

FINAL TERMS

22 January 2014

TELECOM ITALIA S.p.A.

Issue of €1,000,000,000 4.500% Fixed Rate Notes due 25 January 2021
under the €20,000,000,000

Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the **Conditions**) set forth in the EMTN Programme Prospectus dated 26 June 2013 and the supplements to it dated 13 September 2013 and 15 January 2014 (the **Supplements**) which together constitute a base prospectus for the purposes of the Prospectus Directive (the **EMTN Programme Prospectus**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the EMTN Programme Prospectus as so supplemented. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the EMTN Programme Prospectus and the Supplements. The EMTN Programme Prospectus and the Supplements have been published at www.telecomitalia.com and www.bourse.lu and copies may be obtained free of charge from the Issuer at its registered office. In addition, the EMTN Programme Prospectus and the Supplements will be available from the specified office of each of the Paying Agents.

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| 1 | (a) | Series Number: | 34 |
| | (b) | Tranche Number: | 1 |
| | (c) | Date on which the Notes will be consolidated and form a single Series: | Not Applicable |
| 2 | | Specified Currency or Currencies: | Euro ("€") |
| 3 | | Aggregate Nominal Amount of Notes admitted to trading: | |
| | (a) | Series: | €1,000,000,000 |
| | (b) | Tranche: | €1,000,000,000 |
| 4 | | Issue Price: | 99.447 per cent. of the Aggregate Nominal Amount |
| 5 | (a) | Specified Denominations: | €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Notes in definitive form will be issued with a denomination above €199,000 |
| | (b) | Calculation Amount: | €1,000 |
| 6 | (a) | Issue Date: | 23 January 2014 |

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| | (b) Interest Commencement Date: | Issue Date |
| 7 | Maturity Date: | 25 January 2021 |
| 8 | Interest Basis: | 4.500 per cent. per annum Fixed Rate (further particulars specified below) |
| 9 | Redemption/Payment Basis: | Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount |
| 10 | Change of Interest Basis: | Not Applicable |
| 11 | Put/Call Options: | See paragraphs 16/17 below |
| 12 | Date of Board approval for issuance of Notes obtained: | 17 January 2013 |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 13 | Fixed Rate Note Provisions: | Applicable |
| | (a) Rate(s) of Interest: | 4.500 per cent. per annum payable annually in arrear on each Interest Payment Date |
| | (b) Interest Payment Date(s): | 25 January in each year from and including 25 January 2015 up to and including the Maturity Date (the period from, and including, the Issue Date to, but excluding, the First Interest Payment Date shall be referred to as the "Long First Interest Period"). |
| | (c) Fixed Coupon Amount(s): (Applicable to Notes in definitive form.) | Other than in respect of the Long First Interest Period, €45.00 per Calculation Amount. |
| | (d) Broken Amount(s): (Applicable to Notes in definitive form.) | €45.25 per Calculation Amount in respect of the Long First Interest Period, payable on the Interest Payment Date falling on 25 January 2015. |
| | (e) Day Count Fraction: | Actual/Actual (ICMA) |
| | (f) Determination Date(s): | 25 January in each year |
| 14 | Floating Rate Note Provisions: | Not Applicable |
| 15 | Zero Coupon Note Provisions: | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 16 | Issuer Call: | Not Applicable |
| 17 | Investor Put: | Not Applicable |
| 18 | Final Redemption Amount: | €1,000 per Calculation Amount |
| 19 | Early Redemption Amount payable on redemption for taxation reasons or on event of default: | €1,000 per Calculation Amount |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 20** Form of Notes:
- (a) Form: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event
 - (b) New Global Note: Yes
- 21** Additional Financial Centre(s): Not Applicable
- 22** Talons for future Coupons to be attached to Definitive Notes: No

Signed on behalf of the Issuer:

By: MANUELA CARRA ATTORNEY-IN-FACT



Duly authorised

PART B – OTHER INFORMATION

1 LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market and listed on the Official List of the Luxembourg Stock Exchange with effect from 23 January 2014.
- (ii) Estimate of total expenses related to admission to trading: €4,960

2 RATINGS

The Notes to be issued have been rated:

Standard & Poor's Credit Market Services France S.A.S.: BB+ (negative)

Moody's Investors Service España, S.A.: Ba1 (negative)

Fitch Ratings Ltd.: BBB- (negative)

Such credit rating agencies are established in the European Union and are registered under Regulation (EU) No 1060/2009 (as amended).

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4 YIELD

Indication of yield: 4.594 per cent. per annum

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

5 OPERATIONAL INFORMATION

- (i) ISIN Code: XS1020952435
- (ii) Common Code: 102095243
- (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): Not Applicable

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| (iv) Delivery: | Delivery against payment |
| (v) Names and addresses of additional Paying Agent(s) (if any): | Not Applicable |
| (vi) Deemed delivery of clearing system notices for the purposes of Condition 14: | Any notice delivered to Noteholders through the clearing systems will be deemed to have been given on the second business day after the day on which it was given to Euroclear and Clearstream, Luxembourg |
| (vii) Intended to be held in a manner which would allow Eurosystem eligibility: | Yes Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that the Eurosystem eligibility criteria have been met. |

6 DISTRIBUTION

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| (i) Method of distribution: | Syndicated |
| (ii) If syndicated, names of Managers: | Barclays Bank PLC Crédit Agricole – Corporate and Investment Bank Goldman Sachs International HSBC Bank plc ING Bank N.V. Merrill Lynch International NATIXIS Société Générale |
| (iii) Date of the Subscription Agreement: | 22 January 2014 |
| (iv) Stabilising Manager(s) (if any): | Not Applicable |
| (v) If non-syndicated, name of relevant Dealer: | Not Applicable |
| (vi) U.S. Selling Restrictions: | Reg. S Compliance Category 2; TEFRA D |