Telecom Italia S.p.A.
Registered Office in Milan, at 2 Piazza degli Affari
Corporate Headquarters in Rome, at 41 Corso d'Italia
Fully paid-up share capital €10,673,803,873.70
Tax/VAT and Milan Company Register number: 00488410010
Electrical and Electronic Equipment Register no. IT08020000000799

SHAREHOLDERS' MEETING

- **April 6, 2009: extraordinary shareholders' meeting on first call**
- **April 7, 2009: ordinary shareholders' meeting on first call; extraordinary shareholders' meeting on second call**
- **April 8, 2009: ordinary shareholders' meeting on second call; extraordinary shareholders' meeting on third call**

AGENDA

Ordinary meeting

- Financial statements for the year ended December 31, 2008 - related and consequent resolutions.
- Appointment of a Director.
- Appointment of the Board of Auditors - related and consequent resolutions.

Extraordinary meeting

- Mandates to increase the share capital and to issue convertible bonds - amendment of Article 5 of the bylaws (share capital) - related and consequent resolutions.

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2008 RELATED AND CONSEQUENT RESOLUTIONS

Dear Shareholders,

the draft financial statements submitted for approval by the shareholders' meeting show net income for the year of € 1,499,995,748.51.

This result makes it possible to propose the distribution of a dividend of € 0.05 for each ordinary share and € 0.061 for each savings share.

The total dividend amount will depend on the number of shares with dividend entitlement outstanding on the dividend payment day, excluding treasury shares (currently 26,272,014 ordinary shares) and taking into account shares that are subscribable for in connection with the capital increases provided for in Article 5 of the Company's bylaws and actually issued by that date.

Dividends will be paid as of 23 April 2009, while 20 April 2009 has been set as the ex dividend date.

In light of the foregoing, the Board of Directors invites you to approve the following

Resolution

The shareholders' meeting of Telecom Italia S.p.A.,

- having examined the financial statements for the year ended 31 December 2008;
- having taken note of the reports of the Board of Auditors and the external auditor, Reconta Ernst & Young S.p.A.;
- considering that the shares with dividend entitlement at the proposed ex dividend date will be not more than 13,657,095,614 ordinary shares and 6,026,120,661 savings shares;

resolves

1. to approve the financial statements of Telecom Italia S.p.A. for the year ended 31 December 2008, which show net income for the year of € 1,499,995,748.51;

2. with regard to the net income for the year,
    a. to allocate to the legal reserve a maximum of € 30,393,156.42 of profits and in any case not more than the amount necessary for such reserve to be equal to one fifth of the Company's share capital at the time this resolution is adopted;
    b. to allocate a total amount for dividends to shareholders, calculated on the basis of the following amounts, which will be applied to the number of ordinary and savings shares that they own (thus excluding treasury shares) on the ex dividend day:
        - € 0.05 for each ordinary share,
        - € 0.061 for each savings share,

        gross of the withholdings required by law;
    c. to carry forward the remaining net income;
3. to authorize the Board of Directors – and on its behalf its Chairman – to determine in due course, on the basis of the actual number of shares for which dividends are paid, the amount of net income distributed to shareholders and the amount carried forward as retained earnings;
4. to pay the above dividends starting on 23 April 2009, ex dividend on 20 April 2009.

APPOINTMENT OF A DIRECTOR

Dear Shareholders,

Following the resignation of Gianni Moin, in its meeting on February 27, 2009 the Board of Directors co-opted Stefano Cao, who, as prescribed by law, will remain in office until the shareholders' meeting.

Since the slate voting system is envisaged by the Company's bylaws only for the complete renewal of the Board of Directors, it does not apply in the case in question. Accordingly, it is proposed that the shareholders' meeting should appoint the above-mentioned Stefano Cao (whose curriculum vitae is attached) as a director until the end of the Board's term of office and therefore until the approval of the financial statements for the year ending December 31, 2010.

In light of the foregoing, the Board of Directors invites you to approve the following

Resolution

The shareholders' meeting of Telecom Italia S.p.A.,

- having taken note of the resignation of Gianni Mion from the position of director;
- having taken note that the mandate of the Board of Directors will expire with the approval of the financial statements for the year ending December 31, 2010 (as resolved by the shareholders' meeting held on April 14, 2008);

resolves

to appoint Stefano Cao as a director of the Company and for the appointment to expire together with those of the other directors and therefore for the term of office to last until the approval of the financial statements for the year ending December 31, 2010.

STEFANO CAO

Chief Operating Officer Eni Exploration & Production Division until August 2008. From April 2007 to April 2008 Indipendent Director of Telecom Italia SpA.

He was born in Rome in 1951, and is a graduate in Mechanical Engineering.

In 1976 he was employed in Saipem SpA; from 1976 to 1980 he worked as Field Engineer and Operation Manager in the Offshore Construction Division. He was Vessel Superintendent in charge of the Offshore Installation of the Transmed Pipeline between Tunisia and Sicily, unique challenge with its world record water depth in excess of 600 mts.

From 1980 to 1986 he was responsible of numerous tasks outside Italy: Project Manager in UK; Area Manager in Denmark; Operation General Manager for some of the largest Offshore Pipeline Projects in the North Sea.

Back in Italy in 1986, he was appointed Engineering Manager and in 1988 Vice General Manager and Operation Manager in charge of the Offshore Construction Division of Saipem S.p.A. In 1991 with the acquisition of the Saipem 7000, the most advanced Heavy Lift Vessel in the world, the Division extended its technological capabilities becoming a world leader also in Offshore Structure Installation.

In 1993 he was appointed General Manager for Commercial and Technical Activities of Saipem SpA; in 1996 Managing Director and Chief Operating Officer and in 1999 Chairman and Chief Executive Officer of the Company.

In the same period the Company went through a major growth, amongst other things extending its capabilities in Deep Water Drilling adding the Scarabeo 7 and the Saipem 10000 to the fleet and designing and building the pipelay system for Saipem 7000 which brought to the signing of the Contract of the Blue Stream Project with the JV between Gazprom and Eni, the most challenging pipeline project ever with its water depth in excess of 2100 mts.

In 2000 he left Saipem SpA and was appointed Chief Operating Officer Eni Exploration & Production Division.

In 2001 the Indipendent E&P Company Lasmo PLC was acquired through a public offer on the London Stock Exchange providing a step change growth of the hydrocarbon production of the Division.

During the same year Eni became the Sole Operator on behalf of a Consortium comprising some of the Major Oil Companies in the world for the development of the Kashagan Area, the largest hydrocarbon discovery in the last 35 years located in the Kazakh Sector of the Caspian Sea.

In 2004-2007 the Norwegian Company Fortum, the ‘Mboundi Oil Field in Congo and the Gulf of Mexico Hydrocarbon Production of the US Company Dominion were acquired.

From 2002 to 2006 he was Chairman of Assomineraria, association of E&P, Oil Services and Mining Companies affiliated to Confindustria and from 2002 to 2006 Chairman of Eni Corporate University S.p.A., Company in charge of recruiting and training Human Resources worldwide.

From April 2007 to April 2008 he was Independent Director of Telecom Italia S.p.A.

On 16 February he was appointed Managing Director and CEO of Sintonia SA.

APPOINTMENT OF THE BOARD OF AUDITORS
RELATED AND CONSEQUENT RESOLUTIONS

Dear Shareholders,

you are called upon to appoint a new Board of Auditors in place of that appointed by the shareholders' meeting on 13 April 2006, whose mandate expires with today's meeting.

In particular, you are invited to elect five members of the Board of Auditors and four alternates (using the slate system), to appoint the Chairman of the Board of Auditors and to determine the members' compensation.

The Board of Directors invites shareholders to follow the procedure laid down in Article 17 of the Company's bylaws in appointing the new Board of Auditors. The Board of Directors therefore invites shareholders to put forward lists of candidates in accordance with the procedures and time limits referred to in Article 17 of the bylaws and the applicable regulatory provisions.

In light of the foregoing, the Board of Directors

invites the Shareholders' Meeting

to adopt the relevant resolutions for the election of the Board of Auditors in accordance with the law, Consob's regulatory provisions and the Company's bylaws.

MANDATES TO INCREASE THE SHARE CAPITAL AND TO ISSUE CONVERTIBLE BONDS
AMENDMENT OF ARTICLE 5 OF THE BYLAWS (SHARE CAPITAL)
RELATED AND CONSEQUENT RESOLUTIONS

Dear Shareholders,

the shareholders' meeting of 6 May 2004 authorized the Board of Directors, for five years,

- to increase the share capital by means of the issue for cash in one or more tranches of up to a maximum of 1,600,000,000 ordinary shares, to be offered in whole or in part with the right of pre-emption to shareholders and holders of convertible bonds or to employees of the Company and its subsidiaries with the exclusion of the right of pre-emption pursuant to the combined effects of the last paragraph of Article 2441, of the Civil Code and Article 134 (2) of Legislative Decree 58/1998 and therefore within the limit of one quarter of the newly issued shares or 1% of the existing capital;
- to issue convertible bonds in one or more tranches up to a maximum of €880 million.

Both the mandates (set out in the last three paragraphs of Article 5 of the bylaws) will soon expire. You are therefore invited to renew them basically as they stand , except for the increase to €1 billion of the nominal value of the bonds that can be issued, subject to the revocation of the existing mandates for the remaining period of their validity.

The reason for recourse to such mandates is the desirability of shortening the time needed to carry out any extraordinary corporate actions approved, thereby minimizing the risk of market fluctuations between the time of the announcement and the time of the approval of the transaction by the shareholders' meeting. The reasons for each such initiative will naturally be given in the documentation that will be published in compliance with the rules in force.

None of the amendments to the bylaws consequent on the proposed mandates described above will result in shareholders who do not vote in favour of their approval being entitled to withdrawal rights.

The resolution that the shareholders' meeting is invited to approve is shown below with the proposed amendments to the bylaws compared with the existing text.

In light of the foregoing, the Board of Directors invites you to approve the following

Resolution

The extraordinary shareholders' meeting of Telecom Italia S.p.A.,

resolves

1. to revoke the existing mandates to increase the share capital and issue convertible bonds granted to the Board of Directors by the extraordinary shareholders' meeting of 6 May 2004;
2. to authorize the Board of Directors, pursuant to Articles 2443 and 2420-*ter* of the Civil Code:
    - to increase the share capital by up to a maximum nominal amount of €880,000,000 by means of the issue for cash, with or without a share premium, in one or more tranches and within five years of this resolution, of up to a maximum of 1,600,000,000 ordinary shares with a par value of €0.55 each, to be offered in whole or in part with the right of pre-emption to persons having entitlement or, including just a part thereof, to employees of the Company and its subsidiaries with the exclusion of the right of pre-emption pursuant to the combined effects of the last paragraph of Article 2441 of the Civil Code and Article 134(2) of Legislative Decree 58/1998;
    - to issue, in one or more tranches and within five years of this resolution, bonds convertible into ordinary shares to be offered with the right of pre-emption to persons having entitlement up to a maximum nominal amount of €1 billion;
3. to amend Article 5 of the bylaws accordingly, as shown below:

Existing text	Proposed text
5.1 – The subscribed and fully paid-up share capital shall be equal to €10,673,803,873.70, divided into 13,380,795,473 ordinary shares with a par value of €0.55 each and 6,026,120,661 savings shares with a par value of €0.55 each.	Idem
5.2 – In resolutions to increase the share capital by issuing shares for cash, the right of pre-emption may be excluded for up to a maximum of ten per cent of the previously existing capital, provided the issue price corresponds to the market value of the shares and this is confirmed in a report prepared by the firm appointed to audit the accounts.	Idem
5.3 – The Shareholders' Meeting of 26 May 2003, reiterating, updating and, where necessary, renewing earlier resolutions of the Shareholders' Meeting and the Board of Directors resolved to increase the share capital by up to a maximum of €624,936,779.50 (at 31 December 2008 €125,744,378.10), by means of the issue of up to a maximum of 1,136,248,690 (at 31 December 2008 228,626,142) ordinary shares with a par value of €0.55 each to be reserved irrevocably and exclusively for the conversion of the "Olivetti 1.5% 2001-2010 convertibile con premio al rimborso" (now Prestito "Telecom Italia 1.5% 2001-2010 convertibile con premio al rimborso") convertible bonds, on the basis of 0.471553 ordinary shares for each bond presented for conversion.	Idem
5.4 – The Shareholders' Meeting of 26 May 2003 also resolved to increase the share capital by up to a maximum of €183,386,986.75 (at 31 December 2008 €25,079,090.30), by means of the issue of up to a maximum of 333,430,885 (at 31 December 2008 45,598,346) ordinary shares with a par value of €0.55 each, divided into the following outstanding divisible tranches: 1. a tranche of up to a maximum of €21,422,652.90 (at 31 December 2008 €7,352,687.65) for the exercise of the "Piano di Stock Option Top 2002" stock options, increase to be implemented by 28 February 2010 by means of the issue of up to a maximum of 38,950,278 (at 31 December 2008 13,368,523) shares with a par value of €0.55 each, to be subscribed for at a total price of €9.203 per option held (i.e. at a price of €2.788052 for each	Idem

newly-issued share); 2. a tranche of up to a maximum of €50,268,799.90 (at 31 December 2008 €17,726,402.65) for the exercise of the "Piano di Stock Option 2002" stock options, increase to be implemented by 31 March 2008 for the first lot, by 31 March 2009 for the second lot and by 31 March 2010 for the third lot by means of the issue of up to a maximum of 91,397,818 (at 31 December 2008 32,229,823) shares with a par value of €0.55 each, to be subscribed for at a total price for the different options of respectively €9.665 and €7.952 per option held (i.e. at a price for the different options of respectively €2.928015 and €2.409061 for each newly-issued share).	
5.5 – The Shareholders' Meeting of 7 April 2005 resolved to increase the share capital by up to a maximum of €38,655,832.60 (at 31 December 2008 €1,141,609.15), by means of the issue of up to a maximum of 70,283,332 (at 31 December 2008 2,075,653) ordinary shares with a par value of €0.55 each, divided into divisible tranches, of which there remains the tranche of up to a maximum of €3,192,173.05 (at 31 December 2008 €1,141,609.15), for the exercise of the "Piani di Stock Option 2003-2005" stock options, increase to be implemented by 31 March 2008 for the first lot, by 31 March 2009 for the second lot and by 31 March 2010 for the third lot by means of the issue of up to a maximum of 5,803,951 (at 31 December 2008 2,075,653) ordinary shares with a par value of €0.55 each, to be subscribed for at a total price of €5.07 per option held (i.e. at a price of €2.930636 for each newly-issued share).	Idem
5.6 – For five years starting from 6 May 2004 the Directors may increase the share capital in one or more tranches by up to a maximum total amount of €880,000,000 by means of cash issues of up to a maximum of 1,600,000,000 ordinary shares, all or part of which: (i) to be offered with the right of pre-emption to shareholders and holders of convertible bonds; or (ii) to employees of Telecom Italia S.p.A. and its subsidiaries with the exclusion of the right of pre-emption pursuant to the combined effects of the last paragraph of Article 2441 of the Civil Code and Article 134(2) of Legislative Decree 58/1998.	5.6 – For five years starting from … April 2009 the Directors may increase the share capital in one or more tranches by up to a maximum total amount of €880,000,000 by means of cash issues, with or without a share premium, of up to a maximum of 1,600,000,000 ordinary shares with a par value of €0.55 each (i) to be offered with the right of pre-emption to persons having entitlement; or, including just a part thereof, (ii) to employees of Telecom Italia S.p.A. and its subsidiaries with the exclusion of the right of pre-emption pursuant to the combined effects of the last paragraph of Article 2441 of the Civil Code and Article 134(2) of Legislative Decree 58/1998.

5.7 – Resolutions to increase the share capital adopted by the Board of Directors in exercising the powers attributed above shall set the subscription price (including any premium) and a time limit for the subscription of the shares; they may also provide, in the event that the increase approved is not fully subscribed within the time limit established for each issue, for the capital to be increased by an amount equal to the subscriptions received up to such time.	Idem
5.8 – The Board of Directors may issue, in one or more tranches and for up to a maximum of five years from 6 May 2004, convertible bonds up to a maximum amount of €880,000,000.	5.8 – The Board of Directors may issue, in one or more tranches and for up to a maximum of five years from … April 2009, bonds convertible into ordinary shares to be offered with the right of pre-emption to persons having entitlement up to a maximum nominal amount of €1 billion.

4. to confer severally on the Company’s legal representatives *pro tempore* the powers needed to make, as and when necessary, the changes to Article 5 of the Company’s bylaws consequent on the implementation of the increases in capital provided for therein;
5. to confer severally on the Company’s legal representatives *pro tempore* the powers needed to perform all the necessary formalities for the approved resolutions to be entered in the Company Register, accepting and making thereto any changes, additions or deletions not of a substantial nature that may be requested by the competent authorities.