



## Q4 '19 Financial and Operating Figures

IFRS 9/15 (comparable), IFRS 16 and "After Lease" view

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## Disclaimer

The financial and operating data have been extracted or derived, with the exception of some data, from the 2019 Annual Report of the TIM Group examined and approved by the TIM Board of Directors on 10 March 2020, which has been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and endorsed by the EU (designated as “IFRS”).

The accounting policies and consolidation principles adopted in the preparation of the Financial Statements at 31 December 2019 of the TIM Group are the same as those adopted in the TIM Group Annual Audited Consolidated Financial Statements as of 31 December 2018, to which reference can be made, except for the adoption of the new accounting principle (IFRS 16 - Lease), adopted starting from January 1, 2019. In particular, TIM adopts IFRS 16, using the modified retrospective method, without restatement of prior period comparatives.

To enable the comparison of the economic and financial performance for the FY2019, Q4'19, Q3'19, Q2'19 and Q1'19 with the corresponding period of the previous year, “IFRS 9/15” figures, prepared in accordance with the previous accounting standards applied (IAS 17 and related Interpretations) are provided, for the purposes of the distinction between operating leases and financial leases and the consequent accounting treatment of lease liabilities. Please note that, starting from January 1, 2018, the TIM Group adopted IFRS 15 (Revenues from contracts with customers) and IFRS 9 (Financial instruments).

As of today, the audit work by our independent auditors on the TIM Consolidated and Separate Financial Statements for the year ended 31 December 2018 have not yet been completed.

### Alternative Performance Measures

The TIM Group, in addition to the conventional financial performance measures established by IFRS, uses certain alternative performance measures for the purposes of enabling a better understanding of the performance of operations and the financial position of the TIM Group. In particular, such alternative performance measures include: EBITDA, EBIT, Organic change and impact of non-recurring items on revenue, EBITDA and EBIT; EBITDA margin and EBIT margin and net financial debt. Moreover, following the adoption of IFRS 16, the TIM Group provides the following additional alternative performance indicators:

\* **EBITDA adjusted After Lease (“EBITDA-AL”)**, which is calculated by adjusting Organic EBITDA, net of non-recurring items, of the amounts related to the accounting treatment of finance lease contracts in accordance with IAS 17 (applied until year-end 2018) and IFRS 16 (applied starting from 2019);

\* **Adjusted Net Financial Debt After Lease**, which is calculated by excluding from the adjusted net financial debt the liabilities related to the accounting treatment of finance lease contracts in accordance with IAS 17 (applied until year-end 2018) and IFRS 16 (applied starting from 2019). Such alternative performance measures are unaudited.

## Key Financial Data

€m, IFRS 9/15 & After Lease view

UNAUDITED FIGURES

	REPORTED												ORGANIC <sup>(1)</sup>											
	Q1 '18	Q1 '19	Q2 '18	Q2 '19	Q3 '18	Q3 '19	Q4 '18	Q4 '19	Change YoY %	FY '18	FY '19	Change YoY %	Q1 '18 comparabl e base	Q1 '19	Q2 '18 comparabl e base	Q2 '19	Q3 '18 comparabl e base	Q3 '19	Q4 '18 comparabl e base	Q4 '19	Change YoY %	FY '18 comparabl e base	FY '19	Change YoY %
<b>REVENUES</b>	<b>4,685</b>	<b>4,471</b>	<b>4,726</b>	<b>4,523</b>	<b>4,666</b>	<b>4,429</b>	<b>4,863</b>	<b>4,554</b>	-6.4%	<b>18,940</b>	<b>17,977</b>	-5.1%	<b>4,620</b>	<b>4,485</b>	<b>4,706</b>	<b>4,524</b>	<b>4,715</b>	<b>4,429</b>	<b>4,874</b>	<b>4,554</b>	-6.6%	<b>18,915</b>	<b>17,992</b>	-4.9%
Domestic	3,657	3,502	3,766	3,567	3,759	3,454	3,849	3,558	-7.6%	15,031	14,081	-6.3%	3,662	3,516	3,770	3,568	3,763	3,454	3,907	3,558	-8.9%	15,102	14,096	-6.7%
o/w Wireline	2,538	2,535	2,593	2,586	2,572	2,453	2,774	2,553	-8.0%	10,477	10,127	-3.3%	2,543	2,535	2,597	2,586	2,576	2,453	2,776	2,553	-8.0%	10,492	10,127	-3.5%
o/w Mobile	1,262	1,122	1,321	1,111	1,328	1,135	1,274	1,143	-10.3%	5,185	4,511	-13.0%	1,262	1,122	1,321	1,111	1,328	1,135	1,274	1,143	-10.3%	5,185	4,511	-13.0%
Brazil	1,033	979	968	967	917	984	1,025	1,007	-1.8%	3,943	3,937	-0.2%	963	979	944	967	962	984	978	1,007	2.9%	3,847	3,937	2.3%
Other activities & Elim.	(5)	(10)	(8)	(11)	(10)	(9)	(11)	(11)		(34)	(41)		(5)	(10)	(8)	(11)	(10)	(9)	(11)	(11)		(34)	(41)	
<b>SERVICE REVENUES</b>	<b>4,288</b>	<b>4,085</b>	<b>4,269</b>	<b>4,142</b>	<b>4,257</b>	<b>4,061</b>	<b>4,267</b>	<b>4,019</b>	-5.8%	<b>17,081</b>	<b>16,306</b>	-4.5%	<b>4,225</b>	<b>4,099</b>	<b>4,250</b>	<b>4,143</b>	<b>4,305</b>	<b>4,061</b>	<b>4,280</b>	<b>4,006</b>	-6.4%	<b>17,060</b>	<b>16,308</b>	-4.4%
Domestic	3,294	3,155	3,354	3,231	3,397	3,128	3,307	3,075	-7.0%	13,352	12,588	-5.7%	3,299	3,169	3,358	3,232	3,401	3,128	3,365	3,062	-9.0%	13,423	12,590	-6.2%
o/w Wireline	2,402	2,394	2,458	2,416	2,468	2,270	2,546	2,284	-10.3%	9,875	9,364	-5.2%	2,407	2,394	2,462	2,416	2,472	2,270	2,548	2,284	-10.4%	9,890	9,364	-5.3%
o/w Mobile	1,034	916	1,044	943	1,069	993	960	923	-3.8%	4,107	3,775	-8.1%	1,034	916	1,044	943	1,069	993	960	923	-3.8%	4,107	3,775	-8.1%
Brazil	1,000	940	922	922	879	942	971	956	-1.5%	3,763	3,760	-0.1%	932	940	899	922	914	942	926	956	3.2%	3,671	3,760	2.4%
Other activities & Elim.	(6)	(10)	(7)	(11)	(19)	(9)	(11)	(12)		(34)	(42)		(6)	(10)	(7)	(11)	(10)	(9)	(11)	(12)		(34)	(42)	
<b>EBITDA</b>	<b>1,793</b>	<b>1,792</b>	<b>1,940</b>	<b>2,273</b>	<b>2,045</b>	<b>1,943</b>	<b>1,625</b>	<b>1,481</b>	-8.9%	<b>7,403</b>	<b>7,489</b>	1.2%	<b>1,865</b>	<b>1,826</b>	<b>1,958</b>	<b>1,907</b>	<b>2,068</b>	<b>1,975</b>	<b>1,883</b>	<b>1,852</b>	-1.6%	<b>7,774</b>	<b>7,560</b>	-2.8%
Domestic	1,446	1,447	1,591	1,302	1,702	1,536	1,216	1,060	-12.8%	5,955	5,345	-10.2%	1,542	1,481	1,618	1,546	1,708	1,590	1,494	1,424	-4.7%	6,362	6,041	-5.0%
Brazil	353	347	351	974	346	409	417	423	1.4%	1,467	2,153	46.8%	329	347	342	364	362	387	397	430	8.3%	1,430	1,528	6.8%
Other activities & Elim.	(6)	(2)	(2)	(3)	(3)	(2)	(8)	(2)		(19)	(9)		(6)	(2)	(2)	(3)	(2)	(2)	(8)	(2)		(18)	(9)	
<b>EBITDA After Lease</b>	<b>1,694</b>	<b>1,700</b>	<b>1,832</b>	<b>2,192</b>	<b>1,952</b>	<b>1,858</b>	<b>1,526</b>	<b>1,395</b>	-8.6%	<b>7,004</b>	<b>7,145</b>	2.0%	<b>1,767</b>	<b>1,734</b>	<b>1,851</b>	<b>1,826</b>	<b>1,975</b>	<b>1,890</b>	<b>1,784</b>	<b>1,766</b>	-1.0%	<b>7,377</b>	<b>7,216</b>	-2.2%
Domestic	1,365	1,377	1,501	1,233	1,626	1,469	1,133	992	-12.5%	5,625	5,071	-9.9%	1,462	1,411	1,527	1,477	1,632	1,523	1,411	1,356	-3.9%	6,033	5,767	-4.4%
Brazil	335	325	334	961	329	391	400	406	1.6%	1,398	2,083	49.0%	312	325	326	351	345	369	380	413	8.7%	1,363	1,458	7.0%
Other activities & Elim.	(6)	(2)	(2)	(3)	(3)	(2)	(7)	(3)		(19)	(9)		(6)	(2)	(2)	(3)	(2)	(2)	(7)	(3)		(19)	(9)	
<b>EBIT</b>	<b>740</b>	<b>685</b>	<b>874</b>	<b>1,186</b>	<b>(997)</b>	<b>846</b>	<b>(56)</b>	<b>341</b>		<b>561</b>	<b>3,058</b>		<b>826</b>	<b>719</b>	<b>897</b>	<b>820</b>	<b>1,015</b>	<b>878</b>	<b>806</b>	<b>730</b>	-9.4%	<b>3,544</b>	<b>3,147</b>	-11.2%
Domestic	615	581	756	431	(1,120)	678	(235)	162		16	1,852		710	615	782	675	886	732	635	544	-14.3%	3,013	2,566	-14.8%
Brazil	131	107	121	756	126	171	186	181	-2.7%	564	1,215		122	107	118	146	131	149	178	188	5.7%	549	590	7.4%
Other activities & Elim.	(6)	(3)	(3)	(1)	(3)	(3)	(7)	(2)		(19)	(9)		(6)	(3)	(3)	(1)	(2)	(3)	(7)	(2)		(18)	(9)	
<b>CAPEX</b>	<b>660</b>	<b>607</b>	<b>937</b>	<b>874</b>	<b>863</b>	<b>795</b>	<b>3,948</b>	<b>1,508</b>	-61.8%	<b>6,408</b>	<b>3,784</b>	-40.9%	<b>649</b>	<b>607</b>	<b>930</b>	<b>874</b>	<b>871</b>	<b>795</b>	<b>1,536</b>	<b>1,508</b>	-1.8%	<b>3,986</b>	<b>3,784</b>	-5.1%
Domestic	507	455	705	659	675	585	3,631	1,213	-66.6%	5,518	2,912	-47.2%	507	455	705	659	675	585	1,231	1,213	-1.5%	3,118	2,912	-6.6%
Brazil	153	152	232	215	188	210	317	295	-6.9%	890	872	-2.0%	143	152	224	215	196	210	305	295	-2.7%	868	872	0.6%
<b>EQUITY FREE CASH FLOW</b>	<b>(334)</b>	<b>216</b>	<b>594</b>	<b>570</b>	<b>(39)</b>	<b>444</b>	<b>357</b>	<b>491</b>	-	<b>578</b>	<b>1,721</b>	-												
<b>NET DEBT <sup>(2)</sup></b>	<b>25,537</b>	<b>25,080</b>	<b>25,141</b>	<b>24,731</b>	<b>25,190</b>	<b>24,312</b>	<b>25,270</b>	<b>23,839</b>	-	<b>25,270</b>	<b>23,839</b>	-												
<b>NET DEBT After Lease <sup>(2)</sup></b>	<b>-</b>	<b>23,143</b>	<b>-</b>	<b>22,818</b>	<b>-</b>	<b>22,465</b>	<b>23,322</b>	<b>21,893</b>	-	<b>23,322</b>	<b>21,893</b>	-												

<sup>(1)</sup> Excluding exchange rate fluctuations and non-recurring items <sup>(2)</sup> Adjusted

## P&L Group

€m, IFRS 9/15 & IFRS 16 from January 1th, 2019

UNAUDITED FIGURES

	Q1 '18	H1 '18	9M '18	FY '18	Q1 '19	H1 '19	9M '19	FY '19	Change YoY%	Q1 '19 IFRS 16	H1 '19 IFRS 16	9M '19 IFRS 16	FY '19 IFRS 16
<b>REVENUES</b>	<b>4,685</b>	<b>9,411</b>	<b>14,077</b>	<b>18,940</b>	<b>4,471</b>	<b>8,994</b>	<b>13,423</b>	<b>17,977</b>	-5.1%	<b>4,471</b>	<b>8,994</b>	<b>13,423</b>	<b>17,974</b>
Other Income	57	144	200	341	46	766	850	933		46	766	850	933
<b>TOTAL OPERATING REVENUES AND OTHER INCOME</b>	<b>4,742</b>	<b>9,555</b>	<b>14,277</b>	<b>19,281</b>	<b>4,517</b>	<b>9,760</b>	<b>14,273</b>	<b>18,910</b>		<b>4,517</b>	<b>9,760</b>	<b>14,273</b>	<b>18,907</b>
Acquisition of goods and services	(1,996)	(3,980)	(5,889)	(8,186)	(1,749)	(3,524)	(5,237)	(7,128)	12.9%	(1,595)	(3,198)	(4,746)	(6,463)
Employee benefits expenses	(780)	(1,526)	(2,171)	(3,105)	(740)	(1,502)	(2,179)	(3,077)	0.9%	(740)	(1,502)	(2,179)	(3,077)
Other operating expenses	(368)	(661)	(906)	(1,259)	(309)	(871)	(1,160)	(1,625)	-29.1%	(309)	(871)	(1,160)	(1,625)
Internally generated assets and Others	195	345	467	672	73	202	311	409	-39.1%	73	202	311	409
<b>EBITDA</b>	<b>1,793</b>	<b>3,733</b>	<b>5,778</b>	<b>7,403</b>	<b>1,792</b>	<b>4,065</b>	<b>6,008</b>	<b>7,489</b>	1.2%	<b>1,946</b>	<b>4,391</b>	<b>6,499</b>	<b>8,151</b>
EBITDA Margin	38.3%	39.7%	41.0%	39.1%	40.1%	45.2%	44.8%	41.7%		43.5%	48.8%	48.4%	45.3%
Depreciation and amortization	(1,055)	(2,122)	(3,167)	(4,255)	(1,108)	(2,186)	(3,270)	(4,391)	-3.2%	(1,264)	(2,496)	(3,758)	(4,927)
Gains (losses) on disposals of non-current assets	2	3	6	(1)	1	(8)	(21)	(40)		1	(8)	(29)	(49)
Impairment reversals (losses) on non-current assets	-	-	(2,000)	(2,586)	-	-	-	-		-	-	-	-
<b>EBIT</b>	<b>740</b>	<b>1,614</b>	<b>617</b>	<b>561</b>	<b>685</b>	<b>1,871</b>	<b>2,717</b>	<b>3,058</b>		<b>683</b>	<b>1,887</b>	<b>2,712</b>	<b>3,175</b>
EBIT Margin	15.8%	17.2%	4.4%	3.0%	15.3%	20.8%	20.2%	17.0%		15.3%	21.0%	20.2%	17.7%
Income (loss) equity invest. valued equity method	8	8	8	10	(4)	(1)	(2)	-		(4)	(1)	(2)	-
Net Financial Income / (Expenses)	(357)	(718)	(1,047)	(1,348)	(327)	(650)	(965)	(1,237)	8.2%	(383)	(754)	(1,119)	(1,436)
<b>Profit (loss) before tax from continuing operations</b>	<b>391</b>	<b>904</b>	<b>(422)</b>	<b>(777)</b>	<b>354</b>	<b>1,220</b>	<b>1,750</b>	<b>1,821</b>		<b>296</b>	<b>1,132</b>	<b>1,591</b>	<b>1,739</b>
Income tax expense	(156)	(297)	(254)	(375)	(128)	(422)	(548)	(533)		(109)	(392)	(498)	(513)
<b>Profit (loss) from continuing operations</b>	<b>235</b>	<b>607</b>	<b>(676)</b>	<b>(1,152)</b>	<b>226</b>	<b>798</b>	<b>1,202</b>	<b>1,288</b>		<b>187</b>	<b>740</b>	<b>1,093</b>	<b>1,226</b>
Profit (loss) from Discontinued operations/Non-current assets held for sale	-	-	-	-	-	-	-	16		-	-	-	16
<b>PROFIT (LOSS)</b>	<b>235</b>	<b>607</b>	<b>(676)</b>	<b>(1,152)</b>	<b>226</b>	<b>798</b>	<b>1,202</b>	<b>1,304</b>		<b>187</b>	<b>740</b>	<b>1,093</b>	<b>1,242</b>
Profit (loss) attributable to owners of the Parent	199	532	(868)	(1,411)	193	592	931	962		165	551	852	916
Profit (loss) attributable to non-controlling interests	36	75	192	259	33	206	271	342	32.0%	22	189	241	326

## Consolidated Balance Sheet

€m, IFRS 9/15 & IFRS 16 from January 1th, 2019

UNAUDITED FIGURES

	FY '18	Q1 '19	H1 '19	9M '19	FY '19	Q1 '19 IFRS 16	H1 '19 IFRS 16	9M '19 IFRS 16	FY '19 IFRS 16
<b>CURRENT ASSETS</b>	<b>8,729</b>	<b>9,315</b>	<b>8,285</b>	<b>8,851</b>	<b>13,568</b>	<b>9,280</b>	<b>8,253</b>	<b>8,798</b>	<b>14,108</b>
Trade and miscellaneous receivables and other current assets	4,706	5,177	5,026	4,998	4,884	5,138	4,990	4,940	4,857
Cash and cash equivalents	1,917	2,103	1,700	2,147	3,138	2,103	1,700	2,147	3,138
Discontinued operations/assets held for sale	-	-	-	-	4,084	-	-	-	4,647
Securities other than investments, other financial receivables and other current financial	1,396	1,574	1,111	1,247	999	1,574	1,111	1,247	999
Inventories	389	325	316	299	260	325	316	299	260
Current income tax receivables	251	71	83	104	151	71	83	104	149
Current financial receivables arising from lease contracts	70	65	49	56	52	69	53	61	58
Other investments	-	-	-	-	-	-	-	-	-
<b>NON-CURRENT ASSETS</b>	<b>56,890</b>	<b>56,870</b>	<b>57,376</b>	<b>57,215</b>	<b>52,829</b>	<b>60,304</b>	<b>60,859</b>	<b>60,675</b>	<b>55,996</b>
<b>Intangible assets</b>	<b>35,658</b>	<b>34,985</b>	<b>34,790</b>	<b>34,464</b>	<b>30,750</b>	<b>34,985</b>	<b>34,790</b>	<b>34,464</b>	<b>30,750</b>
Goodwill	26,769	26,780	26,784	26,750	23,083	26,780	26,784	26,750	23,083
Intangible assets with a finite useful life	8,889	8,205	8,006	7,714	7,667	8,205	8,006	7,714	7,667
<b>Tangible assets</b>	<b>16,146</b>	<b>14,086</b>	<b>14,089</b>	<b>13,995</b>	<b>14,011</b>	<b>14,086</b>	<b>14,089</b>	<b>13,995</b>	<b>14,011</b>
Property, plant and equipment owned	14,251	14,086	14,089	13,995	14,011	14,086	14,089	13,995	14,011
Assets held under finance leases	1,895	-	-	-	-	-	-	-	-
<b>Right of Use assets</b>	<b>-</b>	<b>2,321</b>	<b>2,328</b>	<b>2,247</b>	<b>2,334</b>	<b>5,735</b>	<b>5,803</b>	<b>5,693</b>	<b>5,494</b>
<b>Other assets</b>	<b>5,086</b>	<b>5,478</b>	<b>6,169</b>	<b>6,509</b>	<b>5,734</b>	<b>5,498</b>	<b>6,177</b>	<b>6,523</b>	<b>5,741</b>
Miscellaneous receivables and other non-current assets	2,291	2,296	2,944	2,803	2,585	2,296	2,944	2,803	2,585
Non-current financial assets	1,594	1,880	2,085	2,632	2,145	1,885	2,090	2,637	2,151
Deferred tax assets	1,136	1,238	1,074	1,010	941	1,253	1,077	1,019	942
Other investments	49	52	54	52	52	52	54	52	52
Investments in associates and joint ventures accounted for using the equity method	16	12	12	12	11	12	12	12	11
<b>TOTAL ASSETS</b>	<b>65,619</b>	<b>66,185</b>	<b>65,661</b>	<b>66,066</b>	<b>66,397</b>	<b>69,584</b>	<b>69,112</b>	<b>69,473</b>	<b>70,104</b>
<b>CURRENT LIABILITIES</b>	<b>12,881</b>	<b>12,052</b>	<b>9,767</b>	<b>10,287</b>	<b>10,946</b>	<b>12,489</b>	<b>10,214</b>	<b>10,778</b>	<b>11,928</b>
Trade and miscellaneous payables and other current liabilities	6,901	6,922	6,731	6,516	7,277	6,840	6,647	6,459	7,218
Current financial liabilities	5,913	5,065	2,954	3,729	3,349	5,584	3,485	4,277	3,821
Liabilities directly associated with Discontinued operations/Non-current assets held for sale	-	-	-	-	236	-	-	-	805
Current income tax payables	67	65	82	42	84	65	82	42	84
<b>NON-CURRENT LIABILITIES</b>	<b>30,991</b>	<b>32,283</b>	<b>33,511</b>	<b>33,147</b>	<b>32,770</b>	<b>35,276</b>	<b>36,564</b>	<b>36,151</b>	<b>35,550</b>
Non-current financial liabilities	25,059	26,347	27,418	27,221	27,384	29,340	30,493	30,262	30,181
Miscellaneous payables and other non-current liabilities	3,297	3,294	3,348	3,156	3,214	3,294	3,348	3,156	3,214
Employee benefits	1,567	1,545	1,417	1,379	1,182	1,545	1,417	1,379	1,182
Provisions	876	861	993	971	725	861	993	971	725
Deferred tax liabilities	192	236	335	420	265	236	313	383	248
<b>TOTAL LIABILITIES</b>	<b>43,872</b>	<b>44,335</b>	<b>43,278</b>	<b>43,434</b>	<b>43,716</b>	<b>47,765</b>	<b>46,778</b>	<b>46,929</b>	<b>47,478</b>
<b>EQUITY</b>	<b>21,747</b>	<b>21,850</b>	<b>22,383</b>	<b>22,632</b>	<b>22,681</b>	<b>21,819</b>	<b>22,334</b>	<b>22,544</b>	<b>22,626</b>
Equity attributable to equity owners of the Parent	19,528	19,635	19,983	20,284	20,322	19,612	19,949	20,222	20,280
Equity attributable to Minority Interests	2,219	2,215	2,400	2,348	2,359	2,207	2,385	2,322	2,346
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>65,619</b>	<b>66,185</b>	<b>65,661</b>	<b>66,066</b>	<b>66,397</b>	<b>69,584</b>	<b>69,112</b>	<b>69,473</b>	<b>70,104</b>

## TIM - Q4 '19 Financial and Operating Figures

Investor Relations

## Net Cash Flow & Net Debt Dynamics

€m, IFRS 9/15

UNAUDITED FIGURES

	Q1 '18	H1 '18	9M '18	FY '18	Q1 '19	H1 '19	9M '19	FY '19
<b>EBITDA</b>	<b>1,793</b>	<b>3,733</b>	<b>5,778</b>	<b>7,403</b>	<b>1,792</b>	<b>4,065</b>	<b>6,008</b>	<b>7,489</b>
<b>CAPEX</b>	<b>(660)</b>	<b>(1,597)</b>	<b>(2,460)</b>	<b>(6,408)</b>	<b>(607)</b>	<b>(1,481)</b>	<b>(2,276)</b>	<b>(3,784)</b>
<i>a/w spectrum</i>	-	-	-	(2,399)	-	-	-	-
<b>CHANGE IN WORKING CAPITAL <sup>(1)</sup></b>	<b>(1,150)</b>	<b>(1,250)</b>	<b>(1,861)</b>	<b>1,082</b>	<b>(644)</b>	<b>(1,094)</b>	<b>(1,484)</b>	<b>(609)</b>
Change in net operating working capital	(1,215)	(1,295)	(1,778)	1,194	(628)	(1,149)	(1,342)	(598)
Change in inventories	(36)	(31)	(20)	(99)	64	73	90	129
Change in trade receivables and net amounts due from customers on construction contracts	(191)	(74)	(266)	(49)	(230)	(138)	(108)	-
Change in trade payables <sup>(2)</sup>	(643)	(1,027)	(1,242)	(186)	(692)	(968)	(1,056)	(63)
Other changes in operating receivables/payables	(345)	(163)	(250)	1,528	230	(116)	(268)	(664)
Change in provisions for employee benefits	(5)	(23)	(116)	(208)	(13)	(214)	(243)	(246)
Change in operating provisions and Other changes	70	68	33	96	(3)	269	101	235
<b>OPERATING FREE CASH FLOW Reported</b>	<b>(17)</b>	<b>886</b>	<b>1,457</b>	<b>2,077</b>	<b>541</b>	<b>1,490</b>	<b>2,248</b>	<b>3,096</b>
Licence	(36)	(36)	(36)	(513)	-	-	(18)	(18)
<b>OPERATING FREE CASH FLOW net of Licence</b>	<b>19</b>	<b>922</b>	<b>1,493</b>	<b>2,590</b>	<b>541</b>	<b>1,490</b>	<b>2,266</b>	<b>3,114</b>
Financial Expenses	(335)	(665)	(994)	(1,302)	(296)	(610)	(883)	(1,170)
Cash Taxes & Other	(18)	3	(278)	(710)	(29)	(94)	(153)	(239)
Net Cash Flow from discontinued operations	-	-	-	-	-	-	-	16
<b>EQUITY FREE CASH FLOW</b>	<b>(334)</b>	<b>260</b>	<b>221</b>	<b>578</b>	<b>216</b>	<b>786</b>	<b>1,230</b>	<b>1,721</b>
Dividends and change in Equity	-	(211)	(217)	(234)	(25)	(241)	(242)	(269)
<b>FX, M&amp;A, IAS and Other impacts</b>	<b>105</b>	<b>118</b>	<b>114</b>	<b>(306)</b>	<b>(1)</b>	<b>(6)</b>	<b>(30)</b>	<b>(21)</b>
Disposal and Financial investements	8	11	12	12	-	3	3	155
Licence	(36)	(36)	(36)	(513)	-	-	(18)	(18)
IAS 17 & Other	133	143	138	195	(1)	(9)	(15)	(158)
<b>NET CASH FLOW</b>	<b>(229)</b>	<b>167</b>	<b>118</b>	<b>38</b>	<b>190</b>	<b>539</b>	<b>958</b>	<b>1,431</b>
<b>NET DEBT <sup>(3)</sup></b>	<b>25,537</b>	<b>25,141</b>	<b>25,190</b>	<b>25,270</b>	<b>25,080</b>	<b>24,731</b>	<b>24,312</b>	<b>23,839</b>
IAS 17				(1,948)	(1,937)	(1,913)	(1,847)	(1,946)
<b>NET DEBT After Lease <sup>(3)</sup></b>				<b>23,322</b>	<b>23,143</b>	<b>22,818</b>	<b>22,465</b>	<b>21,893</b>

(1) See details in tab "Working Capital"

(2) Includes the change in trade payables for amounts due to fixed asset suppliers

(3) Adjusted

# Working Capital

€m

UNAUDITED FIGURES

	TIM Group		Domestic		Brasil	
	FY '18	FY '19	FY '18	FY '19	FY '18	FY '19
<b>Operating WC &amp; Other</b>	<b>1,082</b>	<b>(609)</b>	<b>1,096</b>	<b>184</b>	<b>4</b>	<b>(789)</b>
License	2,399	-	2,399	-	-	-
License paid in the year	(513)	(18)	(477)	(18)	(36)	-
Non recurring items (not paid)	408	71	408	696	(1)	(625)
<b>Recurring Operating WC</b>	<b>(1,212)</b>	<b>(662)</b>	<b>(1,234)</b>	<b>(494)</b>	<b>41</b>	<b>(164)</b>
<b>Inventory</b>			<b>(90)</b>	<b>133</b>		
<b>Trade Receivables</b>			<b>6</b>	<b>54</b>		
<b>Trade Payables</b>			<b>(160)</b>	<b>(38)</b>		
<b>Other Operating Payables/Receivables &amp; Funds</b>			<b>(990)</b>	<b>(643)</b>		
- o/w Litigations & Settlements			(29)	-		
- o/w Payables vs. Personnel			(76)	48		
- o/w Personnel Exit (Fornero Law)			(267)	(350)		
- o/w VAT split payment			(373)	(13)		
- o/w Billing <sup>(1)</sup>			(114)	2		
- o/w Net Debts vs INPS			21	(54)		
- o/w Deferred Costs & Revenues			(143)	(151)		

(1) From payments in advance to payments in arrears

## Domestic Results - Reported Figures

€m, IFRS 9/15

UNAUDITED FIGURES

	Q1 '18	Q2 '18	Q3 '18	Q4 '18	FY '18	Q1 '19	Q2 '19	Q3 '19	Q4 '19	Change YoY %	FY '19	Change YoY %
<b>REVENUES</b>	<b>3,657</b>	<b>3,766</b>	<b>3,759</b>	<b>3,849</b>	<b>15,031</b>	<b>3,502</b>	<b>3,567</b>	<b>3,454</b>	<b>3,558</b>	-7.6%	<b>14,081</b>	-6.3%
<b>Services</b>	<b>3,294</b>	<b>3,354</b>	<b>3,397</b>	<b>3,307</b>	<b>13,352</b>	<b>3,155</b>	<b>3,231</b>	<b>3,128</b>	<b>3,075</b>	-7.0%	<b>12,588</b>	-5.7%
<b>Mobile Services</b>	<b>1,034</b>	<b>1,044</b>	<b>1,069</b>	<b>960</b>	<b>4,107</b>	<b>916</b>	<b>943</b>	<b>993</b>	<b>923</b>	-3.8%	<b>3,775</b>	-8.1%
Retail	946	942	931	880	3,699	832	830	840	791	-10.1%	3,292	-11.0%
Wholesale and Other	88	102	138	80	408	84	114	153	133	65.5%	483	18.4%
<b>Wireline Services</b>	<b>2,402</b>	<b>2,458</b>	<b>2,468</b>	<b>2,546</b>	<b>9,875</b>	<b>2,394</b>	<b>2,416</b>	<b>2,270</b>	<b>2,284</b>	-10.3%	<b>9,364</b>	-5.2%
Retail	1,607	1,618	1,639	1,660	6,524	1,630	1,610	1,511	1,516	-8.7%	6,266	-3.9%
National Wholesale <sup>(1)</sup>	504	500	509	520	2,033	497	560	515	506	-2.7%	2,078	2.2%
International Wholesale	286	323	310	353	1,272	238	231	228	237	-32.9%	934	-26.6%
Subsidiaries, adj. and other	5	17	10	14	46	29	15	17	26		86	
<b>Elimination &amp; Other <sup>(2)</sup></b>	<b>(142)</b>	<b>(148)</b>	<b>(140)</b>	<b>(199)</b>	<b>(630)</b>	<b>(155)</b>	<b>(128)</b>	<b>(135)</b>	<b>(132)</b>		<b>(551)</b>	
<b>Equipments</b>	<b>363</b>	<b>412</b>	<b>362</b>	<b>542</b>	<b>1,679</b>	<b>347</b>	<b>336</b>	<b>326</b>	<b>483</b>		<b>1,493</b>	
<b>OPEX</b>	<b>2,211</b>	<b>2,175</b>	<b>2,057</b>	<b>2,633</b>	<b>9,076</b>	<b>2,055</b>	<b>2,265</b>	<b>1,918</b>	<b>2,498</b>	-5.1%	<b>8,736</b>	-3.7%
<b>EBITDA</b>	<b>1,446</b>	<b>1,591</b>	<b>1,702</b>	<b>1,216</b>	<b>5,955</b>	<b>1,447</b>	<b>1,302</b>	<b>1,536</b>	<b>1,060</b>	-12.8%	<b>5,345</b>	-10.2%
EBITDA Margin	39.5%	42.2%	45.3%	31.6%	39.6%	41.3%	36.5%	44.5%	29.8%		38.0%	
<b>EBITDA After Lease</b>	<b>1,365</b>	<b>1,501</b>	<b>1,626</b>	<b>1,133</b>	<b>5,625</b>	<b>1,377</b>	<b>1,233</b>	<b>1,469</b>	<b>992</b>	-12.5%	<b>5,071</b>	-9.9%
EBITDA AL Margin	37.3%	39.9%	43.3%	29.4%	37.4%	39.3%	34.6%	42.5%	27.9%		36.0%	
<b>CAPEX <sup>(3)</sup></b>	<b>507</b>	<b>705</b>	<b>675</b>	<b>3,631</b>	<b>5,518</b>	<b>455</b>	<b>659</b>	<b>585</b>	<b>1,213</b>	-66.6%	<b>2,912</b>	-47.2%
% on revenues	13.9%	18.7%	18.0%	94.3%	36.7%	13.0%	18.5%	16.9%	34.1%		20.7%	
<b>KPIs</b>												
Headcount EoP	49,722	49,658	49,532	48,200	48,200	48,114	47,891	46,502	45,496	-5.6%		

(1) Restated to reflect organizational change

(2) Includes revenues from Persidera, whose sale was finalized on December 2nd, 2019

(3) Includes 630 mln € GSM Licences in 3Q'17 and €2,399m for 5G Licenses in 4Q'18

## Domestic Wireline - Reported Figures

€m, IFRS 9/15

UNAUDITED FIGURES

	Q1 '18		Q2 '18		Q3 '18		Q4 '18		FY '18		Q1 '19		Q2 '19		Q3 '19		Q4 '19		FY '19	
KPIs	Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy	
<b>ACCESS LINES</b> ('000)																				
<b>Retail</b>	<b>10,845</b>	-3.4%	<b>10,644</b>	-4.8%	<b>10,450</b>	-6.2%	<b>10,149</b>	-8.1%	<b>10,149</b>	-8.1%	<b>9,876</b>	-8.9%	<b>9,530</b>	-10.5%	<b>9,305</b>	-11.0%	<b>9,085</b>	-10.5%	<b>9,085</b>	-10.5%
VoIP included	11,285	-1.5%	11,203	-2.0%	11,102	-2.9%	10,864	-4.8%	10,864	-4.8%	10,580	-6.2%	10,223	-8.7%	9,994	-10.0%	9,764	-10.1%	9,764	-10.1%
Broadband	7,527	4.6%	7,547	3.7%	7,561	1.8%	7,483	-0.3%	7,483	-0.3%	7,354	-2.3%	7,414	-1.8%	7,532	-0.4%	7,592	1.5%	7,592	1.5%
Consumer	6,101	6.1%	6,132	5.1%	6,169	3.1%	6,106	0.6%	6,106	0.6%	6,001	-1.6%	6,075	-0.9%	6,201	0.5%	6,282	2.9%	6,282	2.9%
Business	1,426	-1.1%	1,415	-2.1%	1,392	-3.5%	1,377	-4.5%	1,377	-4.5%	1,353	-5.2%	1,340	-5.3%	1,331	-4.4%	1,310	-4.9%	1,310	-4.9%
UBB <sup>(1)</sup>	2,484	102%	2,776	83%	2,990	69%	3,214	48%	3,214	48%	3,400	37%	3,497	26%	3,565	19.2%	3,670	14.2%	3,670	14.2%
<b>Wholesale</b>	<b>8,065</b>	3.3%	<b>8,078</b>	2.5%	<b>8,114</b>	2.8%	<b>8,063</b>	1.4%	<b>8,063</b>	1.4%	<b>8,093</b>	0.3%	<b>8,079</b>	0.0%	<b>8,050</b>	-0.8%	<b>8,051</b>	-0.1%	<b>8,051</b>	-0.1%
Local Loop Unbundling (LLU)	5,241	-7.6%	5,011	-11.1%	4,788	-14.0%	4,444	-18.2%	4,444	-18.2%	4,149	-20.8%	3,900	-22.2%	3,710	-22.5%	3,525	-20.7%	3,525	-20.7%
Wholesale Line Rental	291	-22.1%	274	-20.9%	257	-22.0%	242	-20.4%	242	-20.4%	228	-21.5%	230	-16.1%	223	-13.3%	215	-11.2%	215	-11.2%
Bitstream Naked	1,228	-4.2%	1,194	-5.7%	1,165	-5.3%	1,115	-9.2%	1,115	-9.2%	1,100	-10.4%	1,081	-9.5%	1,041	-10.6%	1,001	-10.2%	1,001	-10.2%
UBB	1,306	171.7%	1,598	153.0%	1,904	149.6%	2,262	129.4%	2,262	129.4%	2,616	100.4%	2,869	79.6%	3,076	61.6%	3,309	46.3%	3,309	46.3%
<b>ARPU</b> (€/line/month)																				
<b>Consumer</b>	<b>32.6</b>		<b>33.0</b>		<b>34.9</b>		<b>35.5</b>		<b>34.0</b>		<b>35.6</b>	9.4%	<b>35.7</b>	8.3%	<b>33.9</b>	-3.1%	<b>34.2</b>	-3.6%	<b>34.9</b>	2.7%
<b>Broadband</b>	<b>24.9</b>		<b>25.2</b>		<b>27.1</b>		<b>28.0</b>		<b>26.3</b>		<b>29.0</b>	16.2%	<b>29.6</b>	17.2%	<b>26.3</b>	-2.7%	<b>25.9</b>	-7.5%	<b>27.7</b>	5.2%
	Q1 '18		Q2 '18		Q3 '18		Q4 '18		FY '18		Q1 '19		Q2 '19		Q3 '19		Q4 '19		FY '19	
WIRELINE REVENUES	2,538		2,593		2,572		2,774		10,477		2,535		2,586		2,453		2,553		10,127	
<b>Wireline Service Revenues</b>	<b>2,402</b>		<b>2,458</b>		<b>2,468</b>		<b>2,546</b>		<b>9,875</b>		<b>2,394</b>		<b>2,416</b>		<b>2,270</b>		<b>2,284</b>		<b>9,364</b>	
Retail Services	1,607		1,618		1,639		1,660		6,524		1,630		1,610		1,511		1,516		6,266	
o/w Broadband and content	563		569		614		634		2,380		645		647		590		588		2,470	
o/w ICT Services	165		186		189		216		756		192		215		211		245		862	
National Wholesale <sup>(2)</sup>	504		500		509		520		2,033		497		560		515		506		2,078	
International Wholesale	286		323		310		353		1,272		238		231		228		237		934	
Subsidiaries, adj. and other	5		17		10		14		46		29		15		17		26		86	
<b>Equipments</b>	<b>136</b>		<b>135</b>		<b>104</b>		<b>228</b>		<b>602</b>		<b>141</b>		<b>170</b>		<b>183</b>		<b>269</b>		<b>763</b>	

(1) Including Fixed Wireless Accesses (FWA) from Q4'19; FWA not material in previous quarters (2) Restated to reflect organizational change

## Legenda

Wireline - KPIs	
<b>ACCESS LINES</b>	
<b>Retail</b>	Fixed line physical accesses, including both voice and broadband (xDSL, FTTx)
VoIP included	Included in the counting also multiple VoIP lines on a single physical access line
Broadband	All active broadband lines, including xDSL and FTTx
Consumer	Active broadband lines on Consumer customers
Business	Active broadband lines on Corporate and Small/Medium enterprises
UBB	All active fiber line retail customers (FTTx and enterprise data lines) and Fixed Wireless Accesses (FWA)
<b>Wholesale</b>	Total number of wholesale lines
Local Loop Unbundling (LLU)	Nr. of wholesale accesses to the copper local access network (SULL, VULL and NGA included)
Wholesale Line Rental	Nr. of rented wholesale lines enabling OLOs to resell basic and advanced telephone and associated services
Bitstream Naked	Nr. of wholesale copper access lines with no RTG/ISDN/WLR voice service, used by OLOs for ADSL data service.
UBB	Nr. of FTTx accesses on TIM's fiber network
<b>ARPU</b>	
<b>Consumer</b>	Total retail consumer service revenues divided by average active consumer lines (€/line/month)
<b>Broadband</b>	Total broadband revenues (Consumer+Business) divided by average active broadband customers (€/line/month)

  

Wireline - Revenues	
<b>WIRELINE REVENUES</b>	Total revenues of Domestic Wireline, including services and equipment
<b>Wireline Service Revenues</b>	Including retail, domestic wholesale, Sparkle (TIS Group), adjustments and eliminations
Retail Services	Retail service revenues: consumer + business
o/w Broadband and content	Data services (xDSL, FTTx), TIM Vision and other contents, TIM Game
o/w ICT Services	Cloud, Security, IT and other B2B services
National Wholesale	Revenues from OLOs, regulated and not regulated (organization view)
International Wholesale	TIM Sparkle Group revenues
Subsidiaries, adj. and other	Intercompany adjustment, elimination and national Subsidiaries (Telsy, TI Trust, Olivetti)
<b>Equipments</b>	Equipment sold, including consumer (routers, set-top-box, etc) and B2B (IRU, IT hardware, local networks equipment, etc)

## Domestic Mobile - Reported Figures

€m, IFRS 9/15

UNAUDITED FIGURES

	Q1 '18		Q2 '18		Q3 '18		Q4 '18		FY '18		Q1 '19		Q2 '19		Q3 '19		Q4 '19		FY '19		
	Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		
MOBILE KPIs																					
ACCESS LINES ('000)																					
Total number of lines	31,036	5.5%	31,629	5.6%	31,994	5.6%	31,818	3.5%	31,818	3.5%	31,748	2.3%	31,662	0.1%	31,254	-2.3%	30,895	-2.9%	30,895	-2.9%	
Human	23,195	-0.3%	23,132	-1.5%	22,738	-2.7%	22,448	-3.8%	22,448	-3.8%	22,256	-4.0%	21,956	-5.1%	21,413	-5.8%	21,003	-6.4%	21,003	-6.4%	
Not Human (M2M)	7,841	27.3%	8,496	31.3%	9,256	34.0%	9,370	26.2%	9,370	26.2%	9,492	21.1%	9,706	14.2%	9,841	6.3%	9,892	5.6%	9,892	5.6%	
Calling lines	27,366	7.6%	28,117	8.0%	28,556	7.4%	28,236	4.6%	28,236	4.6%	28,068	2.6%	28,051	-0.2%	27,837	-2.5%	27,495	-2.6%	27,495	-2.6%	
Human Calling	19,525	1.3%	19,621	0.3%	19,299	-1.9%	18,866	-3.6%	18,866	-3.6%	18,576	-4.9%	18,345	-6.5%	17,996	-6.8%	17,602	-6.7%	17,602	-6.7%	
Churn Rate %	6.5%	0.6pp	6.0%	-0.9pp	7.6%	0.6pp	6.2%	-0.3pp	26.3%	0.1pp	5.2%	-1.4pp	4.3%	-1.7pp	5.4%	-2.2pp	5.5%	-0.7pp	20.4%	-6.0pp	
Broadband Users	13,312	9.2%	13,590	8.6%	13,365	3.1%	13,015	-1.2%	13,015	-1.2%	13,125	-1.4%	13,124	-3.4%	12,951	-3.1%	12,823	-1.5%	12,823	-1.5%	
LTE Users	10,099	21.9%	10,424	16.2%	10,417	10.9%	10,337	6.1%	10,337	6.1%	10,404	3.0%	10,575	1.4%	10,532	1.1%	10,519	1.8%	10,519	1.8%	
USAGE																					
Volumes of traffic (mln minutes)	19,687	11.5%	20,075	9.2%	18,983	4.0%	20,032	1.8%	78,777	6.5%	19,855	0.9%	19,951	-0.6%	18,850	-0.7%	18,678	-6.8%	77,335	-1.8%	
Outgoing traffic volumes	12,599	12.0%	12,927	10.5%	12,147	4.8%	12,788	1.1%	50,461	6.9%	12,683	0.7%	12,859	-0.5%	12,033	-0.9%	11,695	-8.5%	49,270	-2.4%	
Incoming traffic volumes	7,088	10.7%	7,148	7.0%	6,836	2.5%	7,245	3.1%	28,316	5.7%	7,172	1.2%	7,092	-0.8%	6,817	-0.3%	6,983	-3.6%	28,065	-0.9%	
Usage Voice (min/line/month)	282	12.3%	289	10.3%	276	6.3%	296	5.2%	286	8.4%	296	4.9%	301	4.1%	289	4.6%	294	-0.8%	295	3.2%	
Usage Data (GB/users/month)	3.4	52.8%	3.8	49.2%	4.6	50.7%	4.9	60.6%	4.2	52.8%	5.1	50.8%	5.9	53.3%	7.0	52.3%	6.6	33.8%	6.1	46.8%	
ARPU (€/line/month)																					
Reported	10.2		10.0		9.8		9.2		9.8		8.7	-14.5%	8.7	-13.0%	8.9	-9.0%	8.5	-7.8%	8.7	-11.1%	
Human	13.6		13.6		13.5		13.0		13.4		12.4	-8.5%	12.5	-7.7%	12.9	-5.0%	12.4	-4.4%	12.6	-6.4%	
	Q1 '18		Q2 '18		Q3 '18		Q4 '18		FY '18		Q1 '19		Q2 '19		Q3 '19		Q4 '19		FY '19		
	Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		
MOBILE REVENUES	1,262		1,321		1,328		1,274		5,185		1,122	-11.1%	1,111	-15.9%	1,135	-14.5%	1,143	-10.3%	4,511	-13.0%	
Mobile Service Revenues <sup>(1)</sup>	1,034		1,044		1,069		960		4,107		916	-11.4%	943	-9.6%	993	-7.2%	923	-3.8%	3,775	-8.1%	
Retail Services	946		942		931		880		3,699		832	-12.1%	830	-11.9%	840	-9.8%	791	-10.1%	3,292	-11.0%	
o/w Incoming	73		74		70		73		289		67	-7.0%	67	-8.7%	64	-9.4%	72	-1.6%	270	-6.6%	
Wholesale and Other	88		102		138		80		408		84	-4.4%	114	12.1%	153	10.8%	133	65.5%	483	18.4%	
Handsets and Handsets Bundle	228		277		259		314		1,078		206	-9.6%	168	-39.5%	142	-44.9%	220	-30.0%	736	-31.7%	

(1) 4Q'18 MSR including non linear items (€34 mln)

## Legenda

Mobile KPIs	
<b>ACCESS LINES</b>	
<b>Total number of lines</b>	Total mobile customer base, human and not human ('000)
Human	Total nr. of human lines
Not Human (M2M)	Total nr. of not human lines, including machine to machine and data-only SIMs (eg. for tablets)
<b>Calling lines</b>	Nr. of active lines (calling at least once within the last month of the reported quarter)
Human Calling	Nr. of human active lines (calling at least once within the last month of the reported quarter)
Churn Rate %	Percentage of line lost on average nr of lines in the reported period
Broadband Users	Mobile customers using data services
LTE Users	Mobile customer using (also) 4G (LTE) data services
<b>USAGE</b>	
Volumes of traffic	Incoming + Outgoing volumes net of Visitors, Roamers and MVNO (Noverca volumes included), mln of minutes
Outgoing traffic volumes	Outgoing voice traffic (mln of minutes), excluding Visitors and Roamers
Incoming traffic volumes	Total amount of incoming voice traffic excluding Visitors (mln of minutes)
Usage Voice	Average (human-lines) voice usage (min/human lines/month)
Usage Data	Average data usage (GB/broadband users/month) - Data volumes net of Visitors, Roamers and MVNO (Noverca volumes included)
<b>ARPU</b>	
<b>Reported</b>	Average Revenue per User (€ / line / month)
<b>Human</b>	Total retail service revenues divided by average customer base, human and not human (€/line/month)
	Total retail service revenues divided by average human customer base (€/line/month)
<b>Mobile REVENUES</b>	
<b>MOBILE REVENUES</b>	Total mobile revenues, including services, handsets and handsets bundle
<b>Mobile Service Revenues</b>	Mobile service revenues, including retail, wholesale and other
Retail Services	Retail service revenues, consumer and business including voice, messaging, browsing and content
o/w Incoming	Revenues for voice traffic terminated on TIM mobile customers including visitors
Wholesale and Other	Inwit revenues, colocation on mobile sites, MVNOs and visitors
<b>Handsets and Handsets Bundle</b>	Mobile handsets sales and handsets bundles

## TIM Brasil Results - Reported Figures

R\$m, IFRS 9/15

UNAUDITED FIGURES

	Q1 '18		Q2 '18		Q3 '18		Q4 '18		FY '18		Q1 '19		Q2 '19		Q3 '19		Q4 '19		FY '19	
KPI's - Mobile only	Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy	
Total Penetration <sup>(1)</sup>	113.5%		113.2%		112.4%		109.9%		109.9%		99.6%		98.9%		98.4%		96.9%		96.9%	
Market Share on total lines	24.6%	-0.9pp	24.1%	-1.1pp	24.0%	-0.6pp	24.4%	-0.4pp	24.4%	-0.4pp	24.1%	-0.5pp	24.1%	0,0pp	23.9%	-0,1pp	24.0%	-0,4pp	24.0%	-0,4pp
Total Lines ('000) <sup>(2)</sup>	57,894	-6.4%	56,554	-7.0%	56,241	-5.3%	55,923	-4.6%	55,923	-4.6%	55,083	-4.9%	54,972	-2.8%	54,527	-3.0%	54,447	-2.6%	54,447	-2.6%
TOTAL ARPU <sup>(3)</sup>	21.7		21.9		22.6		23.7		22.5		22.8	+5.3%	23.2	+5.8%	23.9	+5.6%	25.1	+5.8%	23.7	+5.6%
TOTAL MOU <sup>(4)</sup>	115	+8.0%	122	+15.0%	129	+16.0%	127	+10.6%	123.4	+12.0%	124	+7.4%	124	+1.2%	125	-3.0%	122	-4.0%	124	+0.0%
	Q1 '18		Q2 '18		Q3 '18		Q4 '18		FY '18		Q1 '19		Q2 '19		Q3 '19		Q4 '19		FY '19	
MAIN RESULTS (IAS/IFRS)											Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy		Δ % yoy	
REVENUES Reported	4,120		4,162		4,242		4,457		16,981		4,191	1.7%	4,263	2.4%	4,337	2.2%	4,586	2.9%	17,377	2.3%
o/w services	3,986		3,968		4,031		4,221		16,206		4,025	1.0%	4,063	2.4%	4,152	3.0%	4,357	3.2%	16,597	2.4%
o/w handsets	134		194		211		236		775		166	23.9%	200	3.1%	185	-12.3%	229	-3.0%	780	0.6%
EBITDA Reported	1,407		1,508		1,594		1,807		6,316		1,485	5.5%	4,253	182.0%	1,812	13.7%	1,955	8.2%	9,505	50.5%
EBITDA margin	34.2%		36.2%		37.6%		40.5%		37.2%		35.4%	1.2pp	99.8%	63.6pp	41.8%	4.2pp	42.6%	2.1pp	54.7%	17.5pp
EBITDA Organic	1,407		1,508		1,594		1,805		6,314		1,485	5.5%	1,603	6.3%	1,702	6.8%	1,955	8.3%	6,745	6.8%
EBITDA margin	34.2%		36.2%		37.6%		40.5%		37.2%		35.4%	1.2pp	37.6%	1.4pp	39.2%	1.6pp	42.6%	2.1pp	38.8%	1.6pp
CAPEX Reported	613		981		866		1,371		3,831		650	6.0%	945	-3.7%	924	6.7%	1,334	-2.7%	3,853	0.6%
% on revenues	14.9%		23.6%		20.4%		30.8%		22.6%		15.5%	0.6pp	22.2%	-1.4pp	21.3%	0.9pp	29.1%	-1.7pp	22.2%	-0.4pp
	Q1 '18		Q2 '18		Q3 '18		Q4 '18		FY '18		Q1 '19		Q2 '19		Q3 '19		Q4 '19		FY '19	
Exchange rate AVG YTD (R\$ vs. euro)	3.99014		4.14011		4.29236		4.30628		4.30628		4.27983		#####		4.36545		4.41422		4.41422	

(1) New source: Anatel (2) Includes company lines (3) Gross of visitors (4) Minutes of usage, net of visitors

# Reported & Organic Figures: YoY trends

€m

UNAUDITED FIGURES

	Q4 '18					Q4 '19			Δ% yoy reported	Δ% yoy organic <sup>(1)</sup>
	Reported Figures	Non Organic elements		Non recurring items	Organic figures (*)	Reported Figures	Non recurring items	Organic figures (*)		
		Change in consolid. area	Exchange rate impact							
REVENUES	4,863	(6)	(45)	(62)	4,874	4,554	-	4,554	-6.4%	-6.6%
Domestic	3,849	(6)	2	(62)	3,907	3,558	-	3,558	-7.6%	-8.9%
Brazil	1,025	-	(47)	-	978	1,007	-	1,007	-1.8%	2.9%
Other Activities & Eliminations	(11)	-	-	-	(11)	(11)	-	(11)		
EBITDA	1,625	(3)	(19)	(280)	1,883	1,481	(371)	1,852	-8.9%	-1.6%
Domestic	1,216	(3)	-	(281)	1,494	1,060	(364)	1,424	-12.8%	-4.7%
Brazil	417	-	(19)	1	397	423	(7)	430	1.4%	8.3%
Other Activities & Eliminations	(8)	-	-	-	(8)	(2)	-	(2)		
EBITDA AL	1,526	(3)	(19)	(280)	1,784	1,395	(371)	1,766	-8.6%	-1.0%
Domestic	1,133	(3)	-	(281)	1,411	992	(364)	1,356	-12.5%	-3.9%
Brazil	400	-	(19)	1	380	406	(7)	413	1.6%	8.7%
Other Activities & Eliminations	(7)	-	-	-	(7)	(3)	-	(3)		
EBIT	(56)	(1)	(7)	(870)	806	341	(389)	730		-9.4%
Domestic	(235)	(1)	-	(871)	635	162	(382)	544		-14.3%
Brazil	186	-	(7)	1	178	181	(7)	188	-2.7%	5.7%
Other Activities & Eliminations	(7)	-	-		(7)	(2)	-	(2)		

(1) Organic: excluding exchange rate fluctuations & non-recurring items