



TIM Group

Q4 '20

Financial and Operating Figures

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 2020 Annual Report of the TIM Group examined and approved by the TIM Board of Directors on 23 February 2021, 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 results for FY20, Q4'20, Q3'20, Q2'20 and Q1'20 of the TIM Group are the same as those adopted in the TIM Group Annual Audited Consolidated Financial Statements as of 31 December 2019, to which reference can be made, except for the amendments to the standards issued by IASB and adopted starting from January 1, 2020. As of today, the audit work by our independent auditors on the TIM Consolidated and Separate Financial Statements for the year ended 31 December 2020 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; net financial debt (carrying and adjusted amount) and Equity Free Cash Flow. Moreover, following the adoption of IFRS 16, the TIM Group uses the following additional alternative performance indicators:

* EBITDA adjusted After Lease ("EBITDA-AL"), calculated by adjusting the Organic EBITDA, net of non-recurring items, of the amounts related to the accounting treatment of lease contracts according to IFRS 16;

* Adjusted Net Financial Debt After Lease, calculated by excluding from the adjusted net financial debt the net liabilities related to the accounting treatment of lease contracts according to IFRS 16;

* Equity Free Cash Flow After Lease, calculated by excluding from the Equity Free Cash Flow the amounts related to lease payments. Such alternative performance measures are unaudited.

TIM Group Key Financials - see next tab for 2020 comparable base

€m, IFRS 16 & After Lease view

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Unaudited figures

	REPORTED									ORGANIC ⁽¹⁾								
	Q4 '19	FY '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Change YoY %	FY '20	Change YoY %	Q4 '19 comparable base	FY '19 comparable base	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Change YoY %	FY '20	Change YoY %
REVENUES	4,551	17,974	3,964	3,795	3,898	4,148	(8.9)	15,805	(12.1)	4,239	16,935	3,979	3,817	3,899	4,149	(2.1)	15,844	(6.4)
Domestic	3,555	14,078	3,113	3,146	3,213	3,433	(3.4)	12,905	(8.3)	3,542	14,025	3,128	3,168	3,214	3,434	(3.0)	12,944	(7.7)
o/w Wireline	2,552	10,124	2,288	2,361	2,336	2,538	(0.5)	9,523	(5.9)	2,548	10,120	2,289	2,365	2,337	2,539	(0.3)	9,530	(5.8)
o/w Mobile	1,143	4,511	976	921	1,012	1,029	(10.0)	3,938	(12.7)	1,130	4,477	990	939	1,012	1,029	(8.9)	3,971	(11.3)
Brazil	1,007	3,937	859	658	691	725	(28.0)	2,933	(25.5)	708	2,951	859	658	691	725	2.0	2,933	(0.6)
Other activities & Elim.	(11)	(41)	(8)	(9)	(6)	(10)		(33)		(11)	(41)	(8)	(9)	(6)	(10)		(33)	
SERVICE REVENUES	4,017	16,304	3,687	3,537	3,510	3,669	(8.7)	14,403	(11.7)	3,715	15,304	3,702	3,559	3,511	3,669	(1.2)	14,441	(5.6)
Domestic	3,072	12,585	2,861	2,897	2,855	2,992	(2.6)	11,605	(7.8)	3,053	12,526	2,876	2,919	2,856	2,992	(2.0)	11,643	(7.0)
o/w Wireline	2,283	9,361	2,153	2,209	2,144	2,273	(0.4)	8,779	(6.2)	2,279	9,357	2,153	2,213	2,145	2,274	(0.2)	8,785	(6.1)
o/w Mobile	923	3,775	856	824	846	852	(7.7)	3,378	(10.5)	910	3,741	870	842	846	852	(6.4)	3,411	(8.8)
Brazil	956	3,760	834	649	661	687	(28.1)	2,831	(24.7)	673	2,819	834	649	661	687	1.9	2,831	0.4
Other activities & Elim.	(11)	(41)	(8)	(9)	(6)	(10)		(33)		(11)	(41)	(8)	(9)	(6)	(10)		(33)	
EBITDA	1,652	8,151	1,735	1,663	1,720	1,621	(1.9)	6,739	(17.3)	1,790	7,505	1,774	1,761	1,764	1,764	(1.5)	7,063	(5.9)
Domestic	1,154	5,708	1,346	1,338	1,397	1,258	9.0	5,339	(6.5)	1,432	6,144	1,385	1,436	1,441	1,396	(2.5)	5,658	(7.9)
Brazil	499	2,451	390	328	325	364	(27.1)	1,407	(42.6)	359	1,369	390	328	325	369	2.8	1,412	3.1
Other activities & Elim.	(1)	(8)	(1)	(3)	(2)	(1)		(7)		(1)	(8)	(1)	(3)	(2)	(1)		(7)	
EBITDA After Lease	1,396	7,146	1,502	1,465	1,530	1,428	2.3	5,925	(17.1)	1,584	6,652	1,541	1,563	1,574	1,571	(0.8)	6,249	(6.1)
Domestic	992	5,071	1,200	1,211	1,273	1,132	14.1	4,816	(5.0)	1,292	5,567	1,239	1,309	1,317	1,270	(1.7)	5,135	(7.8)
Brazil	405	2,083	303	257	259	297	(26.7)	1,116	(46.4)	293	1,093	303	257	259	302	3.0	1,121	2.5
Other activities & Elim.	(1)	(8)	(1)	(3)	(2)	(1)		(7)		(1)	(8)	(1)	(3)	(2)	(1)		(7)	
CAPEX	1,508	3,784	599	655	752	1,403	(7.0)	3,409	(9.9)	1,398	3,509	599	655	752	1,403	0.4	3,409	(2.8)
Domestic	1,213	2,912	414	549	617	1,168	(3.7)	2,748	(5.6)	1,186	2,855	414	549	617	1,168	(1.5)	2,748	(3.7)
Brazil	295	872	185	106	135	235	(20.3)	661	(24.2)	212	654	185	106	135	235	9.7	661	1.0
EFCF	639	2,331	466	512	688	748	17.1	2,414	3.6									
EFCF After Lease	397	1,534	195	336	462	622	56.7	1,615	5.3									
NET DEBT ⁽²⁾	27,668	27,668	26,745	25,971	25,469	23,326	(15.7)	23,326	(15.7)									
NET DEBT After Lease ⁽²⁾	21,893	21,893	21,711	21,095	20,741	18,594	(15.1)	18,594	(15.1)									

(1) Organic figures excluding non-recurring items and change in the scope of consolidation: Persidera out from Q1 '19 on a restated bases; Inwit accounted for using the equity method starting from Q2 '20 (restated accordingly from Q2 '19)

(2) Adjusted

Q4 '20 Financial and Operating Figures
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2020 Comparable base

€m, IFRS 16 & After Lease view

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Unaudited figures

	FY '20 organic	INWIT line by line consolidation on Q1 to be removed for 2020 comparable base ⁽¹⁾	FY '20 comparable base
REVENUES	15,844	(3)	15,841
Domestic	12,944	(3)	12,941
o/w Wireline	9,530	-	9,530
o/w Mobile	3,971	(15)	3,956
Brazil	2,933	-	2,933
Other activities & Elim.	(33)	(1)	(34)
SERVICE REVENUES	14,441	(8)	14,433
Domestic	11,643	(8)	11,635
o/w Wireline	8,785	-	8,785
o/w Mobile	3,411	(17)	3,394
Brazil	2,831	-	2,831
Other activities & Elim.	(33)	(1)	(34)
EBITDA	7,063	(74)	6,989
Domestic	5,658	(74)	5,584
Brazil	1,412	-	1,412
Other activities & Elim.	(7)	-	(7)
EBITDA After Lease	6,249	(54)	6,195
Domestic	5,135	(54)	5,081
Brazil	1,121	-	1,121
Other activities & Elim.	(7)	-	(7)
CAPEX	3,409	(6)	3,403
Domestic	2,748	(6)	2,742
Brazil	661	-	661

(1) INWIT was consolidated line by line for three months in 2020 (Q1 2020) and should therefore be subtracted from 2020 comparable base

TIM Group Profit & Loss

€m, IFRS 16

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Unaudited figures

	Q1 '19	H1 '19	9M '19	FY '19	Q1 '20	H1 '20	9M '20	FY '20	Change YoY%
REVENUES	4,471	8,994	13,423	17,974	3,964	7,759	11,657	15,805	(12.1)
Other Income	46	766	850	933	40	90	121	211	(77.4)
TOTAL OPERATING REVENUES AND OTHER INCOME	4,517	9,760	14,273	18,907	4,004	7,849	11,778	16,016	(15.3)
Acquisition of goods and services	(1,595)	(3,198)	(4,746)	(6,463)	(1,454)	(2,840)	(4,433)	(6,173)	4.5
Employee benefits expenses	(740)	(1,502)	(2,179)	(3,077)	(715)	(1,372)	(1,946)	(2,639)	14.2
Other operating expenses	(309)	(871)	(1,160)	(1,625)	(272)	(502)	(681)	(961)	40.9
Internally generated assets and Others	73	202	311	409	172	263	400	496	21.3
EBITDA	1,946	4,391	6,499	8,151	1,735	3,398	5,118	6,739	(17.3)
EBITDA Margin	43.5%	48.8%	48.4%	45.3%	43.8%	43.8%	43.9%	42.6%	(2.7 p.p.)
Depreciation and amortization	(1,264)	(2,496)	(3,758)	(4,927)	(1,201)	(2,348)	(3,482)	(4,616)	6.3
Gains (losses) on disposals of non-current assets	1	(8)	(29)	(49)	(1)	(8)	(9)	(11)	77.6
Impairment reversals (losses) on non-current assets	-	-	-	-	-	-	-	(8)	
EBIT	683	1,887	2,712	3,175	533	1,042	1,627	2,104	(33.7)
EBIT Margin	15.3%	21.0%	20.2%	17.7%	13.4%	13.4%	14.0%	13.3%	(4.4 p.p.)
Income (loss) equity invest. valued equity method ⁽¹⁾	(4)	(1)	(2)	-	441	450	460	472	
Net Financial Income / (Expenses)	(383)	(754)	(1,119)	(1,436)	(301)	(603)	(909)	(1,179)	17.9
Profit (loss) before tax from continuing operations	296	1,132	1,591	1,739	673	889	1,178	1,397	(19.7)
Income tax expense ⁽²⁾	(109)	(392)	(498)	(513)	(82)	(166)	66	5,955	
Profit (loss) from continuing operations	187	740	1,093	1,226	591	723	1,244	7,352	499.7
Discontinued operations/Non-current assets held for sale	-	-	-	16	-	-	-	-	
PROFIT (LOSS)	187	740	1,093	1,242	591	723	1,244	7,352	491.9
Parent Company	165	551	852	916	560	678	1,178	7,224	
Minorities	22	189	241	326	31	45	66	128	(60.7)

(1) INWIT gain following the merger € 452m, Inwit equity share € 18m

(2) Including € 5.9bn net effect from realignment of intangible asset tax value: € 6.6bn tax asset minus € 0.7bn substitute tax

TIM Group Cash Flow & Net Debt

€m, IFRS 16 & After Lease view

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Unaudited figures

	Q1 '19	H1 '19	9M '19	FY '19	Q1 '20	H1 '20	9M '20	FY '20
EBITDA	1,946	4,391	6,499	8,151	1,735	3,398	5,118	6,739
CAPEX	(607)	(1,481)	(2,276)	(3,784)	(599)	(1,254)	(2,006)	(3,409)
<i>o/w spectrum</i>	-	-	-	-	-	-	-	-
CHANGE IN WORKING CAPITAL ⁽¹⁾	(649)	(1,091)	(1,432)	(560)	(348)	(599)	(738)	(26)
Change in net operating working capital	(633)	(1,146)	(1,290)	(549)	(229)	(53)	(60)	772
Change in provisions for employee benefits	(13)	(214)	(243)	(246)	(8)	(435)	(534)	(628)
Change in operating provisions and other changes	(3)	269	101	235	(111)	(111)	(144)	(170)
OPERATING FREE CASH FLOW Reported	690	1,819	2,791	3,807	788	1,545	2,374	3,304
Licence	-	-	(18)	(18)	-	-	(110)	(110)
OPERATING FREE CASH FLOW net of Licence	690	1,819	2,809	3,825	788	1,545	2,484	3,414
Financial Expenses	(346)	(707)	(1,031)	(1,372)	(295)	(604)	(904)	(1,186)
Cash Taxes & Other	12	(36)	(86)	(138)	(27)	37	86	186
Net Cash Flow from discontinued operations	-	-	-	16	-	-	-	-
EQUITY FREE CASH FLOW	356	1,076	1,692	2,331	466	978	1,666	2,414
Dividends and change in Equity ⁽²⁾	(25)	(241)	(242)	(269)	(40)	(348)	(344)	974
Disposal and Financial investments	-	3	3	155	613	1,212	1,213	1,483
Licence	-	-	(18)	(18)	-	-	(110)	(110)
IFRS & IAS	(3,644)	(3,896)	(4,056)	(4,597)	(116)	(145)	(226)	(419)
NET CASH FLOW	(3,313)	(3,058)	(2,621)	(2,398)	923	1,697	2,199	4,342
EQUITY FREE CASH FLOW	356	1,076	1,692	2,331	466	978	1,666	2,414
Lease Impact	(148)	(319)	(555)	(797)	(271)	(447)	(673)	(799)
EQUITY FREE CASH FLOW AFTER LEASE	208	757	1,137	1,534	195	531	993	1,615
NET DEBT	28,583	28,328	27,891	27,668	26,745	25,971	25,469	23,326
Lease Impact	(5,440)	(5,510)	(5,426)	(5,775)	(5,034)	(4,876)	(4,728)	(4,732)
NET DEBT After Lease	23,143	22,818	22,465	21,893	21,711	21,095	20,741	18,594

(1) See details in tab "Working Capital"

(2) FY '20 figure includes: € 1,345m change in Equity related to Inwit and -€ 390m Dividends

Q4 '20 Financial and Operating Figures
Investor Relations

TIM Group Working Capital

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Unaudited figures

	TIM Group			Domestic			Brasil		
	FY '19	FY '20	Δ abs	FY '19	FY '20	Δ abs	FY '19	FY '20	Δ abs
Operating WC & Other	(560)	(26)	534	233	(249)	(482)	(789)	225	1,014
License	-	-	-	-	-	-	-	-	-
License paid in the year	(18)	(110)	(92)	(18)	(110)	(92)	-	-	-
Non recurring items (not paid)	71	324	253	696	319	(377)	(625)	5	630
Recurring Operating WC	(613)	(240)	373	(445)	(458)	(13)	(164)	220	384
Inventory				133	13	(120)			
Trade Receivables				54	262	208			
Trade Payables				(2)	200	202			
Other Operating Payables/Receivables & Funds				(630)	(933)	(303)			
- o/w Litigations & Settlements				(3)	(121)	(118)			
- o/w Payables vs. Personnel				48	(54)	(102)			
- o/w Personnel Exit (Fornero Law)				(350)	(476)	(126)			
- o/w VAT				(13)	12	25			
- o/w Billing (1)				2	(33)	(35)			
- o/w Net Debts vs INPS				(54)	22	76			
- o/w Deferred Costs & Revenues				(120)	(157)	(37)			

TIM Group Balance Sheet

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Unaudited figures

	Q1 '19	H1 '19	9M '19	FY '19	Q1 '20	H1 '20	9M '20	FY '20
CURRENT ASSETS	9,280	8,253	8,798	14,108	9,513	9,611	9,036	10,812
Trade and miscellaneous receivables and other current assets	5,138	4,990	4,940	4,857	4,889	4,639	4,580	4,346
Cash and cash equivalents	2,103	1,700	2,147	3,138	3,265	3,603	2,858	4,829
Discontinued operations/assets held for sale	-	-	-	4,647	-	24	-	-
<i>o/w of a financial nature</i>	-	-	-	65	-	-	-	-
<i>o/w of a non-financial nature</i>	-	-	-	4,582	-	24	-	-
Securities other than investments, other financial receivables and other current financial assets	1,574	1,111	1,247	999	985	1,007	1,246	1,254
Inventories	325	316	299	260	282	256	272	242
Current income tax receivables	71	83	104	149	49	46	46	86
Current financial receivables arising from lease contracts	69	53	61	58	43	36	34	55
Other investments	-	-	-	-	-	-	-	-
NON-CURRENT ASSETS	60,304	60,859	60,675	55,996	58,482	56,946	55,819	62,422
Intangible assets	34,985	34,790	34,464	30,750	30,027	29,737	29,452	29,587
Goodwill	26,780	26,784	26,750	23,083	22,908	22,870	22,825	22,847
Intangible assets with a finite useful life	8,205	8,006	7,714	7,667	7,119	6,867	6,627	6,740
Tangible assets	14,086	14,089	13,995	14,011	13,287	12,986	12,800	13,141
Property, plant and equipment owned	14,086	14,089	13,995	14,011	13,287	12,986	12,800	13,141
Right of Use assets	5,735	5,803	5,693	5,494	5,276	5,022	4,879	4,992
Other assets	5,498	6,177	6,523	5,741	9,892	9,201	8,688	14,702
Miscellaneous receivables and other non-current assets	2,296	2,944	2,803	2,585	2,387	2,309	2,050	2,114
Non-current financial assets	1,885	2,090	2,637	2,151	3,116	2,969	2,519	2,310
<i>o/w receivable for lease contracts</i>	54	60	53	51	51	47	42	43
<i>o/w other non-current financial assets</i>	1,831	2,030	2,584	2,100	3,065	2,922	2,477	2,267
Deferred tax assets	1,253	1,077	1,019	942	937	896	1,080	7,496
Other investments	52	54	52	52	44	51	52	54
Investments in associates and joint ventures accounted for using the equity method	12	12	12	11	3,408	2,976	2,987	2,728
TOTAL ASSETS	69,584	69,112	69,473	70,104	67,995	66,557	64,855	73,234

TIM Group Balance Sheet

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Unaudited figures

	Q1 '19	H1 '19	9M '19	FY '19	Q1 '20	H1 '20	9M '20	FY '20
CURRENT LIABILITIES	12,489	10,214	10,778	11,928	10,818	10,534	10,380	11,167
Trade and miscellaneous payables and other current liabilities	6,840	6,647	6,459	7,218	6,573	6,108	5,908	6,588
Current financial liabilities	5,584	3,485	4,277	3,821	4,202	4,382	4,416	4,308
<i>o/w liabilities for financing contracts and others</i>	4,889	2,780	3,557	3,182	3,523	3,685	3,773	3,677
<i>o/w liabilities for lease contracts</i>	695	705	720	639	679	697	643	631
Liabilities directly associated with Discontinued operations/Non-current assets held for sale	-	-	-	805	-	-	-	-
<i>o/w of a financial nature</i>	-	-	-	655	-	-	-	-
<i>o/w of a non-financial nature</i>	-	-	-	150	-	-	-	-
Current income tax payables	65	82	42	84	43	44	56	271
NON-CURRENT LIABILITIES	35,276	36,564	36,151	35,550	35,166	34,629	33,002	33,227
Non-current financial liabilities	29,340	30,493	30,262	30,181	29,776	29,187	27,873	27,854
<i>o/w liabilities for financing contracts and others</i>	24,586	25,679	25,546	25,605	25,396	24,984	23,766	23,655
<i>o/w liabilities for lease contracts</i>	4,754	4,814	4,716	4,576	4,380	4,203	4,107	4,199
Miscellaneous payables and other non-current liabilities	3,294	3,348	3,156	3,214	3,104	3,363	3,226	3,602
Employee benefits	1,545	1,417	1,379	1,182	1,179	916	830	724
Provisions	861	993	971	725	688	753	750	770
Deferred tax liabilities	236	313	383	248	419	410	323	277
TOTAL LIABILITIES	47,765	46,778	46,929	47,478	45,984	45,163	43,382	44,394
EQUITY	21,819	22,334	22,544	22,626	22,011	21,394	21,473	28,840
Equity attributable to equity owners of the Parent	19,612	19,949	20,222	20,280	20,623	20,081	20,227	26,215
Equity attributable to Minority Interests	2,207	2,385	2,322	2,346	1,388	1,313	1,246	2,625
TOTAL LIABILITIES & EQUITY	69,584	69,112	69,473	70,104	67,995	66,557	64,855	73,234

Domestic Results

€m, IFRS 16 & After Lease view

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Unaudited figures

	REPORTED									ORGANIC ⁽¹⁾								
	Q4 '19	FY '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Change YoY %	FY '20	Change YoY %	Q4'19 comparable base	FY '19 comparable base	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Change YoY %	FY '20	Change YoY %
REVENUES	3,555	14,078	3,113	3,146	3,213	3,433	(3.4)	12,905	(8.3)	3,542	14,025	3,128	3,168	3,214	3,434	(3.0)	12,944	(7.7)
Service Revenues	3,072	12,585	2,861	2,897	2,855	2,992	(2.6)	11,605	(7.8)	3,053	12,526	2,876	2,919	2,856	2,992	(2.0)	11,643	(7.0)
Wireline Services	2,283	9,361	2,153	2,209	2,144	2,273	(0.4)	8,779	(6.2)	2,279	9,357	2,153	2,213	2,145	2,274	(0.2)	8,785	(6.1)
Retail	1,515	6,264	1,419	1,404	1,386	1,448	(4.4)	5,657	(9.7)	1,515	6,264	1,420	1,408	1,387	1,448	(4.4)	5,663	(9.6)
National Wholesale	506	2,078	500	567	524	553	9.4	2,144	3.2	506	2,078	500	567	524	553	9.4	2,144	3.2
International Wholesale	237	934	218	224	221	249	5.1	912	(2.4)	233	930	218	224	221	249	6.9	912	(1.9)
Subs., adj. and other	25	86	15	14	14	24	(7.5)	66	(23.4)	25	86	15	13	14	24	(5.9)	66	(23.4)
Mobile Services	923	3,775	856	824	846	852	(7.7)	3,378	(10.5)	910	3,741	870	842	846	852	(6.4)	3,411	(8.8)
Retail	791	3,292	747	734	706	707	(10.5)	2,895	(12.0)	790	3,292	762	752	706	707	(10.5)	2,928	(11.1)
Wholesale and Other	133	483	109	89	140	145	9.1	483	(0.0)	120	449	109	89	140	145	20.8	483	7.6
Elimination & Other ⁽²⁾	(134)	(551)	(148)	(135)	(135)	(133)	5.5	(552)	8.9	(136)	(572)	(147)	(136)	(135)	(134)	4.6	(552)	7.9
Handsets	483	1,493	252	249	358	441	(8.7)	1,300	(12.9)	489	1,499	252	249	358	442	(1.1)	1,301	(0.7)
OPEX	2,401	8,370	1,767	1,808	1,816	2,175	(9.4)	7,566	(9.6)	2,110	7,881	1,743	1,732	1,773	2,038	(0.5)	7,286	0.2
EBITDA	1,154	5,708	1,346	1,338	1,397	1,258	9.0	5,339	(6.5)	1,432	6,144	1,385	1,436	1,441	1,396	(2.5)	5,658	(7.9)
EBITDA Margin	32.5%	40.5%	43.2%	42.5%	43.5%	36.6%	4.1 p.p.	41.4%	0.9 p.p.	40.4%	43.8%	44.3%	45.3%	44.8%	40.7%	0.8 p.p.	43.7%	1.0 p.p.
EBITDA After Lease	992	5,071	1,200	1,211	1,273	1,132	14.1	4,816	(5.0)	1,292	5,567	1,239	1,309	1,317	1,270	(1.7)	5,135	(7.8)
EBITDA AL Margin	27.9%	36.0%	38.5%	38.5%	39.6%	33.0%	5.1 p.p.	37.3%	1.3 p.p.	36.5%	39.7%	39.6%	41.3%	41.0%	37.0%	0.6 p.p.	39.7%	1.0 p.p.
CAPEX	1,213	2,912	414	549	617	1,168	(3.7)	2,748	(5.6)	1,186	2,855	414	549	617	1,168	(1.5)	2,748	(3.7)
% on revenues	34.1%	20.7%	13.3%	17.5%	19.2%	34.0%	(0.1 p.p.)	21.3%	0.6 p.p.	33.5%	20.4%	13.2%	17.3%	19.2%	34.0%	0.5 p.p.	21.2%	0.5 p.p.
Headcount EoP	45,496	45,496	45,380	45,473	43,069	42,925	(5.7)											

(1) Organic figures excluding non-recurring items and change in the scope of consolidation: Persidera out from Q1 '19 on a restated bases; Inwit accounted for using the equity method starting from Q2 '20 (restated accordingly from Q2 '19)

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

Q4 '20 Financial and Operating Figures
Investor Relations

Domestic Wireline

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Unaudited figures

	REPORTED									ORGANIC ⁽¹⁾								
	Q4 '19	FY '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Change YoY %	FY '20	Change YoY %	Q4 '19 comparable base	FY '19 comparable base	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Change YoY %	FY '20	Change YoY %
WIRELINE REVENUES	2,552	10,124	2,288	2,361	2,336	2,538	(0.5)	9,523	(5.9)	2,548	10,120	2,289	2,365	2,337	2,539	(0.3)	9,530	(5.8)
Wireline Service Revenues	2,283	9,361	2,153	2,209	2,144	2,273	(0.4)	8,779	(6.2)	2,279	9,357	2,153	2,213	2,145	2,274	(0.2)	8,785	(6.1)
Retail Services	1,515	6,264	1,419	1,404	1,386	1,448	(4.4)	5,657	(9.7)	1,515	6,264	1,420	1,408	1,387	1,448	(4.4)	5,663	(9.6)
<i>o/w Broadband and content</i>	588	2,470	584	575	569	572	(2.7)	2,299	(6.9)	588	2,470	584	575	569	572	(2.7)	2,299	(6.9)
<i>o/w ICT Services</i>	245	862	207	228	249	313	27.6	997	15.6	245	862	207	228	249	313	27.6	997	15.6
National Wholesale	506	2,078	500	567	524	553	9.4	2,144	3.2	506	2,078	500	567	524	553	9.4	2,144	3.2
International Wholesale	237	934	218	224	221	249	5.1	912	(2.4)	233	930	218	224	221	249	6.9	912	(1.9)
Subsidiaries, adj. and other	25	86	15	14	14	24	(7.5)	66	(23.4)	25	86	15	13	14	24	(5.9)	66	(23.4)
Equipments	269	763	135	152	192	265	(1.7)	744	(2.4)	269	763	135	152	192	265	(1.4)	745	(2.3)
Retail lines ('000)										9,166	9,166	8,981	8,921	8,761	8,767	(4.4)	8,767	(4.4)
Churn rate %										4.9	20.9	4.7	3.0	4.0	4.0	(0.9 p.p.)	15.7	(5.2 p.p.)
Broadband										7,592	7,592	7,567	7,523	7,519	7,635	0.6	7,635	0.6
Consumer										6,282	6,282	6,298	6,282	6,304	6,432	2.4	6,432	2.4
Business										1,310	1,310	1,269	1,241	1,214	1,203	(8.2)	1,203	(8.2)
UBB ⁽²⁾										3,670	3,670	3,789	4,008	4,127	4,407	20.1	4,407	20.1
Wholesale lines ('000)										8,051	8,051	8,003	8,083	8,053	7,974	(1.0)	7,974	(1.0)
Local Loop Unbundling										3,525	3,525	3,298	3,128	2,953	2,783	(21.1)	2,783	(21.1)
Wholesale Line Rental										215	215	203	198	192	184	(14.2)	184	(14.2)
Bitstream Naked										1,001	1,001	952	895	846	786	(21.4)	786	(21.4)
UBB										3,309	3,309	3,549	3,862	4,063	4,220	27.5	4,220	27.5
ARPU Consumer										34.2	34.9	33.8	33.4	31.9	32.9	(4.1)	33.0	(5.4)
ARPU Broadband										25.9	27.7	25.6	25.4	25.3	25.2	(3.0)	25.4	(8.3)

(1) Excluding non-recurring items and change in consolidation area; comparable base also excluding exchange rate fluctuations
Accesses (FWA) from Q4'19; FWA not material in previous quarters

(2) Including Fixed Wireless

Q4 '20 Financial and Operating Figures
Investor Relations

WIRELINE REVENUES	Total revenues of Domestic Wireline, including services and equipment
Wireline Service Revenues	Including retail, domestic wholesale, Sparkle (TIS Group), adjustments and eliminations
Retail Services	Retail service revenues: consumer + business
<i>o/w Broadband and content</i>	Data services (xDSL, FTTx), TIM Vision and other contents, TIM Game
<i>o/w ICT Services</i>	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)
Equipments	Equipment sold, including consumer (routers, set-top-box, etc) and B2B (IRU, IT hardware, local networks equipment, etc)
Retail lines ('000)	Fixed accesses, including both voice, broadband (xDSL, FTTx) and data only lines (from Jan. 2019)
Churn rate %	Percentage of line lost on average nr of lines in the reported period
Broadband	All active broadband lines, including xDSL and FTTx
<i>Consumer</i>	<i>Active broadband lines on Consumer customers</i>
<i>Business</i>	<i>Active broadband lines on Corporate and Small/Medium enterprises</i>
<i>UBB</i>	<i>All active fiber line retail customers (FTTx and enterprise data lines) and Fixed Wireless Accesses (FWA)</i>
Wholesale lines ('000)	Total number of wholesale lines
Local Loop Unbundling	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
Consumer	Total retail consumer service revenues divided by average active consumer lines (€/line/month)
Broadband	Total broadband revenues (Consumer+Business) divided by average active broadband customers (€/line/month)

Domestic Mobile

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Unaudited figures

	REPORTED									ORGANIC ⁽¹⁾								
	Q4 '19	FY '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Change YoY %	FY '20	Change YoY %	Q4 '19 comparable base	FY '19 comparable base	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Change YoY %	FY '20	Change YoY %
MOBILE REVENUES	1,143	4,511	976	921	1,012	1,029	(10.0)	3,938	(12.7)	1,130	4,477	990	939	1,012	1,029	(8.9)	3,971	(11.3)
Mobile Service Revenues	923	3,775	856	824	846	852	(7.7)	3,378	(10.5)	910	3,741	870	842	846	852	(6.4)	3,411	(8.8)
Retail Services	790	3,292	747	734	706	707	(10.5)	2,895	(12.0)	790	3,292	762	752	706	707	(10.5)	2928	(11.1)
o/w Incoming	72	270	66	75	61	68	(5.3)	271	0.2	72	270	66	75	61	68	(5.3)	271	0.2
Wholesale and Other	133	483	109	89	140	145	9.1	483	(0.0)	120	449	109	89	140	145	20.8	483	7.6
Handsets and Handsets Bundle	220	736	120	97	166	177	(19.6)	560	(24.0)	220	736	120	97	166	177	(19.6)	560	(24.0)
Total number of lines ('000)										30,895	30,895	30,522	30,502	30,165	30,170	(2.3)	30,170	(2.3)
Churn rate %										5.5	20.4	5.3	4.0	5.2	4.2	(1.3 p.p.)	18.6	(1.8 p.p.)
Human										21,003	21,003	20,424	20,155	19,894	19,795	(5.8)	19,795	(5.8)
Not Human (M2M)										9,892	9,892	10,098	10,347	10,272	10,375	4.9	10,375	4.9
Calling lines										27,495	27,495	27,227	27,563	27,375	27,313	(0.7)	27,313	(0.7)
Human Calling										17,602	17,602	17,128	17,215	17,103	16,938	(3.8)	16,938	(3.8)
Broadband Users										12,823	12,823	12,673	12,875	12,920	12,818	(0.0)	12,818	(0.0)
LTE Users										11,043	11,043	11,111	11,331	11,659	11,673	5.7	11,673	5.7
Usage Data (GB/users/month)										7.0	6.3	8.2	9.4	9.9	10.3	46.2	9.4	50.9
ARPU Reported										8.5	8.7	8.3	8.2	7.8	7.8	(7.7)	8.0	(7.8)
ARPU Human										12.4	12.6	12.3	12.4	11.8	11.9	(4.2)	12.1	(3.8)

(1) Excluding non-recurring items and change in consolidation area; comparable base also excluding exchange rate fluctuations

MOBILE REVENUES	Total mobile revenues, including services, handsets and handsets bundle
Mobile Service Revenues	Mobile service revenues, including retail, wholesale and other
Retail Services o/w Incoming	Retail service revenues, consumer and business including voice, messaging, browsing and content Revenues for voice traffic terminated on TIM mobile customers including visitors
Wholesale and Other	Inwit revenues, colocation on mobile sites, MVNOs and visitors
Handsets and Handsets Bundle	Mobile handsets sales and handsets bundles
Total number of lines	Total mobile customer base, human and not human ('000)
Churn rate %	Percentage of line lost on average nr of lines in the reported period
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)
Calling lines	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)
Broadband Users	Mobile customers using data services
LTE Users	Mobile customer using (also) 4G (LTE) data services
Usage Data	Average data usage (GB/broadband users/month) - Data volumes net of Visitors, Roamers and MVNO (Noverca/Kena volumes included)
Reported	Total retail service revenues divided by average customer base, human and not human (€/line/month)
Human	Total retail service revenues divided by average human customer base (€/line/month)

	Q1 '19	Q2 '19	Q3 '19	Q4 '19	FY '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Change YoY %	FY '20	Change YoY %
REVENUES	4,191	4,263	4,337	4,586	17,377	4,215	3,987	4,388	4,678	2.0	17,268	(0.6)
Service Revenues	4,025	4,063	4,152	4,357	16,597	4,091	3,926	4,207	4,441	1.9	16,665	0.4
o/w Mobile	3,799	3,839	3,922	4,102	15,662	3,842	3,673	3,937	4,166	1.5	15,618	(0.3)
o/w Fixed	226	224	230	255	935	249	253	270	275	7.9	1,047	12.0
Handsets	166	200	185	229	780	124	61	181	237	3.5	603	(22.7)
OPEX	2,419	2,315	2,295	2,288	9,317	2,299	2,020	2,325	2,342	2.4	8,986	(3.6)
EBITDA	1,772	4,598	2,152	2,298	10,820	1,916	1,967	2,063	2,336	1.7	8,282	(23.5)
EBITDA margin	42.3%	107.9%	49.6%	50.1%	62.3%	45.5%	49.3%	47.0%	49.9%	(0.2 p.p.)	48.0%	(14.3 p.p.)
EBITDA net non recurring	1,772	1,948	2,042	2,298	8,060	1,916	1,967	2,063	2,363	2.8	8,309	3.1
EBITDA margin	42.3%	45.7%	47.1%	50.1%	46.4%	45.5%	49.3%	47.0%	50.5%	0.4 p.p.	48.1%	1.7 p.p.
CAPEX	650	945	924	1,334	3,853	904	673	850	1,464	9.7	3,891	1.0
% on revenues	15.5%	22.2%	21.3%	29.1%	22.2%	21.4%	16.9%	19.4%	31.3%	2.2 p.p.	22.5%	0.3 p.p.
KPI's - Mobile only												
Total Penetration ⁽¹⁾	99.6%	98.9%	98.4%	96.9%	96.9%	96.2%	95.7%	94.6%	97.2%	0.3 p.p.	97.2%	0.3 p.p.
Market Share on total lines	24.1%	24.1%	23.9%	24.0%	24.0%	23.3%	23.1%	22.4%	22.0%	(2.0 p.p.)	22.0%	(2.0 p.p.)
Total Lines ('000) ⁽²⁾	55,083	54,972	54,527	54,447	54,447	52,826	52,031	51,159	51,433	(5.5)	51,433	(5.5)
TOTAL ARPU ⁽³⁾	22.8	23.2	23.9	25.1	23.7	23.9	23.4	25.4	27.0	7.7	24.9	4.9
TOTAL MOU ⁽⁴⁾	124	124	125	122	124	119	124	127	121	(0.3)	123	(0.7)
Exchange rate AVG YTD (R\$/euro)	4.28	4.34	4.37	4.41	4.41	4.91	5.41	5.70	5.89		5.89	

Reported & Organic Reconciliation

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Unaudited figures

	Q4 '19					Q4 '20		
	Reported	Non Organic elements		Non recurring items	Organic comparable base	Reported	Non recurring items	Organic
		Change in consolid. area	Exchange rate impact					
REVENUES	4,551	(9)	(303)	-	4,239	4,148	1	4,149
Domestic	3,555	(9)	(4)	-	3,542	3,433	1	3,434
Brazil	1,007	-	(299)	-	708	725	-	725
Other Activities & Eliminations	(11)	-	-	-	(11)	(10)	-	(10)
SERVICE REVENUES	4,017	(15)	(287)	-	3,715	3,669	-	3,669
Domestic	3,072	(15)	(4)	-	3,053	2,992	-	2,992
Brazil	956	-	(283)	-	673	687	-	687
Other Activities & Eliminations	(11)	-	-	-	(11)	(10)	-	(10)
EBITDA	1,652	(82)	(156)	376	1,790	1,621	143	1,764
Domestic	1,154	(82)	(1)	361	1,432	1,258	138	1,396
Brazil	499	-	(155)	15	359	364	5	369
Other Activities & Eliminations	(1)	-	-	-	(1)	(1)	-	(1)
EBITDA After Lease	1,396	(60)	(128)	376	1,584	1,428	143	1,571
Domestic	992	(60)	(1)	361	1,292	1,132	138	1,270
Brazil	405	-	(127)	15	293	297	5	302
Other Activities & Eliminations	(1)	-	-	-	(1)	(1)	-	(1)
EBIT	463	(61)	(84)	394	712	477	143	620
Domestic	193	(61)	-	379	511	323	138	461
Brazil	272	-	(84)	15	203	156	5	161
Other Activities & Eliminations	(2)	-	-	-	(2)	(2)	-	(2)