

TELCO S.p.A.

Registered Office: Via Filodrammatici 3, Milan, Italy
Share Capital: Euro 3,287,195,390.05 fully paid up
Registration no. in Milan Companies' Register,
Tax identification code and VAT no.: 05277610969

PRESS RELEASE

The Board of Directors of Telco today approved the company's yearly financial statements as at 30 April 2011. The loss for the period amounts to Euro 1,150 million, following a Euro 1,201 million net adjustment to the value of the investment in Telecom Italia. Following this adjustment the Telecom Italia investment is now booked at a value of Euro 5,406 million, or Euro 1.8 per Telecom Italia ordinary share. The adjustment reflects a valuation carried out by a leading international investment bank, which issued a fairness opinion in this respect.

Milan, 6th July 2011