

**Cagliari, 16<sup>th</sup> January 2004.** Today's rumours regarding the alleged financial difficulties of Tiscali and suspiciously spread at the end of official trading hours are false and totally unfounded. The goal was obviously to speculate illegally on the share price: therefore Tiscali on Monday will report these facts to the Italian authorities and press charges for share manipulation by unidentified market operators.

In relation to other false news Tiscali states that:

- Deloitte SpA has not raised any issues while auditing the 2003 accounts
- There are no problems for the repayment of the outstanding bonds. The Italian newspaper Plus – Il Sole 24 Ore has published a wrong table on January 10<sup>th</sup> indicating a Tiscali bond due July 2004 with a nominal value of 150 million Euro (source Analysis). However, following a public tender offer approved by the Italian market authority Consob, 70 million Euro have been transparently repurchased: therefore the correct amount of bonds outstanding due 2004 is 80 million Euro. The other bonds outstanding are 250 million Euro due July 2005 and 209.5 million Euro due September 2006, which is a convertible instrument with a strong equity component.
- Tiscali does not have significant borrowing relationships with San Paolo IMI, which further confirms that the news spread today were false and aimed at illegal market speculation.