

B.4.4. Correlated Companies

(a) Satel Telecomunicaciones S.A. (SATEL S.A.)

This company provides all types of telecommunication services, distribution and representation of equipment and other necessary elements to provide those services. It was created on March 13<sup>th</sup>, 1989 with a capital of 10 million pesos.

Main shareholders are:

Entel Chile S.A..	:	50% of the shares
Comsat Investments, Inc.	:	50% of the shares

During this period since its creation, it has offered basically the Intelsat Business Service (IBS) of high speed. It has accumulated so far, 28 service contracts.

It also has strengthened its commercial relationship with important carriers on the outside, such as British Telecom, AT & T, Sprint International, France Telecom and MCI.

(b) Telecom Chile S.A.

This company provides cellular telephone services all over the country with the exception of the V Region and the Metropolitan Region of Santiago. It was created on August 16<sup>th</sup> 1988 with an initial capital of \$ 100.000 pesos which later would increase to \$ 6.000.000 pesos. Out of this capital, 67% of the shares belong to Motorola and 33% to Entel Inversiones S.A.

During 1991, Telecom Chile S.A. started to provide services covered by Stage 1 of the project which include IV Region and the area covered by the regions VI to X. So far the results have vastly exceeded the expectations of sales.