Q1 '23 RESULTS

11 MAY 2023

TIM

THE STRENGTH OF CONNECTIONS

Disclaimer

This presentation contains statements that constitute forward looking statements regarding the intent, belief or current expectations of future growth in the different business lines and the global business, financial results and other aspects of the activities and situation relating to the TIM Group. Such forward looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those projected or implied in the forward-looking statements as a result of various factors.

The financial results of the TIM Group are 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 Q1 ‘23 financial results of the TIM Group are the same as those adopted in the TIM Group Annual Audited Consolidated Financial Statements as of 31 December 2022, to which reference can be made, except for the amendments to the standards issued by IASB and adopted starting from 1 January 2023.

The financial results for Q1 ‘23 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), Equity Free Cash Flow, Operating Free Cash Flow (OFCF) and Operating Free Cash Flow (net of licences). 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.

#1 Operations update

#2 Financial and operating results

#3 Closing remarks

Q1 '23 Highlights

1
Improving trends
consistently with FY guidance

Group Revenues, EBITDA and EBITDA-CAPEX
better trend YoY vs Q4 '22

2
TIM Entities
delivering results

TIM Consumer
TIM Enterprise
NetCo
TIM Brasil

3
Pricing context
positive evolution

New wholesale tariffs & **CPI-linked retail price adjustments** approved, **repricing campaign** ongoing

4
National Recovery & Resilience Plan

New measure allowing
€ 0.5bn upfront grant cash-in
for UBB deployment from '23

5
Transformation Plan
execution in line

€ 0.2bn OPEX savings in Q1
26% of incremental '23 target achieved

6
Delayering plan
update

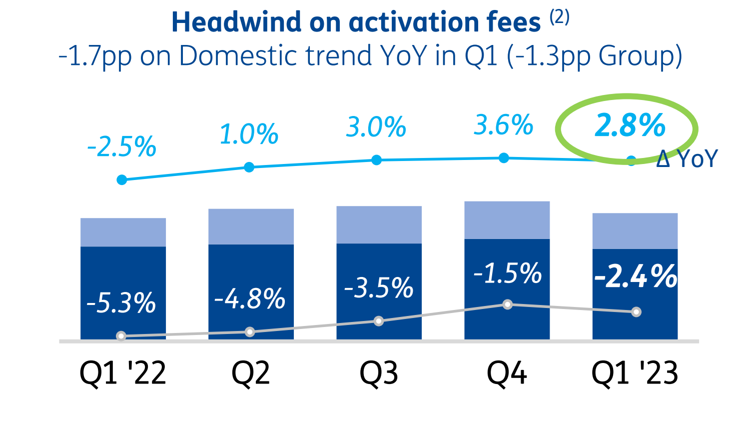
FY 2023 guidance confirmed

Improving trends on main financials

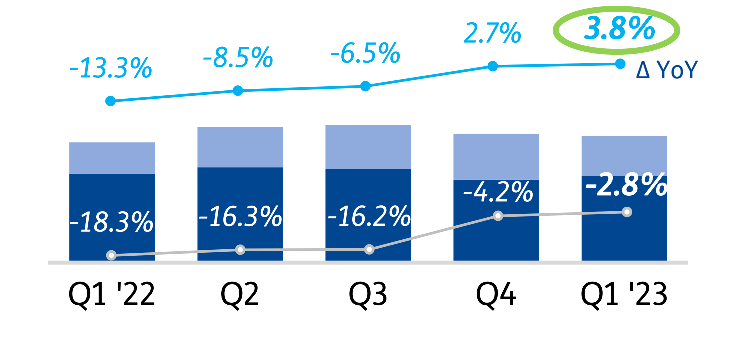
Organic data [(1)], IFRS 16 and After Lease, YoY trend

Group Domestic Brazil

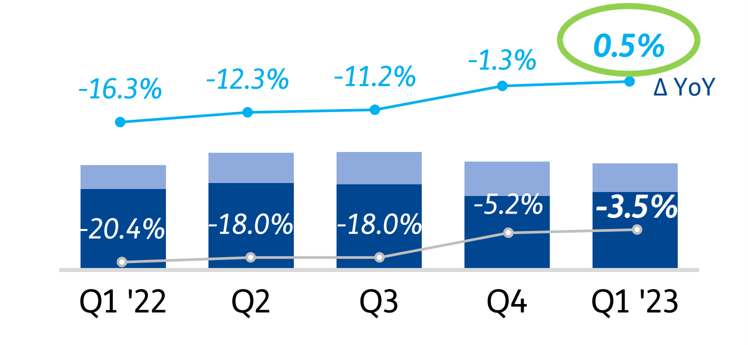
Continued Service Revenues growth



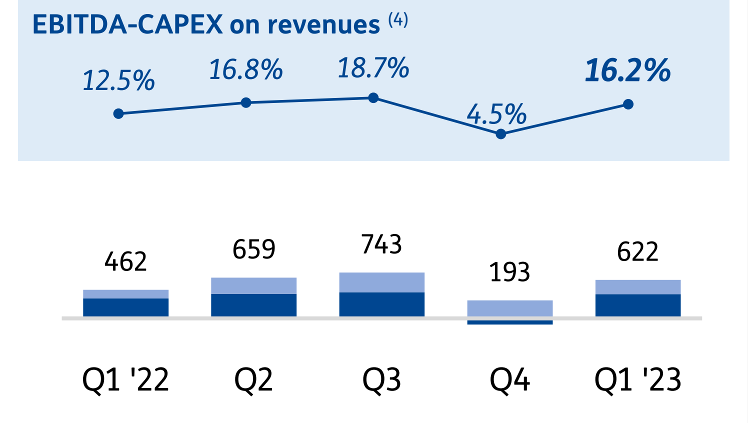
Group EBITDA growth in line with FY outlook



Group EBITDA AL[(3)] back to growth



EBITDA-CAPEX improved [(4)] YoY and QoQ



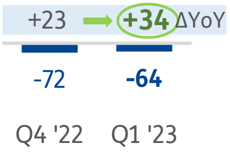
(1) Net of non-recurring items, change in consolidation area and exchange rate fluctuations. Group figures @ average exchange-rate 5.57 R$/€ **(2)** Law Decree 207/2021
(3) After Lease **(4)** CAPEX net of licences

TIM Entities delivering results (1/2)

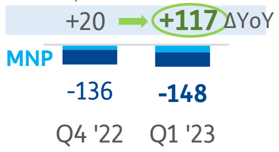
	Revenues	Services	Achievements
TIM Consumer (CO+SMB)	-5.1% YoY	-5.6% YoY	▪ **Repositioning towards premium segment** ongoing ▪ **TIM 1st brand in Top of mind and awareness** ▪ **Strong recovery on YoY net balance** despite price-ups: higher gross adds on fixed, lower deactivations on mobile ▪ **FTTH leadership:** TIM 1st in market share(1), ~1m lines reached in Q1 ▪ **Refocusing ICT portfolio on SMB** while increasing sales performance (value of IT contracts signed +17% YoY) ▪ **Content distribution deal** with Disney+ renegotiated
TIM Enterprise	+4.4% YoY	+3.9% YoY	▪ **Revenue growth** with focus on margin generation supported by strong pipeline, **change in revenue mix** ongoing with push on high margin services ▪ **Good performance on operating cash generation** also thanks to CAPEX peak already reached on Data Centers transformation ▪ **Acquisition of cyber-security player TS-Way** a further step in the consolidation of TIM Enterprise's leadership as Italy's biggest ICT platform

Main KPIs

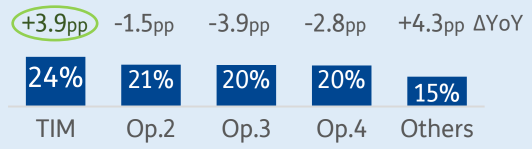
Fixed net adds
k lines



Mobile net adds
k lines, human



FTTH market share (1)



Service Revenues Q1 '23

	Δ YoY	Revenue mix weight	Revenue mix Δ YoY
Connectivity	-5%	42%	-3.8pp
Cloud	+16%	30%	+3.3pp
IoT	-4%	2%	-0.1pp
Security	+17%	3%	+0.4pp
Other IT	+5%	22%	+0.3pp

Value of contracts signed (2)
Services *+6% YoY*

(1) Source: "*Communication Markets Monitoring System*" Agcom, data as of Dec. '22 **(2)** 12 months value of contracts signed, net of SPC Cloud

TIM Entities delivering results (2/2)

	Revenues	Services
NetCo	+3.4% YoY	-0.9% YoY
TIM Brasil	+19.3% YoY	+19.3% YoY

NetCo

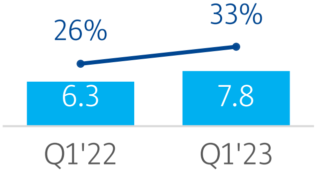
Achievements

- **Positive revenues trend** for improved technology mix (from copper to fiber)
- **FTTH roll-out** in line with plan (targeting 48% coverage by ‘25)
- **Technology remix** ongoing with growing portion of fiber (70% of tot. accesses, +5.0pp YoY, +1.0pp QoQ)
- Continued growth of **high value connectivity CB** [1](+14% YoY)

Main KPIs

>79% market share
~95% FTTx coverage on active lines
~60% >100Mbps
~15.7m fixed accesses, o/w >72% FTTx

FTTH coverage
million technical units



TIM Brasil

Achievements

- **Over-delivering on growth targets thanks to higher-than-expected synergies**
- **Oi integration completed, higher profitability** from healthier mobile competition and improved value proposition and customer experience[2]
- **Higher CAPEX efficiency from 5G**: full mobile coverage in key markets, ahead of competition with ~4.6k antennas (~1.7x higher vs peers)[3]
- **Smart approach on commercial expansion of fixed broadband** focused on higher speeds, ARPU and customer experience improvement (77% of plans with connection speeds ≥150 Mbps)
- **Partnership** signed with Way Brasil: 4G for >600 km of highways

(1) Gea, Giganet, Gigawave, FTTO services **(2)** TIM Brasil the better ranked TLC in Procon-SP and the only TLC operator awarded with Reclame Acqui RA 1000
(3) Source: Anatel (Mar. ‘23)

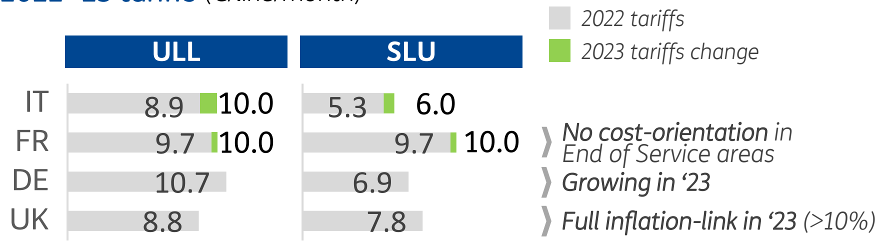
Pricing context - Positive evolution both on wholesale and retail

3

Wholesale:
tariffs revision

- **Regulated access prices for '23 approved** by Agcom and greenlighted by EU Commission
- **New prices to be applied retroactively** from Jan. 1st '23, considering that **'22 prices remained unchanged** vs '21
- **Gap vs other EU markets** on copper access prices reduced, but not completely closed

2022-'23 tariffs (€/line/month)



	'22 tariffs	'23 tariffs	Δ YoY
ULL	8.9	10.0	+13%
SLU	5.3	6.0	+13%
VULA FTTC	12.5	13.2	+6%
VULA FTTH	14.7	14.4	-2%

Retail:
Selective repricing

- **2023 selective price ups launched so far** on 4.3m fixed lines and 2.1m mobile lines, **~€ 35m upside on '23**
- **Repricing campaign** to be further extended with a "more for more" approach

Retail:
CPI-linked price adjustments

- Agcom guidelines for **annual CPI-linked price adjustments from '24**:
  - **CPI-linked price adjustments not qualified as a change of contract conditions** (no right for customers to withdraw without penalty)
  - **on existing contracts**, through explicit acceptance of end-user (otherwise, contract is maintained until its expiry of max. 2 years)
  - **on new contracts**, through specific clause and with no mark-up and no floor
- **Public consultation** launched on Apr 11th '23, **final approval** expected in H2

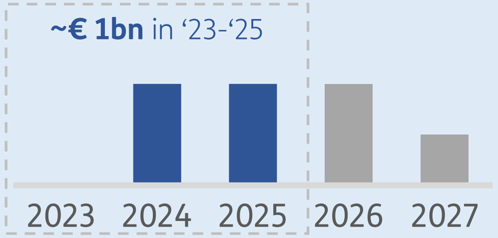
National Recovery & Resilience Plan update

- **NRRP simplification measures** approved by the Government in Apr. '23
- **20% cash-in grant advance payment** obtained on NRRP UBB deployment initiatives ("*Italia 1Giga*", "*5G backhauling*" and "*5G coverage*")

€ 0.5bn upfront cash-in grant available from '23

NRRP cash grants
for UBB deployment

From...



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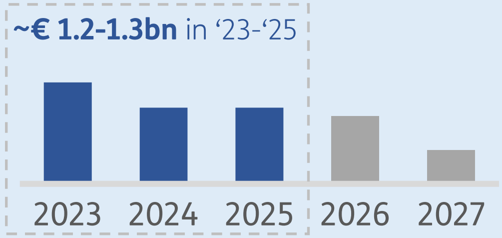
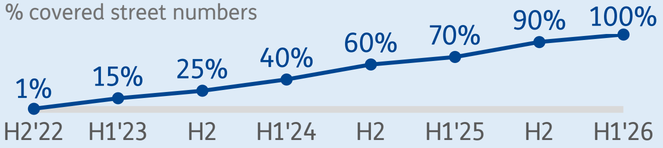


Potential
€ 0.2-0.3bn upside
on 2023-'25 EFCF AL

Italia 1giga

- ~1.2k executive projects delivered, ~32k households connected
- Walk-ins showed **high percentage of not applicable civic buildings (>50%)** making it necessary to remodulate the milestone targets

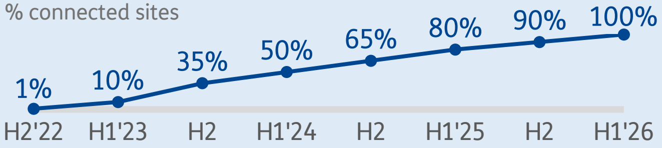
Project completion
% covered street numbers



5G Backhauling

- ~9.9k sites inspected, ~1.3k executive projects delivered
- **Execution on track**: ~0.6k covered site, equal to 52% of H1 '23 target

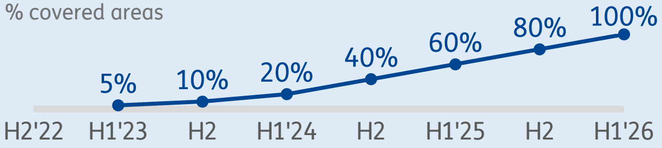
Project completion
% connected sites



5G coverage

- 95 permits presented, 73 areas in 1st milestone
- **Already defined a pool of sites** to ensure the achievement of milestones up to H1 '24
- **Issues on authorizations release**, technical table set-up at institutional level

Project completion
% covered areas



Transformation plan – € 0.2bn savings achieved in Q1

	2022	2023	2024
TARGET SAVINGS (€bn) [(1)]	**0.3** ✓	**1.1**	**1.5**
o/w OPEX savings [(2)]	0.3	0.7	1.0
o/w cash cost / CAPEX extra-savings	-	0.4	0.5

€ 0.2bn savings in Q1 '23
€ 0.1bn OPEX savings
€ 0.1bn cash cost /CAPEX extra savings

26% of incremental FY target reached

Committing on big / key initiatives addressing >50% of tot. cash cost baseline

Simplify cost structure	▪ **Fixed Network**: tender on-going on Delivery, Assurance and Creation activities; Decommissioning plan underway ▪ **Energy**: efficiencies in real estate, asset modernization in >7k sites and central offices
Rightsize & talents' uplift	▪ **Labour**: hourly reduction, early retirements & voluntary exits ▪ **Insourcing**: ~1.2k headcounts to be reskilled to reduce external costs ▪ **Hirings**: ~0.4k headcounts to be recruited in '23
Enhanced cost optimization	▪ **Customer care**: lower human volumes, increased productivity, make vs buy mix review & near-shoring ▪ **Sales channel mix**: efficiency increase ▪ **Mobile Network**: RAN cost optimization ▪ **Logistic**: optimization through analytics, AI and E2E process improvement
Digital break-through	▪ **Customer experience**: app optimization, caring features upgrade ▪ **Fraud hub**: set-up of a "Fraud services" center of excellence ▪ **Smart authentication**: eSIM request and activation process improvement

Q1 '23 achievements

Labor

- ✓ **Hourly reduction**: >70% employees involved, average impact reduction equivalent to 4.2k FTEs
- ✓ **Voluntary exit**: ~40% of target achieved (~0.2k headcounts)
- ✓ **Insourcing**: ~0.3k headcounts already re-skilled

Other Savings

- ✓ **Energy**: new savings initiatives launched for up to 160 GWh in '23
- ✓ **Car fleet**: ~85% of reduction target achieved (~1.5k)
- ✓ **Dematerialization**: +10% e-bills, >700t CO_2 lower impact in '23
- ✓ **3G decommissioning**: savings for ~€ 30m from lower energy consumption

(1) Cumulated savings vs. inertial plan **(2)** On 2021 restated cost baseline (€ 4.8bn)

Delayering Plan update

NetCo

- May 29th 2022 — **MoU signed** CDPE, KKR, Macquarie, OF
- Process stall for political elections
- Nov. 29th — Technical table set-up by Gov.
- Nov. 30th — **End of MoU**
- Feb. 1st 2023 — **NBO received** KKR
- Mar. 5th — **NBO received** CdP/Macquarie
- Mar 15th — **Competitive bidding process** launch
- Apr. 18th — **Revised NBOs** received
- May 4th — **Final NBO deadline** June 9th in light of **readiness of at least one bidder to improve offer**

Carve-out analysis completed

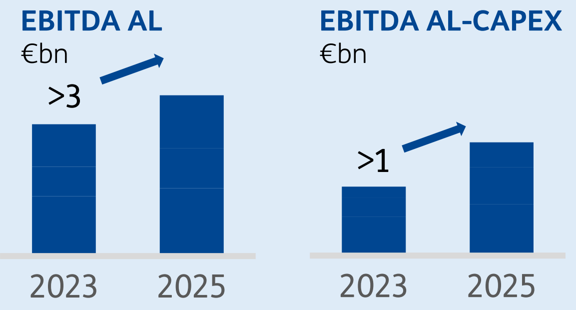
ServiceCo

EBITDA AL weight (1)

TIM Brasil	**~43%** of ServiceCo	▪ **Over-delivering on growth targets** following market consolidation
TIM Enterprise	**~24%** of ServiceCo	▪ **Steady plan execution** ▪ **Carve-out analysis** almost ready
TIM Consumer	**~33%** of ServiceCo	▪ **Operational turnaround** ongoing ▪ **Further efficiencies** identified

ServiceCo: a sustainable business

Cash generation to improve on the back of higher EBITDA and lower CAPEX



(1) 2023-'25 EBITDA AL average weight on ServiceCo 2023-'25 EBITDA AL

#1 Operations update

#2 **Financial and operating results**

#3 Closing remarks

Key financials

Organic data [1], IFRS 16 and After Lease, YoY trend and €m

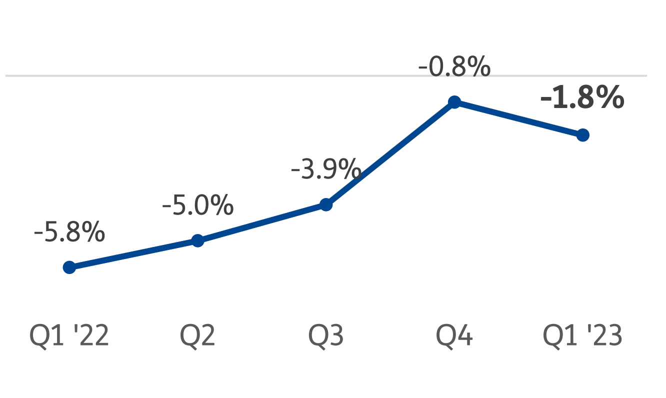
	Q1 '23	Δ YoY	YoY trend vs Q4 '22
Revenues	**3,847**	**+4.3%**	+1.0pp ↑
Service Revenues	3,524	+2.8%	-0.8pp ↓
o/w Domestic	2,551	-2.4%	-0.9pp ↓
EBITDA	**1,459**	**+3.8%**	+1.1pp ↑
o/w Domestic	1,000	-2.8%	+1.4pp ↑
EBITDA After Lease	**1,189**	**+0.5%**	+1.8pp ↑
CAPEX [2]	**837**	**-11.3%**	
o/w Domestic	606	-14.2%	
EFCF After Lease	**-397**	-520	
Net Debt After Lease [3]	**20,455** (+440 in Q1)		

- **3rd quarter of continued Revenues YoY growth**, with improved trend vs Q4 '22
- **4th quarter of continued Service Revenues YoY growth**, at a lower pace vs Q4 '22 due to activation fees discontinuity
- **2nd quarter of continued EBITDA growth YoY**, with improved trend both on Domestic and Brazil
- **EBITDA AL turned positive YoY**
- **CAPEX** behind schedule in Q1, FY plan confirmed
- **EFCF AL** negative in Q1 mainly for working capital and FX
- **Net Debt AL** increasing 0.4bn QoQ

(1) Excluding exchange rate fluctuations, non-recurring items and change in consolidation area. Group figures @ average exchange-rate 5.57 R$/€
(2) Net of licences (3) Adjusted Net Debt After Lease

Fixed – Service revenues affected by lower activation fees on retail; KPIs improved with higher ARPU, churn stable and better net adds YoY

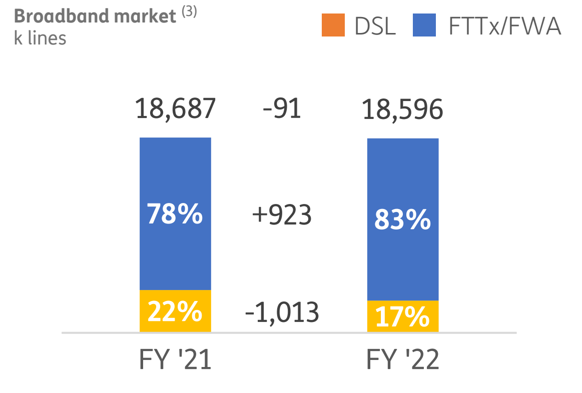
Fixed Service Revenues
Organic data, YoY trend



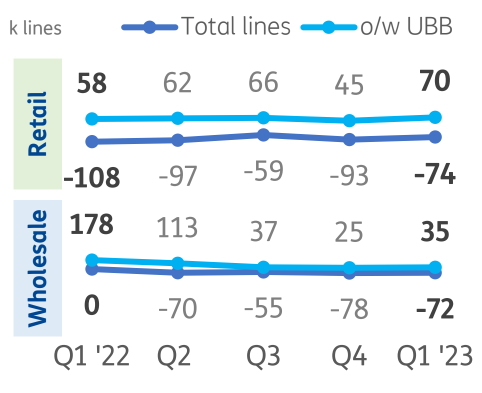
Organic data
€m

	Q1 '23	YoY trend	
Fixed revenues	**2,169**	**+1.6%**	
Equipment	183	+64.5%	80% of YoY growth from wholesale deal with OF
Services	**1,986**	**-1.8%**	2.2pp drag from lower activation fees
o/w retail (1)	1,253	-3.1%	lower CB, higher ARPU
o/w Nat. wholesale (2)	498	+0.9%	+ve contribution from change in regulated price
o/w Int. wholesale	226	-2.6%	lower voice revenues with low marginality

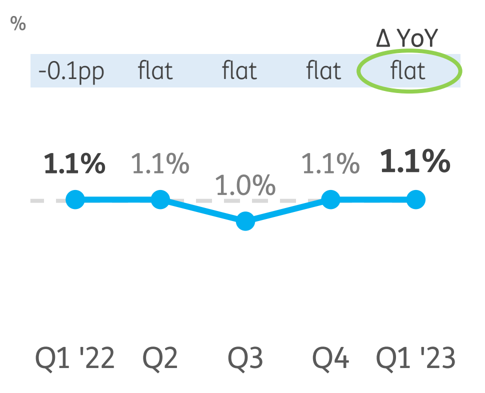
Market broadly stable, migration towards UBB technologies ongoing



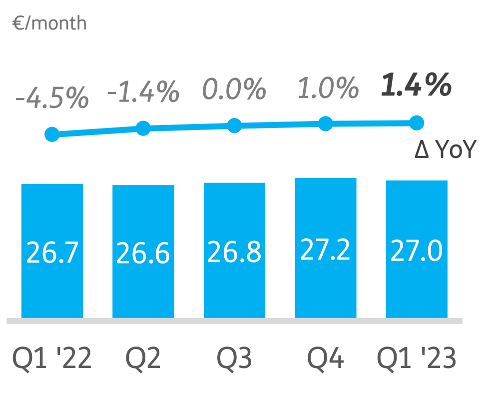
Net adds trend improving



Churn contained YoY



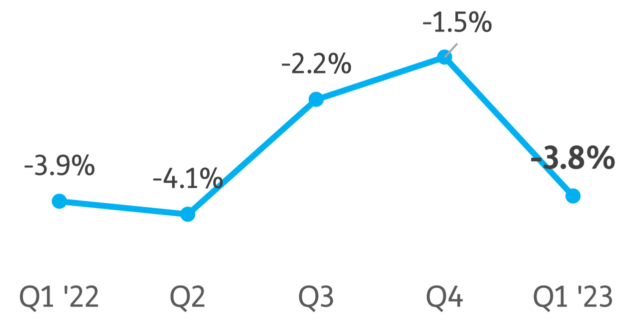
ARPU Consumer net of activation fees discontinuity



(1) Including ICT revenues generated by TIM Digital Companies (2) Including FiberCop revenues (3) Source: AGCOM

Mobile – Service revenues mainly affected by sharp MTR reduction and lower CB, churn contained despite price ups, ARPU Consumer stable YoY net of MTR drag

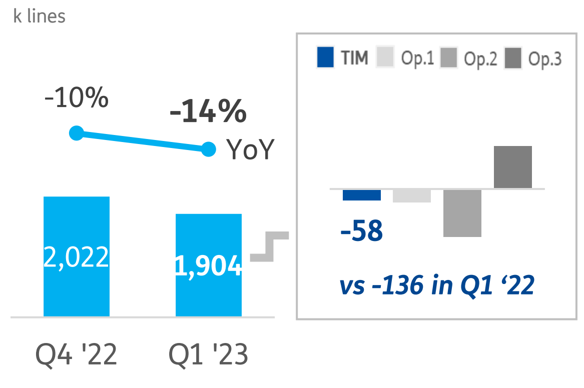
Mobile Service Revenues
Organic data, YoY trend



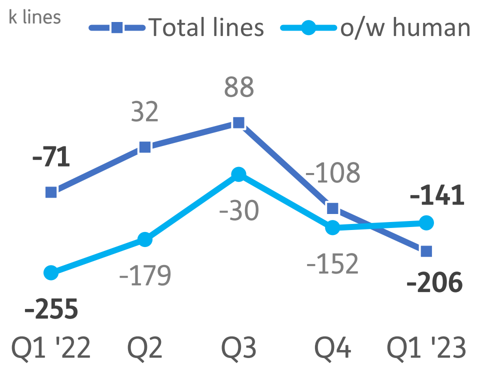
Organic data
€m

	Q1 '23	YoY trend	
Mobile revenues	**808**	**-5.1%**	
Equipment	107	-12.7%	lower consumer volumes sold
Services	**701**	**-3.8%**	2.5pp drag YoY from MTR price reduction
o/w retail	610	-4.8%	mainly lower CB
o/w wholesale & other	91	3.7%	higher roamers and MVNO contribution

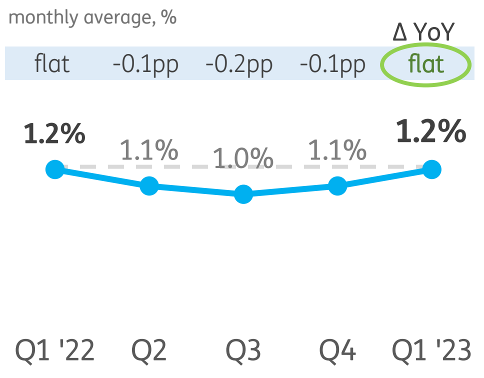
Market MNP reduced



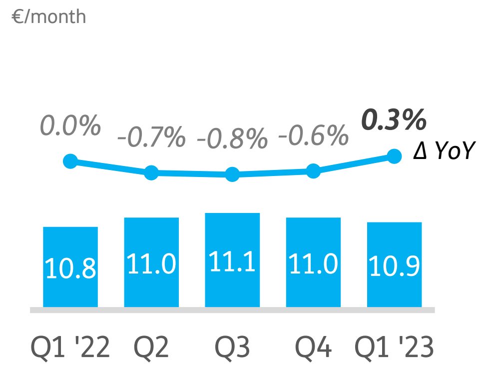
Human net adds trend significantly improved YoY



Churn contained YoY



ARPU Consumer - Human Calling net of MTR discontinuity



OPEX - Slight increase entirely attributable to success-driven costs, all other cost buckets down YoY

Domestic OPEX
Organic data, IFRS 16, € m

	Q1 '23	YoY trend	Contribution on tot. OPEX
TOT. OPEX	**1,843**	**+23 (+1.3%)**	
(cash view)		+13 (+0.7%)	
Interconnection	225	-13%	-1.9pp
Equipment	187	-2%	-0.2pp
CoGS	256	+25%	+2.9pp
Commercial	316	+11%	+1.8pp
Industrial	254	-1%	-0.1pp
G&A and IT	105	-7%	-0.5pp
Labour (1)	485	-2%	-0.7pp
Other (2)	15	-7%	-0.1pp

- **Variable costs** +2% YoY in Q1, with higher CoGS related to ICT revenue growth (+11% YoY) not offsetting lower interconnection (rationalization of low-margin international voice revenues) and equipment sold
- **Commercial costs** +11% YoY driven by higher Content & Vas (related to higher multimedia revenues), Commissioning and Advertising offset by lower bad debt (-9% YoY) and customer management
- **Industrial costs** -1% YoY mainly for lower network and energy costs (-3m YoY vs +7m in Q4 '22) offsetting higher industrial spaces
- **G&A and IT** -7% YoY for **IT** costs and professional services
- **Labour** -2% YoY driven by solidarity and lower FTEs

(1) Net of capitalized costs (2) Includes other costs/provision and other income

TIM Brasil - Double-digit growth thanks to Oi consolidation

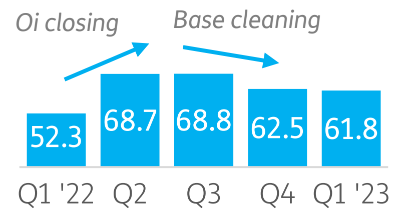
Reported figures, R$ bn and YoY change

	Q1 '23	Δ YoY	YoY trend vs Q4 '22
Service revenues	**5,467**	**+19.3%**	-1.5pp ↓
o/w Mobile	5,152	+20.2%	-1.4pp ↓
o/w Fixed	315	+6.0%	-3.1pp ↓
EBITDA net of NRI [1]	**2,572**	**+21.8%**	+4.9pp ↑
CAPEX	**1,289**	**-2.9%**	
EBITDA-CAPEX on revenues	**22.8%**	**+6.1pp**	

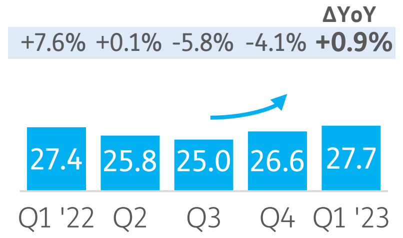
- **Strong service revenues performance** driven by M&A, volume-to-value and continuous migration to fiber
- **EBITDA** benefiting from digitization and ongoing cost efficiencies
- **Higher EBITDA-CAPEX margin** also for smart CAPEX allocation

Mobile KPIs: last quarter of impact from Oi acquisition

Mobile CB [2]
million lines

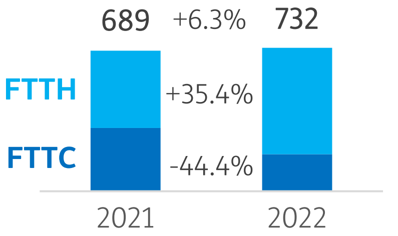


Mobile ARPU
R$/month

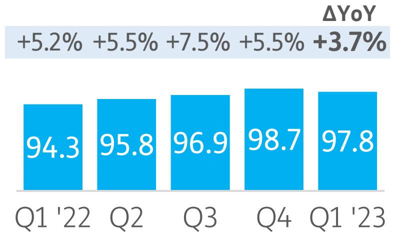


Fixed KPIs: continued growth from migration to FTTH

TIM UltraFibra CB
k lines



TIM UltraFibra ARPU
R$/month



(1) Non-Recurring Items (2) Includes corporate lines

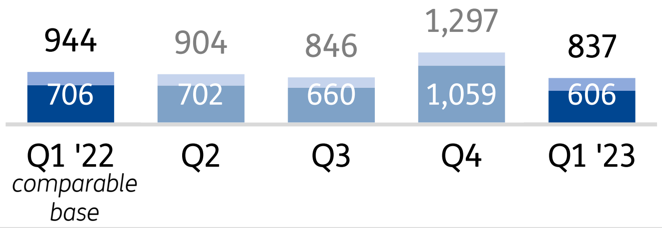
CAPEX reducing YoY, Net Debt increase due to negative EqFCF

Organic figures[1], IFRS 16 and After Lease, €m

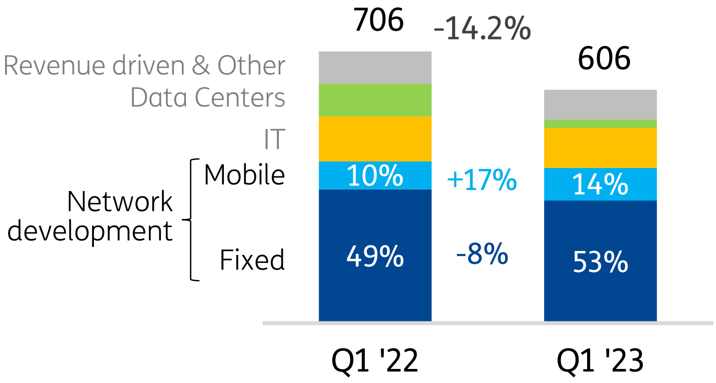
Group | Domestic | Brazil

CAPEX
net of licenses

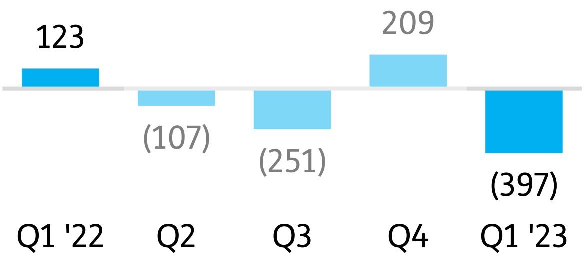
	Q1 '22	Q2	Q3	Q4	Q1 '23	
Group	216	(6)	(90)	(83)	**(107)**	Δ YoY
Domestic	216	(33)	(105)	(88)	**(100)**	Δ YoY



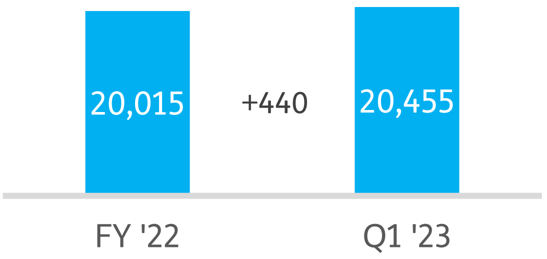
Domestic CAPEX breakdown
€m, YoY change



EFCF
After Lease



Adjusted Net Debt
After Lease



(1) Group CAPEX net of exchange rate fluctuations (average exchange-rate 5.57 R$/€)

Liquidity margin - Strengthened by new refinancing initiatives

After Lease view

New refinancing initiatives
after 2 years absence
from the debt capital market

€ 0.85bn 5y unsecured fixed-rate bond issue (Jan. '23)
- ✓ largest single B fixed rate high yield deal priced since Oct. '21
- ✓ 1st rated EU benchmark high yield deal of '23

€ 0.4bn tap issue successfully completed (Apr. '23)
- ✓ improvement on original issue terms (6.69% yield vs 6.875%)
- ✓ largest single B bond tap issuance in EU since Oct. '21

€ 0.36bn EIB financing approved (May '23)
for 5G network development

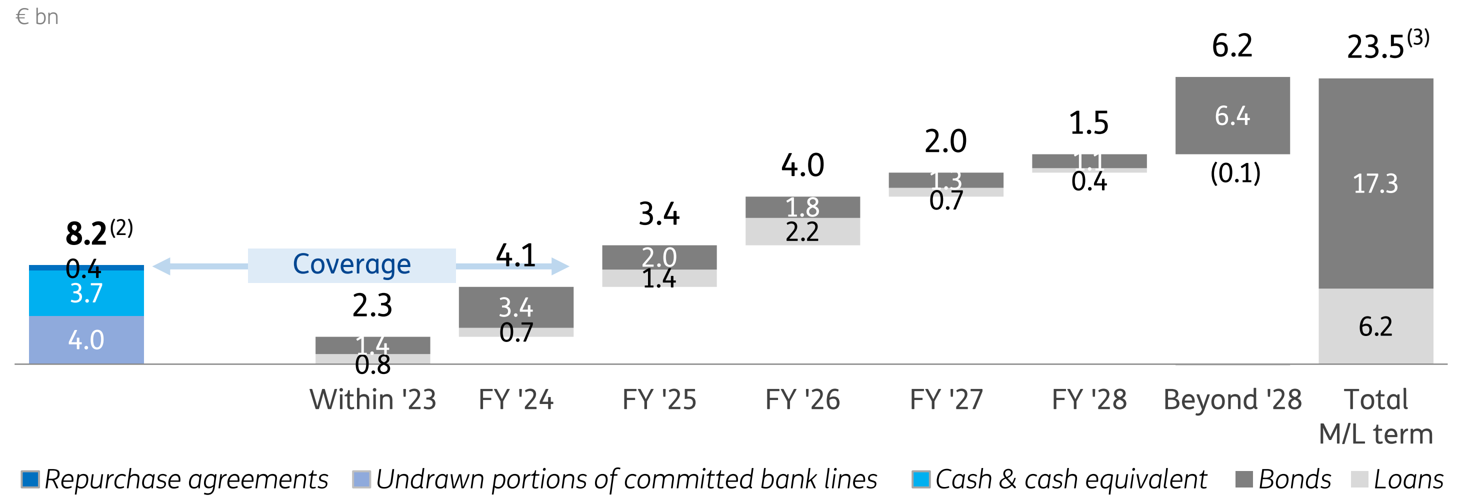
Coverage of debt maturities until '24

~67% M/L term debt at fixed rate

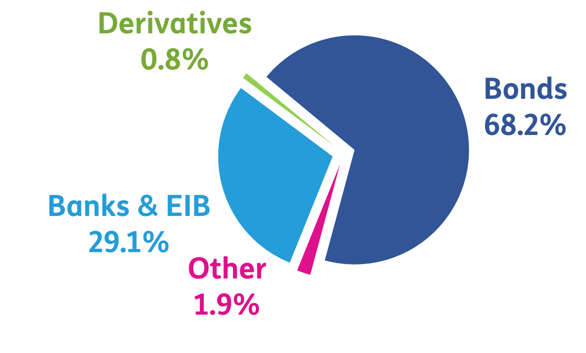
Avg. M-L term maturity 5.5y (bonds 6.3y)

Cost of debt ~4.3% (1) +0.4pp QoQ and +0.9pp YoY

Liquidity margin | Debt maturities



Gross debt



~32% of outstanding bonds (nominal amount) denominated in **USD and GBP and fully hedged**

(1) After Lease view **(2)** Includes € 444m repurchase agreements (nominal amount) of which: € 344m will expire in April '23 and € 100m will expire in March '24
(3) € 23,526m is the nominal amount of outstanding medium-long term debt. By adding the balance of IAS adjustments and reverse fair value valuations (€ 1,189m) and current financial liabilities (€ 1,044m), gross debt figure of € 25,759m is reconciled with reported number

#1 Operations update

#2 Financial and operating results

#3 Closing remarks

FY '23 guidance confirmed - Positive drivers throughout the year

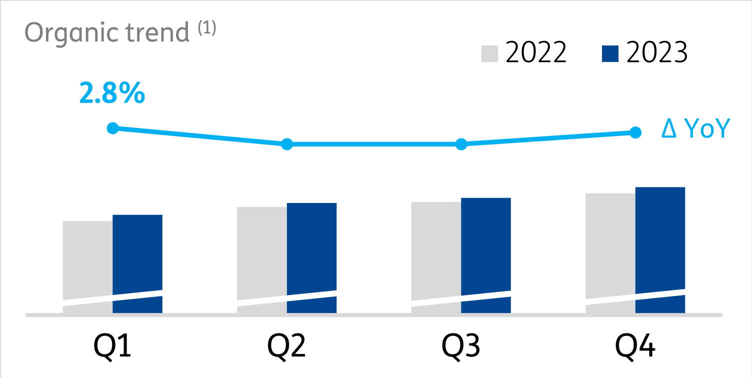
Q1 '23 in line with expectations

Domestic trends to improve sequentially

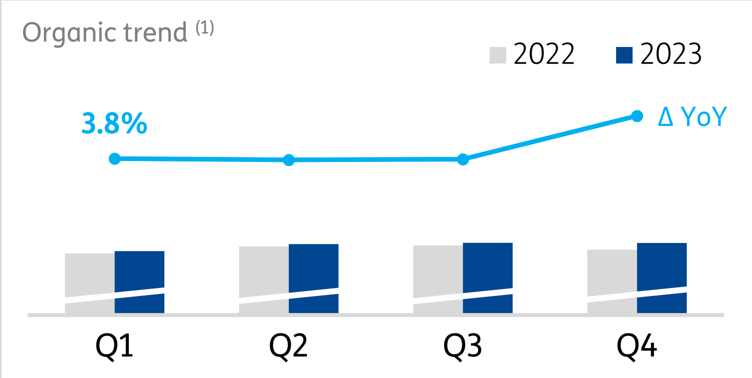
Brazil: synergies better than planned, lapping Oi integration in H2

	Q1 '23	Q2	Q3	Q4
Activation fees drag	--	--	-	
Selective repricing		+	+	++
CB stabilization		+	+	+
'23 wholesale tariffs		++	+	+
Energy-Labour comps			+	+++
Oi integration	+++	+		

Group Service Revenues phasing



Group EBITDA phasing



EFCF AL trajectory expected to improve throughout the year

(1) Excluding exchange rate fluctuations, non-recurring items and change in consolidation area

Q&A

Annex

TIM Group

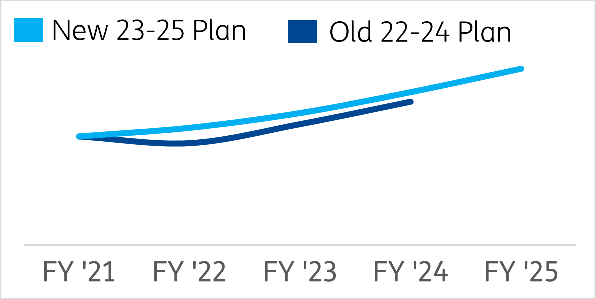
Guidance 2023-'25

Organic figures, IFRS 16 / After Lease, growth rates and €bn figures (1)

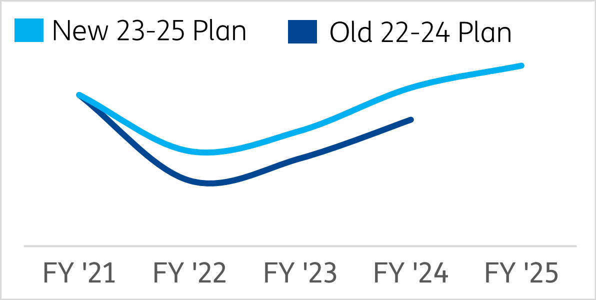
Over-delivery in 2022, positive acceleration also in '23-'25 despite worsening macro scenario

Group	2022A	2023	2022-'25
Service revenues	+1.3%	**LSD growth** o/w broadly stable Domestic	**LSD growth CAGR**
EBITDA	-6.7% -14.3% Domestic	**MSD growth** o/w flat to LSD growth Domestic	**MSD growth CAGR**
EBITDA After Lease	-10.6%	**LMSD growth**	**MSD growth CAGR**
CAPEX net of licences	4bn o/w 3.1bn Domestic	**4bn** o/w 3.1bn Domestic	**4bn/year on avg.** o/w 3.1bn Domestic
EFCF After Lease	0	**cumulative '23-'25 slightly positive**	

Service Revenues



EBITDA AL



LSD = Low-Single Digit *MSD = Mid-Single Digit* *LMSD =Low-Mid Single Digit*

(1) Excluding exchange rate fluctuations, non-recurring items and change in consolidation area. Group figures @ average exchange-rate 5.44 R$/€

ESG - Q1 findings

E Environment

- **Agreement with Enel X** signed for the installation of a photovoltaic system that will be able to generate >1,63 GWh/year with a saving of ~740k kg of CO_2 per year

S Social

- **New smart working agreement** into force, transitioning from 2 to 3 smart working days and providing for closure of offices on Friday with total energy saving of 35GWh on avg. per year
- **Individual Training Plans** consolidated, flexibility to define own individual training path
- TIM included in the top 20 of **Diversity Brand Index 2023**, awarding Company's ability to develop a culture oriented towards D&I
- **"Digital" award received** for "*TIMVISION Ascolta*" project which allows blind/visually impaired children to access cartoons thanks to audio descriptions

G Governance

- **2022 Sustainability Report** further enriched
- New **Code of Ethics** approved, sustainability as a reference point of Company's L-T strategy
- TIM included in S&P's **Sustainability Yearbook 2023** with Top 10% S&P Global ESG Score

2023- '25 Plan

Group targets

E Net Zero (Scope 1+2+3)	2040	
E Carbon Neutrality (Scope 1+2)	2030	
E Scope 3 Reduction [1]	-47%	2030
E Renewable energy on total energy	100%	2025
G Women in leadership position [2]	≥29%	2025

Scope 1: emissions from production (heating, cogeneration, company fleet)
Scope 2: electricity purchase emissions
Scope 3: emissions from upstream and downstream activities of the production chain (cat.1-purchase of goods; cat.2; capital goods; cat 11-use of goods sold)

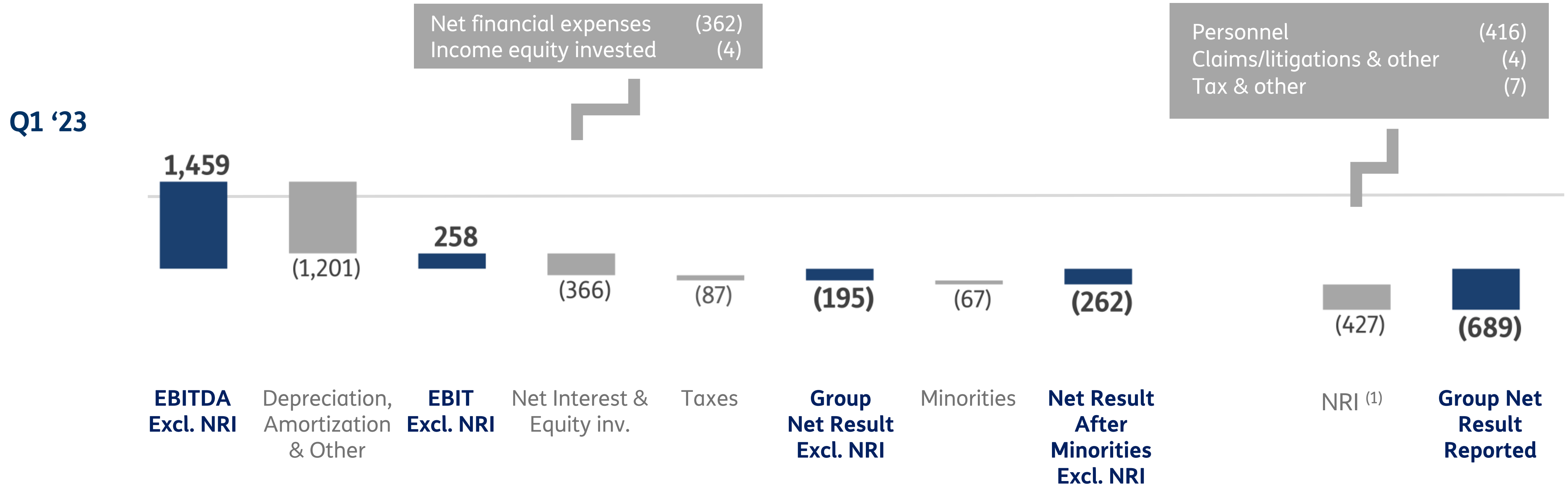
Domestic targets

E Green Products & Smartphones [3]	≥70%	2025
E Circular Economy ratio [4]	2€/kg	2025
S Cloud, IoT & Security service revenues [5]	+21% CAGR 23-25	2025
S Digital Identity Services [6]	+30% CAGR 23-25	2025
S People trained on ESG skills	≥90%	2025
S Young Employees Engagement	≥ 78%	2025
S FTTH Coverage (% of technical units)	48%	2025

(1) Scope 3 cat.1, 2 and 11, 2019 baseline (2) Women managers, weighted average between Domestic and Brazil targets (≥27% and ≥35% respectively for '23-'25) (3) Baseline 2021 (4) Average revenues from the resale of used materials and assets plus waste recycling per kg of waste produced (5) Old target excluding cloud service revenues (6) PEC, SPID, Digital Signature (active services)

P&L - From EBITDA to Net Income

Reported data, €m



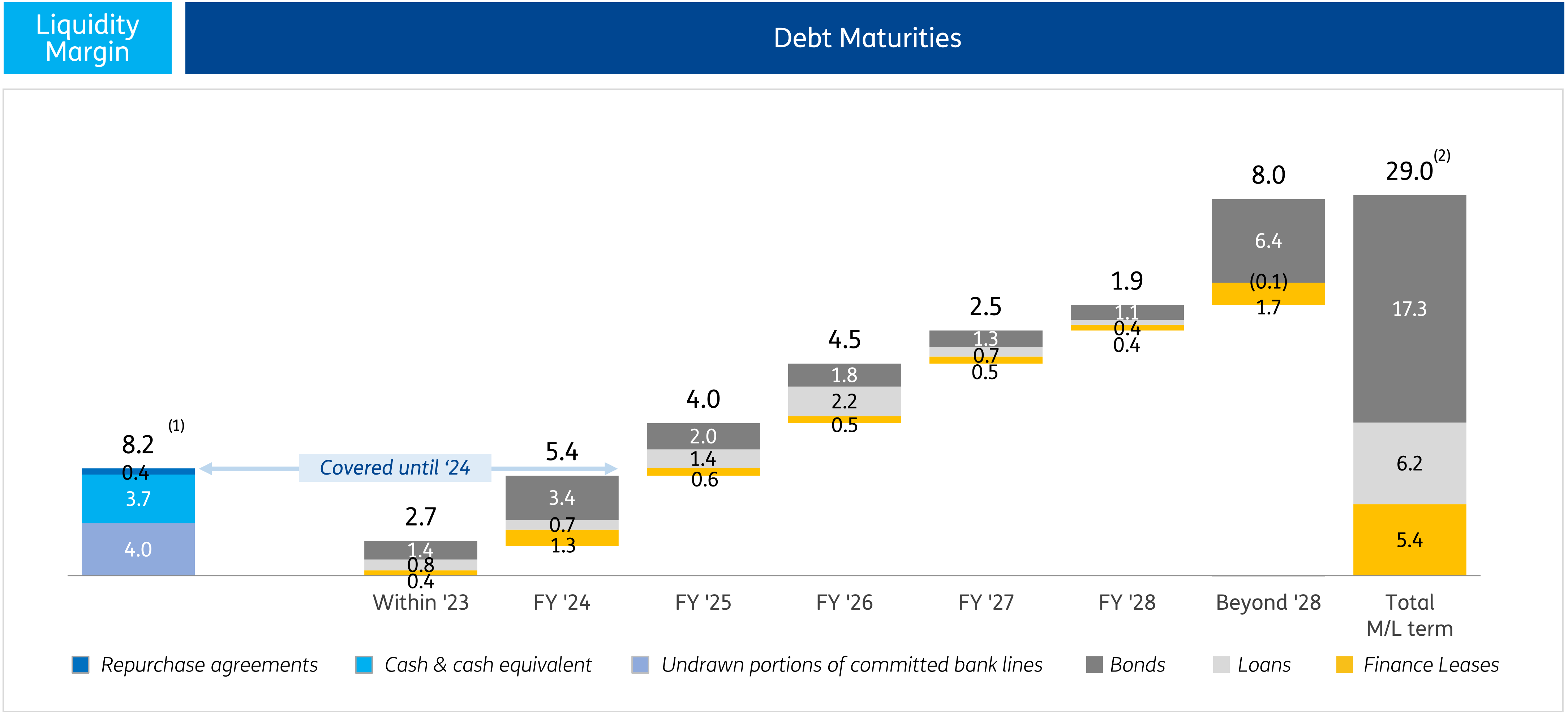
	EBITDA Excl. NRI	Depreciation, Amortization & Other	EBIT Excl. NRI	Net Interest & Equity inv.	Taxes	Group Net Result Excl. NRI	Minorities	Net Result After Minorities Excl. NRI	NRI [1]	Group Net Result Reported
Q1 '22	**1,387**	(1,107)	**280**	(300)	(69)	**(89)**	(63)	**(152)**	(52)	**(204)**
Δ vs. Q1 '22	+72	(94)	(22)	(66)	(19)	(107)	(3)	(110)	(375)	(485)

(1) Non-Recurring Items include provisions for personnel (2021-26 layoffs ex art.4 "*Fornero*" law), claims and litigation

Liquidity margin - IFRS 16 view

Cost of debt ~4.8%*, +0.4pp QoQ and +1.0pp YoY

** Including cost of all leases*



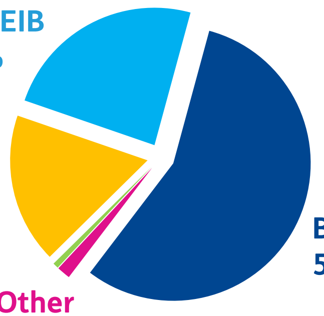
(1) Includes € 444m repurchase agreements (nominal amount) of which: € 344m will expire in April '23 and € 100m will expire in March '24
(2) € 28,970m is the nominal amount of outstanding medium-long term debt. By adding the balance of IAS adjustments and reverse fair value valuations (€ 1,273m) and current financial liabilities (€ 1,044m), gross debt figure of € 31,287m is reconciled with reported number

Gross Debt - IFRS 16 view

Well diversified and hedged debt

€ m	NFP adjusted	Fair value	NFP accounting
GROSS DEBT			
Bonds	17,563	168	17,731
Banks & EIB	7,492	-	7,492
Derivatives	209	413	622
Leases and long rent	5,528	-	5,528
Other (1)	495	-	495
TOTAL	**31,287**	**581**	**31,868**
FINANCIAL ASSETS			
Liquidity position	4,151	-	4,151
Other	1,316	684	2,000
o/w derivatives	*1,072*	*684*	*1,756*
o/w active leases	*163*	*-*	*163*
o/w other credit	*81*	*-*	*81*
TOTAL	**5,467**	**684**	**6,151**
NET FINANCIAL DEBT	**25,820**	**(103)**	**25,717**

Gross Debt



Average m/l term maturity: 6.6 years (bonds 6.3 years)

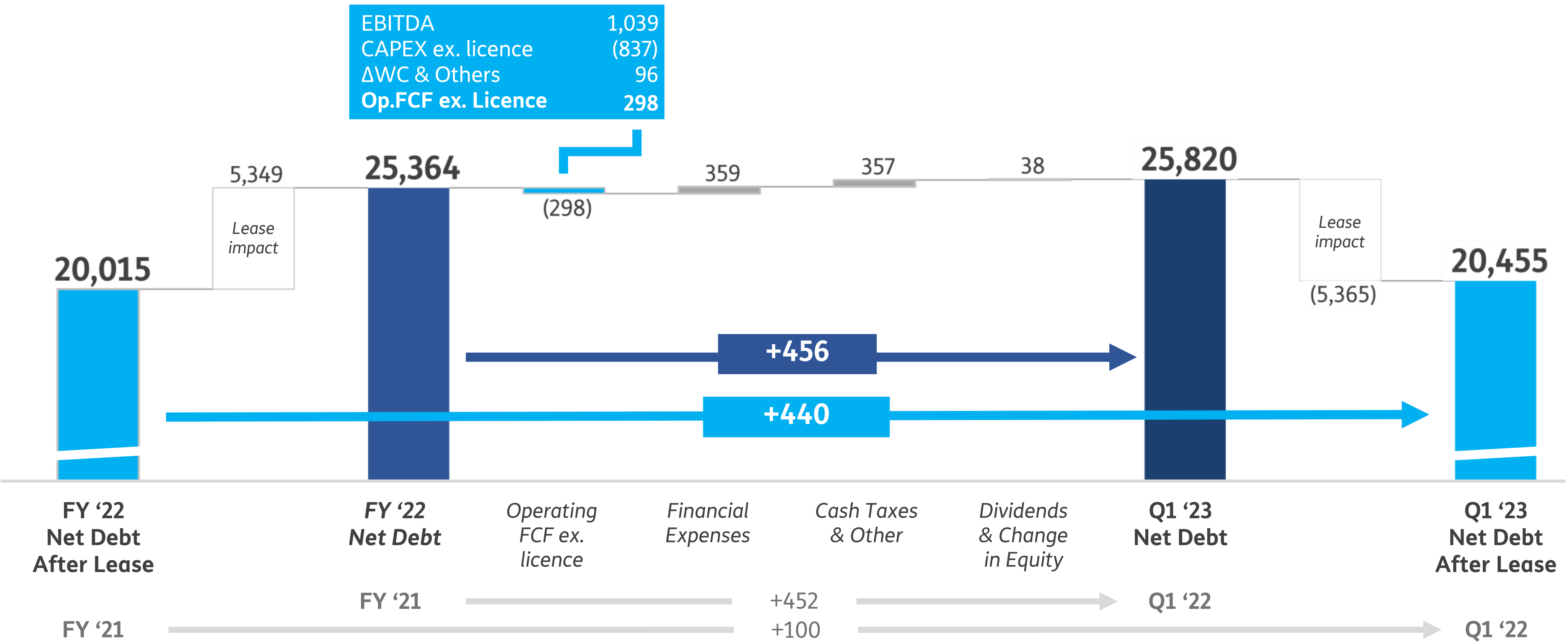
Fixed rate portion on M/L term debt **~73%**

~32% of outstanding bonds (nominal amount) denominated in **USD and GBP and fully hedged**

(1) Includes debts due to other lenders related to: Factor (€ 158m), Aflac (€ 141m), Brazil 5G (€ 157m), Brixia (€ 5m) and other (€ 34m)

Net debt - Adjusted

€ m; (-) = Cash generated, (+) = Cash absorbed, excluding call-outs



17,573	4,614	**22,187**	(490)	308	608	26	**22,639**	(4,966)	**17,673**	2022
+2,442	+735	**+3,177**	+192	+51	(251)	+12	**+3,181**	(399)	**+2,782**	Δ YoY

For further questions please contact the IR team

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