

# **TELCO S.p.A.**

Sede legale in Milano, Via Filodrammatici n. 3  
Capitale sociale euro 4.849.038.420,00 versato  
Numero di iscrizione presso il Registro delle Imprese di Milano,  
Codice fiscale e Partita IVA 05277610969

## **PRESS RELEASE**

The Board of Directors of Telco today approved the company's half-yearly financial statements as at 31 October 2008, prepared in accordance with IAS/IFRS on the basis of Telecom Italia's accounts as of 30 September 2008. The loss for the period amounts to Euro 1,499 million, following a Euro 1,395 million net adjustment to the value of the investment in Telecom Italia. Following this adjustment the Telecom Italia investment is now booked at a value of Euro 7,213 million, or Euro 2.2 per Telecom Italia ordinary share. The adjustment reflects a valuation carried out by a leading international investment bank, which issued a fairness opinion in this respect.

In addition, with reference to the alleged obligation to launch a mandatory tender offer for TIM Participacoes S.A. ordinary free floating shares as per the press release issued on 23 January 2009, the Board of Directors, having reviewed the matter carefully in conjunction with its legal advisors, has resolved to oppose the CVM's decision, which it considers to be unfounded at all relevant levels, in order to defend the company's interest as appropriate.

**Milan, 29<sup>th</sup> January 2009**