Innovative services for business and residential users

FastWeb in Naples: Investments of around 150 million Euro and 600 km of Network

Expansion in southern Italian city will create more than 1,100 new jobs

Naples, April 10, 2002 – FastWeb, the company in the e.Biscom Group (Milan's *Nuovo Mercato*: EBI) providing integrated telecommunications services on a proprietary fibre optic network, has launched a fixed telephone, high-speed Internet and TV on-demand services offer for residential users in Naples, following the start-up of services for business users in March.

Naples, therefore, becomes the first city in Italy's southern region equipped with a broadband network providing communication services for both home and business users. Now that the city has this asset, Naples will acquire status as a hi-tech centre, attracting investment, creating new jobs and delivering important improvements in local standards of living.

Network development in Naples and the advantages of the "Socrate" Network. The Naples development plan provides for the rapid roll-out of a fibre optic infrastructure comprising approximately 600 km, over a metropolitan area from San Giovanni to Fuorigrotta-Bagnoli, including the northern city districts of Arenella-Vomero-Rione Alto. Under an agreement with Sepsa (which operates the Cumana and Circumflegrea railway), an additional stretch of network will be installed along the entire rail link, to support development of the metropolitan and non-metropolitan areas of the Campi Flegrei.

Rapid network expansion is also assisted by access to the cable ducts created under the "Socrate" plan launched in the mid-1990s for the introduction of cable TV in Italy. Unutilised until a few months ago, the "Socrate" infrastructure will enable FastWeb to accelerate deployment of its services in Naples and to reduce excavation work, keeping possible disruption to a minimum.

Districts and territorial coverage. The first districts to receive the fibre optic services are the city centre (P.za Plebiscito, P.za Trieste e Trento, P.za Dante), the business centre, and the Ponte di Tappia, Toledo, Chiaia, Amedeo and Vomero districts; the other city areas covered by the plan will be activated by the end of the year.

In the meantime, residents in Naples – like their counterparts in Milan, Genoa, Turin, Rome and soon also Bologna – who do not yet have access to the fibre network will be able to use FastWeb's innovative and, in terms of speed, exclusive fixed telephone and high-speed Internet services based on DSL technology.

The FastWeb network will reach coverage of approximately 70% of the municipal territory by the end of 2002, equivalent to 220,000 families out of a total of 310,000.

Planned investment and its results. Investments totalling around 150 million Euro are planned to finance development of the Naples infrastructure, as part of the FastWeb development plan covering Italy's main cities.

As a result of the plans in Naples, in addition to an increase in staff employed by the company itself – 100 people at the FastWeb offices in Naples –, an outsourcing agreement was signed recently with Euromedia for a customer support centre manned by 70 full-time operators, to grow to 250 by the end of the year. Additionally, about 700 jobs will be created in installation, civil construction, commercial/marketing and material supply operations.

FastWeb broadband residential services. FastWeb offers innovative broadband telecommunications services on a proprietary fibre optic network, as a complete alternative to that of the former state monopoly operator. The FastWeb network implements Internet Protocol technology (IP) for integration of a full range of transmission services on a single line: voice, data, Internet and video. In addition to fixed telephone services (which eliminates the need for any type of contract with another telephone service provider), the FastWeb network supports round-the-clock Internet access at speeds of up to 10 megabit/second for residential users and from 10 megabit/second upwards for business users. The network also carries digital video and audio, while keeping telephone lines free. FastWeb is also the first to provide residential users with a TV on-demand service, for interactive use of television, independent of the programming schedules of traditional channels.

Applications for public services. Broadband offers endless opportunities for public service applications. FastWeb technology can be used for remote links between public authorities, institutions, schools and hospitals, to allow significant improvements in the quality of public services as well as greater cost-effectiveness. Applications include: working from home, distance learning, urban mobility services (integrated traffic monitoring, control and automation, remote control of public transport networks, etc.).

The FastWeb network in Italy's main cities. The FastWeb fibre optic network is the only infrastructure to provide capillary coverage of the areas it serves and to support both business and residential users. The current infrastructure covers approximately 5,000 km, of which half consists of urban local access links. FastWeb operates in Milan, Rome, Genoa, Turin, Naples and Bologna, with a market share of more than 10% and peaks of around 20% in areas where it has already been present for more than a year. In 2001, the company reported revenues in excess of 70 million Euro, compared to 18 million Euro in 2000. At the end of 2001, FastWeb had 49,000 customers.

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