

Tiscali: statement

Cagliari, 21st January

With regard to what has been reported today by the Italian press, Tiscali clarifies that the Business Plan of its Italian subsidiary, which is going to be presented to the market shortly, envisages an increase in profitability also through a plan of optimisation of cost and resources, consistently with sector-wide and national and international conditions.

Within this plan, which involves all areas of operations, the Company is implementing a voluntary incentivised redundancy plan for its Italian employees and is considering further rationalisation of the workforce for a total of 250 units.

The plan of Tiscali Italy, envisages a total direct and indirect cost reduction for approximately EUR 40 million.

The Company confirms that the negotiations for the disposal of the UK assets are still ongoing.

Information on Tiscali

Tiscali S.p.A. (Borsa Italiana, Milan: TIS) is one of the leading alternative telecommunications companies in Europe. With one of the broadest and most interconnected IP technology-based networks worldwide, Tiscali supplies a wide range of services to its customers, both private individuals and companies, namely: internet access through dial-up and ADSL, as well as voice, VoIP, media, and added-value services and other technologically advanced products.

At 30 September 2008, Tiscali had a total of around 3.1 million active users in Italy and the UK. Of these, ca 2.4 million were ADSL subscribers

The Tiscali website may be accessed at www.tiscali.com.

Investor Relations

Chiara Dorigotti / Lisa Nanu
+390230901 253/209
ir@tiscali.com

Press Office Image Building
Mara Baldessari, Simona Vecchies
+39 0289011300 Email: tlc@imagebuilding.it

Tiscali S.p.A.
Sa Illetta
09122 Cagliari
Italy

www.tiscali.com