FASTWEB: revenues at 1,405.2 million euro in the first nine months (+2.9% YoY)
EBITDA at 410.5 million euro (+1.5% YoY)
Net profit at 10.7 million euro

67,800 new broadband customers in the first nine months and 1,711,800 customers as of 30 September 2010
120,000 new active SIM cards, bringing the total to 330,000 at the end of the period

- 67,800 new broadband subscribers in the first nine months 2010 bring the customer base to 1,711,800, +4% from 1,644,000 at the end of 2009

- 57% increase in mobile customers: the number of active SIM cards as of 30 September 2010 was approximately 330,000, with respect to 210,000 at the end of 2009

- Consolidated revenues at 1,405.2 million euro in the first nine months, +2.9% compared to the corresponding period 2009

- Positive revenue trend in the third quarter: 470.5 million euro, +5.5% versus the same period 2009

- Consolidated EBITDA in the first nine months reached 410.5 million euro, +1.5% versus the same period 2009

- Third-quarter EBITDA at 140.2 million euro, +0.5% versus the same period 2009

- EBITDA margin at 29.2% in the first nine months and 29.8% in the third quarter

- EBIT at 84.5 million euro in the first nine months

- Third-quarter EBIT was positive at 28.7 million euro

- Consolidated net profit of 10.7 million euro in the first nine months

- Third quarter consolidated net profit of 3.9 million euro

- Negative net cash flow of 89.8 million euro in the first nine months due to the buy back of tax credits previously transferred to banks and to the change in working capital

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Milan, 2nd November 2010 - The Board of Directors of FASTWEB S.p.A. (Milan, MTAX: FWB) today approved the financial results as of 30 September 2010.

Net additions totalled 67,800 in the first nine months, raising the total number of broadband subscribers to 1,711,800 as of 30th September 2010, a 4% increase compared to the end of 2009. The split between residential and business clients was unchanged (80% and 20% respectively).

Net adds of **mobile** customers during the first nine months were 120,000, mainly targeted at FASTWEB's subscriber base. The number of active SIM cards as of 30 September 2010 was approximately 330,000, +57% with respect to 210,000 at the end of 2009 (Consumer and SME).

In the first nine months of the year, consolidated **revenues** amounted to 1,405.2 million euro, a 2.9% increase compared to 1,364.9 million euro last year. The revenue trend in the third quarter showed a positive result at 470.5 million euro, +5.5% compared to 446.1 million euro during the same period last year.

Excluding the extraordinary items booked in the nine months (among which the effect of the new revenue recognition rules introduced at the beginning of the year) revenue growth would be equal to 5.1%, indicating that the recurring business continues to grow.

The **Consumer Business Unit** reported revenues of 180.0 million euro in the quarter, a 5% increase compared to the corresponding 2009 figure.

Revenues of the **SME Business Unit** were 92.5 million euro, a 7% decrease compared to the third quarter 2009. The Business Unit's performance was affected by an high level of churn that eroded the benefit of the acquisition of new customers both in terms of number of subscribers and of their level of spending. The revenue trend also reflected the gradual re-positioning of the customer base through selective price adjustments which contributed to the ARPU decline.

The **Executive Business Unit** (which no longer includes wholesale activities as of the second quarter 2010) reported revenues of 142.0 million euro in the quarter, compared to 119.4 million euro in the same period 2009, an increase of 19%. The Executive Business Unit confirmed the positive growth trend of the last quarters and further strengthened its position as the main alternative to the incumbent in the corporate and Public Administration markets, with a market share of 17.5%. Despite the negative economic cycle, the Executive Business Unit increased its order book by 35% in the third quarter compared to the same period 2009, thanks to a 70% success rate in new deals. An important contribution to these results also came from *Unified Communications*, which accounted for over 20% of the new order value.

FASTWEB Wholesale S.r.l. - the newly set up company that as of 28 June 2010 took over the wholesale unit previously owned and managed by FASTWEB S.p.A. - reported revenues of 56.1 million euro in the third quarter 2010.

In the light of the growth rates of the three Business Units, Consumer accounted for 38% of total revenues in the quarter, while the SME and Executive accounted for 20% and 42% respectively.

Consolidated **EBITDA** in the first nine months was 410.5 million euro (with an EBITDA margin of 29.2%), up 1.5% compared to 404.4 million euro reported in the same period 2009.

Third-quarter EBITDA was 140.2 million euro, from 139.4 million euro in the year-earlier period, a 0.5% increase. The EBITDA margin for the third quarter rose to 29.8%.

Excluding the extraordinary items booked in the nine months, EBITDA growth would be equal to 4.1%.

Consolidated EBIT was positive for the first nine months of 2010 at 84.5 million euro, compared to the equivalent 2009 figure of 111 million euro. Depreciation and amortization charges for the nine months amounted to 326.1 million euro, compared to 293.3 million euro during the same period 2009.

FASTWEB posted a positive consolidated **net profit** of 10.7 million euro during the first nine months. The net profit in the third quarter was 3.9 million euro.

Capital expenditure for the January-September period was 302.5 million euro, down 3% from the year-earlier period.

The increase in revenues and current level of investment produced a positive trend in the capex-to-sales ratio, which was 22% in the first nine months.

Net debt at the end of September was 1,534.4 million euro.

The **net cash flow** during the first nine months was negative for 89.7 million euro, due to the re-acquisition during the second quarter of tax credits previously transferred to banks and to the change in working capital.

The new revenue recognition rules introduced at the beginning of the year had a negative impact on 2010. By adopting the same rules we applied in the past, nine months revenues and EBITDA would represent 73% and 74% of full year targets, meaning that guidance would be within reach.

Significant events

In September, FASTWEB announced the launch of ***FIBRA100***, a 100 Mbps offer for 2 million households and companies reached by FASTWEB's fiber optic network in the cities of Milan, Rome, Turin, Genoa, Bologna, Naples and Bari. It is the first ultra broadband offer on the Italian market, thus confirming FASTWEB's technological leadership in the Italian market.

On 8 September Swisscom's Board of Directors decided to launch a **Voluntary Public Tender Offer**, through its subsidiary Swisscom Italia S.r.l., to FASTWEB's minority shareholders, representing 17.918% of the share capital at a price equal to 18 euro per share. Swisscom is looking to acquire all the remaining minority shares in FASTWEB and to delist the Company from the Milan stock exchange. The total purchase price would be of 256 million euro.

On 21 October the European Commission, in a letter sent to the Italian Telecoms Regulator (AGCOM), asked the Authority to base wholesale prices for access to Telecom Italia's network, in particular for **local loop unbundling**, on a costing model which mimics costs incurred by an efficient operator managing a newly built copper network in a competitive market. In the Commission's view the prices proposed by AGCOM do not sufficiently reflect the maintenance and commercial costs of an efficient operator managing a newly-built copper network. The resulting prices would give the correct investment signals to both access-seekers and access-providers and ensure that consumers pay fair prices for high-speed internet access. AGCOM is requested, under EU telecoms rules, to "take utmost account" of the Commission's comments.

FASTWEB's Board of Directors, with the favourable opinion of the Internal Control Committee, approved on 2nd November a loan from Swisscom Italia S.r.l. (still to be formally finalised), to FASTWEB S.p.A. for an overall amount of 150 million euro. The loan will expire in July 2012 and the interest rate - more favourable than current market conditions - will be calculated on the basis of a variable EURIBOR rate or a fixed Interest Rate Swap increased by a spread calculated on the ratio of Net Total Financial Indebtedness (NFI) to consolidated EBITDA.

The manager in charge of preparing the company financial reports, Peter Burmeister, certifies pursuant to paragraph 2 article 154 bis of Consolidated Law on Financial Intermediation that the accounting disclosures in this statement correspond to the accounting documents, ledgers and entries.

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Reclassified Consolidated Income Statement
3Q 2010 (in millions of euro)

	3Q 2010	2Q 2010	% change	3Q 2009	% change
Consolidated Revenues from Operations	**470,5**	**472,4**	*(0,4%)*	**446,1**	*5,5%*
Other Income	12,5	14,4		16,2	
Operating Expenses	(323,3)	(339,0)		(303,2)	
Provisions	(19,5)	(4,1)		(19,9)	
EBITDA	**140,2**	**143,6**	*(2,4%)*	**139,4**	*0,6%*
EBITDA Margin (%)	*29,8%*	*30,4%*		*31,2%*	
Depreciation, amortization and write-downs	(111,5)	(110,9)		(99,2)	
EBIT	**28,7**	**32,8**	*(12,3%)*	**40,1**	*(28,4%)*
EBIT Margin (%)	*6,1%*	*6,9%*		*9,0%*	
Net Financial Income / (Expenses)	(12,6)	(11,9)		(15,7)	
Net Taxes	(12,3)	(18,0)		(11,8)	
Consolidated Net Result	**3,9**	**2,9**	*35,0%*	**12,6**	*(69,1%)*
	0,8%	*0,6%*		*2,8%*	

Consolidated Balance Sheet 30/9/2010 (in millions of euro)

	30 September 2010	30 June 2010	30 September 2009
Cash and Deposits	96,4	131,1	140,2
Net trade receivable*	739,1	705,2	654,5
Other current receivable*	74,0	94,4	137,3
Inventories and other current assets	20,9	18,4	5,1
Total Current assets	**930,4**	**949,1**	**937,0**
Net tangible and intangible assets	2.288,7	2.303,3	2.311,1
Net financial assets	3,7	3,6	3,2
Other non current receivable	300,8	306,7	214,7
Total Fixed assets	**2.593,1**	**2.613,5**	**2.529,0**
Discontinued operations assets	**-**	**-**	**-**
Total Assets	**3.523,5**	**3.562,6**	**3.466,0**
Trade payable*	621,3	694,7	629,6
Other payable*	393,8	389,8	333,0
Financial debt	1.630,7	1.602,7	1.571,2
Employees' entitlements fund	18,4	17,4	18,2
Total Liabilities	**2.664,2**	**2.704,6**	**2.551,9**
Share capital & Reserves	848,6	851,2	883,5
Net income / (loss) for the period	10,7	6,8	30,5
Total Group share of shareholders' equity	**859,3**	**858,0**	**914,0**
Total Liabilities and Shareholders' Equity	**3.523,5**	**3.562,6**	**3.466,0**

Consolidated Cash Flow – 3Q 2010 (in millions of euro)

	3Q 2010	2Q 2010	3Q 2009
Group share of Net Result	**3,9**	**2,9**	**12,6**
Non cash Adjustment	122,4	129,9	110,5
Change in Minority Interest Capital	0,0	0,0	0,0
Gross Operating Fund generation	**126,3**	**132,8**	**123,1**
(Incr.) / Decr. accounts receivable	(16,5)	(74,0)	0,9
Incr / (Decr.) accounts payable	(72,0)	14,5	(20,5)
Change in working capital	**(88,5)**	**(59,6)**	**(19,6)**
(Purchase)/Disposal of assets: Tangible and Intangibles	(96,9)	(106,3)	(95,8)
(Purchase)/Disposal of assets: Financials	(0,0)	(0,2)	(0,2)
Total (purchase)/disposal of assets	**(96,9)**	**(106,5)**	**(96,0)**
Net Operating Fund generation	**(59,1)**	**(33,3)**	**7,5**
Increase/(Decrease) in Share Capital & Reserve	**(3,6)**	**(24,9)**	**0,0**
Other non Cash Adjustment	**0,0**	**0,0**	**0,0**
Net Financial Position at beginning of period	**(1.471,7)**	**(1.413,4)**	**(1.438,6)**
Net Financial Position at end of period	**(1.534,4)**	**(1.471,7)**	**(1.431,0)**
Cash and Deposits	*96,4*	*131,1*	*140,2*
Financial debts	*(1.630,7)*	*(1.602,7)*	*(1.571,2)*