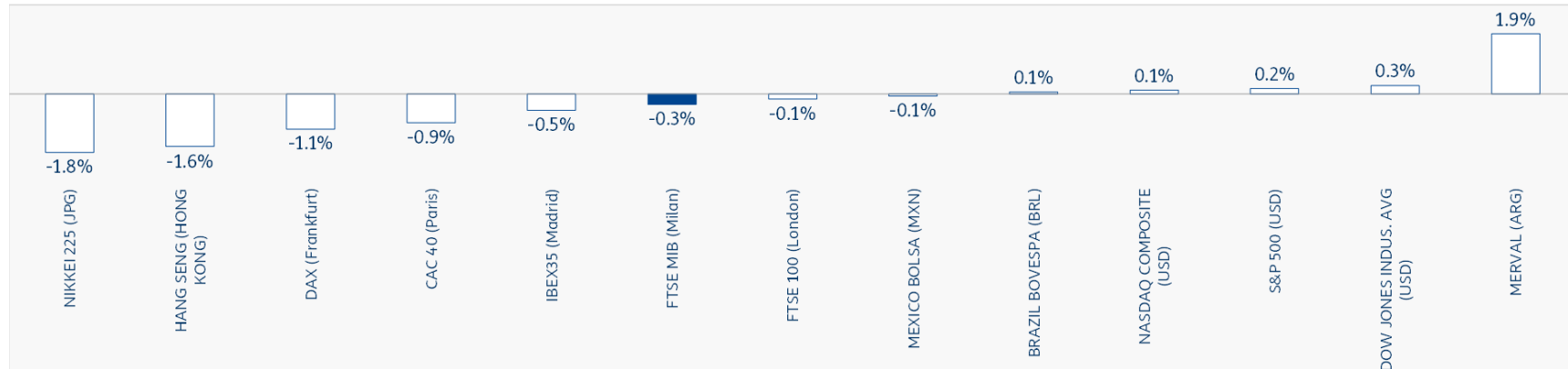


# **Weekly Stock Market Report for Telecom Italia Retail Shareholders**

**September 26<sup>th</sup> – September 30<sup>th</sup>, 2016**

# Weekly Performance of Major Worldwide Market Stock Exchanges



	Index Point as of 30-Sep-16	1 week	1 month	3 months	6 months	1 year	from Jan. '16	Last 52 weeks		Daily average volume **		Market Cap. (mln. local cur.)
								Low Price	High Price	1 week	1 month	
Europe												
FTSE MIB (Milan)	16,401	-0.3%	-3.2%	1.3%	-9.5%	-23.0%	-23.4%	15,017	22,875	589,002,803	651,702,630	363,559
FTSE 100 (London)	6,899	-0.1%	1.7%	6.1%	11.7%	13.8%	10.5%	5,500	6,955	844,965,760	804,309,612	1,927,394
DAX (Frankfurt)	10,511	-1.1%	-0.8%	8.6%	5.5%	8.8%	-2.2%	8,699	11,431	95,710,365	86,502,209	994,946
CAC 40 (Paris)	4,448	-0.9%	0.2%	5.0%	1.4%	-0.2%	-4.1%	3,892	5,012	86,990,286	90,867,278	1,230,311
IBEX35 (Madrid)	8,779	-0.5%	0.7%	7.5%	0.6%	-8.2%	-8.0%	7,580	10,632	366,668,387	269,392,286	544,133
America												
DOW JONES INDUS. AVG (USD)	18,310	0.3%	-0.5%	2.1%	3.5%	12.4%	5.1%	15,451	18,668	92,076,262	90,816,732	5,427,912
S&P 500 (USD)	2,168	0.2%	-0.1%	3.3%	5.3%	12.9%	6.1%	1,810	2,194	549,490,598	574,184,111	19,345,844
NASDAQ COMPOSITE (USD)	5,313	0.1%	1.9%	9.7%	9.1%	15.0%	6.1%	4,210	5,343	402,798,899	427,963,743	7,949,123
MEXICO BOLSA (MXN)	47,755	-0.1%	0.4%	3.9%	4.1%	12.0%	11.1%	39,924	48,956	231,899,901	223,195,482	2,915,021
MERVAL (ARG)	16,752	1.9%	7.0%	14.1%	28.9%	70.7%	43.5%	9,200	16,939	10,260,525	8,239,139	16,738
BRAZIL BOVESPA (BRL)	58,690	0.1%	1.4%	14.0%	17.3%	30.4%	35.5%	37,046	60,310	294,962,845	335,508,185	1,852,658
Asia												
NIKKEI 225 (JPG)	16,450	-1.8%	-2.6%	5.6%	-1.8%	-5.4%	-13.6%	14,864	20,012	1,238,535,194	1,201,621,478	292,508,640
HANG SENG (HONG KONG)	23,297	-1.6%	1.4%	12.0%	12.1%	11.8%	6.3%	18,279	24,364	1,706,069,146	1,885,214,272	14,791,822

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

Source: Bloomberg LP

## Weekly Performance of Major European Sectors



Index	Index Point as of 30-Sep-16	Performance (Δ%)*						Last 52 weeks		Daily average volume **		Market Cap. (mln. local cur.)
		1 week	1 month	3 months	6 months	1 year	from Jan. '16	Low Price	High Price	1 week	1 month	
DJ Stoxx 600	342.92	-0.7%	-0.2%	4.0%	1.6%	-1.4%	-6.3%	302.59	387.43	2,434,804,224	2,541,041,489	8,971,055.00
<b>Sectors</b>												
DJS Telecom	294.45	-1.5%	-1.5%	-2.9%	-9.6%	-11.4%	-15.2%	276.64	374.07	191,639,299	207,466,107	414,392.00
DJS Auto	484.80	-0.5%	0.0%	14.3%	-3.4%	4.3%	-14.2%	403.04	600.48	32,246,158	34,594,469	281,905.75
DJS Banks	140.11	-1.0%	-2.7%	11.7%	-3.0%	-24.0%	-23.3%	116.29	198.6	1,031,472,717	1,151,591,609	926,670.44
DJS Basic Resources	333.05	1.6%	10.3%	15.0%	24.8%	25.9%	36.0%	191.36	337.72	129,233,758	114,220,011	238,778.13
DJS Chemicals	804.2	0.3%	-1.1%	8.2%	3.1%	2.2%	-2.6%	687.78	896.72	18,784,215	16,284,176	401,675.59
DJS Oil&Gas	282.29	1.6%	0.0%	-2.0%	8.5%	11.1%	7.6%	222.42	302.31	188,437,528	152,872,963	499,320.41
DJS Financials	397.52	-1.2%	-0.2%	7.3%	-1.2%	-4.0%	-11.3%	342.84	471.18	25,166,126	26,350,064	159,561.81
DJS Goods&Services	442.93	-1.0%	-0.3%	8.2%	5.0%	10.5%	3.3%	360.76	460.8	155,201,226	156,464,776	1,000,763.56
DJS Insurance	233.66	-2.5%	0.5%	5.4%	-5.9%	-8.7%	-18.2%	203.67	299.24	97,927,157	113,779,257	467,696.69
DJS Media	278.08	0.1%	0.5%	4.0%	-5.5%	-6.6%	-8.9%	249.39	321.1	55,775,366	52,529,446	244,159.00
DJS Tech	368.40	0.3%	2.4%	15.1%	9.5%	17.6%	3.5%	295.25	372.94	49,690,324	47,294,477	330,419.13
DJS Utilities	288.1	0.9%	0.7%	-2.6%	0.1%	-1.0%	-5.2%	265.83	318.91	140,805,323	140,752,757	419,210.00
DJS Retail	303.41	-1.3%	-1.0%	4.2%	-4.0%	-8.9%	-9.9%	273.13	368.76	100,192,275	107,960,462	348,952.34
DJS Real Estate	175.5	-0.7%	-2.6%	2.9%	-1.2%	-3.6%	-4.2%	157.29	197.4	22,247,683	26,252,737	168,825.44

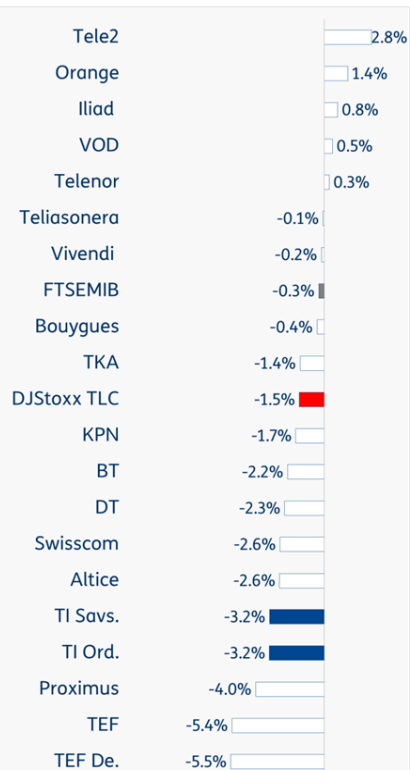
\* performance calculated on closing price. \*\* n. of traded shares.

Source: Bloomberg LP

# Europe: Stock Performance of Main TLC Operators



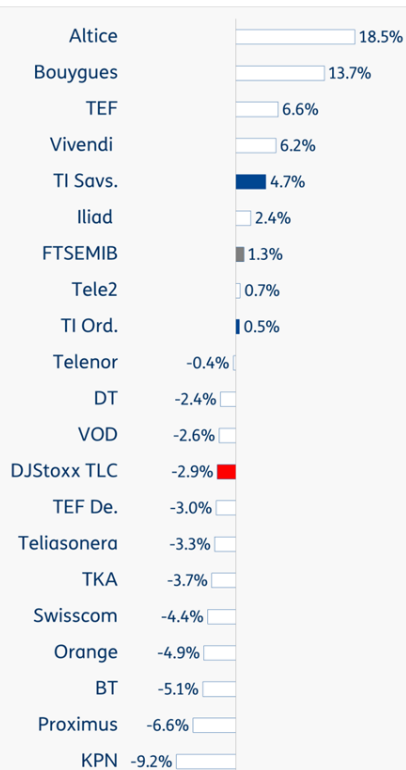
## Last Week Performance



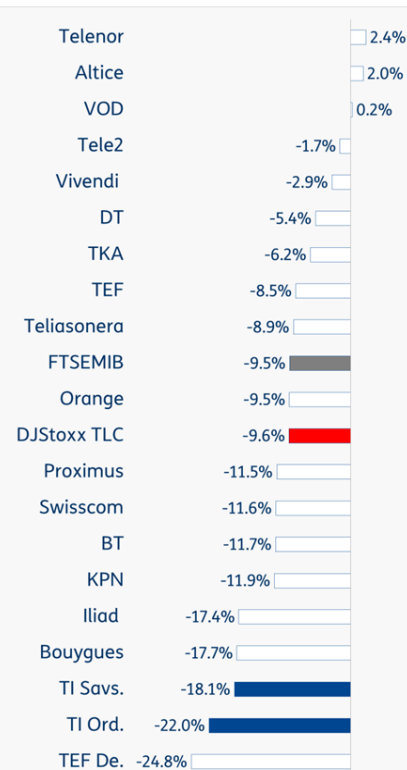
## Last Month Performance



## Last 3 Month Performance



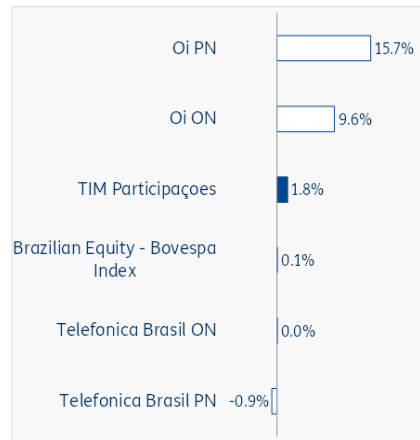
## Last 6 Month Performance



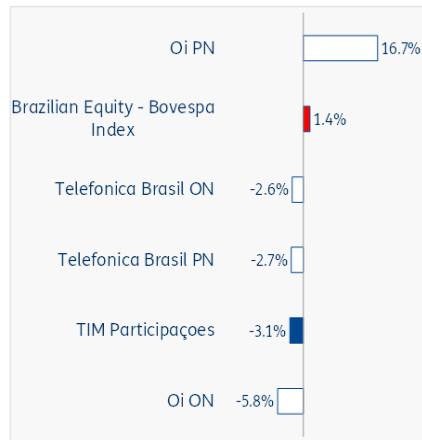
# Latam: Stock Performance of Main TLC Operators



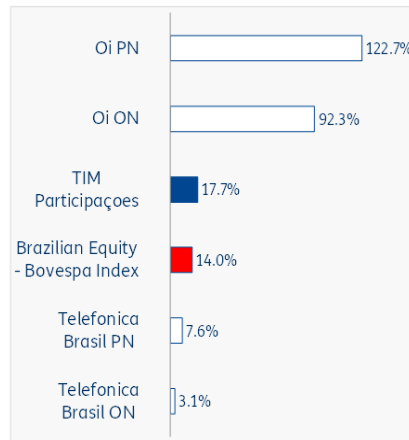
## Last Week Performance



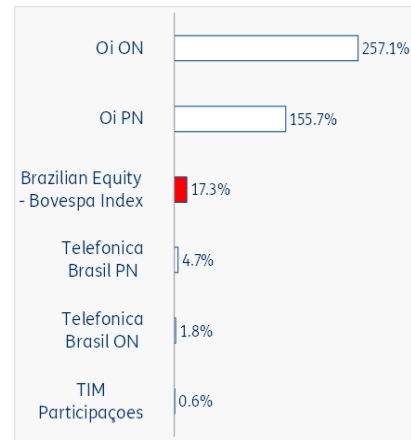
## Last Month Performance



## Last 3 Month Performance



## Last 6 Month Performance



Cl. Price 30-Sep-16	Performance (Δ%)*						Last 52 weeks		Daily average volume **		Market Cap. (mln)
	1 week	1 month	3 months	6 months	1 year	from Jan. '16	Low Price	High Price	1 week	1 month	
R\$ 58,731.89	0.1%	1.4%	14.0%	17.3%	30.4%	35.5%	37,046.07	60,310.50	294,962,845	335,508,185	R\$ 1,852,658
R\$ 8.04	1.8%	-3.1%	17.7%	0.6%	7.2%	17.3%	R\$ 5.63	R\$ 8.87	2,381,600	2,866,903	R\$ 19,489
R\$ 3.75	9.6%	-5.8%	92.3%	257.1%	21.8%	56.2%	R\$ 0.78	R\$ 4.37	2,191,640	3,904,953	R\$ 2,505
R\$ 2.94	15.7%	16.7%	122.7%	155.7%	5.4%	50.8%	R\$ 0.68	R\$ 3.95	11,822,920	12,923,630	R\$ 464
R\$ 38.97	0.0%	-2.6%	3.1%	1.8%	26.1%	14.7%	R\$ 28.41	R\$ 41.00	4,460	9,630	R\$ 22,188
R\$ 47.35	-0.9%	-2.7%	7.6%	4.7%	29.2%	32.5%	R\$ 31.72	R\$ 50.28	1,154,140	1,898,997	R\$ 53,001

\* performance calculated on closing price

\*\* n. of traded shares

# European Telecoms Sector: Credit Outlook

## Long-term Credit Ratings

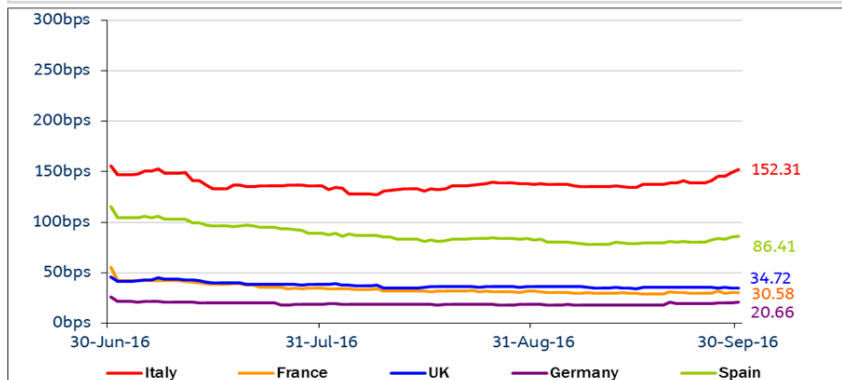


	Moody's		S&P		Fitch	
	rating	outlook	rating	outlook	rating	outlook
TELECOM ITALIA	Ba1	NEG	BB+	STABLE	BBB-	STABLE
ALTICE	n.a.	n.a.	B+	STABLE	n.a.	n.a.
BT GROUP	Baa2	POS	BBB+	STABLE	BBB+	STABLE
DEUTSCHE TELEKOM	Baa1	STABLE	BBB+	STABLE	BBB+	STABLE
KPN	Baa3	STABLE	BBB-	STABLE	BBB	STABLE
ORANGE	Baa1	STABLE	BBB+	STABLE	BBB+	STABLE
PROXIMUS	A1	STABLE	A	STABLE	n.a.	n.a.
SWISSCOM	A2	STABLE	A	STABLE	n.a.	n.a.
TELEFONICA	Baa2	NEG	BBB	STABLE	BBB	STABLE
TELEKOM AUSTRIA	Baa2	STABLE	BBB	STABLE	n.a.	n.a.
TELENOR	A3	STABLE	A	STABLE	NR	n.a.
TELIASONERA	Baa1	STABLE	A-	CW NEG	A-	STABLE
VODAFONE GROUP	Baa1	STABLE	BBB+	STABLE	BBB+	STABLE
WIND TELECOMUNICAZIONI	B2	POS	BB-	POS	B+	STABLE
OI GROUP	WR*	WR*	D	WR*	C	WR*

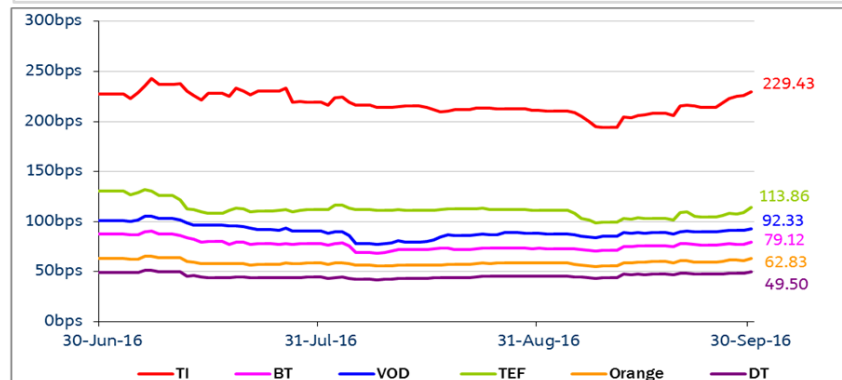
\* Withdrawn rating: all OI's ratings withdrawn following the filing for the restructuring proceeding

## 5 Years CDS levels

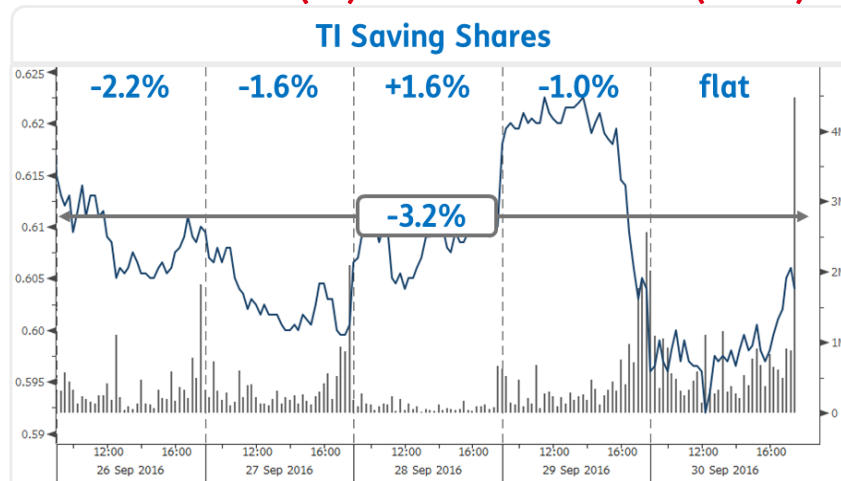
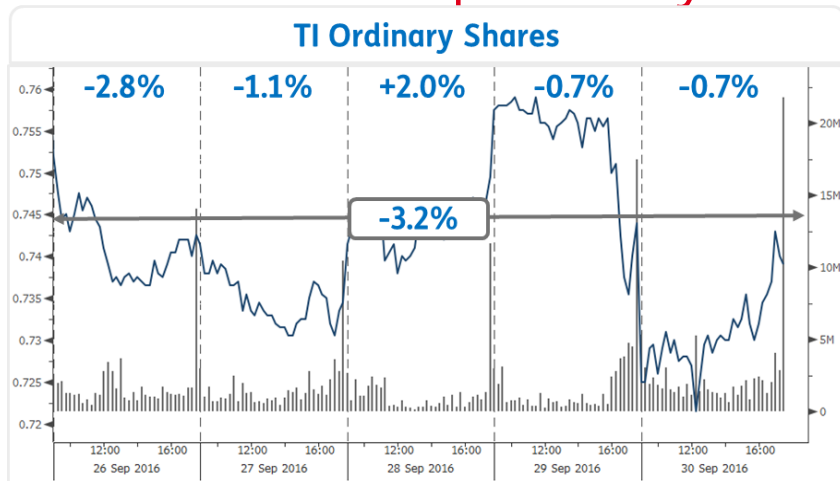
### Countries



### TLC Operators



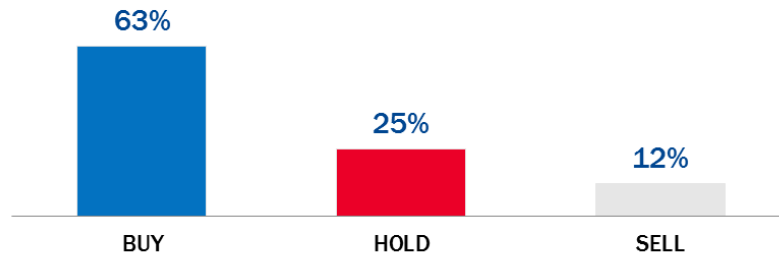
# Telecom Italia Group – Weekly Performance: Price (€) and Volumes (mln)



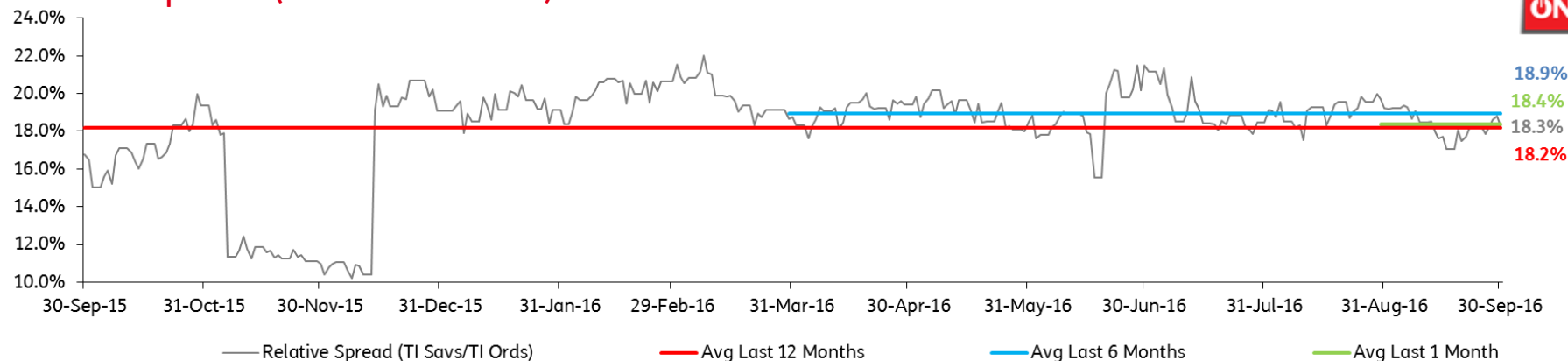
## Analysts' Recommendations on TI Ords

Total Coverage of 32 Active Brokers

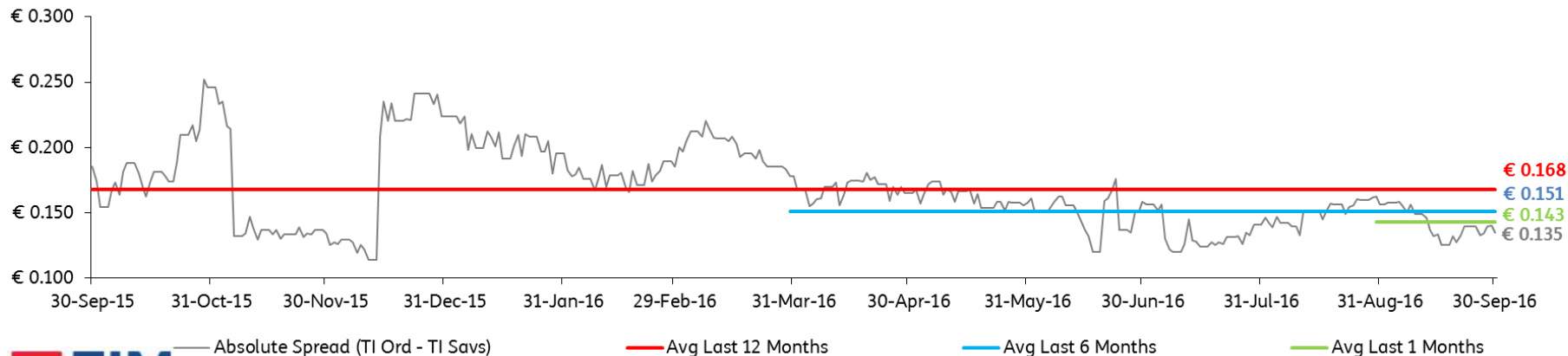
Average Target Price: 1.02€



## Relative Spread (TI Savs /TI Ords): Evolution over the Last 12 Months



## Absolute Spread (TI Ords – TI Savs): Evolution over the Last 12 Months





# Performance Summary of Main European TLC Operators



Country	CL Price (local currency) 30-Sep-16	Performance (Δ%)*							Last 52 weeks		Daily average volume **		Market Cap. (all in €mln)
		1 week	1 month	3 months	6 months	1 year	from Jan. '16		Low Price	High Price	1 week	1 month	

## EUROPEAN TLC OPERATORS

### Index

DJStoxx Telecom	EU	294.45	-1.5%	-1.5%	-2.9%	-9.6%	-11.4%	-15.2%	276.64	374.07	191,639,299	207,466,107	
FTSEMIB Index	IT	16,401.00	-0.3%	-3.2%	1.3%	-9.5%	-23.0%	-23.4%	15,017.42	22,874.96	589,002,803	651,702,630	

### TLC Operators

Altice	NL	15.97	-2.6%	7.0%	18.5%	2.0%	-14.7%	20.5%	9.975	20.535	1,276,175	1,439,663	17,800
Bouygues	FR	29.50	-0.4%	3.7%	13.7%	-17.7%	-7.0%	-19.3%	24.745	38.595	706,446	881,971	10,193
BT	GB	389.05	-2.2%	0.7%	-5.1%	-11.7%	-7.3%	-17.5%	359.600	502.600	13,574,050	14,448,850	44,823
DT	DE	14.92	-2.3%	-0.3%	-2.4%	-5.4%	-6.1%	-10.6%	13.535	17.570	7,472,105	7,867,781	69,779
Freenet	DE	26.03	-1.3%	1.1%	12.8%	-1.0%	-11.9%	-16.9%	22.200	32.490	305,647	351,969	3,333
Orange	FR	13.93	1.4%	1.8%	-4.9%	-9.5%	3.0%	-10.0%	12.375	16.975	5,543,821	6,141,715	37,055
OTE	GR	7.80	-1.5%	-8.2%	-3.3%	-1.9%	0.0%	-15.6%	6.550	9.710	562,659	683,720	3,823
Iliad	FR	186.80	0.8%	1.1%	2.4%	-17.4%	3.5%	-15.1%	167.500	238.100	77,442	107,058	10,971
Inmarsat	GB	705.00	1.6%	-8.6%	-12.4%	-28.4%	-28.2%	-38.0%	663.500	1,153.000	2,360,357	2,383,270	3,680
KPN	NL	2.96	-1.7%	1.0%	-9.2%	-11.9%	-2.9%	-7.1%	2.700	3.378	11,012,170	10,320,070	12,619
Proximus	BE	26.59	-4.0%	-3.1%	-6.6%	-11.5%	-13.9%	-11.4%	26.370	32.785	575,041	476,380	8,986
Sunrise	CH	67.75	-1.0%	1.3%	8.9%	8.0%	27.4%	20.5%	46.035	70.000	89,764	99,078	2,798
Swisscom	CH	461.70	-2.6%	-1.7%	-4.4%	-11.6%	-5.0%	-8.2%	445.000	528.500	111,312	98,817	21,951
Talk Talk	GB	202.00	-1.7%	-4.3%	-7.8%	-14.8%	-35.8%	-7.1%	184.000	320.400	1,381,404	2,368,745	2,234
TDC	DK	38.98	-2.1%	5.7%	19.4%	21.6%	13.4%	13.3%	28.240	40.260	2,122,359	2,798,788	4,251
Tele2	SE	74.05	2.8%	3.9%	0.7%	-1.7%	-9.1%	-12.6%	65.850	89.700	1,760,420	1,644,968	3,486
Telecom Italia Ord.	IT	0.74	-3.2%	-9.2%	0.5%	-22.0%	-32.9%	-37.1%	0.627	1.316	55,233,890	72,410,850	9,976
Telecom Italia Sav.	IT	0.60	-3.2%	-8.1%	4.7%	-18.1%	-31.2%	-33.7%	0.503	1.075	10,447,470	17,735,900	3,641
Telefonica	ES	9.02	-5.4%	-0.2%	6.6%	-8.5%	-16.8%	-11.9%	7.451	12.570	15,793,270	15,067,100	44,851
Telefonica Deutschland	DE	3.58	-5.5%	-2.8%	-3.0%	-24.8%	-34.4%	-26.8%	3.328	5.994	2,462,938	2,316,550	10,652
Telenor	NO	137.10	0.3%	-5.8%	-0.4%	2.4%	-13.7%	-7.6%	116.800	173.600	1,624,569	1,318,497	22,934
Telekom Austria (TKA)	AT	5.03	-1.4%	-1.9%	-3.7%	-6.2%	0.5%	0.5%	4.618	5.687	154,082	236,377	3,339
Teliasonera	SE	38.42	-0.1%	-0.6%	-3.3%	-8.9%	-14.7%	-8.9%	35.560	45.410	9,201,275	9,396,137	17,270
Vivendi	FR	17.95	3.3%	3.3%	6.2%	-2.9%	-15.0%	-9.6%	14.870	22.725	3,425,844	3,873,343	23,095
Vodafone Group	GB	221.75	0.5%	-3.5%	-2.6%	0.2%	6.4%	0.3%	197.700	240.100	58,833,550	56,258,860	68,283

## EUROPEAN TOWERS OPERATORS

Inwit	IT	4.38	-1.2%	0.0%	10.4%	-0.6%	0.0%	19.9%	3.692	5.180	344,199	443,627	2,627
EI Towers	IT	46.90	-3.3%	-0.2%	2.7%	-4.2%	-14.7%	-21.2%	41.000	59.750	21,662	26,388	1,326
Rai Way	IT	3.60	-6.2%	-11.1%	-11.1%	-23.7%	-15.8%	-23.7%	3.444	5.450	88,767	78,529	979
Cellnex Telecom (Abertis)	ES	16.10	0.6%	2.9%	14.8%	14.6%	5.9%	15.0%	12.815	17.500	667,419	773,638	3,730

\* performance calculated on closing price

\*\* n. of traded shares

Source: Bloomberg LP

## Performance Summary of FTSE MIB



Index	Cl. Price € 30-Sep-16	Performance (Δ%)*						Last 52 weeks		Daily average volume		Market** Cap. mil. Euro
		1 week	1 month	3 month	6 months	1 year	from Jan. '16	Low Price	High Price	1 week	1 month	
<b>FTSE MIB (Milan)</b>	<b>16,401</b>	<b>-0.3%</b>	<b>-3.2%</b>	<b>1.3%</b>	<b>-9.5%</b>	<b>-23.0%</b>	<b>-23.4%</b>	<b>15,017</b>	<b>22,875</b>	<b>589,002,803</b>	<b>651,702,630</b>	<b>363,559</b>
FTSE Italia All-Shore (Milan)	18,033	-0.4%	-3.0%	1.5%	-8.9%	-21.1%	-22.4%	16,545	24,608	671,880,512	728,452,297	450,786
<b>Stocks FTSE MIB Index</b>												
A2A Spa	1.26	1.1%	5.7%	6.7%	10.0%	13.2%	0.2%	0.94	1.37	7,725,981	8,859,015	3,938
Atlantia Spa	22.59	0.2%	-2.0%	1.0%	-7.3%	-9.6%	-7.8%	20.79	25.74	1,607,570	1,729,993	18,654
Azimut Holding Spa	13.10	-4.4%	-4.8%	-10.2%	-35.3%	-31.7%	-43.2%	12.43	24.47	1,095,917	928,779	1,877
Banca Mediolanum Spa	5.90	-0.7%	-5.1%	-3.8%	-15.8%	-7.7%	-19.3%	5.13	7.97	1,357,205	1,047,048	4,360
Banca Monte Dei Paschi Siena	0.19	-1.2%	-23.0%	-50.9%	-63.0%	-88.3%	-84.9%	0.18	1.76	38,640,610	42,494,490	546
Banca Popol Emilia Romagna	3.31	2.1%	-4.0%	1.0%	-20.8%	-55.1%	-53.0%	2.51	8.04	4,188,095	4,901,480	1,594
Banca Popolare Di Milano	0.36	3.3%	-7.0%	-3.0%	-41.9%	-59.5%	-61.2%	0.32	0.94	64,817,930	70,582,310	1,569
Banco Popolare Sc	2.10	1.9%	-6.3%	-2.2%	-53.3%	-78.6%	-77.9%	1.76	10.59	11,772,420	13,621,500	1,735
Buzzi Unicem Spa	18.25	1.4%	-4.2%	16.4%	20.1%	22.2%	9.9%	11.67	19.76	596,031	659,381	3,429
Davide Campari-Milano Spa	10.03	1.2%	2.8%	13.0%	14.2%	40.9%	25.4%	6.88	10.28	1,089,908	1,116,779	5,825
Cnh Industrial Nv	6.37	-2.2%	-1.7%	6.6%	9.4%	0.5%	0.5%	5.17	7.03	2,858,294	3,071,787	8,706
Enel Spa	3.97	-0.1%	0.3%	-0.3%	1.8%	-0.5%	2.0%	3.33	4.28	28,895,430	32,162,440	40,341
Eri Spa	12.82	1.7%	-5.3%	-11.7%	-3.6%	-8.8%	-7.1%	10.93	15.85	18,196,120	16,736,950	46,590
Exor Spa	36.05	-1.8%	-2.2%	9.3%	14.4%	-7.5%	-14.4%	23.13	45.93	291,218	332,328	8,688
Ferrari Nv	46.23	2.4%	7.0%	26.1%	26.7%	n.a.	n.a.	27.91	46.42	654,819	528,203	8,965
Fiat Chrysler Automobiles Nv	5.65	-1.9%	-8.8%	2.8%	-20.0%	-26.2%	-33.7%	4.89	9.69	11,303,490	13,858,280	7,320
Fincombank Spa	5.16	-0.5%	-5.4%	-11.9%	-30.3%	-13.2%	-32.4%	4.93	7.64	2,010,437	1,852,575	3,128
Leonardo-Finmeccanica Spa	10.09	-1.3%	-1.4%	11.4%	-9.5%	-9.8%	-21.8%	8.03	13.94	1,571,097	1,866,881	5,834
Assicurazioni Generali	10.86	-3.0%	-4.7%	2.9%	-16.7%	-33.6%	-35.8%	9.76	18.09	7,491,724	12,542,570	16,940
Intesa Sanpaolo	1.97	-1.1%	-7.3%	16.0%	-18.9%	-37.5%	-36.1%	1.52	3.30	99,695,210	112,301,600	33,045
Italcementi Spa	10.58	0.1%	0.1%	0.2%	2.7%	6.7%	3.2%	9.37	10.65	1,214,782	1,503,449	3,695
Luxottica Group Spa	42.52	-3.5%	-1.7%	-2.6%	-12.3%	-31.4%	-29.6%	41.90	65.90	631,241	527,694	20,575
Mediaset Spa	2.79	0.4%	-1.5%	-10.8%	-22.9%	-32.0%	-27.1%	2.56	4.79	4,349,060	5,648,400	3,300
Mediobanca Spa	5.79	-6.2%	-12.3%	12.3%	-8.5%	-34.1%	-34.8%	4.60	9.40	4,491,404	4,403,688	5,043
Moncler Spa	15.19	-0.6%	2.2%	7.4%	2.3%	-5.1%	17.6%	11.30	16.30	1,737,910	1,014,558	3,800
Phrymian Spa	23.32	-0.4%	5.4%	18.7%	17.1%	26.4%	15.1%	16.06	23.66	899,568	822,404	5,054
Recordati Spa	28.61	4.0%	5.5%	6.0%	30.0%	38.7%	18.8%	18.80	29.74	576,737	387,354	5,983
Salpem Spa	0.38	1.8%	-8.3%	5.1%	7.0%	-58.2%	-60.0%	0.28	1.14	92,690,340	64,790,560	3,809
Salvatore Ferragamo Spa	22.60	0.0%	10.5%	23.8%	0.6%	-5.2%	3.9%	17.26	27.03	778,334	703,747	3,815
Snam Spa	4.94	0.9%	-0.7%	-7.9%	-10.3%	7.4%	2.2%	4.45	5.58	10,498,690	9,798,280	17,279
Stmicroelectronics Nv	7.25	0.8%	8.0%	38.4%	48.8%	19.0%	15.7%	4.48	7.32	3,165,395	3,384,774	6,605
<b>Telecom Italia Spa</b>	<b>0.74</b>	<b>-3.2%</b>	<b>-9.2%</b>	<b>0.5%</b>	<b>-22.0%</b>	<b>-32.9%</b>	<b>-37.1%</b>	<b>0.63</b>	<b>1.32</b>	<b>55,233,890</b>	<b>72,410,850</b>	<b>13,617</b>
Tenaris Sa	12.68	9.0%	2.9%	-2.5%	15.8%	18.2%	15.9%	8.53	13.45	3,893,618	2,847,104	14,969
Terna Spa	4.59	0.8%	-0.9%	-8.1%	-8.5%	5.6%	-3.5%	4.22	5.12	4,702,083	4,805,139	9,222
Tad'S Spa	46.99	-1.8%	-12.4%	-2.6%	-24.9%	-40.0%	-35.7%	45.62	82.50	51,154	55,157	1,555
Ubi Banca Spa	2.05	-2.4%	-15.0%	-17.1%	-37.0%	-67.7%	-66.9%	1.90	7.19	11,585,780	12,692,680	1,849
Unicredit Spa	2.07	-3.5%	-10.1%	5.2%	-34.6%	-62.8%	-59.6%	1.70	6.17	73,191,970	110,009,800	12,814
Unipol Gruppo Finanziario Sp	2.27	-4.3%	-8.9%	7.9%	-36.1%	-42.2%	-52.3%	1.91	4.84	5,529,056	5,116,229	1,630
Unipolsai Spa	1.45	-0.9%	-3.3%	7.5%	-28.8%	-25.6%	-38.6%	1.25	2.45	5,582,495	6,977,603	4,097
Yoxo Net-A-Porter Group	27.56	-2.6%	-1.9%	32.6%	2.2%	2.5%	-20.2%	19.00	36.78	427,144	437,915	3,685

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