

1Q04 FINANCIAL RESULTS

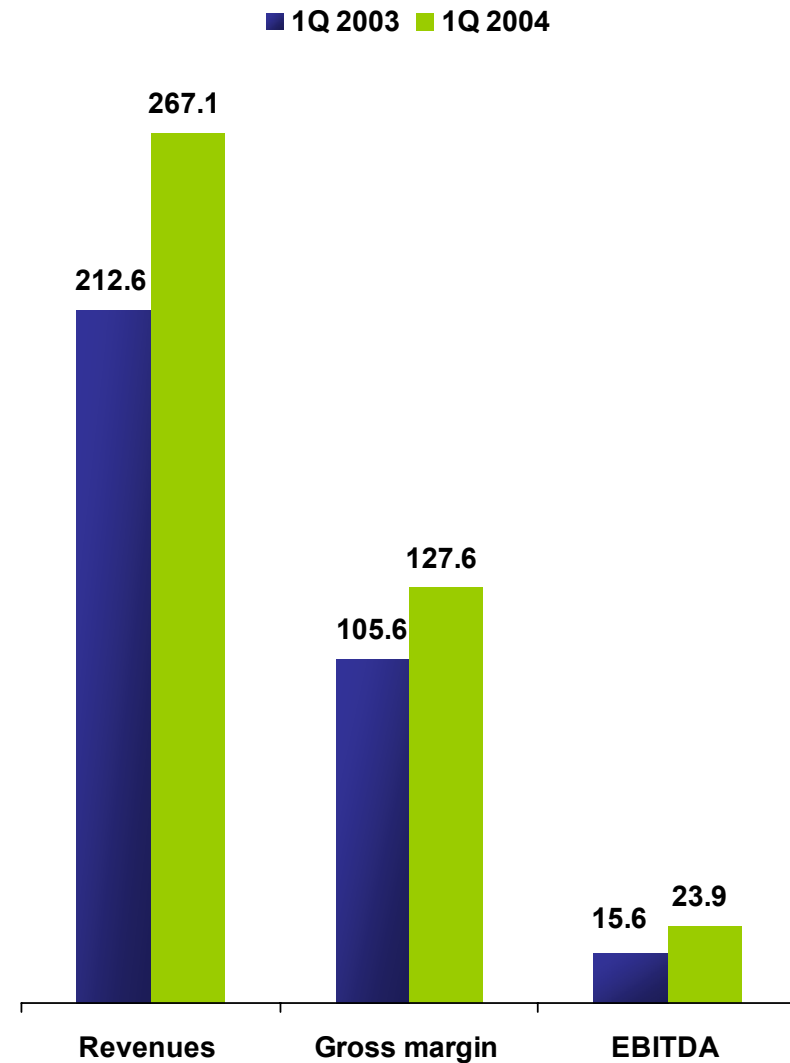
May 2004

On track for 2004 targets, new CEO appointed

- **Revenue growth**: Gross revenues in 1Q04 at €267.1 ml +26% vs 1Q03 and +7% vs 4Q03
- **Unprecedented ADSL growth**: 400,000 new ADSL subscribers vs 4Q03, reaching 1.24 million ADSL customers with a record 33,000 new customers per week in the quarter. Additional 80,000 new registered ADSL customers in April 2004. Total active subscribers at 8 million
- **50% of ADSL customers** in the Netherlands are already unbundled
- **1Q04 EBITDA** at €23.9 ml (9% on revenues) +53% YoY
- **Financial resources** as of 31.03.2004: €253.7 ml following the further repurchase in the market of €10 ml of bonds due July 2004
- **Ruud Huisman appointed as CEO**

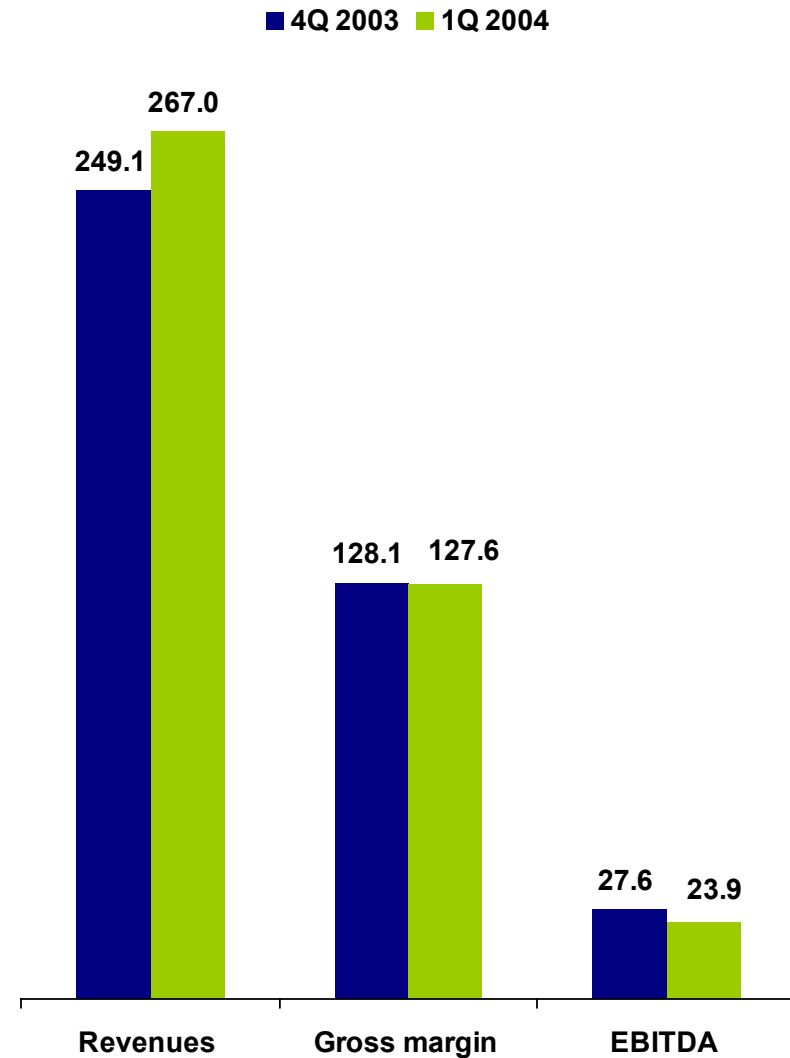
Key financials: 1Q03 vs 1Q04

€ m	1Q03	1Q04	% diff
Revenues	212.6	267.1	26%
Gross Margin	105.6	127.6	21%
EBITDA	15.6	23.9	53%
EBIT	(66.2)	(27.2)	57%
EBT	(85.3)	(52.1)	39%



Key financials: 4Q03 vs 1Q04

€ m	4Q03	1Q04	% diff
Revenues	249.1	267.1	7%
Gross Margin	128.1	127.6	-
EBITDA	27.6	23.9	(13%)
EBIT	(77.7)	(27.2)	65%
EBT	(80.3)	(52.1)	35%



Revenues by business line: 1Q03 vs 1Q04

€ m	1Q03	1Q04	% diff
Access	148.3	180.9	22%
<i>% of rev.</i>	70%	68%	
Business services	34.2	52.1	52%
<i>% of rev.</i>	16%	20%	
Voice	15.6	21.0	34%
<i>% of rev.</i>	7%	8%	
Portal	12.0	11.4	(5%)
<i>% of rev.</i>	6%	4%	
Others	2.5	1.7	(32%)
<i>% of rev.</i>	1%	1%	
Total revenues	212.6	267.1	26%

Revenues by business line: 4Q03 vs 1Q04

€ m	4Q03	1Q04	% diff
Access	163.7	180.9	11%
<i>% of rev.</i>	66%	68%	
Business services	50.2	52.1	4%
<i>% of rev.</i>	20%	20%	
Voice	21.1	21.0	(1%)
<i>% of rev.</i>	8%	8%	
Portal	12.4	11.4	(8%)
<i>% of rev.</i>	5%	4%	
Others	1.8	1.7	(6%)
<i>% of rev.</i>	1%	1%	
Total revenues	249.1	267.1	7%

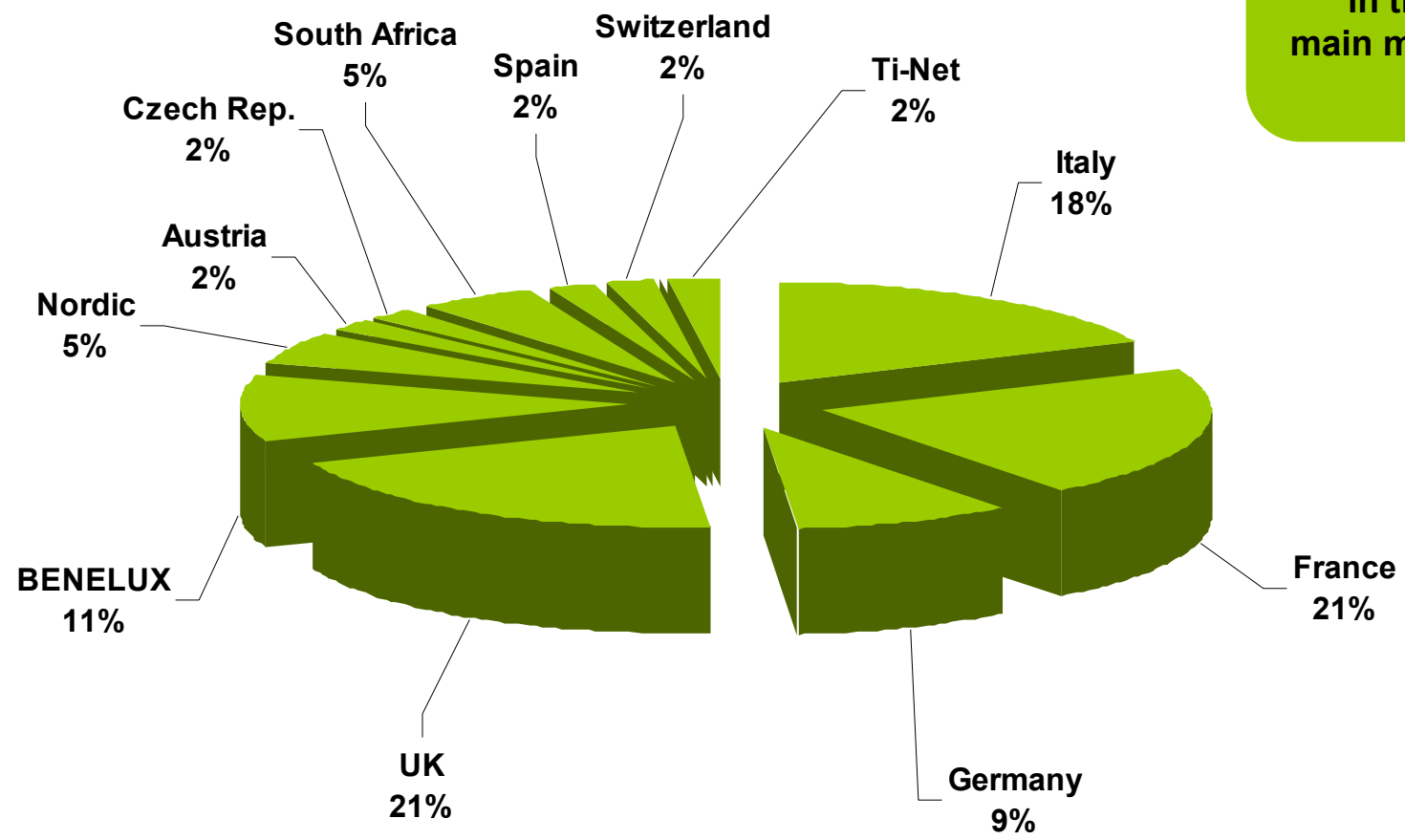
Operating costs: 1Q03 vs. 1Q04

€ m	1Q03	1Q04	% diff
Gross Margin	105.6	127.6	21%
<i>% of rev.</i>	50%	48%	
Sales & Marketing	32.0	40.5	26%
<i>% of rev.</i>	15%	15%	
Personnel costs	33.7	37.1	10%
<i>% of rev.</i>	16%	14%	
G&A	24.0	26.1	9%
<i>% of rev.</i>	11%	10%	
Total operating costs	89.9	103.7	15%
<i>% of rev.</i>	42%	39%	
EBITDA	15.6	23.9	53%
<i>% of rev.</i>	7%	9%	

Operating costs: 4Q03 vs 1Q04

€ m	4Q03	1Q04	% diff
Gross Margin	128.1	127.6	-
<i>% of rev.</i>	51%	48%	
Sales & Marketing	37.7	40.5	8%
<i>% of rev.</i>	15%	15%	
Personnel costs	37.3	37.1	(1%)
<i>% of rev.</i>	15%	14%	
G&A	25.6	26.1	2%
<i>% of rev.</i>	10%	10%	
Total operating costs	100.5	103.7	3%
<i>% of rev.</i>	40%	39%	
EBITDA	27.6	23.9	(13%)
<i>% of rev.</i>	11%	9%	

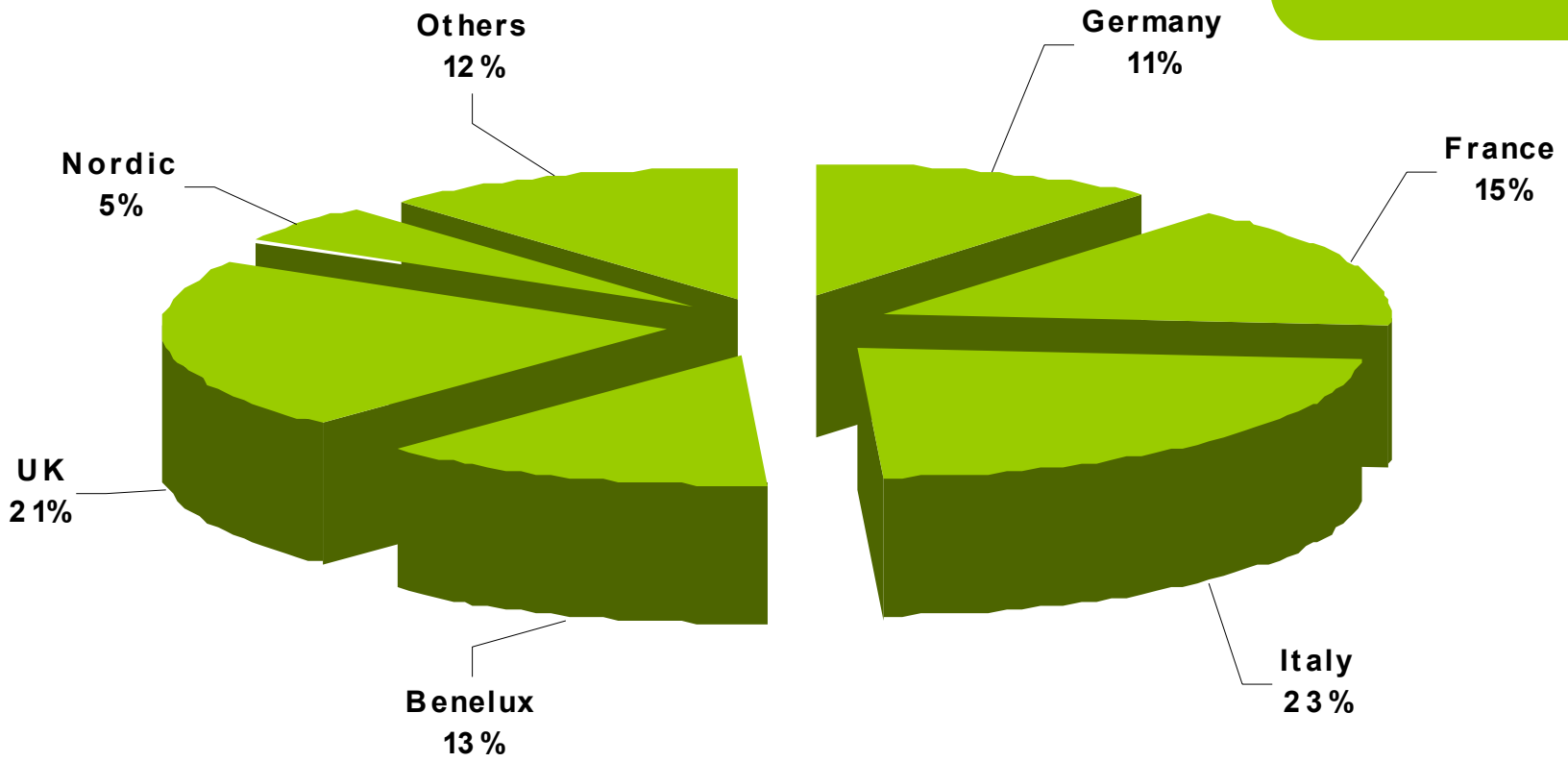
Revenues by countries 1Q04



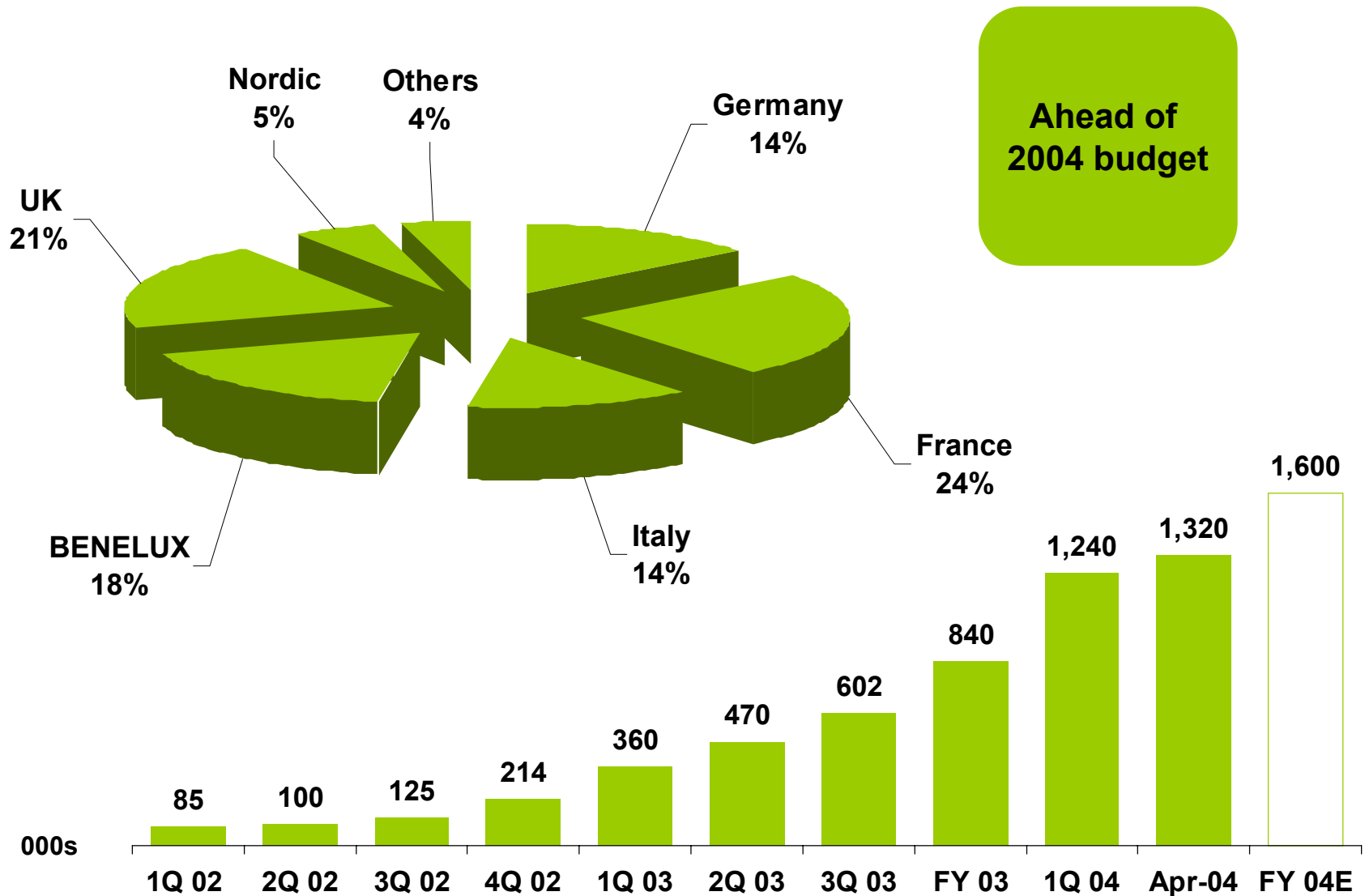
80% of revenues generated in the 5 main markets

Total active users 1Q04

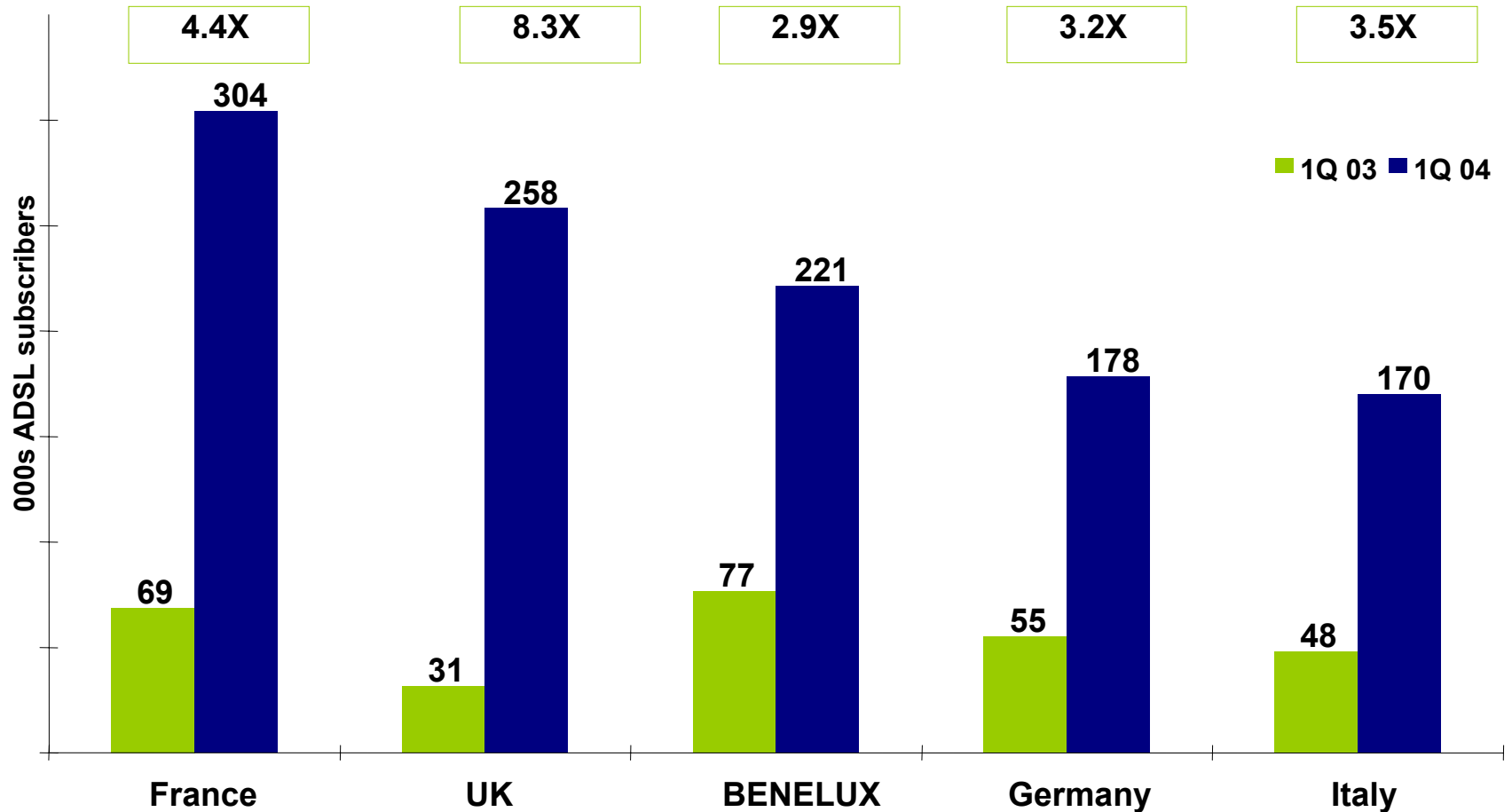
8 ml customers:
6.8 ml active dial-up,
1.24 ml ADSL



Broadband customers 1Q04



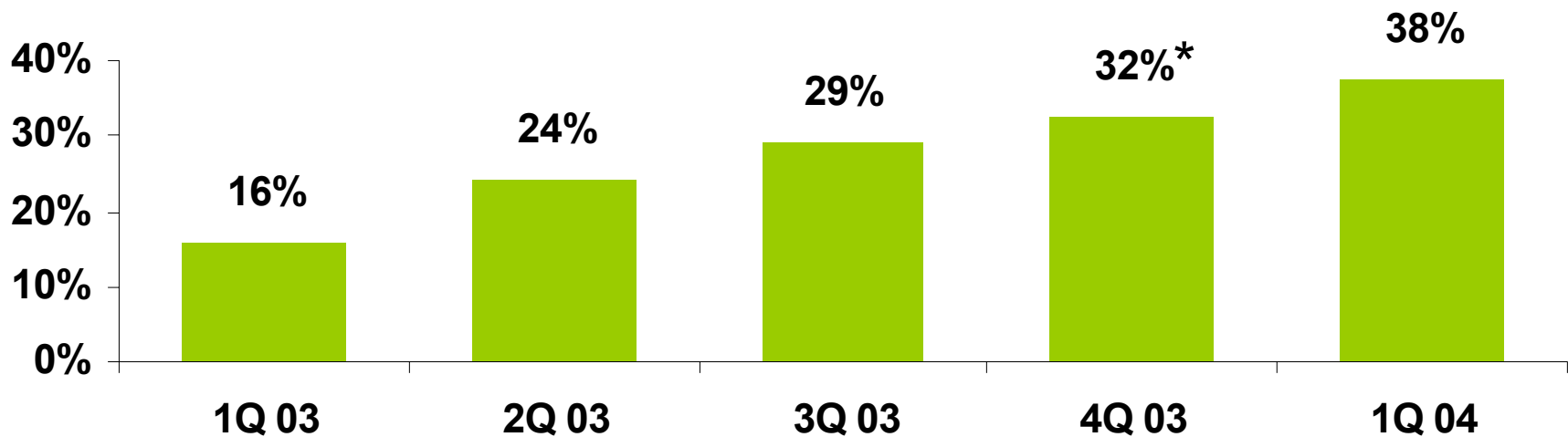
Quarterly growth by key countries: ADSL subscribers' growth



ADSL revenues trend

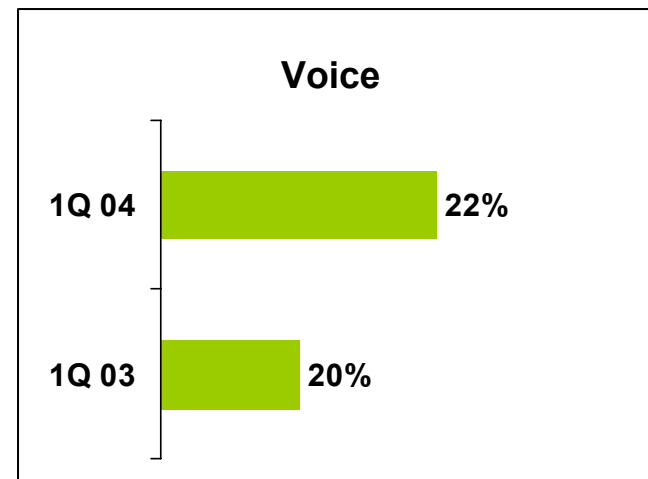
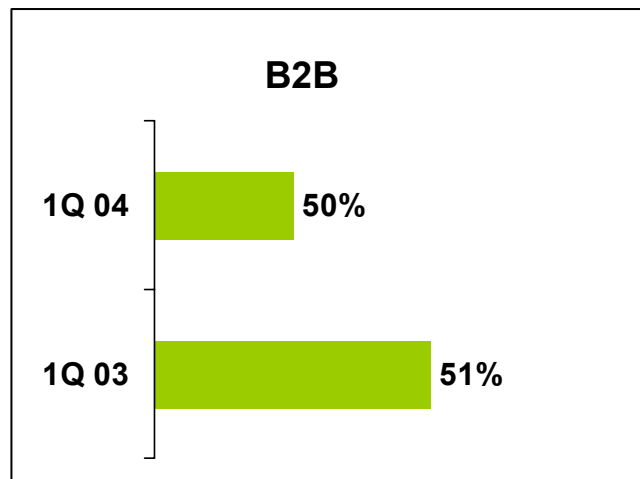
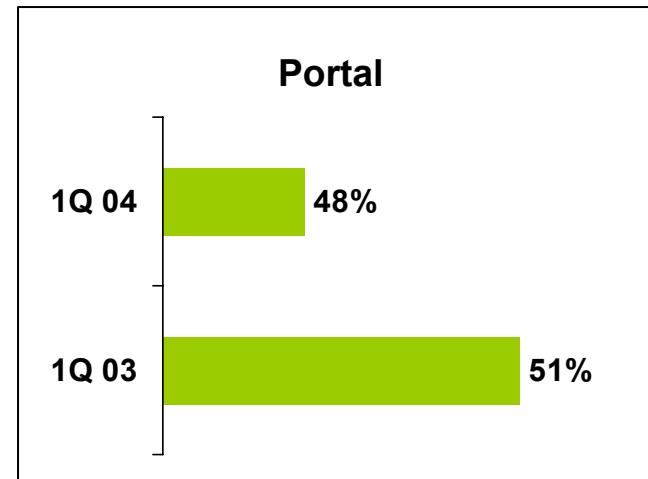
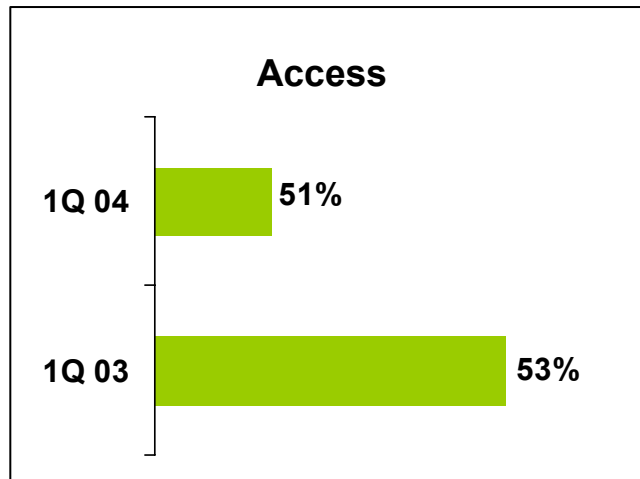
- ADSL revenues at €68 ml in Q1 04 +186% Y/Y
- Average ARPU at €22/month

% of ADSL revenues on total access revenues

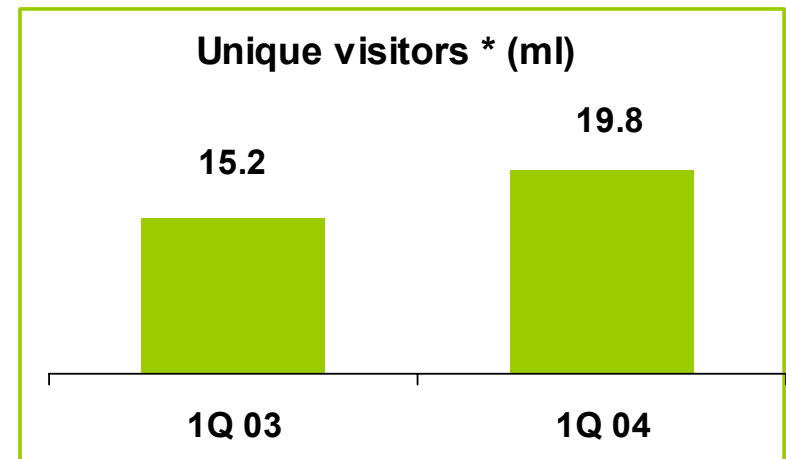
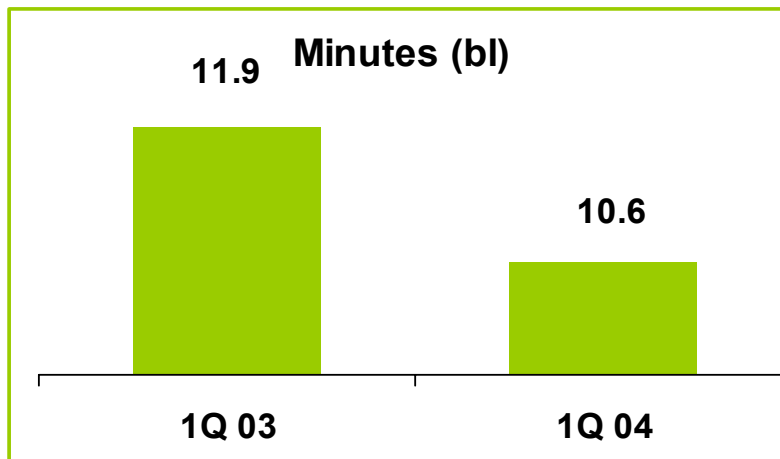
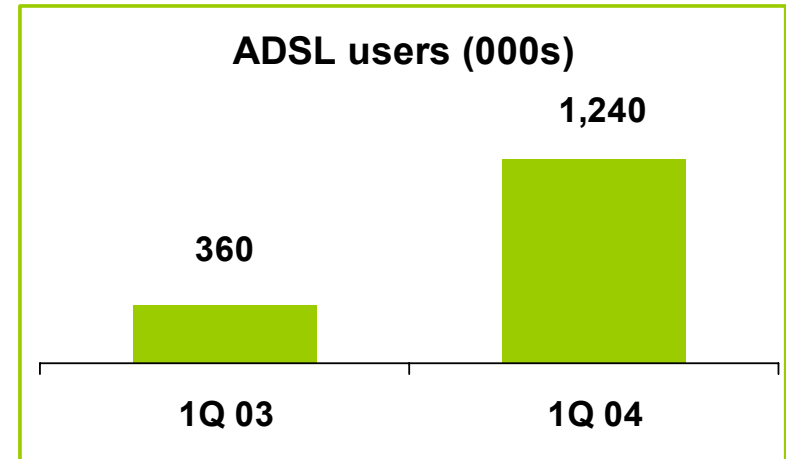
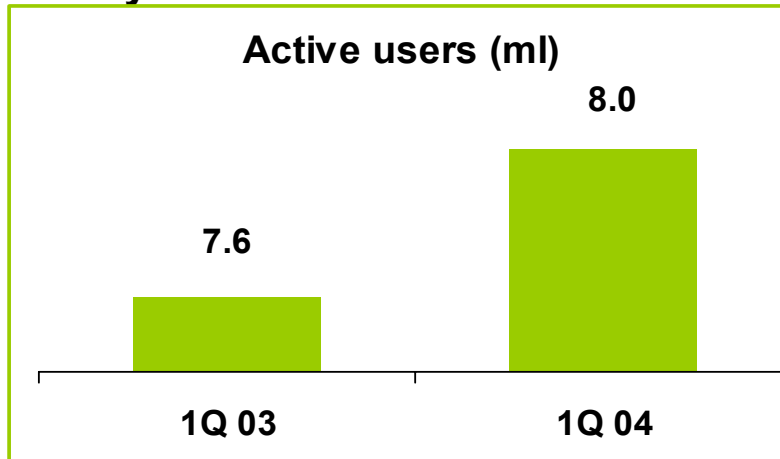


* Percentage on gross revenues

Gross margin by business line: 1Q03 vs 1Q04



1Q04: Key metrics

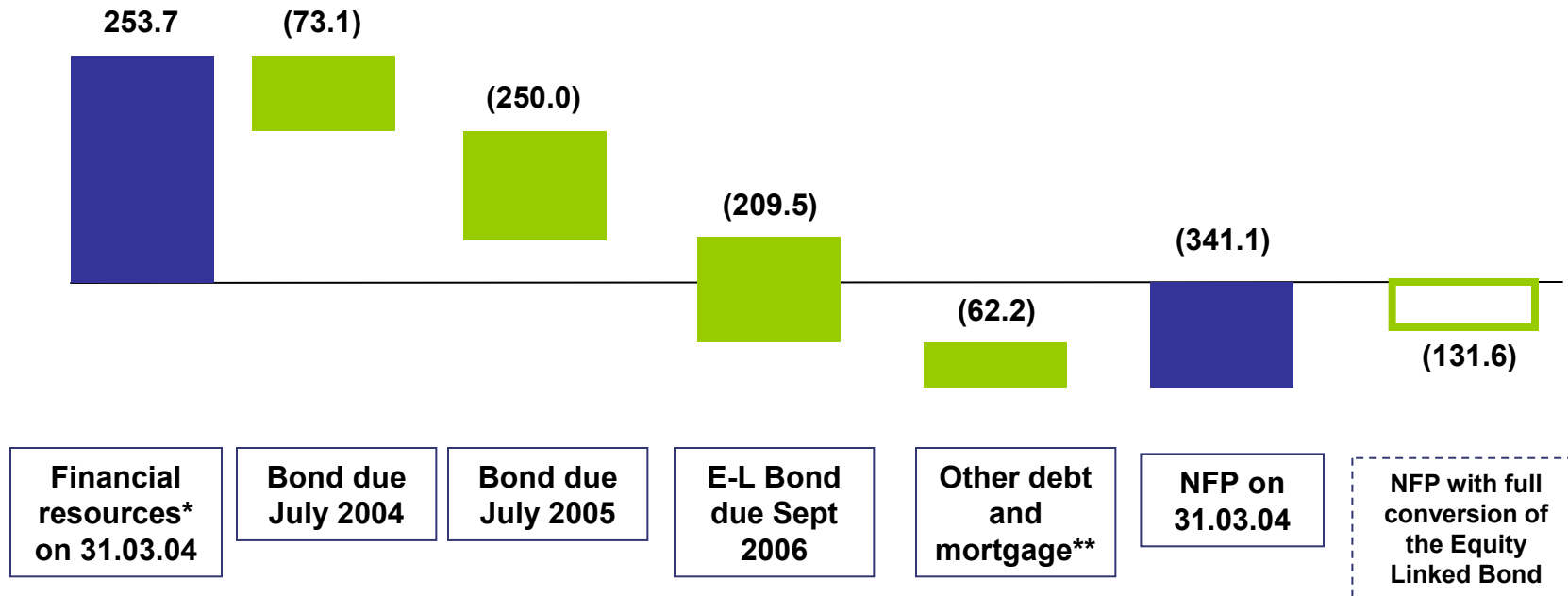


* The figure refers to the 5 main European markets (Italy, France, Germany, UK, Netherlands)

Source: Nielsen NetRatings

Net Financial Position

€ ml



- Free cash flow in the quarter was negative for 58.6 million Euro, with a declining trend: -25 ml Euro in Jan, -20 ml Euro in February and ca -14 ml Euro in March
- Equity-linked bonds have a strong equity component (soft mandatory feature)

* Includes €53.5 ml of cash in escrow accounts and €76.6 ml of tax refunds and grants which have been requested and are expected to be cashed in 2004

** Does not include €40.5 ml of leasing

Targets for 2004

- Turnover over €1.2 billion (over 30% YoY revenue growth vs 2003)
- Over 1.6 million broadband subscribers, of which 20% unbundled
- EBITDA margin at 11%
- Capex at 10% of turnover
- Free Cash Flow generation in 2H2004
- Net profit before extraordinary items in 2005
- Disposals of Norway, Sweden, Switzerland and South Africa to be completed in 2004

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Thank you

Q&A