

Mario Rosso appointed new CEO of Tiscali SpA

The Board of Directors approves the preliminary results for FY2007 confirming the business plan targets

Cagliari, 28th February 2008

The Board of Director has examined the preliminary results for FY2007 detailed below.

Also following the successful completion of the capital increase transaction, the Board has then determined that the phase of strategic repositioning and financial strengthening of the last two years is completed.

Tommaso Pompei, in agreement with the Company, has therefore renounced his powers, intending to remain as Director until the ordinary expiration of the term of the entire Board, and as such, until the approval of the 2007 financial statements. The Directors Gabriele Racugno and Rocco Sabelli have resigned with immediate effect.

The Company warmly thanks Tommaso Pompei for his activity in the past two years, which has allowed the Company to achieve important targets in key markets.

The Board of Directors of Tiscali has confirmed the intention of the Company to pursue the objectives of the Strategic Plan and in the same time evaluate every strategic alternative to generate further value for shareholders, in relation with the ongoing consolidation process in the telecommunication arena in Europe.

The Board of Directors has therefore asked Mario Rosso to oversee and coordinate this new strategic phase for the Company, by appointing him as CEO of Tiscali.

Mario Rosso, with a long standing managerial experience in large industrial corporations, has a deep knowledge of the Tiscali Group and of its potential, by holding managerial and planning roles in the Group through its development phase and, ultimately, by becoming a Director.

PRESS RELEASE

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Tiscali's Board of Directors approves preliminary results for the year ending December 31, 2007. Group's revenues grew by 34%, EBITDA by 60%. Net debt reduction after rights issue.

Tiscali Group's consolidated revenues for the year ending December 31, 2007 stood at EUR 910 million, up 34% YoY. Organic growth, net of the acquisition of the broadband and voice divisions of Pipex, consolidated from September 2007, stood at approximately 18% YoY.

The Gross Operating Result (EBITDA) of the Group is EUR 160 million, in line with the objectives of the business plan and up 60% compared to 2006. In 2007, net of Pipex, the Gross Operating Result (EBITDA) grew organically by 40%.

As expected, DSL users in Italy grew by approximately 30,000 in the last quarter of 2007, to over 547,000, of which over 160,000 are double play customers, thanks to the success of the latest marketing campaigns. In the UK ADSL "retail" users stood at approximately 1.73 million, of which 787,000 double play, up 10,000 compared to the same data as of September 30, 2007 and in line with the business plan targets. To date, following a new marketing campaign, Tiscali UK has recorded 90,000 new customer registrations, 70% of which subscribing to dual play services.

Revenues of Tiscali Italia SpA stood, in line with the business plan, at EUR 277 million, up 24% compared to 2006 and UK revenues stood at EUR 608 million up 36% compared to 2006 (11% organic growth YoY).

Consolidated revenues reflect the EUR/Sterling exchange rate depreciation throughout the last months of 2007, which explains the gap between revenues and the business plan's targets.

The net financial position as of December 31, 2007 stood at approximately EUR 640 million, EUR 38 million lower than the business plan targets. Following the reimbursement of the bridge loan to finance the acquisition of Pipex with the proceeds from the recently completed capital increase, the net debt position would be approximately EUR 490 million, resulting from EUR 160 million of cash equivalents and approximately EUR 650 million of financial debt, of which over EUR 600 million of medium-long term financing.

Mario Rosso joined the Fiat Group in 1973, as responsible for organisational development in different sectors and business areas. In 1983 he was appointed head of human resources in IVI-PGG (FIAT Group and then PGG Group). Thereafter, he became head of personnel, organisation and information systems for La Rinascente Group, following which he became head of external affairs. Between 1991 and 1998 he was executive Vice President of Fiat New Holland. Between 1999 and 2002 he is human resources Vice President for Telecom Italia. In 2002, he joined Tiscali as executive Vice President for European activities and COO of Tiscali Italia. He then joined ANSA, the main press agency in Italy, to become its CEO until December 2007.

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.

About Tiscali

Tiscali S.p.A. (Borsa Italiana, Milan: TIS) is one of the main alternative 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, IPTV, media, value added services (VAS), and other technologically advanced products.

As of 31st December 2007, Tiscali had ca 3.5 million active users in Italy and the UK. 2.4 million of which these were ADSL customers.

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