



For further information contact:

Quiñenco S.A.

Pilar Rodríguez-IRO

(56) 22750-7221

prodriguez@lq.cl

QUIÑENCO S.A. ANNOUNCES CONSOLIDATED RESULTS FOR THE THIRD QUARTER OF 2019

(Santiago, Chile, November 28, 2019) Quiñenco S.A., a leading Chilean business conglomerate, announced today its consolidated financial results under IFRS, for the third quarter ended September 30, 2019.

Consolidated financial results are presented in accordance with IFRS and the regulations established by the Financial Market Commission (CMF, formerly Superintendency of Securities and Insurance). 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, 2019 (Ch\$728.21 = US\$1.00), unless indicated otherwise, and are only provided for the reader's convenience.

3Q 2019 HIGHLIGHTS

Net income of Ch\$60,526 million, up by 73.4% from 3Q 2018, primarily due to favorable performance of the banking and transport sectors.

Banking sector posted strong results with Banco de Chile's net income up by 18.8%, primarily reflecting revenue growth, and no interest on the Subordinated Debt in the current quarter, following full repayment on April 30, 2019. Continued positive operating performance at Hapag-Lloyd was reflected in CSAV's results.

Enx posted 89.5% growth in net income, based on strong operating results, boosted by the Road Ranger acquisition, and favorable non-operating results. CCU's contribution dropped impacted by lower results in Argentina. SM SAAM's contribution also decreased, mainly due to lower performance at logistics and non-recurring gains in 3Q 2018.

Earnings per share amounted to Ch\$36.40 in 3Q 2019.



GROUP HIGHLIGHTS – THIRD QUARTER 2019 AND SUBSEQUENT EVENTS

CCU ends association with Americas Distilling Investments (ADI)

On August 8, 2019, CCU announced its decision to put an end to the association in ADI, owner of the Peruvian company Bodega San Isidro. CCU's subsidiary CPCh, communicated to LDLM Investments LLC, owner of the BarSol brand and shares in ADI, its decision to initiate the sale of its entire stake of 40% in ADI. CPCh will continue to distribute the BarSol brand in Chile, subject to pending terms and conditions. CPCh also voluntarily determined to cease in the use of the brand "Cusqueño Sour", and to replace it with other brands in its portfolio.

Quiñenco acquires additional 5.28% stake in CSAV

In September 2019, Quiñenco acquired an additional 5.28% stake in CSAV on the local stock market, for a total of approximately US\$72 million. Thus, Quiñenco's stake in CSAV increased from 56.17% as of June 2019 to 61.45% as of September 30, 2019.

Quiñenco to sell insurance business to Chubb

On September 14, 2019, Quiñenco announced an agreement with international insurance company Chubb to sell its 66.3% stake in Inversiones Vita, parent company of Banchile Vida and SegChile, including direct and indirect ownership, for a total of UF 1,334,633 (approximately US\$53 million). The remaining 33.7% held by third parties, is also to be sold to Chubb. The transaction is subject to the corresponding approvals from antitrust authorities in Chile, among others. Based on financial information as of June 30, 2019, Quiñenco estimates that the transaction will generate a pre-tax gain of around Ch\$19 billion, which could be adjusted on closing. Closing of the transaction will be on December 30, 2019, or thereafter, subject to the required authorizations.

SM SAAM materializes Boskalis transaction in tug boat business

On October 30, 2019, SM SAAM announced the closing of the transaction with Boskalis, announced during February this year, thus purchasing Boskalis' stake in the two joint operations for the tug boat business including operations in Brazil, Mexico, Canada and Panama, for a total of US\$194 million. SM SAAM now controls 100% of the operations in these four countries, consolidating its presence across the Americas.

Enex acquires 50% of Gasur in Paraguay

On November 22, 2019, Enex announced the acquisition of 50% ownership in Gasur SRL, for a total of US\$6 million. Gasur has a network of 50 service stations, including some convenience stores, in Paraguay.



INFORMATION ON FINANCIAL STATEMENTS AND SEGMENTS

FORMAT OF FINANCIAL STATEMENTS

In accordance with the definition issued by the Financial Market Commission, the line “Gains (losses) of operating activities” 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.

As of January 1, 2019, IFRS 16 (leases) has been adopted, with effects on the Balance sheet and Income Statement. Consequently, right of use of leased assets and the present value of the corresponding liabilities are now included in the balance sheet. In the income statement, amortizations of the rights of use and financial costs are registered instead of leasing expenses. For further detail please refer to the Financial Statements (notes 3 and 19).

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

vi) Other

- Quiñenco and others (includes CCU, Banchile Seguros de Vida (Banchile Vida), SegChile Seguros Generales (SegChile), 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.

Invexans' main asset is its 28.50% stake in Nexans, a French multinational company leader in the world cable industry. As of September 30, 2019, Quiñenco has a 99.4% stake in Invexans.

As of September 30, 2019, Techpack has a 0.53% stake in Nexans. Thus, as of September 30, 2019, through its subsidiaries Invexans and Techpack, Quiñenco has a 29.02% interest in Nexans.

As of September 30, 2019, Quiñenco's ownership of Techpack is 99.97%.

During the last quarter of 2017 CSAV sold its entire stake in Norgistics Chile to third parties, and determined the closing of the offices of Norgistics in Peru, Mexico and China. Therefore, in 2018 and 2019 all of Norgistics' operations have been classified as discontinued activities in the income statement. During 3Q 2019, Quiñenco acquired an additional 5.28% stake in CSAV. Thus, as of September 30, 2019, Quiñenco's stake in CSAV reached 61.45%.

In 2017 the general insurance company SegChile started its operations. As of September 30, 2019, Quiñenco has a 66.3% interest in SegChile.

During the second quarter of 2018, CSAV acquired an additional 0.4% stake in the German shipping company Hapag-Lloyd, increasing its stake to 25.86% at year-end 2018. During the first nine months of 2019 CSAV acquired a further 1.93%, reaching 27.79% ownership as of September 30, 2019.

On June 6, 2019, the Banco de Chile shares held by SM-Chile and SAOS were distributed to the series A, B, D and E shareholders of SM-Chile en liquidación registered as of May 31, 2019, in accordance with SM-Chile's bylaws. Thus, as of September 30, 2019, LQIF's ownership and economic rights in Banco de Chile are 51.15%.

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 Financial Market Commission (previously Superintendency of Banks and Financial Institutions).


ANALYSIS OF CONSOLIDATED RESULTS
Summarized Consolidated Income Statement

Sector /Segment	Manufacturing		Financial		Energy		Transport		Port Services		Other		Total	
	3Q 18	3Q 19	3Q 18	3Q 19	3Q 18	3Q 19	3Q 18	3Q 19	3Q 18	3Q 19	3Q 18	3Q 19	3Q 18	3Q 19
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Consolidated Income (Loss) Industrial Sector	(3,127)	(2,398)	(3,777)	(3,289)	3,424	6,487	21,802	37,253	11,013	11,017	(5,816)	(6,939)	23,519	42,132
Consolidated Income Banking Sector	-	-	107,300	152,201	-	-	-	-	-	-	166	126	107,466	152,327
Consolidated Net Income (Loss)	(3,127)	(2,398)	103,523	148,912	3,424	6,487	21,802	37,253	11,013	11,017	(5,650)	(6,813)	130,985	194,459
Net Income (Loss) Attributable to Non-controlling Interests	(43)	(4)	79,000	111,614	-	-	9,546	14,359	6,081	6,604	1,499	1,360	96,083	133,933
Net Income (Loss) Attributable to Controllers' Shareholders	(3,084)	(2,394)	24,523	37,299	3,424	6,487	12,256	22,894	4,932	4,413	(7,150)	(8,173)	34,902	60,526

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

Net Income¹ – 3Q 2019

Quiñenco reported a net gain of Ch\$60,526 million in the third quarter of 2019, increasing 73.4% with respect to the same period in 2018. This variation is primarily explained by the positive quarterly performance of the banking and transport sectors, based on Banco de Chile's higher net income, boosted by growth in operating revenues, and the absence of accrued interest on the subordinated debt with the Chilean Central Bank, following full repayment during the second quarter of 2019, and on CSAV's increased contribution reflecting continued good operating performance of its main asset, the German shipping company Hapag-Lloyd, which posted a 22.3% increase in net income for the quarter. In the energy segment, Enx also reported growth in results, with net income up by 89.5%, boosted by the acquisition of the Road Ranger operation in the USA, as well as better non-operating results. CCU's results, however, dropped during the quarter, mostly due to lower performance in Argentina, negatively impacted by the depreciation of the Argentine peso and high inflation. SM SAAM's contribution, in turn, decreased by 10.5%, mainly reflecting lower results at logistics in the current quarter and non-recurring gains in the previous quarter, partly compensated by improved performance of tug boats.

Earnings per ordinary share amounted to Ch\$36.40 in the third quarter of 2019.

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



Consolidated Income Statement Breakdown

	3Q 18		3Q 19	
	MCh\$	MUS\$	MCh\$	MUS\$
Industrial Sector				
Revenues	705,882	969.3	798,274	1,096.2
Manufacturing - Invexans & Techpack	2	0.0	15	0.0
Financial - LQIF holding	-	-	-	-
Energy - Enex	572,537	786.2	643,810	884.1
Transport - CSAV	16,145	22.2	14,808	20.3
Port & Shipping Services - SM SAAM	83,750	115.0	92,956	127.7
Other - Quiñenco & others	33,448	45.9	46,686	64.1
	-	-	-	-
Operating income (loss)	16,252	22.3	25,051	34.4
Manufacturing - Invexans & Techpack	(2,236)	(3.1)	(869)	(1.19)
Financial - LQIF holding	(430)	(0.6)	(256)	(0.35)
Energy - Enex	4,666	6.4	7,388	10.15
Transport - CSAV	4,193	5.8	(1,022)	(1.40)
Port & Shipping Services - SM SAAM	15,563	21.4	18,126	24.89
Other - Quiñenco & others	(5,504)	(7.6)	1,684	2.31
	-	-	-	-
Non-operating income (loss)	13,584	18.7	17,905	24.6
Interest income	4,597	6.3	4,899	6.7
Interest expense	(14,231)	(19.5)	(18,614)	(25.6)
Share of net income/loss from related co.	33,216	45.6	36,601	50.3
Foreign exchange gain (loss)	(2,793)	(3.8)	720	1.0
Indexed units of account restatement	(7,205)	(9.9)	(5,701)	(7.8)
	-	-	-	-
Income tax	(4,785)	(6.6)	(635)	(0.9)
Net income (loss) from discontinued operations	(1,532)	(2.1)	(188)	(0.3)
Consolidated Net Income (Loss) Industrial Sector	23,519	32.3	42,132	57.9
	-	-	-	-
Banking Sector				
Operating revenues	465,005	638.6	502,041	689.4
Provision for loan losses	(95,301)	(130.9)	(88,692)	(121.8)
Operating expenses	(211,746)	(290.8)	(221,781)	(304.6)
Operating income (loss)	157,958	216.9	191,568	263.1
Non-operating income (loss)	(17,871)	(24.5)	1,521	2.1
Income tax	(32,621)	(44.8)	(40,762)	(56.0)
Consolidated Net Income (Loss) Banking Sector	107,466	147.6	152,327	209.2
Consolidated Net Income	130,985	179.9	194,459	267.0
Net Income Attributable to Non-controlling Interests	96,083	131.9	133,933	183.9
Net Income Attributable to Controllers' Shareholders	34,902	47.9	60,526	83.1



Industrial Sector

Revenues – 3Q 2019

Consolidated revenues totaled Ch\$798,274 million in the third quarter of 2019, 13.1% above those of the same period in 2018, primarily due to higher revenues at Enex, and to a lesser extent, sales growth at Banchile Vida, and SM SAAM².

Consolidated sales in the third quarter of 2019 can be broken down as follows: Enex (80.7%), SM SAAM (11.6%), CSAV (1.9%), and others (5.8%).

Operating Income³ – 3Q 2019

Operating income for the third quarter of 2019 reached a gain of Ch\$25,051 million, up 54.1% from the gain of Ch\$16,252 million in the third quarter of 2018. The increment in consolidated operating results is primarily attributable to Banchile Vida, Enex, SM SAAM, and Invexans, partially offset by lower operating income at CSAV.

EBITDA⁴ – 3Q 2019

EBITDA amounted to Ch\$59,272 million in 3Q 2019, 133.6% up from the third quarter of 2018. The increment is primarily explained by higher EBITDA at Enex, SM SAAM and CSAV. In these three cases EBITDA was favorably affected by the accounting of operating leases per IFRS 16 in 2019.

Non-Operating Results⁵ – 3Q 2019

Non-operating income amounted to a gain of Ch\$17,905 million in the third quarter of 2019, compared to a gain of Ch\$13,584 million in the same quarter of 2018.

Proportionate Share of Net Income of Equity Method Investments (net) – 3Q 2019

Quiñenco's proportionate share of net income from equity method investments (net), which primarily includes the results from CCU, as well as Invexans' share in the results of Nexans⁶, CSAV's share in the results of Hapag-Lloyd, and SM SAAM's affiliates, reached a gain of Ch\$36,601 million, compared to a gain of Ch\$33,216 million in 3Q 2018.

Quiñenco's proportionate share of net income from IRSA (CCU) decreased 62.8% from Ch\$5,972 million to Ch\$2,224 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, Invexans, CSAV 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.



SM SAAM's proportionate share in its affiliates decreased by 50.0% to Ch\$1,568 million. CSAV's proportionate share of net income from Hapag-Lloyd (adjusted by fair value accounting), amounted to a gain of Ch\$33,138 million, compared to a gain of Ch\$23,596 million in 3Q 2018.

Interest Income - 3Q 2019

Interest income for the third quarter of 2019 amounted to Ch\$4,899 million, 6.6% greater than that obtained in 3Q 2018. This variation corresponds mainly to higher financial income at SM SAAM, Enex and Techpack.

Interest Expense - 3Q 2019

Interest expense for the third quarter of 2019 amounted to Ch\$18,614 million, 30.8% greater than in 3Q 2018. The variation is mainly explained by higher financial costs at Enex, and to a lesser extent, at CSAV and SM SAAM.

Foreign Currency Exchange Differences – 3Q 2019

In 3Q 2019, the gains (losses) specific to foreign currency translation differences amounted to a gain of Ch\$720 million, compared to a loss of Ch\$2,793 million reported in 3Q 2018, primarily attributable to favorable results at Enex, and to a lesser extent at SM SAAM, partially compensated by higher losses at Techpack.

Indexed Units of Account Restatement – 3Q 2019

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\$5,701 million in the third quarter of 2019, compared to a loss of Ch\$7,205 million reported in the same period of 2018. The variation is mainly explained by lower losses at Quiñenco (corporate level).

Income Taxes – 3Q 2019

The industrial sector reported an income tax expense of Ch\$635 million in 3Q 2019, compared to Ch\$4,785 million reported in 3Q 2018, primarily explained by an income tax credit at CSAV, partially compensated by higher income tax at SM SAAM, Enex, and Banchile Vida.

Discontinued Operations – 3Q 2019

In 3Q 2019 the result of discontinued operations amounted to a loss of Ch\$188 million, compared to a loss of Ch\$1,532 million in 3Q 2018. In both periods the loss corresponds mainly to discontinued operations of Techpack, and to a lesser extent, to discontinued operations at CSAV.

Non-controlling Interests – 3Q 2019

In the third quarter of 2019, at a consolidated level (including both Industrial and Banking net income), net income attributable to non-controlling interests amounted to Ch\$133,933 million. Of the total amount reported in 3Q 2019, Ch\$74,315 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 lesser extent, of CSAV's net income.



Banking Sector

Operating Revenues - 3Q 2019

Operating revenues for the third quarter of 2019 amounted to Ch\$502,041 million, 8.0% above the third quarter of 2018, mainly due to higher fee income at Banco de Chile, along with higher income from loans.

Provision for Credit Risk - 3Q 2019

Provisions for loan losses at Banco de Chile amounted to Ch\$88,692 million in the third quarter of 2019, 6.9% below the provisions registered in the third quarter of 2018, mainly attributable to a high comparison basis in 3Q 2018, due to the implementation of new credit risk models, partially offset by higher loan loss provisions following loan growth in the current quarter, which was concentrated in the retail segment.

Operating Expenses - 3Q 2019

Operating expenses went up by 4.7% to Ch\$221,781 million in 3Q 2019, primarily reflecting higher administrative expenses, mostly related to external advisories for digital transformation and efficiency projects.

Non-operating Results - 3Q 2019

During the third quarter of 2019 non-operating results amounted to a gain of Ch\$1,521 million, comparing favorably to the loss of Ch\$17,871 million reported in the third quarter of 2018, primarily explained by the absence of accrued interest expense of the subordinated debt with the Chilean Central Bank in the current quarter, since it was fully paid on April 30, 2019.

Consolidated Net Income - 3Q 2019

Consolidated net income for the banking sector amounted to Ch\$152,327 million in 3Q 2019, up by 41.7% from the same period in 2018, mainly due to higher revenues and improved non-operating results.


CONSOLIDATED BALANCE SHEET ANALYSIS (vis-à-vis the 2nd quarter of 2019)
Condensed Consolidated Balance Sheet

	06-30-2019		09-30-2019	
	MCh\$	MUS\$	MCh\$	MUS\$
Current assets industrial sector	1,074,461	1,475.5	1,110,695	1,525.2
Non-current assets industrial sector	5,037,817	6,918.1	5,215,357	7,161.9
Assets financial sector	37,254,658	51,159.2	39,447,350	54,170.3
Total Assets	43,366,937	59,552.8	45,773,401	62,857.4
Current liabilities industrial sector	508,272	698.0	465,615	639.4
Long-term liabilities industrial sector	1,984,613	2,725.3	2,103,644	2,888.8
Liabilities financial sector	33,729,328	46,318.1	35,859,927	49,243.9
Non-controlling interests	3,928,467	5,394.7	3,977,461	5,462.0
Shareholders' equity	3,216,257	4,416.7	3,366,754	4,623.3
Total Liabilities & Shareholders' equity	43,366,937	59,552.8	45,773,401	62,857.4

Current Assets Industrial Sector

Current assets increased by 3.4% compared to the second quarter of 2019, primarily due to higher cash and cash equivalents, mostly attributable to a higher balance at Banchile Vida, and to a lesser extent at SM SAAM and Enex.

Non Current Assets Industrial Sector

Non current assets increased by 3.5% compared to the second quarter of 2019, mainly reflecting a higher balance of equity investments, primarily explained by Hapag-Lloyd, due to period gains (net of dividends) and conversion adjustments.

Assets Banking Sector

Total assets of the banking sector increased by 5.9% compared to the second quarter of 2019. Loans to customers increased by 2.5% with respect to June 2019, reflecting growth in commercial and residential mortgage loans, followed by a slight increase in consumer loans.

Current Liabilities Industrial Sector

Current liabilities decreased by 8.4% compared to the second quarter of 2019, primarily due to refinancing at CSAV of short term debt following a bond issuance carried out during the third quarter. This decrease was partially offset by a higher balance of dividends payable to Quiñenco shareholders.



Long-term Liabilities Industrial Sector

Long-term liabilities increased by 6.0% compared to the second quarter of 2019, primarily reflecting a local bond issuance carried out by CSAV to finance its acquisition of Hapag-Lloyd shares.

Liabilities Banking Sector

Liabilities corresponding to the banking sector increased by 6.3% compared to the second quarter of 2019.

Minority Interest

Minority interest increased by 1.2% compared to the second quarter of 2019, mostly due to higher minority interest at LQIF.

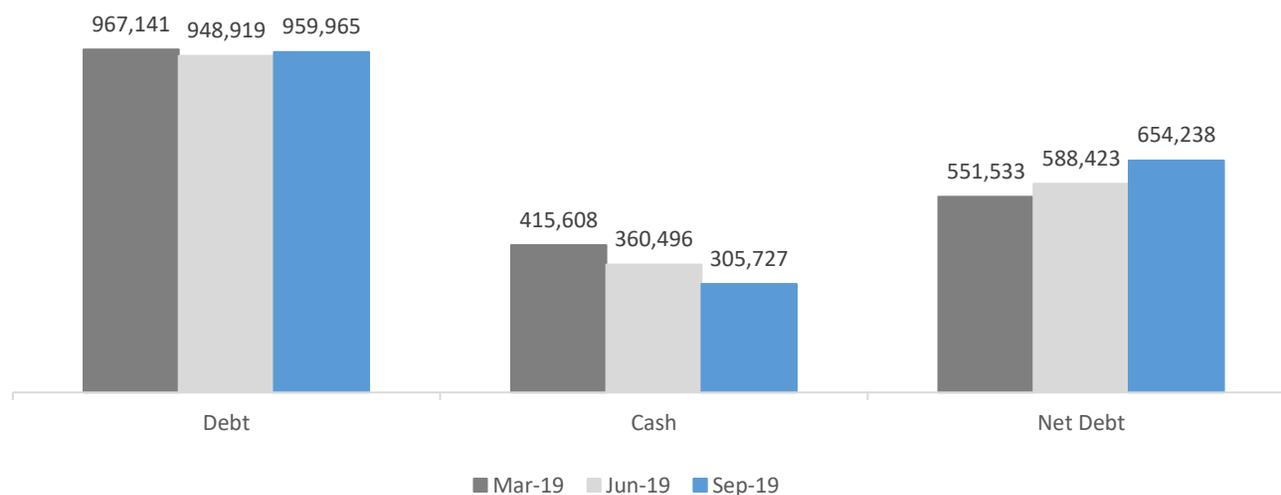
Equity

Shareholders' equity increased by 4.7% compared to the second quarter of 2019, mainly due to higher other reserves, mainly reflecting positive conversion effects at CSAV, SM SAAM, and to a lesser extent, at Techpack, and also due to period earnings net of dividends.


QUIÑENCO CORPORATE LEVEL DEBT AND CASH

As of September 30, 2019	Debt		Cash & Equivalents		Total Net Debt	
	MCh\$	MUS\$	MCh\$	MUS\$	MCh\$	MUS\$
Corporate level	839,828	1,153.3	304,048	417.5	535,779	735.7
Adjusted for:						
50% interest in LQIF	97,641	134.1	1,166	1.6	96,475	132.5
50% interest in IRSA	22,497	30.9	513	0.7	21,984	30.2
Total	959,965	1,318.3	305,727	419.8	654,238	898.4

The debt to total capitalization ratio at the corporate level (unadjusted) was 19.5% as of September 30, 2019.

Corporate Level Adjusted⁷ Cash & Debt
 (Millions of Ch\$)


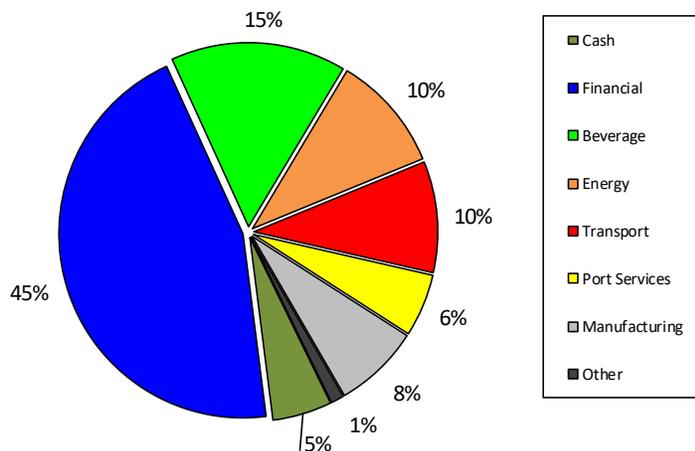
⁷ Adjusted for 50% interest in LQIF holding and IRSA.



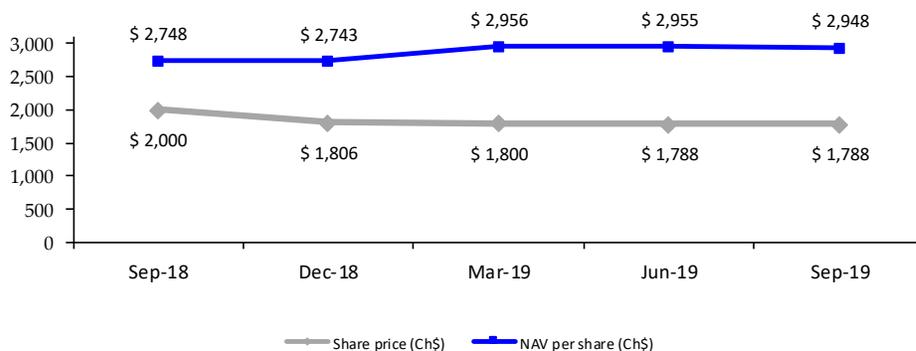
NAV

As of September 30, 2019, the estimated net asset value (NAV) of Quiñenco was US\$6.7 billion (Ch\$2,948 per share) and market capitalization was US\$4.1 billion (Ch\$1,788 per share). The discount to NAV is estimated at 39.3% as of the same date.

NAV as of September 30, 2019
US\$6.7 billion



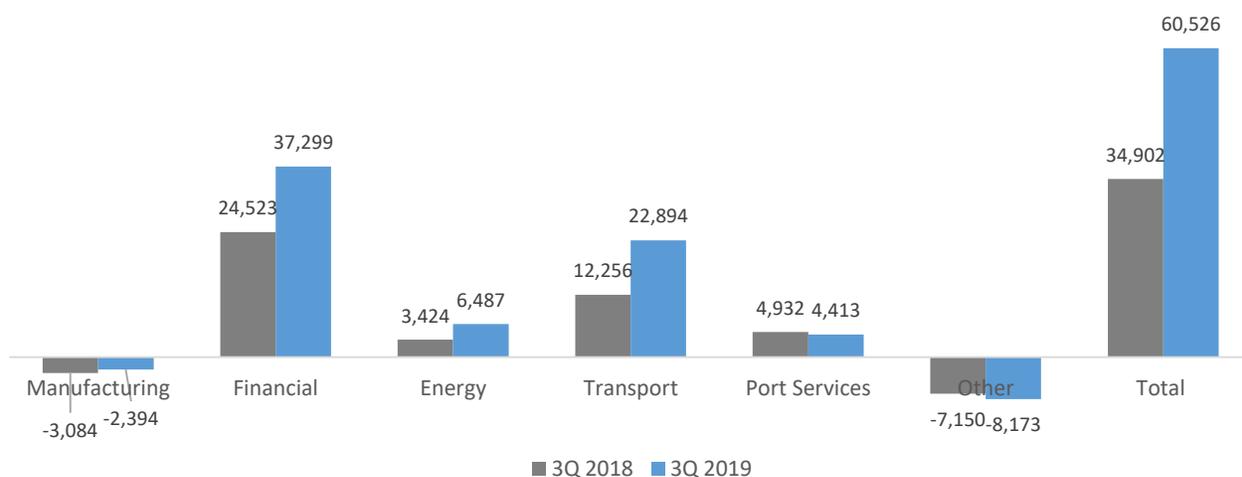
NAV/Share Price Trend
as of September 30, 2019




SEGMENT / OPERATING COMPANY ANALYSIS

Sector /Segment	Manufacturing		Financial		Energy		Transport		Port Services		Other		Total	
	3Q 18	3Q 19	3Q 18	3Q 19	3Q 18	3Q 19	3Q 18	3Q 19	3Q 18	3Q 19	3Q 18	3Q 19	3Q 18	3Q 19
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Industrial Sector														
Income (loss) from continued operations before taxes	(1,590)	(2,239)	(3,813)	(3,322)	3,137	7,606	22,826	29,667	13,709	15,903	(4,434)	(4,659)	29,835	42,956
Income tax	(204)	(9)	36	33	287	(1,119)	(826)	7,624	(2,696)	(4,885)	(1,383)	(2,280)	(4,785)	(635)
Net loss from discontinued operations	(1,334)	(151)	-	-	-	-	(198)	(38)	-	-	-	-	(1,532)	(188)
Net income (loss) industrial sector	(3,127)	(2,398)	(3,777)	(3,289)	3,424	6,487	21,802	37,253	11,013	11,017	(5,816)	(6,939)	23,519	42,132
Banking Sector														
Net income before taxes	-	-	139,921	192,963	-	-	-	-	-	-	166	126	140,087	193,089
Income tax	-	-	(32,621)	(40,762)	-	-	-	-	-	-	-	-	(32,621)	(40,762)
Net income banking sector	-	-	107,300	152,201	-	-	-	-	-	-	166	126	107,466	152,327
Consolidated net income (loss)	(3,127)	(2,398)	103,523	148,912	3,424	6,487	21,802	37,253	11,013	11,017	(5,650)	(6,813)	130,985	194,459
Net income (loss) attributable to Non-controlling interests	(43)	(4)	79,000	111,614	-	-	9,546	14,359	6,081	6,604	1,499	1,360	96,083	133,933
Net Income (Loss) Attributable to Controllers' shareholders	(3,084)	(2,394)	24,523	37,299	3,424	6,487	12,256	22,894	4,932	4,413	(7,150)	(8,173)	34,902	60,526

Contribution to Net Income by Segment
(Millions of Ch\$)




MANUFACTURING SEGMENT

The following table details the contribution of the investments in the Manufacturing segment during 2018 and 2019 to Quiñenco's net income:

	3Q 18		3Q 19	
	MCh\$	MUS\$	MCh\$	MUS\$
Invexans	(1,668)	(2.3)	(626)	(0.9)
Techpack	(1,415)	(1.9)	(1,768)	(2.4)
Total Manufacturing Segment	(3,084)	(4.2)	(2,394)	(3.3)

As of September 30, 2018 and 2019, Quiñenco's ownership of Invexans was 98.7% and 99.4%, respectively. As of September 30, 2018 and 2019, Quiñenco's ownership of Techpack was 99.97%.

INVEXANS

	3Q 18		3Q 19		3Q 18 ThUS\$	3Q 19 ThUS\$
	MCh\$	MUS\$	MCh\$	MUS\$		
Sales	-	-	13	0.0	-	19
Operating loss	(1,640)	(2.3)	(440)	(0.6)	(2,467)	(621)
Non-operating income (loss)	(24)	(0.0)	(173)	(0.2)	(36)	(248)
Net loss controller	(1,691)	(2.3)	(630)	(0.9)	(2,544)	(894)
Total assets			300,872	413.2		413,166
Shareholders' equity			284,541	390.7		390,739

Invexans reports its financial statements in US dollars and translates them to Chilean pesos for consolidation purposes, based 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 CMF, 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 CMF 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 2019 Results

Inveans reported an operating loss of US\$621 thousand, which compares favorably to the loss of US\$2,467 thousand reported in 3Q 2018, explained by lower administrative expenses, mostly reflecting lower expenses on the prospection of new investments.

Non-operating income amounted to a loss of US\$248 thousand, compared to the loss of US\$36 thousand reported in 3Q 2018, largely reflecting higher exchange rate losses during the current quarter, and also an increase in financial costs.

Inveans posted a net loss of US\$894 thousand in 3Q 2019, which compares favorably with the loss of US\$2,544 thousand reported in 3Q 2018, primarily due to lower administrative expenses in the current quarter.

TECHPACK

	3Q 18		3Q 19		3Q 18 ThUS\$	3Q 19 ThUS\$
	MCh\$	MUS\$	MCh\$	MUS\$		
Sales	2	0.0	2	0.0	3	2
Operating income	(597)	(0.8)	(429)	(0.6)	(902)	(610)
Net income (loss) from discontinued operations	(1,334)	(1.8)	(151)	(0.2)	(2,008)	(214)
Net income (loss) Controller	(1,416)	(1.9)	(1,768)	(2.4)	(2,182)	(2,526)
Total assets			145,120	199.3		199,284
Shareholders' equity			143,299	196.8		196,783

Techpack carries its accounting in US dollars and translates its financial statements to Chilean pesos for consolidation purposes, based 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 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 and expenses related to the transaction have been classified in discontinued operations.

3Q 2019 Results

During the third quarter of 2019, Techpack's operating income amounted to a loss of US\$610 thousand, lower than the loss of US\$902 thousand reported in 3Q 2018, mostly explained by lower administrative expenses in the current quarter.

Non-operating income for the quarter amounted to a loss of US\$1,714 thousand, compared to the gain of US\$959 thousand reported in 3Q 2018. The variation is primarily explained by greater losses from exchange rate differences during the current quarter.



Discontinued operations reported a loss of US\$214 thousand in 3Q 2019, down from the loss of US\$2,008 thousand in 3Q 2018, and correspond mainly to maintenance expenses of the discontinued operations.

Thus, net income for 3Q 2019 reached a loss of US\$2,526 thousand, which compares unfavorably with the loss of US\$2,182 thousand reported in 3Q 2018, due mostly to the lower non-operating results, mostly compensated by a lower loss from discontinued operations.



FINANCIAL SEGMENT

The following table details the contribution of the investments in the Financial Segment during 2018 and 2019 to Quiñenco's net income:

	3Q 18		3Q 19	
	MCh\$	MUS\$	MCh\$	MUS\$
LQIF holding	(1,888)	(2.6)	(1,644)	(2.3)
Banking sector	26,412	36.3	38,943	53.5
Total Financial Segment	24,523	33.7	37,299	51.2

As of September 30, 2018 and 2019, Quiñenco's ownership of LQIF was 50.0%. LQIF's economic rights in Banco de Chile were 34.1% as of September 30, 2018 and 51.2% as of September 30, 2019.

LQIF Holding

LQIF holding registered a loss of Ch\$3,289 million, 12.9% lower than the loss of Ch\$3,777 million reported in 3Q 2018, mainly explained by a lower loss related to the effect of inflation on inflation indexed liabilities, and also by lower administrative expenses in the current quarter.

Banking Sector

The Banking sector is comprised of Banco de Chile and, until June 2019, by 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. On April 30, 2019, following full repayment of the Subordinated Debt, SM-Chile was dissolved and is in the winding up process.

**BANCO DE CHILE**

	3Q 18		3Q 19	
	MCh\$	MUS\$	MCh\$	MUS\$
Operating revenues	464,835	638.3	501,913	689.2
Provision for loan losses	(95,302)	(130.9)	(88,692)	(121.8)
Operating expenses	(211,588)	(290.6)	(221,780)	(304.6)
Net income (loss)	128,136	176.0	152,200	209.0
Loan portfolio	27,047,719	37,142.7	29,563,538	40,597.5
Total assets	35,084,881	48,179.6	39,447,348	54,170.3
Shareholders' equity	3,223,522	4,426.6	3,423,956	4,701.9
Net financial margin	4.7%		4.5%	
Efficiency ratio	45.5%		44.2%	
ROAE	16.0%		17.8%	
ROAA	1.5%		1.6%	

3Q 2019 Results

Banco de Chile reported net income of Ch\$152,200 million in the third quarter of 2019, increasing by 18.8% with respect to the third quarter of 2018, driven primarily by growth in operating revenues.

Operating revenues, which include net financial income, fee income and other operating income, posted growth of 8.0% to Ch\$501,913 million in the third quarter of 2019. This increment mainly is attributable to higher fee income, reflecting growth in insurance brokerage revenues mostly due to the recognition of up-front fees received from the 15-year joint venture established recently, and to a lesser extent, fees from transactional services and mutual funds management. Operating revenues were also boosted by higher Income from loans, based on 8.6% annual growth in average loan balances, mainly focused in the retail segment, a positive impact of a greater depreciation of the Chilean peso on the Bank's US\$ asset position hedging its exposure to US\$-denominated fee expenses and loan loss allowances, higher net financial income from subsidiaries, mainly the securities brokerage and fixed-income brokerage subsidiaries, a greater contribution from demand deposits, following an expansion of 6.9% in average balances, and higher income from trading and structuring. These positive variations were partially offset by a lower contribution of the Bank's net asset exposure to UFs, due to a 0.52% variation in the UF in the current quarter vis-à-vis an increase of 0.73% in 3Q 2018, a negative impact from counterparty value adjustments for derivatives due to higher probabilities of default, and a decline in other operating income reflecting the release of non-credit related contingency allowances in 3Q 2018.

Provisions for loan losses amounted to Ch\$88,692 million, decreasing 6.9% from 3Q 2018, primarily explained by the implementation of new credit risk models, focused in the retail banking segment, in the previous quarter. This higher basis of comparison was partly offset by higher loan loss provisions resulting from loan growth, concentrated in the retail segment, the implementation of a standardized group-based risk matrix for commercial loans, as required by the regulator, a negative impact on US\$-denominated loan loss allowances of the greater depreciation of the Chilean peso in the current quarter, and lastly, a slight net deterioration in credit quality.



Operating expenses increased by 4.8% to Ch\$221,780 million in 3Q 2019, mainly due to higher administrative expenses, mostly related to external advisories for digital transformation and efficiency projects and higher IT and communication expenses. Personnel expenses, on the other hand, decreased slightly reflecting lower bonuses and incentives owing to a non-recurring disbursement as part of a collective bargaining process in 3Q 2018, compensated by higher severance payments and salaries. It is also important to point out that due to the adoption of IFRS 16 (leases) as of January 1, 2019, depreciation and amortization increased during the quarter, mostly compensated by lower rental expenses, included in administrative expenses.

As of September 2019, the Bank's loan portfolio had experienced an annual growth of 9.3% and a quarterly increase of 2.5%. Annual growth reflects the expansion of 11.6% in retail banking loans, boosted by an 11.5% increment in personal banking loans, strongly influenced by growth in residential mortgage and, to a lesser extent, consumer loans, and a 12.0% rise in loans to SMEs. The wholesale segment, in turn, posted a 5.6% annual increase in loans.

Banco de Chile is the second ranked bank in the country with a market share of 16.8% of total loans (excluding operations of subsidiaries abroad) as of September 2019. Its return on average equity (annualized) reached 17.8% in 3Q 2019.

Interest Subordinated Debt

Accrued interest expense of the Subordinated Debt with the Chilean Central Bank was only registered in the third quarter of 2018, following complete repayment of said debt on April 30, 2019.



ENERGY SEGMENT

The following table details the contribution of the investments in the Energy Segment during 2018 and 2019 to Quiñenco's net income:

	3Q 18		3Q 19	
	MCh\$	MUS\$	MCh\$	MUS\$
Enex	3,424	4.7	6,487	8.9
Total Energy Segment	3,424	4.7	6,487	8.9

As of September 30, 2018 and 2019, Quiñenco controls 100% of the energy segment.

ENEX

	3Q 18		3Q 19	
	MCh\$	MUS\$	MCh\$	MUS\$
Sales	572,537	786.2	643,810	884.1
Operating income	4,666	6.4	7,388	10.1
Net income Controller	3,424	4.7	6,487	8.9
Total assets			1,316,492	1,807.8
Shareholders' equity			598,706	822.2

3Q 2019 Results

Enex's consolidated sales during 3Q 2019 reached Ch\$643,810 million, up by 12.4% from 3Q 2018, mainly due to the addition of the Road Ranger travel centers towards the end of 2018, together with higher volumes in the service station channel in Chile, partially offset by lower volumes in the industrial channel and lower fuel prices in Chile. The total volume dispatched by Enex during the quarter amounted to 1,092 thousand cubic meters, 11.3% higher than in 3Q 2018, of which 98% corresponds to fuels.

Gross income during the period reached Ch\$67,378 million, 28.5% above 3Q 2018, primarily due to the contribution of gross income from the Road Ranger travel centers in the current quarter, and higher gross income from the service station channel in Chile, partially offset by a negative impact of selling inventory at historical cost given decreasing international reference prices in the current quarter compared to a positive effect in 3Q 2018.

Operating income during the quarter reached a gain of Ch\$7,388 million, a strong 58.3% above 3Q 2018. The higher gross income was partly offset by increased selling and administrative expenses, mainly attributable to expenses related to the operation of the Road Ranger travel centers. EBITDA reached Ch\$22,176 million in the third quarter of 2019, 115.1% higher than the third quarter of 2018, including the favorable impact of the adoption of IFRS 16 (leases) in 2019.



Non-operating income amounted to a gain of Ch\$218 million in 3Q 2019, compared to a loss of Ch\$1,529 million reported in 3Q 2018, mostly explained by a gain from exchange rate differences in the current quarter, partially compensated by higher financial costs, reflecting additional debt taken on to finance the acquisition of the Road Ranger travel centers in November 2018, and also due to higher lease liabilities following adoption of IFRS 16.

Net income for 3Q 2019 amounted to Ch\$6,487 million, increasing a strong 89.5% above the third quarter of 2018, primarily reflecting improved operating results, along with better non-operating results, partially offset by income tax expenses in the current quarter vis-à-vis an income tax credit in the third quarter of 2018.



TRANSPORT SEGMENT

The following table details the contribution of the investments in the Transport Segment during 2018 and 2019 to Quiñenco's net income:

	3Q 18		3Q 19	
	MCh\$	MUS\$	MCh\$	MUS\$
CSAV	12,256	16.8	22,894	31.4
Total Transport Segment	12,256	16.8	22,894	31.4

As of September 30, 2018 and 2019, Quiñenco's ownership of CSAV was 56.2% and 61.5%, respectively. Quiñenco's proportionate share in CSAV's results is adjusted by the fair value accounting of this investment at Quiñenco. During 3Q 2018 and 3Q 2019 the adjustment was a lower result of Ch\$1,665 million and a lower result of Ch\$4 million, respectively.

CSAV

	3Q 18		3Q 19		3Q 18 ThUS\$	3Q 19 ThUS\$
	MCh\$	MUS\$	MCh\$	MUS\$		
Sales	16,145	22.2	14,808	20.3	24,388	21,023
Operating income (loss)	4,193	5.8	(1,022)	(1.4)	6,427	(1,454)
Net income (loss) Controller	24,781	34.0	37,263	51.2	37,459	52,889
Total assets			1,783,897	2,449.7		2,449,701
Shareholders' equity			1,591,866	2,186.0		2,185,998

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 CMF, as shown in the last two columns of the table. In 2017 CSAV sold its stake in Norgistics Chile and decided on the closure of its other offices. Therefore, all of Norgistics operations have been classified as discontinued operations in 2018 and 2019 in the income statement.

3Q 2019 Results

CSAV's consolidated sales in 3Q 2019 reached US\$21.0 million, decreasing 13.8% with respect to 3Q 2018, mostly due to a lower sales volume in the car carrier business, partly offset by higher average freight rates. Freight rates with adjustment clauses include the effect of the rise in fuel prices. Gross income amounted to a gain of US\$0.9 million, up 15.6% from 3Q 2018, mainly due to the 14.8% reduction in costs. Operating income amounted to a loss of US\$1.5 million in 3Q 2019, down from a gain of US\$6.4 million reported in 3Q 2018 despite the decrease in gross income, mainly due to a non-recurring gain from the sale of investment properties in 3Q 2018.

Non-operating income for the quarter amounted to a gain of US\$43.5 million, improving from the gain of US\$34.2 million reported in 3Q 2018. This increment is primarily due to CSAV's share in Hapag-Lloyd's results for the quarter, adjusted by CSAV's fair value accounting of this investment, which amounted to a gain of US\$46.9 million in 3Q 2019, compared to a gain of US\$35.6 million in 3Q 2018.

Hapag-Lloyd reported a net gain of US\$166.5 million in the third quarter of 2019, up 22.3% from the gain of US\$136.1 million reported in 3Q 2018. Hapag-Lloyd's revenue increased 1.2%, mainly explained by a 2.7% rise in average freight rates together with stable transported volumes. Operating expenses remained flat. Thus, Hapag-Lloyd's EBIT reached a gain of US\$282 million in 3Q 2019, 13.7% above the US\$248 million reported in 3Q 2018. EBITDA amounted to US\$617 million, increasing by 36.2% from 3Q 2018, with the EBITDA margin reaching 17.1%. Of this increment in EBITDA, approximately US\$138 million are explained by the favorable impact of the adoption of IFRS 16, which implies amortizing the right of use of the leased assets instead of lease expenses.

CSAV reported a net gain of US\$52.9 million in 3Q 2019, up 41.2% from 3Q 2018, primarily due to CSAV's share in Hapag-Lloyd's improved results for the quarter, and also due to an income tax credit in the current quarter vis-à-vis an income tax expense in 3Q 2018, partially offset by lower operating results.



PORT SERVICES SEGMENT

The following table details the contribution of the investments in the Port Services Segment during 2018 and 2019 to Quiñenco's net income:

	3Q 18		3Q 19	
	MCh\$	MUS\$	MCh\$	MUS\$
SM SAAM	4,932	6.8	4,413	6.1
Total Port Services Segment	4,932	6.8	4,413	6.1

As of September 30, 2018 and 2019, Quiñenco's ownership of SM SAAM was 52.2%. Quiñenco's proportionate share in SM SAAM's results is adjusted by the fair value accounting of this investment at Quiñenco. During 3Q 2018 and 3Q 2019 the adjustment was a lower result of Ch\$288000 million and Ch\$516 million, respectively.

SM SAAM

	3Q 18		3Q 19		3Q 18 ThUS\$	3Q 19 ThUS\$
	MCh\$	MUS\$	MCh\$	MUS\$		
Sales	83,750	115.0	92,956	127.7	126,339	131,770
Operating income	15,563	21.4	18,126	24.9	23,593	25,691
Net income Controller	10,001	13.7	9,444	13.0	15,157	13,412
Total assets			1,083,894	1,488.4		1,488,436
Shareholders' equity			576,021	791.0		791,009

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 CMF, as shown in the last two columns of the table.

3Q 2019 Results

In the third quarter of 2019 SM SAAM's consolidated sales reached US\$131.8 million, up by 4.3% from 3Q 2018, primarily explained by higher revenues from tug boats, and to a lesser extent, from port terminals, partly offset by lower revenues at logistics Chile. Revenues from tug boats increased 12.2%, mostly explained by a higher volume, mainly in special services and salvage operations, and also due to growth in maneuvers. Revenues from port terminals increased 1.2%, primarily reflecting growth in terminal services and transfers in terminals abroad. Revenues from logistics, however, decreased 8.1% mainly owing to lower volumes at bonded warehouses related to services for the



retail sector. Consolidated revenues can be broken down as follows: Ports (52.6%), Tug boats (38.3%), Logistics (9.6%), and Corporate⁸ (-0.5%).

Gross income amounted to US\$42.5 million in the third quarter of 2019, 15.9% above 3Q 2018, explained mostly by higher gross income at tug boats and port terminals, slightly offset by a decline in gross income at logistics. During 3Q 2019 operating income amounted to US\$25.7 million, up 8.9% from the gain reported in 3Q 2018, reflecting growth at tug boats followed by port terminals, in both cases based on higher volumes and cost savings resulting from the new operating model, and to a lesser extent, by logistics, partly offset by the non-recurring dividend received from Terminal Puerto Arica and a gain on the sale of fixed assets in 3Q 2018. SM SAAM's consolidated EBITDA⁹ reached US\$45.5 million in 3Q 2019, 27.3% higher than the same period in 2018, primarily attributable to the tug boat and port terminals segments. The increase in EBITDA includes the favorable impact of the adoption of IFRS 16 (leases).

Non-operating income amounted to a loss of US\$1.6 million, compared to a loss of US\$0.4 million in 3Q 2018. This variation is mainly explained by lower results of equity investments, primarily attributable to port terminals due to non-recurring costs related to collective bargaining processes, partially compensated by lower losses from exchange rate differences in the current quarter.

SM SAAM reported a net gain of US\$13.4 million in 3Q 2019, down 11.5% from 3Q 2018, mainly due to higher income tax expense in the current quarter and lower non-operating results, partly compensated by higher operating results. In terms of segments, bottom line results reflect non-recurring gains in 3Q 2018 and lower results at logistics, partly compensated by improved performance at tug boats.

⁸ Corporate also includes eliminations and others.

⁹ Corresponds to EBITDA reported by SM SAAM.



OTHER SEGMENT

The following table details the contribution from investments in the Segment Other during 2018 and 2019 to Quiñenco's net income:

	3Q 18		3Q 19	
	MCh\$	MUS\$	MCh\$	MUS\$
IRSA (CCU)	5,972	8.2	2,224	3.1
Quiñenco & other	(13,122)	(18.0)	(10,397)	(14.3)
Total Segment Others	(7,150)	(9.8)	(8,173)	(11.2)

As of September 30, 2018 and 2019, Quiñenco's ownership of CCU was 30.0%.

CCU

	3Q 18		3Q 19	
	MCh\$	MUS\$	MCh\$	MUS\$
Sales	388,349	533.3	390,249	535.9
Operating income	44,547	61.2	38,179	52.4
Net income (loss)	21,521	29.6	8,626	11.8
Total assets			2,211,485	3,036.9
Shareholders' equity			1,270,734	1,745.0

3Q 2019 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, Paraguay and, as of 3Q 2018, Bolivia. Wine includes the commercialization of wine, mainly in the export market. CCU's sales in the third quarter of 2019 increased by 0.5% compared to the third quarter of 2018, as a result of 6.0% growth in consolidated sales volumes, mostly offset by a 5.2% drop in average prices in terms of Chilean pesos. The Chile operating segment posted growth of 5.6% in sales reflecting a 6.5% increase in volumes, while average prices were down by 0.9%, due to promotional activities partially compensated by revenue management efforts. The Wine segment also posted an increase, with sales up 3.3%, boosted by 4.8% growth in volumes, compensating a 1.4% decline in average prices, explained by an unfavorable mix effect that more than offset the positive effect of the stronger US\$ on export revenues. The International Business operating segment, however, reported a 16.4% decline in sales despite a 6.2% rise in volumes, mostly attributable to commercial dynamism in Argentina, as well as growth in Bolivia, due to a strong 21.3% decrease in average prices, largely explained by the impact of the depreciation of the Argentine peso against the Chilean peso.

Gross income diminished by 1.0% to Ch\$189,392 million, primarily due to lower gross income in the International Business segment, reflecting the drop in revenues which was partly compensated by lower unit costs in terms of Chilean pesos due to conversion effects, although in local currency costs increased due to the exchange rate pressure



on USD-linked costs, as well as the effects of inflation in Argentina. Gross income from the Chile segment, however, increased 3.7%, somewhat below the growth in sales due to higher USD denominated costs resulting from the depreciation of the Chilean peso against the USD. The Wine segment also posted higher gross income, up by 15.0%, boosted mainly by a lower cost of wine compared to last year. The overall gross margin as a percentage of sales decreased from 49.3% in 3Q 2018 to 48.5% in 3Q 2019.

Operating income reached Ch\$38,179 million, decreasing 14.3% from 3Q 2018. This decline mostly reflects the International Business segment, where the drop in gross income explained above was partly compensated by lower MSD&A expenses. Higher operating results in the Chile and Wine segments mitigated the overall decrease to some extent, mainly based on the growth in gross income. In the Chile segment MSD&A expenses increased reflecting the anticipation of marketing expenses partially offset by efficiency gains. In the Wine segment MSD&A expenses also increased. In addition, 3Q 2019 includes accrued income corresponding to the production contract with ABI. EBITDA¹⁰ amounted to Ch\$63,757 million in 3Q 2019, decreasing 6.8% from 3Q 2018, primarily explained by the International Business segment, partly compensated by the Chile and Wine segments.

CCU reported a non-operating loss of Ch\$20,274 million, greater than the loss of Ch\$8,360 million reported in 3Q 2018. This decline is mainly due to higher net financial expenses and higher exchange rate losses, both attributable mainly to Argentina, the negative impact of hyperinflationary accounting in Argentina, and lower results of equity investments in the current quarter, mostly attributable to the operations in Colombia.

Net income for the third quarter of 2019 amounted to Ch\$8,626 million, 59.9% lower than the same quarter in 2018, primarily due lower non-operating and operating results during the quarter, to a large extent attributable to Argentina, partially compensated by lower income tax expense, based on lower taxable income.

¹⁰ EBITDA corresponds to EBITDA reported by CCU.



QUIÑENCO and Others

The positive variation in Quiñenco and others is mainly explained by improved results at Banchile Vida during the quarter, with an 87.4% increase in net income, boosted by positive operating performance. At the corporate level, lower losses from exchange rate differences were mostly offset by higher operating expenses.

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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