



OMNITEL PRONTO ITALIA BREAKS THE 6 MILLION CUSTOMERS THRESHOLD

On January 1st, Omnitel will launch its 1800 MHz service

Milan, December 23, 1998

Omnitel Pronto Italia, Italy's first private GSM operator, announced that after 3 years of commercial service it has reached 6 million customers. 1998 has been a year of tremendous growth for the company with 3.6 million new subscribers signing up since the beginning of the year.

These results allowed Omnitel to reach the cash-flow breakeven point at the end of the second quarter 1998 after only two and a half years of operation. The company continues to forecast good results in terms of both revenues and profits for the end of the year.

The extraordinary shareholders' meeting held over the past few days approved the total coverage of the company's losses as posted in the balance sheet thus bringing Omnitel's share capital to Lit.

592,024,500,000.

As the year draws to a close, Omnitel is getting ready to launch during the first week of January its 1800 MHz GSM service. On that date the service will be offered in eight Italian cities (Bologna, Florence, Genoa, Naples, Milan, Palermo, Rome and Turin) to all Omnitel customers with dual band handsets. Dual band GSM handsets can use both 900 and 1800 Mhz frequencies and automatically switch to the bandwidth offering the best available service quality.

The 1800 MHz infrastructure has been put in place by minimising the overall visual impact of the network and in some cases by reengineering existing GSM installations. During the course of 1999 the new service will be gradually extended to other Italian cities.

Omnitel closes the year by extending the range of information services offered to customers thanks to an agreement reached with Repubblica.it, the electronic version of Italy's second widest circulating daily newspaper. Through this agreement, Omnitel customers will receive directly on their handset's display the headlines of the 5 most important news of the day. In addition, customers in eight Italian cities will be able to access information on pharmacies open 24 hours a day and a listing of movies alongside the movie theatres where they are showing. The search function can be activated by typing the word CINE followed by the first 3 letters of the city and of the movie of interest, or alternatively by typing the last name of the director or of the actor.

The system then forwards a listing of cinemas where the movie is playing. If after the name of the city customers type the name of the cinema, the

system replies with a listing of movies playing alongside show times.

Movie theatres, pharmacies and news complement other Omnitel services such as a those relating to the stock market, flights out of Milan and Rome airports, scores of the latest round of soccer games alongside the current ranking, daily horoscope, and results of the latest number lotteries and horse races. Access to the Infocenter service does not required any subscription. The service can be accessed by dialling the short number 2002 and is available to both tariff plans and pre-paid services subscribers at the cost of Lit. 195 per outgoing message for the former and Lit. 200 for the latter.