

Telecom Italia Finance, société anonyme

Notice to the Holders of

€499,669,000

Guaranteed Floating Rate Extendable Notes due 2008

ISIN: XS0268588794

and

€138,830,000

Guaranteed Floating Rate Extendable Notes due 2010

ISIN: XS0371122911

guaranteed by

Telecom Italia S.p.A.

On 14 September 2006 Telecom Italia Finance S.A. (the "Issuer") issued €499,669,000 Guaranteed Floating Rate Extendable Notes due 2008 (the "2008 Notes") guaranteed by Telecom Italia S.p.A. pursuant to its €15,000,000,000 Euro Medium Term Note Programme.

Pursuant to the terms and conditions of the 2008 Notes (the "2008 Conditions"), the holders of €360,839,000 in aggregate principal amount of the 2008 Notes have elected not to extend the Maturity Date of such Notes and accordingly such principal amount of the 2008 Notes is due to be redeemed by the Issuer on the Interest Payment Date falling in September 2008 in accordance with the 2008 Conditions.

In accordance with the 2008 Conditions, on 12 June 2008 the Issuer issued €138,830,000 Guaranteed Floating Rate Extendable Notes due 2010 (the "2010 Notes") in respect of the equivalent aggregate principal amount of the 2008 Notes for which no election not to extend the Maturity Date had been made. The 2010 Notes form a separate series from the 2008 Notes with a separate ISIN Number as set out above and a separate Common Code.

Terms used in this notice and not defined have the meanings set out in the terms and conditions of the 2008 Notes which are attached to the Final Terms referred to below.

A copy of the Final Terms dated 12 June 2008 for the 2010 Notes is available from the registered office of the Issuer or the specified office of the Paying Agent in Luxembourg as follows:

LUXEMBOURG PAYING AGENT

The Bank of New York (Luxembourg) S.A.

Aerogolf Center

1A Hoehenhof

L-1736 Senningerberg

Luxembourg

REGISTERED OFFICE OF THE ISSUER

12, rue Eugène Ruppert

L-2453 Luxembourg

Dated 17 June 2008