



BORSA ITALIANA



Market
Connect
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Market Connect Feed

is the Borsa Italiana service created with a view to providing a single response to the variety of technological and business needs arising from:

- › integration of different sources
- › timely distribution of data to customers
- › increasing complexity of the markets.

Market Connect Feed

is a single information feed containing real-time data relating to Borsa Italiana and the main international Stock Exchanges as well as financial instrument reference data, end-of-day lists and documental contents.

Owing to its abundant set of libraries (C, C++, Visual Basic, Java) Market Connect Feed is the ideal service for feeding:

- › systems for presenting Stock Market data to customers in push mode
- › construction of web pages intended for a Bank's internal or external users
- › technical financial analysis systems
- › proprietary and/or third-party online trading systems
- › applications for bank branches
- › bank real-time electronic securities departments
- › back-office systems.

Market Connect Feed is a module-based service whereby it is possible to make available to customers the data of interest, avoiding the transmission of unrequested contents and optimising costs and efficiency.

A complete distribution environment

Market Connect Feed is a high-performance service, capable of handling thousands of messages per second and integrating data originating from Italian and foreign Regulated Markets, together with Borsa Italiana's archive of information.

The distribution of data may take place in real time (push) or upon request (pull-snapshot).

A combination of both distribution mechanisms is possible even within the same solution.

A feed in **push mode**, whether real-time or delayed, enables the subscription of data via API and distribution by way of proprietary systems.

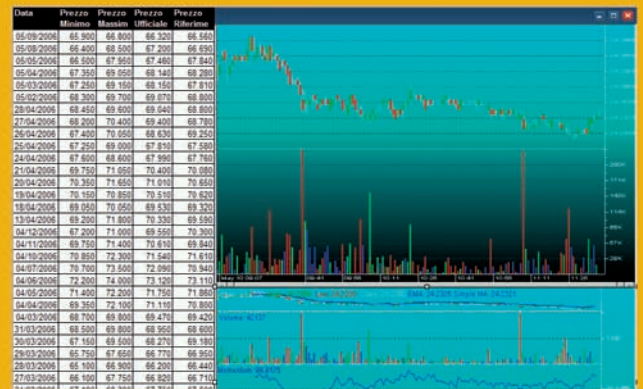
The feed in **pull mode** allows publication in different formats (XML, HTML, FTP) of real-time or delayed data or other value-added information such as for example: complete financial instrument reference data; price sensitive announcements; documents; researches; events; etc.

The information is also available in a database shown on Internet accessible via ODBC.



CONTENTS

Market Connect Feed makes available the following contents which represent independent and sectional modules according to the Customer's needs.



Quotes

this allows access to Borsa Italiana and the main foreign Stock Exchange quotes:

- MTA, MOT, SEDEX, IDEM
- EURONEXT, LSE, MADRID
- XETRA, REGIONAL GERMAN, EUREX
- SWISS EXCHANGE, VIRT X, NYMEX, NYSE, AMEX
- NASDAQ
- CME.

The following are also available:

- Italian indices, foreign indices
- interest rates, foreign exchange rates, precious metals
- commodities
- funds
- news.

End-of-day data

historical data and updates pertaining to all financial instruments traded on the markets managed by Borsa Italiana:

- closing data
- intraday data
- operational data as regards individual intermediaries
- NAV feeds: daily net asset value for each ETF security
- book
- RRG
- average prices
- funds.

Reference data

reference data for listed and unlisted financial instruments centralised with Monte Titoli:

- shares, rights, warrants
- bonds
- funds, ETFs
- derivatives.

For each instrument the following details are available:

- dividends, coupons
- amortisation plans, calls, puts
- underlying basket of securities
- corporate actions concerning the security and underlyings
- summary note.

End-of-day prices and transactions carried out off-market via alternative trading system (SSO) circuits are also available.

Derivatives

the derivatives feed is characterised by the possibility to make available within a single feed all information pertaining to the derivatives market. In fact, in addition to the reference data, information is available regarding:

- theoretical values
- margins
- adjustments to underlyings following corporate actions
- underlying quotes at opening and end-of-day data

- basket indices
- cancelled instruments.

The derivatives feed is capable of feeding all proprietary systems with operational impacts on the markets.

Composition of indices

the feed provides information concerning the composition, weight and divisors of the Stock Exchange general and sectorial indices.

The service offers the possibility to receive updates on changes in the composition of the indices due to:

- adjustment of base prices during corporate actions
- listing of new shares and exclusion of delisted shares
- periodic revision of indices
- management of sectorial indices.

Via the service it is also possible to receive an alert indicating the main events that have impacted the indices and/or the securities included in the various indices.



Example of potential utilisation and display of data received.

Company Update

15 March 2006

Discount savers/orders trending to zero?

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Distribution to shareholders key, buy savings, hold ordinaries
The investor day clarified management's strategy in line with our expectations. Distribution to shareholders is key, improvement of credit rating is not a target so we believe any excess cash compared to the level of debt required to maintain a comfortable BBB- rating will be distributed to shareholders unless value creating acquisitions are found (and there is no relevant one seen currently). Euro 1.1bn free cash flow over 2 years and Euro 15m deposits make dividend sustainable and leave c. Euro 4.5bn buffer to potentially increase the size of the buyback.

We have fine tuned our model to reflect higher dividends and 2006 results
The new group 3.2% EBITDA growth in 2006 (+4.8% mobile, +0.2% domestic, +7.9% Brazil, +0.6% wire line, with domestic down by 0.6% and international broad band compensating substantially in line with guidance, +34% consolidated, 20% domestic mobile, +40% Brazilian mobile and 0% wire line. Over the 2006-08 period we estimate 3.1% consolidated EBITDA CAGR vs target of 3-4%, with 7.2% from mobile (+3.2% domestic, +3.7% Brazil and -0.8% from wire line 3.4% domestic). Changes vs. our previous estimates are negligible. We forecast Euro 33.4bn debt for 2007, in line with target of Euro 32.5bn, before considering the announced Euro 1bn buyback.

Buy savings leading TP to Euro 2.56, +4.7%. Hold ords (TP Euro 2.7, -0.6%)
In setting our DCF-based target prices (g +2% in mobile, 1% in wire line, WACC 8% and 7% resp.) we have reduced the discount further to 5% (from 10%) to reflect our expectation that the forthcoming buyback will be biased towards savings (M. Thiercher said he would buy savings rather than ordinaries if buyback was done at current prices) and that the size could be enhanced. We estimate a total of over Euro 30m can be done by 2006, before considering potential disposal of Brazil. This could happen only if a very attractive offer was made in the region of Euro 100m in our view. Total equity value is increased by 0.9% as we now value Brazilian mobile at market cap as opposed to our own DFC. The risk to our more bullish stance on the savers vs. ordinaries is a potential take over on the company in which case only the ordinaries would benefit. Operational risk is worsening of the competitive environment.

Year End (in €)	2005A	2006A	2006E	2006E	2007E
Revenue (€M)	38,115	38,206	38,400	38,800	39,424
EBITDA (€M)	13,494	12,800	12,800	13,444	13,800

All prices are those current at the end of the previous trading session unless otherwise indicated. Deutsche Bank does not seek to do business with companies covered in its research reports. Thus, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision. Independent, third-party research (IR) on certain companies covered by DBS's research is available to customers of DBS in the United States at no cost. Customers can access this IR at <http://gm.db.com>, or call 1-877-206-6300 to request that a copy of the IR be sent to them. DISCLOSURES AND ANALYST CERTIFICATIONS ARE LOCATED IN APPENDIX 1

Price Sensitive Announcements

real-time announcements received directly from the listed companies via the NIS circuit and made immediately available.

Corporate Actions

- all extraordinary finance operations:
- capital increases
 - demergers, mergers
 - splits, reverse splits
 - public offers for purchase/subscription.

Researches

- complete archive of:
- monographic studies on listed companies
 - sector reports
 - daily notes concerning the Italian financial markets.

Borsa Italiana Notices

all Borsa Italiana operational provisions and the measures of the Authorities and the Supervisory Bodies:

- admissions to listing, corporate actions, adjustment factors
- extraordinary finance operations
- amendments to trading rules.

Bonds

collection of regulations for listed and unlisted bond loans issued in Italy and centralised with Monte Titoli.

Corporate events

- calendar of stock exchange and corporate action events:
- IPOs
 - start of trading
 - dividends
 - Board of Directors' Meetings
 - Shareholders' Meetings
 - Analyst Presentations.

Corporate documents

- the official documents pertaining to corporate actions made available from the day of their approval:
- financial statements, quarterly and half-yearly reports
 - minutes of shareholders' meetings
 - prospectuses
 - auditing firm reports
 - presentations to financial analysts
 - by-laws
 - corporate governance
 - internal dealing.