

Pirelli & C. S.p.A. — Milano

Peers & Markets

Week ending 13rd October -17th October 2008

**Dollar on the rise in spite of a
deteriorating macroeconomic
environment**



Investor Relations

Markets

The fall of the Euribor continued also on Friday, setting the one and three month interest rates at respectively, 4.731% and 5.045%. Recovering at \$69.60, the Brent Crude reached a minimum point on Thursday at \$65.45: the market is waiting for the OPEC to cut production. The steep rise of European stock markets in this last week (see Market Performance Chart) did not have any effect in the United States, where the S&P500 ended down - 0.32%. The earning curve of the Bund shows a fall in general rates, the drop is greater for longer durations.

As for the crisis scenario, the Dutch Government intervened with an injection worth €10 billion in (preferred shares without voting rights) ING through the fund created the week before. ING will not pay out dividends in 2008.

Hungary's exchange rate versus the Euro is under pressure since Fitch modified the outlook to negative, the country received a credit line from the ECB worth €5bn. South Korea announced recapitalizations worth \$30 billion and guarantees on foreign operations undertaken by its banks up till \$100 billion, in addition to further measures aimed at maintaining credit for business and industry.

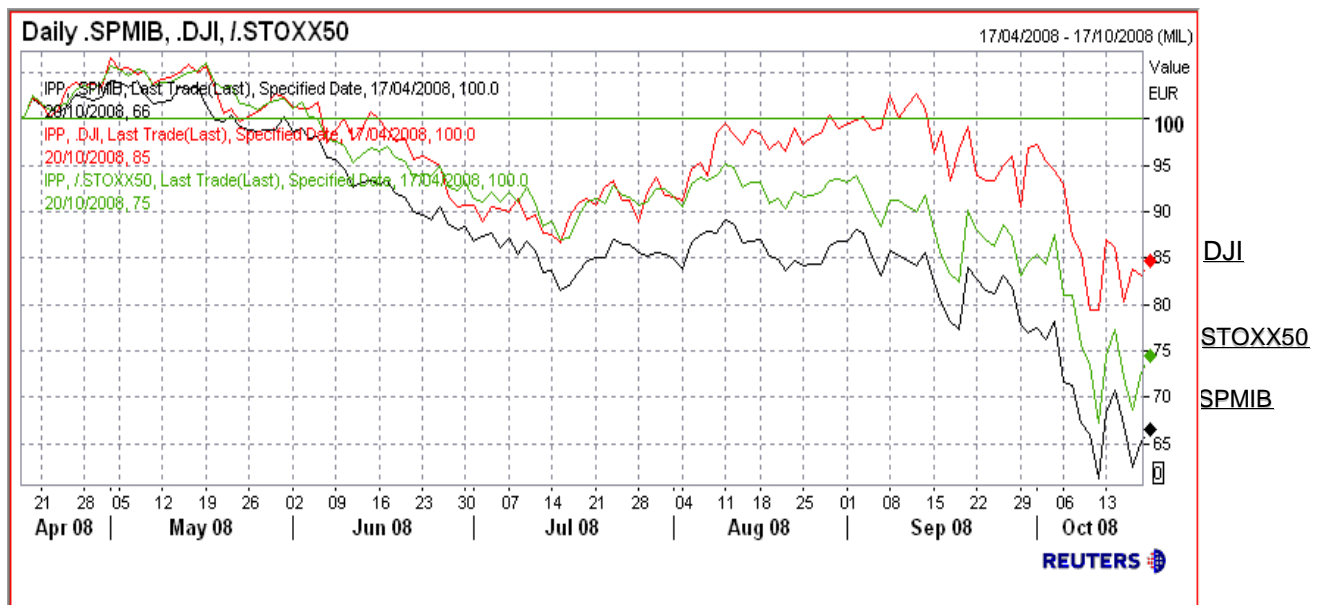
USD Negative and worse than expected macroeconomic figures for the US were released about mid-last week, despite that, the dollar rose: markets are becoming more and more aware of the fact that a worsening of the Financial situation in the United States can mean a further deterioration of the macroeconomic environment, obviously with different effects in each nation.

EUR The Euro is having a tough time in finding its way up: this reflects the serious uncertainties the Euro zone economies are facing.

GBP Expectations are negative for the British economic figures expected this Thursday (retail sales) and Friday (third quarter GDP). The pound risks a further drop.

JPY The Yen is back tracking, after the announcement regarding a G8 meeting on the financial crisis immediately after the US elections. Once the negative feelings generated by the crisis start to die out, the fundamentals of the Japanese economy, being weak, could lead to a further and bigger correction.

S&P/MIB VS DJ EURO STOXX 50 AND DOW JONES INDUST. AVG. Performance of the last 24 weeks



Source: Reuters

Markets

MARKETS PERFORMANCE (10/17/2008)

	Official			Pch change (%)**					Last 52 Weeks		Daily average Volumes***	
	Close			1 W*	1 M	6 M	1 Y	YTD	MIN PRICE	MAX PRICE	1 W	1 M
EUROPE												
DJ Euro Stoxx	232.570	.STOXXE	.STOXXE	3.6	(18.6)	(34.6)	(45.8)	(43.9)	216.83	432.91		
S&P/MIB	21645.000	.SPMIB	.SPMIB	6.6	(16.5)	(34.7)	(46.2)	(43.9)	19,831.00	40,611.00	937,962,625	1,047,437,590
FTSE 100	4063.010	.FTSE	.FTSE	3.3	(17.3)	(32.1)	(39.2)	(37.1)	3,808.10	6,726.90	1,941,834,000	1,734,309,252
DAX	4781.330	.GDAXI	.GDAXI	5.2	(18.4)	(28.4)	(40.1)	(40.7)	4,308.00	8,117.79	303,452,186	260,484,989
CAC 40	3329.920	.FCHI	.FCHI	4.8	(16.8)	(31.5)	(42.8)	(40.7)	3,047.85	5,855.35	306,804,796	258,197,467
IBEX 35	9655.200	.IBEX	.IBEX	7.3	(9.4)	(28.8)	(37.4)	(36.4)	8,835.00	16,040.40	379,394	352,928
UNITED STATES												
DJ Industr. Average	8852.220	.DJI	.DJI	4.7	(16.6)	(29.9)	(36.3)	(33.3)	7,882.51	13,962.53	393,887,680	359,650,450
S&P 500	940.550	.GSPC	.GSPC	4.6	(18.7)	(31.1)	(39.0)	(35.9)	840.54	1,551.91	59,259,918	58,627,891
NASDAQ Composite	1711.290	.IXIC	.IXIC	3.7	(18.5)	(26.9)	(38.7)	(35.5)	1,542.45	2,861.51	1,265,506,446	1,069,349,597
ASIA												
Nikkei 225 (Giappone)	8693.820	.N225	.N225	(5.1)	(26.0)	(35.1)	(48.7)	(43.2)	8,115.41	16,887.04	191,850	164,621
Hang Seng (HK)	14554.210	.HSI	.HSI	(1.6)	(17.5)	(40.0)	(50.3)	(47.7)	14,398.54	31,958.41	3,849,645,917	3,272,510,722
All ordinaries (Australia)	3944.800	.AORD	.AORD	0.1	(17.3)	(29.4)	(41.1)	(38.6)	3,936.60	6,873.20	1,104,910,017	1,070,306,819
Strait Times (Singapore)	1878.510	.FTSTI	.FTSTI	(3.6)	(22.4)	(39.9)	(50.6)	(45.8)	1,877.96	3,842.95	511,860,040	362,300,117
BSE 30 (India)	9975.350	.BSESN	.BSESN	(5.2)	(24.8)	(39.5)	(46.7)	(50.8)	9,911.32	21,206.77	42,710	35,798
EMIRATES												
Abu Dhabi	3446.760	.ADI	.ADI	10.0	(7.6)	(29.8)	(14.5)	(24.3)	3,062.66	5,158.66	161,573,386	133,871,050
Dubai	3215.940	.DFMGI	.DFMGI	6.3	(18.0)	(42.4)	(32.2)	(45.8)	2,991.04	6,320.44	506,113,379	320,172,003
BRAZIL												
IteI (indice TLC)	985.390	.ITEL	.ITEL	11.9	3.4	(26.5)	(25.4)	(19.4)	815.19	1,405.88		
Bovespa	36399.090	.BVSP	.BVSP	2.2	(20.7)	(43.6)	(42.4)	(43.0)	33,237.71	73,920.38	2,103,723	1,870,322

* Variation calculated as per price on Friday

** Variation calculated based on current price

*** Number of pieces exchanged

Source: Reuters

EXCHANGE RATES (10/20/2008)

	EUR	USD	GBP	YEN	REAL
EUR		1.33	0.77	135.54	2.80
USD	0.75		0.58	101.57	2.12
GBP	1.29	1.72		175.05	3.61
YEN	0.01	0.01	0.01		0.02
REAL	0.36	2.10	3.64	48.44	

Source: Reuters

Markets

SECTORS PERFORMANCE (10/17/2008)

	Official	Pch change (%) ^{1st-2}				
	Close	1 W*	1 M	6 M	1 Y	YTD
EUROPE						
Auto	238.450	6.3	(6.7)	(20.1)	(42.3)	(33.9)
Banks	209.470	(1.2)	(17.5)	(41.2)	(55.9)	(50.6)
Industrial	271.430	(2.4)	(28.0)	(40.7)	(51.6)	(51.5)
Insurance	132.400	(3.9)	(23.4)	(41.6)	(53.0)	(47.5)
Finance	217.100	3.7	(21.4)	(37.9)	(50.6)	(47.4)
Media	133.840	7.0	(15.1)	(27.2)	(44.1)	(40.9)
Oil&Gas	265.430	7.9	(18.1)	(33.1)	(41.7)	(40.0)
Tech.	166.150	5.7	(21.0)	(27.5)	(50.0)	(45.4)
TLC	236.600	12.0	(6.7)	(18.3)	(35.8)	(36.0)
Utilities	347.310	13.8	(12.3)	(26.0)	(34.9)	(36.7)
FTSE EPRA Eu Residential	1381.830	9.2	(21.9)	(36.4)	(44.5)	(36.1)
UNITED STATES						
Auto	57.050	5.6	(41.6)	(57.1)	(70.5)	(61.5)
Banks	281.880	5.3	(5.7)	(25.4)	(43.9)	(31.6)
Industrial	215.890	(1.0)	(23.6)	(35.0)	(41.2)	(38.6)
Insurance	205.520	8.7	(26.7)	(47.1)	(55.9)	(52.8)
Oil&Gas	407.430	7.4	(26.8)	(42.0)	(39.6)	(40.0)
Tech.	407.390	4.3	(16.6)	(27.5)	(39.3)	(36.9)
Tyres	36.950	(3.2)	(27.9)	(55.7)	(62.7)	(58.2)
TLC	103.200	7.8	(16.2)	(31.4)	(46.1)	(42.6)
Utilities	131.250	8.5	(17.0)	(32.9)	(33.5)	(35.8)

Source: Reuters

FOREX & FIXED INCOME (10/20/2008)

	Latest	Yld (bid)	Coupon(%)
Bund (10 anni) €	101.91	4.01	4.25
	Latest	Yld (bid)	Coupon(%)
BTP 2 anni	101.85	3.17	4.50
BTP 5 anni	100.61	4.14	4.25
BTP 10 anni	98.74	4.72	4.50
	Latest (%)		
Euribor 365 3M	5.07		
EURO LIBOR	4.99		

Fonte: Reuters

Pirelli & C.

Pirelli Ord. Closed the week up 11.4% (monthly performance negative, -31.3%) and with lower than average volumes (18 million shares).

Pirelli risp. Closed with a -0.09% spread compared to ordinary shares.

As for the technical analysis, primary resistance is currently at €0.37 whilst the second front is at €0.39 (like last week). The base is now fixed at €0.31. The relative strength index (RSI) is well out of the oversold level and placed at 33 allowing some space for recovery.

PIRELLI SHARES PERFORMANCE (10/17/2008)

	Official	Pch change (%)**				
	Close	1 W*	1 M	6 M	1 Y	YTD
Camfin	0.455	5.3	(31.3)	(52.0)	(71.7)	(64.8)
Pirelli & C. Ord.	0.330	11.4	(24.3)	(36.5)	(50.3)	(44.1)
Pirelli & C. Risp.	0.329	11.4	(17.0)	(44.5)	(50.5)	(47.9)
Pirelli Real Estate	6.848	18.4	(43.8)	(68.9)	(80.9)	(72.7)
Mediobanca	8.771	3.0	(5.7)	(32.8)	(42.7)	(37.9)
RCS	1.390	19.0	(13.3)	(40.5)	(63.4)	(53.3)
Telecom italia ord.	0.880	17.3	(18.3)	(37.7)	(58.2)	(58.6)
Telecom italia risp.	0.671	21.8	(18.4)	(39.8)	(60.7)	(58.7)
Telecom italia media ord.	0.096	15.1	(13.6)	(34.3)	(65.0)	(59.5)
Telecom italia media risp.	0.098	15.3	(10.9)	(30.1)	(62.3)	(55.8)

* Variation calculated as per price on Friday

** Variation calculated based on current price

Source: Reuters

Stock valuation (10/17/2008)

Sconto Vs NAV: -10.28%

NAV per Share: € 0.37

Consensus TP: € 0.45

% Buy: 20%

% Sell: 20%

% Hold: 60%

Market Cap (@20/10/2008): €1831 million (of which ordinary €1786 million)

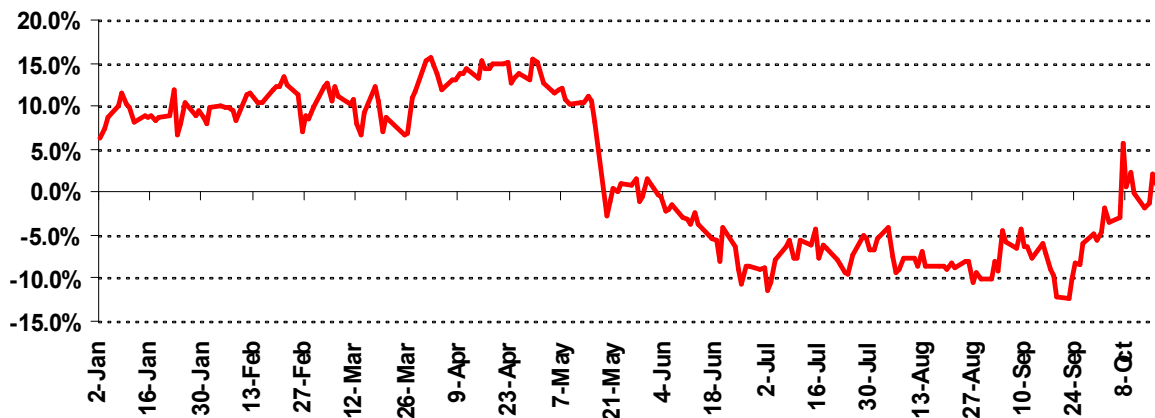
Pirelli & C.

PIRELLI SHARES & C. VS S&P/MIB Performance of the last 6 months



Source: Reuters

PIRELLI RISPARMIO vs PIRELLI ORDINARIA (from 01/02/2008)



Source: Reuters

Sectors

Tyre

A Goldman Sachs study for the European car sector has been published:

- car sales are expected to drop by 7% in 2008 (-15% in 2009, -5% in 2010, slight recovery of +3% Expected in 2011)

- ratings changes: Michelin was left out of the Conviction List (Buy confirmed), Nokian from Neutral to Sell, Pirelli: TP from €0.52 to €0.31.

(Reuters)

- Buy confirmed for Bridgestone and Sumitomo Rubber having observed the recent price trends of raw materials (a 30% improvement of gross operating margins is expected) and the slight YoY rise of the Us after market.*(Reuters)*

-Morgan Stanley cut the TP of some of the major car manufacturers (Renault, Peugeot) and Michelin (from €51 to €38) after downsizing its expectations for the European car sector's EPS by 70% (average for 2009-10). *(Dow Jones News Wires)*

The three major producers of natural rubber have called for a meeting to discuss the perceptible drop in prices of raw materials in these last few weeks and in order to take adequate measures (RSS3 at about 196cent \$/kg down from 320cent \$/kg in June). *(Dow Jones News Wires)*

Michelin

The company has announced that the benefits from the recent fall in prices of raw materials will be felt starting from the 2H of 2009. Michelin has also decided to postpone the construction of its new tyre production site in Mexico due to both the weakness of the US automobile sector and the tendency of US carmakers to produce smaller cars with lower consumption levels. *(Dow Jones News Wires)*

Continental

There are quite a few potential buyers for Continental's tyre business. Michelin has confirmed that is interested in an eventual take over and it hopes that the company will keep its European nature. The major obstacle is the Antitrust. *(Dow Jones News Wires)*

Performance of the week

Best: Sumitomo +14.1%

Worst: Goodyear -4.1%

Sectors

Tyre

PIRELLI & C. VS PEERS TYRE (10/17/2008)

	Official Close	Pch change (%)**					Last 52 Weeks		Daily average Volumes***	
		1 W*	1 M	6 M	1 Y	YTD	MIN PRICE	MAX PRICE	1 W	1 M
Pirelli & C ordinaria	0.330	11.4	(24.3)	(36.5)	(50.3)	(44.1)	0.28	0.70	18,194,216	30,507,402
Pirelli & C Crisparmio	0.329	11.4	(17.0)	(44.5)	(50.5)	(47.9)	0.29	0.72	207,253	238,445
Continental	40.100	6.8	(45.1)	(44.9)	(59.5)	(54.9)	35.00	106.00	870,101	1,891,132
Michelin	41.495	1.2	(8.6)	(35.0)	(56.7)	(47.1)	37.09	99.80	2,171,461	2,178,564
Nokian	13.280	0.6	(29.9)	(51.8)	(50.7)	(44.8)	12.50	33.73	2,155,524	1,878,495
Goodyear	11.700	(4.1)	(28.0)	(56.4)	(61.1)	(58.5)	9.54	30.79	5,974,725	6,152,880
Cooper	7.240	3.1	(27.1)	(49.9)	(69.8)	(56.3)	6.36	22.81	979,461	1,078,193
Bridgestone	1711.000	11.6	(15.3)	(7.7)	(32.9)	(13.9)	1,352.00	2,555.00	9,836,680	8,322,267
Sumitomo	713.000	14.1	(11.1)	2.3	(40.0)	(14.9)	653.00	1,445.00	3,338,220	2,987,687
Toyo	225.000	7.1	(28.1)	(31.8)	(65.3)	(46.0)	185.00	678.00	1,056,800	1,137,967
Yokohama	472.000	8.0	(20.5)	(5.8)	(45.4)	(29.1)	371.00	859.00	3,182,800	2,529,300
Hankook	13500.000	(3.6)	(14.0)	(12.3)	(30.1)	(24.6)	11,250.00	20,200.00	1,279,169	1,079,562
Kumho	5500.000	(2.3)	(31.4)	(50.0)	(63.0)	(60.7)	5,300.00	15,050.00	257,551	272,714

* * Variation calculated as per price on Friday

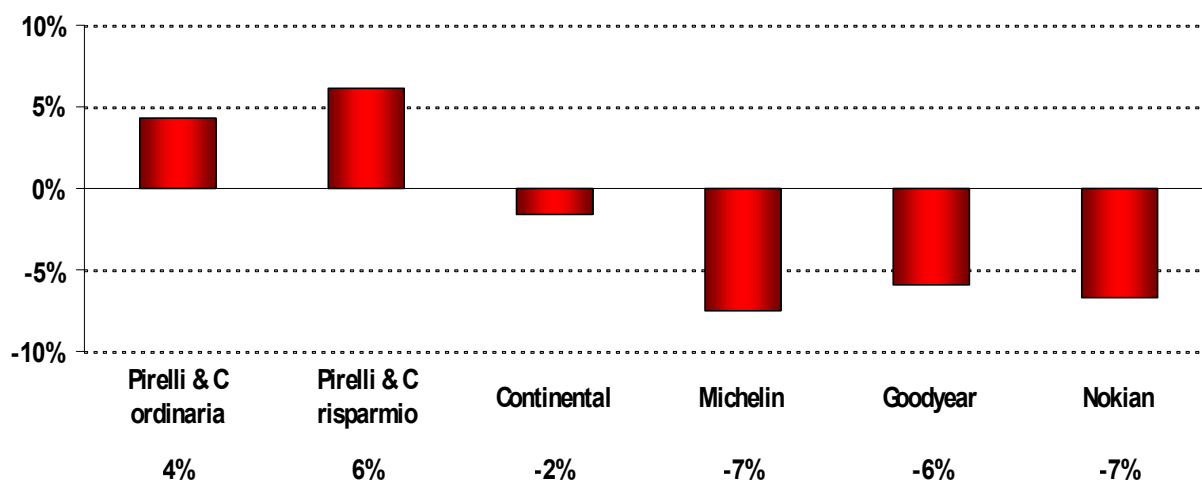
** Variation calculated based on current price

*** Number of pieces exchanged

Source: Reuters

TYRE SEGMENT VS DJ STOXX INDUSTRIAL

Performance chart for last week



Source: Reuters

Sectors

Tyre

Multiple market consensus for Peers Tyre @ 20/10/08

Sources: Thomson One; Reuters

	P/E		EV/SALES		EV/EBITDA		EV/EBIT	
	2008E	2009E	2008E	2009E	2008E	2009E	2008E	2009E
Bridgestone	14.6x	11.3x	57%	53%	5.0x	4.4x	9.4x	7.8x
Michelin	7.0x	5.8x	57%	54%	4.2x	3.8x	7.5x	6.7x
Goodyear	4.0x	3.2x	23%	20%	2.7x	2.2x	4.4x	3.4x
Continental	7.4x	5.6x	64%	59%	4.7x	4.2x	10.1x	8.4x
Nokian	6.7x	5.4x	140%	112%	4.7x	3.7x	5.5x	4.3x
Sumitomo	13.9x	10.5x	72%	69%	6.2x	5.6x	11.8x	10.1x
Yokohama	12.1x	10.1x	54%	51%	5.6x	5.3x	12.1x	10.5x
Toyo	17.0x	9.2x	37%	35%	5.3x	4.6x	16.2x	12.0x
Hankook	10.4x	8.0x	85%	76%	4.6x	4.0x	10.7x	7.8x
Kumho	12.4x	5.9x	66%	63%	5.6x	5.1x	12.1x	9.7x
Cooper	9.5x	5.7x	25%	22%	3.2x	2.5x	4.4x	2.7x
max	17.0x	11.3x	140%	112%	6.2x	5.6x	16.2x	12.0x
min	4.0x	3.2x	23%	20%	2.7x	2.2x	4.4x	2.7x
median	10.4x	5.9x	57%	54%	4.7x	4.2x	10.1x	7.8x
average	10.5x	7.3x	62%	56%	4.7x	4.1x	9.5x	7.6x

Note regarding Yokohama and Toyo: the columns marked 2008 include the estimates for the 2009 FY, from April 2008 to March 2009; The columns marked 2009 are filled in with estimates for the 2010 FY, from April 2009 to March 2010.

Note regarding Hankook and Kumho: the figures provided by Thomson One are "parent"

Standard Method: considering DEFICIT from Funded pension funds (defined contribution)

Source: Thomsonone-Reuters

Sectors

Real Estate

Positive week for the European **EPRA** index. The recovery is mainly due to a technical bounce back, as nearly all shares during the last week touched their historic minimum levels. **PRE** was up +18.4%.

During the week there was no announcement regarding corporate financial data and no relevant sector related news besides the fact that the American NAHB index(that measures the trust of builders/constructors) touched its historic low point.

According to forecasts of the **Associazione Nazionale costruttori Edili (ANCE)**, National association of builders/ constructors the development of residential construction in Italy will fall by 2.8% in Italy in the year 2008 and further 3% in 2009. The drop is supposedly a result of the international financial crisis, which affected the ability of families and businesses to get access to credit. The ANCE also announced that it does not expect a real-estate bubble in Italy, like in the US or certain Europeans nations, namely, Spain and Ireland.

A study carried out by the Royal Institution of Chartered Surveyors (Rics), the body that regulates the acquisition and sale of real-estate, shows that the real-estate **market in Great Britain** fell 52 % in this last year, thus setting a negative record for the last 30 years. The only positive news is a slight rise in the number of potential buyers thanks to the Government's decision to exempt them from the payment of the "stamp duty", a tax which affects the acquisition of housing real-estate if purchased at a price lower than 175 thousand Pounds.

A study carried out by Cb Richard Ellis shows that **real estate investments in Europe** will equal about 250 billion Euros in the following 18 months. The study shows that the sovereign funds will be particularly active with a spending potential of €40 billion and so will the German funds, with a spending capacity of €20 billion. However the majority will consist of institutional investors, pension funds and companies that have managed to keep their debts low: investors with a spending potential of about €19 billion

Performance of the week

Best: Ca Immobilien +57.4%

Worst: Spazio investment -4.3%

Sectors

Real Estate

PIRELLI RE VS PEERS PRE (10/17/2008)

	Official Close	Pch change (%)**				YTD	Last 52 Weeks		Daily average Volumes***	
		1 W*	1 M	6 M	1 Y		MIN PRICE	MAX PRICE	1 W	1 M
Pirelli RE	6.848	18.4	(43.8)	(68.9)	(80.9)	(72.7)	5.55	34.77	196,201	382,148
Tecla	387.000	0.9	(20.7)	(29.7)	(36.6)	(34.4)	na	na	na	na
Ofinca	366.000	4.6	(15.5)	(19.7)	(34.1)	(27.1)	na	na	na	na
Spazio Investment	8.800	(4.3)	3.5	(16.2)	(27.0)	(25.7)	7.17	12.00	9,725	13,319
ITALIA										
Gabetti	1.401	9.5	(0.9)	(24.5)	(50.0)	(38.0)	0.92	2.88	12,501	55,530
Beni Stabili	0.500	10.3	(27.9)	(31.2)	(42.9)	(32.8)	0.43	0.92	2,121,361	3,375,137
Aedes	0.507	22.9	(40.4)	(75.7)	(89.2)	(85.5)	0.40	4.64	568,648	1,450,567
Bastogi	1.640	15.5	(29.2)	84.5	83.7	59.4	0.73	4.94	51,383	40,093
Brioschi	0.223	6.1	(23.0)	(44.9)	(53.0)	(53.0)	0.19	0.50	429,919	644,576
Gabetti	1.401	9.5	(0.9)	(24.5)	(50.0)	(38.0)	0.92	2.88	12,501	55,530
IGD	1.297	19.0	(27.5)	(43.7)	(53.1)	(36.3)	1.03	2.78	732,905	597,965
IM Lombarda	0.165	0.1	0.3	17.9	(3.6)	31.0	0.10	0.17	456,050	2,652,528
IPI	1.980	1.5	(13.3)	(42.9)	(57.4)	(46.9)	1.71	5.64	29,210	42,844
Risanamento	0.410	27.7	(58.2)	(76.1)	(92.3)	(88.9)	0.32	5.30	965,021	915,480
ESTERO										
GERMANY										
Deutsche Wohnen	21.000	5.0	(8.7)	(17.6)	(36.4)	(23.7)	19.80	43.10	632	815
Patrizia Immobilien	1.560	14.7	(42.2)	(55.9)	(84.5)	(69.8)	1.31	10.40	363,566	233,793
IVG	6.380	39.0	(27.9)	(61.7)	(78.3)	(72.9)	4.22	32.26	1,852,105	2,064,411
Gagfah	5.450	5.4	(43.7)	(50.5)	(59.9)	(54.1)	5.02	13.38	448,789	499,853
Immoeast ag	1.110	44.2	(63.5)	(82.2)	(87.2)	(84.9)	0.72	8.63	6,949,565	4,467,695
Colonia RE	3.500	52.2	(27.2)	(75.4)	(85.6)	(79.5)	2.10	22.70	200,627	103,670
FRANCE										
Fonciere des regions	53.500	(0.9)	(30.9)	(43.4)	(46.9)	(38.3)	52.01	101.55	95,982	84,727
Gecina	56.680	1.6	(30.4)	(38.8)	(52.4)	(47.2)	53.00	120.50	94,264	111,521
Klepierre	21.000	4.2	(24.7)	(44.2)	(46.4)	(39.9)	17.50	41.40	736,522	698,293
Unibail rodamco	122.090	7.1	(13.9)	(24.6)	(30.9)	(18.6)	110.50	175.50	656,200	623,151
Mercialys	28.000	3.0	(5.1)	(1.5)	1.9	7.0	22.75	32.50	87,747	76,092
AUSTRIA										
Conwert	6.850	29.2	(27.7)	(41.0)	(48.3)	(43.1)	4.60	13.24	220,598	271,387
Ca immobilien	6.940	57.4	(27.8)	(52.0)	(63.0)	(54.6)	4.41	18.76	379,526	348,193
Immofinanz	1.130	7.6	(73.7)	(84.1)	(86.5)	(83.7)	1.00	8.22	6,745,193	4,740,905
SPAGNA										
Sotogrande										
Inmobiliaria Colonial	0.180	20.0	(25.0)	(75.7)	(94.6)	(89.8)	0.15	3.33	13,951,276	13,244,555
Metrovacesa	53.050	4.0	5.9	(25.8)	(34.1)	(35.0)	41.17	116.50	7,861	11,604
Fadesa	7.300	0.0	0.0	(62.1)		(56.8)	6.84	20.90	44,732	15,302

* Variation calculated as per price on Friday

** Variation calculated based on current price

*** Number of pieces exchanged

**** On the 6th of October a reverse share split of the ordinary shares was carried out (ratio: 1 to 38)

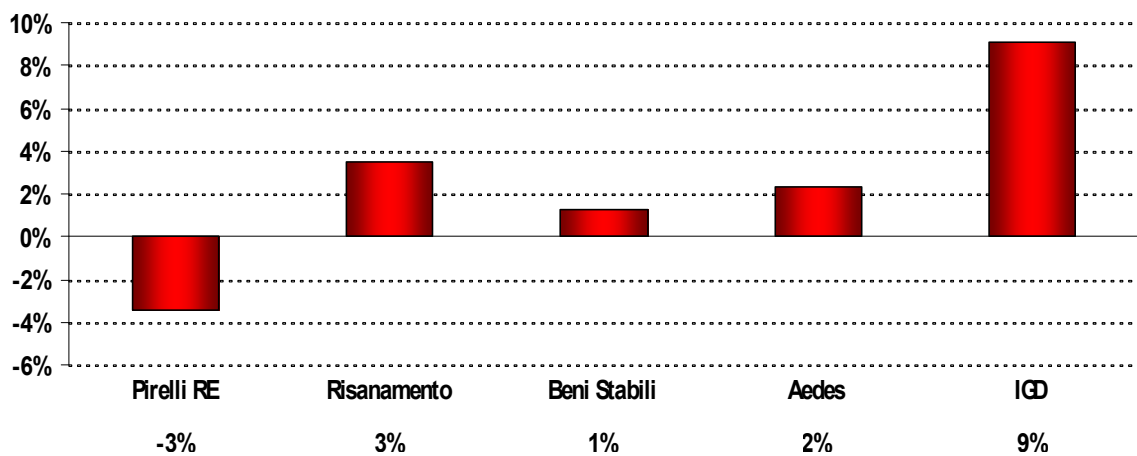
Source: Reuters

Sectors

Real Estate

REAL ESTATE SEGMENT VS ITALIAN RE INDEX

Performance for the last week



Source: Reuters

Sectors

TLC Equipment

Italy is fourth in Europe regarding access to **broad band**, with more than 10 million lines (end of 2007). The data is the result of a study on the development of broad band in Italy carried out by Between for AGCOM. The top positions in descending order are held by Germany (20 million acceses), Great Britain and France (15 million accesses per person). According to the research the development of broad band technology in the coming years will be sustained thanks to the fall in prices: forecasts for 2010 show more than 14 million acceses, of which 85% from homes. The research also shows that the amount of users has risen from the 14 million figure recorded in 2002 to about 20 million in 2007.

Anatel, the Brazilian Authority for the Tlc sector has signalled that it does not wish to oppose the merger between **Oi-Participacoes and Brasil Telecom**. It has consented to the modification of the law that will allow the major telephone operator to acquire the third player in the sector, hence creating the biggest company in this field: the merger will give create a company that will manage 70% of Brazil's fixed phone lines, 18.5% of the mobile sector and 40% of broad band internet services.

Performance of the week

Best: Pirelli & C +11.4%; Alcatel Lucent +10.4%

Worst: JDS Uniphase .Corp -8.1%

Sectors

TLC Equipment

PIRELLI & C. vs PEERS PGT / PBS (10/17/2008)

	Official Close	Pch change (%)**					Last 52 Weeks		Daily average Volumes***	
		1 W*	1 M	6 M	1 Y	YTD	MIN PRICE	MAX PRICE	1 W	1 M
Pirelli & Cordinaria	0.330	11.4	(24.3)	(36.5)	(50.3)	(44.1)	0.28	0.70	18,194,216	30,507,402
Pirelli & Crisparmio	0.329	11.4	(17.0)	(44.5)	(50.5)	(47.9)	0.29	0.72	207,253	238,445
Netgear	11.490	4.7	(23.7)	(40.4)	(64.0)	(67.8)	9.50	37.00	551,344	616,740
D-link	24.400	(2.4)	(6.0)	(51.9)	(72.3)	(63.4)	24.15	91.35	1,492	3,773
Avanex	3.900	9.6	(17.2)	(62.9)	(84.8)	(74.0)	3.15	28.50	168,106	164,132
Cisco	17.910	3.9	(17.8)	(25.0)	(44.8)	(33.8)	16.20	34.24	88,344,946	75,569,591
Zyxel Comms	21.000	(2.3)	1.4	(44.7)	(63.9)	(49.4)	19.30	62.66	4,006	5,047
Adv Digital N	30.300	2.7	(12.2)	8.2	(42.7)	(5.3)	20.60	52.95	11,877	14,131
Kudelski	12.080	7.9	(10.8)	(19.1)	(65.0)	(46.1)	10.60	33.50	341,283	354,299
Amino Tech	49.500	1.5	(17.5)	(7.5)	(19.2)	(4.8)	44.05	68.50	14,311	70,634
Bookham	0.780	(7.1)	(36.6)	(42.6)	(74.8)	(67.2)	0.55	3.39	966,931	1,055,028
Alcatel-Lucent	1.885	10.4	(40.2)	(50.7)	(71.7)	(61.9)	1.63	6.91	41,875,467	34,896,507
JDS Uniphase Corp.	6.200	(8.1)	(25.4)	(54.9)	(60.5)	(53.4)	5.81	15.45	8,711,897	5,529,100

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** Variation calculated based on current price

*** Number of pieces exchanged

Source: Reuters