



TIM Group

Q2 '23

# Financial and Operating Figures



TELECOM ITALIA INVESTOR RELATIONS

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## Disclaimer

The Q2 '23 and H1 '23 financial and operating data have been extracted or derived, with the exception of some data, from the Half-year Condensed Consolidated Financial Statements at 30 June 2023 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 Q2 '23 and H1 '23 financial results of the TIM Group are the same as those adopted in the TIM Group Annual Audited Consolidated Financial Statements as of 31 December 2022, to which reference can be made, except for the amendments to the standards issued by IASB and adopted starting from 1 January 2023.

Please note that the limited review by the external auditors (E&Y) on the TIM Group Half-year Condensed Consolidated Financial Statements at 30 June 2023 has not yet been completed.

## Alternative Performance Measures

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

# TIM Group Key Financials

€m, IFRS 16 & After Lease view

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*Unaudited figures*

	REPORTED						ORGANIC <sup>(1)</sup>									Change YoY %
	Q2 '22	Q3 '22	Q4 '22	FY '22	Q1 '23	Q2 '23	Q2 '22 comparable base	Q1 '22	Q2 '22	Q3 '22	Q4 '22	FY '22	Q1 '23	Q2 '23		
REVENUES	3,913	3,972	4,259	15,788	3,847	3,999	3,891	3,644	3,913	3,972	4,259	15,788	3,847	3,999	2.8	
Domestic	2,908	2,919	3,185	11,858	2,843	2,924	2,906	2,846	2,908	2,919	3,185	11,858	2,843	2,924	0.6	
o/w Wireline	2,169	2,132	2,389	8,821	2,169	2,251	2,167	2,131	2,169	2,132	2,389	8,821	2,169	2,251	3.9	
o/w Mobile	874	913	934	3,572	808	807	874	851	874	913	934	3,572	808	807	(7.7)	
Brazil	1,013	1,061	1,083	3,963	1,012	1,086	993	806	1,013	1,061	1,083	3,963	1,012	1,086	9.2	
Other activities & Elim.	(8)	(8)	(9)	(33)	(8)	(11)	(8)	(8)	(8)	(8)	(9)	(33)	(8)	(11)		
SERVICE REVENUES	3,644	3,720	3,850	14,600	3,524	3,687	3,623	3,386	3,644	3,720	3,850	14,600	3,524	3,687	1.8	
Domestic	2,671	2,694	2,822	10,799	2,551	2,644	2,669	2,612	2,671	2,694	2,822	10,799	2,551	2,644	(0.9)	
o/w Wireline	2,056	2,020	2,180	8,276	1,986	2,059	2,054	2,020	2,056	2,020	2,180	8,276	1,986	2,059	0.2	
o/w Mobile	751	802	779	3,060	701	719	751	728	751	802	779	3,060	701	719	(4.2)	
Brazil	981	1,034	1,037	3,834	981	1,055	962	782	981	1,034	1,037	3,834	981	1,055	9.5	
Other activities & Elim.	(8)	(8)	(9)	(33)	(8)	(12)	(8)	(8)	(8)	(8)	(9)	(33)	(8)	(12)		
EBITDA	1,342	1,287	1,402	5,347	1,039	1,631	1,554	1,387	1,563	1,589	1,490	6,029	1,459	1,641	5.6	
Domestic	892	787	878	3,519	582	1,100	1,101	1,029	1,101	1,085	959	4,174	1,000	1,107	0.5	
Brazil	457	502	524	1,839	459	534	457	360	466	506	531	1,863	461	537	17.3	
Other activities & Elim.	(7)	(2)	0	(11)	(2)	(3)	(4)	(2)	(4)	(2)	0	(8)	(2)	(3)		
EBITDA After Lease	1,082	1,011	1,122	4,313	769	1,358	1,297	1,169	1,303	1,313	1,210	4,995	1,189	1,368	5.5	
Domestic	763	660	747	3,007	454	966	972	904	972	958	828	3,662	872	973	0.1	
Brazil	326	353	375	1,317	317	395	329	267	335	357	382	1,341	319	398	21.0	
Other activities & Elim.	(7)	(2)	0	(11)	(2)	(3)	(4)	(2)	(4)	(2)	0	(8)	(2)	(3)		
CAPEX net of licences	974	856	1,315	4,077	837	892	898	932	904	846	1,297	3,979	837	892	(0.7)	
Domestic	772	670	1,059	3,207	606	719	702	706	702	660	1,059	3,127	606	719	2.4	
Brazil	202	186	256	870	231	173	196	226	202	186	238	852	231	173	(11.9)	
EFCF	37	(77)	363	624	(117)	(50)										
EFCF After Lease	(107)	(251)	209	(26)	(397)	(236)										
NET DEBT <sup>(2)</sup>	24,654	25,504	25,364	25,364	25,820	26,163										
NET DEBT After Lease <sup>(2)</sup>	19,269	20,100	20,015	20,015	20,455	20,815										

(1) Organic figures excluding non-recurring items and change in the scope of consolidation. Comparable base excluding exchange rate fluctuations (H1 '23 avg. exchange-rate 5.48 R\$/€)  
 (2) Adjusted

**Q2 '23 Financial and Operating Figures**  
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# TIM Group Profit & Loss

€m, IFRS 16

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*Unaudited figures*

	Q1 '21	H1 '21	9M '21	FY '21	Q1 '22	H1 '22	9M '22	FY '22	Q1 '23	H1 '23
<b>REVENUES</b>	<b>3,728</b>	<b>7,543</b>	<b>11,340</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>
Other Income	109	169	211	272	37	78	127	213	37	109
<b>TOTAL OPERATING REVENUES AND OTHER INCOME</b>	<b>3,837</b>	<b>7,712</b>	<b>11,551</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>
Acquisition of goods and services	(1,568)	(3,113)	(4,744)	(6,550)	(1,620)	(3,385)	(5,195)	(7,239)	(1,756)	(3,579)
Employee benefits expenses	(1,038)	(1,715)	(2,241)	(2,941)	(731)	(1,554)	(2,436)	(3,180)	(1,089)	(1,711)
Other operating expenses	(239)	(424)	(625)	(1,502)	(168)	(342)	(525)	(816)	(181)	(338)
Internally generated assets and Others	168	293	408	485	154	304	445	581	181	343
<b>EBITDA <sup>(1)</sup></b>	<b>1,160</b>	<b>2,753</b>	<b>4,349</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>
EBITDA Margin	31.1%	36.5%	38.4%	33.2%	36.1%	35.2%	34.2%	33.9%	27.0%	34.0%
Depreciation and amortization	(1,130)	(2,268)	(3,411)	(4,490)	(1,107)	(2,295)	(3,540)	(4,777)	(1,201)	(2,429)
Gains (losses) on disposals of non-current assets	(2)	(1)	2	1	-	34	33	36	-	(2)
Impairment reversals (losses) on non-current assets	-	-	-	(4,120)	-	-	-	-	-	-
<b>EBIT</b>	<b>28</b>	<b>484</b>	<b>940</b>	<b>(3,529)</b>	<b>209</b>	<b>397</b>	<b>438</b>	<b>606</b>	<b>(162)</b>	<b>239</b>
EBIT Margin	0.8%	6.4%	8.3%	-23.0%	5.7%	5.3%	3.8%	3.8%	-4.2%	3.0%
Income (loss) equity invest. valued equity method	11	34	44	164	16	31	203	229	(4)	(12)
Net Financial Income / (Expenses)	(288)	(582)	(862)	(1,150)	(317)	(686)	(1,075)	(1,423)	(371)	(757)
<b>Profit (loss) before tax from continuing operations</b>	<b>(249)</b>	<b>(64)</b>	<b>122</b>	<b>(4,515)</b>	<b>(92)</b>	<b>(258)</b>	<b>(434)</b>	<b>(588)</b>	<b>(537)</b>	<b>(530)</b>
Income tax expense	43	7	43	(3,885)	(50)	(102)	(2,109)	(2,066)	(85)	(143)
<b>Profit (loss) from continuing operations</b>	<b>(206)</b>	<b>(57)</b>	<b>165</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>
Discontinued operations/Non-current assets held for sale	-	-	-	-	-	-	-	-	-	-
<b>PROFIT (LOSS)</b>	<b>(206)</b>	<b>(57)</b>	<b>165</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>
Parent Company	(228)	(149)	(10)	(8,652)	(204)	(483)	(2,728)	(2,925)	(689)	(813)
Minorities	22	92	175	252	62	123	185	271	67	140
Non-Recurring Items <sup>(2)</sup>	310	344	293	8,653	53	289	2,371	2,437	427	438
<b>PROFIT (LOSS) NET NON-RECURRING ITEMS</b>	<b>104</b>	<b>287</b>	<b>458</b>	<b>253</b>	<b>(89)</b>	<b>(71)</b>	<b>(172)</b>	<b>(217)</b>	<b>(195)</b>	<b>(235)</b>

(1) Non-recurring items € 430m in H1 '23 (€ 292m in H1 '22), o/w € 415m related to personnel costs (€ 262m in H1 '22) (2021-26 layoffs ex art.4 Fornero Law), claims and litigation

(2) H1 '23 Non-Recurring Items include provisions for personnel

**Q2 '23 Financial and Operating Figures**  
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# 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	FY '22	Q1 '23	H1 '23
<b>EBITDA</b>	<b>1,160</b>	<b>2,753</b>	<b>4,349</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>CAPEX</b>	<b>(691)</b>	<b>(1,808)</b>	<b>(2,720)</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>
o/w spectrum	-	(240)	(240)	(804)	-	(89)	(98)	(98)	-	-
<b>CHANGE IN WORKING CAPITAL</b>	<b>286</b>	<b>(126)</b>	<b>(546)</b>	<b>994</b>	<b>(80)</b>	<b>(399)</b>	<b>(2,311)</b>	<b>(1,895)</b>	<b>96</b>	<b>(179)</b>
Change in net operating working capital	298	(96)	(258)	733	(91)	(261)	(2,389)	(1,736)	(157)	(262)
Change in inventories	(47)	(55)	(73)	(39)	(20)	(37)	(55)	(35)	(41)	(53)
Change in trade receivables	91	134	150	257	222	77	32	(81)	164	126
Change in trade payables	(312)	(390)	(440)	1,008	(497)	(753)	(866)	(8)	(722)	(512)
Other changes in operating receivables/payables	566	215	105	(493)	204	452	(1,500)	(1,612)	442	177
Change in provisions for employee benefits	262	256	10	(83)	38	241	474	156	243	235
Change in operating provisions and other changes	(274)	(286)	(298)	344	(27)	(379)	(396)	(315)	10	(152)
<b>OPERATING FREE CASH FLOW Reported</b>	<b>755</b>	<b>819</b>	<b>1,083</b>	<b>1,444</b>	<b>304</b>	<b>353</b>	<b>(1,128)</b>	<b>(625)</b>	<b>298</b>	<b>762</b>
Licence	-	(240)	(295)	(435)	(186)	(469)	(2,217)	(2,242)	-	(24)
<b>OPERATING FREE CASH FLOW net of Licence</b>	<b>755</b>	<b>1,059</b>	<b>1,378</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>
Financial Expenses	(288)	(587)	(757)	(1,053)	(308)	(660)	(1,028)	(1,389)	(359)	(791)
Cash Taxes & Other	2	(109)	(161)	(194)	119	176	200	396	(56)	(162)
o/w Substitute Tax	-	(231)	(231)	(231)	-	-	-	231	-	-
Net Cash Flow from discontinued operations	-	-	-	-	-	-	-	-	-	-
<b>EQUITY FREE CASH FLOW</b>	<b>469</b>	<b>363</b>	<b>460</b>	<b>632</b>	<b>301</b>	<b>338</b>	<b>261</b>	<b>624</b>	<b>(117)</b>	<b>(167)</b>
Dividends and change in Equity	(24)	(337)	(396)	(410)	(26)	(30)	(44)	(66)	(38)	(86)
Disposal and Financial investments <sup>(1)</sup>	1,721	1,668	1,645	1,804	(11)	(1,771)	(589)	(666)	(5)	(57)
Licence	-	(240)	(295)	(435)	(186)	(469)	(2,217)	(2,242)	-	(24)
IFRS & IAS	5	(200)	(252)	(452)	(530)	(535)	(728)	(827)	(296)	(465)
<b>NET CASH FLOW</b>	<b>2,171</b>	<b>1,254</b>	<b>1,162</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>EQUITY FREE CASH FLOW</b>	<b>469</b>	<b>363</b>	<b>460</b>	<b>632</b>	<b>301</b>	<b>338</b>	<b>261</b>	<b>624</b>	<b>(117)</b>	<b>(167)</b>
Lease Impact	(162)	(274)	(432)	(570)	(178)	(322)	(496)	(650)	(280)	(466)
<b>EQUITY FREE CASH FLOW AFTER LEASE</b>	<b>307</b>	<b>89</b>	<b>28</b>	<b>62</b>	<b>123</b>	<b>16</b>	<b>(235)</b>	<b>(26)</b>	<b>(397)</b>	<b>(633)</b>
<b>NET DEBT</b>	<b>21,155</b>	<b>22,072</b>	<b>22,164</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>
Lease Impact	(4,564)	(4,657)	(4,551)	(4,614)	(4,966)	(5,385)	(5,404)	(5,349)	(5,365)	(5,348)
<b>NET DEBT After Lease</b>	<b>16,591</b>	<b>17,415</b>	<b>17,613</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>

(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

**Q2 '23 Financial and Operating Figures**  
Investor Relations

# Working Capital

€m, IFRS 16

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*Unaudited figures*

	TIM Group <sup>(1)</sup>			Domestic			Brasil		
	H1 '22	H1 '23	Δ abs	H1 '22	H1 '23	Δ abs	H1 '22	H1 '23	Δ abs
<b>Operating WC &amp; Other</b>	<b>(399)</b>	<b>(179)</b>	<b>220</b>	<b>(19)</b>	<b>(26)</b>	<b>(7)</b>	<b>(382)</b>	<b>(153)</b>	<b>229</b>
License	(14)	-	14	(14)	-	14	-	-	-
License paid in the year	394	24	(370)	-	-	-	394	24	(370)
Non recurring items (not paid)	(292)	(430)	(138)	(276)	(425)	(149)	(13)	(5)	8
<b>Recurring Operating WC</b>	<b>(311)</b>	<b>(585)</b>	<b>(274)</b>	<b>(309)</b>	<b>(451)</b>	<b>(142)</b>	<b>(1)</b>	<b>(134)</b>	<b>(133)</b>
Inventory				(23)	(28)	(5)			
Trade Receivables				97	151	54			
Trade Payables				(335)	(379)	(44)			
Other Operating Payables/Receivables & Funds				(48)	(195)	(147)			
- o/w Litigations & Settlements				(417)	(176)	241			
- o/w Payables vs. Personnel				128	46	(82)			
- o/w Personnel Exit (Fornero Law)				(223)	(208)	15			
- o/w VAT				448	378	(70)			
- o/w Billing <sup>(2)</sup>				(20)	(68)	(48)			
- o/w Net Debts vs INPS				(39)	(15)	24			
- o/w Deferred Costs & Revenues				(84)	(103)	(19)			
- o/w Payment in Advance vs Suppliers/Customers				178	(27)	(205)			

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

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

# TIM Group Balance Sheet

€m, IFRS 16

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*Unaudited figures*

	FY '21	Q1 '22	H1 '22	9M '22	FY '22	Q1 '23	H1 '23
<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>
Trade and miscellaneous receivables and other current assets	4,358	4,420	4,481	4,527	4,539	4,496	4,676
Cash and cash equivalents	6,904	3,272	2,391	3,519	3,555	2,660	2,385
Discontinued operations/assets held for sale	-	-	2,631	20	-	-	-
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
Inventories	282	309	324	344	322	363	377
Current income tax receivables	79	88	114	336	147	145	134
Current financial receivables arising from lease contracts	56	61	54	55	69	115	94
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>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>
Goodwill	18,568	18,657	19,009	19,082	19,111	19,118	19,202
Intangible assets with a finite useful life	7,147	7,406	7,899	7,847	7,656	7,547	7,478
<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>
Property, plant and equipment owned	13,311	13,692	13,971	14,022	14,100	14,094	14,292
<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>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>
Miscellaneous receivables and other non-current assets	2,266	2,353	2,343	2,356	2,365	2,395	2,467
Non-current financial assets	2,330	2,089	2,011	2,140	1,651	1,697	1,300
<i>o/w receivable for lease contracts</i>	45	50	50	49	49	48	141
<i>o/w other non-current financial assets</i>	2,285	2,039	1,961	2,091	1,602	1,649	1,159
Deferred tax assets	3,513	3,470	3,441	772	769	779	782
Other investments	156	134	128	105	116	111	152
Investments in associates and joint ventures accounted for using the equity method	2,979	3,045	335	558	539	537	565
<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>

# TIM Group Balance Sheet

€m, IFRS 16

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*Unaudited figures*

	FY '21	Q1 '22	H1 '22	9M '22	FY '22	Q1 '23	H1 '23
<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>
Trade and miscellaneous payables and other current liabilities	9,473	9,655	9,410	7,591	8,199	8,019	8,158
Current financial liabilities	6,596	3,811	4,550	5,614	5,909	6,007	8,370
<i>o/w liabilities for financing contracts and others</i>	5,945	3,128	3,768	4,808	5,039	5,163	7,497
<i>o/w liabilities for lease contracts</i>	651	683	782	806	870	844	873
Liabilities directly associated with Discontinued operations/Non-current assets held for sale	-	-	1	-	-	-	-
Current income tax payables	295	273	239	9	34	43	14
<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>
Non-current financial liabilities	27,501	26,579	26,469	27,506	26,336	25,861	23,516
<i>o/w liabilities for financing contracts and others</i>	23,437	22,185	21,762	22,804	21,739	21,177	18,806
<i>o/w liabilities for lease contracts</i>	4,064	4,394	4,707	4,702	4,597	4,684	4,710
Miscellaneous payables and other non-current liabilities	1,413	1,366	1,322	1,017	1,146	1,103	1,031
Employee benefits	699	700	812	972	684	965	943
Provisions	926	956	1,007	1,010	910	942	844
Deferred tax liabilities	245	220	234	237	84	172	189
<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>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>
Equity attributable to equity owners of the Parent	17,414	17,786	17,590	15,461	15,061	14,463	14,428
Equity attributable to Minority Interests	4,625	4,949	4,935	3,690	3,664	3,706	3,836
<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>



# Domestic Results

€m, IFRS 16 & After Lease view

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*Unaudited figures*

	REPORTED						ORGANIC <sup>(1)</sup>								
	Q2 '22	Q3 '22	Q4 '22	FY '22	Q1 '23	Q2 '23	Q2 '22 comparable base	Q1 '22	Q2 '22	Q3 '22	Q4 '22	FY '22	Q1 '23	Q2 '23	Change YoY %
<b>REVENUES</b>	2,908	2,919	3,185	11,858	2,843	2,924	2,906	2,846	2,908	2,919	3,185	11,858	2,843	2,924	0.6
<b>Service Revenues</b>	2,671	2,694	2,822	10,799	2,551	2,644	2,669	2,612	2,671	2,694	2,822	10,799	2,551	2,644	(0.9)
<b>Wireline Services</b>	2,056	2,020	2,180	8,276	1,986	2,059	2,054	2,020	2,056	2,020	2,180	8,276	1,986	2,059	0.2
Retail	1,322	1,287	1,429	5,332	1,253	1,285	1,322	1,294	1,322	1,287	1,429	5,332	1,253	1,285	(2.8)
National Wholesale + FiberCop	492	494	490	1,969	498	517	492	493	492	494	490	1,969	498	517	5.1
International Wholesale	242	238	260	969	226	248	240	229	242	238	260	969	226	248	3.3
Other	-	1	1	6	9	9	0	4	-	1	1	6	9	9	0.0
<b>Mobile Services</b>	751	802	779	3,060	701	719	751	728	751	802	779	3,060	701	719	(4.2)
Retail	643	645	649	2,577	610	615	643	641	643	645	649	2,577	610	615	(4.4)
Wholesale and Other	108	158	130	483	91	104	108	87	108	158	130	483	91	104	(3.4)
<b>Elimination &amp; Other</b>	(136)	(128)	(137)	(537)	(136)	(134)	(136)	(136)	(136)	(128)	(137)	(537)	(136)	(134)	
<b>Handsets</b>	237	225	363	1,059	292	280	237	234	237	225	363	1,059	292	280	18.1
<b>OPEX</b>	2,016	2,132	2,307	8,339	2,261	1,824	1,805	1,817	1,807	1,834	2,226	7,684	1,843	1,817	0.7
<b>EBITDA</b>	892	787	878	3,519	582	1,100	1,101	1,029	1,101	1,085	959	4,174	1,000	1,107	0.5
EBITDA Margin	30.7%	27.0%	27.6%	29.7%	20.5%	37.6%	37.9%	36.2%	37.9%	37.2%	30.1%	35.2%	35.2%	37.9%	(0.0 p.p.)
<b>EBITDA After Lease</b>	763	660	747	3,007	454	966	972	904	972	958	828	3,662	872	973	0.1
EBITDA AL Margin	26.2%	22.6%	23.5%	25.4%	16.0%	33.0%	33.4%	31.8%	33.4%	32.8%	26.0%	30.9%	30.7%	33.3%	(0.2 p.p.)
<b>CAPEX net of licences</b>	772	670	1,059	3,207	606	719	702	706	702	660	1,059	3,127	606	719	2.4
% on revenues	26.5%	23.0%	33.2%	27.0%	21.3%	24.6%	24.2%	24.8%	24.1%	22.6%	33.2%	26.4%	21.3%	24.6%	0.4 p.p.
<b>Headcount EoP</b>	42,864	42,578	40,984	40,984	40,906	40,903									

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

# Domestic Wireline

€m, IFRS 16

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*Unaudited figures*

	REPORTED						ORGANIC <sup>(1)</sup>								
	Q2 '22	Q3 '22	Q4 '22	FY '22	Q1 '23	Q2 '23	Q2 '22 comparable base	Q1 '22	Q2 '22	Q3 '22	Q4 '22	FY '22	Q1 '23	Q2 '23	Change YoY %
<b>WIRELINE REVENUES</b>	2,169	2,132	2,389	8,821	2,169	2,251	2,167	2,131	2,169	2,132	2,389	8,821	2,169	2,251	3.9
<b>Wireline Service Revenues</b>	2,056	2,020	2,180	8,276	1,986	2,059	2,054	2,020	2,056	2,020	2,180	8,276	1,986	2,059	0.2
Retail Services	1,322	1,287	1,429	5,332	1,253	1,285	1,322	1,294	1,322	1,287	1,429	5,332	1,253	1,285	(2.8)
<i>o/w Broadband and content</i>	518	500	491	2,023	482	494	518	514	518	500	491	2,023	482	494	(4.6)
<i>o/w ICT Services</i>	368	368	520	1,593	373	396	368	338	368	368	520	1,593	373	396	7.6
National Wholesale + FiberCop	492	494	490	1,969	498	517	492	493	492	494	490	1,969	498	517	5.1
International Wholesale	242	238	260	969	226	248	240	229	242	238	260	969	226	248	3.3
Other	-	1	1	6	9	9	0	4	-	1	1	6	9	9	
<b>Equipments</b>	113	112	209	545	183	192	113	111	113	112	209	545	183	192	70.2
<b>Retail lines ('000)</b>							8,442	8,539	8,442	8,383	8,290	8,290	8,216	8,141	(3.6)
Churn rate %							3.3	3.4	3.3	2.9	3.4	13.0	3.3	3.1	(0.2 p.p.)
Broadband							7,564	7,643	7,564	7,523	7,443	7,443	7,379	7,318	(3.3)
<i>Consumer</i>							6,360	6,431	6,360	6,322	6,265	6,265	6,213	6,154	(3.2)
<i>Business <sup>(2)</sup></i>							1,204	1,212	1,204	1,201	1,178	1,178	1,165	1,164	(3.3)
<i>UBB</i>							5,307	5,244	5,307	5,372	5,417	5,417	5,487	5,531	4.2
<b>Wholesale lines ('000)</b>							7,659	7,729	7,659	7,604	7,525	7,525	7,453	7,365	(3.8)
Local Loop Unbundling							1,965	2,082	1,965	1,897	1,821	1,821	1,744	1,666	(15.2)
Wholesale Line Rental							151	156	151	147	142	142	135	130	(13.9)
Bitstream Naked							433	494	433	413	392	392	367	347	(19.9)
UBB							5,110	4,997	5,110	5,147	5,171	5,171	5,206	5,222	2.2
<b>ARPU Consumer (€/month)</b>							28.4	28.4	28.4	28.4	28.1	28.3	27.3	28.1	(1.0)
<b>ARPU Consumer net of activation fees (€/month)</b>							26.6	26.7	26.6	26.8	27.2	26.8	27.0	27.9	4.8

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

(2) Including SMB broadband lines (816k in Q2 '23)

**Q2 '23 Financial and Operating Figures**  
Investor Relations

<b>WIRELINE REVENUES</b>	Total revenues of Domestic Wireline, including services and equipment
<b>Wireline Service Revenues</b>	Including retail, domestic wholesale, Sparkle (TIS Group), adjustments and eliminations
Retail Services	Retail service revenues: consumer + business (including revenues generated by TIM Factories)
<i>o/w Broadband and content</i>	Data services (xDSL, FTTx), TIM Vision and other contents, TIM Game
<i>o/w ICT Services</i>	Cloud, Security, IT and other B2B services. Including revenues generated by TIM Factories
National Wholesale + FiberCop	Revenues from OLOs, regulated and not regulated (organization view) and from FiberCop (consolidated by line from Q2)
International Wholesale	TIM Sparkle Group revenues
Other	Intercompany adjustment and elimination
<b>Equipments</b>	Equipment sold, including consumer (routers, set-top-box, etc) and B2B (IRU, IT hardware, local networks equipment, etc)
<b>Retail lines ('000)</b>	<b>Fixed accesses, including both voice, broadband (xDSL, FTTx) and data only lines. Gigabit Ethernet (GBE) FTTH lines included</b>
Churn rate %	Percentage of line lost on average nr of lines in the reported period
Broadband	All active broadband lines, including xDSL and FTTx
<i>Consumer</i>	<i>Active broadband lines on Consumer customers</i>
<i>Business</i>	<i>Active broadband lines on Corporate and Small/Medium enterprises</i>
<i>UBB</i>	<i>All active fiber line retail customers (FTTx and enterprise data lines) and Fixed Wireless Accesses (FWA). Gigabit Ethernet (GBE) FTTH lines included</i>
<b>Wholesale lines ('000)</b>	<b>Total number of wholesale lines</b>
Local Loop Unbundling	Nr. of wholesale accesses to the copper local access network (SULL, VULL and NGA included)
Wholesale Line Rental	Nr. of rented wholesale lines enabling OLOs to resell basic and advanced telephone and associated services
Bitstream Naked	Nr. of wholesale copper access lines with no RTG/ISDN/WLR voice service, used by OLOs for ADSL data service.
UBB	Nr. of FTTx accesses on TIM's fiber network
<b>ARPU Consumer</b>	Consumer service revenues divided by average active consumer CB (€/line/month)
<b>ARPU Consumer net of activation fees</b>	Consumer service revenues divided by average active consumer CB, net of activation fees discontinuity (€/line/month)

# Domestic Mobile

€m, IFRS 16

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*Unaudited figures*

	REPORTED						ORGANIC <sup>(1)</sup>								
	Q2 '22	Q3 '22	Q4 '22	FY '22	Q1 '23	Q2 '23	Q2 '22 comparable base	Q1 '22	Q2 '22	Q3 '22	Q4 '22	FY '22	Q1 '23	Q2 '23	Change YoY %
<b>MOBILE REVENUES</b>	874	913	934	3,572	808	807	874	851	874	913	934	3,572	808	807	(7.7)
<b>Mobile Service Revenues</b>	751	802	779	3,060	701	719	751	728	751	802	779	3,060	701	719	(4.2)
Retail Services	643	645	649	2,577	610	615	643	641	643	645	649	2,577	610	615	(4.4)
o/w Incoming	44	41	40	172	29	29	44	47	44	41	40	172	29	29	(34.3)
Wholesale and Other	108	158	130	483	91	104	108	87	108	158	130	483	91	104	(3.4)
<b>Handsets and Handsets Bundle</b>	123	111	155	512	107	88	123	123	123	111	155	512	107	88	(28.7)
<b>Total number of lines ('000)</b>							30,427	30,395	30,427	30,515	30,407	30,407	30,201	30,251	(0.6)
Churn rate %							3.3	3.7	3.3	3.1	3.3	13.3	3.7	2.8	(0.5 p.p.)
Human							18,620	18,799	18,620	18,590	18,438	18,438	18,297	18,269	(1.9)
Not Human (M2M)							11,808	11,596	11,808	11,926	11,969	11,969	11,904	11,982	1.5
Calling lines							27,877	27,762	27,877	27,874	27,788	27,788	27,576	27,667	(0.8)
Human Calling							16,070	16,166	16,070	15,948	15,818	15,818	15,673	15,685	(2.4)
Broadband Users							12,717	12,717	12,717	12,685	12,577	12,577	12,584	12,662	(0.4)
LTE Users							12,204	12,127	12,204	12,230	12,247	12,247	12,273	12,371	1.4
<b>Usage Data (GB/users/month)</b>							12.9	11.9	12.9	14.9	14.8	13.7	15.4	16.2	25.6
<b>ARPU Consumer - Human calling (€/month)</b>							11.0	10.9	11.0	11.1	11.1	11.0	10.7	10.8	(2.2)
<b>ARPU Consumer - Human calling net of MTR (€/month)</b>							11.0	10.8	11.0	11.1	11.0	11.0	10.9	11.0	0.0

(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)

	Q1 '21	Q2 '21	Q3 '21	Q4 '21	FY '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22	FY '22	Q1 '23	Q2 '23	Change YoY %
<b>REVENUES</b>	<b>4,340</b>	<b>4,407</b>	<b>4,512</b>	<b>4,799</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>	9.2
Service Revenues	4,228	4,267	4,382	4,620	17,497	4,584	5,201	5,465	5,579	20,829	5,467	5,694	9.5
o/w Mobile	3,948	3,984	4,097	4,324	16,353	4,287	4,899	5,155	5,256	19,597	5,152	5,374	9.7
o/w Fixed	280	282	286	296	1,144	297	302	310	323	1,232	314	321	6.2
Handsets	112	140	130	179	561	143	167	146	246	702	173	169	1.2
<b>OPEX</b>	<b>2,332</b>	<b>2,329</b>	<b>2,366</b>	<b>2,370</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>	1.1
<b>EBITDA</b>	<b>2,008</b>	<b>2,078</b>	<b>2,146</b>	<b>2,429</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>	19.1
EBITDA margin	46.3%	47.2%	47.6%	50.6%	48.0%	44.2%	45.1%	47.4%	48.5%	46.4%	45.4%	49.2%	4.1 p.p.
<b>EBITDA net non recurring</b>	<b>2,008</b>	<b>2,092</b>	<b>2,153</b>	<b>2,444</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>	17.3
EBITDA margin	46.3%	47.5%	47.7%	50.9%	48.2%	44.7%	46.1%	47.8%	49.1%	47.0%	45.6%	49.5%	3.4 p.p.
<b>EBITDA After Lease net non recurring</b>	<b>1,547</b>	<b>1,606</b>	<b>1,653</b>	<b>1,920</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>	21.0
EBITDA margin	35.6%	36.4%	36.6%	40.0%	37.2%	33.1%	33.1%	33.7%	35.4%	33.9%	31.6%	36.7%	3.6 p.p.
<b>CAPEX</b>	<b>1,324</b>	<b>906</b>	<b>896</b>	<b>4,840</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>	(11.9)
% on revenues	30.5%	20.6%	19.9%	100.9%	44.1%	28.1%	19.6%	17.4%	23.6%	22.0%	22.9%	15.8%	(3.8 p.p.)
<b>KPI's</b>													
Mobile Lines ('000) <sup>(1)</sup>	51,728	51,341	51,614	52,066	52,066	52,305	68,695	68,796	62,485	62,485	61,721	61,225	(10.9)
Market Share on total lines <sup>(2)</sup>	21.5%	20.9%	20.7%	20.4%	20.4%	20.3%	26.5%	26.4%	24.8%	24.8%	24.6%	24.4%	(2.1 p.p.)
ARPU Mobile (R\$/month) <sup>(3)</sup>	25.5	25.8	26.5	27.7	26.4	27.4	25.8	25.0	26.6	26.1	27.7	29.2	13.1
TIM UltraFibra Lines ('000)	662	666	675	685	685	689	699	708	716	716	732	761	8.8
ARPU TIM UltraFibra (R\$/month)	89.6	90.8	90.1	93.5	91.0	94.3	95.8	96.9	98.7	96.4	97.8	98.3	2.6
<b>Exchange rate AVG YTD (R\$/euro)</b>	<b>6.60</b>	<b>6.49</b>	<b>6.38</b>	<b>6.36</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>	

(1) Includes company lines (24k in Q2 '23)

(2) Source: Anatel (until Q1 '23)

(3) Gross of visitors

# Reported & Organic Reconciliation

€m, IFRS 16 & After Lease view

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*Unaudited figures*

	Q2 '22					Q2 '23		
	Reported	Non Organic elements		Non recurring items	Organic comparable base	Reported	Non recurring items	Organic
		Change in consolid. area	Exchange rate impact					
<b>REVENUES</b>	<b>3,913</b>	-	<b>(22)</b>	-	<b>3,891</b>	<b>3,999</b>	-	<b>3,999</b>
Domestic	2,908	-	(2)	-	2,906	2,924	-	2,924
Brazil	1,013	-	(20)	-	993	1,086	-	1,086
Other Activities & Eliminations	(8)	-	-	-	(8)	(11)	-	(11)
<b>SERVICE REVENUES</b>	<b>3,644</b>	-	<b>(21)</b>	-	<b>3,623</b>	<b>3,687</b>	-	<b>3,687</b>
Domestic	2,671	-	(2)	-	2,669	2,644	-	2,644
Brazil	981	-	(19)	-	962	1,055	-	1,055
Other Activities & Eliminations	(8)	-	-	-	(8)	(12)	-	(12)
<b>EBITDA</b>	<b>1,342</b>	-	<b>(9)</b>	<b>(221)</b>	<b>1,554</b>	<b>1,631</b>	<b>(10)</b>	<b>1,641</b>
Domestic	892	-	-	(209)	1,101	1,100	(7)	1,107
Brazil	457	-	(9)	(9)	457	534	(3)	537
Other Activities & Eliminations	(7)	-	-	(3)	(4)	(3)	-	(3)
<b>EBITDA After Lease</b>	<b>1,082</b>	-	<b>(6)</b>	<b>(221)</b>	<b>1,297</b>	<b>1,358</b>	<b>(10)</b>	<b>1,368</b>
Domestic	763	-	-	(209)	972	966	(7)	973
Brazil	326	-	(6)	(9)	329	395	(3)	398
Other Activities & Eliminations	(7)	-	-	(3)	(4)	(3)	-	(3)

# For further questions please contact the IR team



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