

## TELECOM ITALIA FINANCE, société Anonyme

€ 2,000,000,000 7,25% Notes due 2011 (the “Euro Notes”)  
Issued by Sogerim (a predecessor company of Telecom Italia Finance) and  
Guaranteed by Telecom Italia S.p.A.  
(ISIN: XS0128139531)

### Notice of Interest Rate Adjustment

Pursuant to Section 203 (b) of the second supplemental indenture (the “**Second Supplemental Indenture**”) dated as of April 20, 2001 among **Sogerim** (“Sogerim”, a predecessor company of Telecom Italia Finance), a company incorporated with limited liability under the laws of the Grand-Duchy of Luxembourg in the form of a société anonyme, Telecom Italia S.p.A. (the “**Guarantor**”), a joint stock company (Società per Azioni) organized under the laws of the Republic of Italy, and Bank of New York Mellon, a successor to JPMorgan Chase Bank, as trustee (the “**Trustee**”), we hereby notify you that:

The interest rate payable on the Euro Notes is adjusted due to a downgrade by **Standard & Poors's Investor Services on March 17, 2008 in the rating ascribed to Telecom Italia's senior unsecured debt (or related guarantees)** from BBB+ to BBB; therefore the interest payable on the Euro 2011 Notes will be increased to 7.50% effective with the coupon period starting on April 20, 2008.

All capitalized terms used and not defined herein have the meanings set forth in the Second Supplemental Indenture.

Telecom Italia Finance

April 24 2008