



FINANCE

Telecom Italia Finance, Société Anonyme  
12, rue Eugène Ruppert  
L-2453 Luxembourg  
R.C.S. B-77.970

**€ 2,000,000,000.00– 7.5% Guaranteed Notes due April 2011**

**(€ 1,997,317,000.00 outstanding)**

**(ISIN XS0128139531)**

**Guaranteed by Telecom Italia S.p.A.**

We hereby notify you that on May 7, 2010 the Trustee following a request of the Issuer cancelled the aforementioned Notes for the following nominal amount:

€ 88,000,000.00 of the € 1,997,317,000.00 outstanding

The cancelled Notes were bought back by the Issuer through several market transactions.

Pursuant to the aforementioned cancellation the outstanding amount of the concerned Notes is

€ 1,909,317,000.00.

Telecom Italia Finance

May 10, 2010