



## PRESS RELEASE

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### TELECOM ITALIA SUCCESSFULLY COMPLETES THE LAUNCH OF A 7YEAR BOND FOR 750 MILLION EURO

#### **The amount and quality of the orders allowed the raising of funds at the tight end of the initial price guidance**

*Milan, 18 May 2011*

Telecom Italia successfully completed a Euro 750 million fixed rate bond issue offered to institutional investors.

The wide range of investors participating in the transaction confirms the market positive attitude towards Telecom Italia's credit.

This issue positively contributes to lower Telecom Italia's average cost of debt – which as of March 31<sup>st</sup>, 2011 stood at 5.4% - and the proceeds will be used to refinance maturing debt.

Details are:

Issuer: Telecom Italia S.p.A.

Amount: Euro 750 million

Settlement date: 25 May 2011

Maturity: 25 May 2018

Coupon: 4.75%

Issue price: 99.889%

Redemption price: 100%

The effective yield to maturity is 4.769% per year, which corresponds to a yield of 162 basis points above the reference rate (mid – swap).

The notes will be issued under the Group's Euro 20 billion EMTN Programme and will be listed on the Luxembourg Stock Exchange.

**Telecom Italia  
Press Office**

+39 06 3688 2610

<http://www.telecomitalia.com/media>

**Telecom Italia  
Investor Relations**

+39 06 3688 3113

[www.telecomitalia.com/investorrelations](http://www.telecomitalia.com/investorrelations)