FOR IMMEDIATE RELEASE

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QUIÑENCO S.A. ANNOUNCES CONSOLIDATED RESULTS FOR THE SECOND QUARTER OF 2000

(Santiago, Chile, August 9, 2000) Quiñenco S.A. (LQ:NYSE), a leading business conglomerate in the Southern Cone, announced today its consolidated financial results in Chilean GAAP, for the second quarter ended June 30, 2000. Results will be discussed by Quiñenco´s senior management in a conference call on Wednesday, August 16th at 11:00 a.m. (EST and Santiago time).

Financial results are presented in accordance with Chilean GAAP. All figures are presented in constant Chilean pesos and have been adjusted to reflect the effects of inflation (3.6% year-over-year). Figures in US$ have been converted from Chilean pesos (Ch$) at the observed exchange rate at June 30, 2000 (Ch$538.62 = US$1.00) and are provided for the convenience of the reader only.

SECOND QUARTER 2000 HIGHLIGHTS AND SUBSEQUENT EVENTS

Quiñenco holding

Quiñenco informed the Chilean Superintendency of Securities and Insurance on August 3rd of its intention to create a new subsidiary which will serve as a holding company for Quiñenco's investments in the financial services sector. This subsidiary will be formed as part of an internal organization process.

Quiñenco's stake in **Banco de Chile** was increased from 11.02% as of March 31, 1999 to 12.28% as of June 30, 2000.

On April 16th , Quiñenco completed its tender offer of **Plava Laguna**, Croatia's largest chain of hotels and resorts located on the Adriatic Sea. Quiñenco acquired an additional 23.74% interest for US$16.5 million. This brings Quiñenco's stake to 39.42%, representing a total investment of US$27.5 million.

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Quiñenco paid a final dividend of Ch$44.5 per share (Ch$445.4/ADS), representing 30% of 1999's net income, on May 10, 2000.

CCU

CCU announced on August 9th that it had an agreement had been reached between CCU Argentina and Anheuser-Busch to export Budweiser from Argentina to the Southern Cone of Latin America.

On July 31, 2000, CCU announced that it had contracted Booz-Allen and Hamilton Consultants to assist in a company-wide cost reduction program in order to achieve greater efficiencies in the face of anticipated greater competition in its main business segments. The cost reduction program will be divided in three phases, the first of which is near completion and aims to reduce expenses by nearly Ch$3,500 million per year.

Banco Edwards

Banco Edward's factoring subsidiary initiated its activities in April. Through this subsidiary, Banco Edwards aims to fortify and diversify the Bank's income sources as well as complement the existing portfolio of products and services.

Madeco

On April 25, 2000, Madeco carried out a capital increase amounting to Ch$6,485 million (15,082,339 shares at Ch$430/share; historical value) on the Santiago Stock Exchange. Quiñenco subscribed to 7,021,522 shares.

Habitaria

During the second quarter of 2000, Habitaria carried out a capital increase of approximately Ch$4,628 million. Quiñenco and its joint venture partner, Ferrovial, each suscribed to 50% of the total increase.

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FINANCIAL SUMMARY

Net Income Breakdown (in millions of Ch$ as of 6/30/2000)*

Sector/Company	Quiñenco's ownership % at 6/30/2000	2Q 1999	1Q 2000	2Q 2000	YTD 1999	YTD 2000
Manufacturing:						
Madeco (1)	56.11%	(3,379)	(2,847)	(2,461)	(9,280)	(5,308)
Telecommunications:						
VTR (3)	100.0%	31,255	-	-	30,661	-
Telsur (1)	73.56%	1,066	1,085	1,155	1,697	2,241
Entel (2)	14.53%	(42)	918	797	(405)	1,715
Food & Beverage:						
Lucchetti (1)	86.97%	(1,859)	(840)	(892)	(4,540)	(1,732)
CCU (1)	30.79%	259	3,705	(615)	5,040	3,090
Financial:						
Banco Edwards (1)	51.18%	-	2,064	(4,592)	-	(2,529)
Banco de Chile (2)	12.28%	-	-	1,352	-	1,352
OHCH (4)	-	-	-	-	(730)	-
Real estate/hotel admin.:						
Carrera (1)	90.78%	(239)	38	(479)	(423)	(440)
Habitaria (1)	50.00%	(37)	(129)	(130)	(133)	(259)
Total operating companies		27,024	3,994	(5,864)	21,887	(1,870)
Quiñenco & intermediate holding companies		151,623	(5,298)	404	149,898	(4,894)
Total		**178,647**	**(1,304)**	**(5,460)**	**171,785**	**(6,764)**

* The figures provided in the above table correspond to Quiñenco's proportional share of each company's net income (loss).

(1) Operating company in which Quiñenco has direct control or indirect control through strategic partnerships.

(2) Operating company in which Quiñenco holds a minority interest.

(3) VTR's results include the gain on the sale of the cable TV business unit in 2Q 1999; thereafter, VTR's only activity is its investment in Telsur.

(4) OHCH was sold in the second quarter of 1999; the corresponding after tax net gain on its sale was Ch$140,399 million is included with Quiñenco and intermediate holding companies in the above table.

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Net Income - Second Quarter
Quiñenco reported a net loss for the second quarter of 2000 which amounted to Ch$5,460 million (US$10.1 million), compared to a net profit of Ch$178,647 million (US$331.7 million) in the second quarter of 1999. Fiscal year 99's second quarter results were highly influenced by extraordinary gains related to the divestiture of OHCH which totaled Ch$140,399 million (US$260.7 million),(included in above table with Quiñenco and intermediate holding companies).

Quiñenco's main operating companies reported a net loss during the second quarter of 2000 which amounted to Ch$5,864 million (US$10.9 million), compared to a net profit of Ch$27,024 million (US$50.2 million) during the second quarter of 1999. 1999's results from operating companies included the sale of VTR's cable TV business unit (Hipercable) which produced an extraordinary gain during that period of Ch$35,625 million (US$66.1 million). Likewise, since Madeco and Telsur also held minority stakes in Hipercable, the sale of this unit also influenced their results for the period.

When isolating the effect of the gain on sale of Hipercable on 1999 results, the second quarter of 2000 compares favorably with the second quarter of 1999, showing a decrease in losses from operating companies of 31.8%.

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Consolidated Income Statement Breakdown (in millions of Ch$ as of 6/30/2000)

	2Q 1999	1Q 2000	2Q 2000	YTD 1999	YTD 2000
Revenues					
Madeco	70,037	66,259	70,924	127,809	137,183
Lucchetti	23,720	22,169	26,481	42,690	48,650
VTR	10,396	9,820	10,016	35,539	19,836
Carrera	1,391	2,120	1,443	2,875	3,562
Quiñenco	332	628	679	963	1,307
Total	**105,876**	**100,996**	**109,543**	**209,876**	**210,538**
Operating income (loss)					
Madeco	(1,081)	666	1,858	1,599	2,524
Lucchetti	(372)	1,001	2,013	(1,475)	3,015
VTR	(7,946)	2,538	2,656	(4,645)	5,194
Carrera	(82)	210	(347)	(83)	(137)
Quiñenco	(3,027)	(2,041)	(2,237)	(4,721)	(4,278)
Total	**(12,508)**	**2,374**	**3,943**	**(9,325)**	**6,318**
Non-operating income (loss)					
Interest income	5,520	3,061	1,978	10,556	5,039
Share of net income/loss from related co:					
CCU	259	3,705	(615)	5,040	3,090
Banco Edwards	-	2,064	(4,592)	-	(2,529)
Habitaria	(37)	(129)	(130)	(133)	(259)
Entel	-	918	797	-	1,715
Banco de Chile	-	-	1,352	-	1,352
Other equity inv.	2,047	169	(241)	731	(71)
Other non-op income	242,648	3,546	(1,813)	245,054	1,733
Amort. of GW expense	(1,324)	(1,756)	(2,175)	(2,639)	(3,931)
Interest expense	(10,408)	(8,041)	(8,739)	(22,628)	(16,779)
Other non-op expenses	(14,730)	(7,311)	4,966	(15,675)	(2,346)
Price-level restatement	18,869	(2,269)	(936)	6,335	(3,205)
Total	**242,844**	**(6,043)**	**(10,148)**	**226,641**	**(16,191)**
Income Tax	(25,547)	241	(1,409)	(26,237)	(1,168)
Minority Interest	(26,351)	1,727	1,806	(19,596)	3,532
Amort. of neg. GW	210	397	348	303	745
Net income	**178,647**	**(1,304)**	**(5,460)**	**171,785**	**(6,764)**

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Revenues – Second Quarter
Consolidated revenues for the second quarter of 2000 were Ch$109,542 million (US$203.4 million), slightly higher than the Ch$105,876 million (US$196.6 million) registered in the second quarter of 1999, mainly due to higher sales at Lucchetti, resulting from an improvement in the sales level of its Peruvian operations.

Operating Income - Second Quarter
Operating income for the second quarter of 2000 amounted to Ch$3,943 million (US$7.3 million), comparing favorably with the operating losses of Ch$12,508 million (US$23.2 million) registered in the second quarter of 1999. The improvement in operating results is primarily due to Telsur, whose results were negatively impacted in second quarter 1999 by an extraordinary depreciation charge to results related to a change in the estimated lives of its fixed assets. Additionally, Madeco and Lucchetti showed important advances in their quarterly results, having reverted the operating losses reported in the same period of 1999.

Non-Operating Results - Second Quarter
Quiñenco reported non-operating losses of Ch$9,800 million (US$18.2 million) in the second quarter of 2000, compared to non-operating income of Ch$243,053 million (US$451.3 million) during the same period in 1999. The variance in results during the two periods is mostly attributable to the extraordinary gains reported in 1999 in connection with the sale of OHCH and the cable TV business unit (Hipercable).

During the second quarter of 2000, Quiñenco reported price-level restatement losses of Ch$936 million (US$1.7 million), compared to price-level restatement gains of Ch$18,869 million (US$35.0 million).The variance between the two periods is also related (indirectly) to the aforementioned asset divestiture transactions. In 1999, proceeds from the sale of the business units were temporarily invested in US dollars which appreciated vis-a-vis the Chilean peso during the second quarter of 1999, producing price-level restatement gains in that period.

Income Taxes
Income taxes reported during 2Q 2000 were Ch$1,409 million (US$2.6 million), compared to Ch$25,547 million (US$47.4 million) during the same period in 1999. In 1999, the level of income taxes reported mainly corresponded to tax obligations arising from the sale of OHCH and Hipercable.

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Condensed Balance Sheet (in millions of Ch$ as of 6/30/2000)			
Quiñenco	As of 6/30/99	As of 6/30/2000	As of 3/31/2000
Current assets	693,659	234,201	330,639
Fixed assets	435,156	424,703	420,702
Other assets	236,904	550,555	523,100
Total	1,365,720	1,209,459	1,274,441
Current liabilities	291,677	279,357	270,357
Long-term liabilities	274,895	204,940	234,007
Minority interest	114,470	101,664	97,606
Shareholders' equity	684,678	623,498	672,471
Total	1,365,720	1,209,459	1,274,441

CONSOLIDATED BALANCE SHEET ANALYSIS (vis-a-vis the 1st quarter of 2000)

As of June 30, 2000, financial debt at the corporate level was approximately US$117 million . As of the same date, cash and cash equivalents amounted to approximately US$28 million. The debt to total capitalization ratio at the corporate level was 9.2%.

Current Assets
Current assets decreased 29.2% compared to the first quarter of 2000, mainly due to a lower level of current assets at the holding level as a result of the payment of dividends during 2Q 2000, tax payments made in connection with 1999 tax obligations, as well as additional investment in Banco de Chile shares during the period.

Fixed Assets
Fixed assets increased by 1.0% compared to the first quarter of 2000, mainly due to investments carried out by Madeco during the period.

Other Assets
Other Assets increased 5.2% compared to the first quarter of 2000, mainly due to investments carried out at the holding level.

Current Liabilities
Current liabilities increased 3.3 % compared to the first quarter of 2000, principally due to an increase in short term debt at Madeco as part of its debt restructuring program, partially compensated by a reduction in short term debt at Lucchetti and at the corporate level.

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Long-term Liabilities
Long-term liabilities were reduced by 12.4% compared to the first quarter of 2000, mainly due to the aforementioned debt restructuring carried out by Madeco.

Minority Interest
Minority interest increased 4.2% compared to the first quarter of 2000, as a result of higher minority interest associated with Madeco, as a result of its capital increase in April of 2000.

Equity
Equity decreased by 7.3% compared to the first quarter of 2000, mainly due to dividend payments made in the second quarter.

RETURN ON CAPITAL EMPLOYED (ROCE)

With the aim of focusing on creating value for Quiñenco's shareholders as well as an indicative measurement of operating company results, the following table indicates the return on capital employed (ROCE) of each of Quiñenco's main operating companies:

Operating Companies	Notes	ROCE (1) (%)
Madeco		(3.4%)
Telsur		10.1%
Lucchetti		1.1%
Carrera		(4.4%)
CCU		8.4%
Habitaria	(2)	n.a.

(1) Adjusted operating return over capital employed for the last 12 months (3/31/99 to 3/31/2000).
(2) For purposes of this analysis, Habitaria is not included due to its start-up nature.

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SECTOR /OPERATING COMPANY ANALYSIS

The following table details Quiñenco's proportional share of income from investments in the manufacturing sector during 1999 and 2000:

(in millions of Ch$ as of 6/30/2000)

Sector	MANUFACTURING						
Company	Ownership %	1Q 1999	2Q 1999	**YTD 1999**	1Q 2000	2Q 2000	**YTD 2000**
Madeco	56.11%	(5,900)	(3,379)	(9,280)	(2,847)	(2,461)	(5,308)

MADECO

(in millions of Ch$ as of 6/30/2000)

	2Q 1999	1Q 2000	2Q 2000	YTD 1999	YTD 2000
Sales	70,037	66,259	70,924	127,809	137,183
Operating income (loss)	(1,081)	666	1,858	1,599	2,524
Net Income (loss)	(5,981)	(5,039)	(4,386)	(16,424)	(9,425)
Total assets	461,653	397,746	409,388		
Shareholders' equity	191,028	145,183	153,930		

Second Quarter Results

Madeco's sales level in the second quarter of 2000 increased by 1.3% to Ch$70,924 million (US$131.7 million), evidencing a weak recovery of activity in Madeco's main markets. Nonetheless, economy recovery has been slower than anticipated, and activity remains sluggish when compared to its pre-recession level.

Operating results, which reached Ch$1,858 million (US$3.4 million) show strong improvement over the losses reported in the same period in 1999, although the operating margin as a percentage of sales of 2.6% is still far below historic margins. Madeco's wire and cable segment continue to generate operating losses which has impacted the Company's overall level of profitability. The Company has managed however, to make important strides in its cost reduction program, implemented during 1999.

Madeco's net loss in the second quarter was reduced by 26.7% compared to the net loss reported in the same period in 1999, mainly attributable to the aforementioned improvement in operating results.

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The following table details Quiñenco's proportional share of income from investments in the telecommunications sector during 1999 and 2000:

(in millions of Ch$ as of 6/30/2000)

Sector	TELECOMMUNICATIONS						
Company	Ownership %	1Q 1999	2Q 1999	**YTD 1999**	1Q 2000	2Q 2000	**YTD 2000**
VTR	100.00%	(594)	31,255	30,661	-	-	-
Telsur	73.56%	631	1,066	1,697	1,085	1,155	2,241
Entel	14.53%	(363)	(42)	(405)	918	797	1,715

TELSUR

(in millions of Ch$ as of 6/30/2000)

	2Q 1999	1Q 2000	2Q 2000	YTD 1999	YTD 2000
Sales	10,569	9,820	10,016	21,641	19,836
Operating income (loss)	(4,229)	2,538	2,656	(500)	5,194
Net Income (loss)	3,133	1,475	1,571	4,985	3,046
Total assets	105,722	108,300	106,583		
Shareholders' equity	48,171	51,520	50,202		

Second Quarter Results

Telsur's sales in the second quarter of 2000 were Ch$10,016 million (US$18.6 million), a 5.2% decrease from the same period in 1999, as a result of the new tariff structure implemented in the fourth quarter of 1999.

Operating profits showed significant improvement in the second quarter of 2000, having reverted the operating losses reported in the second quarter of 1999 which were the result of extraordinary depreciation charges related to adjustments in the estimated useful lives of the Company's fixed assets. Although the effect of the reduction in the tariff structure has an effect on margins, the Company has been able to partially offset this effect by implementing a cost reduction plan (salary expense, transmission costs, among others).

The net profit obtained during the period is 49.9% lower than in the same period in 1999, mainly because in 1999, net profits included the sale of Telsur's direct interest in Hipercable, partially offset by the aforementioned extraordinary depreciation charges.

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The following table details Quiñenco's proportional share of income from investments in the food & beverage sector during 1999 and 2000:

(in millions of Ch$ as of 6/30/2000)

Sector	FOOD & BEVERAGE						
Company	Ownership %	1Q 1999	2Q 1999	**YTD 1999**	1Q 2000	2Q 2000	**YTD 2000**
Lucchetti	86.97%	(2,681)	(1,859)	(4,540)	(840)	(892)	(1,732)
CCU	30.79%	4,781	259	5,040	3,705	(615)	3,090

LUCCHETTI

(in millions of Ch$ as of 6/30/2000)

	2Q 1999	1Q 2000	2Q 2000	YTD 1999	YTD 2000
Sales	23,720	22,169	26,481	42,690	48,650
Operating income (loss)	(372)	1,001	2,013	(1,475)	3,015
Net Income (loss)	(2,274)	(965)	(1,026)	(6,030)	(1,991)
Total assets	153,358	144,342	143,403		
Shareholders' equity	33,527	41,928	42,345		

Second Quarter Results

Lucchetti's sales for the second quarter of 2000 increased by 11.6% versus the same period in 1999, mainly due to higher sales at Lucchetti's Peruvian operations. The Peruvian operations improved during the period as a result of higher average pasta prices and income obtained from the distribution of third party products. This improvement in the consolidated sales level, however, was partially offset by lower sales corresponding to Lucchetti's Chilean operations.

The operating losses obtained in the second quarter of 1999 were reversed in the second quarter of 2000. Lucchetti reported operating profits of Ch$2,013 million (US$3.7 million), attributable to an improvement in margins generated in the Peruvian operations as a consequence of the higher prices obtained for its pasta products. Additionally, Lucchetti's operating results benefited from a company-wide cost reduction plan implemented by management in all of its operations, in particular, the Chilean operation.

Even though Lucchetti reported a net loss for the period, its net loss for the second quarter was reduced by 54.9% compared to the second quarter of 1999, mainly due to the aforementioned improvements at the operational level, partially offset by price-level restatement losses at the non-operational level.

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CCU

(in millions of Ch$ as of 6/30/2000)

	2Q 1999	1Q 2000	2Q 2000	YTD 1999	YTD 2000
Sales	57,242	83,102	61,327	137,929	144,429
Operating income (loss)	218	15,375	(1,565)	18,161	13,810
Net Income (loss)	845	12,053	(2,017)	16,149	10,036
Total assets	594,230	584,298	584,897		
Shareholders' equity	370,227	396,272	384,244		

Second Quarter Results

CCU's sales in the second quarter of 2000 increased by 7.1% compared to the first quarter of 1999, mainly due to an 8% increase in volumes sold, mainly in the soft drink and export wine segments.

CCU reported an operating loss for the second quarter, these results varying slightly from those obtained during the second quarter of 1999 when CCU reported a small operating profit. Higher SG&A expenses, which included non-recurring charges, contributed to the operating loss position for the quarter.

The net loss reported in the second quarter of 2000 of Ch$2,017 million (US$3.7 million) was attributable to the aforementioned operating losses as well as higher non-operating losses incurred during the period as a result of lower interest income earned.

The following table details Quiñenco's proportional share of income from investments in the financial services sector during 1999 and 2000:

(in millions of Ch$ as of 6/30/2000)

Sector	FINANCIAL SERVICES						
Company	Ownership %	1Q 1999	2Q 1999	**YTD 1999**	1Q 2000	2Q 2000	**YTD 2000**
Banco Edwards	51.18%	-	-	-	2,064	(4,592)	(2,529)
Banco de Chile (1)	12.28%	-	-	-	-	1,352	1,352
OHCH (2)	-	(730)	-	(730)	-	-	-

1) Until March 31, 2000, the investment in Banco de Chile was accounted for as a long-term investment under the lower of cost or market method. As of June 30, 2000, this investment is being accounted for under the equity method. Quiñenco has applied the equity method retroactively for the period between January and June, as allowed under Chilean GAAP, producing a one-time gain of Ch$3,478 million, included with non-operating results.
2) OHCH was divested in 2Q 1999.

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BANCO EDWARDS

(in millions of Ch$ as of 6/30/2000)

	2Q 1999	1Q 2000	2Q 2000	YTD 1999	YTD 2000
Operating revenues	32,114	32,067	29,959	63,625	61,573
Provision for loan losses	(8,785)	(5,935)	(16,956)	(19,248)	(22,807)
Operating expenses	(17,145)	(18,367)	(20,072)	(33,338)	(38,180)
Net Income (loss)	4,708	4,034	(8,917)	8,514	(4,941)
Loan portfolio	1,980,610	2,039,289	2,092,815		
Total assets	2,486,783	2,538,995	2,693,823		
Shareholders' equity	159,102	220,131	211,148		

Second Quarter Results

Banco Edwards reported a net loss for the second quarter of 2000 which amounted to Ch$8,917 million (US$16.6 million), compared to net income of Ch$4,708 million (US$8.7 million). The net loss incurred during the period was due to provisions made in April 2000 for loan losses and charge-offs on assets received in lieu of payment.

As of June 2000, the Bank's loan portfolio showed an overall recovery in its expansion level, having grown 2.6% during the second quarter. Loan expansion was strongest in contingent and foreign trade loans associated with the corporate banking sector. Mortgage and other outstanding loans also showed significant growth of 4.1% and 4.6%, respectively. In terms of segments, the corporate and the high-income individual segments recorded growth rates superior to 15% (on an annual basis).

The following table details Quiñenco's proportional share of income from investments in the real estate/hotel administration sector during 1999 and 2000:

(in millions of Ch$ as of 6/30/2000)

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Sector	REAL ESTATE/HOTEL ADMINISTRATION						
Company	Ownership %	1Q 1999	2Q 1999	**YTD 1999**	1Q 2000	2Q 2000	**YTD 2000**
Hoteles Carrera	90.78%	(184)	(239)	(423)	38	(479)	(440)
Habitaria	50.00%	(97)	(37)	(133)	(129)	(130)	(259)

HOTELES CARRERA

(in millions of Ch$ as of 6/30/2000)

	2Q 1999	1Q 2000	2Q 2000	YTD 1999	YTD 2000
Sales	1,391	2,120	1,443	2,875	3,562
Operating income (loss)	(82)	210	(347)	(83)	(137)
Net Income (loss)	(263)	42	(527)	(466)	(485)
Total assets	23,080	24,217	23,589		
Shareholders' equity	14,799	14,352	13,822		

Second Quarter Results

Carrera's sales revenues increased by 4.3% during the second quarter of 2000 due to the incorporation of the new hotels in Iquique and Antofagasta, which were put into service during 1999, partially offset by a decrease in revenues earned in the Santiago Hotel Carrera. Carrera is facing increasing competition and weak demand which has negatively affected its occupancy rates and average daily rates.

Hoteles Carrera reported an operating loss during the second quarter of 2000 of Ch$347 million (US$0.6 million), showing a significant decrease compared to the same period in 1999. This is explained by the lower revenue level corresponding to the Santiago Hotel Carrera as well as operating losses generated by the new hotels in Iquique and Antofagasta which have not yet broken even on an operational basis.

The aforementioned factors translated into a net loss for the second quarter of 2000 of Ch$527 million (US$1.0 million).

HABITARIA

(in millions of Ch$ as of 6/30/2000)

	2Q 1999	1Q 2000	2Q 2000	YTD 1999	YTD 2000

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Sales	-	262	1,166	-	1,428
Operating income (loss)	(207)	(266)	(213)	(421)	(478)
Net Income (loss)	(73)	(259)	(260)	(267)	(519)
Total assets	16,396	33,801	35,897		
Shareholders' equity	9,083	8,996	12,629		

Second Quarter Results

During the second quarter of 2000, Habitaria recorded a net loss of Ch$260 million (US$0.5 million). Since Habitaria recognizes income related to the sale of its apartments upon complete delivery, quarterly revenues may not fully reflect apartments sold under agreement during the period, and to a certain extent, earnings may reflect a mis-matching of revenues and expenses. Nonetheless, the slower than expected economic recovery in the real estate sector has also impacted the sales pace for the entire sector during 2Q 2000.

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