

## FASTWEB launches national ultra-broadband network expansion

*Planned investments of 400 million euros to extend Next Generation Network to 20% of Italian households and business sites. By 2014, 5.5 million families and enterprises will be reached by technology that delivers up to 100 megabit/s. Together with this project, FASTWEB's total investments in innovation and infrastructure over the next four years will total approximately 2 billion euros*

Milan, 13<sup>th</sup> September 2012 - FASTWEB - Italy's leading alternative infrastructure operator with an optical fiber network of more than 33,000 km, and the only operator in Italy offering an access network reaching a speed of 100 megabit/sec - will expand its NGAN network (next generation access network) to reach **20% of Italian families and businesses with ultra-broadband by the end of 2014**. About **5.5 million households and business sites** will be connected to FASTWEB's ultra-broadband network, thanks to a mix of FTTH (Fiber to the Home) and FTTS (Fiber to the Street Cabinet, or FTTcab) technologies providing access speeds of up to 100 megabit/sec today and up to 400 megabit/sec in the future.

To deploy the new FTTS connections, FASTWEB will invest 400 million euros, in addition to the already-planned investment in innovation and infrastructure of about 1.6 billion euros over the next four years. This will strengthen FASTWEB's quality leadership and extend the market's fastest internet to more customers.

Swisscom's Board of Directors today approved funding of 130 million euros for the first stage of the network expansion.

FASTWEB's network is based on optical fiber: since its beginning, the operator has invested 6 billion euros to build its proprietary infrastructure, which now reaches about 2 million households and small and medium enterprises with a speed of 100 Mbit/s. Thanks to its infrastructural assets and to the innovative approach that has always marked the company's history, FASTWEB can now launch a national extension of its NGAN network.

By laying an additional 5,000 kilometers of fiber from the switches to the street cabinets and the installation of new equipment, an additional 3.5 million households and businesses will be reached via VDSL2 technology, which utilizes sub-loop unbundling in the segment between the household and the street cabinet. This so-called Fiber to the Street (FTTS) architecture is already being successfully used in Switzerland by the Swisscom Group, FASTWEB's parent company. Compared with the FTTH architecture, FTTS enables faster deployment and greater network granularity coverage for the same investment as well as fewer disruptions for citizens.

More in detail, the development of FASTWEB's network involves the installation of optical fiber from Telecom Italia's switches to existing street cabinets. New excavation works will be minimal as fiber is deployed using existing infrastructure, thus limiting disruptions in the towns and cities affected by the works. FASTWEB cabinets will be built

along side Telecom Italia cabinets. In order to reduce the impact of the cabinets to the greatest degree possible, most of the cabinets will be placed underground. FASTWEB will install VDSL2 control units in its cabinets and customers will be provided with a modem. No excavations nor cabling will be required in the buildings.

The initial phase of FASTWEB's national plan to be completed by 2014 foresees the coverage of the cities of **Rome, Turin, Genoa, Venice, Florence, Palermo, Trieste, Bari, Bologna, Verona, Ancona, Brescia, Monza, Livorno, Reggio Emilia, Padova, Como, Bergamo** and **Pisa**, while Milan will continue to be served with FTTH. By the end of 2012, 40,000 Italian households will already be able to take advantage of FASTWEB's new ultra-broadband services.

Carsten Schlöter, CEO of Swisscom and Chairman of Fastweb, commented: "Fiber to the Street technology allows us to deliver speeds to the customer's home that used to be possible only with fiber - stated. Swisscom has proved the potential of FTTS technology, reaching the speed of 400 Mbit/s during a trial in the Swiss village of Riggisberg last June. We are pleased that FASTWEB, which Swisscom acquired largely for its innovative infrastructure, is today renewing the expansion of its ultra-broadband network thanks to such a promising technology. Through this significant investment in the development of the Italian next generation network, Swisscom reconfirms its commitment as an investor in the Italian telecommunications market".

This development plan permits FASTWEB to offer its Italian clients faster connections and improved service quality that enable innovative services and provide the whole country with cutting edge infrastructure that can play a key role in the economic development and competitiveness of Italy as well as in reaching the objectives of the European Digital Agenda.

### The Fiber To The Street Network of Fastweb

