

Cagliari, 29 April 2008

**Tiscali S.p.A. ordinary shareholders' meeting
approves 2007 financial statements and appoints new Board of Directors.**

Mario Rosso appointed Chairman and CEO

■ **Approval of 2007 financial statements**

Tiscali S.p.A shareholders' meeting held today in Cagliari approved the financial statements for the year ended as at 31 December 2007, confirming the results outlined in the draft financial statement approved by the Board of Directors on 19 March.

2007 proved to be one of the most significant years in the Tiscali Group's history. Following the completion of the sale of Tiscali Group activities in Holland, Germany and the Czech Republic, the increasingly geographically-focused strategy resulted in acceleration in investment and growth in Italy and the United Kingdom, where the Group completed the acquisition of the Pipex Communications Plc. broadband and voice divisions. Thanks to this strategy, the Group recorded significant growth in terms of ADSL users, revenues and results during the financial year.

Tiscali Group's performance in 2007 can be summarised as follows:

- **Revenue growth: EUR 910.9 million, +34% on an annual basis**
- **2.4 million ADSL users, +520,000 units in 2007. Over 970,000 direct access (LLU) users;**
- **EUR 161.4 million (18% of revenues) growth in EBITDA during financial year, +61% on an annual basis.**
- **Annual losses halved vs FY2006**

Revenues by country: growth in revenues in both the United Kingdom (+ 37%), with a 28%+ growth in new ADSL subscribers during the financial year, and Italy, where revenues grew by 28% compared with the previous financial year and ADSL service subscribers also grew by 28%.

Revenues by business segment: Access revenues accounted for 60% of the Group's overall revenues in 2007 and were once again key to the Group's overall growth.

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These revenues amounted to EUR 549.9 million in 2007, showing a growth of 16% compared to the previous year (EUR 473.5 million).

The ADSL segment dominates this business segment, accounting for around 85% of access revenues. ADSL revenues amounted to EUR 471.9 million, significantly higher (+32%) compared with results recorded in 2006 (EUR 357.9 million). The increase in retail ARPU (inclusive of narrowband services) was significant, rising from EUR 17 in 2006 to Euro 26 in 2007, up by around 53% thanks to the success of the dual play offers.

And it was thanks to its dual play customers that the **Voice** segment doubled its revenues to EUR 232.8 million in 2007 (+107%); the **Business Services** sector recorded a EUR 64.3 million growth in revenues (45%); **Media and VAS** revenues amounted to EUR 50.2 million, a growth of 20%.

The **Gross Operating Result** in 2007 was EUR 161.4 million, a 61% improvement on the EUR 100.4 million recorded in 2006.

The **Operating Result (EBIT)** for the period was negative at EUR 80.5 million. When adjusted on the basis of extraordinary restructuring costs, this figure amounts to EUR 40.3 million, an improvement with respect to the negative ca EUR 46 million recorded in the previous financial year.

Annual losses halved At 31 December 2007 the Group's overall result for the period was negative at EUR 65.3 million, a major improvement with respect to the loss of EUR 130.6 million in 2006.

■ **Appointment of the Board of Directors: Rosso appointed Chairman and CEO**

Tiscali ordinary shareholders' meeting also appointed members to the new Board of Directors.

The new Board has five directors: Chairman and CEO Mario Rosso, Massimo Cristofori, Francesco Bizzarri and Arnaldo Borghesi, who all retained their positions, and new independent director Umberto De Julio.

Tiscali S.p.A. would like to offer its most sincere thanks to Vittorio Serafino for the valuable contribution he has made to the Group over the years as it has developed and consolidated its business activities.

■ Auditors

Finally, the shareholders' meeting appointed Ernst & Young S.p.A as auditor for the years 2008-2016

Curriculum Vitae Umberto De Julio

Born in San Severo (Foggia) on 28 December 1945, he graduated in Electronic Engineering at the University of Rome.

A Partner in Pino Partecipazioni – a company operative in the area of innovation and venture capital – since June 2000, he has vast experience in the telecommunications sector having held the posts of Head of Strategies at Telecom Italia SpA from July 1999 to April 2000, and CEO of Telecom Italia Mobile from 98 to 99.

He was previously Chief Executive of TIM, Chief Executive of Telecom Italia and Joint Assistant Manager at STET.

He began his career carrying out research activity at the Fondazione Ugo Bordoni before moving on to SIP, where he headed numerous projects for the development of new technologies and services and, from 1986 to 1994, held the post of Network Manager.

A member of numerous international organisations for the definition of standards, he has been a Director of many large-scale companies, such as Telecom Italia, TIM, CSELT, Finsiel, SSGRR, Finteci, Italtel, Telespazio, Saritel, and Telit, as well as Vice President of the Italian Electrotechnical and Electronic Association (AEI) and President of the Quadrato della Radio.

He is currently Vice President of ANFOV, and a Director on the Board of Sielte and companies controlled by Kiwi funds.

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