

SF Chronicle

ITT Accord

DEC. 21 1974

On Chile

Phone Firm

New York

International Telephone and Telegraph Corp. announced yesterday that it has reached agreement with the government of Chile for \$125.2 million in compensation for ITT interest in the Chile telephone company.

A company spokesman said the payment will represent both its equity and debt in the Chilean firm, which was seized by the government of President Salvador Allende in 1971.

The company also said the agreement, concluded yesterday in Santiago, includes an investment by ITT of \$25 million in a research facility that will be a joint venture with the Chilean government.

The spokesman said ITT's equity in the Chile telephone company, approximately 70 per cent owned by the corporation at the time its assets were seized by the Allende government, was valued at \$116 million, with company debt to ITT and intercompany receivables bringing total ITT investment to \$153 million.

Associated Press