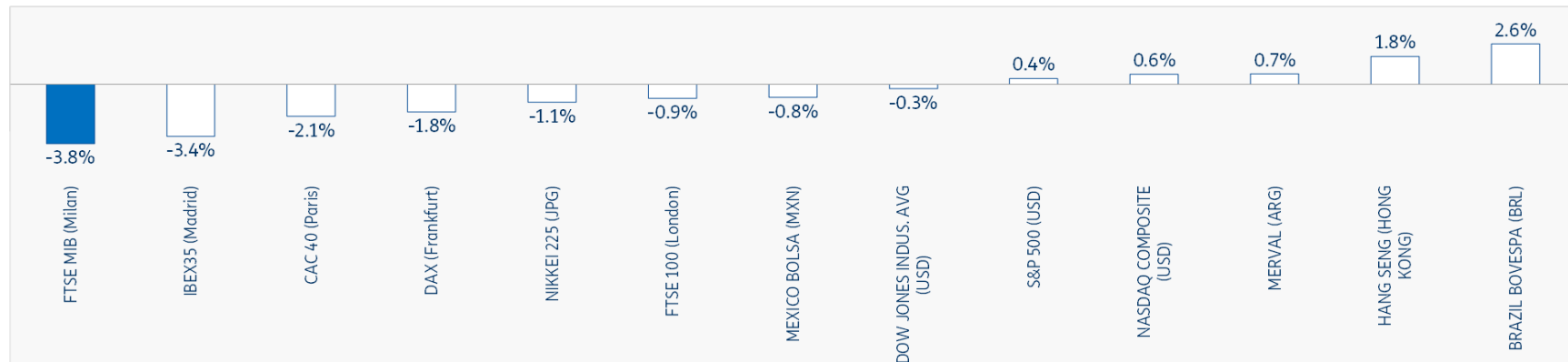


# **Weekly Stock Market Report for Telecom Italia Retail Shareholders**

**May 30<sup>th</sup> – Jun 3<sup>rd</sup>, 2016**

## Weekly Performance of Major Worldwide Market Stock Exchanges

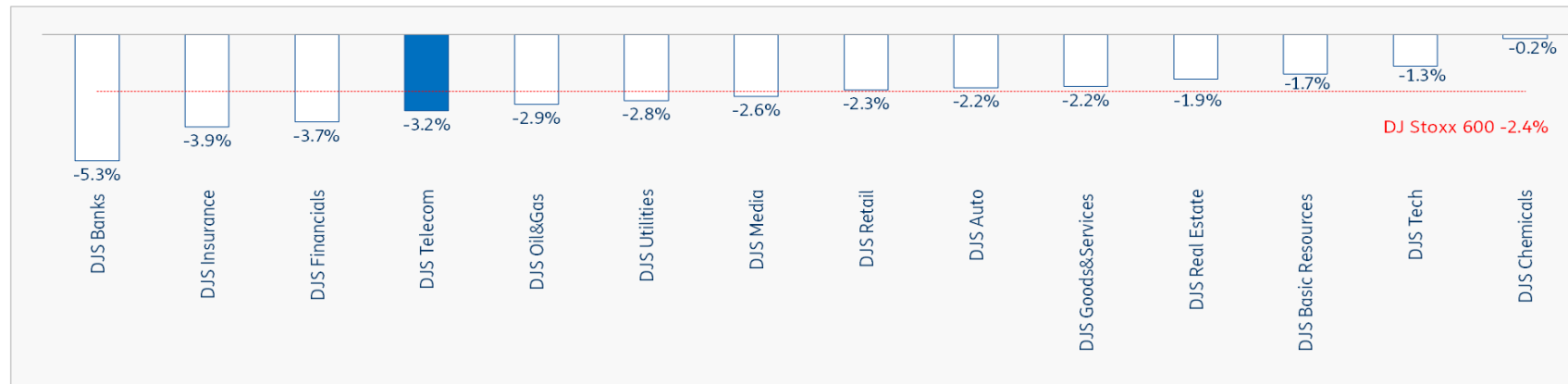


	Index Point as of 03-Jun-16	Performance (Δ%)*					Last 52 weeks		Daily average volume **		Market Cap. (mln. local cur.)
		1 week	1 month	6 months	1 year	from Jan. '16	Low Price	High Price	1 week	1 month	
Europe											
FTSE MIB (Milan)	17,495	-3.8%	-2.6%	-20.5%	-25.9%	-18.3%	15,773	24,157	592,952,781	714,315,642	387,189
FTSE 100 (London)	6,210	-0.9%	0.4%	-1.0%	-10.7%	-0.5%	5,500	6,986	747,673,721	728,076,985	1,732,380
DAX (Frankfurt)	10,103	-1.8%	1.8%	-6.4%	-11.5%	-6.0%	8,699	11,802	66,809,155	85,487,037	980,709
CAC 40 (Paris)	4,422	-2.1%	1.1%	-6.5%	-12.2%	-4.6%	3,892	5,218	88,632,110	99,551,738	1,232,387
IBEX35 (Madrid)	8,802	-3.4%	0.4%	-12.8%	-21.9%	-7.8%	7,746	11,613	304,697,024	388,602,344	538,966
America											
DOW JONES INDUS. AVG (USD)	17,776	-0.3%	0.1%	1.7%	-1.7%	2.0%	15,370	18,189	88,736,488	93,197,181	5,307,790
S&P 500 (USD)	2,098	0.4%	1.7%	2.4%	-0.8%	2.6%	1,810	2,133	614,434,182	614,871,369	18,986,070
NASDAQ COMPOSITE (USD)	4,933	0.6%	3.6%	-2.1%	-3.3%	-1.5%	4,210	5,232	448,265,018	440,369,871	7,493,312
MEXICO BOLSA (MXN)	45,739	-0.8%	0.2%	6.3%	2.3%	6.4%	39,257	46,308	262,527,352	226,613,914	2,183,143
MERVAL (ARG)	12,813	0.7%	-2.7%	-0.8%	14.4%	9.7%	8,660	14,597	6,085,646	6,252,098	12,724
BRAZIL BOVESPA (BRL)	50,328	2.6%	-3.7%	8.5%	-6.0%	16.1%	37,046	54,978	336,609,594	398,551,721	1,618,134
Asia											
NIKKEI 225 (JPG)	16,642	-1.1%	3.3%	-14.7%	-18.7%	-12.6%	14,866	20,953	1,288,072,269	1,449,952,576	297,708,128
HANG SENG (HONG KONG)	20,947	1.8%	4.2%	-5.8%	-23.2%	-4.4%	18,279	27,647	2,103,586,176	1,580,403,392	13,198,520

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

Source Bloomberg LP

## Weekly Performance of Major European Sectors



Index	Index Point as of 03-Jun-16	Performance (Δ%)*					Last 52 weeks		Daily average volume**		Market Cap. (mln. local cur.)
		1 week	1 month	6 months	1 year	from Jan. '16	Low Price	High Price	1 week	1 month	
DJ Stoxx 600	341.29	-2.4%	1.7%	-8.3%	-13.8%	-6.7%	302.59	408.73	3,012,221,363	2,848,926,327	8,964,726.00
<b>Sectors</b>											
DJS Telecom	320.05	-3.2%	1.3%	-9.6%	-14.5%	-7.8%	295.61	399.43	206,039,216	257,222,701	451,746.81
DJS Auto	477.08	-2.2%	-0.6%	-15.1%	-24.4%	-15.6%	416.06	648.96	32,664,617	39,253,442	285,670.53
DJS Banks	146.8	-5.3%	1.0%	-21.9%	-33.2%	-19.6%	130.03	227.47	1,802,599,117	1,487,134,739	981,291.56
DJS Basic Resources	271.37	-1.7%	-3.6%	3.5%	-32.8%	10.8%	191.36	408.57	102,508,853	131,363,849	188,461.63
DJS Chemicals	755.82	-0.2%	-2.4%	-9.4%	-19.0%	-8.4%	687.78	964.75	17,408,836	18,847,634	381,074.41
DJS Oil&Gas	270	-2.9%	-0.8%	-3.8%	-15.9%	2.9%	222.42	325.22	86,037,388	95,873,751	467,041.94
DJS Financials	403.09	-3.7%	1.9%	-11.1%	-12.4%	-10.0%	344.56	483.43	22,653,290	24,234,033	166,886.00
DJS Goods&Services	427.53	-2.2%	2.5%	-2.8%	-9.5%	-0.3%	360.76	476.31	143,409,820	145,000,668	994,000.19
DJS Insurance	246.38	-3.9%	0.6%	-14.1%	-12.0%	-13.7%	218.94	299.24	98,706,956	105,952,466	505,759.69
DJS Media	283.9	-2.6%	1.1%	-8.2%	-11.7%	-7.0%	258.78	337.67	52,026,551	54,713,891	257,455.31
DJS Tech	328.55	-1.3%	4.0%	-8.7%	-9.6%	-7.7%	284.27	372.94	40,886,041	56,718,613	326,455.56
DJS Utilities	289.84	-2.8%	-0.8%	-5.1%	-12.4%	-4.6%	265.83	334.42	124,058,714	137,514,589	395,601.47
DJS Retail	310.52	-2.3%	0.7%	-11.7%	-14.6%	-7.8%	294.4	381.17	84,309,958	97,838,137	351,699.00
DJS Real Estate	180.42	-1.9%	2.2%	-2.6%	0.6%	-1.5%	157.29	197.67	24,489,083	22,723,032	162,265.67

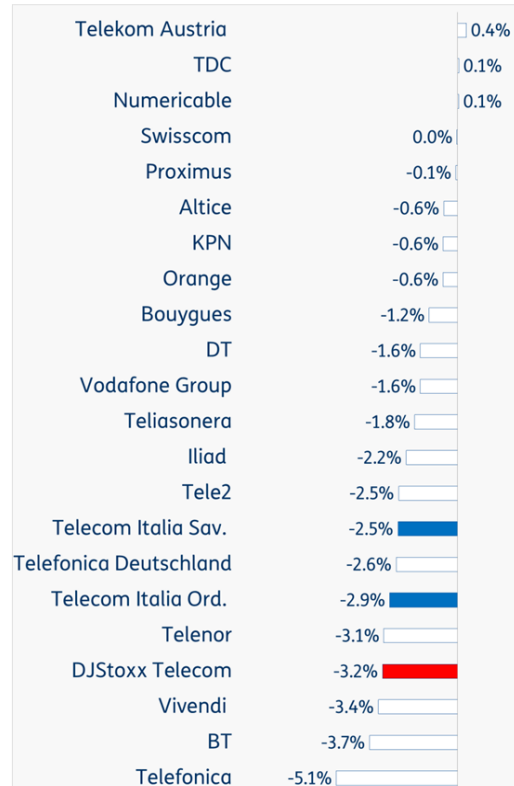
\* performance calculated on closing price. \*\* n. of traded shares.

Source Bloomberg LP

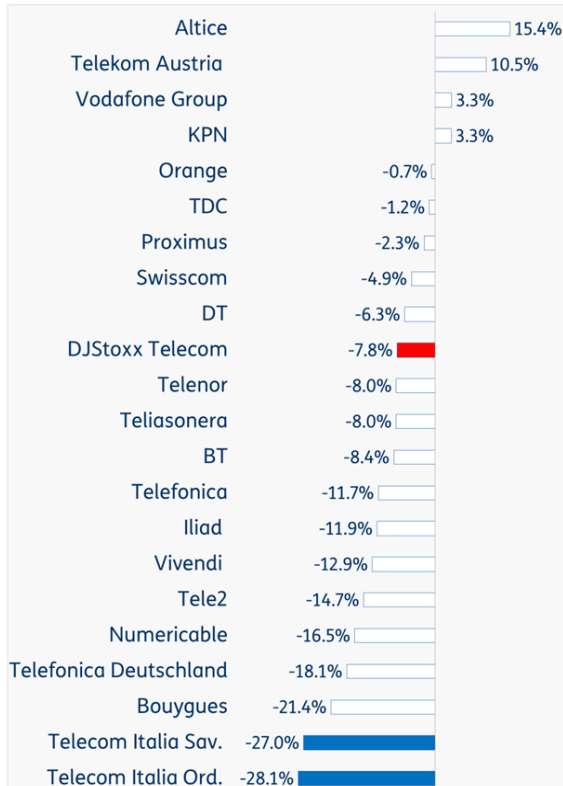
# Europe: Stock Performance of Main TLC Operators



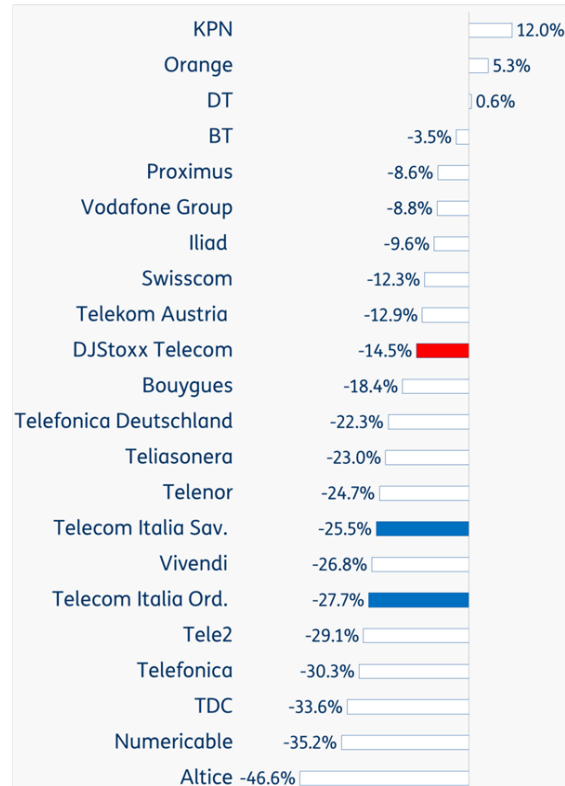
## Last Week Performance



## 2016 Year-To-Date Performance



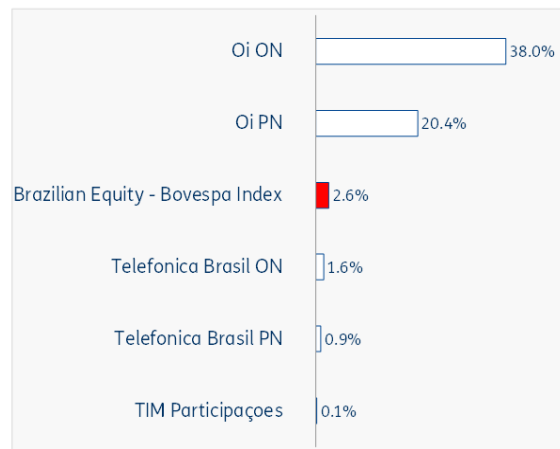
## Last 12 Month Performance



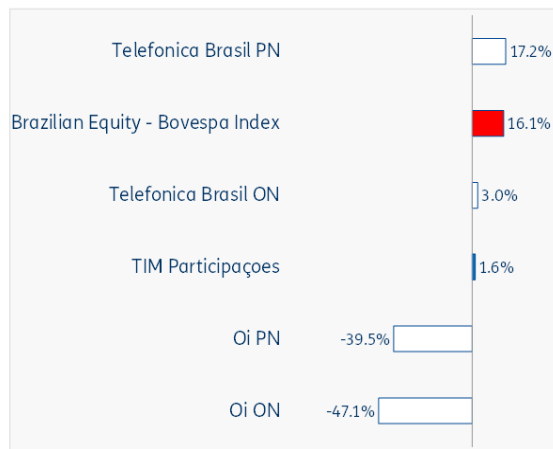
# Latam: Stock Performance of Main TLC Operators



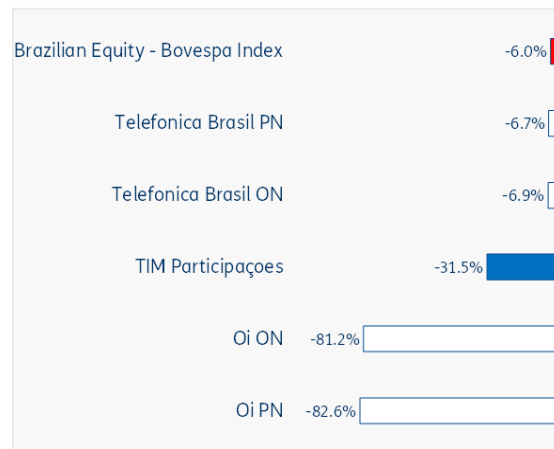
## Last Week Performance



## 2016 Year-To-Date Performance



## Last 12 Month Performance



Cl. Price 03-Jun-16	Performance (Δ%)*					Last 52 weeks		Daily average volume**		Market Cap. (mln)***
	1 week	1 month	6 months	1 year	from Jan. '16	Low Price	High Price	1 week	1 month	

### BRAZIL

#### Index

Brazilian Equity - Bovespa Index	R\$ 50,318.39	2.6%	-3.7%	8.5%	-6.0%	16.1%	37,046.07	54,977.70	336,609,594	398,551,721	R\$ 1,618,134
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#### Peers

TIM Participações	R\$ 6.96	0.1%	-9.8%	-5.6%	-31.5%	1.6%	R\$ 5.63	R\$ 10.77	2,530,260	2,637,617	R\$ 16,875
Oi ON	R\$ 1.27	38.0%	53.0%	-53.6%	-81.2%	-47.1%	R\$ 0.78	R\$ 7.16	12,004,300	6,536,760	R\$ 848
Oi PN	R\$ 1.18	20.4%	15.7%	-27.6%	-82.6%	-39.5%	R\$ 0.89	R\$ 7.18	8,474,440	4,205,524	R\$ 186
Telefonica Brasil ON	R\$ 35.00	1.6%	-2.8%	9.4%	-6.9%	3.0%	R\$ 28.41	R\$ 40.41	9,320	6,143	R\$ 19,927
Telefonica Brasil PN	R\$ 41.85	0.9%	-1.7%	12.2%	-6.7%	17.2%	R\$ 31.72	R\$ 47.56	2,107,360	1,843,350	R\$ 46,844

\*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).

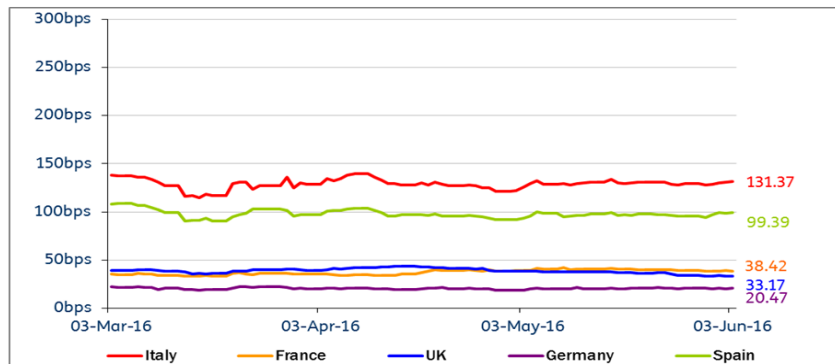
# European Telecoms Sector: Credit Outlook

## Long-term Credit Ratings

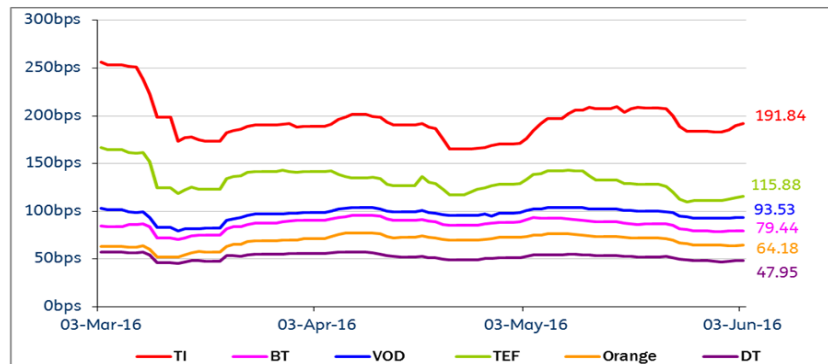
	Moody's		S&P		Fitch	
	rating	outlook	rating	outlook	rating	outlook
TELECOM ITALIA	Ba1	NEG	BB+	STABLE	BBB-	STABLE
ALTICE	n.a.	n.a.	B+	STABLE	n.a.	n.a.
BT GROUP	Baa2	POS	BBB	POS	BBB+	STABLE
DEUTSCHE TELEKOM	Baa1	STABLE	BBB+	STABLE	BBB+	STABLE
KPN	Baa3	STABLE	BBB-	STABLE	BBB-	POS
ORANGE	Baa1	STABLE	BBB+	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-	STABLE	A-	STABLE
VODAFONE GROUP	Baa1	STABLE	BBB+	STABLE	BBB+	STABLE
WIND TELECOMUNICAZIONI	B2	POS	BB-	POS	B+	STABLE
OI GROUP	Caa1	NEG	CCC-	NEG	CCC	n.a.

## 5 Years CDS levels

### Countries



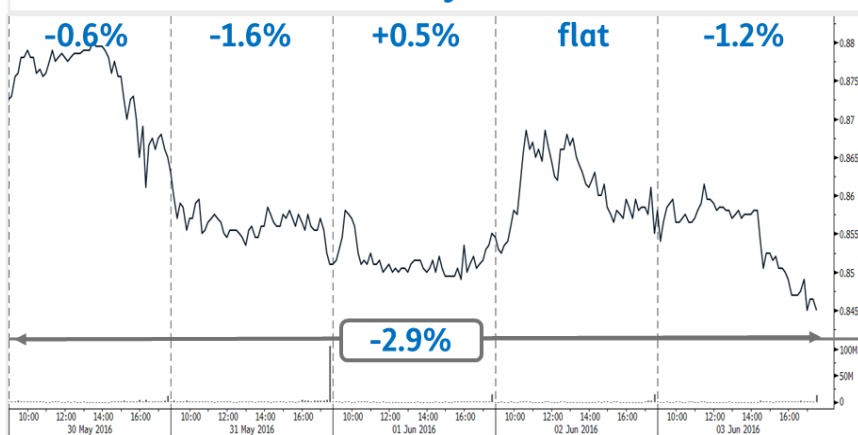
### TLC Operators



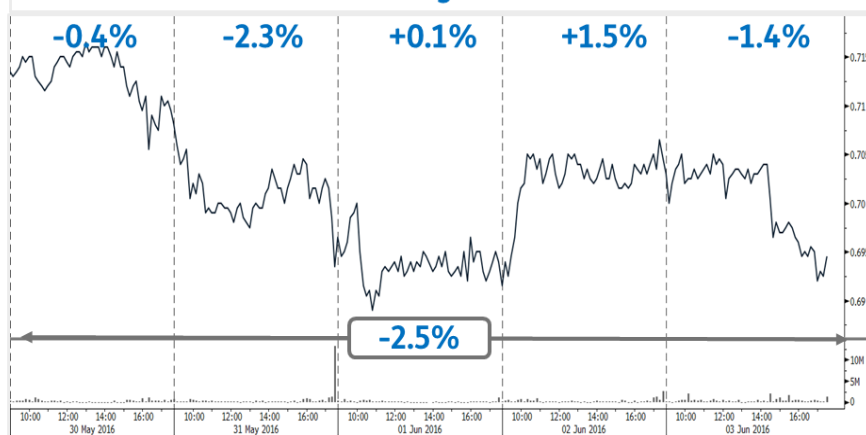
# Telecom Italia Group – Weekly Performance: Price (€) and Volumes (mln)



TI Ordinary Shares



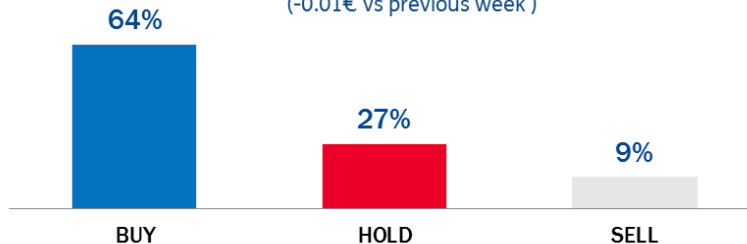
TI Saving Shares



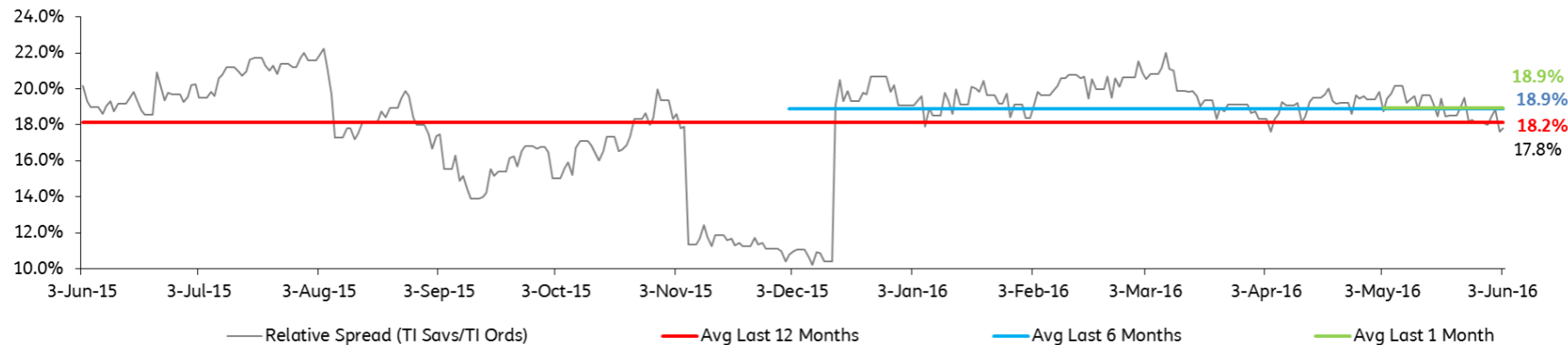
## Analysts' Recommendations on TI Ords

Total Coverage of 32 Active Brokers

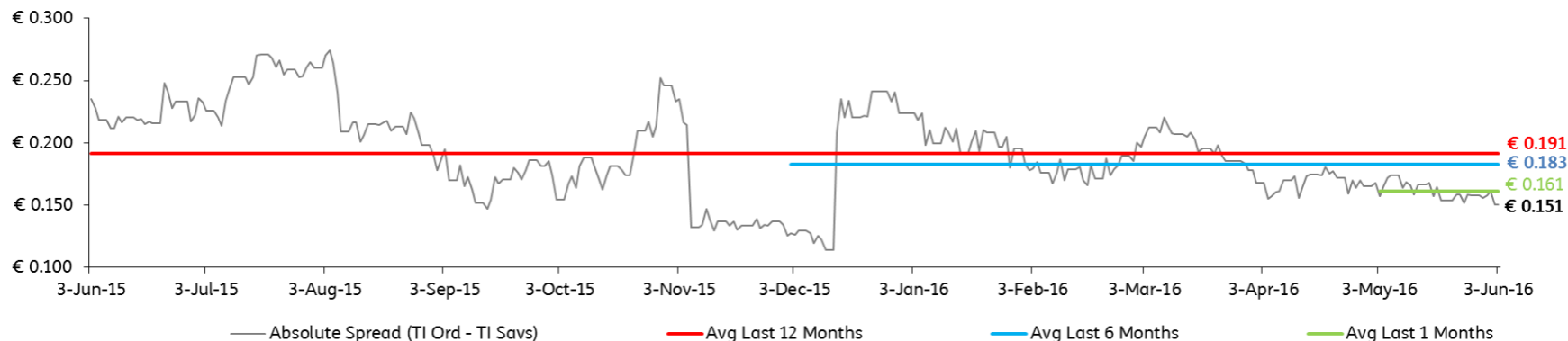
Average Target Price: 1.11€  
(-0.01€ vs previous week)



## 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	C. Price (local currency) 03-Jun-16	Performance (Δ%)*					Last 52 weeks		Daily average volume **		Market Cap. (all in €mln)
			1 week	1 month	6 months	1 year	from Jan. '16	Low Price	High Price	1 week	1 month	
EUROPEAN TLC OPERATORS												
Index												
DJStoxx Telecom	EU	320.05	-3.2%	1.3%	-9.6%	-14.5%	-7.8%	295.61	399.43	206,039,216	257,222,701	
TLC Operators												
Altice	NL	15.29	-0.6%	16.3%	19.2%	-46.6%	15.4%	9.975	35.800	1,229,672	1,292,548	17,066
Bouygues	FR	28.74	-1.2%	-1.1%	-17.0%	-18.4%	-21.4%	28.250	38.860	585,579	818,501	9,921
BT	GB	431.85	-3.7%	-3.6%	-9.9%	-3.5%	-8.4%	404.000	502.600	14,356,080	17,543,840	54,905
DT	DE	15.65	-1.6%	3.1%	-5.0%	0.6%	-6.3%	13.385	17.570	7,573,013	8,888,567	72,071
Freenet	DE	25.64	2.8%	-4.5%	-15.8%	-15.9%	-18.1%	24.105	33.105	354,658	590,984	3,283
Orange	FR	15.37	-0.6%	3.7%	-2.1%	5.3%	-0.7%	12.210	16.975	4,418,110	5,600,206	40,713
OTE	GR	9.20	3.8%	8.6%	4.2%	10.8%	-0.4%	5.750	9.710	870,219	723,660	4,509
Iliad	FR	193.75	-2.2%	-0.9%	-7.2%	-9.6%	-11.9%	173.050	238.100	87,908	90,285	11,376
Inmarsat	GB	715.00	-4.3%	-23.7%	-36.3%	-28.9%	-37.1%	701.000	1,153.000	2,218,188	2,235,520	4,130
KPN	NL	3.58	-0.6%	4.5%	4.0%	12.0%	3.3%	2.992	3.683	9,917,746	9,646,866	15,288
Numericable	FR	27.97	0.1%	-2.8%	-14.6%	-35.2%	-16.5%	25.570	48.038	218,314	218,285	12,324
Proximus	BE	29.32	-0.1%	0.0%	-1.8%	-8.6%	-2.3%	27.460	35.215	865,744	590,399	9,911
Sunrise	CH	61.00	2.0%	5.1%	5.1%	n.a.	n.a.	46.035	79.468	105,417	116,567	2,476
Swisscom	CH	478.60	0.0%	-2.8%	-4.2%	-12.3%	-4.9%	452.700	572.000	141,106	137,624	22,367
Talk Talk	GB	240.30	-1.5%	-8.3%	2.3%	-41.1%	10.5%	184.000	412.700	1,421,344	1,317,468	2,941
TDC	DK	33.97	0.1%	2.9%	-3.1%	-33.6%	-1.2%	28.240	53.750	3,194,418	2,919,841	3,708
Tele2	SE	72.30	-2.5%	-5.1%	-16.5%	-29.1%	-14.7%	65.850	104.600	2,129,574	2,773,171	3,530
Telecom Italia Ord.	IT	0.845	-2.9%	1.0%	-26.6%	-27.7%	-28.1%	0.797	1.316	91,461,280	97,778,860	11,407
Telecom Italia Sav.	IT	0.695	-2.5%	2.2%	-32.2%	-25.5%	-27.0%	0.635	1.122	18,934,570	23,423,630	4,186
Telefonica	ES	9.04	-5.1%	-2.3%	-19.7%	-30.3%	-11.7%	8.483	14.305	19,638,820	37,334,080	44,981
Telefonica Deutschland	DE	4.01	-2.6%	-9.9%	-23.3%	-22.3%	-18.1%	3.984	5.994	3,171,765	2,800,472	11,913
Telenor	NO	136.40	-3.1%	0.1%	-8.0%	-24.7%	-8.0%	116.800	186.100	1,804,654	2,009,656	22,030
Telekom Austria	AT	5.52	0.4%	2.1%	8.9%	-12.9%	10.5%	4.618	6.362	111,172	157,555	3,669
TeliaSonera	SE	38.80	-1.8%	2.7%	-8.6%	-23.0%	-8.0%	36.610	52.950	8,323,454	9,742,159	18,139
Vivendi	FR	17.30	-3.4%	3.6%	-12.3%	-26.8%	-12.9%	16.295	24.830	3,931,987	4,306,861	23,670
Vodafone Group	GB	228.40	-1.6%	3.6%	4.6%	-8.8%	3.3%	197.700	258.000	43,357,720	46,536,720	77,695
EUROPEAN TOWERS OPERATORS												
Inwit	IT	4.28	1.0%	-3.3%	-14.0%	n.a.	17.3%	3.650	5.180	375,955	543,578	2,569
El Towers	IT	50.30	1.5%	-1.2%	-11.5%	-9.0%	-15.5%	46.420	59.750	10,645	14,351	1,422
Rai Way	IT	4.25	0.5%	-2.3%	-15.0%	-1.6%	-9.9%	3.950	5.450	60,127	68,836	1,156
Cellnex Telecom (Abertis)	ES	14.27	-0.2%	-1.2%	-15.8%	-14.0%	1.9%	13.225	17.500	396,153	558,021	3,305

\* performance calculated on closing price

\*\* n. of traded shares

Source Bloomberg LP

## Performance Summary of FTSE MIB



Index	CL Price € 03-Jun-16	Performance (Δ%)**					Last 52 weeks		Daily average volume		Market** Cap. mil. Euro
		1 week	1 month	6 months	1 year	from Jan. '16	Low Price	High Price	1 week	1 month	
<b>FTSE MIB (Milan)</b>	<b>17,465</b>	<b>-3.8%</b>	<b>-2.6%</b>	<b>-20.5%</b>	<b>-25.9%</b>	<b>-18.3%</b>	<b>15,773</b>	<b>24,157</b>	<b>592,952,781</b>	<b>714,315,642</b>	<b>387,189</b>
FTSE Italia All-Share (Milan)	19,254	-3.4%	-1.9%	-19.0%	-23.6%	-17.1%	17,273	25,746	705,644,896	820,122,734	485,187
<b>Stocks FTSE MIB Index</b>											
A2A Spa	1.26	0.5%	4.0%	-4.6%	8.7%	0.2%	0.94	1.37	10,471,020	8,748,820	3,935
Anima Holding Spa	5.17	-8.1%	-13.0%	-39.6%	-35.7%	-35.5%	5.02	9.87	1,871,707	1,645,703	1,550
Atlantia Spa	23.63	-1.8%	-2.8%	-1.0%	3.1%	-3.6%	20.84	25.74	1,298,969	1,697,735	19,513
Aziut Holding Spa	18.72	-5.3%	-10.3%	-20.3%	-26.8%	-18.8%	15.09	27.30	748,934	1,085,088	2,682
Banca Mediolanum Spa	7.27	-3.7%	2.6%	-6.0%	-7.6%	-0.6%	5.13	8.08	1,107,941	1,372,928	5,365
Banca Monte Dei Paschi Siena	0.58	-7.4%	-5.5%	-59.0%	-68.1%	-52.7%	0.42	2.04	47,569,180	68,058,340	1,709
Banca Popol. Emilia Romagna	4.31	-9.3%	-8.3%	-40.1%	-46.0%	-38.8%	3.67	8.65	3,159,704	4,640,336	2,074
Banca Popolare Di Milano	0.48	-11.7%	-19.6%	-47.4%	-49.5%	-47.6%	0.48	1.04	58,434,580	61,158,360	2,119
Banca Popolare Sc.	3.95	-17.5%	-25.5%	-69.2%	-74.3%	-69.1%	3.98	16.55	11,821,340	7,789,357	1,432
Buzzi Unicem Spa	17.61	-3.3%	7.4%	6.3%	27.1%	6.1%	11.67	18.38	536,908	683,798	3,336
Davide Campari-Milano Spa	8.75	0.5%	4.7%	9.4%	25.1%	9.3%	6.36	8.99	731,721	1,235,925	5,079
Eni Industrial Nv	6.51	3.0%	2.6%	-1.5%	-20.2%	2.7%	5.17	8.92	3,554,501	3,865,969	8,933
Enel Spa	4.02	-2.0%	3.3%	-1.7%	8.1%	3.2%	3.33	4.45	26,159,160	31,211,100	40,850
Eni Spa	13.42	-3.0%	-0.7%	-9.4%	-17.7%	-2.8%	10.93	16.99	12,096,330	15,597,880	48,771
Exor Spa	32.24	-5.5%	-1.6%	-22.3%	-28.0%	-23.4%	23.13	47.18	306,013	422,822	7,938
Ferrari Nv	37.89	0.9%	0.8%	n.a.	n.a.	n.a.	27.56	45.61	486,304	585,759	7,348
Fiat Chrysler Automobiles Nv	6.16	-1.0%	-10.8%	-27.2%	-35.6%	-27.7%	5.04	9.89	13,225,930	18,811,860	7,937
Finecobank Spa	6.47	-2.5%	-4.0%	-10.3%	-8.1%	-15.2%	5.70	7.87	640,897	1,111,108	3,923
Leonardo-Finmeccanica Spa	10.15	-7.1%	-6.8%	-23.1%	-16.7%	-21.3%	8.51	13.94	1,918,011	2,467,493	5,868
Assicurazioni Generali	12.52	-4.6%	-4.0%	-27.5%	-28.9%	-26.0%	10.90	18.27	5,531,596	7,583,103	19,530
Intesa Sanpaolo	2.21	-6.1%	-4.5%	-29.4%	-33.5%	-28.4%	2.12	3.65	92,661,580	121,075,100	37,019
Italcementi Spa	10.50	0.0%	1.4%	2.6%	59.3%	2.4%	5.42	10.54	1,438,651	1,256,349	3,667
Luxottica Group Spa	47.55	-2.9%	-2.3%	-23.1%	-22.2%	-21.3%	46.58	67.80	658,283	922,579	23,002
Mediaset Spa	3.91	-3.3%	2.5%	-3.8%	-13.9%	1.9%	2.77	4.93	2,451,683	5,276,733	4,614
Mediobanca Spa	6.62	-8.2%	-1.3%	-26.8%	-29.6%	-25.5%	5.42	10.15	2,686,934	3,786,868	5,766
Monder Spa	14.88	-0.8%	1.1%	-0.3%	-14.5%	15.2%	11.30	19.00	464,430	906,128	3,722
Prisma Spa	21.53	-2.7%	7.5%	8.5%	4.6%	6.3%	16.05	22.45	750,497	964,231	4,666
Saipem Spa	0.35	-5.5%	-8.9%	-64.8%	-76.6%	-62.9%	0.28	1.52	49,659,400	81,161,480	3,534
Salvatore Ferragamo Spa	19.30	-0.3%	-3.6%	-14.3%	-32.1%	-11.3%	18.50	30.72	362,367	601,196	3,258
Snam Spa	5.02	-1.1%	-5.9%	1.9%	13.0%	3.9%	4.05	5.58	16,606,740	13,884,420	17,573
Stmicroelectronics Nv	5.31	-2.2%	5.4%	-21.3%	-31.0%	-15.3%	4.48	7.81	2,073,992	4,694,901	4,833
<b>Telecom Italia Spa</b>	<b>0.845</b>	<b>-2.9%</b>	<b>1.0%</b>	<b>-26.6%</b>	<b>-27.7%</b>	<b>-28.1%</b>	<b>0.80</b>	<b>1.32</b>	<b>91,461,280</b>	<b>97,778,860</b>	<b>15,594</b>
Tenaris Sa	11.56	-3.7%	5.1%	0.3%	-13.7%	5.7%	8.53	13.48	2,997,218	4,048,480	13,647
Terna Spa	4.95	-0.9%	2.0%	5.2%	14.5%	4.0%	3.88	5.12	5,129,882	5,953,780	9,941
Tot S Spa	53.60	-1.7%	-10.5%	-28.9%	-37.6%	-26.6%	53.05	98.00	56,377	76,089	1,774
Ubi Banca Spa	3.10	-10.9%	-7.2%	-49.3%	-58.9%	-50.0%	2.80	7.88	11,231,770	10,806,940	2,795
Unicredit Spa	2.64	-11.7%	-14.9%	-50.6%	-59.6%	-48.7%	2.64	6.61	87,450,570	102,103,700	16,302
Unipol Gruppo Finanziario Sp	3.18	-5.9%	-11.6%	-23.7%	-35.7%	-33.2%	2.84	4.97	1,739,211	2,994,987	2,284
Unipolspa Spa	1.71	-4.3%	-12.9%	-27.3%	-30.9%	-27.4%	1.55	2.49	9,710,420	10,705,150	4,847
Yoxo Net-A-Porter Group	24.84	-2.5%	4.7%	-28.1%	-17.6%	-28.1%	22.66	36.78	362,371	550,045	3,321

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