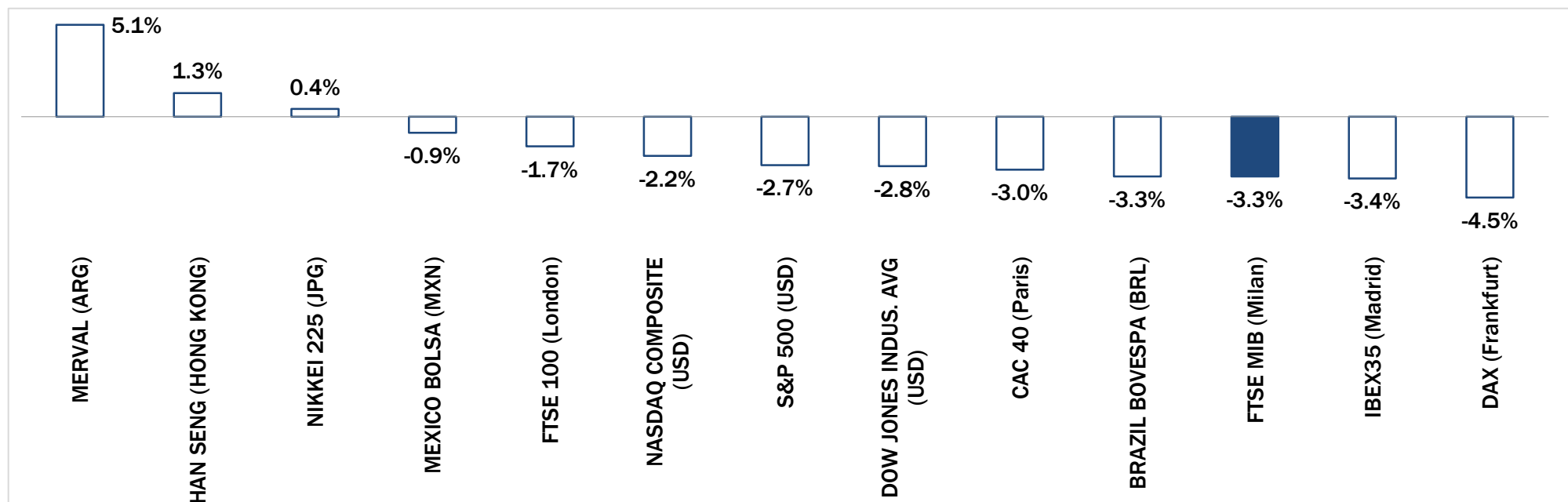


Weekly Stock Market Report for Telecom Italia Retail Shareholders

July 28th – August 1st, 2014

Weekly Performance Summary of Major Worldwide Market Stock Exchanges



Index Point as of 01-Aug-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)	20,362	-3.3%	-5.6%	7.1%	21.4%	7.4%	16,504	22,590	543,165,888	624,920,910	418,596
FTSE 100 (London)	6,679	-1.7%	-2.7%	3.6%	0.5%	-1.0%	6,317	6,895	686,012,762	595,643,356	1,822,814
DAX (Frankfurt)	9,210	-4.5%	-8.0%	0.9%	9.6%	-3.6%	8,094	10,051	98,130,115	76,353,047	908,063
CAC 40 (Paris)	4,203	-3.0%	-6.0%	2.1%	3.9%	-2.2%	3,928	4,599	146,005,275	108,903,068	1,129,037
IBEX35 (Madrid)	10,514	-3.4%	-4.5%	7.8%	22.6%	6.0%	8,276	11,249	340,899,635	406,023,923	549,640
America											
Dow Jones Indus. Avg (USD)	16,493	-2.8%	-3.4%	6.8%	5.3%	-0.5%	14,719	17,152	81,295,362	84,389,728	4,797,810
S&P 500 (USD)	1,925	-2.7%	-3.0%	9.7%	12.6%	4.2%	1,627	1,991	510,141,184	494,145,195	17,653,422
NASDAQ Composite (USD)	4,353	-2.2%	-3.0%	8.0%	18.0%	4.2%	3,574	4,486	493,642,163	490,262,905	6,597,081
Mexico Bolsa (MXN)	43,986	-0.9%	1.1%	9.7%	4.6%	2.9%	37,752	44,714	160,101,846	169,497,428	2,394,521
Merval (ARG)	8,327	5.1%	2.3%	35.7%	140.7%	54.5%	3,409	8,960	15,364,975	11,329,701	8,326
Brazil Bovespa (BRL)	55,903	-3.3%	3.4%	19.0%	15.3%	8.5%	44,905	58,138	284,651,101	293,905,466	1,848,983
Asia											
Nikkei 225 (JPG)	15,523	0.4%	0.6%	10.8%	7.3%	-4.7%	13,188	16,320	1,258,709,325	1,163,455,957	295,666,944
Han Seng (Hong Kong)	24,532	1.3%	4.2%	14.6%	10.6%	5.3%	21,138	24,912	2,038,817,766	1,443,636,275	14,671,424

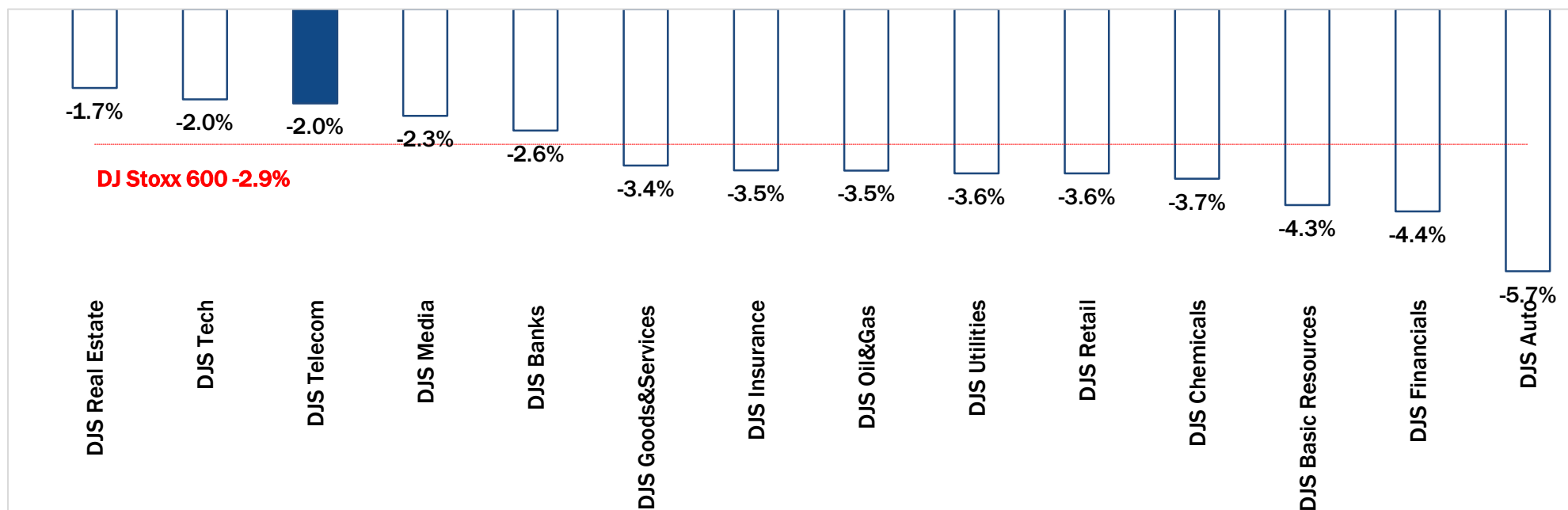
* performance calculated on closing price

** 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 01-Aug-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	331.91	-2.9%	-4.6%	4.5%	9.1%	1.1%	295.88	349.71	2,907,995,187	2,802,358,959	8,462,219.00
Sectors											
DJS Telecom	293.48	-2.0%	-2.6%	2.9%	17.5%	-1.4%	242.99	310.37	228,667,494	258,975,375	406,625.63
DJS Auto	471.50	-5.7%	-10.4%	0.6%	11.4%	-2.2%	401.05	536.66	50,037,339	33,714,453	266,605.88
DJS Banks	191.31	-2.6%	-2.6%	-1.2%	6.1%	-1.5%	172.43	209.5	1,503,258,778	1,492,880,945	1,124,055.25
DJS Basic Resources	432.66	-4.3%	-0.2%	10.1%	16.6%	8.0%	357.29	455.43	78,373,372	71,608,338	311,735.81
DJS Chemicals	728.97	-3.7%	-7.9%	2.1%	4.3%	-3.7%	678.59	793.87	16,703,887	14,281,946	357,015.78
DJS Oil&Gas	349.23	-3.5%	-7.3%	11.1%	10.2%	4.2%	310.59	381.9	121,418,814	86,411,125	671,199.44
DJS Financials	342.93	-4.4%	-6.3%	5.3%	13.7%	-0.2%	290.88	368.62	38,882,967	30,045,338	141,459.86
DJS Goods&Services	392.06	-3.4%	-5.6%	-1.2%	4.4%	-5.3%	365.93	425.9	143,639,322	135,831,145	867,299.50
DJS Insurance	224.61	-3.5%	-4.4%	2.7%	9.8%	-1.6%	193.68	235.64	116,506,928	102,398,563	493,083.81
DJS Media	243.3	-2.3%	-3.5%	-0.7%	8.8%	-4.2%	216.96	260.77	67,150,578	61,197,797	221,190.22
DJS Tech	282.22	-2.0%	-2.1%	3.5%	9.9%	-2.9%	252.33	294.24	99,325,539	74,183,344	260,303.52
DJS Utilities	310.12	-3.6%	-3.9%	12.9%	18.2%	11.4%	254.38	326.7	141,023,018	160,655,806	460,228.00
DJS Retail	297.74	-3.6%	-7.1%	-3.7%	-3.2%	-8.4%	296.67	333.73	97,182,570	92,602,606	301,292.69
DJS Real Estate	149.91	-1.7%	-2.7%	9.8%	12.7%	10.1%	124.23	156.68	19,146,955	16,339,108	117,435.98

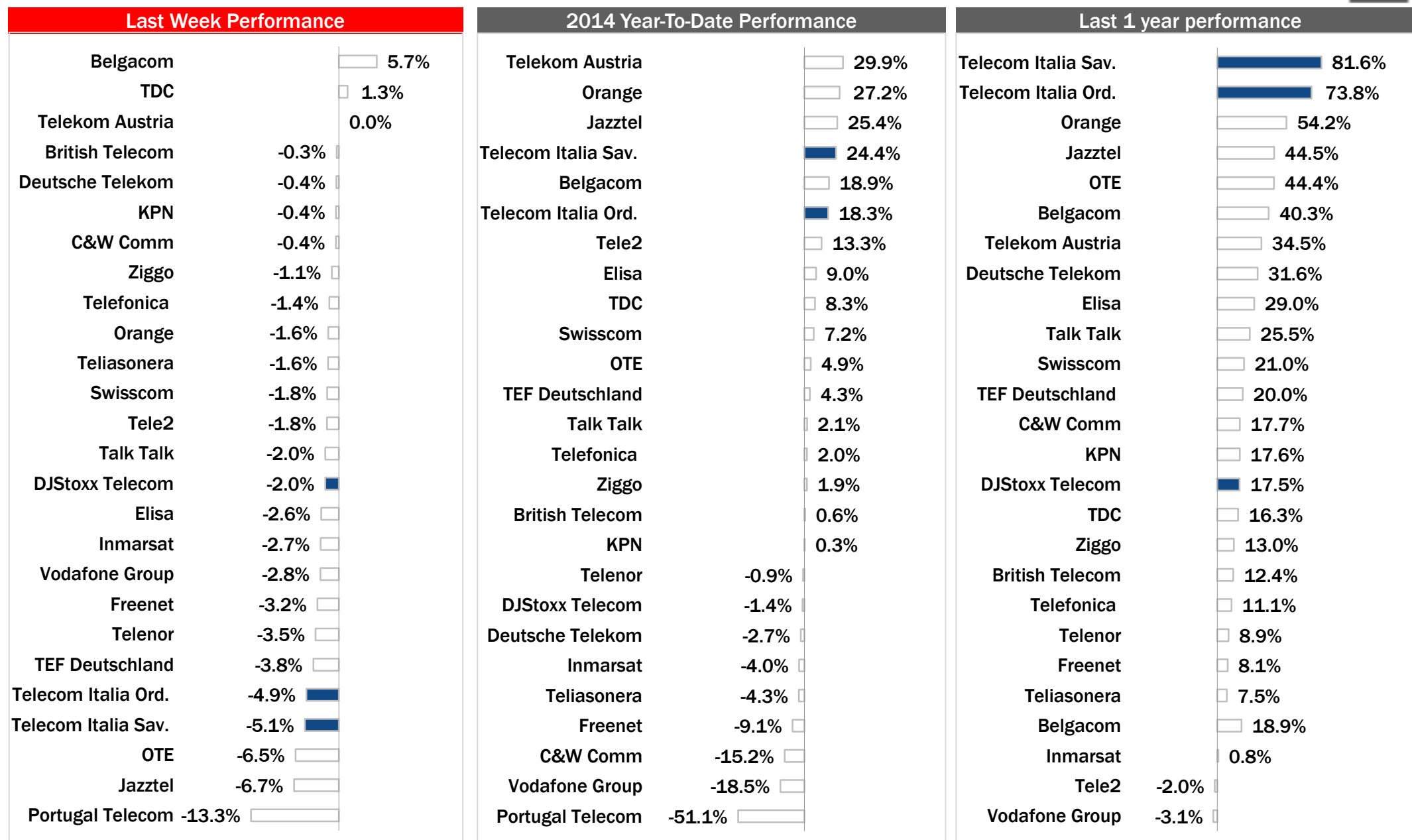
* performance calculated on closing price

** 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) 01-Aug-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	293.48	-2.0%	-2.6%	2.9%	17.5%	-1.4%	242.99	310.37	228,667,494	258,975,375
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TLC Operators

Telecom Italia Ord.	0.853	-4.9%	-5.3%	3.4%	73.8%	18.3%	0.466	1.012	68,763,060	94,766,790	11,445
Telecom Italia Sav.	0.685	-5.1%	-2.9%	13.2%	81.6%	24.4%	0.359	0.792	10,876,990	14,977,840	4,125
Altice	42.22	-4.8%	-14.9%	47.7%	n.a.	n.a.	25.505	57.010	62,128	147,590	10,458
Belgacom	25.58	5.7%	5.2%	20.7%	40.3%	18.9%	17.835	26.120	961,128	629,582	8,647
British Telecom	381.80	-0.3%	-2.3%	-0.4%	12.4%	0.6%	320.000	421.200	13,562,730	10,482,500	38,876
Cable & Wireless Communications	47.69	-0.4%	-4.4%	-10.8%	17.7%	-15.2%	37.940	58.500	5,059,500	6,181,313	1,511
Deutsche Telekom	12.09	-0.4%	-3.1%	0.8%	31.6%	-2.7%	8.948	13.150	10,598,290	8,402,768	54,835
Elisa	20.99	-2.6%	-5.8%	10.3%	29.0%	9.0%	15.870	22.850	336,986	427,442	3,512
Freenet	19.79	-3.2%	-13.5%	-12.6%	8.1%	-9.1%	17.375	25.960	1,472,841	792,727	2,534
Orange	11.45	-1.6%	0.6%	24.8%	54.2%	27.2%	7.188	12.850	8,610,241	6,946,493	30,330
OTE	10.14	-6.5%	-9.0%	-6.1%	44.4%	4.9%	6.480	13.200	687,007	853,769	4,970
Inmarsat	725.50	-2.7%	-3.3%	3.6%	0.8%	-4.0%	636.000	774.500	544,500	612,086	4,077
Jazztel	9.75	-6.7%	-7.2%	6.9%	44.5%	25.4%	6.722	11.490	2,495,642	1,917,726	2,501
KPN	2.35	-0.4%	-9.2%	-15.3%	17.6%	0.3%	1.950	2.805	19,753,650	18,287,040	10,035
Telefonica Deutschland Holding	5.78	-3.8%	-7.6%	5.8%	20.0%	4.3%	4.532	6.388	1,243,259	1,001,762	6,458
Portugal Telecom	1.54	-13.3%	-37.5%	-52.7%	-47.2%	-51.1%	1.533	4.175	12,238,470	16,806,800	1,384
Swisscom	505.00	-1.8%	-2.3%	1.3%	21.0%	7.2%	411.100	548.500	70,074	72,833	21,515
Talk Talk	312.50	-2.0%	-3.8%	0.2%	25.5%	2.1%	235.400	334.300	1,455,731	1,145,363	3,740
TDC	56.95	1.3%	1.9%	9.5%	16.3%	8.3%	45.750	57.700	1,166,246	1,419,594	6,203
Telefonica	12.08	-1.4%	-3.8%	5.6%	11.1%	2.0%	10.265	13.135	16,075,200	18,687,930	54,954
Telenor	143.30	-3.5%	2.7%	10.1%	8.9%	-0.9%	123.900	153.800	1,234,347	1,335,726	25,569
Tele2	82.55	-1.8%	2.2%	14.3%	-2.0%	13.3%	68.750	87.900	1,176,598	1,613,578	3,996
Telekom Austria	7.15	0.0%	0.1%	10.2%	34.5%	29.9%	5.048	7.595	332,874	669,294	3,167
Teliasonera	51.25	-1.6%	4.2%	5.4%	7.5%	-4.3%	43.980	54.900	5,529,675	7,236,397	24,080
Vodafone Group	196.45	-2.8%	1.0%	-14.7%	-3.1%	-18.5%	187.350	252.300	54,782,760	58,045,360	65,244
Ziggo	33.85	-1.1%	-0.7%	5.0%	13.0%	1.9%	28.565	35.165	466,752	479,050	6,769

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

Source: Bloomberg
LP

Performance Summary of Main LatAm TLC Operators

Cl. Price 01-Aug-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\$ 55,902.87	-3.3%	3.4%	19.0%	15.3%	8.5%	44,904.83	58,138.03	284,651,101	293,905,466	R\$ 1,848,983
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Peers

TIM Participações	R\$ 12.39	0.2%	0.2%	-2.0%	39.5%	0.5%	R\$ 8.63	R\$ 13.81	2,836,920	2,679,917	R\$ 29,954
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Oi ON	R\$ 1.48	-4.5%	-22.9%	-67.8%	-67.5%	-59.0%	R\$ 1.45	R\$ 5.46	4,056,080	7,421,700	R\$ 4,235
Oi PN	R\$ 1.42	-4.7%	-21.5%	-65.9%	-66.4%	-60.4%	R\$ 1.40	R\$ 5.18	37,983,780	57,639,380	R\$ 8,127
Telefonica Brasil ON	R\$ 38.75	-2.1%	0.7%	-1.8%	-11.5%	-3.1%	R\$ 36.98	R\$ 45.50	14,120	25,423	R\$ 14,787
Telefonica Brasil PN	R\$ 45.50	-0.3%	1.4%	-0.8%	-6.5%	1.5%	R\$ 41.66	R\$ 51.50	949,320	776,693	R\$ 33,853
Embratel ON	R\$ 15.06	-3.2%	-13.9%	104.9%	67.3%	79.5%	R\$ 6.60	R\$ 23.88	1,620	453	R\$ 9,612
Embratel PN	R\$ 15.50	-0.6%	-10.7%	112.3%	64.9%	79.2%	R\$ 6.70	R\$ 23.50	2,440	1,147	R\$ 9,194
NET Servicos PN	R\$ 53.08	-16.4%	-13.1%	165.6%	70.3%	137.7%	R\$ 18.98	R\$ 63.85	760	1,300	R\$ 13,252

ARGENTINA

Index

Argentinean Equity - Merval Index	8,326.92	5.1%	2.3%	35.7%	140.7%	54.5%	3,408.61	8,960.25	760	1,300	ARS 1,140,443
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Integrated

Telecom Argentina - "B shares"	ARS 44.90	6.9%	-6.8%	22.8%	60.4%	44.8%	ARS 26.90	ARS 50.30	82,512	77,760	ARS 44,199
Telecom Argentina - ADR	\$21.89	0.1%	-8.4%	43.6%	31.3%	27.0%	\$13.93	\$25.56	349,168	244,745	\$4,310

Nortel Inversora B shares - ADR	\$22.94	-0.5%	-9.4%	39.2%	53.0%	15.3%	\$14.84	\$26.37	11,549	17,460	\$3,120
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MEXICO

Index

Mexican Equity - Mexbol Index	43,986.11	-0.9%	1.1%	9.7%	4.6%	2.9%	37,751.64	44,714.41	160,101,846	169,497,428	MXN 4,796,231
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Mobile/Integrated

America Movil (MXN)	MXN 15.44	-0.6%	14.4%	8.1%	15.7%	1.4%	MXN 12.39	MXN 15.82	52,962,240	64,472,740	MXN 1,071,978
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TV

Grupo Televisa	MXN 94.08	3.8%	2.7%	20.9%	33.7%	19.5%	MXN 67.00	MXN 95.01	3,003,905	2,738,513	MXN 272,089
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CROSS-LATAM OPERATORS

Mobile

NII Holding	US\$ 0.68	-4.2%	15.3%	-77.4%	-89.8%	-75.3%	US\$ 0.43	US\$ 7.50	3,340,701	5,098,987	US\$ 117
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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).



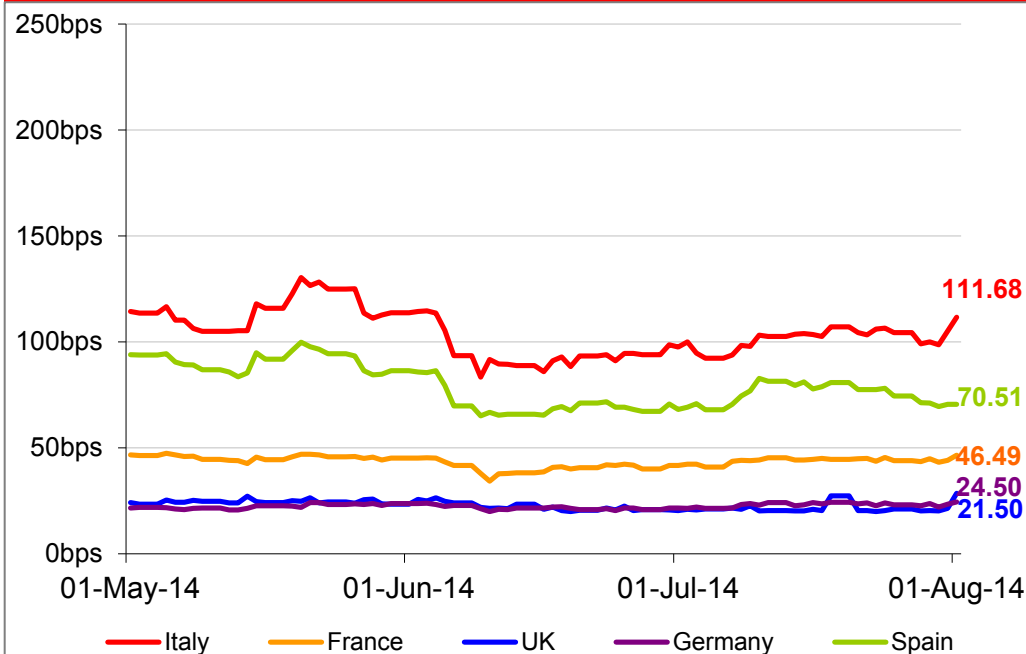
European Telecoms Sector: Credit Outlook

Long-term Credit Ratings

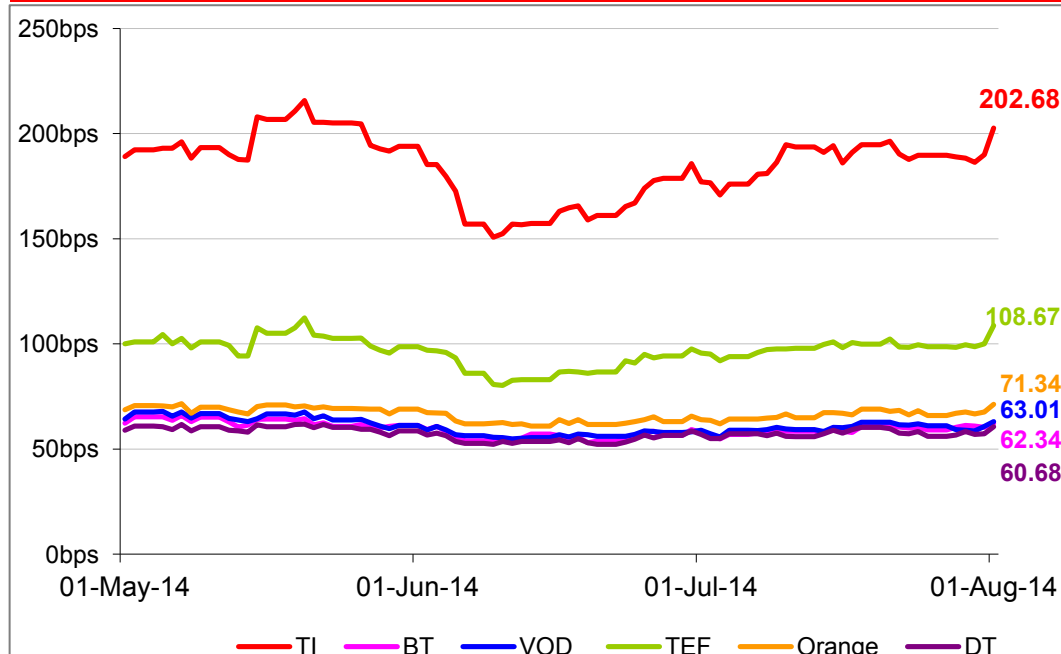
	Moody's		S&P		Fitch	
	rating	outlook	rating	outlook	rating	outlook
Telecom Italia	Ba1	NEG	BB+	NEG	BBB-	NEG
Belgacom	A1	STABLE	A	STABLE	n.a.	n.a.
British Telecom	Baa2	POS	BBB	STABLE	BBB	STABLE
Deutsche Telekom	Baa1	STABLE	BBB+	STABLE	BBB+	STABLE
Orange	Baa1	STABLE	BBB+	NEG	BBB+	NEG
KPN	Baa3	STABLE	BBB-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

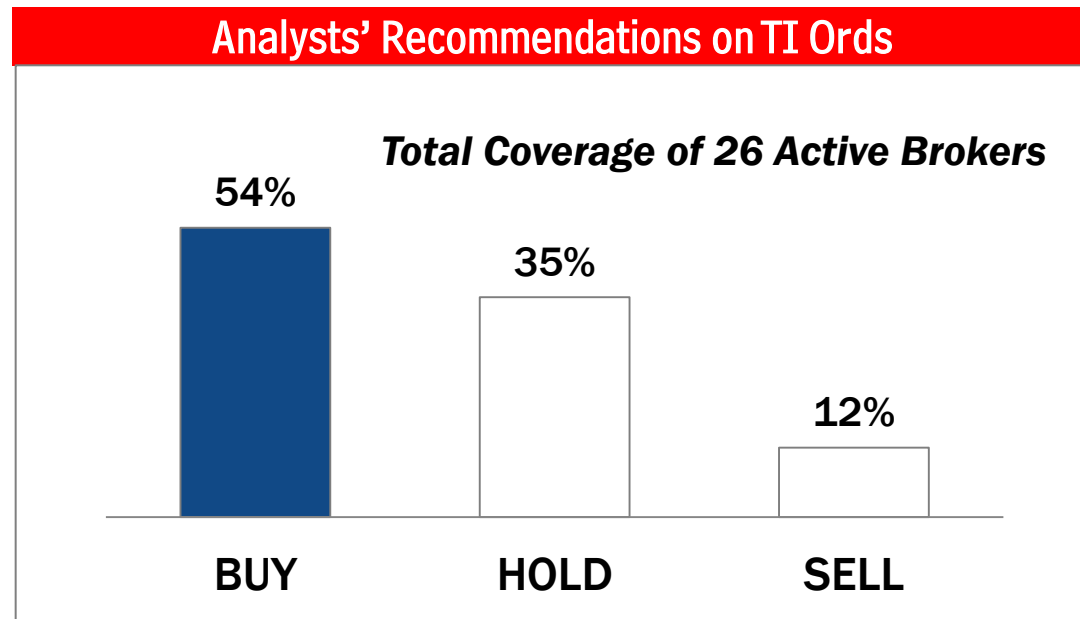
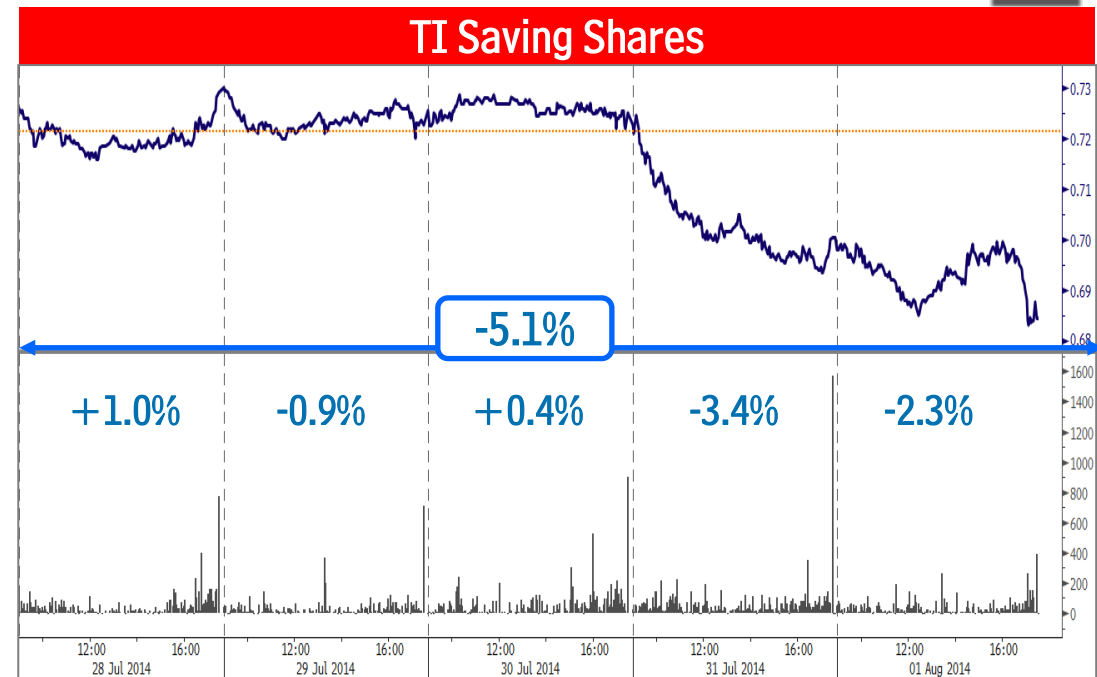
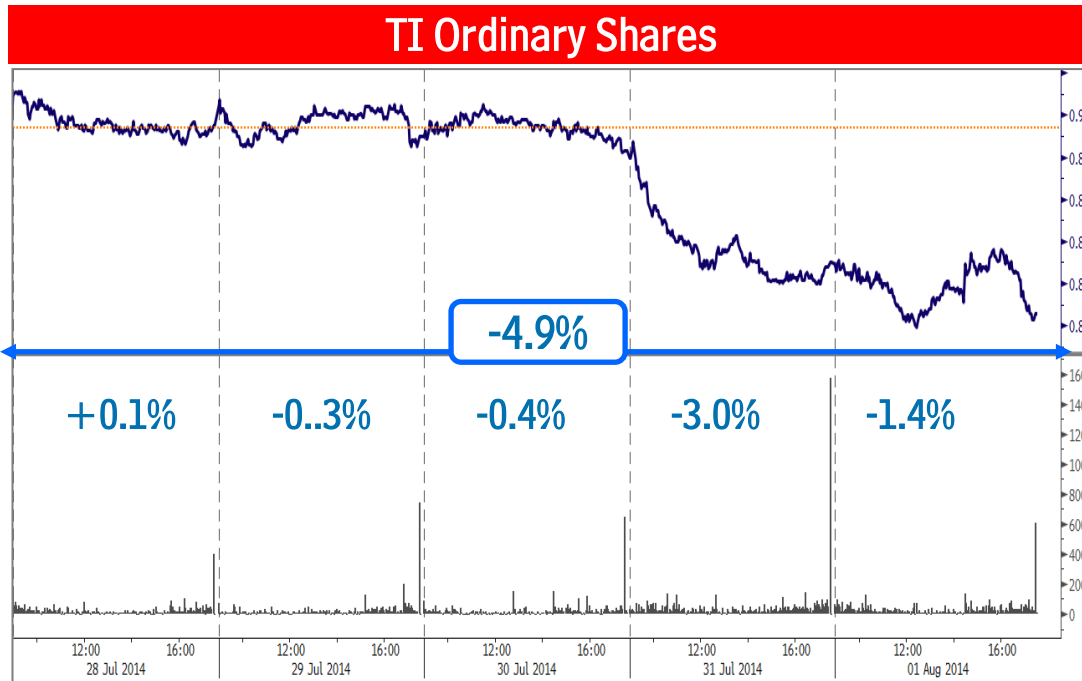


TLC Operators

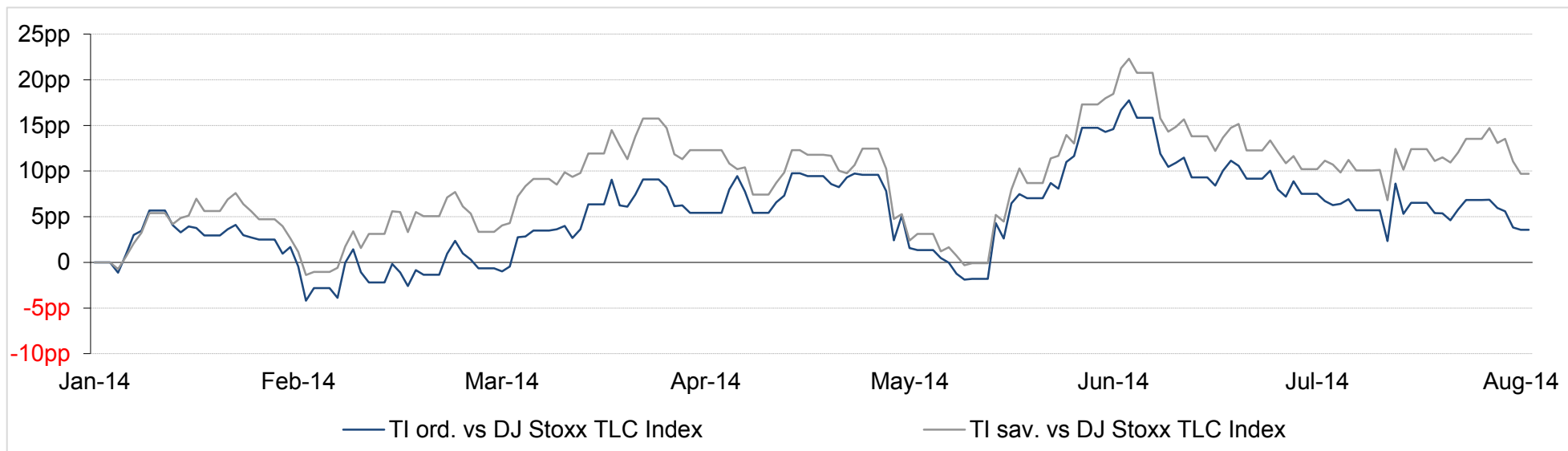


NB: Weekly performances are referred to last 5 open market sessions.

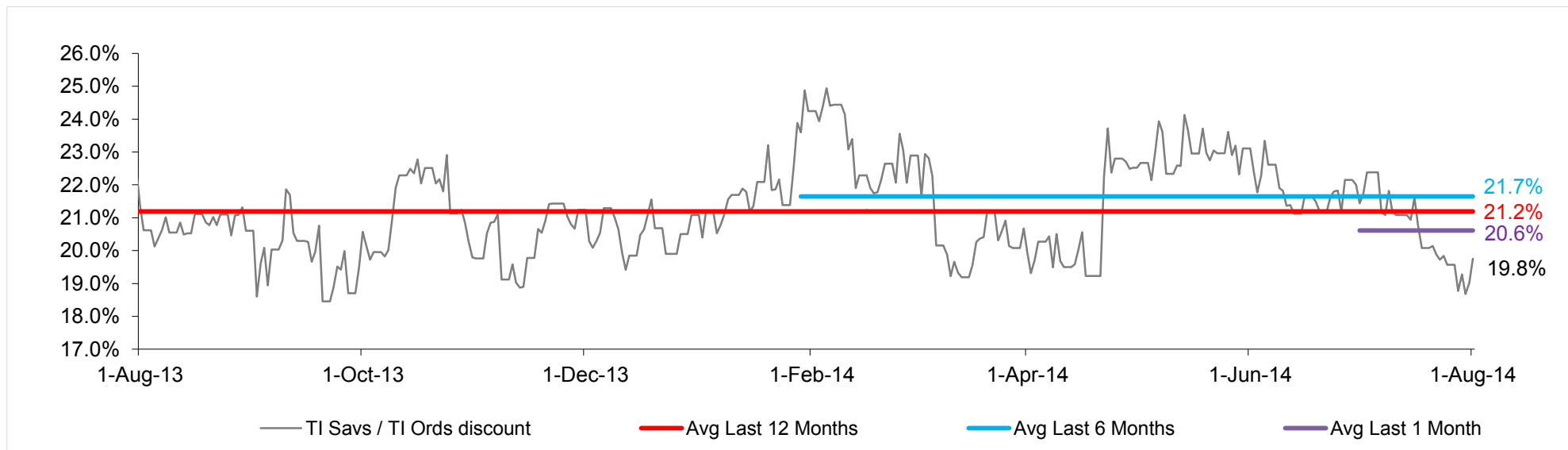
Telecom Italia Group – Weekly Performance: Price (€) and Volumes (mln)



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



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



Performance Summary of FTSE MIB



Index	Cl. Price € 01-Aug-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)	20,362	-3.3%	-5.6%	7.1%	21.4%	7.4%	16,504	22,590	543,165,888	624,920,910	418,596
FTSE Italia All-Share (Milan)	21,588	-3.4%	-5.8%	6.7%	20.9%	6.9%	17,585	23,913	717,580,979	875,236,700	496,177
Stocks FTSE MIB											
A2A SPA	0.83	-6.4%	-3.4%	3.5%	24.4%	-2.6%	0.63	1.03	11,616,370	13,638,700	2,596
ANSALDO STS SPA	7.30	-0.9%	2.3%	-1.9%	14.3%	3.3%	5.85	7.90	630,040	792,440	1,459
ASSICURAZIONI GENERALI	15.60	1.6%	-3.5%	-2.8%	5.8%	-8.8%	14.21	17.70	8,123,113	6,096,306	24,287
ATLANTIA SPA	19.21	-3.9%	-8.5%	13.7%	29.7%	17.8%	13.65	21.50	2,069,987	1,901,488	15,863
AUTOGRILL SPA	6.38	-2.1%	-4.4%	-6.2%	24.5%	3.9%	5.05	7.77	1,074,449	1,195,898	1,623
AZIMUT HOLDING SPA	18.69	-7.6%	-4.6%	-10.2%	13.1%	-2.8%	15.23	25.92	924,529	900,776	2,677
BANCA MONTE DEI PASCHI SIENA	1.34	-3.9%	-12.0%	26.7%	5.2%	22.0%	0.94	2.73	44,331,400	74,820,800	6,841
BANCA POPOL EMILIA ROMAGNA	6.26	-4.6%	-10.0%	-1.9%	47.8%	-0.8%	4.17	8.87	3,793,537	4,539,750	3,000
BANCA POPOLARE DI MILANO	0.64	-0.7%	-5.6%	60.2%	92.7%	59.9%	0.33	0.74	59,601,840	66,266,970	2,820
BANCO POPOLARE SC	11.53	-5.8%	-8.2%	19.5%	55.8%	9.2%	7.35	16.41	3,456,421	4,300,546	4,176
BUZZI UNICEM SPA	11.78	-6.9%	-7.5%	-13.1%	4.9%	-10.1%	10.15	15.20	868,800	759,702	2,243
CNH INDUSTRIAL NV	6.70	-1.8%	-10.8%	-14.1%	n.a.	-19.1%	6.40	9.86	5,088,586	3,979,089	9,067
DAVIDE CAMPARI-MILANO SPA	5.80	-1.3%	-8.0%	-2.1%	0.3%	-4.7%	5.63	6.68	1,016,151	1,073,088	3,366
ENEL GREEN POWER SPA	2.03	-1.5%	-3.7%	8.2%	19.9%	10.6%	1.55	2.19	7,434,140	6,606,236	10,130
ENEL SPA	4.16	-2.2%	-4.9%	22.9%	59.1%	31.2%	2.46	4.49	33,395,000	40,634,270	39,156
ENI SPA	18.78	-4.7%	-7.0%	11.5%	8.8%	7.4%	16.20	20.46	13,702,480	11,893,640	68,250
EXOR SPA	28.60	-4.0%	-5.1%	-1.7%	14.5%	-1.1%	24.79	33.48	341,657	365,991	7,042
FIAT SPA	7.11	-8.8%	-5.0%	-3.9%	19.1%	19.6%	5.17	9.08	19,656,280	14,076,700	8,894
FINMECCANICA SPA	6.74	-6.5%	-4.4%	3.3%	77.1%	22.3%	3.75	7.43	4,557,336	4,818,992	3,894
GTECH SPA	17.29	-8.0%	-6.3%	-23.5%	-18.9%	-22.0%	17.01	24.13	1,419,959	1,012,128	3,024
INTESA SANPAOLO	2.26	-2.0%	-3.2%	12.3%	57.9%	25.9%	1.39	2.66	132,263,300	148,191,400	36,887
LUXOTTICA GROUP SPA	40.69	-3.6%	-1.4%	3.2%	-0.2%	4.5%	35.22	43.30	444,569	495,114	19,555
MEDIASET SPA	3.00	-6.0%	-17.0%	-20.6%	-9.1%	-12.9%	2.85	4.45	10,597,070	11,424,550	3,544
MEDIOBANCA SPA	6.57	-7.5%	-11.5%	-3.6%	35.9%	3.3%	4.54	8.49	5,054,386	4,627,469	5,660
MEDIOLANUM SPA	5.73	-4.2%	-2.8%	-10.4%	0.3%	-9.0%	5.18	7.19	1,958,827	2,101,256	4,222
PIRELLI & C.	11.13	-4.2%	-7.4%	-6.9%	10.7%	-11.5%	8.89	12.99	2,316,052	1,863,705	5,421
PRYSMIAN SPA	15.72	-1.5%	-6.3%	-13.3%	-7.0%	-16.0%	15.48	19.79	1,316,786	1,108,043	3,373
SAIPEM SPA	17.50	-5.8%	-10.6%	0.6%	7.4%	12.5%	14.81	21.00	3,432,227	2,282,074	7,725
SALVATORE FERRAGAMO SPA	20.23	-6.0%	-6.9%	-12.0%	-21.0%	-26.8%	20.03	29.85	530,243	455,813	3,407
SNAM SPA	4.38	-1.6%	-2.5%	7.5%	21.2%	7.6%	3.47	4.55	8,098,810	8,722,840	14,798
STMICROELECTRONICS NV	6.03	-6.0%	-11.7%	-1.4%	-8.0%	4.3%	5.26	7.42	4,998,198	4,344,109	5,487
TELECOM ITALIA SPA	0.853	-4.9%	-5.3%	3.4%	73.8%	18.3%	0.47	1.01	68,763,060	94,766,790	15,570
TENARIS SA	16.01	-3.9%	-7.6%	-3.7%	-4.0%	0.8%	14.78	18.45	1,416,416	1,632,020	18,900
TERNA SPA	3.88	-3.2%	-1.1%	7.7%	14.7%	6.8%	3.17	4.14	6,345,930	7,970,960	7,795
TOD'S SPA	83.50	-2.7%	-9.2%	-17.6%	-33.7%	-31.2%	81.80	145.50	164,886	113,517	2,556
UNICREDIT SPA	5.88	-2.2%	-6.5%	5.3%	39.8%	9.2%	4.14	6.89	56,595,130	59,734,760	34,467
UBI BANCA SCPA	6.17	-3.1%	-7.8%	13.9%	93.7%	24.9%	3.08	7.55	8,020,337	7,918,079	5,559
UNIPOLSAI SPA	2.26	-5.4%	-6.5%	7.0%	47.2%	1.9%	1.34	2.72	5,545,338	5,939,141	6,245
WORLD DUTY FREE SPA	8.21	-10.9%	-11.7%	-23.9%	n.a.	-10.2%	6.80	11.07	781,120	780,003	2,088
YOOX SPA	18.98	-10.0%	-1.6%	-32.4%	-17.5%	-41.8%	17.86	35.09	1,232,929	934,907	1,123

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

Source: Bloomberg LP