EMPRESAS LIPIGAS S.A. ANNOUNCES RESULTS FOR THE FIRST QUARTER OF 2020

Santiago, Chile, May 19, 2020 – 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 first quarter ended March 31, 2020. 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.

As of March 31, Lipigas decreased its income by 23.6% due to greater non-operating losses

Highlights 1Q 2020:

- Income after taxes decreases by 23.6% due to greater non-operating losses
- EBITDA reached CLP 19,224 million, 8.2% higher than the same period of the previous year (CLP 17,770 million).
- Consolidated LPG sales volume increases by 2.4%.
- Consolidated sales volume in equivalent LPG tons (including sales of network natural gas, compressed natural gas and liquefied natural gas) increases by 0.9%.

Comments of the General Manager – Ángel Mafucci

"Due to the impact of an increase in negative non-operating income, income after taxes for the first quarter in Lipigas decreased by 23.6% compared to the previous year. However, in terms of operating income, the comparison is positive at 6.9%. As for EBITDA, we closed the quarter with an increase of 8.2%.

Although our results were affected in March due to the health crisis caused by COVID-19, Chile and Colombia managed to increase their EBITDA. By contrast, in Peru, where pandemic restrictions have been more severe, the results were lower than in 2019.

In Chile, LPG sales increased 2% and EBITDA grew 3.1%. We have continued boosting the direct arrival to end customers with the support of digital tools that allow us to set up closer relationships with them and provide them better service. These tools have also proven to be particularly valuable at a time when logistics become more challenging, such as the one we live in today due to coronavirus.

The business in Colombia has consolidated its performance level with the acquisitions we made in recent years. Sales volume increased 13% and margin improvements have been achieved, allowing for an EBITDA increase of 69.5%.

At the same time, Peru recorded lower EBITDA of 34%. Restrictions from the sanitary crisis were tougher than in the other operations and affected not only the commercial segment, but also the vehicle and industrial segments. In this context, LPG sales decreased by 2.8% and natural gas sales decreased by 10.4%.

The General Shareholders' Meeting was held during April, where the members of the Board of Directors for the next 3 years were elected and the growth strategy of Empresas Lipigas was reaffirmed.

We know that this year will be much more complex than we had planned at the beginning of the fiscal year, with a second quarter where the restrictions imposed in the different countries will have a full impact. The economic crisis, arising from the sanitary crisis, will force us to be very prudent in managing our operations to take care of our employees and customers, and protect the financial health of the business. In this scenario, we will continue to strengthen our direct selling strategy in Chile, building a strong digital platform that allows us to increase direct customer relationships and the efficiency of our operations, and the search for opportunities in the electric energy commercialization business.

To build a solid, efficient and sustainable energy company over time continues to be our goal, looking to deliver the best quality of service to thousands of customers in Chile, Colombia and Peru."

First quarter 2020 consolidated results

EBITDA reached CLP 19,224 million with an increase of 8.2% over the same period of the previous year, given the positive results in Chile and Colombia. Chile presented an increase in EBITDA with respect to 1Q19 mainly due to higher sales volume and an increase in LPG unit margins. Colombia presented higher LPG sales volumes and greater unit margins. Peru presented an EBITDA decrease which relates to lower LPG and natural gas sales volume.

Consolidated revenues reached CLP 113,263 million, reflecting an increase of 4.5%. In Chile, revenues increased by CLP 1,062 million (+1.4%), mainly due to greater LPG sales volume. In Colombia revenues increased by CLP 1,684 million (12.9%) compared to the previous year due to higher sales volume of liquefied gas and natural gas and the revaluation of the Colombian peso with regards to the Chilean peso. Peru had higher revenues of CLP 2,137 million (+10.7%) regarding 1Q19, due to the revaluation of the Peruvian sol regarding the Chilean peso.

Gross margin reached CLP 53,314 million, increasing by 13.6%. Chile's gross margin increased by 9.8% compared to 1Q19, mainly due to higher sales volume and better unit gross margins, which include greater margins in the purchase of product. Additionally in 1Q19 there had been a negative effect due to price decreases in commercialized products. In Colombia, gross margin increases by 49.7% due to greater volumes of liquefied gas and natural gas, as well as better unit margins and the revaluation effect of the Colombian peso against the Chilean peso. In Peru, gross margin increases by 3.9% mainly due to the revaluation effect of the Peruvian sol against the Chilean peso.

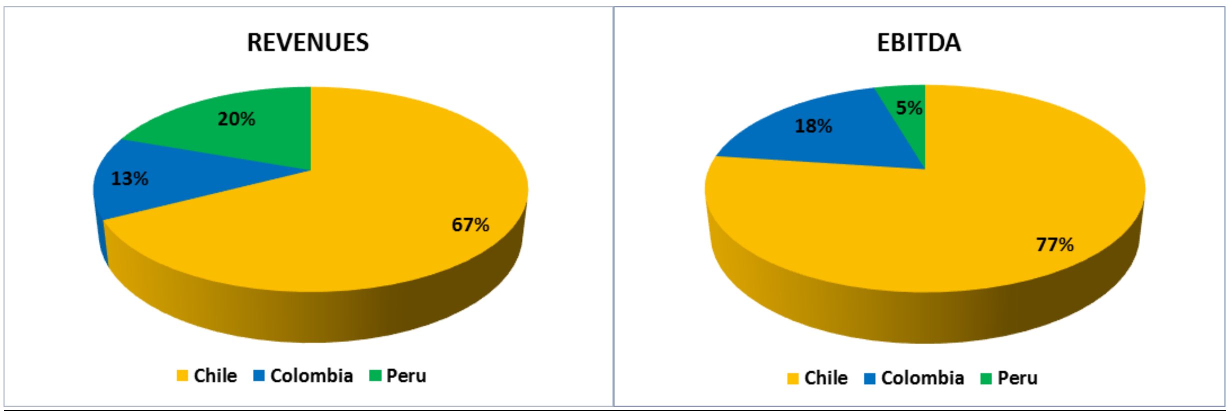
Operating expenses increased by CLP 4,924 million (16.8%). Expenses in Chile increase by CLP 2,970 million (14.3%) mainly due to higher expenses in remuneration, maintenance, LPG freight, external services, IT and payments resulting from commercial agreements relating to the exit of distributors. These increases relate in part to the development of strategies for integrating the distribution chain towards the end-customer and with the reinforcement of the area dedicated to the development of digital tools. In Colombia, expenses increase by CLP 1,265 million (37.5%) due to higher expenses in remuneration and personnel, maintenance and transportation expenses linked to the incorporation of the company’s new operations. The revaluation of the Colombian peso also has an impact. In Peru, expenses increase by CLP 689 million (13.4%) affected by the revaluation of the Peruvian sol against the Chilean peso.

Negative non-operating income increased by CLP 2,648 million mainly because of greater income per readjustment units (+1,802 million CLP) resulting from higher inflation in Chile compared to 1Q19 and interests on debt securities (+319 million CLP) connected to the increase in debt resulting from the long-term bond issuance in January. Influenced also by a greater negative restatement of guaranty liabilities received from customers for CLP 840 million and lower revenues from the sale of property, plant and equipment items (CLP 233 million). This was partially offset by lower bank interest expenses

(CLP 197 million) due to lower bank liabilities paid-off with funds from the long-term debt issuance and higher non-operating income (CLP 163 million).

Income taxes decreased by 15.1% affected by lower earnings before taxes resulting from improved operating income which increased by 6.9% but that is offset by greater negative non-operating income. Earnings after taxes decreased by 23.6%.

Analysis by country first quarter 2020 results



<u>Chile:</u> In Chile EBITDA reached CLP 14,831 million, increasing 3.1% compared to 1Q19.

Revenues for the Chilean operation reached CLP 76,330 million, 1.4% higher than 1Q19, mainly explained by greater sales volume and greater sales to end-customers of bottled LPG, offset by a drop in prices resulting from the decrease in oil products. LPG volume increases by 2.0% mainly due to higher sales of bottled and industrial bulk LPG and lower sales to customers from the commercial segment affected by the restrictions imposed given the COVID-19 pandemic. Total volume in equivalent LPG tons increased by 1.2% with a 30.3% volume increase in clients of natural gas networks, offsetting the -12.2% lower LNG volume.

Gross margin reached CLP 38,462 million, 9.8% higher regarding 1Q19 and is generated mainly due to higher sales volume, better margins in the purchase of product and by a positive effect on inventories for the first quarter, which compared to the same period of the previous year results in a positive variation of CLP 709 million. Additionally there is an increase in sales volume to end-customers of the bottled product which translates into better unit margins.

Operating expenses in Chile increase by CLP 2,970 million (14.3%) mainly because of higher expenses in freight, remuneration and also because of higher expenses in tank re-inspections, logistics operator services, IT expenses and payments resulting from commercial agreements relating to the exit of distributors, expenses that to a large extent, relate to the implementation of the integration strategy of the distribution chain toward the end-customer and the reinforcement strategy of the areas developing digital tools.

Colombia: EBITDA in Colombia reached CLP 3,527 million with a 69.5% increase regarding 1Q19 because of higher sales volume and greater unit gross margins.

Revenues for the operation in Colombia reached CLP 14,672 million, 12.9% higher than 1Q19, mainly because of the 12.8% increase in LPG sales and the 8.0% increase in natural gas sales. Although selling prices decreased because of the decline in oil products, these effects were offset by the revaluation of the Colombian peso.

Gross margin of Colombia presents a positive variation of 49.7%, mainly impacted by higher sales volume and better unit margins.

Operating expenses increased by CLP 1,265 million (37.5%) due to greater expenses in remuneration, personnel, maintenance and transportation expenses.

The Colombian peso revalued by 7.0% against the Chilean peso when comparing 1Q20 with 1Q19.

Peru: EBITDA in Peru reached CLP 866 million, representing a 33.7% decrease regarding 1Q19, mainly because of lower LPG sales volume, lower revenues from the natural gas business and greater operating expenses. This was partially offset by better unit margins.

Revenues for the operation in Peru reached CLP 22,171 million, 10.7% higher than 1Q19 impacted by the revaluation of the Peruvian sol regarding the Chilean peso. NG sales decreased by 10.4% compared to the same period of the previous year, mainly because of lower consumption of vehicular natural gas and liquefied natural gas (in both cases, affected in March by sanitary restrictions). Thus, during the quarter sales volume in equivalent LPG tons decreased by 5.2%.

Gross margin increased by 3.9% mainly influenced by the revaluation of the Peruvian sol against the Chilean peso.

Operating expenses increased by CLP 689 million (13.4%) mainly because of greater expenses in remuneration, fees and the revaluation effect of the Peruvian sol regarding the Chilean peso. The previous is partially offset by lower expenses in external services, marketing and transportation expenses.

The Peruvian Sol revalued by 17.6% regarding the Chilean peso when comparing 1Q20 with 1Q19.

News for the quarter and until de date of issuance of this press release

- On January 16, 2020, Empresas Lipigas S.A. issued bonds on the local market for 2,500,000 Unidades de Fomento. These bonds have a 25-year term and were placed at an annual coupon rate of 2.18%, with a spread of 138 basis points over the benchmark rate. Proceeds from the operation were allocated by fifty percent to paying off the bank debt. The remainder will be allocated to investment financing of both the Company and its subsidiaries.

- On March 4, 2020, the board of directors of Empresas Lipigas S.A. agreed to the payment of an interim dividend of CLP 68 per share that will be charged to the 2020 fiscal year earnings.

- On March 23, 2020, the controlling group of Empresas Lipigas S.A. informed the Company of the termination of the Shareholders' Agreement signed on September 26, 2017, the duration of which was set for three years, ending September 26, 2020. The members of the controlling group have considered that the Agreement successfully fulfilled the purpose for which it was created, which was to give continuity to the company after its listing of the on the stock exchange in November 2016, the first made in Chile in three years.

- On April 22, 2020, the Regular Shareholders' Meeting of Empresas Lipigas S.A. was held, and the following matters were agreed upon among others:
    1. Approve the annual report and financial statements for the fiscal year ended December 31, 2019 and the report of external auditors.
    2. Approve the distribution of earnings as well as a final dividend for the fiscal year and approve the payment of the balance of dividends amounting to CLP 2,044,341,270, equivalent to CLP 18 per share that will be paid beginning April 27, 2020.
    3. Agree on the renewal of the Company's Board of Directors, appointing directors and their respective alternates.
    4. Set remuneration of the Board of Directors and the Directors' Committee and their operating budget for the 2020 fiscal year. Appoint PriceWaterhouseCoopers as the external auditors for the 2020 fiscal year and Feller Rate and Humphreys as risk rating agencies for the 2020 fiscal year.
    5. Report on and approve related transactions referred to in article 146 of Chilean Law No. 18,046.

- On April 29, 2020 Empresas Lipigas S.A. held a Board of Directors session electing Mr. Juan Manuel Santa Cruz Munizaga as Chairman and Mr. Jaime García Rioseco as Vice-Chairman; and Mr. Jaime García Rioseco and Mr. José Miguel Barros van Hövell tot Westerflier as independent directors and the director Mario Vinagre Tagle as members of the Directors' Committee.

****

Investor Relations Contact

Matías Montecinos Buratovic
Financial Planning and Management Control Deputy Manager
mmontecinos@lipigas.cl
T: (562) 2650-3839

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 Punta Arenas. 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 and LNG. Since 2017 it generates and commercializes electric energy for industrial and commercial clients of the free segment in Chile.

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, 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 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

	1Q20	1Q19	Var. Y/Y (%)	Accum, 2020	Accum. 2019	Var. Y/Y (%)
LPG Sales Volume (tons)	**156,583**	**152,853**	**2.4 %**	**156,583**	**152,853**	**2.4 %**
NG Sales Volume (M3)	**20,086,267**	**21,680,375**	**(7.4)%**	**20,086,267**	**21,680,375**	**(7.4)%**
LNG Sales Volume (M3)	**7,939,569**	**9,044,654**	**(12.2)%**	**7,939,569**	**9,044,654**	**(12.2)%**
LPG Sales Volume (equivalent tons) [1]	**178,303**	**176,665**	**0.9 %**	**178,303**	**176,665**	**0.9 %**
Revenues	**113,263**	**108,380**	**4.5 %**	**113,263**	**108,380**	**4.5 %**
Cost of goods sold	(59,949)	(61,463)	(2.5)%	**(59,949)**	**(61,463)**	(2.5)%
Gross margin[2]	**53,314**	**46,917**	**13.6 %**	**53,314**	**46,917**	**13.6 %**
Other revenues by function	65	84	(22.7)%	65	84	(22.7)%
-Freight	(7,823)	(7,183)	8.9 %	(7,823)	(7,183)	8.9 %
-Remuneration, salaries, benefits and mandatory expenses	(9,571)	(8,342)	14.7 %	(9,571)	(8,342)	14.7 %
-Maintenance	(4,737)	(3,875)	22.2 %	(4,737)	(3,875)	22.2 %
-Others	(12,024)	(9,830)	22.3 %	(12,024)	(9,830)	22.3 %
EBITDA [3]	**19,224**	**17,770**	**8.2 %**	**19,224**	**17,770**	**8.2 %**
Depreciation and amortization	*(8,301)*	*(7,553)*	9.9 %	*(8,301)*	*(7,553)*	9.9 %
Operating Income	**10,923**	**10,218**	**6.9 %**	**10,923**	**10,218**	**6.9 %**
Financial costs	(2,580)	(2,153)	19.8 %	(2,580)	(2,153)	19.8 %
Financial income	376	752	(50.0)%	376	752	(50.0)%
Exchange rate difference	(89)	27	(429.9)%	(89)	27	(429.9)%
Income by adjustment unit	(1,605)	2	(73071.8)%	(1,605)	2	(73071.8)%
Other gains (losses)	147	269	(45.4)%	147	269	(45.4)%
Non-Operating Income	**(3,751)**	**(1,103)**	**240.1 %**	**(3,751)**	**(1,103)**	**240.1 %**
Earnings before taxes	**7,172**	**9,115**	**(21.3)%**	**7,172**	**9,115**	**(21.3)%**
-Income Tax	(2,075)	(2,444)	(15.1)%	(2,075)	(2,444)	(15.1)%
Earnings after taxes	**5,097**	**6,670**	**(23.6)%**	**5,097**	**6,670**	**(23.6)%**
Earnings per share (CLP/share)	*42.86*	*57.33*	*-25.2%*	*42.86*	*57.33*	*(25.2)%*

EMPRESAS LIPIGAS

Breakdown by country (in million CLP)

Chile	1Q20	1Q19	Var. Y/Y (%)	Accum. 2020	Accum. 2019	Var. Y/Y (%)
Average exchange rate (CLP/USD)	802.8	667.0	20.4 %	802.8	667.0	20.4 %
LPG Sales Volume (tons)	**101,819**	**99,846**	**2.0 %**	**101,819**	**99,846**	**2.0 %**
NG Sales Volume (M3)	**1,062,193**	**815,468**	**30.3 %**	**1,062,193**	**815,468**	**30.3 %**
LNG Sales Volume (M3)	**7,939,569**	**9,044,654**	**(12.2)%**	**7,939,569**	**9,044,654**	**(12.2)%**
LPG Sales Volume (equivalent tons) [1]	**108,795**	**107,488**	**1.2 %**	**108,795**	**107,488**	**1.2 %**
Revenues	**76,330**	**75,269**	**1.4 %**	**76,330**	**75,269**	**1.4 %**
Cost of goods sold	(37,868)	(40,243)	(5.9)%	(37,868)	(40,243)	(5.9)%
Gross margin [2]	**38,462**	**35,026**	**9.8 %**	**38,462**	**35,026**	**9.8 %**
Other revenues by function	65	84	(22.7)%	65	84	(22.7)%
Operating expenses	(23,696)	(20,725)	14.3 %	(23,696)	(20,725)	14.3 %
EBITDA [3]	**14,831**	**14,384**	**3.1 %**	**14,831**	**14,384**	**3.1 %**
Depreciation and amortization	(6,189)	(5,723)	8.2 %	(6,189)	(5,723)	8.2 %
Operating Income	**8,642**	**8,662**	**(0.2)%**	**8,642**	**8,662**	**(0.2)%**

Colombia	1Q20	1Q19	Var. Y/Y (%)	Accum. 2020	Accum. 2019	Var. Y/Y (%)
Average exchange rate (COP/USD)	3,532	3,142	12.4%	3,532	3,142	12.4%
LPG Sales Volume (tons)	**23,405**	**20,742**	**12.8%**	**23,405**	**20,742**	**12.8%**
NG Sales Volume (M3)	**1,971,169**	**1,825,798**	**8.0%**	**1,971,169**	**1,825,798**	**8.0%**
LPG Sales Volume (equiv. ton)1	**24,933**	**22,157**	**12.5%**	**24,933**	**22,157**	**12.5%**
Revenues	**14,762**	**13,078**	**12.9 %**	**14,762**	**13,078**	**12.9 %**
Cost of goods sold	(6,594)	(7,621)	(13.5)%	(6,594)	(7,621)	(13.5)%
Gross margin [2]	**8,168**	**5,457**	**49.7 %**	**8,168**	**5,457**	**49.7 %**
Other revenues by function	0	0	0.0 %	0	0	0.0 %
Operating expenses	(4,641)	(3,376)	37.5 %	(4,641)	(3,376)	37.5 %
EBITDA [3]	**3,527**	**2,081**	**69.5 %**	**3,527**	**2,081**	**69.5 %**
Depreciation and amortization	(928)	(814)	14.0 %	(928)	(814)	14.0 %
Operating Income	**2,599**	**1,267**	**105.2 %**	**2,599**	**1,267**	**105.2 %**

Peru	1Q20	1Q19	Var. Y/Y (%)	Accum. 2020	Accum. 2019	Var. Y/Y (%)
Average exchange rate (PEN/USD)	3.40	3.32	2.3 %	3.40	3.32	2.3 %
LPG Sales Volume (tons)	**31,359**	**32,266**	**(2.8)%**	**31,359**	**32,266**	**(2.8)%**
NG Sales Volume (M3)	**17,052,906**	**19,039,109**	**(10.4)%**	**17,052,906**	**19,039,109**	**(10.4)%**
LPG Sales Volume (equiv. ton)[1]	**44,575**	**47,021**	**(5.2)%**	**44,575**	**47,021**	**(5.2)%**
Revenues	**22,171**	**20,034**	**10.7 %**	**22,171**	**20,034**	**10.7 %**
Cost of goods sold	(15,487)	(13,600)	13.9 %	(15,487)	(13,600)	13.9 %
Gross margin [2]	**6,684**	**6,434**	**3.9 %**	**6,684**	**6,434**	**3.9 %**
Other revenues by function	0	0	0.0 %	0	0	0.0 %
Operating expenses	(5,818)	(5,129)	13.4 %	(5,818)	(5,129)	13.4 %
EBITDA [3]	**866**	**1,305**	**(33.7)%**	**866**	**1,305**	**(33.7)%**
Depreciation and amortization	(1,184)	(1,016)	16.5 %	(1,184)	(1,016)	16.5 %
Operating Income	**-318**	**289**	**(209.9)%**	**-318**	**289**	**(209.9)%**

Empresas Lipigas S.A.
Financial Indicators -Evolution

Million CLP	1Q20	4Q19	3Q19	2Q19	1Q19
Investment in property, plant & equip.[4]	10,958	18,153	14,267	11,310	48,411
Cash and cash equivalents	49,154	17,040	23,585	12,080	8,595
Dividends payable[5]	0	0	0	0	0
Net cash and cash equivalents[6]	49,154	17,040	23,585	12,080	8,595
Total financial debt	215,956	176,203	173,337	200,871	197,062
-Short term financial debt	8,319	9,437	47,276	53,701	49,237
-Long term financial debt	207,637	166,766	126,061	147,171	147,825
EBITDA LTM	105,801	104,347	100,169	92,309	88,693
Financial Ratios (times)					
-Financial debt/EBITDA[7]	1.6	1.5	1.5	2.0	2.1
-Indebtedness[8]	1.0	0.9	0.9	1.2	1.2

Debt/EBITDA=total financial liabilities net of cash and cash equivalents / EBITDA (LTM)

Indebtedness= total financial liabilities net of cash and cash equivalents / total equity

Definitions:

[1]LPG sales volume (Equivalent tons): Addition of LPG sales in tons plus NG 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]Gross addition in the quarter from investment in property, plant and equipment quarter and business combinations.

[5]Dividends payable correspond to dividends payable as of 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 / total equity