

Tiscali: Capital increase subscribed by Société Generale

Cagliari, 29th December 2004

Tiscali has signed an agreement through which Société Générale has committed to subscribe by 31st December 2004 new shares corresponding to approximately 5% of Tiscali's share capital.

This capital raising will give execution to the capital increase resolution approved by Tiscali's shareholders last June.

The new Tiscali shares will be issued at EUR 2.7210, corresponding to approximately 95.94 per cent of yesterday's reference price on the Italian Nuovo Mercato ("*Prezzo di Riferimento*"), which is significantly above the minimum price in the June 2004 shareholders' resolution.

"We are very pleased of this agreement with Société Generale, which is evidence of their confidence in our Group's potential and another decisive step in the execution of the financing plan of the Tiscali Group", says Ruud Huisman, CEO of Tiscali.

PRESS RELEASE