



QUIÑENCO S.A.

FOR IMMEDIATE RELEASE

For further information contact:

Cindi Freeman
Investor Relations
Quiñenco S.A.
(56-2) 750-7221
e-mail: cfreeman@lq.cl

or

Julissa Fernandez
Citigate Dewe Rogerson
(212) 419-4267
e-mail: julissa.fernandez@citigatedr-ny.com

**Quiñenco Signs Purchase Agreement with Shareholder Pact and Sets Deadline
For Closing Date To Finalize Banco De Chile Share Acquisition**

February 2, 2001 – Santiago, Chile. Quiñenco S.A. (LQ:NYSE)

Following its announcement of an intention to acquire a controlling interest in Banco de Chile in December, Quiñenco signed the corresponding purchase agreement on February 1, 2001.

The purchase agreement specifies that the transaction closing date will be on or before April 30, 2001. Details of the transaction are as follows (amounts are stated in Chilean UFs):

	# of Shares	Price per share	Total Amount
Banco de Chile	1,466,752,189	0.0023596246	3,460,984.6
SM Chile:			
Series A	79,490,585	0.001206171	95,879.2
Series B	4,144,103,808	0.003810968	15,793,047.0
Series D	90,669,413	0.003668692	332,638.2
Series E	18,621,091	0.0023596246	43,938.8
Total SM Chile	4,332,884,897		16,265,503.2

The US dollar equivalent * of the acquisition which totals UF 19,726,487.7 approximated US\$555 million on February 1, 2001. This represents 3.3% of the outstanding shares of Banco de Chile and 34.4% of the outstanding shares of SM Chile.

The completion of the purchase transaction is subject to the approval required by a majority of the shareholders of Banco de Chile to apply Article 10 of Law 19.705 which allows for a

three year exemption period for tender offer requirements related to changes in shareholder control.

Payment terms include a partial payment upon closing, and the remainder will be financed through a two year 8.5% interest-bearing note. The acquired shares will be pledged as collateral throughout the loan period.

Quiñenco has been granted approval by the Chilean Superintendency of Banks to acquire up to 55% of voting rights of Banco de Chile.

*The value of 1UF (unidad de fomento) as of February 1, 2001 was 15,795.35 Chilean pesos. The observed exchanges rate as of the same date was Ch\$561.61/1 US\$.

###