

Press release

Swisscom and Fastweb join forces to provide Italian hoteliers with next generation network and guest services

Fastweb and Swisscom's Hospitality Services Italy have agreed to perform substantial network upgrades at all 240 Swisscom partner locations in Italy. By February 2008, all of Swisscom's Italian partner venues will be set up with a completely scalable, future-proof IP platform to operate Swisscom's full suite of converged guest services, including Internet access, guest room entertainment and hotelier voice services.

Fastweb operates the world's first IP network based on fiber optic and xDSL broadband technology, spanning 10 million potential residential customers as well as thousands of enterprises in Italy. Meanwhile, Swisscom serves the international hospitality industry – in Italy as well as in 14 more European countries and in the United States – with customized hotel IP solutions, guest and meeting services through its 100% subsidiary Hospitality Services Plus. The joint network upgrade program leverages the synergies between the two companies on the Italian market, combining cutting-edge technology with innovation and customization for the hospitality industry.

The 240 Italian partner locations include brand franchisee properties as well as a large number of independent hotels, many of which attract major conference business from corporate customers. Fastweb's state-of-the-art IP technology will enhance speed and comfort at the guest room, but also facilitate the fast and effective deployment of more "bandwidth-hungry" conference services, in response to corporate customers' increasing demand for more interactive applications as well as integrated bandwidth solutions. Following the network upgrades, Swisscom partner locations will benefit from a dedicated bandwidth of at least 10 Mbps in fiber-optic cabled areas and up to 8 Mbps in areas covered by DSL technology.

"This is a major investment in the infrastructure of our Italian partner locations. It reflects our global IP convergence strategy which brings managed network services and Multi-Play offerings to the hospitality market", comments Leo Brand, CEO of Swisscom's Hospitality Services Plus SA. "The agreement with Fastweb forms a first step in this strategy. Through targeted network upgrades, we will allow our partner venues worldwide to operate a wide array of IP-based applications, from high-speed Internet access to High-Definition IP-TV guest room entertainment and voice centric services, through one converged network. IP technology will enable full platform integration while further improving service delivery to the guest."

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The agreement paves the way for a more coordinated approach to the Italian hospitality and tourism markets between Swisscom's Hospitality Services and Fastweb. Specific service offerings for business and leisure guests enhance Fastweb's capability to service this industry more comprehensively. In return, Fastweb imparts a massive competitive advantage to Swisscom's Hospitality Services, making it the sole provider in its domain servicing its customers truly end-to-end, from the network server to the guest.

"Fastweb is proud to supply its full-IP platform to operate Swisscom's Hotelier Services in Italy" says Roberto Contin, Director of Fastweb's Large Account Division. "The integrated management of the full suite of converged guest services will allow a further upgrade in the quality of the services provided to the end-user. Thanks to this partnership Fastweb is the first company in Italy to provide such innovative services to the hotel market."

Berne, 6 November 2007

About Fastweb

Fastweb (www.fastweb.it) is Italy's second largest fixed telecommunications provider and the first player worldwide to develop an all IP network for Triple Play service delivery, currently operating in more than 130 Italian cities via a network of more than 25,000 km. Fastweb uses a unique technological model combining extensive use of the Internet Protocol (IP) for voice, data and video transmission with optical fiber and xDSL technology. Totalling more than 1.2 million clients, Fastweb provides families with a wide range of integrated services (voice, data and video) on a single support. Fastweb has been listed on the Milan Stock Market since March 2000 and since 2003 on the the S&P Mib Index. Following a friendly bid completed last May, Fastweb is now controlled by Swisscom.

About Swisscom's Hospitality Services

Swisscom operates a broadband Internet access network in its partner hotels across Europe and North America under its hospitality-focused subsidiary Hospitality Services Plus SA, spanning more than 2,300 active properties and encompassing 200,000 hotel rooms. Additionally, the company supports close to 10'000 events annually on a global basis. This makes Swisscom a leading provider of broadband Internet-based services to the hospitality industry: Swisscom services are available in well-known hotel chains such as Hyatt, Hilton, Holiday Inn, Intercontinental, Marriott, and NH. www.swisscom.com/hospitality