

*As compared to the same period of the previous year:*

## **Quiñenco's Profits increased by 135% as of September 2018**

- *This increase is explained by CSAV's recovery, which reverted the impact of its dilution in Hapag-Lloyd after the merger with UASC, and by the gain obtained by CCU for the early termination of its Budweiser license in Argentina.*
- *Quiñenco's Chief Executive Officer, Francisco Pérez Mackenna, acknowledged the value of these results and especially highlighted the milestones reached in the Company's internationalization, such as Enx's recent entry to the US market.*

**Santiago, November 28, 2018.** Quiñenco recorded a net income of Ch\$153,832 million during the first nine months of 2018, increasing by 135% as compared to the same period in 2017. This is mainly explained by CSAV's recovery and the non-recurring gain obtained by CCU in the transaction involving the early termination of its Budweiser license in Argentina.

Compañía Sudamericana de Vapores (CSAV) reverted the accounting loss of 2017, due to its dilution in Hapag-Lloyd after the merger with United Arab Shipping Company (UASC). As of September this year, the German shipping company reported positive results thanks to its good operating performance, within a context of challenging conditions in the container ship industry. Noteworthy, among others, are the 27% increase in transported volumes and 20% rise in EBITDA, reaching US\$972 million as of September.

A significant factor in Quiñenco's profits during the third quarter of 2018 was the significant growth of CCU's profits and its contribution to the holding's consolidated results. Although this is greatly due to the non-recurring gain of Ch\$153,496 million reported by the company related to the early termination of the Budweiser license in Argentina, also worth noting is the good performance of the Chile and International Business segments, with a 25% increase in volumes in the latter.

On the other hand, Banco de Chile reported a net income of Ch\$433,350 million, similar to that of the previous period. The 7% growth in the Bank's revenues, driven both by income associated to clients and the favorable effect of inflation during the period, was offset by greater expenses and loan loss provisions, mainly non-recurring. It is important to highlight that the net profit accrued by the Bank will allow pre-payment of 100% of the subordinated debt with the Central Bank maintained by SM Chile. Payment of the final outstanding balance is scheduled for the end of April 2019, 17 years in advance of the original maturity.

In the case of SM SAAM, the non-recurring gain recorded the previous year on the sale of its minority interest in Tramarsa explains the fact that said subsidiary's contribution to the holding's results decreased by 38% in 2018. Nevertheless, regarding continued operations, the Port Terminals segment has had a good performance, with greater activity at most of the ports, while the Logistics segment shows a recovery, particularly in the third quarter.

In the energy sector, Enex achieved a good operating result with 11% growth in EBITDA, based on growing sales volumes and better margins in the service stations channel and in lubricants, in addition to the favorable effect of the sale of inventories valued at historical cost within a context of rising prices. Thus, net profit increased by 13%.

A significant milestone for Quiñenco's internationalization strategy occurred last week, when Enex materialized its entry to the US market through the acquisition of a network of 38 travel centers belonging to Road Ranger, located on the main interstate highways connecting Texas with the Midwest. The transaction, which amounted to US\$289 million, has an interesting growth potential.

Another material event in the international area was the establishment of a subsidiary of Invexans in London, Invexans Limited, in order to explore new business opportunities and concentrate investments of the holding company, particularly in Europe and other countries. Recently, Invexans announced that it had transferred to its subsidiary in the United Kingdom the investment in the French company Nexans, which currently represents 28.39% of the shares issued by the company. The French multinational company does not report results as of the third quarter.

Together with acknowledging the value of September's results, Quiñenco's CEO, Francisco Pérez Mackenna, indicated that these confirm that the Company defined the right strategy. "This has been a period full of achievements and positive news, among them the transaction materialized by CCU in Argentina, the improvement of CSAV and Hapag-Lloyd's results, and the entry of Enex to the US market. We will continue moving forward, growing organically in Chile and exploring business opportunities abroad", he said.

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***Quiñenco is one of the largest and most diversified business conglomerates in Chile, with consolidated assets of approximately US\$61.5 billion. It participates in leading companies of the financial, beverage and food, manufacturing, energy, transport and port services sectors that together employ approximately 69 thousand individuals in Chile and abroad. For further information visit [www.quinenco.cl](http://www.quinenco.cl)***