STOCK OPTION PLAN RESERVED TO THE EXECUTIVE DIRECTORS
OF TELECOM ITALIA
(TOP 2008 PLAN)

INFORMATION DOCUMENT
PURSUANT TO ARTICLE 84-BIS OF THE REGULATION ON ISSUERS
INTRODUCTION

With this information document (the “Information Document”) Telecom Italia S.p.A. (with registered office in Milan at 2 Piazza degli Affari, tax code and registration number in the Milan Company Register 00488410010; hereinafter also referred to as “Telecom Italia”, the “Company” or the “Issuer”) complies with the rules for compensation plans involving the award of financial instruments with reference to the stock option plan reserved to the executive directors of the Company, Gabriele Galateri di Genola and Franco Bernabé, in the event that they are confirmed in the position of Chairman and Chief Executive Officer respectively after the election of a new Board of Directors, which is among the matters to be submitted to the shareholders’ meeting of April 13 and 14, 2008, identified as “Top 2008 Plan” (hereinafter also referred to as the “Top 2008-2010 Plan” or the “Plan”).

The stock options will be assigned by the Board of Directors after the approval by the shareholders’ meeting of the Top 2008 Plan pursuant to Article 114-bis of Legislative Decree 58/1998.

DEFINITIONS

Share/Shares – the ordinary shares of Telecom Italia S.p.A., with a par value of €0.55 each. The shares are traded on the MTA electronic share market organized and operated by Borsa Italiana S.p.A..

Beneficiaries – the beneficiaries of the Plan, identified as Gabriele Galateri di Genola and Franco Bernabé, in the event that they are confirmed in the position of Chairman and Chief Executive Officer respectively after the election of a new Board of Directors of Telecom Italia, which is among the matters to be submitted to the shareholders’ meeting of April 13 and 14, 2008.

Grant Date – the date the Options are awarded to the Beneficiaries by the Board of Directors of the Company (or its delegate).

Telecom Italia Group or Group - Telecom Italia and the companies it controls directly and indirectly.

Option/Options – rights to purchase Shares at a predetermined price (Exercise Price) according to the ratio of one Share for each Option exercised (1:1), awarded under the Top 2008 Plan.

Incentive Period – span of time with respect to which the degree of achievement of the performance objectives must be verified, exclusively for the options whose exercise is conditional (25% of the rights awarded).

Exercise Price – the price for the purchase of the Share, which will be equal to the higher of €1.95 and the arithmetic mean of the prices of the Share recorded in the last month with reference to the Grant Date.

Rules – the rules governing the time limits, characteristics, conditions and manner of implementation of the Top 2008 Plan.
Regulation on Issuers – Consob Regulation 11971/1999, as amended, implementing the provisions on issuers of the Consolidated Law on Finance (as defined below).


Vesting – the period of three years, starting from the Grant Date, at the end of which the Option may be exercised and the Share consequently acquired at the Exercise Price. The Options may be exercised immediately upon the occurrence of predetermined events (hereinafter “Early Vesting”).

1. BENEFICIARIES

1.1 Names of the Beneficiaries of the Plan in their capacity as members of the Board of Directors of the Issuer or the Issuer’s parent companies or subsidiaries

The Beneficiaries of the Top 2008 Plan, in their capacity as executive directors of the Issuer, are:

- Gabriele Galateri di Genola, and
- Franco Bernabé,

in the event that they are confirmed in the position of Chairman and Chief Executive Officer respectively after the election of the new Board of Directors of Telecom Italia.

1.2 Categories of employees or collaborators of the Issuer or the Issuer’s parent companies or subsidiaries

The Top 2008 Plan is reserved to the present executive directors of the Issuer in the event that they are confirmed in the position of Chairman and Chief Executive Officer respectively after the election of a new Board of Directors of Telecom Italia.

1.3 Names of the Beneficiaries belonging to the following groups:

a) persons performing executive functions in the Issuer pursuant to Article 152-sexies, paragraph 1(c)(c.2), of the Regulation on Issuers

Not applicable: see Sections 1.1 and 1.2.

b) persons performing executive functions in a subsidiary of the Issuer if the book value of the holding is equal to more than 50 per cent of the Issuer’s balance sheet assets, pursuant to Article 152-sexies, paragraph 1(c)(c.3), of the Regulation on Issuers
Not applicable: see Sections 1.1 and 1.2; in any event, none of the Issuer’s subsidiaries satisfies the conditions referred to in Article 152-sexies, paragraph 1(c)(c.3), of the Regulation on Issuers.

c) **natural persons controlling the Issuer who are employees or collaborators of the same**

Not applicable: see Sections 1.1 and 1.2; in any event, Telecom Italia is not controlled by natural persons.

1.4 **Description and indication of the number, divided by category:**

a) **of managers having regular access to inside information and authorized to take management decisions that can influence the development and prospects of the Issuer, pursuant to Article 152-sexies, paragraph 1(c)(c.2), of the Regulation on Issuers**

Not applicable: see Sections 1.1 and 1.2.

b) **of managers having regular access to inside information and authorized to take management decisions that can affect the development and prospects of a subsidiary of the Issuer if the book value of the holding is equal to more than 50 per cent of the Issuer’s balance sheet assets, pursuant to Article 152-sexies, paragraph 1(c)(c.3), of the Regulation on Issuers**

Not applicable: see Sections 1.1, 1.2, and 1.3 b).

c) **of any other categories of employees or collaborators for whom different Plan characteristics have been provided**

Not applicable: see Sections 1.1 and 1.2.

d) **of the person indicated in indents a) and/or b) for whom different exercise prices are provided**

Not applicable: see Sections 1.1 and 1.2; in any event, the Top 2008 Plan provides for the award of Options with the same Exercise Price for each of the two Beneficiaries.
2. **REASONS FOR THE ADOPTION OF THE PLAN**

2.1 **Objectives it was intended to achieve by awarding the Options**

The aim of the Top 2008 Plan is to provide support for improvements in the Company’s long-term performance and the creation of shareholder value by aligning the interests of the Company’s present executive directors, Gabriele Galateri di Genola and Franco Bernabé - as mentioned, in the event that they are confirmed in the position of Chairman and Chief Executive Officer respectively after the election of a new Board of Directors – with those of investors in the Company’s equity capital, by awarding a significant equity-based variable component of compensation.

The Plan belongs to the set of instruments used within the Group for the compensation of top management to supplement the fixed component of the compensation package with variable elements keyed to the level of performance achieved.

In particular, the Plan represents the long-term variable component of the compensation of the executive directors that, for the Chief Executive Officer alone, supplements the short-term performance incentive (MBO).

2.2 **Key variables, including performance indicators considered for the purpose of awarding the Options**

The exercisability of 75% of the Options is not subject to performance parameters but solely to the Beneficiary continuing to be a director of the Company until the shareholder’s meeting called to approve the annual financial statements for the 2010 fiscal year and without prejudice to the cases of early vesting described below.

The exercisability of the remaining 25% of the Options depends on the performance of the Total Shareholder Return (TSR) of Telecom Italia in relation to that of the 10 main (top-weighted) companies of the Dow Jones Stoxx Telecommunications index. In other words, the following will become exercisable at the Vesting date:

- 25% of the Options, if Telecom Italia’s TSR reaches the third quartile of the reference panel;
- 12.5% of the Options, if Telecom Italia’s TSR reaches the median of the reference panel.

The entire portion of performance-based Options (25% of the total) will expire if Telecom Italia’s TSR does not reach the median of the reference panel.

The TSR is calculated assuming that the dividends paid on the Shares are reinvested in the Incentive Period (“Compound TSR”).
2.3 Factors involved in determining the amount of compensation based on financial instruments

For each Beneficiary the number of Options was determined on the basis of a strategy of positioning aimed at ensuring the overall compensation package’s competitiveness on the market and its balance, in the light of international best practices periodically checked against targeted benchmarks.

2.4 Reasons for adopting compensation plans based on financial instruments not issued by the Issuer

Not applicable: the Top 2008 Plan is based on the award of Options to purchase Shares.

2.5 Significant tax and accounting implications affecting the design of the Plan

Not applicable: there were no significant tax and accounting implications that affected the design of the Plan.

2.6 Support for the Plan from the Fund for the encouragement of employee ownership referred to in Article 4(112) of Law 350/2003.

The Top 2008 Plan does not receive support from the Fund for the encouragement of employee ownership referred to in Article 4(112) of Law 350/2003.

3. APPROVAL PROCEDURE AND CALENDAR FOR THE AWARD OF THE INSTRUMENTS

3.1 Scope of the powers and functions delegated by the shareholders’ meeting to the Board of Directors for the implementation of the Plan

On March 6, 2008 the Issuer’s Board of Directors, acting on a proposal from the Remuneration Committee, voted to submit the Top 2008 Plan to the Telecom Italia S.p.A. shareholders’ meeting called for April 13 and 14, 2008, pursuant to Article 114-bis of the Consolidated Law on Finance.

The shareholders’ meeting is asked to grant the Board of Directors a mandate for the complete implementation of the Top 2008 Plan, including the purchase and disposal of treasury Shares for the purposes of the Plan.

In particular, the shareholders’ meeting is asked:

- to authorize, for the maximum period permitted by applicable law (18 months from the date of the resolution adopted by the shareholders’ meeting), the
purchase on one or more occasions and at any time of up to 11,400,000 ordinary shares of Telecom Italia S.p.A., corresponding to 0.059% of the share capital. The consideration for the purchases must fall between a minimum and a maximum corresponding to the official prices of the ordinary shares recorded by Borsa Italiana S.p.A. in the last ten days of trading before the purchase date, respectively decreased and increased by 10%. The purchase of treasury shares must also not be made for amounts exceeding the available reserves as stated in the Company’s latest approved annual financial statements at the time of the transaction. The purchases must be made on regulated markets according to the procedures permitted by the laws and regulations in force;

• to approve the Top 2008 Plan;

• to authorize, within the time limits necessary for the implementation of the Plan, the disposal to the Beneficiaries, on one or more occasion and at any time, of the Telecom Italia S.p.A. ordinary shares purchased as specified above or aliunde, or already in the Company’s possession at the date of the shareholders’ resolution;

• to grant the Board of Directors every necessary and appropriate power to execute the purchase of treasury shares and to implement the Top 2008 Plan and, in general, the operations relating thereto, including a mandate to make the appropriate entries in the accounting records in accordance with applicable law and accounting standards.

3.2 Indication of the persons charged with administering the Plan and their functions and powers

At the present time no person has been entrusted with administering the Top 2008 Plan.

The Board of Directors, under the mandate granted to it by the shareholders’ meeting, may decide to delegate all or part of the activities of managing and administering the Top 2008 Plan.

3.3 Procedures for revising the Plan, inter alia in the event of changes in the basic objectives

The Rules established for the implementation of the Top 2008 Plan will envisage the Board of Directors taking action in case of changes in the applicable legislation or of extraordinary events likely to affect the Plan, which are not presently foreseen.
3.4 Description of how the availability and allocation of the financial instruments on which the Plan is based were established

The Top 2008 Plan provides for the Beneficiaries to be assigned Options for the purchase of Shares that are in the Company’s possession, including as a consequence of buy-backs on the market, at the end of the Vesting period, subject to the Beneficiary continuing to be a director of the Company until the shareholder’s meeting called to approve the annual financial statements for the 2010 fiscal year and without prejudice to the cases of early vesting described below.

The exercisability of 75% of the Options is not subject to performance parameters.

The exercisability of the remaining 25% of the Options depends on the performance of the Total Shareholder Return (TSR) of Telecom Italia in relation to that of the 10 main (top-weighted) companies of the Dow Jones Stoxx Telecommunications index.

The exercise period will last three years from the Vesting date or from the time of Early Vesting. Subject to maintenance of the directorships, for one year from the Vesting date a maximum of 50% of the Shares acquirable by exercising the exercisable Options will be available to the Beneficiaries.

3.5 Role played by each director in determining the characteristics of the Plan; any conflicts of interest involving the directors concerned

In its meeting of February 4, 2008 the Board of Directors invited the Remuneration Committee to prepare terms and conditions for a long-term compensation measure reserved to the present executive directors of the Company in the form of stock options.

In its meeting of March 6, 2008 the Board of Directors voted to submit the Top 2008 Plan to the Telecom Italia shareholders’ meeting.

On both dates the following members of the Board of Directors were present: Gabriele Galateri di Genola (Chairman), Franco Bernabé (Chief Executive Officer), César Alierta Izuel, Paolo Baratta, Gilberto Benetton, Stefano Cao, Renzo Capra, Domenico De Sole, Luigi Fausti, Jean Paul Fitoussi, Julio Esteban Linares López, Gaetano Miccichè, Aldo Minucci, Gianni Mion, Renato Pagliaro, Cesare Giovanni Vecchio and Luigi Zingales. The Remuneration Committee was composed of Luigi Zingales (Chairman), Stefano Cao, Renzo Capra and Luigi Fausti, all of them independent directors.

In the meetings of the Board of Directors held on February 4 and March 6, 2008 Directors Gabriele Galateri di Genola and Franco Bernabé did not participate either in the discussion of the matter or in the vote thereon.
3.6 **Steps in the approval of the Plan**

At the invitation formulated by the Board of Directors on February 4, 2008 the Remuneration Committee carefully considered and drew up the Top 2008 Plan with the assistance of consulting firms and the Company’s offices. In particular, the initiative was examined in operational terms in the meetings of February 18 and 29, 2008.

On March 6, 2008 the Issuer’s Board of Directors, acting on a proposal from the Remuneration Committee, voted to submit the Top 2008 Plan for approval by the Telecom Italia S.p.A. shareholders’ meeting called for April 13 and 14, 2008.

3.7 **Date of the decision taken by the competent body concerning the award of the financial instruments and any proposals made to such body by the remuneration committee**

See Section 3.6.

3.8 **Market prices on the above-mentioned dates of the financial instruments on which the Plan is based, if traded on regulated markets**

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Market price (*) (in euros)</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 4, 2008</td>
<td>Meeting of the Board of Directors that invited the Remuneration Committee to prepare terms and conditions for a stock option plan reserved to the Chairman and the Chief Executive Officer</td>
<td>2.022</td>
</tr>
<tr>
<td>February 18, 2008</td>
<td>First meeting of the Remuneration Committee to consider the proposal to be submitted to the Board of Directors</td>
<td>1.808</td>
</tr>
<tr>
<td>February 29, 2008</td>
<td>Second meeting of the Remuneration Committee to consider the proposal to be submitted to the Board of Directors</td>
<td>1.679</td>
</tr>
<tr>
<td>March 6, 2008</td>
<td>Meeting of the Board of Directors that convened the shareholders’ meeting for the approval of the Plan</td>
<td>1.601</td>
</tr>
</tbody>
</table>
3.9 Time limits and procedures considered by the Issuer in identifying the calendar for the award of financial instruments in implementing the plans, of the possible coincidence between (i) such award or decisions taken in this respect by the remuneration committee and (ii) the dissemination of any inside information referred to in Article 114.1 of the Consolidated Law on Finance

On February 4, 2008 the Board of Directors invited the Remuneration Committee to prepare terms and conditions for a long-term compensation measure reserved to the present executive directors of the Company in the form of stock options, to be submitted for approval by an ordinary shareholders’ meeting of the Company in the process of being convened.

On March 6, 2008 the Issuer’s Board of Directors approved the proposed grant of Options for the Top 2008 Plan, the solo and consolidated annual financial statements for the 2007 fiscal year, the 2008 budget and the 2008-2010 strategic guidelines. The proposed grant of Options, together with the results for the year were the subject of a press release issued the same day, while the following day (March 7, 2008) the strategic guidelines were described to the financial community after publication of a press release and the material (slides) presented to analysts and investors.

4. CHARACTERISTICS OF THE FINANCIAL INSTRUMENTS AWARDED

4.1 Description of how the Plan is structured

The Top 2008 Plan provides for the Beneficiaries to be assigned Options for the purchase of Shares that are in the Company’s possession, including as a consequence of buy-backs on the market, at the end of the Vesting period, subject to the Beneficiary continuing to be a director of the Company until the shareholder’s meeting called to approve the annual financial statements for the 2010 fiscal year and without prejudice to predetermined cases of early exercisability of part of the Options, at a price equal to the higher of €1.95 and the arithmetic mean of the prices of the Share recorded in the last month with reference to the Grant Date.

The exercisability of 75% of the Options is not subject to performance parameters. The exercisability of the remaining 25% of the Options depends on the performance of the Total Shareholder Return (TSR) of Telecom Italia in relation to that of the 10 main (top-weighted) companies of the Dow Jones Stoxx Telecommunications index.
The exercise period will last three years from the Vesting date or from the time of Early Vesting. Subject to maintenance of the directorships, for one year from the Vesting date a maximum of 50% of the Shares acquirable by exercising the exercisable Options will be available to the Beneficiaries.

The maximum number of Shares that can be acquired by exercising the Options is fixed in advance at 3,000,000 for the Chairman and 8,400,000 for the Chief Executive Officer.

4.2 Indication of the period of actual implementation of the Plan, with reference also to any different cycles envisaged

The Top 2008 Plan has a Vesting period of three years starting from the Grant Date. The exercise period will last three years from the Vesting date or from the time of Early Vesting. Subject to maintenance of the directorships, for one year from the Vesting date a maximum of 50% of the Shares acquirable by exercising the exercisable Options will be available to the Beneficiaries. The portion of Options not subject to performance conditions (75% of the total) will become immediately exercisable in the following cases:

- a tender offer for the Shares;
- termination of the relationship with a Beneficiary by the Company without good cause;
- resignation of a Beneficiary with good cause.

In addition, a portion of the Options not subject to performance conditions, pro rated on the basis of the fraction of the three years that has passed before the event, will become immediately exercisable in the event of:

- early termination of the appointment of the entire Board of Directors;
- the death of a Beneficiary.

4.3 Expiration of the Plan

See Section 4.2.

4.4 Maximum number of Shares covered by the Options awarded in each fiscal year for the persons individually named or the categories specified

The Top 2008 Plan has a duration of three years, without prejudice to the cases of early exercisability of the Options (see Section 4.2).
### Name

<table>
<thead>
<tr>
<th>Name</th>
<th>Fiscal year of award</th>
<th>Number of Shares covered by the Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gabriele Galateri di Genola</td>
<td>2008</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Franco Bernabé</td>
<td>2008</td>
<td>8,400,000</td>
</tr>
</tbody>
</table>

#### 4.5 Plan implementing procedures and clauses, specifying whether the actual award of the Shares is subject to the occurrence of conditions or the achievement of certain results, including performance results

The Plan consists in the award of a total of 11,400,000 Options — of which 3,000,000 to the Chairman, Gabriele Galateri di Genola, and 8,400,000 to the Chief Executive Officer, Franco Bernabé — for the purchase of Shares, according to the ratio of one Share for each Option exercised (1:1), at a price equal to the higher of:

- €1.95, and
- the arithmetic mean of the prices of the Share recorded in the last month with reference to the Award Date of the Options, where:
  - “arithmetic mean of the prices” means the arithmetic mean of the official prices of the Shares recorded on the MTA electronic share market organized and operated by Borsa Italiana S.p.A., calculated using only the days on which the price of the security is actually quoted, i.e. those to which the prices on which the calculation is based refer, as the divisor;
  - “last month” means the period from and including the Grant Date of the Options to and including the same day of the preceding calendar month.

The Plan provides for Vesting after three years have passed from the Grant Date, subject to the Beneficiary continuing to be a director of the Company until the shareholder’s meeting called to approve the annual financial statements for the 2010 fiscal year and without prejudice to predetermined cases of early exercisability of part of the Options.

The exercise period will last three years from the Vesting date or from the time of Early Vesting. Subject to maintenance of the directorships, for one year from the Vesting date a maximum of 50% of the Shares acquirable by exercising the exercisable Options will be available to the Beneficiaries.

The exercisability of 75% of the Options is not subject to performance parameters.

The exercisability of the remaining 25% of the Options depends on the performance of the Total Shareholder Return (TSR) of Telecom Italia in relation to that of the 10 main (top-weighted) companies of the Dow Jones Stoxx Telecommunications index.

In other words, the following will become exercisable at the Vesting date:
• 75% of the Options, whose exercisability is not subject to performance conditions, plus
• 25% of the Options, if Telecom Italia’s TSR reaches the third quartile of the reference panel, or
• 12.5% of the Options, if Telecom Italia’s TSR reaches the median of the reference panel.

The entire portion of performance-based options (25% of the total) will expire if Telecom Italia’s TSR does not reach the median of the reference panel.

4.6 **Indication of any restrictions on the availability of the Shares**

The Options may not be transferred *inter vivos*.

In case of inheritance due to the death of a Beneficiary, the person(s) entitled will have the right to acquire a portion of the Options not subject to performance conditions, pro rated on the basis of the fraction of the three years that has passed from the Grant Date up to the event.

By exercising the Options the Beneficiary (or the person or persons entitled following the Beneficiary’s death) will acquire Shares with regular entitlement to dividend and having the same characteristics and the same rights as the Telecom Italia ordinary shares in circulation at the date of their assignment.

Subject to maintenance of the directorships, for one year from the Vesting date a maximum of 50% of the Shares acquirable by exercising the exercisable Options will be available to the Beneficiaries.

4.7 **Description of any resolutory conditions in relation to the award under the Plan if the Beneficiaries carry out hedging transactions neutralizing any prohibition on the sale of the financial instruments awarded, including in the form of options, or of the financial instruments deriving from the exercise of such options**

Not applicable: there are no resolutory conditions in the event that the Beneficiaries carry out hedging transactions.

4.8 **Description of the effects produced by the termination of employment**

The portion of options not subject to performance conditions (75% of the total) will become immediately exercisable not only in the event of a tender offer for the Shares, but also in the event of termination of the relationship with a Beneficiary by the Company without good cause and the resignation of a Beneficiary with good cause.
In addition, a portion of the Options not subject to performance conditions, pro rated on the basis of the fraction of the three years that has passed before the event, will become immediately exercisable in the event of:

• early termination of the entire Board of Directors;
• the death of a Beneficiary.

The period in which the Options can be exercised lasts three years from the time of occurrence of the events indicated above.

4.9 Indication of any other grounds for annulling the Plan

The Board of Directors may make any adjustments to the terms and conditions of the Plan in the event of changes in the applicable legislation or extraordinary events likely to influence the Plan itself.

4.10 Reasons for an option for the Company to redeem the financial instruments underlying the Plan, introduced pursuant to Articles 2357 et seq. of the Civil Code, and related description

Not applicable: no provision is made for the Company to redeem either the Options or the Shares.

4.11 Any loans or other facilitations that are to be granted for the purchase of the Shares pursuant to paragraph 3 of Article 2358 of the Civil Code

Not applicable: no provision is made for facilitations pursuant to paragraph 3 of Article 2358 of the Civil Code.

4.12 Indication of the cost the Company is expected to incur at the grant date, as determined on the basis of the predefined terms and conditions, in total and for each financial instrument of the Plan

The ordinary shareholders’ meeting of April 13 and 14, 2008 is asked: to approve the Top 2008 Plan; to authorize, for the purposes of the Plan, the purchase of up to 11,400,000 Shares; and to authorize, within the time limits necessary for the implementation of the Top 2008 Plan, the disposal to the Beneficiaries of all or part of the Shares purchased as specified above or aliunde, or already in the possession of Telecom Italia at the date of the shareholders’ resolutions.

At 28 March 2008 the Company held 1,272,014 treasury Shares.

The net cost to be borne by the Company for the exercise of the Options will depend on:
• the manner in which the Company creates the stock of Shares needed to meet the possible exercise of the Options and thus on the final purchase price of such Shares deriving therefrom;

• the Exercise Price on the basis of which the amount that the Company will collect for the sale of the Shares to the Beneficiaries upon the exercise of the Options will depend; and

• the effects deriving from any financial hedging transactions that the Company carries out.

In application of IFRS 2 (“Share-Based Payment”), Telecom Italia will determine the fair value of the Options at the Grant Date and will include such value pro rata in the income statement under personnel costs for the length of the Vesting period set against a corresponding reserve in shareholders’ equity (“Other instruments representing shareholders’ equity”).

At the date of this Information Document the fair value of the Options is estimated at €1.6 million in total.

The Top 2008 Plan will be administered by Telecom Italia as part of the current activities managed by the Company’s own units, with no additional costs for the Company.

4.13 Indication of any capital dilution effects caused by the Plan

The Top 2008 Plan involves the award of Options that make it possible to purchase Shares already held by the Company or acquired by the Company for that specific purpose. Consequently, it cannot have dilution effects on the Issuer’s capital.

4.14 Any restrictions on the exercise of voting rights or the attribution of property rights

Not applicable: the Shares transferred upon exercise of the Options have regular dividend rights.

4.15 If the shares are not traded on regulated markets, provide all the information needed to assess the value attributed to them

Not applicable: the Shares that can be acquired by exercising the Options are traded on the MTA electronic share market organized and operated by Borsa Italiana S.p.A.
<table>
<thead>
<tr>
<th>Name or category</th>
<th>Position</th>
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<tbody>
<tr>
<td><strong>TELECOM ITALIA - Currently valid Stock Option Plans</strong></td>
<td></td>
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<tr>
<td><strong>COMPENSATION PLANS BASED ON FINANCIAL INSTRUMENTS</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Table 1 of Model 7 of Annex 3A of Consob Regulation 11971/1999 on issuers</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Date:</strong></td>
<td>28/03/2008</td>
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</tbody>
</table>

### TELECOM ITALIA - TOP 2002 STOCK OPTION PLAN

| Persons with governance functions in Telecom Italia S.p.A. (3) |
|------------------|----------|
| Name | Position |
| Stefano Pileri | General Manager of Telecom Italia S.p.A. |
| Luca Luciani | General Manager of Telecom Italia S.p.A. |

#### Table 1 of Model 7 of Annex 3A of Consob Regulation 11971/1999 on issuers

**TELECOM ITALIA - 2000-2002 STOCK OPTION PLAN**

<table>
<thead>
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<th>Employees (5) former employees (6)</th>
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<tbody>
<tr>
<td>Name</td>
</tr>
<tr>
<td>Stefano Pileri</td>
</tr>
<tr>
<td>Luca Luciani</td>
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### TELECOM ITALIA - 2002-2003 STOCK OPTION PLAN

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<tr>
<td>Stefano Pileri</td>
</tr>
<tr>
<td>Luca Luciani</td>
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### TELECOM ITALIA - 2003-2005 STOCK OPTION PLAN

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<tbody>
<tr>
<td>Name</td>
</tr>
<tr>
<td>Stefano Pileri</td>
</tr>
<tr>
<td>Luca Luciani</td>
</tr>
<tr>
<td>Name or category</td>
</tr>
<tr>
<td>-----------------</td>
</tr>
</tbody>
</table>
| Gabriele Galateri di Genola | Chairman of Telecom Italia S.p.A. (*) | Options on Telecom Italia ordinary shares (physical settlement) | 3,000,000 | N.A. | N.A. (**) | N.A. | N.A. (***)
| Franco Bernabé | Chief Executive Officer of Telecom Italia S.p.A. (*) | Options on Telecom Italia ordinary shares (physical settlement) | 8,400,000 | N.A. | N.A. (**) | N.A. | N.A. (***)
| **Total** | | | **11,400,000** | | | | |

**Notes**

(2) Name of the members of the Board of Directors or of the management body of Telecom Italia S.p.A and of the controlled or controlling companies

(*) The grant is conditional on the confirmation of the positions, after renewal of the new Board of Directors by the same shareholders' meeting which has been called to approve the Stock Option Plan

(**) The purchase price of the Telecom Italia ordinary shares (the Shares) deriving from the exercise of the Options will be the higher of: (i) euros 1.95, and (ii) the arithmetical average of the prices of the Shares recorded in the last month with reference to the Grant Date of the Options

(*** The exercise period of the Options will be valid for three years as of the expiry date of the Vesting period or as of the date of the Anticipated Vesting (cfr. paragraph 4.2)