Tiscali e Fastweb announce the finalization of the industrial agreement signed on December 5th

Fastweb acquires Tiscali Business branch and will be able to use 3,5 Ghz spectrum in Italy's major cities. Tiscali will have access to Fastweb fiber to connect its wireless LTE network and its wireline customers

Milan, February 10 2017 – Final green light to the two contracts signed by Fastweb and Tiscali at the end of 2016 which support the two companies' industrial plans, ensuring to each of them access to key resources of the other.

The first contract, which becomes operational today, is the agreement by Fastweb to purchase Tiscali Business branch, which includes customers of the Top client segment as well as the framework contract for the connectivity services to the Public Administration (SPC). The transfer of the SPC framework agreement to Fastweb was green-lighted by CONSIP, making it possible to finalize the deal. Thus Fastweb will be able, as of today, to sign new contracts with local and national Public Administrations based on the existing SPC framework agreement, as well as keep providing connectivity services to Public Administrations that were already Fastweb's customers.

The branch includes 45 FTE and a turnover of around 10mln€/year.

The overall value of this deal is 45m€, of which 25 m€ in cash e 20 m€ in services, allowing Tiscali to access Fastweb fiber to connect its wireless LTE Ultra Broadband network and its wireline Consumer, SoHo e SME customers.

Today 12,5 mln € - of which 5€mln cash e 7,5€mln in services – have been paid. The payment of the remaining amount is subject to the outcome of an administrative court case at the Consiglio di Stato.

The second agreement – which allows Fastweb to lease TISCALI's 3.5 GHz spectrum to deploy an innovative convergent network in the major Italian cities for an yearly leasing fee of 2,5 mln € for the first five years – was greenlighted by competent authorities and is therefore fully operational.

With this operation Tiscali reinforces its financial asset and strengthens its capability to carry out its industrial plan which foresees the roll-out of a proprietary ultra-broadband LTE network and the migration of wireline broadband customers on fiber access network, with a specific focus on consumer, SoHo and SME customers in extended digital divide areas.

The two contracts allow Fastweb to further reinforce its positioning as high-quality connectivity provider to Large Customers in the Enterprise segment and Public Administration, as well as – thanks to the availability of 3.5 GHz spectrum, to play a key role in the development of innovative solutions and services in the fixed-mobile convergent environment.

Tiscali will make available to the public, in accordance with the law and regulations, the infomation document in accordance with the disclosure provisions pursuant to art. 71 of Consob Regulation n. 11971/1999.

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