For Intermediate Release

Third Quarter and First Nine Months 2010 Results

Santiago, Chile – November 8, 2010 – Empresa Nacional de Telecomunicaciones S.A. (*Bolsa de Comercio de Santiago: ENTEL*) "the Company" or "Entel" today announced unaudited results for the third quarter ended September 30, 2010. All figures are expressed in Chilean Pesos and are reported according to International Financial Reporting Standards (IFRS). The exchange rate at September 30, 2010 was Ch$ 483.65/US$ 1. Average inflation from 3Q09 to 3Q10 was 0.9%.

Consolidated Financial Highlights IFRS
In millions of Chilean pesos
(except EPS figures)

Quarterly Highlights:

- Total mobile customer base posted 14% growth when compared to third quarter 2009, reaching 6,954,353. Post-paid subscriber base increased 24% (including mobile broadband), representing 34% of the total customer base. Mobile broadband subscribers rose to 416,069, expanding 100% compared to 3Q09.
- Revenues during the quarter amounted to Ch$267.1 billion, increasing 9% from 3Q09 figures.
- EBITDA for the quarter expanded 16% over 3Q09 figures, reaching Ch$ 117.3 billion. EBITDA margin improved to 44%. Operating income reached Ch$ 57.5 billion, 19% higher than 3Q09.
- Net income grew 22%, rising to Ch$ 45.9 billion in 3Q10.

	3Q10	3Q09	% Var.	2Q10	9M10	9M09	% Var
Total Revenues	267,056	245,335	9%	267,315	785,683	736,416	7%
EBITDA	117,324	101,293	16%	110,546	330,815	298,238	11%
EBITDA Margin	44%	41%		41%	42%	40%	
Operating Income (EBIT)	57,492	48,449	19%	51,488	155,505	135,563	15%
Net Financing Cost	(3,007)	(2,364)	-27%	(1,648)	(6,999)	(12,408)	44%
Tax	(8,554)	(8,442)	-1%	(7,912)	(23,712)	(21,008)	-13%
Net Income	45,932	37,643	22%	41,928	124,794	102,146	22%
EPS	194.20	159.15	22%	177.27	527.62	431.87	22%

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Comments from the Chief Financial Officer:

- During the quarter, consolidated revenues grew 9%, mainly driven by the 14% expansion in the mobile business triggered by growth in the high-end customer base, while revenues in the Chile wireline and Americael Perú remained almost flat.
- EBITDA expanded 16%, driven by improvements in the mobile business and Chile wireline. EBIT grew 19%, with increases across all segments.
- Net Income rose 22% during the quarter, explained by higher operating income, partially offset by higher net financing costs mostly due to increased inflation during the applicable period related to outstanding debt.
- During 3Q10, insurance companies paid an Ch$ 8.2 billion advance related to claims filed in connection with the earthquake that occurred in last February.

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

Consolidated Revenues

(in millions of Chilean Pesos)

	3Q10	3Q09	% Var.	2Q10	9M10	9M09	% Var
Total Revenues	**267,056**	**245,335**	**9%**	**267,315**	**785,683**	**736,416**	**7%**
Mobile services	205,814	180,780	14%	206,323	604,105	544,403	11%
Data services (includes IT)	21,001	19,597	7%	19,849	60,020	59,138	1%
Local telephony (includes NGN-IP)	9,643	9,759	-1%	9,814	29,198	30,829	-5%
Long distance	8,198	8,667	-5%	8,462	25,687	27,020	-5%
Internet	3,962	3,830	3%	3,786	11,618	11,627	0%
Other telecommunication companies	4,491	4,411	2%	4,284	12,836	13,121	-2%
Traffic business	6,203	7,754	-20%	6,679	19,043	24,810	-23%
Americatel Perú	4,778	4,801	0%	4,934	14,604	15,158	-4%
Call Center services and others	1,898	1,881	1%	1,716	5,509	4,656	18%
Others Revenues - Non core (1)	1,068	3,855	-72%	1,468	3,063	5,654	-46%

Consolidated revenues during the quarter totaled Ch$ 267.1 billion, growing 9% when compared to 3Q09 figures. This expansion was supported by: a) 14% growth in mobile services triggered by higher service revenues (+16%) as a result of 14% and 2% increases in the average customer base and ARPU, respectively. There was a strong expansion of mobile broadband subscribers (+100%). ARPU grew 2% mainly due to an increase in VAS usage (including broadband), partially offset by lower average voice traffic in the postpaid segment. Equipment sales fell 5%, driven by the prepaid segment, b) 7% improvement in data and IT services principally explained by growth in data center/IT and integrated solutions provided through MPLS-IP platforms in the corporate and SME segment, c) Internet revenues increased 3% associated with service access supplied to the SME segment, d) 2% increase in other telecommunication companies related to rentals of infrastructure to fixed line operators. These improvements were partially offset by: a) 20% decline in the low margin traffic business revenue, principally related to a reduction in traffic and average tariffs, the latter affected by a lower CH$/US$ exchange rate, b) 5% decrease in LD due to lower revenue in DLD mainly as a result of a reduction in tariffs and traffic in the residential segment, while ILD revenue increased principally due to higher tariffs in the corporate & SME and increased traffic in the residential segment , c) Others Revenues (Non Core) declined as a result of a non-recurring land sale accounted for in 3Q09.

Revenues for the first nine months 2010 grew 7% when compared to the same period in 2009.

(1) Other revenues (Non-core): revenues which are not a part of the Company´s core business include gains/(losses) in sales of fixed assets and interest accrued on past due invoices and leasing operations.

Consolidated Cost of Operations

(in millions of Chilean Pesos)

	3Q10	3Q09	% Var.	2Q10	9M10	9M09	% Var
Cost of Operations	**209.564**	**196.885**	**6%**	**215.828**	**630.178**	**600.853**	**5%**
Access charges & Payments to corresp.	42.535	42.909	-1%	39.083	125.133	136.283	-8%
Salaries and expenses	27.175	25.243	8%	27.119	79.105	75.472	5%
Outsourced, Supplies and Equipment Services	6.231	5.655	10%	5.740	18.485	16.481	12%
Bad debt provisions	5.886	7.671	-23%	5.888	18.638	22.991	-19%
Advertising, Sales commissions & expenses	30.155	26.700	13%	35.413	93.410	79.447	18%
Depreciation, amortization and Impairment	59.832	52.844	13%	59.058	175.310	162.676	8%
Others	37.750	35.863	5%	43.527	120.097	107.503	12%

Consolidated cost of operations during the quarter reached Ch$ 209.6 billion, increasing 6% when compared to 3Q09. This was explained by: a) Depreciation, Amortization and Impairments grew 13%, in-line with higher 3.5G mobile network investments and the increased postpaid customer base (including mobile broadband), b) advertising, sales commissions and sales expenses expanded 13%, directly associated with sales activity in the mobile business, aligned with the customer base expansion. Americatel Peru sales expenditures also grew in the period, while Chile wireline reported a decline, c) salaries and expenses increased 8%, principally in the Chile wireline and call center activities related to higher headcount and accruals of one-time benefits. On the other hand, Americatel Perú reported a reduction, d) 10% increase in outsourced, supplies and equipment services principally related to data/IT services deployed in the quarter, e) 5% increase in other expenses principally in the mobile business related to network rentals and costs associated with VAS and mobile broadband expansion, partially offset by lower repair and maintenance costs due to reclassifications in connection to earthquake insurance claim cash advances. Partially offsetting these increases were, a) 23% reduction in bad debt provisions mainly in the Chile wireline and in the mobile business, b) 1% decrease in access charges and payment to correspondents, mainly driven by a reduction in tariffs and traffic in the low margin traffic business in the Chile wireline and in Americatel Peru, partially offset by higher access charges in the mobile business.

Cost of operations for the first nine-month period 2010 increased 5%.

EBITDA and Operating Income

Based on the aforementioned results, EBITDA for the quarter improved 16%, reaching Ch$ 117.3 billion compared to the Ch$ 101.3 billion obtained in 3Q09. This expansion was driven by significant growth in the mobile business (+17%) and Chile wireline (+13%).

EBITDA margin in 3Q10 rose to 44%, up from the 41% posted in 3Q09.

Operating Income for the quarter totaled Ch$ 57.5 billion, 19% growth when compared to the Ch$ 48.4 billion reported in 3Q09, improving across all segments.

For the first nine-month period 2010, EBITDA and Operating Income expanded 11% and 15%, respectively. EBITDA margin also improved, reaching 42% from the 40% reported in the same period 2009.

Financial Expenses Results

	3Q10	3Q09	% Var.	2Q10	9M10	9M09	% Var
Net Financing Cost and Others	(3.007)	(2.364)	-27%	(1.648)	(6.999)	(12.408)	44%
Net Financial Expenses	(2.317)	(2.318)	0%	(2.254)	(6.818)	(7.465)	9%
Foreign Exchange Fluctuation & Readjustment	(690)	(46)	-1402%	606	(181)	(4.943)	96%

Net Financing Costs and Others during 3Q10 reported a loss of Ch$ 3.0 billion, a 27% increase compared to 3Q09 figures. This was attributed to price level adjustments due to higher inflation in the period applicable to outstanding debt, partially offset by profit on mark-to-market accounting for hedging derivatives in the quarter.

For the first nine-month period 2010, Net Financing Costs and Others totaled a loss of Ch$7.0 billion, a 44% reduction than the 2009 comparable period.

Net Income

Net Income for the period reached Ch$ 45.9 billion, 22% higher than the Ch$ 37.6 billion reported in 3Q09.

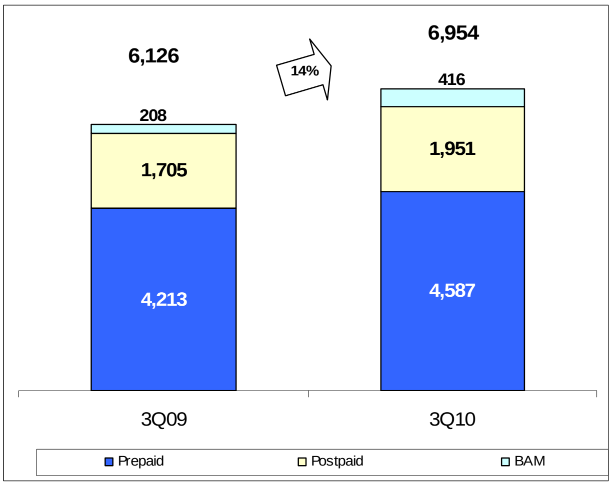
For the first nine-month period 2010, Net Income expanded 22% compared to the same period 2009.

INDIVIDUAL FINANCIAL STATEMENTS AND RESULTS BY BUSSINESS SEGMENT (2)

Mobile Business:

During the quarter, revenues totaled Ch$ 209.2 billion, 14% higher than the Ch$ 182.8 billion in 3Q09. Service revenues expanded 16%, principally driven by strong customer base growth (+14%) and increased ARPU (+2%). Monthly voice service and access charge revenues expanded, fueled by higher outgoing and incoming traffic especially in the prepaid segment. VAS revenues grew 52% due to a spike in the mobile broadband client base and Internet mobile services. On the other hand, equipment sales revenues decreased 5% driven by the prepaid segment.

Entel's Mobile Subscribers (in thousands)



The mobile market continues to grow in a dynamic manner; the mobile customer base increased 14% in the period, totaling 6,954,353 clients, with a 38% market share of active customers.

Postpaid customer base grew 24% (including mobile broadband), and currently represents 34% of the total base. The Company's focus on high value segments in both the retail and enterprise areas drove growth. The mobile broadband customer base continues expanding strongly, reaching 416 thousands subscribers, doubling the number of clients from the previous year. The continuous progress in this area represents Entel's strength in providing the best user experience and network infrastructure available in the market. Entel possesses the most unique mobile broadband offering in the industry with speeds up to 12 Mbps. In addition, the introduction of a variety of multimedia plans fueled VAS services, especially in mobile Internet services. Furthermore, new browsing tools (Opera mini) are available for customers to ease the browsing experience, rendering speed and efficient controls over handsets.

Prepaid segment base increased 9% when compared to 3Q09, impacted by aggressive marketing campaigns, especially in large retail stores.

Blended ARPU increased 2%, associated with higher innovative VAS usage (including broadband). During the quarter, MOU increased 8%, principally in incoming traffic, while average voice tariffs declined.

The blended churn rate for the quarter was 1.87%, an increase compared to the 1.27% in 3Q09. This was mainly due to the impact of strong promotions in the prepaid segment and higher churn rate in mobile broadband.

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(2) Includes Intercompany

As part of Entel's strategy to deliver the latest state-of-the-art technology to customers, the Company began sales of the new Iphone 4 device in September. It is sold under an 18-month postpaid contract with different available multimedia plans at a fixed charge including unlimited mobile Internet with fair-use.

Entel is deploying the most advanced communication infrastructure and extensive network in Chile, a legacy of the Bicentennial project with the Government "Todo Chile Comunicado", which enables the provisioning of mobile broadband in 1,474 remote towns. During September 2010, the first phase was delivered with the installation of mobile broadband in 450 rural villages to the benefit of 1.7 million people. For the majority of these rural communities, it will be the first time they have access to advanced communication, also benefiting schools, hospitals and various productive activities, generating a major improvement in quality of life, economic development and social integration.

EBITDA for the quarter expanded 17%, reaching Ch$ 88.8 billion compared to the Ch$ 76.0 billion in 3Q09. This was due to higher gross service margins as a result of an expansion in revenues derived from growth in the customer base and the continuous adoption of new data services. In addition, equipment sales margins grew due to the postpaid segment. These enhancements were partially offset by higher SG&A expenses, principally in advertising, sales commissions and expenses related to sales activity and loyalty programs mainly in the postpaid base (including mobile broadband). EBITDA margin in 3Q10 reached 42%, expanding 86 bps from 3Q09 results.

Depreciation for the quarter increased as a result of the 3.5G network expansion. Handset (including broadband) depreciation also grew in-line with the customer base growth. Operating income for the quarter rose to Ch$ 46.6 billion, expanding 14% when compared to the Ch$ 41.0 billion reported in the same quarter of the previous year.

For the first nine-months 2010, EBITDA reached Ch$ 245.4 billion, 9% growth compared to the same period 2009. EBITDA margin reached 40%, below the 41% figure reported in same period 2009.

For the first nine months 2010, EBIT amounted to Ch$ 121.5 billion, a 5% increase when compared to the same period 2009.

Chile Wireline Results:

Revenues
(in millions of Chilean Pesos)

Ch$ (millions)	3Q10	3Q09	% Var.	2Q10	9M10	9M09	% Var
Revenues*	**71,367**	**71,455**	**0%**	**71,890**	**214,169**	**214,431**	**0%**
Corporate and SME	38,379	36,663	5%	37,184	111,738	112,459	-1%
Residential	5,014	5,800	-14%	5,163	15,911	18,003	-12%
Infraest. Serv. Telcos, Traffic B. and Others	27,501	25,407	8%	29,128	85,327	79,043	8%
Others Revenues (Non-core)	473	3,585	-87%	415	1,193	4,926	-76%

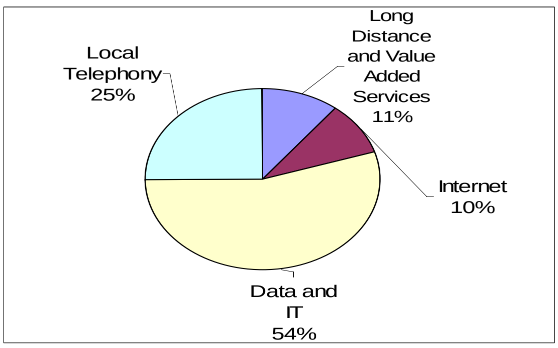
*Includes inter-company revenues with Mobile and Int'l subsidiaries and support companies.

Chile Wireline revenue reached Ch$ 71.4 billion, almost flat compared to the Ch$ 71.5 billion reported in the comparable period 2009.

Corporate and SME segment revenues for the quarter increased 5%, principally in IT/Data service as consequence of the start-up of new IT contracts signed in previous quarters, as well as the deployment of integrated voice & data solutions and new convergent fixed/mobile services. Partially offsetting these improvements was a slight decline in LD revenues due to a reduction in DLD, partially offset by increased revenues in ILD.

Corporate and SME Revenue

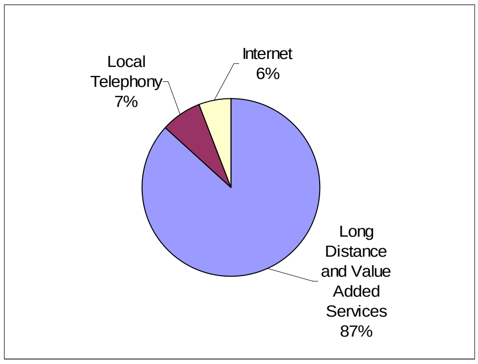
Distribution 3Q10 (local telephony includes NGN)



Residential segment revenues for the quarter fell 14% when compared to 3Q09 figures. This decline was mostly associated with lower DLD revenue due to lower tariffs and traffic, while ILD revenue increased due to higher traffic. Internet services decreased associated with a reduction in the customer base. This trend was mostly affected by the migration of LD traffic to other services (mobile and IP).

Residential Revenue

Distribution 3Q10



Infrastructure service to other Telecom companies, traffic business and other revenues rose 8% during the quarter due to the growth in revenues from rentals of infrastructure, mostly related to services provided to related companies (mobile business). This increase was partially offset by a reduction in revenues from the low margin traffic business, impacted by a decline in both traffic and tariffs, the latter affected by a 5% decline in the CH$/US$ average exchange rate.

During the quarter, Operating costs and expenses reached Ch$ 60.4 billion, a 5% decrease from the Ch$ 63.8 billion reported in 3Q09. The main reductions were in access charges and payments to correspondents related to lower tariffs and traffic in the low margin traffic business, coupled with lower traffic in local telephony. Along the same lines, bad debt provision and repairs and maintenances costs declined, the latter associated with Ch$ 1.1 billion in benefits accrued in connection with earthquake insurance claims. These reductions were partially offset by an increase in salaries and expenses related to one-time benefits and a higher headcount to meet growing segments requirements, coupled with higher outsourcing, supplies and equipment costs associated with IT projects deployed during the period.

Considering the above factors, EBITDA during the quarter improved 13%, amounting to Ch$ 27.9 billion, while the EBITDA margin jumped to 39% from 35% in 3Q09. Operating income for the quarter reached Ch$ 11.0 billion, expanding 43% when compared to Ch$ 7.7 billion in 3Q09.

For the first nine-months 2010, EBITDA totaled Ch$ 82.8 billion, 16% higher when compared to the same period in 2009. EBITDA margin reached 39%, increasing 541bps from 3Q09.

For the first nine-months 2010, EBIT reached Ch$ 33.5 billion compared to Ch$ 20.5 billion in 2009.

Chile Wireline Main Activities by Services:

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

Entel is introducing maximum speeds for business communications. With a new fiber optic network with GPON technology, enterprises can access advanced communications and IT services faster with the highest quality service. With the fiber optic network GPON (Passive Optical Network Gigabit), Entel can directly connect businesses which demand higher speed connections, and provide the proper infrastructure for services that will be requested in the future. With this improved network coverage of high-speed access, companies will have advanced telephony services, Internet, data and IT services, with all the necessary support.

Entel, along with other leading technology and communication companies such as Hewlett Packard (HP) and Microsoft, signed an important agreement and business alliance with Banco de Chile, which provides technology and communications solutions to improve the competitiveness of SME customers. The Technology Package Entel - Banco de Chile, will provide SME customers with convergent mobile broadband services solutions, online data protection, mailbox and company websites, among others. This is in-line with Entel's strategy to target enterprises, especially within the SME segment.

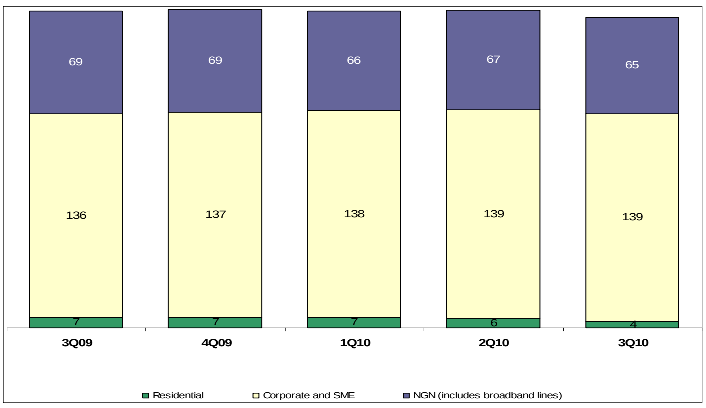
During the quarter the following contracts were signed, among others:

- Lotería de Concepción (Leading Lottery Company): This agreement consists of the renewal of a data network for 1,500 branches across Chile, in addition to Internet services.
- Banco Central de Chile (Central Bank of Chile): The agreement includes the management of a contingency data center, in addition to server monitoring and network solutions between the main and contingency sites.
- Empresas Carrozzi (Leading Food Company): The agreement includes a second data center site consisting of hosting services and SAP platform management.

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

Lines in service at the end of 3Q10 totaled 208 thousand showing a 2% decline when compared to last year. The decline was mostly in NGN-IP lines, as well as the residential segment affecting traditional lines. The Corporate and SME segment posted an increase in traditional lines.

Lines in Service (In thousand)



Long Distance

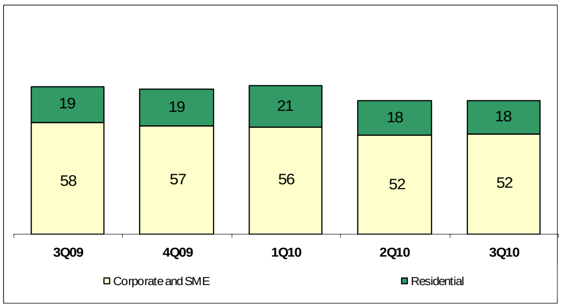
- DLD traffic decreased 10%, principally as a result of reduced activity across all segments. The average tariff also fell, best explained by a reduction in the residential segment.

- ILD traffic declined 2%, in-line with reduced activity in the corporate and SME segment, partially offset by the residential segment. The average tariff increased, driven by corporate and SME, partially offset by a decline in the residential segment.

- Entel's ILD average market share during 3Q10 reached 39%, while DLD market share was 31%.

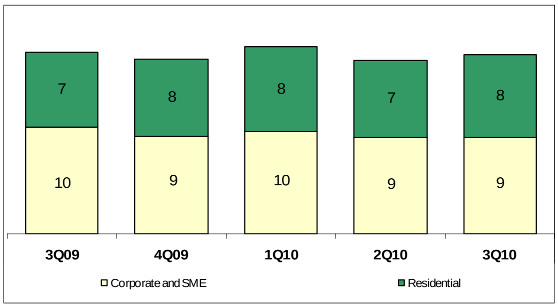
Domestic Long Distance Traffic

(million of minutes)



International Long Distance Traffic

(million of minutes)

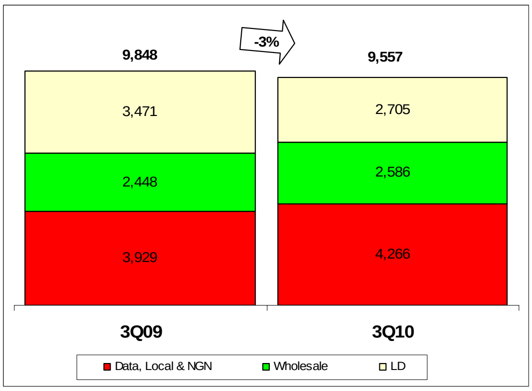


Americatel Peru

Revenues for the quarter reached US$ 9.6 million, 3% lower than those reported in 3Q09. The main reduction was in long distance revenues, impacted by the entry in September of a new ruling that eliminates DLD on mobile services. This was partially offset by 14% higher revenues in datacom and new satellite services supplied to the enterprise segment. In addition, wholesale business revenue grew due higher traffic.

Quarterly Revenues

In thousand US$ (Peruvian Soles divided by 2.78)



During the quarter, Operating costs fell 1% when compared to 3Q09. The main reductions were in payment to correspondants, as a result of reduced long distance traffic. Other declines were in salaries, infrastructure maintenance and bad debt in LD. Depreciation declined aligned with lower capex together with the end of equipment life cycles. Partially offsetting this reduction were increases in customer care. During 3Q10, EBITDA amounted to US$ 0.3 million, a 15% decline when compared to 3Q09.

BALANCE SHEET

Consolidated Balance Sheet (limited review)

(in millions of Chilean Pesos)

	9M10	9M09	Var %
Assets	**1,377,316**	**1,323,050**	**4%**
Current assets	314,631	285,026	10%
Property, plant & equipment, net	944,647	926,591	2%
Others Non-current assets	118,038	111,433	6%
Liabilities & shareholders'	**1,377,316**	**1,323,050**	**4%**
Current liabilities	258,079	238,570	8%
Non Current Liabilities	398,228	423,674	-6%
Shareholders' equity	721,009	660,806	9%

Financial Indexes

	Sep/10	Sep/09	Dec/09
Current assets/Current liabilities	1.22	1.19	1.06
EBITDA/Financial expenses	45.33	34.99	35.36
Gross Financial debt/EBITDA*	0.70	0.91	0.85
Total liabilities/(equity + min. interest)	0.91	1.00	1.07

* EBITDA last 12 months.

As of September 30, 2010, gross financial debt amounted to Ch$ 303.1 billion, a 17% decline when compared to same period last year. This reduction was mainly explained by a reduction (-12%) in the CH$/US$ exchange rate affecting outstanding debt, and the repayment of commercial paper (Ch$ 20.0 billion) and financial leases. Net debt (gross debt less cash and net balance from hedging activities including mark to market accruals) for the period totaled Ch$ 319.3 billion, a 15% reduction from the Ch$ 377.0 billion reported in 3Q09. This decline resulted from the abovementioned factors, in addition to higher cash balances, partially offset by increased liabilities on financial hedging instruments.

RECENT EVENTS

- Entel launched the Innovation Center, operating under "living lab" methodology, with a scheme of open innovation in conjunction with customers and technology partners. This center will focus on generating high-end technology projects, the development of convergent Fixed & Mobile services, while testing new services that seek to improve the productivity and competitiveness of SMEs and large companies. The initiative was presented last year to the Innova Chile Consortium (Corfo, Government Development Office), which finances part of the project.

- In October 2010, the Company acquired Transam and Will for an Enterprise Value of Ch$ 13.1 billion. The final price for the shares of both companies will be determined based on the agreed rules in the stock purchase agreement, taking into account the companies' debt, cash and working capital, among other adjustments over the final balance assessed by external auditors. These operations are complementary to those of Entel, with a base of established clients. Transam has a 21.6 MHz spectrum license in band 900 MHz for fixed wireless and broadband service. Entel's intention is to invest and leverage what it has already developed.

- During September, the first phase of the "Todo Chile Comunicado" was delivered. This initiative is the largest of its scale with joint public and private funding. In its first phase, the project includes connecting 451 rural villages from Arica to Punta Arenas, benefiting 1.7 million people.

- Entel placed second in terms of the most admired companies in Chile in an annual survey by Diario Financiero and PricewaterhouseCoopers. This recognition highlights a variety of key elements such as strategy, innovation, marketing and value creation, among others.

Company Description

Empresa Nacional de Telecomunicaciones S.A. is the largest telecommunications Company in Chile with Ch$ 994,671 million in annual revenues reported in December 2009. The Company provides mobile and wireline services (including Data & IT, Internet, local telephony, call center, long distance and related services). Entel also has wireline and call center operations in Peru. Entel is listed on the Chilean Stock Exchange (Bolsa de Comercio de Santiago) under the ticker symbol ENTEL and is headquartered in Santiago, Chile.

Glossary of Terms

ARPU: Average Revenue per User. It is presented on a monthly basis.

BPO: Business Process Outsourcing.

Capex: Capital Expenditure.

Churn: Disconnection Rate. It is presented on a monthly basis.

DLD: Domestic Long Distance.

EBIT: Operating earnings.

EBITDA: Operating earnings excluding depreciation, amortization and fixed assets impairment.

EDGE: Enhanced Data rates for GSM Evolution. A technology that gives GSM the capacity to handle data services.

EPS: Earnings Per Share.

GAAP: Generally Accepted Accounting Principles.

GPRS: General Packet Radio Service. Enables GSM networks to offer higher capacity,

Internet-based content and packet-based data services. It is a second generation technology.

GSM: Global System for Mobile communications.

HSPA: High Speed Packet Access. A family of high-speed 3G digital data services that use the GSM technology. The service works with HSPA mobile phones as well as laptops and portable devices with HSPA modems.

HSDPA: High Speed Downlink Packet Access. Is an enhanced 3G (third generation) mobile telephony communications protocol in the High-Speed Packet Access (HSPA) family.

IFRS: International financial reporting standards.

ILD: International Long Distance.

IT: Information Technology.

LIS: Lines In Service.

LTE: Long Term Evolution, is the fourth generation of radio technologies designed to increase the capacity and speed of mobile telephone networks

MOU: Minutes of Use per subscriber. The ratio of traffic in a given period to the average number of subscribers in that same period. It is presented on a monthly basis.

MPLS: Multiprotocol Label Switching, Is a switching technology created to provide virtual circuits in IP networks.

Net debt: Total short and long term debt less cash and net balances from hedging activities.

Net debt / EBITDA: The ratio of total short and long term debt less cash and net balances from hedging activities to trailing 12-month period income before interest, taxes, depreciation and amortization.

NGN: Next Generation Network, The convergence of the public switched telephone network (PSTN) voice network, the internet and the data network.

Other Revenues – Non core: revenues which are not a part of the Company´s core business. Concepts included are gain/(loss) in sales of fixed assets and interest accrued on past due invoices and leasing operations.

SAC: Subscriber Acquisition Cost. The sum of handset subsidies, marketing expenses and commissions to distributors for handset activation. Handset subsidy is calculated as the difference between equipment cost and equipment revenues.

SG&A: Selling, General and Administrative Expenses.

SME: Small & Medium-Sized Enterprises.

SMS: Short Message Service.

VAS: Value Added Services.

WIMAX: Worldwide Interoperability for Microwave Access, a standard-based wireless technology which provides access network.

3.5G: Commercial name for HSDPA, the third generation service given by Entel PCS.

Individual Consolidated Results by Business Segment

(in millions of Chilean Pesos)

	3Q10	3Q09	% Var.	9M10	9M09	% Var
Mobile Telephony						
Total Revenues	**209,229**	**182,786**	**14%**	**614,676**	**550,985**	**12%**
- Service Revenues and equipment	207,571	182,501	14%	608,723	550,237	11%
- Others Revenues	1,658	285	482%	5,953	748	695%
Cost of Operations	162,619	141,794	**15%**	493,134	435,079	**13%**
Depreciation and Amortization and Impairment	42,183	35,012	20%	123,873	109,594	13%
Salaries & Expenses	10,162	9,993	2%	29,320	28,914	1%
EBITDA	88,792	76,004	**17%**	245,416	225,500	**9%**
EBITDA Margin	42%	42%		40%	41%	
Operating Income	46,609	40,992	**14%**	121,543	115,906	**5%**
Operating Margin	22%	22%		20%	21%	

	3Q10	3Q09	% Var.	9M10	9M09	% Var
Chile Wireline (*)						
Total Revenues	**71,367**	**71,455**	**0%**	**214,169**	**214,431**	**0%**
Cost of Operations	**60,384**	**63,792**	**-5%**	**180,681**	**193,922**	**-7%**
Depreciation and Amortization and Impairment	16,903	17,044	-1%	49,341	50,816	**-3%**
Salaries & Expenses	13,836	12,538	10%	40,767	38,361	6%
EBITDA	**27,887**	**24,707**	**13%**	**82,829**	**71,324**	**16%**
EBITDA Margin	39%	35%		39%	33%	
Operating Income	**10,983**	**7,662**	**43%**	**33,488**	**20,508**	**63%**
Operating Margin	15%	11%		16%	10%	

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

Individual Consolidated Results Americatel Peru.

(in thousands of Peruvian Soles and in million of Chilean Pesos)

	3Q10	3Q09	% Var.	9M10	9M09	% Var.	3Q10	3Q09	% Var.	9M10	9M09	% Var.
Americatel Peru	**(SOL$)**	**(SOL$)**		**(SOL$)**	**(SOL$)**		**(Ch$)**	**(Ch$)**		**(Ch$)**	**(Ch$)**	
Total Revenues	**26,613**	**27,424**	**-3%**	**81,184**	**84,663**	**-4%**	**4,889**	**5,038**	**-3%**	**14,914**	**15,553**	**-4%**
Cost of Operations	**28,634**	**29,565**	**-3%**	**83,069**	**90,087**	**-8%**	**5,260**	**5,431**	**-3%**	**15,261**	**16,550**	**-8%**
Depreciation and Amortization and Impairment	**2,823**	**3,086**	**-9%**	**7,938**	**8,345**	**-5%**	**519**	**567**	**-9%**	**1,458**	**1,533**	**-5%**
Salaries & Expenses	**4,490**	**4,714**	**-5%**	**13,543**	**14,033**	**-3%**	**825**	**866**	**-5%**	**2,488**	**2,578**	**-3%**
EBITDA	**802**	**944**	**-15%**	**6,053**	**2,921**	**107%**	**147**	**173**	**-15%**	**1,112**	**537**	**107%**
EBITDA Margin	**3%**	**3%**		**7%**	**3%**		**3%**	**3%**		**7%**	**3%**	
Operating Income	**-2,021**	**-2,142**	**-6%**	**-1,886**	**-5,424**	**65%**	**-371**	**-393**	**-6%**	**-346**	**-996**	**65%**
Operating Margin	**-8%**	**-8%**		**-2%**	**-6%**		**-8%**	**-8%**		**-2%**	**-6%**	

Any distortion in the figures is due to monetary exchange fluctuation

Entel Group Consolidated Income Statement

(in thousands of Chilean Pesos)

INCOME STATEMENT	YTD 01-01-2010 9-30-2010 M$	YTD 01-01-2009 9-30-2009 M$	QTD 7-01-2010 9-30-2010 M$	QTD 7-01-2009 9-30-2009 M$
Operating Revenues	782,619,887	730,761,100	265,987,543	241,479,159
Other Revenues	2,820,857	2,530,278	893,172	727,952
Salaries and Expenses	(79,104,882)	(75,471,677)	(27,175,391)	(25,243,178)
Depreciation and amortization	(172,442,697)	(159,679,357)	(59,676,996)	(51,442,852)
Impairment and bad debt	(21,505,426)	(25,987,023)	(6,040,627)	(9,071,648)
Other Operating Expenses	(357,125,025)	(339,715,399)	(116,670,872)	(111,127,772)
Gain (Loss) on sale of non-current assets	242,382	3,124,656	175,644	3,127,492
Financial income	480,420	1,060,026	190,057	31,804
Financial expenses	(7,298,659)	(8,524,729)	(2,506,942)	(2,349,866)
Exchange gain (Loss)	2,398,583	(10,070,481)	90,756	(803,832)
Other monetary adjustment	(2,579,702)	5,127,250	(780,582)	757,910
Profit/(loss) before income Tax	**148,505,738**	**123,154,644**	**54,485,762**	**46,085,169**
Income Tax	(23,711,900)	(21,008,245)	(8,553,987)	(8,442,277)
Net Income for the period	**124,793,838**	**102,146,399**	**45,931,775**	**37,642,892**
Earnings per share	**527.62**	**431.87**	**194.20**	**159.15**
Other Income and (Expense), debit / credit directly to Equity				
Cash Flow Coverage	(954,683)	(7,853,462)	2,914,385	(4,096,403)
Conversion Adjustments	(126,322)	36,620	(1,360,666)	1,043,157
Income Tax	197,620	1,335,089	(460,121)	696,389
Other Income and Expense with debits and credits in the Equity, Total	**(883,385)**	**(6,481,753)**	**1,093,598**	**(2,356,857)**
Net Results	**123,910,453**	**95,664,646**	**47,025,373**	**35,286,035**

Entel Group Consolidated Balance Sheet

(in thousands of Chilean Pesos)

ASSETS	9-30-2010	12-31-2009
Current assets	**314,631,242**	**321,390,166**
Cash and cash equivalents	48,591,815	63,363,142
Other financial assets	775,052	1,949,031
Other non financial assets	13,995,492	11,749,901
Trade and other receivables	206,333,555	206,857,485
Accounts receivable from related entities	611,140	559,866
Inventory	36,640,668	25,882,906
Tax assets	7,683,520	11,027,835
Non-current assets	**1,062,684,619**	**1,043,999,409**
Other Financial Assets	4,257,782	5,586,878
Other non Financial assets	2,884,208	2,628,569
Trade and other receivables	3,215,507	4,282,535
Intangible assets	22,531,912	18,987,323
Goodwill	45,786,481	45,786,481
Property, plant and equipment	944,646,737	932,092,465
Deferred tax assets	39,361,992	34,635,158
TOTAL ASSETS	**1,377,315,861**	**1,365,389,575**

Entel Group Consolidated Balance Sheet

(in thousands of Chilean Pesos)

LIABILITIES AND SHAREHOLDERS EQUITY	9-30-2010	12-31-2009
Current Liabilities	**258,078,936**	**303,397,501**
Other financial liabilities	12,609,717	48,111,954
Trade and other payables	220,002,686	229,425,777
Income tax	2,095,270	1,202,537
Employee severance and others	71,979	-
Other liabilities non financial	23,299,284	24,657,233
Non Current Liabilities	**398,227,986**	**401,140,172**
Other financial liabilities	360,292,365	364,371,102
Non Current liabilities	-	-
Other provisions	3,733,356	3,313,148
Deffered income tax	18,572,745	22,016,915
Employee severance and others	9,975,065	9,734,760
Other non financial liabilities	5,654,455	1,704,247
Equity	**721,008,939**	**660,851,902**
Paid-in Capital	522,667,566	522,667,566
Retained Earnings	265,163,260	223,152,715
Other Reserves	(66,821,887)	(84,968,379)
Minority interests	-	-
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	**1,377,315,861**	**1,365,389,575**