

TIM Group

Q3 '23

# Financial and Operating Figures



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## Disclaimer

The Q3 '23 and 9M '23 financial and operating data have been extracted or derived, with the exception of some data, from the Financial Information at 30 September 2023 of the TIM Group. The financial results of the TIM Group for Q3 '23 and 9M '23 has been prepared in compliance with the accounting standards, the recognition and measurement criteria and the consolidation methods and criteria adopted for the preparation of the Consolidated Financial Statements at December 31, 2022, to which reference can be made for a more extensive description, except for the amendments to the standards issued by IASB and adopted starting from 1 January 2023.

The financial results for Q3 '23 and 9M '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.

# TIM Group Key Financials

€m, IFRS 16 & After Lease view

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*Unaudited figures*

	REPORTED						ORGANIC <sup>(1)</sup>						
	Q3 '22	Q4 '22	FY '22	Q1 '23	Q2 '23	Q3 '23	Q3 '22 comparable base	Q4 '22	FY '22	Q1 '23	Q2 '23	Q3 '23	Change YoY %
<b>REVENUES</b>	<b>3,972</b>	<b>4,259</b>	<b>15,788</b>	<b>3,847</b>	<b>3,999</b>	<b>4,107</b>	<b>3,961</b>	<b>4,259</b>	<b>15,788</b>	<b>3,847</b>	<b>3,999</b>	<b>4,107</b>	3.7
Domestic	2,919	3,185	11,858	2,843	2,924	2,978	2,915	3,185	11,858	2,843	2,924	2,978	2.2
o/w Wireline	2,132	2,389	8,821	2,169	2,251	2,242	2,128	2,389	8,821	2,169	2,251	2,242	5.4
o/w Mobile	913	934	3,572	808	807	872	913	934	3,572	808	807	872	(4.5)
Brazil	1,061	1,083	3,963	1,012	1,086	1,138	1,054	1,083	3,963	1,012	1,086	1,138	7.9
Other activities & Elim.	(8)	(9)	(33)	(8)	(11)	(9)	(8)	(9)	(33)	(8)	(11)	(9)	
<b>SERVICE REVENUES</b>	<b>3,720</b>	<b>3,850</b>	<b>14,600</b>	<b>3,524</b>	<b>3,687</b>	<b>3,771</b>	<b>3,709</b>	<b>3,850</b>	<b>14,600</b>	<b>3,524</b>	<b>3,687</b>	<b>3,771</b>	1.7
Domestic	2,694	2,822	10,799	2,551	2,644	2,675	2,690	2,822	10,799	2,551	2,644	2,675	(0.6)
o/w Wireline	2,020	2,180	8,276	1,986	2,059	2,028	2,016	2,180	8,276	1,986	2,059	2,028	0.6
o/w Mobile	802	779	3,060	701	719	781	802	779	3,060	701	719	781	(2.6)
Brazil	1,034	1,037	3,834	981	1,055	1,104	1,027	1,037	3,834	981	1,055	1,104	7.5
Other activities & Elim.	(8)	(9)	(33)	(8)	(12)	(8)	(8)	(9)	(33)	(8)	(12)	(8)	
<b>EBITDA</b>	<b>1,287</b>	<b>1,402</b>	<b>5,347</b>	<b>1,039</b>	<b>1,631</b>	<b>1,547</b>	<b>1,584</b>	<b>1,490</b>	<b>6,029</b>	<b>1,459</b>	<b>1,641</b>	<b>1,687</b>	6.5
Domestic	787	878	3,519	582	1,100	986	1,084	959	4,174	1,000	1,107	1,123	3.6
Brazil	502	524	1,839	459	534	561	502	531	1,863	461	537	564	12.1
Other activities & Elim.	(2)	-	(11)	(2)	(3)	-	(2)	-	(8)	(2)	(3)	-	
<b>EBITDA After Lease</b>	<b>1,011</b>	<b>1,122</b>	<b>4,313</b>	<b>769</b>	<b>1,358</b>	<b>1,280</b>	<b>1,308</b>	<b>1,210</b>	<b>4,995</b>	<b>1,189</b>	<b>1,368</b>	<b>1,420</b>	8.6
Domestic	660	747	3,007	454	966	853	957	828	3,662	872	973	990	3.4
Brazil	353	375	1,317	317	395	427	353	382	1,341	319	398	430	21.4
Other activities & Elim.	(2)	-	(11)	(2)	(3)	-	(2)	-	(8)	(2)	(3)	-	
<b>CAPEX net of licences</b>	<b>856</b>	<b>1,315</b>	<b>4,077</b>	<b>837</b>	<b>892</b>	<b>916</b>	<b>844</b>	<b>1,297</b>	<b>3,979</b>	<b>837</b>	<b>892</b>	<b>916</b>	8.5
Domestic	670	1,059	3,207	606	719	728	660	1,059	3,127	606	719	728	10.3
Brazil	186	256	870	231	173	188	184	238	852	231	173	188	2.1
<b>EFCF</b>	<b>(77)</b>	<b>363</b>	<b>624</b>	<b>(117)</b>	<b>(50)</b>	<b>(71)</b>							
<b>EFCF After Lease</b>	<b>(251)</b>	<b>209</b>	<b>(26)</b>	<b>(397)</b>	<b>(236)</b>	<b>(274)</b>							
<b>NET DEBT <sup>(2)</sup></b>	<b>25,504</b>	<b>25,364</b>	<b>25,364</b>	<b>25,820</b>	<b>26,163</b>	<b>26,338</b>							
<b>NET DEBT After Lease <sup>(2)</sup></b>	<b>20,100</b>	<b>20,015</b>	<b>20,015</b>	<b>20,455</b>	<b>20,815</b>	<b>21,184</b>							

(1) Organic figures excluding non-recurring items and change in the scope of consolidation. Comparable base excluding exchange rate fluctuations (9M '23 avg. exchange-rate 5.43 R\$/€)  
 (2) Adjusted

**Q3 '23 Financial and Operating Figures**  
 Investor Relations

# TIM Group Profit & Loss

€m, IFRS 16

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*Unaudited figures*

	FY '21	Q1 '22	H1 '22	9M '22	FY '22	Q1 '23	H1 '23	9M '23
<b>REVENUES</b>	<b>15,316</b>	<b>3,644</b>	<b>7,557</b>	<b>11,529</b>	<b>15,788</b>	<b>3,847</b>	<b>7,846</b>	<b>11,953</b>
Other Income	272	37	78	127	213	37	109	145
<b>TOTAL OPERATING REVENUES AND OTHER INCOME</b>	<b>15,588</b>	<b>3,681</b>	<b>7,635</b>	<b>11,656</b>	<b>16,001</b>	<b>3,884</b>	<b>7,955</b>	<b>12,098</b>
Acquisition of goods and services	(6,550)	(1,620)	(3,385)	(5,195)	(7,239)	(1,756)	(3,579)	(5,410)
Employee benefits expenses	(2,941)	(731)	(1,554)	(2,436)	(3,180)	(1,089)	(1,711)	(2,291)
Other operating expenses	(1,502)	(168)	(342)	(525)	(816)	(181)	(338)	(638)
Internally generated assets and Others	485	154	304	445	581	181	343	458
<b>EBITDA <sup>(1)</sup></b>	<b>5,080</b>	<b>1,316</b>	<b>2,658</b>	<b>3,945</b>	<b>5,347</b>	<b>1,039</b>	<b>2,670</b>	<b>4,217</b>
EBITDA Margin	33.2%	36.1%	35.2%	34.2%	33.9%	27.0%	34.0%	35.3%
Depreciation and amortization	(4,490)	(1,107)	(2,295)	(3,540)	(4,777)	(1,201)	(2,429)	(3,643)
Gains (losses) on disposals of non-current assets	1	-	34	33	36	-	(2)	(3)
Impairment reversals (losses) on non-current assets	(4,120)	-	-	-	-	-	-	(3)
<b>EBIT</b>	<b>(3,529)</b>	<b>209</b>	<b>397</b>	<b>438</b>	<b>606</b>	<b>(162)</b>	<b>239</b>	<b>568</b>
EBIT Margin	-23.0%	5.7%	5.3%	3.8%	3.8%	-4.2%	3.0%	4.8%
Income (loss) equity invest. valued equity method	164	16	31	203	229	(4)	(12)	(30)
Net Financial Income / (Expenses)	(1,150)	(317)	(686)	(1,075)	(1,423)	(371)	(757)	(1,232)
<b>Profit (loss) before tax from continuing operations</b>	<b>(4,515)</b>	<b>(92)</b>	<b>(258)</b>	<b>(434)</b>	<b>(588)</b>	<b>(537)</b>	<b>(530)</b>	<b>(694)</b>
Income tax expense	(3,885)	(50)	(102)	(2,109)	(2,066)	(85)	(143)	(206)
<b>Profit (loss) from continuing operations</b>	<b>(8,400)</b>	<b>(142)</b>	<b>(360)</b>	<b>(2,543)</b>	<b>(2,654)</b>	<b>(622)</b>	<b>(673)</b>	<b>(900)</b>
Discontinued operations/Non-current assets held for sale	-	-	-	-	-	-	-	-
<b>PROFIT (LOSS)</b>	<b>(8,400)</b>	<b>(142)</b>	<b>(360)</b>	<b>(2,543)</b>	<b>(2,654)</b>	<b>(622)</b>	<b>(673)</b>	<b>(900)</b>
Parent Company	(8,652)	(204)	(483)	(2,728)	(2,925)	(689)	(813)	(1,124)
Minorities	252	62	123	185	271	67	140	224
Non-Recurring Items <sup>(2)</sup>	8,653	53	289	2,371	2,437	427	438	598
<b>PROFIT (LOSS) NET NON-RECURRING ITEMS</b>	<b>253</b>	<b>(89)</b>	<b>(71)</b>	<b>(172)</b>	<b>(217)</b>	<b>(195)</b>	<b>(235)</b>	<b>(302)</b>

(1) Non-recurring items € 570m in 9M '23 (€ 2,371m in 9M '22), o/w €594m related to personnel costs (€ 548m in 9M '22)  
(2) 9M '23 Non-Recurring Items include provisions for personnel (2021-26 layoffs ex art.4 Fornero Law), claims and litigation

# TIM Group Cash Flow & Net Debt

€m, IFRS 16 & After Lease view

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*Unaudited figures*

	FY '21	Q1 '22	H1 '22	9M '22	FY '22	Q1 '23	H1 '23	9M '23
<b>EBITDA</b>	<b>5,080</b>	<b>1,316</b>	<b>2,658</b>	<b>3,945</b>	<b>5,347</b>	<b>1,039</b>	<b>2,670</b>	<b>4,217</b>
<b>CAPEX</b>	<b>(4,630)</b>	<b>(932)</b>	<b>(1,906)</b>	<b>(2,762)</b>	<b>(4,077)</b>	<b>(837)</b>	<b>(1,729)</b>	<b>(2,645)</b>
o/w spectrum	(804)	-	(89)	(98)	(98)	-	-	-
<b>CHANGE IN WORKING CAPITAL</b>	<b>994</b>	<b>(80)</b>	<b>(399)</b>	<b>(2,311)</b>	<b>(1,895)</b>	<b>96</b>	<b>(179)</b>	<b>(449)</b>
Change in net operating working capital	733	(91)	(261)	(2,389)	(1,736)	(157)	(262)	(515)
Change in inventories	(39)	(20)	(37)	(55)	(35)	(41)	(53)	(50)
Change in trade receivables	257	222	77	32	(81)	164	126	13
Change in trade payables	1,008	(497)	(753)	(866)	(8)	(722)	(512)	(730)
Other changes in operating receivables/payables	(493)	204	452	(1,500)	(1,612)	442	177	252
Change in provisions for employee benefits	(83)	38	241	474	156	243	235	108
Change in operating provisions and other changes	344	(27)	(379)	(396)	(315)	10	(152)	(42)
<b>OPERATING FREE CASH FLOW Reported</b>	<b>1,444</b>	<b>304</b>	<b>353</b>	<b>(1,128)</b>	<b>(625)</b>	<b>298</b>	<b>762</b>	<b>1,123</b>
Licence	(435)	(186)	(469)	(2,217)	(2,242)	-	(24)	(24)
<b>OPERATING FREE CASH FLOW net of Licence</b>	<b>1,879</b>	<b>490</b>	<b>822</b>	<b>1,089</b>	<b>1,617</b>	<b>298</b>	<b>786</b>	<b>1,147</b>
Financial Expenses	(1,053)	(308)	(660)	(1,028)	(1,389)	(359)	(791)	(1,257)
Cash Taxes & Other	(194)	119	176	200	396	(56)	(162)	(128)
o/w Substitute Tax	(231)	-	-	-	231	-	-	-
Net Cash Flow from discontinued operations	-	-	-	-	-	-	-	-
<b>EQUITY FREE CASH FLOW</b>	<b>632</b>	<b>301</b>	<b>338</b>	<b>261</b>	<b>624</b>	<b>(117)</b>	<b>(167)</b>	<b>(238)</b>
Dividends and change in Equity	(410)	(26)	(30)	(44)	(66)	(38)	(86)	(164)
Disposal and Financial investments <sup>(1)</sup>	1,804	(11)	(1,771)	(589)	(666)	(5)	(57)	(74)
Licence	(435)	(186)	(469)	(2,217)	(2,242)	-	(24)	(24)
IFRS & IAS	(452)	(530)	(535)	(728)	(827)	(296)	(465)	(474)
<b>NET CASH FLOW</b>	<b>1,139</b>	<b>(452)</b>	<b>(2,467)</b>	<b>(3,317)</b>	<b>(3,177)</b>	<b>(456)</b>	<b>(799)</b>	<b>(974)</b>
<b>EQUITY FREE CASH FLOW</b>	<b>632</b>	<b>301</b>	<b>338</b>	<b>261</b>	<b>624</b>	<b>(117)</b>	<b>(167)</b>	<b>(238)</b>
Lease Impact	(570)	(178)	(322)	(496)	(650)	(280)	(466)	(669)
<b>EQUITY FREE CASH FLOW AFTER LEASE</b>	<b>62</b>	<b>123</b>	<b>16</b>	<b>(235)</b>	<b>(26)</b>	<b>(397)</b>	<b>(633)</b>	<b>(907)</b>
<b>NET DEBT</b>	<b>22,187</b>	<b>22,639</b>	<b>24,654</b>	<b>25,504</b>	<b>25,364</b>	<b>25,820</b>	<b>26,163</b>	<b>26,338</b>
Lease Impact	(4,614)	(4,966)	(5,385)	(5,404)	(5,349)	(5,365)	(5,348)	(5,154)
<b>NET DEBT After Lease</b>	<b>17,573</b>	<b>17,673</b>	<b>19,269</b>	<b>20,100</b>	<b>20,015</b>	<b>20,455</b>	<b>20,815</b>	<b>21,184</b>

(1) FY '22 figure including Daphne 3 disposal (+€ 1,184m), OI acquisition (-€ 1,874m) and other M&A (+€ 24m); KKR transaction (+€ 1,759m), other disposal (+€ 172m) and financial investments (-€ 127m) in FY '21

**Q3 '23 Financial and Operating Figures**  
Investor Relations

# Working Capital

€m, IFRS 16

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*Unaudited figures*

	TIM Group <sup>(1)</sup>			Domestic			Brasil		
	9M '22	9M '23	Δ abs	9M '22	9M '23	Δ abs	9M '22	9M '23	Δ abs
<b>Operating WC &amp; Other</b>	<b>(2,311)</b>	<b>(449)</b>	<b>1,862</b>	<b>(2,062)</b>	<b>(354)</b>	<b>1,708</b>	<b>(251)</b>	<b>(94)</b>	<b>157</b>
License	(13)	-	13	(13)	-	13	-	-	-
License paid in the year	2,132	24	(2,108)	1,738	-	(1,738)	394	24	(370)
Non recurring items (not paid)	(594)	(570)	24	(574)	(562)	12	(17)	(8)	9
<b>Recurring Operating WC</b>	<b>(786)</b>	<b>(995)</b>	<b>(209)</b>	<b>(911)</b>	<b>(916)</b>	<b>(5)</b>	<b>126</b>	<b>(78)</b>	<b>(204)</b>
Inventory				(42)	(17)	25			
Trade Receivables				30	41	11			
Trade Payables				(473)	(636)	(163)			
Other Operating Payables/Receivables & Funds				(426)	(304)	122			
- o/w Litigations & Settlements				(472)	(188)	284			
- o/w Payables vs. Personnel				80	16	(64)			
- o/w Personnel Exit (Fornero Law)				(330)	(316)	14			
- o/w VAT				395	352	(43)			
- o/w Billing <sup>(2)</sup>				1	(79)	(80)			
- o/w Net Debts vs INPS				(59)	(31)	28			
- o/w Deferred Costs & Revenues				(50)	(13)	37			
-o/w Payment in Advance vs Suppliers/Customers				54	(2)	(56)			

<sup>(1)</sup> Includes other activities & eliminations

<sup>(2)</sup> From payments in advance to payments in arrears

# TIM Group Balance Sheet

€m, IFRS 16

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*Unaudited figures*

	FY '21	Q1 '22	H1 '22	9M '22	FY '22	Q1 '23	H1 '23	9M '23
<b>CURRENT ASSETS</b>	<b>14,070</b>	<b>10,272</b>	<b>11,878</b>	<b>10,708</b>	<b>10,232</b>	<b>9,458</b>	<b>9,563</b>	<b>10,475</b>
Trade and miscellaneous receivables and other current assets	4,358	4,420	4,481	4,527	4,539	4,496	4,676	4,642
Cash and cash equivalents	6,904	3,272	2,391	3,519	3,555	2,660	2,385	3,291
Discontinued operations/assets held for sale	-	-	2,631	20	-	-	-	1
<i>o/w of a financial nature</i>	-	-	-	-	-	-	-	-
<i>o/w of a non-financial nature</i>	-	-	2,631	20	-	-	-	1
Securities other than investments, other financial receivables and other current financial assets	2,391	2,122	1,883	1,907	1,600	1,679	1,897	1,822
Inventories	282	309	324	344	322	363	377	364
Current income tax receivables	79	88	114	336	147	145	134	201
Current financial receivables arising from lease contracts	56	61	54	55	69	115	94	154
Other investments	-	-	-	-	-	-	-	-
<b>NON-CURRENT ASSETS</b>	<b>55,117</b>	<b>56,023</b>	<b>54,691</b>	<b>52,399</b>	<b>51,795</b>	<b>51,823</b>	<b>51,766</b>	<b>51,092</b>
<b>Intangible assets</b>	<b>25,715</b>	<b>26,063</b>	<b>26,908</b>	<b>26,929</b>	<b>26,767</b>	<b>26,665</b>	<b>26,680</b>	<b>26,429</b>
Goodwill	18,568	18,657	19,009	19,082	19,111	19,118	19,202	19,188
Intangible assets with a finite useful life	7,147	7,406	7,899	7,847	7,656	7,547	7,478	7,241
<b>Tangible assets</b>	<b>13,311</b>	<b>13,692</b>	<b>13,971</b>	<b>14,022</b>	<b>14,100</b>	<b>14,094</b>	<b>14,292</b>	<b>14,348</b>
Property, plant and equipment owned	13,311	13,692	13,971	14,022	14,100	14,094	14,292	14,348
<b>Right of Use assets</b>	<b>4,847</b>	<b>5,177</b>	<b>5,554</b>	<b>5,517</b>	<b>5,488</b>	<b>5,545</b>	<b>5,528</b>	<b>5,355</b>
<b>Other assets</b>	<b>11,244</b>	<b>11,091</b>	<b>8,258</b>	<b>5,931</b>	<b>5,440</b>	<b>5,519</b>	<b>5,266</b>	<b>4,960</b>
Miscellaneous receivables and other non-current assets	2,266	2,353	2,343	2,356	2,365	2,395	2,467	2,302
Non-current financial assets	2,330	2,089	2,011	2,140	1,651	1,697	1,300	1,172
<i>o/w receivable for lease contracts</i>	45	50	50	49	49	48	141	113
<i>o/w other non-current financial assets</i>	2,285	2,039	1,961	2,091	1,602	1,649	1,159	1,059
Deferred tax assets	3,513	3,470	3,441	772	769	779	782	790
Other investments	156	134	128	105	116	111	152	150
Investments in associates and joint ventures accounted for using the equity method	2,979	3,045	335	558	539	537	565	546
<b>TOTAL ASSETS</b>	<b>69,187</b>	<b>66,295</b>	<b>66,569</b>	<b>63,107</b>	<b>62,027</b>	<b>61,281</b>	<b>61,329</b>	<b>61,567</b>

# TIM Group Balance Sheet

€m, IFRS 16

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*Unaudited figures*

	FY '21	Q1 '22	H1 '22	9M '22	FY '22	Q1 '23	H1 '23	9M '23
<b>CURRENT LIABILITIES</b>	<b>16,364</b>	<b>13,739</b>	<b>14,200</b>	<b>13,214</b>	<b>14,142</b>	<b>14,069</b>	<b>16,542</b>	<b>14,862</b>
Trade and miscellaneous payables and other current liabilities	9,473	9,655	9,410	7,591	8,199	8,019	8,158	7,894
Current financial liabilities	6,596	3,811	4,550	5,614	5,909	6,007	8,370	6,943
<i>o/w liabilities for financing contracts and others</i>	5,945	3,128	3,768	4,808	5,039	5,163	7,497	6,096
<i>o/w liabilities for lease contracts</i>	651	683	782	806	870	844	873	847
Liabilities directly associated with Discontinued operations/Non-current assets held for sale	-	-	1	-	-	-	-	1
<i>o/w of a financial nature</i>	-	-	-	-	-	-	-	-
<i>o/w of a non-financial nature</i>	-	-	1	-	-	-	-	1
Current income tax payables	295	273	239	9	34	43	14	24
<b>NON-CURRENT LIABILITIES</b>	<b>30,784</b>	<b>29,821</b>	<b>29,844</b>	<b>30,742</b>	<b>29,160</b>	<b>29,043</b>	<b>26,523</b>	<b>28,903</b>
Non-current financial liabilities	27,501	26,579	26,469	27,506	26,336	25,861	23,516	25,967
<i>o/w liabilities for financing contracts and others</i>	23,437	22,185	21,762	22,804	21,739	21,177	18,806	21,393
<i>o/w liabilities for lease contracts</i>	4,064	4,394	4,707	4,702	4,597	4,684	4,710	4,574
Miscellaneous payables and other non-current liabilities	1,413	1,366	1,322	1,017	1,146	1,103	1,031	1,061
Employee benefits	699	700	812	972	684	965	943	843
Provisions	926	956	1,007	1,010	910	942	844	840
Deferred tax liabilities	245	220	234	237	84	172	189	192
<b>TOTAL LIABILITIES</b>	<b>47,148</b>	<b>43,560</b>	<b>44,044</b>	<b>43,956</b>	<b>43,302</b>	<b>43,112</b>	<b>43,065</b>	<b>43,765</b>
<b>EQUITY</b>	<b>22,039</b>	<b>22,735</b>	<b>22,525</b>	<b>19,151</b>	<b>18,725</b>	<b>18,169</b>	<b>18,264</b>	<b>17,802</b>
Equity attributable to equity owners of the Parent	17,414	17,786	17,590	15,461	15,061	14,463	14,428	13,992
Equity attributable to Minority Interests	4,625	4,949	4,935	3,690	3,664	3,706	3,836	3,810
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>69,187</b>	<b>66,295</b>	<b>66,569</b>	<b>63,107</b>	<b>62,027</b>	<b>61,281</b>	<b>61,329</b>	<b>61,567</b>



# Domestic Results

€m, IFRS 16 & After Lease view

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*Unaudited figures*

	REPORTED						ORGANIC <sup>(1)</sup>						
	Q3 '22	Q4 '22	FY '22	Q1 '23	Q2 '23	Q3 '23	Q3 '22 comparable base	Q4 '22	FY '22	Q1 '23	Q2 '23	Q3 '23	Change YoY %
<b>REVENUES</b>	2,919	3,185	11,858	2,843	2,924	2,978	2,915	3,185	11,858	2,843	2,924	2,978	2.2
<b>Service Revenues</b>	2,694	2,822	10,799	2,551	2,644	2,675	2,690	2,822	10,799	2,551	2,644	2,675	(0.6)
<b>Wireline Services</b>	2,020	2,180	8,276	1,986	2,059	2,028	2,016	2,180	8,276	1,986	2,059	2,028	0.6
Retail	1,287	1,429	5,332	1,253	1,285	1,275	1,287	1,429	5,332	1,253	1,285	1,275	(1.0)
National Wholesale + FiberCop	494	490	1,969	498	517	505	494	490	1,969	498	517	505	2.4
International Wholesale	238	260	969	226	248	242	234	260	969	226	248	242	3.4
Other	1	1	6	9	9	6	1	1	6	9	9	6	
<b>Mobile Services</b>	802	779	3,060	701	719	781	802	779	3,060	701	719	781	(2.6)
Retail	645	649	2,577	610	615	630	645	649	2,577	610	615	630	(2.2)
Wholesale and Other	158	130	483	91	104	151	158	130	483	91	104	151	(4.3)
<b>Elimination &amp; Other</b>	(128)	(137)	(537)	(136)	(134)	(134)	(128)	(137)	(537)	(136)	(134)	(134)	
<b>Handsets</b>	225	363	1,059	292	280	303	225	363	1,059	292	280	303	34.7
<b>OPEX</b>	2,132	2,307	8,339	2,261	1,824	1,992	1,831	2,226	7,684	1,843	1,817	1,855	1.3
<b>EBITDA</b>	787	878	3,519	582	1,100	986	1,084	959	4,174	1,000	1,107	1,123	3.6
EBITDA Margin	27.0%	27.6%	29.7%	20.5%	37.6%	33.1%	37.2%	30.1%	35.2%	35.2%	37.9%	37.7%	0.5 p.p.
<b>EBITDA After Lease</b>	660	747	3,007	454	966	853	957	828	3,662	872	973	990	3.4
EBITDA AL Margin	22.6%	23.5%	25.4%	16.0%	33.0%	28.6%	32.8%	26.0%	30.9%	30.7%	33.3%	33.2%	0.4 p.p.
<b>CAPEX net of licences</b>	670	1,059	3,207	606	719	728	660	1,059	3,127	606	719	728	10.3
% on revenues	23.0%	33.2%	27.0%	21.3%	24.6%	24.4%	22.6%	33.2%	26.4%	21.3%	24.6%	24.4%	1.8 p.p.
<b>Headcount EoP</b>	42,578	40,984	40,984	40,906	40,903	39,186							

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

# Domestic Wireline

€m, IFRS 16

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*Unaudited figures*

	REPORTED						ORGANIC <sup>(1)</sup>						
	Q3 '22	Q4 '22	FY '22	Q1 '23	Q2 '23	Q3 '23	Q3 '22 comparable base	Q4 '22	FY '22	Q1 '23	Q2 '23	Q3 '23	Change YoY %
<b>WIRELINE REVENUES</b>	2,132	2,389	8,821	2,169	2,251	2,242	2,128	2,389	8,821	2,169	2,251	2,242	5.4
<b>Wireline Service Revenues</b>	2,020	2,180	8,276	1,986	2,059	2,028	2,016	2,180	8,276	1,986	2,059	2,028	0.6
Retail Services	1,287	1,429	5,332	1,253	1,285	1,275	1,287	1,429	5,332	1,253	1,285	1,275	(1.0)
o/w Broadband and content	500	491	2,023	482	494	499	500	491	2,023	482	494	499	(0.1)
o/w ICT Services	368	520	1,593	373	396	383	368	520	1,593	373	396	383	4.2
National Wholesale + FiberCop	494	490	1,969	498	517	505	494	490	1,969	498	517	505	2.4
International Wholesale	238	260	969	226	248	242	234	260	969	226	248	242	3.4
Other	1	1	6	9	9	6	1	1	6	9	9	6	
<b>Equipments</b>	112	209	545	183	192	214	112	209	545	183	192	214	91.5
<b>Retail lines ('000)</b>							8,383	8,290	8,290	8,216	8,141	8,066	(3.8)
Churn rate %							2.9	3.4	13.0	3.3	3.1	3.0	0.1 p.p.
Broadband							7,523	7,443	7,443	7,379	7,318	7,260	(3.5)
Consumer							6,322	6,265	6,265	6,213	6,154	6,091	(3.7)
Business <sup>(2)</sup>							1,201	1,178	1,178	1,165	1,164	1,169	(2.7)
UBB							5,372	5,417	5,417	5,487	5,531	5,553	3.4
<b>Wholesale lines ('000)</b>							7,604	7,525	7,525	7,453	7,365	7,297	(4.0)
Local Loop Unbundling							1,897	1,821	1,821	1,744	1,666	1,603	(15.5)
Wholesale Line Rental							147	142	142	135	130	126	(14.3)
Bitstream Naked							413	392	392	367	347	327	(20.8)
UBB							5,147	5,171	5,171	5,206	5,222	5,241	1.8
<b>ARPU Consumer (€/month)</b>							28.4	28.1	28.3	27.3	28.1	28.3	(0.5)
<b>ARPU Consumer net of activation fees (€/month)</b>							26.8	27.2	26.8	27.0	27.9	28.1	4.8

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

<sup>(2)</sup> Including SMB broadband lines (818k in Q3 '23)

**Q3 '23 Financial and Operating Figures**  
Investor Relations

<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 Consumer</b>	Consumer service revenues divided by average active consumer CB (€/line/month)
<b>ARPU Consumer net of activation fees</b>	Consumer service revenues divided by average active consumer CB, net of activation fees discontinuity (€/line/month)

# Domestic Mobile

€m, IFRS 16

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*Unaudited figures*

	REPORTED						ORGANIC <sup>(1)</sup>						
	Q3 '22	Q4 '22	FY '22	Q1 '23	Q2 '23	Q3 '23	Q3 '22 comparable base	Q4 '22	FY '22	Q1 '23	Q2 '23	Q3 '23	Change YoY %
<b>MOBILE REVENUES</b>	913	934	3,572	808	807	872	913	934	3,572	808	807	872	(4.5)
<b>Mobile Service Revenues</b>	802	779	3,060	701	719	781	802	779	3,060	701	719	781	(2.6)
Retail Services	645	649	2,577	610	615	630	645	649	2,577	610	615	630	(2.2)
o/w Incoming	41	40	172	29	29	27	41	40	172	29	29	27	(34.4)
Wholesale and Other	158	130	483	91	104	151	158	130	483	91	104	151	(4.3)
<b>Handsets and Handsets Bundle</b>	111	155	512	107	88	91	111	155	512	107	88	91	(17.9)
<b>Total number of lines ('000)</b>							30,515	30,407	30,407	30,201	30,251	30,232	(0.9)
Churn rate %							3.1	3.3	13.3	3.7	2.8	3.1	0.0 p.p.
Human							18,590	18,438	18,438	18,297	18,269	18,201	(2.1)
Not Human (M2M)							11,926	11,969	11,969	11,904	11,982	12,031	0.9
Calling lines							27,874	27,788	27,788	27,576	27,667	27,622	(0.9)
Human Calling							15,948	15,818	15,818	15,673	15,685	15,591	(2.2)
Broadband Users							12,685	12,577	12,577	12,584	12,662	12,705	0.2
LTE Users							12,230	12,247	12,247	12,273	12,371	12,428	1.6
<b>Usage Data (GB/users/month)</b>							14.9	14.8	13.7	15.4	16.2	17.8	19.5
<b>ARPU Consumer - Human calling (€/month)</b>							11.1	11.1	11.0	10.7	10.8	11.1	(0.6)
<b>ARPU Consumer - Human calling net of MTR (€/month)</b>							11.1	11.0	11.0	10.9	11.0	11.3	1.5

(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>ARPU Consumer - Human calling</b>	Consumer service revenues divided by average consumer human calling CB (€/line/month)
<b>ARPU Consumer - Human calling net of MTR</b>	Consumer service revenues divided by average consumer human calling CB, net of Termination Rate discontinuity (€/line/month)

	FY '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	FY '22	Q1 '23	Q2 '23	Q3 '23	Change YoY %
<b>REVENUES</b>	<b>18,058</b>	<b>4,727</b>	<b>5,368</b>	<b>5,611</b>	<b>5,825</b>	<b>21,531</b>	<b>5,640</b>	<b>5,863</b>	<b>6,056</b>	7.9
Service Revenues	17,497	4,584	5,201	5,465	5,579	20,829	5,467	5,694	5,876	7.5
o/w Mobile	16,353	4,287	4,899	5,155	5,256	19,597	5,152	5,374	5,550	7.7
o/w Fixed	1,144	297	302	310	323	1,232	314	321	324	4.6
Handsets	561	143	167	146	246	702	173	169	180	23.3
<b>OPEX</b>	<b>9,397</b>	<b>2,636</b>	<b>2,947</b>	<b>2,954</b>	<b>3,001</b>	<b>11,538</b>	<b>3,081</b>	<b>2,980</b>	<b>3,064</b>	3.7
<b>EBITDA</b>	<b>8,661</b>	<b>2,091</b>	<b>2,421</b>	<b>2,657</b>	<b>2,824</b>	<b>9,993</b>	<b>2,559</b>	<b>2,883</b>	<b>2,992</b>	12.6
EBITDA margin	48.0%	44.2%	45.1%	47.4%	48.5%	46.4%	45.4%	49.2%	49.4%	2.0 p.p.
<b>EBITDA net non recurring</b>	<b>8,697</b>	<b>2,111</b>	<b>2,472</b>	<b>2,680</b>	<b>2,858</b>	<b>10,121</b>	<b>2,572</b>	<b>2,900</b>	<b>3,003</b>	12.1
EBITDA margin	48.2%	44.7%	46.1%	47.8%	49.1%	47.0%	45.6%	49.5%	49.6%	1.8 p.p.
<b>EBITDA After Lease net non recurring</b>	<b>6,726</b>	<b>1,564</b>	<b>1,779</b>	<b>1,890</b>	<b>2,064</b>	<b>7,297</b>	<b>1,780</b>	<b>2,152</b>	<b>2,294</b>	21.4
EBITDA margin	37.2%	33.1%	33.1%	33.7%	35.4%	33.9%	31.6%	36.7%	37.9%	4.2 p.p.
<b>CAPEX</b>	<b>7,966</b>	<b>1,328</b>	<b>1,050</b>	<b>977</b>	<b>1,375</b>	<b>4,730</b>	<b>1,289</b>	<b>925</b>	<b>998</b>	2.1
% on revenues	44.1%	28.1%	19.6%	17.4%	23.6%	22.0%	22.9%	15.8%	16.5%	(0.9 p.p.)
<b>KPI's</b>										
Mobile Lines ('000) <sup>(1)</sup>	52,066	52,305	68,695	68,796	62,485	62,485	61,721	61,225	61,254	(11.0)
Market Share on total lines <sup>(2)</sup>	20.4%	20.3%	26.5%	26.4%	24.8%	24.8%	24.6%	24.4%	24.3%	(2.1 p.p.)
ARPU Mobile (R\$/month) <sup>(3)</sup>	26.4	27.4	25.8	25.0	26.6	26.1	27.7	29.2	30.2	21.1
TIM UltraFibra Lines ('000)	685	689	699	708	716	716	732	761	791	11.6
ARPU TIM UltraFibra (R\$/month)	91.0	94.3	95.8	96.9	98.7	96.4	97.8	98.3	96.0	(1.0)
<b>Exchange rate AVG YTD (R\$/euro)</b>	<b>6.36</b>	<b>5.87</b>	<b>5.56</b>	<b>5.47</b>	<b>5.44</b>	<b>5.44</b>	<b>5.57</b>	<b>5.48</b>	<b>5.43</b>	

(1) Includes company lines (24k in Q3 '23)

(2) Source: Anatel (until Q2 '23)

(3) Gross of visitors

# Reported & Organic Reconciliation

€m, IFRS 16 & After Lease view

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*Unaudited figures*

	Q3 '22					Q3 '23		
	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>3,972</b>	-	<b>(11)</b>	-	<b>3,961</b>	<b>4,107</b>	-	<b>4,107</b>
Domestic	2,919	-	(4)	-	2,915	2,978	-	2,978
Brazil	1,061	-	(7)	-	1,054	1,138	-	1,138
Other Activities & Eliminations	(8)	-	-	-	(8)	(9)	-	(9)
<b>SERVICE REVENUES</b>	<b>3,720</b>	-	<b>(11)</b>	-	<b>3,709</b>	<b>3,771</b>	-	<b>3,771</b>
Domestic	2,694	-	(4)	-	2,690	2,675	-	2,675
Brazil	1,034	-	(7)	-	1,027	1,104	-	1,104
Other Activities & Eliminations	(8)	-	-	-	(8)	(8)	-	(8)
<b>EBITDA</b>	<b>1,287</b>	-	<b>(5)</b>	<b>(302)</b>	<b>1,584</b>	<b>1,547</b>	<b>(140)</b>	<b>1,687</b>
Domestic	787	-	(1)	(298)	1,084	986	(137)	1,123
Brazil	502	-	(4)	(4)	502	561	(3)	564
Other Activities & Eliminations	(2)	-	-	-	(2)	-	-	-
<b>EBITDA After Lease</b>	<b>1,011</b>	-	<b>(5)</b>	<b>(302)</b>	<b>1,308</b>	<b>1,280</b>	<b>(140)</b>	<b>1,420</b>
Domestic	660	-	(1)	(298)	957	853	(137)	990
Brazil	353	-	(4)	(4)	353	427	(3)	430
Other Activities & Eliminations	(2)	-	-	-	(2)	-	-	-

# For further questions please contact the IR team



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