



**OMNITEL: LIRE 1,232 BN. INVESTMENTS AS OF SEPTEMBER 30, 1999
(111% OF PROFIT), LIRE 5,125 BN. TURNOVER. 9 MILLION
CUSTOMERS AS OF OCTOBER 9.**

Milan, 27 October 1999

Omnitel has closed the third quarter of 1999 with excellent results, confirming the company's continued growth both financially and in terms of market share. Customer growth was constant during the summer months. At September 30 Omnitel had 8.9 million customers, and broke the 9 million threshold on October 9, confirming Omnitel as the second mobile telecommunications operator in Europe. Net growth in the customer base in the first nine months of the year was therefore 2.7 million subscribers.

Revenues in the third quarter of 1999 amounted to Lire 1,918 bn., bringing the overall turnover in the first nine months of the year to Lire 5,125 bn., compared to Lire 2,953 bn. in the first 9 months of 1998 (up 74%). In particular, service revenues rose from Lire 2,578 bn. to Lire 4,572 bn. (up 77%). EBITDA for the period (Earnings Before Interest, Taxes, Depreciation and Amortisation) was Lire 2,121 bn., accounting for 46% of service revenues. In the first nine months of last year EBITDA was equal to Lire 962 billion (37% of service revenues).

Net profit for the first nine months was Lire 1,105 bn., compared to Lire 498 bn. for the same period in 1998 (up 122%), and was posted after a tax accrual of Lire 455 bn.

In the first nine months of the year Omnitel invested Lire 1,232 bn with a view to service innovation, technological solutions and constant customer focus (up 62% compared to the same period in 1998), equal to 111% of net profits for the period. In particular, a part of these investments was dedicated to Internet-related activities. As well as the commercial launch of Omnitel 2000, the virtual store.