



FOR IMMEDIATE RELEASE

Market Cap: Pesos 5.5 billion
August 2, 2004

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**TELECOM ARGENTINA ANNOUNCES THAT IT HAS COMFORTABLY
SURPASSED THE REQUISITE MAJORITIES AND MINIMUM
PARTICIPATION AMOUNTS AND ANNOUNCES EXTENSION OF APE
SOLICITATION EXPIRATION DATE TO AUGUST 6, 2004**

Buenos Aires, August 2, 2004 – Telecom Argentina S.A. (BASE: TECO2, NYSE: TEO) (“Telecom”) announced today that it has received from its creditors a number of powers of attorney and commitments to sign its *Acuerdo Preventivo Extrajudicial* (“**APE**”) that comfortably surpasses the requisite majorities and minimum required participation in Option A, each of which is a condition to the execution of the **APE** Agreement.

Despite having achieved the requisite majorities and minimum required participation in Option A, **Telecom** announced that it is extending the expiration date for its **APE** solicitation period to **August 6, 2004**. The extension of the **APE** solicitation expiration date is to process the significant number of new submissions of letters of transmittal and for the receipt of the letters of transmittal to be delivered pursuant to notices of guaranteed delivery that were received on **July 30, 2004**. Since **Telecom** has surpassed the requisite majorities, it will not extend the solicitation period beyond **August 6, 2004**.

“We are very pleased with the result of the **APE** solicitation, which reflects strong support from **Telecom**’s creditors, and we look forward to completing **Telecom**’s **APE** process as soon as possible,” said Carlos Felices, Chief Executive Officer of **Telecom**.

The **APE** solicitation period outside Italy will now expire **at 3:00 p.m., New York City time, 4:00 p.m., Buenos Aires Time, on August 6, 2004**. In Italy, as the applicable regulations do not provide for the possibility of a further extension of the solicitation period, the solicitation period for the Italian retail offer expired on **July 30, 2004** and will not be extended. However, **Telecom** announced that it will allow an extension of the deadline applicable to Italian intermediaries for the delivery of the letters of transmittal pursuant to the notices of guaranteed delivery sent by such intermediaries on **July 30, 2004**.

The terms of **Telecom**’s debt restructuring proposal are contained in **Telecom**’s Solicitation Statement dated **June 22, 2004**, and as amended on **July 9, 2004**. The terms of the **APE** solicitation directed at holders of **Telecom**’s outstanding notes in Italy are set out in an Offer Document dated **June 22, 2004** and in a supplement to the Offer Document.

Telecom also announced today that the **FX Reference Date** for purposes of calculating exchange rates, CER adjustments and other calculations described in **Telecom's** Solicitation Statement will be **August 4, 2004**.

In addition, **Telecom Personal**, **Telecom's** mobile communications subsidiary, last week notified its creditors that in response to requests received for additional time to properly complete their letters of transmittal, the expiration date of the **Telecom Personal** solicitation has been extended to **3:00 p.m., New York City time, 4:00 p.m., Buenos Aires time, on August 13, 2004**.

A registration statement containing the prospectus relating to the **Telecom** notes being issued to U.S. holders has been declared effective by the U.S. Securities and Exchange Commission (the "SEC"). The prospectus included in the registration statement, as amended, contains detailed information about **Telecom** and its management, as well as its financial statements.

Notes issued outside the United States to non-U.S. persons will not be registered under the Securities Act of 1933, as amended (the "Securities Act"), in reliance on the exemption from registration under Regulation S of the Securities Act, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act.

This press release does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any issuance of any of these notes in any jurisdiction in which such offer, solicitation or issuance would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. Such offer is only made by the Solicitation Statement as amended on **July 9, 2004**, which has been filed with the SEC.

A copy of the **APE** Solicitation Statement dated **July 9, 2004** is available in Luxembourg at the offices of BNP Paribas Securities Services, Luxembourg Branch, 23 Avenue de la Port Neuve, L 2085, Luxembourg.

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Telecom is a company incorporated under the laws of Argentina with its registered office at Alicia Moreau de Justo 50, Piso 10, C1107AAB, Buenos Aires, Argentina. **Telecom** is one of Argentina's largest telecommunications operators. It provides local and long-distance telephony, mobile communications (through its subsidiary **Telecom Personal**), data and Internet access services in Argentina. It also operates a mobile license in Paraguay through one of its subsidiaries. **Telecom** common stock is listed on the Buenos Aires Stock Exchange under the ticker "**TECO2**" and **Telecom** ADSs are listed on the New York Stock Exchange under the ticker "**TEO**".

Disclaimer: This document may contain statements that could constitute forward-looking statements. Forward-looking statements may be identified by words such as "believes," "expects," "anticipates," "projects," "intends," "should," "seeks," "estimates," "future" or other similar expressions. Forward-looking statements involve risks and uncertainties that could significantly affect **Telecom**'s expected results. The risks and uncertainties include, but are not limited to, the risks and uncertainties disclosed under the caption "Risk Factors" in the registration statement on Form F-1 (File No. 333-111790) in Amendment No. 2 to the registration statement (filed with the SEC on June 21, 2004), and in any additional amendments to such registration statement. Readers are cautioned not to place undue reliance on forward looking statements, which speak only as of the date of this document. **Telecom** undertakes no obligation to release publicly the results of any revisions to forward looking statements which may be made to reflect events and circumstances after the date of this press release, including, without limitation, changes in **Telecom**'s business or to reflect the occurrence of unanticipated events. Readers are encouraged to consult **Telecom**'s registration statement on Form F-1 as well as periodic filings made on Form 6-K, which are filed with or furnished to the SEC.
