



TIM Group

Q1 '21

Financial and Operating Figures

IFRS 16 and After Lease view



TELECOM ITALIA INVESTOR RELATIONS

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Disclaimer

The Q1'21 financial and operating data have been extracted or derived, with the exception of some data, from the Financial Information at March 31, 2021 of the TIM Group, 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 Q1'21 of the TIM Group are the same as those adopted in the TIM Group Annual Audited Consolidated Financial Statements as of 31 December 2020, to which reference can be made, except for the amendments to the standards issued by IASB and adopted starting from January 1, 2021. The financial results for Q1'21 of the TIM Group are unaudited.

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

€m, IFRS 16 & After Lease view

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Unaudited figures

	REPORTED						ORGANIC ⁽¹⁾							
	Q1 '20 ⁽²⁾	Q2 '20	Q3 '20	Q4 '20	FY '20	Q1 '21	Q1 '20 comparable base ⁽²⁾	Q1 '20	Q2 '20	Q3 '20	Q4 '20	FY '20	Q1 '21	Change YoY %
REVENUES	3,964	3,795	3,898	4,148	15,805	3,752	3,752	3,979	3,817	3,899	4,149	15,844	3,752	0.0
Domestic	3,113	3,146	3,213	3,433	12,905	3,101	3,121	3,128	3,168	3,214	3,434	12,944	3,101	(0.6)
o/w Wireline	2,288	2,361	2,336	2,538	9,523	2,352	2,285	2,289	2,365	2,337	2,539	9,530	2,352	3.0
o/w Mobile	976	921	1,012	1,029	3,938	892	975	990	939	1,012	1,029	3,971	892	(8.6)
Brazil	859	658	691	725	2,933	658	639	859	658	691	725	2,933	658	3.0
Other activities & Elim.	(8)	(9)	(6)	(10)	(33)	(7)	(8)	(8)	(9)	(6)	(10)	(33)	(7)	
SERVICE REVENUES	3,687	3,537	3,510	3,669	14,403	3,387	3,476	3,702	3,559	3,511	3,669	14,441	3,387	(2.5)
Domestic	2,861	2,897	2,855	2,992	11,605	2,753	2,864	2,876	2,919	2,856	2,992	11,643	2,753	(3.9)
o/w Wireline	2,153	2,209	2,144	2,273	8,779	2,138	2,149	2,153	2,213	2,145	2,274	8,785	2,138	(0.5)
o/w Mobile	856	824	846	852	3,378	757	853	870	842	846	852	3,411	757	(11.3)
Brazil	834	649	661	687	2,831	641	620	834	649	661	687	2,831	641	3.3
Other activities & Elim.	(8)	(9)	(6)	(10)	(33)	(7)	(8)	(8)	(9)	(6)	(10)	(33)	(7)	
EBITDA	1,735	1,663	1,720	1,621	6,739	1,177	1,599	1,774	1,761	1,764	1,764	7,063	1,578	(1.3)
Domestic	1,346	1,338	1,397	1,258	5,339	875	1,310	1,385	1,436	1,441	1,396	5,658	1,276	(2.6)
Brazil	390	328	325	364	1,407	304	290	390	328	325	369	1,412	304	4.8
Other activities & Elim.	(1)	(3)	(2)	(1)	(7)	(2)	(1)	(1)	(3)	(2)	(1)	(7)	(2)	
EBITDA After Lease	1,502	1,465	1,530	1,428	5,925	982	1,406	1,541	1,563	1,574	1,571	6,249	1,383	(1.7)
Domestic	1,200	1,211	1,273	1,132	4,816	750	1,182	1,239	1,309	1,317	1,270	5,135	1,151	(2.6)
Brazil	303	257	259	297	1,116	234	225	303	257	259	302	1,121	234	3.9
Other activities & Elim.	(1)	(3)	(2)	(1)	(7)	(2)	(1)	(1)	(3)	(2)	(1)	(7)	(2)	
CAPEX	599	655	752	1,403	3,409	691	545	599	655	752	1,403	3,409	691	26.8
Domestic	414	549	617	1,168	2,748	490	408	414	549	617	1,168	2,748	490	20.1
Brazil	185	106	135	235	661	201	137	185	106	135	235	661	201	46.5
EFCF	466	512	688	748	2,414	469								
EFCF After Lease	195	336	462	622	1,615	307								
NET DEBT ⁽³⁾	26,745	25,971	25,469	23,326	23,326	21,155								
NET DEBT After Lease ⁽³⁾	21,711	21,095	20,741	18,594	18,594	16,591								

(1) Organic figures excluding non-recurring items and change in the scope of consolidation and is therefore subtracted from comparable base, whereas it is included in reported figures; YoY comparison on reported data not meaningful

(2) INWIT was consolidated line by line for three months in Q1 2020

(3) Adjusted

Q1 '21 Financial and Operating Figures
Investor Relations

TIM Group Profit & Loss

€m, IFRS 16

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Unaudited figures

	Q1 '20	H1 '20	9M '20	FY '20	Q1 '21	Change YoY%
REVENUES	3,964	7,759	11,657	15,805	3,752	(5.3)
Other Income	40	90	121	211	109	172.5
TOTAL OPERATING REVENUES AND OTHER INCOME	4,004	7,849	11,778	16,016	3,861	(3.6)
Acquisition of goods and services	(1,454)	(2,840)	(4,433)	(6,173)	(1,575)	(8.3)
Employee benefits expenses	(715)	(1,372)	(1,946)	(2,639)	(1,038)	(45.2)
Other operating expenses	(272)	(502)	(681)	(961)	(239)	12.1
Internally generated assets and Others	172	263	400	496	168	(2.3)
EBITDA	1,735	3,398	5,118	6,739	1,177	(32.2)
EBITDA Margin	43.8%	43.8%	43.9%	42.6%	31.4%	(12.4 p.p.)
Depreciation and amortization	(1,201)	(2,348)	(3,482)	(4,616)	(1,130)	5.9
Gains (losses) on disposals of non-current assets	(1)	(8)	(9)	(11)	(2)	
Impairment reversals (losses) on non-current assets	-	-	-	(8)	-	
EBIT	533	1,042	1,627	2,104	45	(91.6)
EBIT Margin	13.4%	13.4%	14.0%	13.3%	1.2%	(12.2 p.p.)
Income (loss) equity invest. valued equity method ⁽¹⁾	441	450	460	472	11	(97.5)
Net Financial Income / (Expenses)	(301)	(603)	(909)	(1,179)	(288)	4.3
Profit (loss) before tax from continuing operations	673	889	1,178	1,397	(232)	
Income tax expense	(82)	(166)	66	5,955	38	
Profit (loss) from continuing operations	591	723	1,244	7,352	(194)	
Discontinued operations/Non-current assets held for sale	-	-	-	-	-	
PROFIT (LOSS)	591	723	1,244	7,352	(194)	
Parent Company	560	678	1,178	7,224	(216)	
Minorities	31	45	66	128	22	
Non-recurring items ⁽²⁾	(413)				310	
PROFIT (LOSS) NET NON-RECURRING ITEMS	178				116	

(1) Inwit equity share € 11m in Q1 '21, Inwit gain following the merger € 441m in Q1 '20

(2) Non-recurring Items mainly include personnel provisions (2021-26 layoffs ex art.4 Fornero Law), legal and COVID related costs in Q1 '21 and Inwit gain in Q1 '20

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Investor Relations

TIM Group Cash Flow & Net Debt

€m, IFRS 16 & After Lease view

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Unaudited figures

	Q1 '20	FY '20	Q1 '21
EBITDA	1,735	6,739	1,177
CAPEX	(599)	(3,409)	(691)
o/w spectrum	-	-	-
CHANGE IN WORKING CAPITAL ⁽¹⁾	(348)	(26)	269
Change in net operating working capital	(229)	772	281
Change in inventories	(23)	38	(46)
Change in trade receivables and net amounts due from customers on construction contracts	259	466	66
Change in trade payables	(931)	(193)	(305)
Other changes in operating receivables/payables	466	461	566
Change in provisions for employee benefits	(8)	(628)	262
Change in operating provisions and other changes	(111)	(170)	(274)
OPERATING FREE CASH FLOW Reported	788	3,304	755
Licence	-	(110)	-
OPERATING FREE CASH FLOW net of Licence	788	3,414	755
Financial Expenses	(295)	(1,186)	(288)
Cash Taxes & Other	(27)	186	2
Net Cash Flow from discontinued operations	-	-	-
EQUITY FREE CASH FLOW	466	2,414	469
Dividends and change in Equity ⁽²⁾	(40)	974	(24)
Disposal and Financial investments	613	1,483	1,721
Licence	-	(110)	-
IFRS & IAS	(116)	(419)	5
NET CASH FLOW	923	4,342	2,171
EQUITY FREE CASH FLOW	466	2,414	469
Lease Impact	(271)	(799)	(162)
EQUITY FREE CASH FLOW AFTER LEASE	195	1,615	307
NET DEBT	26,745	23,326	21,155
Lease Impact	(5,034)	(4,732)	(4,564)
NET DEBT After Lease	21,711	18,594	16,591

(1) See details in tab "Working Capital"

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

Q1 '21 Financial and Operating Figures
Investor Relations

TIM Group Working Capital

€m, IFRS 16

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Unaudited figures

	TIM Group			Domestic			Brasil		
	Q1 '20	Q1 '21	Δ abs	Q1 '20	Q1 '21	Δ abs	Q1 '20	Q1 '21	Δ abs
Operating WC & Other	(348)	269	617	(163)	276	439	(184)	(8)	176
License	-	-	-	-	-	-	-	-	-
License paid in the year	-	-	-	-	-	-	-	-	-
Non recurring items (not paid)	(39)	(401)	(362)	(39)	(401)	(362)	-	-	-
Recurring Operating WC	(387)	(132)	255	(202)	(125)	77	(184)	(8)	176
Inventory				(20)	(39)	(19)			
Trade Receivables				108	7	(101)			
Trade Payables				(511)	(213)	298			
Other Operating Payables/Receivables & Funds				221	120	(101)			
- o/w Litigations & Settlements				(114)	(84)	30			
- o/w Payables vs. Personnel				111	84	(27)			
- o/w Personnel Exit (Fornero Law)				(67)	(128)	(61)			
- o/w VAT				435	419	(16)			
- o/w Billing (1)				(31)	(48)	(17)			
- o/w Net Debts vs INPS				(41)	(38)	2			
- o/w Deferred Costs & Revenues				(52)	(30)	21			

TIM Group Balance Sheet

€m, IFRS 16

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Unaudited figures

	Q1 '20	FY '20	Q1 '21
CURRENT ASSETS	9,493	10,791	12,059
Trade and miscellaneous receivables and other current assets ⁽¹⁾	4,803	4,280	4,298
Cash and cash equivalents	3,265	4,829	4,370
Discontinued operations/assets held for sale	-	-	-
<i>o/w of a financial nature</i>	-	-	-
<i>o/w of a non-financial nature</i>	-	-	-
Securities other than investments, other financial receivables and other current financial assets	985	1,254	2,963
Inventories ⁽¹⁾	348	287	331
Current income tax receivables	49	86	30
Current financial receivables arising from lease contracts	43	55	67
Other investments			
NON-CURRENT ASSETS	58,482	62,422	61,667
Intangible assets	30,027	29,587	29,297
Goodwill	22,908	22,847	22,820
Intangible assets with a finite useful life	7,119	6,740	6,477
Tangible assets	13,287	13,141	12,980
Property, plant and equipment owned	13,287	13,141	12,980
Right of Use assets	5,276	4,992	4,851
Other assets	9,892	14,702	14,539
Miscellaneous receivables and other non-current assets	2,387	2,114	2,072
Non-current financial assets	3,116	2,310	2,088
<i>o/w receivable for lease contracts</i>	51	43	45
<i>o/w other non-current financial assets</i>	3,065	2,267	2,043
Deferred tax assets	937	7,496	7,547
Other investments	44	54	57
Investments in associates and joint ventures accounted for using the equity method	3,408	2,728	2,775
TOTAL ASSETS	67,975	73,213	73,726

(1) Trade receivables for contract works in progress reclassified as Inventories

Q1 '21 Financial and Operating Figures
Investor Relations

TIM Group Balance Sheet

€m, IFRS 16

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Unaudited figures

	Q1 '20	FY '20	Q1 '21
CURRENT LIABILITIES	10,798	11,146	13,028
Trade and miscellaneous payables and other current liabilities ⁽¹⁾	6,553	6,567	7,031
Current financial liabilities	4,202	4,308	5,742
<i>o/w liabilities for financing contracts and others</i>	3,523	3,677	5,127
<i>o/w liabilities for lease contracts</i>	679	631	615
Liabilities directly associated with Discontinued operations/Non-current assets held for sale	-	-	-
<i>o/w of a financial nature</i>	-	-	-
<i>o/w of a non-financial nature</i>	-	-	-
Current income tax payables	43	271	255
NON-CURRENT LIABILITIES	35,166	33,227	30,876
Non-current financial liabilities	29,776	27,854	25,418
<i>o/w liabilities for financing contracts and others</i>	25,396	23,655	21,357
<i>o/w liabilities for lease contracts</i>	4,380	4,199	4,061
Miscellaneous payables and other non-current liabilities	3,104	3,602	3,526
Employee benefits	1,179	724	939
Provisions	688	770	769
Deferred tax liabilities	419	277	224
TOTAL LIABILITIES	45,964	44,373	43,904
EQUITY	22,011	28,840	29,822
Equity attributable to equity owners of the Parent	20,623	26,215	25,383
Equity attributable to Minority Interests	1,388	2,625	4,439
TOTAL LIABILITIES & EQUITY	67,975	73,213	73,726

(1) Trade payables for contract works in progress reclassified as Inventories

Domestic Results

€m, IFRS 16 & After Lease view

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Unaudited figures

	REPORTED						ORGANIC ⁽¹⁾							
	Q1 '20 ⁽²⁾	Q2 '20	Q3 '20	Q4 '20	FY '20	Q1 '21	Q1 '20 comparable base ⁽²⁾	Q1 '20	Q2 '20	Q3 '20	Q4 '20	FY '20	Q1 '21	Change YoY %
REVENUES	3,113	3,146	3,213	3,433	12,905	3,101	3,121	3,128	3,168	3,214	3,434	12,944	3,101	(0.6)
Service Revenues	2,861	2,897	2,855	2,992	11,605	2,753	2,864	2,876	2,919	2,856	2,992	11,643	2,753	(3.9)
Wireline Services	2,153	2,209	2,144	2,273	8,779	2,138	2,149	2,153	2,213	2,145	2,274	8,785	2,138	(0.5)
Retail	1,419	1,404	1,386	1,448	5,657	1,352	1,420	1,420	1,408	1,387	1,448	5,663	1,352	(4.8)
National Wholesale	500	567	524	553	2,144	541	498	500	567	524	553	2,144	541	8.7
International Wholesale	218	224	221	249	912	217	214	218	224	221	249	912	217	1.4
Subs., adj. and other	15	14	14	24	66	28	18	15	13	14	24	66	28	53.2
Mobile Services	856	824	846	852	3,378	757	853	870	842	846	852	3,411	757	(11.3)
Retail	747	734	706	707	2,895	676	762	762	752	706	707	2,928	676	(11.3)
Wholesale and Other	109	89	140	145	483	81	91	109	89	140	145	483	81	(11.0)
Elimination & Other ⁽²⁾	(148)	(135)	(135)	(133)	(552)	(142)	(138)	(147)	(136)	(135)	(134)	(552)	(142)	
Handsets	252	249	358	441	1,300	348	257	252	249	358	442	1,301	348	35.2
OPEX	1,767	1,808	1,816	2,175	7,566	2,226	1,811	1,743	1,732	1,773	2,038	7,286	1,825	0.8
EBITDA	1,346	1,338	1,397	1,258	5,339	875	1,310	1,385	1,436	1,441	1,396	5,658	1,276	(2.6)
EBITDA Margin	43.2%	42.5%	43.5%	36.6%	41.4%	28.2%	42.0%	44.3%	45.3%	44.8%	40.7%	43.7%	41.1%	(0.8 p.p.)
EBITDA After Lease	1,200	1,211	1,273	1,132	4,816	750	1,182	1,239	1,309	1,317	1,270	5,135	1,151	(2.6)
EBITDA AL Margin	38.5%	38.5%	39.6%	33.0%	37.3%	24.2%	37.9%	39.6%	41.3%	41.0%	37.0%	39.7%	37.1%	(0.8 p.p.)
CAPEX	414	549	617	1,168	2,748	490	408	414	549	617	1,168	2,748	490	20.1
% on revenues	13.3%	17.5%	19.2%	34.0%	21.3%	15.8%	13.1%	13.2%	17.3%	19.2%	34.0%	21.2%	15.8%	2.7 p.p.
Headcount EoP	45,380	45,473	43,069	42,925	42,925	43,004								

(1) Organic figures excluding non-recurring items and change in the scope of consolidation and is therefore subtracted from comparable base, whereas it is included in reported figures; YoY comparison on reported data not meaningful

(2) INWIT was consolidated line by line for three months in Q1 2020

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Investor Relations

Domestic Wireline

€m, IFRS 16

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Unaudited figures

	REPORTED							ORGANIC ⁽¹⁾							
	Q1 '20	Q2 '20	Q3 '20	Q4 '20	FY '20	Q1 '21	Change YoY %	Q1 '20 comparable base	Q1 '20	Q2 '20	Q3 '20	Q4 '20	FY '20	Q1 '21	Change YoY %
WIRELINE REVENUES	2,288	2,361	2,336	2,538	9,523	2,352	2.8	2,285	2,289	2,365	2,337	2,539	9,530	2,352	3.0
Wireline Service Revenues	2,153	2,209	2,144	2,273	8,779	2,138	(0.7)	2,149	2,153	2,213	2,145	2,274	8,785	2,138	(0.5)
Retail Services	1,419	1,403	1,386	1,447	5,655	1,352	(4.7)	1,420	1,420	1,408	1,387	1,448	5,663	1,352	(4.8)
o/w Broadband and content	584	575	569	572	2,299	563	(3.4)	584	584	575	569	572	2,299	563	(3.4)
o/w ICT Services	207	228	249	313	997	268	29.5	207	207	228	249	313	997	268	29.5
National Wholesale	498	565	521	550	2,133	541	8.7	498	500	567	524	553	2,144	541	8.7
International Wholesale	218	224	221	249	912	217	(0.5)	214	218	224	221	249	912	217	1.4
Subsidiaries, adj. and other	18	17	17	27	79	28	53.2	18	15	13	14	24	66	28	53.2
Equipments	135	152	192	265	744	214	58.5	135	135	152	192	265	745	214	58.5
Retail lines ('000) ⁽²⁾								9,002	9,002	8,943	8,784	8,791	8,791	8,774	(2.5)
Churn rate %								4.7	4.7	3.0	4.0	4.0	15.6	3.6	(1.1 p.p.)
Broadband								7,567	7,567	7,523	7,519	7,635	7,635	7,746	2.4
Consumer								6,298	6,298	6,282	6,304	6,432	6,432	6,545	3.9
Business								1,269	1,269	1,241	1,214	1,203	1,203	1,202	(5.3)
UBB ⁽²⁾								3,812	3,812	4,031	4,151	4,432	4,432	4,695	23.2
Wholesale lines ('000)								8,003	8,003	8,083	8,053	7,974	7,974	7,908	(1.2)
Local Loop Unbundling								3,298	3,298	3,128	2,953	2,783	2,783	2,625	(20.4)
Wholesale Line Rental								203	203	198	192	184	184	180	(11.3)
Bitstream Naked								952	952	895	846	786	786	722	(24.1)
UBB								3,549	3,549	3,862	4,063	4,220	4,220	4,381	23.4
ARPU Consumer								33.8	33.8	33.4	31.9	32.9	33.0	31.8	(5.9)
ARPU Broadband								25.6	25.6	25.4	25.3	25.2	25.4	24.4	(4.9)

(1) Excluding non-recurring items and change in consolidation area; comparable base also excluding exchange rate fluctuations (2) Restated to include c.20k Gigabit Ethernet (GBE) FTTH lines (no impact on QoQ net adds)

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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
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)
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. Gigabit Ethernet (GBE) FTTH lines included
Churn rate %	Percentage of line lost on average nr of lines in the reported period
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). Gigabit Ethernet (GBE) FTTH lines included
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

€m, IFRS 16

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Unaudited figures

	REPORTED								ORGANIC ⁽¹⁾							
	Q1 '20 pro-forma ⁽²⁾	Q1 '20	Q2 '20	Q3 '20	Q4 '20	FY '20	Q1 '21	Change YoY %	Q1 '20 comparable base ⁽²⁾	Q1 '20	Q2 '20	Q3 '20	Q4 '20	FY '20	Q1 '21	Change YoY %
MOBILE REVENUES	961	976	921	1,012	1,029	3,938	892	(7.2)	975	990	939	1,012	1,029	3,971	892	(8.6)
Mobile Service Revenues	839	856	824	846	852	3,378	757	(9.8)	853	870	842	846	852	3,411	757	(11.3)
Retail Services	747	747	734	706	707	2,895	676	(9.6)	762	762	752	706	707	2,928	676	(11.3)
o/w Incoming	66	66	75	61	68	271	58	(12.1)	66	66	75	61	68	271	58	(12.1)
Wholesale and Other	92	109	89	140	145	483	81	(12.0)	91	109	89	140	145	483	81	(11.0)
Handsets and Handsets Bundle	122	120	97	166	177	560	135	10.4	122	120	97	166	177	560	135	10.4
Total number of lines ('000)									30,522	30,522	30,502	30,165	30,170	30,170	30,222	(1.0)
Churn rate %									5.3	5.3	4.0	5.2	4.2	18.6	3.8	(1.5 p.p.)
Human									20,424	20,424	20,155	19,894	19,795	19,795	19,554	(4.3)
Not Human (M2M)									10,098	10,098	10,347	10,272	10,375	10,375	10,669	5.7
Calling lines									27,227	27,227	27,563	27,375	27,313	27,313	27,462	0.9
Human Calling									17,128	17,128	17,215	17,103	16,938	16,938	16,793	(2.0)
Broadband Users									12,673	12,673	12,875	12,920	12,818	12,818	12,864	1.5
LTE Users									11,111	11,111	11,331	11,659	11,673	11,673	11,878	6.9
Usage Data (GB/users/month)									8.2	8.2	9.4	9.9	10.3	9.4	10.5	28.0
ARPU Reported									8.3	8.3	8.2	7.8	7.8	8.0	7.5	(9.9)
ARPU Human									12.3	12.3	12.4	11.8	11.9	12.1	11.4	(6.8)

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

(2) INWIT was consolidated line by line for three months in Q1 2020, and is therefore subtracted from comparable base and reported pro-forma figures

Q1 '21 Financial and Operating Figures
Investor Relations

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
Wholesale and Other	Revenues for voice traffic terminated on TIM mobile customers including visitors MVNOs and visitors. Inwit revenues and colocation on mobile sites until Q1 '20
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 '20	Q2 '20	Q3 '20	Q4 '20	FY '20	Q1 '21	Change YoY %
REVENUES	4,215	3,987	4,388	4,678	17,268	4,340	3.0
Service Revenues	4,091	3,926	4,207	4,441	16,665	4,228	3.3
o/w Mobile	3,842	3,673	3,937	4,166	15,618	3,948	2.8
o/w Fixed	249	253	270	275	1,047	280	12.4
Handsets	124	61	181	237	603	112	(9.7)
OPEX	2,299	2,020	2,325	2,342	8,986	2,332	1.4
EBITDA	1,916	1,967	2,063	2,336	8,282	2,008	4.8
EBITDA margin	45.5%	49.3%	47.0%	49.9%	48.0%	46.3%	0.8 p.p.
EBITDA net non recurring	1,916	1,967	2,063	2,363	8,309	2,008	4.8
EBITDA margin	45.5%	49.3%	47.0%	50.5%	48.1%	46.3%	0.8 p.p.
CAPEX	904	673	850	1,464	3,891	1,324	46.5
% on revenues	21.4%	16.9%	19.4%	31.3%	22.5%	30.5%	9.1 p.p.
KPI's - Mobile only							
Total Penetration ⁽¹⁾	96.2%	95.7%	94.6%	97.2%	97.2%	99.4%	3.2 p.p.
Market Share on total lines	23.3%	23.1%	22.4%	22.0%	22.0%	21.5%	(1.8 p.p.)
Total Lines ('000) ⁽²⁾	52,826	52,031	51,159	51,433	51,433	51,728	(2.1)
TOTAL ARPU ⁽³⁾	23.9	23.4	25.4	27.0	24.9	25.5	6.7
TOTAL MOU ⁽⁴⁾	119	124	127	121	123	113	(5.3)
Exchange rate AVG YTD (R\$/euro)	4.91	5.41	5.70	5.89	5.89	6.60	

Reported & Organic Reconciliation

€m, IFRS 16 & After Lease view

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Unaudited figures

	Q1 '20					Q1 '21		
	Reported	Non Organic elements		Non recurring items	Organic comparable base	Reported	Non recurring items	Organic
		Change in consolid. area	Exchange rate impact					
REVENUES	3,964	(3)	(224)	(15)	3,752	3,752	-	3,752
Domestic	3,113	(3)	(4)	(15)	3,121	3,101	-	3,101
Brazil	859		(220)		639	658	-	658
Other Activities & Eliminations	(8)				(8)	(7)	-	(7)
SERVICE REVENUES	3,687	(8)	(218)	(15)	3,476	3,387	-	3,387
Domestic	2,861	(8)	(4)	(15)	2,864	2,753	-	2,753
Brazil	834		(214)		620	641	-	641
Other Activities & Eliminations	(8)				(8)	(7)	-	(7)
EBITDA	1,735	(69)	(101)	(34)	1,599	1,177	401	1,578
Domestic	1,346	(69)	(1)	(34)	1,310	875	401	1,276
Brazil	390		(100)		290	304	-	304
Other Activities & Eliminations	(1)				(1)	(2)	-	(2)
EBITDA After Lease	1,502	(51)	(79)	(34)	1,406	982	401	1,383
Domestic	1,200	(51)	(1)	(34)	1,182	750	401	1,151
Brazil	303		(78)		225	234	-	234
Other Activities & Eliminations	(1)				(1)	(2)	-	(2)
EBIT	533	(73)	(27)	(34)	467	45	401	446
Domestic	430	(73)		(34)	391	(43)	401	358
Brazil	105		(27)		78	90		90
Other Activities & Eliminations	(2)				(2)	(2)		(2)

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 is therefore subtracted from 2020 comparable base