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QUIÑENCO S.A. ANNOUNCES CONSOLIDATED RESULTS FOR THE SECOND QUARTER OF 2018

(Santiago, Chile, September 6, 2018) Quiñenco S.A., a leading Chilean business conglomerate, announced today its consolidated financial results under IFRS, for the second quarter ended June 30, 2018.

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 June 30, 2018 (Ch$651.21 = US$1.00), unless indicated otherwise, and are only provided for the reader's convenience.

2Q 2018 HIGHLIGHTS

Net income of Ch$82,295 million, posts substantial improvement over 2Q 2017, primarily due to non-recurring effects in both periods: the accounting loss due to CSAV's dilution in Hapag-Lloyd reported in 2Q 2017, and the gain reported by CCU in the current quarter due to the early termination of the Budweiser license in Argentina.

Nexans reported results for 1H 2018, 56% below 1H 2017, mostly due to lower performance in the high voltage (submarine and land), and telecom & data business segments.

Performance at Enex improved with EBITDA almost doubling, based on sales volumes growth, together with higher margins in fuels in the service station channel and in lubricants. Banco de Chile maintained sound performance with net income up 1.7%.

SM SAAM's final result decreased, mainly due to a non-recurring gain in 2Q 2017, but with favorable operating performance in port terminals and tug boats. Hapag-Lloyd achieved positive operating results, boosted by volume growth, despite increasing operating costs and lower average freight rates, but a quarterly loss.

Earnings per share amounted to Ch$49.49 in 2Q 2018.

GROUP HIGHLIGHTS – SECOND QUARTER 2018 AND SUBSEQUENT EVENTS

Quiñenco – Dividend Distribution

At the Ordinary Shareholders' Meeting held on April 27, 2018, shareholders approved a dividend distribution, corresponding to 2017 net income, of Ch$32.69860 per share, payable as of May 9, 2018, to those shareholders registered with the company as of May 3, 2018. The total amount of the dividend is Ch$54,370 million, equivalent to 50% of 2017 net income.

CCU – Early termination of Budweiser license in Argentina transaction closed

On May 2, 2018, CCU announced the execution of the agreement with AB Inbev (ABI) regarding the early termination of the distribution license for Budweiser in Argentina, after having received all the necessary regulatory approvals. Therefore, CCU Argentina received US$306 million in a single payment, US$10 million for the production of Budweiser, and ABI transferred the brands Isenbeck, Diosa, Norte, Iguana and Báltica, among others, to CCU Argentina. In addition, CCU Argentina is to receive up to US$28 million annually for a commercial transition of up to three years. The transaction generated a non-recurring after-tax gain of Ch$153,496 million for CCU in the second quarter of 2018.

Invexans establishes a new office in London

On April 10, 2018, Invexans reported the establishment of a fully-owned subsidiary in London: Invexans Limited (Invexans UK). The purpose of the company is to develop Quiñenco and its subsidiaries' international businesses, particularly in Europe, but also in other countries. On May 7th, an Extraordinary Shareholders' Meeting approved the sale of up to 50% of Invexans' assets to Invexans Ltd. London was chosen given its condition as international business hub with excellent connectivity, and taking into consideration its regulatory framework, quality and availability of services, among others. Consolidating international investments in one vehicle with this location will grant flexibility and synergies, such as improvements in management and financial efficiencies.

Techpack to deregister from local Financial Market Commission

An Extraordinary Shareholders' Meeting held May 14, 2018, agreed to deregister Techpack from the Financial Market Commission (CMF), and to delist its shares from the securities register. Withdrawal rights were established at a price of US$0.61421 per share (payable in Chilean pesos, Ch$380.90717 per share), corresponding to the book value as of December 31, 2017, since Techpack's shares are not currently traded.

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Enex signs agreement to acquire Road Ranger travel centers in USA

On August 24, 2018, Quiñenco announced that its fully-owned subsidiary, Enex, signed an agreement to acquire Road Ranger, the fourth largest network of highway travel centers in the USA for US$289 million (on a cash and debt free basis). Road Ranger has 38 travel centers located on the main highways that connect the state of Texas and the Midwest, including Illinois, Iowa, Missouri, and Wisconsin. The transaction is subject to approval from antitrust regulatory authorities, among others, and is expected to be completed by year end.

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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.

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 28.98% stake in Nexans, a French multinational company leader in the world cable industry. As of June 30, 2018, Quiñenco has a 98.7% stake in Invexans.

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As of June 30, 2018, Techpack has a 0.54% stake in Nexans. Thus, as of June 30, 2018, through its subsidiaries Invexans and Techpack, Quiñenco has a 29.52% interest in Nexans.

As of June 30, 2018, Quiñenco's ownership of Techpack is 100.0%.

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 2017 and 2018 all of Norgistics' operations have been classified as discontinued activities in the income statement. During the fourth quarter of 2017, Quiñenco acquired an additional 0.2% stake in CSAV, reaching 56.2%.

In 2017 the general insurance company SegChile started its operations. As of June 30, 2018, Quiñenco has a 66.3% interest in SegChile.

On May 24, 2017, Hapag-Lloyd materialized the merger with United Arab Shipping Company Limited (UASC). The shareholders of UASC received shares equivalent to a 28% stake in Hapag-Lloyd. Thus, existing shareholders of Hapag-Lloyd diluted their stakes. CSAV's stake in Hapag-Lloyd was reduced from 31.4% to 22.6%. During the fourth quarter of 2017 and second quarter of 2018, CSAV acquired additional shares of Hapag-Lloyd, reaching a stake of 25.86% as of June 30, 2018.

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 Superintendency of Banks and Financial Institutions.

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ANALYSIS OF CONSOLIDATED RESULTS

Summarized Consolidated Income Statement

Sector /Segment	Manufacturing		Financial		Energy		Transport		Port Services		Other		Total	
	2Q 17	2Q 18	2Q 17	2Q 18	2Q 17	2Q 18	2Q 17	2Q 18	2Q 17	2Q 18	2Q 17	2Q 18	2Q 17	2Q 18
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Consolidated Income (Loss) Industrial Sector	16,707	**(1,775)**	(3,218)	**(2,600)**	1,624	**6,197**	(120,476)	**(6,718)**	25,677	**9,537**	(5,902)	**43,919**	(85,587)	**48,561**
Consolidated Income Banking Sector	-	**-**	141,770	**143,017**	-	**-**	-	**-**	-	**-**	267	**245**	142,037	**143,263**
Consolidated Net Income (Loss)	16,707	**(1,775)**	138,552	**140,418**	1,624	**6,197**	(120,476)	**(6,718)**	25,677	**9,537**	(5,635)	**44,165**	56,449	**191,824**
Net Income (Loss) Attributable to Non-controlling Interests	(164)	45	105,274	105,916	-	-	(52,811)	(2,936)	13,320	6,086	1,700	417	67,319	109,529
Net Income (Loss) Attributable to Controllers' Shareholders*	16,871	(1,821)	33,278	34,501	1,624	6,197	(67,665)	(3,782)	12,357	3,452	(7,335)	43,747	(10,870)	82,295

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

Net Income – 2Q 2018

Quiñenco reported a net gain of Ch$82,295 million in the second quarter of 2018, posting a significant improvement over the loss reported in the same period in 2017. This variation is primarily explained by the accounting loss due to CSAV's dilution in Hapag-Lloyd reported in 2Q 2017, and by the gain CCU reported in the current quarter from the transaction related to the early termination of the Budweiser license in Argentina. In the energy segment Enex almost doubled its EBITDA and posted a substantial increase in net income, based on overall growth in sales volumes, together with higher margins in fuels in the service station channel and in lubricants. Banco de Chile maintained its sound performance, with net income up 1.7%, based on higher operating revenues and lower loan loss provisions, partly mitigated by higher non-recurring operating expenses. The contribution from Nexans, however, diminished, mostly due to lower performance in the submarine and land high voltage segment, as well as in the telecom & data segment. Hapag-Lloyd achieved positive operating results, boosted by volume growth following the UASC merger, despite increasing operating costs and lower average freight rates, although bottom line results were affected, reaching a quarterly loss. SM SAAM's port terminals and tug boats segments registered favorable operating performance, but net income decreased from the previous period due to the non-recurring gain from the sale of its stake in Tramarsa reported in 2Q 2017. At the corporate level, Quiñenco reported a higher income tax credit in the current period, partly offset by lower finance income.

Earnings per ordinary share amounted to Ch$49.49 in the second quarter of 2018.

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Consolidated Income Statement Breakdown

	2Q 17		2Q 18	
	MCh$	MUS$	MCh$	MUS$
Industrial Sector				
Revenues	**581,090**	**892.3**	**670,167**	**1,029.1**
Manufacturing - Invexans & Techpack	3	0.0	2	0.0
Financial - LQIF holding	-	-	-	-
Energy - Enex	455,257	699.1	541,433	831.4
Transport - CSAV	18,846	28.9	15,051	23.1
Port Services - SM SAAM	76,466	117.4	80,770	124.0
Other - Quiñenco & others	30,518	46.9	32,911	50.5
Operating income (loss)	**56,580**	**86.9**	**17,389**	**26.7**
Manufacturing - Invexans & Techpack	(742)	(1.1)	(2,871)	(4.4)
Financial - LQIF holding	(1,059)	(1.6)	(406)	(0.6)
Energy - Enex	2,648	4.1	9,439	14.5
Transport - CSAV	1,209	1.9	(860)	(1.3)
Port Services - SM SAAM	53,626	82.3	12,779	19.6
Other - Quiñenco & others	898	1.4	(691)	(1.1)
Non-operating income (loss)	**(98,381)**	**(151.1)**	**22,597**	**34.7**
Interest income	3,749	5.8	3,307	5.1
Interest expense	(13,001)	(20.0)	(13,303)	(20.4)
Share of net income/loss from related co.	(82,983)	(127.4)	44,318	68.1
Foreign exchange gain (loss)	(145)	(0.2)	(5,803)	(8.9)
Indexed units of account restatement	(6,001)	(9.2)	(5,923)	(9.1)
Income tax	(42,693)	(65.6)	9,681	14.9
Net income (loss) from discontinued operations	(1,094)	(1.7)	(1,106)	(1.7)
Consolidated Net Income (Loss) Industrial Sector	**(85,587)**	**(131.4)**	**48,561**	**74.6**
Banking Sector				
Operating revenues	448,769	689.1	457,898	703.1
Provision for loan losses	(62,105)	(95.4)	(53,810)	(82.6)
Operating expenses	(197,495)	(303.3)	(211,834)	(325.3)
Operating income (loss)	189,170	290.5	192,254	295.2
Non-operating income (loss)	(16,727)	(25.7)	(16,647)	(25.6)
Income tax	(30,406)	(46.7)	(32,344)	(49.7)
Consolidated Net Income (Loss) Banking Sector	**142,037**	**218.1**	**143,263**	**220.0**
Consolidated Net Income	**56,449**	**86.7**	**191,824**	**294.6**
Net Income Attributable to Non-controlling Interests	67,319	103.4	109,529	168.2
Net Income Attributable to Controllers' Shareholders	**(10,870)**	**(16.7)**	**82,295**	**126.4**

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Industrial Sector

Revenues – 2Q 2018

Consolidated revenues totaled Ch$670,167 million in the second quarter of 2018, 15.3% above those of the same period in 2017, primarily due to higher revenues at Enex, and to a lesser extent, sales growth at SM SAAM[1] and Banchile Vida. These increments were partly offset by lower revenues at CSAV.

Consolidated sales in the second quarter of 2018 can be broken down as follows: Enex (80.8%), SM SAAM (12.1%), CSAV (2.2%), and others (4.9%).

Operating Income[2] – 2Q 2018

Operating income for the second quarter of 2018 reached a gain of Ch$17,389 million, compared to a gain of Ch$56,580 million in the second quarter of 2017. The decline in consolidated operating results is primarily attributable to SM SAAM, mostly explained by a non-recurring gain reported in 2Q 2017, and lower results at Invexans and CSAV, partially compensated by improved operating results at Enex and, to a lesser extent, at Banchile Vida.

EBITDA[3] – 2Q 2018

EBITDA amounted to Ch$36,336 million in 2Q 2018, up 37.8% from the second quarter of 2017. The increase is primarily explained by higher EBITDA from Enex and SM SAAM, partially offset by a decline in EBITDA at CSAV.

Non-Operating Results[4] – 2Q 2018

Non-operating income amounted to a gain of Ch$22,597 million in the second quarter of 2018, compared to a loss of Ch$98,381 million in the same quarter of 2017.

Proportionate share of net income of equity method investments (net) – 2Q 2018

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 Nexans[5], CSAV's share in the results of Hapag-Lloyd, and SM SAAM's affiliates, reached a gain of Ch$44,318 million, compared to a loss of Ch$82,983 million in 2Q 2017.

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[1] 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.

[2] Operating income includes: Gross income (revenues minus cost of sales), Distribution costs, Administrative expenses, Other operating revenue, Other operating expenses, and Other gains/losses.

[3] EBITDA is calculated as: Operating income minus/plus Other gains/losses plus Depreciation plus Amortization of intangibles.

[4] 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.

[5] Nexans only reports results as of June and December, in accordance with French regulations and IFRS.

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Quiñenco's proportionate share of net income from IRSA (CCU) increased substantially from Ch$1,884 million to Ch$49,437 million.

Invexans' and Techpack's proportionate share in Nexans' net income (adjusted by fair value accounting), decreased by 74.9% to Ch$4,697 million in 2Q 2018.

SM SAAM's proportionate share in its affiliates decreased by 33.8% to Ch$2,468 million.

CSAV's proportionate share of net income from Hapag-Lloyd (adjusted by fair value accounting), amounted to a loss of Ch$12,767 million, compared to a loss of Ch$107,523 million in 2Q 2017.

Interest Income - 2Q 2018

Interest income for the second quarter of 2018 amounted to Ch$3,307 million, 11.8% less than that obtained in 2Q 2017. This variation corresponds mainly to lower financial income at Quiñenco (corporate level).

Interest Expense - 2Q 2018

Interest expense for the second quarter of 2018 amounted to Ch$13,303 million, 2.3% greater than in 2Q 2017. The variation is mainly explained by higher financial costs at CSAV and Enex.

Foreign currency exchange differences – 2Q 2018

In 2Q 2018, the gains (losses) specific to foreign currency translation differences amounted to a loss of Ch$5,803 million, compared to a loss of Ch$145 million reported in 2Q 2017, primarily attributable to unfavorable results at Techpack and Enex, and to a lesser extent, at CSAV.

Indexed units of account restatement – 2Q 2018

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$5,923 million in the second quarter of 2018, compared to a loss of Ch$6,001 million reported in the same period of 2017. The variation is mainly explained by higher gains at Techpack, partially offset by losses at Banchile Vida.

Income Taxes – 2Q 2018

The industrial sector reported an income tax credit of Ch$9,681 million in 2Q 2018, compared to income tax expense of Ch$42,693 million reported in 2Q 2017, primarily due to lower tax expense at SM SAAM and CSAV, and to a much lesser extent, a higher credit at Quiñenco.

Discontinued Operations – 2Q 2018

In 2Q 2018 the result of discontinued operations amounted to a loss of Ch$1,106 million, compared to a loss of Ch$1,094 million in 2Q 2017. In both periods the loss corresponds mainly to discontinued operations of Techpack, and to a much lesser extent, to discontinued operations at CSAV.

Non-controlling Interests – 2Q 2018

In the second quarter of 2018, at a consolidated level (including both Industrial and Banking net income), net income attributable to non-controlling interests amounted to Ch$109,529 million. Of the total amount reported in 2Q 2018, Ch$71,415 million corresponds to minority shareholders' share of Banco de Chile and SM Chile's net

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income. Remaining net income attributable to non-controlling interest is mainly explained by minority shareholders' share of LQIF's net income, and to a much lesser extent, of SM SAAM's net income.

Banking Sector

Operating Revenues - 2Q 2018

Operating revenues for the second quarter of 2018 amounted to Ch$457,898 million, 2.0% above the second quarter of 2017, mainly due to a favorable exchange rate effect on the Bank's asset position in US$, as well as increased revenues based on growth in demand deposits.

Provision for Credit Risk - 2Q 2018

Provisions for loan losses at Banco de Chile amounted to Ch$53,810 million in the second quarter of 2018, 13.4% below the provisions registered in the second quarter of 2017, mainly attributable to a net credit quality improvement, mostly in the retail banking segment.

Operating Expenses - 2Q 2018

Operating expenses went up by 7.3% to Ch$211,834 million in 2Q 2018, primarily reflecting non-recurring expenses related to a cyber-security incident.

Non-operating Results - 2Q 2018

During the second quarter of 2018 non-operating results amounted to a loss of Ch$16,647 million, a slight 0.5% below the second quarter of 2017, primarily explained by better results from equity investments, mostly offset by higher accrued interest expense of the Subordinated Debt with the Chilean Central Bank.

Consolidated Net Income - 2Q 2018

Consolidated net income for the banking sector amounted to Ch$143,263 million in 2Q 2018, up by 0.9% from the same period in 2017, mainly due to higher operating revenues and lower loan loss provisions, partially compensated by increased operating expenses.

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CONSOLIDATED BALANCE SHEET ANALYSIS (vis-à-vis the 1st quarter of 2018)

Condensed Consolidated Balance Sheet

	03-31-2018		06-30-2018	
	MCh$	MUS$	MCh$	MUS$
Current assets industrial sector	931,828	1,430.9	**1,060,179**	1,628.0
Non-current assets industrial sector	4,251,677	6,528.9	**4,427,431**	6,798.8
Assets financial sector	33,243,733	51,049.2	**34,360,767**	52,764.5
Total Assets	**38,427,239**	**59,009.0**	**39,848,377**	**61,191.3**
Current liabilities industrial sector	409,397	628.7	**386,192**	593.0
Long-term liabilities industrial sector	1,392,553	2,138.4	**1,644,122**	2,524.7
Liabilities financial sector	30,019,925	46,098.7	**31,030,664**	47,650.8
Non-controlling interests	3,635,181	5,582.2	**3,709,847**	5,696.9
Shareholders' equity	2,970,183	4,561.0	**3,077,553**	4,725.9
Total Liabilities & Shareholders' equity	**38,427,239**	**59,009.0**	**39,848,377**	**61,191.3**

Current Assets Industrial Sector

Current assets increased by 13.8% compared to the first quarter of 2018, primarily due to the funds raised by Quiñenco in its bond issuance in June 2018, partially offset by the dividends paid by Quiñenco and by LQIF and SM SAAM to third parties, during the quarter. Also, inventories at Enex increased.

Non Current Assets Industrial Sector

Non current assets decreased by 4.2% compared to the first quarter of 2018, mainly reflecting a higher balance of equity investments. This increase is mostly explained by a higher balance at Hapag-Lloyd, mostly due to conversion adjustments net of period losses, and a higher balance at IRSA, due to period gains and conversion adjustments. In addition, fixed assets increased over the quarter, mostly at SM SAAM.

Assets Banking Sector

Total assets of the banking sector increased by 3.4% compared to the first quarter of 2018. Loans to customers increased by 2.5% with respect to March 2018, reflecting growth in commercial loans, residential mortgage loans, and to a lesser extent, in consumer loans.

Current Liabilities Industrial Sector

Current liabilities decreased by 5.7% compared to the first quarter of 2018, primarily due to lower financial liabilities at Enex, Quiñenco, and LQIF, partially offset by higher bank loans at CSAV. In addition, as of June the balance of dividends payable at Quiñenco diminished.

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Long-term Liabilities Industrial Sector

Long-term liabilities increased by 18.1% compared to the first quarter of 2018, mainly due to higher financial liabilities at Quiñenco, following its UF 7,000,000 bond issuance in June 2018, and also at Enex and SM SAAM.

Liabilities Banking Sector

Liabilities corresponding to the banking sector increased by 3.4% compared to the first quarter of 2018.

Minority Interest

Minority interest increased by 2.1% compared to the first quarter of 2018, mostly due to higher minority interest at CSAV.

Equity

Shareholders' equity increased by 3.7% compared to the first quarter of 2018, mainly due to higher other reserves, primarily including favorable conversion effects at CSAV, and to a lesser extent, at SM SAAM and Techpack, and also to period earnings, net of dividends.

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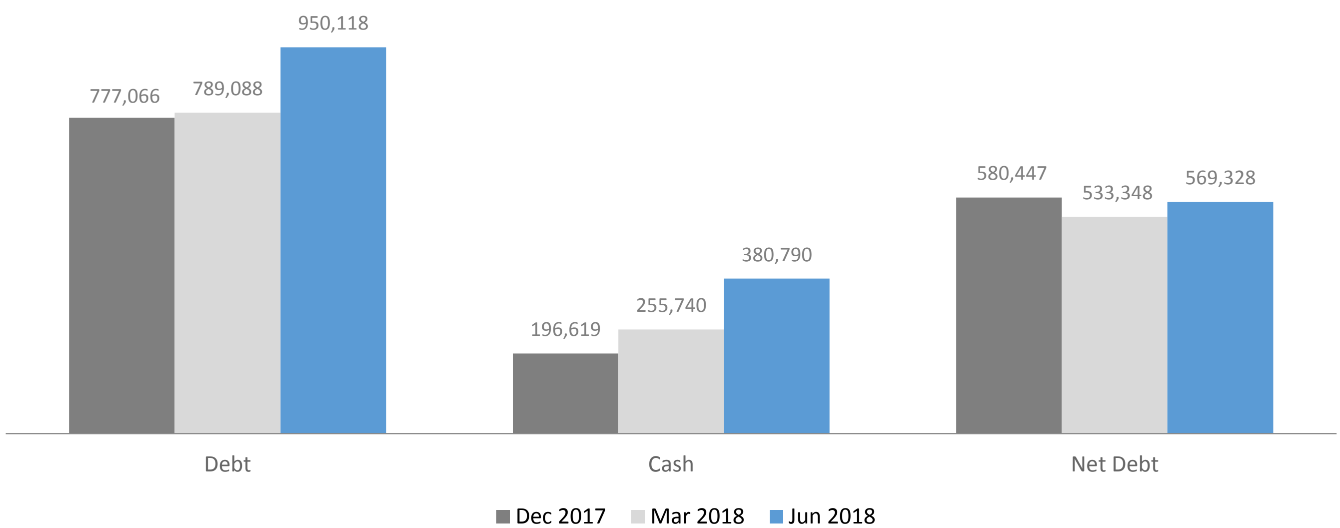
QUIÑENCO CORPORATE LEVEL DEBT AND CASH

As of June 30, 2018	Debt		Cash & Equivalents		Total Net Debt	
	MCh$	MUS$	MCh$	MUS$	MCh$	MUS$
Corporate level	829,784	1,274.2	378,959	581.9	450,825	692.3
Adjusted for:						
50% interest in LQIF	93,382	143.4	1,451	2.2	91,930	141.2
50% interest in IRSA	26,952	41.4	379	0.6	26,573	40.8
Total	**950,118**	**1,459.0**	**380,790**	**584.7**	**569,328**	**874.3**

The debt to total capitalization ratio at the corporate level (unadjusted) was 20.8% as of June 30, 2018.

Corporate Level Adjusted[6] Cash & Debt

(Millions of Ch$)



[6] Adjusted for 50% interest in LQIF holding and IRSA.

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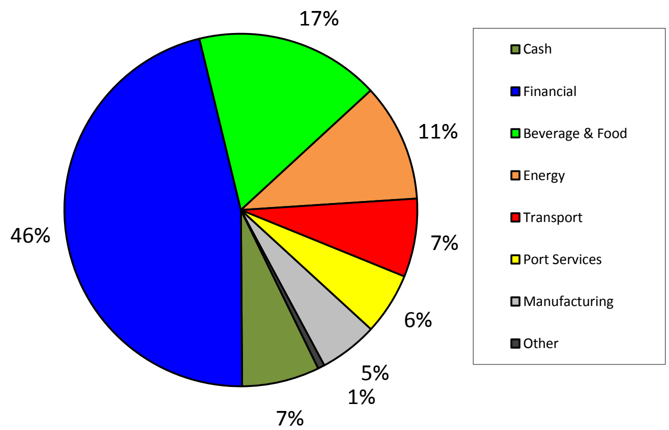
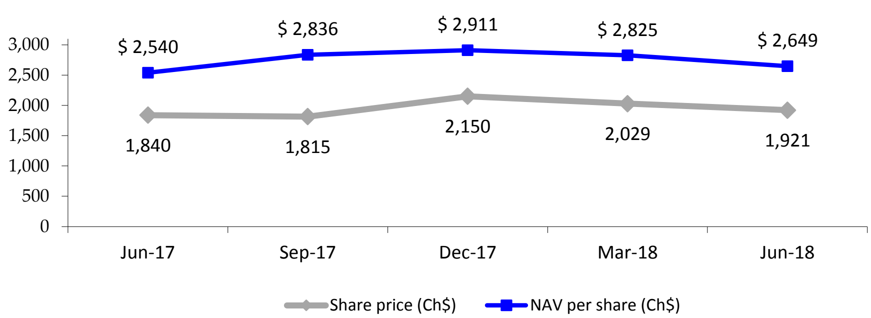
NAV

As of June 30, 2018, the estimated net asset value (NAV) of Quiñenco was US$6.8 billion (Ch$2,649 per share) and market capitalization was US$4.9 billion (Ch$1,921 per share). The discount to NAV is estimated at 27.5% as of the same date.





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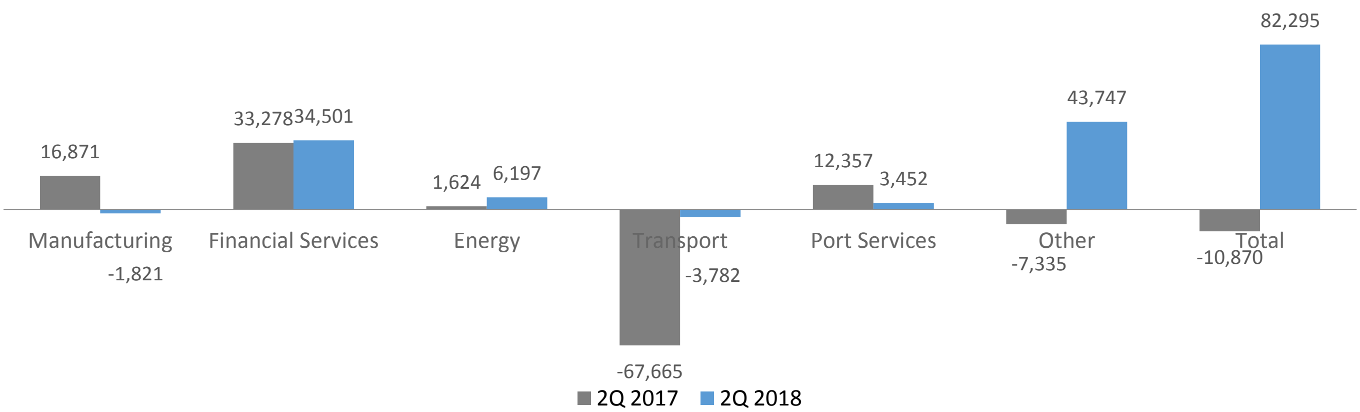
SEGMENT / OPERATING COMPANY ANALYSIS

Sector /Segment	Manufacturing		Financial		Energy		Transport		Port Services		Other		Total	
	2Q 17	2Q 18	2Q 17	2Q 18	2Q 17	2Q 18	2Q 17	2Q 18	2Q 17	2Q 18	2Q 17	2Q 18	2Q 17	2Q 18
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Industrial Sector														
Income (loss) from continued operations before taxes	17,879	**(589)**	(4,136)	**(3,611)**	1,833	**6,804**	(106,915)	**(14,887)**	54,530	**12,738**	(4,993)	**39,532**	(41,801)	**39,986**
Income tax	(112)	**(84)**	918	**1,011**	(209)	**(607)**	(13,526)	**8,173**	(28,854)	**(3,200)**	(909)	**4,387**	(42,693)	**9,681**
Net income from discontinued operations	(1,059)	**(1,102)**	-	**-**	-	**-**	(35)	**(4)**	-	**-**	-	**-**	(1,094)	**(1,106)**
Consolidated Net income (loss) industrial sector	16,707	**(1,775)**	(3,218)	**(2,600)**	1,624	**6,197**	(120,476)	**(6,718)**	25,677	**9,537**	(5,902)	**43,919**	(85,587)	**48,561**
Banking Sector														
Net income before taxes	-	**-**	172,176	**175,362**	-	**-**	-	**-**	-	**-**	267	**245**	172,443	**175,607**
Income tax	-	**-**	(30,406)	**(32,344)**	-	**-**	-	**-**	-	**-**	-	**-**	(30,406)	**(32,344)**
Consolidated Net income banking sector	-	**-**	141,770	**143,017**	-	**-**	-	**-**	-	**-**	267	**245**	142,037	**143,263**
Consolidated net income (loss)	16,707	**(1,775)**	138,552	**140,418**	1,624	**6,197**	(120,476)	**(6,718)**	25,677	**9,537**	(5,635)	**44,165**	56,449	**191,824**
Net income (loss) attributable to Non-controlling interests	(164)	**45**	105,274	**105,916**	-	**-**	(52,811)	**(2,936)**	13,320	**6,086**	1,700	**417**	67,319	**109,529**
Net Income (loss) Attributable to Controllers' shareholders	**16,871**	**(1,821)**	**33,278**	**34,501**	**1,624**	**6,197**	**(67,665)**	**(3,782)**	**12,357**	**3,452**	**(7,335)**	**43,747**	**(10,870)**	**82,295**

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



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MANUFACTURING SEGMENT

The following table details the contribution of the investments in the Manufacturing segment during 2017 and 2018 to Quiñenco's net income:

	2Q 17		2Q 18	
	MCh$	MUS$	MCh$	MUS$
Invexans	17,672	27.1	2,143	3.3
Techpack	(801)	(1.2)	(3,963)	(6.1)
Total Manufacturing Segment	**16,871**	**25.9**	**(1,821)**	**(2.8)**

As of June 30, 2017 and 2018, Quiñenco's ownership of Invexans was 98.7%. As of June 30, 2017 and 2018, Quiñenco's ownership of Techpack was 100.00% and 99.97%, respectively.

INVEXANS

	2Q 17		2Q 18		2Q 17	2Q 18
	MCh$	MUS$	MCh$	MUS$	ThUS$	ThUS$
Sales	-	-	-	-	-	**-**
Operating income (loss)	(306)	(0.5)	(2,405)	(3.7)	(459)	**(3,827)**
Non-operating income (loss)	18,231	28.0	4,685	7.2	27,407	**7,366**
Net income (loss) controller	17,909	27.5	2,171	3.3	26,923	**3,365**
Total assets			330,975	508.2		**508,250**
Shareholders' equity			315,325	484.2		**484,215**

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.

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2Q 2018 Results

Invexans reported an operating loss of US$3,827 thousand, compared to the loss of US$459 thousand reported in 2Q 2017, mainly explained by higher administrative expenses, mostly attributable to the establishment of its subsidiary in London during the current quarter, and also due to higher tax provisions.

Non-operating income amounted to a gain of US$7,366 thousand, well below the gain of US$27,534 thousand reported in 2Q 2017. This decline is primarily explained by Invexans' accounting of its share in Nexans' results for the semester, as Nexans does not publish results as of March. As of June 2018, Nexans reported a gain of €40 million, 56.0% lower than the gain of €91 million reported in the first half of 2017. Nexans' operating income dropped by 41.4% to €82 million. Sales posted an organic decrease of 1.6%, mostly due to a 19.6% fall in sales of high voltage and project operations and 22.6% lower sales of cables for the oil & gas sector. Excluding these segments, sales of other activities grew 3.7%. The High Voltage & Projects segment reported, as mentioned, a 19.6% reduction in organic sales and a 62.8% decline in operating income, mainly explained by lower sales of submarine and land high voltage, non-recurring legal expenses and postponement of projects. The Telecom & Data segment reported a 4.2% decline in organic sales and a 48.4% drop in operating income, mostly owing to poorer performance of LAN cables, mainly in the USA, and of special submarine telecom cables. Sales to telecom operators, however, grew boosted by higher optical fiber cable activity in Europe. Although the Building & Territories segment registered 2.9% growth in organic sales, operating income was down by 15.2%. Sales of power cables for the building market grew, whereas sales of distribution cables and accessories decreased, despite a positive recovery during the second quarter. Margins, however, were affected by the difficulty of passing inflationary pressures on to customers. The Industry & Solutions segment posted a 1.1% rise in organic sales, but a 15.2% decline in operating income. Sales of automotive harnesses and of the transport sector grew, and sales of mining cables also recovered, offsetting lower sales in the oil sector. However, operating results were affected by lower profitability in automotive harnesses and in the oil sector. Finally, the other Activities segment, corresponding mainly to external sales of copper wires, posted a 21.2% rise in organic sales, led by Canada and France. In terms of non-operating results, Nexans reported a decrease of €31 million in the gain form the core exposure effect (a gain of €9 million in 1H 2018 vis-à-vis a gain of €40 million in 1H 2017), mostly offset by net non-recurring gains of €21 million (gain on sale of assets and asset impairment losses), and lower finance costs, while restructuring costs remained stable at €20 million. Thus, net income for the first half of 2018 reached €40 million.

Invexans adjusts its proportional share in Nexans' results to reflect the effect of the fair value it determined for the French company. Thus, in all, Invexans reported a gain of US$7,384 thousand for its investment in Nexans during the quarter, declining from the gain of US$27,534 thousand reported in 2Q 2017.

Invexans posted a net gain of US$3,365 thousand in 2Q 2018, which compares unfavorably with the gain of US$26,923 thousand reported in 2Q 2017, primarily explained by the decrease in Nexans' results explained above, and, to a lesser extent, by lower operating results.

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TECHPACK

	2Q 17		2Q 18		2Q 17	2Q 18
	MCh$	MUS$	MCh$	MUS$	ThUS$	ThUS$
Sales	3	0.0	2	0.0	4	**3**
Operating income	(436)	(0.7)	(465)	(0.7)	(659)	**(753)**
Net income (loss) from discontinued operations	(1,059)	(1.6)	(1,102)	(1.7)	(1,596)	**(1,780)**
Net income (loss) Controller	(1,149)	(1.8)	(3,940)	(6.0)	(1,734)	**(6,315)**
Total assets			146,456	224.9		**224,899**
Shareholders' equity			143,339	220.1		**220,113**

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 filed with the CMF, 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 of the transaction have been classified as a discontinued operation in both periods.

2Q 2018 Results

During the second quarter of 2018, Techpack's operating income amounted to a loss of US$753 thousand, 14.3% greater than the loss of US$659 thousand reported in 2Q 2017, mostly explained by a non-recurring gain from the sale of fixed assets available for sale during 2Q 2017, partially offset by lower administrative expenses.

Non-operating income for the quarter amounted to a loss of US$3,833 thousand, compared to the gain of US$585 thousand reported in 2Q 2017, primarily attributable to greater losses from exchange differences, partly offset by higher financial income and a gain from the effect of inflation during the current quarter.

Discontinued operations reported a loss of US$1,780 thousand in 2Q 2018, up from the loss of US$1,596 thousand in 2Q 2017. Discontinued operations correspond mainly to effects of the transaction with Amcor and costs related to the discontinued brass mills operations. In 2Q 2018 Techpack reported a slight income tax credit, whereas in 2Q 2017 it registered an income tax expense.

Thus, net income for 2Q 2018 reached a loss of US$6,315 thousand, compared to the loss of US$1,734 thousand reported in 2Q 2017, due to lower non-operating and operating results, and a greater loss from discontinued operations.

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FINANCIAL SEGMENT

The following table details the contribution of the investments in the Financial Segment during 2017 and 2018 to Quiñenco's net income:

	2Q 17		2Q 18	
	MCh$	MUS$	MCh$	MUS$
LQIF holding	(1,609)	(2.5)	(1,300)	(2.0)
Banking sector	34,887	53.6	35,801	55.0
Total Financial Segment	33,278	51.1	34,501	53.0

As of June 30, 2017 and 2018, Quiñenco's ownership of LQIF was 50.0%. LQIF's economic rights in Banco de Chile were 33.6% as of June 30, 2017 and 33.9% as of June 30, 2018.

LQIF Holding

LQIF holding registered a loss of Ch$2,600 million, 19.2% below the loss of Ch$3,218 million reported in 2Q 2017, mainly explained by a lower amortization of intangibles.

Banking Sector

The Banking sector is comprised of Banco de Chile and 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.

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BANCO DE CHILE

	2Q 17		2Q 18	
	MCh$	MUS$	MCh$	MUS$
Operating revenues	448,176	688.2	**457,313**	702.3
Provision for loan losses	(62,103)	(95.4)	**(53,810)**	(82.6)
Operating expenses	(197,402)	(303.1)	**(211,632)**	(325.0)
Net income controller	159,818	245.4	**162,563**	249.6
Loan portfolio	25,635,977	39,366.7	**26,517,044**	40,719.7
Total assets	32,249,405	49,522.3	**34,360,845**	52,764.6
Shareholders' equity	2,983,831	4,582.0	**3,167,693**	4,864.3
Net financial margin	4.8%		**4.9%**	
Efficiency ratio	44.1%		**46.3%**	
ROAE	21.7%		**20.8%**	
ROAA	2.0%		**1.9%**	

2Q 2018 Results

Banco de Chile reported net income of Ch$162,563 million in the second quarter of 2018, increasing by 1.7% with respect to the second quarter of 2017. This increment is primarily explained by higher operating revenues and lower loan loss provisions, partially offset by greater operating expenses.

Operating revenues, which include net financial income, fee income and other operating income, increased by 2.0% to Ch$457,313 million in the second quarter of 2018. This growth is primarily attributable to the positive impact of the greater depreciation of the Chilean peso vis-à-vis the US$ in the current quarter, and its effect on the Bank's asset position in US$ that hedges its exposure to US$ denominated expenses. Strong 10.0% growth in average balances of demand deposits also increased revenues, and the contribution from the Bank's net asset exposure to UFs was higher due to an increased average exposure together with the same level of inflation in both quarters. To a lesser extent, revenues also grew due to higher income from the management of the Bank's trading and AFS portfolio, and higher fee income, mostly explained by insurance brokerage and mutual funds management. These favorable effects were partially offset by lower revenues from asset and liability management, mainly due to repricing of liabilities in 2Q 2017 given decreasing rates, a negative impact from the credit value adjustment for derivatives, and lower other operating revenues owing to changes in contracts related with the credit card business.

Provisions for loan losses amounted to Ch$53,810 million, 13.4% down from 2Q 2017. This reduction is mainly attributable to a net credit quality improvement, mostly in the retail banking segment, partially offset by a negative exchange rate impact on US$ denominated loan loss allowances, and an increment in loan loss provisions explained by loan growth, almost entirely in the retail banking segment.

Operating expenses increased by 7.2% to Ch$211,632 million in 2Q 2018, primarily due to additional expenses related to a cyber-security incident that occurred during the current quarter, which translated into approximately Ch$10

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billion of higher expenses. Excluding these non-recurring expenses, operating expenses would have increased by just 2.1%, mainly due to higher country risk provisions and increased administrative expenses.

As of June 2018, the Bank's loan portfolio had experienced an annual growth of 3.4% and a quarterly increase of 2.5%. Annual growth reflects the expansion of 7.5% in retail banking loans, boosted by a 7.3% increment in loans from middle and higher income personal banking, mostly reflecting residential mortgage loans and consumer loans, and an 11.0% rise in loans to SMEs. The wholesale segment, in turn, registered a 2.4% decrease in loans, although it is worth noting that this posts an improvement in comparison to the reductions experienced in previous quarters.

Banco de Chile is the second ranked bank in the country with a market share of 17.1% of total loans (excluding operations of subsidiaries abroad) as of June 2018. Its return on average equity (annualized) reached 20.8% in 2Q 2018.

Interest Subordinated Debt

In the second quarter of 2018 accrued interest expense of the Subordinated Debt with the Chilean Central Bank was 7.6% higher than the second quarter of 2017.

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ENERGY SEGMENT

The following table details the contribution of the investments in the Energy Segment during 2017 and 2018 to Quiñenco's net income:

	2Q 17		2Q 18	
	MCh$	MUS$	MCh$	MUS$
Enex	1,624	2.5	6,197	9.5
Total Energy Segment	**1,624**	**2.5**	6,197	**9.5**

As of June 30, 2017 and 2018, Quiñenco controls 100% of the energy segment.

ENEX

	2Q 17		2Q 18	
	MCh$	MUS$	MCh$	MUS$
Sales	455,257	699.1	**541,433**	831.4
Operating income	2,648	4.1	**9,439**	14.5
Net income Controller	1,624	2.5	**6,197**	9.5
Total assets			**886,487**	1,361.3
Shareholders' equity			**579,232**	889.5

2Q 2018 Results

Enex's consolidated sales during 2Q 2018 reached Ch$541,433 million, up by 18.9% from 2Q 2017, mainly due to higher fuel prices and higher sales volumes in both the industrial and service stations channels, and to a lesser extent, higher sales volumes of lubricants. The total volume dispatched by Enex during the quarter amounted to 994 thousand cubic meters, 8.4% higher than in 2Q 2017, of which 97.7% corresponds to fuels.

Gross income during the period reached Ch$54,266 million, 19.7% above 2Q 2017, primarily due to the positive impact of selling inventory at historical cost given increasing international reference prices in the current quarter, and a negative effect in 2Q 2017. To a lesser extent, the improvement is also explained by sales volume growth in both channels and higher margins per unit in the service station channel, and better margins and volumes in lubricants. Operating income during the quarter reached a gain of Ch$9,439 million, up substantially from Ch$2,648 reported in 2Q 2017, largely due to the growth in gross income explained above, partially offset by a 5.0% increment in operating expenses, mainly attributable to greater transport expenses related to the growth in sales volumes, higher costs related to the service stations sales points and convenience stores, and higher fee expenses related to the service station channel. EBITDA reached Ch$15,013 million in the second quarter of 2018, 98.6% higher than the second quarter of 2017.

Non-operating income amounted to a loss of Ch$2,635 million in 2Q 2018, compared to the loss of Ch$815 million reported in 2Q 2017, mostly explained by exchange rate losses in the current quarter, and to a lesser extent, higher

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income from equity investments. Net income for 2Q 2018 amounted to Ch$6,197 million, significantly higher than the net income of Ch$1,624 million reported in 2Q 2017, primarily reflecting higher operating results during the quarter, partially offset by lower non-operating results and, to a lesser extent, higher income tax expense.

TRANSPORT SEGMENT

The following table details the contribution of the investments in the Transport Segment during 2017 and 2018 to Quiñenco's net income:

	2Q 17		2Q 18	
	MCh$	MUS$	MCh$	MUS$
CSAV	(67,665)	(103.9)	(3,782)	(5.8)
Total Transport Segment	**(67,665)**	**(103.9)**	**(3,782)**	**(5.8)**

As of June 30, 2017 and 2018, Quiñenco's ownership of CSAV was 56.0% and 56.2%, respectively. Quiñenco's proportionate share in CSAV's results is adjusted by the fair value accounting of this investment at Quiñenco. During 2Q 2017 and 2Q 2018 the adjustment was a lower result of Ch$224 million and a lower result of Ch$9 million, respectively.

CSAV

	2Q 17		2Q 18		2Q 17	2Q 18
	MCh$	MUS$	MCh$	MUS$	ThUS$	ThUS$
Sales	18,846	28.9	15,051	23.1	28,500	**24,605**
Operating income (loss)	1,209	1.9	(860)	(1.3)	1,813	**(1,327)**
Net income (loss) controller	(120,492)	(185.0)	(6,718)	(10.3)	(179,343)	**(10,691)**
Total assets			1,466,907	2,252.6		**2,252,587**
Shareholders' equity			1,361,853	2,091.3		**2,091,265**

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 2017 and 2018 in the income statement.

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2Q 2018 Results

CSAV’s consolidated sales in 2Q 2018 reached US$24.6 million, decreasing 13.7% with respect to 2Q 2017, mostly due to lower sales of slots in the car carrier business. Although freight rates decreased somewhat, this was partly mitigated through bunker adjustment factors given the increase in fuel prices during the period. Gross income increased 18.6% to US$1.0 million, mainly reflecting further efficiencies, which compensated higher fuel prices.

Operating income amounted to a loss of US$1.3 million in 2Q 2018, compared to a gain of US$1.8 million reported in 2Q 2017, primarily due to a gain on the sale of fixed assets reported in 2Q 2017, and to a lesser extent, higher administrative expenses, only slightly offset by the increment in gross income.

Non-operating income for the quarter amounted to a loss of US$22.6 million, improving substantially in comparison to the loss of US$160.8 million reported in 2Q 2017. This favorable variation is primarily due to the accounting loss generated by CSAV’s dilution in Hapag-Lloyd (from 31.4% to 22.6%), following the latter’s merger with UASC in May 2017, which amounted to a loss of US$167.2 million in 2Q 2017. On the other hand, CSAV’s share in Hapag-Lloyd’s results for the quarter, adjusted by CSAV’s fair value accounting of this investment and including badwill generated by CSAV’s additional 0.4% stake in Hapag-Lloyd acquired during the current quarter (increasing its total stake from 25.46% as of March 2018 to 25.86% as of June 2018), amounted to a loss of US$20.6 million in 2Q 2018, compared to a gain of US$7.4 million in 2Q 2017. Hapag-Lloyd reported a net loss of US$85 million in the second quarter of 2018, declining from net income of US$16 million in 2Q 2017. Hapag-Lloyd’s revenue increased 27.5%, boosted by 30.6% growth in transported volumes, owing mainly to the merger with UASC, partially offset by a decline of 5.8% in average freight rates, reflecting ongoing competition and the integration of UASC, which had a lower overall freight rate level. Thus, Hapag-Lloyd’s EBIT reached a gain of US$41 million in 2Q 2018, 55.3% below the gain of US$92 million reported in 2Q 2017. EBITDA amounted to US$245 million, down by 3.1% from 2Q 2017, with the EBITDA margin reaching 7.3%. At the non-operating level, the German shipping company reported higher financial costs, due to the addition of UASC’s debt.

CSAV reported a net loss of US$10.7 million in 2Q 2018, compared to a net loss of US$179.3 million in 2Q 2017, primarily due to the dilution accounting loss reported in the previous quarter explained above, and to a lesser extent, an income tax credit in the current quarter compared to income tax expense in 2Q 2017, slightly offset by a lower operating result in 2Q 2018 and CSAV’s share in Hapag-Lloyd’s quarterly results.

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PORT SERVICES SEGMENT

The following table details the contribution of the investments in the Port Services Segment during 2017 and 2018 to Quiñenco's net income:

	2Q 17		2Q 18	
	MCh$	MUS$	MCh$	MUS$
SM SAAM	12,357	19.0	3,452	5.3
Total Port Services Segment	12,357	19.0	3,452	5.3

As of June 30, 2017 and 2018, 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 2Q 2017 and 2Q 2018 the adjustment was a lower result of Ch$390 million.

SM SAAM

	2Q 17		2Q 18		2Q 17	2Q 18
	MCh$	MUS$	MCh$	MUS$	ThUS$	ThUS$
Sales	76,466	117.4	80,770	124.0	115,143	**130,071**
Operating income	53,626	82.3	12,779	19.6	80,043	**20,507**
Net income controller	23,647	36.3	7,359	11.3	35,292	**11,873**
Total assets			922,690	1,416.9		**1,416,886**
Shareholders' equity			495,905	761.5		**761,512**

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.

2Q 2018 Results

In the second quarter of 2018 SM SAAM's consolidated sales reached US$130.1 million, up by 13.0% from 2Q 2017, primarily explained by higher revenues from port terminals and, to a lesser extent, from tug boats, partially offset by lower revenues from logistics Chile. Revenues from port terminals increased a strong 28.0%, primarily reflecting strong growth in volumes transferred, particularly at Guayaquil (TPG), based on new contracts signed in 2017 Revenues from tug boats increased 7.6% mostly explained by increased special maneuvers. Revenues from logistics, however, decreased 17.3% mainly owing to the restructuring process of the division. Consolidated revenues can be broken down as follows: Ports (52.5%), Tug boats (36.9%), Logistics (11.1%), and Corporate[7] (-0.5%).

[7] Corporate also includes eliminations and others.

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Gross income amounted to US$38.3 million, 24.5% higher than 2Q 2017, explained mostly by higher gross income of port terminals and tug boats, along with stable gross income at logistics. During 2Q 2018 operating income amounted to US$20.5 million, well below the gain reported in 2Q 2017, primarily explained by the non-recurring gain of US$70 million on the sale of SM SAAM's stake in Tramarsa in 2Q 2017. However, operating income at port terminals and tug boats increased with respect to 2Q 2017. SM SAAM's consolidated EBITDA[8] reached US$37.3 million in 2Q 2018, 26.5% higher than the same period in 2017, mainly attributable to the port terminals segment, and, to a lesser extent, to tug boats and logistics.

Non-operating income for the quarter amounted practically to zero, compared to a gain of US$1.3 million in 2Q 2017. This reduction is mainly explained by the lower results of SM SAAM's affiliates, mostly due to the sale of SM SAAM's stake in Tramarsa in April 2017, and lower results of the tug boats segment in Brazil, partly offset by improved results in port terminals and logistics, the latter reflecting better results in airport services.

SM SAAM reported a net gain of US$11.9 million in 2Q 2018, down by 66.4% from 2Q 2017, mainly due to the non-recurring gain of US$30.5 million after taxes from the sale of SM SAAM's minority stake in Tramarsa (Peru) in 2Q 2017, partially offset by favorable performance of the port terminals and tug boats segments, compensating the absence of activities in Peru following the sale of Tramarsa.

[8] Corresponds to EBITDA reported by SM SAAM.

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OTHER SEGMENT

The following table details the contribution from investments in the Segment Other during 2017 and 2018 to Quiñenco's net income:

	2Q 17		2Q 18	
	MCh$	MUS$	MCh$	MUS$
IRSA (CCU) [9]	1,884	2.9	49,437	75.9
Quiñenco & other	(9,220)	(14.2)	(5,690)	(8.7)
Total Other Segment	**(7,335)**	**(11.3)**	**43,747**	**67.2**

As of June 30, 2017 and 2018, Quiñenco's ownership of CCU was 30.0%.

CCU

	2Q 17		2Q 18	
	MCh$	MUS$	MCh$	MUS$
Sales	345,043	529.8	**372,170**	571.5
Operating income	20,988	32.2	**248,615**	381.8
Net income controller	8,455	13.0	**165,926**	254.8
Total assets			**2,104,608**	3,231.8
Shareholders' equity			**1,162,206**	1,784.7

2Q 2018 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 and Paraguay. Wine includes the commercialization of wine, mainly in the export market. CCU's sales in the second quarter of 2018 grew by 7.9% compared to the second quarter of 2017, as a result of 13.5% growth in consolidated sales volumes, driven by the International Business segment, partially offset by 5.0% lower average prices in terms of Chilean pesos. Sales growth was led by the International Business operating segment, with an 11.4% increment, given a strong 29.3% rise in volumes, boosted mostly by Argentina, offsetting 13.8% lower average prices, mostly explained by the 59% depreciation of the Argentine peso against the Chilean peso. The Chile segment posted 8.3% growth in sales reflecting a 9.2% increase in volumes, based on favorable weather, positive consumer confidence and marketing initiatives, more than compensating a slight 0.8% decline in average prices. The Wine segment also posted an increase, with sales up 1.8%, based on 1.0% higher volumes and 0.7% higher average prices.

Gross income rose by 5.8% to Ch$185,704 million, boosted by higher gross income in the Chile segment, mainly due to sales growth and cost efficiencies, and, to a lesser extent, the International Business segment, despite the negative

[9] Corresponds to Quiñenco's proportionate share of CCU's net income, prepared in accordance with IFRS.

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effect on costs of the depreciation of the Argentine peso during the period. Gross income from the Wine segment, however, decreased mainly due to a higher cost of wine following weak harvests. The gross margin as a percentage of sales decreased from 50.9% in 2Q 2017 to 49.9% in 2Q 2018.

Operating income reached Ch$248,615 million, increasing substantially from 2Q 2017, primarily explained by a non-recurring gain of Ch$213,400 million, related to the early termination of the Budweiser license in Argentina. In terms of the operating segments, the Chile and International Business segments posted improved operating income in the current quarter, following growth in gross income together with efficiencies from the ExCCelencia CCU program and dilution of fixed expenses, thanks to volume growth. In the Wine segment, however, operating income decreased. EBITDA[10] amounted to Ch$266,425 million in 2Q 2018, increasing significantly from 2Q 2017.

CCU reported a non-operating gain of Ch$3,828 million, which compares favorably with the loss of Ch$7,769 million reported in 2Q 2017. The variation is mainly explained by a more favorable result from exchange rate differences, and to a lesser extent, greater financial income, slightly offset by higher losses of equity investments.

Net income for the second quarter of 2018 amounted to Ch$165,926 million, substantially higher than the same quarter in 2017, primarily due to the after-tax non-recurring gain of Ch$153,496 million, related to the early termination of the Budweiser license in Argentina, together with improved operating performance of the Chile and International Business segments and, to a lesser extent, better non-operating results.

QUIÑENCO and Others

The lower loss of Quiñenco and others is mainly explained at the corporate level by a higher income tax credit in the current quarter, partially offset by lower financial income. Banchile Vida also contributed with an increment of 4.4% in its net income, with respect to the same period in 2017, mostly explained by higher operating income.

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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:

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[10] EBITDA corresponds to EBITDA reported by CCU.

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