

**Tiscali's Board of Directors calls an extraordinary meeting
to delegate capital increase with pre-emption rights for up to EUR 200 million**

Cagliari, 28th July 2007

Tiscali's Board of Directors has today resolved to propose to the extraordinary Shareholders' meeting the granting to the Board of Directors, in compliance with article 2443 of the Italian civil code, the powers to increase the Company's share capital through the issuance of ordinary shares or a bond convertible in ordinary shares of the Company, to be offered with pre-emption rights for up to an amount, including share premium, of EUR 200 million.

The proposal to the Shareholders' meeting provides for the capital increase to be performed in one or more tranche within 31 December 2008. The Shareholders' meeting will be called on 29 August, 30 August and 31 August 2007, respectively on first, second and third call.

Proceeds from the capital increase will be used to partially reimburse the debt undersigned to buyout the broadband and voice division of Pipex Communications plc, announced to the market on 13th July, as well as for the achievement of further targets of growth and expansion of the Group, in line with the announced growth strategy aimed at achieving the targets of the 2007-2010 business plan, approved by Tiscali last October 2006 with the goal of creating value.

About Tiscali

Tiscali S.p.A. (Borsa Italiana, Milan: TIS) is one of the main independent European telecommunication companies. With one of the largest and most interconnected IP networks in the world, Tiscali is able to supply its customers, residential and business, with a full range of services: Internet access, both dial-up and ADSL, voice, VoIP, media, value added services (VAS), and other technologically advanced products.

As of 31st March 2007, Tiscali had 3.4 million active users in Italy and the UK. More than 1.9 million were ADSL customers, of which 700,000 received unbundled services.

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

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