

Tiscali SpA: rationalisation of group structure via separation of Italian businesses from holding company activities

Cagliari, 3 January 2005

Tiscali SpA announces the transfer of all businesses operating in Italy to Tiscali Italia Srl, with effect from 1 January 2005. These activities comprise the consumer, business, media and technology activities and Italian network infrastructure, together with the related human resources and licenses and authorisations to provide telecoms and internet services in Italy.

Sergio Cellini, who previously headed up the Italian activities, has been appointed Managing Director of Tiscali Italia Srl.

Also on 1 January, all head office functions and services carried out on behalf of the group were transferred to Tiscali Service Srl, which will manage the information technology and media development activities relating to new products for the entire Tiscali group.

Both companies are wholly owned and directly controlled by Tiscali SpA.

These transactions are aimed at rationalising the Tiscali group's structure and businesses and optimising performance. In addition, the formal separation of corporate functions from the Italian operating activities will provide a clearer representation of the business and financial situation of the different functions.

PRESS RELEASE