

Tiscali repays EUR 209.5 million Equity-linked bonds

Cagliari, 26th September 2006,

Tiscali announces that it has reimbursed today the 4.25% Equity-Linked Bond issued by its subsidiary in Luxembourg, Tiscali Finance SA, for a nominal value of EUR 209.5 plus interests of ca EUR 8.9 million.

For the repayment of the Equity-Linked Bonds Tiscali has utilized, as already announced, the soft mandatory clause. As a consequence, bondholders have received a combination of newly issued shares and cash, deriving from the debt facility provided by Silver Point Capital.

For the repayment of the bonds 27.7 million shares were issued at the issue price of EUR 2.26 per share for a total of EUR 62.5 million. The amount reimbursed in cash was therefore EUR 147.0 million.

The Tiscali Group has completed today the reimbursement process of all the bonds issued since 2000, for a total amount of EUR 600 million.

During the second week of October, the Tiscali Group plans to present to the market its new business plan.

This press release contains certain forward-looking statements based on current expectations and projections in relation to future events. These forward-looking statements may be affected by known or unknown risks, uncertain events and cautious assumptions. This press release also contains unaudited pro forma data.

Tiscali does not undertake to publish updates or modify any forward-looking statements, either to provide new information or in response to future events or other circumstances. In light of the aforementioned risks, uncertainties and assumptions, the forward-looking statements contained in this press release may not come to fruition. Any statement relating to past performance or activities should not be considered a guarantee of future performance or of such activities continuing in the future.

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