holding	-	-	- -
Energy	- Enex	394,654	599.8	428,212 650.8
Transport	- CSAV	24,113	36.6	17,307 26.3
Port Services	- SM SAAM	-	-	65,563 99.6
Other	- Quiñenco & others	25,427	38.6	30,213 45.9
Operating income (loss)	1,983	3.0	13,237	20.1
Manufacturing	- Invexans & Techpack	(1,484)	(2.3)	(703) (1.1)
Financial	- LQIF holding	(972)	(1.5)	(1,108) (1.7)
Energy	- Enex	4,958	7.5	6,301 9.6
Transport	- CSAV	8	0.0	238 0.4
Port Services	- SM SAAM	-	-	8,356 12.7
Other	- Quiñenco & others	(527)	(0.8)	152 0.2
Non-operating income (loss)	(547)	(0.8)	3,318	5.0
Interest income	2,010	3.1	2,942	4.5
Interest expense	(9,563)	(14.5)	(11,301)	(17.2)
Share of net income/loss from related co.	14,833	22.5	15,423	23.4
Foreign exchange gain (loss)	688	1.0	1,010	1.5
Indexed units of account restatement	(8,516)	(12.9)	(4,756)	(7.2)
Income tax	(57)	(0.1)	(7,726)	(11.7)
Net income (loss) from discontinued operations	3,003	4.6	137	0.2
Consolidated Net Income (Loss) Industrial Sector	4,382	6.7	8,966	13.6
Banking Sector				
Operating revenues	432,022	656.5	428,361	651.0
Provision for loan losses	(104,242)	(158.4)	(64,694)	(98.3)
Operating expenses	(186,484)	(283.4)	(197,763)	(300.5)
Operating income (loss)	141,296	214.7	165,904	252.1
Non-operating income (loss)	(18,941)	(28.8)	(16,492)	(25.1)
Income tax	(8,341)	(12.7)	(22,641)	(34.4)
Consolidated Net Income (Loss) Banking Sector	114,015	173.3	126,771	192.7
Consolidated Net Income	118,396	179.9	135,736	206.3
Net Income Attributable to Non-controlling Interests	87,792	133.4	100,950	153.4
Net Income Attributable to Controllers' Shareholders	30,605	46.5	34,787	52.9



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I. Industrial Sector

Revenues – 3Q 2016

Consolidated revenues totaled Ch\$541,276 million in the third quarter of 2016, 21.8% above those of the same period in 2015, primarily due to the consolidation with SM SAAM in 2016, and also due to higher sales at Enex, and, to a lesser extent, Banchile Vida. CSAV's sales, on the other hand, diminished, mainly due to the classification as a discontinued operation of the liquid bulk business in 3Q 2016².

Operating Income³ - 3Q 2016

Operating income for the third quarter of 2016 reached a gain of Ch\$13,237 million, compared to a gain of Ch\$1,983 million in the third quarter of 2015. The increment in consolidated operating results is primarily attributable to the consolidation with SM SAAM in 3Q 2016, as well as improved operating income reported by Enex, Invexans, and Banchile Vida, partially offset by a lower result at Techpack.

EBITDA⁴ – 3Q 2016

EBITDA amounted to Ch\$26,633 million in 3Q 2016, up 205.9% from the third quarter of 2015. The increment is primarily explained by the consolidation with SM SAAM in the current quarter, and to lesser extent, by higher EBITDA from Enex's operations.

Non-Operating Results⁵ – 3Q 2016

Non-operating income amounted to a gain of Ch\$3,318 million in the third quarter of 2016, compared to a loss of Ch\$547 million in the same quarter of 2015.

Proportionate share of net income of equity method investments (net) – 3Q 2016

Quiñenco's proportionate share of net income from equity method investments (net), which primarily includes the results from CCU and SM SAAM (in 2015), as well as Invexans' share in the results of Nexans⁶ and CSAV's share in the results of Hapag-Lloyd, reached a gain of Ch\$15,423 million, compared to a gain of Ch\$14,833 million in 3Q 2015.

Quiñenco's proportionate share of net income from IRSA (CCU) decreased by 41.8% to Ch\$3,026 million.

² It is worth noting that since Techpack, Invexans, CSAV and SM SAAM report in US dollars and translate their financial statements to Chilean pesos for consolidation purposes, variations analyzed in Chilean pesos vary from those in US dollars. For analysis of Techpack's, Invexans', CSAV's and SM SAAM's 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 Other 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.

⁶ Nexans only reports results as of June and December, in accordance with French regulations and IFRS.



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Quiñenco's proportionate share of net income from SM SAAM (adjusted by fair value accounting) amounted to a gain of Ch\$3,414 million in 3Q 2015. In 3Q 2016, SM SAAM's proportionate share in its affiliates amounted to Ch\$6,523 million.

CSAV's proportionate share of net income from Hapag-Lloyd (adjusted by fair value accounting) amounted to a gain of Ch\$5,955 million, compared to a gain of Ch\$6,035 million in 3Q 2015.

Interest Income - 3Q 2016

Interest income for the third quarter of 2016 amounted to Ch\$2,942 million, 46.4% above that obtained in 3Q 2015. This variation corresponds mainly to higher financial income at Quiñenco, reflecting a higher cash balance, and the consolidation with SM SAAM in 2016, partially offset by lower financial income at Enex.

Interest Expense - 3Q 2016

Interest expense for the third quarter of 2016 amounted to Ch\$11,301 million, 18.2% greater than in 3Q 2015. The variation is mainly explained by the addition of SM SAAM's financial costs, and higher financial costs at Quiñenco, partially compensated by lower financial costs at Enex and CSAV, in comparison to 3Q 2015.

Foreign currency exchange differences - 3Q 2016

In 3Q 2016, the gains (losses) specific to foreign currency translation differences amounted to a gain of Ch\$1,010 million, compared to a gain of Ch\$688 million reported in 3Q 2015, primarily attributable to gains at Enex, SM SAAM and Techpack, partly offset by a less favorable result at CSAV.

Indexed units of account restatement – 3Q 2016

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\$4,756 million in the third quarter of 2016, compared to a loss of Ch\$8,516 million reported in the same period of 2015. The variation is mainly explained by Quiñenco and LQIF holding.

Income Taxes – 3Q 2016

The industrial sector reported an income tax expense of Ch\$7,726 million in 3Q 2016, compared to an income tax expense of Ch\$57 million reported in 3Q 2015, primarily due to higher income tax expense at CSAV, Enex, and the consolidation with SM SAAM's income tax expense.

Discontinued Operations – 3Q 2016

In 3Q 2016 the result of discontinued operations amounted to a gain of Ch\$137 million, compared to a gain of Ch\$3,003 million in 3Q 2015. In 3Q 2015 the result corresponds to Techpack, mainly to its flexible packaging business. In 3Q 2016, however, the net result includes a gain from CSAV's discontinued liquid bulk operation and a loss from Techpack, mostly attributable to Decker.



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Non-controlling Interests - 3Q 2016

In the third quarter of 2016, at a consolidated level (including both Industrial and Banking net income), net income attributable to non-controlling interests amounted to Ch\$100,950 million. Of the total amount reported in 3Q 2016, Ch\$63,346 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 mainly explained by minority shareholders' share of LQIF's net income, and to a much lesser extent, of SM SAAM's and CSAV's net income.

II. Banking Sector

Operating Revenues - 3Q 2016

Operating revenues for the third quarter of 2016 amounted to Ch\$428,361 million, 0.8% below the third quarter of 2015, mainly due to slightly lower operating revenues at Banco de Chile, primarily due to the unfavorable impact of lower inflation on the Bank's net asset exposure to UFs, which offset growth in customer related income.

Provision for Credit Risk - 3Q 2016

Provisions for loan losses at Banco de Chile amounted to Ch\$64,695 million in the third quarter of 2016, down 37.9% from the third quarter of 2015, mostly explained by additional allowances established during 3Q 2015, partially compensated by loan growth.

Operating Expenses - 3Q 2016

Operating expenses increased by 6.0% to Ch\$197,763 million in 3Q 2016, mainly explained by an increase of 6.0% in Banco de Chile's operating expenses to Ch\$197,680 million, mostly related to higher personnel and administrative expenses.

Non-operating Results - 3Q 2016

During the third quarter of 2016 non-operating results amounted to a loss of Ch\$16,492 million, down 12.9% from the third quarter of 2015, 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 2016.

Consolidated Net Income - 3Q 2016

Consolidated net income for the banking sector amounted to Ch\$126,771 million in 3Q 2016, up by 11.2% from the same period in 2015, mainly due to lower loan loss provisions and stable revenues, as well as better non-operating results, partially compensated by higher operating expenses.



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CONSOLIDATED BALANCE SHEET ANALYSIS (vis-à-vis the 2nd quarter of 2016)

Condensed Consolidated Balance Sheet

	06-30-2016		30-09-2016	
	MCh\$	MUS\$	MCh\$	MUS\$
Current assets industrial sector	903,807	1,373.5	887,170	1,348.2
Non-current assets industrial sector	4,110,307	6,246.5	4,085,605	6,208.9
Assets financial sector	31,006,406	47,120.8	31,018,578	47,139.3
Total Assets	36,020,520	54,740.8	35,991,354	54,696.4
Current liabilities industrial sector	374,008	568.4	356,578	541.9
Long-term liabilities industrial sector	1,195,374	1,816.6	1,188,555	1,806.3
Liabilities financial sector	28,232,531	42,905.3	28,161,680	42,797.6
Non-controlling interests	3,313,751	5,035.9	3,367,666	5,117.9
Shareholders' equity	2,904,856	4,414.5	2,916,876	4,432.8
Total Liabilities & Shareholders' equity	36,020,520	54,740.8	35,991,354	54,696.4

Current Assets Industrial Sector

Current assets decreased by 1.8% compared to the second quarter of 2016, primarily due lower accounts receivable at Enex, partially offset by higher assets available for sale at CSAV, mainly corresponding to its liquid bulk assets sold in October 2016.

Non Current Assets Industrial Sector

Non current assets decreased by a slight 0.6% compared to the second quarter of 2016, mainly reflecting lower fixed assets at CSAV, partly compensated by a higher balance of equity investments. The increase in equity investments is mostly explained by Nexans, IRSA and SM SAAM, compensating a lower balance at Hapag-Lloyd.



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Assets Banking Sector

Total assets of the banking sector remained stable compared to the second quarter of 2016. Loans to customers increased 1.2% with respect to June 2016, mainly due to growth in commercial and residential mortgage loans.

Current Liabilities Industrial Sector

Current liabilities decreased by 4.7% compared to the second quarter of 2016, primarily due to lower debt at Enex, and to a lesser extent, lower accounts payable at CSAV. These increments were partly offset by higher dividends payable at Quiñenco.

Long-term Liabilities Industrial Sector

Long-term liabilities decreased by a slight 0.6% compared to the second quarter of 2016, mainly due to lower debt at CSAV and Enex.

Liabilities Banking Sector

Liabilities corresponding to the banking sector decreased by 0.3% compared to the second quarter of 2016.

Minority Interest

Minority Interest increased by 1.6% compared to the second quarter of 2016, primarily explained by higher minority interest at LQIF, partially compensated by a decrease at CSAV.

Equity

Equity increased a slight 0.4% compared to the second quarter of 2016, mainly due to period earnings, net of dividends, partially offset by a decrease in other reserves.

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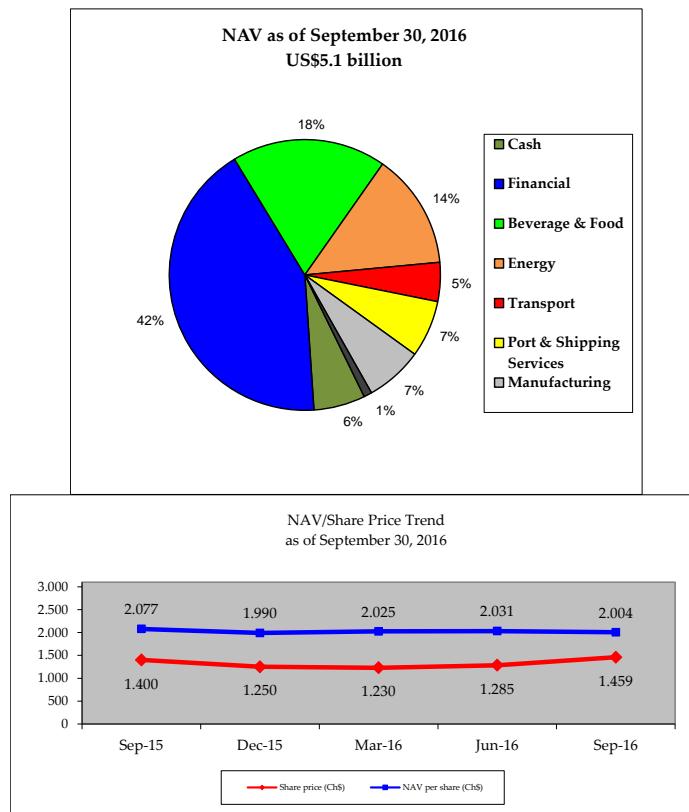
Quiñenco Corporate Level Debt and Cash

As of September 30, 2016	Debt		Equivalents		Total Net Debt	
	MCh\$	MUS\$	MCh\$	MUS\$	MCh\$	MUS\$
Corporate level	541,941	823.6	244,876	372.1	297,065	451.5
Adjusted for:						
50% interest in LQIF	90,844	138.1	715	1.1	90,129	137.0
50% interest in IRSA	36,809	55.9	504	0.8	36,304	55.2
Total	669,594	1,017.6	246,096	374.0	423,498	643.6

The debt to total capitalization ratio at the corporate level (unadjusted) was 15.5% as of September 30, 2016.

NAV

As of September 30, 2016, the estimated net asset value (NAV) of Quiñenco was US\$5.1 billion (Ch\$2,004 per share) and market capitalization was US\$3.7 billion (Ch\$1,459 per share). The discount to NAV is estimated at 27.2% as of the same date.



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SEGMENT /OPERATING COMPANY ANALYSIS

Sector /Segment	Manufacturing		Financial		Energy		Transport		Port Services		Other		Total	
	3Q 15		3Q 16		3Q 15		3Q 16		3Q 15		3Q 16		3Q 15	
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Industrial Sector														
Income (loss) from continued operations before taxes	(1,224)	(477)	(5,336)	(4,225)	2,715	5,423	5,884	5,392	-	13,713	(603)	(3,271)	1,436	16,555
Income tax	192	19	158	161	1,251	(509)	(754)	(4,034)	-	(2,212)	(904)	(1,151)	(57)	(7,726)
Net income from discontinued operations	3,003	(1,268)	-	-	-	-	-	1,405	-	-	-	-	3,003	137
Consolidated Net income (loss) industrial sector	1,971	(1,727)	(5,177)	(4,064)	3,966	4,914	5,130	2,763	-	11,501	(1,508)	(4,422)	4,382	8,966
Banking Sector														
Net income before taxes	-	-	122,356	149,412	-	-	-	-	-	-	-	-	122,356	149,412
Income tax	-	-	(8,341)	(22,641)	-	-	-	-	-	-	-	-	(8,341)	(22,641)
Consolidated Net income banking sector	-	-	114,015	126,771	-	-	-	-	-	-	-	-	114,015	126,771
Consolidated net income (loss)	1,971	(1,727)	108,837	122,707	3,966	4,914	5,130	2,763	-	11,501	(1,508)	(4,422)	118,396	135,736
Net income (loss) attributable to Non-controlling interests	1,650	(730)	83,126	93,116	-	-	2,328	1,316	-	6,459	688	789	87,792	100,950
Net Income (Loss) Attributable to Controllers' shareholders	321	(996)	25,711	29,591	3,966	4,914	2,802	1,448	-	5,042	(2,196)	(5,211)	30,605	34,787

MANUFACTURING SEGMENT

The following table details the contribution of the investments in the Manufacturing segment during 2016 and 2015 to Quiñenco's net income:

	3Q 15		3Q 16	
	MCh\$	MUS\$	MCh\$	MUS\$
Invexans	(294)	(0.4)	541	0.8
Techpack	615	0.9	(1,537)	(2.3)
Total Manufacturing Segment	321	0.5	(996)	(1.5)

As of September 30, 2016 and 2015, Quiñenco's ownership of Invexans was 98.6% and 98.5%, respectively. As of September 30, 2016 and 2015, Quiñenco's ownership of Techpack was 65.9%.



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INVEXANS

	3Q 15		3Q 16		3Q 15 ThUS\$	3Q 16 ThUS\$
	MCh\$	MUS\$	MCh\$	MUS\$		
Sales	28	0.0	0	0.0	42	-
Operating income (loss)	(582)	(0.9)	602	0.9	(858)	905
Non-operating income (loss)	298	0.5	(63)	(0.1)	443	(95)
Net income (loss) controller	(298)	(0.5)	548	0.8	(436)	824
Total assets			300,457	456.6		456,609
Shareholders' equity			280,643	426.5		426,496

Invexans reports its financial statements in US dollars, and translates them to Chilean pesos for consolidation purposes based, in general terms, on the US\$/Ch\$ exchange rate at the end of the period in the case of the Balance Sheet, and the monthly average exchange rate in the case of the Income Statement. 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.

In accordance with French regulations and IFRS, Nexans does not publish financial statements for the quarters ended in March and September. In view of this, Invexans requested and was granted approval from the 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.

3Q 2016 Results

Invexans' operating income reached a gain of US\$905 thousand, improving from the loss of US\$858 thousand reported in 3Q 2015, due to a credit related to legal contingencies in Brazil and a positive effect of the slight dilution of Invexans' stake in Nexans, as well as lower administrative expenses.

Non-operating income amounted to a loss of US\$95 thousand, compared to the gain of US\$443 thousand in 3Q 2015, primarily due to lower exchange rate gains in the current period.

In 3Q 2016 Invexans registered an income tax credit of US\$14 thousand compared to an expense of US\$21 thousand in 3Q 2015. In all, Invexans posted a net gain of US\$824 thousand in 3Q 2016, an improvement over the loss of US\$436 thousand reported in 3Q 2015, primarily due to the improved operating results explained above.



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TECHPACK

	3Q 15		3Q 16		3Q 15 ThUS\$	3Q 16 ThUS\$
	MCh\$	MUS\$	MCh\$	MUS\$		
Sales	-	-	(19)	(0.0)	-	(29)
Operating income (loss)	(902)	(1.4)	(1,305)	(2.0)	(1,325)	(1,975)
Net income (loss) controller	933	1.4	(2,332)	(3.5)	1,357	(3,512)
Total assets			166,248	252.6		252,649
Shareholders' equity			152,446	231.7		231,673

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

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

3Q 2016 Results

Operating income amounted to a loss of US\$1,975 thousand, up by 49.1% from 3Q 2015, mostly explained by tax related expenses.

Non-operating income for the quarter amounted to a gain of US\$433 thousand, compared to the loss of US\$57 thousand reported in 3Q 2015, primarily attributable to exchange rate gains in the current quarter compared to losses in 3Q 2015, and higher financial income.

Income tax for the quarter amounted to a credit of US\$15 thousand, lower than the credit of US\$310 thousand in 3Q 2015. Discontinued operations, in turn, reported a loss of US\$1,900 thousand in 3Q 2016, mainly explained by Decker, compared to a gain of US\$4,407 thousand in 3Q 2015, primarily attributable to Alusa and subsidiaries. Thus, net income for 3Q 2016 reached a loss of US\$3,512 thousand, compared to the gain of US\$1,357 thousand reported in 3Q 2015, primarily explained by the absence of the flexible packaging business in the current quarter.



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FINANCIAL SEGMENT

The following table details the contribution of the investments in the Financial Segment during 2016 and 2015 to Quiñenco's net income:

	3Q 15		3Q 16	
	MCh\$	MUS\$	MCh\$	MUS\$
LQIF holding	(2,589)	(3.9)	(2,032)	(3.1)
Banking sector	28,300	43.0	31,623	48.1
Total Financial Segment	25,711	39.1	29,591	45.0

As of September 30, 2016 and 2015, Quiñenco's ownership of LQIF was 50.0%. LQIF's economic rights in Banco de Chile were 33.2% as of September 30, 2015 and 33.4% as of September 30, 2016.

LQIF Holding

LQIF holding registered a loss of Ch\$4,064 million, 21.5% lower than the loss of Ch\$5,177 million reported in 3Q 2015, mainly explained by a lower loss from the effect of inflation on financial obligations denominated in UFs, due to a lower rate of inflation in 3Q 2016 compared to 3Q 2015.

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

	3Q 15		3Q 16	
	MCh\$	MUS\$	MCh\$	MUS\$
Operating revenues	431,836	656.3	428,153	650.7
Provision for loan losses	(104,242)	(158.4)	(64,695)	(98.3)
Operating expenses	(186,433)	(283.3)	(197,680)	(300.4)
Net income controller	133,800	203.3	144,703	219.9
Loan portfolio	24,017,871	36,500.2	25,004,253	37,999.2
Total assets	30,821,866	46,840.3	31,018,838	47,139.7
Shareholders' equity	2,667,817	4,054.3	2,853,176	4,336.0
Net financial margin	5.2%		4.9%	
Efficiency ratio	43.2%		46.2%	
ROAE	20.4%		20.4%	
ROAA	1.8%		1.9%	



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3Q 2016 Results

Banco de Chile reported net income of Ch\$144,703 million in the third quarter of 2016, increasing 8.1% with respect to the third quarter of 2015, primarily explained by lower loan loss provisions during the current quarter together with stable revenues.

Operating revenues, which include net financial income, fee income and other operating income, posted a slight decrease of 0.9% to Ch\$428,153 million in the third quarter of 2016. This variation is mainly attributable to growth in customer income that was offset by a decrease in non-customer revenue. Income was boosted by 5.5% annual growth in average loans, mainly explained by growth in retail banking loans, a positive impact of credit value adjustment for derivatives, higher fee income, largely owing to transactional services, higher income from sales of AFS instruments, and a higher contribution of demand deposits explained by increased average balances. However, these positive effects were more than offset by the negative impact of a lower level of inflation on the Bank's net exposure to UFs, and a negative exchange rate effect on the asset position in USD that hedges USD-denominated expenses.

Provisions for loan losses amounted to Ch\$64,695 million, decreasing 37.9% from 3Q 2015. This variation is mainly explained by additional allowances amounting to approximately Ch\$30.9 billion established during 3Q 2015, based on the outlook for the local economy at the time. Also, although to a lesser extent, there was a positive exchange rate effect on the Bank's exposure to loan loss allowances denominated in USD, given the slight appreciation of the Chilean peso during 3Q 2016 vis-à-vis the 9.0% depreciation in 3Q 2015, and a net credit quality improvement, mainly reflecting the wholesale segment, partially compensated by a deterioration in the retail segment. On the other hand, loan growth during the period, particularly in the retail segment, led to an increase in loan loss provisions.

Operating expenses increased by 6.0% to Ch\$197,680 million, mainly due to a 10.9% increment in personnel expenses, owing mostly to the effect of past inflation on salaries, a special bonus granted to personnel of two of the Bank's subsidiaries following the completion of the collective bargaining process, higher variable compensation, and also further severance payments. Administrative expenses increased by 6.6%, mostly due to greater IT expenses. These higher expenses were partly offset by non-credit related allowances established in 3Q 2015.

As of September 2016, the Bank's loan portfolio had experienced an annual growth of 4.1% and a quarterly increase of 1.2%. Annual growth reflects the expansion in residential mortgage loans of 10.6% and in consumer loans of 9.9%, while commercial loans remained flat. Overall, growth was boosted by retail banking which represents 57% of the Bank's total loans, posting growth of 10.7% over 3Q 2015.

Banco de Chile is the second ranked bank in the country with a market share of 18.0% of total loans (excluding operations of subsidiaries abroad) as of August 2016. Its return on average equity (annualized) reached 20.4% in 3Q 2016.



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Interest Subordinated Debt

In the third quarter of 2016 interest expense of the Subordinated Debt with the Chilean Central Bank for the period was 9.4% lower than the third quarter of 2015, mainly due to the effect of a lower rate of inflation in 3Q 2016 as compared to the same period in 2015.

ENERGY SEGMENT

The following table details the contribution of the investments in the Energy Segment during 2016 and 2015 to Quiñenco's net income:

	3Q 15		3Q 16	
	MCh\$	MUS\$	MCh\$	MUS\$
Enex	3,966	6.0	4,914	7.5
Total Energy Segment	3,966	6.0	4,914	7.5

As of September 30, 2016 and 2015, Quiñenco controls 100% of the energy segment.

ENEX⁷

	3Q 15		3Q 16	
	MCh\$	MUS\$	MCh\$	MUS\$
Sales	394,654	599.8	428,212	650.8
Operating income	4,958	7.5	6,301	9.6
Net income controller	3,966	6.0	4,914	7.5
Total assets			745,894	1,133.5
Shareholders' equity			551,494	838.1

3Q 2016 Results

Enex's consolidated sales during 3Q 2016 reached Ch\$428,212 million, up 8.5% from 3Q 2015, mainly reflecting higher sales volumes, partly offset by lower fuel prices. The total volume dispatched by Enex during the quarter amounted to 911 thousand cubic meters, 28.3% higher than in 3Q 2015, of which 97.7% corresponds to fuels.

Gross income during the period reached Ch\$44,203 million, 10.0% above 3Q 2015, primarily due to improved results in fuels, based on the growth in sales volumes during the quarter.

Operating income during the quarter reached a gain of Ch\$6,301 million, up by 27.1% from 3Q 2015, largely due to the increase in gross income explained above, which was partially compensated by higher operating expenses reflecting greater logistics expenses in line with the growth in sales volumes, and higher expenses related to service

⁷ Enex corresponds to the consolidated financial statements of Enex S.A.



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stations and convenience stores. EBITDA reached Ch\$10,883 million in the third quarter of 2016, 42.1% higher than in the third quarter of 2015.

Non-operating income amounted to a loss of Ch\$878 million, compared to the loss of Ch\$2,243 million reported in 3Q 2015, mostly explained by exchange rate gains during the current quarter as compared to losses in the same quarter of the previous year, and also by lower financial costs.

Net income for 3Q 2016 amounted to Ch\$4,914 million, up 23.9% from 3Q 2015, due to improved operating and non-operating results, partially offset by higher income tax expense during the quarter.

TRANSPORT SEGMENT

The following table details the contribution of the investments in the Transport Segment during 2016 and 2015 to Quiñenco's net income:

	3Q 15		3Q 16	
	MCh\$	MUS\$	MCh\$	MUS\$
CSAV	2,802	4.3	1,448	2.2
Total Transport Segment	2,802	4.3	1,448	2.2

As of September 30, 2016 and 2015, Quiñenco's ownership of CSAV was 56.0%.

CSAV

	3Q 15		3Q 16	
	MCh\$	MUS\$	MCh\$	MUS\$
Sales	24,113	36.6	17,307	26.3
Operating income (loss)	8	0.0	238	0.4
Net income (loss) controller	4,993	7.6	2,491	3.8
Total assets			1,413,988	2,148.9
Shareholders' equity			1,295,826	1,969.3

3Q 15	3Q 16
ThUS\$	ThUS\$
31,292	35,487
(565)	2,022
7,577	3,766
	2,148,852
	1,969,281

CSAV reports its financial statements in US dollars, and translates them to Chilean pesos for consolidation purposes based, in general terms, on the US\$/Ch\$ exchange rate at the end of the period in the case of the Balance Sheet, and the monthly average exchange rate in the case of the Income Statement. CSAV's figures in Chilean pesos are included for reference. However, the following analysis is based on the company's financial statements in US dollars, as filed with the SVS, as shown in the last two columns of the table. Since CSAV sold its stake in the liquid bulk business, in 2015 and 2016 it classified this business as a discontinued operation.



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3Q 2016 Results

CSAV's consolidated sales in 3Q 2016 reached US\$35.5 million, increasing 13.4% with respect to 3Q 2015. This growth is mostly attributable to higher sales of the car carrier business, boosted by volume growth that more than compensated lower rates.

During 3Q 2016, gross income amounted to a gain of US\$5.7 million, compared to a gain of US\$2.8 million in 3Q 2015. This increment primarily reflects an improved performance of the car carrier business in the quarter, based on growth in revenues and the implementation of cost savings plans. Operating income reached a gain of US\$2.0 million in 3Q 2016, comparing favorably to the loss of US\$0.6 million reported in 3Q 2015, mostly reflecting the increase in gross income explained above.

Non-operating income for the quarter amounted to a gain of US\$7.7 million as compared to a gain of US\$8.9 million reported in 3Q 2015. This 13.2% decline is mainly explained by a less favorable result from exchange rate differences. On the other hand, CSAV's share in Hapag-Lloyd's results for the third quarter adjusted by CSAV's fair value accounting of this investment, remained stable with respect to 3Q 2015, reaching US\$9 million. Hapag-Lloyd reported a net gain of US\$8.2 million in the third quarter of 2016, up from the gain of US\$2.5 million reported in the same quarter of 2015. This result reflects the favorable impact of efficiency plans and cost savings, in addition to the synergies captured, and a well balanced portfolio of transport services.

CSAV reported a net gain of US\$3.8 million in 3Q 2016, compared to a gain of US\$7.6 million in 3Q 2015, due to the improved operating results explained above, together with a slightly higher gain from discontinued operations, despite a substantial increase in income tax expense.

PORt SERVICES SEGMENT

The following table details the contribution of the investments in the Port Segment during 2016 to Quiñenco's net income:

	3Q 15		3Q 16	
	MCh\$	MUS\$	MCh\$	MUS\$
SM SAAM	-	-	5,042*	7.7
Total Port Services Segment	-	-	5,042	7.7

* Corresponds to the proportionate share in SM SAAM's results for the three month period up to September 2016. Starting 2016, SM SAAM's results are consolidated and no longer accounted for as an equity investment. As of September 30, 2015 Quiñenco held a 42.4% interest in SM SAAM. SM SAAM's contribution in 3Q 2015 is included in the segment Other, and amounted to Ch\$3,414 million. As of September 30, 2016, Quiñenco controls 50.8% of SM SAAM.



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SM SAAM

	3Q 16	
	MCh\$	MUS\$
Sales	65,563	99.6
Operating income	8,356	12.7
Net income controller	9,934	15.1
Total assets	830,983	1,262.9
Shareholders' equity	487,188	740.4

	3Q 15	3Q 16
	ThUS\$	ThUS\$
105,655	99,089	
13,011	12,631	
13,626	15,014	
	1,262,854	
	740,384	

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

3Q 2016 Results

In the third quarter of 2016, SM SAAM's consolidated sales reached US\$99.1 million, down by 6.2% from 3Q 2015, primarily explained by lower revenues from port terminals and logistics, followed by tug boats. Revenues from port terminals diminished by 8.6%, owing to lower operations at Guayaquil and Iquique, partially compensated by growth at the ports in Florida and Mazatlan. Revenues from logistics fell by 9.1%, primarily due to lower dynamism in Chile and the termination of certain services to ships in Chile and the closing of operations in Brazil. Revenues from tug boats diminished 3.0% mainly due to lower revenues from Mexico. Consolidated revenues can be broken down as follows: Tug boats (45.7%), Ports (31.6%), and Logistics and others (22.7%).

Gross income amounted to US\$27.0 million, 3.0% below 3Q 2015, explained mostly by lower gross income of tug boats, and to a much lesser extent by port terminals, partially compensated by higher gross income from logistics, reflecting efforts towards cost reductions and the termination of certain services in Chile and Brazil. During 3Q 2016 operating income amounted to US\$12.6 million, 2.9% lower than the same period in 2015, in line with the reduction in gross income. SM SAAM's consolidated EBITDA reached US\$24.3 million in 3Q 2016, down by 2.9% from the same period in 2015, mainly attributable to the tug boats segment, and to a lesser extent the port terminals segment, partially compensated by logistics.

Non-operating income for the quarter amounted to a gain of US\$8.1 million, 12.3% higher than the gain reported in 3Q 2015. This variation is mainly explained by a more favorable result from exchange rate differences, and to a lesser extent, by a higher contribution from equity investments, reflecting higher results from Peru, despite the reduction of SM SAAM's stake in Tramarsa (from 49% to 35%), due to the addition of TISUR to the company's port terminal portfolio in November 2015, and improved performance of the port of Antofagasta, which offset a lower result of the port of San Antonio. On the other hand, SM SAAM reported higher net financial costs.



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SM SAAM reported a net gain of US\$15.0 million in 3Q 2016, up by 10.2% from 3Q 2015, due to improved non-operating results, together with a lower tax expense during the quarter, which compensated the slightly lower operating results during the period.

OTHER SEGMENT

The following table details the contribution from investments in the Segment Other during 2016 and 2015 to Quiñenco's net income:

	3Q 15		3Q 16	
	MCh\$	MUS\$	MCh\$	MUS\$
IRSA (CCU) ⁸	5,202	7.9	3,026	4.6
SM SAAM	3,414	5.2	-	-
Quiñenco & other	(10,813)	(16.4)	(8,237)	(12.5)
Total Other Segment	(2,196)	(3.3)	(5,211)	(7.9)

As of September 30, 2016 and 2015, Quiñenco's ownership of CCU was 30.0%. As of September 30, 2015, Quiñenco's ownership of SM SAAM was 42.4%.

The contribution from SM SAAM corresponds to Quiñenco's proportional share in its net income for the period 2015, adjusted by the fair value accounting for this investment at Quiñenco. The adjustment for 3Q 2015 amounted to Ch\$493 million (downward adjustment). For a comparative analysis of SM SAAM please refer to the Port Services segment.

CCU

	3Q 15		3Q 16	
	MCh\$	MUS\$	MCh\$	MUS\$
Sales	352,912	536.3	356,817	542.3
Operating income	44,272	67.3	28,423	43.2
Net income controller	20,684	31.4	12,158	18.5
Total assets			1,793,191	2,725.1
Shareholders' equity			1,059,818	1,610.6

3Q 2016 Results

CCU reports its results in accordance with the following three business segments: Chile, International Business, and Wine. Chile includes beer, non-alcoholic beverages, and spirits. The International Business segment includes beer, cider, non-alcoholic beverages, and spirits in Argentina, Uruguay and Paraguay. Wine includes the commercialization of wine, mainly in the export market. CCU's sales in the third quarter of 2016 increased 1.1%

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



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compared to the third quarter of 2015, as a result of 2.5% growth in consolidated sales volumes, partly offset by a decline of 1.4% in average prices. Sales growth was led by the Chile operating segment, with strong growth of 10.6%, driven by a rise of 6.9% in average prices and 3.5% volume growth, reflecting positive performance in beer and non-alcoholic drinks. Sales of the International Business segment, however, fell by 13.2%, due to a decrease of 14.1% in average prices in Chilean pesos and an increment of 1.0% in sales volumes. The Wine segment, in turn, reported a reduction of 3.1% in sales, based on a decrease of 1.4% and 1.8% in average prices and sales volumes, respectively.

Gross income decreased by 3.7% to Ch\$176,349 million, primarily due to a higher cost of sales, mostly reflecting the effect of the devaluation of the Argentine peso against the USD, impacting USD denominated costs, and also due to higher wine costs reflecting the more expensive 2016 harvest. The gross margin as a percentage of sales decreased from 51.9% in 3Q 2015 to 49.4% in 3Q 2016.

Operating income reached Ch\$28,423 million, down by 35.8% from 3Q 2015, primarily explained by the decline in gross income explained above, together with higher selling and administrative expenses. In addition, CCU reported losses from derivatives in the current quarter vis-à-vis gains in 3Q 2015. EBITDA amounted to Ch\$51,208 million in 3Q 2016, decreasing 11.3% from 3Q 2015.

CCU reported non-operating losses of Ch\$7,447 million, a slight 0.9% below the loss reported in 3Q 2015. Greater losses from equity investments, primarily reflecting the operations in Colombia, were mostly compensated by lower losses related to the effect of lower inflation on indexed liabilities and lower exchange rate losses.

Net income for the third quarter of 2016 amounted to Ch\$12,158 million, 41.2% below the same quarter in 2015, primarily due to the lower operating results, partially offset by a lower tax expense during the current quarter.

QUIÑENCO and Others

The positive variation of Quiñenco and others is mainly explained at the corporate level by a lower loss arising from the effect of lower inflation on liabilities in UFs and higher financial income, partially offset by higher financial costs. To a lesser extent, the improvement is also attributable to a higher contribution from Banchile Vida, which increased by 14.2% during the quarter, mostly owing to better 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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QUIÑENCO S.A.

Enrique Foster Sur No. 20, 14th Floor

Santiago / CHILE

Phone (56) 22750-7100

Fax # (56) 22750-7101