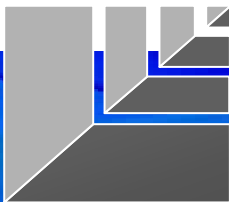




QUIÑENCO S.A.



May 2010



- Overview
- Financial Results
- Recent Events
- Main Operating Companies
- Summary & Highlights





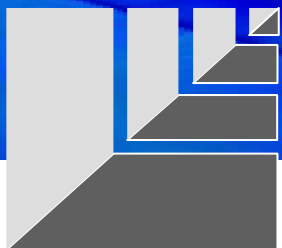
# OVERVIEW QUIÑENCO HOLDING

# Quiñenco Group of Companies



**MADECO**

- Quiñenco is one of Chile's largest business conglomerates with US\$39.9 billion in assets under management
- Companies managed by Quiñenco generated sales revenue of US\$4 billion in 2009
- The Quiñenco group of companies employs over 22,000 people in Chile and abroad



# Quiñenco - Attractive Fundamentals

## Dominant position in its markets

- Quiñenco's companies are leaders in their respective industries

## Proven track record in value creation

- Holding has a proven track record in value creation evidenced by sales of investments of approx. US\$3.0 bln and gains on sale of US\$1.4 bln over the last 12 years

## Sound financial position

- Healthy debt level and strong cash position

## Controlling interests in its investments

- Quiñenco currently holds a controlling interest in all of its investments

## Diversified Chile risk

- Quiñenco's holdings are diversified in three key sectors in the Chilean economy

# Ownership Structure

Mining  
Antofagasta plc

**Luksic Group**

83%

**QUIÑENCO**  
Industrial/ Financial Services

**Chilean Stock  
Exchanges**

17%

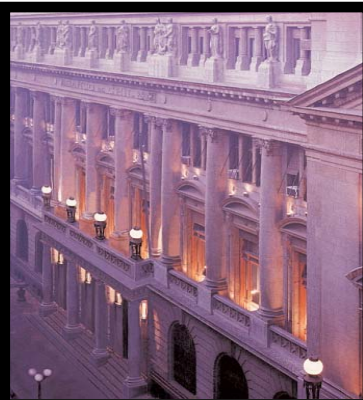
Market Capitalization: US\$2.8 billion

As of May 31, 2010



# Quiñenco: Main Operating Companies

61.7%



Banco de Chile

Mkt Cap: US\$8.3 bln

- 2nd ranked bank
- Merged with Citibank Chile on 1/1/08
- Controlled through Shareholders agreement with Citigroup

Control %  
66.1%



CCU

Mkt Cap: US\$2.6 bln

- N°1 beer producer with 86% market share
- Largest beverage producer in Chile
- Jointly controlled with Heineken

47.7%



Madeco

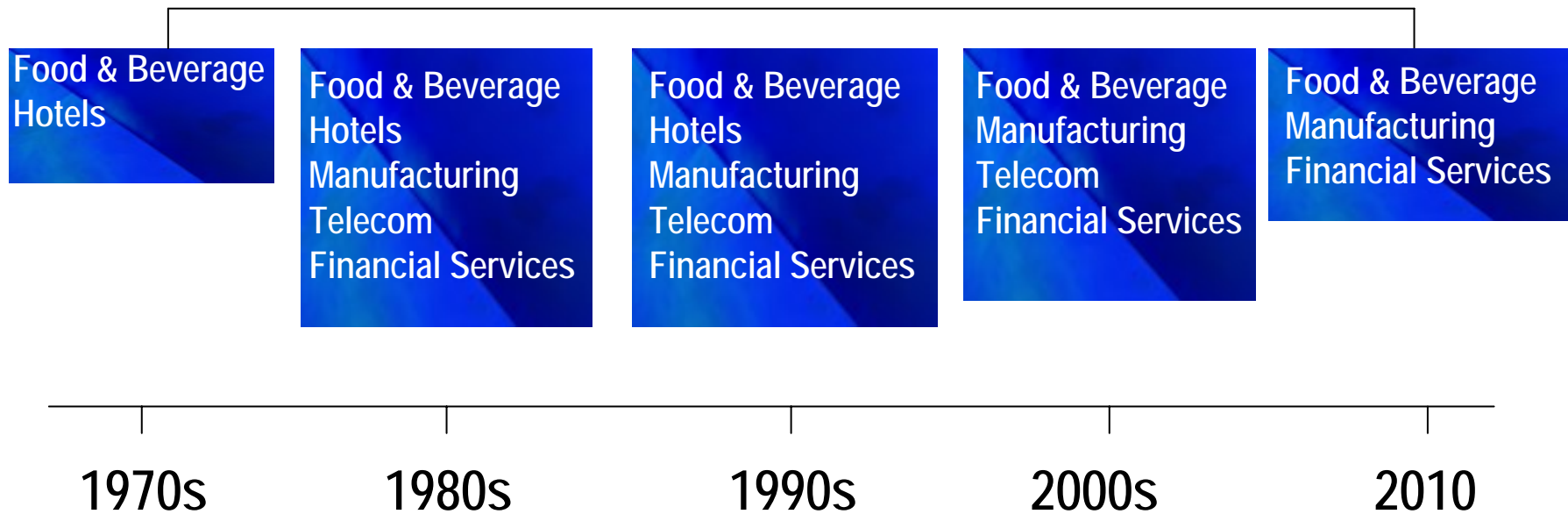
Mkt Cap: US\$297 mln

- Manufacturer of copper & aluminum and flexible packaging products
- Main shareholder of French cable producer Nexans

Note: Based on market data as of May 31, 2010



# Focused Diversification

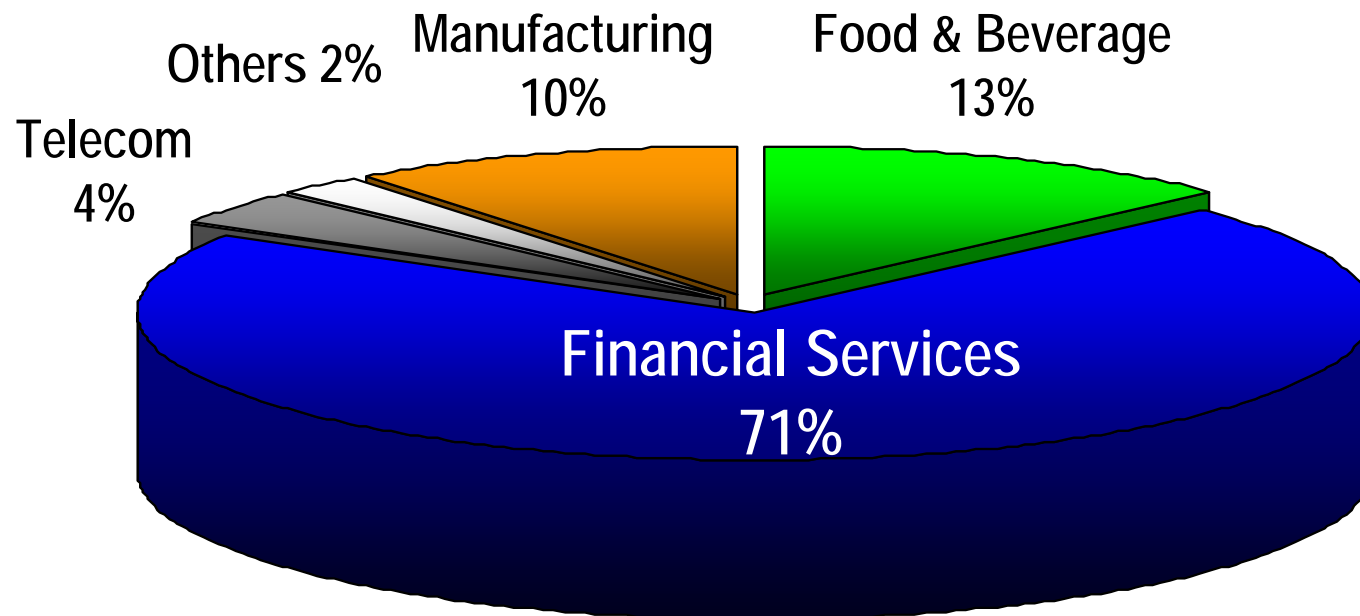


Quiñenco is the most diversified holding in Chile although historically it has invested in the same business segments where it has a proven track record and industry expertise.



# Holdings by Sector

Corporate Level  
Book Value



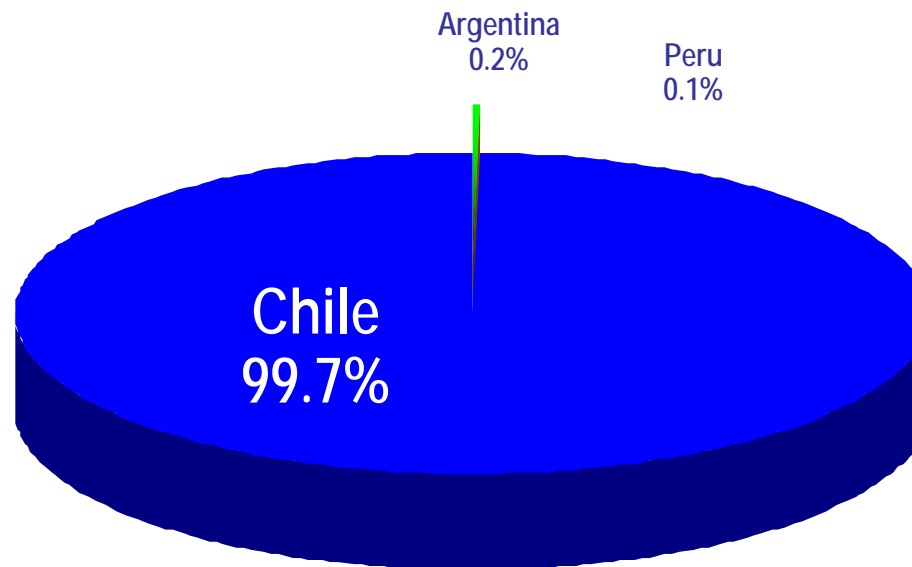
US\$2.5 billion

As of December 31, 2009

# Chilean Conglomerate

As a % of Consolidated Assets

US\$38.1 billion



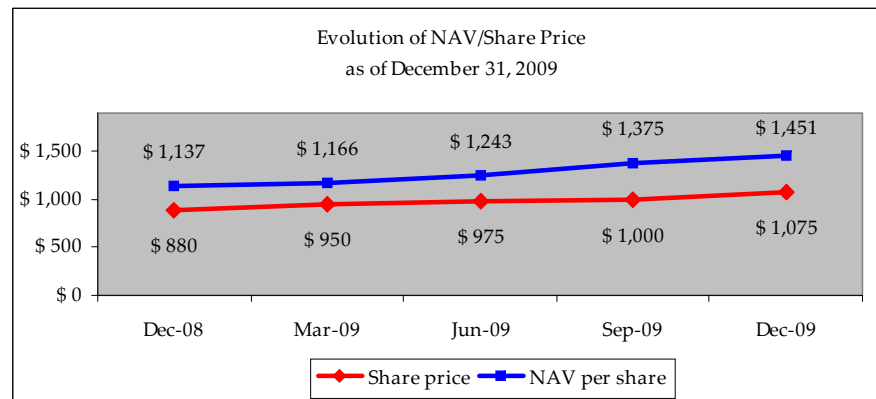
Note: Figures translated from Ch\$ as of December 31, 2009 at exchange rate of: Ch\$507.10= 1US\$

Consolidated assets are concentrated in Chile. Investments abroad are all at the subsidiary level.

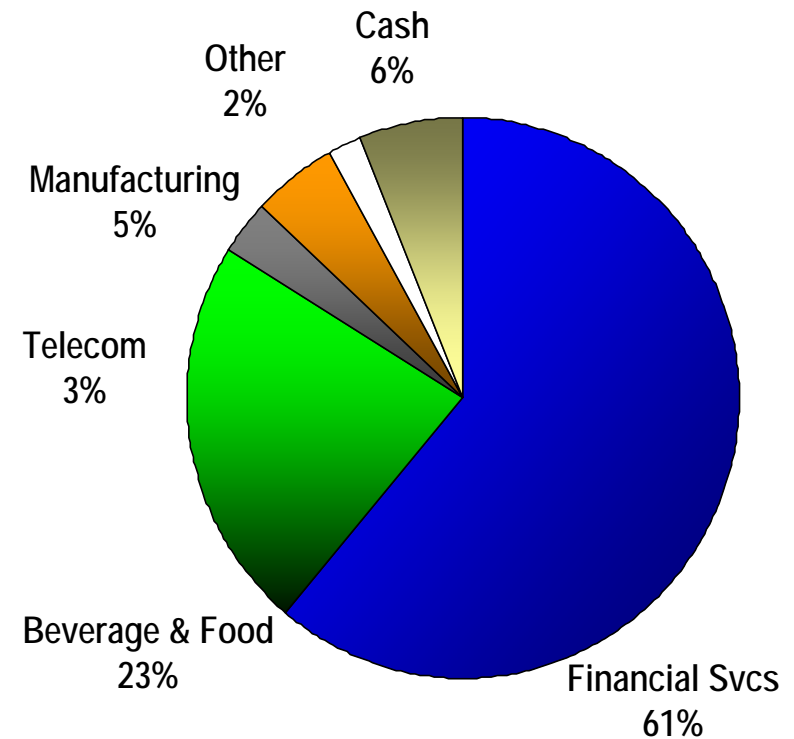
# NAV/Share Price Evolution

NAV US\$3.3 bln  
Mkt Cap US\$2.4 bln

Share price / NAV in Ch\$



*Discount to NAV*  
**26%**



Market information as of December 31, 2009  
Book values as of December 31, 2009





# Quiñenco – Investment Criteria



- Brand & consumer franchise development potential



- Sufficient critical mass



- Prior operating or industry experience



- Access to strategic partners/commercial alliances



- Growth platform or add-on acquisition potential



- Controlling stakes



# World Class Strategic & Commercial Alliances



**QUIÑENCO S.A.**



---

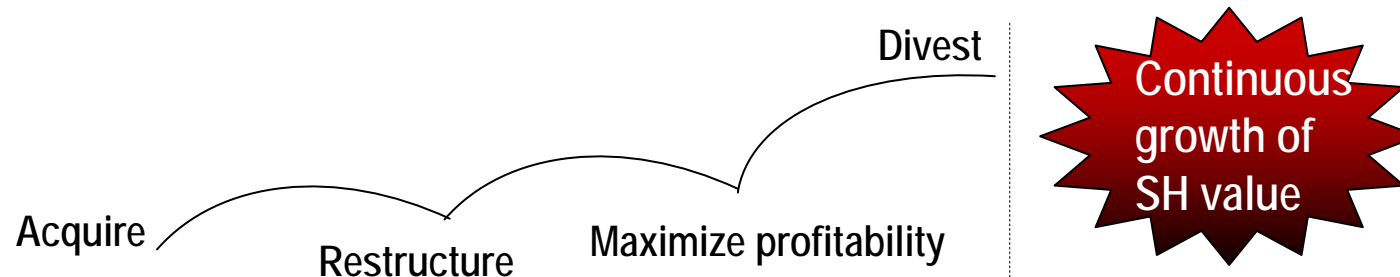
Quiñenco partners with world class players to develop its markets & products to take advantage of combined know-how, experience and capital capacity



# Value Creation System

## Value creation stems from:

- Acquisitions
- Restructurings
- Development & maximization of profitability of business portfolio
- Divestments



---

Quiñenco has developed a process of value creation through the professional management of its ownership interests



# Corporate Level Transactions

In US\$ mlns

| SECTOR             | DIVESTITURE         | YEAR | PROCEEDS       | GAIN ON SALE   |
|--------------------|---------------------|------|----------------|----------------|
| Telecom            | Entel shares        | 2009 | 94.4           | 63.3           |
| Retail             | D&S shares          | 2009 | 24.0           | 4.0            |
| Telecom            | Entel shares        | 2007 | 110.5          | 78.2           |
| Retail             | Paris/Cencosud      | 2005 | 136.2          | 52.1           |
| RE/Hotels          | Hotel Araucano      | 2005 | 6.7            | (2.4)          |
| Retail             | Others              | 2005 | 28.3           | 4.5            |
| Food & Beverage    | Lucchetti Chile     | 2004 | 137.7          | 7.0            |
| RE/Hotels          | Hotel Carrera       | 2003 | 34.2           | (11.5)         |
| Telecom            | Entel shares        | 2001 | 225.7          | 126.0          |
| RE/Hotels          | Plava Laguna        | 2001 | 49.3           | 3.3            |
| Food & Beverage    | Lucchetti Argentina | 2001 | 45.6           | (18.6)         |
| Telecom            | Entel shares        | 2000 | 29.6           | 19.3           |
| Financial Services | OHCH                | 1999 | 805.2          | 418.8          |
| Utility            | Enersis shares      | 1999 | 98.7           | 18.5           |
| Telecom            | Hipercable          | 1999 | 344.0          | 199.1          |
| Telecom            | VTR Long Distance   | 1998 | 136.9          | 40.0           |
| Telecom            | Startel             | 1997 | 554.0          | 421.0          |
| Utility            | Endesa shares       | 1997 | 134.4          | 20.5           |
|                    |                     |      | <b>2,995.3</b> | <b>1,443.1</b> |

Note: Figures translated from constant Ch\$ as of December 31, 2009 at the exchange rate of: Ch\$507.10= 1US\$

Periodic sales of assets also contribute to a healthy cash position

# Acquisitions & Capital Increases

## ACQUISITIONS

In US\$ mlns

|                    |      |                 |       |             |
|--------------------|------|-----------------|-------|-------------|
| Financial Services | 2008 | Banco de Chile  | 2.7%  | 86.0        |
| Retail             | 2004 | Almacenes Paris | 11.4% | 84.4        |
| Retail             | 2004 | Others          | 1.0%  | 23.6        |
| Financial Services | 2001 | Banco de Chile  | 52.7% | 1,075.9     |
| Financial Services | 1999 | Banco Edwards   | 51.2% | 514.8       |
| Telecom            | 1999 | Entel           | 14.5% | 141.3       |
| RE/Hotels          | 1999 | Plava Laguna    | 39.4% | 41.6        |
| Telecom            | 1999 | VTR             | 44.1% | 226.8       |
| Food & Beverage    | 1999 | Lucchetti       | 10.2% | <u>15.9</u> |

**2,210.3**

## CAPITAL INCREASES IN SUBSIDIARIES

|                    |             |                   |             |
|--------------------|-------------|-------------------|-------------|
| Financial Services | 2006 - 2009 | Banco de Chile    | 236.8       |
| Manufacturing      | 2000 - 2005 | Madeco            | 161.3       |
| Food & Beverage    | 1999 - 2003 | Lucchetti         | 139.8       |
| RE/Hotels          | 1998 - 2001 | Habitaria/Carrera | <u>27.5</u> |

**565.4**

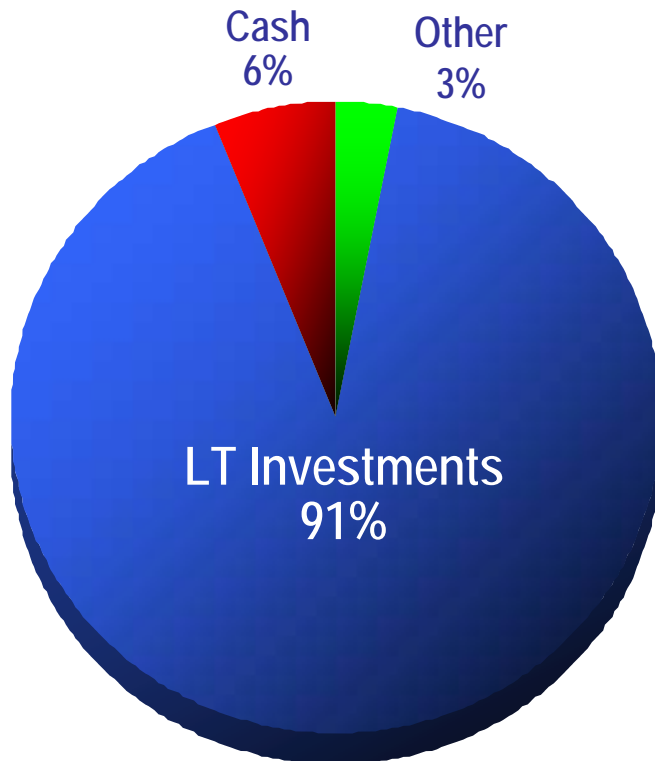
Note: Figures translated from constant Ch\$ as of December 31, 2009 at the exchange rate of: Ch\$507.10= 1US\$

Proceeds from divestitures have funded acquisitions and capital increases for US\$2.8 billion

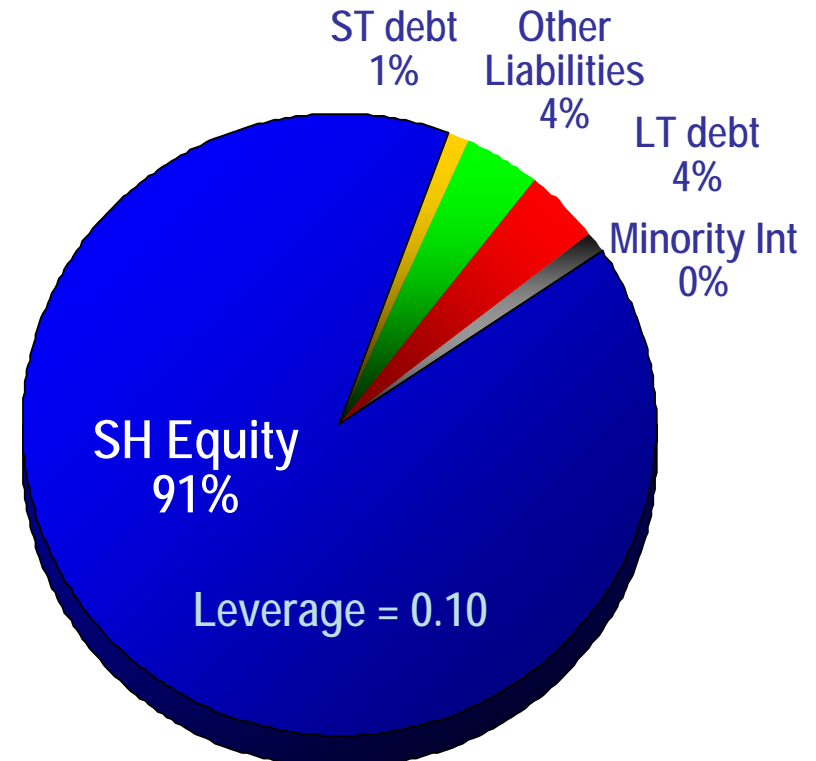
# Healthy Financial Structure

## Corporate Level

### Assets US\$2.8 billion



### Liabilities & SH Equity US\$2.8 billion



As of December 31, 2009

Note: includes only Quiñenco and intermediate companies. Operating companies are included as equity method investments.

---

Long-term investments are financed with equity and  
long-term debt in Chilean pesos



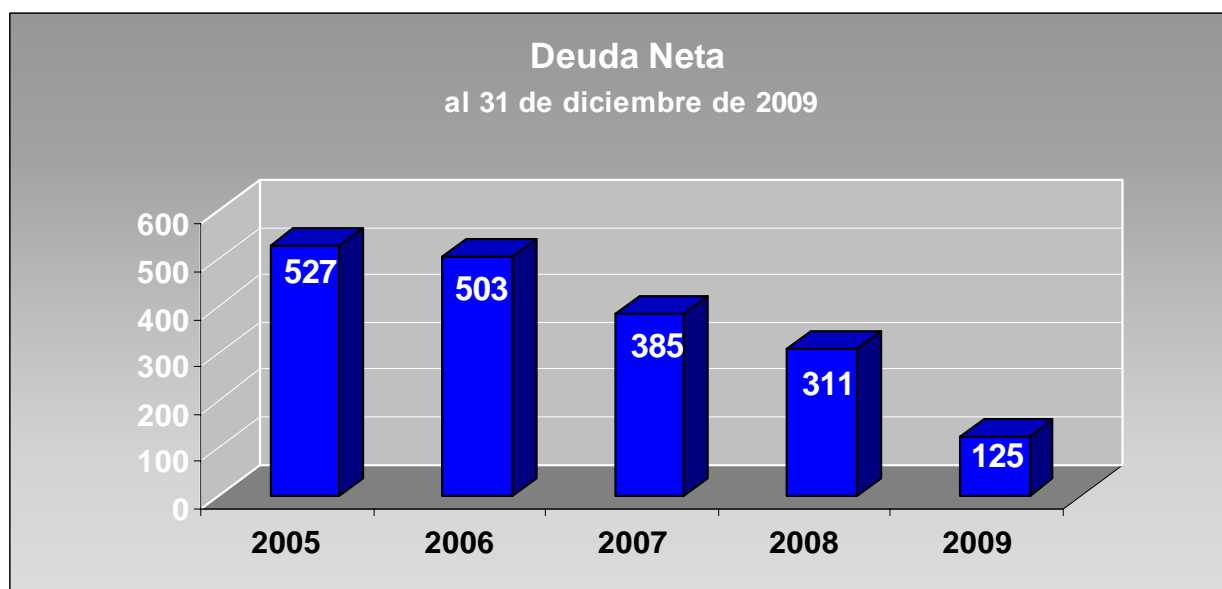
# Net Debt

Corporate Level (adjusted)

In US\$ mlns

|                 | 2005       | 2006       | 2007       | 2008       | 2009       |
|-----------------|------------|------------|------------|------------|------------|
| Debt            | 687        | 704        | 718        | 416        | 329        |
| Cash            | -160       | -201       | -333       | -105       | -204       |
| <b>Net Debt</b> | <b>527</b> | <b>503</b> | <b>385</b> | <b>311</b> | <b>125</b> |

\* Adjusted for proportionate share of debt and cash of IRSA (50%), and of LQIF (67.04%) in 2008 and 2009.



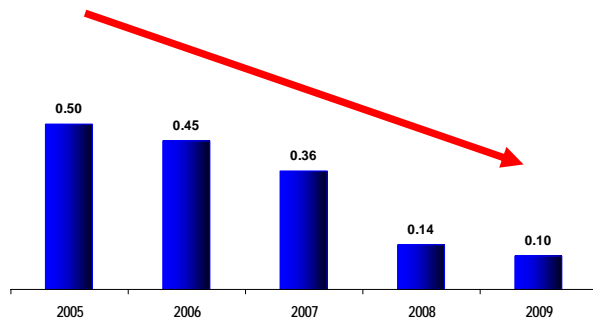
Note: Figures translated from nominal Ch\$ at the exchange rate of: Ch\$507.10= 1US\$

Asset disposals and strong dividend flow have allowed Quiñenco to reduce its debt significantly

# Main Indicators Corporate Level

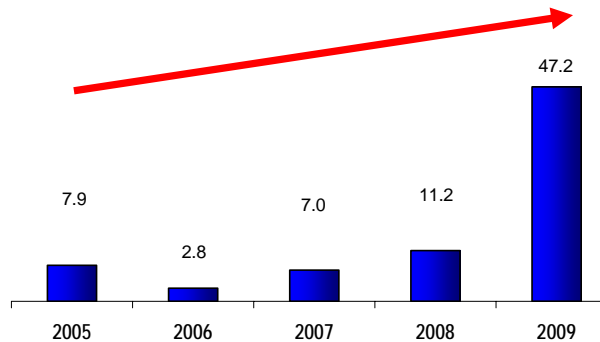
- Debt reduction has implied lower leverage
- High Interest coverage
- Negative net debt

**LEVERAGE\***

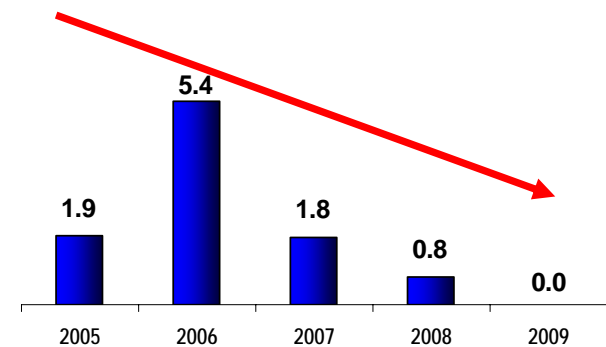


\* Leverage = Tot Liabilities / [Equity + Min Int]

**INTEREST COVERAGE**



**YEARS TO PAY DEBT**

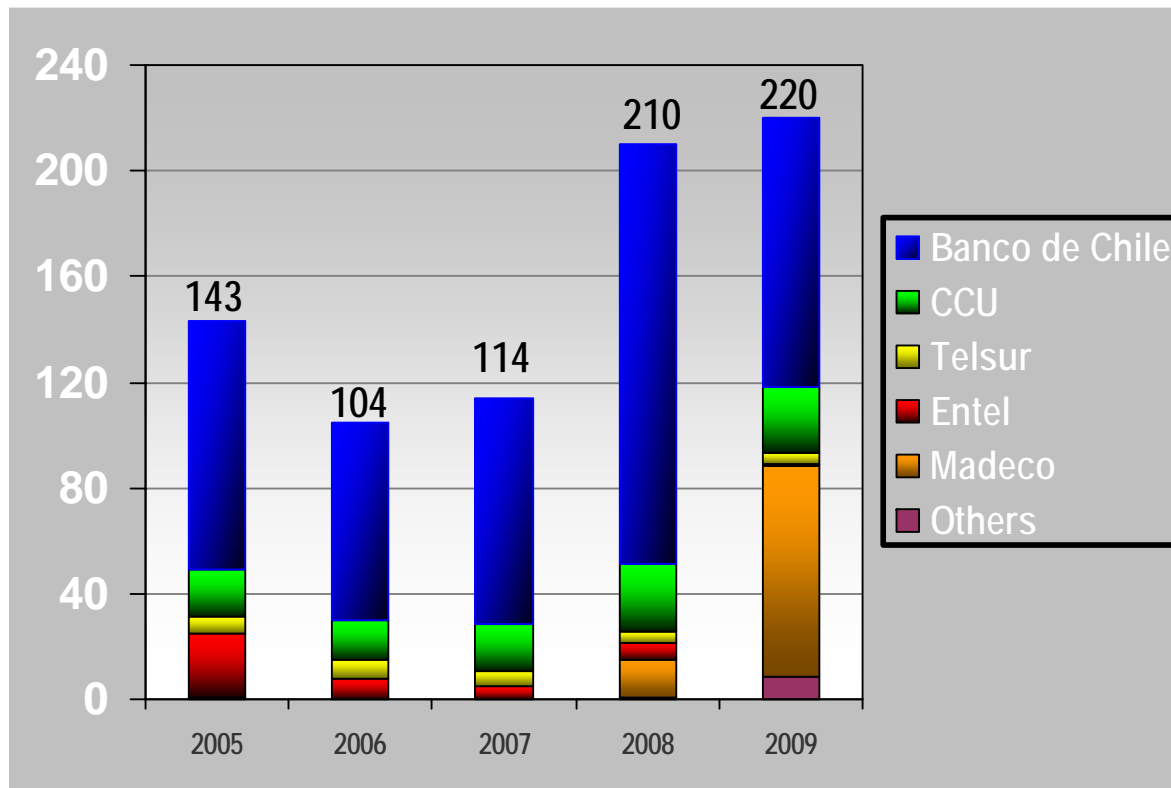


Quiñenco's healthy financial position lays the foundation for future growth

# Dividend Cashflow

Corporate Level

In US\$ mlns



Note: Figures translated from nominal Ch\$ at the exchange rate of: Ch\$507.10= 1US\$

Good operating company performance allows  
for a strong dividend flow to Quiñenco





# 2009 FINANCIAL RESULTS



# Consolidated Results 2009 - IFRS

- As of 2009, Quiñenco prepares its Financial Statements in accordance with IFRS.
- Main changes with respect to Chilean GAAP:
  - Consolidation with Banco de Chile, SM Chile and Banchile Seguros de Vida
  - On-Balance accounting of Banco de Chile's Subordinated Debt with Chilean Central Bank
  - Elimination of price-level restatement
  - Effects of application of IFRS on December 2008 Financial Statements
    - Total Assets up from US\$4.9 billion to US\$40.6 billion
    - Equity (net of dividend provisions) 3.2% less than under Chilean GAAP.
    - Net income 8.6% higher than reported under Chilean GAAP
- Segment Information: Quiñenco has defined 3 segments - Manufacturing, Financial and Others. To simplify understanding, financial statements have also been divided in Banking and Non-Banking or Industrial activities.

# Consolidated Results Full Year 2009

In US\$ mlns

|  | 12/31/2008 | 12/31/2009 | % Change |
|--|------------|------------|----------|
| Sales  | 521.4      | 501.1      | -3.9%    |
| Operating income*                            | (19.6)     | (7.7)      | -60.5%   |
| Non-operating income                         | 114.6      | 147.4      | 28.6%    |
| Income tax                                   | 5.0        | (1.8)      | -136.2%  |
| Net income from discontinued operations      | 235.8      | 8.2        | -96.5%   |
| Net income Industrial Sector                 | 335.8      | 146.1      | -56.5%   |
| Net income Banking Sector                    | 460.9      | 420.2      | -8.8%    |
| Consolidated Net Income                      | 796.6      | 566.2      | -28.9%   |
| Net income attributable to Minority interest | 299.7      | 259.8      | -13.3%   |
| Net income attributable to Controller        | 496.9      | 306.4      | -38.3%   |

- Operating income improved mainly due to Madeco, reflecting growth in flexible packaging and an upturn in brass mills, as well as higher results of Banchile Seguros de Vida.
- Non-operating results:
  - 2008: non-recurring gain of US\$257 million related to association with Citigroup in LQIF.
  - 2009: non-recurring gain of US\$67.6 million from the sale of Entel and D&S shares and higher contribution from CCU, boosted by non-recurring gain from sale of 29.9% of Aguas CCU Nestlé Chile to Nestlé Waters Chile. In addition, lower indebtedness together with negative inflation reduced liabilities and financial costs in UFs (inflation-indexed), as well as accrued interest of the Subordinated Debt, included in the Banking sector net income. However, Banco de Chile's results dropped mainly due to lower revenues and higher provisions for loan losses.
- Discontinued operations: result in 2008 includes gain on sale of Madeco's cable unit to Nexans

Note: Figures In nominal Ch\$ translated at Ex rate Ch\$507.10= 1US\$

\* Operating income defined as: Revenues minus Cost of sales, Marketing costs, Distribution costs, R&D, Administrative expenses, and Restructuring costs.

# Contribution to Quiñenco's Net Income Full Year 2009


In US\$ mlns

|                                       | 12/31/2008 | 12/31/2009 | % Change |
|---------------------------------------|------------|------------|----------|
| Manufacturing                         | 108.4      | 35.8       | -67%     |
| Financial                             | 402.9      | 400.1      | -1%      |
| Other                                 | 285.3      | 130.3      | -54%     |
| Consolidated Net Income               | 796.6      | 566.2      | -29%     |
| Minority Interest                     | (299.7)    | (259.8)    | -13%     |
| Net Income attributable to Controller | 496.9      | 306.4      | -38%     |

- 2008 includes two important transactions: association with Citigroup in LQIF and sale of Madeco's cable unit to Nexans. Excluding these two transactions, Quiñenco's net profit shows growth of 134%.
- The results of the operating companies and transactions at the corporate level as well as at CCU, contributed to the positive results obtained in 2009.
- Financial segment: Banking sector results affected by adverse local and global economic scenario, partially compensated by lower accrued interest of Subordinated debt.

Note: Figures In nominal Ch\$ translated at Ex rate Ch\$507.10= 1US\$





# RECENT EVENTS

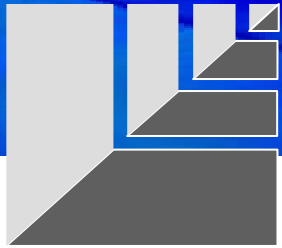
# Telsur: Sold to GTD Manquehue



**Telefónica  
del Sur**  
*Siempre más cerca*

- Quiñenco signs agreement with GTD Grupo Teleducto on sale of 74.4% of Telsur on December 1, 2009.
- Price of Ch\$341.54 values Telsur at **US\$156 million**, share of Quiñenco amounts to **US\$113 million**.
- Transaction reported Quiñenco a gain of **US\$17 million** in the first quarter of 2010.
- Public Offering completed successfully in January, 2010, reaching 96.37% of total shares.
- Telsur formed part of the Luksic Group for almost three decades.





# Citigroup exercises options of LQIF

## Financial Services

- Citigroup exercises both options, reaching a share of 50,0% of LQIF
- Options exercised on April 30, 2010 with payment of US\$1 billion in cash.
- During 2Q 2010 Quiñenco will report gain of approx. US\$327 million arising from exercise of first option, and an increment in equity of approx. US\$327 million due to the exercise of the second option.
- Strategic alliance with Citigroup complements the Bank's financial services of excellence for its customers and gives access to one of the most important financial platforms in the world.

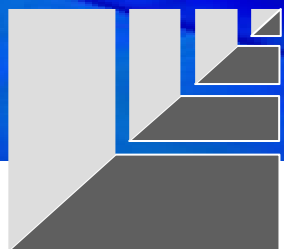






# MAIN OPERATING COMPANIES





# Banco de Chile

## Financial Services



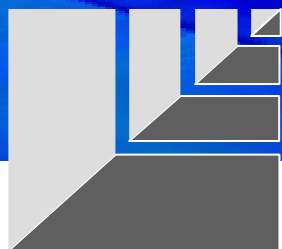
- Established in 1893, Banco de Chile has a highly recognized name in Chile
- 2nd largest bank in the Chilean financial system
- One of the most profitable banks in terms of return on assets and equity
- Assets of US\$34.4 billion
- Over 14,000 employees
- Nationwide network of 398 branches and 1,588 ATMs
- Traded on the NYSE, LSE, Latibex and Santiago Stock Exchanges
- Merged with Citibank Chile on January 1st, 2008
- Strategic alliance with Citigroup complements the Bank's financial services of excellence for its customers and gives access to one of the most important financial platforms in the world.



|          | Mkt Share | Mkt Size    |
|----------|-----------|-------------|
| Loans    | 19.1%     | US\$136 bln |
| Deposits | 19.0%     | US\$116 bln |

**BANCO EDWARDS** | **citi**  
del Banco de Chile





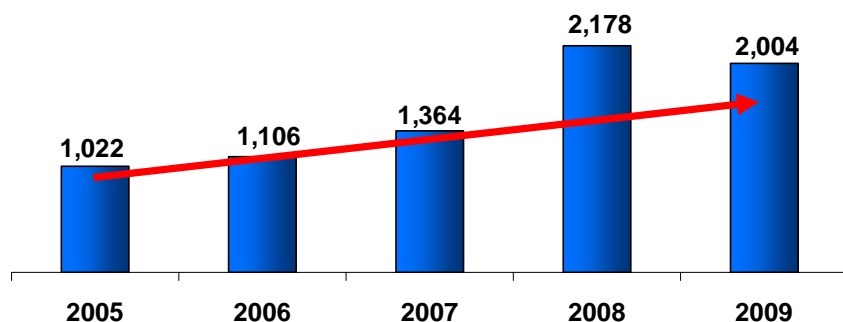
# Banco de Chile

## Financial Services

(US\$ mln's)

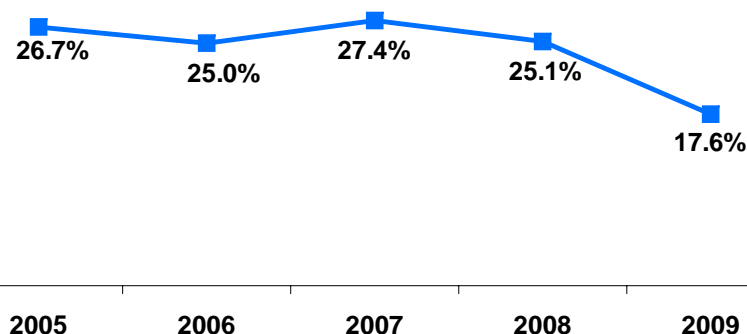
- 2009 operating revenues down by 8.0% to US\$2.0 bln due to adverse effect of negative inflation, lower nominal rates and non recurring income in 1Q 08.
- 2009 net profit was US\$509 mln, down 25.8%, reflecting the lower revenues and increased provisions for loan losses.
- Loan portfolio contraction during last 12 months: 3.6%
- ROAE = 17.6%, higher than the 15.0% average of the Chilean financial system

### OPERATING REVENUES

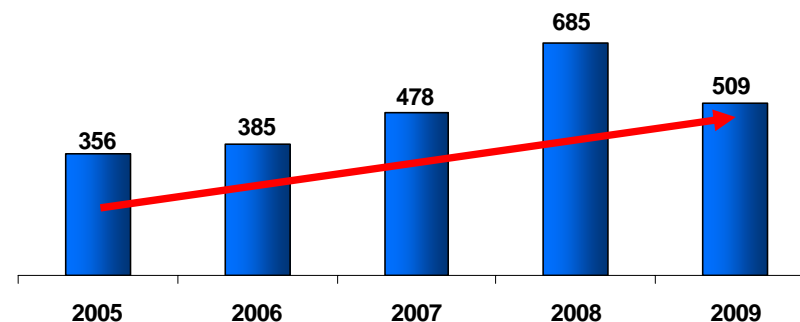


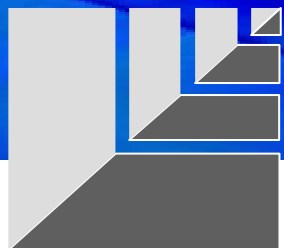
Note: Figures translated from nominal Ch\$ at the exchange rate of: Ch\$507.10= 1US\$

### ROAE



### NET INCOME





CCU

## Beverage & Food

- Founded in 1850, CCU is the largest brewery and beverage producer in Chile, and the second brewery in Argentina.
- Assets of US\$2.2 billion.
- Over 5,300 employees.
- 18 facilities in Chile.
- 4 facilities in Argentina.
- Extensive distribution network reaching over 90,000 sales points throughout Chile.
- Jointly controlled with Heineken, 2nd largest brewery worldwide.
- Affiliate Foods participates in sweet snack business
- Recently entered purified water segment through joint venture with Nestlé S.A.
- Viña San Pedro merge with Viña Tarapacá 
- Traded on NYSE and Santiago Stock Exchanges



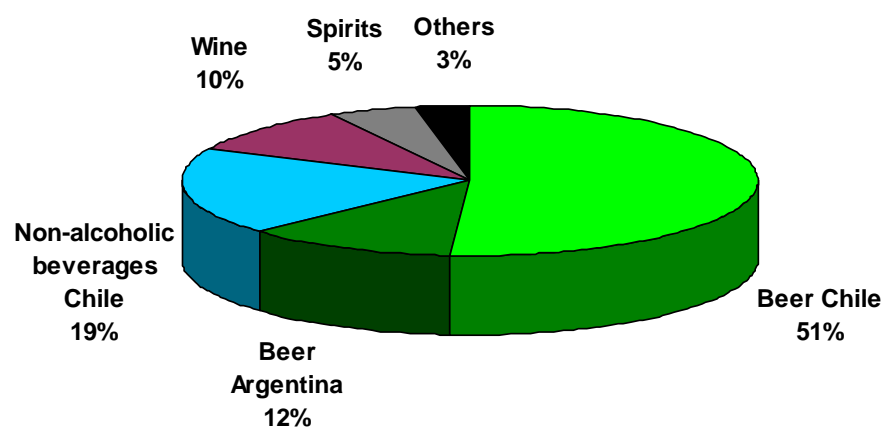
|                   | Ranking | Mkt Share |
|-------------------|---------|-----------|
| Beer in Chile     | 1       | 85%       |
| Beer in Argentina | 2       | 22%       |
| Soft Drinks       | 3       | 24%       |
| Juices & Nectars  | 1       | 57%       |
| Mineral Water     | 1       | 60%       |
| Wine in Chile     | 2       | 23%       |
| Wine exports      | 2       | 12%       |
| Pisco             | 2       | 48%       |

# CCU

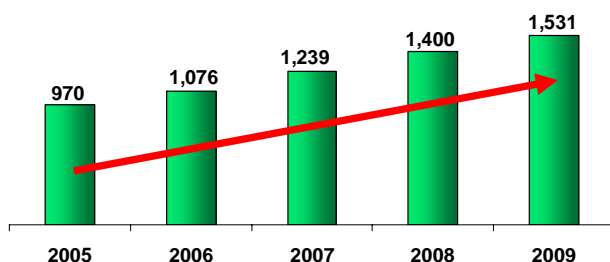
## Beverage & Food (US\$ mln's)

- 2009 sales up by 9.3% to US\$1.5 bln
- 2009 net profit reached US\$252 mln, 42% higher than the previous year, mainly due to gain of US\$48 million related to sale of 29.9% of Aguas CCU Nestlé Chile to Nestlé Waters Chile, and higher operating income.
- EBITDA reached US\$358 mln, up 11% from 2008

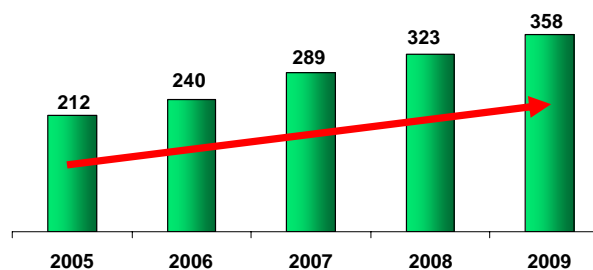
EBITDA by Business Segment  
Year 2009



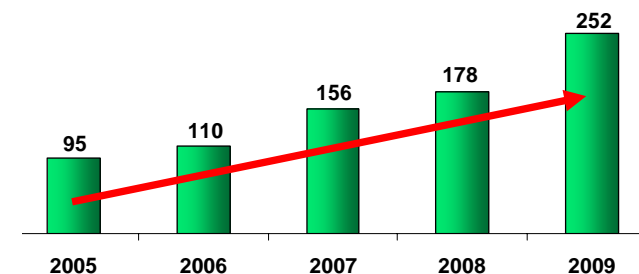
### SALES



### EBITDA

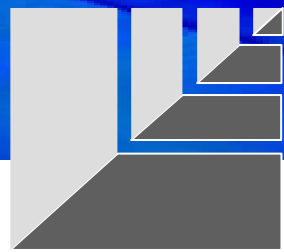


### NET INCOME



Note: Figures translated from nominal Ch\$ at the exchange rate of: Ch\$507.10= 1US\$





# Madeco

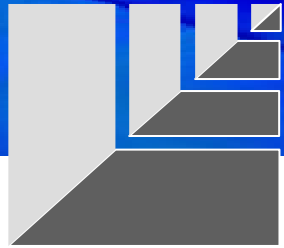
## Manufacturing

# MADECO

- Founded in 1944, Madeco is the main Latin American manufacturer of copper and aluminum products as well as flexible packaging.
- Global presence through exports of a variety of copper and aluminum products to the North American and European markets with over 3,000 customers.
- 12 facilities in Chile, Argentina and Peru
- Assets of US\$728 million
- Approx. 2,400 employees
- Annual sales volumes of 50,000 tons.
- Traded on Santiago Stock Exchange
- Historic agreement with French cable producer Nexans closed in Sept. 2008
- Madeco is now main shareholder of Nexans with one director on its Board and 9.2% share.



|                    | Ranking | Mkt Share |
|--------------------|---------|-----------|
| Flex Pkg Chile     | 1       | 32%       |
| Flex Pkg Peru      | 1       | 58%       |
| Flex Pkg Arg.      | 3       | 8%        |
| Brass mills Chile  | 1       | 58%       |
| Al. Profiles Chile | 1       | 51%       |



# Nexans

## Manufacturing



- Nexans is the **worldwide leader** in the cable industry with presence in 39 countries and commercial activities worldwide, after over a century of progress.
- Headquartered in Paris, France, Nexans produces cables and cabling systems at more than 90 production sites across 5 continents.
- 2009 sales of 5.0 billion Euros.
- 22,700 employees
- Nexans is listed on Euronext Paris.



2009 Sales by Origin



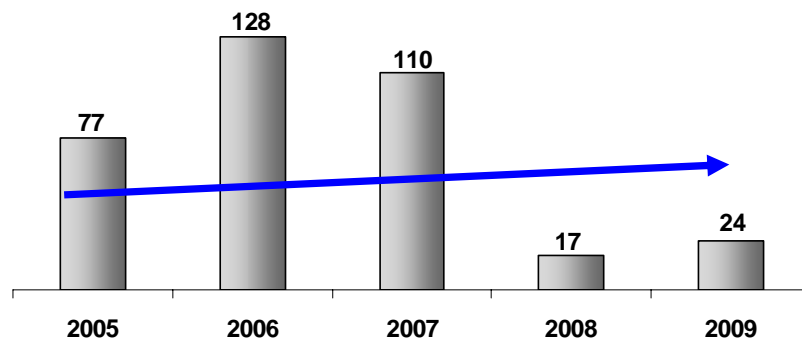
2009 Sales by Key-end Markets



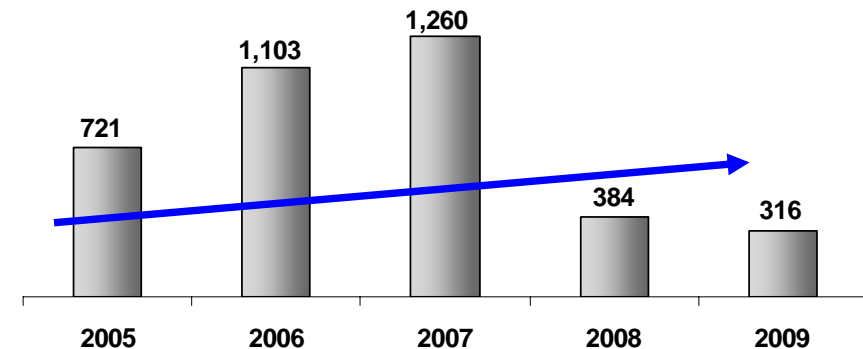
## Manufacturing (US\$ mln's)

- 2009 sales down by 18% to US\$316 mln
- Operating income up by 130%, mainly due to brass mills and flexible packaging units.
- Net income reached US\$29 million, substantially below 2008, mainly due to absence of cable business and the gain on the sale to Nexans in 2008, partly offset by improved operating and non-operating results.

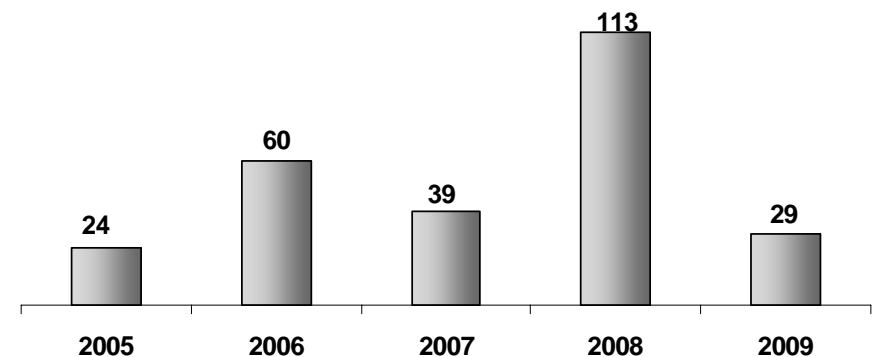
### EBITDA



### SALES



### NET INCOME



Note: Figures translated from nominal Ch\$ at the exchange rate of: Ch\$507.10= 1US\$





# HIGHLIGHTS AND SUMMARY



# Outlook

## Portfolio Optimization

- Good performance of main operating companies should contribute to sustained dividend upflow

## Healthy Financial Structure

- Sound financial indicators
- Well structured Balance Sheet
- AA- local rating

## Low Net Debt Position

- High Cash levels
- Current debt levels allow further leveraging



These factors contribute to Quiñenco's ability to undertake new investment opportunities





## Highlights

- Proven track record and experience in core business segments
- Agility and financial strength allows Quiñenco to take advantage of business opportunities as they arise
- Strong shareholder group
- Diversified Chile risk
- Ability to attract strategic partners and commercial alliances contributes to development of world class products and services
- Extensive business network
- Successful execution of acquisitions and financing
- Attractive record of gains on investment disposals

---

These attributes contribute to the systematic  
creation of shareholder value



Thank you for your attention