

PRESS RELEASE

TELECOM ITALIA SELLS MATRIX TO LIBERO (WEATHER GROUP) AT AN ENTERPRISE VALUE OF €88 MILLION

The sale is part of the process of valorization of non strategic assets

Rome, 9 August 2012

Telecom Italia has announced the sale of 100% of its subsidiary Matrix to Libero, controlled by Weather Investment II S.à.r.l., on the basis of an enterprise value of €88 million.

Matrix, with its Virgilio portal, is a company operating in the Internet sector and one of Italy's leading digital advertising players at local and national level. It also operates in the directory assistance market with the '1254' service.

In 2011 the company reported revenues of €96 million and currently has roughly 280 employees.

Telecom Italia, in line with its strategy of valorising non strategic assets, has decided the disposal of the company. The disposal process was initiated following a process of "internalisation" of certain captive activities such as the development and operation of some internal platforms. The sale of Matrix will contribute to achieving the Group's objective of reducing net indebtedness for the year 2012.

The transaction is expected to be completed around the end of November following the conclusion of investigations by the regulatory authorities.

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