EMPRESAS LIPIGAS S.A. ANNOUNCES RESULTS FOR THE THIRD QUARTER OF 2017

Santiago, Chile, November 16, 2017 – Empresas Lipigas S.A. ("Lipigas" or "the Company"), energy company, leader in commercializing and distributing gas in Chile with operations in Colombia and Peru, announced today its consolidated financial results for the third quarter ended September 30, 2017. All figures are set according to IFRS-International Financial Reporting Standards- in Chilean pesos (CLP). All variation comparisons refer to the same period of the previous year, unless otherwise indicated.

Lipigas increases earnings by 15.3% as of September 30

Highlights last 9 months:

- EBITDA reached CLP 69,833 million, a 15.0% increase compared to the previous year (CLP 60,737 million)
- Consolidated LPG sales volume increases by 4.1%
- Consolidated sales volume in equivalent LPG tons (including sales of natural gas, compressed natural gas and liquefied natural gas) grows by 4.4%
- Income after taxes increases by 15.3%

Highlights 3Q 2017:

- EBITDA grows 23.8% compared to 3Q16
- Consolidated LPG sales volume increases by 2.8%
- Consolidated sales volume in equivalent LPG tons (including sales of natural gas, compressed natural gas and liquefied natural gas) grows by 0.9%
- The operation in Chile presents improvements in EBITDA generation given increased sales volume and unit margins
- Income after taxes during the last 3 months increases by 21.9% regarding 3Q16

Comments of the General Manager – Ángel Mafucci

"EBITDA generated as of September 30, 2017 grew 15% over the previous year, driven by the good results of the operations in Chile and Colombia. In Chile, LPG sales volume grew by 4.7% regarding 2016 successfully continuing to develop the strategy to position ourselves close to our end-customers. In Colombia, results maintain the good trend observed in previous quarters but we are concerned about product supply problems that have prevented a greater market growth and that of our sales. In Peru we still see weakness of LPG margins originated by competitors that are not totally formal and that impacts on results. In another area of business, in October we began operating our natural gas network in Puerto Montt, connecting our first residential customer, during November we will begin gas supplies to our first customer in Osorno and last week we connected the first electric generating power station based on natural gas in Concón. With this we continue developing our strategy to offer our customers a wide range of solutions to cover their energy needs, supported by a recognized and reliable brand such as Lipigas."

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3Q17-Consolidated Results

EBITDA reached CLP 28,942 million increasing 23.8% regarding the same period of 2016. Chile and Colombia present higher EBITDA during the quarter due to greater sales volume in the case of Chile and the increase in unit margins regarding the previous quarter in both countries. While Peru presented a decrease in EBITDA for the quarter resulting from the drop in sales of the LPG and CNG business, which were partially offset with savings in operating expenses.

Consolidated revenues reached CLP 130,209 million, representing a 14.0% increase. Chile and Colombia increased revenues by CLP 16,490 million (20.1%) and CLP 1,544 million (17.8%), respectively, mainly due to greater volumes in the case of Chile and higher unit prices in both countries influenced by the price increase of oil by-products and in the case of Chile, due to the increase in the proportion of sales to end-customers. Peru presents lower revenues of CLP 2,046 million (-8.8%) regarding 3Q16 generated by lower sales volume. In the latter country, consolidated sales volume in equivalent LPG tons decreased by 11.9%.

Gross margin reached CLP 58,285 million, increasing by 13.5%. In Chile, gross margin increased by 17.5% compared to 3Q16, due to greater volumes and improved unit margins. In Colombia, gross margin increased by 18.8% due to better unit margins, given the slight decrease in sales volume. In Peru, gross margin decreased by 11.6% due to lower sales that in equivalent LPG tons decreased by 11.9%.

Operating expenses increased by CLP 1,377 million (4.9%). Expenses in Chile increased by CLP 1,728 million (8.8%) mainly by salaries, freight, and marketing, the increase relates to the development of strategies of integration of the distribution chain to the end-customer. In Colombia, expenses increased by CLP 250 million (8.4%) due to greater expenses in maintenance, external counsel and taxes. In Peru expenses decreased by CLP 600 million.

Depreciation and amortization charges for the quarter which increases by CLP 2,793 million regarding 3Q16 contains a one-time adjustment of CLP 2,271 million corresponding to a change in the estimated remaining useful life of cylinder valves.

Negative non-operating income decreased by CLP 1,368 million mainly by lower losses in the restatement of collateral liabilities in Chile and lower negative results by adjustment units compared to 3Q16 given lower inflation in Chile.

Earnings after taxes increased by 21.9% due to improved operating income driven by greater sales volume in Chile and better unit margins during the quarter and by an improved non-operating income partially offset by greater income taxes during the period.

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Analysis by country

Chile: In Chile EBITDA reached CLP 25,476 million, representing a 25.9 % increase compared to 3Q16.

Revenues for the Chilean operation reached CLP 98,694 million, 20.1% higher than 3Q16, explained by a 6.3% higher LPG sales volume, and increased unit prices resulting from higher prices for oil by-products and a greater proportion of direct sales to the end customer. Sales volume in equivalent LPG tons increased by 6.9%.

Gross margin reached CLP 46,659 million, a 17.5% increase compared to 3Q16 generated by greater volumes and greater unit margins (+10.0%). Gross margin was influenced by the increase in reference prices causing a positive effect over inventories that is estimated at CLP 637 million.

Operating expenses in Chile increases by CLP 1,728 million (8.8%) mainly in salaries, freight, and marketing and operating services of sales centers; which largely relate to the implementation of a strategy of integration of the distribution chain to the end-customer.

Colombia: In Colombia EBITDA reached CLP 1,936 million, representing a significant 41.4% increase compared to 3Q16 due to improved unit margins in line with previous quarters.

Revenues for the Colombian operation reached CLP 10,207 million, 17.8% higher than 3Q16, while LPG sales volume slightly decreased 1.6%. Unit revenue growth is basically related to the increase in the international price of oil by-products.

Colombia's gross margin measured in Chilean pesos presents an 18.8% positive variation mainly given higher unit margins that increase by 20.7%. There is a negative effect resulting from the 3.8% devaluation of the Colombian peso against the Chilean peso compared to 3Q16.

Operating expenses increased by CLP 250 million (8.4%) due to higher expenses in maintenance, external counseling and taxes.

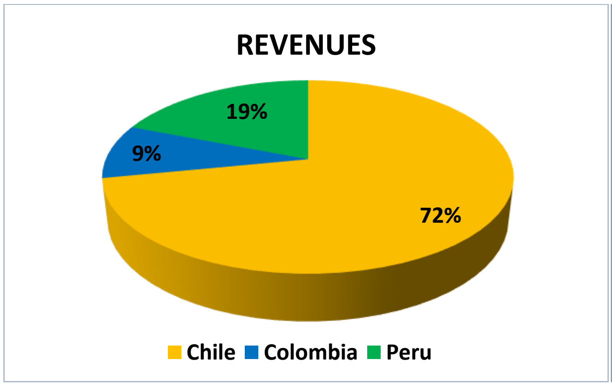
Peru: In Peru EBITDA reached CLP 1,530 million, representing a 13.8% decrease compared to 3Q16, mainly due to lower sales volume in the LPG and CNG businesses, which is partially offset by expense savings.

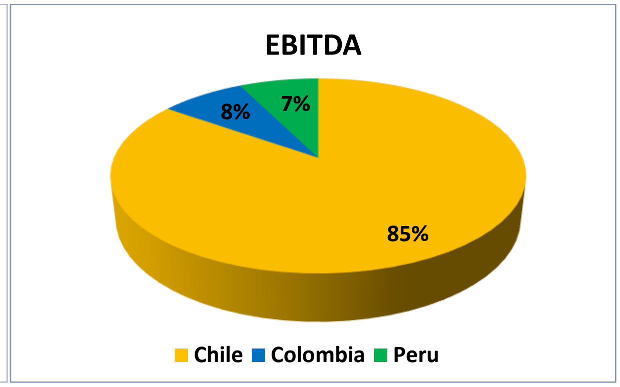
Revenues for the Peruvian operation reached CLP 21,308 million, an 8.8% lower than 3Q16. LPG sales volume decreased by 5.9% mainly due to strong price competition. CNG sales decreased by 24.9% compared to 3Q16, since several large volume customers connected to pipelines of natural gas during the quarter. Thus sales volume in equivalent LPG tons decreased by 11.9%

Gross margin decreases 11.6% mainly influenced by lower sales volume in the LPG and CNG businesses. A situation of margin weakness persists resulting from informal competition. There is a negative effect given the 1.5% devaluation of the Peruvian currency regarding the Chilean peso compared to 3Q16.

Operating expenses decreased by CLP 600 million (-10.8 %), mainly due to lower operating expenses in the compressed natural gas business as well as the LPG business.

Accumulated Consolidated Results as of September 30, 2017





EBITDA reached CLP 69,833 million with an increase of 15.0%. Chile contributes positively to the EBITDA generation with an increase of 13.9%. Consolidated operating expenses increased by 8.2% (CLP 6,331 million) as a result of higher remuneration and salaries, freight promotional campaigns and other expenses. A large part of this increase (CLP 6,057 million) corresponds to the operation in Chile.

Consolidated revenues reached CLP 354,114 million, increasing by 14.3% due to higher sales volume (+4.4% in equivalent LPG tons). Consolidated costs of products sold reached CLP 200,585 million representing a 16.8% increase due to higher sales volume and increased international prices of oil by-products.

Gross margin reached CLP 153,530 million, increasing by 11.2%. The increase in gross margin is generated in the operations of Chile and Colombia. Gross margin in Chile (+12.6%) is influenced by higher sales volume (+4.9% in equivalent LPG tons) and by a 7.4% improvement in unit margins regarding the first nine months of 2016. In Colombia, gross margin increases 25.0% due to greater LPG sales volume (+3.2%) and mainly by a 21.1% improvement in unit margins. In Peru, gross margin decreased by 4.0% despite the increase in volumes sold, impacted by lower unit margins in the LPG and CNG businesses.

Depreciation and amortization charges increased by CLP 3,802 million regarding the previous year and contain a one-time adjustment of CLP 2,271 million corresponding to a change in the estimated remaining useful life of cylinder valves.

Negative non-operating income decreased by CLP 2,324 million mainly explained by a lower financial expense in the amount of CLP 2,263 million (basically due to lower restatements of non-current liabilities) and lower results by adjustment units in the amount of CLP 1,154 million due to lower inflation in Chile.

Earnings after taxes increased by 15.3% amounting to CLP 35,306 million.

See definitions of: Sales in equivalent LPG tons, Gross Margin and EBITDA at the end of this document

Analysis by Country

Chile: In Chile EBITDA reached CLP 59,199 million, representing a 13.9% growth compared to the first nine months of 2016 given the increase in sales volume and unit margins.

Revenues for the Chilean operation reached CLP 254,602 million, 16.7% higher compared to the same period of 2016. These higher revenues are explained by the 4.7% increase in LPG sales volume, impacted in part by a colder and prolonged winter compared to the previous year. Sales volume in equivalent LPG tons also grew 4.9%.

Gross margin increased by CLP 13,265 million compared to 2016 explained by increased sales volume and improved unit margins. Improved unit margins are influenced by a greater proportion of direct sales to end-customers. Gross margin was also influenced by the increase in the reference prices of LPG resulting in an inventory effect estimated at CLP 1,143 million.

Operating expenses in Chile increased by CLP 6,057 million compared to the previous year due to increased remunerations and salaries, freight, marketing and operating services of sales centers. This increase relates in part to the development of integration strategies of the distribution chain to the end customer, which have an increase in gross margin, as counterpart.

Colombia: EBITDA in Colombia reached CLP 5,479 million, representing a 65.2% increase compared to 2016, explained by greater volumes and mainly by better unit margins.

Revenues for the Colombian operation reached CLP 32,066 million, 19.9% higher compared to 2016, explained by the 3.2% increase in LPG sales volume.

Gross margin increased by 25.0% and unit margin increased by 21.1%. The Colombian currency remained stable against the Chilean peso, with a slight revaluation of 0.2% regarding the first nine months of 2016.

Operating expenses increased CLP 825 million (9.5%) mainly due to maintenance and fees for external counseling.

Peru: In Peru EBITDA reached CLP 5,155 million, with a 5.5% decrease compared to the same period of 2016 due to the decrease in gross margin during the period.

Revenues for the Peruvian operation reached CLP 67,446 million, 3.9% higher compared to the first nine months of the previous year, basically explained by the 3.5% increase in sales volume in equivalent LPG tons.

Gross margin decreased during the period (-4.0%) impacted by lower unit margins in the LPG and CNG businesses. Unit margin dropped by 7.3% regarding the same period of 2016. The Peruvian currency devalued 1.3% against the Chilean peso.

Operating expenses dropped regarding the previous period, decreasing by 3.5%, mainly due to lower maintenance expenses in the CNG business.

EMPRESAS LIPIGAS

News

- On August 30, 2017, we reported Consolidated Results for the Second Quarter of 2017.
- On August 30, 2017 we reported that the Board of Directors had agreed an interim dividend payment charged to 2017 earnings for CLP 62 per share, which was paid on September 26, 2017.
- On October 26, 2017, it was informed that the current controlling shareholders of Empresas Lipigas S.A. reported the signing of a new shareholders agreement among them dated September 26, 2017.

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Empresas Lipigas S.A. is an energy company that contributes to the sustainable development by improving the quality of life through the commercialization of energy solutions in Latin America. In Chile, it is a leader in the LPG field through the largest network of nationwide coverage. It services residential, industrial, real estate sectors and vehicular gas from Arica to Coyhaique. It is present in the LPG distribution market in Colombia since 2010 and in Peru since 2013. It is also present in the distribution of natural gas in Chile through the distribution of network natural gas and LNG and in Peru through the distribution of CNG.

For more information visit: www.lipigas.com.

Forward looking statements

The statements contained in this press release, including those regarding forecasts for the Company's business, the projections of operation, financial results, the growth potential of the Company, the market and macroeconomic estimates are merely projections and are based on management expectations regarding the future of the Company. These expectations are highly dependent on changes in the market and the overall economic performance of Latin America, particularly of the countries where the Company has operations, the industry and international markets, and are therefore subject to change. Statements about future expectations relate only as of the date they are made, and the Company is not responsible for publicly updating any of them in light of new information, future events or others. The Company's annual report, its financial statements, and the analysis of them include more information about risks associated with the business and are available on the web site: www.lipigas.com.

Empresas Lipigas S.A.
Consolidated Income Statement in million CLP

	3Q17	3Q16	Var. Y/Y (%)	Acum.2017	Acum.2016	Var. Y/Y (%)
LPG Sales Volume (tons)	**196,041**	**190,620**	**2.8 %**	**538,910**	**517,811**	**4.1 %**
NG Sales Volume (M3)	**18,563,635**	**24,507,443**	**(24.3)%**	**66,574,334**	**62,735,789**	**6.1 %**
LNG Sales Volume (M3)	**6,119,464**	**4,807,254**	**27.3 %**	**15,734,756**	**14,312,443**	**9.9 %**
LPG Sales Volume (equivalent tons) [1]	**215,171**	**213,340**	**0.9 %**	**602,700**	**577,525**	**4.4 %**
Revenues	**130,209**	**114,222**	**14.0 %**	**354,114**	**309,911**	**14.3 %**
Cost of goods sold	(71,925)	(62,868)	14.4 %	**(200,585)**	**(171,785)**	16.8 %
Gross margin[2]	**58,285**	**51,354**	**13.5 %**	**153,530**	**138,126**	**11.2 %**
CLP/equivalent LPG tons	*270,877*	*240,713*	*12.5 %*	*254,736*	*239,168*	*6.5 %*
Other revenues by function	69	65	5.7 %	174	151	14.9 %
-Freight	(8,199)	(7,890)	3.9 %	(22,119)	(21,245)	4.1 %
-Remuneration, salaries, benefits and mandatory expenses	(7,614)	(7,216)	5.5 %	(22,241)	(20,526)	8.4 %
-Maintenance	(3,232)	(4,389)	(26.3)%	(10,484)	(12,075)	(13.2)%
-Others	(10,367)	(8,541)	21.4 %	(29,026)	(23,693)	22.5 %
EBITDA [3]	**28,942**	**23,384**	**23.8 %**	**69,833**	**60,737**	**15.0 %**
CLP/equivalent LPG tons	*134,505*	*109,609*	*22.7 %*	*115,866*	*105,168*	*10.2 %*
Depreciation and amortization	*(7,399)*	*(4,606)*	60.6 %	*(17,286)*	*(13,484)*	28.2 %
Operating Income	**21,543**	**18,778**	**14.7 %**	**52,547**	**47,253**	**11.2 %**
Financial costs	(1,417)	(2,220)	(36.2)%	(4,176)	(6,439)	(35.2)%
Financial income	222	420	(47.0)%	773	1,086	(28.8)%
Exchange rate difference	78	1	6801.3 %	31	256	(87.8)%
Income by adjustment unit	42	(632)	(106.7)%	(1,352)	(2,506)	(46.0)%
Other gains (losses)	358	348	3.0 %	429	984	(56.4)%
Non-Operating Income	**(716)**	**(2,083)**	**(65.6)%**	**(4,295)**	**(6,619)**	**(35.1)%**
Earnings before taxes	**20,827**	**16,695**	**24.7 %**	**48,252**	**40,634**	**18.7 %**
-Income Tax	(5,584)	(4,188)	33.4 %	(12,946)	(10,019)	29.2 %
Earnings after taxes	**15,242**	**12,507**	**21.9 %**	**35,306**	**30,615**	**15.3 %**
Earnings per share (CLP/share)	*133.98*	*110.09*	*21.7%*	*310.22*	*269.35*	*15.2 %*

Breakdown by country (in million CLP)

Chile	3Q17	3Q16	Var. Y/Y (%)	Acum.2017	Acum.2016	Var. Y/Y (%)
Average exchange rate (CLP/USD)	643.2	661.7	(2.8)%	654.5	680.4	(3.8)%
LPG Sales Volume (tons)	**137,714**	**129,590**	**6.3 %**	**360,820**	**344,466**	**4.7 %**
NG Sales Volume (M3)	**427,636**	**368,154**	**16.2 %**	**973,211**	**866,276**	**12.3 %**
LNG Sales Volume (M3)	**6,119,464**	**4,807,254**	**27.3 %**	**15,734,756**	**14,312,443**	**9.9 %**
LPG Sales Volume (equivalent tons) [1]	**142,788**	**133,601**	**6.9 %**	**373,769**	**356,230**	**4.9 %**
Revenues	**98,694**	**82,204**	**20.1 %**	**254,602**	**218,235**	**16.7 %**
Cost of goods sold	(52,036)	(42,505)	22.4 %	(136,419)	(113,317)	20.4 %
Gross margin [2]	**46,659**	**39,700**	**17.5 %**	**118,183**	**104,918**	**12.6 %**
CLP/equivalent LPG tons	*326,768*	*297,151*	*10.0 %*	*316,193*	*294,524*	*7.4 %*
Other revenues by function	69	65	5.7 %	174	151	14.9 %
Operating expenses	(21,252)	(19,524)	8.8 %	(59,157)	(53,101)	11.4 %
EBITDA [3]	**25,476**	**20,241**	**25.9 %**	**59,199**	**51,969**	**13.9 %**
CLP/equivalent LPG tons	*178,417*	*151,501*	*17.8%*	*158,385*	*145,885*	*8.6%*
Depreciation and amortization	(6,139)	(3,364)	82.5 %	(13,430)	(9,884)	35.9 %
Operating Income	**19,337**	**16,877**	**14.6 %**	**45,769**	**42,085**	**8.8 %**
Colombia	**3Q17**	**3Q16**	**Var. Y/Y (%)**	**Acum.2017**	**Acum.2016**	**Var. Y/Y (%)**
Average exchange rate (COP/USD)	2,976	2,946	1.0%	2,940	3,063	-4.0%
LPG Sales Volume (tons)	**20,209**	**20,533**	**-1.6%**	**61,187**	**59,286**	**3.2%**
Revenues	**10,207**	**8,663**	**17.8 %**	**32,066**	**26,740**	**19.9 %**
Cost of goods sold	(5,050)	(4,323)	16.8 %	(17,118)	(14,781)	15.8 %
Gross margin [2]	**5,157**	**4,340**	**18.8 %**	**14,948**	**11,960**	**25.0 %**
CLP/equivalent LPG tons	*255,183*	*211,358*	*20.7 %*	*244,293*	*201,729*	*21.1 %*
Other revenues by function	0	0	0.0 %	0	0	0.0 %
Operating expenses	(3,221)	(2,971)	8.4 %	(9,469)	(8,644)	9.5 %
EBITDA [3]	**1,936**	**1,369**	**41.4 %**	**5,479**	**3,316**	**65.2 %**
CLP/equivalent LPG tons	*95,802*	*66,665*	*43.7 %*	*89,539*	*55,926*	*60.1 %*
Depreciation and amortization	(501)	(462)	8.6 %	(1,533)	(1,357)	13.0 %
Operating Income	**1,435**	**907**	**58.2 %**	**3,946**	**1,959**	**101.4 %**
Peru	**3Q17**	**3Q16**	**Var. Y/Y (%)**	**Acum.2017**	**Acum.2016**	**Var. Y/Y (%)**
Average exchange rate (PEN/USD)	3.25	3.29	(1.3)%	3.27	3.35	(2.6)%
LPG Sales Volume (tons)	**38,118**	**40,498**	**(5.9)%**	**116,902**	**114,059**	**2.5 %**
NG Sales Volume (M3)	**18,135,999**	**24,139,289**	**(24.9)%**	**65,601,123**	**61,869,513**	**6.0 %**
LPG Sales Volume (equiv. ton)[1]	**52,174**	**59,206**	**(11.9)%**	**167,744**	**162,009**	**3.5 %**
Revenues	**21,308**	**23,355**	**(8.8)%**	**67,446**	**64,935**	**3.9 %**
Cost of goods sold	(14,839)	(16,041)	(7.5)%	(47,047)	(43,688)	7.7 %
Gross margin [2]	**6,469**	**7,314**	**(11.6)%**	**20,399**	**21,248**	**(4.0)%**
CLP/equivalent LPG tons	*123,994*	*123,541*	*0.4 %*	*121,607*	*131,152*	*(7.3)%*
Other revenues by function	0	0	0.0 %	0	0	0.0 %
Operating expenses	(4,940)	(5,540)	(10.8)%	(15,244)	(15,795)	(3.5)%
EBITDA [3]	**1,530**	**1,775**	**(13.8)%**	**5,155**	**5,453**	**(5.5)%**
CLP/equivalent LPG tons	*29,320*	*29,972*	*(2.2)%*	*30,729*	*33,657*	*(8.7)%*
Depreciation and amortization	(759)	(780)	(2.7)%	(2,323)	(2,244)	3.5 %
Operating Income	**771**	**994**	**(22.5)%**	**2,832**	**3,209**	**(11.8)%**

Empresas Lipigas S.A.
Financial Indicators -Evolution

Million CLP	3T17	2T17	1T17	4T16	3T16
Investment in property, plant & equip.[4]	11,773	9,962	9,992	8,906	5,378
Cash and cash equivalents	12,026	15,022	8,440	18,122	25,826
Dividends payable[5]	0	7,012	0	0	8,900
Net cash and cash equivalents[6]	12,026	8,009	8,440	18,122	16,926
Total financial debt	128,189	129,912	128,720	130,618	132,008
-Short term financial debt	10,095	11,214	10,150	12,219	12,707
-Long term financial debt	118,094	118,698	118,569	118,399	119,301
EBITDA LTM	87,214	81,656	77,562	78,118	78,785
Financial Ratios (times)					
-Financial debt/EBITDA[7]	1.3	1.4	1.6	1.4	1.3
-Indebtedness[8]	0.8	0.8	0.9	0.8	0.8

Definitions:

[1] LPG Sales volume (equiv. tons): Addition of LPG sales in tons plus network natural gas, compressed natural gas and LNG sales measured in equivalent LPG tons based on calorific value

[2] Gross Margin: Revenues from ordinary activities less the costs of purchase of products and services sold (without deducting expenses, depreciation or amortization).

[3] EBITDA: Revenues from ordinary activities and other revenues by function less costs and expenses (excluding depreciation and amortization)

[4] Investment in property, plant and equipment corresponds to gross investments carried out during the quarter

[5] Dividends payable correspond to dividends payable as of the reported quarter.

[6] Net cash and cash equivalents correspond to available cash discounting liability for dividends pending of payment.

[7] Financial debt less cash and cash equivalents / EBITDA LTM

[8] Net financial debt divided total equity.