

BS Private Equity acquires Tiscali International Network

Cagliari, Milano February 3rd 2009

Tiscali and BS Private Equity SpA and BS Investimenti SGR announce to have agreed the acquisition by the latter of the activities held by Tiscali International Network BV, subsidiary of Tiscali SpA, for a total Enterprise Value of ca EUR 47 million, including a potential EUR 7 million earn-out. Closing is conditional upon signing of the final agreement and approval of the relevant antitrust authorities.

TiNet offers to customers world-wide wholesale IP-MPLS connectivity through a global network covering 3 continents and with over 100 points of presence.

In 2008 TiNet had a turnover of over EUR 35 million – compared with a turnover of ca EUR 28 million with the same perimeter - and an EBITDA of ca EUR 10 million (corresponding to an EBITDA margin of 28%).

Following the acquisition, TiNet will continue to offer IP services to the Tiscali Group.

Tiscali

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Information on BS Private Equity

BS Private Equity is one of Italy's leading private equity firms, investing in manufacturing and service companies. It arranges management buy-outs and buy-ins, with the goal of assisting experienced executives who are eager to become entrepreneurs. It provides the capital that unlisted companies need to grow both internally and externally.

BS Private Equity, owned directly by its partners, manages, through BS Investimenti SGR, BS Investimenti IV, one of the largest country funds in Italy, with a total size of €550 million.

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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.

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