

Q1 2025 Results

8 May 2025



Q1 2025

Highlights



Poste Italiane to become TIM's largest shareholder

Competitive environment with Domestic Consumer market stable, Enterprise growing as expected, Brazil highly rational

Solid operational delivery, results on track

RCF extended until 2030 for €3.0bn down from €4.0bn

Court of Cassation hearing for '98 Concession Fee' on 27 May

Poste Italiane

To hold 24.81%⁽¹⁾ of TIM's ordinary shares and 17.81% of total share capital

Acting as long-term industrial shareholder supporting consolidation of the Italian telco market

Industrial partnership leveraging on multiple opportunities to generate synergies

- **Poste Mobile MVNO migration to TIM's mobile network** from January '26
- **Service portfolio enrichment** opportunities for both TIM and Poste on energy, digital payment and financial solutions, insurance, media and digital content
- Potential collaboration between TIM Enterprise and Poste on **ICT solutions**



(1) 9.81% ordinary shares acquired from Cassa Depositi e Prestiti on 15 February 2025, agreement for the acquisition from Vivendi SE of additional 15.00% signed on 29 March 2025 with completion expected by first half 2025 subject to notification to the Italian Competition Authority

Results on track both at Group and Domestic level...

2025 organic figures, YoY comparison based on 2024 like-for-like, MSA and TSA included, Sparkle excluded unless otherwise specified, €bn and YoY trend ⁽¹⁾

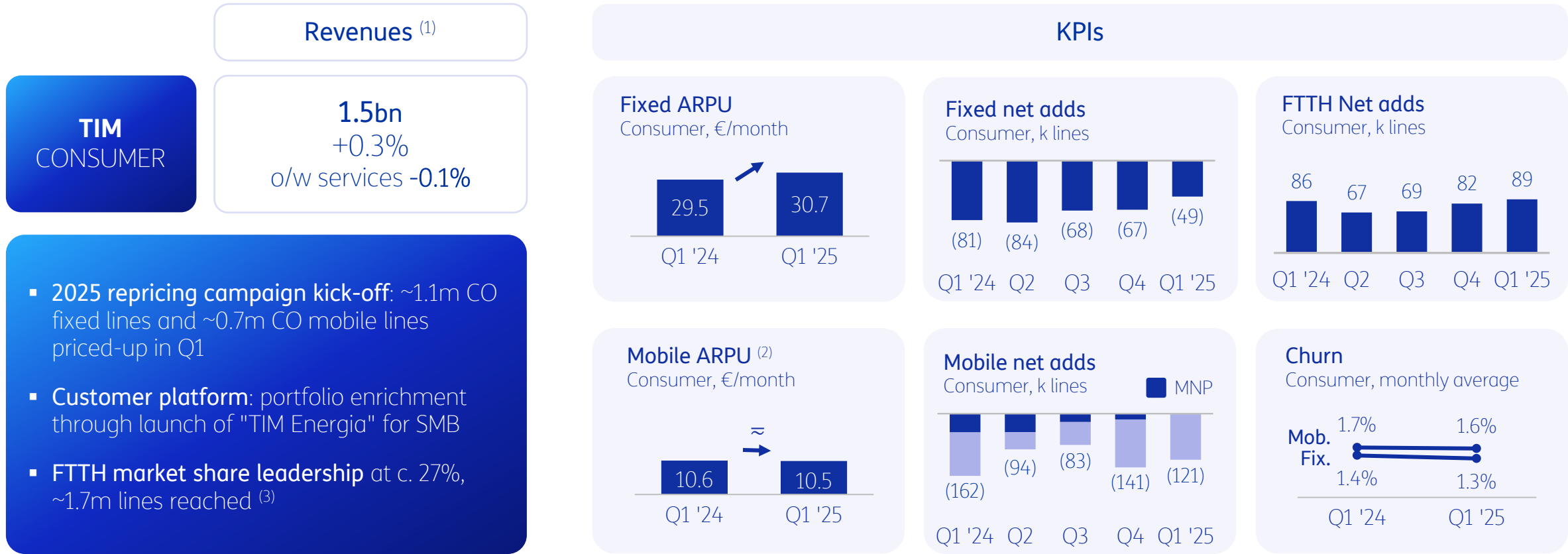


(1) Group figures at average exchange-rate 6.16R\$/€. Excluding non-recurring items and exchange rate fluctuations

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

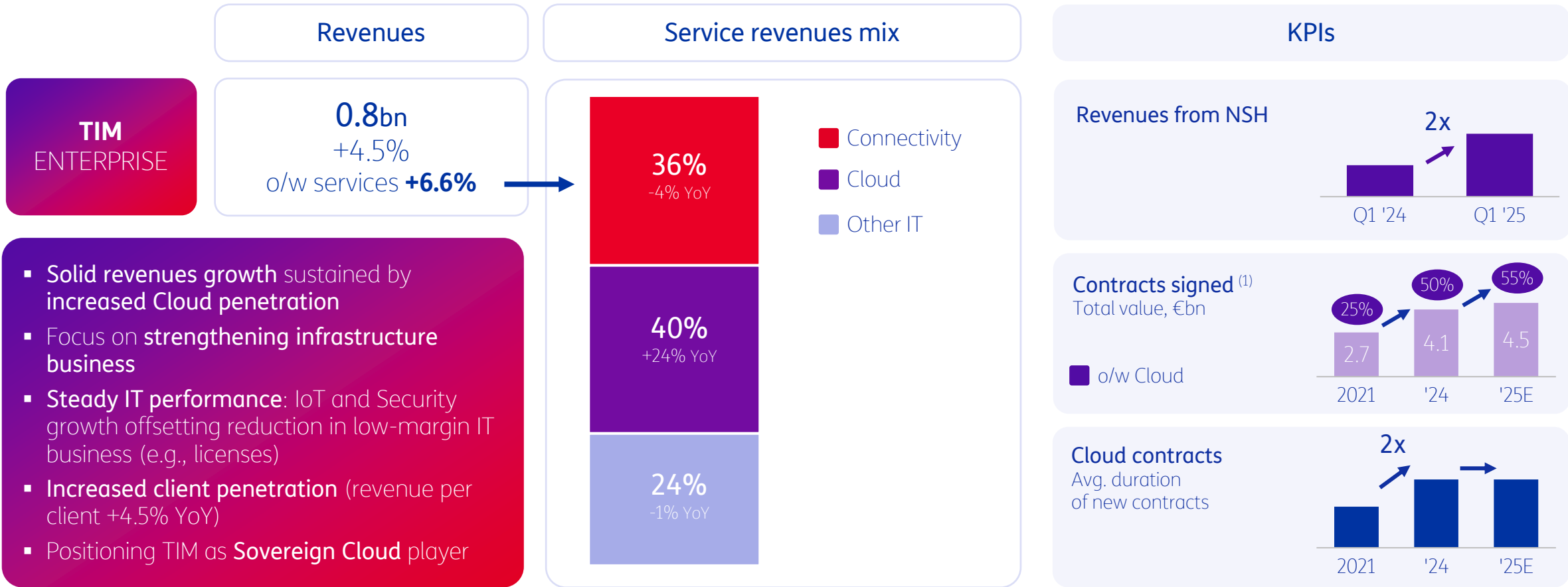
TIM Consumer with flattish topline and improving KPIs

Organic figures, €bn and YoY trend



TIM Enterprise growing steadily thanks to cloud services

Organic figures, €bn and YoY trend

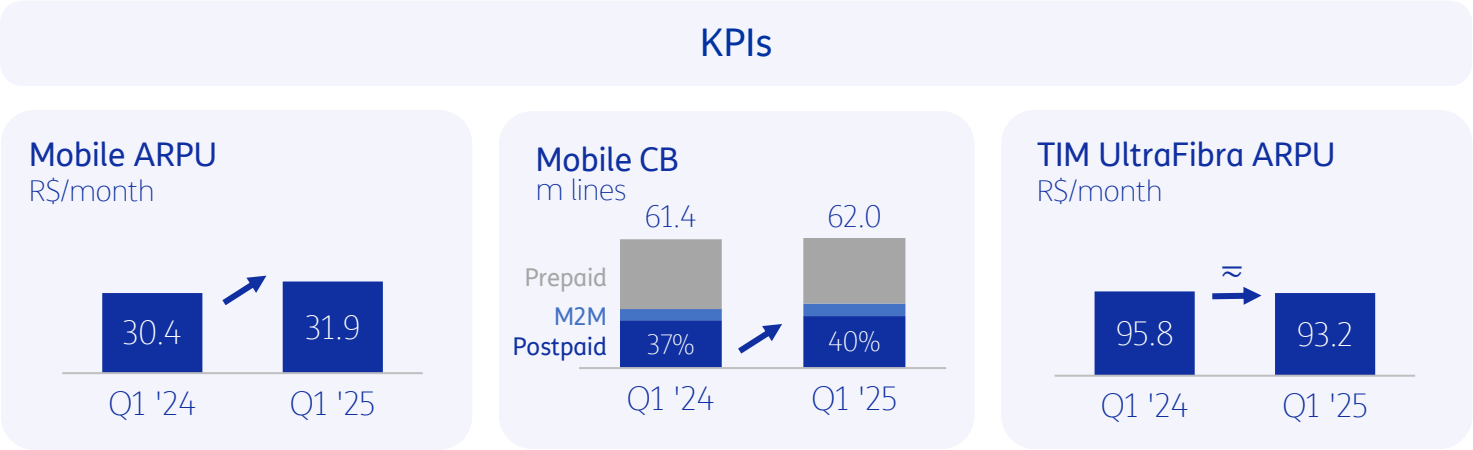


TIM Brasil further delivering on operational excellence

Organic figures, €bn and YoY trend ⁽¹⁾

	Revenues	EBITDA AL	CAPEX	EBITDA AL - CAPEX
TIM BRASIL	1.0bn +4.9% o/w services +5.6%	0.4bn +6.5%	0.2bn 20.9% on revenues	0.2bn +19.2%

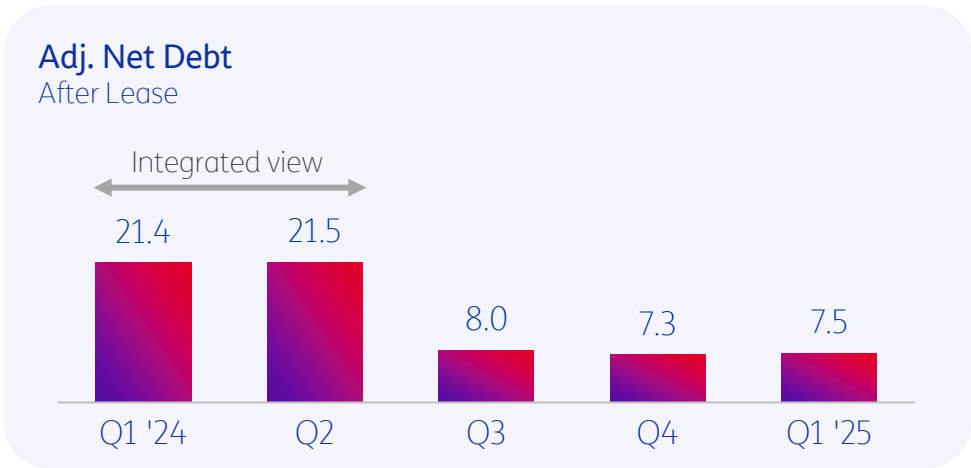
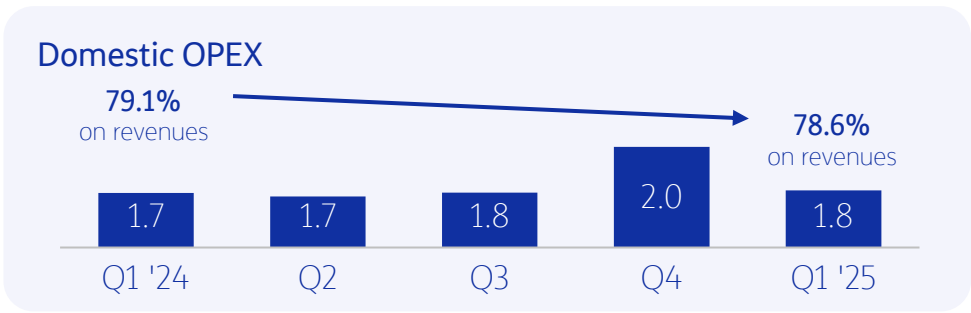
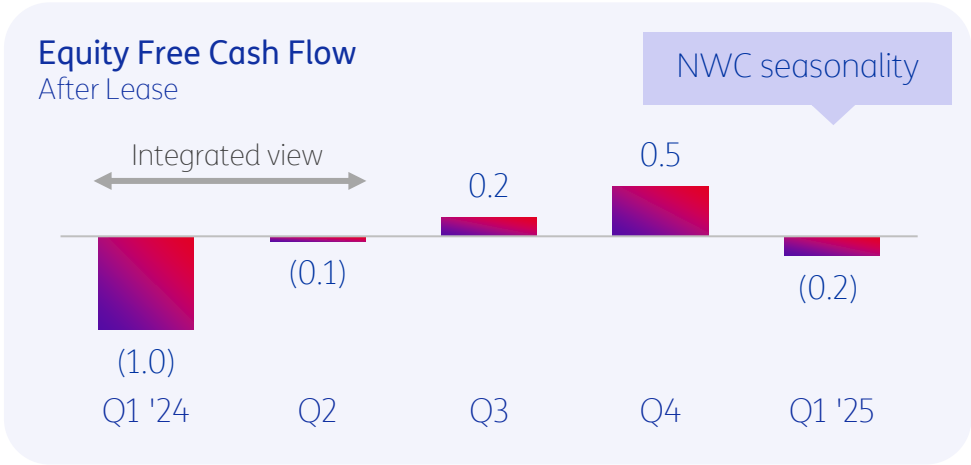
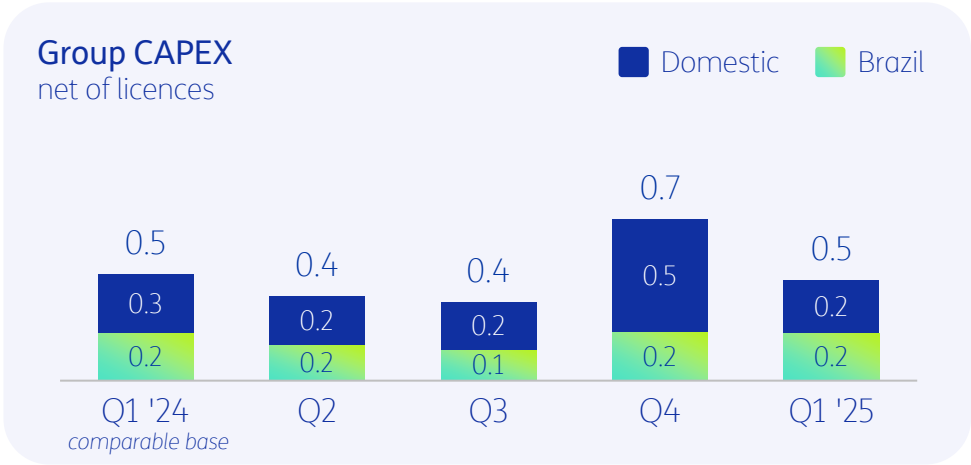
- **Solid growth**, fully in line with plan
- **Efficient operational execution**, OPEX running below inflation ⁽²⁾
- **EBITDA AL margin increase**, +0.6pp to 36.4%
- **New partnership in Customer Platform**, first commercial pilot launched on Energy business



(1) Average exchange-rate YTD @ 6.16 R\$/€ (2) +3.3% vs. 5.48% IPCA LTM

All financials in line with the plan

All figures in €bn. Organic figures ex. Sparkle for CAPEX and OPEX; Reported figures including Sparkle for EFCF AL and Net Debt AL



Transformation Plan
contributing ~€40m to EBITDA AL – CAPEX in Q1



Closing remarks



Results and cash flow evolution on track

Guidance confirmed

Sparkle Sale and Purchase Agreement signed, closing expected in Q4 '25, 0.2x leverage reduction

Poste to create significant value

'98 Concession Fee' dispute moving closer to a resolution

Q&A

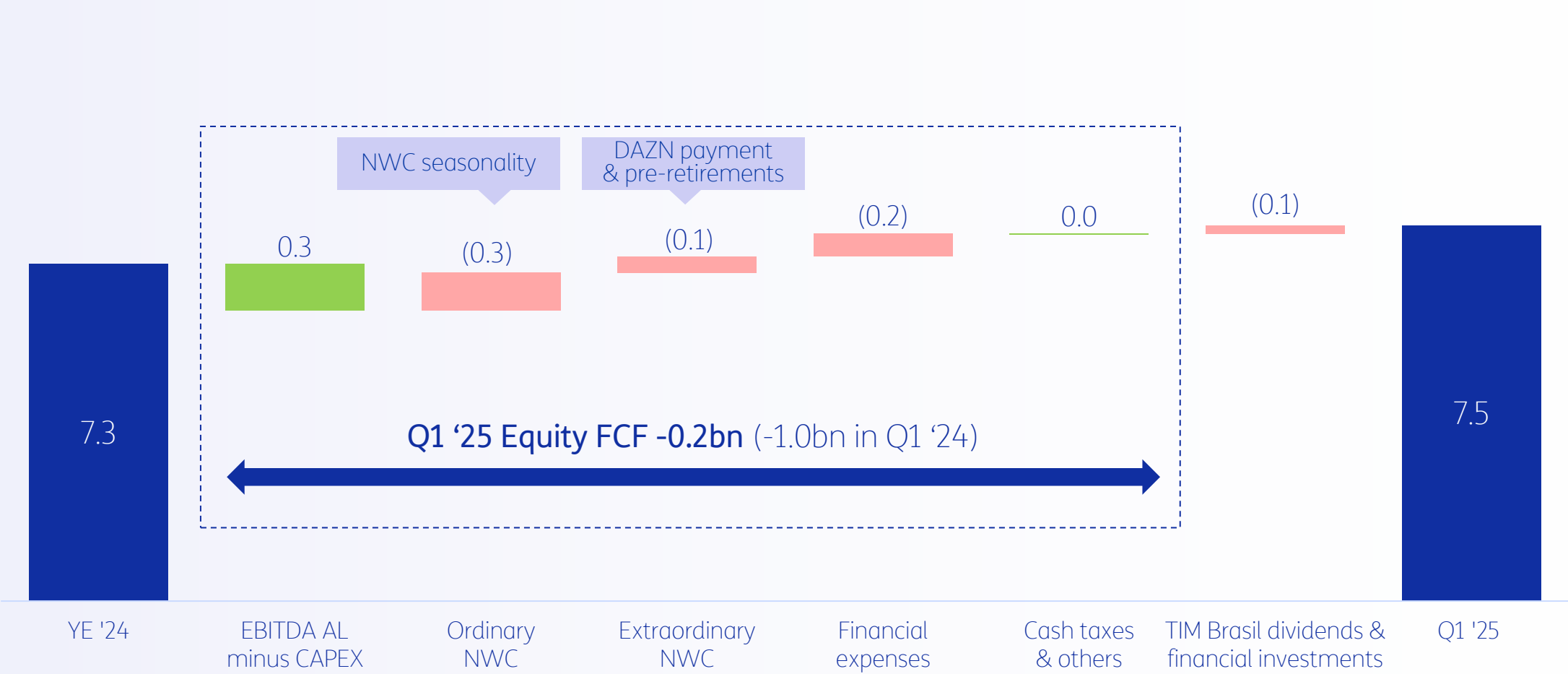


Annex



Net debt AL on track

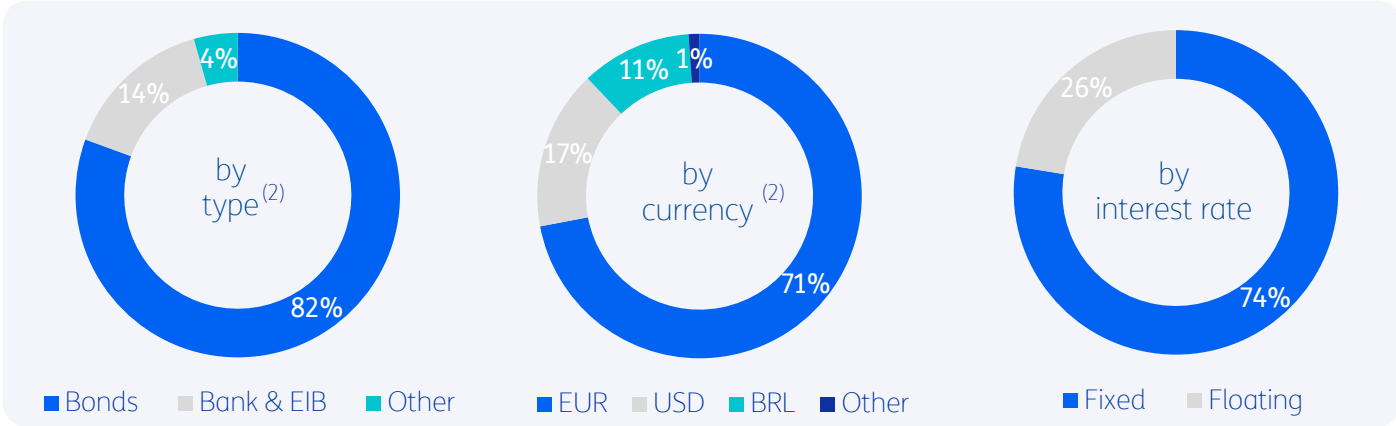
Adjusted Net Debt After Lease, Reported figures, €bn



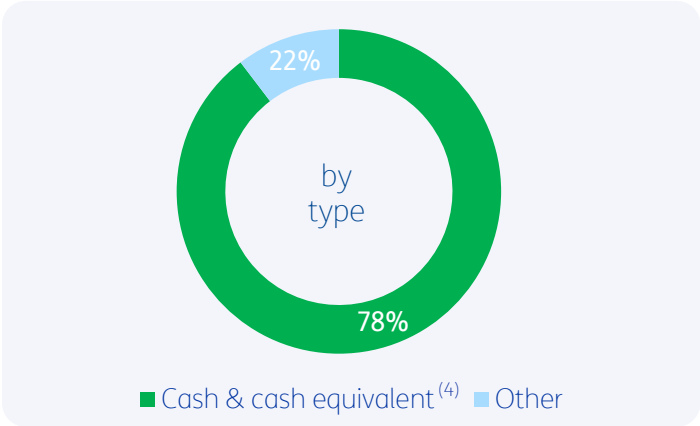
Figures may not add up due to roundings

Capital structure

€ 11.9 bn Gross Debt AL ⁽¹⁾



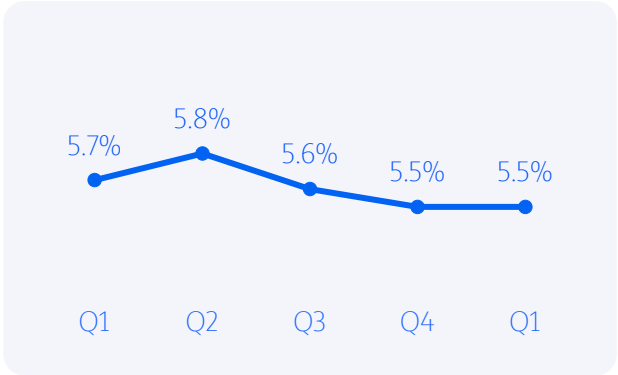
€ 4.8 bn Financial assets ⁽¹⁾



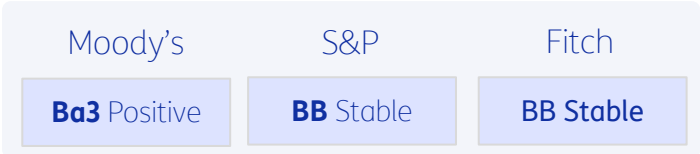
Debt maturities ⁽³⁾



Avg cost of debt YTD



2024 credit rating



RCF & EMTN renewed

- RCF: new amount € 3.0bn until April 2030
- Euro-Medium Term Note: renewed, up to € 10.0bn



(1) Net of the adjustment due to the fair value measurement of derivatives and related financial liabilities/assets and discontinued operations (2) "Accounting" amount including amortized costs (e.g. issue premiums/ discounts) and interests accrued and not yet collected (3) Nominal amount. Average maturity: 4.8 years (bond 5.3 years) (4) Including € 0.1bn securities pledge against a bank guarantee

Guidance 2025-‘27

Excluding Sparkle and the effects of '98 Concession Fee. Organic pro-forma P&L figures ⁽¹⁾, €bn, YoY growth and 2024-'27 CAGR

TIM GROUP
TIM DOMESTIC

		2024 actual	2025	2026	2027
	Revenues	13.7 9.4	2-3% growth 1-2% growth		~3% CAGR 2-3% CAGR
	EBITDA After Lease	3.6 1.9	~7% growth 5-6% growth		6-7% CAGR 5-6% CAGR
	CAPEX on revenues	14.6% 12.9%	~14% 12-13%		~13% ~11%
	Eq. FCF After Lease ^(2, 3)		~0.5	~0.9	~1.1
	Leverage ⁽⁴⁾	<2.0x	<1.9x ⁽⁵⁾		

(1) Excluding non-recurring items, change in consolidation area and exchange rate fluctuations. Group P&L figures @ avg. exchange-rate 5.83 R\$/€ (2) TIM Brasil flows based on annual exchange-rate published in Bloomberg Survey based on major banks projections as of 9 January '25 (avg. exchange rate @ 6.18 R\$/€ in '25, 6.37 R\$/€ in '26 and 6.20 R\$/€ in '27) (3) **Including the effect of '98 Concession fee, 2025 Equity FCF would be ~€ 1.5bn** (4) Adj. Net Debt AL/Organic EBITDA After Lease. Net Debt of TIM Brasil based on consensus exchange rate evolution (EoP exchange rate @ 6.21 R\$/€ in '25) (5) **Including the effect of '98 Concession fee on Net Debt, leverage would be ~1.7x**



Disclaimer

This presentation contains statements that constitute forward looking statements regarding the intent, belief or current expectations of future growth in the different business lines and the global business, financial results and other aspects of the activities and situation relating to the TIM Group. Such forward looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those projected or implied in the forward-looking statements as a result of various factors. Consequently, TIM makes no representation, whether expressed or implied, as to the conformity of the actual results with those projected in the forward- looking statements. Forward- looking information is based on certain key assumptions which we believe to be reasonable as of the date hereof, but forward- looking information by its nature involves risks and uncertainties, which are outside our control, and could significantly affect expected results.

Analysts and investors are cautioned not to place undue reliance on those forward -looking statements, which speak only as of the date of this presentation.

The Q1 '25 Financial results are prepared in accordance with the 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 Q1 '25 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 2024, to which reference can be made, except for the amendments to the standards issued by IASB and adopted starting from 1 January 2025.

Please note that the Q1 '25 and the Q1 '24 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 licenses). 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.

These figures should not be considered as a substitute for the economic and financial information of which they provide a different detail, are unaudited, are produced for explanatory purposes only, and may differ from those that will be published in financial statements prepared in accordance with IFRS.

- In the TIM Group Q1 2025 financial and operating results, **Sparkle** has been classified, in accordance IFRS 5, as **Discontinued operations**, as all the condition necessary for the completion of the sale are met. Therefore, the **TIM Domestic perimeter do not include Sparkle**, unless otherwise specified
- In order to provide a better understanding of business performance, **organic Q1 2024 like-for-like data are presented**. Such data includes Sparkle as a Discontinued Operation (as required by IFRS 5 for comparison purposes), as well as the NetCo transaction as if it had occurred at the beginning of the reporting period (January 1)
- **Cash flows and Net Debt After Lease are based on actual results** either for 2025 and for 2024



Further questions

please contact the IR team



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