Agreement between e.Biscom and Telecom on the sale of HanseNet
e.Biscom receives over Euro 250 million
and concentrates on the expansion of FastWeb in Italy

Milan, July 29th 2003 -- e.Biscom S.p.A. (EBI) signed an agreement with Telecom Italia S.p.A. (TI) today on the sale of HanseNet Telekommunikation GmbH, the broadband telecommunicatons provider active in the Hamburg area.

Telecom Italia will pay e.Biscom over Euro 250 million in cash for the purchase of 100% of HanseNet and for the shareholder loans made until the final closure of the agreement.

The sale of HanseNet brings fresh resources to e.Biscom and reinforces its competitive position in Italy where, with FastWeb, it has established evident technological leadership and has achieved high growth rates and returns on investment.

The final closing of the agreement is subject to the approval of the German Antitrust Authority and the closing will occur immediately after the approval (no later than March 31st 2004).

HanseNet
e.Biscom bought HanseNet from Hamburgische Elecricitaets-Werke A.G. (HEW) in October 2000. The core business of the German carrier, which before its acquisition had been mainly focused on traditional narrowband telephony and on wholesale reselling of telephone traffic, is now focused on the direct connection market and on the offering of broadband connectivity to both residential and business clients. HanseNet has now largely completed the development of its infrastructure in the Hamburg area and its fibre optic network spans 1100 Km. During the first half of 2003 HanseNet's revenues amounted to Euro 47.5 million with positive EBITDA of Euro 6.9 million. HanseNet's customers on June 30th 2003 amounted to 81,500. (These figures are preliminary and subject to change with respect to the final consolidated half year 2003 results of the e.Biscom Group which will be announced on August 29th).

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