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QUIÑENCO S.A. ANNOUNCES 2008 CONSOLIDATED FOURTH QUARTER AND YEAR END RESULTS

(Santiago, Chile, February 26, 2009) Quiñenco S.A., a leading Chilean business conglomerate, announced today its consolidated financial results in Chilean GAAP, for the fourth quarter and year ended December 31, 2008.

Consolidated financial results are presented in accordance with Chilean GAAP. All figures are presented in constant Chilean pesos and have been adjusted to reflect the effects of inflation (8.9% year-over-year). Figures in US$ have been converted from Chilean pesos (Ch$) at the observed exchange rate on December 31, 2008 (Ch$636.45 = US$1.00) and are only provided for the reader's convenience.

2008 HIGHLIGHTS

- **Net income amounted to Ch$232,052 million (US$364.6 million) in 2008, double that obtained in 2007, reflecting positive results at the Corporate holding level for the year due to the association with Citigroup and the positive results at Madeco due to the sale of its wire and cable unit to Nexans, the world's largest producer of cables.**

- **At the corporate level, a non-recurring profit of Ch$135,766 million (US$213.3 million) was obtained in relation to the association with Citigroup in the controlling entity of Banco de Chile.**

- **The contribution of operating companies during 2008 grew 29.9% over 2007 reaching Ch$147,691 million (US$232.1 million). This rise is attributable mainly to the positive results obtained by Madeco due to the sale of its wire and cable unit, which generated a net profit of Ch$89,565 million (US$140.7 million). Quiñenco's proportionate share of this profit amounted to Ch$40,457 million (US$63.6 million). The contribution from Banco de Chile, CCU and Telsur, however, decreased 8.1% in 2008.**

- **Consolidated sales remained stable reaching Ch$760,333 million (US$1,194.6 million).**

- **Earnings per ordinary share amounted to Ch$202.74 (US$0.32) in 2008.**

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GROUP HIGHLIGHTS – FOURTH QUARTER 2008 AND SUBSEQUENT EVENTS

Madeco – Transaction with Nexans completed

On September 30, 2008, Madeco announced closure of the agreement signed in February 2008, whereby Madeco agreed to transfer its wire and cable units in Chile, Peru, Brazil, Argentina and Colombia to Nexans in exchange for US$448 million and 2.5 million shares of Nexans. Following fulfillment of the agreed conditions, on September 30 Madeco received US$393 million in cash, corresponding to US$448 million net of debt, minority interest, withholding taxes and changes in working capital, among others, and 2.5 million shares of Nexans valued at US$218 million as of the same date. Thus, Madeco became the main shareholder of Nexans with an 8.9% share.

CCU - Viña San Pedro and Viña Tarapacá Merger closed

In December 2008, the merger of Viña San Pedro (VSP) and Viná Tarapacá (VT), previously announced by CCU, was executed after approval by the Shareholders of VSP and VT. The merge by incorporation between VSP and VT considers a 60-40% exchange ratio respectively, with VSP being the absorbent company. Prior to the merger, CCU acquired from the controllers of VT, Compañía Chilena de Fósforos (CCF), 25% of VT's capital at US$33.1 million. The merge will have accounting effects as of October 1, 2008. Thus, shareholders of the new merged company, Viña San Pedro Tarapacá (VSPT), are CCU with 44.9%, CCF with 30%, and other shareholders the remaining 25.1%.

Amendment to Framework Agreement with Citigroup

On December 19, Quiñenco announced an amendment to the Framework Agreement with Citigroup, with regards to the outstanding options related to LQIF, controlling entity of Banco de Chile. Citigroup and Quiñenco have a call/put option for an 8.52% share of LQIF, and Citigroup has a second call for an additional 8.52%, which expire on April 30, 2010. If, by April 30, 2010, as a consequence of acts or decisions of a relevant authority in the USA, Citigroup cannot acquire the 8,52% share of LQIF, the call options will be extended in fifteen additional months, allowing Citigroup to either increase its share in LQIF to 50% or only to 41.48%. This additional term extension will be granted subject to payment of the difference between the exercise price of the option on 8.52% and 8.52% of the net asset value of LQIF, as defined in the Amendment. If Citigroup does not exercise either option and maintains its current 32.96% share, Quiñenco may increase its share in LQIF up to 80.1%, in which case Citigroup would maintain a 19.9% share reducing its rights in accordance with the Shareholders Agreement.

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Net Income Contribution

Sector / Company	Quiñenco's ownership % at 12/31/2008	Quarter 4Q 2007 MCh$	**4Q 2008 MCh$**	4Q 2008 MUS$	Full Year 2007 MCh$	**2008 MCh$**	2008 MUS$
Financial Services:							
Banco de Chile (1)	27.1%	25,117	**14,399**	22.6	79,820	**73,873**	116.1
Food & Beverage:							
CCU (2)	33.1%	12,613	**7,788**	12.2	28,510	**27,314**	42.9
Telecommunications:							
Telefónica del Sur (3)	74.4%	924	**601**	0.9	4,996	**2,981**	4.7
Manufacturing:							
Madeco (4)	47.7%	1,060	**3,997**	6.3	9,854	**44,144**	69.4
Other operating companies (5)		(1,937)	**(78)**	(0.1)	(9,494)	**(621)**	(1.0)
Total operating companies		37,777	**26,707**	42.0	113,686	**147,691**	232.1
Quiñenco & holding companies (6)		(10,697)	**(12,588)**	(19.8)	921	**84,361**	132.5
Total		27,080	**14,119**	22.2	114,607	**232,052**	364.6

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

(1) Represents Quiñenco's economic rights in Banco de Chile (30.7% as of December 2007). Voting rights as of December 2008 of 61.7% are held through LQIF.
(2) Indirect ownership through IRSA S.A. and IRSA Ltda. IRSA is controlled jointly between Quiñenco and Heineken.
(3) Direct and indirect ownership through VTR S.A.
(4) Direct and indirect ownership through Río Grande S.A.
(5) In 2007, Other operating companies included Indalsa and subsidiaries and Río Rimac S.A. and subsidiaries. In 2008, these companies are grouped with Quiñenco and holding companies (with a net profit of Ch$3,524 million or US$5.5 million) as they no longer carry out commercial activity.
(6) Quiñenco corporate level.

Net Income – Full Year 2008

Quiñenco reported net income of Ch$232,052 million (US$364.6 million) in 2008, double the net income of Ch$114,607 million (US$180.1 million) reported in 2007. This significant increase is mainly attributable to profits at the Quiñenco holding company level and a higher contribution from Madeco due to the sale of its wire and cable unit to Nexans.

At the holding company level, Quiñenco reported income of Ch$84,361 million (US$132.5 million), compared to income of Ch$921 million (US$1.4 million) in 2007. The variation is mostly explained by a non-recurring gain of $135.766 million (US$213.3 million) related to the association with Citigroup in LQIF during 2008, whereas 2007 included a non-recurring gain on the sale of Entel shares of $40,607 million (US$63.8 million). The association with Citigroup in LQIF also generated higher goodwill and intangibles, which increased amortization charges in 2008.

The contribution to net income from Quiñenco's operating companies rose by 29.9%, reaching Ch$147,691 million (US$232.1 million) in 2008. This growth is mainly explained by the increase in Madeco's contribution of $34,290 million (53.9 million), which in turn corresponds almost entirely to the profit on the sale of its wire and cable unit to Nexans during the third quarter of 2008. Banco de Chile, CCU and Telsur, however, lowered their contribution in 2008. This was partially offset by lower losses from other operating companies.

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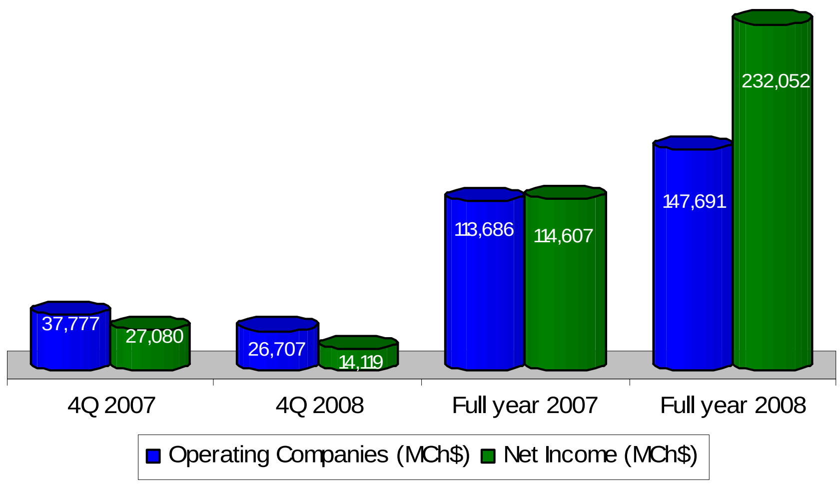
Earnings per ordinary share amounted to Ch$202.74 (US$0.32) in 2008.

Net Income – 4Q 2008

Quiñenco reported net income for the fourth quarter of 2008 of Ch$14,119 million (US$22.2 million), compared to net income of Ch$27,080 million (US$42.5 million) in the fourth quarter of 2007. The variation in quarterly income is mainly due to a 29.3% drop in income from operating companies.

Earnings per ordinary share for the fourth quarter of 2008 amounted to Ch$12.34 (US$0.02).



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Consolidated Income Statement Breakdown

	Quarter			Full Year		
	4Q 2007 MCh$	**4Q 2008 MCh$**	4Q 2008 MUS$	2007 MCh$	**2008 MCh$**	2008 MCh$
Revenues						
Madeco	152,145	**59,757**	93.9	695,883	**692,958**	1,088.8
Telefónica del Sur	16,361	**16,722**	26.3	66,095	**66,133**	103.9
Quiñenco & holding	265	**262**	0.4	1,158	**1,242**	1.9
Total Revenues	**168,771**	**76,741**	**120.6**	**763,136**	**760,333**	**1,194.6**
Operating income (loss)						
Madeco	4,726	(1,249)	(2.0)	43,685	**40,014**	62.9
Telefónica del Sur	2,310	2,005	3.2	11,454	**7,999**	12.5
Quiñenco & holding	(3,168)	(3,230)	(5.1)	(11,970)	**(13,428)**	(21.2)
Total Operating income (loss)	**3,868**	**(2,474)**	**(3.9)**	**43,169**	**34,585**	**54.3**
Non-operating income (loss)						
Interest income	2,042	**3,885**	6.1	7,364	**10,779**	17.0
Share of net income/loss from related co:						
Banco de Chile	25,117	**21,478**	33.8	79,820	**110,193**	173.1
CCU	12,613	**7,788**	12.2	28,510	**27,314**	42.9
Other equity investments	(2,476)	**475**	0.8	(1,566)	**1,212**	1.9
Other non-op income	2,255	**10,972**	17.2	49,369	**304,071**	477.8
Amortization of GW expense	(6,765)	**(2,840)**	(4.4)	(26,462)	**(55,161)**	(86.7)
Interest expense	(8,628)	**(6,029)**	(9.5)	(32,134)	**(34,196)**	(53.7)
Other non-op expenses	(861)	**(10,355)**	(16.3)	(4,635)	**(43,718)**	(68.7)
Price-level restatement	(1,371)	**(3,489)**	(5.5)	(6,422)	**(8,028)**	(12.6)
Foreign exchange gains & losses	(357)	**13,745**	21.6	3,648	**3,522**	5.5
Total Non-operating income (loss)	**21,569**	**35,630**	**56.0**	**97,492**	**315,988**	**496.5**
Income Tax	3,818	**(10,714)**	(16.8)	(9,541)	**(40,346)**	(63.4)
Extraordinary items	-	**-**	-	-	**-**	-
Minority Interest	(2,670)	**(8,812)**	(13.9)	(18,281)	**(80,004)**	(125.7)
Amortization of negative GW	495	**489**	0,8	1,768	**1,829**	2.9
Net income (loss)	**27,080**	**14,119**	22.2	**114,607**	**232,052**	**364.6**

Revenues – Full Year 2008

Consolidated revenues totaled Ch$760,333 million (US$1,194.6 million) in 2008, a slight decline of 0.4% in relation to 2007, attributable to Madeco's operations. Madeco's sales, which fell by 0.4% to Ch$692,958 million (US$1,088.8 million), reflect lower sales volumes of brass mills and of the wire and cable unit, which is not included in the fourth quarter of 2008, which were offset by higher average prices in comparison to 2007.

Consolidated sales in 2008 can be broken down as follows: Madeco (91.1%), Telefónica del Sur (8.7%) and others (0.2%).

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Revenues – 4Q 2008

Consolidated revenues for the fourth quarter of 2008 were Ch$76,741 million (US$120.6 million), down by 54.5% from the Ch$168,771 million (US$265.2 million) reported in the fourth quarter of 2007, explained by a 60.7% decrease in Madeco's sales as a result of the sale of the wire and cable unit in 3Q 2008 and lower sales of the brass mills unit.

Consolidated sales can be broken down as follows: Madeco (77.9%), Telefónica del Sur (21.8%) and others (0.3%).

Operating Income - Full Year 2008

Consolidated operating income was Ch$34,585 million (US$54.3 million) in 2008, down by 19.9% from the Ch$43,169 million (US$67.8 million) reported in 2007. The decrease in operating profit for the year was mainly attributable to Madeco and Telsur. The 8.4% decline in Madeco's operating income is mainly due to the sale of the wire and cable unit. In addition, performance of the brass mills and profiles units was below 2007, and only partially offset by improved results of flexible packaging. Telsur's operating income fell by 30.2%, mainly as a consequence of flat sales together with higher depreciation related to investments in new wireless networks and infrastructure for internet and IP digital TV, as well as higher costs related to the new digital IP television programming and higher international wide-band costs reflecting client growth and upgrades.

Operating Income - 4Q 2008

Operating income for the fourth quarter of 2008 was a loss of Ch$2,474 million (US$3.9 million), compared to a gain of Ch$3,868 million (US$6.1 million) reported in the fourth quarter of 2007. The sharp decline in consolidated operating results is mostly attributable to Madeco's operations (-Ch$5,975 million or -US$ 9.4 million), which were affected by lower brass mills sales coupled with a negative margin, as well as the absence of the wire and cable unit in 2008. To a lesser extent, the reduction in Telefónica del Sur's operating income (-Ch$306 million or US$0.5 million), as a result of higher depreciation and operating costs related to new product development, also reduced consolidated results for the quarter.

EBITDA – Full Year 2008

EBITDA amounted to Ch$79,701 million (US$125.2 million) in 2008, compared to Ch$80,719 million (US$126.8 million) in 2007, a decrease of 1.3%, mainly attributable to Madeco's operations and partially offset by amortization of intangibles.

EBITDA – 4Q 2008

EBITDA was Ch$14,782 million (US$23.2 million) in 4Q 2008, up by 10.1% from the Ch$13,427 million (US$21.1 million) in 4Q 2007, mainly due to a higher amortization of intangibles, associated to the accounting at fair value of assets acquired through the transaction with Citigroup, which was partially offset by a reduction in EBITDA generated by Madeco (-Ch$7,059 million or US$11.1 million), and to a lesser extent, Telefónica del Sur.

Non-Operating Results – Full Year 2008

Non-operating income amounted to Ch$315,988 million (US$496.5 million) in 2008, compared to non-operating income of Ch$97,492 million (US$153.2 million) in 2007. The main items included in non-operating results are discussed below:

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Proportionate share of net income of equity method investments (net) – Full Year 2008

Quiñenco's proportionate share of net income from equity method investments (net), which includes the results from Banco de Chile and CCU, Quiñenco's most significative investments, reached Ch$138,719 million (US$218.0 million), an increase of 29.9% compared to the Ch$106,764 million (US$167.7 million) reported in 2007.

The increase mainly corresponds to an increment in the proportionate share of net income from Banco de Chile of Ch$30,373 million (US$47.7 million), explained by the increase in Quiñenco's economic rights in the Bank, which went from 30.7% in 2007 to 40.4% in 2008 as a result of the association with Citigroup (see Minority Interest), and the increase in 3.3% in Banco de Chile's net income for the year.

The income contribution from CCU during the period fell 4.2% reflecting the corresponding decrease in the company's net income in 2008 in relation to the previous year.

Other non-operating income - Full Year 2008

Other non-operating income amounted to Ch$304,071 million (US$477.8 million), compared to Ch$49,369 million (US$77.6 million) reported in 2007. The variation is primarily explained by a non-recurring gain related to the association with Citigroup in LQIF, which amounted to Ch$135,766 million (US$213.3 million), and income registered at Madeco as a result of the sale of its wire and cable unit to Nexans amounting to Ch$156,359 (US$245.7 million). Other non-operating income also includes dividends received from cost basis investments, mainly Entel, which amounted to Ch$3,197 million (US$5.0 million). During 2007, a non-recurring gain on the sale of Entel shares of Ch$40.607 million (US$63.8 million) was included.

Amortization of goodwill expense - Full Year 2008

Amortization of goodwill expense amounted to Ch$55,161 million (US$86.7 million) in 2008, an increase of Ch$28,699 million (US$45.1 million) over the previous year, due to a non-recurring amortization of goodwill related to the sale of the wire and cable unit to Nexans amounting to Ch$15,188 million (US$23.9 million) and a variation of Ch$12,800 million (US$20.1 million) of Banco de Chile goodwill amortization mainly associated to the incorporation of Citigroup in LQIF and the subsequent merger of Citibank Chile with Banco de Chile.

Interest Expense - Full Year 2008

Interest expense in 2008 amounted to Ch$34,196 million (US$53.7 million), a 6.4% increase compared to the Ch$32,134 million (US$50.5 million) reported in 2007. The increase is mainly attributable to higher interest expense at Madeco due to increased short term financing needs during the first nine months of the year related mostly to the corporate reorganization process prior to the sale of the cable unit to Nexans and working capital.

Other non-operating expenses - Full Year 2008

Other non-operating expenses amounted to Ch$43,718 million (US$68.7 million), compared to Ch$4,635 million (US$7.3 million) in 2007. The variation corresponds mainly to Madeco due to the reversal of equity reserves related to the valuation of foreign companies, associated to the sale of those investments to Nexans, amounting to Ch$24,808 million (US$39.0 million). In addition, amortization of intangibles for

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Ch$8,899 million (US$14.0 million) is registered as of 2008, owing to accounting at fair value of assets acquired through the transaction with Citigroup.

Price- Level Restatement - Full Year 2008

Price-level restatement losses amounted to Ch$8,028 million (US$12.6 million) in 2008, compared to losses of Ch$6,422 million (US$10.1 million) reported in 2007. The losses are mainly attributable to Madeco's operations as a result of the higher inflation experienced during the year, and to a lesser extent to Telsur's operations.

Foreign Currency Translation - Full Year 2008

In 2008, the gains specific to foreign currency translation amounted to Ch$3,522 million (US$5.5 million), compared to gains of Ch$3,648 million (US$5.7 million) in 2007.

Non-Operating Results – 4Q 2008

Quiñenco reported non-operating income of Ch$35,630 million (US$56.0 million) in the fourth quarter of 2008, compared to non-operating income of Ch$21,569 million (US$33.9 million) in the same quarter of 2007. The variation between the two periods is mostly explained by other non-operating income/expenses. The main items included in non-operating results are discussed below:

Proportionate share of net income of equity method investments (net) – 4Q 2008

Quiñenco's proportionate share of net income from equity method investments (net), which includes the results from Banco de Chile and CCU, Quiñenco's most significant investments, reached Ch$29,741 million (US$46.7 million), compared to Ch$35,254 million (US$55.4 million) in 4Q 2007, a decrease of 15.6%.

Quiñenco's proportionate share of net income from CCU decreased by 38.3% to Ch$7,788 million (US$12.2 million), mainly due to a non-recurring gain of Ch$12.986 million (US$20.4 million) included in 4Q 2007 arising from the association with Nestlé in the water business. The proportionate share of income from Banco de Chile, in turn, decreased by 14.5% to Ch$21,478 million (US$33.7 million), reflecting the 33.3% reduction in the bank's net income in 4Q 2008, which was partly offset by the increase in Quiñenco's (through LQIF) economic rights in the bank, which went from 30.7% as of December 2007 to 40.4% as of December 2008, as a result of the association with Citigroup (see Minority Interest).

Other non-operating income – 4Q 2008

Other non-operating income was Ch$10,972 million (US$17.2 million), compared to Ch$2,255 million (US$3.5 million) in the fourth quarter of 2007. Other non-operating income in 4Q 2008 is mainly registered at Madeco.

Amortization of goodwill expense – 4Q 2008

Amortization of goodwill expense amounted to Ch$2,840 million (US$4.5 million) in the fourth quarter of 2008, compared to Ch$6,765 million (US$10.6 million) reported in the same period of 2007. Goodwill expense in the quarter is mostly related to Banco de Chile.

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Interest Expense - 4Q 2008

Interest expense for the fourth quarter of 2008 amounted to Ch$6,029 million (US$9.5 million), a decrease of 30.1% with respect to 4Q 2007. The reduction corresponds mainly to lower interest expense at Madeco, reflecting the lower level of debt during the quarter, and to a lesser extent to less interest expense at Telsur.

Other non-operating expenses - 4Q 2008

Other non-operating expenses amounted to Ch$10,355 million (US$16.3 million) compared to Ch$861 million (US$1.4 million) in the fourth quarter of 2007. The higher other non-operating expenses correspond mostly to amortization of intangibles related to the accounting at fair value of assets acquired through the merger with Citibank Chile.

Price-level restatement – 4Q 2008

Price-level restatement losses amounted to Ch$3,489 million (US$5.5 million), compared to losses of Ch$1,371 million (US$2.2 million) in 4Q 2007.

Foreign currency translation losses – 4Q 2008

In 4Q 2008, the gains specific to foreign currency translation differences amounted to Ch$13,745 million (US$21.6 million), compared to losses of Ch$357 million (US$0.6 million) reported in 4Q 2007, primarily attributable to gains at Madeco due to the appreciation of the US dollar during the quarter and the company's net asset position in that currency.

Income Taxes – Full Year 2008

Quiñenco reported income taxes in 2008 amounting to Ch$40,346 million (US$63.4 million), compared to income taxes of Ch$9,541 million (US$15.0 million) in 2007. The increase in income taxes is almost entirely explained by the income tax registered at Madeco due to the sale of the wire and cable unit which accounted for Ch$29,608 million (US$46.5 million).

Income Taxes – 4Q 2008

Quiñenco reported income tax of Ch$10,714 million (US$16.8 million), compared to income tax credit of Ch$3,818 million (US$6.0 million) reported in the fourth quarter of 2007, mainly due to income tax at Madeco.

Minority Interest – Full Year 2008

In 2008, Quiñenco reported a deduction from income of Ch$80,004 million (US$125.7 million), compared to a deduction from income of Ch$18,281 million (US$28.7 million) in 2007. The increase of Ch$61,723 million (US$97.0 million) is mainly attributable to minority shareholders' proportionate share of Madeco's record profits which accounted for Ch$56,723 million (US$89.1 million), and Ch$20,635 million (US$32.4 million) correspond to Citigroup's interest (32.96%) in LQIF's net income.

Minority Interest – 4Q 2008

In the fourth quarter of 2008, Quiñenco reported a deduction from income of Ch$8,812 million (US$13.9 million), compared to a deduction from income of Ch$2,670 million (US$4.2 million) in 4Q 2007. Of the total amount reported in 4Q 2008, Ch$2,857 million (US$4.5 million) corresponds to Citigroup's interest (32.96%) in

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LQIF's net income, and Ch$ 5,354 million (US$8.4 million) corresponds to minority shareholders' proportionate share of Madeco's net income during the period.

Amortization of Negative Goodwill – Full Year 2008

Amortization of negative goodwill amounted to Ch$1,829 million (US$2.9 million) in 2008, compared to Ch$1,768 million (US$2.8 million) in 2007.

Amortization of Negative Goodwill – 4Q 2008

Amortization of negative goodwill amounted to Ch$489 million (US$0.8 million), compared to Ch$495 million (US$0.8 million) in the fourth quarter of 2007.

CONSOLIDATED BALANCE SHEET ANALYSIS (vis-à-vis the 3rd quarter of 2008)

Condensed Consolidated Balance Sheet

	As of 12/31/07 MCh$	As of 9/30/08 MCh$	**As of 12/31/08 MCh$**	As of 12/31/08 MUS$
Current assets	524,497	612,135	**485,284**	762.5
Fixed assets	344,123	279,578	**285,642**	448.8
Other assets	1,100,403	1,736,549	**1,734,398**	2,725.1
Total assets	1,969,023	2,628,262	**2,505,324**	3,936.4
Current liabilities	206,068	315,667	**175,564**	275.9
Long-term liabilities	468,006	288,901	**289,514**	454.9
Minority interest	210,537	716,452	**715,637**	1,124.4
Shareholders' equity	1,084,412	1,307,242	**1,324,609**	2,081.2
Total liabilities & shareholders' equity	1,969,023	2,628,262	**2,505,324**	3,936.4

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Current Assets

Current assets decreased by 20.7% compared to the third quarter of 2008, mainly due to a reduction of cash and cash equivalents at Madeco due to the payment of short term obligations, and lower current assets at the Corporate level destined to prepay outstanding bank debt.

Fixed Assets and Other Assets

Fixed assets and other assets did not vary significantly from the third quarter of 2008.

Current Liabilities

Current liabilities decreased by 44.4%, mainly due to the reduction of short term bank obligations at Madeco, and lower bank debt at the Corporate level due to the prepayment of the entire outstanding debt with Banco Estado.

Long-term Liabilities

Long-term liabilities did not vary significantly from the third quarter of 2008.

Minority Interest

Minority interest did not vary significantly from the third quarter of 2008.

Equity

Shareholders' equity increased by 1.3% compared to the third quarter of 2008 due to period profits.

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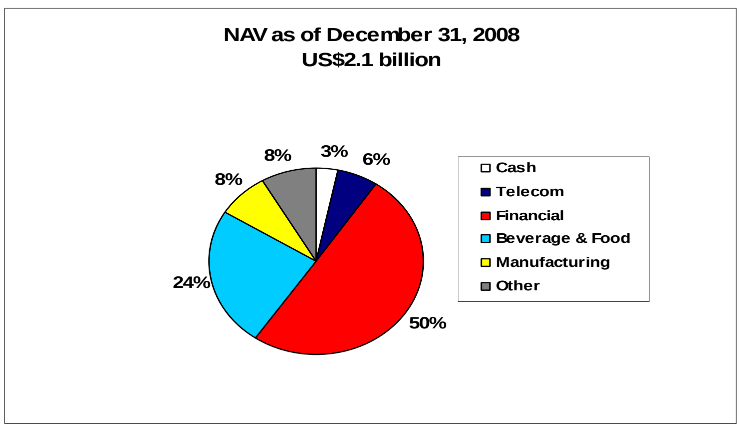
Quiñenco Corporate Level Debt and Cash

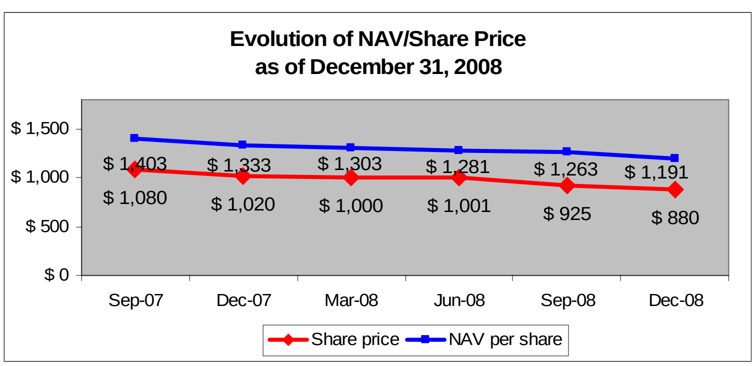
As of December 31, 2008	Debt		Cash & equivalents		Net Debt	
	MCh$	MUS$	MCh$	MUS$	MCh$	MUS$
Corporate level	256,126	402.4	73,508	115.5	182,618	286.9
Adjusted for:						
32.96% interest of Citigroup in LQIF	(56,238)	(88.4)	(20,419)	(32.1)	(35,819)	(56.3)
50.00% interest in IRSA	17,247	27.1	519	0.8	16,728	26.3
Total	217,135	341.2	53,608	84.2	163,527	256.9

The debt to total capitalization ratio at the corporate level (unadjusted) was 12.5% as of December 31, 2008.

NAV

As of December 31, 2008, the estimated net asset value (NAV) of Quiñenco was US$2.1 billion (Ch$1,191 per share) and market capitalization was US$1.6 billion (Ch$880 per share). The discount to NAV is estimated at 26.1% as of the same date.





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SECTOR / OPERATING COMPANY ANALYSIS

FINANCIAL SERVICES SECTOR

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

FINANCIAL SERVICES							
	Ownership %	4Q 2007 MCh$	**4Q 2008 MCh$**	4Q 2008 MUS$	Full Year 2007 Mch$	**Full Year 2008 MCh$**	**Full Year 2008 MUS$**
Banco de Chile (1)	40.4%	25,117	**21,478**	33.8	79,820	**110,193**	**173.1**

1) Ownership % in the above table corresponds to LQIF's economic rights in Banco de Chile as of December 31, 2008. Quiñenco's share of 4Q 2008 income from Banco de Chile is 67.04% (equivalent to Ch$14,399 million).

BANCO DE CHILE

	Quarter			Full Year		
	4Q 2007 MCh$	**4Q 2008 MCh$**	4Q 2008 MUS$	2007 MCh$	**2008 MCh$**	2008 MUS$
Operating revenues	222,249	**277,106**	435.4	784,678	**1,097,480**	1,724.4
Provision for loan losses	(14,740)	**(47,013)**	(73.9)	(56,678)	**(138,593)**	(217.8)
Operating expenses	(99,890)	**(148,128)**	(232.7)	(391,281)	**(573,848)**	(901.6)
Net income (loss)	85,720	**57,177**	89.8	263,850	**272,427**	428.0
Loan portfolio, net				11,529,333	**13,649,006**	21,445.5
Total assets				14,551,771	**18,128,442**	28,483.7
Shareholders' equity				1,144,697	**1,297,743**	2,039.0
Net interest margin	4.6%	**5.4%**		4.2%	**5.4%**	
Net financial Margin	5.1%	**5.6%**		4.7%	**5.6%**	
Efficiency ratio	45.0%	**53.5%**		49.9%	**52.3%**	
ROAE	30.8%	**15.8%**		27.4%	**20.3%**	
ROAA	2.4%	**1.3%**		1.9%	**1.7%**	

Full Year 2008 Results

Banco de Chile reported net income of Ch$272,427 million (US$428.0 million) for the year ended December 31, 2008, posting record profits and improved results. The 3.3% increase over 2007 was achieved despite the impact of the global financial crisis over 4Q 2008 results, and reflects the successful merger integration with Citibank Chile as well as organic growth.

Operating revenues amounted to Ch$1,097,480 million (US$1,724.4 million), up 39.9% from the Ch$784,678 million (US$1,232.9 million) reported in 2007. One of the main drivers of growth in operating revenues was net financial income, which rose by 41.9% to Ch$813,230 million (US$1,277.8 million). Net financial income, which is the sum of net interest income, net FX transactions and gains (losses) from trading and brokerage activities, grew as a result of a 18.0% increase in average interest earning assets, fueled by a significant expansion of the bank's loan portfolio, and an increase in the net financial margin from 4.7% in 2007 to 5.6% in 2008. The net financial margin rose mainly due to increased revenues associated to the management of UF/CLP Gap positions given a higher rate of inflation

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during the period, a higher contribution from demand deposits reflecting higher nominal interest rates, a more favorable funding structure, and an increase in average loan spreads mainly due to higher-yielding retail loans coming from Citibank Chile's loan portfolio. Fee income, which accounted for 19.7% of operating revenues in 2008, grew by 15.0% to Ch$215,864 million (US$339.2 million), mainly due to higher fee income from core banking products such as credit cards and current accounts, as well as insurance, advisory services and private banking businesses, all of which were enhanced by the commercial synergies derived from the successful integration with Citibank Chile.

Other operating income increased from Ch$23,941 million (US$37.6 million) in 2007 to Ch$68,386 million (US$107.4 million) in 2008 mainly due to non-recurring income from the sale of foreign branches which amounted to Ch$38,459 million (US$60.4 million) and non-recurring income from the sale of stocks of Visa Inc., as a consequence of its public offering on the NYSE, of approximately Ch$10,352 million (US$16.3 million).

Provisions for loan losses increased by Ch$81,915 million (US$128.7 million) to Ch$138,593 million (US$217.8 million) in 2008. This sharp increase is mainly explained by the higher risk profile associated with the retail segment, reflecting the economic slowdown, higher inflation, higher interest rates and increase in unemployment, as well as the Bank's loan portfolio expansion, and to a lesser extent due to the impact of the homologation of the credit risk criteria and classifications between the loan portfolios of the merged banks.

Operating expenses increased by 46.7% to Ch$573,848 million (US$901.6 million) compared to 2007, mainly owing to the incorporation of Citibank Chile's cost base, organic growth and additional loan provisions established of approximately Ch$17,000 million (US$26.7 million) during 4Q 2008. In addition, non-recurring merger related charges of approximately Ch$44,762 million (US$70.3 million) and a one-time cost related to the anticipated collective bargaining agreement for approximately Ch$13,000 million (US$20.4 million) also served to increase operating expenses during the period.

Price-level restatement losses totaled Ch$77,789 million (US$122.2 million) compared to price-level restatement losses of Ch$41,324 million (US$64.9 million) reported in 2007, as a result of the increase in net non-monetary liabilities due to the capitalization of 2007 net income and the capital increase related to the merger with Citibank Chile, and to a lesser extent due to the higher inflation rate used for adjustment purposes from 7.4% in 2007 to 8.9% in 2008.

As of December 2008, the Bank's loan portfolio (net of interbank loans) had grown by 18.4% to Ch$13,649,006 million (US$21.4 billion), driven by sustained organic growth and the incorporation of Citibank Chile's loan portfolio. Commercial credits, foreign trade loans and consumer loans were the drivers of portfolio expansion.

Banco de Chile was the second ranked bank in the country (in terms of loans) with a market share of 19.5% according to information published by the Chilean Superintendency of Banks for the period ended December 31, 2008. Its return on capital and reserves for the twelve-month period was 26.6%, the highest in the Chilean financial system, according to the same source. The local financial system as a whole reported a return on capital and reserves of 15.2% in 2008.

4Q 2008 Results

Banco de Chile's operating revenues increased by 24.7% to Ch$277,106 million (US$435.4 million) in the fourth quarter of 2008. The growth in operating revenues was driven by a 36.9% increase in net financial income, as a

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result of a higher contribution from demand deposits, due to higher nominal interest rates, and higher loan spreads. The increase in operating revenues was also attributable to a rise in fee income of 13.4% mainly reflecting commercial synergies derived from the merger with Citibank Chile.

Other operating income during the quarter amounted to a loss of Ch$3,938 million (US$6.2 million) compared to a gain of Ch$8,418 million (US$13.2 million) in 4Q 2007 mainly due to a reclassification of translation differences related to the sale of foreign branches from operating expenses to other income.

Provisions amounted to Ch$47,013 million (US$73.9 million) as compared to Ch$14,740 million (US$23.2 million) reported in 4Q 2007. This increase is mainly attributable to the retail segment and, to a lesser extent, to the wholesale segment related to the fishing sector.

Operating expenses increased by 48.3% to Ch$148,128 million (US$232.7 million) compared to the fourth quarter of 2007, mainly explained by the incorporation of Citibank Chile's cost base and merger related costs associated to the integration process of the networks between Atlas and Credichile. Also, additional loan provisions of approximately Ch$17,000 million (US$26.7 million) were established during 4Q 2008.

Price-level restatement losses totaled Ch$16,570 million (US$26.0 million) compared to price-level restatement losses of Ch$13,315 million (US$20.9 million) reported in 4Q 2007.

Net income amounted to Ch$57,177 million (US$89.8 million) in 4Q 2008, 33.3% less than 4Q 2007, mainly as a consequence of higher operating expenses related to the incorporation of Citibank Chile's cost base, higher provisions for loan losses and additional provisions established in line with the Banks' conservative risk policies, which more than offset the strong growth in net financial income.

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FOOD & BEVERAGE SECTOR

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

FOOD & BEVERAGE							
	Ownership %	4Q 2007 MCh$	**4Q 2008 MCh$**	4Q 2008 MUS$	Full Year 2007 MCh$	**Full Year 2008 MCh$**	**Full Year 2008 MUS$**
CCU	33.1%	12,613	**7,788**	12.2	28,510	**27,314**	**42.9**

CCU

	Quarter			Full Year		
	4Q 2007 MCh$	**4Q 2008 MCh$**	4Q 2008 MUS$	2007 MCh$	**2008 MCh$**	2008 MUS$
Sales	206,026	**254,539**	399.9	684,201	**781,789**	1,228.4
Operating income (loss)	39,370	**41,146**	64.6	110,407	**121,066**	190.2
Net income (loss)	38,169	**23,561**	37.0	86,248	**82,631**	129.8
Total assets				900,185	**1,072,953**	1,685.8
Shareholders' equity				437,556	**496,246**	779.7

Full Year 2008 Results

CCU's consolidated sales revenue rose by 14.3% to Ch$781,789 million (US$1,228.4 million), attributable to a 10.8% growth in sales volumes and 3.2% higher average prices. CCU's main business segments experienced positive results during 2008. The growth in sales volumes was led by the Argentine beer segment (+35.1%), the Chilean beer segment (+5.2%), and non-alcoholic beverages (+6.0%). Wines and spirits, however, had slightly lower volumes. Growth in Argentina was boosted by the acquisition of ICSA. Revenues by core businesses can be broken down as follows: beer Chile (36.4%), beer Argentina (18.3%), soft drinks/mineral water (25.5%), wine (12.7%), spirits (5.4%) and others (1.7%).

Operating income grew by 9.7% to Ch$121,066 million (US$190.2 million) in 2008, mainly due to the higher sales level, although higher direct costs and SG&A expenses partially offset the increase. EBITDA reached Ch$176,648 million (US$277.6 million) increasing 10.5% with respect to 2007.

CCU reported non-operating losses of Ch$21,253 million (US$33.4 million), compared to non-operating losses of Ch$3,688 million (US$5.8 million) in 2007. This variation is mainly explained by a non-recurring gain related to the association with Nestlé in the water business in 2007, and to a lesser extent due to higher financial expenses in 2008 owing to increased long term loans.

Net income for the year reached Ch$82,631 million (US$129.8 million), 4.2% lower than 2007 despite the 9.7% increase in operating income, due to the aforementioned higher non-operating losses in 2008 in comparison to 2007.

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4Q 2008 Results

CCU's sales in the fourth quarter of 2008 grew by 23.5% compared to the fourth quarter of 2007, due to both higher consolidated sales volumes and higher average prices. The growth in sales volumes was led by the Argentine beer segment (+36.6%), the Chilean beer segment (+2.7%), Chilean wine exports (+33.3%), nectars (+8.5%), Argentine wine segment (+8.4%) and Chilean domestic wine (+0.4%), partially offset by lower sales volumes in the soft drinks segment (-2.4%), mineral waters (-4.3%) and spirits (-7.2%). Higher average prices were across the board, with the exception of the nectars and mineral water segments.

Gross profit rose by 18.9% to Ch$135,966 million (US$213.6 million) as a result of the higher sales level, which was partially offset by a 29.4% increase in COGS, explained by higher costs in all segments except spirits mainly owing to higher raw material and packaging costs in US dollars combined with the devaluation of the Chilean peso versus the same quarter in 2007.

Operating income reached Ch$41,146 million (US$64.6 million) up 4.5% from 2007, due to higher SG&A expenses which partially offset the growth in gross profit. The increase in SG&A expenses, from 36.4% of sales in 4Q 2007 to 37.3% in 4Q 2008, is mostly due to the conversion effect of Argentine expenses in US dollars to Chilean GAAP, and a non-recurring distribution expense in the wine business. Thus, the consolidated operating margin was 16.2% of sales, compared to 19.1% in the same period of 2007. EBITDA amounted to Ch$57,003 (US$89.6 million), an increase of 9.7% over 4Q 2007.

CCU reported non-operating losses of Ch$8,866 million (US$13.9 million) compared to non-operating income of Ch$7,919 million (US$12.4 million) in 4Q 2007. The decline is mainly explained by a non-recurring gain related to CCU's association with Nestlé in the water business registered in 2007, and to a lesser extent due to higher financial expenses in 4Q 2008 reflecting higher debt for financing acquisitions and higher interest rates in Argentina, and higher foreign currency exchange losses in the wine operation due to the depreciation of the Chilean peso.

Net income for the fourth quarter of 2008 amounted to Ch$23,561 million (US$37.0 million), 38.3% below the same quarter in 2007, due to the aforementioned lower non-operating results and higher income tax, which offset the growth in operating results during the period.

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TELECOMMUNICATIONS SECTOR

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

TELECOMMUNICATIONS							
	Ownership %	4Q 2007 MCh$	**4Q 2008 MCh$**	4Q 2008 MUS$	Full Year 2007 MCh$	**Full Year 2008 MCh$**	Full Year 2008 MUS$
Telefónica del Sur	74.4%	924	**601**	0.9	4,996	**2,981**	4.7

TELSUR

	Quarter			Full Year		
	4Q 2007 MCh$	**4Q 2008 MCh$**	4Q 2008 MUS$	2007 MCh$	**2008 MCh$**	**2008 MUS$**
Sales	16,361	**16,722**	26.3	66,095	**66,133**	103.9
Operating income (loss)	2,310	**2,005**	3.2	11,454	**7,999**	12.6
Net income (loss)	1,240	**808**	1.3	6,764	**4,005**	6.3
Total assets				167,024	**178,953**	281.2
Shareholders' equity				84,303	**85,360**	134.1

Full Year 2008 Results

Telefónica del Sur's revenues reached Ch$66,133 million (US$103.9 million) in 2008, up slightly from the Ch$66,095 million (US$103.8 million) reported in 2007. Overall sales have remained stable despite a 4% growth in the client base, reflecting the migration towards bundled products (triple play) and a highly competitive industry, which have pushed average prices downwards. Since the end of 2007 Telsur has been competing in the triple-play segment, strengthening its wide-band internet services and IP digital television, as well as wireless telephony. Basic telephony and long distance revenues have, on the other hand, continued to decline due to substitution with mobile and IP voice communication through internet.

Revenues from IP digital television rose by 158% in 2008, representing 3.3% of total sales, based on strong growth in the number of clients which increased from 5,472 in 2007 to 13,343 in 2008. Internet revenue has also continued its positive trend, up by 5.7% in 2008 based on a 20.9% increase in the number of clients. During 2008, Telsur doubled and then tripled the wide-band speed at no additional cost for its clients.

Basic telephony services accounted for 45.0% of all revenues, followed by Internet (24.4%), access charges (12.2%), long distance services (5.8%), security services (4.4%), digital TV (3.3%), public telephones (3.2%) and other services (1.7%).

Operating profits fell by 30.2% to Ch$7,999 million (US$12.6 million), mainly explained by the increment in depreciation related to investments in new wireless networks and infrastructure for internet and digital TV services. Operating costs also increased in comparison to 2007 mainly due to costs related to the new digital IP television programming, higher costs of international wide-band reflecting client growth and upgrades, and higher costs of energy. SG&A expenses as a percentage of sales decreased from 26.2% in 2007 to 25.6% in 2008. EBITDA reached $28,097 million (US$44.1 million), which represents 42.5% of sales.

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Non-operating losses increased from Ch$2,725 million (US$4.3 million) in 2007 to Ch$2,814 million (US$4.4 million) in 2008. This variation is explained by a higher charge of monetary correction reflecting the higher rate of inflation, which was partially offset by higher non-operational income and lower financial expenses.

Net profit in 2008 amounted to Ch$4,005 million (US$6.3 million), representing a 40.8% decline from the Ch$6,764 million (US$10.6 million) reported in 2007. The decrease in bottom line results for the year was attributable to the aforementioned deterioration in operating results, together with higher non-operating losses, which were partly offset by a lower tax burden.

4Q 2008 Results

Telefónica del Sur's revenues amounted to Ch$16,722 million (US$26.3 million), up 2.2% varying only slightly from the Ch$16,361 million (US$25.7 million) reported in the fourth quarter of 2007. This increase is mainly due to growth in wide-band internet and IP digital television, based on a rising client base. Average prices, however, tend to be lower due to the migration to bundled products. Traditional telephony and long distance revenues, on the other hand, declined during the quarter, following the industry trend in these segments.

Basic telephony services accounted for 43.9% of all revenues, followed by Internet (25.9%), access charges (12.0%), long distance services (5.4%), security services (4.3%), digital TV (4.0%), public telephones (3.2%), and other services (1.3%).

Operating income declined by 13.2% to Ch$2,005 million (US$3.2 million) mainly explained by the increment in depreciation related to investments in new product development, including wireless networks and infrastructure for internet and digital TV services, which have not yet reached break-even. Operating costs also increased in comparison to the previous period due to costs related to the new digital IP television programming, and higher costs of international wide-band, and higher costs of energy.

Telefónica del Sur reported non-operating losses of Ch$954 million (US$1.5 million), up by 43.4% from the non-operating losses of Ch$665 million (US$1.0 million) reported in 4Q 2007. The higher loss is mainly explained by a higher charge of monetary correction reflecting the increased inflation rate, which was partly offset by lower financial expense.

Telefónica del Sur reported net income of Ch$808 million (US$1.3 million) a decrease of 34.9% compared to the third quarter of 2007, mainly owing to the aforementioned deterioration in operating results, together with higher non-operational losses.

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MANUFACTURING SECTOR

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

MANUFACTURING							
	Ownership %	4Q 2007 MCh$	**4Q 2008 MCh$**	4Q 2008 MUS$	Full Year 2007 MCh$	**Full Year 2008 MCh$**	Full Year 2008 MUS$
Madeco	47.7%	1,060	**3,997**	6.3	9,854	**44,144**	69.4

MADECO

	Quarter			Full Year		
	4Q 2007 MCh$	**4Q 2008 MCh$**	4Q 2008 MUS$	2007 MCh$	**2008 MCh$**	2008 MUS$
Sales	152,145	**59,757**	93.9	695,883	**692,958**	1,088.8
Operating income (loss)	4,726	**(1,249)**	2.0	43,685	**40,014**	62.9
Net income (loss)	2,356	**8,306**	13.1	21,410	**97,184**	152.7
Total assets				530,449	**551,642**	866.7
Shareholders' equity				287,380	**415,179**	652.3

Full Year 2008 Results

Madeco's sales level declined slightly by 0.4% to Ch$692,958 million (US$1,088.8 million) in 2008, reflecting a combination of a drop in sales volumes of 4.6% which were offset by 4.4% higher average prices. The reduction in sales volumes is explained by the sale of the wire and cable unit to Nexans at the end of the third quarter and lower performance of brass mills, which was partially offset by higher volumes of flexible packaging. The increase in average prices reflects improved copper and aluminum prices during the first three quarters, and improved prices obtained by flexible packaging.

Sales corresponding to the wire and cable business unit were down by 2.6%, due to the sale of this unit at the end of the third quarter, reaching Ch$436,956 million (US$686.6 million). Flexible packaging sales were up by 34.6% to Ch$130,445 million (US$205.0 million), based on increased sales volumes in Peru, Chile and Argentina. Brass mills sales fell by Ch$23,294 million (US$36.6 million) due to a 19.8% decline in sales volumes, mostly in Chile. The aluminum profiles unit also reported a decrease in sales of 4.2% despite a 4.8% increase in sales volumes, due to lower average prices reflecting increased competition from Chinese imports.

Sales of the wire and cable business unit, sold to Nexans as of September 30, 2008, accounted for 63.1% of total sales, followed by flexible packaging (18.8%), brass mills (12.8%), and aluminum profiles (5.3%).

Operating income decreased by Ch$3,671 million (US$5.8 million) or 8.4%, mainly attributable to the brass mills business unit which registered a greater operational loss of Ch$6,283 million (US$9.9 million) as a result of lower sales volumes and due to the sharp fall in copper prices towards the end of the year which deteriorated margins. In addition, operating income earned by the cables unit fell by 8.1%, since this unit is only included until the third quarter of 2008. The flexible packaging unit, however, experienced a 55.0% growth in its operating income, reflecting the improved sales level along with a better gross margin resulting from cost control plans implemented by the company. Overall, SG&A expenses went up as a percentage of sales from 5.5% in 2007 to 5.8% in 2008.

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EBITDA was also affected by this downturn and was 10.3% lower than in 2007, amounting to Ch$54,599 million (US$85.8 million).

Madeco reported non-operating income of Ch$100,350 million (US$157.7 million), significantly higher than the non-operating loss of Ch$17,598 million (US$27.7 million) reported in 2007, mostly reflecting the profit registered due to the sale of the wire and cable unit to Nexans, as of September 30, 2008. The net profit, after tax, of this transaction amounted to Ch$89.565 million (US$140.7 million). Thus, Madeco's net profit for 2008 reached Ch$97,184 million (US$152.7 million), substantially above the net income obtained in 2007 of Ch$21,410 million (US$33.6 million).

4Q 2008 Results

Madeco's results for the fourth quarter of 2008 do not include the wire and cable business unit, which was sold as of September 30, 2008 to Nexans, whereas 4Q 2007 figures do include this unit.

Madeco's sales in the fourth quarter of 2008 decreased by 60.7% to Ch$59,757 million (US$93.9 million), almost entirely attributable to the absence of the wire and cable unit in 2008. Sales of brass mills unit also fell 35.1% due to both lower sales volumes and lower prices as a consequence of the drop in the price of copper in the fourth quarter of 2008. The flexible packaging unit, however, showed strong growth of 83.0% in sales based on 11.2% growth in volume and higher average prices.

During the fourth quarter of 2008, sales of the flexible packaging unit accounted for 69.8% of sales, followed by brass mills (26.1%), aluminum profiles (15.0%), and wire and cable (-10.9%) .

Operating income fell by Ch$5,975 million (US$9.4 million) to a loss of Ch$1,249 million (US$2.0 million). This fall is mainly explained by lower sales of brass mills coupled with increased costs, above selling prices, due to the sharp drop in the price of copper, which led to a negative gross margin. The reduction is also explained by the absence of the wire and cable unit in 2008. This was partially offset by improved results of the flexible packaging unit which more than doubled its operating income, as a result of higher sales together with a more favorable product mix in Peru, and to a lesser extent due to higher sales in Argentina and Chile. SG&A expenses decreased during the period by 37.6%. EBITDA reached Ch$1,725 million (US$2.7 million).

Non-operating income for the quarter amounted to Ch$20,899 million (US$32.8 million), up from the loss of Ch$6,222 million (US$9.8 million) reported in 4Q 2007. The variation in non-operating income is largely explained by foreign currency exchange gains due to the appreciation of the US dollar during the period and the company's net asset position in that currency, and price-level restatement gains.

Madeco reported a net profit of Ch$8,306 million (US$13.1 million) for the fourth quarter of 2008, reflecting the aforementioned deterioration in operating results which were offset by higher non-operating income during the period.

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All of Quiñenco's Earnings and Press Releases and other relevant information on the Company, including quarterly financial statements, are available for viewing on the Company's website:

www. quinenco.cl
www. quinencogroup.com

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