

Tiscali: Disposal of Tiscali Switzerland

PRESS RELEASE

Cagliari, 13th September 2004. Tiscali announces to have entered into a binding agreement for the disposal of its Swiss subsidiary, Tiscali AG, to the Swiss ISP Smart Telecom SA.

Closing has been fixed no later than seven working days after signing. The consideration is CHF 8 million (ca EUR 5.3 million) in cash.

The disposal of Tiscali Switzerland 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, Tiscali Norway and Tiscali Sweden.

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.