

# Preliminary FY 2025 *Results* and 2026 *Update*

25 February 2026





# #1 Key messages

Pietro Labriola, **Group CEO**



# Highlights

FY 2025 guidance

*Achieved*

New governance

*In place*

'98 Concession Fee outcome

*Positive*

**New capital structure** leaner, more efficient and remuneration-supportive

*Approved*

**2026 Guidance** and growth trajectory

*Confirmed*

**Capital Market Day**  
2027-'28 strategic plan update

*In H2 2026*



#2 FY 2025

# Preliminary Results

Pietro Labriola, **Group CEO**

Piergiorgio Peluso, **Group CFO**



# FY '25 - Strong results both in Italy and Brazil...

Organic P/L figures ex Sparkle, YoY comparison based on 2024 like-for-like, €bn and YoY trend <sup>(1)</sup>



(1) Group figures at average exchange-rate 6.31 R\$/€. Excluding non-recurring items and exchange rate fluctuations

(2) '98 Concession Fee impact on Adjusted Net Financial Position expected in 2026

(3) Adjusted Net Debt After Lease / Organic EBITDA After Lease



## ...meeting guidance for the fourth consecutive year...

Organic P/L figures ex Sparkle, YoY comparison based on 2024 like-for-like, €bn and YoY trend <sup>(1)</sup>

		FY '25 guidance	FY '25 actual
	<b>Revenues</b> o/w Domestic	2-3% growth 1-2% growth	+2.7% +1.9%
	<b>EBITDA AL</b> o/w Domestic	~7% growth 5-6% growth	+6.5% +5.1%
	<b>CAPEX</b> on revenues o/w Domestic	~14% 12-13%	13.9% 12.4%
	<b>Eq. FCF</b> After Lease	~0.5bn	0.7bn
	<b>Leverage</b> <sup>(2)</sup>	<1.90x	1.86x

*Guidance met  
on all metrics*

(1) Group figures at average exchange-rate 6.31 R\$/€. Excluding non-recurring items and exchange rate fluctuations

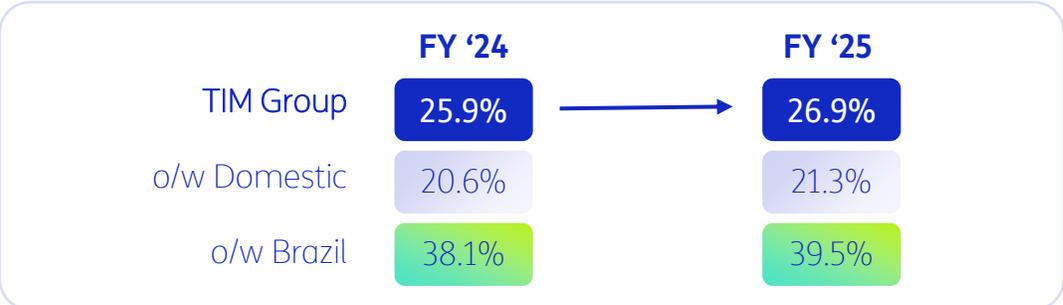
(2) Adjusted Net Debt After Lease / Organic EBITDA After Lease



# ...with EBITDA AL margin growing in both geographies...

Organic P/L figures ex Sparkle, YoY comparison based on 2024 like-for-like, €m <sup>(1)</sup>

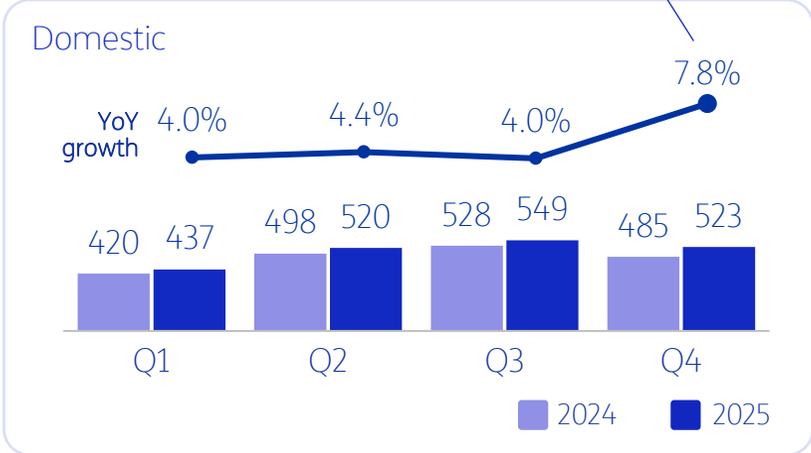
EBITDA AL margin increase



EBITDA AL growth



Q4 domestic YoY growth supported by easy comps and positive drivers

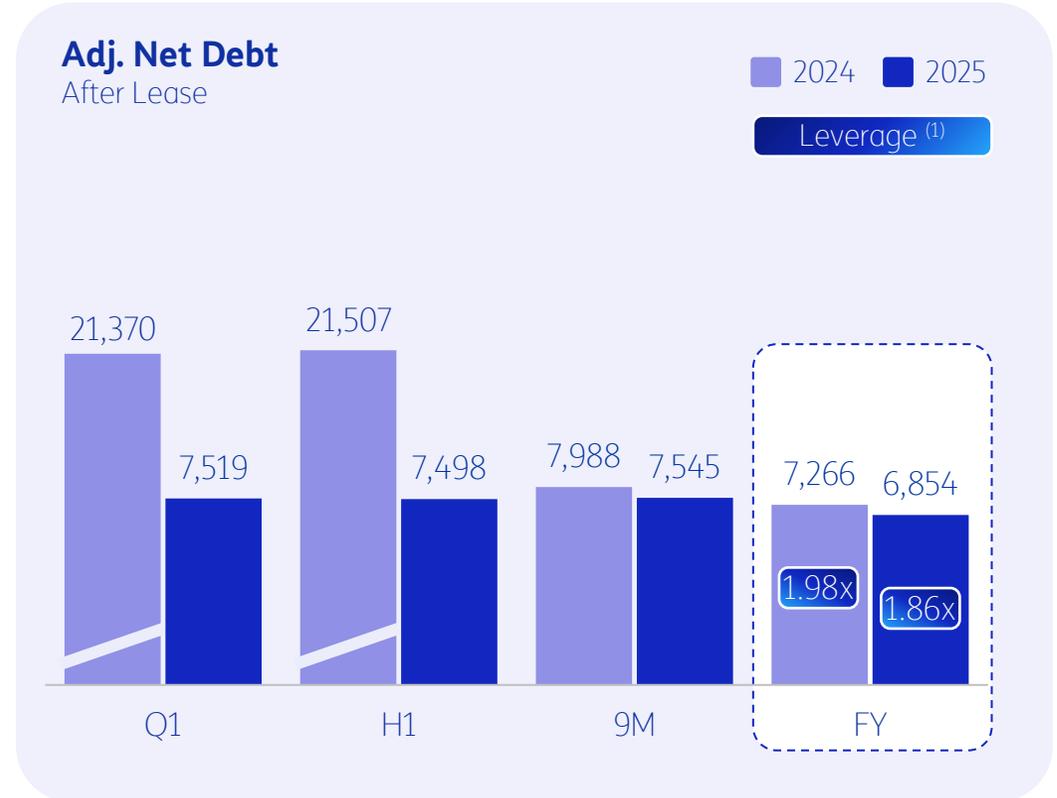
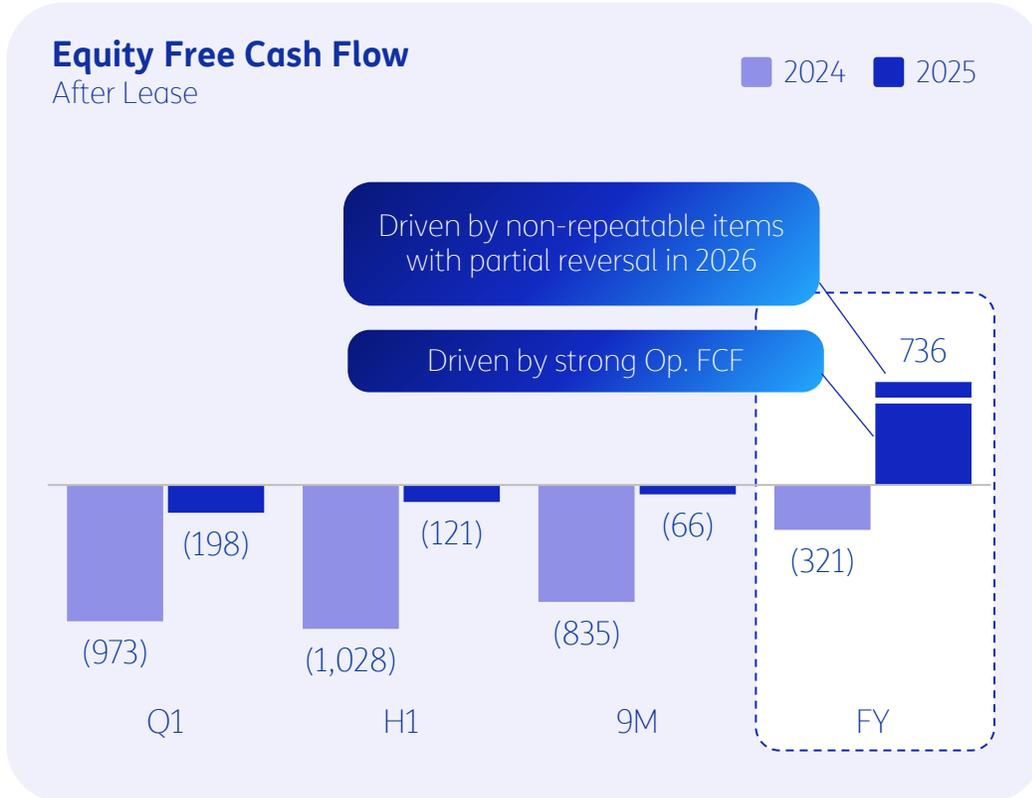


(1) Delta OPEX After-lease (on a Pre-lease basis, Domestic OPEX increased € 64m YoY and TIM Brasil OPEX increased € 34m YoY)



# ...and healthy cash generation supporting Net Debt AL reduction

€m



(1) Adjusted Net Debt After Lease / Organic EBITDA After Lease



# TIM Consumer - Resilient top line

Organic figures, €bn and YoY trend

FY '25 Revenues

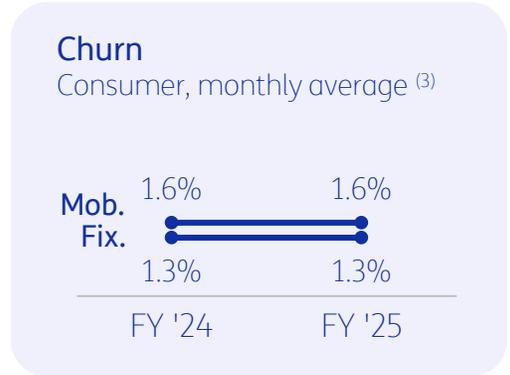
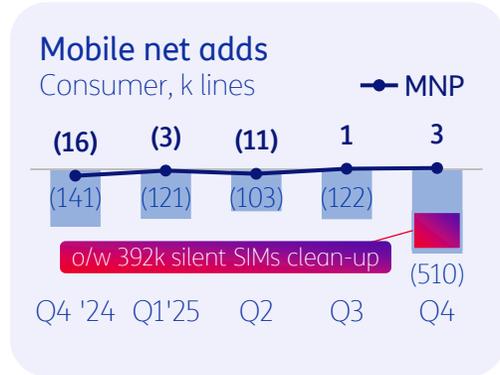
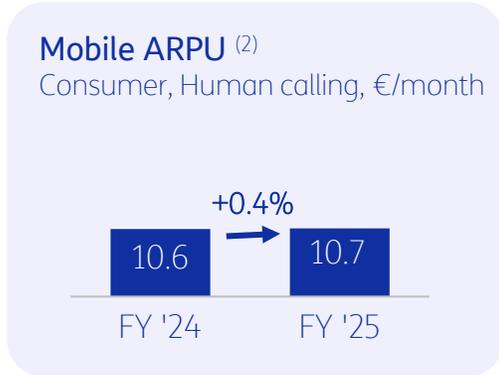
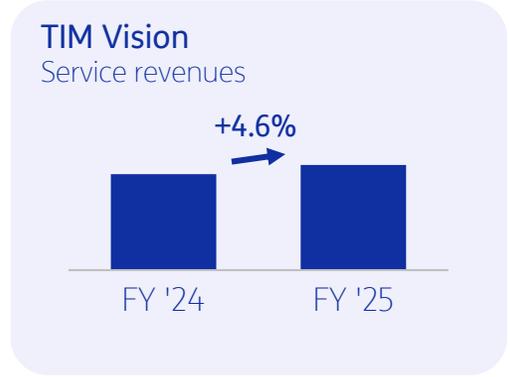
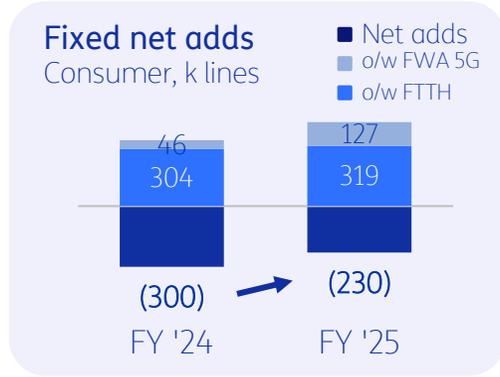
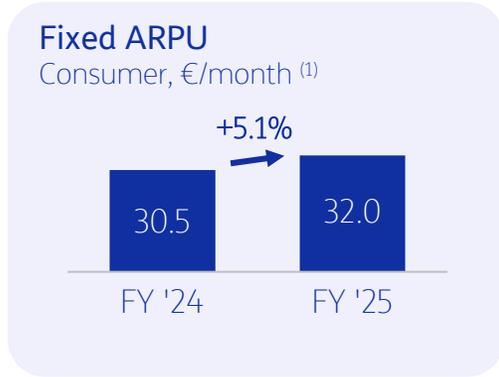
**TIM**  
Consumer

**6.0bn**  
-0.9% (-2.3% in Q4)  
o/w services -0.6% (-2.3% in Q4)

**Retail flat, Wholesale down**  
also due to MVNO phasing

- **Repricing campaign:** 4.1m fixed and 4.2m mobile Consumer lines priced-up
- **Fixed ARPU mid single-digit increase**, better fixed net adds trend supported by **push on FTTH and FWA 5G**
- **Consumer MNP balance neutral**, mobile net adds trend affected by clean-up of silent lines in Q4
- **TIM Vision** service revenues mid single-digit YoY growth

## KPIs



(1) Q4 '25 Fixed ARPU €32.4 (+4.9% YoY) (2) Q4 '25 Mobile ARPU €10.8 (+1.1% YoY) (3) Q4 '25 Consumer mobile churn 1.6% (as in Q4 '24), Q4 '25 Consumer fixed churn 1.4% (1.3% in Q4 '24)



# TIM Enterprise - Solid growth fueled by Cloud services

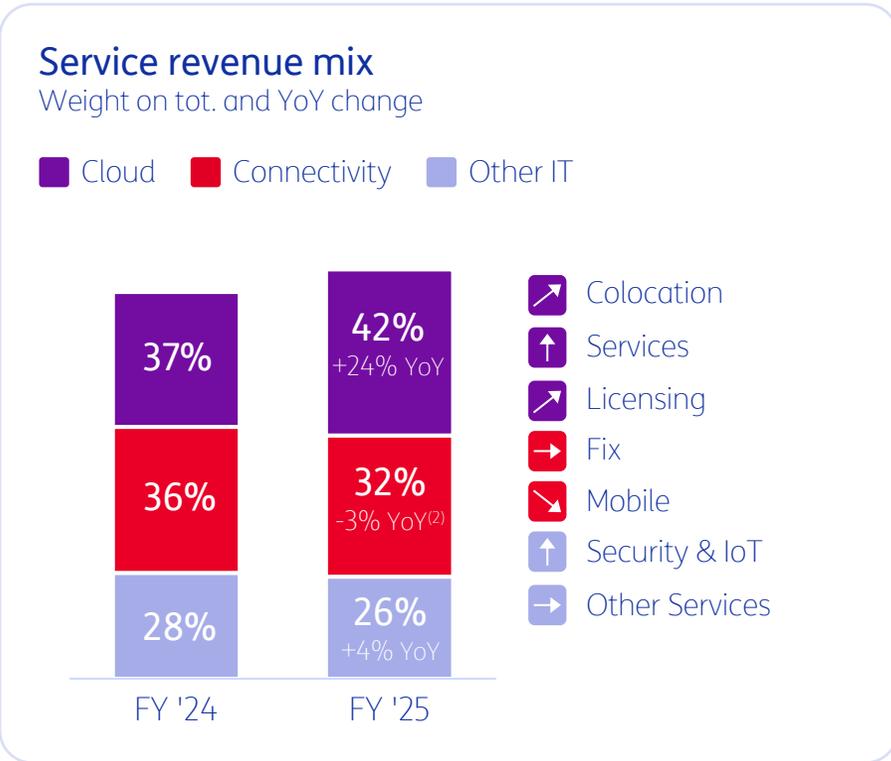
Organic figures, €bn and YoY trend

FY '25 Revenues

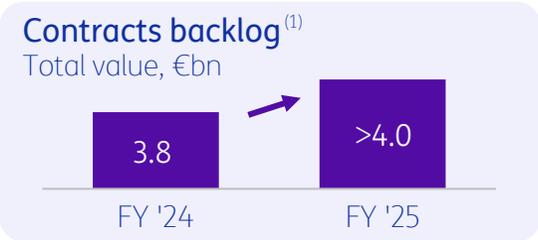
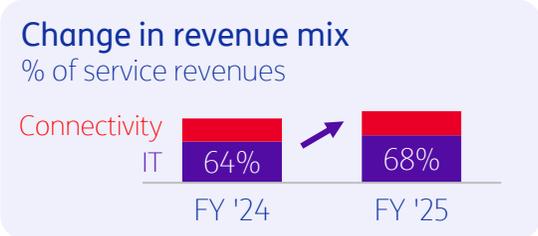
**TIM**  
Enterprise

**3.5bn**  
+7.0% (+12.8% in Q4)  
o/w services +8.6% (+15.7% in Q4)

- Consistent revenue growth
- Cloud**: #1 revenue driver (42% of service revenues mix), hyper-growth engine
- Connectivity** performance in line with expectations
- Increasing focus on **Digital Sovereignty**
- Continued IT solid growth** driven by Security & IoT solutions
- IT margins streamlined**, overall profitability improved



KPIs



Figures may not add up due to roundings

(1) Revenues from signed contracts to be delivered (2) Net one-off items connectivity service revenues would be -2.4% YoY



# TIM Brasil - Further delivering on operational excellence

Organic figures, €bn and YoY trend <sup>(1)</sup>



- FY results in line with plan, with revenues growing above inflation and OPEX running well below <sup>(2)</sup>
- EBITDA AL expansion and CAPEX discipline driving double-digit YoY cash generation growth
- TIM S.A. shareholders remuneration paid in 2025 ~€1bn in FY '25, o/w €119 buyback

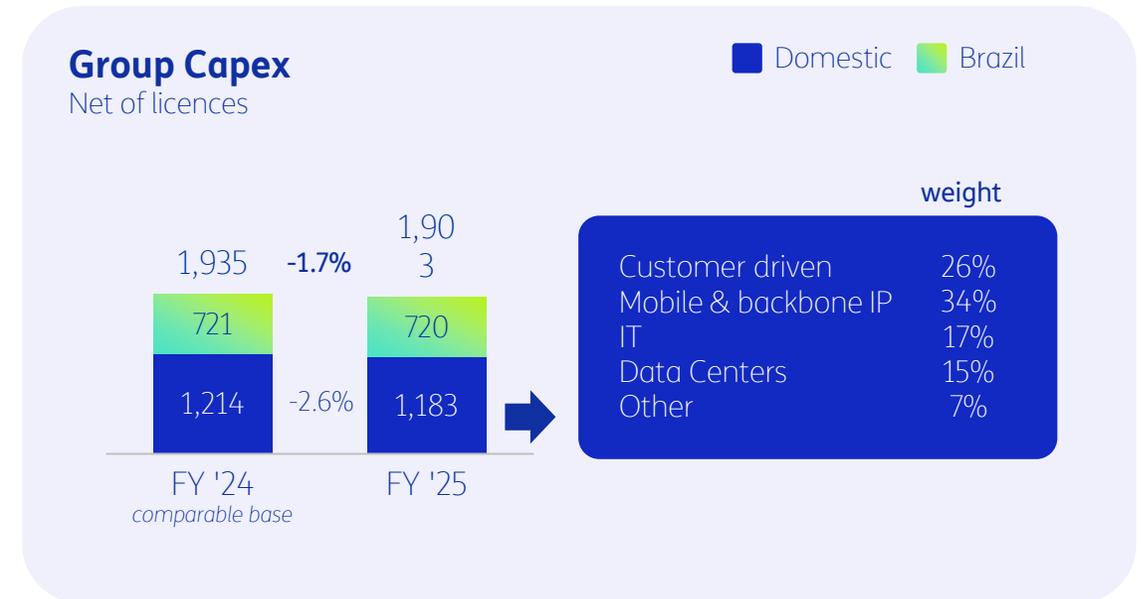
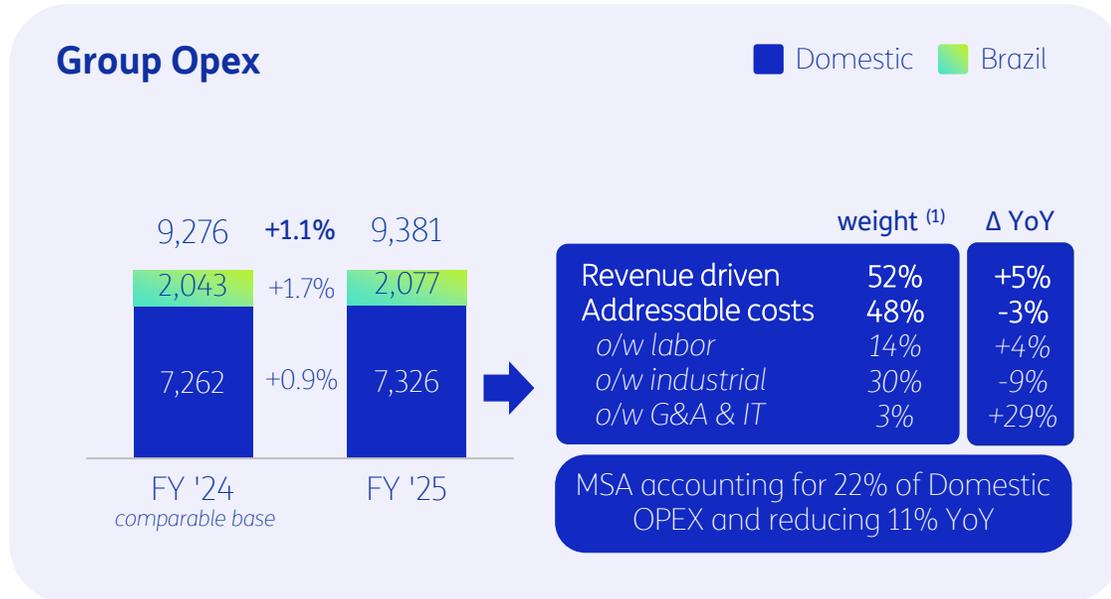
#1 in network coverage and quality: ~1.1k cities with 5G, #1 rank in OpenSignal 5G consistent quality index for the 4<sup>th</sup> time in a row

(1) Average exchange-rate YTD @ 6.31 R\$/€ (2) LTM inflation (IPCA) @ 4.3% vs. OPEX +1.7% YoY



# CAPEX and OPEX control with Transformation Plan on track

Organic figures ex. Sparkle, €m



- **Domestic Opex** slightly up YoY due to higher revenue driven (COGS related to ICT revenue growth), G&A and labour despite lower industrial costs (network and energy)
- **Domestic Transformation plan** delivered €266m cash costs reduction vs. inertial plan (130% of FY target achieved)

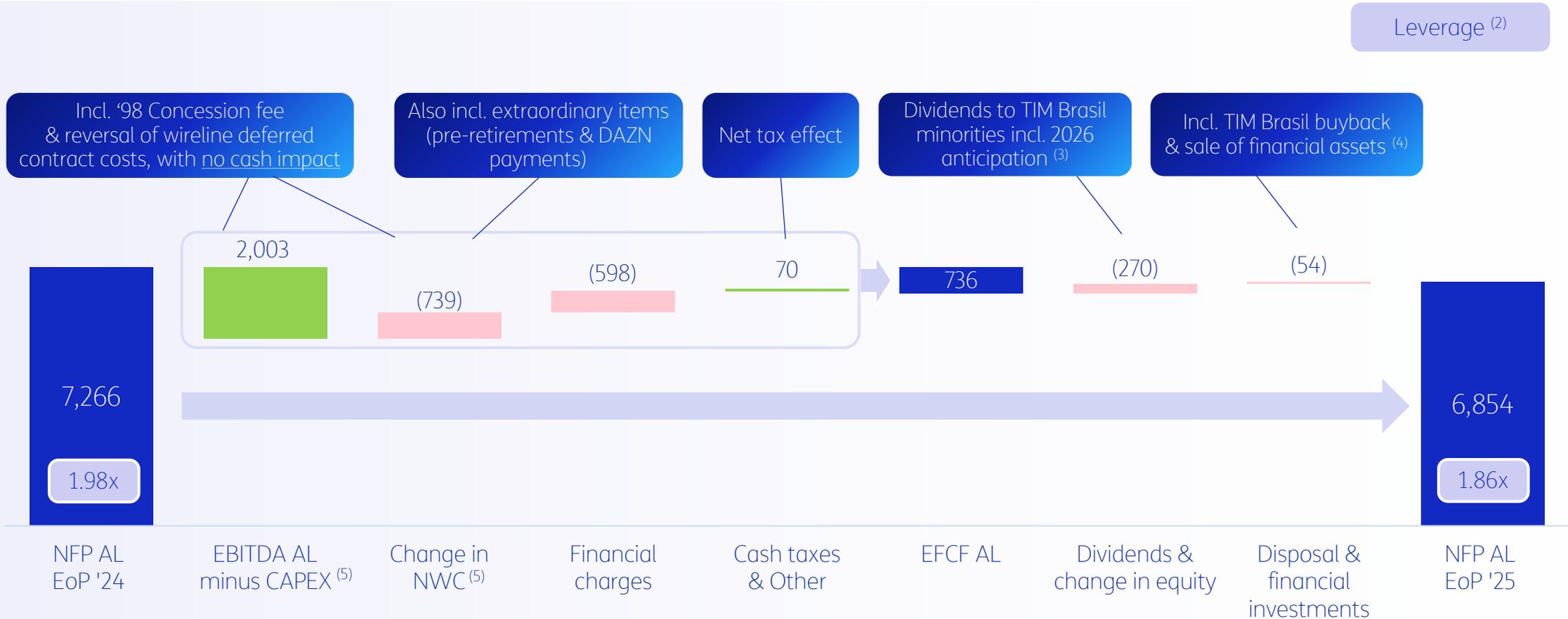
- **Group Capex intensity** around 14% of revenues
- **Domestic Capex** c. 50% for infrastructure and c. 25% customer driven
- **CAPEX efficiencies** enabled investment funding with reduced overall outlays

(1) Weight on FY '25 Domestic OPEX excluding capitalized costs and other income



# EFCF AL leading to significant Net debt and leverage reduction

Adjusted Net Debt After Lease, excluding '98 Concession Fee, €m <sup>(1)</sup>



(1) '98 Concession Fee impact on Adjusted Net Financial Position expected in 2026 (2) Adjusted Net Debt After Lease / Organic EBITDA After Lease (3) TIM Brasil Serviços e Participações S.A. dividends to minorities (-€ 273m) including advance payment of 50% of dividends originally expected in 2026 (-€ 90m) (4) TIM Brasil buyback (-€ 119m) & sale of financial assets (+€ 88m) (5) See details in slide #36



# #3 Special Topics

Piergiorgio Peluso, **Group CFO**



# Special topic #1 – ‘98 Concession Fee

Increasing financial flexibility

In December 2025 the Italian Court of Cassation ruled in favor of TIM in a 20+ year-long legal dispute, triggering c. € 1.0bn not-appealable compensation

P&L  
impact

- Full P&L recognition in 2025, triggered by Court of Cassation final ruling
- Accounting treatment:
  - c. € 0.97bn as ‘*Other Income*’ (overall amount granted as damage compensation)
  - c. € 0.04bn as ‘*Interest Income*’ (accrued legal interests from April 2024 to December 2025)

NFP  
impact

- Net Financial Position (NFP) impact expected in 2026, upon payment by the Italian Government
- Accounting treatment:
  - In 2025 → Cash-in offset by higher financial debt upon factoring deal closed in July 2025 → No NFP impact
  - In 2026 → Financial debt reduction upon payment by the Government → NFP impact



# Special topic #2 – New capital structure

(1/2)

Enabling leaner, more efficient and remuneration-supportive capital structure <sup>(1)</sup>

		Before <sup>(2)</sup>	After <sup>(2)</sup>
Share capital reduction, €	Share capital	11.7bn	6.0bn
	Legal reserves	0.7bn	1.2bn
	Reserves	(0.3bn)	4.9bn
	Tot. Equity <sup>(1)</sup>	12.1bn	

### Benefits

- Re-balanced equity structure**
  - Re-aligning equity structure to the new asset base post NetCo disposal and to market standards
- Greater flexibility**
  - Restored available reserves enabling higher financial flexibility, including for shareholders' remuneration

		Before	After
Saving shares conversion, #	Saving shares	6.03bn	-
	Ordinary shares	15.3bn	21.4bn
	Tot. shares	21.4bn	

### Benefits

- Value accretive**
  - Removing saving shares preferential rights
  - Aligning interests of all shareholders
- Simplified capital structure**
  - Improving stock liquidity and relevance in Indexes
  - Removing dual share-class governance complexity and costs

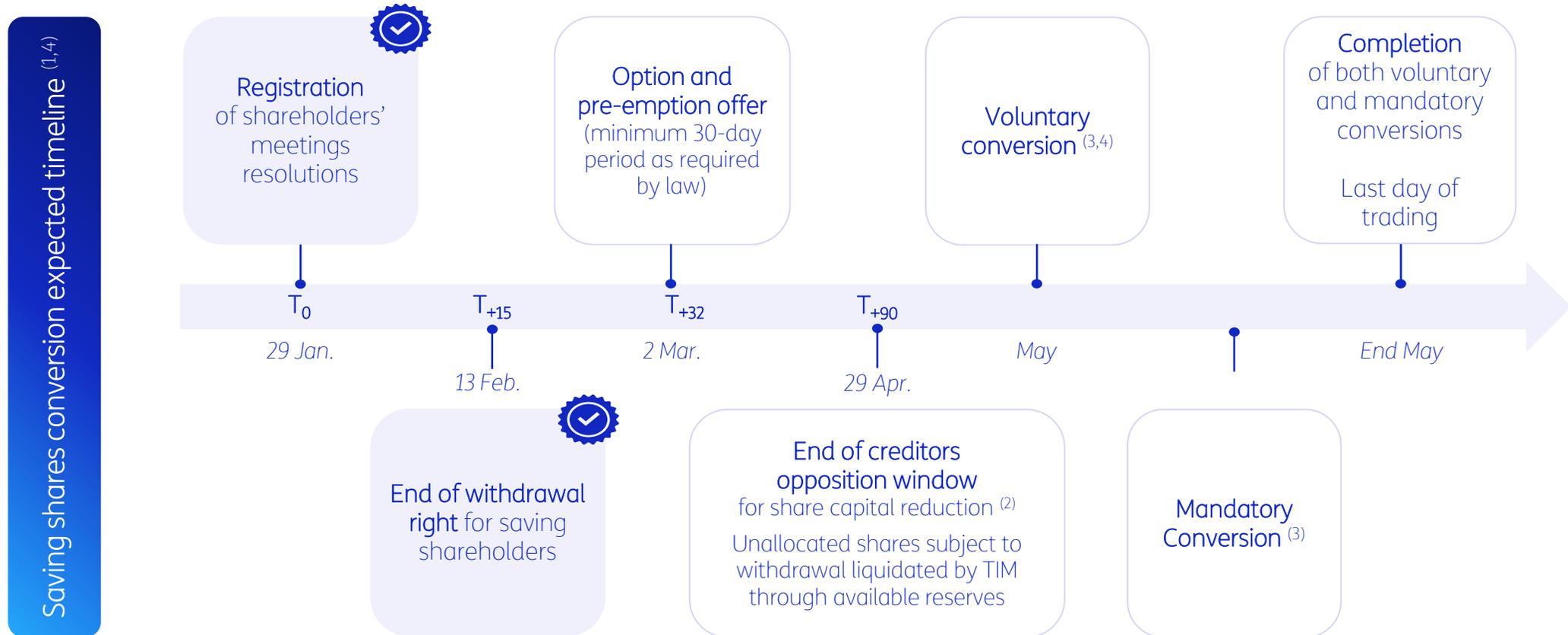
(1) Following approval by shareholders on 28 January 2026, pending completion of saving shares conversion process (see next slide) (2) Before TIM S.p.A. fiscal year 2025 net result, use of available reserves for saving shares conversion and use of available reserves for liquidation of unallocated saving shares subject to withdrawal



## Special topic #2 – New capital structure

(2/2)

Enabling leaner, more efficient and remuneration-supportive capital structure



(1) Assuming no opposition by the Company's creditors (2) In case of objection by the Company's creditors, the conversion can begin only after the obtainment of the Court's authorization (3) The effective date of the conversion will be agreed with Borsa Italiana and announced via a notice on the Company's website, including details on the share allocation and related cash payment (4) Conversion must be initiated within 6 months from the registration of the Capital Reduction resolution; this deadline may be extended by a further 3 months



# Special topic #3 – Accounting of wireline contract one-off costs

(1/2)

Enabling stronger alignment between EBITDA and cash generation, no cash impact

New business context

- Wireline access network disposal completed in 2024 → Transition from infrastructure-based to variable-costs model
- Evolution toward ‘Customer Platform’ → Customer no longer defined by a single wireline, but by an ecosystem of services (connectivity, entertainment, energy, insurance, etc.)
- Wireline perimeter → From wholesaling to wholebuying

New wireline cost structure and reassessment of deferral period

Cost category	Nature	Examples
Direct & Recurring	▪ Variable, incurred as long as line is active	▪ FiberCop access fee, customer care, energy
One-off	▪ Deferred, linked to customer activation/acquisition	▪ Delivery, provisioning, commercial
<p>New business context requiring reassessment of deferral period</p> <p>↓</p>		
Recognition to P&L of wireline contracts one-off costs	Until 2025 <sup>(1)</sup> – Accounting based on avg. customer life (8 years)	From 2026 <sup>(2)</sup> – Accounting based on pay-back of one-off costs (4 years) <sup>(3)</sup>
	1/8 booked to P&L in year of activation 7/8 deferred → Booked to P&L in next 7 years	1/4 booked to P&L in year of activation 3/4 deferred → Booked to P&L in next 3 years
<u>Full cash-out in year of activation</u>		

(1) Until 31 December 2025 (2) From 1 January 2026 (3) Pay-back of one-off costs through the first margin (net ARPU – direct recurring costs)



## Special topic #3 – Accounting of wireline contract one-off costs

(2/2)

Enabling stronger alignment between EBITDA and cash generation, no cash impact

P&L  
Impacts

In 2025 P&L (Reported)

Reversal of one-off costs deferred in prior years  
(to align to 4 years)  
↓  
€ 0.6bn non-recurring item booked as Opex  
↓  
No cash impact

In 2026 P&L and beyond (Reported and Organic)

1/4 of new customers one-off costs  
plus yearly share of deferred costs balance  
↓  
Headwind → Faster 'amortisation' of new customers  
Tailwind → Lower deferred costs booked to P&L each year  
↓  
Neutral EBITDA net impact

Benefits

- Better alignment between EBITDA and Cash generation
- Strong industrial rational (future efficiencies in one-off costs more quickly reflected in P&L, leading to potential EBITDA improvement over time)



## Special topics – To recap and...one more thing

#1

'98  
Concession Fee

### Higher financial flexibility

- Positive NFP impact expected in 2026

#2

New  
capital structure

### Leaner, more efficient and remuneration-supportive capital structure <sup>(1)</sup>

- Restored available reserves, enabling higher financial flexibility including for shareholders' remuneration
- Removing saving shares preferential rights, aligning interests of all shareholders and improving stock liquidity and relevance in Indexes

#3

Accounting  
of wireline contracts  
one-off costs

### Better alignment between EBITDA and cash generation

- No cash impact
- Strong industrial rational

Reverse Stock Split  
TIM Ordinaries

### Reducing volatility and attracting a new class of investors

- Approved by TIM BoD on 24<sup>th</sup> February, to be proposed to AGM on 15<sup>th</sup> April <sup>(2)</sup>

(1) Following approval by shareholders on 28 January 2026, pending completion of saving shares conversion process

(2) To be executed following completion of saving shares conversion



# #4 2026 update

Pietro Labriola, **Group CEO**  
Piergiorgio Peluso, **Group CFO**  
Alberto Griselli, **TIM Brasil CEO**



# Key assumptions in 2026 guidance

## TIM Domestic

### '98 Concession Fee

Positive impact on NFP in '26

### Poste synergies (ex MVNO)

No material impact in '26  
(see slide #26)

### MVNO

Poste Mobile migrating in '26 (run-rate in '27),  
Fastweb and CoopVoce terminating in H1 '26

### RAN sharing with Fastweb+Vodafone <sup>(1)</sup>

No material impact in '26

### FiberCop

TSA/MSA – Value of services  
provided to FiberCop reducing in '26

### NetCo earnout

Not included

### Sparkle disposal

Completion in Q2 '26,  
c. € ~0.7bn cash-in

### Saving share conversion

Up to € 0.7bn cash-out by end of May '26 <sup>(2)</sup>

### Ordinary shareholders remuneration

~70% of '26 Eq. FCF AL net of '98 Concession Fee  
impact and dividends to TIM Brasil minorities <sup>(3)</sup>

### Extraordinary shareholders remuneration

~50% of Sparkle disposal proceeds through buy back  
to be launched after closing <sup>(3)</sup>

## TIM Brasil

### Forex

P&L organic targets @ avg. 6.31 R\$/€  
Financial targets @ consensus FX <sup>(4)</sup>

### M&A

51% stake acquisition of I-Systems  
-€0.2 bn <sup>(5)</sup>

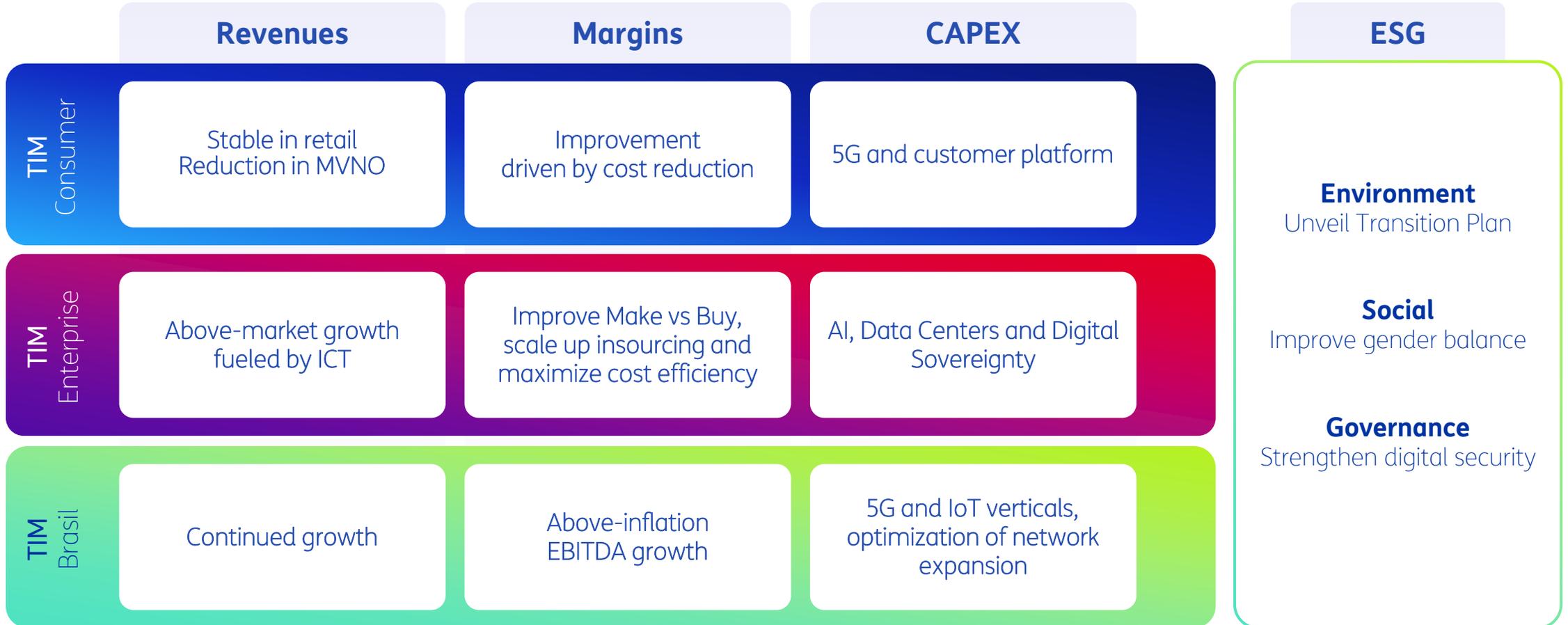
### Shareholder remuneration

Dividend policy (see slide #27)

(1) Subject to approval by the Ministry of Enterprise and Made in Italy (MIMIT), by the Italian Competition Authority (AGCM) and by the Italian Communications Authority (AGCom) (2) Exact amount depending upon the subscription rates of the voluntary or mandatory conversions (3) Subject to Shareholders' approval, following saving shares' conversion (4) Annual exchange-rate published in Bloomberg Survey based on major banks projections (2026 avg. exchange rate @ 6.54 R\$/€, Year-End exchange rate @ 6.66 R\$/€) (5) The deal is subject to customary regulatory approvals, including Brazil's CADE and ANATEL



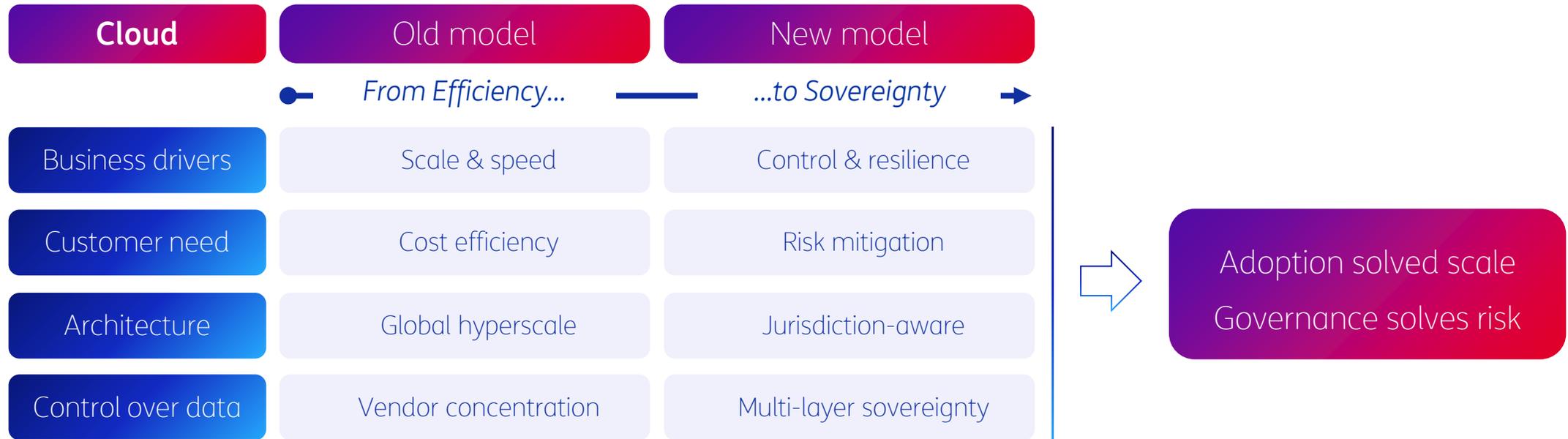
# TIM Group - 2026 high level priorities by entity





# Key market trends and TIM positioning – From Cloud adoption to Cloud governance

Cloud is no longer only about computing power, it is about control over data, operations and technology

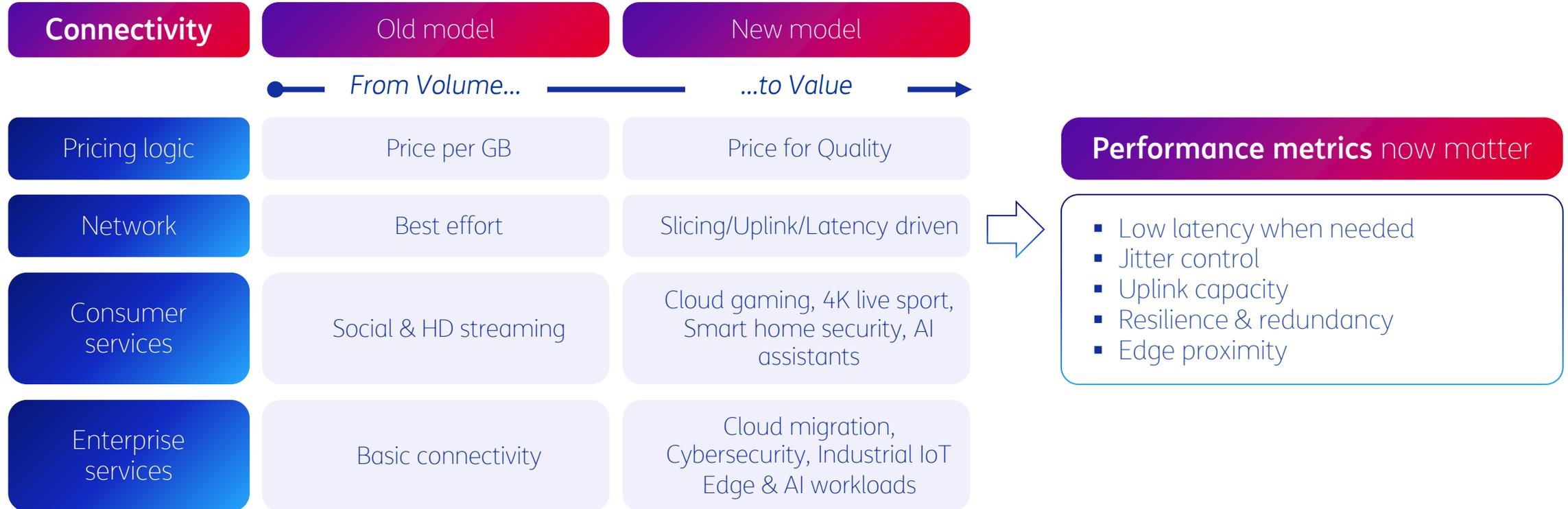


**TIM well positioned to capture Sovereign Cloud opportunity**  
building on an existing sovereign and infrastructure offering to drive growth in PA and regulated sectors



# Key market trends and TIM positioning – From Gigabytes to guarantees

When latency, symmetry and resilience matter, connectivity stops being a commodity



**Value creation** for TIM will be driven by the central role of **ultra-high-performance networks**, fueling accelerated service monetization and significant upside potential



# TIM/Poste Italiane areas of synergies

Launched

To be launched

#1

MVNO for PosteMobile



Business Plan de-risking  
Migration started in Q1 2026,  
completion expected in Q2

€ ~100m  
Service revenues/year  
@ run-rate

#2

TIM Energia powered by Poste sold by TIM



Available in 750+ TIM stores  
Planned extension to c. 500 multi-brand stores

Poste insurance policies sold by TIM



Poste consumer and SME insurance policies in  
TIM stores and on-line from Q1

€ ~50m  
EBITDA AL/year  
@ run-rate

Cost savings from joint procurement



Software, hardware, advertising,  
general and shared services

No material  
impact in 2026

JV TIM Enterprise/Poste



Partnership on Cloud services  
based on AI and Open Source technology

#3

Additional areas of synergies currently under evaluation and to be disclosed at CMD



# TIM Brasil - 2026 Guidance

All figures refer to TIM S.A. Normalized figures, YoY growth

		Short-term targets (2026)	Drivers
	Service revenues	~5% growth	Real growth, with sustainable dynamics in mobile, recovery of fixed and the development of new sources of revenue
	EBITDA	6-8% growth	Efficiency in Opex lines with discipline, digitalization and materialization of AI gains
	CAPEX <sup>(1)</sup>	R\$ 4.4-4.6bn	Efficient capital allocation, with a focus on differentiated quality and technological evolution
	EBITDA AL minus CAPEX	11-14% growth	Focus on the evolution of the revenue-to-cash conversion machine with a holistic approach to efficiency
	Shareholders remuneration <sup>(2)</sup>	R\$ 5.3-5.5bn	Expansion of shareholder returns at a fast pace and compatible with cash flow growth

(1) Capex excludes 3rd license renewal and new auctions

(2) Subject to the performance of the business and the resolution of the Board of Directors and the General Shareholders' Meeting



# TIM Group - 2026 Guidance

Organic P&L figures <sup>(1)</sup>, €bn, YoY growth

	Achievement FY '25	Guidance FY '26
 <b>Revenues</b> o/w Domestic	13.7 9.5	2-3% growth 1-2% growth
 <b>EBITDA AL</b> o/w Domestic	3.7 2.0	5-6% growth ~4% growth
 <b>CAPEX</b> on revenues o/w Domestic	13.9% on rev. 12.4% on rev.	<14% on rev. ~12% on rev.
 <b>Eq. FCF</b> After Lease	0.7 bn	~1.8bn <sup>(2)</sup> Incl. '98 Concession Fee
 <b>Leverage</b>	1.86x	Below committed max lev. of 1.7x <sup>(3)</sup>

## Shareholders' remuneration

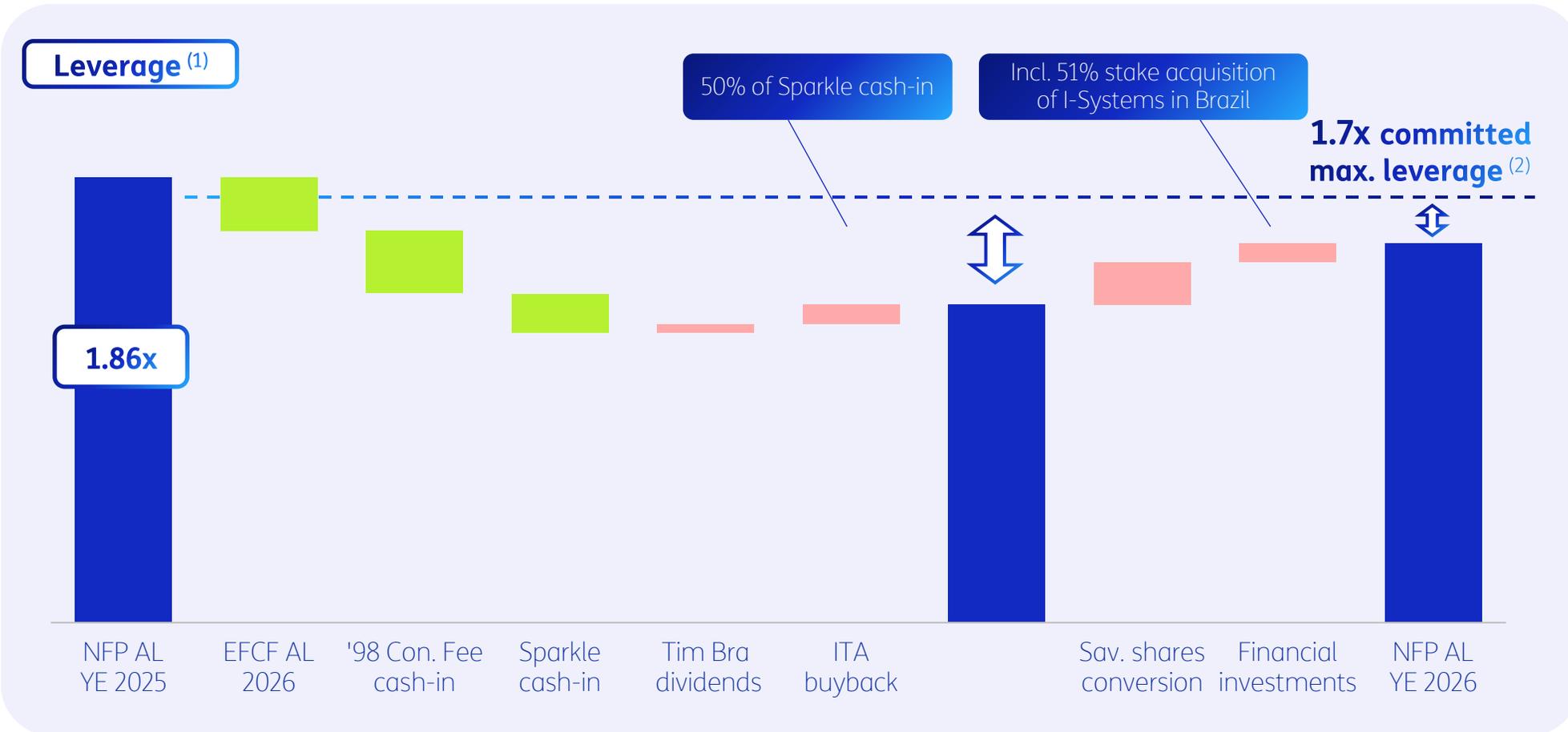
- **Dividends: 70% of Eq. FCF AL** net of '98 Concession Fee impact and dividends to TIM Brasil minorities  
Cash out in 2027
- **Buy back: ~50% of Sparkle disposal proceeds**  
After closing
- **Cash: up to € 0.7bn** for saving shares conversion <sup>(4)</sup>  
By end of May <sup>(5)</sup>

(1) Excluding non-recurring items, change in consolidation area and exchange rate fluctuations. Group P&L figures @ avg. exchange-rate 6.31 R\$/€ (2) Annual exchange-rate published in Bloomberg Survey based on major banks projections (2026 avg. exchange rate @ 6.54 R\$/€) (3) Adj. Net Debt AL/Organic EBITDA After Lease. Net Debt of TIM Brasil based on consensus exchange rate evolution (2026 EoP exchange rate @ 6.66 R\$/€) (4) Exact amount depending upon the subscription rates of the voluntary or mandatory conversions (5) See detailed timeline in slide #17



# TIM Group - 2026 below committed maximum leverage

Adjusted Net Debt After Lease evolution, € bn, excluding Poste synergies & earnout



**Further financial flexibility**  
to accelerate growth (organic & inorganic)

(1) Adj. Net Debt AL / Organic EBITDA After Lease. (2) As communicated in "FY '24 Preliminary Results and Strategic Plan update" presentation on Feb. 13<sup>th</sup>, 2025



# TIM Group - ESG 2026 guidance

Group Targets			Achievement 2025	2026 guidance
Emissions	<ul style="list-style-type: none"> <li>100% Green Energy (Scope 2), 2025</li> <li>Carbon Neutral (Scope 1+2), 2030</li> <li>New Transition plan (Scope 3), 2030 <sup>(1)</sup></li> </ul>	Net Zero 2040	✓ 100% Green Energy	<ul style="list-style-type: none"> <li>Unveil Environmental Transition Plan by 2026</li> <li>100% renewable electricity purchased and Scope 3 tracking</li> </ul>
Gender equality	<ul style="list-style-type: none"> <li>Leadership position (% women) <sup>(2)</sup></li> </ul>	35.5% by 2027	✓ 33.5 %	<ul style="list-style-type: none"> <li>Increase share of women in leadership roles</li> </ul>
	<ul style="list-style-type: none"> <li>Hiring (% women) <sup>(3)</sup></li> </ul>	50% by 2027	✓ 52.8%	<ul style="list-style-type: none"> <li>50% of women hires</li> </ul>
Italy	<ul style="list-style-type: none"> <li>Advanced digital solutions <sup>(4)</sup></li> </ul>	+17% in 2025	✓ +22%	<ul style="list-style-type: none"> <li>Scale PA governance platform <sup>(6)</sup>:               <ol style="list-style-type: none"> <li>≥30% new customers vs FY '25 activations</li> <li>+20% YoY sovereign services commercialized</li> </ol> </li> </ul>
	<ul style="list-style-type: none"> <li>Digital Identity services <sup>(5)</sup></li> </ul>	+30% CAGR '23-'25	✓ +34%	
Brazil	<ul style="list-style-type: none"> <li>Workforce upskill in digital capabilities</li> </ul>	≥90% by 2027	✓ 60%	<ul style="list-style-type: none"> <li>≥20 % of employees trained</li> </ul>

(1) Transition plan includes TIM Brand products with carbon footprint baseline '22 (2) 35% by '26 (3) 49.5% by '26 (4) IoT, Cloud & Security service revenues (5) PEC, SPID, Digital Signature -growth of active services, (6) New guidance



# Closing remarks

*Past*

Four consecutive years of guidance achieved

*Present*

More supportive governance and leaner capital structure

*Future short-term*

2026 guidance and growth trajectory confirmed

*Future mid-term*

The best is yet to come... Capital Market Day in H2 with 2027-'28 strategic plan update



# Q&A



# Annex



# Q4 '25 - Strong results both in Italy and Brazil...

Organic P/L figures ex Sparkle, YoY comparison based on 2024 like-for-like, €bn and YoY trend <sup>(1)</sup>

	 Revenues	 EBITDA After Lease	 CAPEX	 EBITDA AL minus CAPEX	 Eq. FCF After Lease	 Net Debt After Lease <sup>(2)</sup>
Group	<b>3.8bn</b> +3.9% Service +4.9%	<b>1.0bn</b> +10.0%	<b>0.7bn</b> 18.6% on revenues	<b>0.3bn</b> +75.9%	<b>0.8bn</b>	<b>6.9bn</b> 1.86x leverage <sup>(3)</sup>
Domestic	<b>2.7bn</b> +3.7% Service +4.9%	<b>0.5bn</b> +7.8%	<b>0.5bn</b> 18.2% on revenues	<b>~0bn</b> N.m.		
Brazil	<b>1.1bn</b> +4.4% Service +5.1%	<b>0.5bn</b> +12.7%	<b>0.2bn</b> 19.5% on revenues	<b>0.2bn</b> +29.4%		

(1) Group figures at average exchange-rate YTD 6.31 R\$/€. Excluding non-recurring items and exchange rate fluctuations (2) '98 Concession Fee impact on Adjusted Net Financial Position expected in 2026

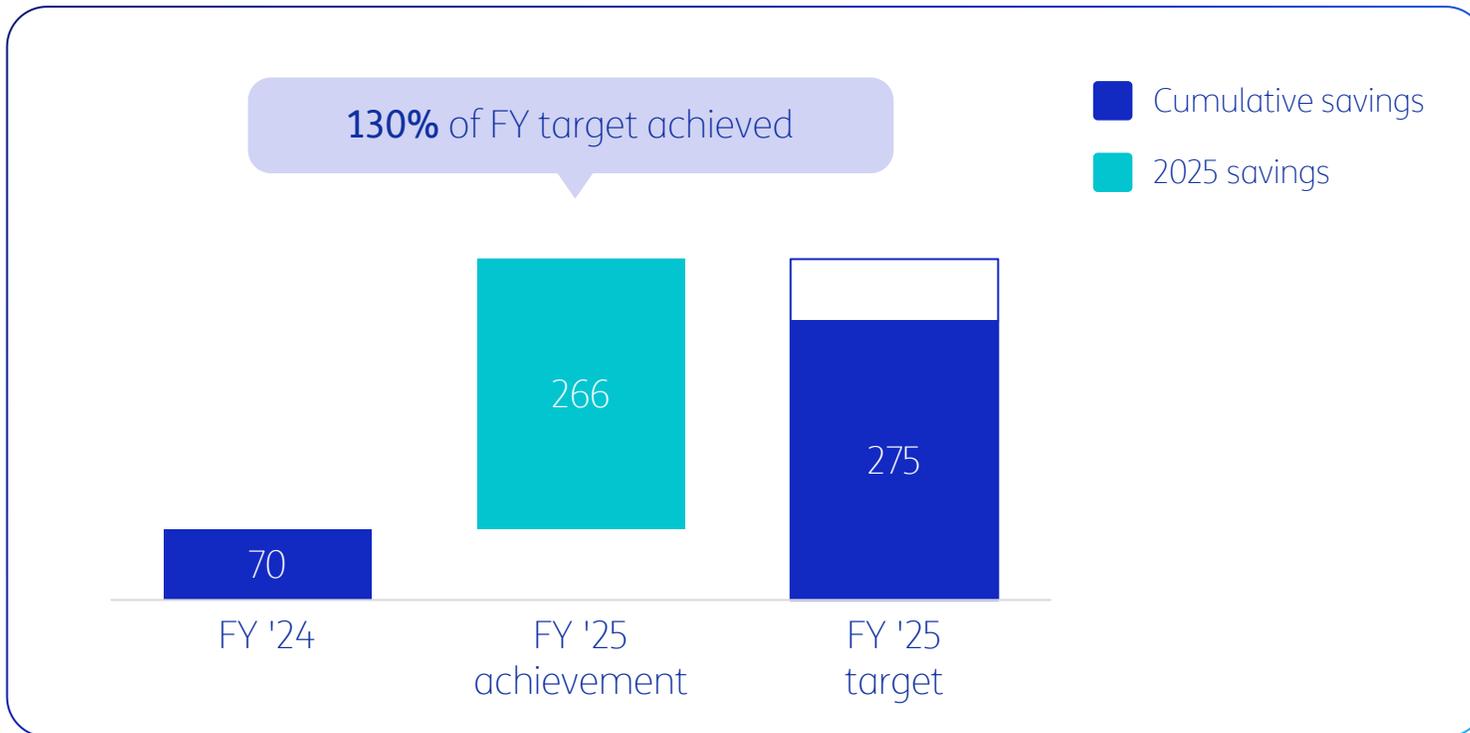
(3) Adjusted Net Debt After Lease / LTM Organic EBITDA After Lease



# TIM Domestic Transformation Plan on track

Domestic EBITDA AL minus CAPEX, savings vs inertial plan, €m

## Transformation Plan mitigating inertial total cash costs increase



### Key drivers



Legacy technologies decommissioning



ICT vendor consolidation



Calibration of service profile on legacy customers @ effective service needs

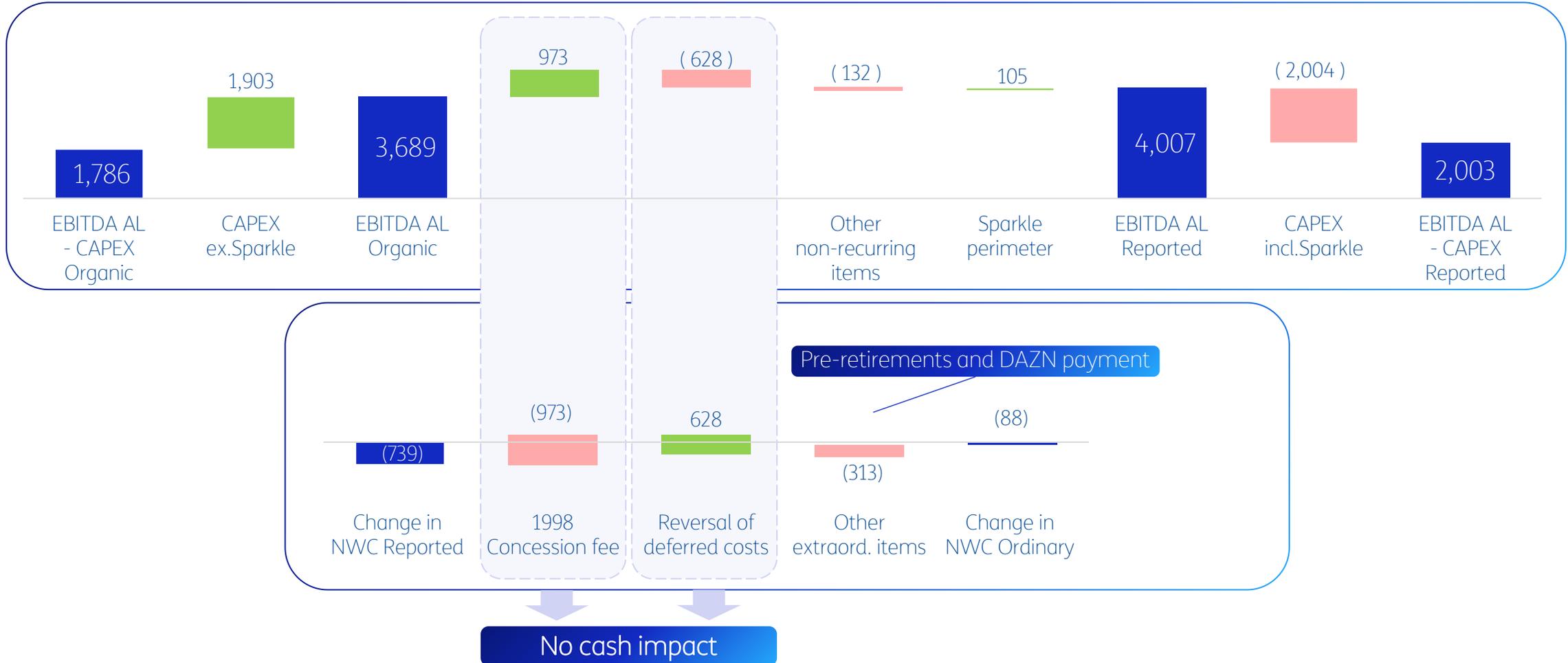


Labour cost optimization



# FY '25 EBITDA AL - CAPEX reconciliation and NWC drill-down

€m





# Accounting of wireline contract one-off costs – Simplified example

Accounting based on avg. customer life (8 years)

		Already booked to P/L	Deferred in B/S	To be booked to P/L											
		100% of cash impact in year of customer activation													
Client		2021	2022	2023	2024	2025	EoP 2025	2026	2027	2028	2029	2030	2031	2032	2033
#1	Activated in 2021	1/8	1/8	1/8	1/8	1/8	3/8	1/8	1/8	1/8					
#2	" in 2022		1/8	1/8	1/8	1/8	4/8	1/8	1/8	1/8	1/8				
#3	" in 2023			1/8	1/8	1/8	5/8	1/8	1/8	1/8	1/8	1/8			
#4	" in 2024				1/8	1/8	6/8	1/8	1/8	1/8	1/8	1/8	1/8		
#5	" in 2025					1/8	7/8	1/8	1/8	1/8	1/8	1/8	1/8	1/8	
#6	" in 2026							1/8	1/8	1/8	1/8	1/8	1/8	1/8	1/8

Accounting based on pay-back of one-off contract costs <sup>(1)</sup> (4 years)

		Already booked to P/L	Reversal to P/L	Deferred in B/S	To be booked to P/L											
		100% of cash impact in year of customer activation														
Client		2021	2022	2023	2024	2025	EoP 2025	2026	2027	2028	2029	2030	2031	2032	2033	
#1	Activated in 2021	1/8	1/8	1/8	1/8	1/8	3/8									
#2	" in 2022		1/8	1/8	1/8	1/8	4/8									
#3	" in 2023			1/8	1/8	1/8	3/8	2/8	2/8							
#4	" in 2024				1/8	1/8	2/8	4/8	2/8	2/8						
#5	" in 2025					1/8	1/8	6/8	2/8	2/8	2/8					
#6	" in 2026								1/4	1/4	1/4	1/4				

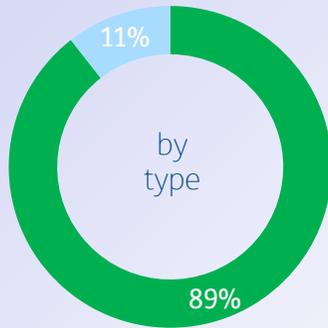
- The revision assumes a reduction in useful life from 8 to 4 years, effective 31/12/2025
- P/L 2025 is impacted by an 'ordinary' charge (still based on useful life of 8 years) and an 'impulsive' charge from reversal on 31/12
- Starting 1/1/2026, one-off costs are accrued over a residual period of 4 years

(1) Pay-back of one-off costs through the first margin (net ARPU – direct recurring costs)



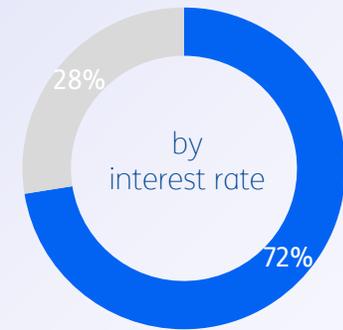
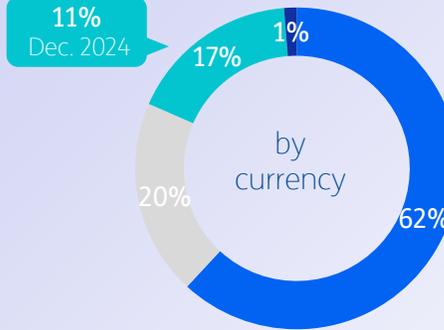
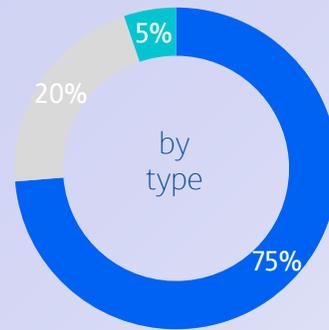
# Capital structure

€ 3.8 bn Financial assets AL <sup>(1)</sup>



■ Cash & cash equivalent ■ Other

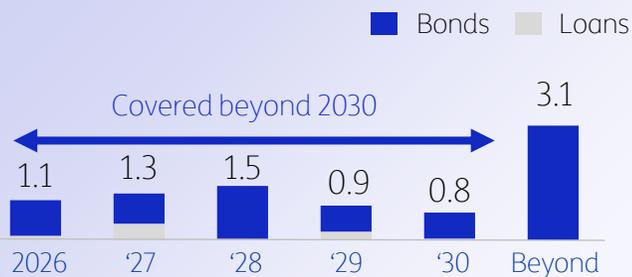
€ 10.8 bn Gross Debt AL <sup>(1)</sup>



■ Bonds ■ Bank & EIB ■ Other ■ EUR ■ USD ■ BRL ■ Other

■ Fixed ■ Floating

Debt maturities <sup>(2)</sup>



Avg cost of debt YTD



(1) Net of the adjustment due to the fair value measurement of derivatives and related financial liabilities/assets and discontinued operations

(2) Nominal amount. Average maturity: 6 years (bond 6.3 years)

# 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 **FY '25 and Q4 '25 Preliminary Financial results** are drafted 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 **FY '25 and Q4 '25 Preliminary Financial results** of the TIM Group are the same as those adopted in the TIM Group Annual Audited Consolidated Financial Statements as of 31 December 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 **FY '25 and Q4 '25 Preliminary Financial results** of the TIM Group are **unaudited**.

## Alternative Performance Measures

The TIM Group, in addition to the conventional financial performance measures established by IFRS, uses certain alternative performance measures for the purposes of enabling a better understanding of the performance of operations and the financial position of the TIM Group. In particular, such alternative performance measures include: EBITDA, EBIT, Organic change and impact of non-recurring items on revenue, EBITDA and EBIT; EBITDA margin and EBIT margin; net financial debt (carrying and adjusted amount), Equity Free Cash Flow, Operating Free Cash Flow (OFCF) and Operating Free Cash Flow (net of 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 the financial statements prepared in accordance with IFRS.

**Unless otherwise specified, figures are expressed in millions of euros, rounded to the nearest million. Any discrepancies between totals and subtotals are solely attributable to rounding effects and do not affect the substance of the financial information presented.**

- In the **TIM Group FY 2025** preliminary financial results, **Sparkle** has been classified, in accordance with IFRS 5, as **Discontinued operations**, as all the condition necessary for the completion of the sale are met. Therefore, the **TIM Domestic perimeter does not include Sparkle**, unless otherwise specified
- In order to provide a better understanding of business performance, **organic FY 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). In addition, the Organic Like-for-Like Information excludes non-recurring items
- **Cash flows and Net Debt After Lease are based on actual results** (including Sparkle and Netco results up to the effective date of the transaction) either for 2025 and for 2024



# Further questions

*please contact the IR team*



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