On June 14th, 2019, TIM S.p.A. (BIT: TIT; NYSE: TI) announced its intention to voluntarily delist its ordinary share American Depositary Shares and savings share American Depositary Shares (collectively, ADSs), evidenced by ordinary share American Depositary Receipts and savings share American Depositary Receipts (collectively, ADRs), respectively, from the New York Stock Exchange (NYSE). Accordingly, TIM intends to convert both its current Level II ADR programs into Level I ADR programs, which gives existing ADR holders the option to continue to hold ADRs. Level I ADRs are traded in the U.S. over-the-counter market.

QUESTIONS & ANSWERS

Why is TIM delisting from the NYSE?

The decision to delist from the NYSE is aimed at reducing both complexity in financial reporting and administrative costs, while maintaining high corporate governance standards, robust internal control system and transparent financial reporting (including by continuing to publish English translations of its annual reports, financial statements, financial press releases and other regulated information on its corporate website www.telecomitalia.com). TIM will remain subject to market rules of the Borsa Italiana and all laws and regulations applicable to listed companies in Italy.

What is the impact of delisting on ADR holders? Where will Telecom Italia ADRs be traded?

Further to the delisting, the current Level II ADR programs will be converted into Level I ADR programs, which gives ADR holders the option to continue to hold the ADRs. The TIM ADR programs will not be terminated as a result of the delisting, but following the conversion the ADRs will be traded in the over-the-counter market instead of through the trading facilities of the NYSE.

Does delisting from the NYSE impact the voting and dividend rights of ADR holders?

The delisting does not impact voting and dividend rights. ADR holders will continue to have the right to vote and receive dividends (if any) in U.S. dollars.

What are the differences between Level I and Level II ADRs?

ADRs represent equity securities of a non-U.S. issuer that have been deposited with a U.S. bank or trust company. In exchange for the deposited securities, the depositary issues a negotiable certificate representing the ADRs.

Sponsored ADR programs (i.e. programs established jointly by an issuer and a depositary) are categorized into the following three principal levels, each subject to a different degree of regulation under the U.S. securities laws:

Level 1 ADR Programs. ADRs under these programs are not listed on a U.S. stock exchange, but trade in the over-the-counter market. It still permits U.S. residents and others to hold and trade U.S. dollar-denominated securities.

Level 2 ADR Programs. Under these programs an issuer lists its ADRs on a U.S. exchange, such as the NYSE or Nasdaq.

Level 3 ADR Programs. Such programs are established in connection with raising capital through a public offering of securities in the U.S. and contemporaneous listing on a U.S. exchange.
As an ADR holder, what should I do following your announcement?

As an ADR holder, you do not need to take any action in connection with our delisting. You are still able to trade your TIM ADRs, except that trading now occurs in the over-the-counter market, instead of through the facilities of the NYSE.

As an ADR holder, will I incur any costs solely as a result of the delisting?

The conversion from a Level II to a Level I ADR program will be completed at no cost to ADR holders. Should you not be interested in holding Level I ADRs, please contact your broker or J.P. Morgan Depositary Receipts office if you are a registered ADR holder for further details. Should you wish to cancel your Level I ADRs at any point, standard cancellation fees will be applied.

If you are a holder of our ADRs and require further assistance regarding any matter related to the delisting, please contact your broker. If you are a registered ADR holder, please contact J.P. Morgan Depositary Receipts – Client Solutions: T: +1 302.552.0750 | F: +1 302.220.4591 | timothy.e.green@jpmorgan.com.

What is the anticipated timeline for the delisting and related deregistration?

TIM will provide written notice to the NYSE of its intent to delist, following which it plans to submit the related Form 25 with the SEC and expects delisting to become effective ten days later, from which time the TIM’s ADSs will no longer be traded on the NYSE. Following the delisting, TIM intends to file a Form 15F with the U.S. Securities and Exchange Commission (SEC) to apply for the deregistration of all classes of U.S. registered securities, including the ADSs and all registered debt securities issued by Ti Capital S.A., a wholly owned subsidiary of TIM, guaranteed by TIM, and the termination of its reporting obligations under the U.S. Securities Exchange Act of 1934. Deregistration is expected to become effective 90 days later.

How does the delisting and deregistration impact TIM’s financial reporting obligations and internal controls?

Following the deregistration, TIM is no longer required to comply with the periodic financial reporting obligations under the U.S. Securities Exchange Act of 1934 and the internal control requirements under the Sarbanes-Oxley Act (SOX). However, TIM intends to maintain high corporate governance standards, a robust internal control system and transparent financial reporting (including by continuing to publish English translations of its annual reports, financial statements, financial press releases and other regulated information on its corporate website www.telecomitalia.com). TIM will also remain subject to market rules of the Borsa Italiana and all laws and regulations applicable to listed companies in Italy.

What is the impact on Export Control?

The delisting will have no impact on TIM’s export control policies and procedures, that will continue to remain compliant with U.S. Sanctions Programs and Export Control rules and regulations issued by the U.S. Office of Foreign Assets Control (OFAC) and BIS under the ITAR/EAR control programs.
Important Information

This document does not constitute an offer to sell or a solicitation of any offer to buy any securities issued by TIM S.p.A. or its subsidiaries (“TIM”) in any jurisdiction or any advice or recommendation with respect to such securities.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, “qualified investors” (as defined in section 86(7) of the Financial Services and Markets Act 2000) and who are (i) persons having professional experience in matters relating to investments who fall within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). Persons who are not relevant persons should not take any action on the basis of this document and should not act or rely on it.

This document may contain forward-looking statements which reflect TIM’s current view on future events and financial and operational development. Words such as “intend”, “expect”, “anticipate”, “may”, “believe”, “plan”, “estimate” and other expressions which imply indications or predictions of future development or trends, and which are not based on historical facts, are intended to identify forward-looking statements. Forward-looking statements inherently involve both known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements do not guarantee future results or development and the actual outcome could differ materially from the forward-looking statements. Any forward-looking statements contained in this document speak only as at the date hereof, and TIM does not assume or undertake any obligation or responsibility to update any forward-looking statement to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.