

PRESS RELEASE

TELECOM ITALIA AND TISCALI FINALIZE THE PRICE OF LIBERTY SURF GROUP SHARES

Milan, June 27th, 2005 – Telecom Italia S.p.A. and Tiscali S.p.A. communicate that they determined the final total price for the 89,322,244 shares, representing 94.89% of the share capital of Liberty Surf Group S.A., sold by Tiscali S.p.A. to Telecom Italia S.p.A. on May 31st, 2005 to be equal to 248.2 million euro, i.e., 2.78 euro per Liberty Surf Group share. This amount is based on a Net Cash Position of 9.6 million euro of Liberty Surf Group on a consolidated basis as of May 31st, 2005.

As a result of this final determination, and as already communicated to the market at the signing of the agreement on April 5th, 2005 and at the closing of the acquisition on May 31st, 2005, Telecom Italia S.p.A. will launch a public tender offer on the Liberty Surf Group shares that it does not hold, at the same price offered to Tiscali S.p.A., pursuant to the French Stock Exchange regulations.

Telecom Italia

Media Relations

Corporate and Wireline press office

+39.06.3688.2610

www.telecomitalia.it/stampa

Telecom Italia

Investor Relations

+ 39.02.8595.4131

www.telecomitalia.it/investor_relations

Tiscali

Investor Relations

Tel. +39 02 30901463

Email: ir@tiscali.com

Tiscali

Press Office

Image Building

Tel. +39 02 89011300

Email: info@imagebuilding.it