

Tiscali: Disposal of Tiscali Sweden

PRESS RELEASE

Cagliari, 30th August 2004. Tiscali announces to have reached an agreement for the disposal of its Swedish subsidiary with Spray Network AB, a subsidiary of Lycos Europe. The consideration is SEK 120 million (ca EUR 13 million) in cash, which is obtainable upon approval of the Swedish Competition Authority within 5 weeks from the date of the agreement.

The disposal of Tiscali Sweden is another step in the strategic plan announced by Tiscali Group aimed at focusing managerial and financial resources in its key markets and follows the recent sales of Tiscali Austria, Tiscali South Africa, and Tiscali Norway.

As of 31st July 2004, Tiscali Sweden had approximately 22,000 broadband customers and 110,000 active dial-up customers.

About Tiscali

Tiscali S.p.A., (Nuovo Mercato, Milan: TIS, Nouveau Marché, Paris: 005773), is the European Internet Communication Company providing broadband and narrowband access for consumer and business applications as well as innovative communications services and contents. As of 30th June 2004, Tiscali had 7.9 million active users of whom 1.44 million were broadband customers, growing steadily.

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