



Registered Office in Milan, Piazza degli Affari 2
Corporate Headquarters in Rome, Corso d'Italia 41
Fully paid-up share capital Euro 10,673,804,559.00
Tax/VAT and Milan Company Register number 00488410010
Electrical and Electronic Equipment Register no. IT0802000000799

Notice to holders of bonds of the series "Telecom Italia 1.5% 2001-2010 convertible bonds with premium upon redemption" (ISIN Code IT0003187215)

Notice is hereby given that in compliance with Article 2 of the Regulations regarding the "Telecom Italia 1.5% 2001-2010 convertible bonds with premium upon redemption" (ISIN Code IT0003187215) bond issue, the redemption date of the bonds is 1 January 2010 and that the bonds shall be redeemed in full by Telecom Italia on such date.

At redemption, bondholders will be paid, in addition to the nominal value of the bonds themselves, an additional amount equal to 18.37825% of the nominal value; the overall amount to be redeemed will therefore be equal to 118.37825% of the nominal value of the bonds. The resulting redemption price will be equal to €1.1837825 for each bond held. No expenses shall be deducted on redemption.

Pursuant to Article 3 of the above Regulations, on 1 January 2010 gross interest for 2009 will also be paid in an amount equal to 1.5% per annum calculated on the basis of the nominal value and corresponding to a payment of €0.015 for each bond held.

Pursuant to Article 6 of the Regulations, bonds may be converted into ordinary shares by delivering the corresponding conversion notice to an intermediary who must be a participant in the centralised system of Monte Titoli S.p.A. up until 15 December 2009 (inclusive). For conversion notices received from 1 to 15 December 2009, the conversion shares (equal to 0.471553 ordinary Telecom Italia shares for each bond converted) shall be made available to the beneficiaries on 30 December 2009.

For any other information concerning the Bond Issue, please refer to the Regulations, which are available at the Company's website (<http://www.telecomitalia.it>) on the page Investors in the Bondholders section.

Please also note that pursuant to Article IA.2.12.4 of the Instructions accompanying the Rules of the Markets Organized and Managed by Borsa Italiana S.p.A., the "Telecom Italia 1.5% 2001-2010 convertible bond with premium upon redemption," (ISIN Code IT0003187215) bonds will be traded until 10 December 2009 and delisted from the Stock Exchange effective 11 December 2009.

Requests for clarifications or information may be made by

- calling the 800 number: 800020220 (for calls from inside Italy) or number: +39 011 2293603 (for calls from outside Italy)
- sending an e-mail to: corporate.affairs@telecomitalia.it