

# Other investments

## Entel

Since 1999 Quiñenco has been a shareholder in Entel, the main provider of mobile telephony in the country and the second-largest telecommunications group, with more than four million mobile, long-distance and internet clients.

In 2004, Entel reported a net profit of Ch\$47,364 million, 5.7% of which corresponded to Quiñenco's proportionate share.

## Habitaria

Habitaria is a real estate development company created in 1998 through a joint venture between Quiñenco and Ferrovial Inmobiliaria Chile Ltda, an indirect subsidiary of Ferrovial Inmobiliaria S.A. of Spain.

Habitaria, focused on completing projects started in previous years, made no new investments in land for future development during 2004. It reported a net loss of Ch\$8,609 million, mainly due to a write-down of the value of several property developments, 50% of which was booked by Quiñenco. At the end of 2004, Habitaria had 180 apartments ready for sale.

## Indalsa

Since the sale of Lucchetti Chile at the beginning of 2004, the main activity at Indalsa, which is 97% controlled by Quiñenco, has been its joint venture with CCU in Calaf, a cookie and candy manufacturer.

After closing its Peruvian business (Lucchetti Perú) in January 2003, Indalsa spent 2004 disposing of remaining assets. In February 2005, the arbitration court CIADI declared itself without jurisdiction to rule on a lawsuit for damages filed by Indalsa against the Republic of Peru. As a result, Indalsa booked a Ch\$2,381 million provision against accounts receivable from Lucchetti Perú.

In 2004, Indalsa reported a Ch\$4,107 million net loss, due mainly to the winding-up of Lucchetti Perú. The total loss was partially offset by a gain on the sale of Lucchetti Chile for Ch\$2,946 million.

## Hoteles Carrera

Hoteles Carrera, a subsidiary controlled 90% by Quiñenco, has one hotel in Concepción following the sale of the flagship Hotel Carrera in Santiago in 2003. During 2004, it also ceased to rent and manage the three hotels located in the north of the country. In 2004, Hoteles Carrera reported a net loss of Ch\$248 million.



## Almacenes Paris

In October 2004, Quiñenco, through its Inversiones Río Azul subsidiary, bought an 11.4% stake in Almacenes Paris, a department store chain. As one of the largest department store chains in the country, Almacenes Paris boasts a presence in most of Chile's shopping malls. It also has 3 million credit cards in circulation, an insurance broker, travel agency and, more recently, a financial services business called Banco Paris.

The investment is accounted for on a lower of cost or market basis as of December 31, 2004.