

ISIN XS0161100515

ISIN XS0994433240

Date : 20 July 2016

For immediate release



(Incorporated as a public limited liability company (*société anonyme*) under the laws of the Grand Duchy of Luxembourg;

Registre de Commerce et des Sociétés, Luxembourg No. B 76448)

NOTICE TO HOLDERS OF THE FOLLOWING NOTES ISSUED BY TELECOM ITALIA FINANCE

€1,050,000,000 7.75 per cent. Notes due 2033

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€1,300,000,000 6.125 per cent. Mandatory Convertible Bonds due on 15 November 2016

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Reference is hereby made to (i) the €1,050,000,000 7.75 per cent. Notes due 2033 of Telecom Italia Finance (the "Issuer") guaranteed by Telecom Italia S.p.A under its Euro Medium Term Note Programme, admitted to trading on the regulated market of the Luxembourg Stock Exchange and listed on the Official List and (ii) the €1,300,000,000 6.125 per cent. mandatory convertible bonds of the Issuer due 13 November 2033, admitted to trading on the Third Market of the Vienna Stock Exchange.

Notice is hereby given by the Issuer that Telecom Italia International N.V, a public company with limited liability (*naamloze vennootschap*) incorporated under the laws of the Netherlands (the "Absorbed Company"), will merge with Telecom Italia Finance (the "Merger"). The Merger will be completed on 28 July 2016.

The merging companies will effect a cross-border merger whereby the Absorbed Company will merge with Telecom Italia Finance (the "Absorbing Company") as a result of which the Absorbed Company will cease to exist and the Absorbing Company will absorb all assets and liabilities of the Absorbed Company under universal succession of title.

For accounting purposes, the transfer of the assets and liabilities under universal succession of title of the Absorbed Company to the Absorbing Company will become effective as from 1 January 2016. Besides, the activities and business operations of the Absorbed Company will be continued by the Absorbing Company in the same manner.

The general meeting of shareholders of Telecom Italia Finance approving the Merger will be held at the premises of Linklaters LLP, 35, Avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg on 28 July 2016 at 6:00 pm (Luxembourg time).

For further information please contact:

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