PRESS RELEASE

TELECOM ITALIA: THE COMPANY RESULTS AND FUTURE STRATEGIES, WHICH ENVISAGE ACCELERATION ON ULTRABROADBAND, REBRANDING AND SIMPLIFIED PRICING, PRESENTED TO THE CONSUMER ASSOCIATIONS

The annual targets of the 2014-2016 plan have already been smashed, with over 80% of the population reached by 4G and approximately 30% of the country covered with optic fibre network infrastructure.

The process to rebrand and simplify the whole of the company's fixed, mobile and internet offer has started: TIM will become the Group's only commercial brand.

From 1 May, the home telephone line will evolve to a flat rate offer that will also include unlimited calls to all Italian fixed and mobile numbers, with a single payment, and, to make budgeting easier, bills will be monthly from July.

Rome, 13 February 2015

Major investments to accelerate the development of the new generation networks in Italy, a competition based not only on prices but above all on service quality, the start of the rebranding process, and simplified pricing. These are the novelties announced today by Telecom Italia Chief Executive Officer Marco Patuano, in a meeting with the Italian Consumer Associations.

The company confirmed its commitment to the development of fixed and mobile ultrabroadband infrastructure to respond to the country's ever-increasing technological and competitive challenges. It also presented the significant results achieved in terms of coverage: “We have exceeded the annual targets set in the 2014-2016 industrial plan by a significant margin - said Patuano - until now, over 3,500 municipalities, equivalent to over 80% of the population, had 4G coverage, while we have reached approximately 30% of national territory with optic fibre, and launched ultra-broadband services in over 130 towns and cities. We are working hard to give the Country new generation networks, and will be working even harder in the future”.

Among the innovations presented to the Consumer Associations by the Chief Executive Officer of Telecom Italia are the company's new commercial strategies, with the start of the rebranding process, and the price simplification that comes into force in May. A pathway which between now and 2016 will gradually reposition the whole of the Group's fixed, mobile and internet offer, in which TIM will become the only commercial brand to propose technical novelties and services characterised by ever-increasing quality standards to our customers.
“The results achieved – Patuano explained - have caused Telecom Italia to change its competitive paradigm, moving from a market in which competition between operators was based on the so-called ‘price war’ to a market that is instead characterised by service quality and, even more so, by the full availability of an ultrabroadband network to exploit innovative products.”

The price simplification initiative with which, from 1 May, Telecom Italia will evolve the home telephone line towards a "flat rate" offer that also includes unlimited calls to all fixed and mobile phones in Italy for a single fee is part of this. This is the "Tutto Voce" (All calls) offer, which overcomes the traditional distinction on the bill between the cost to access the telephone service and the cost of calls, opting instead for an "all inclusive" solution that, with 29 euros a month, offers total freedom to consume, with certainty about the price, in line with market demand and development.

Similarly, for all those who use ADSL service as well as their basic telephone line, this will evolve to the "Tutto" (All) offer, which adds all calls to domestic fixed and mobile phones to their unlimited ADSL service for the single price of 44.90 euros per month.

There is a special initiative, aimed at spreading the use of broadband and ultra-broadband services for customers who have chosen Telecom Italia for more than 10 years: those who have just a basic telephone line will be able to use the "flat" ADSL service free of charge for one year, while those who already have ADSL can switch to optic fibre with no increase in price.

Customers can always choose other offers, based on their communication needs, including the possibility of maintaining a voice for consumption based plan, with a fee of 19 euros per month. The new prices are not for customers who have chosen specific offer "packages" that include voice and data services and telephone line, nor for those who benefit from subsidised prices and those who have the Carta Acquisti (the "Social Card").

Finally, from the month of July, the Telecom Italia bill will be monthly, to enable customers to be more aware of their spending.