
Q2/H1 2026 Results
30 July 2026

#1 Q2/H1 2026 Results

Pietro Labriola, Group CEO

Piergiorgio Peluso, Group CFO

Q2 2026 Highlights

Consistent operational delivery, capital structure optimization and shareholder value creation

PERFORMANCE

Q2 Results	*In line with expectations*
2026 Guidance	*Confirmed*

CAPITAL STRUCTURE

Saving shares conversion	*Completed*
Reverse stock split	*Completed*

SHAREHOLDER VALUE

'98 Concession Fee	*Cashed-in*
Share buyback	*First tranche completed*
Credit rating	*Upgraded* by Moody's, Fitch and S&P
Sparkle disposal	*In progress*

H1 ‘26 Results in line with expectations including MVNO phasing

Organic figures ex Sparkle, €bn and YoY trend (1)

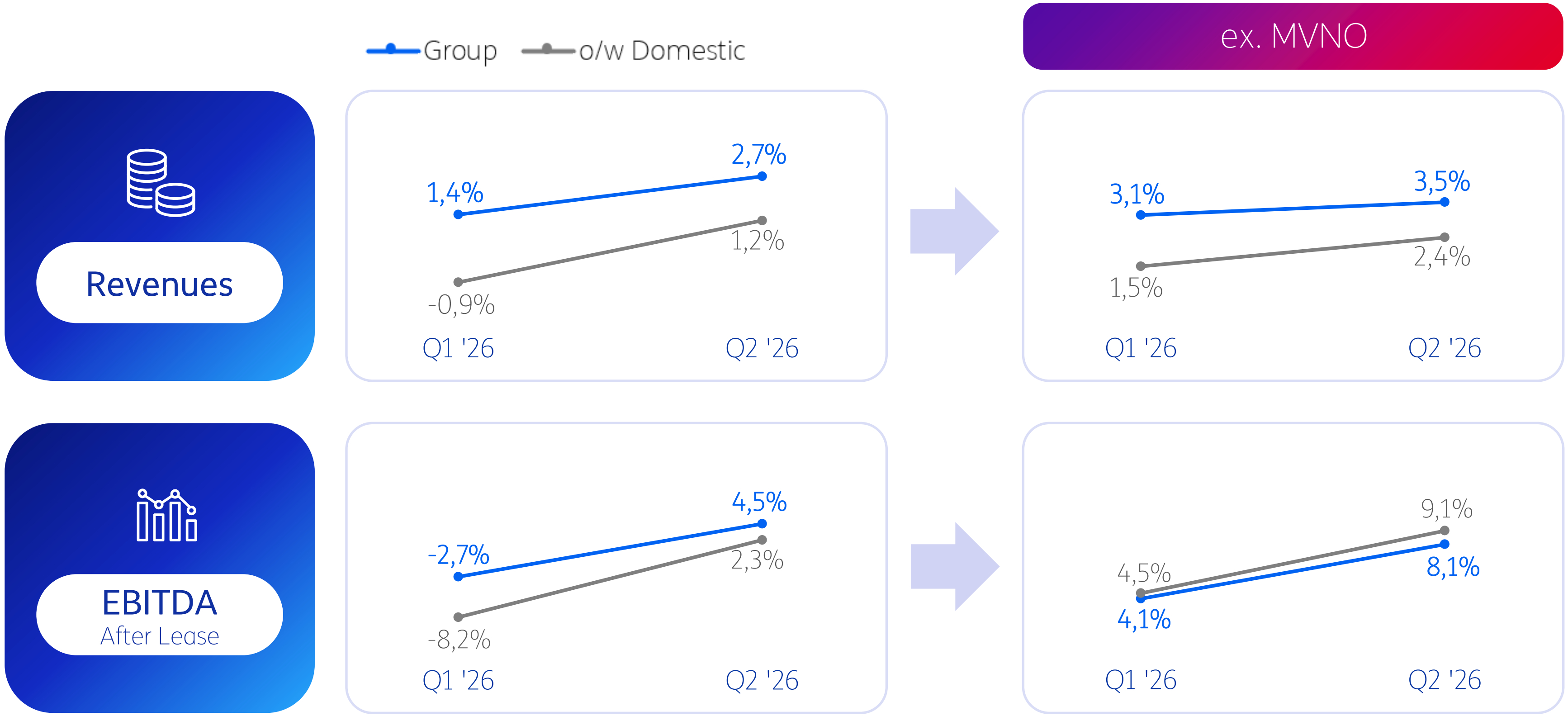
	Revenues	EBITDA After Lease	CAPEX	EBITDA AL minus CAPEX	Eq. FCF After Lease	Net Debt After Lease
Group	6.8bn +2.0% (+3.3% ex. MVNO) 2-3% growth Service +2.1% (+3.5% ex. MVNO)	1.8bn +1.2% (+6.3% ex. MVNO) 5-6% growth	0.9bn 12.6% on revenues <14% on rev.	0.9bn +0.9%	0.7bn ~1.8bn incl. ‘98 concession fee	7.3bn 1.94x leverage (2) Below committed max lev. of 1.7x
Domestic	4.6bn +0.2% (+2.0% ex. MVNO) 1-2% growth Service +0.1% (+2.1% ex. MVNO)	0.9bn -2.5% (+7.1% ex. MVNO) ~4% growth	0.5bn 10.6% on revenues ~12% on rev.	0.5bn -5.3%		
Brazil	2.3bn +6.0% Service +6.1%	0.9bn +5.5% (3)	0.4bn 16.6% on revenues	0.5bn +7.5%		

FY ‘26 guidance

FIGURES MAY NOT ADD UP DUE TO ROUNDINGS

(1) Group figures at average exchange-rate YTD 6.01 R$/€. Excluding non-recurring items and exchange rate fluctuations (2) Adjusted Net Debt After Lease / LTM Organic EBITDA After Lease (3) TIM Brasil S.A. reported EBITDA AL growth of 7.8% reflects the different accounting treatment of the renegotiated sale-leaseback contracts with American Tower, recorded as EBIT at TIM Group level and as operating income (benefiting EBITDA) under Brazilian GAAP (IFRS Brasil)

Q2 ‘26 performance improved QoQ notwithstanding MVNO impact



Further acceleration expected in H2 driven by:

- MVNO stabilization
- TIM Consumer price up campaign
- TIM Enterprise favourable seasonality in Q4
- Cost transformation delivery

Revenues and EBITDA AL improving in line with expectations, FY guidance confirmed

TIM Consumer - Top line mainly impacted by MVNO phasing

Organic figures, €bn and YoY trend

H1 '26	Revenues
TIM Consumer	**2.9bn** -2.7% (-2.4% in Q2), flat YoY ex. MVNO Services -2.9% (-3.9% in Q2), flat YoY ex. MVNO

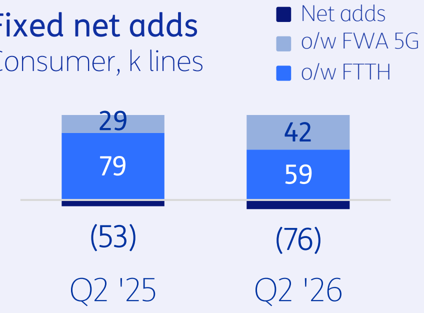
Retail services -0.8% (-2.0% in Q2) reflecting higher fixed-line churn, **Wholesale** affected by MVNO phasing

- **Repricing campaign**: Consumer 3.3m fixed + 2.1m mobile lines / SMB 0.3m fixed + 0.4m mobile lines
- **Launch of TIM Premium** to drive further ARPU growth thanks to enhanced services and assistance
- **TIM Vision revenues steady growth**, gearing for start of 2026-27 football season
- **Continued fixed ARPU growth** and push on **FTTH** and **FWA 5G**

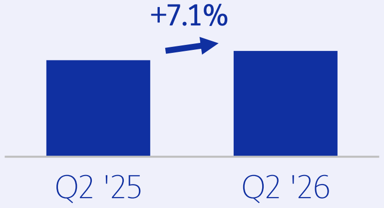
KPIs

Fixed ARPU
Consumer, €/month

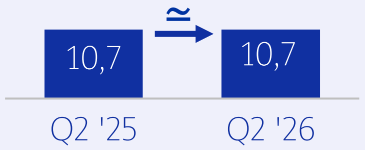
Fixed net adds
Consumer, k lines



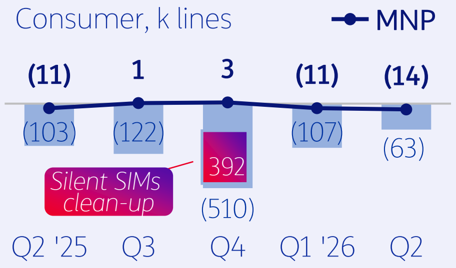
TIM Vision
Service revenues



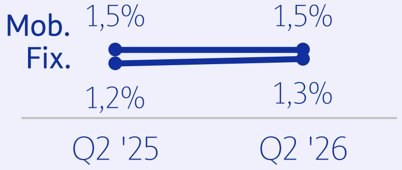
Mobile ARPU
Consumer, Human calling, €/month



Mobile net adds
Consumer, k lines



Churn
Consumer, monthly average



TIM Enterprise - Growth trajectory driven by Cloud services

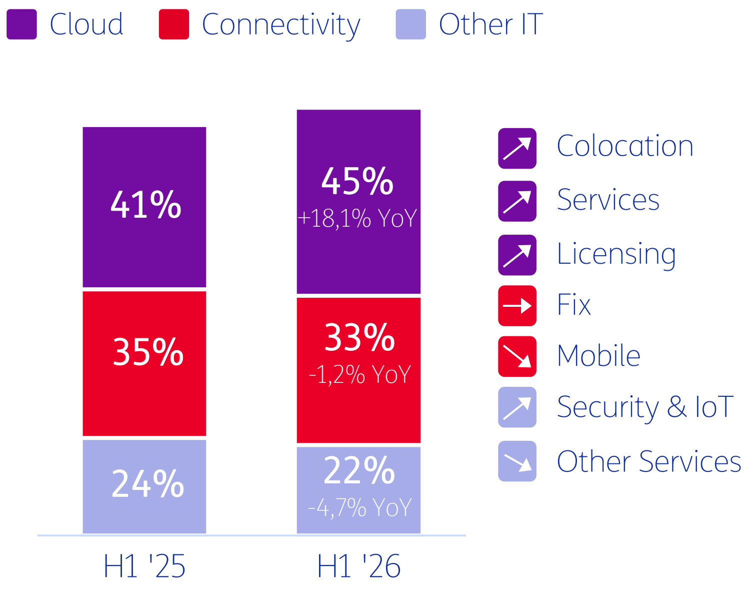
Organic figures, €bn and YoY trend

H1 '26	Revenues
TIM Enterprise	1.7bn +5.6% (+7.9% in Q2) Services +5.7% (+7.1% in Q2)

- **Cloud**: Very solid growth, confirmed #1 revenue driver
- **Connectivity:** Slightly negative YoY, in line with expectations
- **Positive Security & IoT performance** offsetting the planned reduction in low-margin IT sales

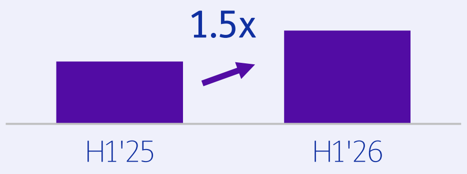
Service revenue mix

Weight on tot. and YoY change



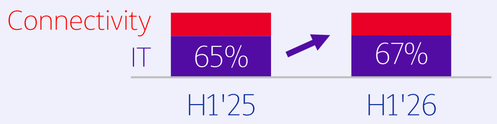
KPIs

Revenues from NSH [(1)]



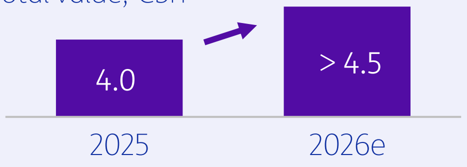
Change in revenue mix

% of service revenues



Contracts backlog [(2)]

Total value, €bn



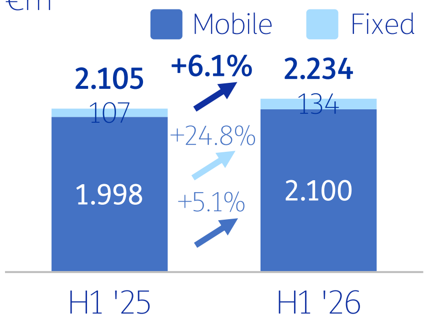
(1) National Strategic Hub (2) Revenues from signed contracts to be delivered

TIM Brasil - Confirming operational excellence

Organic figures, €bn and YoY trend [1]

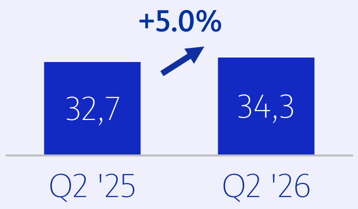
H1 '26	Revenues	EBITDA AL	CAPEX	EBITDA AL - CAPEX
TIM Brasil	2.3bn +6.0% (+5.5% in Q2) o/w services +6.1% (+5.8% in Q2)	0.9bn +5.5% (+6.6% in Q2)	0.4bn 16.6% on revenues (13.4% in Q2)	0.5bn +7.5% (+6.9% in Q2)

Service Revenues
€m

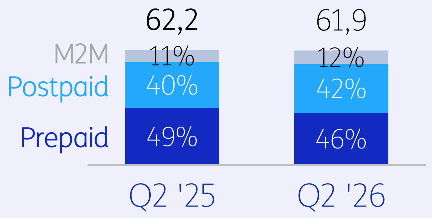


KPIs

Mobile ARPU
R$/month



Mobile CB
m lines



- H1/Q2 results in line with plan, revenues and EBITDA AL growing above inflation [2]
- EBITDA AL growth and CAPEX discipline driving continued cash generation
- TIM S.A. minority shareholders remuneration: €63 m in Q2 '26

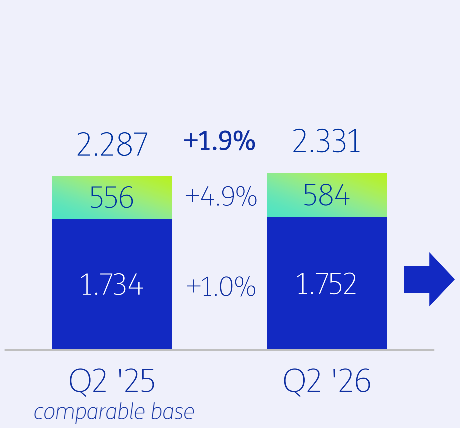
Growth supported by **renewed 'more for more' proposition** and **expanded service ecosystem**, leveraging the **I-Systems acquisition** in the BB segment and the **integration of V8** in the B2B

(1) Average exchange-rate YTD @ 6.01 R$/€ (2) IPCA LTM +4.6%

CAPEX and OPEX control

Organic figures ex. Sparkle, €m

Group OPEX

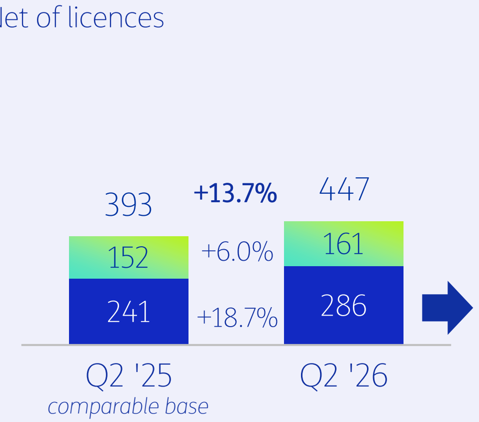


	weight (1)	Δ YoY
Revenue driven	53%	+8%
Addressable costs	47%	-2%
o/w labor	*14%*	*-2%*
o/w industrial	*29%*	*-3%*
o/w G&A & IT	*4%*	*+7%*

MSA accounting for 20% of Domestic OPEX, lower YoY

Group CAPEX

Net of licences



	weight
Customer driven	20%
Mobile & backbone IP	36%
IT	12%
Data Centers	17%
Other	15%

- **Domestic OPEX** increase mainly due to higher revenue driven costs notwithstanding lower network and labour costs
- TIM Domestic **energy cost hedging**: ~80% in 2026, ~50% in 2027
- **TIM Brasil OPEX** increasing in line with inflation and mainly driven by higher content costs

- **Group CAPEX** in line with expectations, Domestic trajectory more balanced compared to prior year. Domestic YoY increase in Q2 driven by higher investments on Mobile and backbone IP and Data Centers
- **Group CAPEX margin** at 12.7% of revenues (Domestic 12.3%)

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

Cash Flow and Net Debt evolution in line with expectations

Adjusted Net Debt After Lease, excluding '98 Concession Fee, Sparkle discontinued, €m

(1) Adjusted Net Debt After Lease / LTM Organic EBITDA After Lease (2) Including net cash flow from discontinued operations

#2 Strategic Considerations

Pietro Labriola, Group CEO

Lights and shadows of current trading environment

LIGHTS

Customer platform & data monetization

From simple connectivity to customer platform, monetizing data and customer relationships, with increasing upselling opportunities and low-cost roll-out

Reduced mobile market churn volumes

Stabilizing mobile market with lower volumes of churn and mobile-number-portability, paving the way for premium services and pricing

Digital sovereignty

Enterprise market evolving towards integrated solutions across Cloud, Cybersecurity, and AI infrastructure under the new sovereignty paradigm, unlocking new opportunities for TIM Enterprise

SHADOWS

Deteriorated service quality by main fiber provider

Fixed net adds and churn negatively affected by worsening service quality

VAT

Regulatory change extending the VAT split payment regime for PAs, with implications on working capital dynamics

Energy costs

Increasing chances of “higher for longer scenario”, with reducing effectiveness of hedging (1)

(1) TIM Domestic energy cost hedging: ~80% in 2026, ~50% in 2027

TIM standalone guidance confirmed

Organic P&L figures [1], €bn, YoY growth and 2024-'27 CAGR

TIM standalone valuation framework

- Valuation analysis based on management's **2026–'30 projections**
- Projections **derived from the 2025–'27 Plan**, updated for the BoD in Jul. 2026
- **Projections fully consistent with market-disclosed strategic / financial ambitions**, reflecting targets that the market had historically viewed as challenging

	FY '24 actual	FY '25 guidance	FY '25 actual	FY '26 guidance [2]	FY '27 guidance [2]
Revenues o/w Domestic	**13.7** 9.4	**2-3%** growth 1-2% growth	**13.7** (+2.7% YoY) 9.5 (+1.9% YoY)	**2-3%** growth 1-2% growth	**~3%** CAGR [3] 2-3% CAGR [3]
EBITDA AL o/w Domestic	**3.6** 1.9	**~7%** growth 5-6% growth	**3.7** (+6.5% YoY) 2.0 (+5.1% YoY)	**5-6%** growth ~4% growth	**6-7%** CAGR [3] 5-6% CAGR [3]
CAPEX on revenues o/w Domestic	**14.6%** 12.9%	**~14%** 12-13%	**13.9%** 12.4%	**<14%** ~12%	**~13%** ~11%
Eq. FCF After Lease	N.m.	**~0.5bn**	**0.7 bn**	**~1.8bn** [4]	**~1.1bn** [5]
Leverage	**<2.0x**	**<1.90x**	**1.86x**	Below committed max lev. of **1.7x** [6]	
Avg. exchange rate (P&L figures)	5.83 R$/€		6.31 R$/€		

(1) Excluding non-recurring items, change in consolidation area and exchange rate fluctuations (2) See disclaimer slide #21 (3) 2024-'27 CAGR (4) Annual exchange-rate published in Bloomberg Survey based on major banks projections (2026 avg. exchange rate @ 6.54 R$/€) (5) Annual exchange-rate published in Bloomberg Survey based on major banks projections (2027 avg. exchange rate @ 6.14 R$/€) (6) Adj. Net Debt AL/Organic EBITDA After Lease. Net Debt of TIM Brasil based on consensus exchange rate evolution (2026 EoP exchange rate @ 6.13 R$/€, 2027 EoP exchange rate @ 6.05 R$/€)

TIM’s plan assumptions on a standalone basis

Towers	▪ Pending outcome of ongoing legal dispute: – **INWIT MSA confirmed until 2030** – **Exit starting in 2030, parallel migration on TIM/Fastweb JV + TowerCos**	**INWIT MSA confirmed until 2030**
Spectrum renewal	▪ **Renewal in 2029 with no re-allocation among operators**, outlay related to i) licence fee or ii) coverage commitment or iii) mixed renewal scheme	**Outlay from 2029**
Netco	▪ **No change in the current MSA pricing framework** ▪ **No merger/strategic deal between FiberCop and Open Fiber**	**Constant MSA prices** Earnout not included
Poste synergies *TIM standalone*	▪ Confirmed in line with Feb. ‘26 disclosure: - Impact on **MVNO service revenues of € ~100m/year** @run-rate - Impact on **EBITDA AL of € ~50m/year** @run-rate	**Material synergies from 2028**
Market repair	▪ Scenario with **no market consolidation**	Not included
Shareholders’ remuneration	▪ **~70% of Equity FCF AL after dividends to TIM Brasil minority shareholders**	**Included**

A 5-year journey transforming TIM from a pure TelCo into a future-proof TechCo

A clearly-identified and consistently-executed **strategy**...
...that **unlocked value** transforming TIM into a financially-disciplined, well-balanced portfolio...

2022 — New BoD & Management team

2023 — Delayering plan

2024 — NetCo disposal

2025-'26 — Plan reaffirmed

- Successful turnaround of **TIM Consumer**
- Unparallel growth of **TIM Enterprise**
- **Cash generation** enhanced in Brasil and reinstated in Italy
- **Guidance** achieved every year
- **Concession Fee** fully cashed-in
- **Shareholders' remuneration** reinstated
- **Credit rating** upgrades

... with **solid foundations** to successfully address new industry opportunities and trends

Beyond 2026

- Extend **value proposition** to adjacent sectors (e.g. Defence)
- **New connectivity** needs (wearables, connected cars,...)
- Integrate **AI** in current offering and service model
- Exploit **Data Centers**' leadership

Closing remarks

TIM BoD's recommendation on Poste's offer

Reflected both the **financial fairness** of the consideration and the **strategic benefits** of combining TIM's assets and capabilities with Poste's industrial platform, effectively **de-risking the delivery of TIM's long-term objectives**

The next chapter *will determine how far and how fast that journey can go*

Same destination, different speed

TIM standalone	***Together with Poste***
Disciplined execution	*Accelerated execution, broader optionality and lower risk*

Q&A

Annex

Q2 '26 Results in line with expectations including MVNO phasing

Organic figures ex Sparkle, €bn and YoY trend [1]

	Revenues	EBITDA After Lease	CAPEX	EBITDA AL minus CAPEX	Eq. FCF After Lease	Net Debt After Lease
Group	3.5bn +2.7% (+3.5% ex. MVNO) Service +2.0% (+2.8% ex. MVNO)	1.0bn +4.5% (+8.1% ex. MVNO)	0.4bn 12.7% on revenues	0.6bn -2.0%	1.0bn	7.3bn 1.94x leverage [2]
Domestic	2.3bn +1.2% (+2.4% ex. MVNO) Service flat (+1.2% ex. MVNO)	0.5bn +2.3% (+9.1% ex. MVNO)	0.3bn 12.3% on revenues	0.2bn -11.8%		
Brazil	1.2bn +5.5% Service +5.8%	0.5bn +6.6%	0.2bn 13.4% on revenues	0.3bn +6.9%		

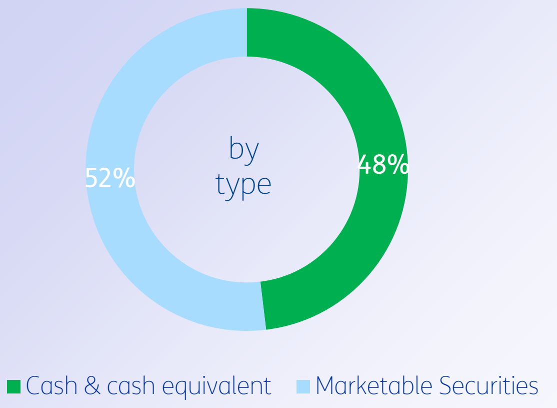
FIGURES MAY NOT ADD UP DUE TO ROUNDINGS

(1) Group figures at average exchange-rate YTD 6.01 R$/€. Excluding non-recurring items and exchange rate fluctuations

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

Capital structure

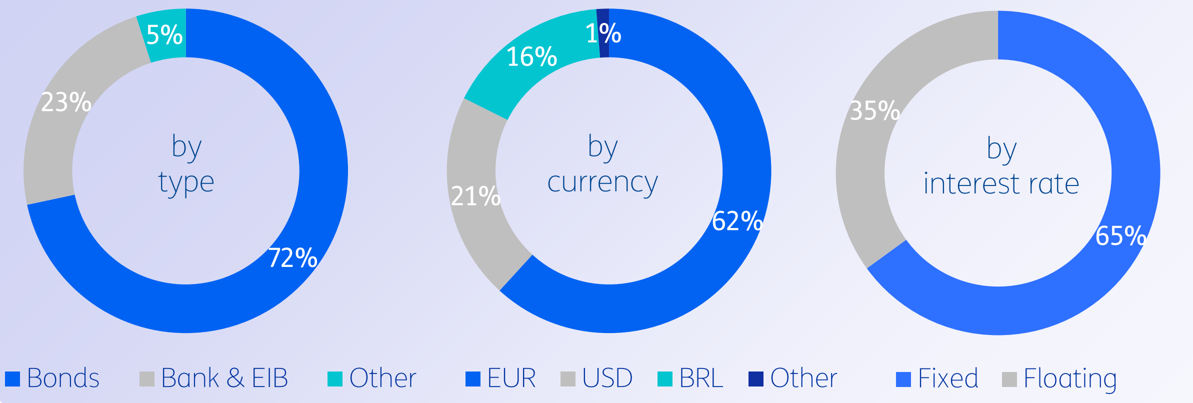
€ 2.2bn Liquidity



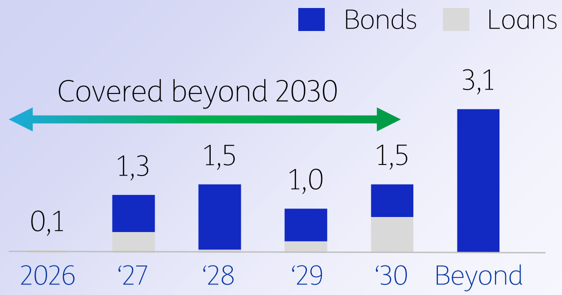
€ 3.0bn Credit facility

€ 5.2bn Liquidity margin

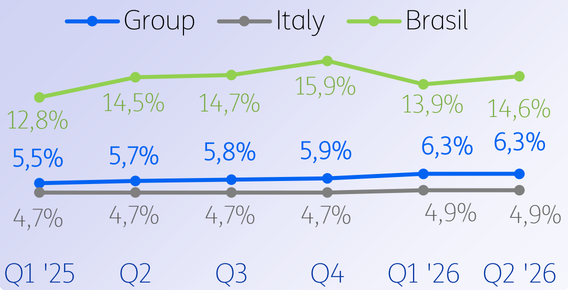
€ 10bn Gross Debt AL (1)



Debt maturities (2)



Avg cost of debt YTD



2026 credit rating

Moody's
Ba1 ↑
Stable

Fitch
BB+ ↑
Stable

S&P
BB+ ↑
Stable

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

(2) Nominal amount. Average maturity: 6 years

Disclaimer

This presentation contains forward-looking statements regarding the TIM Group's objectives, beliefs, current expectations, strategic priorities, business outlook, financial performance and prospects. Such statements are based on management's current expectations and assumptions considered reasonable as of the date hereof.

Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the TIM Group. Actual results, performance or achievements may differ materially from those expressed or implied in these statements due to a variety of factors, including changes in market conditions, competitive dynamics, regulatory developments, macroeconomic conditions, technological evolution and other risks affecting the Group.

Based on the results achieved during the first half of 2026, TIM confirms its financial guidance for FY 2026 and FY 2027. The financial outlook presented herein reflects management's current expectations based on the updated 2025-'27 standalone Business Plan considered by the Board of Directors in connection with its assessment of the public tender offer.

Except as required by applicable law, TIM undertakes no obligation to update or revise any forward-looking statements contained in this presentation to reflect events or circumstances occurring after the date hereof.

Analysts and investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Further information on the principal risks affecting the TIM Group is available in the TIM Group Annual Report 2025.

The H1 2026 and Q2 2026 Financial Results have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board and endorsed by the European Union.

The accounting policies and consolidation principles adopted in the preparation of the H1 2026 and Q2 2026 Financial Results are consistent with those applied in the TIM Group Annual Audited Consolidated Financial Statements as of 31 December 2025, except for new standards, amendments and interpretations effective from 1 January 2026. The H1 2026 and Q2 2026 Financial Results are unaudited.

Alternative Performance Measures

In addition to the financial measures prepared in accordance with IFRS, the TIM Group uses certain Alternative Performance Measures ("APMs") to provide investors with additional information for assessing the Group's operating performance and financial position. These measures include, among others, 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 adjusting amount); Capital expenditures (net of TLC licenses); 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. These APMs should not be considered as substitutes for measures prepared in accordance with IFRS and may not be comparable with similarly titled measures reported by other companies. Such alternative performance measures are unaudited.

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 H1 2026 and FY 2025** Financial Results, **Sparkle** has been classified, in accordance with IFRS 5, as **Discontinued Operations**, as the related disposal is considered highly probable.
- Accordingly, unless otherwise specified, the **TIM Domestic perimeter excludes Sparkle**.
- **Cash Flows and Net Debt After Lease are presented on an actual basis**, including Sparkle.

Further questions

please contact the IR team

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GruppoTIM.it