

PRESS RELEASE

CLARIFICATIONS AS REQUESTED BY CONSOB

The Board of Statutory Auditors hereby informs the Market in connection with the Telecom Italia Board of Directors held on 16 December 2010

Milan, 23 December 2010

Telecom Italia's Board of Statutory Auditors has been requested by Consob to provide the Market with detailed information concerning:

- ▶ *the Board of Statutory Auditors' evaluation of the information included in the (so-called) "Deloitte Report", acquired by the Board itself*

On this matter it has to be pointed out that the Board of Statutory Auditors – helped by its legal advisors - is carrying out the analysis of the documentation supporting the reports presented to the Board of Directors on 16 December 2010, concerning the (so-called) Greenfield Project (code name for the internal review which also includes the "Deloitte Report") and the evaluations by the Company's legal advisors with regards to the possible initiatives it might believe necessary to undertake.

- ▶ *the timing by which the Board of Statutory Auditors intends to take possible decisions*

The Board intends in any event to express its position by the term fixed to deposit the report to the Shareholders Meeting ex art. 153 TUF and for any other possible initiative by law terms, also on the basis of the knowledge gradually made available

- ▶ *the Board of Statutory Auditors' evaluation on the procedures applied by the Telecom Italia Board of Directors to make the decision on 16 December 2010, and on the initiatives the Board of Statutory Auditors intends to undertake*

In relation to the procedures applied by the Board of Directors on 16 December 2010, at the presence of all the Auditors, the Board of Statutory Auditors specifies that the findings of the Greenfield Project and the evaluations of the Company's legal advisors were distributed and illustrated to the Directors, followed by vast discussion with multiple questions and speeches; in light of the debate that took place, the Board of Directors – in view of the circulating rumours and of the anticipations published in the media – believed it appropriate in the Company's interests to give immediate expression of its orientation without postponing it to the next Board Meeting. Board Member Zingales expressed his complete disagreement. The Board of Directors also established that its orientation could be modified in case new information and/or new events emerged, also resulting from the ongoing judicial proceedings. The Board of Directors further shared the opportunity to make such determination public through a press release issued following the Board Meeting; the text of the press release was shared by all the Board Members attending the



meeting, including Mr. Zingales. The Board of Statutory Auditors did not detect any irregularities during the Board Meeting.

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