

FASTWEB - the Public Prosecutor's Office has withdrawn the request to appoint a Judicial Commissioner

Stefano Parisi suspends himself as FASTWEB's Chief Executive Officer until his position is clarified, taking a position within Swisscom Group

FASTWEB's Chief Executive Officer position is taken temporarily by Carsten Schlöter

The Company submits a guarantee of 11 million euro for the profit related to the transactions under investigation

Approved the spin off of Wholesale activities

Approved the 2009 Revised Draft Financial Statements

Milan, 2nd April 2010 - FASTWEB (Milan, MTAX: FWB) informs, also upon request of Consob, that Stefano Parisi has communicated to the Board of Directors his decision of suspending himself from the office of Chief Executive Officer, until his position in relation to the inquiry involving the Company is clarified. FASTWEB hopes that the suspension may be resolved shortly and reaffirms once again its belief that Stefano Parisi is not involved at any level in the alleged offences that are currently under investigation.

FASTWEB Board of Directors and Swisscom reaffirm their complete respect, trust and recognition for Stefano Parisi's work. Carsten Schlöter, FASTWEB's Chairman and Swisscom's Chief Executive Officer, takes temporarily the position as FASTWEB's Chief Executive Officer and informs that Swisscom Group will appoint Stefano Parisi to a position appropriate to his professional standing within the Group.

In relation to the profit generated from the transactions under investigation, FASTWEB informs to have submitted a financial guarantee for an amount of 11 million euro, in case its administrative liability is ascertained by the Judgement closing the proceedings and, as a consequence, it is held responsible for any illegal profits thereby achieved.

Furthermore, FASTWEB informs to have submitted a guarantee ensuring the reassignment of the VAT credits under investigation in order to enable their seizure by the Judicial Authority.

FASTWEB's Board of Directors has also decided to transfer the business and assets of its Wholesale operations to its fully owned subsidiary FASTWEB Wholesale S.r.l., of which FASTWEB's current Chief Financial Officer, Peter Burmeister, will be appointed as the sole Director.

Based on the above decisions, that are compliant to the requirements of the Leg. Decree 231/2001 and upon request of the defence, the Public Prosecutor's Office has withdrawn the request to appoint a Judicial Commissioner.



Since January 2007, FASTWEB ceased the activities under investigation; it has also stopped any other activities that might even remotely pose risks of frauds similar to those committed, also to the detriment of FASTWEB itself, in the years 2002 - 2006; it is providing all possible cooperation to the Public Prosecutor's Office and to the Tax Police; it operates an internal control system fully in line with the one requested under Leg. Decree 231/2001.

FASTWEB is a listed company, providing technologically sophisticated services, that has developed day by day in the Italian market thanks to the work of thousand people and to their professional commitment. It is a company that invested in Italy more than four billion euro over the last ten years, and that still today is considered to be an example of technological innovation, providing services of outstanding quality and reliability to almost two million clients, including some of the most prominent Italian companies and public administrations.

For these reasons FASTWEB must ensure, by all possible means, its operational continuity, integrity and reputation, which is a precious asset for the country, for its shareholders and its employees.

2009 Draft Financial Statements

In the light of the recent events, FASTWEB's Board of Directors announced on 8th March 2010 that it would carry out an in-depth review of the situation, in order to evaluate the matter and to accurately present it to the Shareholders in the 2009 Draft Financial Statements.

Following this evaluation, the Board of Directors today approved the revised version of the 2009 draft Financial Statements that will be presented for Shareholders' approval in the AGM called on 22nd April (second call on 23rd April).

In relation to the allegations related to FASTWEB, that have been exhaustively disclosed in the Director's Report, with the due respect to the prosecuting magistrates, the Company has decided to post a risk provision, also on the basis of the opinion of a reputable independent advisor, however without prejudice of any defensive considerations that can be contributed in a potential future fiscal litigation.

The proceedings and the investigations involve complex legal issues, the final outcome is difficult to predict and is subject to many uncertainties. Nevertheless, FASTWEB has recognised a provision in the amount of 70 million euro based on the requirements of IAS 37. Such amount has been determined on the basis of a valuation that takes into account the risks and uncertainties related to the events under investigation including legal costs and that represents the best risk estimate which can be performed on the basis of the information currently available.

The evolution of the proceedings might result, on the one hand, in a revised evaluation of the financial outcome of the risks already covered by the provision and, on the other, in the crystallisation of risks currently considered possible.



In the light of such provision, 2009 **consolidated EBITDA** was equal to 481 million euro, **consolidated EBIT** was positive for 68 million euro and **consolidated net result** was equal to a loss of 34 million euro (in the previous version of 2009 draft Financial Statements, EBITDA was equal to 551 million euro, EBIT was positive for 138 million euro and net result was equal to a profit of 36).

2009 **FASTWEB S.p.A. net result** was equal to a loss of 40 million euro (profit of 30 million euro in the previous version of 2009 draft Financial Statements).

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