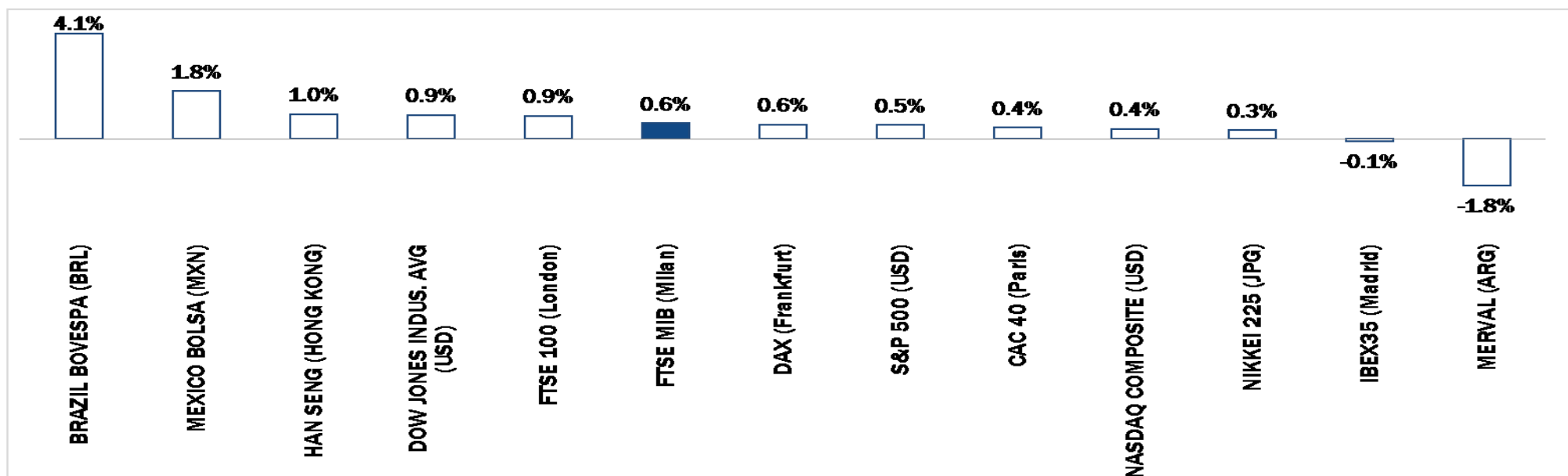


Weekly Stock Market Report for Telecom Italia Retail Shareholders

July 14th – July 18th, 2014

Weekly Performance Summary of Major Worldwide Market Stock Exchanges



Index Point as of 18-Jul-14	Performance ($\Delta\%$)*					Last 52 weeks		Daily average volume **		Market Cap. (mln. local cur.)	
	1 week	1 month	6 months	1 year	from Jan. '14	Low Price	High Price	1 week	1 month		
Europe											
FTSE MIB (Milan)	20,737	0.6%	-5.9%	3.8%	29.2%	9.3%	15,633	22,590	671,325,722	660,630,179	427,705
FTSE 100 (London)	6,749	0.9%	-0.4%	-1.2%	1.7%	0.0%	6,317	6,895	572,082,554	596,683,769	1,836,054
DAX (Frankfurt)	9,720	0.6%	-2.1%	-0.2%	16.6%	1.8%	8,094	10,051	67,332,330	76,543,189	960,009
CAC 40 (Paris)	4,335	0.4%	-4.3%	0.2%	10.4%	0.9%	3,859	4,599	96,874,168	105,616,860	1,157,053
IBEX35 (Madrid)	10,527	-0.1%	-5.3%	0.6%	32.3%	6.2%	7,782	11,249	419,748,237	410,193,289	550,433
America											
DOW JONES INDUS. AVG (USD)	17,100	0.9%	1.1%	3.9%	10.0%	3.2%	14,719	17,152	86,876,196	82,259,501	4,949,290
S&P 500 (USD)	1,978	0.5%	1.1%	7.6%	17.1%	7.0%	1,627	1,986	476,124,390	475,331,649	18,001,430
NASDAQ COMPOSITE (USD)	4,432	0.4%	1.6%	5.6%	22.7%	6.1%	3,574	4,486	439,816,960	480,026,834	6,612,743
MEXICO BOLSA (MXN)	44,279	1.8%	3.4%	5.6%	10.0%	3.6%	37,752	44,313	169,990,925	178,917,422	2,391,794
MERVAL (ARG)	8,662	-1.8%	12.1%	47.8%	156.5%	60.7%	3,312	8,859	9,996,731	11,853,515	8,341
BRAZIL BOVESPA (BRL)	57,013	4.1%	3.3%	15.9%	19.6%	10.7%	44,905	57,484	376,798,400	294,535,618	1,859,988
Asia											
NIKKEI 225 (JPG)	15,216	0.3%	-0.9%	-3.7%	4.3%	-6.6%	13,188	16,320	980,415,245	1,189,432,732	291,349,568
HAN SENG (HONG KONG)	23,455	1.0%	1.1%	1.8%	9.8%	0.6%	21,138	24,112	1,015,183,846	1,299,118,010	14,029,608

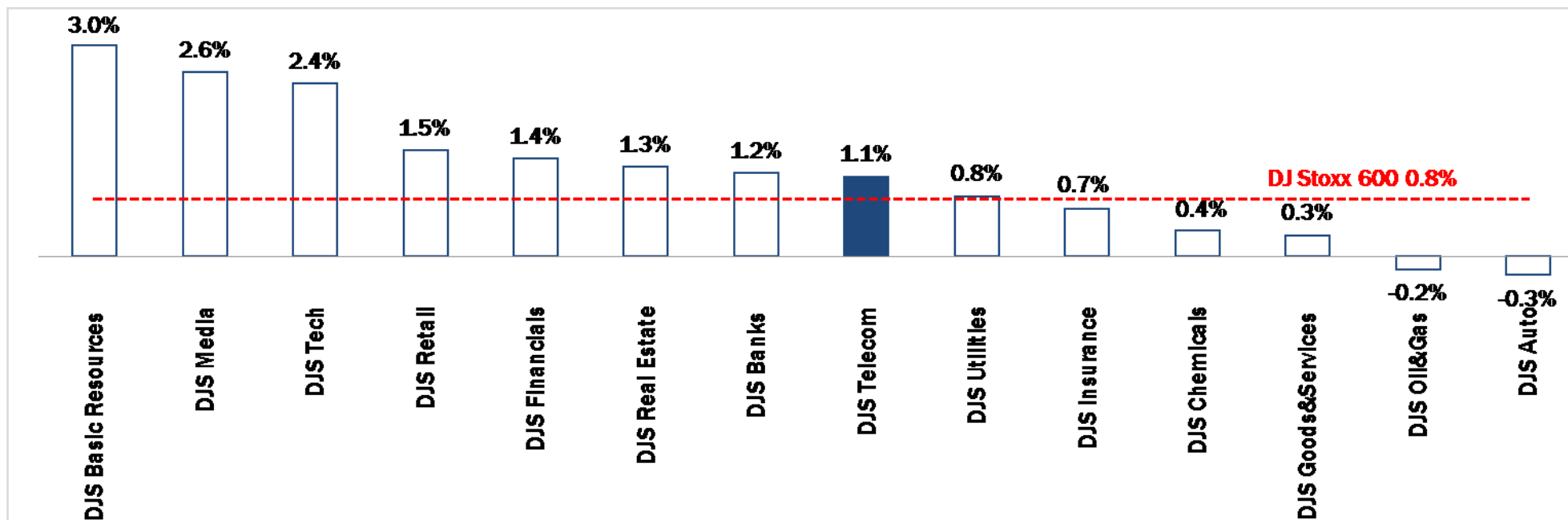
* performance calculated on closing price

** n. of traded shares

Source: Bloomberg LP

NB: Weekly performances are referred to last 5 open market sessions.

Weekly Performance Summary of Major European Sectors



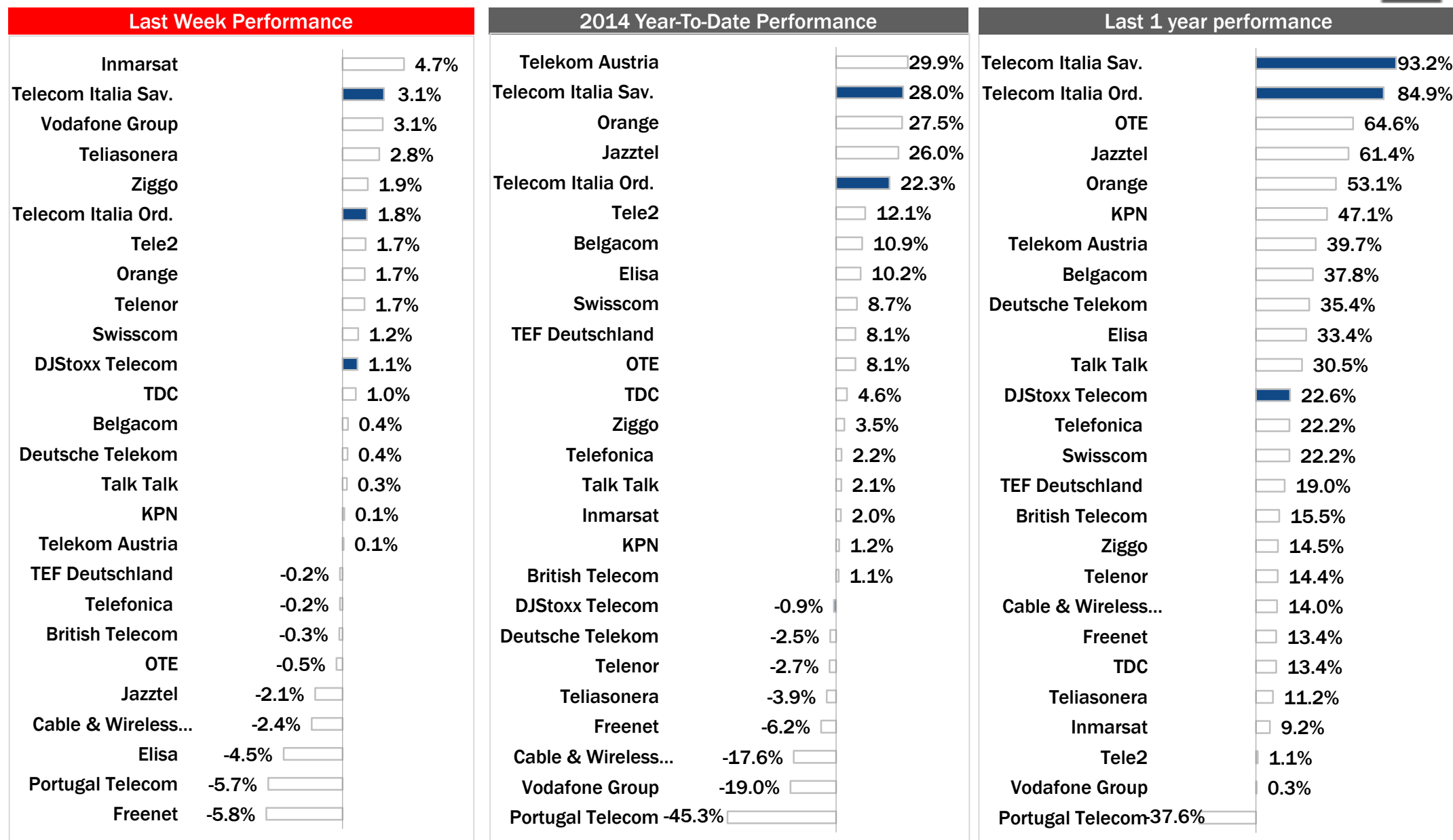
Index	Index Point as of 18-Jul-14	Performance (Δ%)*					Last 52 weeks		Daily average volume **		Market Cap. (mln. local cur.)
		1 week	1 month	6 months	1 year	from Jan. '14	Low Price	High Price	1 week	1 month	
DJ Stoxx 600	339.66	0.8%	-1.9%	1.1%	13.3%	3.5%	295.88	349.71	2,741,728,870	2,759,575,002	8,663,169.00
Sectors											
DJS Telecom	294.96	1.1%	-3.2%	-4.2%	22.6%	-0.9%	238.91	310.37	319,994,611	285,721,235	406,393.59
DJS Auto	504.42	-0.3%	-3.7%	-0.4%	22.0%	4.7%	401.05	536.66	40,206,782	30,390,060	285,125.22
DJS Banks	190.42	1.2%	-6.2%	-8.0%	10.3%	-2.0%	168.29	209.5	1,458,571,891	1,415,411,620	1,119,096.75
DJS Basic Resources	435.61	3.0%	6.2%	5.2%	19.5%	8.7%	357.29	442.15	71,826,494	67,638,037	314,668.47
DJS Chemicals	764.05	0.4%	-2.2%	1.2%	9.7%	0.9%	677.53	793.87	13,100,951	14,023,688	374,891.63
DJS Oil&Gas	359.8	-0.2%	-3.7%	5.9%	12.0%	7.4%	310.59	381.9	74,604,872	91,543,733	692,440.81
DJS Financials	355.25	1.4%	-0.6%	2.8%	18.2%	3.4%	290.88	368.62	24,995,251	29,818,205	146,843.03
DJS Goods&Services	401.83	0.3%	-2.8%	-5.5%	8.2%	-2.9%	365.93	425.9	131,784,718	136,295,728	894,190.25
DJS Insurance	231.12	0.7%	0.1%	-1.1%	15.3%	1.3%	193.68	235.64	96,983,376	107,913,890	509,008.78
DJS Media	246.86	2.6%	-1.5%	-3.7%	12.4%	-2.8%	215.99	260.77	79,862,412	54,750,182	223,277.72
DJS Tech	284.49	2.4%	-1.1%	-0.6%	10.4%	-2.1%	250.98	294.24	59,205,620	63,969,440	259,673.61
DJS Utilities	318.02	0.8%	-1.5%	13.0%	25.6%	14.3%	249.58	326.7	136,828,861	177,710,098	467,443.72
DJS Retail	313.39	1.5%	-0.5%	-4.3%	3.8%	-3.6%	296.28	333.73	83,953,513	90,263,055	316,292.63
DJS Real Estate	154.03	1.3%	2.5%	9.2%	15.4%	13.1%	124.23	156.68	14,091,516	18,338,229	120,558.70

* performance calculated on closing price

** n. of traded shares

Source: Bloomberg LP

Weekly Stock Performance of Main European TLC Operators



Performance Summary of Main European TLC Operators

Cl. Price (local currency) 18-Jul-14	Performance ($\Delta\%$)*					Last 52 weeks		Daily average volume **		Market Cap. (all in €mln)
	1 week	1 month	6 months	1 year	from Jan. '14	Low Price	High Price	1 week	1 month	

EUROPE

Index

DJStoxx Telecom	294.96	1.1%	-3.2%	-4.2%	22.6%	-0.9%	238.91	310.37	319,994,611	285,721,235
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TLC Operators

Telecom Italia Ord.	0.882	1.8%	-6.7%	2.7%	84.9%	22.3%	0.466	1.012	158,759,100	110,475,000	11,827
Telecom Italia Sav.	0.705	3.1%	-4.9%	8.9%	93.2%	28.0%	0.359	0.792	17,479,460	20,236,810	4,245
Altice	44.18	-3.8%	-15.6%	n.a.	n.a.	n.a.	25.505	57.010	103,540	219,736	9,851
Belgacom	23.85	0.4%	-3.9%	8.8%	37.8%	10.9%	15.930	24.945	538,984	559,522	8,060
British Telecom	383.50	-0.3%	-0.4%	0.0%	15.5%	1.1%	320.000	421.200	9,491,668	13,304,560	38,280
Cable & Wireless Communications	46.34	-2.4%	-7.3%	-16.8%	14.0%	-17.6%	37.940	58.500	2,984,103	6,642,434	1,480
Deutsche Telekom	12.12	0.4%	-4.3%	-2.7%	35.4%	-2.5%	8.860	13.150	6,752,611	8,817,589	54,971
Elisa	21.23	-4.5%	-4.6%	8.9%	33.4%	10.2%	15.700	22.850	617,134	435,267	3,553
Freenet	20.42	-5.8%	-12.8%	-10.7%	13.4%	-6.2%	17.020	25.960	627,389	542,358	2,615
Orange	11.48	1.7%	-6.4%	18.7%	53.1%	27.5%	7.188	12.850	6,335,418	8,569,494	30,396
OTE	10.45	-0.5%	-13.3%	-8.3%	64.6%	8.1%	6.190	13.200	806,614	1,045,938	5,122
Inmarsat	771.00	4.7%	5.3%	3.6%	9.2%	2.0%	636.000	774.500	420,806	678,738	4,366
Jazztel	9.80	-2.1%	-8.2%	13.0%	61.4%	26.0%	5.951	11.490	3,201,383	1,431,708	2,513
KPN	2.37	0.1%	-14.0%	-12.1%	47.1%	1.2%	1.537	2.805	20,269,230	17,913,060	10,129
Telefonica Deutschland Holding	5.99	-0.2%	-1.1%	4.5%	19.0%	8.1%	4.523	6.388	839,411	1,130,174	6,694
Portugal Telecom	1.73	-5.7%	-40.3%	-51.3%	-37.6%	-45.3%	1.672	4.175	21,188,950	14,762,580	1,551
Swisscom	512.00	1.2%	-3.8%	4.1%	22.2%	8.7%	405.700	548.500	72,915	71,445	21,830
Talk Talk	312.50	0.3%	-3.2%	-0.9%	30.5%	2.1%	235.300	334.300	793,633	1,090,412	3,769
TDC	55.00	1.0%	-0.9%	8.1%	13.4%	4.6%	45.750	56.850	1,088,862	1,412,820	5,989
Telefonica	12.10	-0.2%	-4.9%	-3.1%	22.2%	2.2%	9.722	13.135	15,426,140	26,071,040	55,067
Telenor	140.70	1.7%	-1.7%	-3.4%	14.4%	-2.7%	121.700	153.800	1,226,069	1,584,985	25,236
Tele2	81.70	1.7%	4.2%	7.9%	1.1%	12.1%	68.750	87.900	2,460,945	1,658,772	3,947
Telekom Austria	7.15	0.1%	0.3%	9.8%	39.7%	29.9%	4.961	7.595	462,838	687,091	3,167
Teliasonera	51.45	2.8%	5.5%	-2.0%	11.2%	-3.9%	43.980	54.900	6,913,307	7,943,799	24,089
Vodafone Group	195.25	3.1%	-1.4%	-20.0%	0.3%	-19.0%	187.350	252.300	57,196,080	62,013,890	65,209
Ziggo	34.35	1.9%	3.0%	2.1%	14.5%	3.5%	26.975	35.165	550,345	495,486	6,870

* performance calculated on closing price ** n. of traded shares

Source: Bloomberg LP

Performance Summary of Main LatAm TLC Operators

Cl. Price 18-Jul-14	Performance ($\Delta\%$)*					Last 52 weeks		Daily average volume **		Market Cap. (mln)***
	1 week	1 month	6 months	1 year	from Jan. '14	Low Price	High Price	1 week	1 month	

BRAZIL

Index

Brazilian Equity - Bovespa Index	R\$ 57,012.90	4.1%	3.3%	15.9%	19.6%	10.7%	44,904.83	57,483.80	376,798,400	294,535,618	R\$ 1,859,988
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Peers

TIM Participações	R\$ 12.04	1.4%	-9.1%	-10.1%	41.6%	-2.4%	R\$ 8.21	R\$ 13.81	2,373,720	3,280,480	R\$ 29,108
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Oi ON	R\$ 1.61	-5.8%	-29.7%	-66.4%	-59.6%	-55.4%	R\$ 1.54	R\$ 5.49	13,477,420	7,194,410	R\$ 4,607
Oi PN	R\$ 1.56	-3.1%	-28.4%	-64.7%	-57.3%	-56.5%	R\$ 1.42	R\$ 5.18	103,556,900	60,615,020	R\$ 8,928
Telefonica Brasil ON	R\$ 37.86	0.1%	-4.0%	-8.1%	-9.5%	-5.4%	R\$ 36.98	R\$ 45.50	36,260	24,540	R\$ 14,447
Telefonica Brasil PN	R\$ 44.65	3.5%	-3.7%	-3.6%	-6.9%	-0.4%	R\$ 41.66	R\$ 51.50	952,180	857,393	R\$ 33,220
Embratel ON	R\$ 15.20	-13.1%	-15.5%	68.9%	66.1%	81.2%	R\$ 6.60	R\$ 23.88	180	243	R\$ 9,701
Embratel PN	R\$ 15.00	-11.8%	-16.7%	67.4%	53.5%	73.4%	R\$ 6.70	R\$ 23.50	160	657	R\$ 8,897
NET Servicos PN	R\$ 61.50	-1.4%	-0.8%	215.7%	96.3%	175.4%	R\$ 18.98	R\$ 63.85	640	1,980	R\$ 15,354

ARGENTINA

Index

Argentinean Equity - Merval Index	8,661.75	-1.8%	12.1%	47.8%	156.5%	60.7%	3,311.64	8,858.89	640	1,980	ARS 1,139,862
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Integrated

Telecom Argentina - "B shares"	ARS 49.40	0.0%	14.9%	36.3%	85.7%	59.4%	ARS 26.20	ARS 50.30	78,242	81,205	ARS 48,628
Telecom Argentina - ADR	\$24.99	-0.4%	19.4%	41.7%	55.6%	45.0%	\$13.93	\$25.56	159,998	212,637	\$4,920

Nortel Inversora B shares - ADR	\$24.26	1.5%	7.6%	28.0%	61.7%	21.9%	\$14.27	\$26.37	14,678	31,881	\$3,300
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MEXICO

Index

Mexican Equity - Mexbol Index	44,278.90	1.8%	3.4%	5.6%	10.0%	3.6%	37,751.64	44,312.87	169,990,925	178,917,422	MXN 4,762,824
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Mobile/Integrated

America Movil (MXN)	MXN 15.47	3.7%	21.2%	7.1%	16.2%	1.6%	MXN 12.39	MXN 15.68	72,172,700	66,206,960	MXN 1,073,439
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TV

Grupo Televisa	MXN 92.63	2.8%	4.3%	15.7%	43.4%	17.7%	MXN 63.53	MXN 93.00	1,958,780	3,331,212	MXN 265,619
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CROSS-LATAM OPERATORS

Mobile

NII Holding	US\$ 0.74	8.2%	25.3%	-75.2%	-90.5%	-73.1%	US\$ 0.43	US\$ 8.28	5,775,967	6,205,510	US\$ 127
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* performance calculated on closing price

** n. of traded shares

*** For Telecom Argentina, reported market capitalization represents estimated market capitalization of all Classes of Shares (A,B,C - of which only Class B is listed).



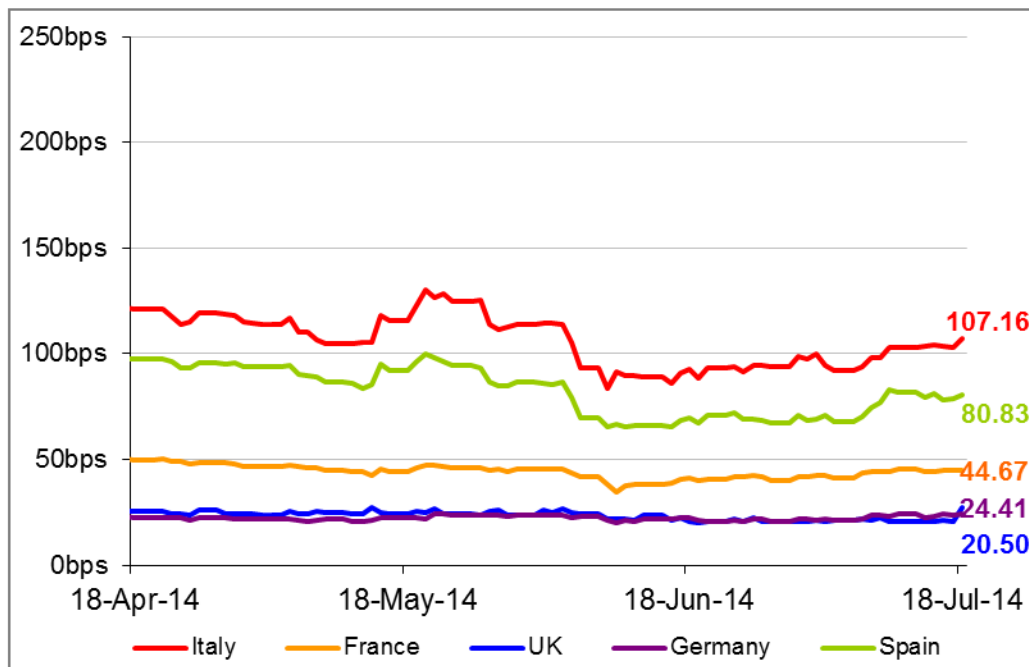
European Telecoms Sector: Credit Outlook

Long-term Credit Ratings

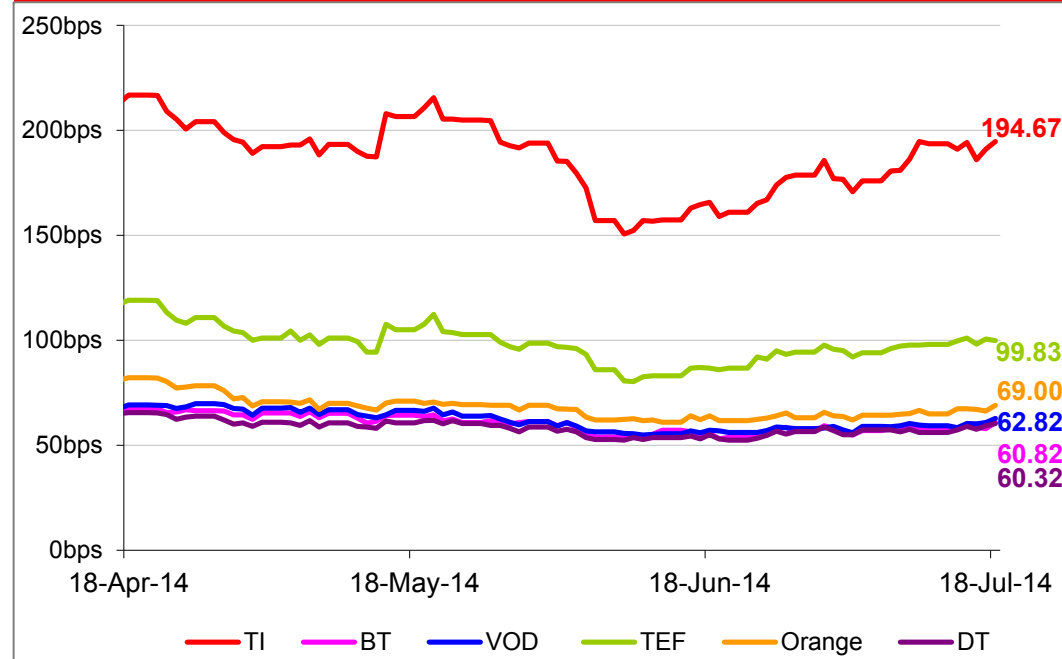
	Moody's		S&P		Fitch	
	rating	outlook	rating	outlook	rating	outlook
Telecom Italia	Ba1	NEG	BB+	NEG	BBB-	NEG
Belgacom	A1	STABLE	A	STABLE	n.a.	n.a.
British Telecom	Baa2	POS	BBB	STABLE	BBB	STABLE
Deutsche Telekom	Baa1	STABLE	BBB+	STABLE	BBB+	STABLE
Orange	Baa1	STABLE	BBB+	NEG	BBB+	NEG
KPN	Baa3	STABLE	BBB-	STABLE	BBB-	STABLE
Oi	Baa3 *-	*CW NEG	BB+	STABLE	BB+	STABLE
Swisscom	A2	STABLE	A	STABLE	n.a.	n.a.
Telefonica	Baa2	NEG	BBB	STABLE	BBB+	NEG
Telekom Austria	Baa2	STABLE	BBB- **	*CW POS	n.a.	n.a.
Telenor	A3	STABLE	A-	POS	A-	STABLE
Telia Sonera	A3	STABLE	A-	STABLE	A-	STABLE
Vodafone	A3 *-	*CW NEG	A-	NEG	A- *-	*CW NEG
Wind Telecomunicazioni SpA	B2	STABLE	BB-	STABLE	B+	STABLE
Vimpelcom	Ba3	STABLE	BB	POS	n.a.	n.a.

5 Years CDS levels

Countries



TLC Operators



NB: Weekly performances are referred to last 5 open market sessions.

Telecom Italia Group – Weekly Performance: Price (€) and Volumes (mln)

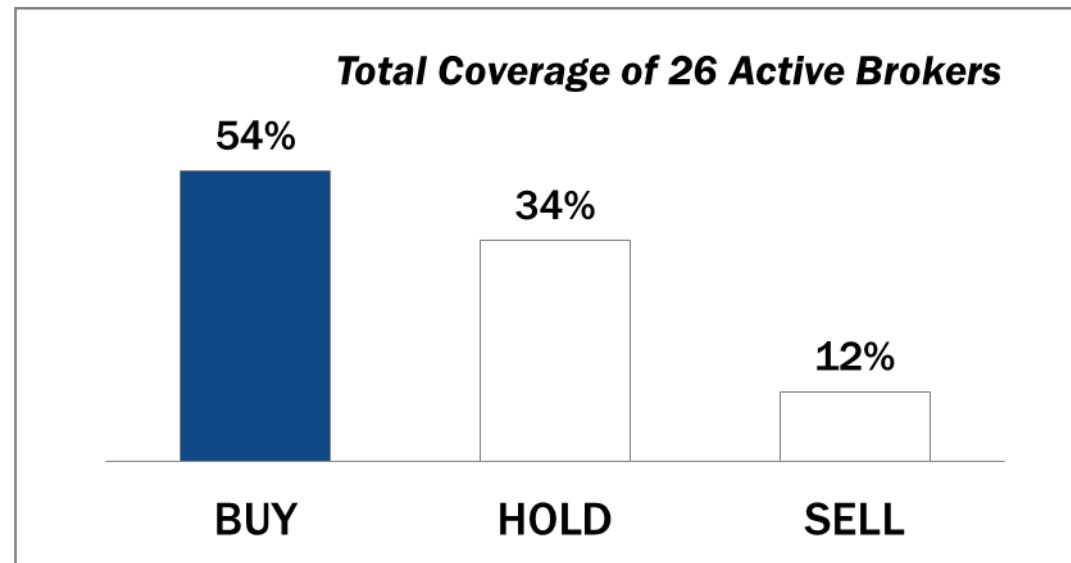
TI Ordinary Shares



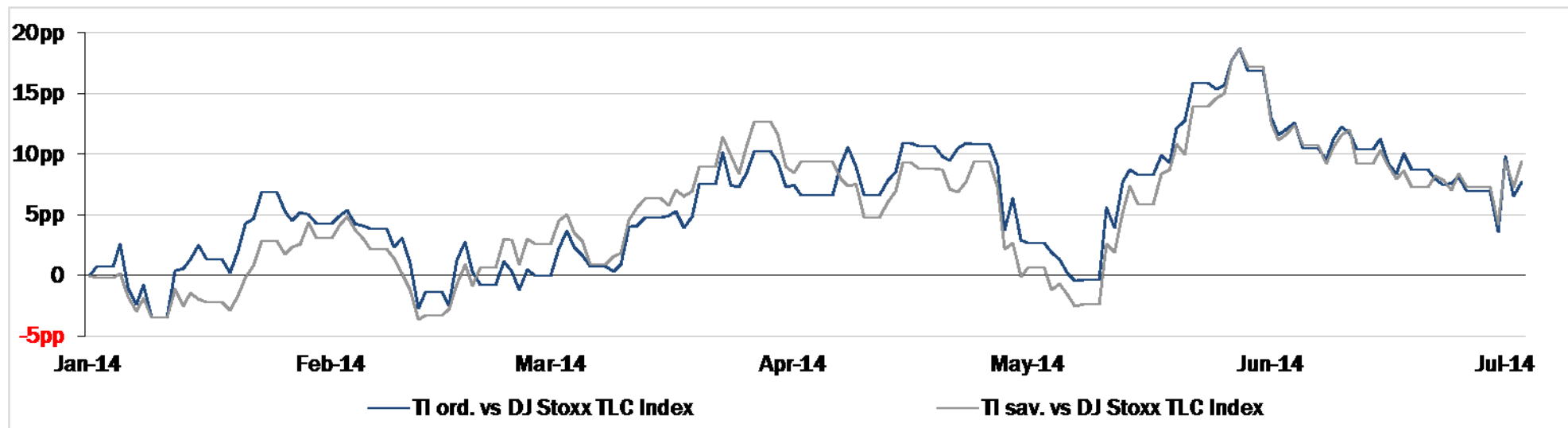
TI Saving Shares



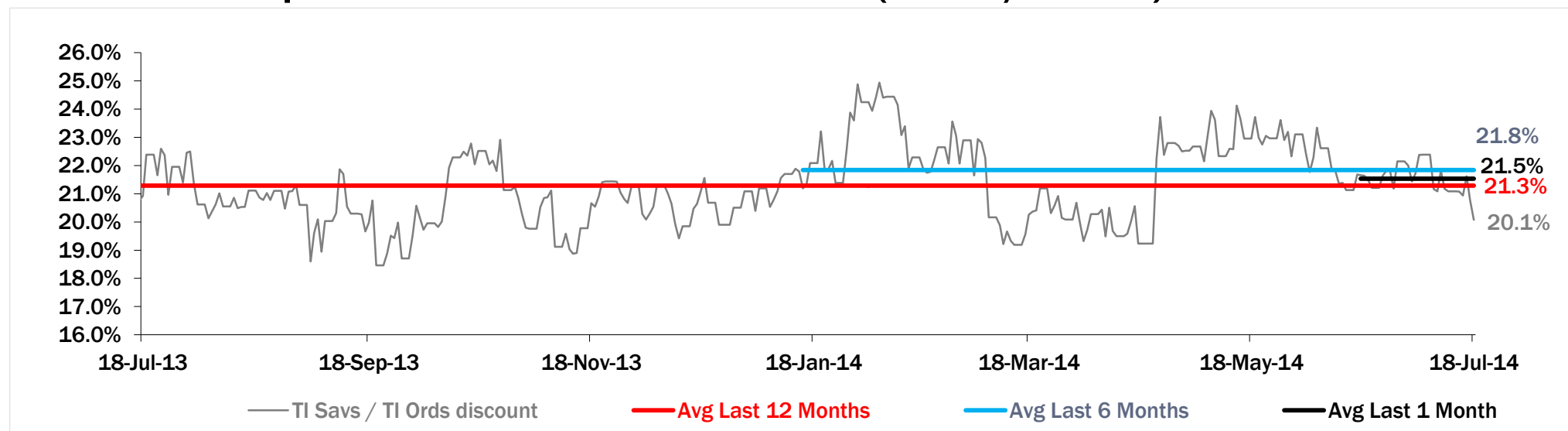
Analysts' Recommendations on TI Ords



Relative Performance Last 6 Months of Telecom Italia Shares vs TLC Sector



Evolution of the spread between Telecom Italia shares (TI Savs / TI Ords) in the last 12 months



Performance Summary of FTSE MIB



	Cl. Price € 18-Jul-14	Performance (Δ%)*					Last 52 weeks		Daily average volume		Market** Cap. mil. Euro
		1 week	1 month	6 months	1 year	from Jan. '14	Low Price	High Price	1 week	1 month	
Index											
FTSE MIB (Milan)	20,737	0.6%	-5.9%	3.8%	29.2%	9.3%	15,633	22,590	671,325,722	660,630,179	427,705
FTSE Italia All-Share (Milan)	22,015	0.5%	-5.7%	3.7%	28.9%	9.0%	16,673	23,913	1,121,545,242	952,315,388	505,192
Stocks FTSE MIB											
A2A SPA	0.84	5.1%	-6.0%	0.9%	37.5%	-1.4%	0.58	1.03	13,815,000	13,627,280	2,629
ANSALDO STS SPA	7.29	1.3%	10.0%	-2.7%	18.4%	3.1%	5.85	7.90	1,153,922	961,283	1,457
ASSICURAZIONI GENERALI	15.19	-1.3%	-8.2%	-10.6%	5.1%	-11.2%	13.99	17.70	5,786,926	6,194,158	23,649
ATLANTIA SPA	19.69	-1.2%	-5.2%	13.7%	53.3%	20.7%	12.45	21.50	1,789,434	2,182,038	16,260
AUTOGRILL SPA	6.45	-2.2%	-7.3%	-4.7%	32.4%	5.0%	4.73	7.77	1,387,929	1,262,046	1,640
AZIMUT HOLDING SPA	19.10	-0.8%	-3.4%	-8.8%	26.2%	-0.6%	14.89	25.92	663,351	858,248	2,736
BANCA MONTE DEI PASCHI SIENA	1.32	-1.6%	-46.0%	12.7%	-4.4%	20.4%	0.94	2.73	67,374,380	72,859,990	6,754
BANCA POPOL EMILIA ROMAGNA	6.58	4.3%	-9.7%	-8.8%	51.6%	4.4%	4.00	8.87	4,876,914	4,647,302	3,156
BANCA POPOLARE DI MILANO	0.62	0.9%	-8.8%	29.7%	91.4%	54.2%	0.29	0.74	76,316,970	78,606,970	2,719
BANCO POPOLARE SC	11.76	5.5%	-16.7%	-6.8%	57.4%	11.4%	6.84	16.41	5,715,746	4,313,899	4,259
BUZZI UNICEM SPA	12.39	0.9%	-6.6%	-13.9%	12.5%	-5.5%	10.15	15.20	735,365	715,694	2,347
CNH INDUSTRIAL NV	7.05	2.8%	-10.1%	-19.1%	n.a.	-14.9%	6.72	9.86	3,884,835	3,657,114	9,541
DAVIDE CAMPARI-MILANO SPA	5.99	-0.7%	-5.3%	-3.8%	5.3%	-1.6%	5.63	6.68	1,205,142	1,093,592	3,476
ENEL GREEN POWER SPA	2.06	0.3%	-3.3%	5.5%	29.2%	12.6%	1.54	2.19	5,657,398	6,997,728	10,310
ENEL SPA	4.16	-1.0%	-4.8%	23.6%	73.0%	31.1%	2.34	4.49	30,591,400	50,497,680	39,137
ENI SPA	19.57	1.0%	0.2%	13.6%	17.8%	11.9%	16.20	20.46	11,116,520	13,915,920	71,121
EXOR SPA	29.66	2.6%	-4.1%	-4.0%	22.9%	2.6%	23.76	33.48	525,266	349,208	7,303
FIAT SPA	7.81	5.7%	2.7%	5.0%	31.5%	31.4%	5.17	9.08	18,677,330	11,878,530	9,770
FINMECCANICA SPA	7.18	-0.4%	14.5%	12.7%	90.0%	30.3%	3.64	7.43	5,344,242	5,551,993	4,148
GTECH SPA	19.04	4.8%	1.9%	-17.9%	-6.1%	-14.1%	17.66	24.13	1,515,626	796,109	3,328
INTESA SANPAOLO	2.24	2.1%	-8.0%	14.6%	70.0%	25.1%	1.27	2.66	153,904,500	163,380,300	36,693
LUXOTTICA GROUP SPA	40.98	0.0%	-1.5%	9.5%	1.8%	5.2%	35.22	43.30	429,954	514,107	19,692
MEDIASET SPA	3.18	-4.0%	-12.0%	-17.0%	-5.2%	-7.8%	2.85	4.45	9,544,521	10,470,880	3,754
MEDIOBANCA SPA	6.83	-2.7%	-11.3%	-2.8%	53.4%	7.3%	4.25	8.49	5,547,048	4,976,712	5,879
MEDIOLANUM SPA	5.73	-0.2%	-3.5%	-14.2%	9.6%	-9.1%	4.99	7.19	2,247,999	2,258,758	4,218
PIRELLI & C.	11.50	-1.8%	-6.0%	-8.9%	20.4%	-8.6%	8.89	12.99	1,824,191	2,062,866	5,603
PRYSMIAN SPA	15.77	0.1%	-5.2%	-19.3%	3.2%	-15.7%	14.99	19.79	1,006,248	1,158,288	3,384
SAIPEM SPA	18.73	-0.5%	-8.4%	8.0%	21.2%	20.4%	14.81	21.00	1,870,456	2,142,940	8,268
SALVATORE FERRAGAMO SPA	21.97	7.5%	6.3%	-10.2%	-15.5%	-20.5%	20.03	29.85	408,711	420,473	3,700
SNAM SPA	4.34	-1.7%	-3.3%	6.5%	22.3%	6.6%	3.46	4.55	10,531,580	9,330,545	14,663
STMICROELECTRONICS NV	6.73	3.9%	-4.3%	17.1%	-11.0%	16.5%	5.26	7.62	2,969,465	3,445,218	6,125
TELECOM ITALIA SPA	0.882	1.8%	-6.7%	2.7%	84.9%	22.3%	0.47	1.01	158,759,100	110,475,000	16,073
TENARIS SA	16.65	-2.6%	-2.3%	1.5%	-3.1%	4.8%	14.78	18.45	2,374,782	1,852,621	19,656
TERNA SPA	3.89	0.0%	-3.9%	8.3%	20.3%	7.2%	3.17	4.14	5,209,253	9,688,521	7,823
TOD'S SPA	87.20	-0.7%	-7.8%	-20.9%	-28.3%	-28.2%	86.25	145.50	91,129	99,337	2,669
UNICREDIT SPA	5.86	1.1%	-12.5%	-1.5%	55.4%	8.9%	3.59	6.89	66,756,040	62,157,020	34,379
UBI BANCA SCPA	6.07	0.1%	-13.0%	7.6%	97.3%	22.9%	2.91	7.55	8,533,279	7,947,182	5,469
UNIPOLSAI SPA	2.32	-1.5%	-4.4%	5.1%	66.9%	4.9%	1.34	2.72	5,790,994	6,338,086	6,439
WORLD DUTY FREE SPA	9.45	7.9%	-3.9%	-11.6%	n.a.	3.3%	6.80	11.07	844,184	734,740	2,404
YOOX SPA	21.05	14.5%	6.6%	-31.3%	8.2%	-35.4%	17.86	35.09	939,339	937,117	1,246

** for FTSE MIB stocks, market cap here reported on overall shares outstanding

Source: Bloomberg LP