

Q3 '23 DELIVERING & DELAYERING

09 NOVEMBER 2023



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 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.

Please note that 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.

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Group and Domestic results fully on track vs FY guidance

Organic data, YoY trend ⁽¹⁾

	FY targets ⁽²⁾	Q4 '23	9M '23	Q3 '23	
Service Revenues o/w Domestic	LSD growth	Positive domestic drivers	+2.1%	+1.7%	
	broadly stable		-1.3%	-0.6%	
EBITDA o/w Domestic	MSD growth		+5.3%	+6.5%	
	flat to LSD growth		+0.5%	+3.6%	
EBITDA AL	LMSD growth		+5.0%	+8.6%	
Drivers					
Activation fees drag				delivered	-
Selective repricing					+
CB stabilization					+
'23 wholesale tariffs					+
Energy-Labour comps					+
		</			

Highlights

9M Group and Domestic results fully support FY targets

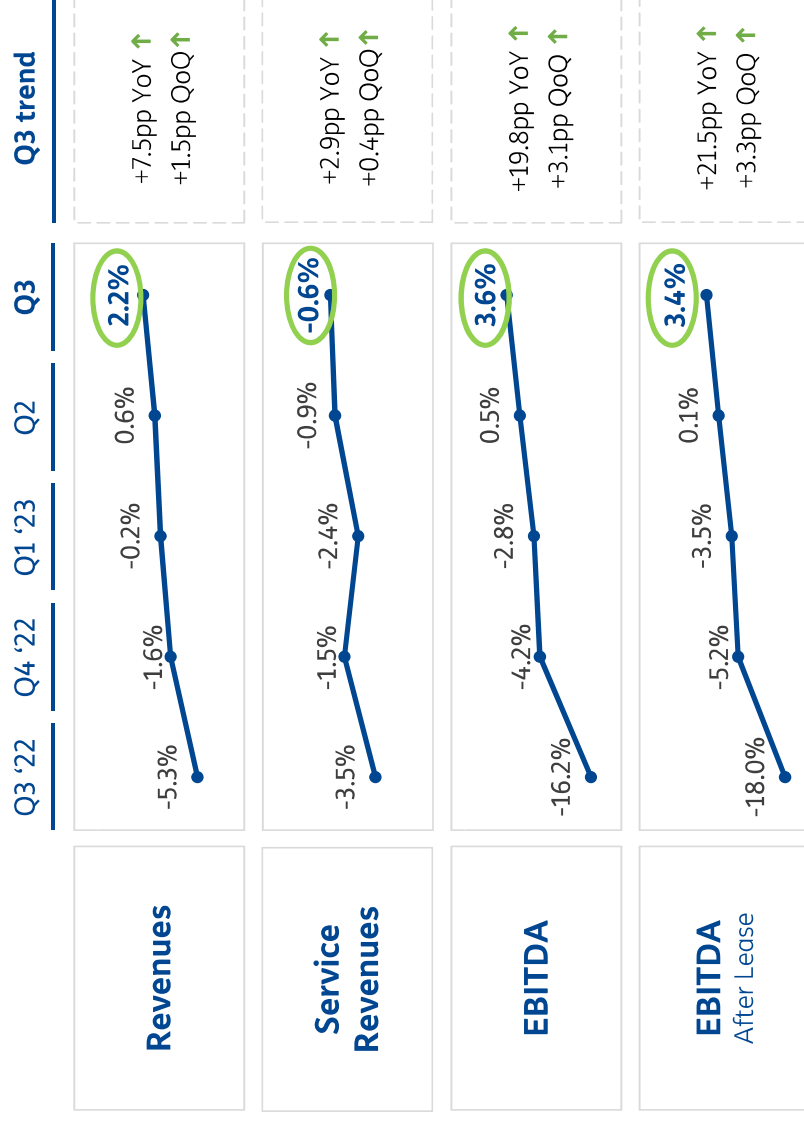
Positive drivers expected also in Q4



FY guidance confirmed

(1) Excluding exchange rate fluctuations, non-recurring items and change in consolidation. Group figures @ average exchange-rate 5.43 R\$/€
 (2) LSD = Low-Single Digit MSD = Mid-Single Digit LMSD = Low-to-Mid Single Digit

Domestic growth trajectory confirmed on all metrics

Organic data, YoY trend ⁽¹⁾

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

Highlights

2nd consecutive quarter of Revenues growth

Service revenues trending towards stabilization

2nd consecutive quarter of EBITDA growth

EBITDA trend YoY accelerating, further improvement expected in Q4

TIM Entities delivering results (1/3)



TIM Entities delivering results (2/3)

Revenues		Services	Q3 achievements		Main KPIs																									
TIM Enterprise	+4.8% YoY	+4.2% YoY	▪ Positive revenue growth, faster pace vs. Q2 driven by fixed monthly fees and mobile services. Cloud revenues +24% YoY YTD net of SPC Cloud phase out ▪ ~€1.8bn worth of pipeline ▪ National Strategic Hub beyond expectations – The first 10 contracts signed generate ~80% of 1st year marketed NSH services – Total value NSH negotiations equal to € 0.4bn, of which 80% concentrated on 41 Customers		9M '23 Service Revenues <table><tr><th></th><th>Δ YoY</th><th>Revenue mix weight</th><th>Δ YoY</th></tr><tr><td>Connectivity</td><td>-3%</td><td>42%</td><td>-2.6pp</td></tr><tr><td>Cloud</td><td>+8%</td><td>30%</td><td>+1.3pp</td></tr><tr><td>IoT</td><td>-3%</td><td>2%</td><td>-0.1pp</td></tr><tr><td>Security</td><td>+9%</td><td>3%</td><td>+0.2pp</td></tr><tr><td>Other IT</td><td>+9%</td><td>23%</td><td>+1.2pp</td></tr></table>			Δ YoY	Revenue mix weight	Δ YoY	Connectivity	-3%	42%	-2.6pp	Cloud	+8%	30%	+1.3pp	IoT	-3%	2%	-0.1pp	Security	+9%	3%	+0.2pp	Other IT	+9%	23%	+1.2pp
		Δ YoY	Revenue mix weight	Δ YoY																										
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Other IT	+9%	23%	+1.2pp																											
NetCo	+5.8% YoY	-1.1% YoY	▪ NRPP: 30% grant advance payment unlocked, € 0.7bn cash-in confirmed by YE ▪ Service revenues trend YoY broadly stable ▪ FTTH coverage: 8.7m technical units connected (36% of tot.)		Market share 79% 15.6m accesses ⁽¹⁾ >70% FTTx																									
			FTTx coverage 95% of active lines ~61% >100Mbps																											
			<table><tr><td>Italia 1 Giga</td><td>5G Backhauling</td><td>5G Coverage</td></tr><tr><td>Progressive acceleration excluding Sardinia ⁽²⁾</td><td>Expected to achieve YE target ⁽²⁾</td><td>Expected to achieve YE target ⁽²⁾</td></tr></table>		Italia 1 Giga	5G Backhauling	5G Coverage	Progressive acceleration excluding Sardinia ⁽²⁾	Expected to achieve YE target ⁽²⁾	Expected to achieve YE target ⁽²⁾	FTTH coverage (technical units, million) ⁽³⁾ <table><tr><td>32%</td><td>33%</td><td>34%</td><td>36%</td></tr><tr><td>7.8</td><td>8.0</td><td>8.3</td><td>8.7</td></tr><tr><td>FY '22</td><td>Q1 '23</td><td>Q2</td><td>Q3</td></tr></table>		32%	33%	34%	36%	7.8	8.0	8.3	8.7	FY '22	Q1 '23	Q2	Q3						
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7.8	8.0	8.3	8.7																											
FY '22	Q1 '23	Q2	Q3																											
			No risk of penalties																											

(1) Fixed accesses including FiberCop (2) NRPP milestones for YE '23: 25% of street numbers covered with fiber ("Italia 1 Giga"), 35% of mobile sites connected ("5G Backhauling"), 10% of areas covered with 5G ("5G Coverage") (3) Overall FTTH coverage, including NRPP and "Eurosud"

TIM
Brasil

EBITDA AL		CAPEX	
+7.9% YoY	o/w Mobile +7.7% o/w Fixed +4.6%	+21.4% YoY (1)	+2.1% YoY
EBITDA AL - CAPEX		EBITDA AL - CAPEX	
21.3% on revenues +5.2pp YoY			

- **Robust revenue growth** from strong operational performance:
 - **MSR** up YoY mainly driven by postpaid, **ARPU** to the highest level ever both on pre/postpaid
 - **TIM UltraFibra** keeping a strong growth pace thanks to continued CB expansion driven by FTTH migration
- **EBITDA double-digit growth** ⁽²⁾: consistent revenues performance + M&A synergies + cost efficiencies. **OPEX** growth below inflation rate ⁽³⁾
- **EBITDA AL** trend YoY benefitting from site decommissioning. EBITDA AL **margin +4.2pp YoY to 37.9%**
- **Solid cash flow performance**
- Significant enhancement of mobile infrastructure, **already Brazil's largest and best 5G network**

Shareholder remuneration

- Expanding shareholder remuneration to a new level, from R\$ 2.0bn in '22 to **R\$ >2.9bn in '23** ⁽⁴⁾
- **~8% dividend yield** ⁽⁵⁾

Main KPIs

The infographic is divided into two main sections: Mobile and Fixed, separated by a vertical line. The Mobile section is on the left and the Fixed section is on the right. Each section contains a 2x2 grid of metrics. The top row of each grid shows ARPU (Average Revenue Per User) and the bottom row shows CB (Connections per User) or o/w FTTH (Outside the Wire Fiber to the Home). The metrics are presented in a clean, modern style with blue and white text on a light blue background. Arrows indicate a flow from the top row to the bottom row in each section.

Category	Metric	Value	Change
Mobile	ARPU	30.2 R\$/month	+21.1% YoY
	CB	161.2m lines (6)	+5k net adds
	postpaid	27.2m lines	+0.6m net adds
	prepaid	34.1m lines	-0.6m net adds
Fixed	ARPU	96.0 R\$/month	-1.0% YoY
	CB	791k lines	+30k net adds
	o/w FTTH	87% on tot.	+15pp YoY
	o/w FTTH	87% on tot.	+15pp YoY

Transformation plan - ~€ 0.2bn additional savings achieved, >3/4 of FY target reached

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

~€ 0.2bn additional savings in Q3 '23
 € 0.1bn OPEX savings
 € 0.1bn cash cost / CAPEX extra savings
77% of incremental FY target reached

Q3 highlights

9M key contributors

Digital break-through	New digital CX, activation process based on client digital ID eSIM, enhanced activation process Certified email and digitization: 58% customer paper mails shifted to digital ⁽³⁾ >1 million digital invoices in Q3
Customer care	Customer Care, on track to achieve 10% cost reduction YoY thanks to lower human volumes, make vs buy and digitalization Generative AI & Voicebot, set-up of future-proof platform, go-live in Q1 '24 ⁽⁴⁾

Real Estate	Closure of 200k sqm by leveraging 'work from home'
Energy	Efficiencies, ~10% lower consumption
Rightsizing & talents' uplift	Hourly reduction, average impact equivalent to 4.2k FTEs Voluntary exits, ~0.4k HCs (~80% of target achieved) Early retirements, ~1.4k HCs Insourcing, ~0.6k HCs already re-skilled Hirings, ~0.4k HCs already recruited

Decommissioning update	Public Payphones, on track with plan ~7.5K already dismantled (~50% of YE target) ~2.5K to be converted into Digital Booths
	Copper legacy, on track with plan ⁽⁵⁾ - Approval received by AGCOM to shut down 1.3k COs by '25

(1) Cumulated savings vs. inertial plan (2) On 2021 restarted cost baseline (€ 4.8bn) (3) For defaulting customers available in H1 '24 (4) 6.7k exchanges shutdown + legacy technology switch off in 10.5k exchanges by '28

(4) Generative AI use cases to be made

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OPEX – Slight YoY increase mainly attributable to revenue-driven costs, tailwinds from labour and energy

Domestic OPEX Organic data, IFRS 16, € m		Q3 '23	YoY trend	Weight on OPEX trend
TOT. OPEX		1,855	+24 (+1.3%)	
(cash view)			+11 (+0.6%)	
Interconnection		280	-3%	-0.5pp ↓
Equipment		157	-13%	-1.3pp ↓
Other CoGS		275	+24%	+2.9pp ↑
Commercial		317	+9%	+1.4pp ↑
Industrial		314	-4%	-0.7pp ↓
G&A and IT		91	-8%	-0.4pp ↓
Labour ⁽¹⁾		406	-5%	-1.2pp ↓
Other ⁽²⁾		15	n.m.	+1.1pp ↑

- **Variable costs** +5% YoY in Q3
 - **Interconnection** down YoY for lower volumes and cost rationalization
 - **Equipment** reduction due to lower volumes sold
 - **Other CoGS** increase related to ICT revenue dynamic and other goods sold
- **Commercial costs** +9% YoY mainly driven by higher Content & Vas (related to higher multimedia revenues) and Commissioning (only for accounting effects, down in cash terms)
- **Industrial costs** -4% YoY, with lower network maintenance costs. **Energy costs** -9% YoY due to lower energy prices and volume efficiencies despite no fiscal benefits in Q3 '23
- **G&A and IT** -8% YoY for lower IT costs (mainly for lower managed services revenues) and professional services
- **Labour** -5% YoY driven by solidarity and lower FTEs

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

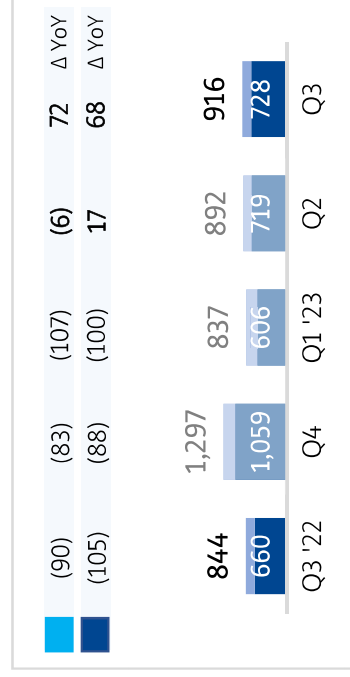
TIM Group

Domestic CAPEX in line with plan. Net Debt increase due to negative EqFCF

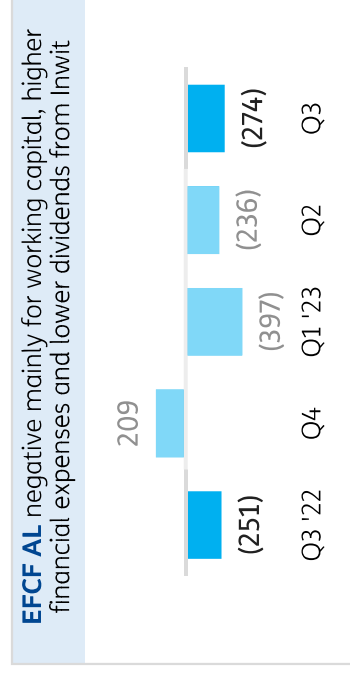
Organic figures⁽¹⁾, IFRS 16 and After Lease, €m

Group Domestic Brazil

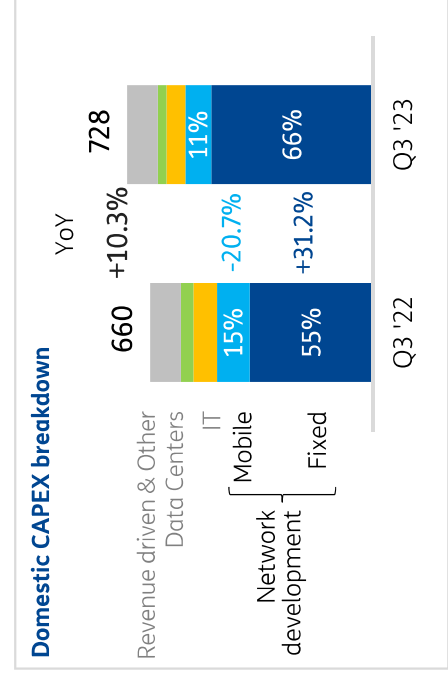
CAPEX
net of licenses



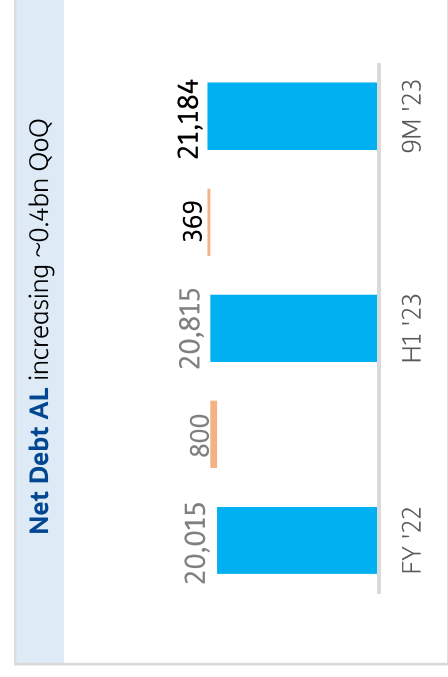
EqFCF
After Lease



Domestic CAPEX breakdown



Adjusted
Net Debt
After Lease



(1) Group CAPEX net of exchange rate fluctuations (average exchange-rate 5.43 R\$/€); comparable base for Q3 '22

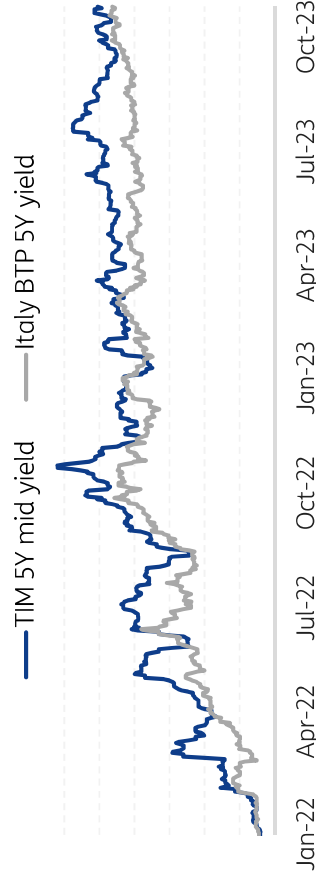
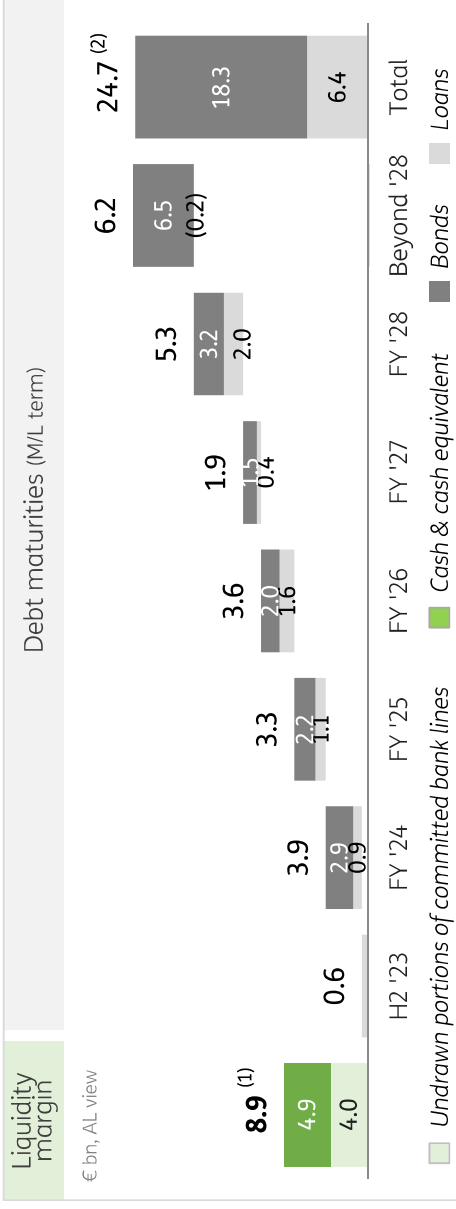
Refinancing activity – Completed for 2023, € 4.1bn raised in 9M o/w € 2.5bn in Q3

2023

refinancing
initiativesTIM largest
EUR High Yield
issuer YTD

Jan. '23	€0.85 _{bn}	Bond
Apr.	€0.40 _{bn}	Tap
May	€0.36 _{bn}	EIB financing
Jul.	€0.75 _{bn}	Bond
	€0.95 _{bn}	Braz. Debenture
Sep.	€0.75 _{bn}	Tap
✓ Improvement on original issuance ⁽¹⁾ ✓ Largest Private Tap ever priced for an EU Corp.		

Increase in TIM yield broadly aligned to Italy's BTP

Liquidity margin
covering debt
maturities until '25

Cost of debt ~4.6% ⁽³⁾

+0.2pp QoQ, +0.9pp YoY
~66% M/L term debt
at fixed rate ⁽⁴⁾

Gross debt ⁽⁵⁾



⁽¹⁾ Includes € 0.7bn repurchase agreements (nominal amount) due in the following 9 months ⁽²⁾ € 24.7bn is the nominal amount of outstanding M/L term debt. By adding the balance of IAS adjustments and reverse fair value valuations (€ 1.1bn) and current financial liabilities (€ 1.2bn), gross debt figure of € 27.0bn is reconciled with reported number ⁽³⁾ After Lease view ⁽⁴⁾ Avg. M-L term maturity 5.3y (bonds 6.3y) ⁽⁵⁾ Gross debt adjusted ⁽⁶⁾ ~28% of outstanding bonds (nominal amount) denominated in USD and GBP and fully hedged

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Delaying Plan - Key process milestones

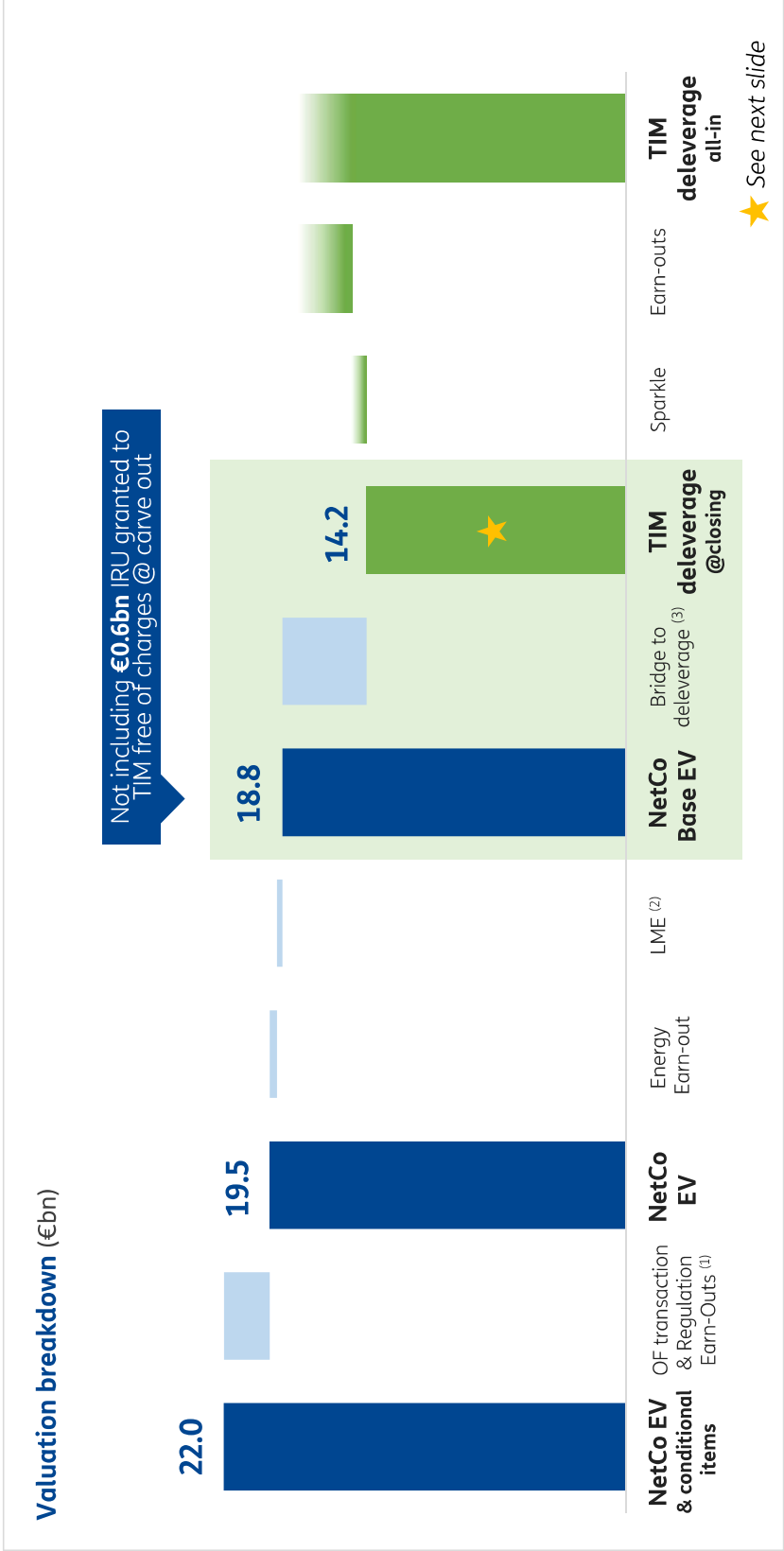


(1) Excluding Sparkle and conditional items

NetCo Disposal - Summary of financial terms

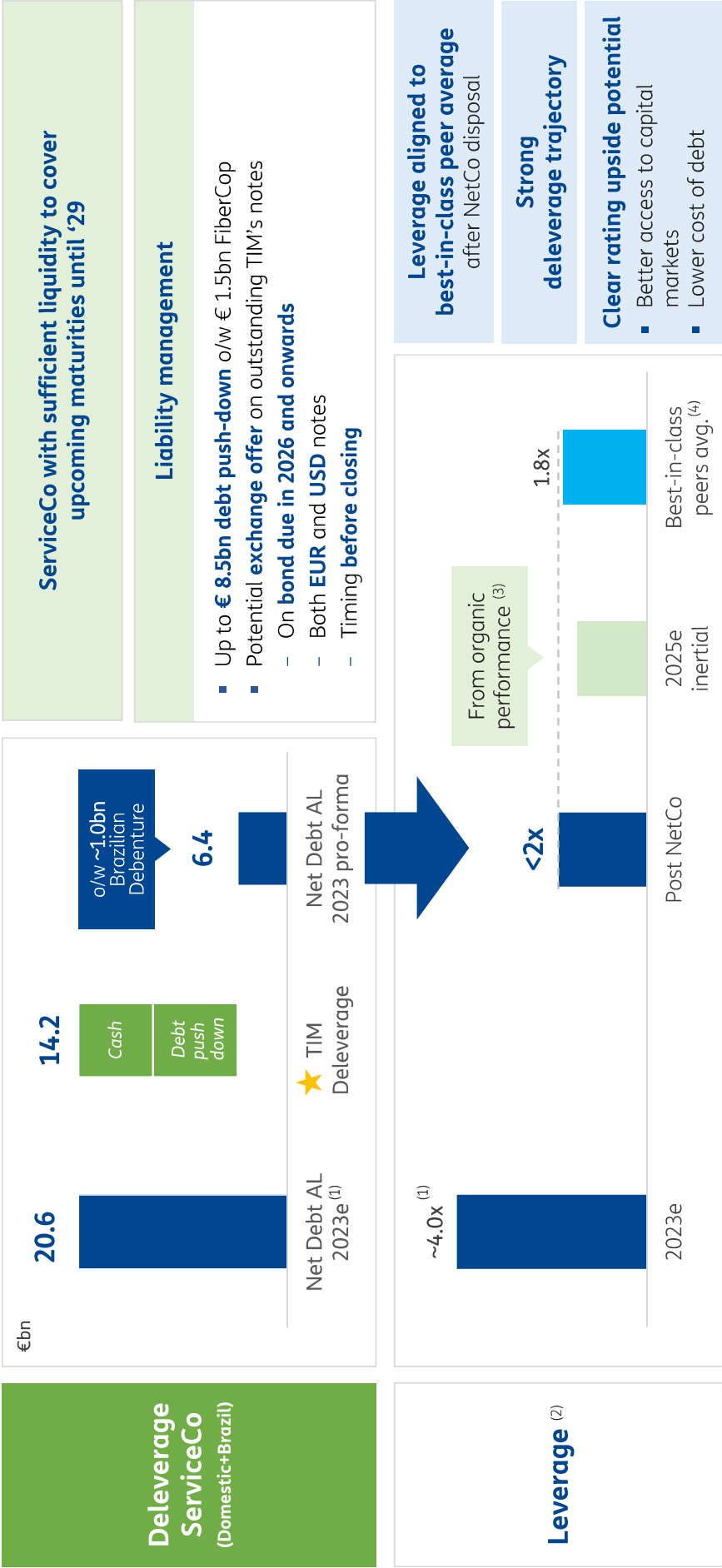
Over € 14bn deleverage, better vs. CMD target on a like-for-like basis, despite worsened macro conditions

NetCo
valuation
(excl. Sparkle)



(1) Up to € 2.5bn Earn-Out within 30 months from closing subject to Open Fiber transaction and regulatory relief on prices
 (2) Benefit of Liability Management Exercise (3) Including FiberCop minorities (€ 4.1bn), debt-like items and benefit of Liability Management Exercise

ServiceCo - A financially sustainable business



(1) Consensus Swisscom, Telenor, Telia, T-Mobile, Vodafone

(2) Net Debt / Organic EBITDA (After Lease)

(3) Before any potential dividend policy

ServiceCo/NetCo - Master Service Agreement

MSA - Expected positive impact vs CMD plan, minimum guarantees in terms of fees or volumes not contemplated ⁽¹⁾

MSA general conditions	Most favoured client on non-discriminatory basis ⁽²⁾	▪ Applicable for the benefit of TIM in respect of all services rendered by NetCo ▪ Applicable for the benefit of NetCo in respect of Data Center and IT Mobile services rendered by TIM					SLA/KPI & penalties ⁽⁴⁾																																								
	Exclusivity	▪ Different exclusivity terms and duration for each service ▪ Preferred Supplier regime applied for B2B Services (instead of exclusivity)																																													
	Business model	▪ NetCo as a “wholesale-only” operator, selling Access and B2B⁽³⁾ services only to OAOs ▪ TIM as a “retail” operator, reselling services purchased from NetCo only to Retail customers. No commitments on FTTC to FTTH migration																																													
	Duration	▪ 15y + 15y, unless otherwise provided for specific services in the MSA																																													
	MSA structure	NetCo to TIM	<table><tr><td rowspan="3">ACCESS services</td><td colspan="2">B2B services</td><td colspan="2">Legacy bandwidth & interconnection</td></tr><tr><td colspan="2">P2P</td><td colspan="2">Colocation</td></tr><tr><td colspan="2">Engineering</td><td colspan="2">Assurance</td></tr><tr><td rowspan="3">NETWORK services</td><td colspan="2">Delivery</td><td colspan="2"></td></tr><tr><td colspan="2"></td><td colspan="2"></td></tr><tr><td colspan="2"></td><td colspan="2"></td></tr><tr><td rowspan="3">REAL ESTATE services</td><td colspan="2"></td><td colspan="2">ENERGY services</td></tr><tr><td colspan="2"></td><td colspan="2"></td></tr><tr><td colspan="2"></td><td colspan="2" rowspan="2"></td></tr></table>					ACCESS services	B2B services		Legacy bandwidth & interconnection		P2P		Colocation		Engineering		Assurance		NETWORK services	Delivery												REAL ESTATE services			ENERGY services										SLA/KPI & penalties ⁽⁴⁾
ACCESS services		B2B services		Legacy bandwidth & interconnection																																											
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TIM to NetCo	<table><tr><td rowspan="3">TIM services</td><td>Data Center</td><td>IT Mobile</td><td>IT Corporate Network</td><td>IT BSS</td><td>IP Bandwidth</td></tr><tr><td colspan="5"></td></tr><tr><td colspan="5"></td></tr></table>					TIM services	Data Center	IT Mobile	IT Corporate Network	IT BSS	IP Bandwidth																																				
TIM services	Data Center	IT Mobile	IT Corporate Network	IT BSS	IP Bandwidth																																										

(1) TIM only grants the acquisition of a minimum quantity of certain engineering services. However, based on the Business Plan such minimum quantity is sustainable and consistent or below ServiceCo business plan

(2) Guarantee of best possible price on products and services on a non-discrimination basis

(3) B2B Services include P2P, Interconnection, Colocation and Legacy Bandwidth

(4) Applied to all services

ServiceCo - Financials

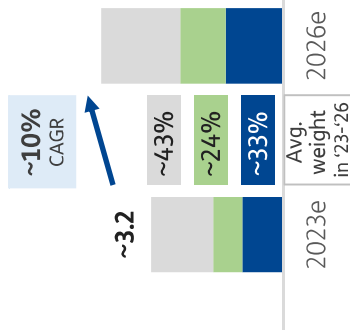
Preliminary financials, € billion

ServiceCo ⁽¹⁾

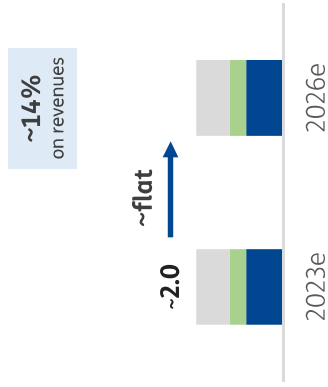
Revenues



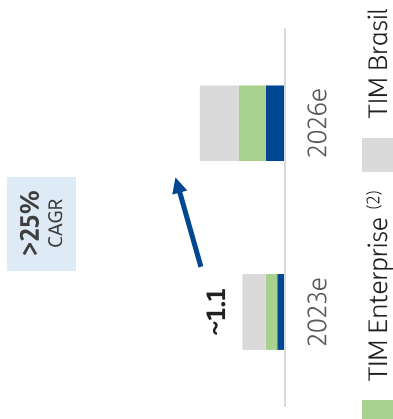
EBITDA After Lease



CAPEX



EBITDA AL - CAPEX



TIM Consumer TIM Enterprise ⁽²⁾ TIM Brasil

Sparkle
Financials
for 2023e

Revenues

~1bn

EBITDA After Lease

>0.1bn

CAPEX

~0.1bn

EBITDA AL - CAPEX

~4% on revenues

(1) Sparkle not included. '23 financials based on '23-'25 plan, not considering 9M '23 actual results. Forward looking projections do not constitute guidance. ServiceCo '24-'26 guidance to be provided at Investor Day in March '24 (2) Including TIM Olivetti Retail



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Delivering

- > **Domestic growth trajectory confirmed**, 2nd consecutive quarter of positive Revenues and EBITDA
- > **Transformation Plan execution on track** with FY target
- > **9M performance + positive drivers expected in Q4 → FY GUIDANCE CONFIRMED**
- > **€ 0.7bn partial anticipation of NRRP** funds to be **cashed-in** by YE, **refinancing activities completed for '23**
- > **Neutral Equity FCF in FY**, including NRRP anticipation

Delaying

- > **Closing in summer '24**
- > **ServiceCo Investor Day in March '24**
- > **Over € 14 billion deleverage, better vs. '22 CMD target** on a like-for-like basis, **despite worsened macro conditions**
- > **Expected positive impact from MSA vs CMD plan, minimum guarantees** in terms of fees or volumes **not contemplated**
- > **ServiceCo with sufficient liquidity to cover upcoming maturities until '29**
- > **ServiceCo fully sustainable** with potential rating upside from day one, **EBITDA-Capex to improve** over the next few years on the back of improved EBITDA and lower Capex

Q&A



Annex



Key financials

Organic data ⁽¹⁾, IFRS 16 and After Lease (AL), €m and YoY trend

	Q3 '23	YoY trend	vs. Q2 '23	vs. Q3 '22
Revenues	4,107	+3.7%	+0.9pp ↑	+2.6pp ↑
o/w Domestic	2,978	+2.2%	+1.5pp ↑	+7.5pp ↑
Service Revenues	3,771	+1.7%	-0.1pp ↓	-1.3pp ↓
o/w Domestic	2,675	-0.6%	+0.4pp ↑	+2.9pp ↑
EBITDA	1,687	+6.5%	+0.9pp ↑	+13.0pp ↑
o/w Domestic	1,123	+3.6%	+3.1pp ↑	+19.8pp ↑
EBITDA AL	1,420	+8.6%	+3.1pp ↑	+19.8pp ↑
CAPEX ⁽²⁾	916	+8.5%		
o/w Domestic	728	+10.3%		
EFCF AL	-274	-23		
Net Debt AL ⁽³⁾	21,184	(+369 in Q3)		

Q3 highlights

Continued growth at Group level both on Revenues and EBITDA

Domestic: 2nd consecutive quarter of Revenues and EBITDA growth

Domestic services YoY trend improved vs Q2, on track towards stabilization

Accelerated EBITDA growth YoY both at Group and Domestic level

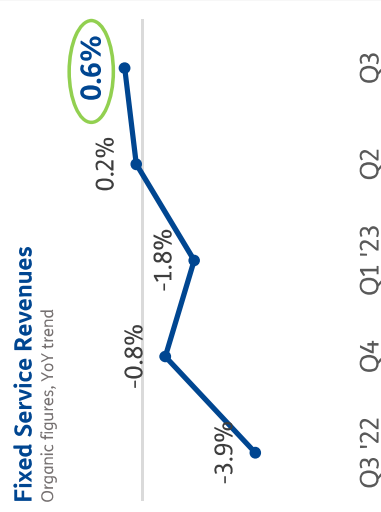
CAPEX in line with plan. Group +72m YoY, o/w +68m Domestic driven by a push on FTTH

EFCF AL negative mainly for working capital, higher financial expenses & lower dividends from Inwit. **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 5.43 R\$/€

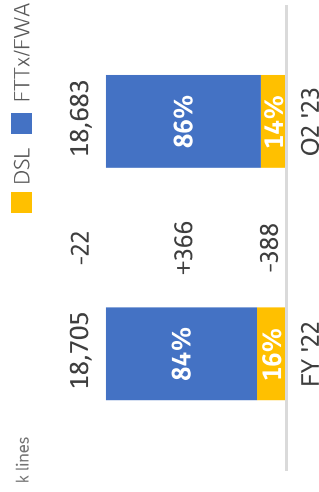
(2) Net of licences (3) Adjusted Net Debt

Fixed - 2nd consecutive quarter of FSR growth YoY, higher ARPU, churn contained

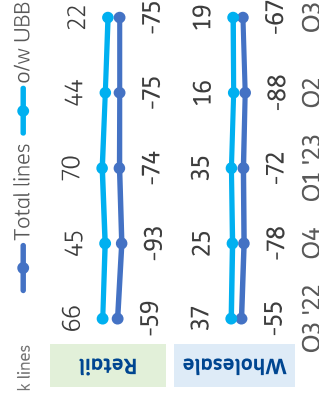


Organic figures		YoY trend	vs. Q2 '23	Highlights
Fixed revenues	2,242	+5.4%	+1.5pp ↑	
Equipment	214	+91.5%	+21.3pp ↑	~½ of growth YoY from wholesale deal with OF
Services	2,028	+0.6%	+0.3pp ↑	activation fees drag -2.0pp YoY
o/w retail ⁽¹⁾	1,275	-1.0%	+1.8pp ↑	lower CB, higher ARPU
o/w Nat. wholesale ⁽²⁾	505	+2.4%	-2.7pp ↓	change in regulated prices more than offsetting lower customer volumes
o/w Int. wholesale	242	+3.4%	+0.1pp ↑	higher data connectivity YoY

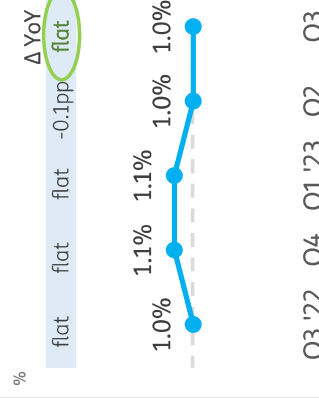
Broadband market ⁽³⁾



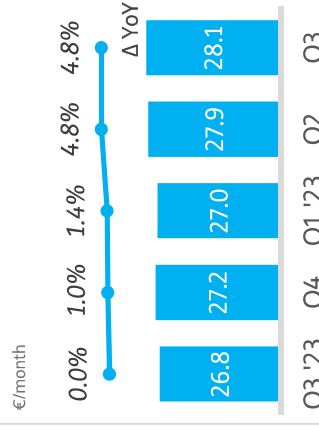
Net adds



Churn



ARPU Consumer net of activation fees discontinuity



(1) Including ICT revenues generated by TIM Digital Companies

(2) Including FiberCop revenues

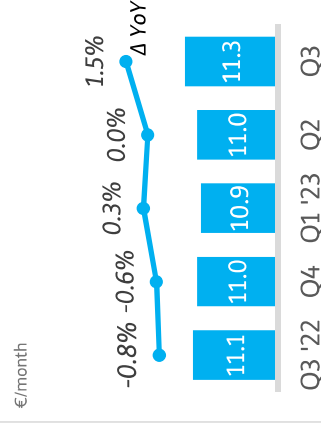
(3) Source: AGCOM

Mobile - MSR trend improved despite still affected by MTR reduction and lower CB YoY MNPs under control, higher ARPU, churn contained

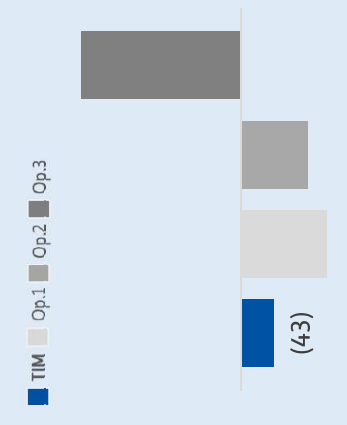
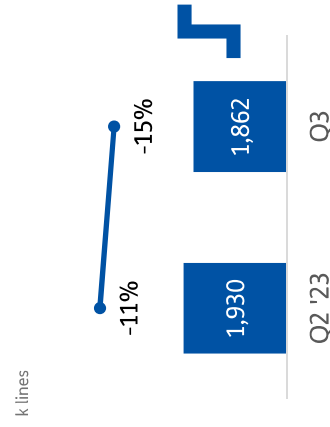
Organic figures

	YoY trend	vs. Q2 '23	Highlights
Mobile revenues	872	+3.2pp ↑	
Equipment	91	+10.8pp ↑	lower consumer volumes YoY
Services	781	+1.6pp ↑	MTR drag -1.5pp YoY
o/w retail	630	+2.1pp ↑	lower CB, ARPU affected by MTR drag
o/w wholesale & other	151	-0.9pp ↓	higher VISE, lower wholesale & other (incl. MVNO)

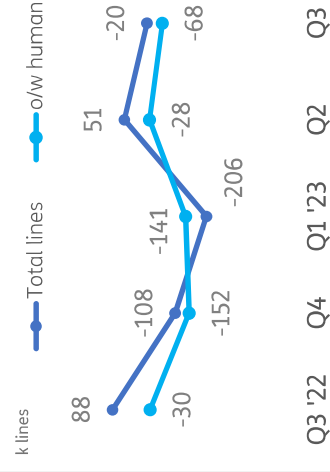
ARPU Consumer - Human Calling
net of MTR discontinuity



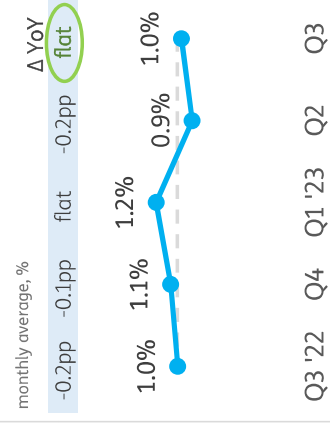
Market MNP reduced, TIM best performer among MNOs



Net adds



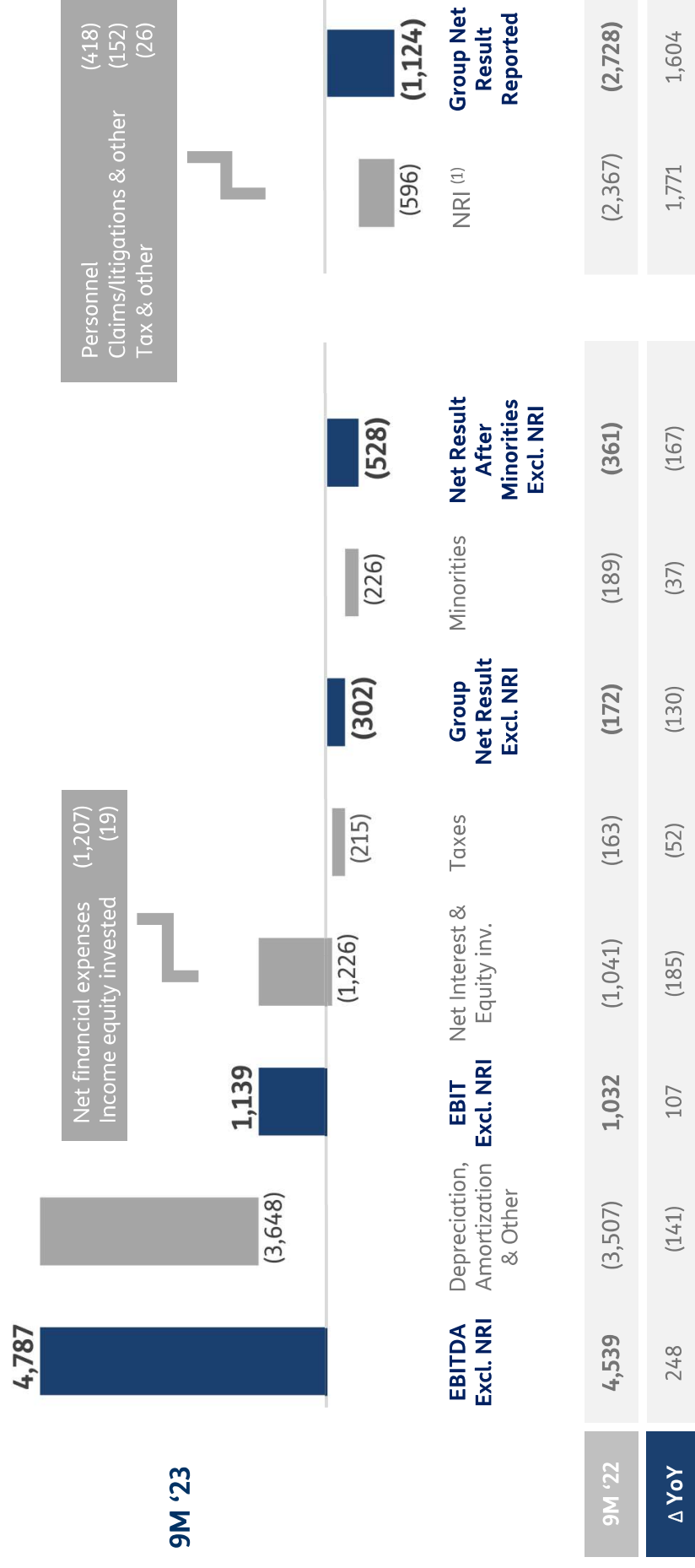
Churn



TIM Group

P&L - From EBITDA to Net Income

Reported data, €m

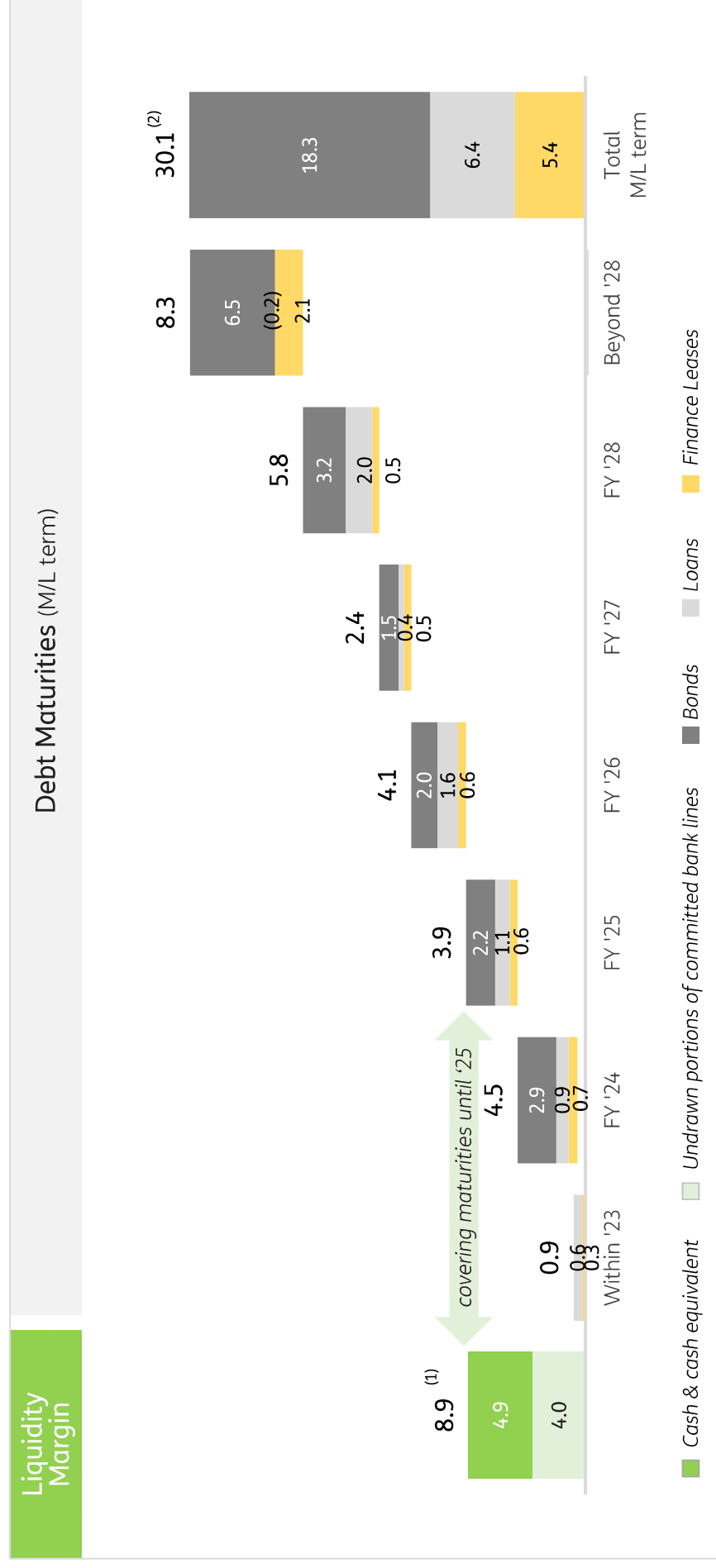


(1) Non-Recurring Items include provisions for personnel (2021-26 layoffs ex art.4 "Fornero" law), claims and litigation

Liquidity margin - IFRS 16 view

Cost of debt ~5.1%*, +0.2pp QoQ and +0.9pp YoY

* Including cost of all leases

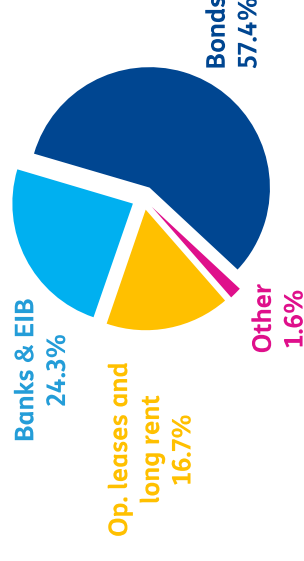


(1) Includes €0.7bn repurchase agreements (nominal amount) due in the following 9 months (2) € 30.1bn is the nominal amount of outstanding medium-long term debt. By adding the balance of IAS adjustments and reverse fair value valuations (€ 1.2bn) and current financial liabilities (€ 1.2bn), gross debt figure of € 32.5bn is reconciled with reported number

Gross Debt - IFRS 16 view

Well diversified and hedged debt

		Gross Debt ⁽²⁾		
		NFP adjusted	Fair value	NFP accounting
GROSS DEBT				
Bonds		18,620	149	18,769
Banks & EIB		7,881		7,881
Derivatives		-12	310	298
Leases and long rent		5,421		5,421
Other ⁽¹⁾		541		541
TOTAL		32,451	459	32,910
FINANCIAL ASSETS				
Liquidity position		4,869		4,869
Other		1,244	326	1,570
	o/w derivatives	902	326	1,228
	o/w active leases	267		267
	o/w other Credit	75		75
TOTAL		6,113	326	6,439
NET FINANCIAL DEBT		26,338	133	26,471



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

Fixed rate portion on M/L term debt ~72%

~28% of outstanding bonds (nominal amount) denominated in USD and GBP and fully hedged

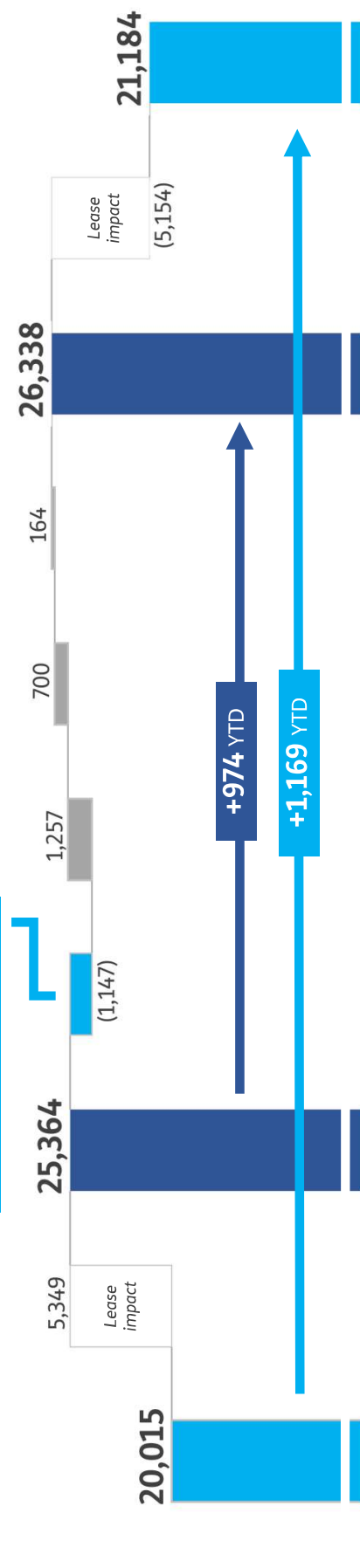
(1) Includes debts due to other lenders related to: Factor (€ 190m), Aflac (€ 129m), Brazil 5G (€ 185m) and other (€ 37m)

(2) Gross debt adjusted

Net debt - Adjusted

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

EBITDA	4,217
CAPEX ex. licence	(2,645)
ΔWC & Others	(425)
Op.FCF ex. Licence	1,147



FY '22 Net Debt After Lease	FY '22	FY '22 Net Debt	Operating FCF ex. licence	Financial Expenses	Cash Taxes & Other ⁽¹⁾	Dividends & Change in Equity	9M '23 Net Debt	9M '23 Net Debt After Lease
FY '21		FY '21					9M '22	9M '22
17,573	4,614	22,187	(1,089)	1,028	3,334	44	25,504	20,100
+2,442	+735	+3,177	(58)	+229	(2,634)	+120	+834	+1,084
								Δ YoY

(1) 9M '23: financial investments +74m, 5G Brazil +24m, IFRS 16 +474m, cash taxes and other +128m. 9M '22: Daphne 3 disposal -1,184m, Oi acquisition +1,741m, other financial investments +32m, licences +2,217m (o/w Domestic +1,805m and 5G Brazil 412m), IFRS 16 +728m, cash taxes and other -200m

ESG - Q3 findings

E

Environment

- Launch of “**digital telephone booths**” project to reduce the environmental impact of telephone booths

S

Social

- **1st remote corneal surgery at international level** enabled by **TIM's 5G network** (Bari hospital)
- Launch of “**TIM AI Challenge**” to enrich TIM Enterprise portfolio with new Artificial Intelligence services
- Welfare initiatives: “**TIM Summer**” holidays for >2.6k employees' children, discounted **childcare facilities** in main corporate offices (Milan, Turin and Rome)

G

Governance

- **Refinitiv Diversity and Inclusion Index:** TIM confirmed among the world's leaders, ranking in the Top 25 most virtuous companies as the world's 1st telco
- **Institutional Investor Awards 2023**, TIM awarded for the “Best ESG Program 2023” in the “Mid Cap” category
- New **HR and Equal Opportunities Policy** published, emphasis on D&I and Gender Equality
- **Certification for Gender Equality** obtained (UNI/PdR125:2022)
- **Adherence to new Code of Conduct** on tele-selling

2023- '25 Plan

Group targets

	2040
E Net Zero (Scope 1+2+3)	
	2030
E Carbon Neutrality (Scope 1+2)	
E Scope 3 Reduction ⁽¹⁾	-47%
E Renewable energy on total energy	100%
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%	
E Circular Economy ratio ⁽⁴⁾	2€/kg	
S Cloud, IoT & Security service revenues ⁽⁵⁾	+21% CAGR 23-25	2025
S Digital Identity Services ⁽⁶⁾	+30% CAGR 23-25	
S People trained on ESG skills	≥90%	
S Young Employees Engagement	≥ 78%	
S FTTH Coverage (% of technical units)	48%	

(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)

The new TIM - Domestic perimeter

		ServiceCo		Sparkle	NetCo
Commercial & Legal	Brands and legal entities	TIM Consumer	TIM Enterprise	Wholesale	Wholesale
	Target markets	 TIM Consumer + SMB	 TIM Enterprise Large Corp. & PA	 SPARKLE International	 FiberCop National
	Secondary & Cabinets		Selected fibers IRU ⁽²⁾		Ducts / mini-ducts and fibers
Access Network	Primary	Selected fibers IRU ⁽¹⁾			Distr. Frame/ DSLAMs / OLT
	Access Electronics & Central Office HW				
	Central Offices spaces & Ancillary systems		Data Centers		Offices
	Real Estate	Selected offices & shops			
Backbone	Junction and Backbone Fibers	Selected fibers IRU ⁽³⁾	Selected fibers IRU ⁽³⁾	Terrestrial and submarine systems	
	Backbone/Transport HW & Platforms				
DC / Platforms	Service Platforms	Consumer Platforms	Enterprise Platforms		Wholesale Platforms
	Data Centers			Colocation/Landing Platforms	
Mobile	Mobile Network ⁽⁴⁾		Full MVNO-like services		
	Mobile Service Platforms ⁽⁴⁾				
	Frequencies				28 GHz

(1) For mobile backhauling (2) Preserve ServiceCo offering differentiation/ competitiveness for enterprise segments (3) May guarantee ServiceCo competitiveness (4) Minimum fiber backbone required to offer Enterprise most important products/services with autonomy

Guidance 2023-'25

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

Slide from "FY '22 Preliminary Results and 2023-'25 Plan" presentation

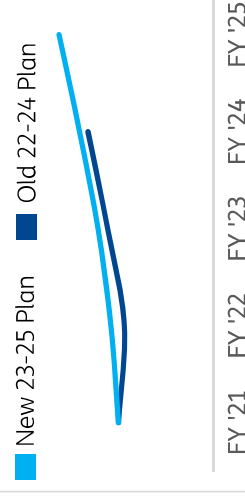
Over-delivery in 2022, positive acceleration also in '23-'25 despite worsening macro scenario

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
FFCF After Lease	0	cumulative '23-'25 slightly positive	

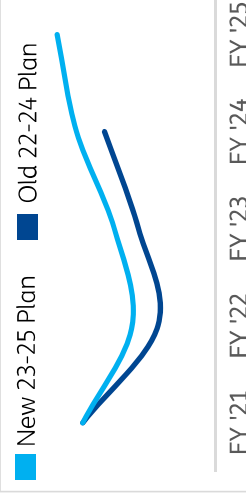
LSD = Low-Single Digit MSD = Mid-Single Digit LMSD = Low-Mid Single Digit

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

Service Revenues



EBITDA AL



Further questions

please contact the IR team



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Upcoming financial event

FY '23 Preliminary Results



Your feedback is important to us

It will be carefully reviewed and used to enhance our communication and relationship with you



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