

**Tiscali: Conversion of the EUR 60 million convertible bonds
underwritten by Management&Capitali**

Cagliari, 11th September 2008

The EUR 60 million convertible bonds underwritten by Management & Capitali (M&C) on December 27th last year will be fully and automatically converted, including the interest capitalised, in ca 42.3 million ordinary shares of Tiscali SpA, representing ca 6.9 % of Company capital after the new issue.

The terms and conditions of the bonds provided that the mandatory automatic conversion could be triggered in case the moving average (20 days) official stock exchange prices was, for 5 consecutive days, equal or lower to the value for the Tiscali shares calculated by dividing the nominal value of the bonds plus interest capitalised by the maximum number of shares authorised by the capital increase resolution with waiver of pre-emptive rights approved by the extraordinary shareholders' meeting of Tiscali on 27th December 2007.

"We are pleased that an important investment company like M&C enters the capital of Tiscali with a significant stake" said Mario Rosso, Chairman and CEO of Tiscali SpA. "In addition, the conversion further improves the capital structure of Tiscali, reducing its financial leverage. Considering the capital increase executed in February for about 150 million Euros, in fact, Tiscali has collected EUR 210 million of new capital in the current year".

Information on Tiscali

Tiscali S.p.A. (Borsa Italiana, Milan: TIS) is one of the leading alternative telecommunications operators 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, added-value services and other technologically advanced products.

As at 30th June 2008, Tiscali counted both in Italy and the UK a total of 3.2 million active users. Of these, over 2.4 million were ADSL subscribers.

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

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