



## VODAFONE OMNITEL: CHAIN OF CONTROL SIMPLIFIED NEW OPERATING STRUCTURE

*Milan, July 9, 2002* - Vodafone Omnitel is rationalising its current organisational structure, following on from a series of actions carried out by the previous controlling groups headed by Olivetti, Mannesmann and Airtouch and, from December 2002, will become Vodafone Omnitel NV, with its registered office in Holland and its administrative, commercial and technical headquarters in Italy.

The merged company, Vodafone Omnitel NV, will be resident in Italy for tax purposes and will be subject to Italian legislation as an Italian joint-stock company in all respects.

The reasons behind the implementation of a complex system of control, taking the form of both Italian-based (Pronto Italia and Omnitel Sistemi Radiocellulari) and Dutch-based companies (Mannesmann Investments BV, Omnistrada BV and Oliman Holding II BV) no longer exist, following the withdrawal of a number of long-standing shareholders of Vodafone Omnitel (above all Olivetti, Mannesmann and Airtouch), and the subsequent consolidation of controlling interests in the hands of just two shareholders: Vodafone (around 77%) and Verizon (approximately 23%).

Simplification of the existing group structure will take place via the merger of 6 companies (Vodafone Omnitel S.p.A., Pronto Italia S.p.A., Omnitel Sistemi Radiocellulari S.p.A., Omnitel 2000 S.p.A., Oliman Holding II BV and Omnistrada BV), all directly or indirectly controlled by the Vodafone Group, with Vodafone Investments BV (formerly Mannesmann Investment BV).

*"The rationalisation," states **Pietro Guindani, General Manager of Administration, Finance and Control**, as well as a **Director of Vodafone Omnitel**, "allows us to streamline the decision-making process, thanks to a substantial shortening of the chain of control, and a significant reduction in operating costs deriving from the elimination of pure holding companies inherited from former shareholders".*

The Company's operating structure has also been subject to a review, in order to bring it more into line with the market. The Operating Headquarters, headed by Chief Operating Officer, Luca Rossetto, has been reorganised into five central macro-departments and four regional head offices, with the aim of more closely focusing sales activities, increasing call centre efficiency and ensuring the best possible network quality. Local Network units will also be integrated at national level with the Network Head Office at Headquarters, led by Valerio Zingarelli.

The five central departments are:

- Commercial, primarily responsible for developing and managing voice products, international services, management of the Customer Base, procurement and logistics, advertising and sales communications, and headed by Fabrizio Bona;
- Data, VAS and Multimedia, primarily responsible for developing non-voice products, services and platforms for all customers, including use of the WEB

platform, pay wireless systems and the management of integrated services with Vizzavi, and headed by Paolo Bertoluzzo;

- two commercial Business Units (*Consumer and Corporate*), with responsibility for the marketing and sale of products and services to private and corporate customers, using the sales organisation around the country, and headed by Roberto Larocca (BU Consumer) and Laura Cioli (BU Corporate);
- Customer Operations, with responsibility for customer care strategies, the technological and operational planning of call centres, and headed by Ferruccio Borsani.

The previous regional head offices (North-western, North-eastern, Central and South) will continue to report to the Chief Operating Officer, and will be responsible for integrating all the functions in their areas, with a view to providing customer service, setting commercial priorities and ensuring organisational efficiency.

The management team that report to the Chief Executive, Vittorio Colao, is unchanged: Stefano Bargellini (General Affairs and Safety Director), Antonio Bernardi (Corporate and Legal Affairs Director), Gianluigi Castelli (Information Technology Director), Carlo Fornaro (Communications and External Relations Director), Pietro Guindani (General Manager of Administration, Finance and Control), Monica Possa (Human Resource and Organisation Director), Luca Rossetto (Chief Operating Officer), Valerio Zingarelli (Network Director).