

Fourth Quarter and Year-End 2007 Results

Santiago, Chile – January 28, 2008 – Empresa Nacional de Telecomunicaciones S.A. (*Bolsa de Comercio de Santiago: ENTEL*) “the Company” or “Entel” today announced its audited results for the fourth quarter and twelve months ended December 31, 2007. All figures are expressed in Chilean Pesos and are reported according to Chilean generally accepted accounting principles (Chilean GAAP). The exchange rate at December 31, 2007 was Ch\$ 496.89/US\$ 1.

Consolidated Financial Highlights

in millions of Chilean pesos as of December 31, 2007
(except EPS figures)

Quarterly Highlights:

- Total mobile subscribers reached 5,637,998, 13% growth compared to 2006. The post-paid customer base increased 45% and currently represents 26% of the total.
- Revenues for the quarter expanded 8%, amounting to Ch\$ 239.0 billion.
- EBITDA for the quarter rose 2%, reaching Ch\$ 92.1 billion. When extracting the Ch\$ 4.6 billion related to costs re-classified to depreciation in the mobile business from the 4Q06 figure, EBITDA in 4Q07 grew 7%.
- Net income totaled Ch\$ 28.2 billion, a 71% expansion compared to 4Q06. This growth is mainly due to the absence of non-recurring charges in 4Q06, derived from a change in the accounting method of pre-paid handset subsidies.

	4Q07	4Q06	% Var.	3Q07	12M07	12M06	% Var.
Revenues	239,004	220,915	8%	220,909	902,638	869,218	4%
Operating Income (EBIT)	47,934	48,004	0%	50,995	193,281	180,877	7%
EBITDA	92,075	90,703	2%	93,089	363,011	334,793	8%
EBITDA Margin	39%	41%		42%	40%	39%	
Net Income	28,153	16,452	71%	36,215	131,038	107,602	22%
EPS	119	70	71%	153	554	455	22%

EBITDA considers pre-paid handset subsidies as a direct cost.

Comments from the Chief Financial Officer:

- Expansion in revenues for the quarter was driven by double-digit growth in mobile subscribers fueled by an effective increase in the post-paid client base, together with higher usage of minutes and value-added services. Also, there was growth in local telephony, data services and transport capacity rentals, mainly due to the development of NGN-IP and IT services in the Chile Wireline.

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- In 4Q07, operating income remained flat, while EBITDA posted a slight increase, both due to the absence of one-time factors occurring in 4Q06, which positively affected profits in the mobile business. When not considering the positive impact of a change in the accounting method of pre-paid handset subsidies and the reclassification of certain items from cost to depreciation, which occurred in 4Q06, both EBIT and EBITDA grew 7%, explained by higher margins in the mobile and Chile Wireline businesses.
- The improvement in net income during 4Q07 resulted from lower non-operating losses in connection with the absence of non-cash charges accrued in 4Q06 related to the write-off of capitalized subsidies of pre-paid handset sales. Partially offsetting this were higher losses in 4Q07 related to asset impairments.

Note: Please see accompanying presentation at www.entel.cl, under the section titled "Investors" for additional information.

This document contains certain "forward-looking statements" which are based on management's expectations as well as on a number of assumptions concerning future events resulting from currently available information. Readers are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties and other factors, many of which are out of Entel's control, which could cause actual results to materially differ from such statements.

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Consolidated Revenues
(in millions of Chilean Pesos as of December 31, 2007)

	4Q07	4Q06	% Var.	3Q07	12M07	12M06	% Var.
Revenues Services	239,004	220,915	8%	220,909	902,638	869,218	4%
Mobile services	182,437	162,832	12%	167,544	683,844	599,223	14%
Data services (includes IT)	18,258	16,055	14%	15,371	61,445	60,500	2%
Local telephony (includes NGN-IP)	10,452	9,810	7%	9,744	38,225	35,304	8%
Long distance	10,063	11,215	-10%	10,020	42,621	47,946	-11%
Internet	3,916	4,272	-8%	4,020	16,281	17,601	-7%
Other telecommunication companies	3,268	2,299	42%	2,760	11,479	10,369	11%
Traffic business	4,496	6,137	-27%	5,462	22,852	21,980	4%
International subsidiaries	4,281	6,282	-32%	3,901	17,657	67,083	-74%
Others	1,833	2,013	-9%	2,087	8,234	9,212	-11%

Consolidated revenues for the quarter reached Ch\$ 239.0 billion, an 8%¹ increase compared to the Ch\$ 220.9 billion of 4Q06. The growth is explained by: a) 12% expansion in mobile services derived from higher service revenues (+14%) due to 13% growth in the average customer base, together with a 1% improvement in ARPU², in-line with higher MOU³ and VAS⁴ usage. Partially offsetting this growth were lower equipment sales (-3%), mainly in pre-paid, while sign-on fees in post-paid expanded due to higher sales, b) Data and IT services related to the Chile Wireline increased 14%, boosted by 50% growth in IT-integration services, mainly in BPO⁵ and datacenters, c) Revenues from other telecom companies rose 42% due to increased services provided mainly to fixed-line operators, d) Local telephony revenues improved 7% triggered by a 25% expansion of lines-in-service, supported by higher penetration of NGN-IP in the SME market. These improvements were partially offset by: a) 32% drop in revenues from international subsidiaries derived from the impact of the sale of Entel's Venezuelan subsidiary in January 2007, coupled with a 7% decline in the Ch\$/US\$ exchange rate. Revenues at Americatel Peru measured in US Dollars increased 19% during the quarter, b) 27% reduction in the low margin traffic business revenues, principally due to lower wholesale traffic, c) 10% decrease in LD revenues, derived mainly from lower traffic and tariffs in DLD, d) Internet revenues declined 8% due to lower dial-up traffic and broadband clients in the residential segment.

For the twelve-month period of 2007 revenues posted a 4% expansion when compared to 2006. When extracting revenues of the divested international subsidiaries from the 2006 figures, revenues would have increased 10%.

¹ Excluding the impact of no longer consolidating Entel Venezuela, total revenues would have grown 9% when compared to 4Q06.

² Average Revenue Per User

³ Minutes of Usage

⁴ Value-added services

⁵ Business Process Outsourcing

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Consolidated Cost of Operations
(in millions of Chilean Pesos as of December 31, 2007)

	4Q07	4Q06	% Var.	3Q07	12M07	12M06	% Var.
Cost of Operations	141,970	120,382	18%	122,546	518,940	475,668	9%
Access charges & Payments to corresp.	50,137	43,401	16%	44,462	184,336	181,641	1%
Depreciation and amortization	39,610	40,564	-2%	36,112	151,099	132,758	14%
Salaries and expenses	5,019	3,959	27%	5,079	18,314	16,495	11%
Outsourced services	3,587	8,498	-58%	-426	16,887	27,486	-39%
Supplies and Equipment	24,806	16,544	50%	22,992	85,622	64,500	33%
Others	18,811	7,417	154%	14,327	62,682	52,788	19%

Consolidated cost of operations for the quarter totaled Ch\$ 142.0 billion, an increase of 18% with respect to 4Q06. This is best explained by: a) 50% increase in supplies and equipment due to now accounting mobile pre-paid handset subsidies as direct costs⁶, as well as accruing software developments in this line item, while in 4Q06 they were accounted for in 'outsourced services', b) access charges and payments to correspondents grew 16% attributed to higher traffic in the mobile business, mainly in post-paid, partially offset by decreased activity in the traffic business within the Chile Wireline, c) salaries and expenses rose 27% explained by an increase in Chile Wireline and Call Center services, d) other costs rose 154% primarily in the mobile business due to higher costs related to VAS content providers and maintenance. Also in mobile, an increase of Ch\$ 4.6 billion resulted from the reclassification of certain items to depreciation in 4Q06. Partially offsetting these higher costs were: a) 58% decline in outsourced services related to software developments now accrued as supplies and equipment, b) 2% drop in depreciation and amortization attributed to the above-mentioned Ch\$ 4.6 billion reclassification.

Cost of operations for the year-end period expanded 9%.

Consolidated Selling and Administrative Expenses
(in millions of Chilean Pesos as of December 31, 2007)

	4Q07	4Q06	% Var.	3Q07	12M07	12M06	% Var.
Selling and Administrative Expenses	49,100	52,530	-7%	47,368	190,417	212,674	-10%
Salaries and expenses	16,670	16,467	1%	15,420	62,967	58,544	8%
Advertising & Sales commissions	10,966	12,796	-14%	10,524	44,264	45,129	-2%
Amortization of prepaid equipment	0	2,541	-100%	0	0	23,322	-100%
Bad debt provisions	5,425	4,015	35%	4,321	18,343	18,234	1%
Outsourced services	1,582	1,017	56%	984	4,759	4,296	11%
Depreciation and amortization	4,531	5,090	-11%	5,982	18,631	21,158	-12%
Others	9,926	10,604	-6%	10,137	41,453	41,990	-1%

Consolidated selling and administrative expenses amounted to Ch\$ 49.1 billion, 7% lower than the Ch\$ 52.5 billion of 4Q06. The reduction derived from: a) 100% decrease in amortization of pre-paid handset subsidies as a result of now considering such subsidies as direct costs, b) advertising and sales commissions fell 14% resulting from lower advertising efforts in NGN-IP and in the mobile business, partially offset by increased activity at Americatel Peru, c) depreciation and amortization fell 11%, best explained by the Chile Wireline segment, d) other costs and expenses declined 6%, mainly due to lower billing costs in the Chile Wireline, together with lower expenses derived from the sale of Entel Venezuela. These reductions were partially offset

⁶ In 2006, such subsidies were capitalized and further amortized.

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by: a) 35% increase in bad debt provisions, in-line with the expanded post-paid customer base (+45%) in the mobile business.

SG&A for 2007 declined 10% when compared to the 2006 figure.

Operating Income and EBITDA

Operating income for the quarter remained flat at Ch\$ 47.9 billion. In 2006, the Company changed the treatment of mobile pre-paid handset subsidies by accounting them directly as costs (previously capitalized and further amortized). This event had a one-time positive impact on the operating margin of Ch\$ 3.2 billion in 4Q06. When not considering this effect, operating income in 4Q07 rose 7%.

EBITDA increased 2%, reaching Ch\$ 92.1 billion. Extracting the impact of the re-classification of certain items from cost to depreciation occurring in 4Q06 (Ch\$ 4.6 billion), 4Q07 EBITDA grew 7%, while the EBITDA margin remained flat at 39%.

Year-end operating income and EBITDA posted increases of 7% and 8%, respectively.

Non-Operating Results

Non-operating losses for the quarter totaled Ch\$ 12.1 billion compared to a Ch\$ 27.6 loss in 4Q06. This reduction is mainly attributed to the absence of the 4Q06 write-off of Ch\$ 15.8 billion in connection with no longer capitalizing the mobile pre-paid handset subsidies. In addition, monetary correction and exchange gains increased due to higher inflation. Partially offsetting these were greater losses related to asset impairments in the Chile Wireline business.

The non-operating loss for the year amounted to Ch\$ 32.0 billion, a 34% decline when compared to the Ch\$ 48.6 billion non-operating loss of 2006.

Net Income

As a result of all the above, net income for the quarter rose 71%, reaching Ch\$ 28.2 billion.

Net income for 2007 increased 22% when compared to the 2006 figure, reaching Ch\$ 131.0 billion.

INDIVIDUAL FINANCIAL STATEMENTS AND RESULTS BY BUSINESS SEGMENT

Mobile Business:

Revenues for the fourth quarter totaled Ch\$ 185.3 billion, growth of 12% when compared to the Ch\$ 165.7 of 4Q06. Service revenues increased 14% due to higher monthly services and access charges, both attributed to substantial growth in the post-paid customer base. This was complemented by a 36% expansion in VAS revenues, triggered by higher usage of innovative services (GPRS) and the stimulation of wireless broadband usage. Equipment revenues fell 3% resulting from lower revenues in pre-paid, partially offset by higher sales in post-paid.

The customer base posted a 13% increase to 5,637,998, which currently represents market share of 41%. The main growth occurred in the post-paid base (+45%), triggered by the capturing of new customers and selective client migration from pre-paid, as well as effective retention plans carried out by the Company. As of December 31, 2007, the post-paid share over the total base was 26%, compared to 21% in December 2006.

Blended ARPU grew 1% as a result of the effective growth of the customer base, reflected in higher usage of VAS and minutes per user. Blended MOU expanded 19%, attributed to increases in both pre-paid and post-paid, principally in outgoing traffic.

During the quarter, the blended churn rate reached 1.93%, higher than the 1.48% of 4Q06. The increase was mainly attributed to pre-paid, showing the impacts of competition and migrations to post-paid within the industry during the period. Churn in post-paid remained at low levels as a result of high customer satisfaction and effective retention plans, but posted a slight increase due to increased penetration levels.

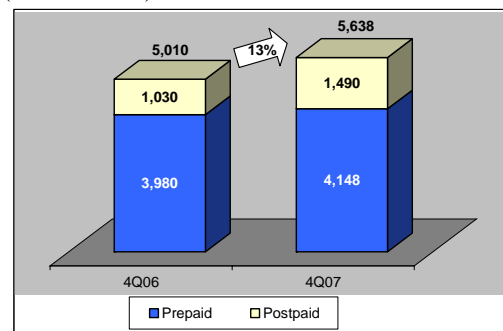
In December, Entel PCS launched plans in order to promote the usage of wireless broadband services through the 3.5G network, including a competitive plan that allows the client to use unlimited broadband services for Ch\$ 29,900 per month. During the quarter, the Company also introduced mobile handsets that work through the 3.5G network, together with an offering of new third generation services such as mobile TV, digital radio and video calls.

As recognition for its permanent effort to provide the best quality services and offer advanced technologies, Entel PCS was awarded *The Best Mobile Service Provider* for 2007 in Latin America. This prize was given at the Latin America Information and Communication Technologies Awards organized by Frost & Sullivan in Sao Paulo, Brazil, within a universe of 60 telecom and IT companies in the region.

Operating income for the quarter totaled Ch\$ 47.1 billion, a 5% decrease when compared to the Ch\$ 49.5 billion of 4Q06. The reduction is fully attributed to the change in accounting method regarding the capitalization of pre-paid handset subsidies in 2006, which had a positive impact of Ch\$ 3.2 billion in operating income during 4Q06. When extracting this amount from the 4Q06 figure, operating income expanded 2% due to higher gross margins in service revenues as a consequence of the expansion in traffic due to the increase in the customer base and MOU. This was partially offset by higher depreciation of post-paid handsets, resulting from the 45% increase in the client base. SG&A declined 2%, mainly in advertising campaigns, salaries and amortizations, which were partially offset by higher expenses related to sales commissions and bad debt provisions, in-line with the increase in activity, principally in post-paid.

EBITDA remained flat at Ch\$ 75.4 billion. EBITDA in 4Q06 experienced a positive impact of Ch\$ 4.6 billion derived from a re-classification of certain items from costs to depreciation. Excluding this, EBITDA during 4Q07 improved 7%, while the EBITDA margin declined from 43% to 41%, mainly attributed to lower direct margins, in-line with lower average tariffs.

Entel's Mobile Subscribers
(in thousands)



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Chile Wireline Results:

Revenues

(in millions of Chilean Pesos as of December 31, 2007)

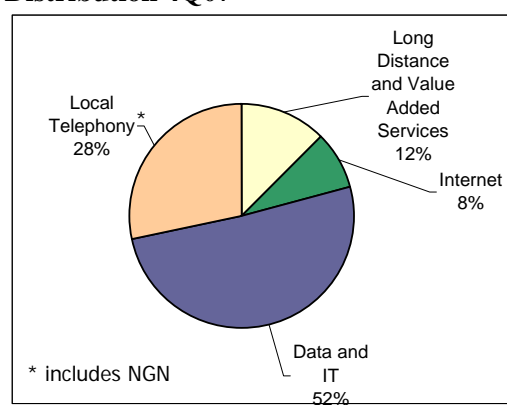
Ch\$ (millions)	4Q07	4Q06	% Var.	3Q07	12M07	12M06	% Var.
Revenues*	61,286	60,960	1%	58,923	239,173	240,257	0%
Corporate and SME	35,770	32,347	11%	31,780	128,700	121,867	6%
Residential	7,824	10,166	-23%	8,711	35,783	45,933	-22%
Infraest. Serv. Telcos, Traffic B. and Others	17,691	18,447	-4%	18,432	74,690	72,457	3%

*Includes inter-company revenues with Mobile and Int'l subsidiaries and support companies.

Total Chile Wireline revenues reached Ch\$ 61.3 billion, an increase of 1% with respect to the Ch\$ 61.0 billion of 4Q06.

Corporate and SME⁷ segment posted an 11% increase in quarterly revenues, mainly due to expansions in IT-integration services (BPO and datacenters). Growth in revenues was also supported by an increase in NGN-IP for the SME segment, which continues growing rapidly and currently accounts for 59,848 LIS⁸. In addition, traditional local telephony revenues grew as a result of a 13% increase in LIS. Data service revenues had a slight decline attributed to lower equipment sales and others, which were partially offset by higher revenues from MPLS-IP high-speed connectivity services. Revenues in LD declined mainly due to lower DLD traffic, while Internet revenues remained flat.

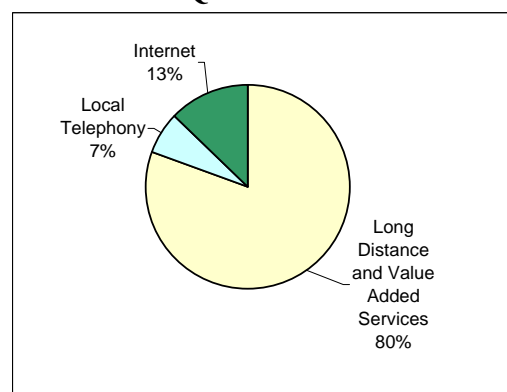
Corporate and SME Revenue Distribution 4Q07



During the quarter, the campaign "Yo Elegí Bien" ("I made the right choice") was launched in order to enhance the Entel brand as a full telecom service provider.

Residential segment revenues fell 23%, driven by a decline in LD services mainly due to DLD traffic, in-line with the Company's strategy of terminating non-profitable plans. Internet revenues also declined, affected by lower dial-up traffic and broadband clients, and to a lesser extent, local telephony revenues declined as a consequence of reduced LIS.

Residential Revenue Distribution 4Q07



Infrastructure service to other Telecom companies, traffic business and other revenues fell 4% during the quarter primarily explained by the traffic business, impacted by lower activity in wholesale. Partially offsetting this decline was the expansion of network rentals due to increased transport capacity provided to other domestic fixed-line operators.

Operating costs and SG&A for the quarter declined 2% to Ch\$ 61.0 billion. The main reductions were in access charges and payments to correspondents as a result of

⁷ Small & Medium-Sized Enterprises.

⁸ Lines in Service

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decreased activity in the traffic business and LD; depreciation and amortization explained by the permanent control over investment in mature related areas; and advertising due to lower promotions related to NGN-IP. Partially offsetting these declines were salaries and costs related to installation and maintenance as a result of higher activity in the Corp/SME segment.

The above resulted in operating income for the quarter of Ch\$ 0.3 billion, an improvement from the Ch\$ 1.6 billion loss in 4Q06. EBITDA improved 5%, amounting to Ch\$ 15.6 billion, while the EBITDA margin was 25%, higher than the 24% of 4Q06.

For the twelve-month period of 2007, EBITDA grew 2% versus 2006, reaching Ch\$ 64.3 billion. After 6 years of decline, this turnaround in profits reflects the successful transformation of the service mix provided by the Chile Wireline, moving towards services intensive in the use of the Company's own access network, focused on the Corp/SME segment and network rentals.

Chile Wireline Main Activities by Services:

- **Data & IT Services – Corporate / SME segments**

Data services continued to show a trend of increased activity and revenues in MPLS-IP network, along with IT-integration services and datacenters. On the other hand, mature technologies continue migrating to high-speed solutions.

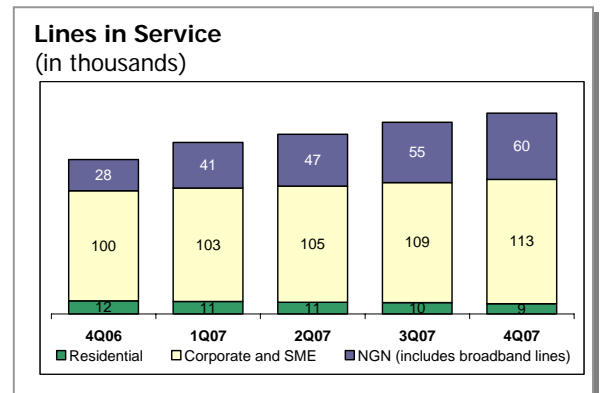
Entel's leadership in connectivity services is complemented by IT projects that are focused on diverse industries such as Healthcare, Government, Financial Services and Mining. The value proposal of IT-integration services includes BPO, datacenter services, as well as hosting and housing of data capacity in contingency sites, the latter growing the most during the quarter.

After obtaining SAP Hosting Partner certification in 3Q07, Entel signed a contract with Derco S.A. in 4Q07 to provide datacenter infrastructure, hardware and operating services for running the SAP system at all of Derco's premises. In addition, during the quarter the following contracts were signed, among others:

- Colbún S.A.: agreement for the implementation of data connectivity and IP trunking telephony nationwide, including datacenter services and a contingency site for data storage on Entel's premises.
- Chiletabacos S.A.: contract to provide MPLS connectivity and IP telephony for 26 sites within the country.

- **Local Telephony (including NGN-IP)**

Lines-in-service continued to grow at high rates and reached 181,622, a 25% expansion compared to 4Q06. The improvement is mainly a result of increased penetration of NGN-IP services in the SME segment, which currently accounts for 33% of the total LIS. Traditional lines-in-service also grew, reflecting a permanent focus on the Corp/SME segment.



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- **Long Distance**

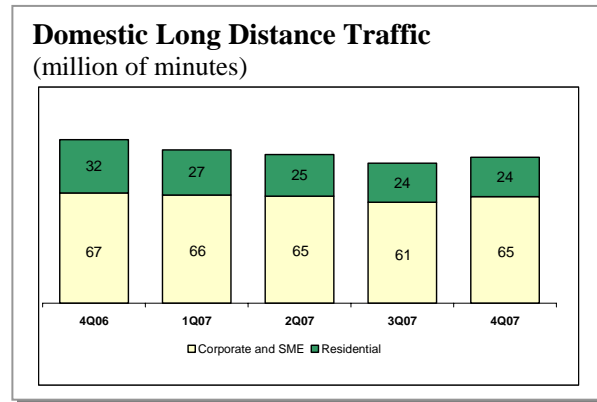
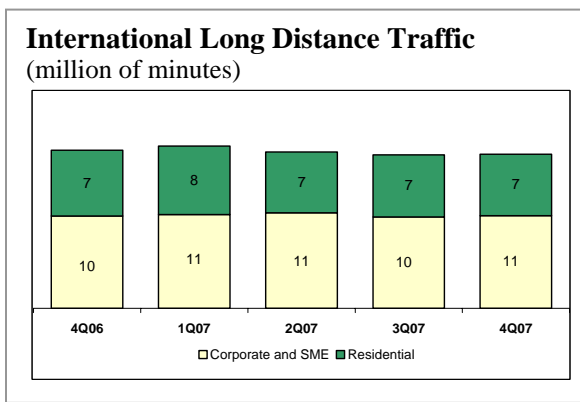
DLD traffic decreased 11%, mainly as a result of lower activity in direct dialing in the residential segment, reflecting the migration toward mobile and Internet services, coupled with the discontinuance of non-profitable plans. Traffic in the Corp/SME segment slightly declined attributed to direct dialing. The average tariff dropped, mainly attributable to the Corp/SME segment, while in residential, it slightly increased.

ILD traffic fell 3%, mainly attributed to the residential segment, which posted reductions in direct dialing and in ticket traffic, while the Corporate/SME segment remained almost flat. The average tariff grew, best explained by the residential segment.

Value-added services currently represent 29% of LD revenues.

Entel's DLD market share is approximately 31%, while ILD market share is approximately 34%.

During 4Q07, the Company re-launched its brand campaign "123", in order to promote LD usage and to strengthen its brand within all services and segments of the Chile Wireline business.



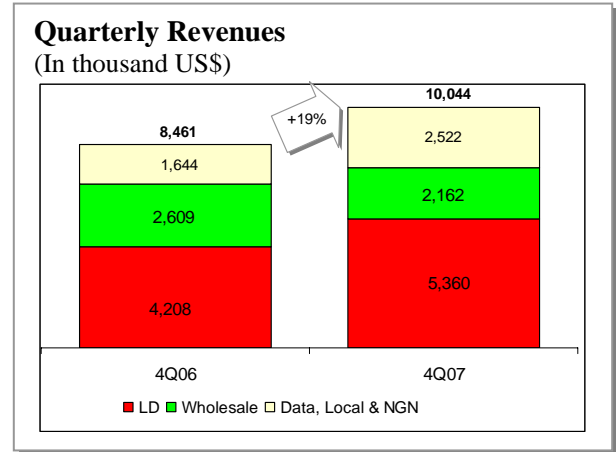
International Subsidiary:

Americatel Peru

Revenues for the quarter rose 19%, reaching US\$ 10.0 million. The increased penetration of NGN-IP services in the SME segment, together with a high increase of LD dial around traffic through the 1977 code, drove growth. This improvement was also supported by higher revenues from traditional data-Internet (+10%) and local telephony (+19%) services. Partially offsetting the growth was the decline in wholesale revenues, mainly due to lower tariffs.

Costs and SG&A increased 21%, in-line with increased resources necessary to promote LD plans, after changes in the competitive environment led by modifications in regulation. In this regard, advertising, personnel and sales expenses increased. Furthermore, depreciation, installation and maintenance costs rose, associated with higher NGN-IP activity to increase penetration in the enterprise segment.

Operating income for the quarter reached US\$ 0.5 million, a 14% decline compared to the US\$ 0.6 million in 4Q06 attributed to the previously mentioned factors. EBITDA in 4Q07 improved 4% to US\$ 1.0 million due to higher gross margins, mainly in LD and data services.



BALANCE SHEET

Consolidated Balance Sheet (audited)
(in millions of Chilean Pesos as of December 31, 2007)

	Dec/07	Dec/06	Var %
Assets	1,218,705	1,304,765	-7%
Current assets	314,538	415,969	-24%
Property, plant & equipment, net	838,852	819,819	2%
Other assets	65,316	68,977	-5%
Liabilities & shareholders' equity	1,218,705	1,304,765	-7%
Current liabilities	217,968	292,939	-26%
Long-term liabilities	372,466	432,086	-14%
Minority interest	0	-1	100%
Shareholders' equity	628,271	579,741	8%

Financial Indexes

	Dec/07	Dec/06
Current assets/Current liabilities	1.44	1.42
EBITDA/Financial expenses	18.51	11.59
Financial debt*/EBITDA**	1.00	1.43
Total liabilities/(equity + min. interest)	0.94	1.25

* Financial debt defined as per existing credit facilities.

** EBITDA last 12 months.

Gross debt for the year-end period fell 34%, amounting to Ch\$ 313.7 billion, mainly explained by the repayment of Ch\$ 114 billion in local bonds in April 2007. Net debt (gross debt less cash and net balances from hedging activities) for the period totaled Ch\$ 304.1 billion, down 6% with respect to the Ch\$ 324.5 billion of 2006.

RECENT EVENTS

- In December 2007, Entel paid an interim dividend of Ch\$ 100 per share (total amount of Ch\$ 23.7 billion), related to total net income of 2007.

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Company Description

Empresa Nacional de Telecomunicaciones S.A. is the largest Telecommunication Company in Chile with Ch\$ 1,214,865 million in assets and Ch\$ 809,328 million in annual revenues reported in December 2006. The Company provides mobile, Data & IT, Internet service, local telephony, and long distance services (together with related services). Entel also has operations in Peru and, in January 2007 sold its Venezuelan subsidiary. After a successful participation in the US Hispanic telecommunication market, and its synergistic Central America market, Entel sold its participation in 3Q06, increasing the focus in the Chilean core business. Entel is listed on the Chilean Stock Exchange (Bolsa de Comercio de Santiago) under the ticker symbol ENTEL and its headquarters are based in Santiago, Chile.

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Individual Consolidated Results by Business Segment
(in millions of Chilean Pesos as of December 31, 2007)

	4Q07	4Q06	% Var.	12M07	12M06	% Var.
Mobile Telephony						
Revenues	185,293	165,713	12%	695,640	608,353	14%
- Service	167,321	147,267	14%	634,421	541,139	17%
- Equipment	17,972	18,446	-3%	61,219	67,214	-9%
Cost of Operations	106,687	84,054	27%	387,312	307,865	26%
Selling and Administrative Expenses	31,538	32,186	-2%	119,799	121,920	-2%
Operating Income	47,068	49,474	-5%	188,528	178,569	6%
Operating Margin	25%	30%		27%	29%	
EBITDA	75,448	75,199	0%	295,167	263,151	12%
EBITDA Margin	41%	45%		42%	43%	
	4Q07	4Q06	% Var.	12M07	12M06	% Var.
Chile Wireline (*)						
Revenues	61,286	60,960	1%	239,173	240,257	0%
Cost of Operations	29,682	29,808	0%	117,150	114,654	2%
Selling and Administrative Expenses	16,039	16,344	-2%	57,735	62,878	-8%
Depreciation and Amortization	15,275	16,371	-7%	61,093	65,628	-7%
Operating Income	291	(1,565)	n.a.	3,196	(2,903)	n.a.
Operating Margin	0%	-3%		1%	-1%	
EBITDA	15,565	14,807	5%	64,289	62,726	2%
EBITDA Margin	25%	24%		27%	26%	

(*) Includes data services, local telephony, LD, Internet, traffic business and capacity rentals to other telecom companies.

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Individual Consolidated Results by Subsidiary.

(in thousands of U.S. dollars and millions of Chilean Pesos as of December 31, 2007)

	<u>4Q07</u>	<u>4Q06</u>	<u>% Var.</u>	<u>12M07</u>	<u>12M06</u>	<u>% Var.</u>	<u>4Q07</u>	<u>4Q06</u>	<u>% Var.</u>	<u>12M07</u>	<u>12M06</u>	<u>% Var.</u>
Americatel Peru	(US\$)	(US\$)		(US\$)	(US\$)		(Ch\$)	(Ch\$)		(Ch\$)	(Ch\$)	
Revenues	10,044	8,461	19%	36,528	33,671	8%	4,313	4,767	-10%	18,150	19,253	-6%
Cost of Operations	4,537	4,360	4%	18,629	17,654	6%	1,894	2,455	-23%	9,257	10,094	-8%
Selling & Administ. Expenses	5,014	3,528	42%	16,965	13,237	28%	2,186	1,990	10%	8,430	7,569	11%
Operating Income	494	574	-14%	934	2,780	-66%	234	322	-27%	464	1,590	-71%
Operating Margin	5%	7%		3%	8%		5%	7%		3%	8%	
EBITDA	996	954	4%	2,680	4,274	-37%	452	536	-16%	1,332	2,444	-46%
EBITDA Margin	10%	11%		7%	13%		10%	11%		7%	13%	
	<u>4Q07</u>	<u>4Q06</u>	<u>% Var.</u>	<u>12M07</u>	<u>12M06</u>	<u>% Var.</u>	<u>4Q07</u>	<u>4Q06</u>	<u>% Var.</u>	<u>12M07</u>	<u>12M06</u>	<u>% Var.</u>
Americatel USA	(US\$)	(US\$)		(US\$)	(US\$)		(Ch\$)	(Ch\$)		(Ch\$)	(Ch\$)	
Revenues	0	0	0%	0	62,865	-100%	0	0	0%	0	36,278	-100%
Cost of Operations	0	0	0%	0	40,888	-100%	0	0	0%	0	23,596	-100%
Selling & Administ. Expenses	0	0	0%	0	17,252	-100%	0	0	0%	0	9,956	-100%
Operating Income	0	0	0%	0	4,725	-100%	0	0	0%	0	2,727	-100%
Operating Margin					8%						8%	
EBITDA	0	0	0%	0	6,090	-100%	0	0	0%	0	3,514	-100%
EBITDA Margin					10%						10%	
	<u>4Q07</u>	<u>4Q06</u>	<u>% Var.</u>	<u>12M07</u>	<u>12M06</u>	<u>% Var.</u>	<u>4Q07</u>	<u>4Q06</u>	<u>% Var.</u>	<u>12M07</u>	<u>12M06</u>	<u>% Var.</u>
Americatel Central America	(US\$)	(US\$)		(US\$)	(US\$)		(Ch\$)	(Ch\$)		(Ch\$)	(Ch\$)	
Revenues	0	0	0%	0	20,935	-100%	0	0	0%	0	12,081	-100%
Cost of Operations	0	0	0%	0	16,949	-100%	0	0	0%	0	9,781	-100%
Selling & Administ. Expenses	0	0	0%	0	2,417	-100%	0	0	0%	0	1,395	-100%
Operating Income	0	0	0%	0	1,570	-100%	0	0	0%	0	906	-100%
Operating Margin					7%						7%	
EBITDA	0	0	0%	0	2,550	-100%	0	0	0%	0	1,472	-100%
EBITDA Margin					12%						12%	

- Any distortion in the figures is due to monetary exchange fluctuations.

Entel Group Consolidated Income Statement (audited)
(in thousands of Chilean Pesos as of December 31, 2007)

INCOME STATEMENT	Dec/07	Dec/06	Var%
Operating Income	193,281,379	180,876,565	7%
Net Revenue	902,637,798	869,218,472	
Operating Cost	(518,939,650)	(475,668,206)	
Gross Profit	383,698,148	393,550,266	
Selling & Administrative Expenses	(190,416,769)	(212,673,701)	
Non-Operating Income	(32,003,613)	(48,621,356)	34%
Financial income	3,972,946	10,279,925	
Other income	704,356	11,877,653	
Amortization of goodwill	(3,644,979)	(3,842,143)	
Financial expenses	(19,615,134)	(28,897,179)	
Other expenses	(23,337,286)	(38,864,615)	
Price-level restatement	11,689,923	3,275,665	
Exchange gain	(1,773,439)	(2,450,662)	
Income before Tax	161,277,766	132,255,209	22%
Income Tax	(30,239,860)	(24,215,196)	
Consolidated Net Income before Minority Interest	131,037,906	108,040,013	
Minority Interest	-	(438,414)	
Net Income (loss)	131,037,906	107,601,599	
Amortization of negative Goodwill	-	-	
NET INCOME	131,037,906	107,601,599	22%

Fourth Quarter 2007 Results
January 28, 2007

Entel Group Consolidated Balance Sheet (audited)
(in thousands of Chilean Pesos as of December 31, 2007)

ASSETS	Dec/07	Dec/06	Var%
Total current assets	314,537,561	415,968,732	-24%
Cash	4,517,743	6,436,078	
Time deposits	55,110,824	169,803,453	
Marketable securities	-	1,671,649	
Trade accounts receivable, net	187,994,389	166,527,351	
Notes receivable, net	6,725,466	8,861,695	
Other accounts receivable, net	5,151,909	6,030,417	
Note and accounts receivable from related companies	469,094	-	
Inventories	22,158,231	22,160,933	
Recoverable taxes	11,019,304	15,412,796	
Prepaid expenses	8,411,345	7,963,735	
Deferred income taxes	11,580,351	10,075,909	
Other current assets	1,398,905	1,024,716	
Total Property, Plant and Equipment	838,851,827	819,818,856	2%
Land	7,968,520	8,006,633	
Buildings and infrastructure	231,360,217	239,966,479	
Machinery and equipment	1,692,319,523	1,568,493,415	
Other fixed assets	272,875,903	250,926,925	
Accumulated depreciation	(1,365,672,336)	(1,247,574,596)	
Total other assets	65,315,560	68,977,205	-5%
Investments in other companies	-	9,776	
Goodwill	43,384,200	47,029,179	
Long-term accounts receivable	6,723,105	5,622,220	
Intangibles	12,859,790	14,204,661	
Amortization of intangibles	(6,649,471)	(6,541,046)	
Others	8,997,936	8,652,415	
TOTAL ASSETS	1,218,704,948	1,304,764,793	-7%

Entel Group Consolidated Balance Sheet (audited)
(in thousands of Chilean Pesos as of December 31, 2007)

LIABILITIES AND SHAREHOLDERS EQUITY	Dec/07	Dec/06	Var%
Total current liabilities	217,968,115	292,938,985	-26%
Short-term bank loans	-	-	
Current portion of long-term liabilities with banks and financial	607,607	882,079	
Current portion of bonds payable	-	86,598,753	
Current portion of notes payable and other long-term liabilities	1,300,342	1,688,094	
Dividends payable	263,133	220,762	
Notes and Accounts payable	170,811,187	165,986,669	
Other accounts payables	9,444,589	1,256,443	
Provisions	9,912,073	7,994,287	
Withholdings	15,533,040	13,366,877	
Income Tax	1,537,923	6,541,156	
Unearned income	8,114,170	8,268,018	
Other current liabilities	444,051	135,847	
Total long-term liabilities	372,465,534	432,086,173	-14%
Due to banks and other financial institutions	298,134,000	343,072,116	
Bonds payable	-	31,611,872	
Notes payable	14,980,825	16,316,187	
Other accounts payables	39,889,689	21,942,268	
Long-term accrued expenses	6,522,104	6,193,636	
Long-term deferred income taxes	10,579,165	11,566,286	
Other long-term liabilities	2,359,751	1,383,808	
Minority interest	-	(1,410)	
Total Shareholders	628,271,299	579,741,045	8%
Paid-in capital	479,951,851	479,951,851	
Other Reserves	(2,900,629)	(4,356,707)	
Retained Earnings:	151,220,077	104,145,901	
Accumulated earnings	43,834,541	21,946,947	
Net Income (loss) for the period	131,037,906	107,601,599	
Provisional Dividend	(23,652,370)	(25,402,645)	
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	1,218,704,948	1,304,764,793	-7%