

Fourth Quarter 2011 Results

Santiago, Chile – January 30, 2012 – Empresa Nacional de Telecomunicaciones S.A. (*Bolsa de Comercio de Santiago: ENTEL*) “the Company” or “Entel” today announced audited results for the fourth quarter ended December 31, 2011. All figures are expressed in Chilean Pesos and are reported according to International Financial Reporting Standards (IFRS). The exchange rate at December 31, 2011 was Ch\$ 519.20/US\$ 1. Average inflation from 4Q10 to 4Q11 was 3.8%

Consolidated Financial Highlights IFRS

In millions of Chilean pesos
(except EPS figures)

Quarterly Highlights:

- Total mobile customers rose to 9,347,434, expanding 24% when compared to fourth quarter 2010. Post-paid subscriber base (voice and MBB) grew 17%, representing 30% of the total customer base, while prepaid (voice and MBB) expanded 26%. Mobile broadband subscribers (MBB) reached 945,429 (including M2M data cards), 72% above the figure reported in 4Q10.
- Revenues in the quarter reached Ch\$ 338.0 billion, expanding 12% from 4Q10.
- EBITDA in the quarter totaled Ch\$ 116.5 billion, increasing 1% when compared to 4Q10. Operating income amounted to Ch\$ 42.3 billion, decreasing 20% over 4Q10.
- Net income totaled Ch\$ 30.8 billion, a 36% reduction when compared to 4Q10.

	4Q11	4Q10	% Var.	3Q11	12M11	12M10	% Var.
Total Revenues	338,009	301,029	12%	307,129	1,240,914	1,086,405	14%
EBITDA	116,463	115,509	1%	132,763	515,200	446,018	16%
EBITDA Margin	34%	38%		43%	42%	41%	
Operating Income (EBIT)	42,342	52,931	-20%	62,292	238,227	208,130	14%
Net Financing Cost	(4,839)	(3,868)	-25%	(5,917)	(18,901)	(10,560)	-79%
Tax	(6,737)	(886)	-660%	(10,174)	(38,560)	(24,598)	-57%
Net Income	30,766	48,177	-36%	46,201	180,767	172,971	5%
EPS	130.08	203.69	-36%	195.33	764.26	731.31	5%

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Comments from the Chief Financial Officer:

- In an industry undergoing strong growth and evolution, the Company's position was strengthened by leveraging growth and market share in the mobile business.
- Considering the quarter's robust activity, revenues increased across all business segments, primarily driven by the mobile business (+11%), supported by customer base growth and the spread of mobile data. In addition, Chile wireline reported solid growth.
- EBITDA during the period posted a 1% increase, principally as a result of the Chile wireline business, in addition to improvements at Americatel Peru and call center activities. This was partially offset by the mobile business, which was negatively impacted by equipment sales margins, in-line with strong sales and promotions.
- Net Income declined 36%, mainly affected by lower operating income (-20%) coupled with higher net financial expenses (+25%). Additionally, during 4Q11, income taxes increased substantially due to a higher corporate tax rate coupled with the absence of a one-time benefit recorded in 4Q10 associated with the Company's reorganization.

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

Consolidated Revenues

(in millions of Chilean Pesos)

	4Q11	4Q10	% Var.	3Q11	12M11	12M10	% Var
Total Revenues	338,009	301,029	12%	307,129	1,240,914	1,086,405	14%
Mobile services	262,725	235,950	11%	239,821	966,709	840,056	15%
Data services (includes IT)	25,163	25,070	0%	23,525	93,703	85,090	10%
Local telephony (includes NGN-IP)	11,152	10,479	6%	10,071	41,705	39,677	5%
Long distance	7,134	8,074	-12%	7,409	30,687	33,761	-9%
Internet	4,121	4,267	-3%	4,176	16,585	15,885	4%
Other telecommunication companies	5,575	4,355	28%	5,251	20,246	17,191	18%
Traffic business	9,485	5,922	60%	7,859	31,696	24,965	27%
Americatel Perú	5,119	4,807	6%	4,849	19,147	19,410	-1%
Call Center services and others	2,927	2,051	43%	2,741	10,319	7,560	36%
Others Revenues - Non core (1)	4,608	54	8371%	1,427	10,117	2,810	260%

Consolidated revenues during the quarter reached Ch\$ 338.0 billion, a 12% increase when compared to 4Q10 figures. This increase was a result of: a) 11% expansion in mobile services fostered by service revenues expansion (+16%), sustained by 23% growth in the average customer base, partially offset by an 8% reduction in ARPU. The solid growth of the customer base was across all segments, primarily in mobile broadband (+72%), driving mobile data expansion. ARPU was impacted by lower voice revenues in the prepaid and postpaid segments. Equipment sales posted an 11% decline as a consequence of higher promotions in the prepaid segment, related to strong sales, which lead to an increase in market share, b) traffic business rose 60% based on higher traffic and tariffs, the latter supported by an 11% increase in the average CH\$/US\$ rate, c) other telecommunication companies posted an expansion of 28% mainly related to higher infrastructure rentals to fixed line operators and to international carriers, d) call center and others increased 43%, in-line with increased business activity in Chile and Peru, e) local telephony increased 6% based on contracts coming from the corporate and enterprise segment, f) Americatel Peru rose 6%, attributable to a 10% rise in the Ch\$/Peru\$ exchange rate. In local currency, revenues declined 3%, mainly in LD and wholesale, partially offset by higher revenues coming from datacom services provided to the enterprise segment in Lima, g) data services and IT were mainly flat, tied to lower revenues in IT linked to the absence of one time equipment sales related to the start-up of IT projects accounted for in 4Q10. This was fully offset by higher data services revenues associated with integrated solutions provided over MPLS-IP platforms offered to the corporate and SME segment revenues, h) Other Revenues (Non Core) increased in connection with insurance payments and accruals related to the February 2010 earthquake, and to the absence of losses accounted for in 4Q10 in connection with the sale of disposable inventory. These increases were partially offset by: a) a 12% reduction in LD, mainly attributed to a decline in traffic and average tariffs in DLD, while ILD revenues reported a slight decline.

Revenues in 2010 expanded 14% when compared to the same period in 2010.

(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)

	4Q11	4Q10	% Var.	3Q11	12M11	12M10	% Var
Cost of Operations	295,668	248,097	19%	244,838	1,002,687	878,275	14%
Access charges & Payments to corresp.	47,701	45,688	4%	46,654	182,665	170,821	7%
Salaries and expenses	32,638	33,020	-1%	31,788	125,278	112,120	12%
Outsourced, Supplies and Equipment Services	7,893	6,964	13%	6,477	26,321	25,596	3%
Bad debt provisions	9,189	6,216	48%	8,611	31,630	24,854	27%
Advertising, Sales commissions & expenses	66,227	47,215	40%	37,340	180,048	139,265	29%
Depreciation, amortization and Impairment	74,122	62,578	18%	70,471	276,972	237,888	16%
Others	57,898	46,416	25%	43,497	179,773	167,731	7%

Consolidated cost of operations during the quarter totaled Ch\$ 295.7 billion, increasing 19% when compared to 4Q10. This was driven by: a) advertising, sales commissions and sales expenses increased 40% principally boosted by strong mobile activity tied to equipment sales, advertising and sales commissions across all segments. On the other hand, Chile wireline and Americatel Peru reported lower costs, b) 18% growth in Depreciation, Amortization and Impairments, mostly attributed to postpaid handsets in the mobile business (including mobile broadband), related to the customer base expansion, and to a lesser extent, higher network depreciation, c) 48% growth in bad debt was fully related to the mobile business as a result of the customer base expansion and the penetration of middle and low segments. Chile wireline and Americatel Peru posted lower expenses, d) access charges and payments to correspondents increased 4% as a result of higher activity in the Chile wireline traffic business and the mobile business, while Americatel Peru posted a decline due to lower LD traffic and lower wholesale average tariffs, e) Outsourced, supplies and equipment services grew 13% principally related to mobile, Chile wireline and call center, f) other costs grew 25% principally in the mobile business and Chile wireline related to maintenance, site rentals and consultancy expenses, mainly driven by the business expansion and the integration process. Also, accruals of certain fines were booked during the quarter.

Cost of operations in 2011 increased 14% when compared to 2010.

EBITDA and Operating Income

Based on the previously-mentioned results, EBITDA in the quarter totaled Ch\$ 116.5 billion, a 1% increase when compared to the Ch\$ 115.5 billion reported in 4Q10. This result was mainly driven by an improvement in Chile wireline (+12%) and Americatel Peru, the latter increasing approximately 4 times. This expansion was partially offset by a decline in the mobile business (-4%), mainly due to equipment sales margins in the prepaid segment and costs related to higher sales.

During fourth quarter 2011, EBITDA margin totaled 34%, below the 38% reported in 4Q10. Operating income in the quarter amounted to Ch\$ 42.3 billion, lower than the Ch\$ 52.9 billion reported in 4Q10, principally due to the decline in the mobile business, partially offset by improved results in Chile wireline and Americatel Peru.

For 2011, EBITDA and Operating Income expanded 16% and 14%, respectively. EBITDA margin increased to 42% from the 41% reported in the same period in 2010.

Financial Expenses Results

	4Q11	4Q10	% Var.	3Q11	12M11	12M10	% Var
Net Financing Cost and Others	(4,839)	(3,868)	-25%	(5,917)	(18,901)	(10,560)	-79%
Net Financial Expenses	(2,237)	(2,008)	-11%	(2,136)	(7,256)	(8,520)	15%
Foreign Exchange Fluctuation & Readjustment	(2,602)	(1,860)	-40%	(3,780)	(11,644)	(2,041)	-471%

Net Financing Costs and Others in 4Q11 reported a loss of Ch\$ 4.8 billion, above the Ch\$ 3.9 billion in 4Q10. This was a consequence of increased losses on mark-to-mark accounting for F/X hedging derivatives and price level restatements based on higher inflation, which impacted net debt.

Net Income

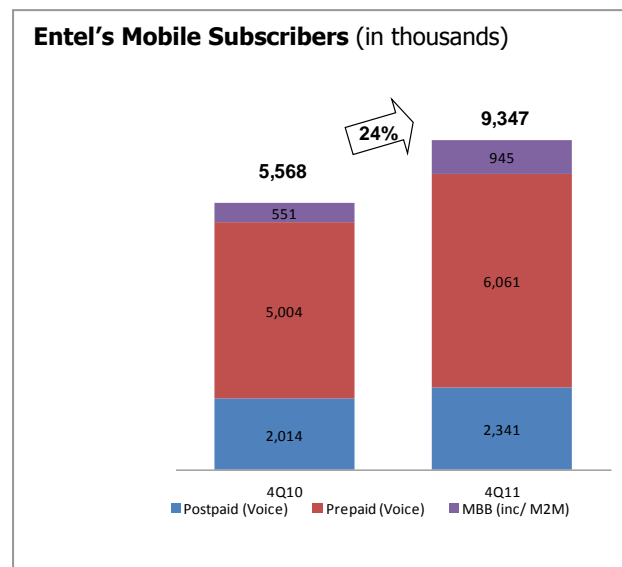
Net Income in the period reached Ch\$ 30.8 billion, 36% lower than the Ch\$ 48.2 billion reported in 4Q10. This resulted from lower operating and net financial results together with a higher income tax rate and the absence of a one-time tax benefit recorded in 4Q10 associated with the Company's reorganization.

Net Income in 2011 totaled Ch\$ 180.8 billion, 5% higher when compared to 2010.

INDIVIDUAL FINANCIAL STATEMENTS AND RESULTS BY BUSSINESS SEGMENT (2)

Mobile Business:

Revenues in 4Q11 amounted to Ch\$ 270.7 billion, an increase of 13% when compared to 4Q10. This was driven by solid growth in service revenue (+16%) due to the customer base expansion (+24%), combined with lower ARPU (-8%). Monthly voice service and access charge revenues continued to progress in-line with higher traffic, while VAS revenue improved (+26%), boosted by mobile broadband (+31%) and other innovative services (+27%). In contrast, equipment sales revenue decreased (-11%) due to higher sales and subsidies in the prepaid segment.



During the fourth quarter, the mobile customer continued its strong expansion. The Company is strengthening its position across all segments. The total subscriber base grew 24% to reach a total of 9,347,434 clients as of December 31, 2011, with approximately 40% market share of active customers, well above the 37% reported in December 2010.

The postpaid customer base (voice and MBB) grew 17%, and represented 30% of the total base. In the postpaid segment, Entel enhanced its data strategy, promoting multimedia plans to meet the growing demand including the offering of a wide variety of smartphones. Furthermore, various selective initiatives were launched to strengthen the Company's commercial position in the mid – low segments.

The prepaid market continued with a strong activity level across the industry. As a result, the prepaid segment base (voice and MBB) increased 26% when compared to 4Q10. The Company grew its market share, which is focused on reaching the segment via powerful product offerings, including handset promotions coupled with marketing plans to increase the use of VAS services.

The total mobile broadband (MBB) customer base at the end of 4Q11, including postpaid and prepaid clients, reached 945 thousand, growing 72% over the 4Q10 figure. The main expansion came from the prepaid segment. The Company possesses a unique competitive position in this segment supported by robust nationwide network infrastructure, high service quality and innovation.

With a view towards increasing client's loyalty, Entel and Banco de Chile launched a Visa credit card in November 2011, which offer benefits when buying Entel's services and handset purchases, among others.

In order to move forward in terms of service excellence and the provisioning of innovative services, the Company renewed its partnership with Vodafone for additional four years. This contract allows Entel to leverage Vodafone's knowledge, best practices, business processes and benchmarks across all key functional disciplines.

During the quarter, Entel was ranked #1 by the "Asociación Iberoamericana de Relaciones Empresas - Cliente", an award presented for the "Best Customer Experience". Entel achieved first place among 32 mobile companies from six different countries

In December 2011, the Secretary of Telecommunications (Subtel) began the tendering process for three blocks of 40 MHz in the 2.6 GHz spectrum, which will allow the deployment of 4G communications services and data transmission, mainly with higher image quality and speed. The Company expected this bid since early 2010, when in conjunction with Ericsson and the Universidad de Chile, carried out the first LTE trial in Latin America.

Blended ARPU decreased 8% in 4Q11 vs. 4Q10, mainly in voice services, in-line with a decline in MOU, partially offset by higher VAS usage (including mobile broadband).

The blended churn rate reached 2.64% in the quarter, an increase compared to the 1.87% reported in 4Q10, mostly explained by the prepaid voice segment, in-line with stronger promotions carried out by the industry, partially offset by a reduction in mobile broadband.

EBITDA in the quarter fell 4%, totaling Ch\$ 85.7 billion compared to the Ch\$ 88.8 billion in 4Q10. This contraction was the result of substantial higher subsidies in equipment sales margins within the prepaid segment, in-line with strong growth of sales, which lead to improved market share. Also, there were higher SG&A expenses aligned with the increased customer base. In contrast, and partially offsetting the increased expenses, direct service margins expanded (+17%) firmly based on the solid customer base expansion across all segments.

EBITDA margin in 4Q11 totaled 32%, lower than the 37% reported in 4Q10.

EBIT amounted to Ch\$ 31.9, declining 29% when compared to 4Q10. This was mainly due to increased handset depreciation charges, in-line with the postpaid customer base (including mobile broadband) growth, and to a lesser extent, higher network depreciation.

During 2011, EBITDA reached Ch\$ 396.3 billion, 19% growth when compared to 2010. EBITDA margin reached 40%, above the 39% reported in 2010.

For 2011, EBIT totaled Ch\$ 193.7 billion, a 16% expansion when compared to 2010.

Chile Wireline Results:

Revenues
(in millions of Chilean Pesos)

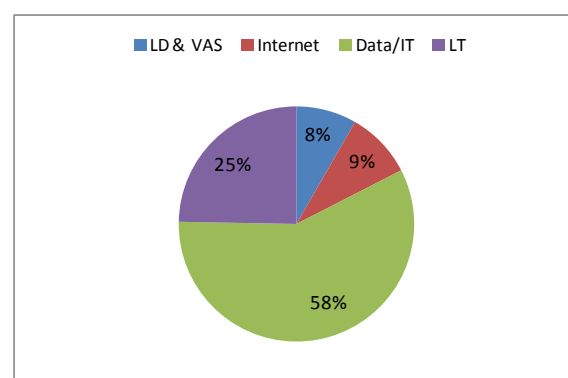
Ch\$ (millions)	4Q11	4Q10	% Var.	3Q11	12M11	12M10	% Var
Revenues*	84,297	75,518	12%	79,050	316,824	289,380	9%
Corporate and SME	43,492	42,386	3%	40,803	163,982	154,123	6%
Residential	4,514	5,815	-22%	4,399	20,667	21,726	-5%
Infraest. Serv. Telcos, Traffic B. and Others	36,162	28,915	25%	33,493	131,347	114,223	15%
Others Revenues (Non-core)	128	-1,599		355	829	-693	

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

Chile Wireline revenue reached Ch\$ 84.3 billion, a 12% increase when compared to the Ch\$ 75.5 billion reported in 4Q11.

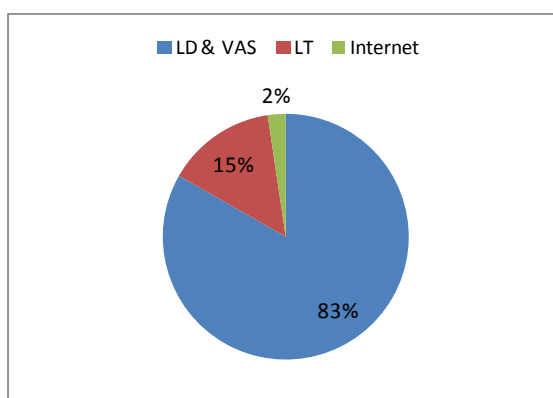
Corporate and SME segment revenues in the quarter increased 3%, driven mostly by local telephony and Internet contracts. Datacom (including IT) reported a slight increase, resulting from higher integrated solutions over MPLS-IP network, partially offset by lower IT services explained by one-time accruals in 4Q10 related to the start-up of important projects. Entel has earned a strong reputation in this market due to its advanced infrastructure and service quality. LD revenue declined, explained by lower revenue in ILD due to lower traffic, partially offset by higher tariffs.

Corporate and SME Revenue Distribution 4Q11 (local telephony includes NGN)



Residential segment in the quarter declined 22% when compared to 4Q10 figures. For the most part, this reduction was in LD revenues, principally related to DLD, driven by lower traffic and tariffs, in-line with the new DLD regulation which reduced domestic long distance areas from 24 to 13 starting in October 2011. Furthermore, Internet services and local telephony declined in-line with the reduction of the customer base.

Residential Revenue Distribution 4Q11



Infrastructure service to other Telecom companies, traffic business and other revenues reported a 25% increase during the quarter, in-line with higher revenues in the low margin traffic business, based on higher traffic and tariffs, the latter supported by an 11% increase in the average CH\$/US\$ rate. In addition, network rentals to related parties (mobile business), as well as rentals to other fixed line operators and international carriers, increased.

Operating costs and expenses rose 12%, reaching Ch\$ 74.2 billion when compared to the Ch\$ 66.2 billion reported in 4Q10. This cost increase was mainly reported in depreciation and impairments and payment to correspondents, partly due to higher charges following the revision of the useful life of equipment and spare parts, as well as increased activity in the traffic business, respectively. In addition, maintenance costs and capacity rentals grew. Partially offsetting this increase was a reduction in advertising and sales commissions.

Based on the above, operating income totaled Ch\$ 10.1 billion in 4Q11, increasing 9% when compared to 4Q10. EBITDA reached Ch\$ 29.5 billion, improving 12% when compared to 4Q10. EBITDA margin was flat at 35%.

For 2011, EBITDA was Ch\$ 114.3 billion, increasing 5% when compared to the same period in 2010. EBITDA margin totaled 36% in the same period.

EBIT in 2011 amounted to Ch\$ 43.1 billion, 1% higher when compared to the same period in 2010.

Chile Wireline Main Activities by Services:

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

The current convergence of technologies and the integration of telecommunications with IT are making companies demand more and better data center services that provide higher transactional processing capacity and storage with increased security standards. To meet the growing demand for these services, the Company decided to build the second stage of its Data Center in Ciudad de Los Valles consisting of an additional 2000 m², which recently earned Tier 3 certification for its design (accreditation granted by Uptime Institute). With this milestone, Entel enhanced its position as a leading provider of next generation services in outsourcing IT and On-demand solutions (Cloud Computing).

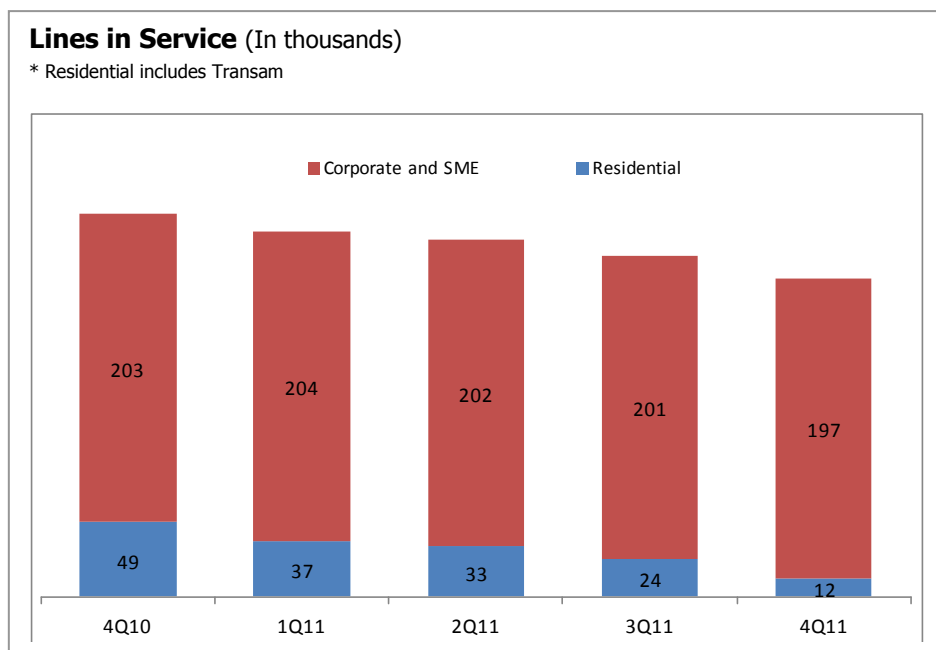
During the quarter, the following contracts were signed, among others:

- **Ministerio de Obras Públicas (Ministry of Public Works):** This agreement will support an integrated communication platform, including data network services at the national level, bundling telephony services (IP and public), Internet and videoconferencing.
- **Colbún S.A. (Power Generator and Trading Company):** The project consists of the provisioning of integrated solutions for communications and IT services, including national level data network services and IP voice. The service is aimed to ensure the operational continuity of the main server infrastructure supporting critical customer applications (including the operation of SAP platforms), which will be hosted in an Entel datacenter. The contract also ensures operational business continuity and help desk services.

- Empresa Nacional de Petroleo (National Oil Company): The contract was renewed for another term and considers the provisioning of network infrastructure, integrated IP voice services, video conferencing and the support of WAN and LAN networks.

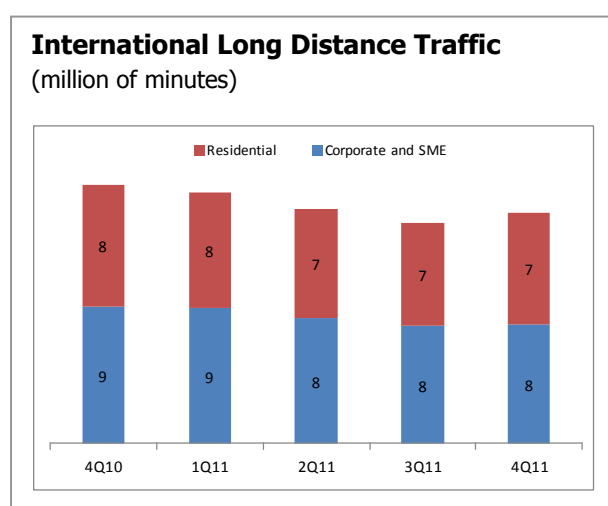
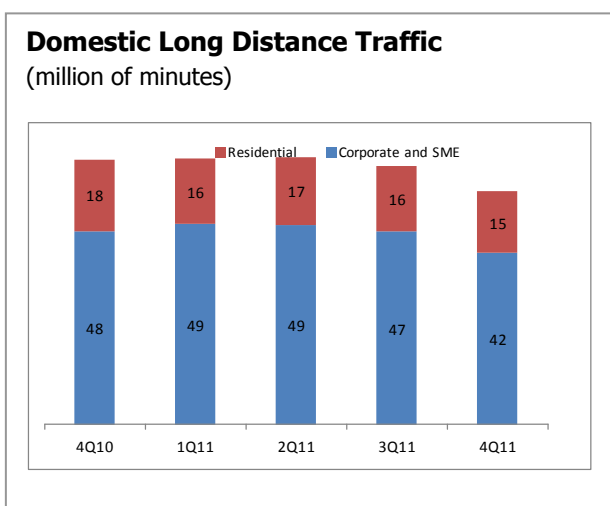
- **Local Telephony (including NGN-IP)**

Lines in services at the end of 4Q11 declined 17%, totaling 209 thousand when compared to last year. This reduction was mostly related to churn associated with Transam operations.



- **Long Distance**

- DLD traffic declined 12%, with reductions across all segments, in-line with the start-up of new processes that consolidated 24 long distance areas to 13 in October 2011. The remaining areas will no longer exist at the end of 2013. Average tariffs also declined in the residential segment.
- ILD traffic declined 11%, with declines across all segments; in contrast, average tariffs increased across the board.
- Entel's ILD average market share in 4Q11 was flat at 38%, while DLD market share was 28%.

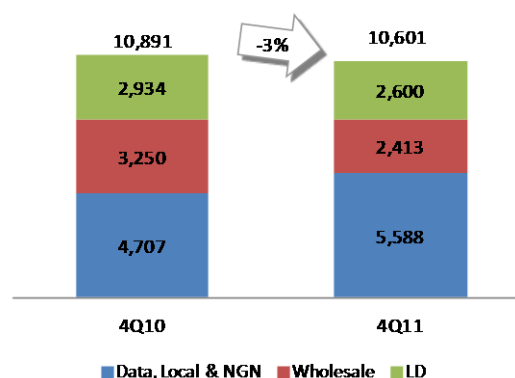


Americatel Peru

Revenues in the quarter reached US\$ 10.6 million, a 3% reduction when compared to 4Q10 (measured in Peruvian soles). Wholesale business revenue declined due to lower tariffs, partially offset by increased traffic. Also, LD revenue declined, mostly due to lower traffic in both DLD and ILD. Partially offsetting these reductions were increases in datacom revenues supplied to the enterprise segment associated with integrated IP solutions including voice, data and internet.

Quarterly Revenues

In thousand US\$ (Peruvian Soles divided by 2.69)



During the quarter, operating costs and expenses fell 5% compared to 4Q10. Main reductions were in access charges based on lower traffic in the wholesale and LD business, partially offset by higher costs in relation to satellite rental services provided to the corporate segment. Depreciation and amortization also declined, principally associated with licenses and equipment. In addition, advertising expenses decreased. For the 4Q11 period, EBITDA reached US\$ 1.1 million, an increase of 4 times when compared to 4Q10 figures.

BALANCE SHEET

Consolidated Balance Sheet (limited review)

(in millions of Chilean Pesos)

	12M11	12M10	Var %
Assets	1,558,014	1,489,274	5%
Current assets	365,735	379,677	-4%
Property, plant & equipment, net	1,056,555	978,457	8%
Others Non-current assets	135,724	131,140	3%
Liabilities & shareholders'	1,558,014	1,489,274	5%
Current liabilities	394,261	376,371	5%
Non Current Liabilities	390,675	391,528	0%
Shareholders' equity	773,077	721,375	7%

Financial Indexes

	Dic-11	Dic-10
Current assets/Current liabilities	0.93	1.01
EBITDA/Financial expenses	49.94	45.05
Gross Financial debt/EBITDA*	0.63	0.66
Total liabilities/(equity + min. interest)	1.02	1.06

* EBITDA last 12 months.

As of December 31, 2011, gross financial debt totaled Ch\$ 322.3 billion, 10% higher when compared to same period last year. This increase was largely explained by an 11% increase in the CH\$/US\$ exchange rate, partially offset by regular leasing and bank payments. Net debt (gross debt less cash and net balance from hedging activities including mark to market accruals) during the period reached Ch\$ 337.8 billion, a 19% increase when compared to the Ch\$ 282.7 billion reported in 4Q10.

RECENT EVENTS

- Entel announced that the merger of Entel S.A. and GTD will not take place, given the unilateral withdrawal of GTD's representative.
- In December 2011, the Company paid an interim dividend of Ch\$ 150 per share based on net profits as of September 30, 2011, totaling a payment of Ch\$ 35.5 billion.
- Entel obtained an international credit facility for US\$ 200 million from the Bank of Tokyo-Mitsubishi and Scotiabank. Proceeds were used to anticipate the payment of the first installment of a syndicated loan in an equal amount due in 2012. The loan considers the payment of interest quarterly or semiannually, has a single repayment in December 2014 and an annual interest rate of Libor plus 0.95%.
- In January 2012, the implementation of mobile number portability took place.

Company Description

Empresa Nacional de Telecomunicaciones S.A. is the largest telecommunications Company in Chile with Ch\$ 1,240,914 million in annual revenues reported in December 2011. 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.

HSDPA + Dual Carrier: Is a wireless broadband standard based on HSPA that is defined in 3GPP UMTS release 8, which enables mobile broadband speeds of up to 22 Mbps.

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.

M2M: Machine to Machine, includes the automating of communication processes between machines (Machine to Machine) between mobile devices and machines (Mobile to Machine), and between men and machines (Man to Machine).

MBB: Mobile broadband.

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.

Fourth Quarter 2011 Results
January 30, 2012

Individual Consolidated Results by Business Segment

(in millions of Chilean Pesos)

	4Q11	4Q10	% Var.	12M11	12M10	% Var
Mobile Telephony						
Total Revenues	270,728	240,246	13%	988,836	854,922	16%
- Service Revenues and equipment	264,954	237,867	11%	974,752	846,590	15%
- Others Revenues	5,775	2,379	143%	14,083	8,332	69%
Cost of Operations	238,815	195,551	22%	795,177	688,685	15%
Depreciation and Amortization and Impairment	53,817	44,152	22%	202,690	168,025	21%
Salaries & Expenses	15,090	14,932	1%	50,995	44,252	15%
EBITDA	85,730	88,846	-4%	396,348	334,262	19%
EBITDA Margin	32%	37%		40%	39%	
Operating Income	31,913	44,695	-29%	193,658	166,237	16%
Operating Margin	12%	19%		20%	19%	

	4Q11	4Q10	% Var.	12M11	12M10	% Var
Chile Wireline (*)						
Total Revenues	84,297	75,518	12%	316,824	289,380	9%
Cost of Operations	74,202	66,224	12%	273,727	246,905	11%
Depreciation and Amortization and Impairment	19,390	16,960	14%	71,204	66,301	7%
Salaries & Expenses	15,690	15,002	5%	64,937	55,764	16%
EBITDA	29,485	26,254	12%	114,301	108,777	5%
EBITDA Margin	35%	35%		36%	38%	
Operating Income	10,094	9,294	9%	43,097	42,475	1%
Operating Margin	12%	12%		14%	15%	

(*) Includes data services, IT, 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)

	4Q11	4Q10	% Var.	12M11	12M10	% Var.	4Q11	4Q10	% Var.	12M11	12M10	% Var.
Americatel Peru	(SOL\$)	(SOL\$)		(SOL\$)	(SOL\$)		(Ch\$)	(Ch\$)		(Ch\$)	(Ch\$)	
Total Revenues	28,479	29,259	-3%	114,698	110,442	4%	5,005	5,142	-3%	20,156	19,409	4%
Cost of Operations	29,209	37,297	-22%	116,272	120,366	-3%	5,133	6,554	-22%	20,433	21,152	-3%
Depreciation and Amortization and Impairment	3,588	7,055	-49%	12,270	14,993	-18%	631	1,240	-49%	2,156	2,635	-18%
Salaries & Expenses	5,220	4,486	16%	19,132	18,029	6%	917	788	16%	3,362	3,168	6%
EBITDA	2,858	-983		10,696	5,070	111%	502	-173		1,880	891	111%
EBITDA Margin	10%	-3%		9%	5%		10%	-3%		9%	5%	
Operating Income	-730	-8,038	91%	-1,574	-9,924	84%	-128	-1,413	91%	-277	-1,744	84%
Operating Margin	-3%	-27%		-1%	-9%		-3%	-27%		-1%	-9%	

Any distortion in the figures is due to monetary exchange fluctuation

Entel Group Consolidated Income Statement
(in thousands of Chilean Pesos)

INCOME STATEMENT	YTD	
	01-01-2011 31-12-2011 M\$	01-01-2010 31-12-2010 M\$
Operating Revenues	1,230,798,252	1,083,595,141
Other Revenues	11,572,942	4,303,159
Salaries and Expenses	(125,278,220)	(112,119,823)
Depreciation and amortization	(269,798,674)	(233,199,472)
Impairment and bad debt	(38,803,907)	(29,542,543)
Other Operating Expenses	(568,806,105)	(503,413,628)
Gain (Loss) on sale of non-current assets	(1,456,948)	(1,493,117)
Financial income	3,059,293	1,381,288
Financial expenses	(10,315,663)	(9,900,811)
Exchange gain (Loss)	(6,349,377)	1,296,277
Other monetary adjustment	(5,295,078)	(3,337,075)
Profit/(loss) before income Tax	219,326,515	197,569,396
Income Tax	(38,559,856)	(24,598,187)
Net Income for the period	180,766,659	172,971,209
Earnings per share	764.26	731.31
Other Income and (Expense), debit / credit directly to Equity		
Cash Flow Coverage	1,002,475	4,096,169
Conversion Adjustments	1,618,714	(479,497)
Income Tax	(175,433)	(686,279)
Other Income and Expense with debits and credits in the Equity, Total	2,445,756	2,930,393
Net Results	183,212,415	175,901,602

Entel Group Consolidated Balance Sheet
(in thousands of Chilean Pesos)

ASSETS	31-12-2011	12-31-10	Var%
Current assets	365,735,174	379,676,583	-4%
Cash and cash equivalents	23,064,067	75,272,215	
Other financial assets	5,407,220	870,798	
Other non financial assets	16,754,397	13,145,025	
Trade and other receivables	251,229,640	236,011,842	
Accounts receivable from related entities	722,752	469,192	
Inventory	63,091,800	36,799,196	
Tax assets	5,465,298	17,108,315	
Non-current assets	1,192,278,832	1,109,597,566	7%
Other Financial Assets	5,800,553	6,057,517	
Other non Financial assets	4,718,678	3,935,778	
Trade and other receivables	5,324,234	2,807,389	
Intangible assets	31,118,433	32,665,098	
Goodwill	45,895,283	45,821,474	
Property, plant and equipment	1,056,555,054	978,457,143	
Deferred tax assets	42,866,597	39,853,167	
TOTAL ASSETS	1,558,014,006	1,489,274,149	5%

LIABILITIES AND SHAREHOLDERS EQUITY	31-12-2011	Dec-10	Var%
Current Liabilities	394,261,450	376,371,289	5%
Other financial liabilities	18,584,041	14,570,686	
Trade and other payables	326,224,772	319,275,469	
Other provisions	578,262	689,270	
Income tax	7,951,010	201,105	
Other liabilities non financial	40,923,365	41,634,759	
Non Current Liabilities	390,675,465	391,528,337	0%
Other financial liabilities	353,504,014	350,331,042	
Other provisions long term	5,123,356	4,001,616	
Deffered income tax	11,708,289	21,345,618	
Employee severance and others	7,718,074	8,257,812	
Other non financial liabilities	12,621,732	7,592,249	
Equity	773,077,091	721,374,523	7%
Paid-in Capital	522,667,566	522,667,566	
Retained Earnings	310,971,878	261,715,066	
Other Reserves	(60,562,353)	(63,008,109)	
Minority interests	-	-	
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	1,558,014,006	1,489,274,149	5%