



## Quiñenco reported net income of Ch\$76,791 million for first half of 2019

- Performance is down 35% from the same period in 2018, mainly due to the effect of last year's non-recurring gain from the early termination of CCU's Budweiser license in Argentina, and weaker results from the French company Nexans.
- Amidst a complex international context, Hapag-Lloyd performed well, reversing its loss from the first half of last year and posting net income of US\$156 million for the six months ended June 2019.
- Quiñenco's CEO, Francisco Pérez Mackenna, commented, "in a complex international context, our companies are in a solid position to continue to move strongly forward and face the multiple challenges and opportunities offered by the global market that we form part of."

**Santiago, September 5, 2019.**- Today Quiñenco announced net income of Ch\$76,791 million for the first half of 2019, reflecting a drop of 35.4% compared to the same period in 2018. This is largely explained by the effect on last year's results of CCU's non-recurring gain on the transaction to terminate its Budweiser license in Argentina.

Another factor behind the variation in Quiñenco's results is the weaker performance from the French multinational Nexans. This entity reported a loss for the period ended June 2019, due mainly to restructuring costs related to its strategic transformation plan. However, Nexans reported operating income of 113 million euros, up 37.8% from the first half of 2018, driven by all business areas.

Quiñenco's results also show growth from the German liner shipping company Hapag-Lloyd, the main asset of Compañía Sud Americana de Vapores (CSAV), which has increased its stake in the company from 25.86% in June 2018 to 27.48% in June 2019. In an industry that continues to be challenged by a complex international environment, Hapag-Lloyd reversed the loss it registered in the first half of last year and recorded net income of US\$156 million for the six months ended June 2019 and EBITDA of US\$1,080 million, reflecting increases in average freight rates and volumes, despite higher fuel costs.

The contribution from SM SAAM to Quiñenco's consolidated results also grew thanks to a strong operating performance from all divisions during the period, and efficiencies generated from implementing its new operating model.

Banco de Chile, in turn, reported net income of Ch\$293,663 million, 3.8% less than the first half of 2018, due to greater loan loss provisions, mainly because of growth in the retail segment, and higher operating

expenses. However, the Bank experienced an 8.9% rise in operating revenues in the same period, during which, in addition, SM Chile fully paid off its subordinated debt with the Chilean Central Bank, 17 years before the original maturity.

In the energy segment, Enx reported 9.1% growth in operating income, driven by the incorporation of Road Ranger, a network of 38 travel centers in the U.S. that was acquired in late 2018. Total volumes reached 2,150 thousand cubic meters, up 8.8% from the first half of last year. The net result was Ch\$8,346 million, or 27.6% less than the same period in 2018, due to increased financial costs associated to the acquisition.

Quiñenco's CEO, Francisco Pérez Mackenna, commented, "in a complex international context, our companies are in a solid position to continue to move strongly forward and face the multiple challenges and opportunities offered by the global market that we form part of." "Thus, we can continue contributing to the progress of Chile and all the countries where we operate," he stated.

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*Quiñenco is one of the largest and most diversified business conglomerates in Chile, with consolidated assets of approximately US\$62,300 million. It has investments in leading companies in the financial, food and beverage, manufacturing, energy, transportation and port services sectors, which together employ approximately 69 thousand individuals in Chile and abroad. For more information, see [www.quinenco.cl](http://www.quinenco.cl).*