

- (3) For purposes of consistent presentation, the amounts of domestic long distance revenues for the years 1987 and 1988 and the eleven months prior to December 1989 have been increased Ch.\$6.320 million, Ch\$7,489 million and Ch.\$6.971 million respectively, so as to fully reflect current tariff arrangements with ENTEL; corresponding amounts of operating costs and expenses for each year have been added to historic amounts for such periods.
- (4) Includes principally revenues from the sales of facsimile equipment and accessories, supplementary and other items and services.

A.5 Basic Telephone Services

Basic Telephone Services include local as well as domestic and international long distance telephone services. As noted, these services accounted for approximately 77% of CTC's of total operating revenues for 1991. The following table sets forth information regarding the development of CTC's basic telephony business:

Basic Telephone Services

	December 31,				
	1987	1988	1989	1990	1991
Number of Telephones	770,199	820,260	894,825	1,096,056	1,345,157
Lines per 100 inhabitants	4.7	5.0	5.4	6.6	8.0
Lines installed	614,884	634,327	799,917	1,018,568	1,162,539
Lines in service	548,359	591,565	645,863	811,811	996,738
Applications pending	230,452	236,349	283,919	307,843	240,559
Digitalization (%) (1)	36.0	37.9	51.1	64.0	70.6
Automation (%) (2)	98.0	98.5	99.3	99.6	99.8
Local calls (in millions) (3) (4)	1,146	1,231	1,341	1,525	1,863
Local calls per line in service (4) (5)	2,686	2,778	2,610	2,613	2,619

- (1) Percentage of lines installed and connected to digital exchanges.
- (2) Percentage of lines installed and connected to automatic exchanges.
- (3) Does not include calls made under CTC's "flat fee" charge system nor calls made from public telephones. See discussion of local services below.
- (4) Reflects information for the period ended the date indicated.
- (5) Lines in service do not include lines which provide service on the "flat fee" charge system nor from public telephones. See discussion of local services below. Calculated for each year on the basis of the monthly average of the number of lines in service during each year.