

## Press Release

### **TIM: clarification at Consob's request**

Rome, 7 December 2017

Upon Consob's request, below some information regarding the possible sale of TIM's shareholding in Persidera.

#### The Company

Persidera S.p.A. was created out of the concentration, in 2014, of two network operators for television broadcasting: Telecom Italia Media Broadcasting, a wholly owned subsidiary of TI Media S.p.A. (merged with and into Telecom Italia in 2015), and Rete A, owned by Gruppo Editoriale L'Espresso (now GEDI Gruppo Editoriale S.p.A.). Currently TIM owns 70% of the company and GEDI owns 30%: the table summarising the essential figures from the financial statements of Persidera as at 31 December 2016, as published by TIM pursuant to article 2429 of the Italian Civil Code, is annexed.

Persidera operates in the field of television broadcasting in digital mode, with 5 MUXes, and also offers ancillary services and signal transmission platforms. It is the reference operator for digital terrestrial television channel producers not linked to the two principal groups in the Italian TV sector, RAI and Mediaset.

Since 2014 there has been an agreement between Persidera's shareholders that includes - inter alia - the sale of the Company. This was pursued the first time in 2014-2015.

#### The commitment to divest

In the context of the granting to Vivendi of the authorisations specified by EU rules on concentrations, the European Commission asked Vivendi to give an undertaking to divest TIM's stake in Persidera (cf. the press release issued by the Commission: [http://europa.eu/rapid/press-release\\_IP-17-1475\\_en.htm](http://europa.eu/rapid/press-release_IP-17-1475_en.htm)). To solve the competition issues that had been identified, Vivendi gave this commitment.

The Commission also ordered the appointment of a Monitoring Trustee, with responsibility for ensuring compliance with the concentration conditions, exercising "*TI's rights as shareholder in Persidera (except for its rights in respect of dividends [...]), with the aim of acting in the best interest of the business*" and granting the same "*the power to replace [...] non-executive directors of the board of directors of Persidera, which have been appointed on behalf of TI. Upon request of the Monitoring Trustee, TI [...] shall cause such members of the boards to resign*" (in the words of the concluding order of the Commission in case M.8465 – Vivendi/Telecom Italia).

#### The sale process

On 1 June 2017, also in response to Consob's request that the Company consider introducing specific safeguards, the Board of Directors of TIM unanimously resolved to voluntarily extend the safeguards set out in the procedure for performing transactions with related parties to any transaction involving the Group's stake in Persidera.

#### **TIM S.p.A.**

A company directed and coordinated by Vivendi SA

Registered offices: Via Gaetano Negri, 1 - 20123 Milan

Tax Code/VAT No. and registration with the Milan Business Register: 00488410010 - Registration in the R.A.E.E. (Register of Manufacturers of Electrical and Electronic Equipment) IT0802000000799

Share Capital €11,677,002,855.10 fully paid-up Certified e-mail address [Casella PEC]: [telecomitalia@pec.telecomitalia.it](mailto:telecomitalia@pec.telecomitalia.it)



Whether it is in the Company's interest to keep or sell the stake, in relation to any possible opportunities to monetise the asset, has been repeatedly discussed at board meetings during the year, the TIM management having lastly clarified that TIM had no specific business interest in retaining the asset.

The Company bodies were informed in September that, also consistently with the agreements in force between TIM and GEDI, the company was undertaking the activities preparatory to relaunching the process of selling the asset. The contacts with the Monitoring Trustee (Advolis S.A.), aimed at guaranteeing the flows of information necessary for the performance of its role, were also reported, and the Monitoring Trustee's request that it be empowered to exercise the right to vote in Persidera shareholders' meetings, as well as to designate two directors to the board of Persidera, to replace two Directors appointed by TIM.

On 27 September, TIM's Control and Risk Committee

- agreeing with the considerations formulated by the management on the absence of a business interest in the shareholding, issued a favourable opinion, after a majority vote, that it was in the Company's interest to (re)launch the sale process (as contractually agreed with its fellow shareholder GEDI). In this phase, the Committee did not express itself on the correctness and advantageousness of the transaction, since at that time there was no proposed sale, and that continues to be the case;
- unanimously formulated a negative opinion on the replacement of the directors and the attribution of a proxy to exercise the voting rights in Persidera.

The following day, the Board of Directors, by a majority:

- having acknowledged the results of the analyses of the business and legal aspects regarding the stake in Persidera and its assets, authorised the sale process, according to a timetable as far as possible consistent with the expectations of the European Commission;
- having acquired clarifications on the extent and the binding nature (and alignment with practice) of the prescriptions issued by the European Commission with regard to the appointment of the Monitoring Trustee, (i) authorised the conferment on Advolis of a proxy to exercise the voting rights at the shareholders' meetings of Persidera, and (ii) approved the replacement of two members of the board of directors of Persidera, previously designated by TIM, with two representatives of the Monitoring Trustee.

The Board of Directors of Persidera therefore consists, at present, of 9 Directors, 4 of whom designated by TIM (including the CEO), 3 designated by GEDI and 2 representing the Monitoring Trustee.

The process to sell Persidera was consequently started in October, with the support of Barclays and Lazard, as advisors of TIM and GEDI, respectively. The activity is proceeding in line with the typical timescales of this type of transaction; the due diligence by potential purchasers that have submitted preliminary non-binding offers, and have been admitted to the next phase of the process, is currently underway.

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PERSIDERA S.p.A. (ex Telecom Italia Media Broadcasting S.r.l.)

(Sede legale) Via Della Pineta Sacchetti 229  
(Cap. Sociale) 21.428.572 Eur  
(Partecipazione) 70,00% TIM S.p.A.

DATI ESSENZIALI	(migliaia di EUR)	Total Year 2016
<b><u>SITUAZIONE PATRIMONIALE - FINANZIARIA</u></b>		
Attività immateriali		69.547
Attività materiali		68.914
Altre attività non correnti		5.842
Altre attività non correnti		831
Attività per imposte anticipate		5.011
<b>Totale attività non correnti</b>		<b>144.303</b>
<b>Attività correnti</b>		<b>38.624</b>
<b>TOTALE ATTIVITA'</b>		<b><u>182.927</u></b>
<b>PATRIMONIO NETTO</b>		
Capitale sociale		21.429
Riserve		65.312
Utili (perdite) accumulati, incluso l'utile (perdita) dell'esercizio		15.409
<b>TOTALE PATRIMONIO NETTO</b>		<b>102.150</b>
Passività finanziarie non correnti		35.037
Fondi relativi al personale		1.876
Fondo imposte differite		7.086
Fondi per rischi e oneri		0
Debiti vari e altre passività non correnti		5.201
<b>Totale passività non correnti</b>		<b>49.200</b>
<b>Passività correnti</b>		<b>31.577</b>
<b>TOTALE PASSIVITA'</b>		<b>80.777</b>
<b>TOTALE PATRIMONIO NETTO E PASSIVITA'</b>		<b><u>182.927</u></b>
<b><u>CONTO ECONOMICO</u></b>		
Ricavi		80.804
<b>correnti (EBITDA)</b>		<b>42.224</b>
<b>Risultato operativo (EBIT)</b>		<b>22.499</b>
Quota dei risultati delle partecipazioni in imprese collegate e a controllo congiunto valutate con il metodo del patrimonio netto		0
Altri proventi (oneri) da partecipazioni		0
Proventi e oneri finanziari		-1.272
PROVENTI FINANZIARI		0
ONERI FINANZIARI		1.272
<b>Risultato prima delle imposte</b>		<b>21.227</b>
Imposte sul reddito		5.857
Utile (Perdita) da attività cessate/Attività non correnti destinate ad essere cedute		0
<b>Utile (perdita) dell'esercizio</b>		<b>15.370</b>

CFO  
  
Gianluca Alviti