In 1994 a modernization process essential for the development of International Communications was culminated - the total digitization of the Network. To this end, analog switching plant was eliminated and all the circuits which used analog transmission means were digitized.

INTERNATIONAL LAND EXCHANGES AND NETWORK

At year-end the International Network had risen to **24,687** circuits, a **4.3%** increase over the year before.

Among the highlights of 1994 were the coming into service of the new ISDN International Exchange at Madrid-Alcobendas, the extension of the Barcelona-Castellbisbal International exchange, the ATM Node for the Madrid-Alcobendas Broadband ISDN Service, the connection of all the International Exchanges to the Automatic Traffic Management System and the Automatic Call Management Equipment developed with Telefónica's own technology. This last allows the Spain Direct Service to function automatically without the need for an operator.
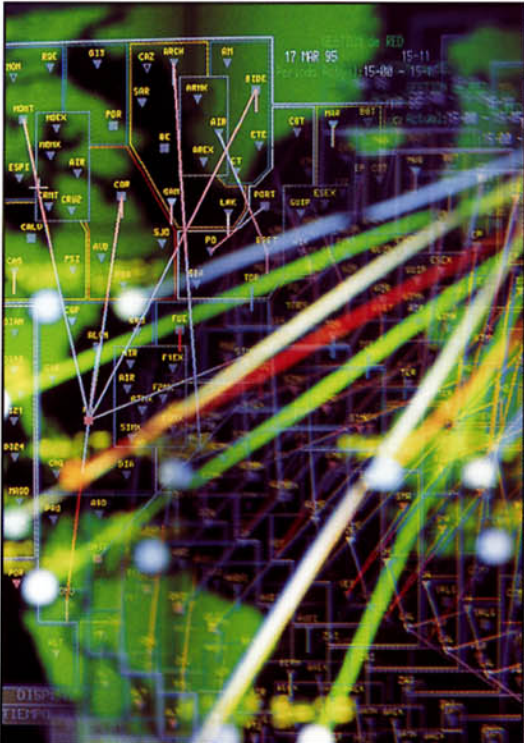
INTERNATIONAL UNDERWATER CABLES

In 1994 two new international underwater cables came into service: Columbus-2 and Estepona-Tetuán. The first links southern Europe with North America, with one of its moorings in Gran Canaria. It has a capacity of **23,040** basic 64 Kbit/sec circuits and a length of **10,205** kms.

The Estepona-Tetuán cable has a capacity of **7,680** basic 64 Kbit/sec circuits and is **110** kms. in length. Including these two new cables, the total length of underwater fibre optics cable moored in Spanish territory is **14,980** kms.. These developments allowed Telefónica to maintain its privileged position among the leading operators.

INTERNATIONAL LEASED CIRCUITS

At year-end the number of international leased circuits had reached **1,217**. In addition, two new agreements were signed with Chilean (EN-TEL) and South African operators to provide the One-stop Shopping facility to the clients of these circuits.

Detail of the Control Room at the Alcobendas International Exchange

IBERPAC INTERNATIONAL

This international service continued to expand, by year-end reaching **204** networks in **95** countries, and marketing new service facilities such as International Permanent Virtual Circuits (CPUI) and Closed User Group (GCUI). During the year a total consumption of **2,270,460** Kilo-service segments was recorded, an increase of **11.5**% over the previous year.

OTHER INTERNATIONAL SERVICES

In 1994 the International Videoconferencing Network reached **24** countries. This network's technical capacity enabled International videoconferencing to be equipped with speeds of 2 Mbit/sec and 768 Kbit/sec. Also carried out was the interconnection between the ISDN and the Videoconferencing Network. International access to the ISDN is available through the **18** leading operators in the sector based in 17 countries.
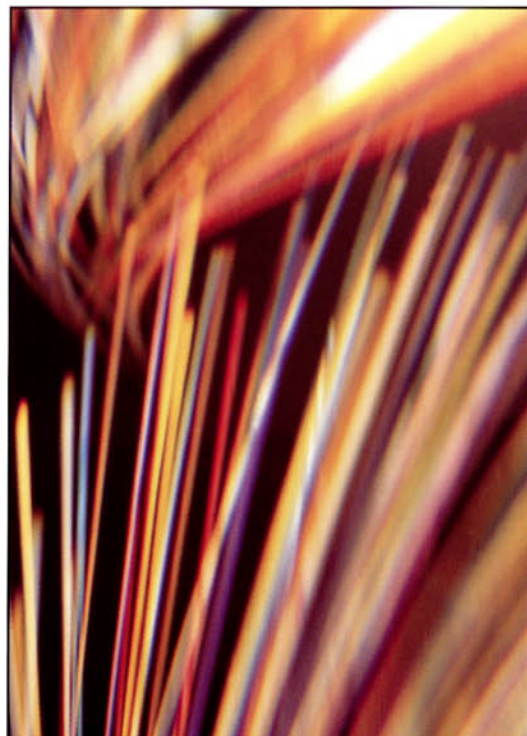
1994 also saw an increase in the use of the Spain Direct Service, with **1.15** million calls registered, an annual increase of 70%. At the same time the international coverage of the Virtual Private Network Service was extended.

UNISOURCE

In July Telefónica agreed to join UNISOURCE, a company originally formed by PPT Telecom of Holland, Swiss Telecom PPT of Switzerland, and Telia of Sweden. Telefónica's incorporation with a 25% holding brought the number of partners to four, each with an equal share.

UNISOURCE is currently the leading pan-European supplier of telecommunications services, with a wide range of international services for corporate clients, particularly data transmission, advanced services and satellite communications. Among the services supplied by Telefónica de España which are soon to be taken over by UNISOURCE are packet switching data transmission services.

Among the installations which came into service in 1994 were the Madrid-Alcobendas ISDN international exchange and the automatic call management equipment developed by Telefónica