



OMNITEL PRONTO ITALIA ANNOUNCES PRELIMINARY 1998 YEAR-END RESULTS: REVENUES REACH ALMOST LIT. 4,500 BILLION WITH EBITDA OF LIT. 1,473 BILLION. NET PROFIT INCREASES TO LIT. 781 BILLION. THE NUMBER OF SUBSCRIBERS BREAKS THE 6.5 MILLION THRESHOLD DURING THE MONTH OF FEBRUARY 1999

*Milan, February 19, 1999*

Omnitel Pronto Italia, Italy's first private GSM operator, closed its 1998 fiscal year with results that confirm the company's standing in the telecommunications market. The company's preliminary results - subject to the approval of the Board of Directors scheduled to meet on March 18 - show that Omnitel posted revenues for Lit. 4,471 billion as compared to Lit. 1,835 billion posted in 1997. EBITDA (Earnings Before Income Tax, Depreciation & Amortization) for the year was Lit. 1,473 as compared to Lit. 310 billion posted in 1997.

Net profit for fiscal year 1998 was Lit. 781 billion as compared to a net loss of Lit. 140 billion posted in 1997. The company's net profit of Lit. 781 billion is posted after the accrual of Lit. 58 billion in local taxes (IRAP). Corporate income taxes (IRPEG) benefit from the tax losses carried forward by the company from its first years of operation.

1999 started with a very positive growth trend as compared to the first months of 1998. At the beginning of February Omnitel reached 6.5 million customers, confirming the company's standing as Europe's second cellular operator and as one of the leading wireless operators in the world. With 3.7 million new subscribers signed up in 1998, Omnitel conquered a 42.6% market share last year. Today, one Italian wireless subscriber in three is an Omnitel customer.

During 1999 Omnitel will continue to invest heavily in its GSM infrastructure, customer care centers and services. In 1998 the company invested Lit. 1,308 billion in these areas. During 1999 Omnitel will introduce new services and solutions which will greatly widen the range of applications available to wireless customers. In 1999 Omnitel expects the users of wireless services to overtake the number of landline network users although landline traffic is expected to grow due to a growth in data transmission.