

Consolidated financial report as at 30 September 2011

Issue date: 30 September 2011

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TISCALI S.P.A.

Registered office: SS195 Km 2.3, Sa Illetta, Cagliari

Share Capital EUR 92,019,462.47

Cagliari Companies' Register and VAT No. 02375280928 Econ. & Admin. Roster - 191784



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1 Highlights

Income statement (EUR mln)	30 September 2011	30 September 2010	Changes in %
· Revenues	202.9	206.9	(1.9%)
· Adjusted Gross Operating Result (EBITDA)	54.4	50.5	7.7%
· Gross Operating Result (EBITDA)	29.9	35.2	(15.1%)
· Operating result	(12.5)	0.7	(1914.3%)
Balance sheet (EUR mln)	30 September 2011	As at 31 December 2010	Changes in %
· Total Assets	321.7	366.9	(12.3%)
· Net Financial Debt	(196.2)	(197.6)	0.7%
· Net Financial Debt as per Consob	(202.6)	(204.3)	0.8%
· Shareholders' equity	(117.0)	(92.0)	(27.2%)
· Investments	(20.7)	(35.7)	(42.0%)
Operating figures (000)	As at 30 September 2011	As at 31 December 2010	Changes in %
ADSL (broadband) users	504.7	549.8	(8.2%)
Of which: Direct ADSL users (LLU)	348.9	375.3	(7.1%)
Voice and Narrowband users	59.0	77.8	(24.1%)



2 Alternative performance indicators

In addition to the conventional indicators envisaged by IFRS, this report on operations also presents some alternative performance indicators (EBITDA and adjusted EBITDA) used by Tiscali Group management to monitor and assess its operating performance and, given that they have not been identified as an accounting measure within the scope of IFRS, must not be considered as alternative measures for the assessment of the performance of the Tiscali Group's result. Since the composition of EBITDA and Adjusted EBITDA is not regulated by the reference accounting standards, the calculation criteria applied by the Tiscali Group might not be the same as the criteria adopted by other entities and, therefore, may not be comparable.

The Gross Operating Result (EBITDA) and operating result before the write-down of receivables and stock option plan costs (Adjusted EBITDA) are economic performance indicators not defined by the reference accounting standards and are formed as indicated below:

Pre-tax result and result deriving from assets destined to be disposed of

+ Financial charges

- Financial income

+/- Income/Charges from equity investments in associated companies

Operating result

+ Restructuring costs

+ Amortisation/depreciation

+/- Atypical income/charge

Gross Operating Result (EBITDA)

+ Write-downs of receivables from customers

+ Stock option plan cost

Gross Operating Result (Adjusted EBITDA)



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3 Directors and Auditors

Board of Directors

Chairman and Chief Executive Officer: Renato Soru

Directors

Franco Grimaldi
Gabriele Racugno
Luca Scano
Victor Uckmar

Board of Statutory Auditors

Chairman

Paolo Tamponi

Statutory Auditors

Piero Maccioni
Andrea Zini

Alternate Auditors

Rita Casu
Giuseppe Biondo

Executive in charge of drawing up the corporate accounting documents

Luca Scano

Independent Auditing Firm

Reconta Ernst & Young S.p.A.



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4 Quarterly Report as at 30 September 2011

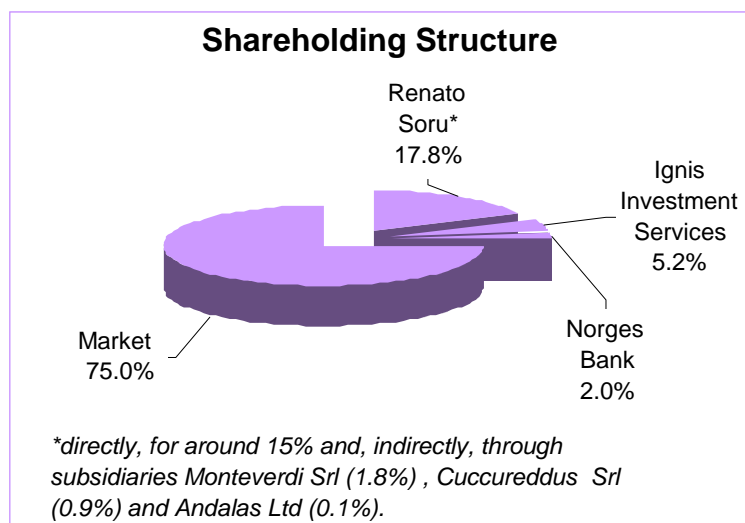
4.1 Tiscali shares

Tiscali shares have been listed on the Italian Stock Market (Milan: TIS) since October 1999. As at 30 September 2011, market capitalisation came to around EUR 87.5 million, calculated on the value of EUR 0.047 per share as at that date.

As at 30 September 2011, the number of shares representing the Group's share capital amounted to EUR 1,861,494,634.

Tiscali's shareholder base at 30 September 2011 is illustrated below:

Chart 4.1 – Tiscali shares



Source: Tiscali

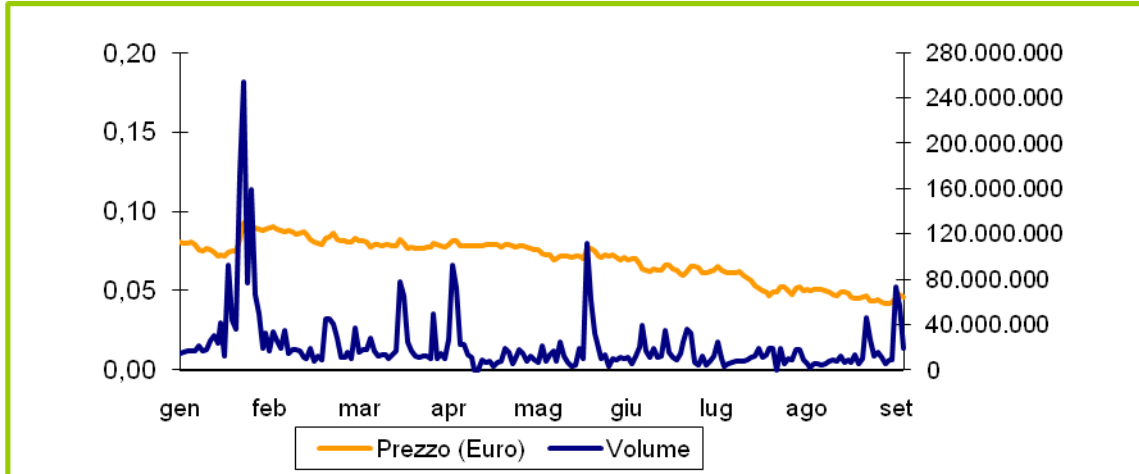
Share capital structure as at 30 September 2011

SHARE CAPITAL STRUCTURE		
	No. of shares	As % of share capital
Ordinary shares	1,861,494,634	100%
OTHER FINANCIAL INSTRUMENTS		
	No. of warrants	Listing market
Tiscali 2009-2014 Warrants***	1,799,405,071	Regulated Italian market

*** The warrants – combined free of charge with newly issued shares relating to the increase in share capital launched in October 2009 and concluded successfully on 11 November 2009 – assign the right to subscribe ordinary company shares at the ratio of 1 conversion share for every 20 warrants exercised at the price of EUR 0.80 for each new share.

The graph below illustrates Tiscali's share trend during the first nine months of 2011, characterised by sustained trading volumes, particularly in the month of January.

Chart 4.2 - Tiscali's share performance during the first nine months of 2011



Jan Feb Mar Apr Jun Jul Aug Sept
 — Price (EUR)
 — Volume

Source: Bloomberg data processing

The average monthly price in the nine-month period stood at EUR 0.070. The maximum price for the period was EUR 0.092, the minimum EUR 0.042. Volumes stood at a daily average of about 22 million items, with a daily average trade value of EUR 1.5 million.

Average exchanges of the Tiscali share on the Italian Stock Exchange in the 3rd quarter of 2011

	Price (EUR)	Number of shares
January	0.079	55,782,460
February	0.086	22,943,973
March	0.080	22,967,900
April	0.078	21,851,230
May	0.075	11,378,758
June	0.070	21,330,192
July	0.063	14,183,478
August	0.052	10,949,848
September	0.046	17,186,402
Average	0.070	22,063,805

Source: Bloomberg data processing

4.2 Analysis of the Group economic, equity and financial position

Foreword

Tiscali is one of the leading alternative telecommunications operators in Italy. Tiscali is one of the main providers of Broadband services with xDSL technology (around 504.7 thousand customers), voice and narrowband services (roughly 50 thousand customers). Through a hi-tech network based on IP technology, Tiscali can offer its customers a wide range of services, from broadband and narrowband internet access, together with more specific and hi-tech products to meet the needs of the market. This offer also includes voice services (VoIP and CPS), and portal and mobile telephone services, thanks to the service supply agreement reached with Telecom Italia Mobile (MVNO).

Effective as of this Quarterly Report as at 30 September 2011, the Group made a change to the structure of its business lines, in order to better represent the business model adopted and allow a greater focus on the core business, represented by the internet access segment.

Based on the new classification, the business lines are as follows: (i) the "Access" line, under Broadband (LLU; Wholesale/bitstream), which includes voice services over IP offered in bundled mode with internet access (VOIP), (ii) the "Narrowband" line, which includes the traditional dial-up internet access service; (iii) the "Voice" line, which includes traditional telephone traffic services (CS and CPS); (iv) the "Business Services" line (so-called B2B), which among other aspects includes VPN, Hosting, domain concession and Leased Line services, provided to businesses and, in conclusion, (v) the "Media and value-added services" line, which covers media, advertising and other services.

With respect to the classification adopted previously, voice services over IP (VOIP), were reclassified from the "Voice" business line to the "Access" business line, similar to MVNO.

In addition, Narrowband was removed from the Access line and placed in a separate business line, in order to isolate the effects of said non-core product, which recorded a constant decrease in line with the natural market trend.



Economic position

<i>EUR (Mln)</i>			
	30 September 2011	30 September 2010	Change
CONSOLIDATED INCOME STATEMENT			
Revenues	202.9	206.9	(4.0)
Other income	7.7	1.7	6.0
Purchase of materials and outsourced services	124.2	126.5	(2.3)
Payroll and related costs	28.3	33.9	(5.5)
Other operating costs/(income)	3.7	(2.2)	5.9
Adjusted Gross Operating Result (EBITDA)	54.4	50.5	3.9
Write-downs of receivables from customers	24.5	15.2	9.2
Stock option plan cost	0.0	0.0	(0.0)
Gross Operating Result (EBITDA)	29.9	35.2	(5.3)
Restructuring costs, provisions for risk reserves and write-downs	1.5	0.5	1.0
Amortisation/depreciation	40.9	34.0	6.9
Operating result (EBIT)	(12.5)	0.7	(13.2)
Share of results of equity investments valued using the equity method	0.0	0.0	0.0
Net financial income (charges)	(11.4)	(10.7)	(0.7)
Pre-tax result	(23.9)	(10.0)	(13.9)
Income taxes	(1.3)	(0.9)	(0.3)
Net result from operating activities (on-going)	(25.2)	(11.0)	(14.2)
Result from assets disposed of and/or destined for disposal	0.0	(4.4)	4.4
Net result	(25.2)	(15.4)	(9.8)
Minority interests	0.0	0.0	0.0
Group Net Result	(25.2)	(15.4)	(9.8)

The Tiscali Group's revenues stood at EUR 202.9 million in the first nine months, down compared to EUR 206.9 million recorded in the same period in 2010, due mainly to the following factors:

- natural reduction in the narrowband/dial-up segment, amounting to EUR 3 million (down 46.2% compared to the first nine months of 2010);
- fall in BTB revenues of EUR 7.3 million, mainly due to the reduction in volumes from the outsourcing contract with former Tiscali UK;
- the access segment, which includes voice services over IP, grew by EUR 3.5 million (increase of 2.4% over the first nine months of 2010 despite the decrease in customers, due predominantly to large-scale terminations in the period. The growth was due essentially to the effect of repricing (the first half of 2011 saw a EUR 2 increase in the cost of the ADSL and VoIP service) and higher wholesale revenues;

- Media revenues rose by EUR 3.8 million (up 36.4%), thanks to higher volumes of traffic on the Tiscali.it portal and on the websites of concessionaire Tiscali ADV.

In the first nine months of 2011 internet access and voice services – the Group's core business – represented around 85% of turnover.

Costs for purchase of materials and services came to EUR 124.2 million, down by EUR 2.3 million compared to the previous year. This decrease is due, among other factors, to lower costs for telecommunications services connected with decreased volumes and network rationalisation, partially offset by the increase in certain regulated cost items.

Gross Group profitability increased, with an adjusted gross operating result (EBITDA) before provisions of EUR 54.4 million (26.8% of revenues), up by 7.7% over the gross operating result (EBITDA) recorded at 30 September 2010 (EUR 50.5 million).

The net operating result (EBIT) in the first nine months of the year, net of provisions, write-downs and restructuring costs, was a negative EUR 12.5 million, worse than the result in 2010, a positive EUR 0.7 million. The worsening in this result is due mainly to the increase in amortisation/depreciation and sharp increase in the receivable write-down provision, up from EUR 15.2 million as at 30 September 2010 to EUR 24.5 million as at 30 September 2011.

This increase is mainly attributable to the issuing of credit notes in the first nine months of 2011 against large-scale terminations of default customers. This cancellation will, however, make it possible to achieve significant savings in terms of the costs of line rental. Roughly EUR 6 million in VAT recouped through credit notes was recorded under other income against said cancellation.

As a result of the above, the result from operating activities (on-going) was a negative EUR 25.2 million, down against the figure recorded in the previous year, amounting to a negative EUR 11 million.

The result from assets disposed of and/or destined for disposal was nil.

The Group's net result was a loss of EUR 25.2 million, down against the loss of EUR 15.4 million recorded in 2010.



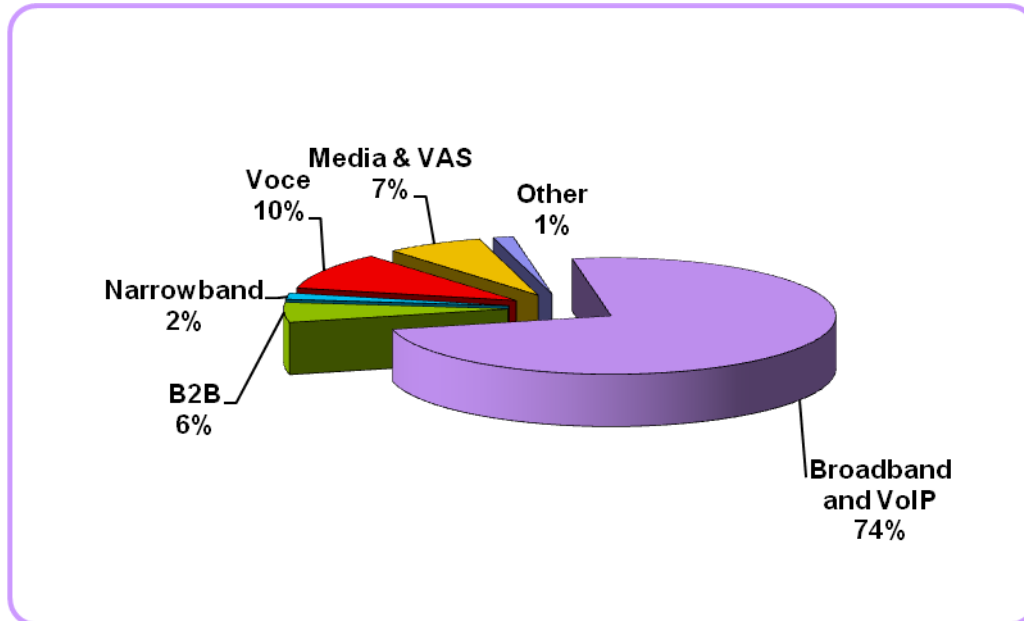
Operational Income Statement - Group

<i>EUR (Mln)</i>	30 September 2011	30 September 2010
Revenues	202.9	206.9
Access revenues (including VOIP)	150.3	146.8
	<i>of which ADSL</i>	<i>92.7</i>
	<i>of which VOIP</i>	<i>54.1</i>
Dial-up (Narrowband) revenues	3.5	6.4
Analogue voice revenues	21.0	20.6
Business service revenues	11.1	18.4
Media and value added service revenues	14.2	10.4
Other revenues	2.9	4.3
Gross operating margin (Gross Margin)	95.2	99.6
Indirect operating costs	48.6	55.4
Marketing and sales	8.2	8.0
Payroll and related costs	28.3	33.9
Other indirect costs	12.0	13.5
Other (income)/expense	(7.7)	(6.3)
Adjusted Gross Operating Result (EBITDA)	54.4	50.5
Write-down of receivables and other provisions	24.5	15.2
Gross Operating Result (EBITDA)	29.9	35.2
Amortisation/depreciation	40.9	34.0
Gross result (EBIT) before restructuring costs and provisions for risks	(11.0)	1.2
Operating result (EBIT)	(12.5)	0.7
Group Net Result	(25.2)	(15.4)



Revenues by business segment

Fig. 4.5 - Breakdown of revenues by business line and access¹



Voce 10%: Voice 10%

Source: Tiscali

Access

The segment in question, which includes revenues from broadband (ADSL) internet access services, the flat component of bundled offers (internet access fees) and voice services over IP, generated revenues of EUR 150.3 million in the first nine months of 2011, up by 2.4% compared to the same period in 2010 (EUR 146.8 million). The increase in revenues is mainly due to the increase in the VOIP segment (EUR 57.7 million as at 30 September 2011 compared to EUR 54.1 million as at 30 September 2010, +6.8%), the result of repricing (the first half of 2011 saw a EUR 2 increase in the cost of the ADSL and VoIP service), higher wholesale revenues and the increase in the mobile phone segment. By contrast, revenues from the ADSL access service stood at EUR 89.7 million, down over the same period last year (EUR 92.7 million).

As at 30 September 2011, direct ADSL customers were down by roughly 76.9 thousand over the corresponding period in 2010 and dual play customers (data and voice via internet) fell by around 17.9 thousand, bringing total double play customers to around 351.7 thousand. It should also be noted that, in the first nine months of 2011, the Group recorded a decrease in the number of narrowband and voice customers (around 31 thousand) compared to the previous year, essentially in line with the market trend which saw customer offers gradually replaced by broadband services.

¹ The graph shows a breakdown by business line which brings together revenues from dual play with broadband.

Total ADSL customers came to roughly 504.7 thousand as at 30 September 2011, of which more than 348.9 thousand connected in unbundled mode.

In the first nine months of 2011, the company terminated roughly 71 thousand ADSL lines in relation to customers whose service was suspended due to default and ADSL customers with silent consumption.

Development of the customer base

<i>(000)</i>	30 September 2011	30 September 2010
ADSL customers	504.7	581.6
<i>of which LLU</i>	<i>348.9</i>	<i>395.3</i>
Narrowband and Voice customers (*)	59.0	90.0
Dual play customers	351.7	369.6

(*) As of the 3rd quarter of 2011, this segment also includes Dual Play Voice customers which were previously excluded.

The unbundling network coverage stood at 688 sites as at 30 September 2011.

Narrowband

The Narrowband segment recorded revenues of EUR 3.5 million as at 30 September 2011, a natural decrease over the EUR 6.4 million registered in the first nine months of 2010.

Voice

The voice segment includes traditional telephone services (CS and CPS) and wholesale services.

Voice services recorded a 1.8% increase in revenues in the first nine months of 2011, due to the increase in wholesale services.

Business services

Revenues from business services (VPN, housing, hosting, domains and leased line services), excluding revenues from internet access and/or voice products for the same customer base, which are already included in their respective business lines, stood at EUR 11.1 million in the first nine months of 2011, down by 39.7% compared to EUR 18.4 million in the same period in 2010. This decrease is due mainly to the reduction in volumes of the IT outsourcing contract with Tiscali UK.

Media

In the first nine months of 2011, revenues from the media and value added services segment (mainly relating to the sale of advertising spaces) amounted to roughly EUR 14.2 million, up over the same period in the previous year (EUR 10.4 million).

During the first nine months of 2011, **indirect operating costs** stood at EUR 48.6 million (23.9% of revenues), a reduction in absolute terms and as regards the percentage incidence on revenues compared to 2010 (EUR 55.4 million, 26.8% of revenues). Indirect operating costs included **payroll and related costs** of EUR 28.3 million (14% of revenues), down over the previous year (EUR 33.9 million, 16.4% of revenues).

This improvement is mainly due to the reduction in costs for the use of external call centres and temporary work.

The **Adjusted Gross Operating Result (EBITDA)**, before provisions for risks, write-downs, depreciation and amortisation, was EUR 54.4 million (26.8% of revenues) as at 30 September 2011, an increase of 7.7% compared to the EUR 50.5 million as at 30 September 2010 (24.4% of revenues).

In the first nine months of 2011, the **Gross Operating Result (EBITDA)** net of write-downs of receivables and other provisions was EUR 29.9 million (14.7% of revenues), a decrease of 15.1% on the figure for 2010 (EUR 35.2 million, 17% of revenues).

Allocations to provisions for risks, write-downs of receivables and other provisions totalled EUR 26 million in the first nine months of 2011 (EUR 15.7 million in the corresponding period in 2010).

Amortisation and **depreciation** amounted to EUR 40.9 million in the first nine months of 2011 (EUR 34 million in the same period in 2010).

The **Operating result (EBIT)** in the first nine months of the year, net of provisions, write-downs and restructuring costs, was EUR 12.5 million (6.2% of revenues) worse than the result in 2010, a positive EUR 0.7 million (0.3% of revenues).

As a result of the above, the **result from operating activities (on-going)** was a negative EUR 25.2 million as at 30 September 2011, down against the figure recorded in the previous year, amounting to a negative EUR 11 million.

The **Group's net result** was a loss of EUR 25.2 million, down against the loss of EUR 15.4 million recorded in the first nine months of 2010.



Equity and financial position

CONSOLIDATED BALANCE SHEET (in abridged form) <i>EUR (Mln)</i>	30 September 2011	31 December 2010
Non-current assets	200.9	221.4
Current assets	120.8	145.5
Total Assets	321.7	366.9
Group shareholders' equity	(117.0)	(92.0)
Total Shareholders' equity	(117.0)	(92.0)
Non-current liabilities	206.7	206.9
Current liabilities	232.1	251.1
Liabilities directly related to assets sold	(0.0)	0.9
Total Liabilities and Shareholders' equity	321.7	366.9

AssetsNon-current assets

Non-current assets amounted to EUR 200.9 million as at 30 September 2011, lower than the EUR 221.4 million recorded as at 31 December 2010. The net change is mainly due to the share of amortisation of intangible fixed assets and depreciation of tangible fixed assets in the first nine months of 2011.

Current assets

Current assets amounted to EUR 120.8 million as at 30 September 2011, lower than the EUR 145.5 million recorded as at 31 December 2010. Receivables from customers came to EUR 97.5 million as at 30 September 2011, compared to EUR 108.4 million as at 31 December 2010. Other receivables and other current assets, amounting to EUR 17.8 million, included, in particular, accrued income on internet services provided, prepaid expenses relating to service costs, together with sundry receivables, including VAT credits.



LiabilitiesNon-current liabilities

Non-current liabilities stood at EUR 206.7 million as at 30 September 2011, compared to EUR 206.9 million at 31 December 2010. The figure includes not only items regarding the financial position, details of which can be found below, but the provision for risks and charges of EUR 4.1 million, long-term trade payables of EUR 6 million, trade payables for the purchase of long-term rights of use of the transmission capacity (indefeasible right of use) of EUR 9.4 million, plus the tax provision and provisions for staff severance indemnities.

Current liabilities

Current liabilities amounted to EUR 232.1 million as at 30 September 2011 (compared to EUR 251.1 million as at 31 December 2010) and include mainly the current portion of financial payables, trade payables, together with accrued expenses regarding the purchase of access and rental services.

Financial position

At 30 September 2011, the Tiscali Group held cash and bank deposits totalling EUR 4.4 million, against a net financial position, at the same date, of EUR 196.2 million (EUR 197.6 million at 31 December 2010).

<i>EUR (Mln)</i>	Notes	30 September 2011	31 December 2010
A. Cash and bank deposits		4.4	10.3
B. Other cash equivalents		0.1	0.4
C. Securities held for trading		-	-
<i>D. Cash and cash equivalents (A) + (B) + (C)</i>		4.5	10.8
<i>E. Current financial receivables</i>		-	-
F. Non-current financial receivables	(1)	6.3	6.3
G. Current bank payables	(2)	15.9	12.8
H. Current portion of non-current debt	(3)	8.8	17
I. Other current financial payables	(4)	0.9	1.5
<i>J. Current financial debt (G) + (H) + (I)</i>		25.6	31.2
<i>K. Net current financial debt (J)–(E)–(D)– (F)</i>		14.8	14.2
L. Non-current bank payables	(5)	123.3	124.7
M. Bonds issued		-	-
N. Other non-current payables	(6)	58.1	58.7
<i>O. Non-current financial debt (N) + (L) + (M)</i>		181.4	183.4
<i>P. Net financial debt (K) + (O)</i>		196.2	197.6

Notes:

- (1) Includes the interest-bearing restricted deposit relating to the financial Sale & Lease-back transaction on Sa Illetta
- (2) Includes the bank payables of Tiscali Italia S.p.A. and Tiscali S.p.A.;
- (3) Includes the short-term component equal to EUR 8.8 million relating to payables to Senior Lenders (principal and interest portions repayable within 12 months);
- (4) Includes the short-term leasing of the subsidiary Tiscali Italia S.p.A. (EUR 0.9 million);
- (5) The entire amount of EUR 123.3 million relates to the long-term component of the debt due to Senior Lenders;
- (6) Includes the "Sale and Lease Back Sa Illetta" debt for EUR 57.4 million.

It should be noted that the net financial position prepared by the company, as required by the specific Consob communication, shown in Note 24 of the Consolidated Abridged Quarterly Financial Statements, amounted to EUR 202.6 million.

A reconciliation of the two net financial positions is shown below:

<i>(EUR mln)</i>	30 September 2011	31 December 2010
Consolidated net financial debt	196.2	197.6
Other cash equivalents and non-current financial receivables	6.4	6.7
Consolidated net financial debt prepared on the basis of Consob communication No. DEM/6064293 dated 28 July 2006	202.6	204.3

4.3 Significant events during the first nine months of 2011

Collection of the last portion of the Tiscali UK Escrow

On 17 March 2011, the last tranche of the escrow deriving from the sale of Tiscali UK Ltd was collected, amounting to GBP 1.250 million. This amount, in compliance with GFA agreements, was set aside for the partial repayment of the Senior Loan on 22 March 2011.

Tiscali S.p.A.: 2010 draft financial statements approved

Tiscali's Board of Directors approved the 2010 draft financial statements on 25 March 2011.

Shareholders' meeting approves the 2010 financial statements

On 29 April 2011, the ordinary shareholders' meeting of Tiscali S.p.A., which met in Cagliari (second call), approved the 2010 financial statements. The figures in the draft financial statements were confirmed, approved by the Board of Directors on 25 March 2011.

Partial repayment of the Senior Loan

The following repayments were made in 2011:

Tranche B

- EUR 1.4 million on 22 March 2011;
- EUR 5.5 million on 10 May 2011;
- EUR 1.2 million on 27 May 2011;
- EUR 1.2 million on 9 June 2011;
- EUR 1.5 million on 4 July 2011.

Tranche A

- EUR 2.5 million on 4 July 2011.

On 4 July 2011, interest of EUR 1.2 million was paid on the principal. These repayments were made with the revenue generated by the completion of the sale of subsidiary Ti net in October 2010.

West Hugo (former Sambrosan) transaction repayment

A total of EUR 3.6 million was paid in the first nine months of 2011 in compliance with the agreement signed with West Hugo (former Sambrosan) on closing the transaction relating to the claim on the Tiscali Business GmbH building. Details of the payments made are shown below:

- EUR 1.190 million in March 2011
- EUR 0.595 million in May 2011
- EUR 1.785 million in August 2011

4.4 Events subsequent to the end of the third quarter of 2011Solidarity agreements

On 18 October 2011, the company signed a solidarity agreement with workers, represented by trade union organisations SLC-CGIL, FISTel-CISL and UILCOM-UIL.

The objective of the agreement is to temporarily reduce the cost of labour to around EUR 6 million, to be achieved through the reduction in working activities (in varying percentages in relation to the relevant business sector).

The solidarity agreement has a duration of 24 months, effective from 7 November 2011. At the end of this period, the current contractual conditions for the workers employee shall be restored.

4.5 Business continuity

This Quarterly Report for the period ended as at 30 September 2011 was drafted in accordance with the going concern principle. As regards assessments of the Board of Directors concerning the going concern assumption, please refer to paragraph "Evaluation of the company as a going concern and future outlook", in Note 4.8 of the Consolidated Financial Report as at 30 June 2011.

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**Financial Statements and Explanatory Notes as at 30
September 2011**



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5 Consolidated Financial Statements and Explanatory Notes as at 30 September 2011**5.1 Income statement**

Notes	30 September 2011	30 September 2010
<i>(EUR 000)</i>		
Revenues	202,937	206,933
Other income	7,710	1,709
Purchase of materials and outsourced services	124,220	126,495
Payroll and related costs	28,342	33,851
Stock option plan cost	-	48
Other operating costs/(income)	3,733	(2,190)
Write-downs of receivables from customers	24,471	15,228
Restructuring costs and other write-downs	1,504	514
Amortisation/depreciation	40,884	34,006
Operating result	(12,507)	689
Share of results of equity investments valued using the equity method	-	-
Net financial income (charges)	(11,398)	(10,715)
Pre-tax result	(23,905)	(10,025)
Income taxes	(1,284)	(942)
Net result from operating activities (on-going)	(25,189)	(10,967)
Result from assets disposed of and/or destined for disposal	29	(4,415)
Net result for the period	(25,160)	(15,382)
Attributable to:		
- Result pertaining to the Parent Company	(25,160)	(15,382)
- Minority interests	-	-
Earnings (Losses) per share		
Loss per share from operating activities and those disposed of:		
- Basic	(0.01)	(0.01)
- Diluted	(0.01)	(0.01)
Loss per share from operating assets:		
- Basic	(0.01)	(0.01)
- Diluted	(0.01)	(0.01)

5.2 Statement of comprehensive income

<i>(EUR 000)</i>	Notes	30 September 2011	30 September 2010
Result for the period		(25,160)	(15,382)
Total statement of comprehensive income result		(25,160)	(15,382)
Attributable to:			
<i>Shareholders of the parent company</i>		(25,160)	(15,382)
<i>Minority shareholders</i>		-	-
		(25,160)	(15,382)

5.3 Statement of financial position

<i>(EUR 000)</i>	Notes	30 September 2011	31 December 2010
<i>Non-current assets</i>			
Intangible assets		80,988	86,808
Properties, plant and machinery		109,981	124,369
Other financial assets		9,953	10,217
		200,922	221,394
<i>Current assets</i>			
Inventories		853	557
Receivables from customers		97,559	108,403
Other receivables and other current assets		17,848	24,722
Other current financial assets		144	1,540
Cash and cash equivalents		4,388	10,326
		120,792	145,548
Assets held for sale		-	-
Total Assets		321,714	366,942
<i>Share Capital and reserves</i>			
Share Capital		92,019	92,017
Stock option reserve		4,388	4,388
Results from previous years and other reserves		(188,282)	(164,097)
Result pertaining to the Group		(25,160)	(24,276)
Group shareholders' equity		(117,035)	(91,968)

Minority interests	-	-
Shareholders' equity pertaining to minority shareholders	-	-
Total Shareholders' equity	(117,035)	(91,968)
<i>Non-current liabilities</i>		
Payables to banks and to other lenders	123,320	124,691
Payables for financial leases	58,088	58,721
Other non-current liabilities	16,878	13,299
Liabilities for pension obligations and staff severance indemnities	4,211	4,250
Provisions for risks and charges	4,166	5,977
	206,663	206,939
<i>Current liabilities</i>		
Payables to banks and other lenders	24,680	29,789
Payables for financial leases	925	1,461
Payables to suppliers	139,491	153,092
Other current liabilities	66,990	66,772
	232,086	251,114
Liabilities directly related to assets sold	-	856
Total Liabilities and Shareholders' equity	321,714	366,942



5.4 Cash flow statement (in abridged form)

	30 September 2011	30 September 2010
<i>(EUR 000)</i>		
Net result from operating activities (on-going)	(25,189)	(10,967)
CASH FLOWS GENERATED BY OPERATIONS (including Result)	30,599	22,481
CASH FLOWS GENERATED BY INVESTMENT ACTIVITIES	(18,735)	(761)
CASH FLOWS GENERATED BY FINANCING ACTIVITIES	(17,801)	(13,344)
	(5,937)	8,376
NET INCREASE/(DECREASE) IN NET CASH AND CASH EQUIVALENTS	10,326	16,220
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	4,388	24,595
CASH AND CASH EQUIVALENTS AT THE END OF THE THIRD QUARTER OF THE YEAR	10,326	16,220

5.5 Statement of changes in consolidated shareholders' equity

	Share Capital	Share premium reserve	Stock option reserve	Accumulated losses and other reserves	Group shareholders' equity	Minority interests	Total
Balance at 31 December 2010	92,017	-	4,388	(188,374)	(91,968)		(91,968)
Share capital increase	2				2		2
Increases/(decreases)				91	91		91
<i>Period result</i>				(25,160)	(25,160)		(25,160)
Balance at 30 September 2011	92,019	-	4,388	(213,443)	(117,035)		(117,035)

<i>(EUR 000)</i>	Share Capital	Share premium reserve	Stock option reserve	Accumulated losses and other reserves	Group shareholders' equity	Minority interests	Total
Balance at 1 January 2010	92,003	-	4,315	(163,298)	(66,980)	-	(66,980)
Share capital increase	14			(800)	(786)	-	(786)
Increases/(decreases)			48		48	-	48
<i>Period result</i>				(15,382)	(15,382)	-	(15,382)
Balance at 30 September 2010	92,017	-	4,363	(179,480)	(83,101)		(83,101)

EXPLANATORY NOTES TO THE INTERIM REPORT ON OPERATIONS AS AT 30 SEPTEMBER 2011

Tiscali S.p.A. is a limited company incorporated under the laws of the Republic of Italy at the Cagliari Companies' Register.

The Tiscali Group provides its private and business customers with a wide range of services, from dial-up and ADSL Internet access, to voice (including mobile telephone) and portal services.

This combination allows Tiscali to compete effectively with other market operators.

Thanks to its unbundling network (LLU), its range of innovative services and its strong brand, Tiscali has achieved a strategic position in the Italian telecommunications market.

This interim report on operations is presented in Euro (EUR) which is the currency used to conduct most of the Group's operations.

In preparing these financial statements, the directors have adopted the going concern assumption and therefore have drafted the financial statements using the standards and policies that are applied to companies in operation.

Format and content of accounting statementsBasis of presentation and consolidation

This interim report on operations as at 30 September 2011 was prepared in compliance with International Accounting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and approved by the European Union. IFRS also include all the reviewed international accounting standards ("IAS") and all the interpretations by the International Financial Reporting Interpretations Committee ("IFRIC") previously called the Standing Interpretations Committee ("SIC").

The form and content are compliant with the disclosure envisaged by International Accounting Standard No. 34 "Interim financial statements" (IAS 34), in compliance with art. 154-ter of Legislative Decree no. 58 of 24 February 1998 (Consolidated Finance Law) and subsequent amendments and additions, also taking into account other CONSOB communications and resolutions on the matter.

The notes have been drawn up in abridged form, applying the right envisaged by IAS 34 and therefore they do not include all the information required for annual financial statements drawn up in accordance with the IFRS; the objective of the following interim report on operations, in application of IAS 34, is to provide an update on the financial positions with respect to the one provided in the consolidated financial statements as at 31 December 2010.

This interim report on operations, as permitted by applicable reference legislation, has been drawn up on a consolidated basis and not subject to an audit by Reconta Ernst & Young S.p.A..

The consolidation principles, the accounting policies, criteria and evaluation estimates adopted for the preparation of the interim report on operations as at 30 September 2011 have been applied consistently at the time of preparation of the consolidated financial statements as at 31 December 2010, presented for comparative purpose, to which reference should be made for completeness. To allow a better comparison, the data relating to the period of comparison, have been adjusted, where necessary.

Preparation of the interim report on operations and the associated notes in application of the IFRS requires management to make accounting estimates and, in certain cases, assumptions in the application of accounting standards. Within the sphere of the drafting of the interim report on operations, the significant assessments made by company management regarding the application of the accounting standards and the main sources of uncertainty regarding the estimates, correspond to those applied for the preparation of the consolidated financial statements for the year ended as at 31 December 2010.

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Revenues

<i>(EUR 000)</i>	30 September 2011	30 September 2010
Revenues	202,937	206,933

Revenues fell over the third quarter of 2010. For more details refer to paragraph 4.2 "Analysis of the Group economic, equity and financial position".

Purchase of materials and outsourced services, payroll and related costs and other operating costs

<i>(EUR 000)</i>	30 September 2011	30 September 2010
Purchase of materials and outsourced services	124,220	126,495
Payroll and related costs	28,342	33,851
Other operating costs	3,733	(2,190)

The decrease in the costs of purchase of materials and outsourced services (in particular relating to line/traffic rental and interconnection costs) over the same period in the previous year is mostly due to the fall in the costs of line rental and traffic purchase following the network rationalisation process launched in the third quarter of 2010 and reduced volumes.

The decrease in payroll and related costs over the third quarter of 2010 is, among other factors, due to the reduction in the costs of temporary work

Stock option plan cost and other provisions

<i>(EUR 000)</i>	30 September 2011	30 September 2010
Stock option plan cost and other provisions	-	48
Total	-	48

The provision for expenses relating to the stock option plan for Italian companies Tiscali S.p.A. and Tiscali Italia S.p.A. was zero, given the total cost of the plan was entirely absorbed in 2010.



Restructuring costs, provisions for risk reserves and write-downs

<i>(EUR 000)</i>	30 September 2011	30 September 2010
Write-downs of receivables from customers	24,471	15,228
Restructuring costs and other write-downs	1,504	514
Total	25,975	15,743

The write-down of receivables from customers represents around 12.1% of revenues, up with respect to the percentage in the same period of 2010 (7.4%). This increase relates mainly to the rationalisation of the customer base which led, among other things, to the large-scale termination of around 71 thousand lines of default customers in the first nine months of 2011. These terminations will allow the Group to achieve significant savings in terms of line rental costs.

Restructuring costs and other write-downs mainly include charges relating to the deactivation of suspended customers.

Financial income and charges

Financial charges and the associated trend are connected with the Group's debt structure. These amounted to EUR 11.4 million in the first nine months, up slightly over the figure in the previous year (EUR 10.7 million).

Result from assets disposed of and/or destined for disposal

The "Result from operating assets disposed of and/or assets held for sale" as at 30 September 2011 was zero.

Non-current assets

<i>(EUR 000)</i>	30 September 2011	31 December 2010
Goodwill	-	-
Intangible assets	80,988	86,808
Properties, plant and machinery	109,981	124,369
Equity investments	-	-
Other financial assets	9,953	10,217
Deferred tax assets		
Total	200,922	221,394

Non-current assets include other intangible and tangible fixed assets relating to properties, plant and machinery, amounting to EUR 191.0 million at 30 September 2011 (EUR 211.2 million at 31 December 2010).

Non-current assets also include other financial assets totalling EUR 9.9 million (EUR 10.2 million as at 31 December 2010), which include guarantee deposits of EUR 6.4 million (of which EUR 6.3 million in deposits recorded for Italian subsidiary Tiscali Italia S.p.A. relating to the "Sale and Leaseback" transaction on the Sa Illetta property) and the value of the equity investment held by Tiscali Italia S.p.A. in Janna, amounting to EUR 2.3 million.

Current assets

<i>(EUR 000)</i>	30 September 2011	31 December 2010
Inventories	853	557
Receivables from customers	97,559	108,403
Other receivables and other current assets	17,848	24,722
Other current financial assets	144	1,540
Cash and cash equivalents	4,388	10,326
Total	120,792	145,548

Current assets mainly include receivables due from customers amounting to EUR 97.6 million as at 30 September 2011, compared to EUR 108.4 million as at 31 December 2010.

Other receivables and other current assets, standing at EUR 17.8 million, include accrued income on internet access services provided (EUR 2.9 million), prepaid service costs (EUR 10 million), advances to suppliers (EUR 1.3 million), VAT credits (EUR 0.9 million, relating mainly to German subsidiaries), amounts due to the tax authorities for advance IRAP (EUR 1.7 million) and other receivables making up the remainder.

Non-current liabilities

<i>(EUR 000)</i>	30 September 2011	31 December 2010
Payables to banks and to other lenders	123,320	124,691
Payables for financial leases	58,088	58,721
Other non-current liabilities	16,878	13,299
Liabilities for pension obligations and staff severance indemnities	4,211	4,250
Provisions for risks and charges	4,166	5,977
Total	206,663	206,939

Non-current liabilities at 30 September 2011 amounted in total to EUR 206.6 million (EUR 206.9 million at 31 December 2010).

Non-current liabilities include the long-term portion of the debt to Senior Lenders, restructured as of 3 July 2009, standing at EUR 123.3 million (including interest up to 30 September 2011); the debt recorded relating to Italian subsidiary Tiscali Italia S.p.A. regarding the "Sale and Leaseback" transaction on the Sa Illetta property, amounted to EUR 57.4 million.

The item other non-current liabilities, amounting to EUR 16.9 million as at 30 September 2011 (EUR 13.3 million as at 31 December 2010) includes medium/long-term payables due to suppliers for the purchase of long-term rights of use of the transmission capacity (indefeasible right of use) of EUR 9.4 million and other long-term payables due to suppliers totalling EUR 6 million.

The balance of non-current liabilities also includes, together with the staff severance indemnities of Italian companies (EUR 4.2 million as at 30 September 2011), provisions for risks and charges (EUR 4.2 million).

Current liabilities

(EUR 000)	30 September 2011	31 December 2010
Payables to banks and other lenders	24,680	29,789
Payables for financial leases	925	1,461
Payables to suppliers	139,491	153,092
Other current liabilities	66,990	66,772
Total	232,086	251,114

Current liabilities amounted to EUR 232.1 million, compared with EUR 251.1 million as at 31 December 2010.

The item “payables due to banks and other lenders, totalling EUR 24.7 million (EUR 29.8 million as at 31 December 2010) mainly includes the short-term component of the debt due to Senior Lenders, amounting to EUR 8.8 million and the bank payables of Tiscali Italia S.p.A. and Tiscali S.p.A., amounting to EUR 15.9 million.

Payables for financial leases, totalling around EUR 1 million, mainly include short-term payables for leasing of Italian subsidiary Tiscali Italia S.p.A.

Non-financial items refer, in particular, to trade payables (EUR 139.5 million as at 30 September 2011, against EUR 153.1 million at the end of the previous year).

The item “Other current liabilities” includes accrued expenses regarding the purchase of access and line rental services for EUR 0.1 million, deferred income of EUR 42.4 million, amounts owed to staff of EUR 5.7 million, amounts owed to the tax authorities and pension institutions of around EUR 15 million and other payables totalling EUR 3.7 million.

Shareholders' equity

(EUR 000)	30 September 2011	30 September 2010
Share capital	92,019	92,017
Share premium reserve	-	-
Stock Options reserve	4,388	4,315
Accumulated losses and other reserves	(188,282)	(164,023)
Result for the period	(25,160)	(24,276)
Minority interests	-	-
Total Shareholders' equity	(117,035)	(91,967)

Changes in shareholders' equity items are detailed in the relevant table. As at 30 September 2011, share capital stood at EUR 92 million, corresponding to EUR 1,861,494,634 ordinary shares.

Segment reporting (geographic area)

With Regulation (EC) No. 1358/2007 of 21 November 2007, the European Commission approved the introduction of IFRS 8 "Operating Segments" to replace IAS 14 "Segment Reporting". IFRS 8 lays down the information to provide in the financial statements concerning the operating segments where the company operates.

Operating segment means the unit of an entity:

- that undertakes business activities that generate revenues and costs (including revenues and costs related to transactions with other units of the same entity);
- whose operating results are regularly reviewed by upper level management in order to make decisions on the resources to allocate to the segment and assess results;
- who has separate financial statements.

Unlike the provisions of IAS 14, this standard essentially requires one to determine and report the results of operating segments according to the "management approach", i.e., according to methods used by management for internal reporting to assess performance and allocate resources to the various segments.

The application of this standard did not have an impact on the segment report since the operating segments in which the Group's activities are segmented are the same as when IAS 14 "Segment Reporting" was applied.

The activities of the Tiscali Group and the related strategies, as well as the underlying activities linked to head office control, are structured and defined by geographic area, which constitute the primary segment for segment reporting. The geographic areas are represented in particular by:

- Italy
- Corporate and other businesses: minor Italian companies and corporate activities.

Lines of business (Access, Narrowband, Voice, Business services / Business, Media) represent the secondary reporting segment, at sector information level.



Income statement as at 30 September 2011

30 September 2011 (EUR 000)	Italy	Other	Corporate	HFS/ Discontinued	Cancellation adjustments	Total
Revenues						
From third parties	202,873	-	64	-	-	202,937
Intra-group	755	4,174	3,762	-	(8,691)	-
Total revenues	203,628	4,174	3,826	-	(8,691)	202,937
Operating result	(13,096)	(163)	947	-	(195)	(12,507)
Portion of results of equity investments carried at equity						-
Net financial income (charges)						(11,398)
Pre-tax result						(23,905)
Income taxes						(1,284)
Net result from operating activities (on-going)						(25,189)
Result from assets disposed of and/or destined for disposal						29
Net profit (loss)						(25,160)

Income statement as at 30 September 2011

30 September 2010 (EUR 000)	Italy	Other	Corporate	HFS/ Discontinued	Cancellation adjustments	Total
Revenues						
From third parties	206,630	-	302	-	-	206,933
Intra-group	1,006	4,039	4,897	-	(9,943)	-
Total revenues	207,636	4,039	5,200	-	(9,943)	206,933
Operating result	(5,543)	2,235	3,999	-	-	689
Portion of results of equity investments carried at equity						-
Net financial income (charges)						(10,715)
Pre-tax result						(10,025)
Income taxes						(942)
Net result from operating activities (on-going)						(10,967)
Result from assets disposed of and/or destined for disposal						(4,415)
Net profit (loss)						(15,382)

Disputes, contingent liabilities and commitments

The Tiscali Group is involved in a number of legal proceedings. For a description of these refer to the Consolidated Financial Report as at 30 June 2011. Group management do not believe, under the terms specified in the description in the Consolidated Financial Report as at 30 June 2011, that said proceedings will lead to significant liabilities or that, however, an unfavourable outcome to the on-going proceedings will have a significant adverse impact on the Tiscali Group's financial, equity and economic position or the results of future operations. It should also be noted that, if not expressly indicated otherwise in the same section of the consolidated financial report as at 30 June 2011, no provisions for risks were made in the absence of certain and objective elements or should the negative outcome of the dispute be deemed unlikely.



Chairman and Chief Executive Officer
Renato Soru



6 Statement of the appointed executive

The Executive in charge of drawing up the corporate accounting documents, Luca Scano, hereby certifies, pursuant to paragraph 2, article 154-bis of the Consolidated Finance Law, that the accounting information in this interim report on operations of the Tiscali Group as at 30 September 2011 corresponds to the documentary results, books and accounting records.



Executive in charge of drawing up the corporate accounting documents

Luca Scano



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7 Appendix - Glossary

Shared access	Technique for shared access to a local network in which a former monopoly operator rents part of the capacity to other operators: in that portion of the bandwidth the operator can provide Broadband services, whilst the former monopoly operator on the portion of the bandwidth not hired out, continues to provide telephony services.
ADSL	Acronym for Asymmetric Digital Subscriber Line, (the available bandwidth in reception is greater than that available for transmission) to enable internet access at high speed.
ADSL2+	An ADSL technology that extends the ADSL base capacity by doubling the download bit flow. The bandwidth can reach 24Mbps in download and 1.5 Mbps in upload and depends on the distance between the DSLAM and the customer's location.
Uncovered Areas	Also called "indirect access areas" to identify the geographic areas which are not directly served by the network owned by Tiscali (see also Bitstream and Wholesale)
ARPU	Average returns for fixed and mobile telephony for the user calculated in the course of a given period for an average number of active (for other operators) or Tiscali Group customers in the same period.
Bitstream	Bitstream (or digital flow) services: service consisting of the supply on the part of an operator of access to the fixed public telephone network of the transmission capacity between an end user workstation and the point of presence of an operator or an ISP that wants to provide broadband services to the end user.
Broadband	Data transmission system in which several data packets are sent simultaneously to increase the actual speed of transmission with a data flow equal to or greater than 1.5 Mbps.
Broadcast	Simultaneous transmission of information to all nodes on a network.
Access fee	This is the amount debited by national operators for each minute of use of their network by the managers of other networks. This is also called "interconnection fee".



Carrier	Company that physically makes a telecommunications network available.
Capex	Acronym for Capital Expenditure. Identifies the outgoing cash flows generated by the investments in an operating structure.
Co-location	Dedicated spaces in the machine rooms of an incumbent operator for the installation by Tiscali of its own network devices.
CPS	Acronym for Carrier Pre Selection, a system for preselecting an operator: this enables an operator/supplier of local services to automatically route calls on the network of the carrier selected by a client who no longer has to enter special selection codes.
CS	Acronym for Carrier Pre Selection, a system for selecting an operator: enables a client to select, by entering a special code, a long distance national or international operator other than that with whom he/she has a network access subscription.
Business customers	SoHos, small medium and large businesses.
Consumer customers	Customers who subscribe to an offer intended for families.
Dial Up	Narrowband internet connection by means of a normal telephone call, usually charged by time.
Digital	This is the way of representing a physical variable in a language that uses only the figures 0 and 1, and the figures are transmitted in binary code as a series of impulses. Digital networks, which are rapidly replacing the old analogue networks, allow greater capacities and greater flexibility by using computerised technologies for the transmission and handling of calls. Digital systems offer less noise interference and can include encryption as protection from outside interference.
Double Play	Combined offer of access to the Internet and fixed telephony.
DSL Network	Acronym for Digital Subscriber Line Network, which is a network built from existing telephone lines using DSL technology instruments that, by using sophisticated modulation mechanisms, enable data packets to be sent along copper wires and thus the linking of a telephone handset to a modem at a home or in an office.



DSLAM

Acronym for Digital Subscriber Line Access Multiplexer, a device used in DLS technologies, to multiply the transmission of data at high capacities on telephone wires, where a multiplexer means a device that enables the transmission of information (voice, data, videos) in flows by means of direct and continuous connections between two different points on a network.

Fibre Optic

Thin fibres of glass, silicon or plastic that form the basis of a data transmission infrastructure. A fibre optic cable contains various individual fibres, each capable of carrying a signal (light impulses) over a virtually limitless band length. They are usually used for long distance transmissions, for the transmission of "heavy data" so that the signal arrives protected from interference which it might encounter along its own path. The carrying capacity of a fibre optic cable is considerably greater than that of traditional cables and copper wire twisted pairs.

GigaEthernet

Term used to describe the various technologies that implement the nominal speed of an Ethernet network (the standard protocol for cards and cables for high speed connections between a computer and a local network) of up to 1 gigabit per second.

Home Network

Local network made up from various kinds of terminals, devices, systems and user networks, with related applications and services including all the apparatus installed at user premises.

Hosting

Service that consists of allocating on a web server the pages of a website, thus making it accessible from the internet network.

Incumbent

Former monopoly operator active in the telecommunications field.

IP

Acronym for Internet Protocol, a protocol for interconnecting networks (Inter-Networking Protocol) designed for interconnecting disparate networks for technology, services and management.

IPTV

Acronym for Internet Protocol Television, a technology suited for using the IP transport technology to carry television content in digital form, using internet connections.

IRU

Acronym for Indefeasible Right of Use, long term agreements that guarantee the beneficiary the option of using the grantor's fibre optic network for a long period.



- ISDN** Acronym for Integrated Service Digital Network, a telecommunications protocol in Narrowband able to carry in an integrated from various kinds of information (voice, data, texts, and images) coded in digital form on the same transmission line.
- Internet Service Provider or ISP** Company that provides Internet access to single users or organisations.
- Leased lines** Lines whose transmission capacity is made available through leasing contracts for the transmission capacity.
- MAN** Acronym for Metropolitan Area Network, a fibre optic network that extends across a metropolitan area and links a Core Network to an Access Network.
- Mbps** Acronym for megabit per second, a unit of measurement that states the capacity (and thus the speed) of data transmission along a computer network.
- Modem** Modulator/demodulator. It is a device that modulates digital data in order to permit its transmission along analogue circuits, usually made form telephone lines.
- MNO** Acronym for Mobile Network Operator, an operator of proprietary telecommunications on a mobile network that offers its own wholesale services to all MVNOs (Mobile Virtual Network Operator).
- MPF** Acronym for Metallic Path Facility, the pair of copper wires (unscreened twisted pair) that comes from an exchange (MDF -Main Distribution Frame) in an operators telephone room and arrives at the users premises (individual or corporate). Connections can be Full or Shared. A Full type connection enables the use of the data service (broadband) in addition to voice traffic. A Shared kind of connection only enables the use of the data service (broadband). In a “shared access” service, the LLU operator (in disparate access) provides the ADSL services to the end user, whilst the incumbent operator provides the analogue telephony service using the same access line.
- MSAN** Acronym for Multi-Service Access Node, a platform able to carry on an IP network a combination of traditional services and that supports a variety of access technologies such as for example a traditional telephone line (POTS), and ADSL2+ line, a symmetric SHDSL line, VDSL and VDSL2 over a copper or fibre-optic network.



MVNO

Acronym for Mobile Virtual Network Operators: a party that offers mobile telecommunications services to the public, using its own mobile network interconnection structures, its own HLR, its own mobile phone network code MNC, (Mobile Network Code), its own customer management (marketing, invoicing and support) and issuing its own SIM cards, but does not have assigned frequencies and takes advantage, for access, of agreements negotiated or regulated via one or more licensed mobile network operators.

Narrowband

System for connecting to data networks, for example the Internet, by means of a telephone call. In this kind of connection all the bandwidth used for the means of transmission is used as a single channel: one single signal occupies all the available bandwidth. The bandwidth of a communications channel identifies the maximum quantity of data that can be carried by means of transmission of the unit over time. The capacity of a communication channel is limited by the frequency interval that the equipment can sustain and by the distance to be travelled. An example of a Narrowband connection is the common modem narrowband connection at 56 kbps.

OLO

Acronym for Other Licensed Operators, operators other than the dominant one that operate in a national telecommunications services market.

Opex

Acronym for Operating Expenses which are direct and indirect costs that are recorded in the income statement.

Pay-Per-View

System by which a spectator pays to view a single programme (such as a sporting event or a film or concert) at the time it is transmitted or broadcast.

Pay TV

TV channels on payment. To receive Pay TV or Pay-Per-view, you have to connect a decoder and have an access system subject to conditions.

Platform

It is the total of the inputs, including hardware, software and equipment for running and the procedures for production (production platform) or for the management (management platform) or for a special service (service platform).

POP

Acronym for Point of Presence, a site at which telecommunications apparatus is installed and that forms a node on the network.

Portal

Website that forms a point of departure or an entry point for a major group of Internet resources or to an Intranet.

<i>Router</i>	Hardware or in some cases software instrument that identifies the next point on the network to which a data packet is to be sent, and routes that data packet towards the end destination.
<i>Service Provider</i>	Party that provides end users and content providers with a range of services, including that of an owned, leased or third party service centre.
<i>Server</i>	Computer component that provides services to other components (typically called clients) across a network.
<i>Set-top-box or STB</i>	Device able to handle and route data, voice and television connections, installed at the end user's premises.
<i>Syndication</i>	The sale of radio and TV transmissions by a media company that owns the rights and usually the delivery platform too.
<i>SoHo</i>	Acronym for Small office Home office, for small offices, mostly professional offices or small firms.
<i>SHDSL</i>	Acronym for Single-pair High-speed Digital Subscriber Line. SHDSL is a technology for telecommunications of the XDSL family and is made by using direct LLU interconnections and enables high speed connections to be made in a balanced way in both directions (transmission and reception).
<i>Single Play</i>	Service including only broadband data access, not combined with other multiplay components such as voice and IPTV services. Broadband access may be provided through LLU platforms, Wholesale or Bitstream.
<i>Single Play voice</i>	Service including only voice access, not combined with other multiplay components such as broadband and IPTV access. The voice service may be provided in VoIP and CPS mode.
<i>SMPF</i>	Acronym for Shared Metallic Path Facilities which is synonymous with Shared Access (ungrouped access).
<i>Triple Play</i>	A combined offering of fixed and/or mobile telephony, Internet and/or TV made by a single operator.
<i>Local loop unbundling or LLU</i>	Unbundled access to a local network, i.e., the possibility that telephone operators have had, since the telecommunications market was liberalised, to use existing physical infrastructures built by another operator to offer its own services to customers, paying a rental to the operator that is the actual owner of the infrastructure.



VAS

Acronym for Value-Added Services; services with added value provide a greater level of function compared with the basic transmission services offered on a telecommunications network for the transfer of information between terminals. These include switched analogue voice communications via cable or wireless, a direct digital point to point network “unrestricted” at 9,600 bits/s; packet switching (called virtual); analogue and direct broadband transmission of TV signals and extra services, such as closed user groups; call waiting; reverse charging; call forwarding and identification of the number called. The value added services provided over a network, from terminals or specialist centres include exchange services, messaging (MHS) (which can also be used for commercial documents in accordance with a predetermined format); electronic user directories, network and terminal addresses; e-mail; fax, teletext, videotext and videophone. Value added services may also include voice telephony value added services such as free numbers or paid telephone services.

VISP

Acronym for Virtual Internet Service provision (sometimes also called Wholesale ISP). This is selling on Internet services purchased wholesale from an Internet Service Provider (ISP) that has network infrastructure.

VoD

Acronym for Video On Demand. It is the supply of television programs on request by a user for payment of a subscription or of a sum for each programme (a film, or a football match) purchased. Broadcast in a special way by satellite TV and for cable TV.

VoIP

Acronym for Voice over internet Protocol, a digital technology that enables the transmission of voice packets through Internet, Intranet, Extranet and VPN networks. The packets are carried according to H.323 specifications, which are the ITU (International Telecommunications Union) standard that forms the basis for data, audio, video and communications on IP networks.

VPN

Acronym for Virtual Private Network, which can be realised on Internet or Intranet. Data between workstations and the server of the private network is sent along common public Internet networks, but using protection technologies against any interception by unauthorised persons.

Virtual local loop unbundling or VLLU

Procedure for accessing a local analogue network by which, even in the absence of physical infrastructures, the conditions and terms of access under LLU terms are replicated. This is a temporary access system that is usually replaced by LLU.

xDSL

Acronym for Digital Subscriber Lines, a technology that, by means of a modem, uses the normal telephone twisted pair and transforms the traditional telephone line into a high speed digital connection for the transfer of data. ADSL, ADSL 2, and SHDSL etc belong to this family of technologies.

WI-FI.

Service for high-speed wireless connection to the internet.

Wi-Max

Acronym for Worldwide Interoperability for Microwave Access: it is a technology that enables access wireless access to broadband telecommunications. It has been defined by the WiMAX forum, a world-wide consortium made up of the largest companies in the fixed and mobile telecommunications field that has the purpose of developing, promoting and testing the interoperability of systems based on IEEE standard 802.16-2004 for fixed access and IEEE.802.16e-2005 for fixed and mobile access.

Wholesale

Services that consist of the sale of access services to third parties.

WLR

Acronym for Wholesale Line Rental, selling on by a telecommunications service operator of lines hired by the Incumbent.

