**Quiñenco reported a net income of CLP 36,636 million the first quarter of 2018**

* **This figure is 17% lower than that of the same term, the previous year, mainly due to lower results at Quiñenco’s corporate level, and decreased earnings at Enex.**
* **In March this year, the highlights were the 21.8% growth of CCU profits and the positive trends of Banco de Chile, SM SAAM and CSAV.**

**Santiago, May 29 2018**. Quiñenco reported a net income of CLP 36,636 million pesos the first quarter of 2018, a figure that represents a 17% decrease as compared to the same term in 2017. At corporate level, the above is mainly explained by lower taxation results and a lower financial income. In addition, Enex reported decreased profits. Such variations were offset by a good performance of CCU and positive trends at Banco de Chile, SM SAAM and CSAV.

One of this term’s highlights is the 21.8% growth in CCU net profit, mainly based on its International business segment, which reflected a 22% growth of sales volume. The Wine segment, on the other hand, was affected by a higher wine cost and a drop in the sales volume, particularly in the exports market.

Banco de Chile increased its profit by 1.9% as compared to the same quarter of previous year, reaching CLP 142,651 million pesos. Such results are explained by a 5.3% increase of operating income, driven by higher inflation together with an increase in the income related to the commercial business with clients, offsetting higher operating expense and loan insurance allowances.

SM SAAM‘s contribution to the holding results increased by 13%, mainly reflecting a good performance of port terminals mostly thanks to a greater activity at Guayaquil port in Ecuador, and Puerto Caldera’s incorporation in Costa Rica which together with the Logistics segment offset the absence of activities in Peru during the current term after the divestiture of Tramarsa in April, 2017.

CSAV’s contribution also improved by 11%, mainly as a result of a 26% decrease in Hapag-Lloyd’s loss as compared to March, 2017 based on a 48% growth in the transported volumes driven by the merger with United Arab Shipping Company (UASC), which offset a slight rates decrease and higher oil costs.

As regards the Energy sector, ENEX’ final results for the quarter amounted to CLP 5,330 million, 46% lower than during the previous term due to higher transportation expenses and greater expenses associated to service stations. Nevertheless, the company’s gross margin increased by 3.4% as compared to the same quarter of 2017, mainly due to a better performance both of fuels and lubricants. The total dispatched volume amounted to 982 thousand cubic meters, a 13% higher than in March 2017.

It is worth remembering that in the Manufacturing sector Invexans’ main asset, the French multinational Nexans, does not report results as of the first quarter. A subsidiary, Invexans Limited, was recently incorporated in London for the development of international businesses.

Together with his appreciation for the quarter’s results, Quiñenco´s Chief Executive Officer, Francisco Pérez Mackenna, stated that both the holding and the subsidiaries are “currently in a very strong position to deploy their development strategies and face the challenges of the international market. We will continue with our path of organic growth in Chile and exploration of new business opportunities in the world”, he said.

Besides, he particularly highlighted that during an event materialized after the end of the quarter, the agreement between CCU Argentina and AB InBev was finalized with the approval of the Argentinian free competition regulator, for the anticipated termination of Budweiser brand distribution agreement in that country. Such operation originated a US$316 million profit for the Argentinian subsidiary, in addition to yearly US$28 million for up to three years. “This will allow CCU to finance its growing international expansion and to continue moving forward in the regional market”, explained Quiñenco’s CEO.

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***Quiñenco****is one of the largest and most diversified business conglomerates in Chile, with consolidated assets of approximately US$63,700 million. It participates in leading companies of the financial, beverage and food, manufacturing, energy, transportation and port services sectors, which together employ approximately 69 thousand persons in Chile and abroad.  For further information see* [*www.quinenco.cl*](http://www.quinenco.cl)