

CONSOLIDATED BALANCE SHEETS

| ASSETS | At December 31 | |
|--|----------------------|----------------------|
| | 2000 ThCh\$ | 1999 ThCh\$ |
| CURRENT ASSETS | | |
| Cash | 4,851,582 | 5,622,568 |
| Time deposits | 14,564,176 | 137,027,192 |
| Marketable securities | 4,264,432 | 6,237,381 |
| Accounts receivable (net) | 85,516,686 | 81,655,688 |
| Notes receivable (net) | 13,024,011 | 9,962,597 |
| Other accounts receivable | 6,810,811 | 6,215,446 |
| Notes and accounts receivable from related companies | 5,903,467 | 4,021,435 |
| Inventories (net) | 83,541,283 | 84,648,171 |
| Recoverable taxes | 15,405,710 | 18,628,671 |
| Prepaid expenses | 3,113,386 | 2,722,342 |
| Deferred taxes | 3,185,238 | - |
| Other current assets | 135,337,847 | 45,407,138 |
| Total current assets | 375,518,629 | 402,148,629 |
| PROPERTY, PLANT AND EQUIPMENT | | |
| Property | 23,811,935 | 24,451,606 |
| Buildings and installations | 198,157,284 | 200,823,021 |
| Machinery and equipment | 331,699,001 | 349,524,940 |
| Other fixed assets | 58,424,841 | 49,730,937 |
| Revaluation from technical appraisals | 26,013,498 | 25,708,078 |
| | 638,106,559 | 650,238,582 |
| Less: Accumulated depreciation | (228,675,964) | (209,306,267) |
| Total property, plant and equipment | 409,430,595 | 440,932,315 |
| OTHER ASSETS | | |
| Investments in related companies | 392,480,117 | 313,206,083 |
| Other investments | 2,905,594 | 46,760,350 |
| Goodwill | 156,557,179 | 131,137,009 |
| Negative goodwill (less) | (20,343,064) | (21,784,518) |
| Long term accounts receivable | 23,389,820 | 22,548,483 |
| Notes and accounts receivable from related companies | 38,064 | 38,064 |
| Intangible assets | 3,284,852 | 3,515,188 |
| Amortization of intangible assets | (828,254) | (660,481) |
| Other non-current assets | 25,386,277 | 21,429,806 |
| Total other assets | 582,870,585 | 516,189,984 |
| Total assets | 1,367,819,809 | 1,359,270,928 |

| LIABILITIES AND SHAREHOLDERS' EQUITY | At December 31 | |
|---|----------------------|----------------------|
| | 2000 ThCh\$ | 1999 ThCh\$ |
| CURRENT LIABILITIES | | |
| Short-term bank loans | 155,201,341 | 94,096,190 |
| Current portion of long-term bank loans | 67,145,761 | 54,435,444 |
| Current portion of bonds payable | 3,846,356 | 4,398,918 |
| Current portion of other long-term liabilities | 2,072,632 | 3,561,495 |
| Dividends payable | 1,064,425 | 979,048 |
| Accounts payable | 32,232,921 | 27,123,089 |
| Notes payable | 30,904,575 | 22,535,311 |
| Other liabilities | 6,529,513 | 14,858,864 |
| Notes and accounts payable to related companies | 489,688 | 376,752 |
| Provisions | 22,230,949 | 27,915,180 |
| Withholdings | 4,497,726 | 4,346,040 |
| Income taxes payable | 94,872 | 12,516,791 |
| Unearned income | 463,020 | 3,073,055 |
| Deferred taxes | 569,011 | - |
| Other current liabilities | 667,033 | 38,028,481 |
| Total current liabilities | 328,009,823 | 308,244,658 |
| LONG TERM LIABILITIES | | |
| Long-term bank loans | 199,783,921 | 137,629,000 |
| Bonds payable | 66,070,538 | 29,843,574 |
| Notes payable | 8,277,441 | 73,279,465 |
| Sundry creditors | 9,893,092 | 2,179,497 |
| Provisions | 12,238,280 | 10,783,337 |
| Other long-term liabilities | 4,210,271 | 736,201 |
| Total long-term liabilities | 300,473,543 | 254,451,074 |
| MINORITY INTEREST | 102,320,428 | 104,129,902 |
| SHAREHOLDERS' EQUITY | | |
| Common stock | 428,224,335 | 428,224,335 |
| Reserves | 16,766,256 | 15,683,301 |
| Accumulated deficit during development period of subsidiaries (less) | (948,892) | (236,272) |
| Retained earnings | 198,622,412 | 80,929,189 |
| (Loss) net income for the year | (5,648,096) | 167,844,741 |
| Total Shareholders Equity | 637,016,015 | 692,445,294 |
| Total Liabilities and Shareholders' Equity | 1,367,819,809 | 1,359,270,928 |

CONSOLIDATED STATEMENTS OF INCOME

| | For the year ended at December 31 | |
|---|--------------------------------------|--------------------|
| | 2000 ThCh\$ | 1999 ThCh\$ |
| OPERATING RESULTS | | |
| Net sales | 451,796,019 | 425,787,618 |
| Cost of Sales | (360,667,169) | (346,424,684) |
| Gross margin | 91,128,850 | 79,362,934 |
| Administrative and selling expenses | (75,454,161) | (100,382,640) |
| Operating income (loss) | 15,674,689 | (21,019,706) |
| NON-OPERATING RESULTS | | |
| Interest income | 8,514,205 | 20,340,113 |
| Proportional share of net income of equity-method investments | 17,685,953 | 18,239,986 |
| Other non-operating income | 13,195,883 | 257,007,486 |
| Proportional share of loss of equity-method investments | (8,027,789) | (2,971,398) |
| Amortization of goodwill | (11,712,086) | (9,087,901) |
| Interest | (36,953,630) | (41,838,824) |
| Other non-operating expenses | (14,291,879) | (41,201,798) |
| Price-level restatements | (5,973,502) | 13,172,288 |
| Non-operational income (loss) | (37,562,845) | 213,659,952 |
| Income before income taxes | (21,888,156) | 192,640,246 |
| Income tax | 7,101,443 | (22,403,602) |
| Income before minority interest | (14,786,713) | 170,236,644 |
| Minority interest | 6,755,258 | (4,368,256) |
| Income before amortization of negative goodwill | (8,031,455) | 165,868,388 |
| Amortization of negative goodwill | 2,383,359 | 1,976,353 |
| NET INCOME (LOSS) FOR THE YEAR | (5,648,096) | 167,844,741 |

CONSOLIDATED STATEMENTS OF CASH FLOWS

| | For the year ended | |
|---|--------------------|---------------------|
| | At December 31 | |
| | 2000 | 1999 |
| | ThCh\$ | ThCh\$ |
| Cash Flows from operating activities | | |
| Collection of accounts receivable | 516,340,554 | 501,332,533 |
| Interest income received | 8,102,873 | 21,354,026 |
| Dividends and other distributions received | 10,869,571 | 10,568,017 |
| Other income received | 6,229,638 | 5,608,566 |
| Payments to suppliers and employees (less) | (469,729,558) | (443,973,848) |
| Interest paid (less) | (38,620,590) | (41,497,510) |
| Income tax paid (less) | (13,027,853) | (4,833,941) |
| Other operating expenses (less) | (3,124,764) | (5,233,275) |
| VAT and other taxes paid (less) | (18,844,107) | (24,489,922) |
| NET CASH FROM OPERATING ACTIVITIES | (1,804,236) | 18,834,646 |
| Cash flow from Financing Activities | | |
| Increase in capital | 3,586,999 | 2,823,868 |
| Borrowings | 309,143,076 | 204,688,082 |
| Bonds issued | 36,714,327 | - |
| Borrowings from related companies | 660,380 | - |
| Other borrowings | 2,871,312 | 571,662 |
| Dividends paid (less) | (51,032,851) | (20,879,954) |
| Return of capital to shareholders (less) | - | (21,801,288) |
| Payment of loans (less) | (265,570,024) | (227,873,924) |
| Payment of bonds (less) | (3,783,257) | (3,243,136) |
| Payment of other borrowings from related companies (less) | - | (3,255,968) |
| Payment of expenses related to shares issued (less) | (7,634) | - |
| Payment of expenses related to bonds issued (less) | (634,008) | - |
| Other financing activities (less) | (5,231,074) | (149,425) |
| NET CASH FROM FINANCING ACTIVITIES | 26,717,246 | (69,120,083) |

| | For the year ended | |
|---|---------------------|---------------------|
| | At December 31 | |
| | 2000 | 1999 |
| | ThCh\$ | ThCh\$ |
| Cash-flows from Investing Activities | | |
| Proceeds of sale of property, plant and equipment | 7,446,292 | 3,530,252 |
| Sales of permanent investments | 13,130,439 | 454,988,871 |
| Sales of other investments | 45,872,274 | 6,010,639 |
| Collection of other borrowings from related companies | - | 9,813,714 |
| Other income from investments | 667,341 | 17,046,854 |
| Additions to property, plant and equipment (less) | (32,637,042) | (57,202,112) |
| Payments of interest (less) | (328,809) | (1,206,344) |
| Other investments (less) | (52,801,783) | (374,933,289) |
| Other investing activities (less) | - | (41,408,766) |
| Documented loans to related companies (less) | (24,489) | - |
| Other loans to related companies (less) | (50,310) | - |
| Other disbursements relating to investments (less) | (864,191) | (12,716,394) |
| NET CASH-FROM INVESTMENT ACTIVITIES | (19,590,278) | 3,923,425 |
| NET CASH-FLOW FOR THE YEAR | 5,322,732 | (46,362,012) |
| PRICE-LEVEL RESTATEMENT OF CASH AND CASH EQUIVALENTS | (1,713,415) | 17,782,091 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 3,609,317 | (28,579,921) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | 127,753,570 | 156,333,491 |
| CASH AND CASH EQUIVALENTS AT THE END OF YEAR | 131,362,887 | 127,753,570 |

RECONCILIATION BETWEEN NET CASH FROM OPERATING ACTIVITIES AND NET INCOME

| | For the year ended at December 31 | |
|--|--------------------------------------|-------------------|
| | 2000 \$ | 1999 \$ |
| (Loss) Net income for the year | (5,648,096) | 167,844,741 |
| Income from sales of assets: | | |
| Loss (gain) on sales of property, plant & equipment | 727,828 | (263,820) |
| Gain on sales of investments | (9,046,114) | (247,331,782) |
| Loss on sale of investments | 454,522 | 39,847 |
| Loss on sales of other assets | 37,441 | 1,645,062 |
| Add (deduct) charges (credits) which do not represent movement of funds: | | |
| Depreciation | 30,361,100 | 38,463,354 |
| Amortization of intangible assets | 623,533 | 1,318,042 |
| Write-offs and provisions | 8,954,573 | 41,898,388 |
| Proportional share of net income of equity-method investments | (17,685,953) | (18,239,986) |
| Proportional share of loss of equity-method investments | 8,027,789 | 2,971,398 |
| Amortization of goodwill | 11,712,086 | 9,087,901 |
| Amortization of negative goodwill | (2,383,359) | (1,976,353) |
| Price-level restatements | 5,973,502 | (13,172,288) |
| Other non-cash credits | (8,876,751) | (6,387,120) |
| Other non-cash charges | 7,832,605 | 16,468,597 |
| Changes in assets affecting cash flows: | | |
| (Increase) decrease in accounts receivable | (12,719,466) | 7,748,048 |
| (Increase) decrease in inventories | (6,264,768) | 7,462,676 |
| Decrease in other assets | (23,802,223) | (5,532,963) |
| Changes in liabilities affecting cash flows: | | |
| Increase (decrease) in accounts payable related to operating income | 6,744,321 | (10,638,987) |
| Increase in interest payable | 18,111,646 | 11,602,900 |
| Net (decrease) increase in income taxes payable | (13,145,115) | 2,290,443 |
| Increase in other accounts payable related to Non-operating income | 3,745,023 | 6,275,725 |
| Net increase in VAT and other taxes | 1,216,898 | 2,892,567 |
| Minority interest share of income (loss) | (6,755,258) | 4,368,256 |
| NET CASH FLOW FROM OPERATING ACTIVITIES | (1,804,236) | 18,834,646 |