Press Release

TIM: the content offer is strategic, the creation of a JV moves forward

The Board has acknowledged the expiry of the term sheet and that fresh negotiations will follow the regulations governing related-party transactions of greater importance

Milan, 17 January 2018

TIM’s Board of Directors acknowledged that the term sheet signed with Canal+ will expire on 18 January without the signing of definitive joint venture agreements between the parties. Accordingly, the approval resolutions made on 20 October and 5 December 2017 will become obsolete.

Negotiations aimed at finalizing a collaboration agreement between TIM and Canal+ in the content sector, to support telco and media convergence programmes, will restart immediately, with the goal of reaching a rapid conclusion. The joint venture has the objective to offer TIM customers video content through the acquisition and production of television content and to manage its related services.

The convergent offer of video content is one of the key elements of TIM’s 2018-2020 strategic plan.

In light of the indications from Consob, and in keeping with the observations made at the time by the Company’s Board of Statutory Auditors, the regulations governing related-party transactions of greater importance will now be applied to the project - which qualifies as a related-party transaction in that Vivendi indirectly controls Canal+ International S.A.S. and is also the main shareholder and de facto controlling company of TIM (according to the opinion reached by Consob), as well as exercising direction and coordination activities. Consequently, a special Committee made up of all the independent directors of the Board will be involved in the new negotiations and this Committee, presided over by the Chair of the Control and Risk Committee (Professor Calvosa), will be required to express a binding opinion on the interest, convenience and appropriateness of the conditions of the agreement.