

TIM Group

Q1 '22

# Financial and Operating Figures



TELECOM ITALIA INVESTOR RELATIONS

[Investor\\_relations@telecomitalia.it](mailto:Investor_relations@telecomitalia.it)

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## Disclaimer

The Q1 '22 financial and operating data have been extracted or derived, with the exception of some data, from the Financial Information at March 31, 2022 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 '22 of the TIM Group are the same as those adopted in the TIM Group Annual Audited Consolidated Financial Statements as of 31 December 2021, to which reference can be made, except for the amendments to the standards issued by IASB and adopted starting from January 1, 2022. The financial results for Q1 '22 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 After Lease ("EBITDA-AL"), Adjusted Net Financial Debt After Lease and Equity Free Cash Flow After Lease. Such alternative performance measures are unaudited.

\* \* \*

As described in the 2021 TIM Group Consolidated Financial Statements, during the fourth quarter of 2021, TIM refined some aspects of the booking of certain commercial agreements concerning the sale of goods with deferred delivery. This refinement entailed, for the first, second and third quarters of 2021, the redetermination of the distribution over time of revenues and acquisition of goods and services. In connection with the foregoing, the economic data of the first, second and third quarters of 2021, has been recalculated

# TIM Group Key Financials

€m, IFRS 16 & After Lease view

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*Unaudited figures*

	REPORTED						ORGANIC <sup>(1)</sup>							
	Q1 '21	Q2 '21	Q3 '21	Q4 '21	FY '21	Q1 '22	Q1 '21 comparable base	Q1 '21	Q2 '21	Q3 '21	Q4 '21	FY '21	Q1 '22	Change YoY %
<b>REVENUES</b>	<b>3,728</b>	<b>3,815</b>	<b>3,797</b>	<b>3,976</b>	<b>15,316</b>	<b>3,644</b>	<b>3,815</b>	<b>3,728</b>	<b>3,815</b>	<b>3,797</b>	<b>3,981</b>	<b>15,321</b>	<b>3,644</b>	(4.5)
Domestic	3,077	3,132	3,072	3,224	12,505	2,846	3,082	3,077	3,132	3,072	3,229	12,510	2,846	(7.7)
o/w Wireline	2,329	2,363	2,237	2,384	9,313	2,131	2,334	2,329	2,363	2,237	2,389	9,318	2,131	(8.7)
o/w Mobile	892	909	966	965	3,732	851	892	892	909	966	965	3,732	851	(4.6)
Brazil	658	690	731	761	2,840	806	740	658	690	731	761	2,840	806	8.9
Other activities & Elim.	(7)	(7)	(6)	(9)	(29)	(8)	(7)	(7)	(7)	(6)	(9)	(29)	(8)	
<b>SERVICE REVENUES</b>	<b>3,387</b>	<b>3,459</b>	<b>3,484</b>	<b>3,576</b>	<b>13,906</b>	<b>3,386</b>	<b>3,472</b>	<b>3,387</b>	<b>3,459</b>	<b>3,484</b>	<b>3,581</b>	<b>13,911</b>	<b>3,386</b>	(2.5)
Domestic	2,753	2,798	2,780	2,852	11,183	2,612	2,758	2,753	2,798	2,780	2,857	11,188	2,612	(5.3)
o/w Wireline	2,139	2,155	2,091	2,184	8,569	2,020	2,144	2,139	2,155	2,091	2,189	8,574	2,020	(5.8)
o/w Mobile	757	783	821	791	3,152	728	757	757	783	821	791	3,152	728	(3.9)
Brazil	641	668	710	733	2,752	782	721	641	668	710	733	2,752	782	8.4
Other activities & Elim.	(7)	(7)	(6)	(9)	(29)	(8)	(7)	(7)	(7)	(6)	(9)	(29)	(8)	
<b>EBITDA</b>	<b>1,160</b>	<b>1,593</b>	<b>1,596</b>	<b>731</b>	<b>5,080</b>	<b>1,316</b>	<b>1,600</b>	<b>1,561</b>	<b>1,639</b>	<b>1,641</b>	<b>1,382</b>	<b>6,223</b>	<b>1,387</b>	(13.3)
Domestic	858	1,271	1,250	351	3,730	962	1,260	1,259	1,315	1,294	999	4,867	1,029	(18.3)
Brazil	304	326	347	385	1,362	356	342	304	328	348	388	1,368	360	5.1
Other activities & Elim.	(2)	(4)	(1)	(5)	(12)	(2)	(2)	(2)	(4)	(1)	(5)	(12)	(2)	
<b>EBITDA After Lease</b>	<b>965</b>	<b>1,387</b>	<b>1,389</b>	<b>520</b>	<b>4,261</b>	<b>1,098</b>	<b>1,397</b>	<b>1,366</b>	<b>1,433</b>	<b>1,434</b>	<b>1,171</b>	<b>5,404</b>	<b>1,169</b>	(16.3)
Domestic	733	1,141	1,124	223	3,221	837	1,135	1,134	1,185	1,168	871	4,358	904	(20.4)
Brazil	234	250	266	302	1,052	263	264	234	252	267	305	1,058	267	1.1
Other activities & Elim.	(2)	(4)	(1)	(5)	(12)	(2)	(2)	(2)	(4)	(1)	(5)	(12)	(2)	
<b>CAPEX</b>	<b>691</b>	<b>1,117</b>	<b>912</b>	<b>1,910</b>	<b>4,630</b>	<b>932</b>	<b>716</b>	<b>691</b>	<b>877</b>	<b>912</b>	<b>1,346</b>	<b>3,826</b>	<b>932</b>	30.2
Domestic	490	975	765	1,147	3,377	706	490	490	735	765	1,147	3,137	706	44.1
Brazil	201	142	147	763	1,253	226	226	201	142	147	199	689	226	0.3
<b>EFCF</b>	<b>469</b>	<b>(106)</b>	<b>97</b>	<b>172</b>	<b>632</b>	<b>301</b>								
<b>EFCF After Lease</b>	<b>307</b>	<b>(218)</b>	<b>(61)</b>	<b>34</b>	<b>62</b>	<b>123</b>								
<b>NET DEBT <sup>(2)</sup></b>	<b>21,155</b>	<b>22,072</b>	<b>22,164</b>	<b>22,187</b>	<b>22,187</b>	<b>22,639</b>								
<b>NET DEBT After Lease <sup>(2)</sup></b>	<b>16,591</b>	<b>17,415</b>	<b>17,613</b>	<b>17,573</b>	<b>17,573</b>	<b>17,673</b>								

(1) Organic figures excluding non-recurring items and change in the scope of consolidation. CAPEX net of licence

(2) Adjusted

Q1 '22 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	H1 '21	9M '21	FY '21	Q1 '22
<b>REVENUES</b>	<b>3,964</b>	<b>7,759</b>	<b>11,657</b>	<b>15,805</b>	<b>3,728</b>	<b>7,543</b>	<b>11,340</b>	<b>15,316</b>	<b>3,644</b>
Other Income	40	90	121	211	109	169	211	272	37
<b>TOTAL OPERATING REVENUES AND OTHER INCOME</b>	<b>4,004</b>	<b>7,849</b>	<b>11,778</b>	<b>16,016</b>	<b>3,837</b>	<b>7,712</b>	<b>11,551</b>	<b>15,588</b>	<b>3,681</b>
Acquisition of goods and services	(1,454)	(2,840)	(4,433)	(6,173)	(1,568)	(3,113)	(4,744)	(6,550)	(1,620)
Employee benefits expenses	(715)	(1,372)	(1,946)	(2,639)	(1,038)	(1,715)	(2,241)	(2,941)	(731)
Other operating expenses	(272)	(502)	(681)	(961)	(239)	(424)	(625)	(1,502)	(168)
Internally generated assets and Others	172	263	400	496	168	293	408	485	154
<b>EBITDA</b>	<b>1,735</b>	<b>3,398</b>	<b>5,118</b>	<b>6,739</b>	<b>1,160</b>	<b>2,753</b>	<b>4,349</b>	<b>5,080</b>	<b>1,316</b>
EBITDA Margin	43.8%	43.8%	43.9%	42.6%	31.1%	36.5%	38.4%	33.2%	36.1%
Depreciation and amortization	(1,201)	(2,348)	(3,482)	(4,616)	(1,130)	(2,268)	(3,411)	(4,490)	(1,107)
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)	-
<b>EBIT</b>	<b>533</b>	<b>1,042</b>	<b>1,627</b>	<b>2,104</b>	<b>28</b>	<b>484</b>	<b>940</b>	<b>(3,529)</b>	<b>209</b>
EBIT Margin	13.4%	13.4%	14.0%	13.3%	0.8%	6.4%	8.3%	-23.0%	5.7%
Income (loss) equity invest. valued equity method <sup>(1)</sup>	441	450	460	472	11	34	44	164	16
Net Financial Income / (Expenses)	(301)	(603)	(909)	(1,179)	(288)	(582)	(862)	(1,150)	(317)
<b>Profit (loss) before tax from continuing operations</b>	<b>673</b>	<b>889</b>	<b>1,178</b>	<b>1,397</b>	<b>(249)</b>	<b>(64)</b>	<b>122</b>	<b>(4,515)</b>	<b>(92)</b>
Income tax expense	(82)	(166)	66	5,955	43	7	43	(3,885)	(50)
<b>Profit (loss) from continuing operations</b>	<b>591</b>	<b>723</b>	<b>1,244</b>	<b>7,352</b>	<b>(206)</b>	<b>(57)</b>	<b>165</b>	<b>(8,400)</b>	<b>(142)</b>
Discontinued operations/Non-current assets held for sale	-	-	-	-	-	-	-	-	-
<b>PROFIT (LOSS)</b>	<b>591</b>	<b>723</b>	<b>1,244</b>	<b>7,352</b>	<b>(206)</b>	<b>(57)</b>	<b>165</b>	<b>(8,400)</b>	<b>(142)</b>
Parent Company	560	678	1,178	7,224	(228)	(149)	(10)	(8,652)	(204)
Minorities	31	45	66	128	22	92	175	252	62
Non-Recurring Items <sup>(2)</sup>	(413)	(340)	(306)	(6,048)	310	344	293	8,653	53
<b>PROFIT (LOSS) NET NON-RECURRING ITEMS</b>	<b>178</b>	<b>383</b>	<b>938</b>	<b>1,304</b>	<b>104</b>	<b>287</b>	<b>458</b>	<b>253</b>	<b>(89)</b>

# TIM Group Cash Flow & Net Debt

€m, IFRS 16 & After Lease view

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*Unaudited figures*

	Q1 '20	H1 '20	9M '20	FY '20	Q1 '21	H1 '21	9M '21	FY '21	Q1 '22
<b>EBITDA</b>	<b>1,735</b>	<b>3,398</b>	<b>5,118</b>	<b>6,739</b>	<b>1,160</b>	<b>2,753</b>	<b>4,349</b>	<b>5,080</b>	<b>1,316</b>
<b>CAPEX</b>	<b>(599)</b>	<b>(1,254)</b>	<b>(2,006)</b>	<b>(3,409)</b>	<b>(691)</b>	<b>(1,808)</b>	<b>(2,720)</b>	<b>(4,630)</b>	<b>(932)</b>
o/w spectrum	-	-	-	-	-	(240)	(240)	(804)	-
<b>CHANGE IN WORKING CAPITAL <sup>(1)</sup></b>	<b>(348)</b>	<b>(599)</b>	<b>(738)</b>	<b>(26)</b>	<b>286</b>	<b>(126)</b>	<b>(546)</b>	<b>994</b>	<b>(80)</b>
Change in net operating working capital	(229)	(53)	(60)	772	298	(96)	(257)	733	(91)
Change in inventories	(22)	6	(10)	20	(47)	(55)	(73)	(39)	(20)
Change in trade receivables	258	329	401	484	91	135	150	257	222
Change in trade payables	(931)	(1,293)	(1,234)	(193)	(312)	(391)	(439)	1,008	(497)
Other changes in operating receivables/payables	466	905	783	461	566	215	105	(493)	204
Change in provisions for employee benefits	(8)	(435)	(534)	(628)	262	256	10	(83)	38
Change in operating provisions and other changes	(111)	(111)	(144)	(170)	(274)	(286)	(299)	344	(27)
<b>OPERATING FREE CASH FLOW Reported</b>	<b>788</b>	<b>1,545</b>	<b>2,374</b>	<b>3,304</b>	<b>755</b>	<b>819</b>	<b>1,083</b>	<b>1,444</b>	<b>304</b>
Licence	-	-	(110)	(110)	-	(240)	(295)	(435)	(186)
<b>OPERATING FREE CASH FLOW net of Licence</b>	<b>788</b>	<b>1,545</b>	<b>2,484</b>	<b>3,414</b>	<b>755</b>	<b>1,059</b>	<b>1,378</b>	<b>1,879</b>	<b>490</b>
Financial Expenses	(295)	(604)	(904)	(1,186)	(288)	(587)	(757)	(1,053)	(308)
Cash Taxes & Other	(27)	37	86	186	2	(109)	(161)	(194)	119
o/w Substitute Tax	-	-	-	-	-	(231)	(231)	(231)	-
Net Cash Flow from discontinued operations	-	-	-	-	-	-	-	-	-
<b>EQUITY FREE CASH FLOW</b>	<b>466</b>	<b>978</b>	<b>1,666</b>	<b>2,414</b>	<b>469</b>	<b>363</b>	<b>460</b>	<b>632</b>	<b>301</b>
Dividends and change in Equity <sup>(2)</sup>	(40)	(348)	(344)	974	(24)	(337)	(396)	(410)	(26)
Disposal and Financial investments	613	1,212	1,213	1,483	1,721	1,668	1,645	1,804	(11)
Licence	-	-	(110)	(110)	-	(240)	(295)	(435)	(186)
IFRS & IAS	(116)	(145)	(226)	(419)	5	(200)	(252)	(452)	(530)
<b>NET CASH FLOW</b>	<b>923</b>	<b>1,697</b>	<b>2,199</b>	<b>4,342</b>	<b>2,171</b>	<b>1,254</b>	<b>1,162</b>	<b>1,139</b>	<b>(452)</b>
<b>EQUITY FREE CASH FLOW</b>	<b>466</b>	<b>978</b>	<b>1,666</b>	<b>2,414</b>	<b>469</b>	<b>363</b>	<b>460</b>	<b>632</b>	<b>301</b>
Lease Impact	(271)	(447)	(673)	(799)	(162)	(274)	(432)	(570)	(178)
<b>EQUITY FREE CASH FLOW AFTER LEASE</b>	<b>195</b>	<b>531</b>	<b>993</b>	<b>1,615</b>	<b>307</b>	<b>89</b>	<b>28</b>	<b>62</b>	<b>123</b>
<b>NET DEBT</b>	<b>26,745</b>	<b>25,971</b>	<b>25,469</b>	<b>23,326</b>	<b>21,155</b>	<b>22,072</b>	<b>22,164</b>	<b>22,187</b>	<b>22,639</b>
Lease Impact	(5,034)	(4,876)	(4,728)	(4,732)	(4,564)	(4,657)	(4,551)	(4,614)	(4,966)
<b>NET DEBT After Lease</b>	<b>21,711</b>	<b>21,095</b>	<b>20,741</b>	<b>18,594</b>	<b>16,591</b>	<b>17,415</b>	<b>17,613</b>	<b>17,573</b>	<b>17,673</b>

(1) See details in next slide

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

Q1 '22 Financial and Operating Figures  
Investor Relations

# TIM Group Working Capital

€m, IFRS 16

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*Unaudited figures*

	TIM Group			Domestic			Brasil		
	Q1 '21	Q1 '22	Δ abs	Q1 '21	Q1 '22	Δ abs	Q1 '21	Q1 '22	Δ abs
<b>Operating WC &amp; Other</b>	<b>286</b>	<b>(80)</b>	<b>(366)</b>	<b>293</b>	<b>105</b>	<b>(188)</b>	<b>(8)</b>	<b>(182)</b>	<b>(174)</b>
License			-			-			-
License paid in the year	-	186	186	-	-	-	-	186	186
Non recurring items (not paid)	(401)	(71)	330	(401)	(67)	334	-	(4)	(4)
<b>Recurring Operating WC</b>	<b>(115)</b>	<b>35</b>	<b>150</b>	<b>(108)</b>	<b>38</b>	<b>146</b>	<b>(8)</b>	<b>0</b>	<b>8</b>
Inventory				(41)	(16)	25			
Trade Receivables				33	216	183			
Trade Payables				(219)	(290)	(71)			
Other Operating Payables/Receivables & Funds				119	128	9			
- o/w Litigations & Settlements				(84)	(81)	3			
- o/w Payables vs. Personnel				84	75	(9)			
- o/w Personnel Exit (Fornero Law)				(128)	(92)	36			
- o/w VAT				419	408	(11)			
- o/w Billing <sup>(1)</sup>				(48)	(25)	23			
- o/w Net Debts vs INPS				(38)	(48)	(10)			
- o/w Deferred Costs & Revenues				(30)	(50)	(20)			
- o/w Payment in Advance vs Suppliers/Customers				(3)	(24)	(21)			

(1) From payments in advance to payments in arrears

# 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	Q1 '22
<b>CURRENT ASSETS</b>	<b>9,513</b>	<b>9,611</b>	<b>9,036</b>	<b>10,812</b>	<b>12,057</b>	<b>11,586</b>	<b>11,029</b>	<b>14,070</b>	<b>10,272</b>
Trade and miscellaneous receivables and other current assets	4,889	4,639	4,580	4,346	4,338	4,389	4,307	4,358	4,420
Cash and cash equivalents	3,265	3,603	2,858	4,829	4,370	4,969	4,443	6,904	3,272
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	2,122
Inventories	282	256	272	242	289	300	316	282	309
Current income tax receivables	49	46	46	86	30	42	40	79	88
Current financial receivables arising from lease contracts	43	36	34	55	67	60	42	56	61
Other investments	-	-	-	-	-	-	-	-	-
<b>NON-CURRENT ASSETS</b>	<b>58,482</b>	<b>56,946</b>	<b>55,819</b>	<b>62,422</b>	<b>61,667</b>	<b>62,218</b>	<b>61,916</b>	<b>55,117</b>	<b>56,023</b>
<b>Intangible assets</b>	<b>30,027</b>	<b>29,737</b>	<b>29,452</b>	<b>29,587</b>	<b>29,297</b>	<b>29,395</b>	<b>29,173</b>	<b>25,715</b>	<b>26,063</b>
Goodwill	22,908	22,870	22,825	22,847	22,820	22,710	22,689	18,568	18,657
Intangible assets with a finite useful life	7,119	6,867	6,627	6,740	6,477	6,685	6,484	7,147	7,406
<b>Tangible assets</b>	<b>13,287</b>	<b>12,986</b>	<b>12,800</b>	<b>13,141</b>	<b>12,980</b>	<b>13,049</b>	<b>13,009</b>	<b>13,311</b>	<b>13,692</b>
Property, plant and equipment owned	13,287	12,986	12,800	13,141	12,980	13,049	13,009	13,311	13,692
<b>Right of Use assets</b>	<b>5,276</b>	<b>5,022</b>	<b>4,879</b>	<b>4,992</b>	<b>4,851</b>	<b>4,898</b>	<b>4,783</b>	<b>4,847</b>	<b>5,177</b>
<b>Other assets</b>	<b>9,892</b>	<b>9,201</b>	<b>8,688</b>	<b>14,702</b>	<b>14,539</b>	<b>14,876</b>	<b>14,951</b>	<b>11,244</b>	<b>11,091</b>
Miscellaneous receivables and other non-current assets	2,387	2,309	2,050	2,114	2,072	2,260	2,307	2,266	2,353
Non-current financial assets	3,116	2,969	2,519	2,310	2,088	2,243	2,220	2,330	2,089
<i>o/w receivable for lease contracts</i>	51	47	42	43	45	49	46	45	50
<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	2,039
Deferred tax assets	937	896	1,080	7,496	7,547	7,592	7,594	3,513	3,470
Other investments	44	51	52	54	57	82	120	156	134
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	3,045
<b>TOTAL ASSETS</b>	<b>67,995</b>	<b>66,557</b>	<b>64,855</b>	<b>73,234</b>	<b>73,724</b>	<b>73,804</b>	<b>72,945</b>	<b>69,187</b>	<b>66,295</b>

# 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	Q1 '22
<b>CURRENT LIABILITIES</b>	<b>10,818</b>	<b>10,534</b>	<b>10,380</b>	<b>11,167</b>	<b>13,043</b>	<b>12,378</b>	<b>13,480</b>	<b>16,364</b>	<b>13,739</b>
Trade and miscellaneous payables and other current liabilities	6,573	6,108	5,908	6,588	7,046	6,820	8,125	9,473	9,655
Current financial liabilities	4,202	4,382	4,416	4,308	5,742	5,242	5,054	6,596	3,811
<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	3,128
<i>o/w liabilities for lease contracts</i>	679	697	643	631	615	660	649	651	683
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	273
<b>NON-CURRENT LIABILITIES</b>	<b>35,166</b>	<b>34,629</b>	<b>33,002</b>	<b>33,227</b>	<b>30,871</b>	<b>30,840</b>	<b>28,857</b>	<b>30,784</b>	<b>29,821</b>
Non-current financial liabilities	29,776	29,187	27,873	27,854	25,418	25,818	25,669	27,501	26,579
<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	22,185
<i>o/w liabilities for lease contracts</i>	4,380	4,203	4,107	4,199	4,061	4,106	3,990	4,064	4,394
Miscellaneous payables and other non-current liabilities	3,104	3,363	3,226	3,602	3,526	3,157	1,469	1,413	1,366
Employee benefits	1,179	916	830	724	939	888	710	699	700
Provisions	688	753	750	770	769	689	668	926	956
Deferred tax liabilities	419	410	323	277	219	288	341	245	220
<b>TOTAL LIABILITIES</b>	<b>45,984</b>	<b>45,163</b>	<b>43,382</b>	<b>44,394</b>	<b>43,914</b>	<b>43,218</b>	<b>42,337</b>	<b>47,148</b>	<b>43,560</b>
<b>EQUITY</b>	<b>22,011</b>	<b>21,394</b>	<b>21,473</b>	<b>28,840</b>	<b>29,810</b>	<b>30,586</b>	<b>30,608</b>	<b>22,039</b>	<b>22,735</b>
Equity attributable to equity owners of the Parent	20,623	20,081	20,227	26,215	25,371	25,994	26,010	17,414	17,786
Equity attributable to Minority Interests	1,388	1,313	1,246	2,625	4,439	4,592	4,598	4,625	4,949
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>67,995</b>	<b>66,557</b>	<b>64,855</b>	<b>73,234</b>	<b>73,724</b>	<b>73,804</b>	<b>72,945</b>	<b>69,187</b>	<b>66,295</b>

# Domestic Results

€m, IFRS 16 & After Lease view

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*Unaudited figures*

	REPORTED						ORGANIC <sup>(1)</sup>							
	Q1 '21	Q2 '21	Q3 '21	Q4 '21	FY '21	Q1 '22	Q1 '21 comparable base	Q1 '21	Q2 '21	Q3 '21	Q4 '21	FY '21	Q1 '22	Change YoY %
<b>REVENUES</b>	<b>3,077</b>	<b>3,132</b>	<b>3,072</b>	<b>3,224</b>	<b>12,505</b>	<b>2,846</b>	<b>3,082</b>	<b>3,077</b>	<b>3,132</b>	<b>3,072</b>	<b>3,229</b>	<b>12,510</b>	<b>2,846</b>	(7.7)
<b>Service Revenues</b>	<b>2,753</b>	<b>2,798</b>	<b>2,780</b>	<b>2,852</b>	<b>11,183</b>	<b>2,612</b>	<b>2,758</b>	<b>2,753</b>	<b>2,798</b>	<b>2,780</b>	<b>2,857</b>	<b>11,188</b>	<b>2,612</b>	(5.3)
<b>Wireline Services</b>	<b>2,139</b>	<b>2,155</b>	<b>2,091</b>	<b>2,184</b>	<b>8,569</b>	<b>2,020</b>	<b>2,144</b>	<b>2,139</b>	<b>2,155</b>	<b>2,091</b>	<b>2,189</b>	<b>8,574</b>	<b>2,020</b>	(5.8)
Retail	1,368	1,362	1,335	1,400	5,466	1,294	1,368	1,368	1,362	1,335	1,400	5,466	1,294	(5.5)
National Wholesale + FiberCop	556	542	510	507	2,114	493	556	556	542	510	512	2,119	493	(11.2)
International Wholesale	217	248	246	276	987	229	222	217	248	246	276	987	229	3.2
Other	(2)	4	0	1	3	4	(2)	(2)	4	0	1	3	4	
<b>Mobile Services</b>	<b>757</b>	<b>783</b>	<b>821</b>	<b>791</b>	<b>3,152</b>	<b>728</b>	<b>757</b>	<b>757</b>	<b>783</b>	<b>821</b>	<b>791</b>	<b>3,152</b>	<b>728</b>	(3.9)
Retail	676	685	677	677	2,716	641	676	676	685	677	677	2,716	641	(5.2)
Wholesale and Other	81	97	143	114	436	87	81	81	97	143	114	436	87	7.3
<b>Elimination &amp; Other</b>	<b>(143)</b>	<b>(140)</b>	<b>(132)</b>	<b>(123)</b>	<b>(538)</b>	<b>(136)</b>	<b>(143)</b>	<b>(143)</b>	<b>(140)</b>	<b>(132)</b>	<b>(123)</b>	<b>(538)</b>	<b>(136)</b>	
<b>Handsets</b>	<b>324</b>	<b>334</b>	<b>292</b>	<b>372</b>	<b>1,322</b>	<b>234</b>	<b>324</b>	<b>324</b>	<b>334</b>	<b>292</b>	<b>372</b>	<b>1,322</b>	<b>234</b>	(27.8)
<b>OPEX</b>	<b>2,219</b>	<b>1,861</b>	<b>1,822</b>	<b>2,873</b>	<b>8,775</b>	<b>1,884</b>	<b>1,822</b>	<b>1,818</b>	<b>1,817</b>	<b>1,778</b>	<b>2,230</b>	<b>7,643</b>	<b>1,817</b>	(0.3)
<b>EBITDA</b>	<b>858</b>	<b>1,271</b>	<b>1,250</b>	<b>351</b>	<b>3,730</b>	<b>962</b>	<b>1,260</b>	<b>1,259</b>	<b>1,315</b>	<b>1,294</b>	<b>999</b>	<b>4,867</b>	<b>1,029</b>	(18.3)
EBITDA Margin	27.9%	40.6%	40.7%	10.9%	29.8%	33.8%	40.9%	40.9%	42.0%	42.1%	30.9%	38.9%	36.2%	(4.7 p.p.)
<b>EBITDA After Lease</b>	<b>733</b>	<b>1,141</b>	<b>1,124</b>	<b>223</b>	<b>3,221</b>	<b>837</b>	<b>1,135</b>	<b>1,134</b>	<b>1,185</b>	<b>1,168</b>	<b>871</b>	<b>4,358</b>	<b>904</b>	(20.4)
EBITDA AL Margin	23.8%	36.4%	36.6%	6.9%	25.8%	29.4%	36.8%	36.9%	37.8%	38.0%	27.0%	34.8%	31.8%	(5.1 p.p.)
<b>CAPEX</b>	<b>490</b>	<b>975</b>	<b>765</b>	<b>1,147</b>	<b>3,377</b>	<b>706</b>	<b>490</b>	<b>490</b>	<b>735</b>	<b>765</b>	<b>1,147</b>	<b>3,137</b>	<b>706</b>	44.1
% on revenues	15.9%	31.1%	24.9%	35.6%	27.0%	24.8%	15.9%	15.9%	23.5%	24.9%	35.5%	25.1%	24.8%	8.9 p.p.
<b>Headcount EoP</b>	<b>43,004</b>	<b>43,157</b>	<b>42,811</b>	<b>42,591</b>	<b>42,591</b>	<b>42,782</b>								

(1) Organic figures excluding non-recurring items and change in the scope of consolidation; domestic CAPEX excluding licence (€ 240m spectrum pre-payment in Q2 '21)

Q1 '22 Financial and Operating Figures  
Investor Relations

# Domestic Wireline

€m, IFRS 16

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*Unaudited figures*

	REPORTED						ORGANIC <sup>(1)</sup>							
	Q1 '21	Q2 '21	Q3 '21	Q4 '21	FY '21	Q1 '22	Q1 '21 comparable base	Q1 '21	Q2 '21	Q3 '21	Q4 '21	FY '21	Q1 '22	Change YoY %
<b>WIRELINE REVENUES</b>	<b>2,329</b>	<b>2,363</b>	<b>2,237</b>	<b>2,384</b>	<b>9,313</b>	<b>2,131</b>	<b>2,334</b>	<b>2,329</b>	<b>2,363</b>	<b>2,237</b>	<b>2,389</b>	<b>9,318</b>	<b>2,131</b>	(8.7)
<b>Wireline Service Revenues</b>	<b>2,139</b>	<b>2,155</b>	<b>2,091</b>	<b>2,184</b>	<b>8,569</b>	<b>2,020</b>	<b>2,144</b>	<b>2,139</b>	<b>2,155</b>	<b>2,091</b>	<b>2,189</b>	<b>8,574</b>	<b>2,020</b>	(5.8)
Retail Services	1,368	1,362	1,335	1,400	5,466	1,294	1,368	1,368	1,362	1,335	1,400	5,466	1,294	(5.5)
<i>o/w Broadband and content</i>	563	554	546	543	2,206	514	563	563	554	546	543	2,206	514	(8.8)
<i>o/w ICT Services</i>	285	311	303	404	1,302	338	285	285	311	303	404	1,302	338	18.5
National Wholesale + FiberCop	556	542	510	507	2,114	493	556	556	542	510	512	2,119	493	(11.2)
International Wholesale	217	248	246	276	987	229	222	217	248	246	276	987	229	3.2
Other	(2)	4	-	1	3	4	(2)	(2)	4	-	1	3	4	
<b>Equipments</b>	<b>190</b>	<b>208</b>	<b>146</b>	<b>200</b>	<b>744</b>	<b>111</b>	<b>190</b>	<b>190</b>	<b>208</b>	<b>146</b>	<b>200</b>	<b>744</b>	<b>111</b>	(41.5)
<b>Retail lines ('000)</b>							<b>8,774</b>	<b>8,774</b>	<b>8,765</b>	<b>8,729</b>	<b>8,647</b>	<b>8,647</b>	<b>8,539</b>	(2.7)
Churn rate %							3.6	3.6	3.4	3.0	3.5	13.5	3.4	(0.2 p.p.)
Broadband							7,746	7,746	7,783	7,811	7,733	7,733	7,643	(1.3)
Consumer							6,545	6,545	6,541	6,579	6,511	6,511	6,431	(1.7)
Business							1,202	1,202	1,243	1,232	1,222	1,222	1,212	0.8
UBB							4,695	4,695	4,926	5,084	5,186	5,186	5,244	11.7
<b>Wholesale lines ('000)</b>							<b>7,908</b>	<b>7,908</b>	<b>7,822</b>	<b>7,734</b>	<b>7,729</b>	<b>7,729</b>	<b>7,729</b>	(2.3)
Local Loop Unbundling							2,625	2,625	2,472	2,343	2,202	2,202	2,082	(20.7)
Wholesale Line Rental							180	180	172	165	161	161	156	(13.1)
Bitstream Naked							722	722	662	607	548	548	494	(31.6)
UBB							4,381	4,381	4,516	4,619	4,819	4,819	4,997	14.1
<b>ARPU Retail (BB &amp; ICT)</b>							<b>32.2</b>	<b>32.2</b>	<b>33.0</b>	<b>32.4</b>	<b>36.3</b>	<b>33.4</b>	<b>33.0</b>	2.5

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

<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 (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
<b>Equipments</b>	Equipment sold, including consumer (routers, set-top-box, etc) and B2B (IRU, IT hardware, local networks equipment, etc)
<b>Retail lines ('000)</b>	<b>Fixed accesses, including both voice, broadband (xDSL, FTTx) and data only lines. Gigabit Ethernet (GBE) FTTH lines included</b>
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>
<b>Wholesale lines ('000)</b>	<b>Total number of wholesale lines</b>
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
<b>ARPU Retail (BB &amp; ICT)</b>	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 <sup>(1)</sup>							
	Q1 '21	Q2 '21	Q3 '21	Q4 '21	FY '21	Q1 '22	Q1 '21 comparable base	Q1 '21	Q2 '21	Q3 '21	Q4 '21	FY '21	Q1 '22	Change YoY %
<b>MOBILE REVENUES</b>	892	909	966	965	3,732	851	892	892	909	966	965	3,732	851	(4.6)
<b>Mobile Service Revenues</b>	757	783	821	791	3,152	728	757	757	783	821	791	3,152	728	(3.9)
Retail Services	676	685	677	677	2,716	641	676	676	685	677	677	2,716	641	(5.2)
o/w Incoming	58	56	57	57	229	47	58	58	56	57	57	229	47	(18.8)
Wholesale and Other	81	97	143	114	436	87	81	81	97	143	114	436	87	7.3
<b>Handsets and Handsets Bundle</b>	135	126	145	174	580	123	135	135	126	145	174	580	123	(8.6)
<b>Total number of lines ('000)</b>							30,222	30,222	30,317	30,473	30,466	30,466	30,395	0.6
Churn rate %							3.8	3.8	3.7	3.6	3.6	14.7	3.7	(0.1 p.p.)
Human							19,554	19,554	19,306	19,172	19,054	19,054	18,799	(3.9)
Not Human (M2M)							10,669	10,669	11,011	11,301	11,412	11,412	11,596	8.7
Calling lines							27,462	27,462	27,694	27,860	27,853	27,853	27,762	1.1
Human Calling							16,793	16,793	16,683	16,559	16,440	16,440	16,166	(3.7)
Broadband Users							12,864	12,864	12,853	12,863	12,783	12,783	12,717	(1.1)
LTE Users							11,878	11,878	11,929	12,070	12,103	12,103	12,127	2.1
<b>Usage Data (GB/users/month)</b>							10.5	10.5	11.1	12.1	11.7	11.4	11.9	13.3
<b>ARPU Reported</b>							7.5	7.5	7.5	7.4	7.4	7.5	7.0	(5.9)
<b>ARPU Human</b>							11.4	11.4	11.7	11.7	11.8	11.7	11.3	(1.3)

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

<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 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
<b>Handsets and Handsets Bundle</b>	Mobile handsets sales and handsets bundles
<b>Total number of lines</b>	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
<b>Usage Data</b>	Average data usage (GB/broadband users/month) - Data volumes net of Visitors, Roamers and MVNO (Noverca/Kena volumes included)
<b>Reported</b>	Total retail service revenues divided by average customer base, human and not human (€/line/month)
<b>Human</b>	Total retail service revenues divided by average human customer base (€/line/month)

	Q1 '20	Q2 '20	Q3 '20	Q4 '20	FY '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	FY '21	Q1 '22	Change YoY %
<b>REVENUES</b>	<b>4,215</b>	<b>3,987</b>	<b>4,388</b>	<b>4,678</b>	<b>17,268</b>	<b>4,340</b>	<b>4,407</b>	<b>4,512</b>	<b>4,799</b>	<b>18,058</b>	<b>4,727</b>	8.9
Service Revenues	4,091	3,926	4,207	4,441	16,665	4,228	4,267	4,382	4,620	17,497	4,584	8.4
<i>o/w Mobile</i>	3,842	3,673	3,937	4,166	15,618	3,948	3,984	4,097	4,324	16,353	4,287	8.6
<i>o/w Fixed</i>	249	253	270	275	1,047	280	282	286	296	1,144	297	5.7
Handsets	124	61	181	237	603	112	140	130	180	561	143	27.7
<b>OPEX</b>	<b>2,299</b>	<b>2,020</b>	<b>2,325</b>	<b>2,342</b>	<b>8,986</b>	<b>2,332</b>	<b>2,329</b>	<b>2,366</b>	<b>2,370</b>	<b>9,397</b>	<b>2,636</b>	13.0
<b>EBITDA</b>	<b>1,916</b>	<b>1,967</b>	<b>2,063</b>	<b>2,336</b>	<b>8,282</b>	<b>2,008</b>	<b>2,078</b>	<b>2,146</b>	<b>2,429</b>	<b>8,661</b>	<b>2,091</b>	4.1
EBITDA margin	45.5%	49.3%	47.0%	49.9%	48.0%	46.3%	47.2%	47.6%	50.6%	48.0%	44.2%	(2.1 p.p.)
<b>EBITDA net non recurring</b>	<b>1,916</b>	<b>1,967</b>	<b>2,063</b>	<b>2,363</b>	<b>8,309</b>	<b>2,008</b>	<b>2,092</b>	<b>2,153</b>	<b>2,444</b>	<b>8,697</b>	<b>2,111</b>	5.1
EBITDA margin	45.5%	49.3%	47.0%	50.5%	48.1%	46.3%	47.5%	47.7%	50.9%	48.2%	44.7%	(1.6 p.p.)
<b>CAPEX</b>	<b>904</b>	<b>673</b>	<b>850</b>	<b>1,464</b>	<b>3,891</b>	<b>1,324</b>	<b>906</b>	<b>896</b>	<b>4,840</b>	<b>7,966</b>	<b>1,328</b>	0.3
% on revenues	21.4%	16.9%	19.4%	31.3%	22.5%	30.5%	20.6%	19.9%	100.9%	44.1%	28.1%	(2.4 p.p.)
<b>KPI's - Mobile only</b>												
Total Penetration <sup>(1)</sup>	96.2%	95.7%	94.6%	97.2%	97.2%	99.4%	100.5%	101.4%	102.8%	102.8%	104.1%	4.7 p.p.
Market Share on total lines <sup>(1)</sup>	23.3%	23.1%	22.4%	22.0%	22.0%	21.5%	20.9%	20.8%	20.5%	20.5%	20.3%	(1.2 p.p.)
Total Lines ('000) <sup>(2)</sup>	52,826	52,031	51,159	51,433	51,433	51,728	51,341	51,614	52,066	52,066	52,305	1.1
TOTAL ARPU <sup>(3)</sup>	23.9	23.4	25.4	27.1	24.9	25.5	25.8	26.5	27.7	26.4	27.4	7.6
TOTAL MOU <sup>(4)</sup>	119	124	127	121	123	113	110	103	94	105	88	(22.4)
<b>Exchange rate AVG YTD (R\$/euro)</b>	<b>4.91</b>	<b>5.41</b>	<b>5.70</b>	<b>5.89</b>	<b>5.89</b>	<b>6.60</b>	<b>6.49</b>	<b>6.38</b>	<b>6.36</b>	<b>6.36</b>	<b>5.87</b>	

<sup>(1)</sup> Source: Anatel (until Q4 '21)

<sup>(2)</sup> Includes company lines

<sup>(3)</sup> Gross of visitors

<sup>(4)</sup> Minutes of usage, net of visitors

# Reported & Organic Reconciliation

€m, IFRS 16 & After Lease view

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*Unaudited figures*

	Q1 '21					Q1 '22		
	Reported	Non Organic elements		Non recurring items	Organic comparable base	Reported	Non recurring items	Organic
		Change in consolid. area	Exchange rate impact					
<b>REVENUES</b>	<b>3,728</b>	-	<b>87</b>	-	<b>3,815</b>	<b>3,644</b>	-	<b>3,644</b>
Domestic	3,077	-	5	-	3,082	2,846	-	2,846
Brazil	658	-	82	-	740	806	-	806
Other Activities & Eliminations	(7)	-	-	-	(7)	(8)	-	(8)
<b>SERVICE REVENUES</b>	<b>3,387</b>	-	<b>85</b>	-	<b>3,472</b>	<b>3,386</b>	-	<b>3,386</b>
Domestic	2,753	-	5	-	2,758	2,612	-	2,612
Brazil	641	-	80	-	721	782	-	782
Other Activities & Eliminations	(7)	-	-	-	(7)	(8)	-	(8)
<b>EBITDA</b>	<b>1,160</b>	-	<b>39</b>	<b>(401)</b>	<b>1,600</b>	<b>1,316</b>	<b>(71)</b>	<b>1,387</b>
Domestic	858	-	1	(401)	1,260	962	(67)	1,029
Brazil	304	-	38	-	342	356	(4)	360
Other Activities & Eliminations	(2)	-	-	-	(2)	(2)	-	(2)
<b>EBITDA After Lease</b>	<b>965</b>	-	<b>31</b>	<b>(401)</b>	<b>1,397</b>	<b>1,098</b>	<b>(71)</b>	<b>1,169</b>
Domestic	733	-	1	(401)	1,135	837	(67)	904
Brazil	234	-	30	-	264	263	(4)	267
Other Activities & Eliminations	(2)	-	-	-	(2)	(2)	-	(2)
<b>EBIT</b>	<b>28</b>	-	<b>11</b>	<b>(401)</b>	<b>440</b>	<b>209</b>	<b>(71)</b>	<b>280</b>
Domestic	(60)	-	-	(401)	341	92	(67)	159
Brazil	90	-	11	-	101	120	(4)	124
Other Activities & Eliminations	(2)	-	-	-	(2)	(3)	-	(3)

# For further questions please contact the IR team



(+39) 06 3688 2500



[Investor\\_relations@telecomitalia.it](mailto:Investor_relations@telecomitalia.it)



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