



PRESS RELEASE

TELECOM ITALIA: COMPANY NOTES DECISION BY AFTIC IN ARGENTINA REGARDING FINTECH

CONTRACT PROVIDES FOR AMPLE TIME AND GUARANTEES REGARDING COMPLETION OF THE SALE OF THE STAKE IN TELECOM ARGENTINA

Milan, 16 October 2015

Telecom Italia acknowledges the decision taken by the Argentinean telecommunications regulator AFTIC (*Autoridad Federal de Tecnologías de la Información y las Comunicaciones*) to deny authorization of the sale of Telecom Italia's controlling interest in Telecom Argentina. The purchaser, Fintech, has indicated to Telecom Italia that it plans to appeal such decision.

Telecom Italia notes that, as previously communicated to the market on 25 October 2014, if the sale to Fintech of the 51% controlling interest in Sofora is not completed within two and a half years (*i.e.*, by April 2017), Telecom Italia will be entitled at such time (i) to withdraw from the agreement with Fintech and exercise a six-month call option to purchase (either directly or through another Group company) the 17% minority stake in Sofora previously sold to Fintech pursuant to a previously agreed formulation, or (ii) to pursue the sale (subject to receipt of applicable regulatory approval) of its 51% controlling interest in Sofora to a third-party buyer, with a guarantee from Fintech of total proceeds to Telecom Italia of at least 630.6 million dollars. If the proceeds of such a sale exceeds the minimum guaranteed by Fintech, the difference will be allocated between Telecom Italia and Fintech according to an agreed formula.

If Telecom Italia is unable to complete the sale to a third party within a further period of two and a half years, the agreement with Fintech will be terminated, Fintech will pay Telecom Italia 175 million dollars and Telecom Italia will benefit from a six-month call option to purchase (either directly or through another Group company) the 17% minority stake in Sofora previously sold to Fintech pursuant to a previously agreed formulation.

Telecom Italia has previously received certain guarantees of performance under the 2014 agreements with Fintech, which are secured by the pledge of collateral by Fintech with a value of 600.6 million dollars.

**Telecom Italia
Press Office**

+39 06 3688 2610

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

**Telecom Italia
Investor Relations**

+39 02 8595 4131

http://www.telecomitalia.com/investor_relations