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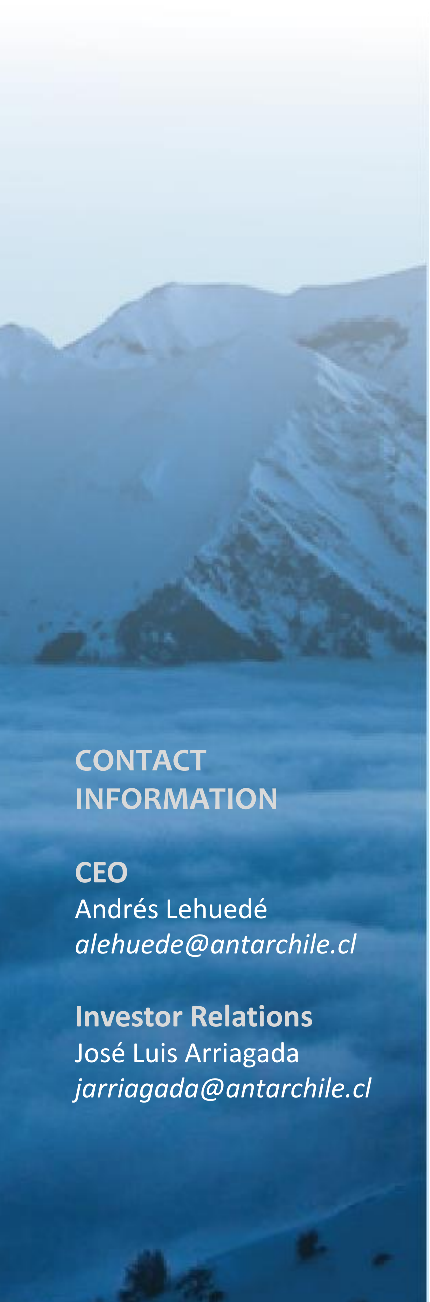
EARNINGS ANALYSIS

Second Quarter
2018



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EARNINGS consolidated

2Q18 2Q17

AntarChile had net income of US$224 million in 2Q18, increasing US$117 million year-over-year (YoY).
Operating income rose US$256 million, mainly explained by a US$200 million increase in the forestry business, due to higher income across all business lines, principally in the pulp business with prices and volume increasing 31.8% and 8.4%, respectively. There was also a US$44 million operating income increase at Copec consolidated, related to the positive effect of the revaluation of inventories and the consolidation of the ExxonMobil business in Peru and Ecuador.
Non-operating income was US$23 million more negative, largely explained by the US$20 million decrease at Copec consolidated, because of greater financial expenses at Terpel from the acquisition of ExxonMobil's assets and lower income at the associate Sonamar.

2Q18 1Q18

AntarChile posted a net income increase of US$55 million quarter-over-quarter (QoQ), mainly due to operating income rising US$126 million from the better performance of all sectors, particularly the forestry business which had a US$77 million increase from higher income across all business lines. There was also a US$34 million operating income increase at Copec consolidated, related to the positive effect of the revaluation of inventories, higher income at MAPCO and the consolidation of the ExxonMobil business in Peru and Ecuador. Lastly, Abastible had an operating income increase of US$9 million on account of higher sales volumes in Chile, Colombia, Peru and Ecuador.
Non-operating income was US$1 million less negative QoQ.

2018 2017 YTD

Year-to-date, AntarChile has net income of US$393 million, a US$256 million increase on that in the same period in 2017. That was due to higher operating income along with less negative non-operating income.
Operating income was US$414 million higher than in 2017, because of the better performance of all sectors. Such increase was mainly due to the forestry business (US$351 million), explained by higher revenue across all its business lines, particularly pulp with a 37.3% price increase. There was also a US$16 million increase at Copec consolidated, related to a higher revaluation of inventories in Chile and Colombia. Furthermore, Igemar posted an operating income increase of US$12 million, due to industrial catches growing 93% from the higher jack mackerel catch quota. Lastly, Abastible had an operating income increase of US$8 million arising from changes in accounting principles, greater volumes in Chile, Colombia and Ecuador and higher margins in Chile and Colombia.
Non-operating income was US$117 million up on the same period of the previous year, explained by higher non-operating income at Arauco (US$159 million) due to the effects of the wildfires in Chile in the first quarter of 2017 (-US$178 million). That was partly offset by more negative non-operating income of US$34 million at Copec consolidated, on account of higher expenses at Terpel from the acquisition of ExxonMobil's assets.

US$ million	2Q 2018	1Q 2018	2Q 2017	Q-Q Var.	Y-Y Var.	YTD 2018	YTD 2017	Y-Y Acc. Var.
Sales revenue	6,116	5,752	4,947	6%	24%	11,868	9,825	21%
EBIT	552	426	295	30%	87%	977	563	74%
EBITDA*	**803**	**680**	**543**	**18%**	**48%**	**1,482**	**1,047**	**42%**
Adjusted EBITDA**	813	683	545	19%	49%	1,496	1,050	43%
Non-operating income	(53)	(54)	(29)	2%	-79%	(107)	(224)	52%
Net Income	371	283	187	31%	98%	654	247	164%
Net income of controlling interest	**224**	**169**	**107**	**33%**	**109%**	**393**	**137**	**186%**
Net income of minority interest	147	114	80	29%	84%	262	110	137%
EBITDA Margin	13%	12%	11%	11%	19%	12%	11%	17%
EBITDA / net financial expense	18.5 x	7.1 x	7.9 x	160%	135%	10.6 x	7.5 x	41%

(*) EBITDA = Operating 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

US$ million	jun 2018	dec 2017	Variation US$ million	Variation %
Current Assets	6,000	5,485	515	9.4%
Non-current Assets	17,396	17,243	153	0.9%
Total Assets	**23,396**	**22,728**	**668**	**2.9%**
Other current financial liabilities	1,166	1,080	86	8.0%
Other current liabilities	2,047	2,189	(142)	-6.5%
Other non-current financial liabilities	6,344	5,714	630	11.0%
Other non-current liabilities	2,512	2,561	(49)	-1.9%
Total liabilities	**12,070**	**11,544**	**525**	**4.6%**
Equity of minority interest	**4,622**	**4,555**	**67**	**1.5%**
Equity attributable to controlling interest	**6,704**	**6,628**	**76**	**1.2%**
Leverage	0.51	0.46	N.A.	10.6%
Net financial debt	5,765	5,149	616	12.0%

As of June 30, 2018, AntarChile's total consolidated assets rose 2.9% on those as of December 31, 2017.

Current assets rose 9.4%, driven by an increase in other current financial assets at Copec and related to the account receivable generated from the sale of the assets of ExxonMobil Colombia to autonomous trust. Moreover, there was an increase in inventories at Copec and higher trade receivables and other current accounts receivable at Arauco. Biological assets dropped at Arauco as did cash and cash equivalents at Copec and Abastible.

Non-current assets rose 0.9%, related to an increase in goodwill at Copec from the acquisition of ExxonMobil's assets. There was also an increase in investments accounted for using the equity method at Empresas Copec from the purchase of 40% of Cumbres Andinas, the owner of the Mina Justa project in Peru.

Current liabilities dropped 1.7%. There was a decrease in trade accounts payable and other accounts payable at Arauco, which were partly offset by greater other current non-financial liabilities at Arauco and Copec, and both related to higher provisions for dividends payable. Current tax liabilities also rose at Arauco. Abastible and Igemar had higher current tax liabilities and increases in other current financial liabilities.

On the other hand, non-current liabilities increased 7.0%, mainly due to higher other non-current financial liabilities at Copec, related to financing Terpel's acquisition of ExxonMobil's assets.

Lastly, shareholders' equity rose 1.1% on that at December 2017, because of higher retained earnings, partly offset by lower other reserves.

CASH FLOW

consolidated

antarchile

US$ million	jun-18	jun-17	Variation	
			US$ million	%
Cash flow from (used in) operating activities	627	613	14	2%
Cash flow from (used in) investing activities	(1,268)	(310)	(958)	-308%
Cash flow from (used in) financing activities	475	(442)	917	207%
Net increase (decrease) in cash and cash equivalents, before exchange rate adjustments	**(166)**	**(139)**	**(27)**	**-19%**

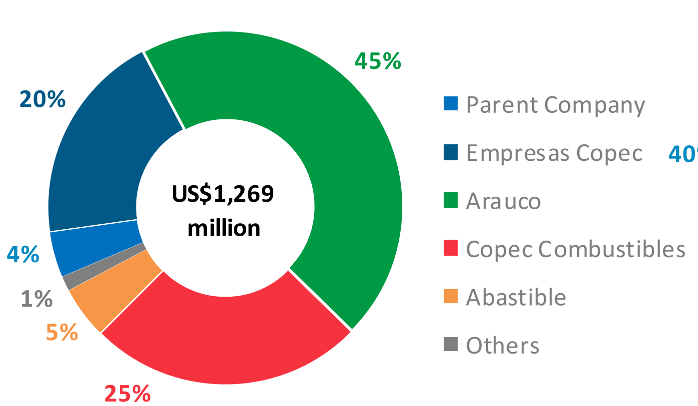
The company's cash flow in 2Q18 before the exchange rate effect was -US$166 million, which was a decrease on the cash flow of US$27 million YoY.

The operating cash flow year-to-date rose 2.2% on the previous year, largely explained by higher charges for sales of goods and service provision. These were partly offset by greater payments to goods and service suppliers, mainly at Copec and to a lesser extent at Arauco and Abastible.

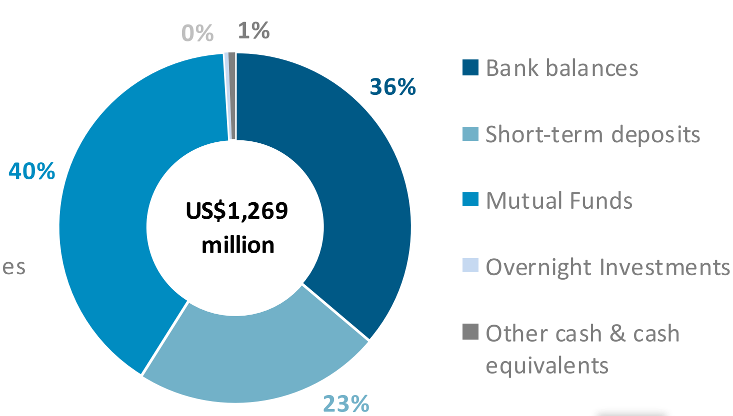
The investing cash flow in 2Q18 was US$958 million more negative than in the same period in 2017. The main reason was the higher amounts of cash used to gain control of subsidiaries, related to Terpel acquiring ExxonMobil's assets in the first quarter. There was also a cash flow increase to acquire a non-controlling interest, related to the purchase of 40% of Cumbres Andinas by Alxar Internacional which will develop the Mina Justa project. There was also an increase in property, plant and equipment at Arauco.

The financing flow was US$917 million higher than the one as of June 2017, mainly due to greater new loans taken out by Terpel to acquire ExxonMobil's assets. Copec had lower loan payments.

CASH AND CASH EQUIVALENTS
by entity



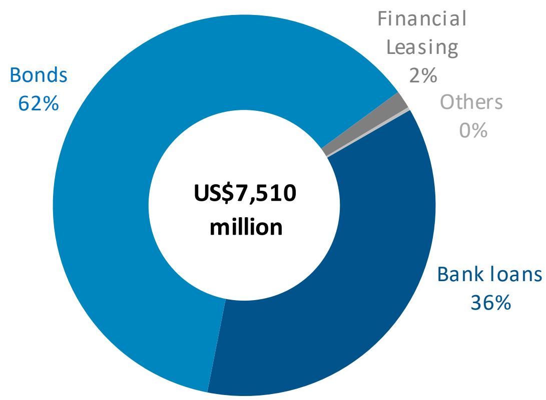
BREAKDOWN
by instrument



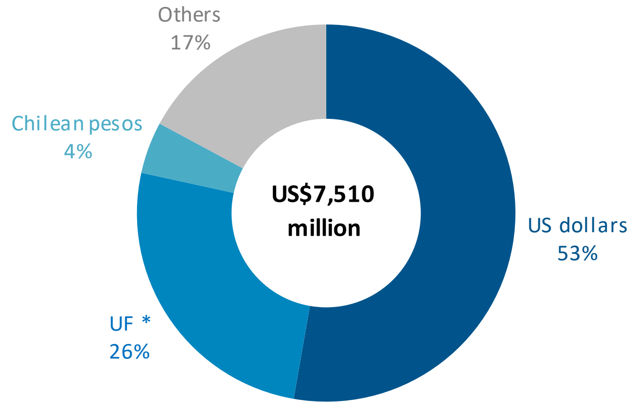
FINANCIAL DEBT consolidated

antarchile

BREAKDOWN
by instrument



BREAKDOWN
by currency

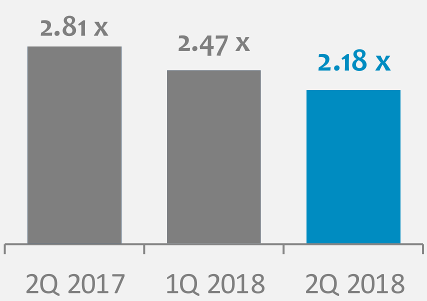


(*) "Chilean inflation-indexed currency unit"
Source: Ministry of Finance, Chile

FINANCIAL DEBT
Net

US$ million	2Q 2018	1Q 2018	2Q 2017
Current financial liabilities	1,166	1,078	864
Non-current financial liabilities	6,344	6,579	5,839
Total financial liabilities	**7,510**	**7,657**	**6,703**
Cash and cash equivalents	1,269	1,622	1,196
Current financial assets	477	134	196
Net financial debt*	**5,765**	**5,902**	**5,311**

NET DEBT/ EBITDA LTM

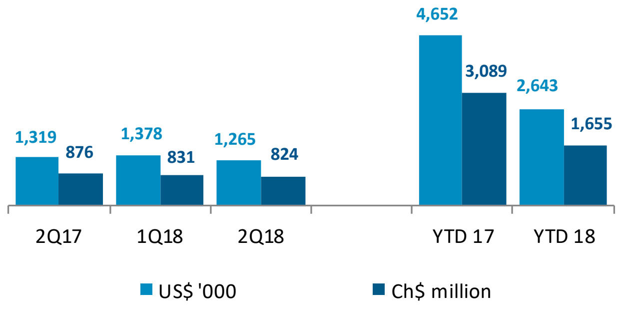


** Net Debt = Current financial liabilities + Non-current financial liabilities - cash and cash equivalents - Other current financial assets.*

EARNINGS consolidated by segment

US$ million	2Q 2018	1Q 2018	2Q 2017	Var. Q-Q	Var. Y-Y	YTD 2018	YTD 2017	Acc. Var. Y-Y
Sales								
Forestry	1,559	1,465	1,280	6%	22%	3,024	2,514	20%
Fuels	4,501	4,245	3,625	6%	24%	8,746	7,240	21%
Fisheries	55	42	40	29%	36%	97	71	36%
Other companies	0	0	2	87%	-80%	1	0	113%
Total	**6,116**	**5,752**	**4,947**	**6%**	**24%**	**11,868**	**9,825**	**21%**
EBITDA								
Forestry	536	460	335	17%	60%	996	628	58%
Fuels	263	218	209	20%	26%	481	424	14%
Fisheries	10	8	5	28%	89%	18	9	107%
Other companies	(6)	(6)	(6)	1%	-11%	(13)	(14)	7%
Total	**803**	**680**	**543**	**18%**	**48%**	**1,482**	**1,047**	**42%**
Net income								
Forestry	238	198	84	20%	183%	436	39	1,024%
Fuels	104	88	101	18%	2%	192	204	-6%
Fisheries	7	(2)	(6)	528%	213%	6	(11)	149%
Other companies	22	(1)	8	2,538%	169%	21	16	31%
Total	**371**	**283**	**187**	**31%**	**98%**	**654**	**247**	**164%**
Capex								
Forestry	202	183	132	10%	53%	385	252	53%
Fuels	101	575	75	-82%	34%	675	148	355%
Fisheries	1	0	1	297%	-21%	1	3	-59%
Other companies	183	1	2	31,072%	9,113%	184	5	3,964%
Total	**487**	**759**	**211**	**-36%**	**131%**	**1,246**	**408**	**205%**

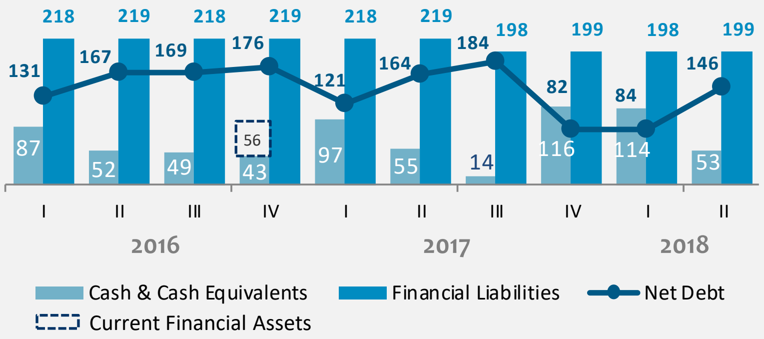
SALES AND ADMINISTRATION EXPENSES



- The administration expenses of AntarChile (individual) YTD dropped US$2 million compared to the same period in 2017, due to extraordinary severance payments made in 1Q17.

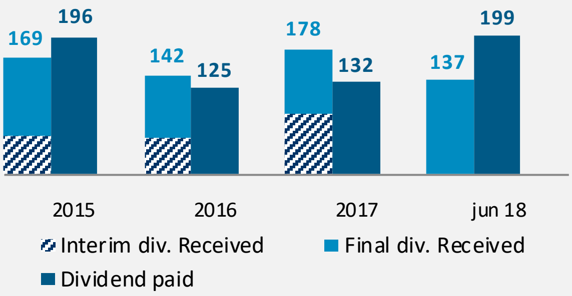
NET DEBT

US$ million



DIVIDENDS

US$ million



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

Cash and cash equivalents are fully related to the dividends received and paid by AntarChile.

The company's dividend distribution policy establishes that 40% of the net income in the year shall be distributed. AntarChile's dividend policy is linked to that of Empresas Copec, so as to prevent an unnecessary build-up of cash at the holding company.

In December, Empresas Copec pays an interim dividend which increases cash and cash equivalents in the last quarter of each year. In May, both Empresas Copec and AntarChile pay a final dividend so cash and cash equivalents normally drop in the second quarter. Besides this, in December 2017 and May 2018 the company received a dividend payment from Colbún.

In June 2018, US$42 million of AntarChile's debt was reclassified, which changed from non-current financial liabilities to current financial liabilities.

EMPRESAS COPEC CONSOLIDATED

US$ million	2Q 2018	1Q 2018	2Q 2017	Q-Q Var.	Y-Y Var.	YTD 2018	YTD 2017	Y-Y Acc. Var.
Sales revenue	6,116	5,752	4,947	6%	24%	11,868	9,825	21%
EBIT	553	427	296	30%	87%	980	567	73%
EBITDA*	**804**	**681**	**545**	**18%**	**48%**	**1,485**	**1,052**	**41%**
Adjusted EBITDA **	801	693	558	16%	44%	1,494	1,068	40%
Non-operating income	(72)	(54)	(33)	-33%	-118%	(126)	(232)	46%
Net income	352	284	185	24%	90%	637	244	161%
Net income of controlling interest	**335**	**280**	**174**	**20%**	**93%**	**615**	**223**	**176%**
Net income of minority interest	18	4	11	350%	64%	22	22	0%

(*) 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 2Q 2018 for the principal subsidiaries.

For further details, please refer to:
- Empresas Copec, press release, at investor.empresascopec.cl
- Celulosa Arauco y Constitución, press release, at www.arauco.cl, and
- Terpel, results presentation, at www.terpel.com/en/Accionistas

CELULOSA ARAUCO Y CONSTITUCIÓN, CONSOLIDATED

US$ million	2Q 2018	1Q 2018	2Q 2017	Q-Q Var.	Y-Y Var.	YTD 2018	YTD 2017	Y-Y Acc. Var.
Sales revenue	1,559	1,465	1,280	6%	22%	3,024	2,514	20%
EBIT	347	269	147	29%	136%	616	265	133%
Adjusted EBITDA*	**546**	**464**	**336**	**18%**	**62%**	**1,010**	**630**	**60%**
Non-operating income	(36)	(20)	(25)	-81%	-39%	(55)	(214)	74%
Net income	238	198	84	20%	183%	436	39	1,024%
Net income of controlling interest	**238**	**198**	**84**	**21%**	**184%**	**436**	**38**	**1,036%**
Net income of minority interests	(0)	(0)	0	-123%	-396%	(0)	0	-172%

(*) 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

2Q18 2Q17

Arauco posted net income of US$238 million in 2Q18 , US$154 million up YOY. That was due to operating income increasing US$200 million from higher revenue across all its business lines, mainly in the pulp business with prices and volume increasing 31.8% and 8.4%, respectively. On the other hand, non-operating income dropped US$10 million, because of lower exchange rate difference income and higher other expenses, both partly offset by higher income at the associate Sonae Arauco. There were also greater tax expenses on account of the increased income in the quarter.

2Q18 1Q18

Net income in 2Q18 was US$41 million up QoQ. That was due to a US$77 million increase in operating income from greater revenue across all business lines, mainly due to higher pulp and sawn timber prices, along with greater physical pulp and panel sales volumes. Non-operating income was down US$16 million, because of lower exchange rate difference income and decreased revenue from the revaluation of biological assets. That was partly offset by higher net income at the associate Sonae Arauco. There were also greater tax expenses from the increased income in the quarter.

2018 2017 YTD

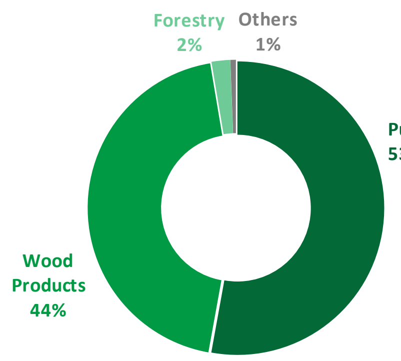
Net income YTD is US$436 million, which is a US$398 million increase compared with previous year. That is mainly explained by operating income climbing US$351 million, related to the growth of all business lines, particularly pulp with a 37.3% price increase. Moreover, non-operating income was up US$159 million, due to the effects of the wildfires in Chile in the first quarter of 2017 (-US$178 million). Lastly, tax expenses rose US$21 million from the higher income in the quarter.

SALES
by segment

US$ million	2Q 2018	1Q 2018	2Q 2017	Q-Q Var.	Y-Y Var.
Pulp (*)	824	733	588	12%	40%
Wood Products (*)(**)	694	693	653	0%	6%
Forestry (*)	32	30	29	6%	10%
Others	10	9	10	4%	-9%
Total	**1,559**	**1,465**	**1,280**	**6%**	**22%**

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

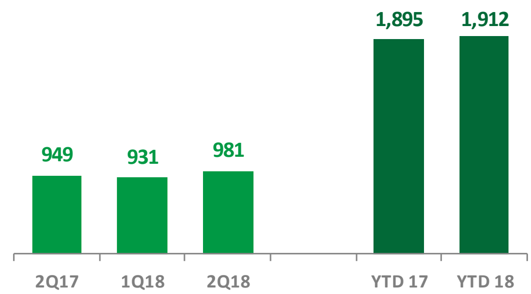
Total 2Q18: US$1,559 million



PULP

Pulp sales continued to increase in 2Q18 climbing 12.4% QoQ, due to prices and volume increasing 2.5% and 9.4%, respectively. Global inventories remained stable, despite the greater supply from the commissioning of a new mill in Brazil. Demand remains active, even with the effects of the summer season in the Northern Hemisphere.
The paper industry is generally suffering from the pulp price increase and the difficulty of transferring these higher costs over to customers.
Markets in Asia remain active led by China, where despite a possible trade war the economy is in line with forecasts. The prices of the three types of fiber sold in this market remained stable throughout the quarter.
Demand is still very active in Europe and paper producers have managed to implement price increases, transferring costs to their customers. In any case, margins have declined and less efficient mills are in a tougher situation. The truck drivers' strike in Brazil hit deliveries, because of the delay of vessels bound for Europe.

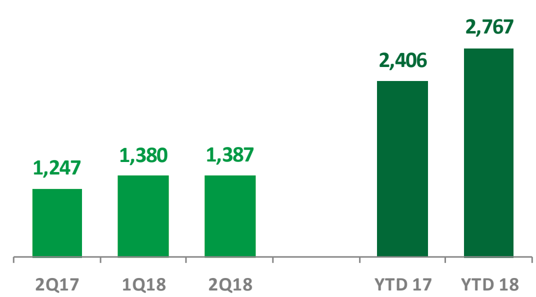
PRODUCTION
Thousands of Adt



PANELS

The second quarter of 2018 was positive for the panels market. Sales continued to increase in Latin America, mainly in Chile, where despite the low seasonality period demand remained active due to the recovery of the economy.
Panel consumption continued to grow in Brazil, which was slightly affected by the truck drivers' strike late in the quarter. In any case, the new mills that have started up, along with the forthcoming elections to be held in October, are causing uncertainty about results in the second half of the year.
Although consumption has remained stable in Argentina, changes in the domestic economy and sharp currency devaluation have caused complications.
Regarding the market in North America, panel sales were stable in the USA and Canada with an upward trend late in the second quarter. This upward trend is expected to continue in the next few months.
Local consumption in Mexico continues to increase related to great activity in the construction and furniture sectors.

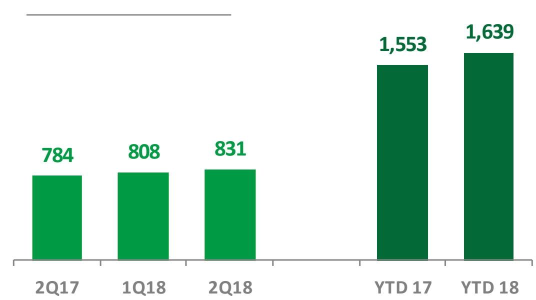
PRODUCTION
Thousands of m^3



SAWN TIMBER

The upward plywood trend continued in 2Q18. Demand has increased in the leading markets (United States, Mexico, Chile, Europe and Oceania) due to greater activity in the construction sector. There were price increases and 100% of the production was sold.
In 2Q18 as in previous quarters, the trend was positive in the sawn timber business with a price increase of 3.1%.
There was lower demand in China late in the quarter because of the trade spat with the United States.
Sales in the Middle East remained stable and prices have continued to increase. The situation in the next few months is uncertain due to the mentioned trade war.
Regarding remanufactured products, demand and prices recovered towards the end of the quarter, because of more favorable seasonality and trade tariffs on Chinese products.

PRODUCTION
Thousands of m^3



COPEC CONSOLIDATED

Millions of Chilean Pesos	2Q 2018	1Q 2018	2Q 2017	Q-Q Var.	Y-Y Var.	YTD 2018	YTD 2017	Y-Y Acc. Var.
Sales	2,572,847	2,393,059	2,228,999	8%	15%	4,965,906	4,434,927	12%
EBIT	94,904	70,546	70,617	35%	34%	165,450	154,636	7%
EBITDA	**121,914**	**96,212**	**96,112**	**27%**	**27%**	**218,126**	**204,862**	**6%**
Non-operating income	(22,424)	(16,506)	(10,201)	-36%	-120%	(38,931)	(19,351)	-101%
Net Income	**43,003**	**37,682**	**38,824**	**14%**	**11%**	**80,685**	**89,707**	**-10%**
Copec Chile's physical sales (thousands of m³)	2,418	2,508	2,415	-4%	0%	4,926	4,911	0%
Copec Chile's market share	56.4% *	56.7%	57.5%	-1%	-2%	56.4% *	58.1% **	-3%
MAPCO's Sales (US$ million)	497	413	381	20%	30%	910	729	25%
MAPCO's EBITDA (US$ million)	12	2	13	500%	-8%	15	18	-17%
MAPCO's physical sales (thousands of m³)	552	499	486	11%	14%	1,051	930	13%

* Copec Chile's market share in 2Q18 and YTD 2018 is that as of April 2018.
** Copec Chile's market share YTD 2017 was that as of May 2017.

2Q18 2Q17

Copec posted net income of Ch$43,003 million in 2Q18, Ch$4,179 million up YoY. That is mainly explained by an operating income increase of Ch$24,287 million, due to a positive effect of the revaluation of inventories, related to the upward fuel price trend, and the consolidation of the ExxonMobil business in Peru and Ecuador. That was partly offset by a non-operating income decrease of Ch$12,223 million, on account of higher financial expenses at Terpel from the acquisition of ExxonMobil's assets and lower income at the associate Sonamar.

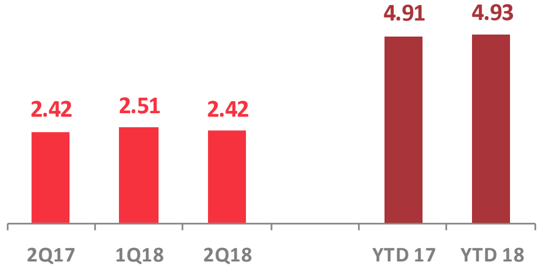
2Q18 1Q18

Net income in the quarter was Ch$5,322 million up QoQ. Operating income increased Ch$24,358 million, as a result of the positive effect of the revaluation of inventories, higher operating income at MAPCO and the consolidation of the ExxonMobil business in Peru and Ecuador. Non-operating income was more negative by Ch$5,918 million, largely because of higher financial expenses at Terpel from the purchase of ExxonMobil and lower income at the associate Sonamar. On the other hand, there was a positive exchange rate difference effect.

2018 2017 YTD

Copec net income YTD decreased Ch$9,022 million compared with the same period in 2017. That is explained by non-operating income dropping Ch$19,580 million because of higher expenses from the acquisition of ExxonMobil, a greater loss at the associate Sonamar and a negative exchange rate difference effect. That was partly offset by a Ch$10,814 million increase in operating income, largely because of a higher revaluation of inventories in Chile and Colombia.

COPEC CHILE FUEL SALES
Millions of m³



ORGANIZACIÓN TERPEL CONSOLIDATED

Millions of Colombian Pesos	2Q 2018	1Q 2018	2Q 2017	Q-Q Var.	Y-Y Var.	YTD 2018	YTD 2017	Y-Y Acc. Var.
Sales	4,630,662	4,112,533	3,646,845	13%	27%	8,743,195	7,235,773	21%
EBIT	179,374	111,873	117,350	60%	53%	291,247	230,914	26%
EBITDA	**227,700**	**157,653**	**162,202**	**44%**	**40%**	**385,353**	**319,925**	**20%**
Non-operating income	(70,718)	(86,709)	(29,506)	18%	-140%	(157,428)	(58,837)	-168%
Net income of controlling interest	**67,754**	**(3,479)**	**54,748**	**2,048%**	**24%**	**64,275**	**104,992**	**-39%**
Net income of minority interest	**0**	**-**	**-**	**-**	**-**	**0**	**-**	**-**
Physical sales of Terpel (thousands of m³)								
Colombia	1,831	1,801	1,735	2%	6%	3,632	3,438	6%
Panama	231	228	233	1%	-1%	459	458	0%
Ecuador	340	146	140	133%	143%	486	277	75%
Dominican Republic	45	56	49	-20%	-8%	101	111	-9%
Peru	30	12	10	150%	200%	42	19	121%
Physical sales of Gazel (thousands of m³)								
Colombia	65	65	74	0%	-12%	131	145	-10%
Peru	21	20	20	5%	5%	41	40	3%
Mexico	-	-	16	-	-100%	-	30	-100%

2Q18 2Q17

Terpel's net income in 2Q18 rose 24% YoY. This is explained by an operating income increase of COP$62,024 million, due to a positive effect of the revaluation of inventories, the consolidation of the ExxonMobil business in Peru and Ecuador and a higher margin at gas stations in Colombia. That was partly offset by negative non-operating income increasing COP$41,212 million, because of higher financial expenses from the acquisition of ExxonMobil's assets.

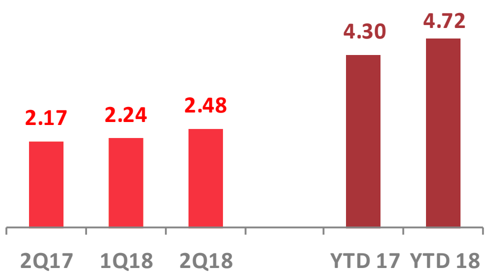
2Q18 1Q18

Net income in 2Q18 climbed COP$71,233 million QoQ. Operating income was up COP$67,501 million, due to the positive effect of the revaluation of inventories (COP$34,966 million) and the consolidation of the ExxonMobil business in Peru and Ecuador, which boosted the sales volumes in such countries by 150% and 132.9%, respectively. Non-operating income rose COP$15,991 million, mainly from a positive exchange rate difference effect.

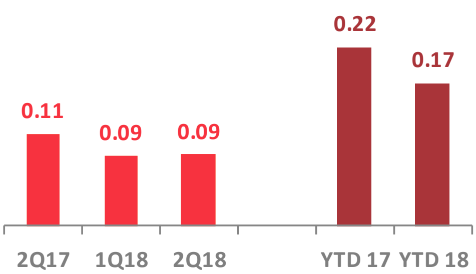
2018 2017 YTD

Net income YTD dropped COP$40,717 million compared with the same period in 2017. That was due to negative non-operating income increasing COP$98,591 million from higher financial expenses from the acquisition of ExxonMobil's assets. That was partly offset by a positive effect of the revaluation of inventories and better margins and sales volumes. Moreover, the company incorporated operations in Peru and Ecuador after the purchase of ExxonMobil's assets.

TERPEL FUEL SALES
Millions of m³



GAZEL FUEL SALES
Millions of m³



ABASTIBLE CONSOLIDATED

Millions of Chilean Pesos	2Q 2018	1Q 2018	2Q 2017	Q-Q Var.	Y-Y Var.	YTD 2018	YTD 2017	Y-Y Acc. Var.
Sales	221,298	169,231	191,649	31%	15%	390,529	355,598	10%
EBIT	23,145	16,982	22,747	36%	2%	40,127	34,786	15%
EBITDA	**31,023**	**25,294**	**32,344**	**23%**	**-4%**	**56,317**	**53,783**	**5%**
Non-operating income	(3,663)	(3,115)	1,804	-18%	-303%	(6,778)	386	-1,856%
Net Income	**8,388**	**9,760**	**16,516**	**-14%**	**-49%**	**18,148**	**21,894**	**-17%**
Physical sales of LPG in Chile (thousands of tons)	138	98	130	41%	6%	236	219	8%
Physical sales of LPG in Colombia (thousands of tons)	51	49	48	4%	6%	99	97	2%
Physical sales of LPG in Peru (thousands of tons)	138	119	132	16%	5%	257	261	-2%
Physical sales of LPG in Ecuador (thousands of tons)	113	107	104	6%	9%	220	204	8%

2Q18 2Q17

Abastible posted net income of Ch$8,388 million in 2Q18, a Ch$8,128 million decrease YoY. That is explained by non-operating income dropping Ch$5,467 million, due to a Ch$3,691 million loss at the associate Sonamar. That was partly offset by a 1.8% increase in operating income, because of lower depreciation expenses from a change in the accounting principles that increased the useful life of fixed assets. There was also a volume increase in all the countries in which it operates and higher margins in Chile and Colombia, partly offset by lower margins in Peru.

2Q18 1Q18

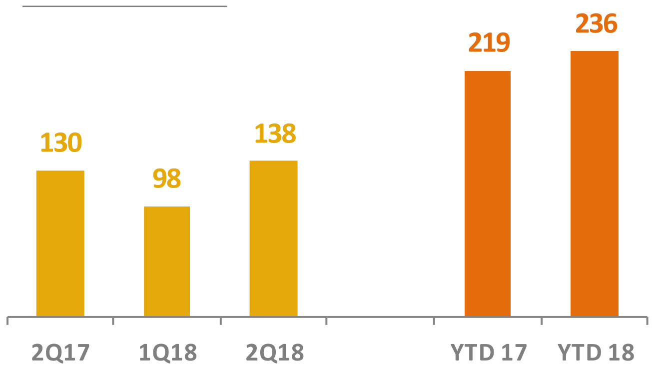
Abastible's net income dropped Ch$1,372 million QoQ. That is mainly explained by higher taxes and a non-operating income decrease of Ch$548 million, due to the loss at Sonamar. On the other hand, operating income rose Ch$6,163 million from higher sales volumes in Chile, Colombia, Peru and Ecuador.

2018 2017 YTD

Net income YTD was Ch$3,746 million down on 2017. That was mainly due to non-operating income falling Ch$7,164 million because of the losses at the associate Sonamar. Operating income, however, increased 15% on the previous year, on account of the positive effects of changes in accounting principles, greater volumes in Chile, Colombia and Ecuador and higher margins in Chile and Colombia. That was partly offset by lower margins in Peru and Ecuador.

ABASTIBLE CHILE LPG SALES

Thousands of tons



EMPRESA PESQUERA EPERVA

US$ million	2Q 2018	1Q 2018	2Q 2017	Q-Q Var.	Y-Y Var.	YTD 2018	YTD 2017	Y-Y Acc. Var.
Sales	124	99	103	25%	21%	223	187	20%
EBIT	21	1	8	2,201%	182%	22	3	568%
EBITDA	**28**	**8**	**12**	**229%**	**124%**	**36**	**22**	**61%**
Non-operating income	(4)	(1)	(3)	-320%	-43%	(5)	(3)	-49%
Income (loss) from discontinued operations	-	-	(8)	-	100%	-	(3)	100%
Net income of controlling interest	**10**	**(1)**	**(2)**	**1,594%**	**628%**	**10**	**(2)**	**608%**
Net income of minority interest	**7**	**0**	**(4)**	**2,356%**	**291%**	**8**	**(1)**	**604%**
Physical Sales								
Fishmeal & other protein foods (tons)	100,646	100,197	97,894	0%	3%	200,843	194,508	3%
Fish oil (tons)	7,410	2,157	1,524	244%	386%	9,567	1,957	389%

2Q18
2Q17

Eperva posted net income of US$10 million in 2Q18 against a loss of US$2 million YoY. This change is explained by a US$14 million increase in operating income, mainly because of higher sales volumes at the subsidiary Corpesca. There was also a positive change of US$8 million in income from discontinued operations, because of a loss booked in 2017 from an exchange rate effect at Selecta.

2Q18
1Q18

Net income in 2Q18 increased US$11 million QoQ. This change was due to an operating income increase of US$20 million, mainly related to the subsidiary Corpesca. The latter had a fishmeal sales volume increase of 61% QoQ, which was partly offset by a 16% average price decrease. On the other hand, non-operating income dropped US$3 million, mainly because of a negative exchange rate difference effect.

2018
2017
YTD

Net income YTD is US$11 million higher than in the same period of the previous year. This positive change is due to a US$19 million increase in operating income, largely from a 10% increase in the sales volume and a fishmeal and fish oil price increase of 16% and 22%, respectively. There was also a positive change in income from discontinued operations (+US$3 million) after a loss in 2017 from the exchange rate effect at Selecta. On the other hand, operating income dipped US$2 million, on account of higher financial expenses and a negative exchange rate difference effect.

PESQUERA IQUIQUE-GUANAYE, IGEMAR

US$ million	2Q 2018	1Q 2018	2Q 2017	Q-Q Var.	Y-Y Var.	YTD 2018	YTD 2017	Y-Y Acc. Var.
Sales	55	42	40	29%	36%	97	71	36%
EBIT	6	5	0	34%	6,200%	11	(1)	1,933%
EBITDA	**10**	**8**	**5**	**28%**	**89%**	**18**	**9**	**108%**
Non-operating income	3	(6)	(7)	151%	148%	(3)	(13)	76%
Net income	**7**	**(1)**	**(4)**	**631%**	**257%**	**6**	**(8)**	**168%**
Physical Sales								
Fishmeal (tons)	11,078	3,952	7,433	180%	49%	15,030	9,763	54%
Fish oil (tons)	2,411	991	2,127	143%	13%	3,402	2,650	28%
Canned fish (cases)	603,099	712,826	498,372	-15%	21%	1,315,925	1,093,563	20%
Frozen fish (tons)	9,199	2,945	5,791	212%	59%	12,144	7,977	52%
Catch (tons)	90,533	68,810	55,744	32%	62%	159,343	118,751	34%

2Q18
2Q17

Igemar posted net income of US$7 million in 2Q18 against a loss of US$4 million YoY. This improvement is explained by higher operating and non-operating income. Operating income increased US$6 million, due to higher physical sales, fishmeal and fish oil price increases, and a greater sales volume of frozen and canned fish. The US$10 million increase in non-operating income was from higher earnings in associates and joint ventures related to Corpesca (US$8 million).

2Q18
1Q18

Net income in 2Q18 increased US$8 million QoQ. That is mainly explained by a non-operating income increase of US$9 million from the higher income obtained by the associate Corpesca (US$6.8 million). Operating income also climbed US$2 million because of higher volumes of frozen fish, fishmeal and fish oil, which was partly offset by lower prices of all products.

2018
2017
YTD

Net income YTD is US$6 million, which is a US$14 million improvement on the previous year. Operating income was up US$12 million, largely due to industrial catches surging 93% from higher jack mackerel catch quota. That led to higher physical sales, fishmeal and fish oil price increases, and greater sales volumes of frozen and canned fish. Non-operating income was US$10 million less negative, mainly due to the higher income of associates and joint ventures, explained by Corpesca (US$7.6 million). Moreover, there was an increase in other earnings because of an income recognition of insurance recovery (US$1.4 million) and Orizon selling off non-core assets (US$0.8 million). That was partly offset by higher financial costs and a negative exchange rate difference effect.

HIGHLIGHTS

ARAUCO BOARD GIVES GO-AHEAD TO MAPA PROJECT

> In July 2018, Arauco board approved the Arauco Mill Modernization and Expansion Project (MAPA, according to the Spanish acronym).
> The project mainly entails building a new production line with a capacity of 1.56 million tons of hardwood at an estimated investment of US$2,350 million. The net capacity increase will be 1.27 million tons of hardwood, since when the new line 3 comes on stream line 1 will be closed, which currently produces 0.29 million tons of hardwood.
> The project also envisages building power generation capacity to meet the supply needs of the mill operation, and it will generate renewable energy surpluses of about 132 MW.
> MAPA is expected to start up in the second quarter of 2021.

PROGRESS WITH THE EXXONMOBIL ASSET PURCHASE PROCESS

> On March 15, 2018, Terpel acquired ExxonMobil's operations in Colombia, Ecuador and Peru paying US$715 million, of which US$230 million was the cash of the companies. Terpel financed this operation by issuing bonds in the Colombian market.
> Pursuant to the conditions imposed by the antitrust authorities in Colombia, in July Terpel repurchased the lubricants business in Colombia from the autonomous trust for COP$271 billion. As part payment, Terpel sold it a portion of the lubricant assets, which included the lubricants plant in Bucaramanga and the contracts related to the industrial lines (Maxter) for COP$41 billion.
> ExxonMobil's fuels business and the lubricants operation with production headquarters in Bucaramanga continue to be operated independently by the autonomous trust and are in a sale process.
> The results of the Mobil lubricant operation in Colombia will be consolidated in Terpel's financial statements as of the third quarter of this year.

PROGRESS MADE WITH ARAUCO'S PROJECTS

> The Grayling project continues to develop according to schedule, with current progress of 80%. This mill at Grayling in Michigan, United States, entails an estimated investment of US$400 million and will have a capacity of 800,000 m^3 a year. It is expected to start up in late 2018.
> The dissolving pulp project continues its course, with progress of 31% as of July 2018. The estimated investment is about US$185 million. Start-up is forecasted for late 2019.

INVERSIONES ALXAR S.A. SIGNS AN AGREEMENT WITH MINSUR TO DEVELOP A COPPER PROJECT

> On April 23, 2018, Inversiones Alxar S.A. signed an agreement with Minsur S.A., a Peruvian mining company, to develop the copper project of Mina Justa and its surrounding properties. Construction of this project is forecasted to start in the second half of 2018.
> Under the terms of the agreement, Alxar will acquire 40% of the Peruvian company Cumbres Andinas S.A.C., controller of Marcobre which owns the new project, with Minsur maintaining the remaining 60%. The acquisition price paid was about US$168.5 million.
> Alxar and Minsur plan to invest about US$1,600 million in the construction of Mina Justa in the next three years, of which US$800 million to US$900 million will be financed by means of project finance. In an extraordinary shareholders' meeting held on May 16, the shareholders of Empresas Copec approved the granting of security for this debt.
> The mine is forecasted to have a commercial life of 18 years. It also has growth potential related to the development of surrounding mining concessions.

BALANCE SHEET

US$ million	2Q 2018	1Q 2018	2Q 2017
Cash and cash equivalents	1,269	1,622	1,196
Other current financial assets	477	134	196
Other current non-financial assets	215	225	218
Trade and other receivables, current	1,903	2,222	1,362
Related party receivables	39	42	48
Inventories	1,722	1,597	1,452
Current biological assets	269	309	305
Current tax assets	82	72	99
Non-current assets classified as held for sale	23	10	7
Total current assets	**6,000**	**6,231**	**4,884**
Other non-current financial assets	455	536	447
Other non-current non-financial assets	157	138	116
Non-current fees receivable	39	36	33
Non-current accounts receivable from related parties	8	8	8
Investments accounted for using the equity method	1,210	1,060	935
Intangible assets other than goodwill	848	874	815
Goodwill	585	583	409
Property, plant and equipment	10,325	10,560	10,100
Non-current biological assets	3,422	3,473	3,519
Investment property	42	45	46
Deferred tax assets	304	321	326
Total non-current assets	**17,396**	**17,633**	**16,753**
TOTAL ASSETS	**23,396**	**23,864**	**21,637**
Other current financial liabilities	1,166	1,078	864
Trade and other current payables	1,566	1,587	1,220
Related party payables	17	14	18
Other short-term provisions	22	21	16
Current tax liabilities	93	74	32
Current provisions for employee benefits	12	11	9
Other current non-financial liabilities	338	483	193
Total current liabilities	**3,214**	**3,268**	**2,352**
Other non-current financial liabilities	6,344	6,579	5,839
Other non-current accounts payable	1	1	1
Non-current account payable to related companies	-	-	-
Other long-term provisions	66	72	68
Deferred tax liabilities	2,143	2,204	2,310
Non-current provisions for employee benefits	119	123	108
Other non-current non-financial liabilities	183	201	134
Total non-current liabilities	**8,856**	**9,180**	**8,461**
Non-parent participation	4,622	4,638	4,433
Net equity attributable to owners of parent	**6,704**	**6,778**	**6,391**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**23,396**	**23,864**	**21,637**

INCOME STATEMENT

US$ million	2Q 2018	1Q 2018	2Q 2017	YTD 2018	YTD 2017
Sales revenue	6,116	5,752	4,947	11,868	9,825
Cost of sales	(4,928)	(4,772)	(4,107)	(9,700)	(8,192)
Gross Margin	**1,187**	**980**	**840**	**2,167**	**1,633**
Other income	18	57	40	75	92
Distribution costs	(357)	(312)	(305)	(670)	(599)
Administration expenses	(278)	(242)	(240)	(521)	(472)
Other expenses	(36)	(29)	(19)	(65)	(222)
Other income (loss)	5	(1)	(2)	4	(2)
Net financial expenses	(43)	(96)	(69)	(139)	(139)
Share of profit (loss) of associates and joint ventures	37	10	23	47	41
Exchange rate differences	(32)	4	(2)	(28)	5
Income (loss) before tax	**499**	**372**	**266**	**871**	**339**
Income tax expense	(128)	(89)	(78)	(216)	(91)
Income (loss) from continuing operations	371	283	187	654	247
Income (loss) from discontinued operations	-	-	-	-	-
Income (loss) attributable to owners of parent	**224**	**169**	**107**	**393**	**137**
Income (loss) attributable to minority interests	147	114	80	262	110
Net Income	**371**	**283**	**187**	**654**	**247**

CONSOLIDATED CASH FLOW

US$ million	YTD 2018	YTD 2017
Cash received from sale of goods and service provision	12,141	10,591
Cash received from premiums and claims, annuties and other policy benefits	1	3
Other cash received from operating activities	213	173
Payments to suppliers for goods and services	(10,888)	(9,447)
Payments to and on behalf of employees	(526)	(475)
Payment for premiums and claims, annuties and other policy obligations	(6)	(7)
Other cash payments for operating activities	(164)	(75)
Dividends received	25	15
Interest paid	(92)	(117)
Interest received	14	17
Income tax rebates (paid)	(92)	(61)
Other cash inflows (outlays)	(0)	(5)
Net cash flow from (used in) operating activities	**627**	**613**
Cash flows used in obtaining control of subsidiaries or other business	(515)	-
Cash flows used in the purchase of non-controlling interests	(190)	(0)
Other cash receipts from the sale of equity or debt instruments of other entities	-	3
Other cash payments to acquire an interest in joint ventures	-	-
Loans to related parties	(0)	(0)
Proceeds from the sale of property, plant and equipment	7	6
Purchase of property, plant and equipment	(396)	(289)
Proceeds from the sale of intangible assets	-	-
Purchase of intangible assets	(27)	(32)
Proceeds from other long-term assets	2	0
Purchase of other long-term assets	(118)	(87)
Cash advances and loans to third parties	(11)	(0)
Charges to related parties	1	0
Dividends received	26	28
Interest received	2	3
Other cash inflows (outlays)	(56)	55
Net cash flow from (used in) investing activities	**(1,268)**	**(310)**
Amounts paid for equity stakes	-	-
Proceeds from long-term borrowings	1,611	37
Proceeds from short-term borrowings	383	260
Loans from related parties	-	-
Payment of borrowings	(1,168)	(491)
Payments of financial leasing liabilities	(2)	(2)
Dividends paid	(298)	(213)
Interest paid	(47)	(37)
Other cash inflows (outlays)	(5)	3
Net cash flow from (used in) financing activities	**475**	**(442)**
Net increase (decrease) in cash and cash equivalents before the exchange rate change effect	**(166)**	**(139)**
Effect of exchange rate changes on cash and cash equivalents	(22)	3
Cash and cash equivalents at the beginning of the year	1,456	1,332
Cash and cash equivalents at the end of the year	**1,269**	**1,196**