

TIM Group

FY '23  
Preliminary Results

# Financial and Operating Figures

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## Disclaimer

The 2023 preliminary financial results of the TIM Group were drafted 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 2023 preliminary 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.

Please note that the 2023 preliminary financial results 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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*Preliminary Results  
Unaudited figures*

	REPORTED							ORGANIC <sup>(1)</sup>								
	Q4 '22	FY '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	FY '23	Q4 '22 comparable base	FY '22 comparable base	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Change YoY %	FY '23	Change YoY %
REVENUES	4,259	15,788	3,847	3,999	4,107	4,343	16,296	4,263	15,804	3,847	3,999	4,107	4,343	1.9	16,296	3.1
Domestic	3,185	11,858	2,843	2,924	2,978	3,177	11,922	3,181	11,851	2,843	2,924	2,978	3,177	(0.1)	11,922	0.6
o/w Wireline	2,389	8,821	2,169	2,251	2,242	2,460	9,122	2,385	8,814	2,169	2,251	2,242	2,460	3.1	9,122	3.5
o/w Mobile	934	3,572	808	807	872	850	3,337	934	3,572	808	807	872	850	(9.0)	3,337	(6.6)
Brazil	1,083	3,963	1,012	1,086	1,138	1,176	4,412	1,091	3,986	1,012	1,086	1,138	1,176	7.7	4,412	10.7
Other activities & Elim.	(9)	(33)	(8)	(11)	(9)	(10)	(38)	(9)	(33)	(8)	(11)	(9)	(10)		(38)	
SERVICE REVENUES	3,850	14,600	3,524	3,687	3,771	3,971	14,953	3,854	14,615	3,524	3,687	3,771	3,971	3.0	14,953	2.3
Domestic	2,822	10,799	2,551	2,644	2,675	2,851	10,721	2,818	10,792	2,551	2,644	2,675	2,851	1.2	10,721	(0.7)
o/w Wireline	2,180	8,276	1,986	2,059	2,028	2,241	8,313	2,176	8,269	1,986	2,059	2,028	2,241	3.0	8,313	0.5
o/w Mobile	779	3,060	701	719	781	741	2,942	779	3,060	701	719	781	741	(4.9)	2,942	(3.9)
Brazil	1,037	3,834	981	1,055	1,104	1,131	4,271	1,045	3,856	981	1,055	1,104	1,131	8.2	4,271	10.8
Other activities & Elim.	(9)	(33)	(8)	(12)	(8)	(11)	(39)	(9)	(33)	(8)	(12)	(8)	(11)		(39)	
EBITDA	1,402	5,347	1,039	1,631	1,547	1,493	5,710	1,495	6,039	1,459	1,641	1,687	1,596	6.8	6,383	5.7
Domestic	878	3,519	582	1,100	986	909	3,577	959	4,173	1,000	1,107	1,123	1,012	5.5	4,242	1.7
Brazil	524	1,839	459	534	561	587	2,141	536	1,874	461	537	564	587	9.5	2,149	14.7
Other activities & Elim.	-	(11)	(2)	(3)	-	(3)	(8)	-	(8)	(2)	(3)	-	(3)		(8)	
EBITDA After Lease	1,122	4,313	769	1,358	1,280	1,224	4,631	1,213	5,001	1,189	1,368	1,420	1,327	9.4	5,304	6.1
Domestic	747	3,007	454	966	853	769	3,042	828	3,661	872	973	990	872	5.3	3,707	1.3
Brazil	375	1,317	317	395	427	458	1,597	385	1,348	319	398	430	458	18.2	1,605	18.8
Other activities & Elim.	-	(11)	(2)	(3)	-	(3)	(8)	-	(8)	(2)	(3)	-	(3)		(8)	
CAPEX net of licences	1,315	4,077	837	892	916	1,337	3,982	1,299	3,985	837	892	916	1,337	2.9	3,982	(0.1)
Domestic	1,059	3,207	606	719	728	1,095	3,148	1,059	3,127	606	719	728	1,095	3.4	3,148	0.7
Brazil	256	870	231	173	188	242	834	240	858	231	173	188	242	1.3	834	(2.7)
EFCF	363	624	(117)	(50)	(71)	1,001	763									
EFCF After Lease	209	(26)	(397)	(236)	(274)	843	(64)									
NET DEBT <sup>(2)</sup>	25,364	25,364	25,820	26,163	26,338	25,656	25,656									
NET DEBT After Lease <sup>(2)</sup>	20,015	20,015	20,455	20,815	21,184	20,349	20,349									

(1) Organic figures excluding non-recurring items and change in the scope of consolidation. Comparable base excluding exchange rate fluctuations (FY '23 avg. exchange-rate 5.40 R\$/€)  
(2) Adjusted

**FY '23 Preliminary Financial and Operating Figures**  
Investor Relations

# TIM Group Profit & Loss

€m, IFRS 16

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*Preliminary Results  
Unaudited figures*

	FY '21	Q1 '22	H1 '22	9M '22	FY '22	Q1 '23	H1 '23	9M '23	FY '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>	<b>16,296</b>
Other Income	272	37	78	127	213	37	109	145	206
<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>	<b>16,502</b>
Acquisition of goods and services	(6,550)	(1,620)	(3,385)	(5,195)	(7,239)	(1,756)	(3,579)	(5,410)	(7,518)
Employee benefits expenses	(2,941)	(731)	(1,554)	(2,436)	(3,180)	(1,089)	(1,711)	(2,291)	(2,987)
Other operating expenses	(1,502)	(168)	(342)	(525)	(816)	(181)	(338)	(638)	(872)
Internally generated assets and Others	485	154	304	445	581	181	343	458	585
<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>	<b>5,710</b>
EBITDA Margin	33.2%	36.1%	35.2%	34.2%	33.9%	27.0%	34.0%	35.3%	35.0%
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 € 673m in FY '23 (€ 682m in FY '22), o/w €484m related to personnel costs (€ 572m in FY '22)  
(2) Includes 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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*Preliminary Results*  
*Unaudited figures*

	FY '21	Q1 '22	H1 '22	9M '22	FY '22	Q1 '23	H1 '23	9M '23	FY '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>5,710</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>	<b>(3,982)</b>
<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)	
<i>Change in inventories</i>	(39)	(20)	(37)	(55)	(35)	(41)	(53)	(50)	
<i>Change in trade receivables</i>	257	222	77	32	(81)	164	126	13	
<i>Change in trade payables</i>	1,008	(497)	(753)	(866)	(8)	(722)	(512)	(730)	
<i>Other changes in operating receivables/payables</i>	(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)	
<i>o/w Substitute Tax</i>	(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>	<b>763</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>(292)</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>	<b>763</b>
Lease Impact	(570)	(178)	(322)	(496)	(650)	(280)	(466)	(669)	(827)
<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>(64)</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>	<b>25,656</b>
Lease Impact	(4,614)	(4,966)	(5,385)	(5,404)	(5,349)	(5,365)	(5,348)	(5,154)	(5,307)
<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>	<b>20,349</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

**FY '23 Preliminary Financial and Operating Figures**  
Investor Relations

# Working Capital

€m, IFRS 16

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*Preliminary Results*  
*Unaudited figures*

	TIM Group <sup>(1)</sup>			Domestic			Brasil		
	FY '22	FY '23	Δ abs	FY '22	FY '23	Δ abs	FY '22	FY '23	Δ abs
<b>Operating WC &amp; Other</b>									
License									
License paid in the year									
Non recurring items (not paid)									
<b>Recurring Operating WC</b>									
Inventory									
Trade Receivables									
Trade Payables									
Other Operating Payables/Receivables & Funds									
- o/w Litigations & Settlements									
- o/w Payables vs. Personnel									
- o/w Personnel Exit (Fornero Law)									
- o/w VAT									
- o/w Billing <sup>(2)</sup>									
- o/w Net Debts vs INPS									
- o/w Deferred Costs & Revenues									
-o/w Payment in Advance vs Suppliers/Customers									

<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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*Preliminary Results*  
*Unaudited figures*

	FY '21	Q1 '22	H1 '22	9M '22	FY '22	Q1 '23	H1 '23	9M '23	FY '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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*Preliminary Results*  
*Unaudited figures*

	FY '21	Q1 '22	H1 '22	9M '22	FY '22	Q1 '23	H1 '23	9M '23	FY '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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*Preliminary Results  
Unaudited figures*

	REPORTED							ORGANIC <sup>(1)</sup>								
	Q4 '22	FY '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	FY '23	Q4 '22 comparable base	FY '22 comparable base	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Change YoY %	FY '23	Change YoY %
REVENUES	3,185	11,858	2,843	2,924	2,978	3,177	11,922	3,181	11,851	2,843	2,924	2,978	3,177	(0.1)	11,922	0.6
Service Revenues	2,822	10,799	2,551	2,644	2,675	2,851	10,721	2,818	10,792	2,551	2,644	2,675	2,851	1.2	10,721	(0.7)
Wireline Services	2,180	8,276	1,986	2,059	2,028	2,241	8,313	2,176	8,269	1,986	2,059	2,028	2,241	3.0	8,313	0.5
Retail	1,429	5,332	1,253	1,285	1,275	1,496	5,308	1,429	5,332	1,253	1,285	1,275	1,496	4.7	5,308	(0.4)
National Wholesale + FiberCop	490	1,969	498	517	505	499	2,019	490	1,969	498	517	505	499	1.8	2,019	2.5
International Wholesale	260	969	226	248	242	241	957	256	962	226	248	242	241	(5.9)	957	(0.5)
Other	1	6	9	9	6	5	29	1	6	9	9	6	5		29	
Mobile Services	779	3,060	701	719	781	741	2,942	779	3,060	701	719	781	741	(4.9)	2,942	(3.9)
Retail	649	2,577	610	615	630	638	2,493	649	2,577	610	615	630	638	(1.7)	2,493	(3.3)
Wholesale and Other	130	483	91	104	151	103	449	130	483	91	104	151	103	(21.2)	449	(7.2)
Elimination & Other	(137)	(537)	(136)	(134)	(134)	(130)	(534)	(138)	(538)	(136)	(134)	(134)	(130)		(534)	
Handsets	363	1,059	292	280	303	326	1,201	363	1,059	292	280	303	326	(10.2)	1,201	13.4
OPEX	2,307	8,339	2,261	1,824	1,992	2,268	8,345	2,222	7,678	1,843	1,817	1,855	2,165	(2.6)	7,680	0.0
EBITDA	878	3,519	582	1,100	986	909	3,577	959	4,173	1,000	1,107	1,123	1,012	5.5	4,242	1.7
EBITDA Margin	27.6%	29.7%	20.5%	37.6%	33.1%	28.6%	30.0%	30.1%	35.2%	35.2%	37.9%	37.7%	31.9%	1.7 p.p.	35.6%	0.4 p.p.
EBITDA After Lease	747	3,007	454	966	853	769	3,042	828	3,661	872	973	990	872	5.3	3,707	1.3
EBITDA AL Margin	23.5%	25.4%	16.0%	33.0%	28.6%	24.2%	25.5%	26.0%	30.9%	30.7%	33.3%	33.2%	27.4%	1.4 p.p.	31.1%	0.2 p.p.
CAPEX net of licences	1,059	3,207	606	719	728	1,095	3,148	1,059	3,127	606	719	728	1,095	3.4	3,148	0.7
% on revenues	33.2%	27.0%	21.3%	24.6%	24.4%	34.5%	26.4%	33.3%	26.4%	21.3%	24.6%	24.4%	34.5%	1.2 p.p.	26.4%	0.0 p.p.
Headcount EoP	40,984	40,984	40,906	40,903	39,186	37,901	37,901									

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

# Domestic Wireline

€m, IFRS 16

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*Preliminary Results  
Unaudited figures*

	REPORTED							ORGANIC <sup>(1)</sup>								
	Q4 '22	FY '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	FY '23	Q4 '22 comparable base	FY '22 comparable base	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Change YoY %	FY '23	Change YoY %
WIRELINE REVENUES	2,389	8,821	2,169	2,251	2,242	2,460	9,122	2,385	8,814	2,169	2,251	2,242	2,460	3.1	9,122	3.5
Wireline Service Revenues	2,180	8,276	1,986	2,059	2,028	2,241	8,313	2,176	8,269	1,986	2,059	2,028	2,241	3.0	8,313	0.5
Retail Services	1,429	5,332	1,253	1,285	1,275	1,496	5,308	1,429	5,332	1,253	1,285	1,275	1,496	4.7	5,308	(0.4)
o/w Broadband and content	491	2,023	482	494	499	507	1,983	491	2,023	482	494	499	507	3.4	1,983	(2.0)
o/w ICT Services	520	1,593	373	396	383	587	1,739	520	1,593	373	396	383	587	12.9	1,739	9.2
National Wholesale + FiberCop	490	1,969	498	517	505	499	2,019	490	1,969	498	517	505	499	1.8	2,019	2.5
International Wholesale	260	969	226	248	242	241	957	256	962	226	248	242	241	(5.9)	957	(0.5)
Other	1	6	9	9	6	5	29	1	6	9	9	6	5		29	
Equipments	209	545	183	192	214	219	809	209	545	183	192	214	219	5.1	809	48.5
Retail lines ('000)								8,290	8,290	8,216	8,141	8,066	7,975	(3.8)	7,975	(3.8)
Churn rate %								3.4	13.0	3.3	3.1	3.0	3.7	0.3 p.p.	13.1	0.1 p.p.
Broadband								7,443	7,443	7,379	7,318	7,260	7,196	(3.3)	7,196	(3.3)
Consumer								6,265	6,265	6,213	6,154	6,091	6,024	(3.8)	6,024	(3.8)
Business <sup>(2)</sup>								1,178	1,178	1,165	1,164	1,169	1,172	(0.6)	1,172	(0.6)
UBB								5,417	5,417	5,487	5,531	5,553	5,580	3.0	5,580	3.0
Wholesale lines ('000)								7,525	7,525	7,453	7,365	7,297	7,247	(3.7)	7,247	(3.7)
Local Loop Unbundling								1,821	1,821	1,744	1,666	1,603	1,537	(15.6)	1,537	(15.6)
Wholesale Line Rental								142	142	135	130	126	122	(14.1)	122	(14.1)
Bitstream Naked								392	392	367	347	327	309	(21.2)	309	(21.2)
UBB								5,171	5,171	5,206	5,222	5,241	5,280	2.1	5,280	2.1
ARPU Consumer (€/month)								28.1	28.3	27.3	28.1	28.3	28.8	2.6	28.1	(0.7)
ARPU Consumer net of activation fees (€/month)								27.2	26.8	27.0	27.9	28.1	28.7	5.2	27.9	4.1

(1) Excluding non-recurring items and change in consolidation area; comparable base also excluding exchange rate fluctuations  
(2) Including SMB broadband lines (820k in FY '23)

<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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*Preliminary Results*  
*Unaudited figures*

	REPORTED							ORGANIC <sup>(1)</sup>								
	Q4 '22	FY '22	Q1 '23	Q2 '23	Q3 '23	Q4 '23	FY '23	Q4 '22 comparable base	FY '22 comparable base	Q1 '23	Q2 '23	Q3 '23	Q4 '23	Change YoY %	FY '23	Change YoY %
MOBILE REVENUES	934	3,572	808	807	872	850	3,337	934	3,572	808	807	872	850	(9.0)	3,337	(6.6)
Mobile Service Revenues	779	3,060	701	719	781	741	2,942	779	3,060	701	719	781	741	(4.9)	2,942	(3.9)
Retail Services	649	2,577	610	615	630	638	2,493	649	2,577	610	615	630	638	(1.7)	2,493	(3.3)
o/w Incoming	40	172	29	29	27	27	112	40	172	29	29	27	27	(32.1)	112	(35.0)
Wholesale and Other	130	483	91	104	151	103	449	130	483	91	104	151	103	(21.2)	449	(7.2)
Handsets and Handsets Bundle	155	512	107	88	91	109	395	155	512	107	88	91	109	(29.5)	395	(22.7)
								30,407	30,407	30,201	30,251	30,232	30,128	(0.9)	30,128	(0.9)
Total number of lines ('000)								3.3	13.3	3.7	2.8	3.1	3.3	(0.0 p.p.)	12.8	(0.5 p.p.)
Churn rate %																
Human								18,438	18,438	18,297	18,269	18,201	18,071	(2.0)	18,071	(2.0)
Not Human (M2M)								11,969	11,969	11,904	11,982	12,031	12,057	0.7	12,057	0.7
Calling lines								27,788	27,788	27,576	27,667	27,622	27,506	(1.0)	27,506	(1.0)
Human Calling								15,818	15,818	15,673	15,685	15,591	15,449	(2.3)	15,449	(2.3)
Broadband Users								12,577	12,577	12,584	12,662	12,705	12,592	0.1	12,592	0.1
LTE Users								12,247	12,247	12,273	12,371	12,428	12,333	0.7	12,333	0.7
Usage Data (GB/users/month)								14.8	13.7	15.4	16.2	17.8	16.9	14.1	16.6	0.2
ARPU Consumer - Human calling (€/month)								11.1	11.0	10.7	10.8	11.1	11.2	0.8	10.9	(1.0)
ARPU Consumer - Human calling net of MTR (€/month)								11.0	11.0	10.9	11.0	11.3	11.4	2.9	11.2	1.6

(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	Q4 '23	Change YoY %	FY '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>	<b>6,275</b>	7.7	<b>23,834</b>	10.7
Service Revenues	17,497	4,584	5,201	5,465	5,579	20,829	5,467	5,694	5,876	6,034	8.2	23,071	10.8
o/w Mobile	16,353	4,287	4,899	5,155	5,256	19,597	5,152	5,374	5,550	5,707	8.6	21,783	11.2
o/w Fixed	1,144	297	302	310	323	1,232	314	321	324	328	1.6	1,287	4.5
Handsets	561	143	167	146	246	702	173	169	180	241	(2.0)	763	8.7
<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>	<b>3,147</b>	4.9	<b>12,272</b>	6.4
<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>	<b>3,128</b>	10.8	<b>11,562</b>	15.7
EBITDA margin	48.0%	44.2%	45.1%	47.4%	48.5%	46.4%	45.4%	49.2%	49.4%	49.8%	1.3 p.p.	48.5%	2.1 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>	<b>3,129</b>	9.5	<b>11,604</b>	14.7
EBITDA margin	48.2%	44.7%	46.1%	47.8%	49.1%	47.0%	45.6%	49.5%	49.6%	49.9%	0.8 p.p.	48.7%	1.7 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>	<b>2,440</b>	18.2	<b>8,666</b>	18.8
EBITDA margin	37.2%	33.1%	33.1%	33.7%	35.4%	33.9%	31.6%	36.7%	37.9%	38.9%	3.5 p.p.	36.4%	2.5 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>	<b>1,292</b>	(6.0)	<b>4,504</b>	(4.8)
% on revenues	44.1%	28.1%	19.6%	17.4%	23.6%	22.0%	22.9%	15.8%	16.5%	20.6%	(3.0 p.p.)	18.9%	(3.1 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	61,248	(2.0)	61,248	(2.0)
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%	24.0%	(0.8 p.p.)	24.0%	(0.8 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	31.1	16.9	29.5	13.1
TIM UltraFibra Lines ('000)	685	689	699	708	716	716	732	761	791	802	12.1	802	12.1
ARPU TIM UltraFibra (R\$/month)	91.0	94.3	95.8	96.9	98.7	96.4	97.8	98.3	96.0	95.9	(2.8)	96.9	0.5
<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>	<b>5.40</b>		<b>5.40</b>	

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

(2) Source: Anatel (until Q3 '23)

(3) Gross of visitors

# Reported & Organic Reconciliation

€m, IFRS 16 & After Lease view

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*Preliminary Results*  
*Unaudited figures*

	Q4 '22					Q4 '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>4,259</b>	-	<b>4</b>	-	<b>4,263</b>	<b>4,343</b>	-	<b>4,343</b>
Domestic	3,185	-	(4)	-	3,181	3,177	-	3,177
Brazil	1,083	-	8	-	1,091	1,176	-	1,176
Other Activities & Eliminations	(9)	-	-	-	(9)	(10)	-	(10)
<b>SERVICE REVENUES</b>	<b>3,850</b>	-	<b>4</b>	-	<b>3,854</b>	<b>3,971</b>	-	<b>3,971</b>
Domestic	2,822	-	(4)	-	2,818	2,851	-	2,851
Brazil	1,037	-	8	-	1,045	1,131	-	1,131
Other Activities & Eliminations	(9)	-	-	-	(9)	(11)	-	(11)
<b>EBITDA</b>	<b>1,402</b>	-	<b>5</b>	<b>(88)</b>	<b>1,495</b>	<b>1,493</b>	<b>(103)</b>	<b>1,596</b>
Domestic	878	-	-	(81)	959	909	(103)	1,012
Brazil	524	-	5	(7)	536	587	-	587
Other Activities & Eliminations	-	-	-	-	-	(3)	-	(3)
<b>EBITDA After Lease</b>	<b>1,122</b>	-	<b>3</b>	<b>(88)</b>	<b>1,213</b>	<b>1,224</b>	<b>(103)</b>	<b>1,327</b>
Domestic	747	-	-	(81)	828	769	(103)	872
Brazil	375	-	3	(7)	385	458	-	458
Other Activities & Eliminations	-	-	-	-	-	(3)	-	(3)

# For further questions please contact the IR team



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