DIGITAL CONTENT:
TIM, VODAFONE, WIND, 3 ITALIA, POSTEMOBILE AND FASTWEB LAUNCH COMMON PAYMENT PLATFORM AVAILABLE TO CUSTOMERS OF ALL OPERATORS

FIRST EVER JOINT MOBILE PAYMENTS INITIATIVE

Milan, 9 May 2011 – Tim, Vodafone, Wind, 3 Italia, Poste Mobile and Fastweb announce the launch of a common platform, open to the customers of all operators, for paying for digital services and content with just one click, using customers' mobile accounts.

This initiative confirms telecommunications operators' commitment to investing in innovation, making a simple, rapid and secure form of payment, for use on any device (cell phone, smartphone, tablet or PC), available to digital content and service providers and their customers. A shared standard, which converts mobile phone numbers into customer authentication keys and transforms the mobile phone into a means of paying for all online digital content and services. The joint launch of this initiative opens the door to m-commerce for all. A secure and open system based on a device in extremely widespread use.

Immediate and secure purchases can be made with a simple click, if accessing from a cell phone or, in the event of access from another device (a PC or tablet), by entering your cell phone number and a password. Purchases are guaranteed by the very latest in security standards, which ensure that all data is encrypted. A secure and easy-to-use system that aims to be adopted by the digital services market during the transition to new methods of accessing paid-for content. A transition that will be made smoother by the simplicity of the interfaces developed by the technology partners, Engineering and Reply.

Businesses wanting to develop a digital content or service offering now have a common payment system available, offering immediate access to all telecommunications operators, representing a total of 46.6 million Italian SIM card owners[(1)], enabling the partner operators to continue to manage their customers directly.

Among the first to express an interest in using the new solution in the Italian market are companies such as the Caltagirone Editore group, Class Editori, Guida Monaci, Espresso, Il Sole 24 Ore, La Stampa, Microsoft Italia, Mondadori, Monrif/Poligrafici Editoriale, Paperlit, RCS, Shenker and L'Unione Sarda.

The service will be made available via a platform developed by Engineering, the leading provider of integrated services covering the entire software value chain, and by Reply, leader in the design and implementation of solutions based on new communication channels and digital media.

According to research by PwC Advisory, which advised the telecommunications operators, Italians' reluctance to use credit cards – with 90% of transactions still settled in cash, compared with an EU average of less than 70% – the small average value of individual purchases and Italians' well-

known fondness for mobile communications, point to significant growth potential for a market that is already expanding rapidly.

Considering that most online transactions are paid for using the approximately 3.5 million credit cards in circulation, the new mobile payment service will make it possible for 13 times more people to take part in m-commerce than is currently the case [(2)].

A recent survey has also shown that 79% of smartphone owners [(3)] use their devices to purchase content or services (in Italy one mobile phone in three is a smartphone). Globally, it is estimated that the market for mobile payments will be worth approximately US$500bn by 2014 [(4)]. This growth will no doubt be driven by the explosion in the number of smartphones, tablets and digital stores (so-called "AppStores").

For further information visit www.mobilepay-italia.it.

Sources:

(1) Assinform Report 2011

(2) PwC projections, based on data from DigitalFinance and CommStrategy (April 2011)

(3) Ipsos OTX and Google (April 2011)

(4) PwC Entertainment & Media Outlook 2010-2014, PwC projections, based on data from Gartner Group, Market Research and Juniper Research (April 2011)