FASTWEB AND SKY AGREEMENT

All the programming of the satellite platform on the IPTV of the telecoms operator

Milano, 9 October 2006 - FASTWEB and SKY Italia have today announced a major joint partnership agreement designed to significantly expand their respective customer propositions.

Under the new deal, both companies will be able to offer their existing customer base a range of new services and benefits: FASTWEB will be able to offer its customers the entire SKY portfolio of award winning television channels through broadband, SKY will in turn be able to offer its current and new subscribers both telephony and high speed internet access via FASTWEB.

Both companies expect to fully integrate and launch their new enhanced offerings in the first quarter of 2007, with the SKY channels being available on FASTWEB's IPTV network. Within the same timeframe, SKY will be able to offer its new and existing subscribers FASTWEB's internet and telephony packages.

Today's announcement represents an extension to the current collaboration already enjoyed between SKY and FASTWEB, both market leaders in their respective sectors.

FASTWEB currently distributes SKY's Premium packages on its IPTV platform including Football, Sports and Cinema – through a contract regulated by AGCOM, Italy's NRA. Now, with this new commercial agreement between FASTWEB and SKY, SKY's entire television offering including all Premium packages plus Sky Mondo will be available on FASTWEB's IPTV platform.

The CEO of FASTWEB, **Stefano Parisi**, today said: "Following this agreement with SKY Italia - a leading worldwide media company, FASTWEB can strengthen its strategy to provide, through its technologically advanced network, the best television and entertainment available in Italy. The commercial agreement with SKY is of particular strategic importance because it allows us to take advantage of the new opportunities offered through the convergence of content broadcasting methods."

Sky Italia's CEO **Tom Mockridge**, today said: "This is a significant deal for SKY Italia and we are delighted to be extending our current partnership with FASTWEB, the leading IPTV operator in Italy. SKY is committed to making its broad range of entertainment channels available to as wide an audience as possible in Italy, and to capitalise on the new technologies now open to us. FASTWEB have established one of the most advanced networks of its kind in the world and through this agreement, all SKY channels will now be easily accessible to the FASTWEB customer base. The deal also enables us to now offer the full range of SKY entertainment to new customers living in apartment blocks and condominiums who had previously not been able to receive SKY".

NOTE: With reference to the commercial agreement between SKY and FASTWEB that was announced today, FASTWEB (Milan, MTAX:FWB) specifies that it is not possible to quantify the financial impacts of the agreement.

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FASTWEB *– FASTWEB (Milano MTAX: FWB), founded in 1999, has been listed on the stock market in Milan since March 2000 and is today Italy's second largest telecommunications operator of a fixed network. With a next generation IP network that exceeds 22,000 km, FASTWEB is available in over 130 metropolitan areas, reaching 45% of the Italian population. As of June 30 2006, FASTWEB had 874,300 clients.*

SKY Italia - *SKY Italia, 100 % controlled by News Corporation Limited, was created in 2003 and since then has rapidly grown to have over 3,800,000 satellite subscribers. The platform currently broadcasts over 160 TV, audio, interactive and pay per view channels ranging from sports to cinema, news, entertainment, documentaries, children, music. The SKY channels are also broadcast, in a reduced capacity, on IPTV and mobile telephony.*