



TIM Group

Q3 '22

Financial and Operating Figures



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Disclaimer

The Q3 '22 and 9M '22 financial and operating data have been extracted or derived, with the exception of some data, from the Financial Information at September 30th, 2022, of the TIM Group, which has been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and endorsed by the EU (designated as "IFRS").

The accounting policies and consolidation principles adopted in the preparation of the financial results for Q3 '22 and 9M '22 of the TIM Group are the same as those adopted in the TIM Group Annual Audited Consolidated Financial Statements as of December 31st, 2021, to which reference can be made, except for the amendments to the standards issued by IASB and adopted starting from January 1st, 2022. The financial results for Q3 '22 and 9M '22 of the TIM Group are unaudited.

Alternative Performance Measures

The TIM Group, in addition to the conventional financial performance measures established by IFRS, uses certain alternative performance measures for the purposes of enabling a better understanding of the performance of operations and the financial position of the TIM Group. In particular, such alternative performance measures include: EBITDA, EBIT, Organic change and impact of non-recurring items on revenue, EBITDA and EBIT; EBITDA margin and EBIT margin; net financial debt (carrying and adjusted amount) and Equity Free Cash Flow. Moreover, following the adoption of IFRS 16, the TIM Group uses the following additional alternative performance indicators: EBITDA After Lease ("EBITDA-AL"), Adjusted Net Financial Debt After Lease and Equity Free Cash Flow After Lease.

Such alternative performance measures are unaudited.

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

TIM Group Key Financials

€m, IFRS 16 & After Lease view

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Unaudited figures

	REPORTED								ORGANIC ⁽¹⁾								Change YoY %
	Q1 '21	Q2 '21	Q3 '21	Q4 '21	FY '21	Q1 '22	Q2 '22	Q3 '22	Q1 '21 comparable base	Q2 '21 comparable base	Q3 '21 comparable base	Q4 '21	FY '21	Q1 '22	Q2 '22	Q3 '22	
REVENUES	3,728	3,815	3,797	3,976	15,316	3,644	3,913	3,972	3,815	3,967	3,930	3,981	15,321	3,644	3,913	3,972	1.1
Domestic	3,077	3,132	3,072	3,224	12,505	2,846	2,908	2,919	3,082	3,141	3,083	3,229	12,510	2,846	2,908	2,919	(5.3)
o/w Wireline	2,329	2,363	2,237	2,384	9,313	2,131	2,169	2,132	2,334	2,372	2,248	2,389	9,318	2,131	2,169	2,132	(5.2)
o/w Mobile	892	909	966	965	3,732	851	874	913	892	909	966	965	3,732	851	874	913	(5.5)
Brazil	658	690	731	761	2,840	806	1,013	1,061	740	833	853	761	2,840	806	1,013	1,061	24.4
Other activities & Elim.	(7)	(7)	(6)	(9)	(29)	(8)	(8)	(8)	(7)	(7)	(6)	(9)	(29)	(8)	(8)	(8)	
SERVICE REVENUES	3,387	3,459	3,484	3,576	13,906	3,386	3,644	3,720	3,472	3,607	3,613	3,581	13,911	3,386	3,644	3,720	3.0
Domestic	2,753	2,798	2,780	2,852	11,183	2,612	2,671	2,694	2,758	2,807	2,791	2,857	11,188	2,612	2,671	2,694	(3.5)
o/w Wireline	2,139	2,155	2,091	2,184	8,569	2,020	2,056	2,020	2,144	2,164	2,102	2,189	8,574	2,020	2,056	2,020	(3.9)
o/w Mobile	757	783	821	791	3,152	728	751	802	757	783	821	791	3,152	728	751	802	(2.2)
Brazil	641	668	710	733	2,752	782	981	1,034	721	807	828	733	2,752	782	981	1,034	24.7
Other activities & Elim.	(7)	(7)	(6)	(9)	(29)	(8)	(8)	(8)	(7)	(7)	(6)	(9)	(29)	(8)	(8)	(8)	
EBITDA	1,160	1,593	1,596	731	5,080	1,316	1,342	1,287	1,600	1,708	1,700	1,382	6,223	1,387	1,563	1,589	(6.5)
Domestic	858	1,271	1,250	351	3,730	962	892	787	1,260	1,316	1,295	999	4,867	1,029	1,101	1,085	(16.2)
Brazil	304	326	347	385	1,362	356	457	502	342	396	406	388	1,368	360	466	506	24.5
Other activities & Elim.	(2)	(4)	(1)	(5)	(12)	(2)	(7)	(2)	(2)	(4)	(1)	(5)	(12)	(2)	(4)	(2)	
EBITDA After Lease	965	1,387	1,389	520	4,261	1,098	1,082	1,011	1,397	1,486	1,479	1,171	5,404	1,169	1,303	1,313	(11.2)
Domestic	733	1,141	1,124	223	3,221	837	763	660	1,135	1,186	1,169	871	4,358	904	972	958	(18.0)
Brazil	234	250	266	302	1,052	263	326	353	264	304	311	305	1,058	267	335	357	14.3
Other activities & Elim.	(2)	(4)	(1)	(5)	(12)	(2)	(7)	(2)	(2)	(4)	(1)	(5)	(12)	(2)	(4)	(2)	
CAPEX	691	1,117	912	1,910	4,630	932	974	856	716	910	936	1,346	3,826	932	904	846	(9.6)
Domestic	490	975	765	1,147	3,377	706	772	670	490	735	765	1,147	3,137	706	702	660	(13.7)
Brazil	201	142	147	763	1,253	226	202	186	226	175	171	199	689	226	202	186	9.0
EFCF	469	(106)	97	172	632	301	37	(77)									
EFCF After Lease	307	(218)	(61)	34	62	123	(107)	(251)									
NET DEBT ⁽²⁾	21,155	22,072	22,164	22,187	22,187	22,639	24,654	25,504									
NET DEBT After Lease ⁽²⁾	16,591	17,415	17,613	17,573	17,573	17,673	19,269	20,100									

(1) Organic figures excluding non-recurring items and change in the scope of consolidation; CAPEX net of licence. Comparable base excluding exchange rate fluctuations (9M '22 average exchange-rate 5.47 R\$/€) (2) Adjusted

Q3 '22 Financial and Operating Figures
Investor Relations

TIM Group Profit & Loss

€m, IFRS 16

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Unaudited figures

	Q1 '20	H1 '20	9M '20	FY '20	Q1 '21	H1 '21	9M '21	FY '21	Q1 '22	H1 '22	9M '22
REVENUES	3,964	7,759	11,657	15,805	3,728	7,543	11,340	15,316	3,644	7,557	11,529
Other Income	40	90	121	211	109	169	211	272	37	78	127
TOTAL OPERATING REVENUES AND OTHER INCOME	4,004	7,849	11,778	16,016	3,837	7,712	11,551	15,588	3,681	7,635	11,656
Acquisition of goods and services	(1,454)	(2,840)	(4,433)	(6,173)	(1,568)	(3,113)	(4,744)	(6,550)	(1,620)	(3,385)	(5,195)
Employee benefits expenses ⁽¹⁾	(715)	(1,372)	(1,946)	(2,639)	(1,038)	(1,715)	(2,241)	(2,941)	(731)	(1,554)	(2,436)
Other operating expenses	(272)	(502)	(681)	(961)	(239)	(424)	(625)	(1,502)	(168)	(342)	(525)
Internally generated assets and Others	172	263	400	496	168	293	408	485	154	304	445
EBITDA	1,735	3,398	5,118	6,739	1,160	2,753	4,349	5,080	1,316	2,658	3,945
EBITDA Margin	43.8%	43.8%	43.9%	42.6%	31.1%	36.5%	38.4%	33.2%	36.1%	35.2%	34.2%
Depreciation and amortization	(1,201)	(2,348)	(3,482)	(4,616)	(1,130)	(2,268)	(3,411)	(4,490)	(1,107)	(2,295)	(3,540)
Gains (losses) on disposals of non-current assets	(1)	(8)	(9)	(11)	(2)	(1)	2	1	-	34	33
Impairment reversals (losses) on non-current assets	-	-	-	(8)	-	-	-	(4,120)	-	-	-
EBIT	533	1,042	1,627	2,104	28	484	940	(3,529)	209	397	438
EBIT Margin	13.4%	13.4%	14.0%	13.3%	0.8%	6.4%	8.3%	-23.0%	5.7%	5.3%	3.8%
Income (loss) equity invest. valued equity method ⁽²⁾	441	450	460	472	11	34	44	164	16	31	203
Net Financial Income / (Expenses)	(301)	(603)	(909)	(1,179)	(288)	(582)	(862)	(1,150)	(317)	(686)	(1,075)
Profit (loss) before tax from continuing operations	673	889	1,178	1,397	(249)	(64)	122	(4,515)	(92)	(258)	(434)
Income tax expense ⁽³⁾	(82)	(166)	66	5,955	43	7	43	(3,885)	(50)	(102)	(2,109)
Profit (loss) from continuing operations	591	723	1,244	7,352	(206)	(57)	165	(8,400)	(142)	(360)	(2,543)
Discontinued operations/Non-current assets held for sale	-	-	-	-	-	-	-	-	-	-	-
PROFIT (LOSS)	591	723	1,244	7,352	(206)	(57)	165	(8,400)	(142)	(360)	(2,543)
Parent Company	560	678	1,178	7,224	(228)	(149)	(10)	(8,652)	(204)	(483)	(2,728)
Minorities	31	45	66	128	22	92	175	252	62	123	185
Non-Recurring Items ⁽⁴⁾	(413)	(340)	(306)	(6,048)	310	344	293	8,653	53	289	2,371
PROFIT (LOSS) NET NON-RECURRING ITEMS	178	383	938	1,304	104	287	458	253	(89)	(71)	(172)

(1) Non-recurring items € 548m in 9M '22 (€ 344m in 9M '21) in 9M '22

(2) 9M '22 Inwit equity share € 35m, Inwit gain on disposal € 175m

(3) € 1,964m goodwill tax realignment revocation

(4) Non-Recurring Items include provisions for personnel (2021-26 layoffs ex art.4 "Fornero" law), claims/litigation, gain on disposal and goodwill tax realignment revocation

Q3 '22 Financial and Operating Figures
Investor Relations

TIM Group Cash Flow & Net Debt

€m, IFRS 16 & After Lease view

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Unaudited figures

	Q1 '21	H1 '21	9M '21	FY '21	Q1 '22	H1 '22	9M '22
EBITDA	1,160	2,753	4,349	5,080	1,316	2,658	3,945
CAPEX	(691)	(1,808)	(2,720)	(4,630)	(932)	(1,906)	(2,762)
o/w spectrum	-	(240)	(240)	(804)	-	(89)	(98)
CHANGE IN WORKING CAPITAL ⁽¹⁾	286	(126)	(546)	994	(80)	(399)	(2,311)
Change in net operating working capital	298	(96)	(258)	733	(91)	(261)	(2,389)
Change in inventories	(47)	(55)	(73)	(39)	(20)	(37)	(55)
Change in trade receivables	91	134	150	257	222	77	32
Change in trade payables	(312)	(390)	(440)	1,008	(497)	(753)	(866)
Other changes in operating receivables/payables	566	215	105	(493)	204	452	(1,500)
Change in provisions for employee benefits	262	256	10	(83)	38	241	474
Change in operating provisions and other changes	(274)	(286)	(298)	344	(27)	(379)	(396)
OPERATING FREE CASH FLOW Reported	755	819	1,083	1,444	304	353	(1,128)
Licence	-	(240)	(295)	(435)	(186)	(469)	(2,217)
OPERATING FREE CASH FLOW net of Licence	755	1,059	1,378	1,879	490	822	1,089
Financial Expenses	(288)	(587)	(757)	(1,053)	(308)	(660)	(1,028)
Cash Taxes & Other	2	(109)	(161)	(194)	119	176	200
o/w Substitute Tax	-	(231)	(231)	(231)	-	-	-
Net Cash Flow from discontinued operations	-	-	-	-	-	-	-
EQUITY FREE CASH FLOW	469	363	460	632	301	338	261
Dividends and change in Equity	(24)	(337)	(396)	(410)	(26)	(30)	(44)
Disposal and Financial investments ⁽²⁾	1,721	1,668	1,645	1,804	(11)	(1,771)	(589)
Licence	-	(240)	(295)	(435)	(186)	(469)	(2,217)
IFRS & IAS	5	(200)	(252)	(452)	(530)	(535)	(728)
NET CASH FLOW	2,171	1,254	1,162	1,139	(452)	(2,467)	(3,317)
EQUITY FREE CASH FLOW	469	363	460	632	301	338	261
Lease Impact	(162)	(274)	(432)	(570)	(178)	(322)	(496)
EQUITY FREE CASH FLOW AFTER LEASE	307	89	28	62	123	16	(235)
NET DEBT	21,155	22,072	22,164	22,187	22,639	24,654	25,504
Lease Impact	(4,564)	(4,657)	(4,551)	(4,614)	(4,966)	(5,385)	(5,404)
NET DEBT After Lease	16,591	17,415	17,613	17,573	17,673	19,269	20,100

(1) See details in next slide

(2) 9M '22 figure including +€ 1,184m Daphne 3 disposal, OI acquisition (-1,741m) and other M&A (-32m); KKR transaction (+1,758m) in 9M '21

Q3 '22 Financial and Operating Figures
Investor Relations

TIM Group Working Capital

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Unaudited figures

	TIM Group ⁽¹⁾			Domestic			Brasil		
	9M '21	9M '22	Δ abs	9M '21	9M '22	Δ abs	9M '21	9M '22	Δ abs
Operating WC & Other	(546)	(2,311)	(1,765)	(672)	(2,062)	(1,390)	124	(251)	(375)
License	-	(13)	(13)		(13)	(13)			-
License paid in the year	55	2,132	2,077	55	1,738	1,683	-	394	394
Non recurring items (not paid)	(492)	(594)	(102)	(489)	(574)	(85)	(3)	(17)	(14)
Recurring Operating WC	(983)	(786)	197	(1,106)	(911)	195	121	126	5
Inventory				(75)	(42)	33			
Trade Receivables				99	30	(69)			
Trade Payables				(373)	(473)	(100)			
Other Operating Payables/Receivables & Funds				(757)	(426)	331			
- o/w Litigations & Settlements				(353)	(472)	(119)			
- o/w Payables vs. Personnel				3	80	77			
- o/w Personnel Exit (Fornero Law)				(356)	(330)	26			
- o/w VAT				394	395	1			
- o/w Billing ⁽²⁾				(9)	1	10			
- o/w Net Debts vs INPS				(37)	(59)	(22)			
- o/w Deferred Costs & Revenues				(251)	(50)	201			
- o/w Payment in Advance vs Suppliers/Customers				(75)	54	129			

(1) Includes other activities & eliminations

(2) From payments in advance to payments in arrears

TIM Group Balance Sheet

€m, IFRS 16

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Unaudited figures

	FY '20	Q1 '21	H1 '21	9M '21	FY '21	Q1 '22	H1 '22	9M '22
CURRENT ASSETS	10,812	12,057	11,586	11,029	14,070	10,272	11,878	10,708
Trade and miscellaneous receivables and other current assets	4,346	4,338	4,389	4,307	4,358	4,420	4,481	4,527
Cash and cash equivalents	4,829	4,370	4,969	4,443	6,904	3,272	2,391	3,519
Discontinued operations/assets held for sale	-	-	365	355	-	-	2,631	20
<i>o/w of a financial nature</i>	-	-	-	-	-	-	-	-
<i>o/w of a non-financial nature</i>	-	-	365	355	-	-	2,631	20
Securities other than investments, other financial receivables and other current financial assets	1,254	2,963	1,461	1,526	2,391	2,122	1,883	1,907
Inventories	242	289	300	316	282	309	324	344
Current income tax receivables	86	30	42	40	79	88	114	336
Current financial receivables arising from lease contracts	55	67	60	42	56	61	54	55
Other investments	-	-	-	-	-	-	-	-
NON-CURRENT ASSETS	62,422	61,667	62,218	61,916	55,117	56,023	54,691	52,399
Intangible assets	29,587	29,297	29,395	29,173	25,715	26,063	26,908	26,929
Goodwill	22,847	22,820	22,710	22,689	18,568	18,657	19,009	19,082
Intangible assets with a finite useful life	6,740	6,477	6,685	6,484	7,147	7,406	7,899	7,847
Tangible assets	13,141	12,980	13,049	13,009	13,311	13,692	13,971	14,022
Property, plant and equipment owned	13,141	12,980	13,049	13,009	13,311	13,692	13,971	14,022
Right of Use assets	4,992	4,851	4,898	4,783	4,847	5,177	5,554	5,517
Other assets	14,702	14,539	14,876	14,951	11,244	11,091	8,258	5,931
Miscellaneous receivables and other non-current assets	2,114	2,072	2,260	2,307	2,266	2,353	2,343	2,356
Non-current financial assets	2,310	2,088	2,243	2,220	2,330	2,089	2,011	2,140
<i>o/w receivable for lease contracts</i>	43	45	49	46	45	50	50	49
<i>o/w other non-current financial assets</i>	2,267	2,043	2,194	2,174	2,285	2,039	1,961	2,091
Deferred tax assets	7,496	7,547	7,592	7,594	3,513	3,470	3,441	772
Other investments	54	57	82	120	156	134	128	105
Investments in associates and joint ventures accounted for using the equity method	2,728	2,775	2,699	2,710	2,979	3,045	335	558
TOTAL ASSETS	73,234	73,724	73,804	72,945	69,187	66,295	66,569	63,107

TIM Group Balance Sheet

€m, IFRS 16

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Unaudited figures

	FY '20	Q1 '21	H1 '21	9M '21	FY '21	Q1 '22	H1 '22	9M '22
CURRENT LIABILITIES	11,167	13,043	12,378	13,480	16,364	13,739	14,200	13,214
Trade and miscellaneous payables and other current liabilities	6,588	7,046	6,820	8,125	9,473	9,655	9,410	7,591
Current financial liabilities	4,308	5,742	5,242	5,054	6,596	3,811	4,550	5,614
<i>o/w liabilities for financing contracts and others</i>	3,677	5,127	4,582	4,405	5,945	3,128	3,768	4,808
<i>o/w liabilities for lease contracts</i>	631	615	660	649	651	683	782	806
Liabilities directly associated with Discontinued operations/Non-current assets held for sale	-	-	68	58	-	-	1	-
<i>o/w of a financial nature</i>	-	-	-	-	-	-	-	-
<i>o/w of a non-financial nature</i>	-	-	68	58	-	-	1	-
Current income tax payables	271	255	248	243	295	273	239	9
NON-CURRENT LIABILITIES	33,227	30,871	30,840	28,857	30,784	29,821	29,844	30,742
Non-current financial liabilities	27,854	25,418	25,818	25,669	27,501	26,579	26,469	27,506
<i>o/w liabilities for financing contracts and others</i>	23,655	21,357	21,712	21,679	23,437	22,185	21,762	22,804
<i>o/w liabilities for lease contracts</i>	4,199	4,061	4,106	3,990	4,064	4,394	4,707	4,702
Miscellaneous payables and other non-current liabilities	3,602	3,526	3,157	1,469	1,413	1,366	1,322	1,017
Employee benefits	724	939	888	710	699	700	812	972
Provisions	770	769	689	668	926	956	1,007	1,010
Deferred tax liabilities	277	219	288	341	245	220	234	237
TOTAL LIABILITIES	44,394	43,914	43,218	42,337	47,148	43,560	44,044	43,956
EQUITY	28,840	29,810	30,586	30,608	22,039	22,735	22,525	19,151
Equity attributable to equity owners of the Parent	26,215	25,371	25,994	26,010	17,414	17,786	17,590	15,461
Equity attributable to Minority Interests	2,625	4,439	4,592	4,598	4,625	4,949	4,935	3,690
TOTAL LIABILITIES & EQUITY	73,234	73,724	73,804	72,945	69,187	66,295	66,569	63,107

Domestic Results

€m, IFRS 16 & After Lease view

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Unaudited figures

	REPORTED								ORGANIC ⁽¹⁾								Change YoY %
	Q1 '21	Q2 '21	Q3 '21	Q4 '21	FY '21	Q1 '22	Q2 '22	Q3 '22	Q1 '21 comparable base	Q2 '21 comparable base	Q3 '21 comparable base	Q4 '21	FY '21	Q1 '22	Q2 '22	Q3 '22	
REVENUES	3,077	3,132	3,072	3,224	12,505	2,846	2,908	2,919	3,082	3,141	3,083	3,229	12,510	2,846	2,908	2,919	(5.3)
Service Revenues	2,753	2,798	2,780	2,852	11,183	2,612	2,671	2,694	2,758	2,807	2,791	2,857	11,188	2,612	2,671	2,694	(3.5)
Wireline Services	2,139	2,155	2,091	2,184	8,569	2,020	2,056	2,020	2,144	2,164	2,102	2,189	8,574	2,020	2,056	2,020	(3.9)
Retail	1,368	1,362	1,335	1,400	5,466	1,294	1,322	1,287	1,368	1,362	1,335	1,400	5,466	1,294	1,322	1,287	(3.6)
National Wholesale + FiberCop	556	542	510	507	2,114	493	492	494	556	542	510	512	2,119	493	492	494	(3.1)
International Wholesale	217	248	246	276	987	229	242	238	222	257	257	276	987	229	242	238	(7.4)
Other	(2)	4	-	1	3	4	-	1	(2)	4	0	1	3	4	-	1	
Mobile Services	757	783	821	791	3,152	728	751	802	757	783	821	791	3,152	728	751	802	(2.2)
Retail	676	685	677	677	2,716	641	643	645	676	685	677	677	2,716	641	643	645	(4.8)
Wholesale and Other	81	97	143	114	436	87	108	158	81	97	143	114	436	87	108	158	10.0
Elimination & Other	(143)	(140)	(132)	(123)	(538)	(136)	(136)	(128)	(143)	(140)	(132)	(123)	(538)	(136)	(136)	(128)	
Handsets	324	334	292	372	1,322	234	237	225	324	334	292	372	1,322	234	237	225	(22.9)
OPEX	2,219	1,861	1,822	2,873	8,775	1,884	2,016	2,132	1,822	1,825	1,788	2,230	7,643	1,817	1,807	1,834	2.6
EBITDA	858	1,271	1,250	351	3,730	962	892	787	1,260	1,316	1,295	999	4,867	1,029	1,101	1,085	(16.2)
EBITDA Margin	27.9%	40.6%	40.7%	10.9%	29.8%	33.8%	30.7%	27.0%	40.9%	41.9%	42.0%	30.9%	38.9%	36.2%	37.9%	37.2%	(4.8 p.p.)
EBITDA After Lease	733	1,141	1,124	223	3,221	837	763	660	1,135	1,186	1,169	871	4,358	904	972	958	(18.0)
EBITDA AL Margin	23.8%	36.4%	36.6%	6.9%	25.8%	29.4%	26.2%	22.6%	36.8%	37.8%	37.9%	27.0%	34.8%	31.8%	33.4%	32.8%	(5.1 p.p.)
CAPEX	490	975	765	1,147	3,377	706	772	670	490	735	765	1,147	3,137	706	702	660	(13.7)
% on revenues	15.9%	31.1%	24.9%	35.6%	27.0%	24.8%	26.5%	23.0%	15.9%	23.4%	24.8%	35.5%	25.1%	24.8%	24.1%	22.6%	(2.2 p.p.)
Headcount EoP	43,004	43,157	42,811	42,591	42,591	42,782	42,864	42,578									

(1) Organic figures excluding non-recurring items and change in the scope of consolidation; domestic CAPEX excluding licence (€ 10m in Q3 '22, € 0m in Q3 '21)

Q3 '22 Financial and Operating Figures
Investor Relations

Domestic Wireline

€m, IFRS 16

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Unaudited figures

	REPORTED								ORGANIC ⁽¹⁾								Change YoY %
	Q1 '21	Q2 '21	Q3 '21	Q4 '21	FY '21	Q1 '22	Q2 '22	Q3 '22	Q1 '21 comparable base	Q2 '21 comparable base	Q3 '21 comparable base	Q4 '21	FY '21	Q1 '22	Q2 '22	Q3 '22	
WIRES REVENUES	2,329	2,363	2,237	2,384	9,313	2,131	2,169	2,132	2,334	2,372	2,248	2,389	9,318	2,131	2,169	2,132	(5.2)
Wireline Service Revenues	2,139	2,155	2,091	2,184	8,569	2,020	2,056	2,020	2,144	2,164	2,102	2,189	8,574	2,020	2,056	2,020	(3.9)
Retail Services	1,368	1,362	1,335	1,400	5,466	1,294	1,322	1,287	1,368	1,362	1,335	1,400	5,466	1,294	1,322	1,287	(3.6)
<i>o/w Broadband and content</i>	563	554	546	543	2,206	514	518	500	563	554	546	543	2,206	514	518	500	(8.5)
<i>o/w ICT Services</i>	285	311	303	404	1,302	338	368	368	285	311	303	404	1,302	338	368	368	21.5
National Wholesale + FiberCop	556	542	510	507	2,114	493	492	494	556	542	510	512	2,119	493	492	494	(3.1)
International Wholesale	217	248	246	276	987	229	242	238	222	257	257	276	987	229	242	238	(7.4)
Other	(2)	4	-	1	3	4	-	1	(2)	4	0	1	3	4	-	1	
Equipments	190	208	146	200	744	111	113	112	190	208	146	200	744	111	113	112	(23.6)
Retail lines ('000)									8,774	8,765	8,729	8,647	8,647	8,539	8,442	8,383	(4.0)
Churn rate %									3.6	3.4	3.0	3.5	13.5	3.4	3.3	2.9	(0.1 p.p.)
Broadband									7,746	7,783	7,811	7,733	7,733	7,643	7,564	7,523	(3.7)
Consumer									6,545	6,541	6,579	6,511	6,511	6,431	6,360	6,322	(3.9)
Business ⁽²⁾									1,202	1,243	1,232	1,222	1,222	1,212	1,204	1,201	(2.5)
UBB									4,695	4,926	5,084	5,186	5,186	5,244	5,307	5,372	5.7
Wholesale lines ('000)									7,908	7,822	7,734	7,729	7,729	7,729	7,659	7,604	(1.7)
Local Loop Unbundling									2,625	2,472	2,343	2,202	2,202	2,082	1,965	1,897	(19.0)
Wholesale Line Rental									180	172	165	161	161	156	151	147	(10.9)
Bitstream Naked									722	662	607	548	548	494	433	413	(32.0)
UBB									4,381	4,516	4,619	4,819	4,819	4,997	5,110	5,147	11.4
ARPU Retail (BB & ICT)									32.2	33.0	32.4	36.3	33.4	33.0	34.8	34.4	6.2

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

(2) Including SMB broadband lines (817k in Q3 '22)

WIRELINE REVENUES	Total revenues of Domestic Wireline, including services and equipment
Wireline Service Revenues	Including retail, domestic wholesale, Sparkle (TIS Group), adjustments and eliminations
Retail Services <i>o/w Broadband and content</i> <i>o/w ICT Services</i>	Retail service revenues: consumer + business (including revenues generated by TIM Factories) Data services (xDSL, FTTx), TIM Vision and other contents, TIM Game
National Wholesale + FiberCop	Cloud, Security, IT and other B2B services. Including revenues generated by TIM Factories
International Wholesale	Revenues from OLOs, regulated and not regulated (organization view) and from FiberCop (consolidated by line from Q2)
Other	TIM Sparkle Group revenues Intercompany adjustment and elimination
Equipments	Equipment sold, including consumer (routers, set-top-box, etc) and B2B (IRU, IT hardware, local networks equipment, etc)
Retail lines ('000)	Fixed accesses, including both voice, broadband (xDSL, FTTx) and data only lines. Gigabit Ethernet (GBE) FTTH lines included
Churn rate %	Percentage of line lost on average nr of lines in the reported period
Broadband <i>Consumer</i> <i>Business</i> <i>UBB</i>	All active broadband lines, including xDSL and FTTx <i>Active broadband lines on Consumer customers</i> <i>Active broadband lines on Corporate and Small/Medium enterprises</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>
Wholesale lines ('000)	Total number of wholesale lines
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
ARPU Retail (BB & ICT)	Total broadband & ICT revenues (Consumer+Business) divided by average active retail customers (€/line/month)

Domestic Mobile

€m, IFRS 16

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Unaudited figures

	REPORTED								ORGANIC ⁽¹⁾								Change YoY %
	Q1 '21	Q2 '21	Q3 '21	Q4 '21	FY '21	Q1 '22	Q2 '22	Q3 '22	Q1 '21 comparable base	Q2 '21 comparable base	Q3 '21 comparable base	Q4 '21	FY '21	Q1 '22	Q2 '22	Q3 '22	
MOBILE REVENUES	892	909	966	965	3,732	851	874	913	892	909	966	965	3,732	851	874	913	(5.5)
Mobile Service Revenues	757	783	821	791	3,152	728	751	802	757	783	821	791	3,152	728	751	802	(2.2)
Retail Services	676	685	677	677	2,716	641	643	645	676	685	677	677	2716	641	643	645	(4.8)
<i>o/w Incoming</i>	58	56	57	57	229	47	44	41	58	56	57	57	229	47	44	41	(29.1)
Wholesale and Other	81	97	143	114	436	87	108	158	81	97	143	114	436	87	108	158	10.0
Handsets and Handsets Bundle	135	126	145	174	580	123	123	111	135	126	145	174	580	123	123	111	(24.0)
Total number of lines ('000)									30,222	30,317	30,473	30,466	30,466	30,395	30,427	30,515	0.1
Churn rate %									3.8	3.7	3.6	3.6	14.7	3.7	3.3	3.1	(0.5 p.p.)
Human									19,554	19,306	19,172	19,054	19,054	18,799	18,620	18,590	(3.0)
Not Human (M2M)									10,669	11,011	11,301	11,412	11,412	11,596	11,808	11,926	5.5
Calling lines									27,462	27,694	27,860	27,853	27,853	27,762	27,877	27,874	0.1
Human Calling									16,793	16,683	16,559	16,440	16,440	16,166	16,070	15,948	(3.7)
Broadband Users									12,864	12,853	12,863	12,783	12,783	12,717	12,717	12,685	(1.4)
LTE Users									11,878	11,929	12,070	12,103	12,103	12,127	12,204	12,230	1.3
Usage Data (GB/users/month)									10.5	11.1	12.1	11.7	11.4	11.9	12.9	14.9	23.1
ARPU Reported									7.5	7.5	7.4	7.4	7.5	7.0	7.0	7.0	(5.0)
ARPU Human									11.4	11.7	11.7	11.8	11.7	11.3	11.5	11.5	(1.5)

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

MOBILE REVENUES	Total mobile revenues, including services, handsets and handsets bundle
Mobile Service Revenues	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 Revenues for voice traffic terminated on TIM mobile customers including visitors MVNOs and visitors. Inwit revenues and colocation on mobile sites until Q1 '20
Wholesale and Other	
Handsets and Handsets Bundle	Mobile handsets sales and handsets bundles
Total number of lines	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
Usage Data	Average data usage (GB/broadband users/month) - Data volumes net of Visitors, Roamers and MVNO (Noverca/Kena volumes included)
Reported	Total retail service revenues divided by average customer base, human and not human (€/line/month)
Human	Total retail service revenues divided by average human customer base (€/line/month)

	Q1 '20	Q2 '20	Q3 '20	Q4 '20	FY '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	FY '21	Q1 '22	Q2 '22	Q3 '22	Change YoY %
REVENUES	4,215	3,987	4,388	4,678	17,268	4,340	4,407	4,512	4,799	18,058	4,727	5,368	5,611	24.4
Service Revenues	4,091	3,926	4,207	4,441	16,665	4,228	4,267	4,382	4,620	17,497	4,584	5,201	5,465	24.7
o/w Mobile	3,842	3,673	3,937	4,166	15,618	3,948	3,984	4,097	4,324	16,353	4,287	4,899	5,155	25.8
o/w Fixed	249	253	270	275	1,047	280	282	286	296	1,144	297	302	310	8.5
Handsets	124	61	181	237	603	112	140	130	180	561	143	167	146	12.3
OPEX	2,299	2,020	2,325	2,342	8,986	2,332	2,329	2,366	2,370	9,397	2,636	2,947	2,954	24.9
EBITDA	1,916	1,967	2,063	2,336	8,282	2,008	2,078	2,146	2,429	8,661	2,091	2,421	2,657	23.8
EBITDA margin	45.5%	49.3%	47.0%	49.9%	48.0%	46.3%	47.2%	47.6%	50.6%	48.0%	44.2%	45.1%	47.4%	(0.2 p.p.)
EBITDA net non recurring	1,916	1,967	2,063	2,363	8,309	2,008	2,092	2,153	2,444	8,697	2,111	2,472	2,680	24.5
EBITDA margin	45.5%	49.3%	47.0%	50.5%	48.1%	46.3%	47.5%	47.7%	50.9%	48.2%	44.7%	46.1%	47.8%	0.1 p.p.
CAPEX	904	673	850	1,464	3,891	1,324	906	896	4,840	7,966	1,328	1,050	977	9.0
% on revenues	21.4%	16.9%	19.4%	31.3%	22.5%	30.5%	20.6%	19.9%	100.9%	44.1%	28.1%	19.6%	17.4%	(2.4 p.p.)
KPI's - Mobile only														
Total Penetration ⁽¹⁾	96.2%	95.7%	94.6%	97.2%	97.2%	99.4%	100.5%	101.4%	102.8%	102.8%	104.1%	104.9%	105.3%	3.9 p.p.
Market Share on total lines ⁽¹⁾	23.3%	23.1%	22.4%	22.0%	22.0%	21.5%	20.9%	20.8%	20.5%	20.5%	20.3%	26.3%	26.3%	5.5 p.p.
Total Lines ('000) ⁽²⁾	52,826	52,031	51,159	51,433	51,433	51,728	51,341	51,614	52,066	52,066	52,305	68,695	68,796	33.3
TOTAL ARPU ⁽³⁾	23.9	23.4	25.4	27.1	24.9	25.5	25.8	26.5	27.7	26.4	27.4	25.8	25.0	(5.8)
Exchange rate AVG YTD (R\$/euro)	4.91	5.41	5.70	5.89	5.89	6.60	6.49	6.38	6.36	6.36	5.87	5.56	5.47	

(1) Source: Anatel (until Q2 '22)

(2) Includes company lines

(3) Gross of visitors

Reported & Organic Reconciliation

€m, IFRS 16 & After Lease view

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Unaudited figures

	Q3 '21					Q3 '22		
	Reported	Non Organic elements		Non recurring items	Organic comparable base	Reported	Non recurring items	Organic
		Change in consolid. area	Exchange rate impact					
REVENUES	3,797	-	133	-	3,930	3,972	-	3,972
Domestic	3,072	-	11	-	3,083	2,919	-	2,919
Brazil	731	-	122	-	853	1,061	-	1,061
Other Activities & Eliminations	(6)	-	-	-	(6)	(8)	-	(8)
SERVICE REVENUES	3,484	-	129	-	3,613	3,720	-	3,720
Domestic	2,780	-	11	-	2,791	2,694	-	2,694
Brazil	710	-	118	-	828	1,034	-	1,034
Other Activities & Eliminations	(6)	-	-	-	(6)	(8)	-	(8)
EBITDA	1,596	-	59	(45)	1,700	1,287	(302)	1,589
Domestic	1,250	-	1	(44)	1,295	787	(298)	1,085
Brazil	347	-	58	(1)	406	502	(4)	506
Other Activities & Eliminations	(1)	-	-	-	(1)	(2)	-	(2)
EBITDA After Lease	1,389	-	45	(45)	1,479	1,011	(302)	1,313
Domestic	1,124	-	1	(44)	1,169	660	(298)	958
Brazil	266	-	44	(1)	311	353	(4)	357
Other Activities & Eliminations	(1)	-	-	-	(1)	(2)	-	(2)
EBIT	456	-	21	(45)	522	41	(302)	343
Domestic	335	-	-	(44)	379	(106)	(298)	192
Brazil	121	-	21	(1)	143	149	(4)	153
Other Activities & Eliminations	-	-	-	-	-	(2)	-	(2)

For further questions please contact the IR team



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