

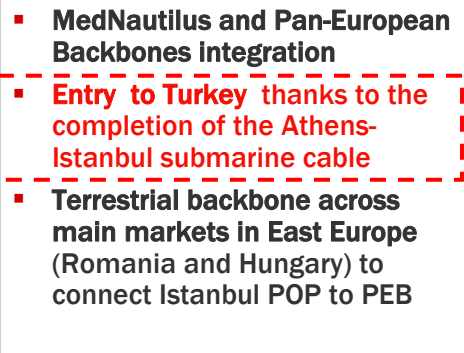
Telecom Italia Sparkle



Paolo Ferrari

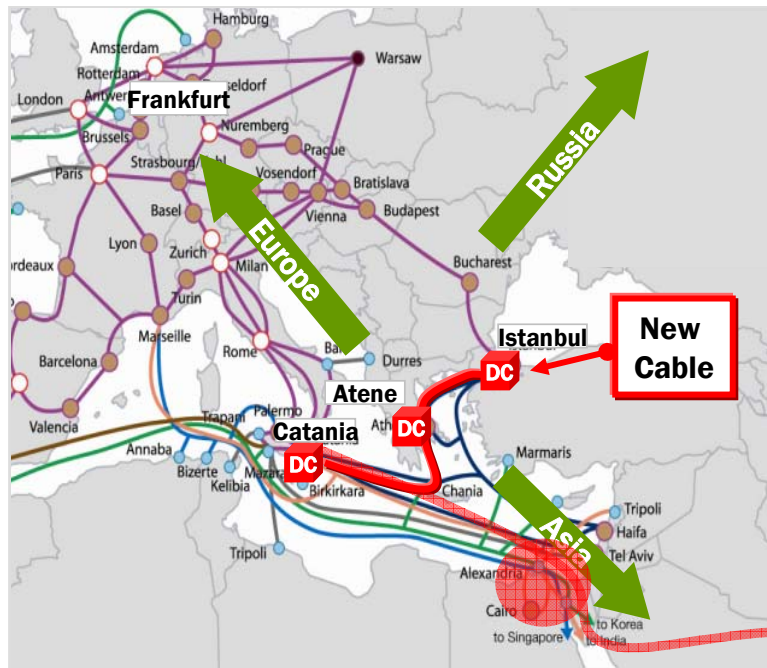
MedNautilus Istanbul-Athens New Submarine Cable Inaugural Event

27 April 2011, Istanbul



- **New submarine cable Athens-Istanbul**

... to ride the wave of new Internet paradigma ...

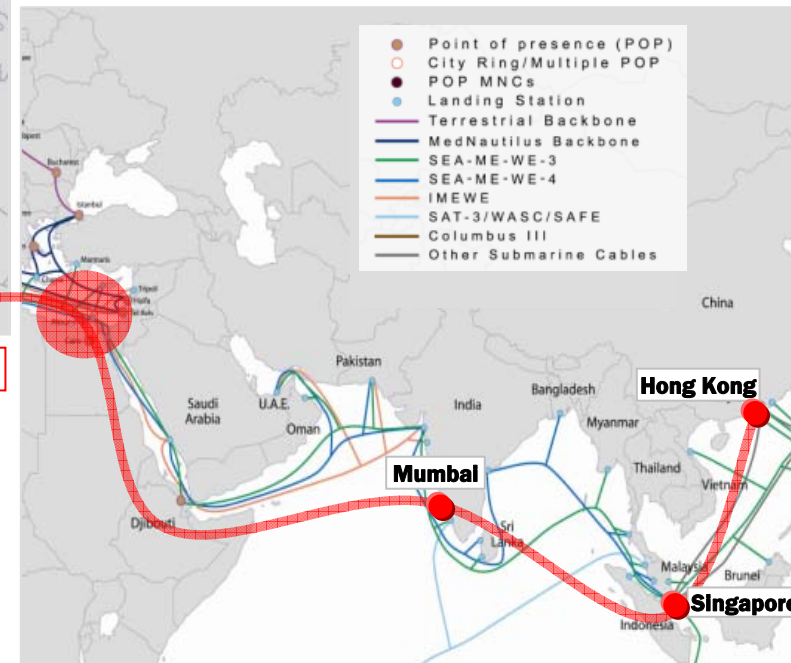


TIS Answers

- ① Leverage on new proprietary and consortia cables to capture massive volumes and respond to quality needs from East to West
- ② Reinforce Sicily Hubbing role (Palermo/Catania platform – All major CPs and CDNs hosted)
- ③ Local asset leverage to go up the value chain and to create a “Regional DC System”

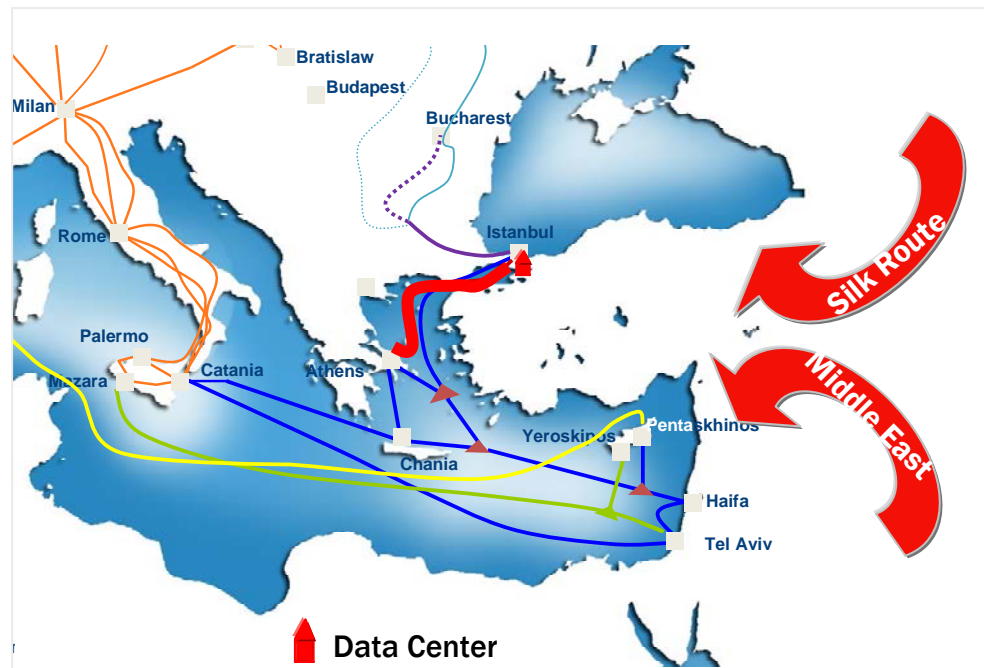
Market demands

- ① Massive growth fuelled by IP and Content
- ② Content to the edge
- ③ Increasing virtualization and networking requirements/needs



Portfolio Enrichment & Know How/Asset leverage to go up the value chain

... and strengthen gateway positioning through asset consolidation



Capturing traffic
stemming from Middle
East and Silk Route

Market demands

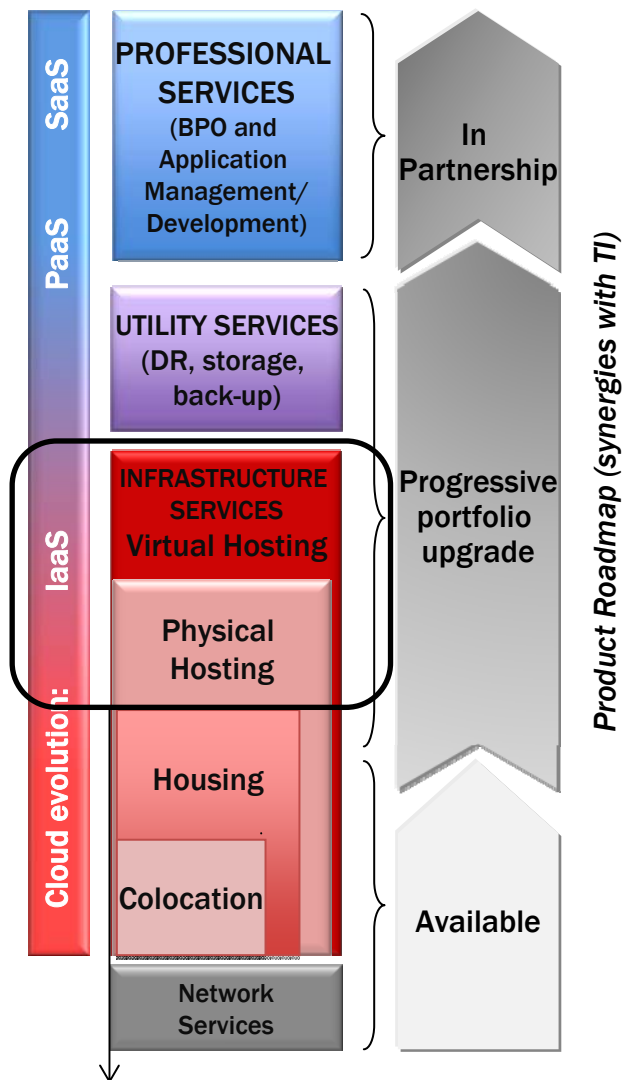
- ① Alternative terrestrial and submarine routes
- ② Network quality and good latency performance
- ③ Safety and Reliable

TIS Answers

- ① Unique real alternative route both terrestrial and submarine
- ② Further asset consolidation to be the best reliable partner for regional wholesale players ...
- ③ ... and bring you to the West

Local Partners & Asset Leverage to create a regional hub/DC system and exploit market potential

New Datacenter Services in Turkey and Med Basin



► Turkey:

- Enter domestic market with a Cloud/IaaS solution in Q4 2011, leveraging on local facilities and presence

► Greece:

- Assess as next step Cloud extension (based on local DC)

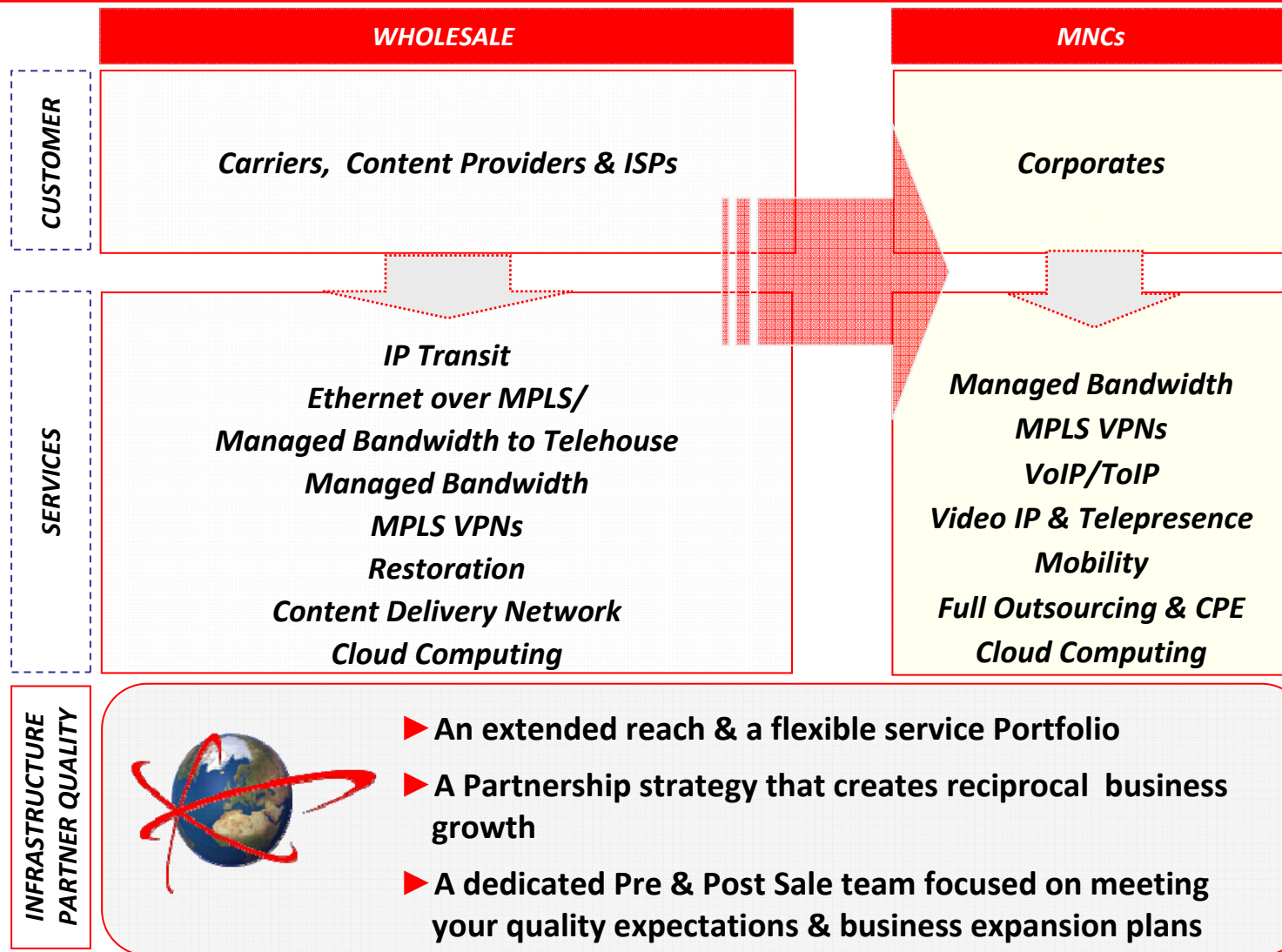
► Sicily:

- Main regional IP hub: strengthen colocation capabilities for housing global content/application providers
- Disaster Recovery for regional customers



From traditional colo to enhanced portfolio to support WS players as well as MNCs

Stronger on Wholesale to growth on Retail



An organization with “wholesale strengths” & a special care for Multinational Customers

Back up

Telecom Italia at a glance

▶ **TOP ICT company leader in offerings and innovative services**

▶ **KPIs: >100 million BB & Mobile customers WW including Argentina**

- ♦ 17.6 million fixed lines in Italy (4.1 millions in Argentina)
- ♦ 9.0 million broadband accesses in Italy (1.4 millions in Argentina)
- ♦ 31.0 million mobile lines in Italy and 51.0 millions in Brazil (18.2 millions in Argentina)
- ♦ Number of employees: 84.200

▶ **Economic and financial results**

- ♦ Revenues: 27.6 Bln € (26.9 Bln € at December 31st, 2009)
- ♦ EBITDA: 11.4 Bln € (11.1 Bln € at December 31st, 2009)
- ♦ EBIT: 5.8 Bln € (5.5 Bln € at December 31st, 2009)

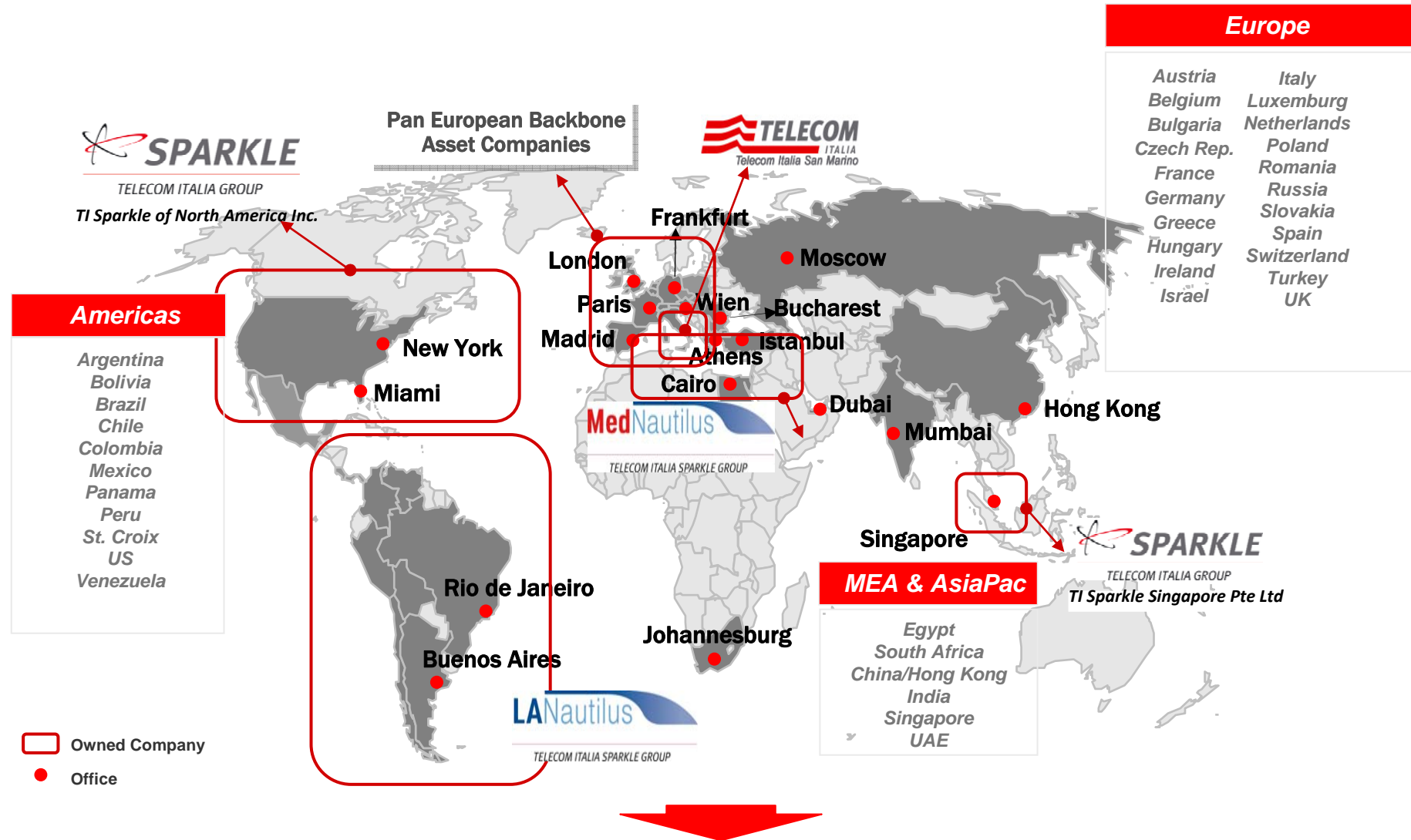
All data at EoY 2010; December 31, 2009 in brackets

TI Sparkle Group Overview

- Leading global service provider, offering Voice, IP and Data solutions for fixed-line and mobile operators, ISPs and multinational corporations (MNCs)
- Wholly owned subsidiary of Telecom Italia created in 2003 with the objective of developing the international wholesale and MNCs business and of supporting TI Group business units for the provisioning of international Services

Company Data	
EOY '09	
Headcount	
• TI Sparkle	789
• Subsidiaries	262
.....	
Main offices abroad	37
.....	
Network coverage	
• # Cities	51
• # PoPs (incl. Telehouses)	122
.....	
Virtual PoPs through partners	> 1,000

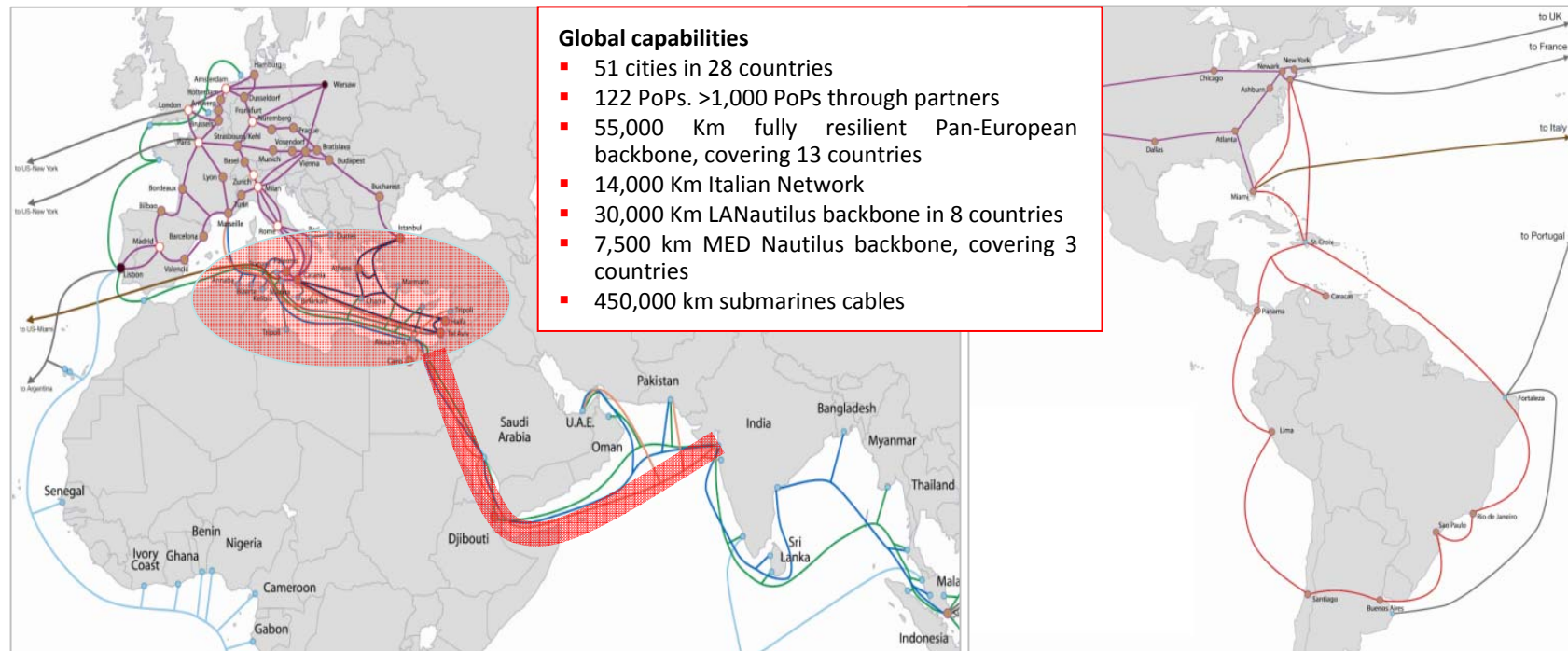
TI Sparkle Group – Main Assets



Sparkle is present in about 40 Countries

TI Sparkle Group - Main Areas of Business

- Integrated and resilient **proprietary backbones** in Europe, Mediterranean Basin, US and Latam.
- **Unique footprint** in the **Mediterranean** region and unique **dual protected fiber path** in Europe.
- **Full IP** multi-service network.



- ◆ Main Mediterranean Hub connecting Middle East and South Asia to Europe
- ◆ Full Network Reach and alternative routing to Europe thanks to Balkan extension
- ◆ Reg'l DC Hub potential based on ~ 9,000 Sqm (Sicily, Greece and Turkey)
- ◆ Platform Expansion in Palermo – All Major CPs and CDNs hosted by EoY10
- ◆ Among the top 4 Players in the Region
- ◆ Synergies in Brazil and Argentina through TI Group leading retail operations
- ◆ Regional distinctive IP Backbone

“Se@bone”, TI Sparkle IP Backbone, ranked #1 in the Mediterranean, 2 # for Europe-Africa route, #3 in Europe, #14 ww (*)

(*) Renesys backbone ranking – March 2011

TI Sparkle Group - Global Services Portfolio

Voice, IP and Data solutions for Fixed and Mobile Operators, ISPs,
Media & Content Providers and MNCs

SPARKLE | **VOICE** SOLUTIONS

GIVING VOICE TO EVERYONE.

- **SPARKLE** | *Best Voice Transit*
- **SPARKLE** | *Mobile Voice Transit*
- **SPARKLE** | *W.A.V.E. Voice Outsourcing*
- **SPARKLE** | *IPX*
- **SPARKLE** | *Prepaid & Ethnic Services*
- **SPARKLE** | *International & Universal Toll-Free Service*
- **SPARKLE** | *ISDN Transit*

SPARKLE | **MOBILE** SOLUTIONS

YOUR WORLD, EVERYWHERE.

- **SPARKLE** | *Global Signalling*
- **SPARKLE** | *ITU/ANSI Conversion*
- **SPARKLE** | *Net2Mobile GRX*
- **SPARKLE** | *IPX*
- **SPARKLE** | *SMS Hub*
- **SPARKLE** | *MMS Hub*
- **SPARKLE** | *SMS Transit*
- **SPARKLE** | *SMS Bulk Report*
- **SPARKLE** | *SMS Anti Fraud*
- **SPARKLE** | *Outbound Roaming Solution*
- **SPARKLE** | *Roaming Traffic Redirector*
- **SPARKLE** | *Roaming Hub*
- **SPARKLE** | *Roaming Consulting*
- **SPARKLE** | *Smart Call Checker*
- **SPARKLE** | *Short Codes Translator*

SPARKLE | **IP&DATA** SOLUTIONS

RIDE THE WAVE OF THE IP AND DATA
CONNECTIVITY REVOLUTION.

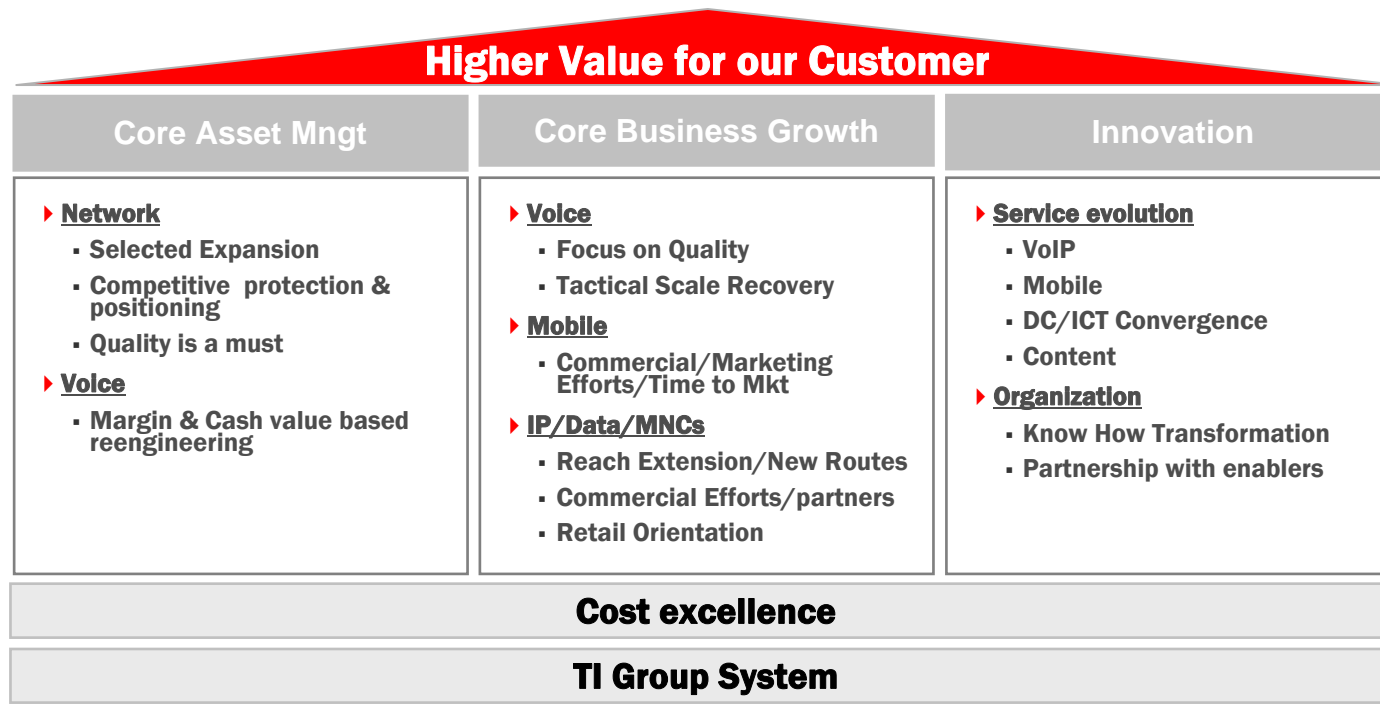
- **SPARKLE** | *Seabone*
- **SPARKLE** | *Virtual NAP*
- **SPARKLE** | *LAN2LAN*
- **SPARKLE** | *City2City*
- **SPARKLE** | *Country2Country*
- **SPARKLE** | *Restoration*

SPARKLE | **CORPORATE** SOLUTIONS

SUPPORTING YOU TO SERVE
YOUR CORPORATE CUSTOMERS.

- **SPARKLE** | *Carrier MPLS*
- **SPARKLE** | *Site2Site*
- **SPARKLE** | *IP-VPN Suite*
- **SPARKLE** | *Full Outsourcing*
- **SPARKLE** | *Corporate VoIP*
- **SPARKLE** | *Corporate Mobility*
- **SPARKLE** | *Corporate Video*
- **SPARKLE** | *Content Acceleration Network*

TI Sparkle Group - Industry Trends and ... Our Reaction



Our Distinctive assets



Sparkle to join the Partnership Game

TI Sparkle Group - Product Strategies

