

The Board of Directors of Tiscali has approved the rights issue of ca EUR 150 million, underwritten by Banca IMI and JPMorgan as lead managers and pro rata by Renato Soru

Standard&Poors' has assigned a B corporate rating positive credit watch, B+ after completion of the rights issue

Cagliari, 10th January 2008

The Board of Directors of Tiscali S.p.A. has today set the final conditions of the share capital increase with pre-emption rights for existing shareholders. The rights issue, approved by the Board of Directors pursuant to the delegation by the shareholders' meeting of 31st August 2007 pursuant to Article 2443 of the Italian Civil Code will involve the issuance of 149,792,880 ordinary shares nominal value of EUR 0.50, to be offered by way of pre-emption rights to existing shareholders at the price of EUR 1.00 per share and with a ratio of 6 new shares each 17 existing shares for a total issue value of EUR 149,792,880.

The pre-emption rights are required to be exercised between 14th January and 1st February 2008 and rights will trade on market between 14th January 2008 and 25th January 2008. By the end of the month following the pre-emption period, Tiscali will offer on the stock exchange the unsubscribed rights, if any pursuant to Article 2441 of the Italian Civil Code.

Banca IMI S.p.A. and J.P. Morgan Securities Ltd have today signed an agreement pursuant to which they have underwritten the rights issue, save for the portion which Renato Soru has committed to underwrite pro rata to his stake in Tiscali, corresponding to ca 25% of Tiscali's current share capital.

The Italian prospectus, which has been approved by Consob on 9th January 2008 will be published on 11th January 2008 and it will be made available in Tiscali's headquarters in Cagliari, at the Italian Stock Exchange's premises in Milan and also on Tiscali's website www.tiscali.com.

Standard&Poors has today assigned a B corporate rating, credit watch positive which S&P expects to become B+ upon full subscription of the capital increase.

The CEO of Tiscali, Tommaso Pompei said: "The rights issue approved today is another step in the implementation of our strategic plan's objectives. Furthermore, the first corporate rating of Tiscali, issued by S&P, is evidence Tiscali's attention to reliability and transparency standards towards the market".

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