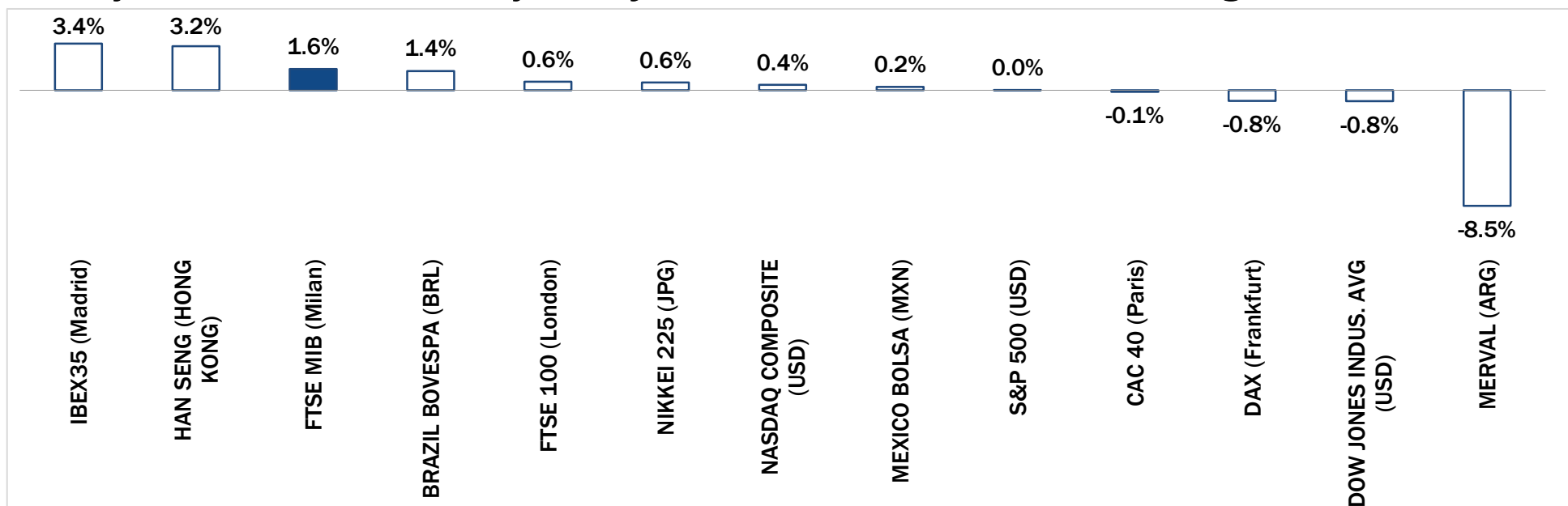


Weekly Stock Market Report for Telecom Italia Retail Shareholders

July 21st – July 28th, 2014

Weekly Performance Summary of Major Worldwide Market Stock Exchanges



Index Point as of 25-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		
Europe											
FTSE MIB (Milan)	21,063	1.6%	-1.2%	8.3%	28.3%	11.0%	16,255	22,590	541,331,674	644,900,901	433,837
FTSE 100 (London)	6,792	0.6%	0.5%	3.3%	3.6%	0.6%	6,317	6,895	566,798,432	592,608,885	1,852,346
DAX (Frankfurt)	9,644	-0.8%	-1.7%	2.5%	17.0%	1.0%	8,094	10,051	67,222,042	76,842,803	949,828
CAC 40 (Paris)	4,331	-0.1%	-2.4%	3.5%	9.1%	0.8%	3,928	4,599	93,717,472	104,910,308	1,161,327
IBEX35 (Madrid)	10,888	3.4%	-0.7%	10.2%	30.3%	9.8%	8,276	11,249	306,926,237	408,294,659	569,415
America											
DOW JONES INDUS. AVG (USD)	16,961	-0.8%	0.6%	6.5%	9.0%	2.3%	14,719	17,152	70,631,806	83,862,154	4,943,530
S&P 500 (USD)	1,978	0.0%	0.9%	10.4%	16.9%	7.0%	1,627	1,991	436,932,096	482,507,117	18,159,482
NASDAQ COMPOSITE (USD)	4,450	0.4%	1.2%	8.6%	23.1%	6.5%	3,574	4,486	424,267,213	480,542,672	6,739,769
MEXICO BOLSA (MXN)	44,387	0.2%	4.5%	9.2%	8.1%	3.9%	37,752	44,564	157,069,928	174,302,123	2,416,683
MERVAL (ARG)	7,923	-8.5%	0.2%	40.0%	131.4%	47.0%	3,318	8,859	10,125,732	11,613,863	7,922
BRAZIL BOVESPA (BRL)	57,821	1.4%	8.8%	20.9%	17.0%	12.3%	44,905	58,138	284,840,157	292,966,897	1,923,908
Asia											
NIKKEI 225 (JPG)	15,458	0.6%	2.4%	3.2%	9.4%	-5.1%	13,188	16,320	1,099,229,453	1,188,372,279	295,622,208
HAN SENG (HONG KONG)	24,216	3.2%	4.3%	10.3%	10.2%	3.9%	21,138	24,247	1,654,734,733	1,332,339,345	14,461,978

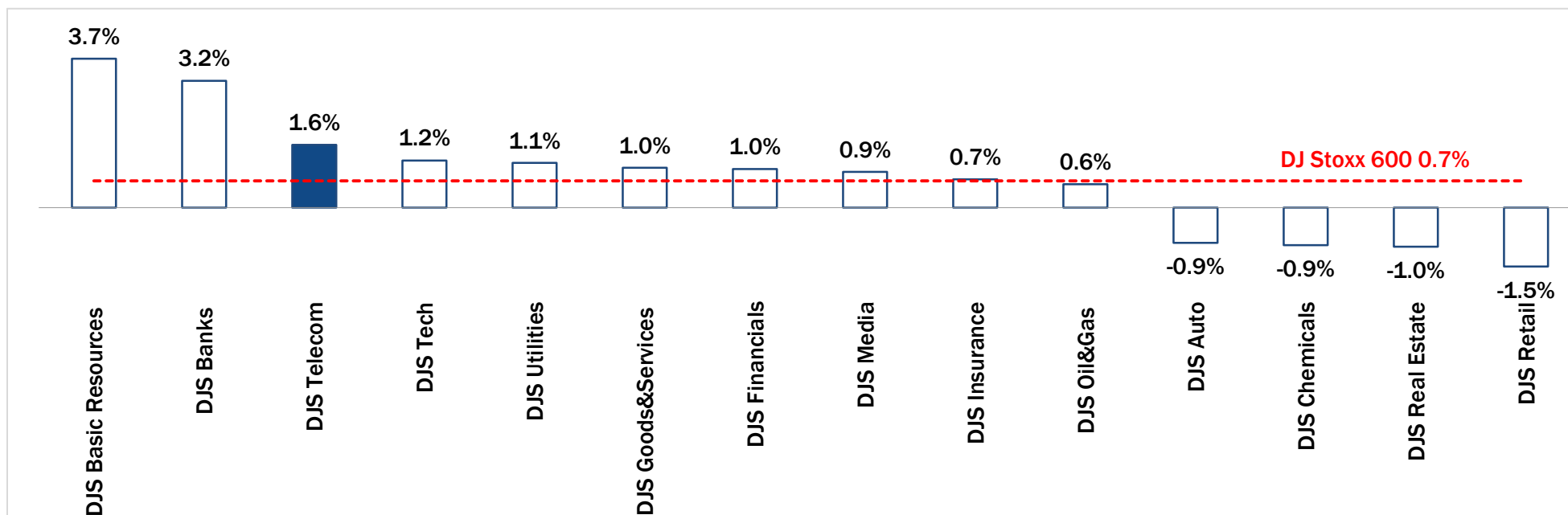
* performance calculated on closing price

** 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 25-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	341.95	0.7%	0.0%	5.5%	14.4%	4.2%	295.88	349.71	2,399,541,581	2,743,837,777	8,719,293.00
Sectors											
DJS Telecom	299.61	1.6%	-0.5%	2.4%	21.7%	0.7%	242.99	310.37	213,379,290	275,863,962	413,914.50
DJS Auto	499.97	-0.9%	-2.9%	3.1%	21.1%	3.7%	401.05	536.66	29,432,552	30,860,418	283,137.13
DJS Banks	196.49	3.2%	1.5%	-0.8%	10.9%	1.2%	172.43	209.5	1,208,856,614	1,409,974,404	1,157,037.50
DJS Basic Resources	451.9	3.7%	10.1%	13.8%	23.5%	12.8%	357.29	452.89	73,995,400	70,452,443	325,348.78
DJS Chemicals	756.84	-0.9%	-1.9%	3.8%	11.5%	-0.1%	677.53	793.87	13,732,067	14,313,466	371,269.25
DJS Oil&Gas	361.92	0.6%	-2.6%	12.7%	13.0%	8.0%	310.59	381.9	77,314,938	86,136,480	693,728.75
DJS Financials	358.69	1.0%	0.3%	8.2%	20.3%	4.4%	290.88	368.62	26,317,160	29,893,278	148,036.61
DJS Goods&Services	405.84	1.0%	-0.8%	-1.4%	10.0%	-1.9%	365.93	425.9	131,192,606	138,902,014	897,149.69
DJS Insurance	232.76	0.7%	2.0%	3.8%	16.7%	2.0%	193.68	235.64	89,789,986	103,942,806	511,034.03
DJS Media	249.08	0.9%	0.8%	0.5%	12.9%	-1.9%	216.96	260.77	67,588,648	58,070,869	225,013.53
DJS Tech	287.86	1.2%	2.3%	4.5%	14.0%	-0.9%	251.86	294.24	81,695,923	69,978,069	265,936.88
DJS Utilities	321.59	1.1%	0.0%	15.9%	24.9%	15.5%	254.38	326.7	118,693,896	171,335,754	474,478.38
DJS Retail	308.76	-1.5%	-1.8%	-2.3%	2.6%	-5.0%	300.44	333.73	96,961,194	92,427,745	313,138.41
DJS Real Estate	152.52	-1.0%	-0.3%	9.6%	15.7%	12.0%	124.23	156.68	14,689,208	17,835,525	119,183.63

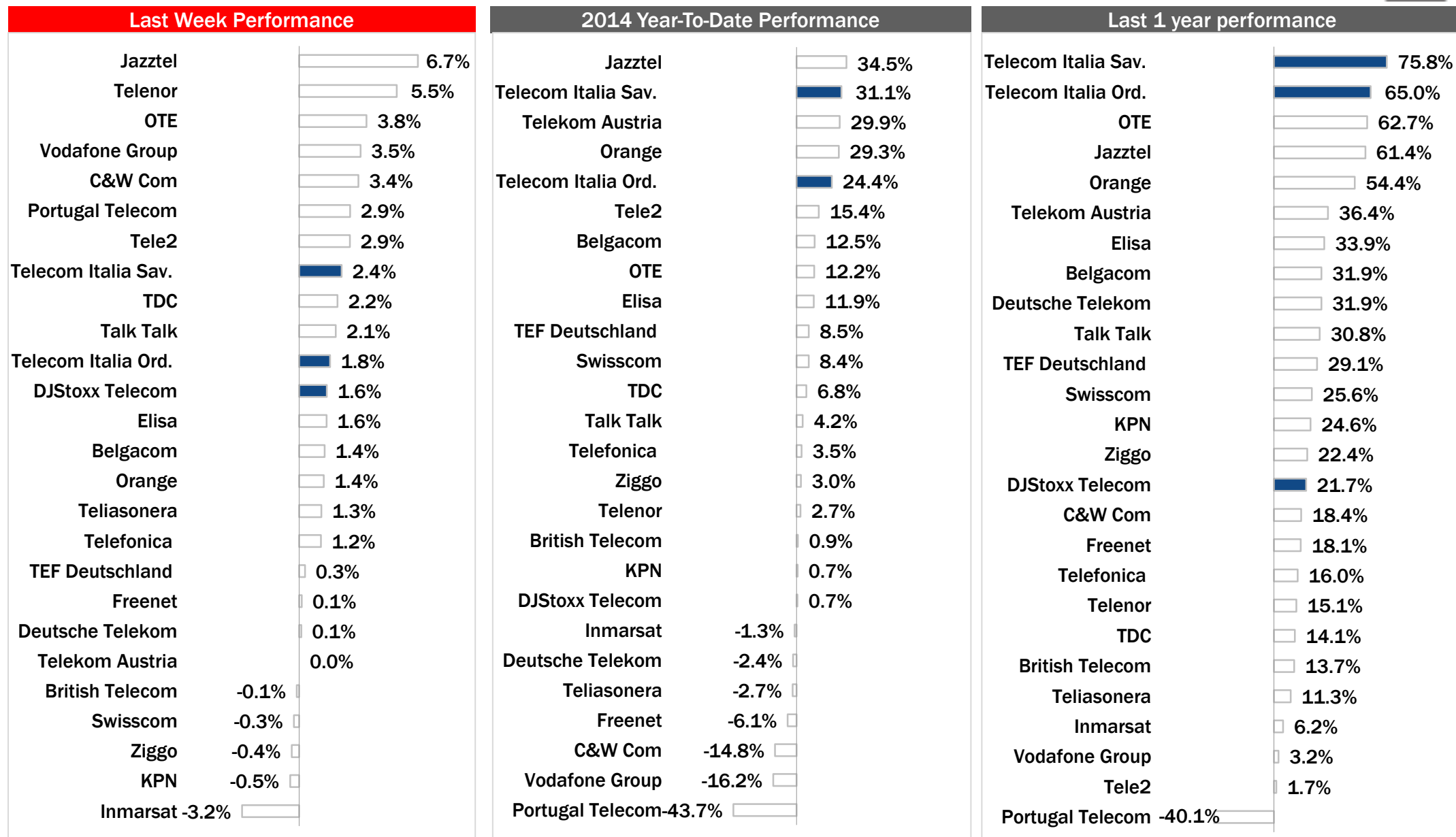
* performance calculated on closing price

** n. of traded shares

Source: Bloomberg LP

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

Weekly Stock Performance of Main European TLC Operators



Performance Summary of Main European TLC Operators

Cl. Price (local currency) 25-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	299.61	1.6%	-0.5%	2.4%	21.7%	0.7%	242.99	310.37	213,379,290	275,863,962
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TLC Operators

Telecom Italia Ord.	0.897	1.8%	-3.8%	12.8%	65.0%	24.4%	0.466	1.012	74,967,300	102,184,800	12,035
Telecom Italia Sav.	0.722	2.4%	-1.8%	19.3%	75.8%	31.1%	0.359	0.792	12,475,270	17,084,090	4,348
Altice	44.36	0.4%	-13.0%	n.a.	n.a.	n.a.	25.505	57.010	62,791	197,963	10,989
Belgacom	24.19	1.4%	-0.6%	12.4%	31.9%	12.5%	17.700	24.945	497,041	564,383	8,177
British Telecom	383.00	-0.1%	-0.8%	0.7%	13.7%	0.9%	320.000	421.200	8,214,673	12,360,120	38,245
Cable & Wireless Communications	47.90	3.4%	-0.9%	-7.7%	18.4%	-14.8%	37.940	58.500	7,707,894	6,571,782	1,530
Deutsche Telekom	12.14	0.1%	-5.0%	-3.6%	31.9%	-2.4%	8.948	13.150	6,103,554	8,687,689	55,039
Elisa	21.56	1.6%	-4.2%	13.8%	33.9%	11.9%	15.870	22.850	381,598	443,812	3,608
Freenet	20.45	0.1%	-13.0%	-9.3%	18.1%	-6.1%	17.300	25.960	696,078	631,441	2,619
Orange	11.64	1.4%	-0.7%	26.8%	54.4%	29.3%	7.188	12.850	4,814,646	7,266,427	30,820
OTE	10.85	3.8%	-4.1%	5.3%	62.7%	12.2%	6.440	13.200	1,003,158	920,853	5,318
Inmarsat	746.00	-3.2%	-1.4%	2.6%	6.2%	-1.3%	636.000	774.500	652,193	620,003	4,226
Jazztel	10.46	6.7%	0.0%	18.5%	61.4%	34.5%	6.400	11.490	1,625,073	1,712,211	2,682
KPN	2.36	-0.5%	-9.4%	-12.5%	24.6%	0.7%	1.854	2.805	14,146,970	17,847,350	10,078
Telefonica Deutschland Holding	6.01	0.3%	-1.2%	8.0%	29.1%	8.5%	4.523	6.388	649,176	1,069,517	6,716
Portugal Telecom	1.78	2.9%	-38.4%	-47.3%	-40.1%	-43.7%	1.672	4.175	12,531,470	15,815,330	1,596
Swisscom	510.50	-0.3%	-2.2%	3.4%	25.6%	8.4%	405.700	548.500	65,386	71,396	21,767
Talk Talk	319.00	2.1%	-1.3%	0.2%	30.8%	4.2%	235.400	334.300	815,559	1,098,788	3,849
TDC	56.20	2.2%	-0.4%	11.2%	14.1%	6.8%	45.750	56.850	1,532,047	1,428,749	6,119
Telefonica	12.25	1.2%	-2.9%	6.1%	16.0%	3.5%	10.265	13.135	12,873,480	24,219,210	55,750
Telenor	148.50	5.5%	5.5%	5.4%	15.1%	2.7%	123.900	153.800	1,501,332	1,501,312	26,691
Tele2	84.05	2.9%	8.2%	14.1%	1.7%	15.4%	68.750	87.900	1,229,893	1,610,731	4,097
Telekom Austria	7.15	0.0%	0.5%	11.2%	36.4%	29.9%	5.048	7.595	487,154	740,467	3,167
Teliasonera	52.10	1.3%	6.6%	1.3%	11.3%	-2.7%	43.980	54.900	5,149,655	7,652,806	24,639
Vodafone Group	202.05	3.5%	4.0%	-14.6%	3.2%	-16.2%	187.350	252.300	55,557,730	60,510,050	67,507
Ziggo	34.21	-0.4%	1.7%	2.9%	22.4%	3.0%	27.800	35.165	438,247	506,255	6,841

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

Source: Bloomberg
LP

Performance Summary of Main LatAm TLC Operators

Cl. Price 25-Jul-14	Performance (Δ)*					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\$ 57,821.08	1.4%	8.8%	20.9%	17.0%	12.3%	44,904.83	58,138.03	284,840,157	292,966,897	R\$ 1,923,908
Peers											
TIM Participações	R\$ 12.36	2.7%	-7.3%	-3.5%	43.9%	0.2%	R\$ 8.34	R\$ 13.81	2,456,940	2,714,967	R\$ 29,882
Oi ON	R\$ 1.55	-3.7%	-31.1%	-67.1%	-69.8%	-57.1%	R\$ 1.52	R\$ 5.49	3,718,600	7,185,797	R\$ 4,435
Oi PN	R\$ 1.49	-4.5%	-29.7%	-64.9%	-69.2%	-58.5%	R\$ 1.42	R\$ 5.18	38,543,560	56,958,260	R\$ 8,528
Telefonica Brasil ON	R\$ 39.59	4.6%	3.9%	-4.4%	-10.8%	-1.0%	R\$ 36.98	R\$ 45.50	26,900	25,977	R\$ 15,107
Telefonica Brasil PN	R\$ 45.62	2.2%	1.5%	-2.4%	-8.3%	1.8%	R\$ 41.66	R\$ 51.50	812,100	720,053	R\$ 33,942
Embratel ON	R\$ 15.55	2.3%	-13.6%	87.1%	76.9%	85.3%	R\$ 6.60	R\$ 23.88	880	260	R\$ 9,924
Embratel PN	R\$ 15.60	4.0%	-8.2%	85.7%	70.1%	80.3%	R\$ 6.70	R\$ 23.50	1,860	873	R\$ 9,253
NET Servicos PN	R\$ 63.50	3.3%	2.1%	225.9%	103.1%	184.4%	R\$ 18.98	R\$ 63.85	820	1,483	R\$ 15,854
ARGENTINA											
Index											
Argentinean Equity - Merval Index	7,922.92	-8.5%	0.2%	40.0%	131.4%	47.0%	3,317.96	8,858.89	820	1,483	ARS 1,147,638
Integrated											
Telecom Argentina - "B shares"	ARS 42.00	-15.0%	-13.8%	25.4%	53.8%	35.5%	ARS 26.50	ARS 50.30	59,360	80,971	ARS 41,344
Telecom Argentina - ADR	\$21.86	-12.5%	-7.9%	44.9%	35.7%	26.8%	\$13.93	\$25.56	263,365	228,479	\$4,304
Nortel Inversora B shares - ADR	\$23.05	-5.0%	-5.5%	33.6%	54.5%	15.8%	\$14.27	\$26.37	13,732	18,937	\$3,135
MEXICO											
Index											
Mexican Equity - Mexbol Index	44,386.62	0.2%	4.5%	9.2%	8.1%	3.9%	37,751.64	44,564.17	157,069,928	174,302,123	MXN 4,843,020
Mobile/Integrated											
America Movil (MXN)	MXN 15.53	0.4%	21.0%	9.0%	12.6%	2.0%	MXN 12.39	MXN 15.68	57,818,180	65,942,710	MXN 1,077,106
TV											
Grupo Televisa	MXN 90.62	-2.2%	-0.6%	17.6%	35.8%	15.1%	MXN 66.12	MXN 93.00	2,404,870	3,098,533	MXN 262,082
CROSS-LATAM OPERATORS											
Mobile											
NII Holding	US\$ 0.71	-3.9%	9.2%	-73.7%	-90.5%	-74.2%	US\$ 0.43	US\$ 7.73	2,406,897	5,354,407	US\$ 122

* 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

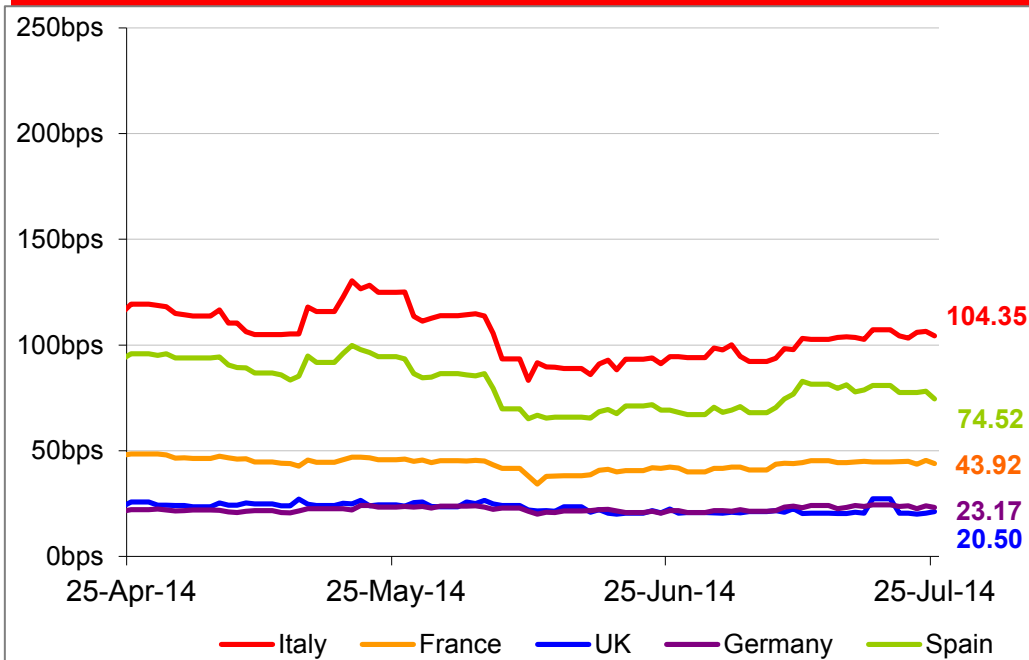
Long-term Credit Ratings

Vodafone's rating cut to Baa1 from A3 by Moody's. July 23 - Moody's says downgrade reflects their expectation that Vodafone's financial metrics will remain weak for the next two to three years. Outlook on new rating Baa1 is stable.

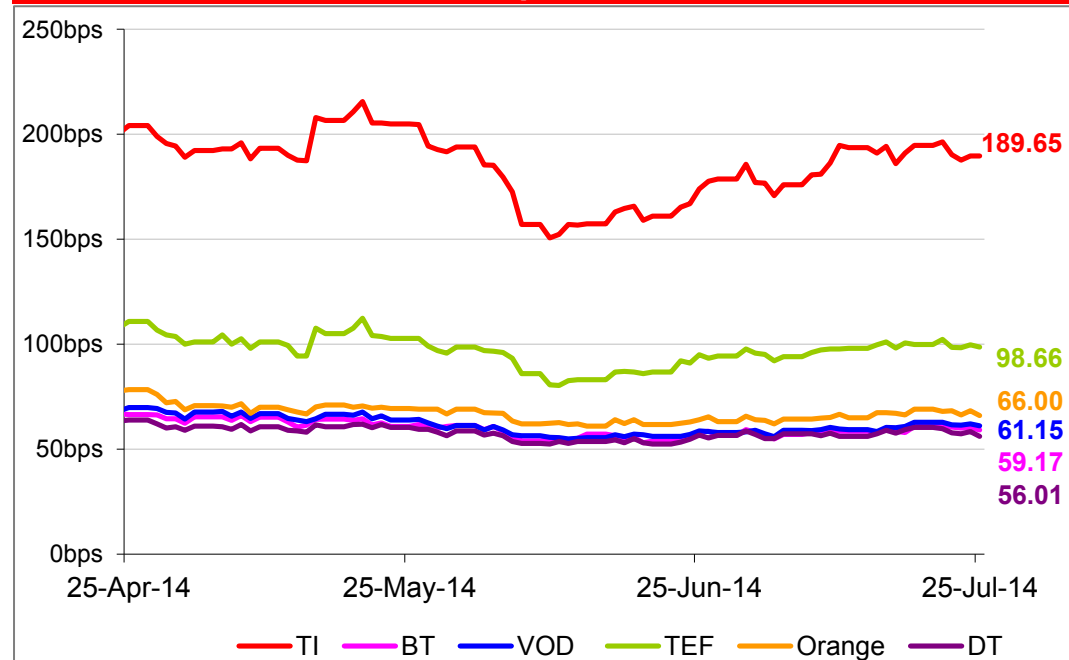
	Moody's		S&P		Fitch	
	rating	outlook	rating	outlook	rating	outlook
Telecom Italia	Ba1	NEG	BB+	NEG	BBB-	NEG
Belgacom	A1	STABLE	A	STABLE	n.a.	n.a.
British Telecom	Baa2	POS	BBB	STABLE	BBB	STABLE
Deutsche Telekom	Baa1	STABLE	BBB+	STABLE	BBB+	STABLE
Orange	Baa1	STABLE	BBB+	NEG	BBB+	NEG
KPN	Baa3	STABLE	BBB-	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	Baa1	STABLE	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

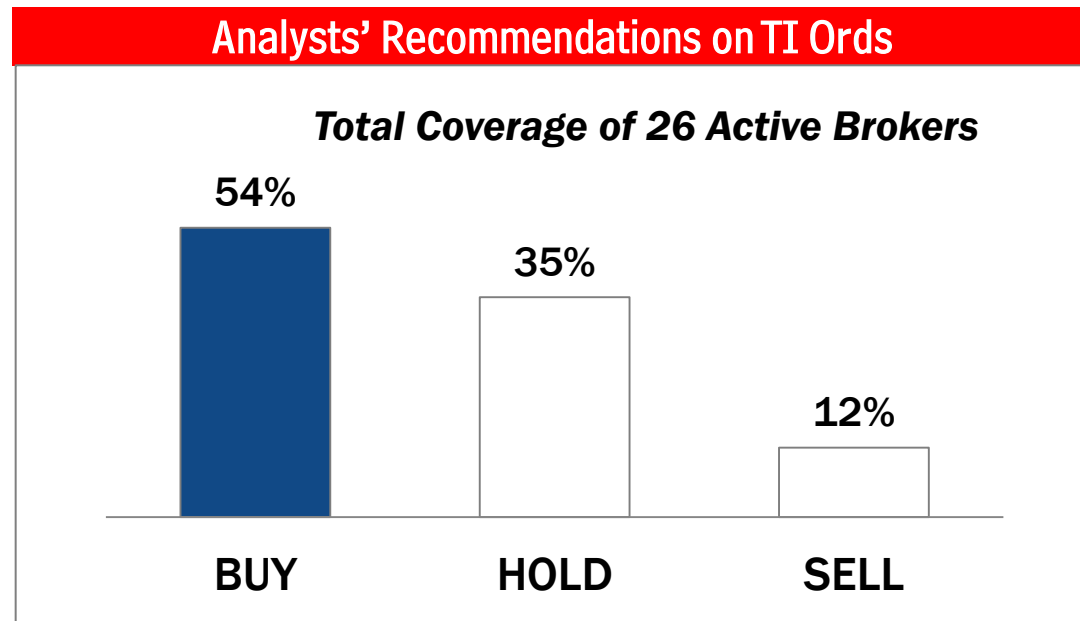
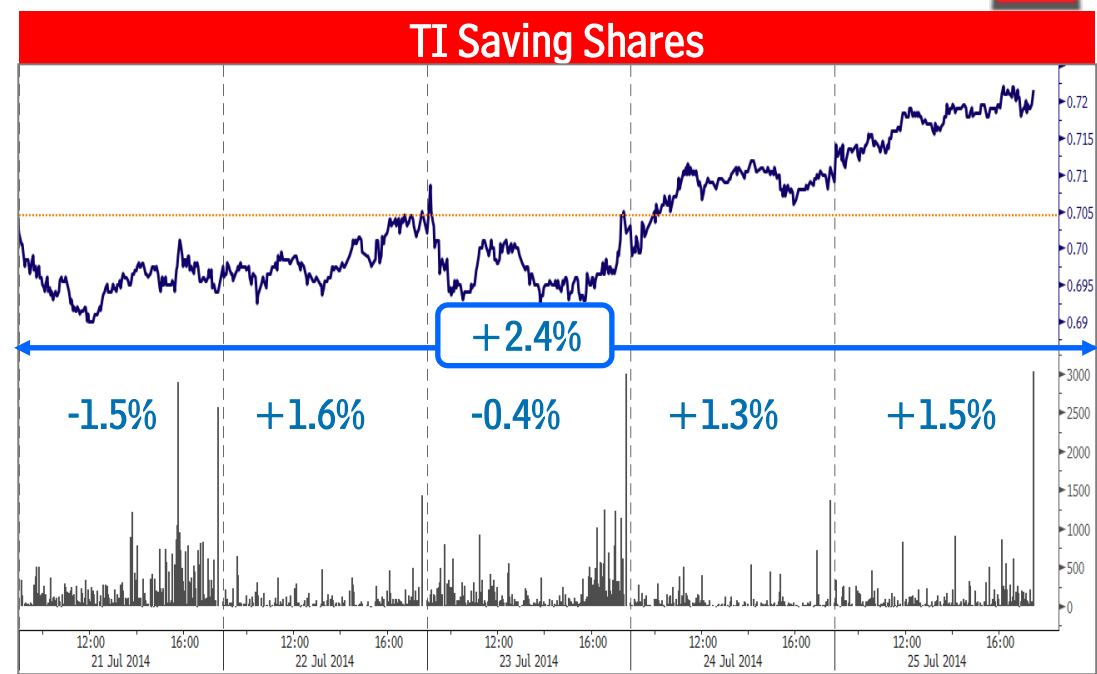
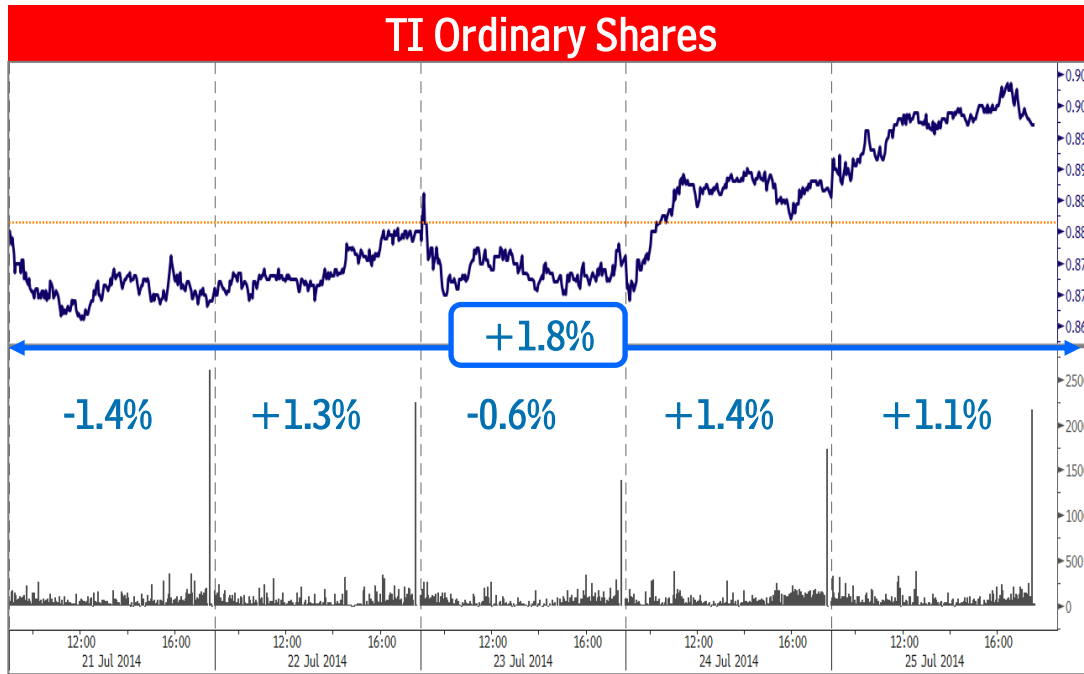


TLC Operators

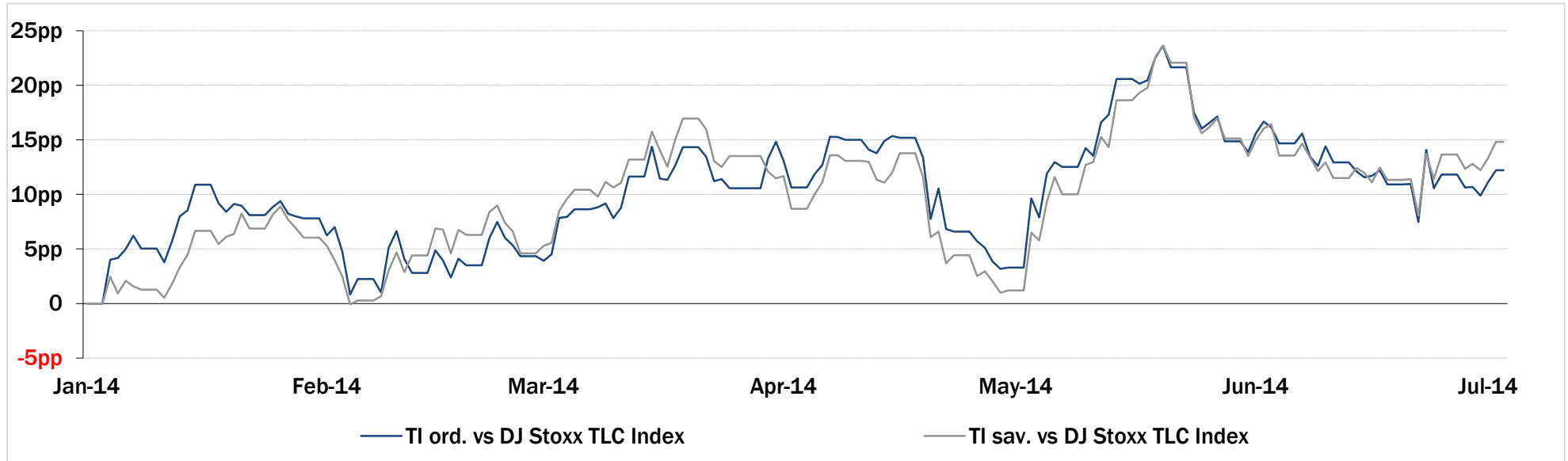


NB: Weekly performances are referred to last 5 open market sessions.

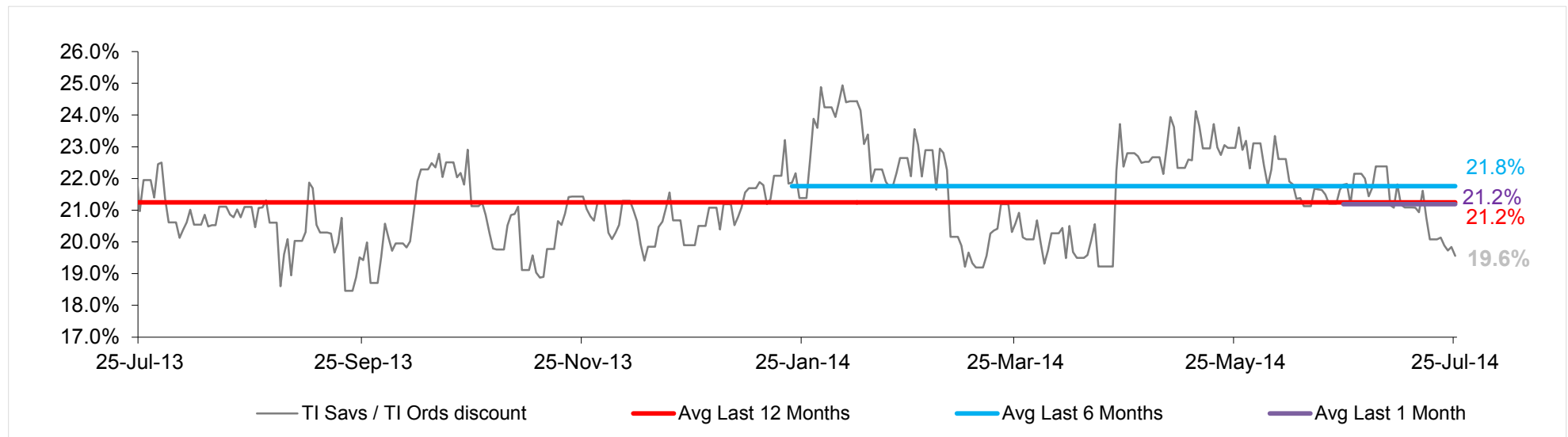
Telecom Italia Group – Weekly Performance: Price (€) and Volumes (mln)



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



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



Performance Summary of FTSE MIB



Index	Cl. Price € 25-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	
FTSE MIB (Milan)	21,063	1.6%	-1.2%	8.3%	28.3%	11.0%	16,255	22,590	541,331,674	644,900,901	433,837
FTSE Italia All-Share (Milan)	22,336	1.5%	-1.3%	8.1%	28.0%	10.6%	17,280	23,913	816,691,238	920,054,317	513,876
Stocks FTSE MIB											
A2A SPA	0.89	5.5%	4.4%	11.7%	39.2%	4.1%	0.62	1.03	17,217,960	14,728,720	2,774
ANSALDO STS SPA	7.36	1.0%	5.0%	-1.5%	17.7%	4.2%	5.85	7.90	369,141	851,297	1,472
ASSICURAZIONI GENERALI	15.36	1.1%	-4.7%	-6.0%	5.4%	-10.2%	14.21	17.70	5,164,993	6,204,662	23,914
ATLANTIA SPA	19.99	1.5%	-2.9%	17.5%	41.7%	22.6%	13.65	21.50	1,797,952	1,982,652	16,507
AUTOGRILL SPA	6.52	1.2%	-2.2%	-3.1%	31.2%	6.2%	4.91	7.77	793,268	1,209,224	1,659
AZIMUT HOLDING SPA	20.23	5.9%	6.0%	1.0%	28.6%	5.3%	15.23	25.92	1,282,127	894,818	2,898
BANCA MONTE DEI PASCHI SIENA	1.39	5.4%	-7.0%	23.9%	1.3%	26.9%	0.94	2.73	67,388,030	74,064,260	7,117
BANCA POPOL EMILIA ROMAGNA	6.56	-0.4%	1.6%	-3.5%	45.3%	4.0%	4.08	8.87	3,721,124	4,659,990	3,144
BANCA POPOLARE DI MILANO	0.65	4.4%	-3.8%	50.7%	85.0%	61.0%	0.33	0.74	54,526,370	68,152,260	2,839
BANCO POPOLARE SC	12.24	4.1%	-2.9%	6.7%	61.0%	16.0%	7.25	16.41	4,134,089	4,377,129	4,433
BUZZI UNICEM SPA	12.65	2.1%	-0.1%	-7.0%	11.9%	-3.5%	10.15	15.20	679,794	733,315	2,396
CNH INDUSTRIAL NV	6.83	-3.2%	-9.8%	-16.6%	n.a.	-17.6%	6.72	9.86	2,845,366	3,774,244	9,236
DAVIDE CAMPARI-MILANO SPA	5.87	-1.9%	-7.8%	-3.2%	3.6%	-3.5%	5.63	6.68	956,430	1,139,453	3,409
ENEL GREEN POWER SPA	2.06	-0.3%	-1.9%	9.6%	25.9%	12.3%	1.55	2.19	5,463,060	6,623,527	10,280
ENEL SPA	4.26	2.3%	0.7%	26.0%	69.5%	34.2%	2.46	4.49	28,619,040	45,688,970	40,039
ENI SPA	19.71	0.7%	-0.5%	16.6%	17.8%	12.7%	16.20	20.46	9,583,261	13,179,920	71,630
EXOR SPA	29.79	0.4%	-0.4%	0.8%	21.6%	3.0%	24.23	33.48	378,757	362,830	7,335
FIAT SPA	7.80	-0.1%	5.3%	6.0%	27.7%	31.2%	5.17	9.08	12,276,080	12,284,730	9,758
FINMECCANICA SPA	7.21	0.4%	4.1%	13.1%	88.3%	30.9%	3.74	7.43	2,651,862	5,105,814	4,166
GTECH SPA	18.80	-1.3%	3.8%	-16.4%	-9.7%	-15.2%	17.66	24.13	736,489	876,815	3,288
INTESA SANPAOLO	2.30	2.7%	0.6%	19.3%	64.8%	28.4%	1.38	2.66	129,917,200	150,908,700	37,674
LUXOTTICA GROUP SPA	42.21	3.0%	-0.8%	10.9%	5.9%	8.4%	35.22	43.30	605,436	542,017	20,286
MEDIASET SPA	3.19	0.4%	-8.3%	-10.6%	-1.2%	-7.4%	2.85	4.45	13,091,440	10,835,900	3,768
MEDIOBANCA SPA	7.10	4.0%	-4.4%	6.6%	51.9%	11.6%	4.50	8.49	3,860,931	4,494,792	6,116
MEDIOLANUM SPA	5.98	4.5%	4.2%	-4.0%	9.6%	-5.1%	5.18	7.19	1,888,081	2,179,266	4,406
PIRELLI & C.	11.62	1.0%	-2.4%	-5.1%	20.5%	-7.6%	8.89	12.99	1,836,670	1,883,255	5,660
PRYSMIAN SPA	15.96	1.2%	0.1%	-11.9%	1.3%	-14.7%	15.28	19.79	962,999	1,120,233	3,425
SAIPEM SPA	18.58	-0.8%	-7.6%	10.8%	19.2%	19.4%	14.81	21.00	2,090,737	2,062,552	8,202
SALVATORE FERRAGAMO SPA	21.51	-2.1%	-0.1%	-6.3%	-16.3%	-22.2%	20.03	29.85	388,483	427,106	3,622
SNAM SPA	4.45	2.5%	1.4%	9.2%	26.6%	9.3%	3.47	4.55	7,867,049	9,304,704	15,035
STMICROELECTRONICS NV	6.41	-4.7%	-3.5%	14.2%	-2.1%	11.0%	5.26	7.42	6,780,744	4,038,027	5,838
TELECOM ITALIA SPA	0.897	1.8%	-3.8%	12.8%	65.0%	24.4%	0.47	1.01	74,967,300	102,184,800	16,383
TENARIS SA	16.66	0.1%	-2.3%	2.3%	1.4%	4.9%	14.78	18.45	1,213,840	1,703,980	19,668
TERNA SPA	4.01	3.0%	2.4%	11.8%	22.1%	10.4%	3.17	4.14	6,339,520	9,218,288	8,056
TOD'S SPA	85.80	-1.6%	-7.1%	-21.4%	-28.4%	-29.3%	85.65	145.50	90,423	101,889	2,626
UNICREDIT SPA	6.01	2.5%	-2.4%	7.6%	46.3%	11.6%	4.00	6.89	54,717,200	60,513,180	35,229
UBI BANCA SCPA	6.36	4.9%	-3.2%	18.9%	95.7%	28.8%	3.08	7.55	7,764,100	7,762,938	5,735
UNIPOLSAI SPA	2.39	2.7%	-0.2%	13.7%	61.6%	7.7%	1.34	2.72	4,982,872	6,088,778	6,599
WORLD DUTY FREE SPA	9.21	-2.5%	1.1%	-13.2%	n.a.	0.7%	6.80	11.07	532,470	727,800	2,343
YOOX SPA	21.08	0.1%	7.8%	-23.6%	7.6%	-35.3%	17.86	35.09	725,579	964,208	1,248

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

Source: Bloomberg LP