



QUIÑENCO S.A.

**FOR IMMEDIATE RELEASE**

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**Quiñenco Acquires Control of Banco de A. Edwards S.A.**

August 16, 1999 – Santiago, Chile - Quiñenco S.A. (NYSE: LQ) announced today that it has acquired a controlling, 43.48% stake in Banco de A. Edwards (NYSE: AED) for a total of US\$ 244.1 million.

Approximately 2.52 billion shares were purchased at Ch\$ 49.65 per share, which represents a premium of 3.4% over the local market price. The purchase price represents a multiple of 1.87 times book value.

The purchase price is subject to a downward adjustment of 0.4348 times any loan-loss provisions in excess of US\$29.5 million found necessary by an audit of Chile's Superintendency of Banks currently underway.

The transaction is also subject to approval by the Superintendency of Banks. As agreed with the selling shareholders, the purchase price is payable by September 27, 1999. Or, if the Superintendency of Banks' approval has not been received, payment can be extended for 30 days at a monthly interest rate of 0.5%.

If approved, Quiñenco would have the authority to designate five of Banco de A. Edwards's nine directors.

The transaction marks Quiñenco's return to an active role in the financial services sector in Chile.

Banco de A. Edwards is a Chilean, full-service commercial bank with total assets of US\$ 4,627.7 million. The Bank is headquartered in Santiago and as of June 30, 1999 had a

network of 75 branches throughout the Santiago metropolitan area and Chile's other principal business centers.

Quiñenco S.A. is the controlling entity of a portfolio of companies involved in copper and aluminum products, beverages, telecommunications, foods, hotels and residential real estate development. Quiñenco is based in Santiago, Chile, and its businesses operate throughout the countries of the Southern Cone.

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