

PRESS RELEASE

TELECOM ITALIA AND THE MONDADORI GROUP SIGN DEAL: ITALY'S FIRST E-BOOK STORE OPENS

1,200 books from the Segrate-based publishers inaugurate Telecom Italia's *Bibletstore*

Frankfurt, 7 October 2010

Telecom Italia and the Mondadori Group today signed an e-book distribution deal in Frankfurt, at a ceremony attended by Telecom Italia CEO Franco Bernabè and Mondadori Group Deputy Chairman and CEO Maurizio Costa.

As a result of this deal, *Bibletstore* Italy's first digital bookshop opens for business today, offering over 1,200 e-books from the Mondadori publishing group.

Eight hundred titles from Mondadori, Einaudi, Sperling & Kupfer and Piemme's back catalogue will be sold through Telecom Italia's e-book store (www.biblet.it) along with over 400 new books published simultaneously in paper and electronic form.

Telecom Italia CEO Franco Bernabè declared: "We are particularly pleased about this deal with the Mondadori Group. It is a significant testament to our ability to innovate, which allows us to position the company as a driver of high-tech-led markets. Telecom Italia's launch of *Bibletstore* spells the adoption of a new business model that differs from models adopted in other countries. Telecom Italia is developing this model in partnership with publishers, which retain the greatest possible freedom in terms of commercial positioning and setting price points."

Maurizio Costa, Deputy Chairman and CEO of the Mondadori Group, stated: "The global transition currently underway in the book market, prompted by the uptake of new technologies, is set to have a significant impact also in Italy. Rapid mobile device growth will free reading. People will have more time to explore new content, which will lead to an increase in consumption in step with worldwide trends for increasing demand for information, learning and cultural entertainment. This partnership with Telecom Italia is a significant first step for the Mondadori Group's leveraging of its publishing assets, which will also become available over the main platforms and devices available on the market." Mr Costa concluded: "In the near future, our focus on the customer/reader will increasingly become our most precious resource. By sharing expertise with Telecom Italia, we will be able to offer our users an increasingly personalized service."

Ken Follett's latest novel, *Fall of Giants*, is one of the first new Mondadori books available on Telecom Italia's e-book store shelves. Back catalogue titles from the Group's publishing imprints include literary masterpieces by Jane Austen and Thomas Mann and recent bestsellers such as Jonathan Franzen's *The*

Corrections and Dan Brown's *The Da Vinci Code*, along with books by leading lights on the contemporary book scene such as Philip Roth and Gabriel Garcia Marquez, and genre literary greats ranging from Agatha Christie to John Grisham. Also available are great thinkers of the past such as Descartes and Seneca, and more recent Italian and international non-fiction, as well as classic children's books from Hans Christian Andersen's *Fables* and the latest generation of children's heroes such as Geronimo Stilton.

In a world first, the partnership between Telecom Italia and the Mondadori Group will see the launch this Christmas of three subscription-based themed e-book channels: high-brow lit, genre lit (thrillers and romance), and books for children. This new development will completely revolutionize the way readers are offered books. For a set monthly fee, readers will have access to a theme-based reading list. Subscribers can read as many books as they like from this list, one book at a time.

Telecom Italia's dedicated new e-book platform will carry ePub and PDF format e-books protected by a Digital Rights Management (DRM) system to protect authors' copyright.

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Telecom Italia
Press Office
+39 06 3688 2610
<http://www.telecomitalia.it/media>

Mondadori Group
Corporate Communications
+39 02 7542 3159
<http://www.mondadori.it/Press>