

Tinet: closing of the sale of Tinet to BS

Cagliari, 26 May 2009

Tiscali announces the completion of the sale of TiNet Group, leading IP Transit Service Provider, to BS Private Equity. The operation, already announced to the market, evaluates TiNet at an Enterprise Value of around Euro 47 Million, including a potential earn out of around Euro 7 million. The Equity Value, after subtracting the net debt, is around Euro 35 Million. TiNet, which will continue to provide IP Services to the Tiscali Group, in 2008 registered revenues for around Euro 35 Million and an EBITDA of around Euro 10 Million.

“This deal confirms the well-known value of Tiscali's industrial assets. Furthermore, it is functional to the rationalization of the Group's activities and an important part of the optimization process of our financial structure”, said Mario Rosso, Chairman and CEO of Tiscali S.p.A.

Information about Tiscali

Tiscali S.p.A. (Italian Stock Market. Milan: TIS) is one of the principal alternative telecommunications companies in Europe. With one of the broadest and most interconnected networks based on IP technology in the world Tiscali furnishes its clients, privates and companies, with a wide array of services: dial-up and ADSL Internet access, voice, VoIP, media, value added services and other technologically advanced products.

At 31 March 2009, Tiscali registered in Italy and in the UK a total of about 2.7 million active users. Of these, over 2.2 million subscribe to ADSL.

Tiscali's website can be found at www.tiscali.com.

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