

B. Entel's main source of income comes from telephone services which represent about 80% of total sales, (mainly due to the demand generated by CTC). Entel has about 70% of the national public telephone service traffic.

The Company has a microwave trunk network, transverse links and satellite links for both national and international communications.

In addition to telephony, it offers a selection of services ranging from telegraphy and data links to television and radio transmission and videoconferencing.

The national telecommunications networks are the responsibility of five regional offices overseen by a centralised monitoring and control system in Entel's Telecommunications tower in Santiago.

Among achievements for the last few years have been a significant increase in the provision of domestic telephone lines. Also, a 1,800 channel extension was put into service on the microwave trunk network between Santiago and Cayumanqui and later a further radio frequency channel with 960 telephone lines was added.

Recently, Entel also received an important subsidy to provide a telephone service to some 100 rural areas not previously served. Entel also provides services that involve telephony.

B.2. Entel Developments

Entel is still coming to terms with the new competitive environment it finds itself in.

A development plan was recently unveiled, aimed at increasing service capacity and taking the first steps in facing up to competition.