TELECOMMUNICATIONS CO OF CHILE
Form SC TO-T/A
October 01, 2008

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE TO
Tender Offer Statement
Under Section 14(d)(1) or 13(e)(3) of the Securities Exchange Act of 1934
(AMENDMENT NO. 5)

COMPAÑÍA DE TELECOMUNICACIONES DE CHILE S.A.
(Name of Subject Company)

INVERSIONES TELEFÓNICA INTERNACIONAL HOLDING LIMITADA
TELEFÓNICA, S.A.
(Names of Filing Persons)
American Depositary Shares
(Each Representing 4 Shares of Series A Common Stock, no par value)
(Title of Class of Securities)
204449300
(CUSIP Number of Class of Securities)
Shares of Series A Common Stock, no par value, and Shares of Series B Common Stock, no par value
(Title of Class of Securities)
n/a
(CUSIP Number of Class of Securities)

Marcía García-Legaz Ponce
Head of Investor Relations
Distrito C, Ronda de la Comunicación, s/n
28050 Madrid, Spain
Tel. 011 34 91 482 870
(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications on Behalf of Filing Persons)

Copy to:
Stephen G. Rooney, Esq.
Dewey & LeBoeuf LLP
1301 Avenue of the Americas
New York, New York 10019-6092
(212) 259-8000

CALCULATION OF FILING FEE

Transaction Valuation (1)	**Amount of Filing Fee**(2)(3)
$340,117,759.10	**$13,366.63**

(1) Estimated solely for the purpose of determining the filing fee. The transaction valuation is calculated by adding (A) the product of (x) 180,702,226 (which is the sum of the number of Compañía de Telecomunicaciones de Chile S.A. Series A Shares represented by American Depositary Shares, each representing 4 Series A Shares, and an estimate of the maximum number of Series A Shares held by U.S. holders) times (y) the purchase price of Ch$ 1,000 per Series A Share, net in cash, converted to U.S. dollars using an exchange rate of Ch$532.42 to U.S.$ 1.00, the Observed Exchange Rate (as defined in the Offer to Purchase) as of September 16, 2008 and (B) the product of (x) 425,857 (which is the estimate of the maximum number of Compañía de Telecomunicaciones de Chile S.A. Series B Shares held by U.S. Holders) times (y) the purchase price of Ch$ 900 per Series B Share, net in cash,

converted to U.S. dollars using an exchange rate of Ch$532.42 to U.S.$ 1.00, the Observed Exchange Rate as of September 16, 2008.

(2) The amount of the filing fee, calculated in accordance with Rule 0-11(d) of the Securities Exchange Act of 1934, as amended, equals 0.00003930 of the transaction valuation.

(3) The filing fee was paid on September 16, 2008, the day prior to the initial filing of the Schedule TO.

þ Check the box if any part of the fee is offset as provided by Rule 0-11 (a) (2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

o Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer. Check the appropriate boxes below to designate any transactions to which the statement relates:

þ third-party tender offer subject to Rule 14d-1.

o issuer tender offer subject to Rule 3e-4.

þ going-private transaction subject to Rule 13e-3.

o amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer: o

This Amendment No. 5 (this Amendment) amends and supplements the Tender Offer Statement on Schedule TO and Schedule 13E-3 Transaction Statement originally filed with the Securities and Exchange Commission (the SEC) on September 17, 2008, as amended by Amendment No. 1 filed on September 17, 2008, Amendment No. 2 filed on September 19, 2008, Amendment No. 3 filed on September 22, 2008 and Amendment No. 4 filed on September 24, 2008 (as amended, the Schedule TO), relating to the Offer by Telefónica, S.A., a publicly held stock corporation organized and existing under the laws of the Kingdom of Spain (Telefónica), and Inversiones Telefónica Internacional Holding Limitada, a limited liability company (*sociedad de responsabilidad limitada*) organized and existing under the laws the Republic of Chile and indirectly owned by Telefónica (Purchaser and, together with Telefónica, the Bidders), to purchase any and all of the outstanding shares of Series A common stock, no par value (the Series A Shares), and Series B common stock, no par value (the Series B Shares and, together with the Series A Shares, the Shares), of Compañía de Telecomunicaciones de Chile S.A., a publicly traded stock corporation organized and existing under the laws of the Republic of Chile (the Company), other than Shares currently owned by Telefónica Internacional Chile S.A., a corporation organized and existing under the laws the Republic of Chile and indirectly wholly owned by Telefónica and any and all of the outstanding American Depositary Shares (ADSs) of the Company, each representing four Series A Shares, on the terms and subject to the conditions set forth in the Offer to Purchase, dated September 17, 2008 (the Offer to Purchase), and in the related ADS Letter of Transmittal, the Form of Acceptance and the ADS Notice of Guaranteed Delivery (which, as they may be amended and supplemented from time to time, together constitute the U.S. Offer), copies of which are filed as Exhibits (a)(1), (a)(2), (a)(3) and (a)(4), respectively, to the Schedule TO. Through a concurrent offer in Chile, Purchaser is offering to purchase any and all of the outstanding Shares, other than Shares currently owned by TICSA, including Shares held by U.S. persons (the Chilean Offer and together with the U.S. Offer, the Offers).

The information set forth in the Offer to Purchase, including all schedules and annexes thereto, is hereby expressly incorporated by reference into this Schedule TO, in response to all items of this Schedule TO including, without limitation, all of the information required by Schedule 13E-3 that is not included in or covered by the items in Schedule TO.

Except as otherwise indicated in this Amendment, the information set forth in the Schedule TO remains unchanged. Capitalized terms used but not defined herein have the meanings ascribed to them in the Schedule TO.

Item 12. Exhibits

Item 12 is hereby amended as follows:

Exhibit No.	Description
Exhibit (a)(15)	English translations of the opinions delivered by each member of the Company s Board of Directors (incorporated herein by reference to Exhibit (a)(1) to the Schedule 14D-9 filed by the Company on September 30, 2008).

Item 13. Information Required by Schedule 13E-3

Item 8. Fairness of the Transaction

The paragraph under the question entitled Does the Company support the U.S. Offer? in the section of the Offer to Purchase entitled Summary Term Sheet, the tenth paragraph of the section of the Offer to Purchase entitled Introduction and the last paragraph of the section of the Offer to Purchase entitled Special Factors Fairness of the Offers are hereby amended and restated in their entirety by replacing such paragraphs with the following two paragraphs:

Pursuant to Chilean law, each individual member of the Board of Directors of the Company must express in writing his reasoned opinion as to whether the Offers could be in the interest of the Shareholders. Chilean law does not require each individual member to recommend that shareholders accept or reject the Offers. Furthermore, Chilean law only contemplates the delivery of a reasoned opinion by each member of the Board of Directors of the Company and does not contemplate a recommendation of the Board of Directors of the Company, acting as such, that the Shareholders accept or reject the Offers. Therefore, the Board of Directors of the Company, acting as such, has not expressed an opinion and remains neutral with respect to the Offers. However, each member of the Board of Directors of the Company and two of the Company s alternate directors who are not obligated by Chilean law to provide a recommendation, Carlos Díaz Vergara and Benjamín Holmes Bierwirth, each acting in his individual capacity, has expressed in writing his reasoned opinion that the Offers might be in the interest of the Shareholders.

As set forth in the Schedule 14D-9 filed by the Company on September 30, 2008, each of the Company, the Board of Directors of the Company and the two alternate directors of the Company understand that no director of the Company intends to tender, sell or hold ADSs or Shares and that certain executive officers of the Company intend to tender to the Purchaser all ADSs or Shares held by such executive officers pursuant to the Offers.

Items 8(a), (b) and (e) are amended and restated in their entirety as follows:

(a), (b) and (e) The information set forth in the section of the Offer to Purchase entitled Special Factors Fairness of the Offers and in the English translations of the opinions delivered by each member of the Board of Directors of the Company attached hereto as Exhibit (a)(15) is incorporated herein by reference.

Item 12. The Solicitation or Recommendation

Items 12(d) and (e) are hereby amended and restated in their entirety as follows:

(d) and (e) The information set forth in the section of the Offer to Purchase entitled Special Factors Fairness of the Offers and in the English translations of the opinions delivered by each member of the Board of Directors of the Company attached hereto as Exhibit (a)(15) is incorporated herein by reference.

SIGNATURES

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Amendment No. 5 to the Schedule TO is true, complete and correct.

Dated: October 1, 2008

TELEFÓNICA, S.A.

By: /s/ Jorge Abadía Pozuelo
Name: Jorge Abadía Pozuelo
Title: Authorized Signatory

By: /s/ Ernesto López Mozo
Name: Ernesto López Mozo
Title: Authorized Signatory

INVERSIONES TELEFÓNICA
INTERNACIONAL HOLDING LIMITADA

By: /s/ Jorge Abadía Pozuelo
Name: Jorge Abadía Pozuelo
Title: Authorized Signatory

By: /s/ Ernesto López Mozo
Name: Ernesto López Mozo
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EXHIBIT INDEX

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