Another record-breaking quarter: achieved all 2006 targets

FASTWEB: positive free cash flow in the fourth quarter
Revenues at approximately 1,260 million Euro (+30% YoY)
EBITDA over 424 million Euro (+39% YoY)

105.000 net additions in the October-December period

Milan, 15th January 2007 – FASTWEB (Milan, MTAX: FWB), Italy's second wireline telecommunications operator, announced preliminary consolidated results for the fourth quarter 2006, which confirm the achievement of the targets set by the management for the full year.

As expected, **free cash flow** breakeven targeted by year end has been achieved. FASTWEB generated positive free cash flow on a quarterly basis for the first time since inception. It is a key achievement for the company, even more so in the light of FASTWEB's growth rate which is among the highest in the industry. Strong **capex** efficiency contributed to this result: overall investments were below 530 million Euro in 2006, a part of which were spent for the completion of the geographical coverage carried out at the beginning of the year.

Customer base exceeded 1 million at year end. The reported figure was of 1,062,400 customers, thanks to 105,000 **net additions** in the fourth quarter, marking a 50% increase compared to the 70,300 net additions in the equivalent period 2005. Net additions were again at record level in the fourth quarter, despite the low seasonality of December. Following very strong performances in terms of customer acquisition in prior periods, this result confirms the further strengthening of FASTWEB's commercial success. It was achieved entirely by the company's own sales network, as the commercial agreement with Vodafone has not yet produced a visible contribution.

Full year consolidated **revenues** amounted to approximately 1,260 million Euro, marking a 30% year on year increase that is in line with the growth target set for 2006. Revenues amounted to approximately 362 million Euro in the fourth quarter, an increase of approximately 26% compared to 287.5 million Euro in the equivalent period 2005. Sequential growth was equal to +13%.

FASTWEB reported also a strong increase in margins, that were in line with target. Full year **EBITDA** was over 424 million Euro, marking a growth higher than 39% compared to 2005, resulting in a significant margin improvement: 34% on a full year basis versus 32% last year. Fourth quarter EBITDA amounted to over 127 million Euro, corresponding to 35% of consolidated revenues.

The figures released today are preliminary and subject to review on approval of the 2006 full year consolidated results by the Board Meeting due to be held on 19th February 2007.

For further information

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