



TIM Group

Q4 '21

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 2021 Annual Report of the TIM Group examined and approved by the TIM Board of Directors on 2 March 2022, 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 FY21, Q4'21, Q3'21, Q2'21 and 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. As of today, the audit work by our independent auditors on the TIM Consolidated and Separate Financial Statements for the year ended 31 December 2021 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

€m, IFRS 16 & After Lease view

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Unaudited figures

	REPORTED							ORGANIC ⁽¹⁾								
	Q4 '20	FY '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	FY '21	Q4 '20 comparable base	FY '20 comparable base	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Change YoY %	FY '21	Change YoY %
REVENUES ⁽²⁾	4,148	15,805	3,728	3,815	3,797	3,976	15,316	4,166	15,615	3,728	3,815	3,797	3,981	(4.4)	15,321	(1.9)
Domestic	3,433	12,905	3,077	3,132	3,072	3,224	12,505	3,435	12,933	3,077	3,132	3,072	3,229	(6.0)	12,510	(3.3)
o/w Wireline	2,538	9,523	2,328	2,364	2,237	2,384	9,313	2,540	9,522	2,328	2,364	2,237	2,389	(5.9)	9,318	(2.1)
o/w Mobile	1,028	3,938	892	909	966	965	3,732	1,028	3,956	892	909	966	965	(6.1)	3,732	(5.7)
Brazil	725	2,933	658	690	731	761	2,840	741	2,715	658	690	731	761	2.6	2,840	4.6
Other activities & Elim.	(10)	(33)	(7)	(7)	(6)	(9)	(29)	(10)	(33)	(7)	(7)	(6)	(9)		(29)	
SERVICE REVENUES	3,669	14,403	3,387	3,459	3,484	3,576	13,906	3,686	14,214	3,387	3,459	3,484	3,581	(2.8)	13,911	(2.1)
Domestic	2,992	11,605	2,753	2,798	2,780	2,852	11,183	2,993	11,627	2,753	2,798	2,780	2,857	(4.5)	11,188	(3.8)
o/w Wireline	2,273	8,779	2,138	2,157	2,090	2,184	8,569	2,275	8,777	2,138	2,157	2,090	2,189	(3.7)	8,574	(2.3)
o/w Mobile	851	3,378	757	783	821	791	3,152	851	3,394	757	783	821	791	(7.1)	3,152	(7.1)
Brazil	687	2,831	641	668	710	733	2,752	703	2,620	641	668	710	733	4.0	2,752	5.0
Other activities & Elim.	(10)	(33)	(7)	(7)	(6)	(9)	(29)	(10)	(33)	(7)	(7)	(6)	(9)		(29)	
EBITDA ⁽²⁾	1,621	6,739	1,160	1,593	1,596	731	5,080	1,770	6,882	1,561	1,639	1,641	1,382	(21.9)	6,223	(9.6)
Domestic	1,258	5,339	858	1,271	1,250	351	3,730	1,397	5,583	1,259	1,315	1,294	999	(28.5)	4,867	(12.8)
Brazil	364	1,407	304	326	347	385	1,362	374	1,306	304	328	348	388	3.4	1,368	4.7
Other activities & Elim.	(1)	(7)	(2)	(4)	(1)	(5)	(12)	(1)	(7)	(2)	(4)	(1)	(5)		(12)	
EBITDA After Lease ⁽²⁾	1,428	5,925	965	1,387	1,389	520	4,261	1,575	6,110	1,366	1,433	1,434	1,171	(25.7)	5,404	(11.6)
Domestic	1,132	4,816	733	1,141	1,124	223	3,221	1,271	5,080	1,134	1,185	1,168	871	(31.5)	4,358	(14.2)
Brazil	297	1,116	234	250	266	302	1,052	305	1,037	234	252	267	305	0.0	1,058	2.0
Other activities & Elim.	(1)	(7)	(2)	(4)	(1)	(5)	(12)	(1)	(7)	(2)	(4)	(1)	(5)		(12)	
CAPEX	1,403	3,409	691	1,117	912	1,910	4,630	1,399	3,354	691	877	912	1,346	(3.8)	3,826	14.1
Domestic	1,168	2,748	490	975	765	1,147	3,377	1,168	2,742	490	735	765	1,147	(1.8)	3,137	14.4
Brazil	235	661	201	142	147	763	1,253	231	612	201	142	147	199	(14.3)	689	12.6
EFCF	748	2,414	469	(106)	97	172	632									
EFCF After Lease	622	1,615	307	(218)	(61)	34	62									
NET DEBT ⁽³⁾	23,326	23,326	21,155	22,072	22,164	22,187	22,187									
NET DEBT After Lease ⁽³⁾	18,594	18,594	16,591	17,415	17,613	17,573	17,573									

(1) Organic figures excluding non-recurring items and change in the scope of consolidation. Domestic CAPEX excluding licence
 Q1, Q2, and Q3'21 have been recalculated to include accounting refinements related to commercial agreements concerning the sale of goods with deferred delivery, with no cash impact
 (3) Adjusted

(2) Domestic handset revenues and related costs in

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TIM Group Profit & Loss

€m, IFRS 16

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Unaudited figures

	Q1 '20	H1 '20	9M '20	FY '20	Q1 '21	H1 '21	9M '21	FY '21
REVENUES ⁽¹⁾	3,964	7,759	11,657	15,805	3,728	7,543	11,340	15,316
Other Income	40	90	121	211	109	169	211	272
TOTAL OPERATING REVENUES AND OTHER INCOME	4,004	7,849	11,778	16,016	3,837	7,712	11,551	15,588
Acquisition of goods and services ⁽¹⁾	(1,454)	(2,840)	(4,433)	(6,173)	(1,568)	(3,113)	(4,744)	(6,550)
Employee benefits expenses	(715)	(1,372)	(1,946)	(2,639)	(1,038)	(1,715)	(2,241)	(2,941)
Other operating expenses ⁽¹⁾	(272)	(502)	(681)	(961)	(239)	(424)	(625)	(1,502)
Internally generated assets and Others	172	263	400	496	168	293	408	485
EBITDA	1,735	3,398	5,118	6,739	1,160	2,753	4,349	5,080
EBITDA Margin	43.8%	43.8%	43.9%	42.6%	31.1%	36.5%	38.4%	33.2%
Depreciation and amortization	(1,201)	(2,348)	(3,482)	(4,616)	(1,130)	(2,268)	(3,411)	(4,490)
Gains (losses) on disposals of non-current assets	(1)	(8)	(9)	(11)	(2)	(1)	2	1
Impairment reversals (losses) on non-current assets	-	-	-	(8)	-	-	-	(4,120)
EBIT	533	1,042	1,627	2,104	28	484	940	(3,529)
EBIT Margin	13.4%	13.4%	14.0%	13.3%	0.8%	6.4%	8.3%	-23.0%
Income (loss) equity invest. valued equity method ⁽²⁾	441	450	460	472	11	34	44	164
Net Financial Income / (Expenses)	(301)	(603)	(909)	(1,179)	(288)	(582)	(862)	(1,150)
Profit (loss) before tax from continuing operations	673	889	1,178	1,397	(249)	(64)	122	(4,515)
Income tax expense	(82)	(166)	66	5,955	43	7	43	(3,885)
Profit (loss) from continuing operations	591	723	1,244	7,352	(206)	(57)	165	(8,400)
Discontinued operations/Non-current assets held for sale	-	-	-	-	-	-	-	-
PROFIT (LOSS)	591	723	1,244	7,352	(206)	(57)	165	(8,400)
Parent Company	560	678	1,178	7,224	(228)	(149)	(10)	(8,652)
Minorities	31	45	66	128	22	92	175	252
Non-recurring items ⁽³⁾	(413)	(340)	(306)	(6,048)	310	344	293	8,653
PROFIT (LOSS) NET NON-RECURRING ITEMS	178	383	938	1,304	104	287	458	253

(1) Domestic handset revenues and related costs in Q1, Q2, and Q3'21 have been recalculated to include accounting refinements related to commercial agreements concerning the sale of goods with deferred delivery, with no cash impact
 (2) Inwit equity share € 43m in FY '21, Inwit gain following the merger € 452m in FY '20
 (3) Non-recurring items include personnel provisions (2021-26 layoffs ex art.4 Legge Fornero), Multimedia accruals, settlement and COVID related costs

Q4 '21 Financial and Operating Figures
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TIM Group Cash Flow & Net Debt

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Unaudited figures

	Q1 '20	H1 '20	9M '20	FY '20	Q1 '21	H1 '21	9M '21	FY '21
EBITDA	1,735	3,398	5,118	6,739	1,160	2,753	4,349	5,080
CAPEX	(599)	(1,254)	(2,006)	(3,409)	(691)	(1,808)	(2,720)	(4,630)
<i>o/w spectrum</i>	-	-	-	-	-	(240)	(240)	(804)
CHANGE IN WORKING CAPITAL ⁽¹⁾	(348)	(599)	(738)	(26)	286	(126)	(546)	994
Change in net operating working capital	(229)	(53)	(60)	772	298	(96)	(257)	733
Change in provisions for employee benefits	(8)	(435)	(534)	(628)	262	256	10	(83)
Change in operating provisions and other changes	(111)	(111)	(144)	(170)	(274)	(286)	(299)	344
OPERATING FREE CASH FLOW Reported	788	1,545	2,374	3,304	755	819	1,083	1,444
Licence	-	-	(110)	(110)	-	(240)	(295)	(435)
OPERATING FREE CASH FLOW net of Licence	788	1,545	2,484	3,414	755	1,059	1,378	1,879
Financial Expenses	(295)	(604)	(904)	(1,186)	(288)	(587)	(757)	(1,053)
Cash Taxes & Other	(27)	37	86	186	2	(109)	(161)	(194)
<i>o/w Substitute Tax</i>	-	-	-	-	-	(231)	(231)	(231)
Net Cash Flow from discontinued operations	-	-	-	-	-	-	-	-
EQUITY FREE CASH FLOW	466	978	1,666	2,414	469	363	460	632
Dividends and change in Equity ⁽²⁾	(40)	(348)	(344)	974	(24)	(337)	(396)	(410)
Disposal and Financial investments	613	1,212	1,213	1,483	1,721	1,668	1,645	1,804
Licence	-	-	(110)	(110)	-	(240)	(295)	(435)
IFRS & IAS	(116)	(145)	(226)	(419)	5	(200)	(252)	(452)
NET CASH FLOW	923	1,697	2,199	4,342	2,171	1,254	1,162	1,139
EQUITY FREE CASH FLOW	466	978	1,666	2,414	469	363	460	632
Lease Impact	(271)	(447)	(673)	(799)	(162)	(274)	(432)	(570)
EQUITY FREE CASH FLOW AFTER LEASE	195	531	993	1,615	307	89	28	62
NET DEBT	26,745	25,971	25,469	23,326	21,155	22,072	22,164	22,187
Lease Impact	(5,034)	(4,876)	(4,728)	(4,732)	(4,564)	(4,657)	(4,551)	(4,614)
NET DEBT After Lease	21,711	21,095	20,741	18,594	16,591	17,415	17,613	17,573

(1) See details in next slide

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

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Investor Relations

TIM Group Working Capital

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Unaudited figures

	TIM Group			Domestic			Brasil		
	FY '20	FY '21	Δ abs	FY '20	FY '21	Δ abs	FY '20	FY '21	Δ abs
Operating WC & Other	(26)	994	1,020	(249)	337	586	225	656	431
License	-	-	-	-	-	-	-	-	-
License paid in the year	110	(369)	(479)	110	55	(55)	-	(424)	(424)
Non recurring items (not paid)	(324)	(1,143)	(819)	(319)	(1,137)	(818)	(5)	(6)	(1)
Recurring Operating WC	(240)	(518)	(278)	(458)	(745)	(287)	220	226	6
Inventory				13	(46)	(59)			
Trade Receivables				262	269	7			
Trade Payables				200	555	355			
Other Operating Payables/Receivables & Funds				(933)	(1,502)	(569)			
- o/w Litigations & Settlements				(121)	(399)	(278)			
- o/w Payables vs. Personnel				(54)	6	60			
- o/w Personnel Exit (Fornero Law)				(476)	(541)	(65)			
- o/w VAT				12	(34)	(46)			
- o/w Billing ⁽¹⁾				(33)	23	56			
- o/w Net Debts vs INPS				22	7	(15)			
- o/w Deferred Costs & Revenues				(157)	(285)	(128)			
- o/w Payment in Advance vs Suppliers/Customers				(22)	(270)	(248)			

(1) From payments in advance to payments in arrears

TIM Group Balance Sheet

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Unaudited figures

	Q1 '20	H1 '20	9M '20	FY '20	Q1 '21	H1 '21	9M '21	FY '21
CURRENT ASSETS	9,513	9,611	9,036	10,812	12,057	11,586	11,029	14,070
Trade and miscellaneous receivables and other current assets	4,889	4,639	4,580	4,346	4,338	4,389	4,307	4,358
Cash and cash equivalents	3,265	3,603	2,858	4,829	4,370	4,969	4,443	6,904
Discontinued operations/assets held for sale	-	24	-	-	-	365	355	-
<i>o/w of a financial nature</i>	-	-	-	-	-	-	-	-
<i>o/w of a non-financial nature</i>	-	24	-	-	-	365	355	-
Securities other than investments, other financial receivables and other current financial assets	985	1,007	1,246	1,254	2,963	1,461	1,526	2,391
Inventories	282	256	272	242	289	300	316	282
Current income tax receivables	49	46	46	86	30	42	40	79
Current financial receivables arising from lease contracts	43	36	34	55	67	60	42	56
Other investments	-	-	-	-	-	-	-	-
NON-CURRENT ASSETS	58,482	56,946	55,819	62,422	61,667	62,218	61,916	55,117
Intangible assets	30,027	29,737	29,452	29,587	29,297	29,395	29,173	25,715
Goodwill	22,908	22,870	22,825	22,847	22,820	22,710	22,689	18,568
Intangible assets with a finite useful life	7,119	6,867	6,627	6,740	6,477	6,685	6,484	7,147
Tangible assets	13,287	12,986	12,800	13,141	12,980	13,049	13,009	13,311
Property, plant and equipment owned	13,287	12,986	12,800	13,141	12,980	13,049	13,009	13,311
Right of Use assets	5,276	5,022	4,879	4,992	4,851	4,898	4,783	4,847
Other assets	9,892	9,201	8,688	14,702	14,539	14,876	14,951	11,244
Miscellaneous receivables and other non-current assets	2,387	2,309	2,050	2,114	2,072	2,260	2,307	2,266
Non-current financial assets	3,116	2,969	2,519	2,310	2,088	2,243	2,220	2,330
<i>o/w receivable for lease contracts</i>	51	47	42	43	45	49	46	45
<i>o/w other non-current financial assets</i>	3,065	2,922	2,477	2,267	2,043	2,194	2,174	2,285
Deferred tax assets	937	896	1,080	7,496	7,547	7,592	7,594	3,513
Other investments	44	51	52	54	57	82	120	156
Investments in associates and joint ventures accounted for using the equity method	3,408	2,976	2,987	2,728	2,775	2,699	2,710	2,979
TOTAL ASSETS	67,995	66,557	64,855	73,234	73,724	73,804	72,945	69,187

TIM Group Balance Sheet

€m, IFRS 16

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Unaudited figures

	Q1 '20	H1 '20	9M '20	FY '20	Q1 '21	H1 '21	9M '21	FY '21
CURRENT LIABILITIES	10,818	10,534	10,380	11,167	13,043	12,378	13,480	16,364
Trade and miscellaneous payables and other current liabilities	6,573	6,108	5,908	6,588	7,046	6,820	8,125	9,473
Current financial liabilities	4,202	4,382	4,416	4,308	5,742	5,242	5,054	6,596
<i>o/w liabilities for financing contracts and others</i>	3,523	3,685	3,773	3,677	5,127	4,582	4,405	5,945
<i>o/w liabilities for lease contracts</i>	679	697	643	631	615	660	649	651
Liabilities directly associated with Discontinued operations/Non-current assets held for sale	-	-	-	-	-	68	58	-
<i>o/w of a financial nature</i>	-	-	-	-	-	-	-	-
<i>o/w of a non-financial nature</i>	-	-	-	-	-	68	58	-
Current income tax payables	43	44	56	271	255	248	243	295
NON-CURRENT LIABILITIES	35,166	34,629	33,002	33,227	30,871	30,840	28,857	30,784
Non-current financial liabilities	29,776	29,187	27,873	27,854	25,418	25,818	25,669	27,501
<i>o/w liabilities for financing contracts and others</i>	25,396	24,984	23,766	23,655	21,357	21,712	21,679	23,437
<i>o/w liabilities for lease contracts</i>	4,380	4,203	4,107	4,199	4,061	4,106	3,990	4,064
Miscellaneous payables and other non-current liabilities	3,104	3,363	3,226	3,602	3,526	3,157	1,469	1,413
Employee benefits	1,179	916	830	724	939	888	710	699
Provisions	688	753	750	770	769	689	668	926
Deferred tax liabilities	419	410	323	277	219	288	341	245
TOTAL LIABILITIES	45,984	45,163	43,382	44,394	43,914	43,218	42,337	47,148
EQUITY	22,011	21,394	21,473	28,840	29,810	30,586	30,608	22,039
Equity attributable to equity owners of the Parent	20,623	20,081	20,227	26,215	25,371	25,994	26,010	17,414
Equity attributable to Minority Interests	1,388	1,313	1,246	2,625	4,439	4,592	4,598	4,625
TOTAL LIABILITIES & EQUITY	67,995	66,557	64,855	73,234	73,724	73,804	72,945	69,187

Domestic Results

€m, IFRS 16 & After Lease view

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Unaudited figures

	REPORTED							ORGANIC ⁽¹⁾								
	Q4 '20	FY '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	FY '21	Q4 '20 comparable base	FY '20 comparable base	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Change YoY %	FY '21	Change YoY %
REVENUES ⁽²⁾	3,433	12,905	3,077	3,132	3,072	3,224	12,505	3,435	12,933	3,077	3,132	3,072	3,229	(6.0)	12,510	(3.3)
Service Revenues	2,992	11,605	2,753	2,798	2,780	2,852	11,183	2,993	11,627	2,753	2,798	2,780	2,857	(4.5)	11,188	(3.8)
Wireline Services	2,273	8,779	2,138	2,157	2,090	2,184	8,569	2,275	8,777	2,138	2,157	2,090	2,189	(3.7)	8,574	(2.3)
Retail ⁽³⁾	1,467	5,716	1,368	1,362	1,335	1,400	5,466	1,468	5,723	1,368	1,362	1,335	1,400	(4.6)	5,466	(4.5)
National Wholesale + FiberCop	565	2,167	556	542	510	507	2,114	562	2,155	556	542	510	512	(8.9)	2,119	(1.7)
International Wholesale	249	912	217	248	246	276	987	250	904	217	248	246	276	10.4	987	9.2
Other	(9)	(16)	(3)	5	0	1	3	(5)	(6)	(3)	5	0	1		3	
Mobile Services	851	3,378	757	783	821	791	3,152	851	3,394	757	783	821	791	(7.1)	3,152	(7.1)
Retail	707	2,895	676	685	677	677	2,716	707	2,928	676	685	677	677	(4.2)	2,716	(7.2)
Wholesale and Other	144	483	81	97	143	114	436	144	466	81	97	143	114	(21.0)	436	(6.4)
Elimination & Other	(132)	(552)	(142)	(142)	(131)	(123)	(538)	(133)	(543)	(142)	(142)	(131)	(123)		(538)	
Handsets	441	1,300	324	334	292	372	1,322	442	1,306	324	334	292	372	(15.8)	1,322	1.2
OPEX ⁽²⁾	2,175	7,566	2,219	1,861	1,822	2,873	8,775	2,038	7,350	1,818	1,817	1,778	2,230	9.4	7,643	4.0
EBITDA	1,258	5,339	858	1,271	1,250	351	3,730	1,397	5,583	1,259	1,315	1,294	999	(28.5)	4,867	(12.8)
EBITDA Margin	36.6%	41.4%	27.9%	40.6%	40.7%	10.9%	29.8%	40.7%	43.2%	40.9%	42.0%	42.1%	30.9%	(9.7 p.p.)	38.9%	(4.3 p.p.)
EBITDA After Lease	1,132	4,816	733	1,141	1,124	223	3,221	1,271	5,080	1,134	1,185	1,168	871	(31.5)	4,358	(14.2)
EBITDA AL Margin	33.0%	37.3%	23.8%	36.4%	36.6%	6.9%	25.8%	37.0%	39.3%	36.9%	37.8%	38.0%	27.0%	(10.0 p.p.)	34.8%	(4.4 p.p.)
CAPEX	1,168	2,748	490	975	765	1,147	3,377	1,168	2,742	490	735	765	1,147	(1.8)	3,137	14.4
% on revenues	34.0%	21.3%	15.9%	31.1%	24.9%	35.6%	27.0%	34.0%	21.2%	15.9%	23.5%	24.9%	35.5%	1.5 p.p.	25.1%	3.9 p.p.
Headcount EoP	42,925	42,925	43,004	43,157	42,811	42,591	42,591									

(1) Excluding non-recurring items and change in consolidation area; comparable base also excluding exchange rate fluctuations. Domestic CAPEX excluding licence revenues and related costs in Q1, Q2, and Q3'21 have been recalculated to include accounting refinements related to commercial agreements concerning the sale of goods with deferred delivery, with no cash impact

(2) Handset

(3) Including ICT revenues generated by TIM Factories

Domestic Wireline

€m, IFRS 16

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Unaudited figures

	REPORTED									ORGANIC ⁽¹⁾								
	Q4 '20 pro-forma	FY '20 pro-forma	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Change YoY %	FY '21	Change YoY %	Q4 '20 comparable base	FY '20 comparable base	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Change YoY %	FY '21	Change YoY %
WIRELINE REVENUES	2,538	9,523	2,328	2,364	2,237	2,384	(6.1)	9,313	(2.2)	2,540	9,522	2,328	2,364	2,237	2,389	(5.9)	9,318	(2.1)
Wireline Service Revenues	2,273	8,779	2,138	2,157	2,090	2,184	(3.9)	8,569	(2.4)	2,275	8,777	2,138	2,157	2,090	2,189	(3.7)	8,574	(2.3)
Retail Services ⁽²⁾	1,468	5,717	1,368	1,362	1,335	1,400	(4.6)	5,466	(4.4)	1,468	5,723	1,368	1,362	1,335	1,400	(4.6)	5,466	(4.5)
o/w Broadband and content	572	2,299	563	554	546	543	(5.1)	2,206	(4.0)	572	2,299	563	554	546	543	(5.1)	2,206	(4.0)
o/w ICT Services ⁽²⁾	333	1,059	285	311	303	404	21.2	1,302	22.9	333	1,059	285	311	303	404	21.2	1,302	22.9
National Wholesale + FiberCop	562	2,155	556	542	510	507	(9.8)	2,114	(1.9)	562	2,155	556	542	510	512	(8.9)	2,119	(1.7)
International Wholesale	249	912	217	248	246	276	10.8	987	8.2	250	904	217	248	246	276	10.4	987	9.2
Other	(6)	(6)	(3)	5	-	1		3		(5)	(6)	(3)	5	-	1		3	
Equipments	265	744	190	207	147	200	(24.6)	744	-	265	745	190	207	147	200	(24.8)	744	(0.1)
Retail lines ('000)										8,791	8,791	8,774	8,765	8,729	8,647	(1.6)	8,647	(1.6)
Churn rate %										4.0	15.6	3.6	3.4	3.0	3.5	(0.5 p.p.)	13.5	(2.1 p.p.)
Broadband										7,635	7,635	7,746	7,783	7,811	7,733	1.3	7,733	1.3
Consumer										6,432	6,432	6,545	6,541	6,579	6,511	1.2	6,511	1.2
Business										1,203	1,203	1,202	1,243	1,232	1,222	1.6	1,222	1.6
UBB										4,432	4,432	4,695	4,926	5,084	5,186	17.0	5,186	17.0
Wholesale lines ('000)										7,974	7,974	7,908	7,822	7,734	7,729	(3.1)	7,729	(3.1)
Local Loop Unbundling										2,783	2,783	2,625	2,472	2,343	2,202	(20.9)	2,202	(20.9)
Wholesale Line Rental										184	184	180	172	165	161	(12.5)	161	(12.5)
Bitstream Naked										786	786	722	662	607	548	(30.3)	548	(30.3)
UBB										4,220	4,220	4,381	4,516	4,619	4,819	14.2	4,819	14.2
ARPU Retail (BB & ICT)										34.4	31.3	32.2	33.0	32.4	36.3	5.5	33.4	6.7

(1) Excluding non-recurring items and change in consolidation area; comparable base also excluding exchange rate fluctuations
(2) Including ICT revenues generated by TIM Factories

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 (including revenues generated by TIM Factories)
<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. Including revenues generated by TIM Factories
National Wholesale + FiberCop	Revenues from OLOs, regulated and not regulated (organization view) and from FiberCop (consolidated by line from Q2)
International Wholesale	TIM Sparkle Group revenues
Other	Intercompany adjustment and elimination
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
<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). Gigabit Ethernet (GBE) FTTH lines included</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
ARPU Retail (BB & ICT)	Total broadband & ICT revenues (Consumer+Business) divided by average active retail customers (€/line/month)

Domestic Mobile

€m, IFRS 16

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Unaudited figures

	REPORTED									ORGANIC ⁽¹⁾								
	Q4 '20	FY '20 pro-forma ⁽²⁾	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Change YoY %	FY '21	Change YoY %	Q4 '20 comparable base	FY '20 comparable base	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Change YoY %	FY '21	Change YoY %
MOBILE REVENUES	1,028	3,923	892	909	966	965	(6.1)	3,732	(4.9)	1,028	3,956	892	909	966	965	(6.1)	3,732	(5.7)
Mobile Service Revenues	851	3,361	757	783	821	791	(7.1)	3,152	(6.2)	851	3,394	757	783	821	791	(7.1)	3,152	(7.1)
Retail Services	707	2,895	676	685	677	677	(4.2)	2,716	(6.2)	707	2,928	676	685	677	677	(4.2)	2,716	(7.2)
o/w Incoming	68	271	58	56	57	57	(15.5)	229	(15.4)	68	271	58	56	57	57	(15.5)	229	(15.4)
Wholesale and Other	144	466	81	97	143	114	(21.0)	436	(6.4)	144	466	81	97	143	114	(21.0)	436	(6.4)
Handsets and Handsets Bundle	177	562	135	126	145	174	(1.6)	580	3.3	177	562	135	126	145	174	(1.6)	580	3.3
Total number of lines ('000)										30,170	30,170	30,222	30,317	30,473	30,466	1.0	30,466	1.0
Churn rate %										4.2	18.6	3.8	3.7	3.6	3.6	(0.6 p.p.)	14.7	(3.9 p.p.)
Human										19,795	19,795	19,554	19,306	19,172	19,054	(3.7)	19,054	(3.7)
Not Human (M2M)										10,375	10,375	10,669	11,011	11,301	11,412	10.0	11,412	10.0
Calling lines										27,313	27,313	27,462	27,694	27,860	27,853	2.0	27,853	2.0
Human Calling										16,938	16,938	16,793	16,683	16,559	16,440	(2.9)	16,440	(2.9)
Broadband Users										12,818	12,818	12,864	12,853	12,863	12,783	(0.3)	12,783	(0.3)
LTE Users										11,673	11,673	11,878	11,929	12,070	12,103	3.7	12,103	3.7
Usage Data (GB/users/month)										10.3	9.4	10.5	11.1	12.1	11.7	13.6	11.4	21.3
ARPU Reported										7.8	8.0	7.5	7.5	7.4	7.4	(5.5)	7.5	(7.1)
ARPU Human										11.9	12.1	11.4	11.7	11.7	11.8	(0.8)	11.7	(3.4)

(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

Q4 '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)

	Q4 '20	FY '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Change YoY %	FY '21	Change YoY %
REVENUES	4,678	17,268	4,340	4,407	4,512	4,799	2.6	18,058	4.6
Service Revenues	4,441	16,665	4,228	4,267	4,382	4,620	4.0	17,497	5.0
o/w Mobile	4,166	15,618	3,948	3,984	4,097	4,324	3.8	16,353	4.7
o/w Fixed	275	1,047	280	282	286	296	7.6	1,144	9.3
Handsets	237	603	112	140	130	180	(24.3)	561	(7.0)
OPEX	2,342	8,986	2,332	2,329	2,366	2,370	1.2	9,397	4.6
EBITDA	2,336	8,282	2,008	2,078	2,146	2,429	4.0	8,661	4.6
EBITDA margin	49.9%	48.0%	46.3%	47.2%	47.6%	50.6%	0.7 p.p.	48.0%	0.0 p.p.
EBITDA net non recurring	2,363	8,309	2,008	2,092	2,153	2,444	3.4	8,697	4.7
EBITDA margin	50.5%	48.1%	46.3%	47.5%	47.7%	50.9%	0.4 p.p.	48.2%	0.1 p.p.
CAPEX	1,464	3,891	1,324	906	896	4,840		7,966	
% on revenues	31.3%	22.5%	30.5%	20.6%	19.9%	100.9%	69.6 p.p.	44.1%	21.6 p.p.
KPI's - Mobile only									
Total Penetration ⁽¹⁾	97.2%	97.2%	99.4%	100.5%	101.4%	102.8%	5.6 p.p.	102.8%	5.6 p.p.
Market Share on total lines ⁽¹⁾	22.0%	22.0%	21.5%	20.9%	20.8%	20.5%	(1.5 p.p.)	20.5%	(1.5 p.p.)
Total Lines ('000) ⁽²⁾	51,433	51,433	51,728	51,341	51,614	52,066	1.2	52,066	1.2
TOTAL ARPU ⁽³⁾	27.1	24.9	25.5	25.8	26.5	27.7	2.2	26.4	6.0
TOTAL MOU ⁽⁴⁾	121	123	113	110	103	94	(22.3)	105	(14.6)
Exchange rate AVG YTD (R\$/euro)	5.89	5.89	6.60	6.49	6.38	6.36		6.36	

Reported & Organic Reconciliation

€m, IFRS 16 & After Lease view

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Unaudited figures

	Q4 '20					Q4 '21		
	Reported	Non Organic elements		Non recurring items	Organic comparable base	Reported	Non recurring items	Organic
		Change in consolid. area	Exchange rate impact					
REVENUES	4,148	-	17	(1)	4,166	3,976	(5)	3,981
Domestic	3,433	-	1	(1)	3,435	3,224	(5)	3,229
Brazil	725	-	16	-	741	761	-	761
Other Activities & Eliminations	(10)	-	-	-	(10)	(9)	-	(9)
SERVICE REVENUES	3,669	-	17	-	3,686	3,576	(5)	3,581
Domestic	2,992	-	1	-	2,993	2,852	(5)	2,857
Brazil	687	-	16	-	703	733	-	733
Other Activities & Eliminations	(10)	-	-	-	(10)	(9)	-	(9)
EBITDA	1,621	-	7	(142)	1,770	731	(651)	1,382
Domestic	1,258	-	1	(138)	1,397	351	(648)	999
Brazil	364	-	6	(4)	374	385	(3)	388
Other Activities & Eliminations	(1)	-	-	-	(1)	(5)	-	(5)
EBITDA After Lease	1,428	-	5	(142)	1,575	520	(651)	1,171
Domestic	1,132	-	1	(138)	1,271	223	(648)	871
Brazil	297	-	4	(4)	305	302	(3)	305
Other Activities & Eliminations	(1)	-	-	-	(1)	(5)	-	(5)
EBIT	477	-	(2)	(142)	617	(4,469)	(4,771)	302
Domestic	323	-	-	(138)	461	(4,621)	(4,768)	147
Brazil	156	-	(2)	(4)	158	158	(3)	161
Other Activities & Eliminations	(2)	-	-	-	(2)	(6)	-	(6)

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 old comparable base	Delta FX ⁽²⁾	FY '20 updated comparable base
REVENUES	15,844	(3)	15,841	(226)	15,615
Domestic	12,944	(3)	12,941	(8)	12,933
o/w Wireline	9,530	-	9,530	(8)	9,522
o/w Mobile	3,971	(15)	3,956	-	3,956
Brazil	2,933	-	2,933	(218)	2,715
Other activities & Elim.	(33)	(1)	(34)	1	(33)
SERVICE REVENUES	14,441	(8)	14,433	(219)	14,214
Domestic	11,643	(8)	11,635	(8)	11,627
o/w Wireline	8,785	-	8,785	(8)	8,777
o/w Mobile	3,411	(17)	3,394	-	3,394
Brazil	2,831	-	2,831	(211)	2,620
Other activities & Elim.	(33)	(1)	(34)	1	(33)
EBITDA	7,063	(74)	6,989	(107)	6,882
Domestic	5,658	(74)	5,584	(1)	5,583
Brazil	1,412	-	1,412	(106)	1,306
Other activities & Elim.	(7)	-	(7)	-	(7)
EBITDA After Lease	6,249	(54)	6,195	(85)	6,110
Domestic	5,135	(54)	5,081	(1)	5,080
Brazil	1,121	-	1,121	(84)	1,037
Other activities & Elim.	(7)	-	(7)	-	(7)
CAPEX	3,409	(6)	3,403	(49)	3,354
Domestic	2,748	(6)	2,742	-	2,742
Brazil	661	-	661	(49)	612
Exchange rate AVG actual (R\$/euro)	5.89		5.89	→	6.36

(1) INWIT was consolidated line by line for three months in Q1 '20, and is therefore subtracted from comparable base

(2) Group figures updated @ average exchange rate actual 6.36 REAIS/€ (previously 5.89 REAIS/€)

For further questions please contact the IR team



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