

# Q3 '23 DELIVERING & DELAYERING

09 NOVEMBER 2023



# Disclaimer

This presentation contains statements that constitute **forward looking statements** regarding the intent, belief or current expectations of future growth in the different business lines and the global business, financial results and other aspects of the activities and situation relating to the TIM Group. Such forward looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those projected or implied in the forward-looking statements as a result of various factors.

The financial results of the TIM Group for Q3 '23 and 9M '23 has been prepared in **compliance with the accounting standards**, the recognition and measurement criteria and the consolidation methods and criteria adopted for the preparation of the Consolidated Financial Statements at December 31, 2022, to which reference can be made for a more extensive description, except for the amendments to the standards issued by IASB and adopted starting from 1 January 2023.

Please note that the financial results for Q3 '23 and 9M '23 of the TIM Group are unaudited.

## Alternative Performance Measures

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

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# Group and Domestic results fully on track vs FY guidance

Organic data, YoY trend <sup>(1)</sup>

	Q3 '23	9M '23	Q4 '23	FY targets <sup>(2)</sup>
<b>Service Revenues</b>	<b>+1.7%</b>	<b>+2.1%</b>	Positive domestic drivers	LSD growth
o/w Domestic	-0.6%	-1.3%		broadly stable
<b>EBITDA</b>	<b>+6.5%</b>	<b>+5.3%</b>		MSD growth
o/w Domestic	+3.6%	+0.5%	flat to LSD growth	LMSD growth
<b>EBITDA AL</b>	<b>+8.6%</b>	<b>+5.0%</b>		

Drivers	delivered	in progress
Activation fees drag	-	
Selective repricing	+	++
CB stabilization	+	+
'23 wholesale tariffs	+	+
Energy-Labour comps	+	+++

**Highlights**

9M Group and Domestic results fully support FY targets

Positive drivers expected also in Q4

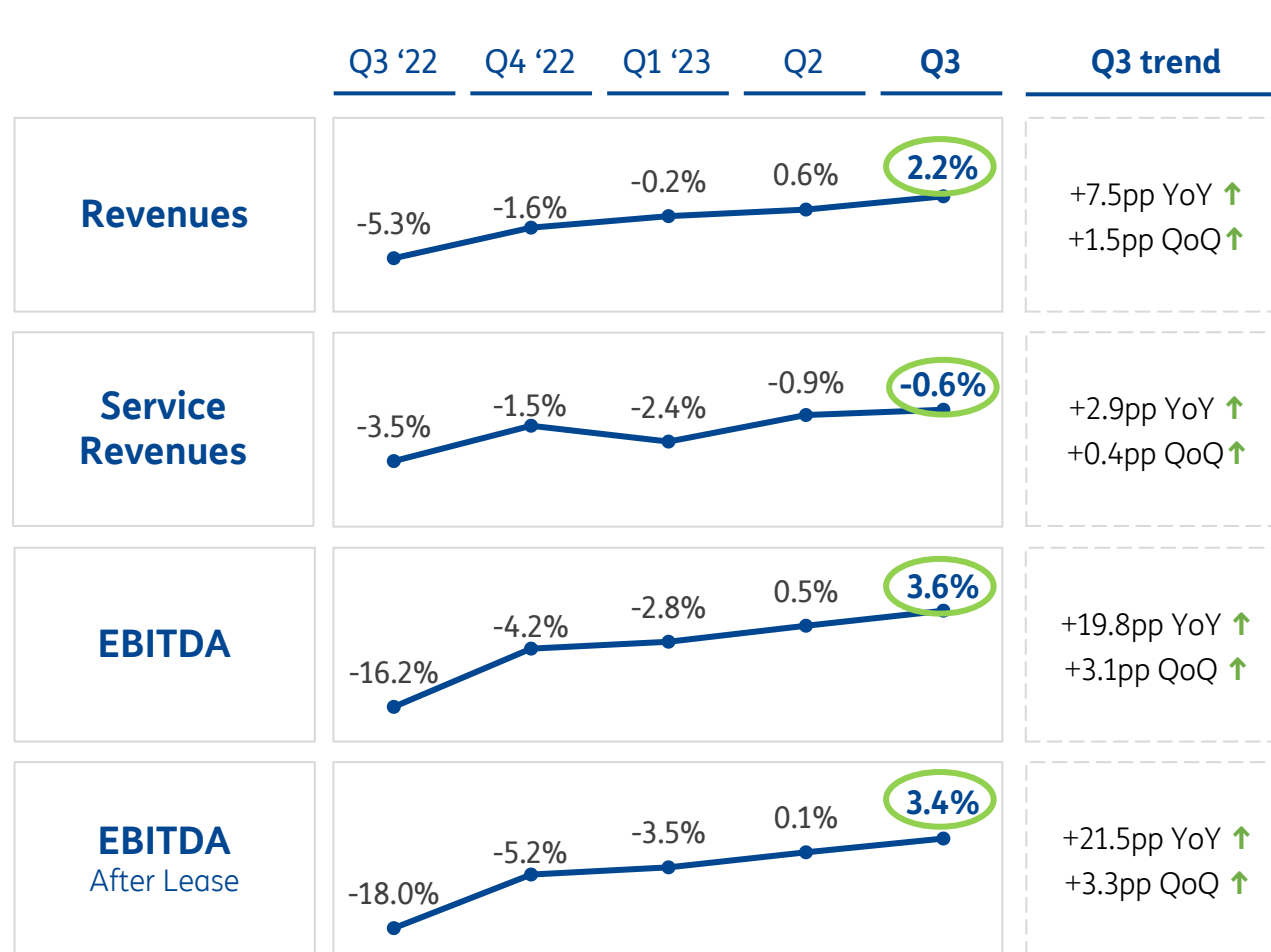
**FY guidance confirmed**

(1) Excluding exchange rate fluctuations, non-recurring items and change in consolidation. Group figures @ average exchange-rate 5.43 R\$/€

(2) LSD = Low-Single Digit MSD = Mid-Single Digit LMSD = Low-to-Mid Single Digit

# Domestic growth trajectory confirmed on all metrics

Organic data, YoY trend <sup>(1)</sup>



## Highlights

**2<sup>nd</sup> consecutive quarter of Revenues growth**

**Service revenues trending towards stabilization**

**2<sup>nd</sup> consecutive quarter of EBITDA growth**

EBITDA trend YoY accelerating, further improvement expected in Q4

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

# TIM Entities delivering results (1/3)



**Churn - CO**

— Fixed — Mobile

Month	Fixed	Mobile
Mar '23	1.3%	1.8%
Apr	1.1%	1.4%
May	1.2%	1.5%
Jun	1.2%	1.5%
Jul	1.2%	1.6%
Aug	1.2%	1.7%
Sep	1.1%	1.7%

**FTTH market share <sup>(3)</sup>**

+4.4pp    -1.4pp    -2.0pp    -3.3pp    +2.3pp    ΔYoY

26%	19%	19%	18%	17%
TIM	Op.2	Op.3	Op.4	Others

(1) Targeted 7.3m CO mobile lines and 4.7m CO fixed lines    (2) Of which ~€ 7m in '23 and ~€ 11m in '24 from SMB (price ups on 0.4m fixed lines and 0.3m mobile lines launched/announced in '23)    (3) Source: AGCOM, data as of Jun. '23

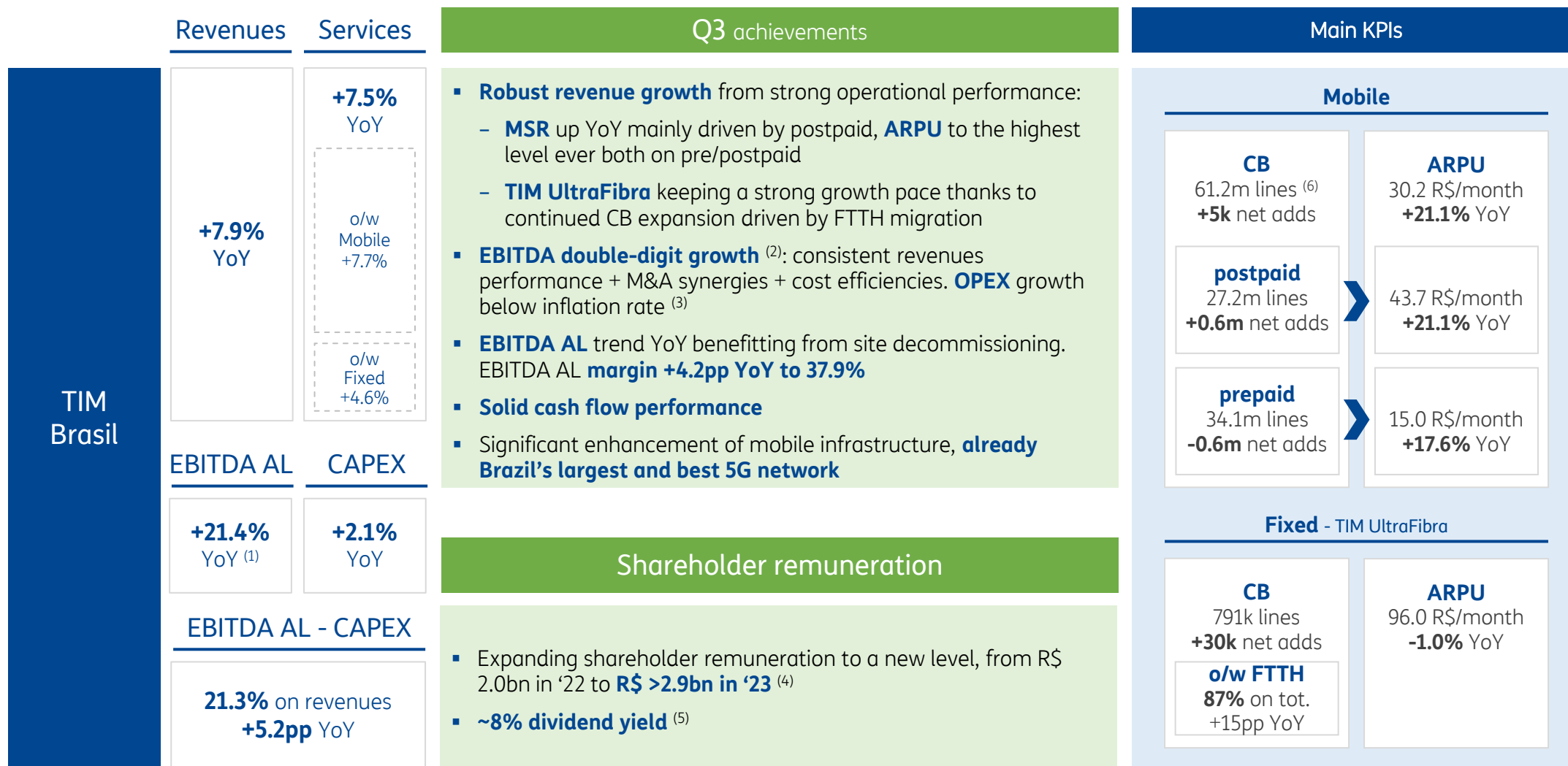
# TIM Entities delivering results (2/3)

	Revenues	Services	Q3 achievements	Main KPIs																												
<b>TIM Enterprise</b>	+4.8% YoY	+4.2% YoY	<ul style="list-style-type: none"> <li><b>Positive revenue growth</b>, faster pace vs. Q2 driven by fixed monthly fees and mobile services. <b>Cloud revenues</b> +24% YoY YTD net of SPC Cloud phase out</li> <li><b>~€ 1.8bn worth of pipeline</b></li> <li><b>National Strategic Hub beyond expectations</b> <ul style="list-style-type: none"> <li>The first 10 contracts signed generate ~80% of 1<sup>st</sup> year marketed NSH services</li> <li>Total value NSH negotiations equal to € 0.4bn, of which 80% concentrated on 41 Customers</li> </ul> </li> </ul>	<b>9M '23 Service Revenues</b> <table border="1"> <thead> <tr> <th></th> <th>Δ YoY</th> <th>Revenue mix weight</th> <th>Δ YoY</th> </tr> </thead> <tbody> <tr> <td>Connectivity</td> <td>-3%</td> <td>42%</td> <td>-2.6pp</td> </tr> <tr> <td>Cloud</td> <td>+8%</td> <td>30%</td> <td>+1.3pp</td> </tr> <tr> <td>IoT</td> <td>-3%</td> <td>2%</td> <td>-0.1pp</td> </tr> <tr> <td>Security</td> <td>+9%</td> <td>3%</td> <td>+0.2pp</td> </tr> <tr> <td>Other IT</td> <td>+9%</td> <td>23%</td> <td>+1.2pp</td> </tr> </tbody> </table>		Δ YoY	Revenue mix weight	Δ YoY	Connectivity	-3%	42%	-2.6pp	Cloud	+8%	30%	+1.3pp	IoT	-3%	2%	-0.1pp	Security	+9%	3%	+0.2pp	Other IT	+9%	23%	+1.2pp				
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<b>NetCo</b>	+5.8% YoY	-1.1% YoY	<ul style="list-style-type: none"> <li><b>NRRP</b>: 30% grant advance payment unlocked, € 0.7bn cash-in confirmed by YE</li> <li><b>Service revenues trend YoY</b> broadly stable</li> <li><b>FTTH coverage</b>: 8.7m technical units connected (36% of tot.)</li> </ul> <table border="1"> <thead> <tr> <th>Italia 1 Giga</th> <th>5G Backhauling</th> <th>5G Coverage</th> </tr> </thead> <tbody> <tr> <td>Progressive acceleration excluding Sardinia <sup>(2)</sup></td> <td>Expected to achieve YE target <sup>(2)</sup></td> <td>Expected to achieve YE target <sup>(2)</sup></td> </tr> </tbody> </table> <p><b>No risk of penalties</b></p>	Italia 1 Giga	5G Backhauling	5G Coverage	Progressive acceleration excluding Sardinia <sup>(2)</sup>	Expected to achieve YE target <sup>(2)</sup>	Expected to achieve YE target <sup>(2)</sup>	<table border="1"> <tr> <td><b>Market share</b> <b>79%</b> 15.6m accesses <sup>(1)</sup> &gt;70% FTTx</td> <td><b>FTTx coverage</b> <b>95%</b> of active lines ~61% &gt;100Mbps</td> </tr> </table> <table border="1"> <thead> <tr> <th colspan="5">FTTH coverage (technical units, million) <sup>(3)</sup></th> </tr> <tr> <th></th> <th>32%</th> <th>33%</th> <th>34%</th> <th>36%</th> </tr> </thead> <tbody> <tr> <td></td> <td>7.8</td> <td>8.0</td> <td>8.3</td> <td>8.7</td> </tr> <tr> <td></td> <td>FY '22</td> <td>Q1 '23</td> <td>Q2</td> <td>Q3</td> </tr> </tbody> </table>	<b>Market share</b> <b>79%</b> 15.6m accesses <sup>(1)</sup> >70% FTTx	<b>FTTx coverage</b> <b>95%</b> of active lines ~61% >100Mbps	FTTH coverage (technical units, million) <sup>(3)</sup>						32%	33%	34%	36%		7.8	8.0	8.3	8.7		FY '22	Q1 '23	Q2	Q3
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(1) Fixed accesses including FiberCop (2) NRRP milestones for YE '23: 25% of street numbers covered with fiber ("Italia 1 Giga"), 35% of mobile sites connected ("5G Backhauling"), 10% of areas covered with 5G ("5G Coverage") (3) Overall FTTH coverage, including NRRP and "Eurosud"



# TIM Entities delivering results (3/3)



(1) Net Non-Recurring Items (NRI) (2) EBITDA net of NRI +12.1% YoY (3) OPEX +3.7% YoY in Q3 '23 vs +5.2% IPCA LTM (source: IBGE, 30<sup>th</sup> Sep. 2023)

(4) Subject to BoD approval and 2024 AGM ratification (5) Based on stock price as of Oct. 23<sup>th</sup>, 2023 (6) Only market lines (excluding Company lines)



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

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

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

## Q3 highlights

**Digital break-through**

- **New digital CX**, activation process based on client digital ID
- **eSIM**, enhanced activation process
- **Certified email and digitization:**
  - 58% customer paper mails shifted to digital <sup>(3)</sup>
  - >1 million digital invoices in Q3

**Customer care**

- **Customer Care**, on track to achieve **10% cost reduction YoY** thanks to lower human volumes, make vs buy and digitalization
- **Generative AI & Voicebot**, set-up of future-proof platform, go-live in Q1 '24 <sup>(4)</sup>

**Decommissioning update**

- **Public Payphones**, on track with plan
  - ~7.5K already dismantled (~50% of YE target)
  - ~2.5K to be converted into Digital Booths

## 9M key contributors

**Real Estate**

- **Closure of 200k sqm** by leveraging 'work from home'

**Energy**

- **Efficiencies**, ~10% lower consumption

**Rightsizing & talents' uplift**

- **Hourly reduction**, average impact equivalent to 4.2k FTEs
- **Voluntary exits**, ~0.4k HCs (~80% of target achieved)
- **Early retirements**, ~1.4k HCs
- **Insourcing**, ~0.6k HCs already re-skilled
- **Hirings**, ~0.4k HCs already recruited

- **Copper legacy**, on track with plan <sup>(5)</sup>
  - Approval received by AGCOM to shut down 1.3k COs by '25

(1) Cumulated savings vs. inertial plan (2) On 2021 restated cost baseline (€ 4.8bn) (3) For defaulting customers (4) Generative AI use cases to be made available in H1 '24 (5) 6.7k exchanges shutdown + legacy technology switch off in 10.5k exchanges by '28

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

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

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

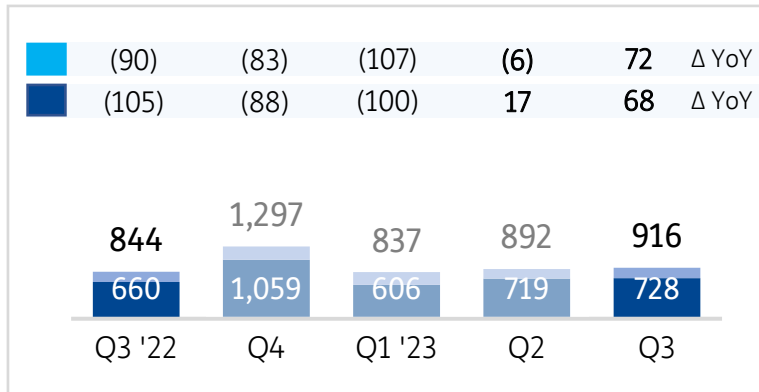
(1) Net of capitalized costs    (2) Includes other costs/provision and other income

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

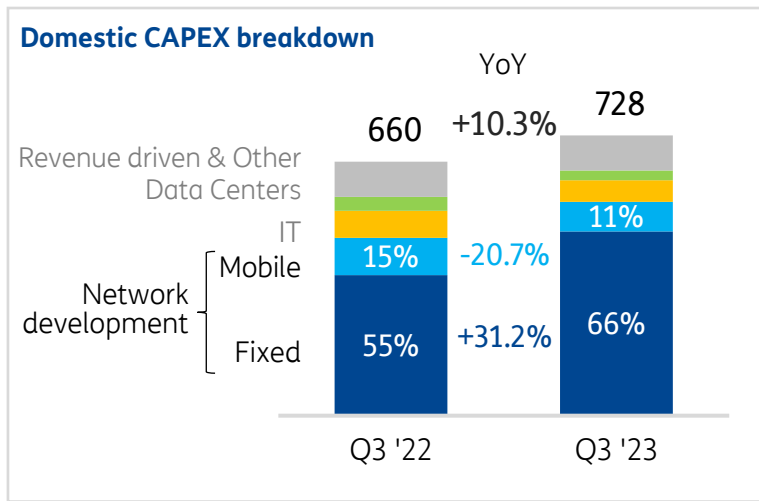
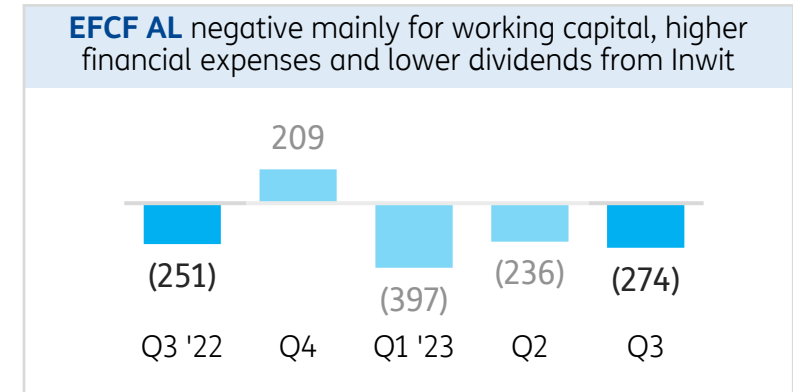
Organic figures<sup>(1)</sup>, IFRS 16 and After Lease, €m

Group Domestic Brazil

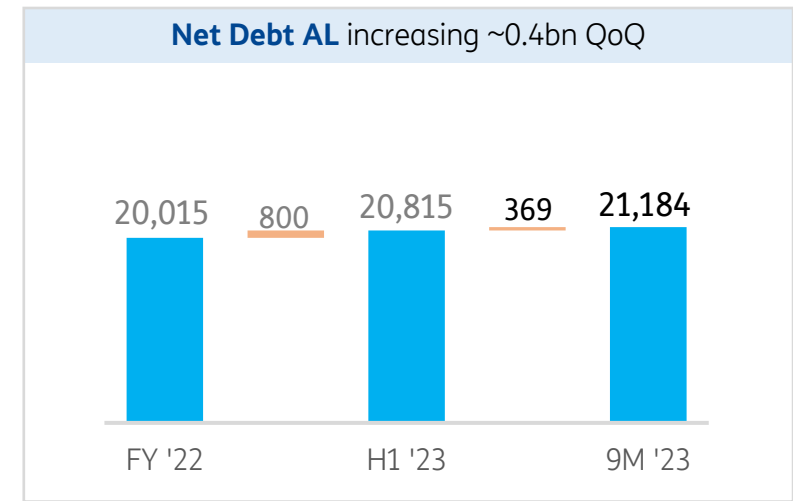
CAPEX net of licenses



EFCF After Lease



Adjusted Net Debt After Lease



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

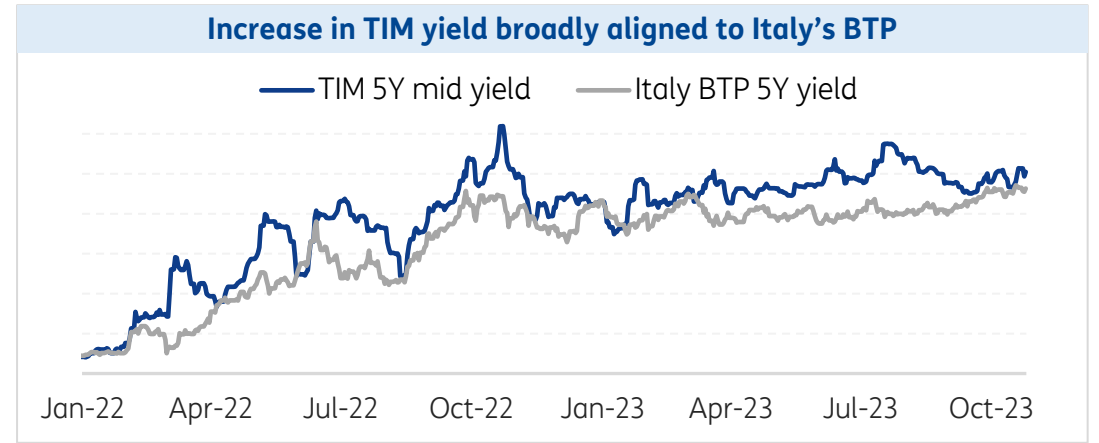
# Refinancing activity – Completed for 2023, € 4.1bn raised in 9M o/w € 2.5bn in Q3

**2023 refinancing initiatives**

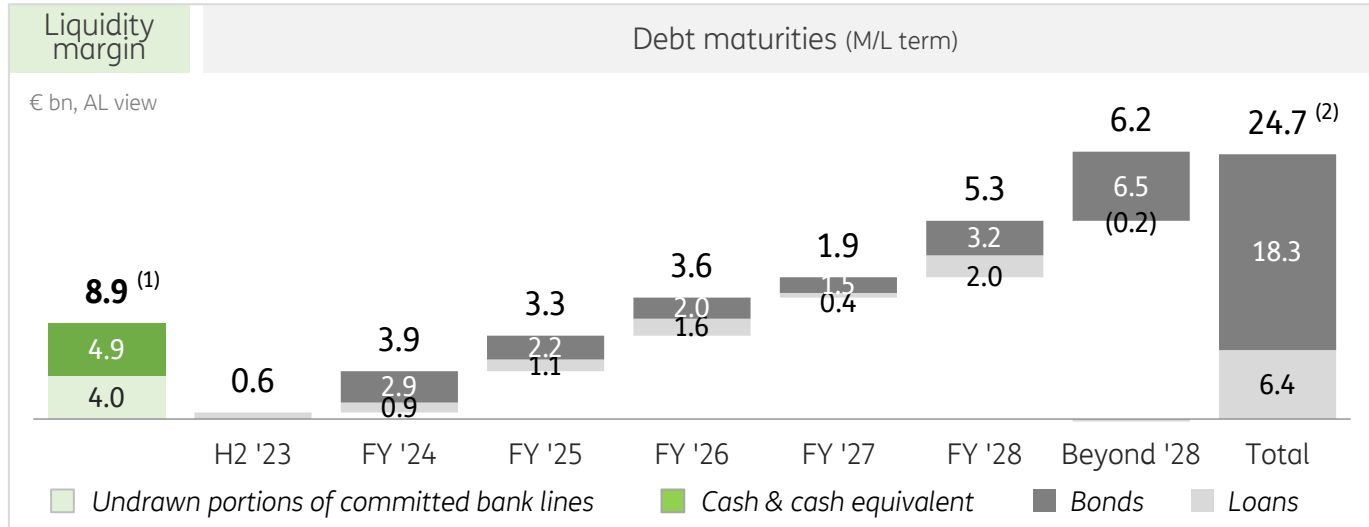
TIM largest EUR High Yield issuer YTD

Jan. '23	€0.85bn	Bond
Apr.	€0.40bn	Tap
May	€0.36bn	EIB financing
Jul.	€0.75bn	Bond
	€0.95bn	Braz. Debenture
Sep.	€0.75bn	Tap

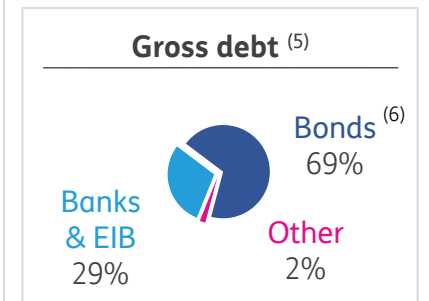
✓ Improvement on original issuance <sup>(1)</sup>  
 ✓ Largest Private Tap ever priced for an EU Corp.



**Liquidity margin covering debt maturities until '25**



**Cost of debt ~4.6%** <sup>(3)</sup>  
 +0.2pp QoQ, +0.9pp YoY  
 ~66% M/L term debt at fixed rate <sup>(4)</sup>



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

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# Delaying TIM

Section to be provided tomorrow, Thursday 9<sup>th</sup> November





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# Closing remarks

Delivering

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

Q&A



# Annex



# Key financials

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

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

## Q3 highlights

**Continued growth at Group level** both on Revenues and EBITDA

**Domestic: 2<sup>nd</sup> consecutive quarter of Revenues and EBITDA growth**

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

**Accelerated EBITDA growth** YoY both at Group and Domestic level

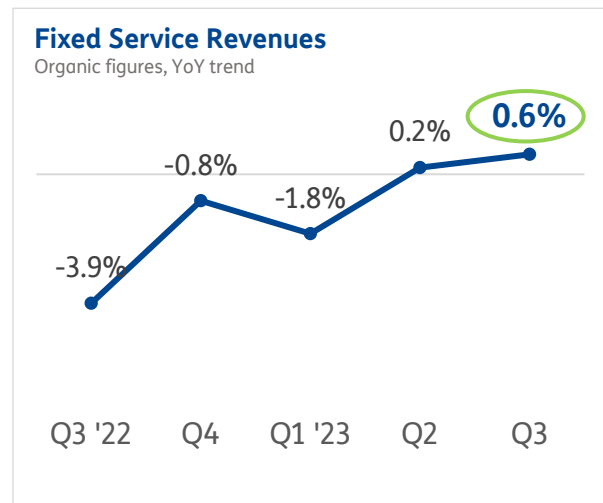
**CAPEX in line with plan.** Group +72m YoY, o/w +68m Domestic driven by a push on FTTH

**EFCF AL** negative mainly for working capital, higher financial expenses & lower dividends from Inwit. **Net Debt AL** increasing 0.4bn QoQ

(1) Excluding exchange rate fluctuations, non-recurring items and change in consolidation area. Group figures @ average exchange-rate 5.43 R\$/€

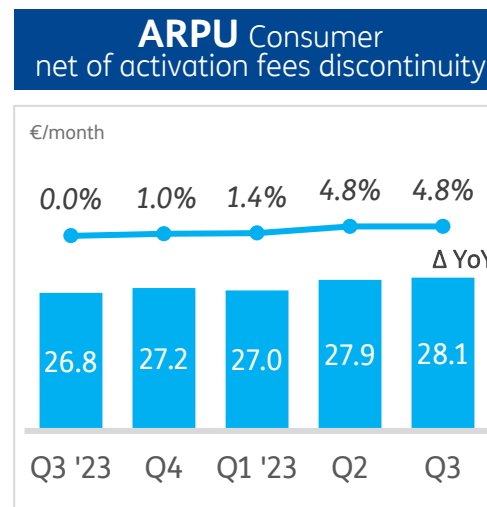
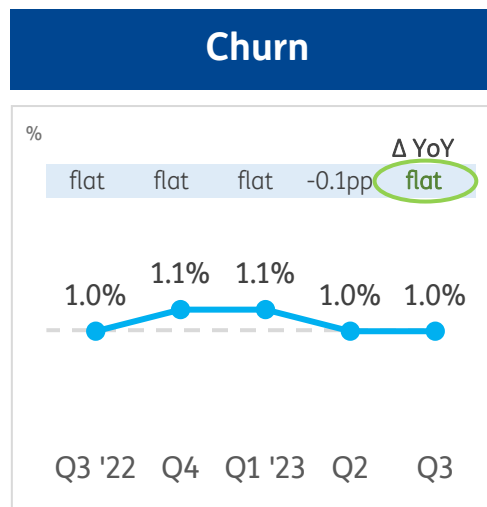
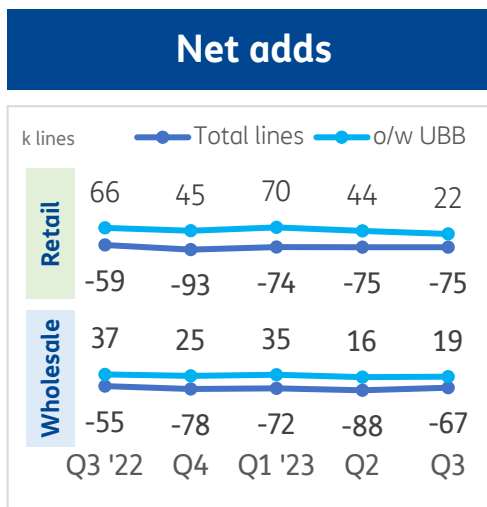
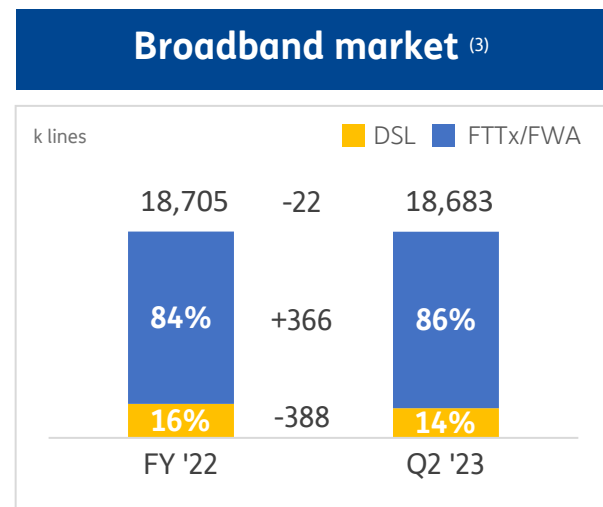
(2) Net of licences (3) Adjusted Net Debt

# Fixed - 2<sup>nd</sup> consecutive quarter of FSR growth YoY, higher ARPU, churn contained



Organic figures

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



(1) Including ICT revenues generated by TIM Digital Companies

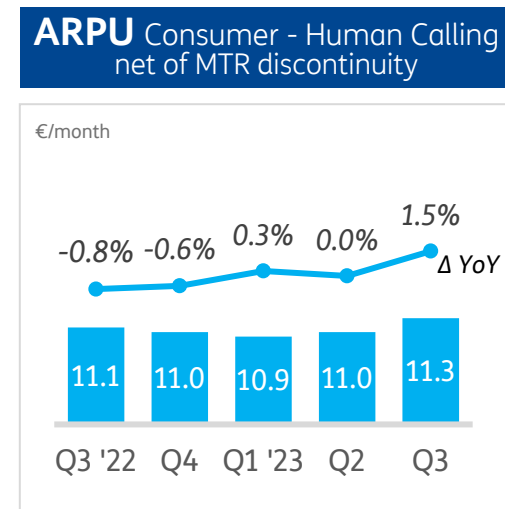
(2) Including FiberCop revenues

(3) Source: AGCOM

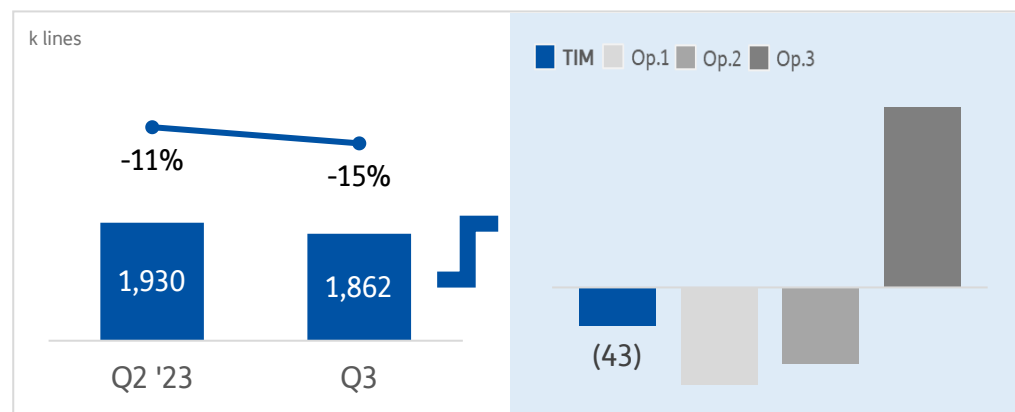
# Mobile - MSR trend improved despite still affected by MTR reduction and lower CB YoY MNPs under control, higher ARPU, churn contained

Organic figures

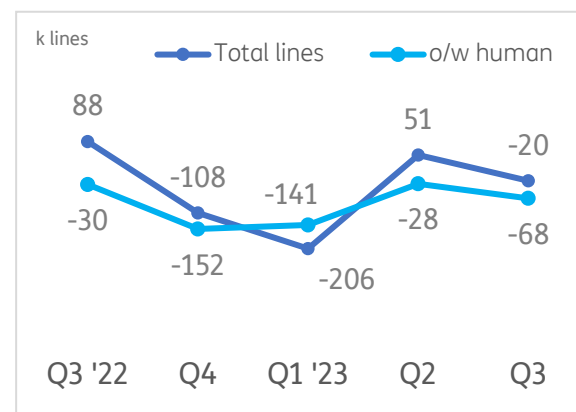
		YoY trend	vs. Q2 '23	Highlights
<b>Mobile revenues</b>	<b>872</b>	<b>-4.5%</b>	<b>+3.2pp ↑</b>	
Equipment	91	-17.9%	+10.8pp ↑	lower consumer volumes YoY
<b>Services</b>	<b>781</b>	<b>-2.6%</b>	<b>+1.6pp ↑</b>	MTR drag -1.5pp YoY
o/w retail	630	-2.2%	+2.1pp ↑	lower CB, ARPU affected by MTR drag
o/w wholesale & other	151	-4.3%	-0.9pp ↓	higher VISE, lower wholesale & other (incl. MVNO)



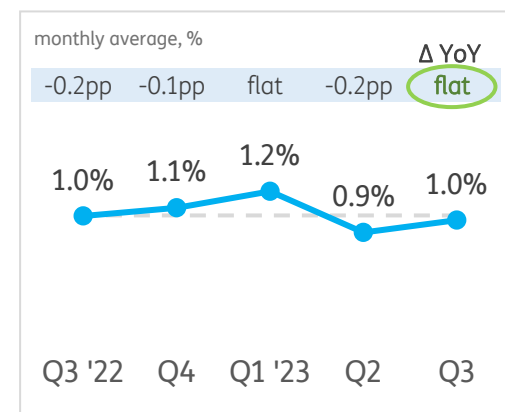
## Market MNP reduced, TIM best performer among MNOs



## Net adds



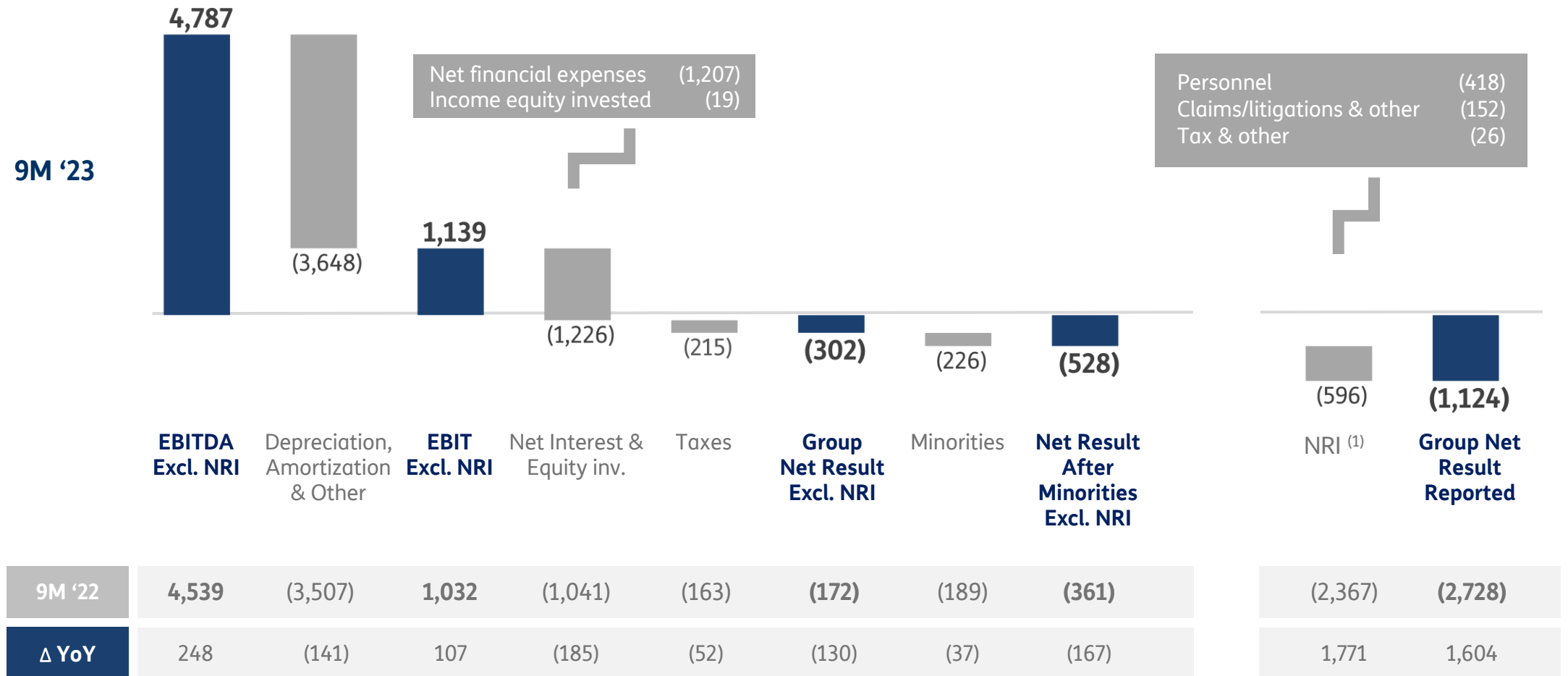
## Churn





# P&L - From EBITDA to Net Income

Reported data, €m

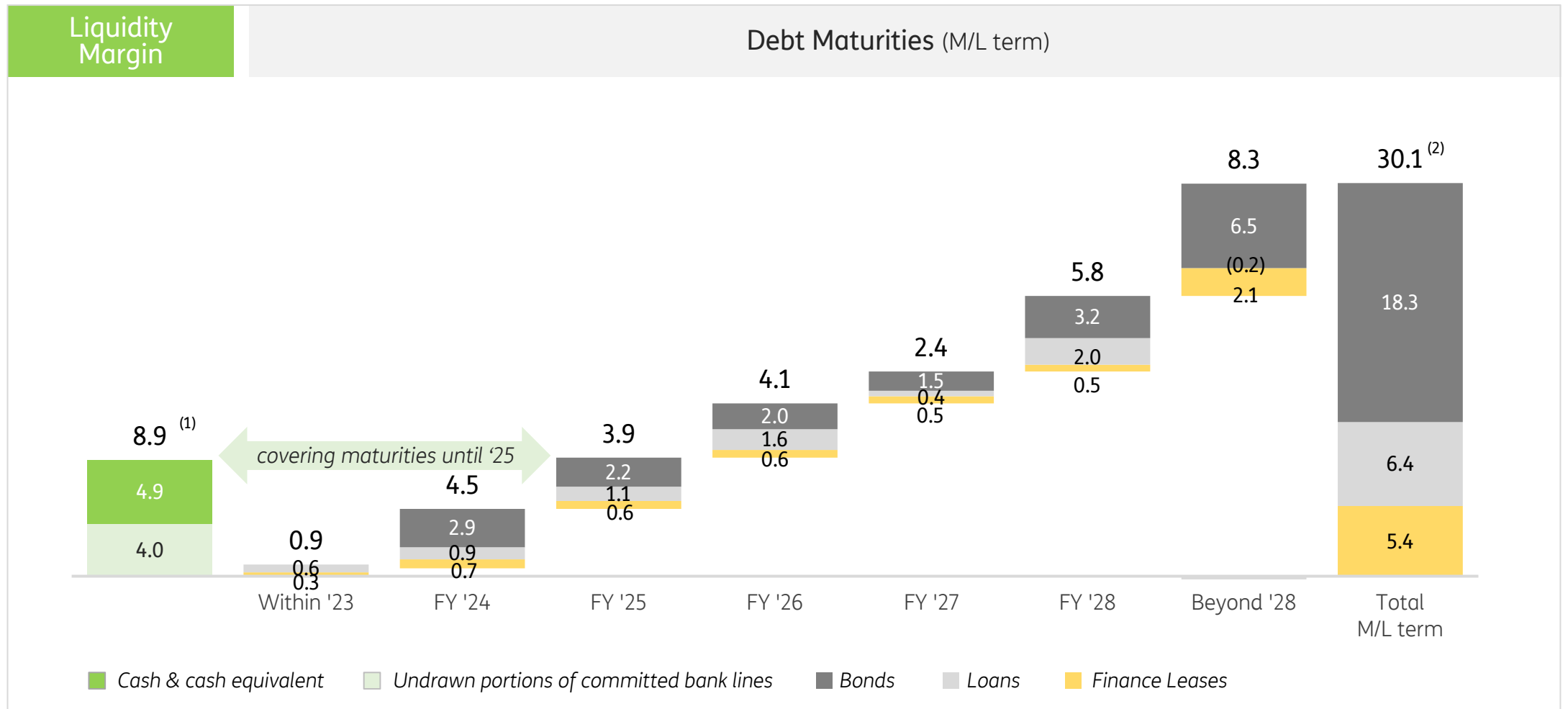


(1) Non-Recurring Items include provisions for personnel (2021-26 layoffs ex art.4 "Fornero" law), claims and litigation

# Liquidity margin - IFRS 16 view

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

\* Including cost of all leases



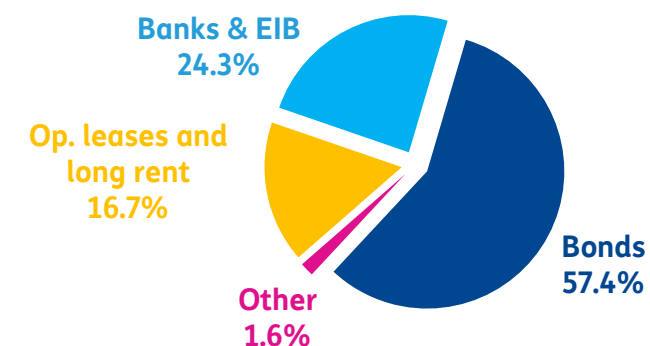
(1) Includes €0.7bn repurchase agreements (nominal amount) due in the following 9 months (2) € 30.1bn is the nominal amount of outstanding medium-long term debt. By adding the balance of IAS adjustments and reverse fair value valuations (€ 1.2bn) and current financial liabilities (€ 1.2bn), gross debt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

# Gross Debt - IFRS 16 view

Well diversified and hedged debt

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

## Gross Debt <sup>(2)</sup>



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

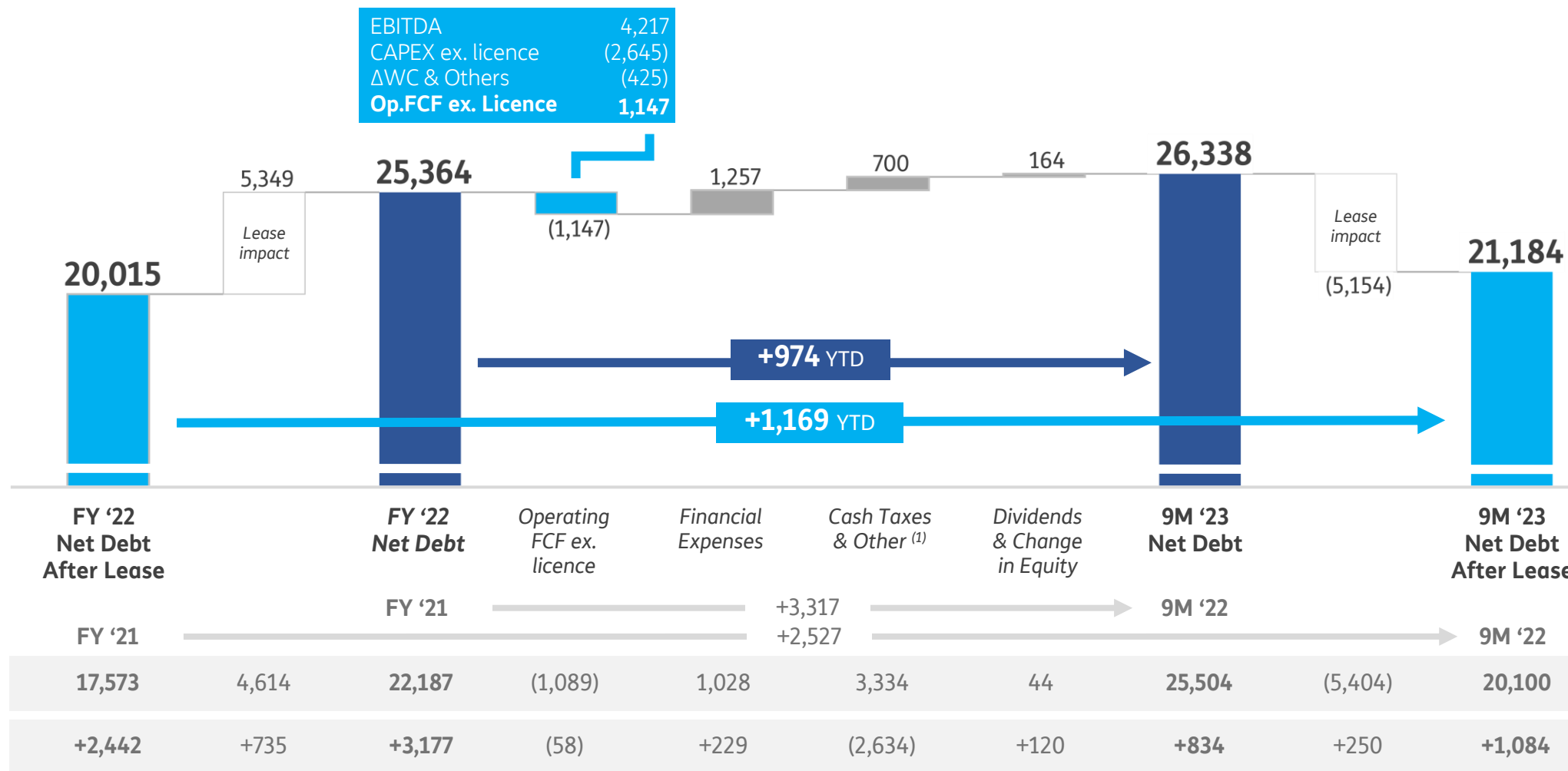
**Fixed rate portion** on M/L term debt **~72%**

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

(1) Includes debts due to other lenders related to: Factor (€ 190m), Aflac (€ 129m), Brazil 5G (€ 185m) and other (€ 37m) (2) Gross debt adjusted

# Net debt - Adjusted

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



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

# ESG - Q3 findings

## E Environment

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

## S Social

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

## G Governance

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

### 2023- '25 Plan

Group targets		
E Net Zero (Scope 1+2+3)	2040	
E Carbon Neutrality (Scope 1+2)	2030	
E Scope 3 Reduction <sup>(1)</sup>	-47%	2030
E Renewable energy on total energy	100%	2025
G Women in leadership position <sup>(2)</sup>	≥29%	

*Scope 1: emissions from production (heating, cogeneration, company fleet)*  
*Scope 2: electricity purchase emissions*  
*Scope 3: emissions from upstream and downstream activities of the production chain (cat.1-purchase of goods; cat.2; capital goods; cat 11-use of goods sold)*

Domestic targets		
E Green Products & Smartphones <sup>(3)</sup>	≥70%	2025
E Circular Economy ratio <sup>(4)</sup>	2€/kg	
S Cloud, IoT & Security service revenues <sup>(5)</sup>	+21% CAGR 23-25	
S Digital Identity Services <sup>(6)</sup>	+30% CAGR 23-25	
S People trained on ESG skills	≥90%	
S Young Employees Engagement	≥ 78%	
S FTTH Coverage (% of technical units)	48%	

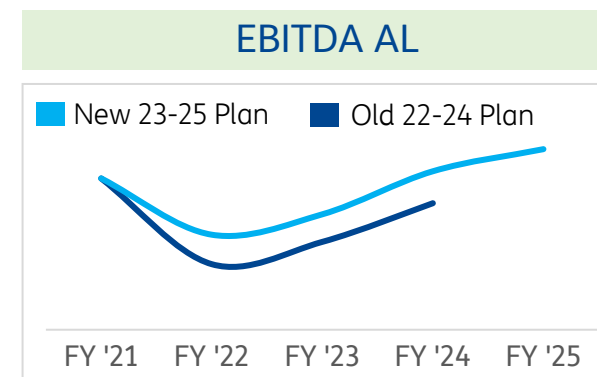
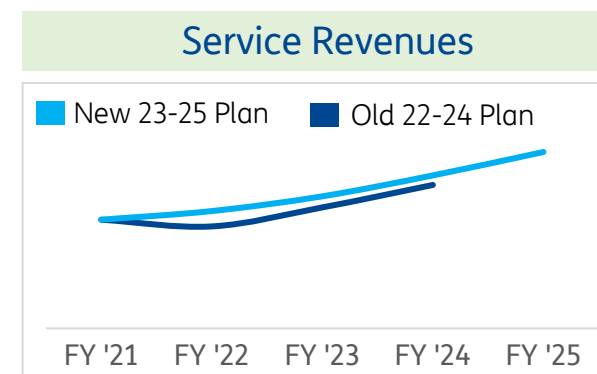
(1) Scope 3 cat.1, 2 and 11, 2019 baseline (2) Women managers, weighted average between Domestic and Brazil targets (≥27% and ≥35% respectively for '23-'25) (3) Baseline 2021 (4) Average revenues from the resale of used materials and assets plus waste recycling per kg of waste produced (5) Old target excluding cloud service revenues (6) PEC, SPID, Digital Signature (active services)

# Guidance 2023-'25

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

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

Group	2022A	2023	2022-'25
Service revenues	+1.3%	<b>LSD growth</b> o/w broadly stable Domestic	<b>LSD growth CAGR</b>
EBITDA	-6.7% -14.3% Domestic	<b>MSD growth</b> o/w flat to LSD growth Domestic	<b>MSD growth CAGR</b>
EBITDA After Lease	-10.6%	<b>LMSD growth</b>	<b>MSD growth CAGR</b>
CAPEX net of licences	4bn o/w 3.1bn Domestic	<b>4bn</b> o/w 3.1bn Domestic	<b>4bn/year on avg.</b> o/w 3.1bn Domestic
EFCF After Lease	0	<b>cumulative '23-'25 slightly positive</b>	



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

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

# Further questions

please contact the IR team



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## Upcoming financial event

15 Feb  
2024

FY '23 Preliminary Results



## Your feedback is important to us

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



Website  
[Gruppotim.it](http://Gruppotim.it)

