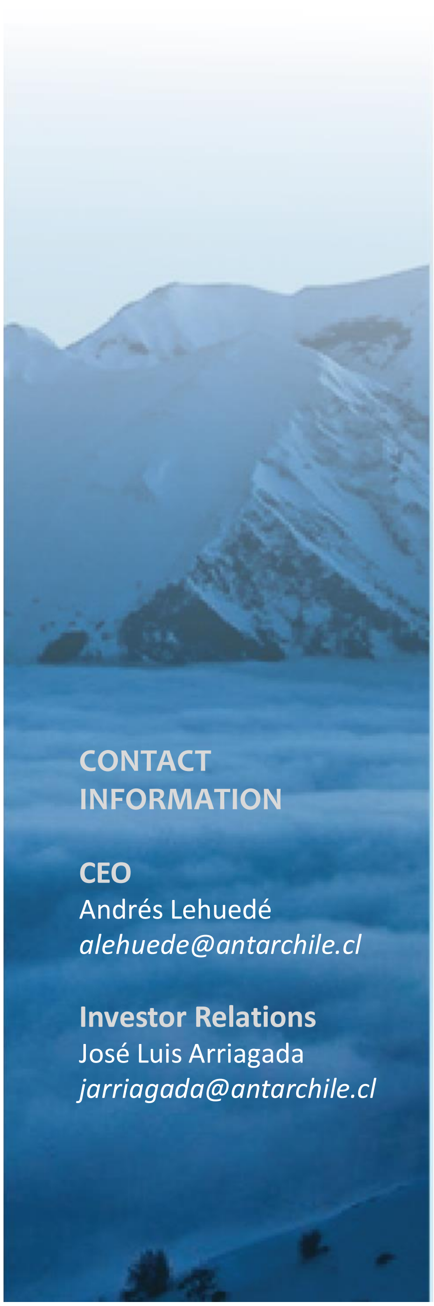
antarchile

EARNING ANALYSIS

Third Quarter
2017



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EARNINGS consolidated

antarchile

3Q17 3Q16

AntarChile's earnings in the third quarter of 2017 were US$204 million, a US$138 million increase with respect to the same quarter of 2016. The rise is explained by a US$178 million climb in the operational income, associated to better results in the forestry and fuels businesses.

The forestry business recorded a US$147 million increase, owing to both better prices and physical sales in the pulp, sawn timber and panels sectors.

As for the fuels business, the operational income rose by US$38 millions, where the highlights were the positive performances of Copec and Terpel thanks to higher unitary margins obtained in Chile and in Colombia and to an increase in physical sales in Colombia. At the same time, Abastible recorded an increase associated to higher physical sales in those same markets. To the above we may add the consolidations of Mapco in the US, Solgas in Peru, and Duragas in Ecuador.

Non-operational income saw a US$80 million rise, thanks to higher earnings by associates and joint businesses. In this regard we note the increase in Corpesca's earnings, thanks to the sale of its 60% share in Selecta, which brought a revenue before tax of US$161 million for Corpesca and US$64 million for AntarChile. The exchange rate difference also had positive effects in the period.

3Q17 2Q17

AntarChile's earnings in the third quarter presented a US$97 million increase compared to the previous quarter. Said increase was brought mainly by a US$95 million higher non-operational income, explained by higher earnings in associates and joint businesses brought by the positive result obtained by Corpesca from the sale of 60% of Selecta; and, in Arauco, the payment of insurance indemnifications that allow a reduction in the loss provision for wildfires (US$35 million), and a higher revaluation of biological assets (+US$10 million). Operational income presented a US$73 million increase, driven by better results in the forestry business (+US$44 million) as well as in the fuels business thanks to better performances by Copec (+US$20 million) and Abastible (+US$8 million).

2017 2016 YTD

Year-to-date, AntarChile has accumulated earnings in the amount of US$341 million, 31% higher than in 2016 (US$260 million).

Operational income increased by US$309 million, thanks mainly to the forestry business (+US$242 million), as Arauco registered higher earnings in all its business lines –especially pulp, due to better prices and physical sales. In parallel, operational income increased in the fuel business, explained by Copec's higher margins in Chile and Colombia (+US$70 million) as well as higher sales volumes in the distributors channel in Chile; and, in addition, through the consolidation of Mapco in the US. In the same line, Abastible showed a US$7 million increase thanks to the good performance in Chile and Colombia and to the consolidation of Solgas in Peru and Duragas in Ecuador.

In contrast, non-operational income registered a US$140 million drop with respect to 2016. This is explained mainly by a US$138 million loss (net of insurance coverage) in the forestry business due to the wildfires that took place in Chile in early 2017 and which affected an area of approximately 80 thousand hectares, equivalent to 6% of the IFRS value of Arauco's forests and 2% of its total assets.

US$ million	3Q 2017	2Q 2017	3Q 2016	Q-Q Var.	Y-Y Var.	YTD 2017	YTD 2016	Y-Y Acc. Var.
Sales revenue	5,204	4,947	4,263	5%	22%	15,029	12,150	24%
EBIT	368	295	190	25%	94%	931	622	50%
EBITDA*	638	543	440	17%	45%	1,685	1,327	27%
Adjusted EBITDA**	1,023	878	366	17%	180%	2,696	1,349	100%
Non-operating income	66	(29)	(14)	325%	576%	(158)	(18)	-790%
Net Income	342	187	124	83%	177%	590	459	28%
Net income of controlling interest	**204**	**107**	**66**	**90%**	**207%**	**341**	**260**	**31%**
Net income of minority interest	138	80	57	73%	142%	249	199	25%
EBITDA Margin	12%	11%	10%	12%	19%	11%	11%	3%
EBITDA / net financial expense	8.5 x	7.9 x	5.8 x	8%	47%	7.9 x	6.2 x	27%

(*) EBITDA = Operational Income+ Depreciation+ Amortization+ Stumpage (Fair value of harvested timber)

(**) Adjusted EBITDA = Net Income + Financial Costs– Financial Income + Taxes+ Depreciation and Amortization + Fair value of harvested timber – Changes in valuation of biological assets + Exchange rate differences + Provision for losses due to wildfires

BALANCE SHEET

consolidated

antarchile

US$ million	sep 2017	dec 2016	Variation US$ million	Variation %
Current Assets	5,075	5,010	65	1,3%
Non-current Assets	17,235	16,909	326	1,9%
Total Assets	**22,310**	**21,919**	**391**	**1,8%**
Other current financial liabilities	1,088	978	110	11,2%
Other current liabilities	1,891	1,751	140	8,0%
Other non-current financial liabilities	5,518	5,890	(372)	-6,3%
Other non-current liabilities	2,626	2,613	13	0,5%
Total liabilities	**11,124**	**11,232**	**(108)**	**-1,0%**
Equity of minority interest	**4,561**	**4,393**	**168**	**3,8%**
Equity attributable to controlling interest	**6,625**	**6,294**	**331**	**5,3%**
Leverage	0.47	0.50		-5,8%
Net financial debt	5,220	5,295	(75)	-1,4%

As of September 30th 20127, AntarChile's total consolidated assets increased by 1.8% compared to the end of 2016.

Current assets present a 1.3% increase, owing to a rise in commercial debtors and other receivables in Arauco, as well as to higher inventory in Copec. This was partially compensated by lower cash and equivalents as well as by a decrease in assets due to tax receivable in Arauco.

Non-current assets saw a 1.9% increase, associated to an increase in plants, properties and equipment brought by Copec and to higher investments recorded by participation. The above, however, was partially lessened by a decrease in non-current biological assets, owing chiefly to the damage suffered by Arauco's tree fields in the wildfires of early 2017.

Current liabilities increased by 9.2% as a consequence of a rise in other non-financial accounts payable coming from the increase in dividends payable. In addition, there were higher accounts payable and other current financial liabilities.

Non-current liabilities recorded a 4.2% fall, mainly due to a decrease in other non-current financial liabilities in both the parent company and Arauco.

Lastly, the equity increased by 5.3% with respect to year end 2016, mainly thanks to an increase in accumulated earnings as well as higher reserves for conversion.

CASH FLOW consolidated

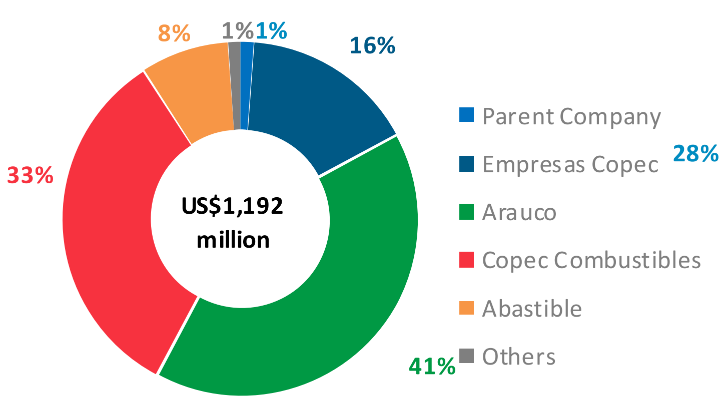
US$ million	sep-17	sep-16	Variation	
			US$ MM	%
Cash flow from (used in) operating activities	1,094	1,009	86	9%
Cash flow from (used in) investing activities	(655)	(1,022)	367	36%
Cash flow from (used in) financing activities	(607)	(272)	(336)	-124%
Net increase (decrease) in cash and cash equivalents, before exchange rate adjustments	**(167)**	**(285)**	**118**	**41%**

The operational flow as of September 2017 reached US$1,094 million, which constitutes a 9% rise compared to 2016. This is thanks to higher collection coming from the sale of assets and the provision of services by Copec and, to a lower degree, by Arauco and Abastible. The above was partially compensated by higher disbursements for suppliers in Copec and Abastible, as well as by an increase in payments to and on behalf of employees in Copec.

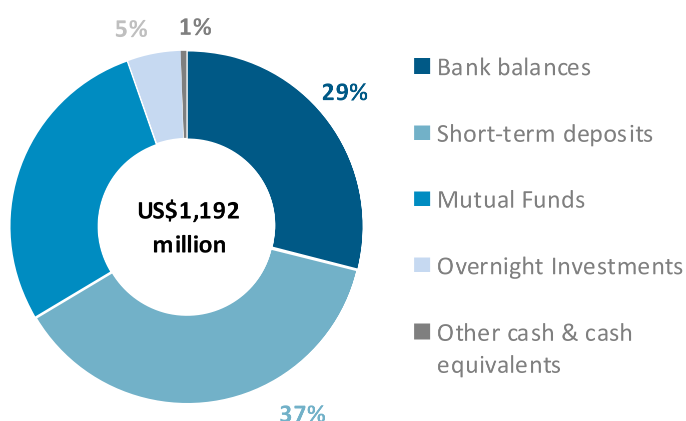
The investment flow disbursements year-to-date were of US$655 million, 36% less than the US$1,022 million of 2016. This drop was caused by lower cash flow applied to the overtaking of subsidiaries and other businesses, which in 2016 was high on account of the acquisition of Solgas in Peru (US$263 million) and the purchase by Arauco of its share in Tafisa (US$150 million). This effect was partially compensated by higher purchases of property, plant and equipment in Arauco and Copec (+US$270 million). At the same time, Igemar saw an increase in other payments as they were necessary for the purchase of equity from other entities, associated with the acquisition by Igemar of a share in Corpesca.

Financing activities in September 2017 recorded a negative flow in the amount of US$607 million, which may be compared to a US$272 million disbursement in 2016. This is explained by lower loans obtained by the forestry sector, as well as by higher loan payments by Arauco and Abastible.

CASH AND EQUIVALENTS
by entity



BREAKDOWN
by instrument



FINANCIAL DEBT consolidated

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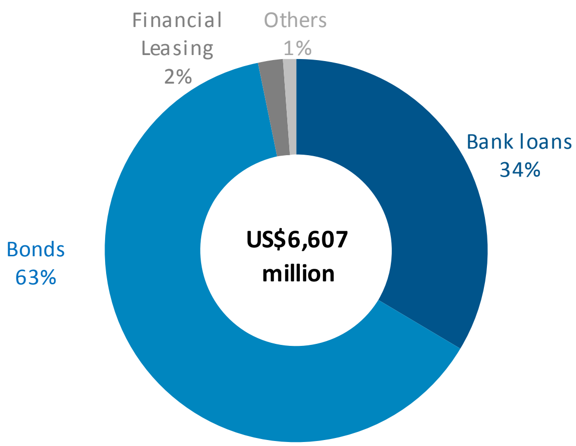
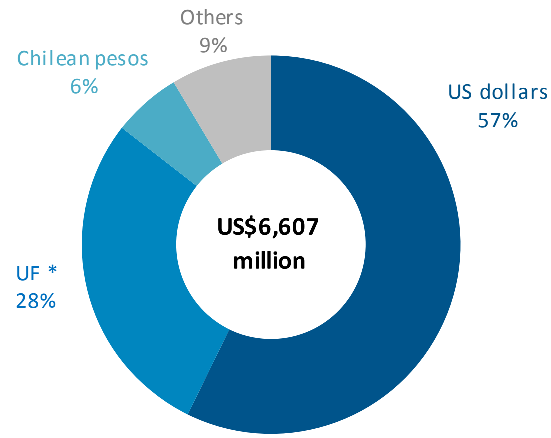
BREAKDOWN
by instrument



DETAIL
by currency

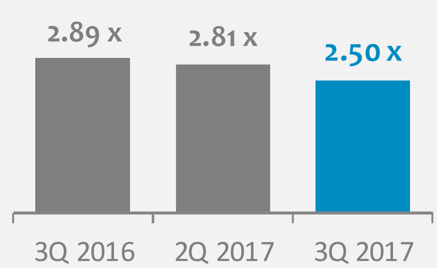


(*) "Chilean currency unit indexed according to inflation"
Source: Ministry of Finance, Chile

FINANCIAL DEBT
Net

US$ million	3Q 2017	2Q 2017	3Q 2016
Current financial liabilities	1,088	864	1,059
Non-current financial liabilities	5,518	5,839	5,604
Total financial liabilities	**6,607**	**6,703**	**6,663**
Cash and cash equivalents	1,192	1,196	1,425
Current financial assets	195	196	257
Net financial debt*	**5,220**	**5,311**	**4,982**

NET DEBT/ EBITDA LTM



** Net Debt = Current financial liabilities + Non-current financial liabilities- cash and cash equivalents– Other current financial assets.*

EARNINGS consolidated by segment

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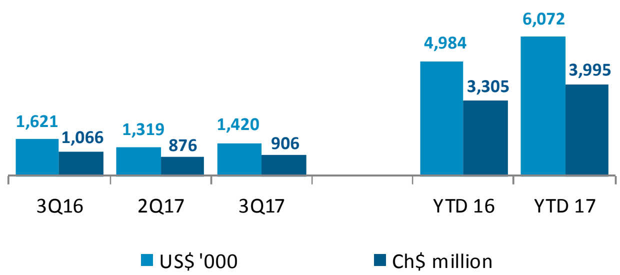
US$ million	3Q 2017	2Q 2017	3Q 2016	Var. Q-Q	Var. Y-Y	YTD 2017	YTD 2016	Acc. Var. Y-Y
Sales								
Forestry	1,393	1,280	1,187	9%	17%	3,907	3,541	10%
Fuels	3,764	3,625	3,034	4%	24%	11,004	8,493	30%
Fisheries	47	40	41	16%	14%	118	116	2%
Other companies	0	2	0	-92%	5%	0	0	5%
Total	**5,204**	**4,947**	**4,263**	**5%**	**22%**	**15,029**	**12,150**	**24%**
EBITDA								
Forestry	396	335	234	18%	69%	1,025	770	33%
Fuels	240	209	198	15%	21%	664	548	21%
Fisheries	7	5	10	39%	-26%	16	25	-35%
Other companies	(6)	(6)	(2)	-3%	-200%	(19)	(15)	-26%
Total	**638**	**543**	**440**	**17%**	**45%**	**1,685**	**1,327**	**27%**
Net income								
Forestry	148	84	30	77%	388%	187	142	32%
Fuels	128	101	92	26%	39%	331	278	19%
Fisheries	38	(6)	(9)	701%	534%	27	(9)	410%
Other companies	28	8	9	241%	196%	44	48	-9%
Total	**342**	**187**	**124**	**83%**	**177%**	**590**	**459**	**28%**
Capex								
Forestry	169	132	129	28%	31%	421	501	-16%
Fuels	152	75	120	101%	26%	300	520	-42%
Fisheries	29	1	4	2,412%	734%	32	8	302%
Other companies	1	2	102	-44%	-99%	6	101	-94%
Total	**351**	**211**	**356**	**67%**	**-1%**	**759**	**1,131**	**-33%**

FINANCIAL INFORMATION

individual

antarchile

SALES AND OVERHEAD EXPENSES

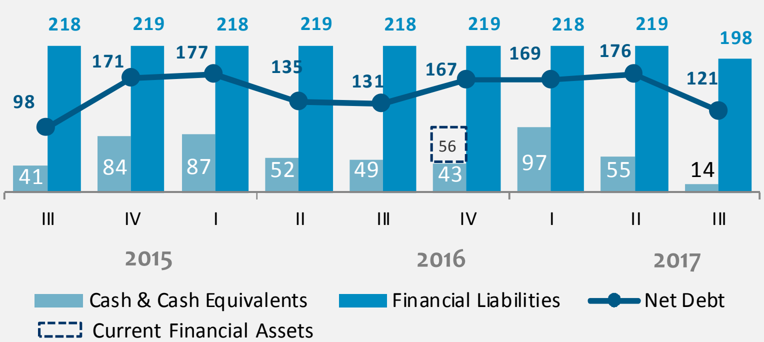


Å Overhead expenses of AntarChile (individual) decreased by US$0.2 million on the third quarter of 2017 compared to the same period of 2016, thanks to lower provisions for severance payments.

Å The increase in accumulated expenses compared to 2016 is explained by extraordinary severance payments incurred in the first quarter of this year.

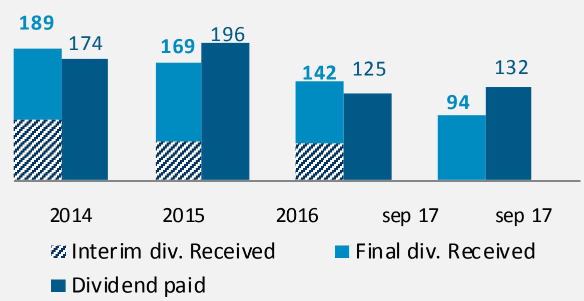
NET DEBT

US$ million



DIVIDENDS

US$ million



AntarChile seeks to maintain a relatively constant level of financial liabilities over time.

Cash and cash equivalents are directly related with dividends received and dividends paid by AntarChile.

The company's policy establishes a minimum dividend distribution of 40% of the year's liquid net earnings. Said policy is linked to that of Empresas Copec, so as to avoid unnecessary accumulation of cash at the holding company.

In December of each year, Empresas Copec pays out an interim dividend, which drives cash and equivalents up in the last quarter. In May of each year, both Empresas Copec and AntarChile pay out a definitive dividend, and therefore cash and cash equivalents normally decrease in the second quarter.

In the third quarter of 2017, AntarChile decreased its individual debt by US$21 million, and also made a temporary fund transfer to Igemar in the amount of US$19 million, in order to finance part of the Igemar's increase of participation in Corpesca. Said funds were returned to AntarChile in November 2017.

EMPRESAS COPEC CONSOLIDATED

US$ million	3Q 2017	2Q 2017	3Q 2016	Q-Q Var.	Y-Y Var.	YTD 2017	YTD 2016	Y-Y Acc. Var.
Sales revenue	5,204	4,947	4,263	5%	22%	15,029	12,150	24%
EBIT	370	296	191	25%	94%	937	627	49%
EBITDA*	**639**	**545**	**442**	**17%**	**45%**	**1,691**	**1,332**	**27%**
Adjusted EBITDA **	652	556	464	17%	41%	1,716	1,362	26%
Non-operating income	57	(33)	(12)	273%	575%	(175)	(26)	-573%
Net income	334	185	127	81%	163%	579	455	27%
Net income of controlling interest	**311**	**174**	**117**	**79%**	**166%**	**534**	**422**	**27%**
Net income of minority interest	23	11	10	109%	130%	45	32	41%

(*) EBITDA = Operational income+ Depreciation+ Amortization+ Stumpage (Fair value of harvested timber)

(**) Adjusted EBITDA = Net Income+ Financial Costs– Financial Income + Taxes+ Depreciation and Amortization + Fair value of harvested timber – Changes in valuation of biological assets + Exchange rate differences + Provision for losses due to wildfires

AntarChile's results are highly correlated with those of its subsidiary Empresas Copec.

The following pages contain a brief analysis of the key variations of Q3 2017 for the principal subsidiaries.

For further detail please refer to:

Å Empresas Copec, press release, at investor.empresascopec.cl
Å Celulosa Arauco y Constitución, press release, at www.arauco.cl, and
Å Terpel, results presentation, at www.terpel.com/en/Accionistas

CELULOSA ARAUCO Y CONSTITUCIÓN, CONSOLIDATED

US$ million	3Q 2017	2Q 2017	3Q 2016	Q-Q Var.	Y-Y Var.	YTD 2017	YTD 2016	Y-Y Acc. Var.
Sales revenue	1,393	1,280	1,187	9%	17%	3,907	3,541	10%
EBIT	191	147	44	30%	337%	456	214	113%
Adjusted EBITDA*	**385**	**335**	**256**	**15%**	**50%**	**1,012**	**792**	**28%**
Non-operating income	9	(25)	6	137%	71%	(205)	(15)	-1,263%
Net income	148	84	31	77%	372%	187	142	32%
Net income of controlling interest	**148**	**84**	**31**	**77%**	**377%**	**187**	**140**	**33%**
Net income of minority interests	(0)	0	0	-135%	-108%	0	2	-76%

(*) Adjusted EBITDA = Net Income + Financial Costs– Financial Income + Taxes+ Depreciation and Amortization + Fair value of harvested timber – Changes in valuation of biological assets + Exchange rate differences + Provision for losses due to wildfires

3Q17 3Q16

In the third quarter of 2017, Arauco obtained earnings of US$148 million, US$117 million more than in the same period of 2016. The raise is owed mainly to a US$147 million increase in the operational income, thanks to better sales prices and volumes in the pulp segment and to better results by panels and sawn timber. In addition, non-operational income increased by US$3 million, thanks to lower other expenses associated to payment of wildfire insurance and better financial results. The above was partially compensated by a lower effect of the revaluation of biological assets, associated to the effect of the same wildfires.

3Q17 2Q17

Net earnings in the third quarter of 2017 were US$64 million higher than in the preceding quarter. This rise was brought by a US$44 million increase in the operational income, thanks to an improvement in the pulp sector corresponding to a 13% increase in physical sales and a 2% increase in prices. In addition, the sawn timber sector registered higher prices and sales volumes, while the panels sector presented a 4% increase in physical sales. At the same time, non-operational income increased by US$34 million, thanks to the payment of insurance indemnifications for wildfires.

2017 2016 YTD

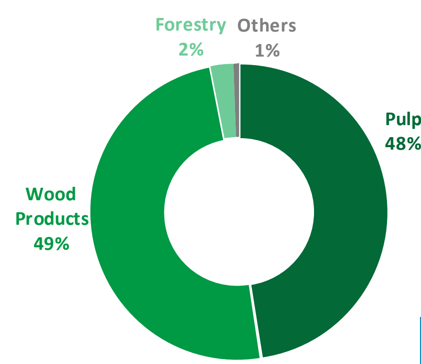
Earnings accumulated to September 2017 are US$187 million, which constitutes a US$47 million rise compared to 2016. This is explained mainly by the operational income, which saw a US$242 million surge on account of better performances by all the business lines, especially pulp, where sales prices and sales volumes increased by 8% and 7% respectively. The above was partially compensated by lower non-operational income in the amount of US$220 million due to the negative effect of the wildfires occurred in early 2017.

SALES
by segment

US$ million	3Q 2017	2Q 2017	3Q 2016	Q-Q Var.	Y-Y Var.
Pulp (*)	663	588	521	13%	27%
Wood Products (*)(**)	687	653	638	5%	8%
Forestry (*)	35	29	22	20%	60%
Others	8	10	6	-21%	34%
Total	**1,393**	**1,280**	**1,187**	**9%**	**17%**

(*) Sales include energy
(**) Includes panels and timber

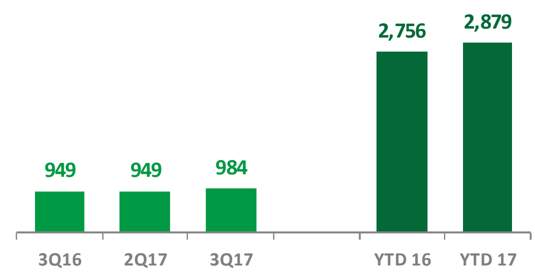
Total 3Q17: US$ 1,393 million



PULP

Normally, the demand for paper decreases in July and August, that is, in the summer months of the Northern Hemisphere. However, prices remained stable during the third quarter, without there being a significant decrease as in previous years. This may be explained by the European, Asian and North American economies being healthier, as they have recorded growth in the last 5 years.
Prices in Asia were stable in July and August and improved in September, with hardwood increasing by 5% and softwood by 4%. Because inventories are low, especially in China, local prices rose by as much as US$100 compared to import prices, which shall bring more rises in the coming months.
In Europe, the recovery in economic activity was immediately reflected in an increased demand for paper and pulp. Proof of the above is that many of the European plants did not halt their operation for summer maintenance, as is normally done in these months. Inventory levels are low, which confirms the increase in prices of up to 6% in hardwood and in 2% softwood. However, we must note that softwood coming from Chile has lost some ground to that from European suppliers.

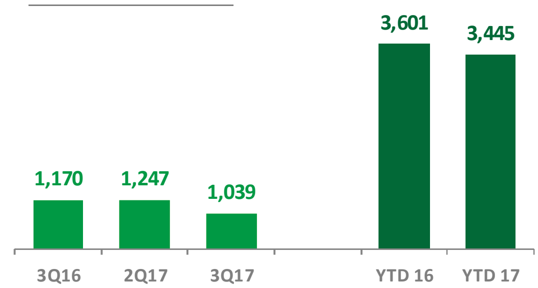
PRODUCTION
Thousands of Adt



PANELS

The plywood market shows improvement, as it presented higher billings than those of the second quarter and of 2016. Traditional markets show increased consumption levels, evidenced by higher sales volumes. Prices registered a slight increase, particularly in Europe on account of the appreciation of the Euro.
The Brazilian market also recorded a slight recovery, which has translated into better sales compared to previous periods. Although the Brazilian market is still difficult, consumption of boards had risen in recent months. At the same time, the addition of new MDF plants will maintain offer levels high.
In North America, agglomerated sales have maintained a good rate, while sales of MDF have decreased due to the presence of boards imported from South America.
The rest of Latin America has also maintained stable sales rates, with a slight increase thanks to a better product mix. The market shows low dynamism, with a reduced number of projects and therefore a reduced demand for construction and furnishing products. In addition, new plants in Mexico and Brazil push the competition in MDF. Nonetheless, sales are expected to remain stable in the coming months.

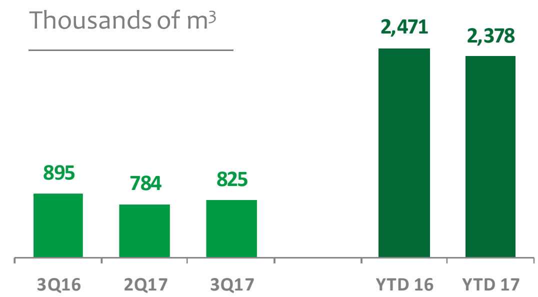
PRODUCTION
Thousands of m³



SAWN TIMBER

Sales improved thanks to a recovery in physical sales volumes and in prices in the Asian and Middle Eastern markets. Such levels of demand and prices are estimated to remain stable in the final quarter of the year.
Re-manufacturing products also show improvement in both volumes and prices, mostly thanks to the dynamism shown by the North American market. This allows to surpass the volumes and prices obtained in the previous quarter and year. Although there is usually a reduction in activity in the final quarter of the year, we foresee stable billing rates.

PRODUCTION
Thousands of m³



COPEC CONSOLIDATED

Millions of Chilean Pesos	3Q 2017	2Q 2017	3Q 2016	Q-Q Var.	Y-Y Var.	YTD 2017	YTD 2016	Y-Y Acc. Var.
Sales	2,215,693	2,228,999	1,841,627	-1%	20%	6,650,620	5,413,010	23%
EBIT	81,099	70,617	62,359	15%	30%	235,735	196,497	20%
EBITDA	**105,853**	**96,112**	**85,185**	**10%**	**24%**	**310,715**	**258,546**	**20%**
Non-operating income	(8,869)	(10,201)	(11,451)	13%	23%	(28,220)	(36,468)	23%
Net Income	**45,101**	**38,824**	**33,197**	**16%**	**36%**	**134,808**	**111,270**	**21%**
Copec Chile's physical sales (thousands of m³)	2,397	2,415	2,424	-1%	-1%	7,308	7,384	-1%
Copec Chile's market share	57.5%*	57.5%	58.3%	0%	-1%	58.1%*	58.3%	0%
Mapco's Sales (million US$)	411	381	-	8%	-	1,139	-	-
Mapco's EBITDA (million US$)	13	13	-	0%	-	31	-	-
Mapco's physical sales (thousands of m³)	513	486	-	6%	-	1,443	-	-

3Q17 3Q16

Copec obtained net earnings in the amount of CLP$45,101 million in this quarter, CLP$11,904 million more than in the same period of 2016. This is explained mainly by a CLP$18.740 million surge in operational income, associated with better margins in Copec Chile and in Terpel, as well as to the positive effect of inventory revaluation and higher sales volumes in Terpel and in the distributors channel in Chile. Non-operational income presented a CLP$2,582 increase, owing to a favorable currency exchange rate but partially counterbalanced by worse financial earnings.

3Q17 2Q17

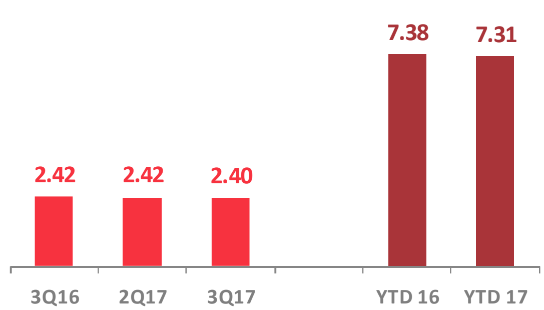
The quarterly earnings were CLP$6,277 million higher than those of the second quarter. Operational results increased by CLP$10,482 million, mainly thanks to higher margins. At the same time, non-operational income increased by CLP$1,332 million, which is explained by the positive effect of adjustment units and by higher financial earnings.

2017 2016 YTD

Compared to the results accumulated as of last year, Copec recorded a positive variation in the amount of CLP$23,538 million. This is due to a CLP$39,238 million increase in the operational income, owing to higher margins in Chile and Colombia, plus an increase in sales volumes in Terpel and in the distributors channel in Chile; and, in addition, to the consolidation of the operations of Mapco in the US. Non-operational income grew by CLP$$8,248 million, thanks to exchange rate difference that were partially compensated by higher financial costs.

COPEC CHILE FUEL SALES

Millions of m³



(*) Information as of May 2017

ORGANIZACIÓN TERPEL CONSOLIDATED

Millions of Colombian Pesos	3Q 2017	2Q 2017	3Q 2016	Q-Q Var.	Y-Y Var.	YTD 2017	YTD 2016	Y-Y Acc. Var.
Sales	3,871,004	3,646,845	3,614,868	6%	7%	11,106,777	10,604,639	5%
EBIT	167,966	117,350	121,468	43%	38%	398,880	349,393	14%
EBITDA	**214,615**	**162,202**	**173,915**	**32%**	**23%**	**534,540**	**487,930**	**10%**
Non-operating income	(37,002)	(29,506)	(41,249)	-25%	10%	(95,839)	(123,702)	23%
Net income of controlling interest	**79,804**	**54,748**	**45,193**	**46%**	**77%**	**184,796**	**134,190**	**38%**
Net income of minority interest	**0**	**-**	**-**	**-**	**-**	**0**	**32**	**-100%**
Physical sales of Terpel (thousands of m³)								
Colombia	1,798	1,740	1,750	3%	3%	5,241	5,225	0%
Panama	234	233	242	0%	-3%	692	725	-5%
Ecuador	152	140	147	9%	3%	429	403	6%
Dominican Republic	52	53	50	-2%	4%	167	157	6%
Physical sales of Gazel (thousands of m³)								
Colombia	70	71	78	-1%	-10%	211	228	-7%
Panama	21	20	20	5%	5%	60	58	3%
Ecuador	17	16	13	6%	31%	47	37	27%

3Q17
3Q16

Terpel's earnings in the third quarter of 2017 climbed 77% with respect to the same period of 2016. EBITDA rose by COP$40,700 million thanks to higher margins and sales volumes, together with a positive effect of inventory revaluation.

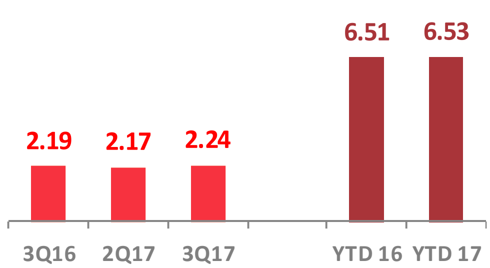
3Q17
2Q17

Compared to the preceding quarter, earnings increased by 46%, thanks to a COP$50,616 million increase in the operational income, brought by higher sales volumes in Colombia, Panama and Ecuador.

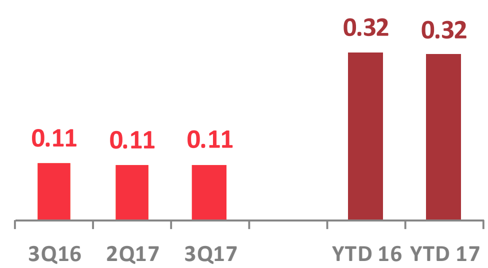
2017
2016
YTD

EBITDA accumulated to September 2017 was 10% higher than the same period of 2016. This year has seen better margins and a slight increase in physical sales.

TERPEL FUEL SALES
Millions of m³



GAZEL FUEL SALES
Millions of m³



ABASTIBLE CONSOLIDATED

Millions of Chilean Pesos	3Q 2017	2Q 2017	3Q 2016	Q-Q Var.	Y-Y Var.	YTD 2017	YTD 2016	Y-Y Acc. Var.
Sales	206,680	191,649	160,097	8%	29%	562,278	368,678	53%
EBIT	27,051	22,747	24,068	19%	12%	61,837	58,903	5%
EBITDA	**36,181**	**32,344**	**32,578**	**12%**	**11%**	**89,964**	**80,191**	**12%**
Non-operating income	1,200	1,804	394	-33%	205%	1,586	5,087	-69%
Net Income	**21,846**	**16,516**	**16,114**	**32%**	**36%**	**43,740**	**45,898**	**-5%**
Physical sales of LPG in Chile (thousands of tons)	146	130	134	12%	9%	365	357	2%
Physical sales of LPG in Colombia (thousands of tons)	51	48	49	6%	4%	147	138	7%
Physical sales of LPG in Peru (thousands of tons)	131	132	-	-1%	-	391	-	-
Physical sales of LPG in Ecuador (thousands of tons)	111	104	-	7%	-	315	-	-

3Q17 3Q16

In the third quarter of 2017 Abastible obtained earnings in the amount of CLP$21,846 million, CLP$5,732 million more than in the same period of 2016. This is thanks mainly to a CLP$2,983 million increase in the operational income on account of a better performance in Chile and Colombia, where the weather factor had a positive impact in physical sales; as well as to the consolidation of the earnings of Solgas in Peru and Duragas in Ecuador. At the same time, non-operational income increased by CLP$806 million, thanks to a favorable currency exchange rate and a positive effect by adjustment units. In addition, there were improvements in associates and joint businesses.

3Q17 2Q17

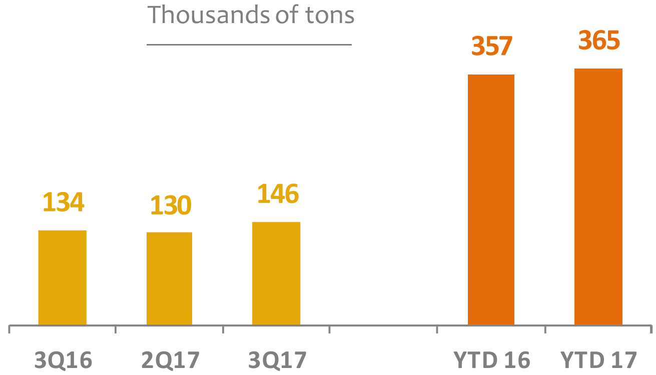
Compared to the preceding quarter, Abastible's earnings grew by CLP$5,303 million, as a result of the operational income being CLP$4,304 million higher as sales volumes in Chile and Colombia grew by 12% and 6% respectively. Non-operational income fell by CLP$604 million, due to lower other earnings.

2017 2016 YTD

Earnings accumulated to the third quarter of 2017 present a CLP$2,158 million fall with respect to the same period of 2016. This is explained mainly by a CLP$3,501 million decrease in the non-operational income, caused by an unfavorable exchange rate difference and higher net financial costs, which was partially compensated by lower other earnings by function. The operational income increased by CLP$2,934 million, thanks to a better performance in Colombia and to the consolidation of Solgas and Duragas, all partially compensated by lower results from operations in Chile.

ABASTIBLE CHILE LPG SALES

Thousands of tons



EMPRESA PESQUERA EPERVA

US$ million	3Q 2017	2Q 2017	3Q 2016	Q-Q Var.	Y-Y Var.	YTD 2017	YTD 2016	Y-Y Acc. Var.
Sales	65	103	100	-37%	-35%	251	255	-1%
EBIT	144	8	(13)	1,802%	1,167%	147	(33)	546%
EBITDA	**(9)**	**12**	**(3)**	**-177%**	**-205%**	**-**	**4**	**-100%**
Non-operating income	(0)	(3)	(2)	89%	88%	(3)	2	-259%
Income (loss) from the discontinued operations	7	(8)	(3)	179%	339%	3	40	-91%
Net income of controlling interest	**51**	**(2)**	**(7)**	**2,696%**	**793%**	**49**	**(7)**	**755%**
Net income of minority interest	61	(4)	(9)	1,721%	776%	60	2	3,214%
Physical Sales*								
Fishmeal & other protein foods (tons)	34,749	97,894	107,744	-65%	-68%	229,257	265,103	-14%
Fish oil (tons)	2,175	1,524	1,224	43%	78%	4,132	2,997	38%

(*) Do not include sales from Selecta

3Q17 3Q16

Eperva registered earnings in the amount of US$51 million in the third quarter of 2017, while in the same period of 2016 it presented losses in the amount of US$7 million. The change is due mainly to a US$157 million increase in operational income, thanks by the sale of 60% of Selecta by Corpesca –a transaction that brought earnings before taxes in the amount of US$161 million. The latter was partially compensated by an increase in overhead expenses (-US$5 million) and in other expenses by function (-US$1 million).

3Q17 2Q17

Earnings in the third quarter were US$53 million higher than those of the previous quarter. The operational income grew by US$136 million thanks to the sale of 60% the issued share capital of Selecta (+US$161 million). This was partially counterbalanced by lower earnings due to a decrease in fishmeal sales and by higher other expenses by function due to the adjustment of the selling value of the fishmeal inventory.

2017 2016 YTD

Earnings accumulated as of September 2017 are US$56 million higher than those of the same period of 2016. This positive variation is a result of the sale of 60% of Selecta by Corpesca, which brought earnings before taxes in the amount of US$161 million. The latter was partially compensated by lower earnings from discontinued operations (-US$39 million) associated to the operation of Selecta in 2016.

PESQUERA IQUIQUE-GUANAYE, IGEMAR

US$ million	3Q 2017	2Q 2017	3Q 2016	Q-Q Var.	Y-Y Var.	YTD 2017	YTD 2016	Y-Y Acc. Var.
Sales	47	40	41	17%	14%	118	116	2%
EBIT	(0)	0	3	-300%	-106%	(1)	9	-109%
EBITDA	**7**	**5**	**10**	**40%**	**-27%**	**16**	**25**	**-35%**
Non-operating income	36	(7)	(13)	655%	376%	23	(18)	234%
Net income	**40**	**(4)**	**(8)**	**1,011%**	**621%**	**32**	**(8)**	**481%**
Physical Sales								
Fishmeal (tons)	10,725	7,433	6,903	44%	55%	20,487	20,552	0%
Fish oil (tons)	2,967	2,127	1,486	39%	100%	5,617	4,331	30%
Canned fish (cases)	533,180	498,372	468,600	7%	14%	1,626,743	1,559,679	4%
Frozen fish (tons)	6,704	5,791	5,330	16%	26%	14,681	11,484	28%
Catch (tons)	17,992	64,034	20,330	-72%	-12%	145,033	138,113	5%

3Q17
3Q16

Igemar obtained earnings in the amount of US$40 million in the third quarter of this year, while in the same period of 2016 it recorded a US$8 million loss. The change is explained almost entirely by a non-operational income of US$49 million, owing to the sale of 60% of Corpesca's Brazilian affiliate Selecta, and by earnings obtained through the acquisition by Igemar of additional share interest in Corpesca; as the purchase price of the shares was below their book value. The operational income didn't see significant variations.

3Q17
2Q17

With respect to the preceding quarter, earnings grew by US$44 million. This was caused by a higher non-operational income due to the sale of 60% of the share capital of Corpesca's Brazilian affiliate Selecta, and by the acquisition of additional share interest in Corpesca. The operational income didn't see significant variations.

2017
2016
YTD

Earnings accumulated up to September 2017 are US$32 million, US$40 million higher than the same period of 2016. This positive variation is explained by a US$41 million increase in earnings from associates and joint businesses, owing to the earing generated in Corpesca with the sale by it of 60% of Selecta. The above was partially counterbalanced by a US$10 million decrease in operational income due to prices of fishmeal and fish oil have falling by 12% and 29%, respectively, compensated in turn by an increase in the sales of fish oil and canned and frozen products.

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HIGHLIGHTS

VALDIVIA PROJECT

- In September 2017, the Board of Directors of Arauco approved the development of a dissolving pulp project, in order to allow the Valdivia plant to produce this variety without compromising its ability to commercialize traditional pulp.
- The total cost of the project is an estimated US$185 million, to be financed by Arauco's own cash. The project will be built within the existing facilities, through the introduction of additional equipment including two digestors for the optimization of pulp output, a new discharge tank and other modifications to the treatment area.
- With this project, Arauco will continue to diversify its offer in the pulp market. This new product is used by textile manufacturers to soften, brighten and purifying fibers, as well as in other industries like food, cellophane and flexible packing.
- The new plant is set to begin operating in late 2019.

SALE OF 60% OF SELECTA IN BRAZIL

- In June 2017, Corpesca issued a Significant Event ("Hecho Esencial") of the negotiations to sell 60% of the share interest in Sementes Selecta ("Selecta") by its affiliate Corpesca do Brasil to Korean CJ Cheil Jedang Corporation. Said communication indicated that Company would inform when the conditions precedent for the sale were met.
- Thus, in August 2017 Corpesca communicated the closing of the sale per the terms and conditions agreed. The buyers were CJ Logistics do Brasil Ltda. and the investment fund Stic CJ Global Investment Partnership Private Equity Fund, acquiring share portions of 37.33% and 22.67%, respectively
- The sale price for the package was US$214 million, to be adjusted according to working capital and debt as of the closing date.
- The sale was closed in August, 2017 and yielded Corpesca earnings before taxes in the amount of US$116 million approximately.

EPERVA AND IGEMAR INCREASE SHARE IN CORPESCA

- In July 2017, Eperva and Igemar announced the agreement to buy the entirety of the share interest in Corpesca owned by Sociedad Pesquera Coloso S.A., which then equaled 23% of the issued and paid-in shares of the company.
- The purchase was closed in September 2017. The purchase price was US$69.4 million, of which US$41.7 million were paid by Eperva for the acquisition of 13.9% of the shares, and the remaining US$27.7 million were paid by Igemar for the acquisition of 9.2% of shares.
- Thus, Eperva and Igemar now hold a share interest in Corpesca of 60.21% and 39.79%, respectively.

FINANCIAL STATEMENTS consolidated

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BALANCE SHEET

US$ million	3Q 2017	2Q 2017	3Q 2016
Cash and cash equivalents	1,192	1,196	1,425
Other current financial assets	195	196	257
Other current non-financial assets	193	218	228
Trade and other receivables, current	1,617	1,362	1,227
Related party receivables	44	48	56
Inventories	1,442	1,452	1,494
Current biological assets	315	305	300
Current tax assets	71	99	153
Non-current assets classified as held for sale	7	7	7
Total current assets	**5,075**	**4,884**	**5,146**
Other non-current financial assets	492	447	433
Other non-current non-financial assets	128	116	136
Non-current fees receivable	34	33	34
Non-current accounts receivable from related parties	8	8	7
Investments accounted for using the equity method	1,065	935	1,018
Intangibles assets other than goodwill	831	815	657
Goodwill	413	409	366
Property, plant and equipment	10,388	10,100	9,672
Non-current biological assets	3,515	3,519	3,588
Investment property	47	46	48
Deferred tax assets	315	326	237
Total non-current assets	**17,235**	**16,753**	**16,195**
TOTAL ASSETS	**22,310**	**21,637**	**21,341**
Other current financial liabilities	1,088	864	1,059
Trade and other current payables	1,457	1,220	1,238
Related party payables	8	18	9
Other short-term provisions	18	16	3
Current tax liabilities	62	32	44
Current provisions for employee benefits	10	9	9
Other current non-financial liabilities	335	193	219
Total current liabilities	**2,979**	**2,352**	**2,581**
Other non-current financial liabilities	5,518	5,839	5,604
Other non-current accounts payable	1	1	1
Non-current account payable to related companies	-	-	-
Other long-term provisions	69	68	49
Deferred tax liabilities	2,304	2,310	2,231
Non-current provisions for employee benefits	112	108	103
Other non-current non-financial liabilities	141	134	146
Total non-current liabilities	**8,145**	**8,461**	**8,135**
Non-parent participation	4,561	4,433	4,365
Net equity attributable to owners of parent	**6,625**	**6,391**	**6,260**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**22,310**	**21,637**	**21,341**

EARNINGS STATEMENT

US$ million	3Q 2017	2Q 2017	3Q 2016	YTD 2017	YTD 2016
Sales revenue	5,204	4,947	4,263	15,029	12,150
Cost of sales	(4,262)	(4,107)	(3,549)	(12,455)	(10,100)
Gross Margin	**942**	**840**	**714**	**2,575**	**2,050**
Other income	56	40	72	148	198
Distribution costs	(331)	(305)	(275)	(930)	(772)
Administration expenses	(242)	(240)	(249)	(713)	(656)
Other expenses	(5)	(19)	(26)	(227)	(71)
Other income (loss)	(1)	(2)	2	(4)	2
Net financial expenses	(75)	(69)	(76)	(214)	(215)
Share of profit (loss) of associates and joint ventures	76	23	16	117	49
Exchange rate differences	16	(2)	(2)	22	20
Income (loss) before tax	**435**	**266**	**176**	**773**	**605**
Income tax expense	(92)	(78)	(52)	(184)	(146)
Income (loss) from continuing operations	342	187	124	590	459
Income (loss) from discontinued operations	-	-	-	-	-
Income (loss) attributable to owners of parent	**204**	**107**	**66**	**341**	**260**
Income (loss) attributable to minority interests	138	80	57	249	199
Net Income	**342**	**187**	**124**	**590**	**459**

CONSOLIDATED CASH FLOW

US$ million	YTD 2017	YTD 2016
Cash received from sale of goods and providing services	16,939	12,959
Cash received from premiums and claims, annuties and other policy benefits	3	0
Other cash received from operating activities	254	375
Payments to suppliers for goods and services	(15,013)	(11,255)
Payments to and on behalf of employees	(703)	(573)
Payment for premiums and claims, annuties and other policy obligations	(9)	(5)
Other cash payments for operating activities	(108)	(205)
Dividends received	15	15
Interest paid	(192)	(180)
Interest received	26	48
Income tax refunds (paid)	(114)	(160)
Other cash inflows (outlays)	(5)	(11)
Net cash flow from (used in) operating activities	**1,094**	**1,009**
Cash flows used in obtaining control of subsidiaries or other business	-	(40)
Cash flows used in the purchase of non-controlling interests	(1)	(275)
Other cash receipts from the sale of equity or debt instruments of other entities	3	7
Other cash payments to acquire interest in joint ventures	-	(153)
Loans to related parties	(1)	(20)
Proceeds from the sale of property, plant and equipment	7	12
Purchase of property, plant and equipment	(559)	(430)
Proceeds from the sale of intangible assets	-	-
Purchase of intangible assets	(50)	(22)
Proceeds from other long-term assets	2	2
Purchase of other long-term assets	(122)	(111)
Cash advances and loans to third parties	(1)	(1)
Charges to related parties	0	1
Dividends received	34	20
Interest received	3	0
Other cash inflows (outlays)	53	(11)
Net cash flow from (used in) investing activities	**(655)**	**(1,022)**
Amounts paid for equity stakes	-	(0)
Proceeds from long-term borrowings	273	194
Proceeds from short-term borrowings	320	580
Loans from related parties	-	3
Payment of borrowings	(934)	(781)
Payments of financial leasing liabilities	(3)	(3)
Dividends paid	(222)	(203)
Interest paid	(55)	(56)
Other cash inflows (outlays)	14	(7)
Net cash flow from (used in) financing activities	**(607)**	**(272)**
Net increase (decrease) in cash and cash equivalents before the exchange rate change effect	**(167)**	**(285)**
Effect of exchange rate changes on cash and cash equivalents	27	41
Cash and cash equivalents at the beginning of the year	1,332	1,668
Cash and cash equivalents at the end of the year	**1,191**	**1,424**