



PRESS RELEASE

TELECOM ITALIA: EXCLUSIVE NEGOTIATIONS WITH ILIAD FOR THE SALE OF ALICE FRANCE

Milan, 9 June 2008

Telecom Italia has entered into exclusive negotiations with Iliad S.A. for the sale of Liberty Surf Group Sas.

Liberty Surf Group is the Internet Service Provider which operates in France principally through the Telecom Italia's Alice brand.

The operation is dependent upon the necessary approvals and its conclusion is expected to take place by the end of September 2008 on the basis of an Enterprise Value of 800 million euro.

Telecom Italia's advisors are Calyon and Mediobanca.