



C A P I T A L

PRESS RELEASE

TELECOM ITALIA CAPITAL SUCCESSFULLY COMPLETES THE LAUNCH OF A MULTI-TRANCHE BOND FOR A TOTAL OF 2 BILLION DOLLARS

Luxembourg, 15 June 2009

Telecom Italia Capital, a Luxembourg fully-owned Telecom Italia S.p.A. subsidiary, successfully completed the launch of a multi-tranche bond issue for a total of USD 2 billion.

Details are:

5-year fixed rate tranche

Issuer: Telecom Italia Capital S.A.

Guarantor: Telecom Italia S.p.A.

Amount: USD 1,000 million

Settlement date: 18 June 2009

Maturity: 18 June 2014

Coupon: 6.175%

Issue price: 100%

Redemption price: 100%

The effective yield to maturity of the 5-year fixed rate tranche is 6.175%, which corresponds to a yield of 345 basis point above the corresponding US Treasury bond.

10-year fixed rate tranche

Issuer: Telecom Italia Capital S.A.

Guarantor: Telecom Italia S.p.A.

Amount: USD 1,000 million

Settlement date: 18 June 2009

Maturity: 18 June 2019

Coupon: 7.175%

Issue price: 100%

Redemption price: 100%

The effective yield to maturity of the 10-year fixed rate tranche is 7.175% which corresponds to a yield of 345 basis point above the corresponding US Treasury bond.

The bonds will be issued under the “Shelf Registration” program filed in December 2008 with the SEC and will be listed on the Luxembourg Stock Exchange.

This press release does not constitute a solicitation to invest, nor can the sale of these bonds take place in jurisdictions in which their offer, solicitation or sale is not permitted.