

Minutes of the Extraordinary Meeting of a Listed Company

REPUBLIC OF ITALY

In the year 2012 (two thousand and twelve)

on the 5th (fifth) day

of the month of June

in Milan, at via Agnello 18.

I, the undersigned **Carlo Marchetti**, Notary in Milan, registered with the Association of Notaries of Milan, further to a request made, through the Chairman of the Board of Directors *Franco Bernabè*, from the listed joint-stock company known as:

"Telecom Italia S.p.A."

with registered office in Milan, piazza degli Affari 2, share capital 10,693,628,019.25 euros, fully paid-up, tax code and registration number in the Milan Business Register: 00488410010, registered in the Economic and Administrative Register of Milan under no. 1580695 (hereinafter also referred to as: the "**Company**"), have hereby drawn up and signed, pursuant to article 2375 of the Civil Code, the minutes of the Extraordinary Shareholders'

Meeting of the aforesaid Company held, in my constant presence, in Rozzano (Milan), at Viale Toscana 3, on

15th (fifteenth) May 2012 (two thousand and twelve)

in accordance with the notice referred to below, to discuss and vote on the agenda which is also reproduced below.

I give notice that the record of the proceedings of the said Shareholders' Meeting, which I, the Notary, attended, as regards the extraordinary part of the agenda, is as stated below, the ordinary part being the subject of separate minutes.

Mr **Bernabè** chaired the meeting in accordance with the Company Bylaws, in his aforesaid capacity as Chairman of the Board of Directors. He first of all (at 4:25 pm) appointed me the notary to take the minutes also of the extraordinary part of the meeting, and indicated that the shares represented numbered 7,107,654,893, with the right to the same number of votes, and were equivalent to 52.975% of the total of ordinary shares. He declared therefore that the meeting was also validly constituted in extraordinary session.

The Chairman then recalled, insofar as they were relevant, the

announcements made at the opening of the Shareholders' Meeting and recorded below:

- the Extraordinary Shareholders' Meeting had been called to discuss and resolve on the following agenda:

• ***Authorisation to increase share capital for payment and free of charge by a total sum of 15,000,000 euros at the service of the Long Term Incentive Plan 2012 - related and consequent resolutions***

• ***Amendment of articles 9 and 17 of the Bylaws - related and consequent resolutions***

- the notice convening the Shareholders' Meeting had been published on 02 April 2012 in the daily newspapers Il Sole 24 Ore and the Financial Times;

- the share capital was 10,693,628,019.25 euros, divided into 19,442,960,035 shares with a par value of 0.55 euros per share, of which 13,416,839,374 were ordinary shares and 6,026,120,661 were savings shares;

- as of the date of the Shareholders' Meeting, the Company owned 37,672,014 treasury shares; a further 124,544,373 ordinary shares in Telecom Italia were held by the subsidiary Telecom Italia Finance S.A.;

- in relation to the possibility of exercising the right to

vote by mail, as provided for in the Bylaws, a single ballot card had been received, for a total of 12,250 ordinary shares;

- the vote could be cast from 26 April 2012 to the end of day preceding the Shareholders' Meeting, including electronically, via the Company's website; votes representing 3,027 ordinary shares were received.

- the documentation relating to the various matters on the agenda had been published in accordance with the applicable regulations;

- the following, among other things, had been distributed at the entrance:

-- the printed document containing the financial statements for 2011 (including the proposed resolutions and the associated explanatory reports);

-- the financial statements of the incorporated company Telecom Italia Audit & Compliance Services S.c.a r.l.;

-- a printed document containing the report on corporate governance and share ownership and the remuneration report;

-- a printed document containing the slates and CVs of the candidates to the position of Auditor (including the updated list of administration and control offices already held) as

well as the CVs of candidates to the position of director;

- the information document regarding the "2012 Long Term Incentive Plan";
- a request for information received from Consob on 9 May 2012 pursuant to article 114 of Legislative Decree 58/1998;
- according to the figures in the possession of the Company, the following held shares with voting rights amounting to more than 2% of the ordinary capital:
 - Telco S.p.A., with a direct holding, by way of ownership, corresponding to 22.387% of the capital with voting rights;
 - Findim Group S.A., with a direct holding, by way of ownership, corresponding to 4.986% of the capital with voting rights;
 - Blackrock Inc, with a holding in the capacity of asset manager corresponding to 2.885% of the capital with voting rights;
 - AllianceBernstein LP, with a holding in the capacity of asset manager corresponding to 2.063% of the capital with voting rights;
- as regards the relevant agreements for Telecom Italia pursuant to article 122 of Legislative Decree 58/1998, the

extract from the existing agreement between the majority shareholders relating to Telco S.p.A. (Intesa San Paolo S.p.A., Mediobanca S.p.A., companies in the Generali Group and Telefónica S.A.) was published in the national press on 29 February 2012; a description of the essential elements of the agreement can be found in the report on the Company's corporate governance and share ownership;

- the following were present at the meeting, besides the Chairman and the Managing Director Marco Patuano:

-- the Directors Minucci, Catania, Calvosa, Egidi, Fitoussi, Sentinelli and Zingales;

-- all the Auditors Enrico Maria Bignami - Chairman of the Board of Auditors, Pozza, Ponzellini, Spiniello and Superti Furga;

-- Emanuele Rimini, common representative of the holders of savings shares;

Francesco Pensato, common representative of the holders of bonds relating to the following loans: "Telecom Italia S.p.A. Euro 1,250,000,000 5.375 per cent. Notes due 2019".

-- Enrico Cotta Ramusino, common representative of the holders of bonds relating to the loan "Telecom Italia 2002-2022

Floating Rate bonds, Open Special series, reserved for subscription by employees of the Telecom Italia Group, in service or retired";

- finally, representatives of the firm of independent auditors were present, as well as staff engaged in the proceedings of the meeting;

- for the purposes of the Shareholders' Meeting, the Company appointed Dario Trevisan as a person on whom people with legally authorised voting rights could confer proxy free of charge, under Article 135 *undecies* of Legislative Decree no. 58/1998. Mr Trevisan informed the meeting that he had not received any voting proxies in his capacity as designated representative.

The Chairman then:

- determined, as per the Regulations governing the Shareholders' Meetings, that 10 minutes would be set as the maximum length of speeches during the course of the discussion which, as usual, would cover all items included in the ordinary session and subsequently, during the second part of the meeting, all the items relating to the extraordinary session;

- stated that voting would later take place separately on the various items on the agenda;
- pointed out that the operations of recording attendances and counting the votes would be performed with the aid of a remote unit, the so-called "televoter", which is associated with the personal identification details of the entitled individuals. The televoter is therefore a strictly personal tool that shareholders must carry with them throughout the meeting and is supplied with an instruction sheet;
- reminded shareholders who intend to address the meeting to make a booking; when called to make their speech they would be required to proceed to the podium set up for the purpose, and avoid speaking from the floor;
- he then informed the meeting that recording equipment was being used in order to facilitate minute-taking, and that there was also a simultaneous interpreting service from Italian to English and vice versa (headphones were available at the entrance to the hall). The personal data collected would be handled for the purposes of the proper conduct of the meeting and for minute-taking. All data would be handled in accordance with the legislation on privacy;

- he reminded attendees that audio and video recording of the meeting by shareholders was not permitted;

- he stated, with the unanimous agreement of those present, that since the documentation for all the items on the agenda had been made available on paper and online, and also distributed at the entrance to the hall, the documentation would not be read out.

- the Chairman and Managing Director read out the speeches and both the Chairman and the Chairman of the Board of Auditors read out the replies from the Board of Directors and the Board of Auditors to the request for information from Consob, distributed at the entrance to the hall, together with the remaining material (all of which speeches and replies are contained in the minutes of the ordinary part).

After making these announcements, the Chairman:

- stated that, as in the case of the documentation regarding the items for the Ordinary Shareholders' Meeting, the reading of the explanatory reports and the proposed resolutions would be omitted, these too having been published in accordance with the applicable regulations and being included with the Financial Statements. A copy of the Directors' reports on both

the items on the agenda for the extraordinary session is attached to the present minutes as Appendix "A";

- he asked shareholders who intended to address the meeting to book at the desk in front of the platform: when they were called upon to speak, they should go to the microphone to the right of the Chair;

- he urged that speeches should be kept to the point under consideration, and not exceed the maximum permitted length of 10 minutes;

- he then declared the discussion open.

D'Atri, did not agree that the proposal to adapt the bylaws to comply with gender equality rules considered the gradual introduction time scale allowed by the law: it would have been better to ignore this option and to provide for a full scale introduction of the rules. He asked whether the major shareholders had been consulted about this or whether the decision had been taken independently by the Board. He stated that, in his opinion, Telecom Italia is not generally very attentive to pursuing an appropriate gender policy internally, not only with regard to the composition of the Board, but also within the company as a whole. He pointed out that, naturally,

the amendment to the Bylaws cannot in itself be considered unlawful, but that it deserved to be considered more thoroughly. The shareholder suggested that perhaps the Board had been unable to dedicate sufficient time to this matter because it had been occupied on other fronts, including legal proceedings.

He also asked what changes the Board was intending to introduce with regard to gender equality, particularly regarding appointments in subsidiary companies. He asked more generally what the percentage of women in senior management positions or executive posts was within the Group and whether the Board believed that an increase in the female presence might be of benefit to the management. He concluded by reiterating that the proposed amendments to the Bylaws did not seem adequate and in fact were already outdated as a way of fulfilling the demands that gender equality was raising.

After having pointed out that, prior to the meeting, a question had been received for the Extraordinary Part that was unrelated to the matters being discussed (specifically asking why Telecom Italia does not transfer its registered office to Rome, so as to conform to the standard practice of other

operators), the **Chairman** replied that he agreed the Company could have been more courageous in adapting the Bylaws to the new rules. He underlined however that there has never been any discrimination regarding women's careers and that in actual fact there is a belief that they frequently display character traits that are particularly valuable. Personally he believed that female member on the Board of Directors would be able to make an excellent contribution. He continued by underlining that the Company is very careful to encourage the presence of women in senior positions and the feedback has been extremely positive.

Lombardi, Chairman of ASATI, after having recalled the decisive role played by ASATI, particularly in respect of activities carried out by the Prosecutor's Office of Milan and Consob, emphasised that, in terms of internal structure, the Company's lawyers were efficient and skilful, although there were a few that should be dismissed. With regard to the Long Term Incentive Plan, he urged all shareholders to vote against, pointing out that it would be a gesture, particularly from an ethical point of view, towards many people whose income is very modest. He then expressed his appreciation for

the many women of value who work in Telecom Italia, stressing however that many minority but important shareholders - including the Bank of Italy - should also play a part in this respect. With reference to the discussion that took place during the ordinary part of the meeting, he asked what Mr Sentinelli and Mr Zingales thought of the points that had been raised during the discussion.

Fogliati, noted the presence of over 53% of the share capital and commented that, if voting were to take place on a per capita basis, ASATI's aggregation capacity would undoubtedly subvert the results.

He then announced that he would vote against the proposal to increase the share capital, recalling that powers had already been granted for the share capital to be increased by 880 million euros by issuing 1.6 billion shares. He also announced that he intended to vote against the proposal to amend the Bylaws because, regardless of the female quotas, the representation of minorities would be too small, and it was doubtful whether this kind of structure would be consistent with the requirements of the European Union.

Barzaghi believed that providing bonuses and incentives for

people who achieved added value in managing the Company was the right thing to do. However, he underlined that it would also be appropriate to reward shareholders who have held onto their shares for many years and who now find themselves in an unfavourable situation. He therefore called on the Board to consider this option, particularly for the benefit of shareholders who are or have been employees of the Company.

With regard to the female quotas, he commented that the real problem was the excessive number of offices held by directors and auditors and that this should therefore be the starting point if the company wanted to break with the past.

Mancuso agreed with the idea of introducing loyalty bonuses for small shareholders by allocating discounted shares. He also agreed with the introduction of rules for female quotas, considering the small number of women currently included in the governing bodies of Italian companies. He also expressed the hope that the new provisions regarding incompatibilities would free up posts on the Board of Directors, so that a greater diversity of skills and profiles could be introduced, particularly in favour of the female quotas.

At the invitation of the Chairman, the **Director Luigi Zingales**

reminded attendees that, with regard to the position he had taken on the Board regarding liability action against former directors, two legal opinions had been produced at the time. Both opinions agreed that the premises existed for liability action to be taken but they disagreed on the appropriateness of taking such action. Most of the Board was of the opinion that the costs, including repercussions on the company's image, made such action inadvisable. Personally he believed that taking liability action might contribute to promoting an improvement in the image of Telecom Italia. Other initiatives were in any case being taken in this direction, including the departure of Mr Luciani. Mr Zingales believed it was a priority to clean up and turn over a new leaf, since it was much more important to focus on the future of the Company's business.

Director Sentinelli, referring to an article published in La Repubblica, stated that he has not given an interview to a newspaper for many years and that the words attributed to him in the article were therefore untrue. He added that he didn't even know the reporter in question.

Marino stated that he agreed with Mr Zingales' statements,

which, in his opinion, expressed the feelings of all shareholders.

Finally, the **Chairman** reminded attendees that the proposal regarding female quotas required these rules to be introduced in a stable and permanent way, which demonstrated how the Board had not limited itself merely to adapting to legal requirements.

No one else having asked to speak, the Chairman declared the discussion closed and proceeded with the voting operations, which took place separately for the various matters previously discussed.

Therefore the Chairman, **with regard to the proposal to grant the Board of Directors the power to increase the share capital to service the 2012 Long Term Incentive Plan, under the terms and conditions stated therein:**

- invited those shareholders who intended to leave the room before the vote to inform the auxiliary staff in the room so that their shares would not be considered present;
- specified that votes would be cast by pressing the button corresponding to the chosen vote;
- reminded attendees that in order to ensure the correct

operation of the televoter they would have to be in the hall when casting their vote;

- reminded attendees that staff present in the hall were available to provide technical assistance and that, if required, an "Assisted Voting" desk was available below him, on the left.

- announced that, for the purposes of the resolutions, the number of shares represented was 7,106,045,321, entitling the holders to an equal number of votes, equivalent to 52.96% of the total number of ordinary shares;

- therefore declared the voting open at 5:00 p.m. on the respective proposal for a resolution transcribed below (stating the new wording of article 5.6 (five point six) of the Company Bylaws to be amended):

"The Shareholders' Meeting of Telecom Italia S.p.A.,

- having examined the explanatory report of the Board of Directors,
- given the statement by the Board of Auditors that the current share capital has been fully paid in;

resolved

- to grant the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, for a period of five years from the date of this resolution, the

authority to increase the share capital as follows:

- (i) by issuing new ordinary shares for cash of 0.55 (zero/55) euros par value each, with regular dividend entitlement, up to a maximum amount of 5,500,000 (five million five hundred thousand) euros, excluding the right of pre-emption pursuant to article 2441, subsection 8, of the Italian Civil Code, and of article 134, subsection 2, of Legislative Decree no. 58/1998, to be reserved for a part of the employees who are beneficiaries of the “2012 Long Term Incentive Plan” as previously identified by the Board of Directors of the Company, and then, subsequently (ii) for a maximum amount of a further 5,500,000 (five million five hundred thousand) euros by allocation of the corresponding maximum amount of profits or retained profits pursuant to article 2349 of the Italian Civil Code, by issuing a sufficient number of ordinary shares for the allocation of one free share for every paid share subscribed as above, subject to the terms and conditions and by the methods specified in the “2012 Long Term Incentive Plan”;
- by a maximum amount of 4,000,000 (four million) euros by allocation of the corresponding maximum amount of profits or retained profits pursuant to article 2349 of the Italian Civil Code, by issuing ordinary shares reserved for a part of the employees who are beneficiaries of the “2012 Long Term Incentive Plan” as previously identified by the Board of Directors of the Company, subject to the terms and conditions and by the

methods specified in the “2012 Long Term Incentive Plan”.

With respect to the capital increase for cash, the Board of Directors shall set the share subscription price (including any premium) in accordance with the “2012 Long Term Incentive Plan” and it shall also set suitable time limits for its subscription, providing that, if the increase resolved is not be fully subscribed within that time limit, the capital will be increased by an amount equal to the subscriptions received up to such time. Regarding the increases in capital to be made available by allocation of the profits, the Board of Directors shall have the right to proceed to properly identify the profits and/or retained profits according to the last properly approved financial statements to be used for this purpose, with a mandate to make the appropriate changes to the accounts consequent on the issue operations, in accordance with the legal provisions and the accounting principles that are applicable in each case.

- to amend article 5.6 (five point six) of the Bylaws as follows (renumbering the subsequent subsections accordingly):

"5.6 - For five years starting from 15 May 2012 the Directors may increase the share capital to service the “Long Term Incentive Plan 2012” as follows, as approved by the Meeting of the Shareholders’ of the Company of that date:

- (i) by issuing new ordinary shares for cash of 0.55 euros par value each, with regular dividend entitlement, up to a maximum amount of 5,500,000 (five million five hundred thousand) euros, excluding the right of pre-emption

pursuant to article 2441, subsection 8, of the Italian Civil Code, and of article 134, subsection 2, of Legislative Decree no. 58/1998, to be reserved for a part of the employees who are beneficiaries of the “2012 Long Term Incentive Plan” as previously identified by the Board of Directors of the Company, and then, subsequently (ii) for a maximum amount of a further 5,500,000 euros by allocation of the corresponding maximum amount of profits or retained profits pursuant to article 2349 of the Italian Civil Code, by issuing a sufficient number of ordinary shares for the allocation of one free share for every paid share subscribed, as above, subject to the terms and conditions and by the methods specified in the “2012 Long Term Incentive Plan”.

- by a maximum amount of 4,000,000 euros by allocation of the corresponding maximum amount of profits or retained profits pursuant to article 2349 of the Italian Civil Code, by issuing ordinary shares reserved for a part of the employees who are beneficiaries of the “2012 Long Term Incentive Plan” as previously identified by the Board of Directors of the Company, subject to the terms and conditions and by the methods specified in the “2012 Long Term Incentive Plan”.

With regard to the capital increase for cash, the Board of Directors shall establish the share issue price (inclusive of the share premium) in accordance with the provisions of the “Long Term Incentive Plan 2012”, and shall also set the period of time within which they may be subscribed, providing that, if

the resolved increase should not be fully subscribed within said period of time, the share capital shall be understood to have been increased by an amount equal to the subscriptions received up until that date."

- to confer on the Board of Directors, and, on behalf thereof, on the legal representatives pro tempore of the company, jointly or severally, all the powers necessary to:
 - make the changes required on a case by case basis to article 5 (five) of the Company Bylaws that are consequent to the resolutions, and the execution and completion of the increases in share capital described above, and to that end meet all the obligations and ensure the advertising required by the regulations;
 - to complete all the necessary formalities for the adopted resolutions to be entered in the Business Register, accepting and introducing into said resolutions the amendments, additions or deletions of non-substantial parts that might be requested by the competent authorities, as well as all the powers necessary for legal and regulatory compliance deriving from the resolutions adopted."

The resolution was approved by a majority of the shareholders.

Against 109,263,753 shares.

Abstained/Not voting 883,501,343 shares.

In favour the remaining 6,113,280,225 shares represented.

All as detailed in the annexes.

The Chairman announced the result and, **with regard to the amendments to articles 9 and 17 of the Bylaws required to comply with the rules regarding gender equality in the Company's management and control bodies**, after having stated that a single voting procedure would be carried out:

- invited those shareholders who intended to leave the room before the vote to inform the auxiliary staff in the room so that their shares would not be considered present;
- specified that votes would be cast by pressing the button corresponding to the chosen vote;
- reminded shareholders that in order to ensure the correct operation of the televoter they would have to be in the hall when casting their vote;
- reminded shareholders that staff present in the hall were available to provide technical assistance and that, if required, an "Assisted Voting" desk was available below him, on the left.
- announced that, for the purposes of the resolutions, the number of shares represented was still 7,106,045,321, entitling the holders to an equal number of votes, equivalent

to 52.96% of the total number of ordinary shares;

- therefore declared the voting open at 5:02 p.m. on the respective proposal for a resolution transcribed below (stating only the new wordings of articles 9 (nine) and 17 (seventeen) of the Bylaws to be amended):

The Shareholders' Meeting of Telecom Italia S.p.A.,

- *having examined the explanatory report of the Board of Directors,*

resolved

- *to amend articles 9 (nine) and 17 (seventeen) of the Bylaws of Telecom Italia S.p.A. in the text reproduced below:*

Article 9

9.1 - The Company shall be managed by a Board of Directors consisting of not less than seven and not more than nineteen members, at least one third of whom shall be of the less represented gender, rounding any fractions up to the next whole number. The Shareholders' Meeting shall establish the number of members of the Board of Directors, which shall remain unchanged until a different number is established.

9.2 - The Board of Directors shall be appointed, in accordance with the applicable laws and regulations, on the basis of slates presented by the shareholders or by the outgoing Board of Directors.

9.3 - Each shareholder may present or participate in the presentation of only

one slate and each candidate may appear on only one slate on pain of ineligibility. Slates that contain three or more candidates must ensure that both genders are present, in such a way that candidates of the less represented gender are at least one third of the total, rounding any fractions up to the nearest whole number.

9.4 - Slates may be submitted only by shareholders who alone or together with other shareholders hold a total number of shares representing at least 0.5% (or such other amount established by Consob regulations) of the share capital entitled to vote at the Ordinary Shareholders' Meeting.

9.5 - Together with each slate, it is necessary to file individual candidates' acceptance of their candidacy and declarations in which they attest, on their own responsibility, that there are no grounds for ineligibility or incompatibility, and that they meet any requirements, as well as any other information requested by applicable law or regulation or the bylaws. Together with the declarations, a curriculum vitae shall be filed for each candidate setting out their main personal and professional data with an indication of the positions held in management and control bodies of other companies and of the grounds for their qualifying as independent in accordance with the criteria established by law and the Company. Any changes that occur up to the day the Shareholders' Meeting is held must be promptly notified to the Company.

9.6 - Each person entitled to vote may vote for only one slate.

9.7 - The Board of Directors shall be elected as specified below:

a) four fifths of the directors to be elected shall be chosen from the slate that obtains the majority of the votes (the Majority List), in the order in which they are listed on the slate; in the event of a fractional number, it shall be rounded down to the nearest whole number;

b) without prejudice to compliance with the applicable laws and regulations concerning the limits to the link with the Majority List the remaining directors shall be taken from the other slates; to that end, the votes obtained by the various slates shall be divided successively by whole numbers from one up to the number of directors to be chosen. The quotients thus obtained shall be assigned to the candidates on each slate in the order specified thereon. On the basis of the quotients assigned, the candidates on the various slates shall be arranged in a single decreasing ranking. Those who have obtained the highest quotients shall be elected.

If more than one candidate obtains the same quotient, the candidate from the slate that has not yet elected any director or that has elected the smallest number of directors shall be elected.

If none of such slates has yet elected a director or all of them have elected the same number of directors, the candidate from the slate that obtained the largest number of votes shall be elected. If the different slates have received the same number of votes and their candidates have been assigned the same

quotients, a new vote shall be held by the entire Shareholders' Meeting and the candidate obtaining the simple majority of the votes shall be elected.

If the composition of the resulting board does not reflect gender balance, taking into account their ranking order on the slate, the necessary number of the last candidates of the more represented gender elected from the Majority Slate shall forfeit their post to ensure compliance with this requirement, and shall be replaced by the first candidates not elected from the same slate who are of the less represented gender. In the absence of candidates of the less represented gender on the Majority Slate in sufficient number to proceed with the replacement, the Shareholders' Meeting shall supplement the board with the majorities required by law, thus ensuring that the requirement is met.

9.8 - In appointing directors who for any reason have not been appointed pursuant to the procedure specified above, the Shareholders' Meeting shall vote on the basis of the majorities required by law, ensuring that the requirements of the law and the Bylaws regarding the composition of the board are respected.

9.9 - If in the course of the fiscal year one or more vacancies occur on the Board, the procedure specified in Article 2386 of the Civil Code shall be followed, ensuring that the requirements of the law and the Bylaws regarding the composition of the board are respected.

9.10 - Should a majority of the seats on the Board of Directors become vacant

for any cause or reason, the remaining directors shall be deemed to have resigned and they shall cease to hold office from the time the Board of Directors has been reconstituted by persons appointed by the Shareholders' Meeting.

9.11 - At the first renewal of the Board of Directors after the Shareholders' Meeting of 15 May 2012, the quota to be assigned to the less represented gender is limited to one fifth of the total, rounding any fractions up to the next whole number."

Article 17

17.1 - The Board of Auditors shall consist of five standing auditors, including at least two from the less represented gender. The Shareholders' Meeting shall also appoint four alternate auditors, two of each gender.

17.2 - For the purposes of Article 1, subsection 2, letters b) and c) of the regulation referred to in Justice Minister Decree 162/2000, the following sectors of activity and matters shall be considered closely linked to those of the Company: telecommunications, information technology, online systems, electronics and multimedia technology, and matters related to private and administrative law, economics and business administration.

17.3 - The appointment of the Board of Auditors shall be in compliance with the applicable laws and regulations on the basis of slates presented by shareholders.

17.4 - Each shareholder may present or participate in the presentation of only one slate and each candidate may appear on only one slate on pain of ineligibility.

17.5 - Slates may be submitted only by shareholders who alone or together with other shareholders hold a total number of shares representing at least 0.5% (or such other amount established by Consob regulations for the appointment of the Board of Directors) of the voting share capital.

17.6 - Together with each slate, it is necessary to file individual candidates' acceptance of their candidacy and declarations in which they attest, on their own responsibility, that there are no grounds for ineligibility or incompatibility, and that they meet the requirements, as well as any other information requested by applicable law or regulation or the bylaws

17.7 - Together with the declarations, a curriculum vitae for each candidate shall be filed setting out their main personal and professional data, with an indication of the positions held in management and control bodies of other companies. Any changes that occur up to the day the Shareholders' Meeting is held must be promptly notified to the Company.

17.8 - The slates shall be divided into two sections: one for candidates to the position of standing auditor and the other for candidates to the position of alternate auditor. Slates which in one or both sections contain three or more candidates must ensure the presence of both genders in said section, so that

candidates of the less represented gender are at least one third of the total, rounding any fractions up to the next whole number. The first candidate in each section shall be selected from among the statutory auditors entered in the appropriate register who have worked on statutory audits for a period of not less than three years.

17.9 - Each person entitled to vote may vote for only one slate.

17.10 - The Board of Auditors shall be elected as specified below:

a) from the slate that obtains the majority of the votes (the Majority Slate) three standing and two alternate auditors shall be chosen in the order in which they are listed on the slate;

b) without prejudice to the applicable laws and regulations concerning the limits to link with the Majority Slate, two standing and two alternate auditors shall be chosen from the other slates (the Minority Slates);

To this end, the votes obtained by the Minority Slates shall be divided by one and by two. The quotients thus obtained shall be assigned to the candidates of the one and the other section of each slate in the order specified thereon. On the basis of the quotients assigned, the candidates on the various slates shall be arranged respectively in a single decreasing ranking for the appointment of the standing auditors and a single decreasing ranking for the appointment of the alternate auditors and those who have obtained the two highest quotients shall be elected.

If more than one candidate obtains the same quotient, the candidate from the slate that has not yet elected an auditor shall be elected or, subordinately, there shall be a tiebreaker vote by the entire Shareholders' Meeting and the candidate who obtains the simple majority of the votes shall be elected.

If the composition of the resulting board or category of standing auditors does not reflect the gender balance, taking into account their ranking order in the respective sections, the necessary number of the last candidates of the more represented gender elected from the Majority Slate shall forfeit their position to ensure compliance with this requirement, and shall be replaced by the first unelected candidates of the less represented gender on the same slate and the same section. In the absence of candidates of the less represented gender in the relevant section of the Majority Slate in sufficient number to proceed with the replacement, the Shareholders' Meeting shall appoint the standing or alternate auditors that are missing with the majorities required by law, ensuring that the requirement is met.

17.11 - The Shareholders' Meeting shall appoint the Chairman of the Board of Auditors from among the standing auditors elected from Minority Slates.

17.12 - In appointing auditors who for any reason have not been appointed pursuant to the procedure specified above, the Shareholders' Meeting shall vote on the basis of the majorities required by law, ensuring compliance with the requirements of the law and the Bylaws regarding the composition of the

board and the category of alternate auditors.

17.13 - In the event of the termination of the appointment of auditors chosen from the Majority Slate or from one of the Minority Slates, alternate auditors chosen respectively from the Majority Slate or the Minority Slates shall take their place in declining order of age, always in compliance with the requirements of the Bylaws regarding the composition of the board. Appointments to fill vacancies on the Board of Auditors pursuant to Article 2401 of the Civil Code shall be approved by the Shareholders' Meeting with the affirmative vote of the absolute majority of those voting and in compliance with the principle of the necessary representation of the minority shareholders, and of the requirements of the Bylaws regarding gender balance. In the event of the termination of the appointment of an auditor chosen from the Minority Slates the principle of the necessary representation of the minority shareholders shall be deemed to be complied with in the event of the appointment of an alternate auditor chosen from the Minority Slates.

17.14 - After notifying the Chairman of the Board of Directors, the Board of Auditors, may call, as provided for by law, a Shareholders' Meeting or a meeting of the Board of Directors or the Executive Committee. This power to call meetings may be exercised individually by each auditor, except for the power to call a Shareholders' Meeting, which must be exercised by at least two auditors.

17.15 - Participation in the meetings of the Board of Auditors may – if the Chairman verifies the necessity – be by means of telecommunication techniques that permit participation in the discussion and informational equality for all those taking part.

17.16 - If the Chairman is absent or unable to act, the other standing auditor elected from the Minority Slates shall take his/her place.

17.17 – At the first renewal of the Board of Auditors after the Shareholders' Meeting of 15 May 2012, the quota to be assigned to the less represented gender is limited to one fifth of the total, rounding any fractions up to the next whole number."

- *to separately confer on the legal representatives pro tempore of the Company the powers necessary to:*

- make the changes to articles 9 (nine) and 17 (seventeen) of the Bylaws arising from the cessation in due course of the efficacy of clauses 9.11 (nine point eleven) and 17.17 (seventeen point seventeen) and to that end meet all the obligations and ensure the advertising required by the regulations;*

- complete all the necessary formalities for the adopted resolutions to be entered in the Business Register, accepting and introducing into said resolutions the amendments, additions or deletions of non-substantial parts that might be requested by the competent authorities."*

The resolution was approved by a majority of the shareholders.

Against 34,196,148 shares.

Abstained/Not voting 725,606,831 shares.

In favour the remaining 6,346,242,342 shares represented.

All as detailed in the annexes.

The Chairman announced the result and, at 5:05 p.m., all the items on the Agenda having been dealt with, declared the business of the Meeting concluded and thanked those who had attended.

In addition to the above documentation, the following are attached to these minutes:

- the Bylaws containing the amendments approved by the Shareholders' Meeting, under "B";
- the list of people who attended the Shareholders' Meeting with details of the voting, under "C".

These minutes were signed by me at 1:00 p.m.

It consists

of eight sheets written using mechanical means by a person whom I trust, and completed in my own hand, making twenty-eight pages and part of the twenty-ninth as far as here.

Signed Carlo Marchetti, Notary Public