FINANCIAL INFORMATION AT SEPTEMBER 30, 2024

This document has been translated into English for the convenience of the readers.
In the event of discrepancy, the Italian language version prevails.

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TIM's Board of Directors met on November 13, 2024 chaired by Alberta Figari to approve the Financial Information at September 30, 2024.

INTRODUCTION

TIM voluntarily prepares and publishes periodic financial information for the first and third quarters of each financial year as part of the Company's policy to regular report its financial and operating performance to the market and investors in line with best market practices.

In order to provide a better understanding of the performance of the business, a section has been included containing organic economic and financial information relating to the operating performance in the first nine months of 2024 and the first nine months of 2023 for the scope of "TIM Group ServCo", reworked on the basis of management information. Such organic like-for-like information is prepared by simulating the separation operation of the fixed network, with the creation of the NetCo component and the consequent definition of the (new) TIM Group ServCo perimeter, as if it had taken place at the beginning of the reference period (January 1).

The consolidated data included in the TIM Group's periodic financial information as at September 30, 2024 have been prepared in accordance with the accounting standards, the recognition and measurement criteria, and the consolidation criteria and methods adopted for the preparation of the Consolidated Financial Statements for the year ended December 31, 2023 (to which reference should be made for a more extensive discussion), except as regards the amendments to accounting standards issued by the IASB and effective from January 1, 2024. These figures have not been audited.

*In particular, it should be noted that the economic results relating to the domestic fixed network component (primary network and wholesale activities of TIM S.p.A.), to FiberCop S.p.A. and ro Telenergia S.r.l. ("**NetCo**") have been classified as Assets sold/Available-for-sale assets pursuant to IFRS 5. Further details are given in the annexes.*

In addition, as a result of this classification by NetCo, the figures in the consolidated separate income statement and the consolidated cash flow statement for the first nine months of 2023 have been consistently reclassified, as required by IFRS 5.

TIM Group, in addition to the conventional financial performance measures established by the IFRS Accounting Standards, uses certain alternative performance measures in order to present a better understanding of the trend of operations and financial condition.

Specifically, these alternative performance measures refer to: EBITDA; EBIT; organic change and impact of non-recurring items on revenues, EBITDA and EBIT; EBITDA margin and EBIT margin; Net financial debt carrying amount and adjusted net financial debt; Equity Free Cash Flow, Cash flow from operations; Cash flow from operations (net of licenses). Following the adoption of IFRS 16, the TIM Group also presents the following additional alternative performance measures: EBITDA After Lease ("EBITDA-AL"), Adjusted net financial debt After Lease, Equity Free Cash Flow After Lease.

In line with the ESMA guidance on alternative performance measures (Guidelines ESMA/2015/1415), the meaning and contents of such are explained in the annexes, where the analytical detail of the amounts of the reclassifications introduced and of the methods for determining indicators is also provided.

Finally, it should be noted that the section "Business Outlook for the year 2024" contains forward-looking statements regarding the Group's intentions, beliefs and current expectations in relation to the Group's financial results and other aspects of the Group's activities and strategies. Readers of this publication should not place undue reliance on such forward-looking statements, as the actual results could differ materially from those contained in the forecasts as a result of risks and uncertainties arising from a variety of factors, most of which are beyond the Group's control. For further details, please refer to the "Main risks and uncertainties" chapter, as well as to the Annual Financial Report for the year ended December 31, 2023, which details the main risks relating to the TIM Group's business activities which could affect, including considerably, the ability to achieve the objectives set.

HIGHLIGHTS

"Like-for-like" results in the first nine months of 2024

- **Group total revenues** amounted to 10.7 billion euros, up by 3.4% year-on-year (+1.8% in domestic to 7.4 billion euros, +7.2% in Brazil to 3.3 billion euros); **Group service revenues** rose by 4.1% year-on-year to 10 billion euros (+2.7% in domestic to 6.8 billion euros, +7.1% in Brazil to 3.2 billion euros);
- **Group EBITDA** grew significantly, increasing by 8.7% year-on-year to 3.3 billion euros (+8.3% domestic to 1.6 billion euros, +9.0% in Brazil to 1.6 billion euros);
- **Group EBITDA After Lease** grew remarkably, rising 11.1% year-on-year to 2.7 billion euros (+8.3% in domestic to €1.5 billion, +14.4% in Brazil to €1.3 billion);
- **TIM Consumer**[1] reported stable total revenues at 4.5 billion euros and service revenues of 4.2 billion euros (+0.2% year-on-year), continuing the stabilization course achieved in the previous quarters. Factors supporting the trend included the positive effects of the repricing activities carried out since the beginning of the year, the steady increase in the ARPU of TimVision (+23% year-on-year), the stable churn, and the positive performance of MVNO and roaming revenues. Broadband connectivity and entertainment combined offers also grew;
- **TIM Enterprise**[1] reported total revenues of 2.3 billion euros (+5.8% year-on-year) and service revenues of 2.1 billion euros (+8.0% year-on-year), continuing to outperform the reference market thanks to the defensive strategy on the connectivity business and growth in IT revenues, which accounted for 62% of the total. In particular, the solid performance in Cloud services (+22% year-on-year, also thanks to the boost from National Strategic Hub), Security (+84% year-on-year) and IoT (+27% year-on-year) continued. The value of contracts signed during the nine months was up 67% year-on-year to 3.5 billion euros;
- **TIM Brasil** reported revenues of 3.3 billion euros (+7.2% year-on-year), service revenues of 3.2 billion euros (+7.1% year-on-year) and EBITDA of 1.6 billion euros (+9.0% year-on-year), continuing the growth trajectory of the last two years thanks to the momentum from the mobile segment. EBITDA After Lease also grew significantly to 1.3 billion euros, +14.4% year-on-year.

The Group's positive trend continued in the third quarter, the first since the completion of the NetCo sale.

- **Group total revenues** amounted to 3.6 billion euros, up by 3.2% year-on-year (+2.1% in domestic to 2.5 billion euros, +6.0% in Brazil to 1 billion euros); **service revenues** rose by 4.3% year-on-year to 3.4 billion euros (+3.6% in domestic to 2.4 billion euros, +6.0% in Brazil to 1 billion euros);
- **Group EBITDA** increased, up by 7.6% year-on-year to 1.1 billion euros (+7.9% in domestic to 0.6 billion euros, +7.3% in Brazil to 0.5 billion euros);
- **Group EBITDA After Lease** also increased, up 7.6% year-on-year to 0.9 billion euros (+7.2% in domestic to 0.5 billion euros, +8.5% in Brazil to 0.4 billion euros).

During the quarter, cost containment actions aimed at increasing the level of structural efficiency of the domestic perimeter continued ("Transformation Plan, reduction target of over 0.2 billion in 2024") and approximately 80% of the target set for the current year was achieved.

The Group's Adjusted Net Financial Debt After Lease as at September 30, 2024 was below 8 billion euros, down by more than 0.1 billion euros compared to the value immediately following the completion of the sale of NetCo.

The expected evolution of the net financial position in the last quarter of the year will allow the Group to achieve the announced deleverage target, with a ratio of Adjusted Net Financial Debt After Lease to organic EBITDA After Lease[2] less than or equal to 2x.

The target does not include incomes from the sale of the remaining stake in INWIT, the closing of which is expected on November 29, with a price of 10.43 euros per share and expected proceeds of about 250 million euros.

Based on the results at September 30, 2024, TIM confirms the guidance provided to the market for the current year.

[1] The revenues of TIM Consumer and TIM Enterprise and the related growth percentages are shown net of the ratios between the two areas and include the effects of the Master Service Agreement signed with FiberCop and, from the third quarter, also the Transitional Services Agreement.

[2] Organic EBITDA After Lease for 2024 is to be understood as the "like-for-like" organic EBITDA After Lease of the TIM Group after the sale of NetCo.

The main economic and financial results of the TIM Group for the first nine months of 2024 and 2023 are shown below. It should be noted that NetCo was sold on July 1, 2024, therefore the economic contribution for the first six months of 2024 (until the sale date) and for the first nine months of 2023 is classified under Profit / Loss related to Discontinued Operations, under IFRS 5.

TIM Group financial highlights (NetCo Discontinued Operations)

(million euros) - reported data		9 months to 9/30/2024 (a)	9 months to 9/30/2023 (b)	% Change (a-b)
Revenues		10,630	10,441	1.8
EBITDA	(1)	3,739	3,406	9.8
EBITDA Margin	(1)	*35.2%*	*32.6%*	*2.6pp*
EBIT	(1)	1,322	926	42.8
EBIT Margin	(1)	*12.4%*	*8.9%*	*3.5pp*
Profit (loss) for the period attributable to owners of the Parent		(509)	(1,124)	54.7
Capital Expenditures & spectrum		1,372	1,481	(7.4)

(million euros) - reported data		9 months to 9/30/2024 (a)	9 months to 9/30/2023 (b)	% Change (a-b)
Equity Free Cash Flow	(1)	(368)	(238)	54.6
Equity Free Cash Flow After Lease	(1)	(835)	(907)	(7.9)
Adjusted Net Financial Debt [2]	(1)	10,903	26,338	(58.6)
Net Financial Debt After Lease[2]	(1)	7,988	21,184	(62.3)

(1) For details, please refer to the "Alternative performance indicators" chapter.

(2) The change in the fair value of derivatives and related financial liabilities/assets is adjusted by the booked Net Financial Debt with no monetary effect.

The following are the main financial results of the **like-for-like TIM Group ("like-for-like TIM Group ServCo")** in which the organic economic and financial information relating to the operating performance for the first nine months of 2024 and the first nine months of 2023 have been reworked based on management information. Such organic like-for-like information is prepared by simulating the separation operation of the fixed network, with the creation of the NetCo component and the consequent definition of the (new) TIM Group ServCo perimeter, as if it had taken place at the beginning of the reference period (January 1).

In particular, the TIM Group's "like-for-like" financial results for the first nine months of 2024 are based on:

- a first half "like for like" estimate of revenues, OPEX and CAPEX divided between the TIM and NetCo components, considering the final perimeter and simulating the impact of the relationship between TIM and NetCo, as regulated by the Master Service Agreement (MSA);
- the third quarter results based on the actual impact of the relationship between TIM and NetCo as regulated by the MSA and the Transitional Services Agreement (TSA).

The TIM Group's financial results for the first nine months of 2023 are based on a "like-for-like" estimate of revenues, OPEX and CAPEX split between the TIM and NetCo components, considering the final perimeter simulating the effect of transactions as if they had occurred in January 2023 (to ensure a like-for-like comparison on an annual basis).

Like-for-like TIM Group ServCo results

(million euros) - organic data (*)	3rd Quarter 2024	3rd Quarter 2023	% Change	9 months to 9/30/2024	9 months to 9/30/2023	% Change
Revenues	**3,569**	**3,458**	**3.2**	**10,681**	**10,329**	**3.4**
TIM Domestic	2,531	2,478	2.1	7,404	7,274	1.8
of which TIM Consumer	*1,540*	*1,542*	*(0.1)*	*4,510*	*4,512*	—
of which TIM Enterprise	*787*	*731*	*7.7*	*2,294*	*2,168*	*5.8*
of which Sparkle	*247*	*257*	*(3.9)*	*740*	*748*	*(1.1)*
TIM Brasil	1,047	989	6.0	3,304	3,083	7.2
Service revenues	**3,367**	**3,228**	**4.3**	**10,025**	**9,632**	**4.1**
TIM Domestic	2,360	2,278	3.6	6,849	6,669	2.7
of which TIM Consumer	*1,420*	*1,424*	*(0.3)*	*4,151*	*4,141*	*0.2*
of which TIM Enterprise	*739*	*665*	*11.1*	*2,123*	*1,966*	*8.0*
of which Sparkle	*244*	*240*	*1.7*	*715*	*714*	*0.1*
TIM Brasil	1,016	959	6.0	3,203	2,991	7.1
EBITDA	**1,111**	**1,033**	**7.6**	**3,250**	**2,989**	**8.7**
TIM Domestic	586	543	7.9	1,632	1,507	8.3
TIM Brasil	527	492	7.3	1,622	1,488	9.0
EBITDA AL	**943**	**877**	**7.6**	**2,745**	**2,472**	**11.1**
TIM Domestic	538	502	7.2	1,499	1,385	8.3
TIM Brasil	407	377	8.5	1,250	1,093	14.4
CAPEX (net of telecommunications licenses)	**371**	**442**	**(16.1)**	**1,334**	**1,423**	**(6.3)**
TIM Domestic	228	281	(18.9)	776	859	(9.7)
TIM Brasil	143	161	(10.2)	558	564	(1.1)
EBITDA AL - CAPEX (net of telecommunications licenses)	**572**	**435**	**31.6**	**1,411**	**1,049**	**34.5**
TIM Domestic	310	221	40.5	723	526	37.5
TIM Brasil	264	216	23.0	692	529	30.9

(*) The organic results exclude non-recurring items and the comparable base is calculated net of the foreign currency translation and the change in the scope of consolidation.

TIM GROUP’S ESG PERFORMANCE

- The implementation of Legislative Decree No. 125 of September 6, 2024 is currently underway. The Decree transposes the new rules contained in the European Union’s **Corporate Sustainability Reporting Directive (CSRD)**.
- As required by this legislation, alongside the 2024 Annual Financial Report, the sustainability report will be included in a special section of the Report on Operations and will illustrate sustainability issues both in terms of **TIM's impact on the environment and society**, and the **risks and opportunities that may affect TIM's results**. The report will be prepared according to the new **European Sustainability Reporting Standards (ESRS)**, which are designed to highlight the link between ESG and financial dimensions so as to facilitate the assessment of impacts, risks and opportunities.

MAIN CHANGES IN THE SCOPE OF CONSOLIDATION OF THE TIM GROUP

During the first nine months of 2024, the main changes relating to TIM Group were as follows:

- on July 1, 2024, TIM S.p.A. transferred the Business Unit –consisting of the activities relating to the primary network, the wholesale business and the entire shareholding in the subsidiary Telenergia S.r.l. – to FiberCop S.p.A., a company that already managed the activities relating to the secondary fiber and copper network; concurrent with the transfer, TIM S.p.A. sold its entire stake in the share capital of FiberCop S.p.A. to Optics Bidco S.p.A. (a subsidiary of Kohlberg Kravis Roberts & Co. L.P. ("KKR")) and, together with FiberCop S.p.A., entered into a Master Services Agreement regulating the terms and conditions of the services provided between FiberCop S.p.A. and TIM S.p.A.. On that date, therefore, the deconsolidation of the transferred entity occurred and the effects of the Transaction on the income statement and financial position were recognised. The income statement figures for the transferred Business Unit transferred, for Telenergia S.r.l. and for FiberCop S.p.A., falling under the TIM Group until the sale date, were classified as Discontinued Operations, in accordance with IFRS 5.
- through the subsidiary Telsy S.p.A. (Domestic Business Unit), the TIM Group acquired control of QTI S.r.l., bringing the Group’s stake in the company's share capital from 49% to 80%. QTI S.r.l. is engaged in the development, production and marketing of innovative hi-tech products and services.

During the first nine months of 2023, the main changes in the scope of consolidation were as follows:

- the acquisition on April 20, 2023, by Telsy S.p.A. of the entire share capital of TS-Way S.r.l., a company engaged in the field of IT security (Domestic Business Unit);
- the sale on August 4, 2023 by TIM S.p.A. of the entire share capital of TIM Servizi Digitali S.p.A. (Domestic Business Unit).

TIM GROUP RESULTS FOR THE FIRST NINE MONTHS OF 2024

The **total revenues of the TIM Group (NetCo Discontinued Operations)** for the first nine months of 2024 amounted to **10,630 million euros**, +1.8% compared to the first nine months of 2023 (10,441 million euros).

The breakdown of total revenues for the first nine months of 2024 by operating segment in comparison with the first nine months of 2023 is as follows:

(million euros)	9 months to 9/30/2024		9 months to 9/30/2023		Changes		
		% weight		% weight	absolute	%	% like-for-like
Domestic	7,353	69.2	7,233	69.3	120	1.7	1.8
Brazil	3,304	31.1	3,236	31.0	68	2.1	7.2
Other Operations	—	—	—	—	—		
Adjustments and eliminations	*(27)*	*(0.3)*	*(28)*	*(0.3)*	*1*		
Consolidated Total	**10,630**	**100.0**	**10,441**	**100.0**	**189**	**1.8**	**3.4**

The **TIM Group's like-for-like consolidated revenues** were calculated as follows:

(million euros)	3rd Quarter 2024	3rd Quarter 2023	% Change	9 months to 9/30/2024	9 months to 9/30/2023	% Change
REVENUES	**3,569**	**3,588**	**(0.5)**	**10,630**	**10,441**	**1.8**
Foreign currency financial statements translation effect		(150)			(154)	
ORGANIC REVENUES excluding non-recurring items	**3,569**	**3,438**	**3.8**	**10,630**	**10,287**	**3.3**
Impacts deriving from:						
Master Service Agreement (MSA)	—	34		67	101	
Other	—	(14)		(16)	(59)	
like-for-like ORGANIC REVENUES	**3,569**	**3,458**	**3.2**	**10,681**	**10,329**	**3.4**

The **EBITDA of the TIM Group (NetCo Discontinued Operations)** for the first nine months of 2024 amounted to **3,739 million euros** (3,406 million euros in the first nine months of 2023, +9.8%).

The breakdown of EBITDA by operating segment for the first nine months of 2024 compared to the first nine months of 2023 was as follows:

(million euros)	9 months to 9/30/2024		9 months to 9/30/2023		Changes		
		% weight		% weight	absolute	%	% like-for-like
Domestic	2,121	56.7	1,857	54.5	264	14.2	8.3
Brazil	1,622	43.4	1,554	45.6	68	4.4	9.0
Other Operations	(6)	(0.1)	(6)	(0.1)	—		
Adjustments and eliminations	*2*	*—*	*1*	*—*	*1*		
Consolidated Total	**3,739**	**100.0**	**3,406**	**100.0**	**333**	**9.8**	**8.7**

The**TIM Group's like-for-like consolidated EBITDA** was calculated as follows:

(million euros)	3rd Quarter 2024	3rd Quarter 2023	% Change	9 months to 9/30/2024	9 months to 9/30/2023	% Change
EBITDA	**1,099**	**1,269**	**(13.4)**	**3,739**	**3,406**	**9.8**
Foreign currency financial statements translation effect		(71)			(73)	
Non-recurring expenses (income)	12	125		95	552	
Effect of translating non-recurring expenses (income) in currency		1			1	
ORGANIC EBITDA - excluding non-recurring items	**1,111**	**1,324**	**(16.1)**	**3,834**	**3,886**	**(1.3)**
Impacts deriving from:						
New Master Service Agreement (MSA)	—	(449)		(902)	(1,368)	
Reversal of previous MSA between TIM and FiberCop	—	166		341	521	
Other	—	(8)		(23)	(50)	
like-for-like ORGANIC EBITDA	**1,111**	**1,033**	**7.6**	**3,250**	**2,989**	**8.7**

The **EBIT of the TIM Group (NetCo Discontinued Operations)** for the first nine months of 2024 amounted to **1,322 million euros** (926 million euros in the first nine months of 2023).

The **Net loss for the first nine months of 2024 attributable to owners of the Parent** was 509 million euros (loss of 1,124 million euros for the first nine months of 2023), which includes the proceeds from the sale of NetCo, which are in turn recognised as profits from discontinued operations. In terms of net capital gains, the impact on the TIM Group's income statement was approximately 0.2 billion euros, even after taking into account the goodwill attached to the sale value; nevertheless, further adjustments may yet be made in accordance with the usual mechanisms for post-closing price adjustments.

The TIM Group **headcount** at September 30, 2024 was **26,900**, including 17,630 in Italy (47,180 at December 31, 2023, including 37,670 in Italy).

In the first nine months of 2024, the **TIM Group's industrial investments and mobile/spectrum licenses (NetCo Discontinued Operations)** amounted to 1,372 million euros (1,481 million euros in the first nine months of 2023).

Capex is broken down as follows by operating segment:

(million euros)	9 months to 9/30/2024	% weight	9 months to 9/30/2023	% weight	Change
Domestic	814	59.3	889	60.0	(75)
Brazil	558	40.7	592	40.0	(34)
Other Operations	—	—	—	—	—
Adjustments and eliminations	—	—	—	—	—
Consolidated Total	**1,372**	**100.0**	**1,481**	**100.0**	**(109)**
% of Revenues	*12.9*		*14.2*		*(1.3) pp*

Specifically:

- the **Domestic Business Unit (NetCo Discontinued Operations - Domestic ServCo)** reported capital expenditures of 814 million euros, with a significant portion aimed at developing the Mobile and IT infrastructure. The investment trend reflects the slowdown in the IT and Mobile Platform segment;
- The **Brazil Business Unit** reported capital expenditures of 558 million euros in the first nine months of 2024 (592 million euros in the first nine months of 2023). Excluding the impact of changes in exchange rates (-28 million euros), capex decreased by 6 million euros compared to the first nine months on 2023. The slight decrease is due to the completion of investments relating to the integration of the Oi Group's activities and the reduction in the development of the 4G network, partially offset by the acceleration of investments in 5G technology.

Adjusted net financial debt amounted to 10,903 million euros at September 30, 2024, a decrease of 14,753 million euros compared to December 31, 2023 (25,656 million euros). This reduction was mainly due to the NetCo sale transaction finalized on July 1, 2024, which resulted in a deleverage of 15.3 billion euros (including 1,960 million euros from the deconsolidation of Net financial debt for lease contracts recognized in application of IFRS16), in addition to the positive trend in operational-financial management.

The Group's **Operating Free Cash Flow** for the first nine months of 2024 is positive and amounted to 1,737 million euros (+1,624 million euros in the first nine months of 2023).

Equity Free Cash Flow for the first nine months of 2024 came to -368 million euros (-238 million euros in the first nine months of 2023). This financial measure represents the free cash flow available for the remuneration of own capital, to repay debt and to cover any financial investments and payments of licenses and frequencies.

For a better understanding of the information, the table below shows the various ways by which the Net Financial Debt can be shown:

(million euros)	9/30/2024 (a)	12/31/2023 (b)	Change (a-b)
Net financial debt carrying amount	**10,904**	**25,776**	**(14,872)**
Reversal of fair value measurement of derivatives and related financial liabilities/assets	*(1)*	*(120)*	*119*
Adjusted Net Financial Debt	**10,903**	**25,656**	**(14,753)**
Leases	*(2,915)*	*(5,307)*	*2,392*
Adjusted Net Financial Debt - After Lease	**7,988**	**20,349**	**(12,361)**

Net financial debt carrying amount amounted to 10,904 million euros at September 30, 2024, a decrease of 14,872 million euros compared to December 31, 2023 (25,776 million euros). The reversal of the fair value measurement of derivatives and related financial liabilities/assets saw a positive change of 119 million euros due to the dynamics of the interest rate markets and the liquidation of a substantial portion of the derivatives portfolio following the transfer of the bonds of TIM S.p.A., Telecom Italia Finance S.A. and Telecom Italia Capital S.A. to Optics BidCo S.A.; this valuation adjusts the booked Net Financial Debt with no monetary effect.

Adjusted Net Financial Debt – After Lease (net of lease contracts) was equal to 7,988 million euros at September 30, 2024, down by 12,361 million euros compared to December 31, 2023 (20,349 million euros).

In the third quarter of 2024, adjusted net financial debt decreased by 15,585 million euros compared to June 30, 2024 (26,488 million euros).

(million euros)	9/30/2024 (a)	6/30/2024 (b)	Change (a-b)
Net financial debt carrying amount	**10,904**	**26,589**	**(15,685)**
Reversal of fair value measurement of derivatives and related financial liabilities/assets	*(1)*	*(101)*	*100*
Adjusted Net Financial Debt	**10,903**	**26,488**	**(15,585)**
Breakdown as follows:			
Total adjusted gross financial debt	**15,412**	**32,067**	**(16,655)**
Total adjusted financial assets	**(4,509)**	**(5,579)**	**1,070**

As of September 30, 2024, the TIM Group’s available **liquidity margin** was equal to 7,832 million euros and calculated considering:

- “Cash and cash equivalents” and “Current securities other than investments” for a total of 3,832 million euros (4,695 million euros at December 31, 2023);
- Sustainability-linked Revolving Credit Facility amounting to 4,000 million euros, totally available.

This margin covers the Group's non-current financial liabilities (including the portion of the medium/long-term loans due within twelve months) maturing for at least the next 24 months.

For the purposes of determining the available liquidity margin, the “BTPs July 15, 2028” held by Telecom Italia Finance S.A. and subject to a securities lending agreement with TIM S.p.A. signed on October 18, 2023 were not considered; in particular, of the total nominal 131 million euros of securities subject to the loan, a part corresponding from time to time to a market value of 99 million euros was pledged by TIM S.p.A. on October 25, 2023 against a guarantee bank issued on the same date by MPS in favor of INPS, in support of the application of Art. 4 of Law no. 92 of June 28, 2012.

It should be noted that the sale of non-recourse trade receivables to factoring companies completed in the first nine months of 2024 had a positive effect of 932 million euros on net financial debt at September 30, 2024 (1,135 million euros at December 31, 2023, 986 million euros at September 30, 2023).

RESULTS OF THE BUSINESS UNITS

Domestic

Revenues

The **revenues of the** Domestic Business Unit (NetCo Discontinued Operations - Domestic ServCo) totaled 7,353 million euros, up 120 million euros compared to the first nine months of 2023 (+1.7%).

The **like-for-like Domestic revenues** were calculated as follows:

(million euros)	3rd Quarter 2024	3rd Quarter 2023	Changes %	9 months to 9/30/2024	9 months to 9/30/2023	Changes %
REVENUES	2,531	2,459	2.9	7,353	7,233	1.7
Foreign currency financial statements translation effect	—	(1)		—	(1)	
ORGANIC REVENUES - excluding non-recurring items	2,531	2,458	3.0	7,353	7,232	1.7
Impacts deriving from:						
Master Service Agreement (MSA)	—	34		67	101	
Other	—	(14)		(16)	(59)	
like-for-like ORGANIC REVENUES	2,531	2,478	2.1	7,404	7,274	1.8

"Like-for-like" service revenues amounted to 6,849 million euros (+180 million euros compared to the first nine months of 2023, +2.7%), thanks to the growth in ICT and Multimedia revenues despite the impact of a competitive market on the customer base.

"Like-for-like" Handset and Bundle & Handset revenues, including the change in work in progress, totaled 555 million euros in the first nine months of 2024, down 50 million euros from the same period of the previous year, due to a decline in both the TIM Consumer and TIM Enterprise segments.

Following the completion of the delayering operation, resulting in the sale of NetCo, the presentation of revenues has been changed, so that the revenues shown below are divided between TIM Consumer, TIM Enterprise, and the Wholesale International Market (TI Sparkle group), complete with the breakdown of the reference perimeter.

- **TIM Consumer.** *The segment consists of all Fixed and Mobile voice and Internet services and products managed and developed for individuals and families (of public telephony, caring and the administrative management of customers) and for customers of SMEs (small and medium-sized enterprises) and SOHO (small office home office) and for other mobile operators (MVNO); it includes the company TIM Retail, which coordinates the activities of its stores).*

  The main "*Key Performance Indicators*" of TIM Consumer were as follows:

	9/30/2024	12/31/2023	9/30/2023
Total Fixed accesses (thousands)	7,245	7,499	7,586
Of which active ultra-broadband accesses (thousands)	*5,455*	*5,404*	*5,384*
Fixed Consumer ARPU (€/month) (1)	30.1	28.2	27.9
Mobile lines at period end (thousands)	16,101	16,397	16,539
of which Human calling (thousands)	*13,399*	*13,578*	*13,731*
Mobile churn rate (%) (2)	14.5	19.2	14.1
ARPU Mobile Consumer Human calling (€/month) (3)	10.6	10.8	10.8

(1) Organic Consumer service revenues in proportion to the average number of Consumer accesses.
(2) Percentage of human lines discontinued in the period compared to the average human lines.
(3) Organic Consumer service revenues (excluding *visitors* and MVNOs) in proportion to average human lines calling.

(million euros) - organic data	3rd Quarter 2024 (a)	3rd Quarter 2023 (b)	9 months to 9/30/2024 (c)	9 months to 9/30/2023 (d)	% Change (a-b)/b	% Change (c-d)/d
TIM Consumer revenues – like-for-like	1,540	1,542	4,510	4,512	(0.1)	—
Service revenues	1,420	1,424	4,151	4,141	(0.3)	0.2
Handset and Bundle & Handset revenues	120	118	359	371	1.7	(3.2)

TIM Consumer revenues for the first nine months of 2024 amounted to 4,510 million euros and were in line with those recorded in the first nine months of 2023, despite the impact of the challenging competitive environment. **Service revenues**, which totaled 4,151 million euros, increased by 10 million euros compared to the first nine months of 2023 (+0.2%).

TIM Consumer's **Handset and Bundle & Handset revenues** totaled 359 million euros, -12 million euros compared to the first nine months of 2023: The change is mainly related to the contraction in the market for mobile handsets.

- **TIM Enterprise.** *This segment comprises the connectivity services and products and the ICT solutions managed and developed for Top, Public Sector and Large Account customers. The following companies are included: Olivetti, TI Trust Technologies, Telsy and Noovle.*

(million euros) - organic data	3rd Quarter 2024 (a)	3rd Quarter 2023 (b)	9 months to 9/30/2024 (c)	9 months to 9/30/2023 (d)	% Change (a-b)/b	(c-d)/d
TIM Enterprise revenues - like-for-like	**787**	**731**	**2,294**	**2,168**	**7.7**	**5.8**
Service revenues	739	665	2,123	1,966	11.1	8.0
Handset and Bundle & Handset revenues	48	66	171	202	(27.3)	(15.3)

The segment's revenues amounted to 2,294 million euros, up 126 million euros (+5.8%) from the first nine months of 2023, mainly due to the service revenues component (+8.0%), driven by cloud and security services.

- **Wholesale International Market.** *Includes the activities of the TI Sparkle group, which operates in the market for international voice, data and Internet services for fixed and mobile telecommunications operators, ISPs/ASPs (Wholesale market) and multinational companies through its own networks in the European, Mediterranean and South American markets.*

  Revenues for the first nine months of 2024 in the Wholesale International Market segment amounted to 740 million euros, down compared to the first nine months of 2023 (-8 million euros, -1.1%), due to the postponement of several deals related to fibre/spectrum sales and a decline in traditional voice revenues, partly offset by growth in revenues related to mobile operator solutions and colocation offers.

EBITDA

The **EBITDA of the** Domestic Business Unit (NetCo Discontinued Operations - Domestic ServCo) for the first nine months of 2024 amounted to **2,121 million euros** (+264 million euros compared the first nine months of 2023, +14.2%).

The **like-for-like Domestic EBITDA** was calculated as follows:

(million euros)	3rd Quarter 2024	3rd Quarter 2023	Changes %	9 months to 9/30/2024	9 months to 9/30/2023	Changes %
EBITDA	**574**	**708**	**(18.9)**	**2,121**	**1,857**	**14.2**
Non-recurring expenses (income)	12	124		95	546	
ORGANIC EBITDA - excluding non-recurring items	**586**	**832**	**(29.6)**	**2,216**	**2,403**	**(7.8)**
Impacts deriving from:						
New Master Service Agreement (MSA)	—	(449)		(902)	(1,368)	
Reversal of previous MSA between TIM and FiberCop	—	166		341	521	
Other	—	(6)		(23)	(49)	
like-for-like ORGANIC EBITDA	**586**	**543**	**7.9**	**1,632**	**1,507**	**8.3**

EBIT

The **EBIT of the** Domestic Business Unit (NetCo Discontinued Operations - Domestic ServCo) for the first nine months of 2024 amounted to **627 million euros** (+268 million euros compared the first nine months of 2023).

Headcount at September 30, 2024 stood at 17,855 (37,901 as of December 31, 2023).

Brazil (average real/euro exchange rate 5.69470)

Revenues of the **Brazil Business Unit (TIM Brasil group)** in the first nine months of 2024 were 18,817 million reais (17,559 million reais in the first nine months of 2023, +7.2%).

The growth was determined by **service revenues** (18,244 million reais vs 17,037 million reais for the first nine months of 2023, +7.1%) with mobile telephony service revenues growing 7.3% on the first nine months of 2023 due to the continuous improvement of the post-paid segment. Revenues from fixed services grew by 4.4% compared to the first nine months of 2023, driven above all by the growth rate of Ultrafibre.

Revenues from product sales totaled 573 million reais (522 million reais in the first nine months of 2023).

Revenues in the third quarter of 2024 totaled 6,419 million reais, increased by 6.0% on the third quarter of 2023 (6,056 million reais).

Mobile ARPU in the first nine months of 2024 totaled 31.1 reais (29.0 reais in the first nine months of 2023).

Total mobile lines at September 30, 2024 amounted to 62.1 million, +0.9 million lines compared to December 31, 2023 (61.2 million lines). Within this change, +2.1 million is attributable to the post-paid segment and -1.2 million to the pre-paid segment. Post-paid customers represented 47.8% of the customer base as of September 30, 2024 (45.1% at December 31, 2023).

Broadband ARPU for the first nine months of 2024 was 97.8 reais (97.3 reais in the first nine months of 2023).

EBITDA in the first nine months of 2024 was 9,237 million reais (8,434 million reais in the first nine months of 2023, 9.5%) and the margin on revenues was 49.1% (48.0% in the first nine months of 2023).

Organic EBITDA, net of the non-recurring items, increased by 9.0% and was calculated as follows:

(million Brazilian reais)	9 months to 9/30/2024	9 months to 9/30/2023	Changes	
			absolute	%
EBITDA	9,237	8,434	803	9.5
Non-recurring expenses (income)	—	41	(41)	
ORGANIC EBITDA - excluding non-recurring items	9,237	8,475	762	9.0

The growth in EBITDA can mainly be attributed to the positive performance of revenues from services, partially offset by the increase in operating costs.

The EBITDA margin stood at 49.1% in organic terms (48.3% in the first nine months of 2023).

EBITDA in the third quarter of 2024 totaled 3,221 million reais, +7.7% on the third quarter of 2023 (2,992 million reais).

EBIT for the first nine months of 2024 amounted to 3,977 million reais (3,102 million reais for the first nine months of 2023, +28.2%).

Organic EBIT - net of the non-recurring items in the first nine months of 2024 amounted to 3,977 million reais (3,143 million euros in the first nine months of 2023), with an EBITDA margin of 21.1% (17.9% in the first nine months of 2023).

Organic EBIT, net of the non-recurring items, was calculated as follows:

(million Brazilian reais)	9 months to 9/30/2024	9 months to 9/30/2023	Changes	
			absolute	%
EBIT	3,977	3,102	875	28.2
Non-recurring expenses (income)	—	41	(41)	
ORGANIC EBIT - excluding non-recurring items	3,977	3,143	834	26.5

EBIT in the third quarter of 2024 totaled 1,445 million reais (1,245 million reais in the third quarter of 2023).

Headcount at September 30, 2024 stood at 9,032 (9,267 as of December 31, 2023).

AFTER LEASE INDICATORS

TIM Group, in addition to the conventional financial performance measures established by the IFRS Accounting Standards, uses certain alternative performance measures in order to present a better understanding of the trend of operations and financial condition. Specifically, following the adoption of IFRS 16, the TIM Group presents the following additional alternative performance measures:

LIKE-FOR-LIKE EBITDA AFTER LEASE - TIM GROUP

(million euros)	3rd Quarter 2024	3rd Quarter 2023	Changes		9 months to 9/30/2024	9 months to 9/30/2023	Changes	
			absolute	%			absolute	%
like-for-like ORGANIC EBITDA	**1,111**	**1,033**	**78**	**7.6**	**3,250**	**2,989**	**261**	**8.7**
Lease payments	(168)	(156)	(12)	(7.7)	(505)	(517)	12	2.4
Like-for-like EBITDA After Lease (EBITDA-AL)	**943**	**877**	**66**	**7.6**	**2,745**	**2,472**	**273**	**11.1**

LIKE-FOR-LIKE EBITDA AFTER LEASE - DOMESTIC

(million euros)	3rd Quarter 2024	3rd Quarter 2023	Changes		9 months to 9/30/2024	9 months to 9/30/2023	Changes	
			absolute	%			absolute	%
like-for-like ORGANIC EBITDA	**586**	**543**	**43**	**7.9**	**1,632**	**1,507**	**125**	**8.3**
Lease payments	(48)	(41)	(7)	(17.1)	(133)	(122)	(11)	(9.0)
Like-for-like EBITDA After Lease (EBITDA-AL)	**538**	**502**	**36**	**7.2**	**1,499**	**1,385**	**114**	**8.3**

EBITDA AFTER LEASE - BRAZIL

(million euros)	3rd Quarter 2024	3rd Quarter 2023	Changes		9 months to 9/30/2024	9 months to 9/30/2023	Changes	
			absolute	%			absolute	%
ORGANIC EBITDA excluding non-recurring items	**527**	**492**	**35**	**7.3**	**1,622**	**1,488**	**134**	**9.0**
Lease payments (*)	(120)	(115)	(5)	(4.5)	(372)	(395)	23	5.8
EBITDA After Lease (EBITDA-AL)	**407**	**377**	**30**	**8.5**	**1,250**	**1,093**	**157**	**14.4**

(*) Does not include penalties associated with the decommissioning plan following the acquisition of the Oi Group's movable assets, totaling 110 million reais; approximately 19 million euros in the first nine months of 2024 (approximately 155 million reais; approximately 29 million euros in the first nine months of 2023).

ADJUSTED NET FINANCIAL DEBT AFTER LEASE - TIM GROUP

(million euros)	9/30/2024	12/31/2023	Change
Adjusted Net Financial Debt	**10,903**	**25,656**	**(14,753)**
Leases	(2,915)	(5,307)	2,392
Adjusted Net Financial Debt - After Lease	**7,988**	**20,349**	**(12,361)**

EQUITY FREE CASH FLOW AFTER LEASE - TIM GROUP

(million euros)	9 months to 9/30/2024	9 months to 9/30/2023	Change
Equity Free Cash Flow	**(368)**	**(238)**	**(130)**
Change in lease contracts (principal share)	(467)	(669)	202
Equity Free Cash Flow After Lease	**(835)**	**(907)**	**72**

BUSINESS OUTLOOK FOR THE YEAR 2024

In light of the performance of the main business segments of the ServCo perimeter in the first three months of 2024. The guidance previously communicated with the approval of the TIM 2024-2026 "Free to Run" Business Plan is confirmed.

EVENTS AFTER SEPTEMBER 30, 2024

TIM: Purchase offer for Sparkle

See the press releases issued on October 2 and 4, 2024.

MAIN RISKS AND UNCERTAINTIES

Risk governance is a strategic tool for value creation.

The TIM Group has adopted an Enterprise Risk Management model, which is continuously being improved and aligned with international regulations and standards and enables risks to be identified, assessed and managed in a homogenous way within the Group, highlighting potential synergies between the players involved in the assessment of the Internal Control and Risk Management System. The Enterprise Risk Management process is integrated with strategic and operational planning processes and is designed to identify potential events that may affect the company's business so that these risks can be managed within acceptable limits or by keeping risks at a level that does not compromise the financial, operational and reputational stability of the company, and reasonable assurance provided about the achievement of its business objectives.

The Enterprise Risk Management model adopted by the TIM Group:

- identifies and updates, in collaboration with the risk owners, the overall portfolio of risks to which the Group is exposed by analysing the Business Plan and the most significant investment projects, monitoring the reference context (e.g. macroeconomic and regulatory), specifically analysing the risks to which assets may be exposed, and continuously monitoring and analysing the risk profile, in order to detect any changes and/or new risk scenarios;
- quantitatively assesses risks both individually and from a portfolio perspective, taking correlations into account;
- supports management in establishing and monitoring risk mitigation plans and periodically updates the Control and Risk Committee (CRC) with respect to related tolerances;
- manages the information flow to top management and the bodies responsible for assessing the Internal Control and Risk Management System (ICRMS) by producing the relevant supporting reports.

It is worth highlighting the continuing Russia-Ukraine conflict and the possible extension of the conflict in the Middle East. Other risk factors include: market developments; entry of potential new competitors; potential proceedings brought by the Authorities and consequent delays in implementing new strategies; single supplier for fixed infrastructure related services (i.e. MSA FiberCop) with possible impacts both on the ability to provide services to end customers and the expected quality levels; cyber attacks related to the current global geopolitical climate; issues related to the regulation of artificial intelligence; issues related to new networks and infrastructures; obligations related to the Italian Government's exercise of special powers (Golden Power), the effects of which will be assessed in terms of the strategic choices and the development of the Plan's objectives over time.

Risks related to macroeconomic factors

The TIM Group's economic and financial situation, including its ability to sustain the expected level of cash flows and margins, is influenced by multiple macroeconomic factors such as economic growth, consumer confidence, interest rates, increased inflation rate and the exchange rates in the markets in which it operates.

Added to these factors is the uncertainty around developments of the war in Ukraine, the Israeli-Palestinian conflict and the structural transformation of energy markets.

In September 2024, the Italian National Institute of Statistics (ISTAT) announced it would revise the Italian national accounts by adopting methodological changes agreed at European level. The revision significantly changed the GDP estimates and the main aggregates for recent years. The change in the GDP recorded in 2023 was revised downwards from previous official estimates, from +0.9% to +0.7%. ISTAT has not yet revised its +1% growth forecast for 2024 made in its June forecast note. The Bank of Italy reaffirmed its previous estimates of +0.6% GDP growth in view of a greater-than-expected expansion of services and higher growth in consumption, both of which supported by the recovery in disposable income. Consequently, the growth forecast range for 2024 currently remains unchanged at between +0.6% and +1%; this latter figure could be revised once the values for the third quarter have been taken into account.

Energy prices still need to be monitored, given how their volatility can affect business. The energy supply shock in 2022 highlighted European countries' dependence on fossil fuels. Geopolitical uncertainty, with conflicts ongoing in key areas for energy supply, could once again spark the conditions that caused a deterioration in the industry in recent months. In any case, it should be noted that the TIM Group has implemented a hedging program which, domestically, made it possible to cover in advance almost all of the 2024 needs and part of 2025.

In Brazil, GDP grew by 2.9% in 2023, which was just below that of 2022 (+3.0%). In its latest report in June, the Central Bank of Brazil upgraded its forecast for 2024 – from +2.3% to +3.2% – as a result of stronger-than-expected GDP growth in the second quarter of the year. Growth is mainly driven by Industry and Services. Household consumption expanded strongly (+4.5%, up compared to the previous forecast of +3.5%) while the unemployment rate remained on a downward trajectory. GDP growth for 2025 is expected to be around +2%. The inflation growth estimate of +4.3% is above the target set for the end of the year.

Geopolitical uncertainty

The Russia-Ukraine conflict is having an indirect impact on the TIM Group's business, mainly in terms of the potential effects of energy, materials and transportation costs going forward. Presently, these costs remain low, but they could become more significant as the conflict escalates. In particular, for companies in the TI Sparkle group (part of the TIM Group) operating in the areas impacted by the conflict, there were no significant repercussions on commercial relations, on the demand for international services and on the substantially regular collection of trade receivables.

The situation in the Middle East will continue having to be closely monitored with regard to the spreading of the conflict. Elsewhere, the new European Commission is set to take office while in the United States the results of the recent presidential elections could have consequences for the country's foreign policy decisions. The effects in terms of geopolitical balances will have to be assessed, not only in Europe and the Middle East, but also in the relationship between the United States and China – which in turn could exacerbate an already tense situation that has had consequences on the import of advanced technological and digital systems from Chinese companies to the West.

If the international context were to worsen and tensions were to continue, this could have serious global implications and pose a serious security threat. This could bring greater risks for the TIM Group. Such risks include the security and protection of the TIM Group workforce, the possibility that cyber attacks may strike the infrastructure and data of the TIM Group or its customers, an increased probability of a shock of the supply chain that would entail higher inflation in the short and medium term.

The Executive responsible for preparing the corporate financial reports, Adrian Calaza Noia, hereby declares, pursuant to subsection 2, Art. 154 bis of Italy's Consolidated Law on Finance, that the accounting information contained herein corresponds to the company's documentation, accounting books and records.

ATTACHMENTS TO THE PRESS RELEASE

November 13, 2024

TIM GROUP – STATEMENTS

The Separate Consolidated Income Statements, Consolidated Statements of Comprehensive Income, Consolidated Statements of Financial Position, Consolidated Statements of Cash Flows, Consolidated Statements of Changes in Equity, and Consolidated Net Financial Debt of the TIM Group, presented below, are consistent with the consolidated financial statements included in the Annual Report and the Interim Financial Report (Half-Yearly). These statements have not been audited by the independent auditors.

The accounting policies and consolidation principles adopted are consistent with those applied for the TIM Group Consolidated Financial Statements at December 31, 2023, to which reference should be made, except for the amendments to the standards issued by IASB and adopted starting from January 1, 2024.

TIM GROUP - SEPARATE CONSOLIDATED INCOME STATEMENTS

(million euros)	9 months to 9/30/2024	9 months to 9/30/2023	Changes (a-b)	
	(a)	(b)	absolute	%
Revenues	**10,630**	**10,441**	**189**	**1.8**
Other income	115	96	19	19.8
Total operating revenues and other income	**10,745**	**10,537**	**208**	**2.0**
Acquisition of goods and services	(5,688)	(5,373)	(315)	(5.9)
Employee benefits expenses	(1,105)	(1,484)	379	25.5
Other operating expenses	(466)	(563)	97	17.2
Change in inventories	15	44	(29)	(65.9)
Internally generated assets	238	245	(7)	(2.9)
Operating profit (loss) before depreciation and amortization, capital gains (losses) and impairment reversals (losses) on non-current assets (EBITDA)	**3,739**	**3,406**	**333**	**9.8**
Depreciation and amortization	(2,417)	(2,475)	58	2.3
Gains (losses) on disposals of non-current assets	14	(2)	16	—
Impairment reversals (losses) on non-current assets	(14)	(3)	(11)	—
Operating profit (loss) (EBIT)	**1,322**	**926**	**396**	**—**
Share of profits (losses) of associates and joint ventures accounted for using the equity method	(17)	(22)	5	22.7
Other income (expenses) from investments	9	(8)	17	—
Finance income	759	840	(81)	(9.6)
Finance expenses	(1,850)	(1,837)	(13)	(0.7)
Profit (loss) before tax from continuing operations	**223**	**(101)**	**324**	**—**
Income tax expense	(100)	(55)	(45)	(81.8)
Profit (loss) from continuing operations	**123**	**(156)**	**279**	**—**
Profit (loss) from Discontinued operations/Non-current assets held for sale	(445)	(744)	299	40.2
Profit (loss) for the period	**(322)**	**(900)**	**578**	**64.2**
Attributable to:				
Owners of the Parent	**(509)**	**(1,124)**	**615**	**54.7**
Non-controlling interests	187	224	(37)	(16.5)

TIM GROUP - CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Pursuant to IAS 1 (Presentation of Financial Statements), the Consolidated Statements of Comprehensive Income set out below include, in addition to the Profit/(Loss) for the period, as presented in the Separate Consolidated Income Statements, and other changes in Equity other than transactions with Shareholders.

(million euros)		9 months to 9/30/2024	9 months to 9/30/2023
Profit (loss) for the period	(a)	**(322)**	**(900)**
Other components of the Consolidated Statement of Comprehensive Income			
Other components that will not be reclassified subsequently to the Separate Consolidated Income Statement			
Financial assets measured at fair value through other comprehensive income:			
Profit (loss) from fair value adjustments		11	7
Income tax effect		—	—
	(b)	**11**	**7**
Remeasurements of employee defined benefit plans (IAS 19):			
Actuarial gains (losses)		17	4
Income tax effect		—	(1)
	(c)	**17**	**3**
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method:			
Profit (loss)		—	—
Income tax effect		—	—
	(d)	—	—
Total other components that will not be reclassified subsequently to Separate Consolidated Income Statement	(e=b+c+d)	**28**	**10**
Other components that will be reclassified subsequently to Separate Consolidated Income Statement			
Financial assets measured at fair value through other comprehensive income:			
Profit (loss) from fair value adjustments		11	12
Loss (profit) transferred to Separate Consolidated Income Statement		4	(4)
Income tax effect		—	1
	(f)	**15**	**9**
Hedging instruments:			
Profit (loss) from fair value adjustments		(184)	(156)
Loss (profit) transferred to Separate Consolidated Income Statement		269	(23)
Income tax effect		(20)	43
	(g)	**65**	**(136)**
Exchange differences on translating foreign operations:			
Profit (loss) on translating foreign operations		(555)	227
Loss (profit) on translating foreign operations transferred to Separate Consolidated Income Statement		—	—
Income tax effect		—	—
	(h)	**(555)**	**227**
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method:			
Profit (loss)		—	—
Loss (profit) transferred to Separate Consolidated Income Statement		—	—
Income tax effect		—	—
	(i)	—	—
Total other components that will be reclassified subsequently to Separate Consolidated Income Statement	(k=f+g+h+i)	**(475)**	**100**
Total other components of the Consolidated Statement of Comprehensive Income	(m=e+k)	**(447)**	**110**
Total comprehensive income (loss) for the period	(a+m)	**(769)**	**(790)**
Attributable to:			
Owners of the Parent		**(756)**	**(1,090)**
Non-controlling interests		(13)	300

TIM GROUP - CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(million euros)		9/30/2024 (a)	12/31/2023 (b)	Changes (a-b)
Assets				
Non-current assets				
Intangible assets				
Goodwill		11,125	19,170	(8,045)
Intangible assets with a finite useful life		6,137	7,122	(985)
		17,262	**26,292**	**(9,030)**
Tangible assets				
Property, plant and equipment owned		**4,545**	**14,692**	**(10,147)**
Rights of use assets		**3,450**	**5,515**	**(2,065)**
Other non-current assets				
Investments in associates and joint ventures accounted for using the equity method		468	537	(69)
Other investments		155	140	15
Non-current financial receivables arising from lease contracts		43	112	(69)
Other non-current financial assets		724	1,103	(379)
Miscellaneous receivables and other non-current assets		1,594	2,187	(593)
Deferred tax assets		549	701	(152)
		3,533	**4,780**	**(1,247)**
Total Non-current assets	(a)	**28,790**	**51,279**	**(22,489)**
Current assets				
Inventories		314	345	(31)
Trade and miscellaneous receivables and other current		4,546	4,699	(153)
Current income tax receivables		139	191	(52)
Current financial assets				
Current financial receivables arising from lease contracts		*32*	*162*	*(130)*
Securities other than investments, other financial receivables and other current financial assets		*1,878*	*2,571*	*(693)*
Cash and cash equivalents		*2,164*	*2,912*	*(748)*
		4,074	5,645	(1,571)
Current assets sub-total		**9,073**	**10,880**	**(1,807)**
Discontinued operations /Non-current assets held for sale				
of a financial nature		—	—	—
of a non-financial nature		—	—	—
		—	**—**	**—**
Total Current assets	(b)	**9,073**	**10,880**	**(1,807)**
Total Assets	(a+b)	**37,863**	**62,159**	**(24,296)**

(million euros)		9/30/2024 (a)	12/31/2023 (b)	Changes (a-b)
Equity and Liabilities				
Equity				
Equity attributable to owners of the Parent		12,247	13,646	(1,399)
Non-controlling interests		1,452	3,867	(2,415)
Total Equity	(c)	**13,699**	**17,513**	**(3,814)**
Non-current liabilities				
Non-current financial liabilities for financing contracts and others		9,479	21,284	(11,805)
Non-current financial liabilities for lease contracts		2,451	4,743	(2,292)
Employee benefits		200	511	(311)
Deferred tax liabilities		78	83	(5)
Provisions		448	679	(231)
Miscellaneous payables and other non-current		773	1,326	(553)
Total Non-current liabilities	(d)	**13,429**	**28,626**	**(15,197)**
Current liabilities				
Current financial liabilities for financing contracts and others		3,276	5,771	(2,495)
Current financial liabilities for lease contracts		539	838	(299)
Trade and miscellaneous payables and other current		6,899	9,384	(2,485)
Current income tax payables		21	27	(6)
Current liabilities sub-total		**10,735**	**16,020**	**(5,285)**
Liabilities directly associated with Discontinued operations/Non-current assets held for sale				
of a financial nature		—	—	—
of a non-financial nature		—	—	—
		—	**—**	**—**
Total Current Liabilities	(e)	**10,735**	**16,020**	**(5,285)**
Total Liabilities	(f=d+e)	**24,164**	**44,646**	**(20,482)**
Total Equity and Liabilities	(c+f)	**37,863**	**62,159**	**(24,296)**

TIM GROUP - CONSOLIDATED STATEMENTS OF CASH FLOWS

(million euros)		9 months to 9/30/2024	9 months to 9/30/2023
Cash flows from operating activities:			
Profit (loss) from continuing operations		123	(156)
Adjustments for:			
Depreciation and amortization		2,417	2,475
Impairment losses (reversals) on non-current assets including investments		14	(3)
Net change in deferred tax assets and liabilities		56	24
Losses (gains) realized on disposals of non-current assets (including investments)		(23)	13
Share of losses (profits) of associates and joint ventures accounted for using the equity method		17	22
Change in employee benefits		11	120
Change in inventories		(38)	(36)
Change in trade receivables and other net receivables		3	(48)
Change in trade payables		(405)	(384)
Net change in income tax receivables/payables		36	(6)
Net change in miscellaneous receivables/payables and other assets/liabilities		75	416
Cash flows from (used in) operating activities	(a)	**2,286**	**2,437**
Cash flows from investing activities:			
Purchases of intangible, tangible and rights of use assets on a cash basis		(1,575)	(1,617)
Contributions for plants received		8	—
Acquisition of control of companies or other businesses, net of cash acquired		(4)	(32)
Acquisitions/disposals of other investments		(34)	(39)
Change in financial receivables and other financial assets (excluding hedging and non-hedging derivatives under financial assets)	(1)	2,594	(667)
Proceeds from sale that result in a loss of control of subsidiaries or other businesses, net of cash disposed of		4,169	—
Proceeds from sale/repayments of intangible, tangible and other non-current assets		25	3
Cash flows from (used in) investing activities	(b)	**5,183**	**(2,352)**
Cash flows from financing activities:			
Change in current financial liabilities and other		(1,151)	82
Proceeds from non-current financial liabilities (including current portion)		1,888	4,032
Repayments of non-current financial liabilities (including current portion)		(7,911)	(3,620)
Changes in hedging and non-hedging derivatives		279	70
Share capital proceeds/reimbursements (including subsidiaries)		—	—
Dividends paid		(118)	(248)
Changes in ownership interests in consolidated subsidiaries		(8)	(6)
Cash flows from (used in) financing activities	(c)	**(7,021)**	**310**
Cash flows from (used in) Discontinued operations/Non-current assets held for sale	(d)	**(1,243)**	**(690)**
Aggregate cash flows	(e=a+b+c+d)	**(795)**	**(295)**
Net cash and cash equivalents at beginning of the period	(f)	**2,912**	**3,555**
Net foreign exchange differences on net cash and cash equivalents	(g)	(65)	28
Net cash and cash equivalents at end of the period	(h=e+f+g)	**2,052**	**3,288**

(1) This item includes investments in marketable securities of 1,891 million euros in the first nine months of 2024 (1,462 million euros in the first nine months of 2023) and redemptions of marketable securities of 2,055 million euros in the first nine months of 2024 (1,364 million euros in the first nine months of 2023), relating to TIM S.A. and Telecom Italia Finance S.A..

Purchases of intangible, tangible and right of use assets

(million euros)	9 months to 9/30/2024	9 months to 9/30/2023
Purchase of intangible assets	(542)	(590)
Purchase of tangible assets	(790)	(870)
Purchase of rights of use assets	(513)	(529)
Total purchases of intangible, tangible and rights of use assets on an accrual basis	(1,845)	(1,989)
Change in payables arising from purchase of intangible, tangible and rights of use assets	270	372
Total purchases of intangible, tangible and rights of use assets on a cash basis	(1,575)	(1,617)

Additional Cash Flow information

(million euros)	9 months to 9/30/2024	9 months to 9/30/2023
Income taxes (paid) received	(26)	(65)
Interest expense paid	(1,559)	(1,388)
Interest income received	462	457
Dividends received	12	16

Analysis of Net Cash and Cash Equivalents

(million euros)	9 months to 9/30/2024	9 months to 9/30/2023
Net cash and cash equivalents at beginning of the period:		
Cash and cash equivalents	2,914	3,555
Bank overdrafts repayable on demand	(2)	—
	2,912	**3,555**
Net cash and cash equivalents at end of the period:		
Cash and cash equivalents	2,164	3,293
Bank overdrafts repayable on demand	(112)	(5)
	2,052	**3,288**

TIM GROUP - CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Changes from January 1, 2023 to September 30, 2023

(million euros)	Equity attributable to owners of the Parent										
	Share capital	Additional paid-in capital	Reserve for financial assets measured at fair value through other comprehensive income	Reserve for hedging instruments	Reserve for exchange differences on translating foreign operations	Reserve for remeasurements of employee defined benefit plans (IAS 19)	Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	Other reserves and retained earnings (accumulated losses), including profit (loss) for the period	**Total**	**Non-controlling interests**	**Total Equity**
Balance at December 31, 2022	**11,614**	**2,133**	**(58)**	**65**	**(2,085)**	**(71)**	**—**	**3,463**	**15,061**	**3,664**	**18,725**
Changes in equity during the period:											
Dividends approved								—	**—**	(156)	**(156)**
Total comprehensive income (loss) for the period			16	(136)	151	3		(1,124)	**(1,090)**	300	**(790)**
LTI granting of treasury shares	6							(6)	**—**		**—**
Other changes		(1,558)						1,579	**21**	2	**23**
Balance at September 30, 2023	**11,620**	**575**	**(42)**	**(71)**	**(1,934)**	**(68)**	**—**	**3,912**	**13,992**	**3,810**	**17,802**

Changes from January 1, 2024 to September 30, 2024

(million euros)	Equity attributable to owners of the Parent										
	Share capital	Additional paid-in capital	Reserve for financial assets measured at fair value through other comprehensive income	Reserve for hedging instruments	Reserve for exchange differences on translating foreign operations	Reserve for remeasurements of employee defined benefit plans (IAS 19)	Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	Other reserves and retained earnings (accumulated losses), including profit (loss) for the period	**Total**	**Non-controlling interests**	**Total Equity**
Balance at December 31, 2023	**11,620**	**575**	**(22)**	**(80)**	**(1,959)**	**(79)**	**—**	**3,591**	**13,646**	**3,867**	**17,513**
Changes in equity during the period:											
Dividends approved									**—**	(124)	**(124)**
Total comprehensive income (loss) for the period			26	65	(355)	17		(509)	**(756)**	(13)	**(769)**
NetCo deconsolidation									**—**	(2,283)	**(2,283)**
LTI granting of treasury shares	4							(4)	**—**		**—**
Other changes		(575)						(68)	**(643)**	5	**(638)**
Balance at September 30, 2024	**11,624**	**—**	**4**	**(15)**	**(2,314)**	**(62)**	**—**	**3,010**	**12,247**	**1,452**	**13,699**

TIM GROUP - NET FINANCIAL DEBT

(million euros)	9/30/2024 (a)	12/31/2023 (b)	Change (a-b)
Non-current financial liabilities			
Bonds	7,478	15,297	(7,819)
Amounts due to banks, other financial payables and liabilities	(2,001)	5,987	(3,986)
Non-current financial liabilities for lease contracts	2,451	4,743	(2,292)
	(11,930)	**26,027**	**(14,097)**
Current financial liabilities (*)			
Bonds	2,360	3,266	(906)
Amounts due to banks, other financial payables and liabilities	916	2,505	(1,589)
Current financial liabilities for lease contracts	539	838	(299)
	3,815	**6,609**	**(2,794)**
Financial liabilities directly associated with Discontinued operations/Non-current assets held for sale	—	—	—
Total Gross financial debt	**15,745**	**32,636**	**(16,891)**
Non-current financial assets			
Securities other than investments	—	—	—
Non-current financial receivables arising from lease contracts	(43)	(112)	69
Financial receivables and other non-current financial assets	(724)	(1,103)	379
	(767)	**(1,215)**	**448**
Current financial assets			
Securities other than investments	(1,767)	(1,882)	115
Current financial receivables arising from lease contracts	(32)	(162)	130
Financial receivables and other current financial assets	(111)	(689)	578
Cash and cash equivalents	(2,164)	(2,912)	748
	(4,074)	**(5,645)**	**1,571**
Financial assets relating to Discontinued operations/Non-current assets held for sale	—	—	—
Total financial assets	**(4,841)**	**(6,860)**	**2,019**
Net financial debt carrying amount	**10,904**	**25,776**	**(14,872)**
Reversal of fair value measurement of derivatives and related financial liabilities/assets	*(1)*	*(120)*	*119*
Adjusted Net Financial Debt	**10,903**	**25,656**	**(14,753)**
Breakdown as follows:			
Total adjusted gross financial debt	**15,412**	**32,001**	**(16,589)**
Total adjusted financial assets	**(4,509)**	**(6,345)**	**1,836**
(*) of which current portion of medium/long-term debt:			
Bonds	*2,360*	*3,266*	*(906)*
Amounts due to banks, other financial payables and liabilities	*616*	*1,166*	*(550)*
Current financial liabilities for lease contracts	*480*	*786*	*(306)*

TIM GROUP - CHANGE IN ADJUSTED NET FINANCIAL DEBT

(million euros)	9 months to 9/30/2024 (a)	9 months to 9/30/2023 (b)	Change (a-b)
EBITDA	3,739	3,406	333
Capital expenditures on an accrual basis	(1,372)	(1,481)	109
Change in net operating working capital:	(528)	(380)	(148)
Change in inventories	*(38)*	*(36)*	*(2)*
Change in trade receivables and other net receivables	*3*	*(48)*	*51*
Change in trade payables	*(584)*	*1,600*	*(2,184)*
Change in payables for mobile telephone licenses/spectrum	*(24)*	*(2,119)*	*2,095*
Other changes in operating receivables/payables	*115*	*223*	*(108)*
Change in employee benefits	11	120	(109)
Change in operating provisions and Other changes	(113)	(41)	(72)
Net Operating Free Cash Flow	**1,737**	**1,624**	**113**
% of Revenues	*16.3*	*15.6*	*0.7pp*
Sale of investments and other disposals flow	25	3	22
Share capital increases/reimbursements including incidental	—	—	—
Financial investments	(45)	(74)	29
Dividends payment	(118)	(248)	130
Increases in lease contracts	(474)	(508)	34
Finance expenses, income taxes and other net non-operating	(394)	(532)	138
Impact on NFP of NetCo sale	15,321	—	15,321
Reduction/(Increase) in adjusted net financial debt from continuing operations	**16,052**	**265**	**15,787**
Reduction/(Increase) in net financial debt from Discontinued operations/Non-current assets held for sale	(1,299)	(1,239)	(60)
Reduction/(Increase) in adjusted net financial debt	**14,753**	**(974)**	**15,727**

Equity Free Cash Flow

(million euros)	9 months to 9/30/2024	9 months to 9/30/2023	Change
Reduction/(Increase) in adjusted net financial debt	**14,753**	**(974)**	**15,727**
Impact for finance leases (new lease operations and/or renewals and/or extensions (-)/any terminations/early extinguishing of leases (+))	35	474	(439)
Payment of TLC licenses and for the use of frequencies	24	24	—
Financial impact of acquisitions and/or disposals of investments	(15,298)	74	(15,372)
Dividend payment and Change in Equity	118	164	(46)
Equity Free Cash Flow	**(368)**	**(238)**	**(130)**

TIM GROUP - SALE OF NETCO

At its meeting of July 6, 2022, TIM's Board of Directors approved the strategic objective of reorganizing the Company with the aim of leaving behind the Company's vertical integration.

In November 2023, the Board of Directors of TIM S.p.A., following an extensive and in-depth examination, conducted with the assistance of leading financial and legal advisors, examined and then accepted the binding offer submitted on October 16, 2023 by Kohlberg Kravis Roberts & Co. L.P. ("KKR") for the purchase of TIM's fixed network assets and the shareholdings held in FiberCop S.p.A. and Telenergia S.r.l. ("NetCo"), by Optics BidCo S.p.A. (a subsidiary of KKR).

In execution of the resolutions adopted, TIM S.p.A. signed a transaction agreement with Optics BidCo that governed:

- the transfer by TIM S.p.A. of a business unit (the "Business Unit") – consisting of the activities relating to the primary network, the wholesale business and the entire shareholding in the subsidiary Telenergia S.r.l. – to FiberCop S.p.A. ("FiberCop"), a company that already manages the activities relating to the secondary fibre and copper network; and
- the simultaneous purchase by Optics Bidco of the entire shareholding held by TIM S.p.A. in FiberCop S.p.A., as a result of the aforementioned contribution.

The transaction agreement provided for the signature, on the date of closing, of the master services agreements governing the terms and conditions of the services to be performed between NetCo and TIM S.p.A. following the completion of the Transaction.

The transaction agreement also provided that the consideration for the sale of the Shareholding could also be partially paid through the transfer of part of the TIM Group's debt on the closing of the NetCo transaction (so-called liability management).

In particular, the three "Exchange Offers" for the bonds issued by TIM S.p.A., Telecom Italia Finance S.A. and Telecom Italia Capital S.A., launched on April 18, 2024, were completed on May 21, 2024 for a nominal value of 3,669,680,000 euros for the bonds issued by TIM S.p.A. and Telecom Italia Finance S.A., and for a nominal value of USD 2,000,011,000 for the bonds issued by Telecom Italia Capital S.A.. The new notes issued by the three companies have substantially the same terms as the corresponding series of Original Notes, including insofar as their maturities, interest rates, interest payment dates and restrictive covenants. The exception lies in their Acquisition Exchange provisions and their minimum denomination provisions, where applicable. These were traded on the Closing date by means of a mandatory automatic exchange of debt from the TIM Group to the counterparty, which became the bond holder.

The authorisations required for the completion of the transaction include the following:

- authorisation regarding distortive foreign subsidies, granted in January 2024, and the authorisation provided for by the Golden Power regulations;
- authorisation for the sale by the European Commission, granted in May 2024.

Following these authorisations, TIM S.p.A. transferred the Business Unit to FiberCop with effect from July 1, 2024; also on July 1, 2024, TIM S.p.A. sold its entire stake in the share capital of FiberCop to Optics Bidco, and entered into the abovementioned Master Services Agreement with FiberCop.

TIM GROUP - COMPLEX CONTRACTS

As part of a process to identify and define initiatives to develop the Company's internal risk management system, in 2022 the TIM Group set up a Technical Committee to supervise complex contracts (the "Technical Committee").

The Technical Committee has defined:

- the objective criteria according to which a contract can be classified as "complex";
- a process for evaluating and authorizing complex contracts involving multiple players and expertise capable of assessing the various risk profiles (collective decision-making process);
- an update to the policy governing the formalization process of contracts within the Group by providing for a clear identification and formalization of the rationale underlying the decision-making process for awarding complex contracts, as well as the related escalation mechanisms, thus strengthening the process of identifying and reconstructing the sources, information elements and controls performed.

Since 2021, some multi-year contracts for the offer of multimedia content and a connectivity agreement have showed an overall negative margin over the entire contract term, with provisions having to be made for contractual risks for onerous contracts for the residual durations of the agreements. The residual value of the provision and the forecasts of the total contractual margin are periodically revised in order to confirm or update the initial estimates and the residual amount of the provision itself.

The utilization of the contractual risks provision for onerous contracts makes it possible to offset the negative EBITDA component (referring both to business operating performance and the commitments in terms of fees that TIM is contractually obliged to pay to counterparties) by recognizing a zero (organic) operating margin over the duration of the contract.

At September 30, 2024, the provision for contractual risks for onerous contracts totalled 71 million euros, which is sufficient to compensate the negative margins over the entire duration of the surviving contracts. It should be noted that, during the first nine months of 2024, the contract was entered into with DAZN and the related risk provision (110 million euros) was fully used.

Below are:

- the amount used in the first nine months of 2024 and in the first nine months of 2023 of the Provision for risks to cover the negative margin;
- the amount of the total organic margins (organic EBITDA) without using the risk provision for onerous contracts.

	TIM Group		Domestic Business Unit	
(million euros)	**9 months to 9/30/2024**	**9 months to 9/30/2023**	**9 months to 9/30/2024**	**9 months to 9/30/2023**
ORGANIC EBITDA (including the use of the risk provisions for onerous contracts)	3,834	**3,886**	2,216	**2,403**
- Use of the risk provision for onerous contracts to cover the negative margin	(110)	(120)	(110)	(120)
ORGANIC EBITDA (excluding the use of the risk provisions for onerous contracts)	3,724	**3,766**	2,106	**2,283**

The amount of 110 million euros is the negative margin, for which the provision was used.

From a financial point of view, the negative margin covered by the provision impacts the net financial position and cash flows equally.

With reference to multi-year contracts which, in some cases, require TIM to pay the counterparty fees by way of a guaranteed minimum, it should be noted that the valuation of such contracts and the estimation of the costs associated with them is subject to numerous uncertainties, including market dynamics, pronouncements of market regulatory authorities and the development of new technologies to support the service. These estimates are periodically revised on the basis of the final data to ensure that the forecast figure remains within reasonably foreseeable ranges. Not all factors mentioned are under the Company's control and could, therefore, have a significant impact on future forecasts about the performance of the contracts themselves, the estimated margins (positive or negative), and the cash flows that will be generated.

TIM GROUP - INFORMATION BY OPERATING SEGMENT

Domestic

(million euros)	9 months to 9/30/2024	9 months to 9/30/2023	Changes (a-b)	
			absolute	%
	(a)	(b)		
Revenues	7,353	7,233	120	1.7
EBITDA	2,121	1,857	264	14.2
% of Revenues	*28.8*	*25.7*		*3.1pp*
EBIT	627	359	268	74.7
% of Revenues	*8.5*	*5.0*		*3.5pp*
Headcount at period end (number) (°)	17,855	(*)37,901	(20,046)	(52.9)

(°) Includes 1 agency contract worker at September 30, 2024 (31 at December 31, 2023).
(*) The headcount is current as of December 31, 2023.

Brazil

	(million euros)		(million Brazilian reais)			
	9 months to 9/30/2024	9 months to 9/30/2023	9 months to 9/30/2024	9 months to 9/30/2023	Changes	
					absolute	%
	(a)	(b)	(c)	(d)	(c-d)	(c-d)/d
Revenues	3,304	3,236	18,817	17,559	1,258	7.2
EBITDA	1,622	1,554	9,237	8,434	803	9.5
% of Revenues	*49.1*	*48.0*	*49.1*	*48.0*		*1.1pp*
EBIT	698	572	3,977	3,102	875	28.2
% of Revenues	*21.1*	*17.7*	*21.1*	*17.7*		*3.4pp*
Headcount at period end (number)			9,032	(°)9,267	(235)	(2.5)

(°) The headcount is current as of December 31, 2023.

TIM GROUP - HEADCOUNT

Average salaried workforce

(equivalent number)	9 months to 9/30/2024 (a)	9 months to 9/30/2023 (b)	Change (a-b)
Average salaried workforce – Italy	14,755	15,792	(1,037)
Average salaried workforce – Outside Italy	9,002	9,174	(172)
Total average salaried workforce	**23,757**	**24,966**	**(1,209)**
Discontinued Operations - NetCo	12,119	18,524	(6,405)
Total average salaried workforce - including Discontinued Operations [1]	**35,876**	**43,490**	**(7,614)**

[1] Includes personnel on temporary employment contracts: 1 average personnel in Italy in the first nine months of 2024; 31 average personnel in Italy in the first nine months of 2023.

Headcount period end

(number)	9/30/2024 (a)	12/31/2023 (b)	Change (a-b)
Headcount – Italy	17,630	37,670	(20,040)
Headcount – Outside Italy	9,270	9,510	(240)
Total headcount at period end [1]	**26,900**	**47,180**	**(20,280)**

[1] Includes personnel on temporary employment contracts: 1 in Italy as of September 30, 2024; 31 in Italy as of December 31, 2023.

Headcount at period end - Breakdown by Business Unit

(number)	9/30/2024 (a)	12/31/2023 (b)	Change (a-b)
Domestic	17,855	37,901	(20,046)
Brazil	9,032	9,267	(235)
Other Operations	13	12	1
Total	**26,900**	**47,180**	**(20,280)**

TIM GROUP – IMPACT OF NON-RECURRING EVENTS AND TRANSACTIONS ON INDIVIDUAL ITEMS IN THE SEPARATE CONSOLIDATED INCOME STATEMENTS

In accordance with Consob Communication No. DME/RM/9081707 of September 16, 2009, the following information is provided about the impact of non-recurring events and transactions on the individual items of the Separate Consolidated Income Statements:

(million euros)	9 months to 9/30/2024	9 months to 9/30/2023
Acquisition of goods and services, Change in inventories:		
Acquisition of goods and services - Expenses related to agreements and the development of non-recurring projects and other expenses	(11)	(30)
Employee benefits expenses:		
Charges connected to corporate reorganization/restructuring and other costs	(72)	(415)
Other operating expenses:		
Expenses related to disputes and regulatory penalties and liabilities related to those expenses, other provisions and charges	(12)	(107)
Impact on Operating profit (loss) before depreciation and amortization, capital gains (losses) and impairment reversals (losses) on non-current assets (EBITDA)	**(95)**	**(552)**
Gains (losses) on disposals of non-current assets:		
Gains on disposals of non-current assets	3	2
Impairment reversals (losses) on non-current assets:		
Impairment losses on non-current assets	—	(3)
Impact on Operating profit (loss) (EBIT)	**(92)**	**(553)**
Other income (expenses) from investments:		
Other (expenses)/income from corporate operations	9	(11)
Finance income:		
Other finance income	(2)	—
Finance expenses:		
Other finance expenses	(59)	(25)
Impact on profit (loss) before tax from continuing operations	**(144)**	**(589)**
Income tax expense on non-recurring items	17	6
Profit (loss) related to Discontinued operations	**169**	**(15)**
Impact on profit (loss) for the period	**42**	**(598)**

TIM GROUP - DEBT STRUCTURE, BOND ISSUES AND MATURING BONDS

Revolving Credit Facility

The table below shows the committed(*) credit lines available as of September 30, 2024:

(billion euros)	9/30/2024		12/31/2023	
	Agreed	Drawn down	Agreed	Drawn down
Sustainability-linked RCF – May 2026	4.0	—	4.0	—
Total	**4.0**	**—**	**4.0**	**—**

(*) In accordance with the contract signed, the Banks have committed to make the funds available on demand (with at least 3 days' notice). As this is a "Committed" line, the banks have no mechanisms in place not to honor the request for funds made by the Company, without prejudice to the market standard early mandatory cancellation clauses (Natural contract expiry, Change in control, Borrower illegality, Events of default each as defined in the contract).

On April 4, 2024, TIM had signed a bridge loan agreement for 1.5 billion euros, increased by a further 300 million euros at May 15, 2024, with a maturity of up to 18 months. The transaction, which is aimed at covering the refinancing needs up to the date of closing of the NetCo sale, with conditions in line with market benchmarks, was repaid in full on July 4, 2024.

Bonds

During the first nine months of 2024, bonds performed as follows:

(millions in original currency)	Currency	Amount	Repayment date
Repayments			
Telecom Italia S.p.A. 450 million euros 3.625%	Euro	450	1/19/2024
Telecom Italia S.p.A. 950 million euros 4.000%	Euro	950	4/11/2024
Telecom Italia S.p.A. 1,500 million USD 5.303%	USD	1,500	5/30/2024
TIM Brasil 5,000 million BRL CDI+2.3%	BRL	294	7/25/2024

In April 2024, TIM S.p.A., Telecom Italia Finance S.A. and Telecom Italia Capital S.A made an Offer to Exchange Existing EUR and USD denominated Notes for New Notes to Bondholders in preparation for the Netco transaction. Exchange operations concluded in May 2024.

The new Bonds have substantially the same terms as the corresponding series of original Bonds, including in terms of their maturity, interest rate, interest payment dates and restrictive covenants, with the exception of the clause for the exchange of new Bonds to Optics BidCo S.p.A. ("Optics") on the date of the completion of the Netco transaction.

The table below summarizes the Notes still with the TIM Group and those subsequently transferred to Optics on July 1, 2024:

Currency	Nominal value of original notes	Coupon	Maturity date	Original notes TIM Group (nominal value)	New Notes transferred to Optics (nominal value)
Bonds issued by TIM S.p.A.					
Euro	750,000,000	2.875%	1/28/26	375,000,000	375,000,000
Euro	1,000,000,000	3.625%	5/25/26	677,997,000	322,003,000
Euro	1,250,000,000	2.375%	10/12/27	742,285,000	507,715,000
Euro	1,250,000,000	6.875%	2/15/28	625,000,000	625,000,000
Euro	1,500,000,000	7.875%	7/31/28	750,000,000	750,000,000
Euro	1,000,000,000	1.625%	1/18/29	499,180,000	500,820,000
Euro	670,000,000	5.250%	3/17/55	440,000,000	230,000,000
Bonds issued by Telecom Italia Finance S.A.					
Euro	1,015,000,000	7.750%	1/24/33	655,858,000	359,142,000
Bonds issued by Telecom Italia Capital S.A.					
USD	1,000,000,000	6.375%	11/15/33	499,994,000	500,006,000
USD	1,000,000,000	6.000%	9/30/34	499,999,000	500,001,000
USD	1,000,000,000	7.200%	7/18/36	500,000,000	500,000,000
USD	1,000,000,000	7.721%	6/4/38	499,996,000	500,004,000

The nominal repayment amount, net of treasury security buybacks, of the bonds maturing in the 18 months following September 30, 2024 and issued by TIM S.p.A., Telecom Italia Finance S.A. and Telecom Italia Capital S.A. (fully and unconditionally guaranteed by TIM S.p.A.) is 2,375 million euros, as detailed below:

- 1,000 million euros, maturing on April 15, 2025;
- 1,000 million euros, maturing on September 30, 2025;
- 375 million euros, maturing on January 28, 2026.

The bonds issued by TIM S.p.A., Telecom Italia Finance S.A. and Telecom Italia Capital S.A. do not contain financial covenants of any kind (e.g. Debt/EBITDA ratio, EBITDA/Interest, etc.) or clauses that would entail the automatic early repayment of loans in the event of non-insolvency events of the TIM Group; moreover, the repayment of bonds and the payment of interest are not backed by specific guarantees, nor are there any commitments to issue future guarantees, with the exception of the full and unconditional guarantees granted by TIM S.p.A. for bonds issued by Telecom Italia Finance S.A. and Telecom Italia Capital S.A..

Since these are mainly transactions placed with institutional investors on the main global capital markets (Euromarket and USA), the terms governing the loans are in line with the market practice for similar transactions carried out on the same markets.

With reference to the loans taken out by TIM with the European Investment Bank ("EIB"), on May 19, 2021, TIM took out a loan for 230 million euro to support projects to promote digitalization in the country. In addition, on the same date, it expanded the financing taken out in 2019 (for an initial 350 million euros) by an additional 120 million euros. At present, these loans are partially secured.

In addition, on May 5, 2023, TIM took out a new loan with the EIB for 360 million euros, partially guaranteed by SACE.

As a result, as of September 30, 2024, the nominal outstanding loans taken out with the EIB totalled 1,060 million euros.

Loans taken out with the EIB contain the following covenants and commitments, among others:

- if the Company is subject to a merger, demerger or transfer of a business unit outside the TIM Group, or disposes of, divests or transfers assets or business units (with the exception of certain disposals expressly permitted), it must immediately notify the EIB, which will have the right to request the provision of guarantees or the amendment of the loan agreement, or, only for certain contracts, the early repayment of the loan (if a merger and demerger transaction outside the TIM Group jeopardizes the execution or operation of the Project or is detrimental to the EIB in its capacity as creditor);
- TIM has undertaken to ensure that, for the entire duration of the loan, the total financial debt of the companies belonging to the TIM Group other than TIM, and except where such debt is fully and irrevocably guaranteed by TIM, this will be less than 35% (thirty-five per cent) of the total financial debt of the TIM Group;
- "Clause for inclusion", where, if TIM undertakes to maintain financial parameters in other loan agreements (and also certain more stringent clauses, such as cross defaults and commitments to limit the sale of assets) that are not present or are more stringent than those granted to the EIB, the latter will have the right to request, if it considers in its reasonable opinion that such changes may have negative consequences on TIM's financial capacity, the provision of guarantees or the amendment of the loan agreement to provide for an equivalent provision in favour of the EIB;
- "Network Event", under which, in the event of the disposal of the entire fixed network or of a substantial part of it (in any case, more than half in quantitative terms) to third parties not controlled by the Company, or in the event of disposal of the controlling interest in the company in which the network or a substantial part of it has previously been transferred, TIM must immediately inform the EIB, which may then opt to demand collateral or an amendment of the loan agreement or choose an alternative solution. In anticipation of the closure of the sale of NetCo to Kohlberg Kravis Roberts & Co. L.P. ("KKR"), TIM informed the EIB and simultaneously entered into a dialogue to agree how to manage the existing contracts.

Some TIM loan agreements outstanding at September 30, 2024 contain financial covenants (e.g. Debt/EBITDA, EBITDA/interest ratios, etc.), failure to comply with which would entail an obligation to repay the loan.

The loan agreements contain the usual other types of covenants, including the commitment not to pledge the Company's assets as collateral for loans (negative pledge) and the commitment not to change the business purpose or sell the assets of the Company unless specific conditions exist (e.g. the sale takes place at fair market value). Covenants with basically the same content can be found in the export credit loan agreement.

In the loan agreements, TIM is required to provide notification of change of control. Events constituting a change of control and the applicable consequences – including, at the discretion of the investors, the establishment of guarantees or the early repayment of the amount paid in cash and the cancellation of the commitment in the absence of agreements to the contrary – are specifically identified in each agreement.

In addition, the outstanding loans generally contain a commitment by TIM, any breach of which constitutes an Event of Default, not to implement mergers, demergers or transfers of business, involving entities outside the Group, except where certain conditions exist. Such an Event of Default may entail, upon request of the Lender, the early repayment of the drawn amounts and/or the annulment of the undrawn commitment.

The documentation of the loans granted to certain companies of the TIM Group generally contain obligations to comply with certain financial ratios, as well as the usual other covenants, under penalty of a request for the early repayment of the loan.

Finally, as at September 30, 2024, no covenant, negative pledge or other clause relating to the aforementioned debt position had in any way been breached or violated.

TIM GROUP - PENDING LITIGATION AND LEGAL ACTIONS

An overview of the most significant judicial, arbitration and tax disputes in which TIM Group companies are involved at September 30, 2024, as well as those that came to an end during the period is given below.

The TIM Group has posted liabilities totalling 350 million euros for those disputes described below where the risk of losing the case has been considered probable.

It should be noted that for some disputes described below, on the basis of the information available at the closing date of this Financial Disclosure and with particular reference to the complexity of the proceedings, to their progress, and to elements of uncertainty of a technical-trial nature, it was not possible to make a reliable estimate of the size and/or times of possible payments, if any. Moreover, in those cases in which disclosure of information about a dispute could seriously jeopardize the position of TIM or its subsidiaries, only the general nature of the dispute is described.

Lastly, as regards the proceedings with the Antitrust Authority, please note that based on Article 15, subsection 1 of Italian Law 287/1990 (“Antitrust Regulations”), the Authority has the right to impose an administrative sanction calculated on the turnover of the Group in cases of breaches considered serious.

(a) Significant disputes and pending legal actions

With regard to the following disputes and legal actions, there were no significant events beyond those disclosed in the 2023 Annual Report:

- Golden Power case;
- Antitrust case A428;
- Irideos;
- 28-day billing;
- Dispute relating to "Adjustments on license fees" for the years 1994-1998.

International tax and regulatory disputes

At September 30, 2024, companies belonging to the Brazil Business Unit were involved in tax or regulatory disputes, the outcome of which is estimated as a possible loss totalling around 21.7 billion reais (19.2 billion reais at December 31, 2023), corresponding to approximately 3.6 billion euros at September 30, 2024.

The main types of litigation are listed below, classified according to the tax to which they refer.

Federal taxes

In relation to the federal level of taxation, the following disputes should be noted:

- disallowance of the tax effects of the merger between the companies of the TIM Brasil Group;
- denial of the SUDENE regional tax benefit, due to alleged irregularities in the management and reporting of the benefit itself;
- challenges regarding offsetting against previous tax losses;
- further challenges regarding the tax deductibility of the amortization of goodwill;
- imposition of income tax on certain types of exchange rate differences;
- imposition of withholding taxes on certain types of payments to foreign entities (for example, payments for international roaming);
- further challenges regarding offsets made between taxes payable and group company credit positions.

Overall, the risk for these cases, considered to be possible, amounts to 4.9 billion reais (3.1 billion reais at December 31, 2023).

During the third quarter of 2024, an appeal was filed in relation to a dispute regarding the use of PIS and COFINS credits, deriving from the exclusion of ICMS from the respective calculation bases, in offsetting against the taxes due.

The amount in question, classified as a possible risk, amounts to about 1.3 billion reais.

State taxes

Within the scope of the state levy, there are numerous challenges regarding ICMS, and in particular:

- challenges concerning the reduction of the tax base due to discounts granted to customers, as well as challenges regarding the use of tax credits declared by group companies, with respect to the return of loaned telephone handsets, and following the detection of contract frauds to the detriment of the companies;
- subjection of some fees owed to group companies and classified by them as fees for services other than telecommunications to ICMS;
- challenges over the use of the "PRO-DF" tax benefit originally granted by some states, and subsequently declared unconstitutional (the challenge refers to the actual credit due to ICMS, declared by TIM Cellular, now incorporated into TIM S.A., on the basis of the aforementioned tax benefits);

- challenges relating to the use of ICMS credits claimed by Group companies as a result of the acquisition of property, plant and equipment, and in relation to the supply of electricity to the companies, as well as in application of the provisions on acting as a withholding agent;
- fines imposed on group companies for irregularities in tax return compliance;
- challenges of ICMS credits in relation to the tax substitution procedure applicable when equipment is bought and distributed in different states;
- challenges of ICMS credits deriving from the “special credit” recognized by the company to its prepaid customers, against subsequent top-ups.

Overall, the risk for these cases, considered to be possible, amounts to 10.9 billion reais (10.4 billion reais at December 31, 2023).

Municipal taxes

Among disputes classified with a "possible" degree of risk, there are some relating to municipal taxes for a total amounting to around 1.8 billion reais (around 1.7 billion reais at December 31, 2023).

FUST and FUNTTEL

The main challenges about contributions to the regulatory body (Anatel), and in particular in terms of FUST and FUNTTEL, concern whether or not interconnection revenues should be subject to these contributions.

Overall, the risk for these cases, considered to be possible, amounts to 4.1 billion reais (4.0 billion reais at December 31, 2023).

Colt Technology Services - A428

With a writ of summons before the Milan Court served in August 2015, the operator Colt Technology Services filed a damages claim based on the A428 decision, requesting compensation for alleged damages suffered from 2009 to 2011 as a result of purportedly inefficient and discriminatory conduct by TIM in the wholesale service supply process. The damage claimed was quantified as 27 million euros in loss of profits for the alleged non-acquisition of new customers, or for the alleged impossibility of supplying new services to the customers it had already acquired; the other party also formulated a request for compensation for the damages to its image and commercial reputation. This case follows the extrajudicial claim for approximately 23 million euros, previously advanced by Colt in June 2015, which the Company rejected in its entirety. TIM filed an appearance, contesting all of the plaintiff’s allegations. In a judgment of February 21, 2024, the Court of Milan rejected in its entirety Colt's claim for damages in the amount of 27 million euros.

Colt served a notice of appeal against the judgment. The hearing in the Court of Milan has been set for February 18, 2025.

COMM 3000 S.p.A. (previously KPNQWest Italia S.p.A.) - A428

With writ of summons before the Rome Court, COMM 3000 S.p.A.(formerly KPNQWest Italia S.p.A.) filed a damages claim against TIM for a total of 37 million euros in compensation for alleged anticompetitive and abusive conduct over the period 2009–2011, in the form of technical boycotting (refusals to activate wholesale services – KOs); the claim was based on the decision of AGCM (the Italian Competition Authority) that settled the A428 case. TIM filed an appearance, contesting all of the plaintiff’s allegations. In the judgment with ruling in April 2019, the Court of Rome partially allowed the petitions of COMM 3000 S.p.A. (formerly KPNQWest Italia S.p.A.), sentencing TIM to pay an amount significantly lower than the amount in the counterparty's damages claim. In June 2019, TIM appealed against the judgment. In the judgment given in April 2021, the Court of Appeal of Rome partly upheld TIM’s appeal, reducing the amount of the compensation due to COMM 3000, which was in any case entirely covered by the relevant provision. In November 2021, TIM appealed to the Court of Cassation over the judgment of the Court of Appeal of Rome. The meeting in Council Chamber took place on June 13, 2023. By interlocutory order of July 19, 2023, the Court reinstated the case to the case register. On October 30, 2024, a public hearing was held and the case was reserved for decision.

Eutelia and Clouditalia Telecomunicazioni (now Irideos) - A428

With a writ of summons dated May 2020, Eutelia in Extraordinary Administration and Clouditalia Telecomunicazioni S.p.A., purchaser of Eutelia's TLC branch, brought an action against TIM before the Court of Rome, making claims for damages, of around 40 million euros, for damages allegedly suffered, in the period 2009-2012, following the technical boycott and margin squeeze conduct, subject of AGCM (the Italian Competition Authority) procedure A428. TIM filed an appearance, contesting the claims made by the opposing party and formulating a counterclaim, subject to quantification of the damages incurred during the proceedings. On April 1, 2022, AGCM (the Italian Competition Authority) deposited the opinion envisaged by Art. 14, third subsection of Italian Legislative Decree 3/2017, whereby it: (i) proposed certain benchmarks for use to define the counterfactual scenario on which basis to quantify the damages allegedly suffered by Eutelia and Clouditalia; (ii) provided some additional indication and criteria to estimate the various damage items demanded by Eutelia and Clouditalia. At the hearing held on June 15, 2022, the Investigating Judge assigned time to the parties until July 8, 2022, by which to deposit written notes on the implications of the opinion of the AGCM (the Italian Competition Authority) and the contents of any queries to be raised with the court appointed expert. On October 24, 2022, the judge lifted the reservation and ordered an expert report on the an of TIM’s conduct and the quantum of any damages suffered by Eutelia and Irideos as a result of such. On November 15, 2022, the court-appointed expert witness was sworn in. The hearing to examine the court appointed expert, originally scheduled for October 18, 2023, has been postponed to February 7, 2024. Following a request from the court-appointed expert to extend the deadline for filing the final report, the Judge once again postponed the hearing to examine the court-appointed expert to May 22, 2024. Ahead of the cross-examination of the court-appointed expert, TIM filed a motion to renew or add to the expert’s operations. The motion was not granted by the Judge, who set a hearing for closing arguments on September 17, 2025.

Antitrust case A514

In June 2017 AGCM (the Italian Competition Authority) started proceedings A514 against TIM, to ascertain a possible abuse of its dominant market position in breach of article 102 of the "Treaty on the Functioning of the European Union". The proceedings were started based on some complaints filed in May and June 2017, by Infratel, Enel, Open Fiber, Vodafone and Wind Tre, and concerns a presumed abuse of TIM's dominant position in the market for wholesale access services and for retail services using the Broadband and Ultrabroadband fixed network. In particular, the AGCM (the Italian Competition Authority) hypothesized that TIM had adopted conduct aimed at: (i) slowing and hindering the course of the Infratel tender processes so as to delay, or render less remunerative the entry of another operator in the wholesale market; (ii) pre-emptively securing customers on the retail market for Ultrabroadband services by means of commercial policies designed to restrict the space of customer contendibility remaining for the competitor operators.

After the start of the proceedings, the Authority's officials carried out an inspection at some of TIM's offices in the month of July 2017. On November 2, 2017, TIM filed a defence brief in which, in support of the correctness of its actions, it challenged all the arguments that the conduct it had allegedly engaged in, and which was the subject of the case, was unlawful.

On February 14, 2018, AGCM (the Italian Competition Authority) resolved to extend the scope of the case to investigate further behavior concerning TIM's wholesale pricing strategy on the market for wholesale access to Broadband and Ultrabroadband, and the use of the confidential information of customers of the alternative operators.

On July 5, 2018 TIM filed proposed undertakings which, if accepted by the Authority, would close the investigation without any offence being established or sanction being administered. The undertakings were considered as admissible by the Authority, that market tested them in August and September.

On October 30, 2018, TIM replied to observations made by third parties and modified its proposed undertakings. With its decision notified on December 4, 2018, AGCM (the Italian Competition Authority) once and for all rejected the proposed series of undertakings as it considered them unsuitable in light of the objections raised.

On March 4, 2019, TIM requested AGCM (the Italian Competition Authority) for an extension of the deadline for closing the proceedings (initially set for May 31, 2019).

On April 10, 2019, AGCM (the Italian Competition Authority) resolved to extend the deadline for conclusion of the proceedings until September 30, 2019. On May 17, 2019, AGCM (the Italian Competition Authority) notified TIM of the results of the investigation (CRI). In the CRI, AGCM (the Italian Competition Authority) essentially confirmed the case for the prosecution outlined in the start-up and extension of the proceedings orders.

On June 12, 2019 AGCM (the Italian Competition Authority) extended the deadline for deposit of TIM's final defence to September 20, 2019 and set the final hearing for September 25, 2019.

On September 18, 2019, AGCM (the Italian Competition Authority) resolved to further extend the deadline for conclusion of the proceedings, which were scheduled for February 28, 2020.

On March 6, 2020, TIM was notified of the decision to close the investigation: AGCM (the Italian Competition Authority) ruled that TIM had abused its dominant position, finding that TIM had put in place an anticompetitive strategy designed to hinder the competitive development of investment in Ultrabroadband network infrastructure. The fine imposed on TIM for the anti-competitive offence is 116,099,937.60 euros.

On June 25, 2020 TIM sent AGCM (the Italian Competition Authority) the so-called compliance report as ordered in the final provision.

In May 2021, the Company in any case paid the fine.

TIM appealed the aforementioned fine before the Lazio Regional Administrative Court (TAR). By judgment 1963/2022 of February 28, 2022, TIM's appeal was rejected; TIM has appealed to the Council of State against the decision of the regional administrative court.

In August 2022, Irideos notified a deed of intervention *ad opponendum* with respect to TIM's principal appeal.

The related hearing for oral discussion was scheduled for May 25, 2023. At the end of the hearing, the Council of State ordered a report from a court-appointed expert on three issues regarding the profitability of the investment in "white areas" with low population density. On October 11, 2023, the court-appointed experts were sworn-in in the Council of State and requested an extension to the completion deadlines. Under the new deadlines granted by the Council of State, the expert report was filed in May 2024.

At the public hearing on October 10, 2024, the case was reserved for decision; Open Fiber requested that the operative part be published in advance. On October 25, 2024, the Council of State published the operative part of the judgment, in which it dismissed the motions (including preliminary motions) of the parties and partially upheld the appeal and, partially reforming of the appealed judgment, upheld the appeal at first instance only insofar as the measurement of the penalty imposed, which is reduced by 25%; it dismissed all other parts of the appeal and upheld the contested order from all other counterclaims.

Open Fiber

In March 2020, Open Fiber (OF) sued TIM before the Court of Milan, claiming damages of 1.5 billion euros for alleged abuse of an exclusive and dominant position in relation to OF. The alleged actions consist of: (i) preemptive investments in FTTC networks in white areas; (ii) initiating specious legal action to obstruct Infratel tenders; (iii) spurious repricing of certain wholesale services; (iv) commercial lock-in offers on the retail market; (v) false disclosure to AGCOM in connection with the approval of a wholesale offer and spreading rumors about TIM being interested in acquiring OF; (vi) discriminatory access conditions to TIM passive infrastructure. TIM filed an appearance, contesting the arguments of OF. Enel S.p.A. intervened in the proceedings, asking that TIM be ordered to compensate all damages suffered and being suffered by Enel and OF, without, however, quantifying such. During the course of proceedings, Open Fiber redetermined the damage allegedly suffered, taking it to 2.6 billion euros plus interest and monetary revaluation. Open Fiber has also clarified that it believes such damages are still to be suffered. Enel then quantified the damages allegedly suffered as approximately 228 million euros, plus interest. On October 19, 2022, the hearing was held for admission of the evidence, after which the judge reserved the right to deliberate. By order of July 17, 2023, the Court of Milan lifted the reservation and deferred the hearing for delivery of the verdict until April 3, 2024. At the hearing of April 3, the judge ordered that Court obtain the expert witness report rendered in the appeal proceedings brought by TIM before the Council of State against the unfavourable ruling of the Regional Administrative Court relating to fines imposed in relation to case A514. The case was then adjourned to be heard on June 12, 2024, after which the judge reserved the right to deliberate.

By order served on July 5, the Board deemed fit – in order to adjudicate whether to stay the proceedings as requested by TIM – to invite the Parties to make their closing arguments. For this purpose, a hearing was set for September 18, 2024, with the Parties ordered to make their submissions in writing and invited to waive the time limits for the filing of closing briefs. This hearing was replaced by the filing of written notes only. The Court of Milan, in accepting the motion of TIM, ordered to stay the proceedings until the proceedings before the Council of State are concluded.

Eutelia and Voiceplus

In June 2009, Eutelia and Voiceplus asked that alleged acts of abuse by TIM of its dominant position in the premium services market (based on the public offer of services provided through so-called Non Geographic Numbers) be investigated. The complainants quantified the total damages at approximately 730 million euros.

The case follows a precautionary procedure in which the Milan Appeal Court prohibited certain behaviours of the Company relating to the management of some financial relations with Eutelia and Voiceplus concerning the Non Geographic Numbers, for which TIM managed the payments from the end customers, on behalf of such OLOs and in the light of regulatory requirements. After the ruling of the Milan Court of Appeal accepting TIM's objections, declaring that it was not competent in this matter and referring the case to the Civil Court, Eutelia (in extraordinary administration) and Voiceplus (in liquidation) resubmitted the matter to the Court of Milan. The first hearing took place in March 2014. TIM filed an appearance challenging the claims of the other parties. After the collapse of Voiceplus, the Court of Milan declared the case suspended in an order in September 2015. The case was later resumed by Voiceplus.

In its judgment issued in February 2018, the Court of Milan accepted TIM's defence and rejected the plaintiffs' claim for compensation, ordering them, jointly and severally, to pay the legal costs. In March 2018, Eutelia and Voiceplus lodged an appeal against the judgment in the first instance.

TIM appealed against the claim, requesting confirmation in full of the judgment in the first instance. The appeal of Eutelia and Voiceplus was fully rejected with the judgment of August 5, 2019. In December 2019 Eutelia and Voiceplus appealed to the Court of Cassation against the judgment of the Court of Appeal. TIM notified a counterclaim asking confirmation of the ruling appealed against. The hearing in chambers was scheduled for February 16, 2023. At the hearing on February 16, 2023, at the request of the applicants, it was ordered that the case be heard in open court, with a hearing scheduled for June 12, 2024.

The Court of Cassation, in a ruling published on June 25, 2024, declared inadmissible Eutelia and Voiceplus' appeal against the merit-based judgments which had thrown out the adversary's enormous compensation claim.

The Court found that (i) the question of relevant market was not relevant to the ratio decidendi, and (ii) the plaintiffs' other complaints aimed to call substantive deliberations into question.

The Court also ordered the counterparties to pay costs amounting to approximately 100,000.00 euros plus accessories and the lump-sum reimbursement of general expenses in the maximum percentage allowed by law.

Antitrust case I820

On February 19, 2018, AGCM (the Italian Competition Authority) initiated a I820 preliminary proceeding against the companies TIM, Vodafone, Fastweb, Wind Tre and the industry association ASSTEL to investigate the alleged existence of an agreement among the major fixed-line and mobile telephone operators to restrict competition by coordinating their respective commercial strategies, in breach of Art. 101 of the TFUE.

The presumed coordination, according to the opening provision of the proceedings by AGCM (the Italian Competition Authority), would take the form of the implementation of the obligation introduced by Article 19-quinquiesdecies of Legislative Decree 148/2017 (converted by Law 172/2017) which requires operators of electronic communication services to send out monthly (or monthly multiples) bills and renewed offers for fixed and mobile services.

On March 21, 2018, AGCM (the Italian Competition Authority) issued a provisional precautionary measure against all the operators involved in the proceedings with which it ordered the suspension, pending the proceedings, of the implementation of the agreement concerning the determination of repricing communicated to users at the time of reformulating the billing cycle in compliance with Law 172/17 and to independently redetermine its commercial strategy. In its decision No. 27112 of April 11, 2018, AGCM (the Italian Competition Authority) confirmed the precautionary measure.

On June 12, 2018, TIM filed an appeal with the TAR for the quashing of said measure.

On January 31, 2020, TIM was notified of the decision to close the investigation, in which AGCM (the Italian Competition Authority) confirmed the existence of the agreement between TIM, Vodafone, Fastweb, Wind Tre, but excluding Asstel from participation in the agreement. The fine imposed on TIM for participation in the anticompetitive agreement was 114,398,325.00 euros. In April 2020, TIM also challenged the fine order.

In a ruling published on July 12, 2021, the Lazio Regional Administrative Court upheld the petition and the grounds added and submitted by TIM, canceling the measures taken by AGCM (the Italian Competition Authority), including that relating to the existence of the agreement and application of the fine.

On September 11, 2021, AGCM (the Italian Competition Authority) presented a petition to the Council of State, requesting the cancellation of the judgment given by the regional administrative court.

On July 25, 2023, the Council of State reformed the decision of the Lazio Regional Administrative Court, upholding the validity of AGCM's (the Italian Competition Authority) measure in Case I820 and referring to the Authority to redetermine the fine in view of the reduced duration of the infringement.

In view of the rulings of the Council of State on the quantum of the sanction, TIM – in a petition dated August 28, 2023 – asked the AGCM (the Italian Competition Authority) for the redetermination of the sanction to take place in full adversarial proceedings between the parties as part of a special investigation procedure.

In its order of September 26, 2023, served on the Company on October 3, 2023, the AGCM (the Italian Competition Authority) informed TIM that it had quantified the fine at 100,670,526.00 euros, holding that it had no margins for discretion in executing the judgment of the Council of State. On October 12, 2023, TIM filed an appeal to overturn the judgment of the Council of State; The hearing on the appeal to overturn the judgment has been set for March 6, 2025. On October 13, 2023, TIM filed an appeal before the Lazio Regional Administrative Court to annul the measure redetermining the sanction; TIM also requested the precautionary suspension of the measure, but this was rejected by order of November 9, 2023. A hearing on the merits has yet to be set.

In a communication dated December 6, 2023, the Authority urged TIM to pay the penalty of 100,670,526.00 euros plus legal interest accrued from November 3, 2023 until the day of actual payment amounting to 5,535,913.60 euros.

In a communication dated December 12, 2023, TIM contested the dueness of such interest due to the absence of the prerequisites of liquidity and collectability required by Article 1282 of the Italian Civil Code, as well as an error in identifying the start date for the calculation.

The Authority's Budget Office responded on February 2, 2024, acknowledging an error in the calculation of legal interest, which was therefore restated to the amount of 4,121,837.47 euros, but reiterating that the same is due.

On March 29, 2024, TIM lodged an appeal with the Lazio Regional Administrative Court against the communication from the Budget Office, contesting both the error in the calculation of the interest due and a defect in the competence of the Budget Office.

Antitrust case I850

By decision given on December 15, 2020, AGCM (the Italian Competition Authority) started an investigation in regard to the company Telecom Italia S.p.A., Fastweb S.p.A., Teemo Bidco S.r.l., FiberCop S.p.A., Tiscali Italia S.p.A. and KKR & Co. Inc., to ascertain the existence of any breaches of article 101 of the TFEU in relation to the coinvestment offer.

More specifically, the investigation regards the contracts governing the establishment and operation of FiberCop and the supply agreements with Fastweb and Tiscali. AGCM (the Italian Competition Authority) intends to verify that such agreements do not hinder competition between operators in the medium and long-term and assure the rapid modernization of the country's fixed telecommunications infrastructures.

On August 6, 2021 TIM submitted a proposal for undertakings to AGCM (the Italian Competition Authority) with a view to resolving the competitive concerns that were the subject of the investigation and ending the proceedings without any sanction being applied.

On September 7, 2021, AGCM (the Italian Competition Authority) judged these commitments to not be clearly unfounded and ruled publication on the Authority's website from September 13, 2021; thus market testing began and was completed by October 13, 2021, the date by which all subjects so wishing submitted their observations to AGCM in respect of the relevant commitments.

On December 14, 2021 AGCM (the Italian Competition Authority) extended the deadline for the conclusion of the proceedings, initially set for December 31, 2021, to February 15, 2022.

Precisely during the meeting held on February 15, 2022, AGCM (the Italian Competition Authority) finally resolved to approve the commitments insofar as they were considered suitable to eliminate the alleged anti-competition aspects investigated.

As envisaged by the final ruling, on April 22, 2022, TIM sent AGCM (the Italian Competition Authority) a first report on the measures taken to fulfill the commitments made.

On May 11, 2022, AGCM (the Italian Competition Authority) notified TIM of its acknowledgment of the measures presented in such report.

On January 31, 2023 TIM sent AGCM (the Italian Competition Authority) a second report on the implementation of the undertakings given.

On January 30, 2024, TIM sent AGCM (the Italian Competition Authority) the required annual report on the implementation of the undertakings given.

By petition notified in April 2022, Open Fiber challenged the above AGCM (the Italian Competition Authority) provision no. 3002, whereby the proceedings were closed, before the regional administrative court of Lazio; the petitioner believes that the commitments, made mandatory by the closure, are not sufficient to remove the anti-competitive aspects identified at the start of proceedings.

Upon completion of the interim hearing of last June 1, 2022, the regional administrative court rejected the request and scheduled the merits hearing for January 26, 2023. At the January 26 hearing, after extensive discussion, the judge reserved the right to deliberate. By judgment of April 14, 2023, the Regional Administrative Court rejected as unfounded the appeal of Open Fiber, which on July 10, 2023, appealed the Regional Administrative Court's judgment to the Council of State.

The Council of State has scheduled an appeals hearing for November 14, 2024.

Antitrust case I857

On July 6, 2021, AGCM (the Italian Competition Authority) started an investigation in regard to TIM and DAZN for a possible understanding reached with a view to restricting competition in connection with the agreement for the distribution and technological support for TV rights for Serie A football in the 2021-2024 period.

The investigation also aims to verify the restrictive nature of the understanding with reference to additional elements regarding the possible adoption by TIM of technical solutions not available for competitor telecommunications operators and which may effectively hinder the adoption of their own technological solutions.

At the same time, the Authority has also initiated proceedings for the potential adoption of protective measures.

By resolution passed on July 27, 2021, AGCM (the Italian Competition Authority) closed the interim proceedings, considering that the initiatives and amendments to the agreement proposed by TIM and DAZN in the meantime are presently able to prevent any serious and irreparable damage to competitors while investigations are completed.

Indeed, said measures aim, as a whole, to avoid possible discrimination in the use of the DAZN service, due to its activation by users using Internet connection services other than those offered by TIM. In addition, the agreement between TIM and DAZN has been amended to guarantee DAZN complete freedom in applying discounts and promotions. TIM has also undertaken to provide DAZN with a sufficient number of white label set-top-boxes to also guarantee DAZN customers the viewing of matches over digital terrestrial TV, in the event of connection problems.

Finally, TIM has undertaken to supply wholesale services to OAOs interested therein to manage traffic peaks deriving from live data transmissions, regardless of the type of content transmitted.

On October 29, 2021 TIM submitted a proposal for undertakings to AGCM (the Italian Competition Authority) with a view to resolving the competitive concerns that were the subject of the investigation and closing the proceedings without the finding of any infringement and therefore without any sanction being applied.

On December 14, 2021, AGCM (the Italian Competition Authority) approved the publication of the aforementioned proposal for undertakings on the Authority's website, as these undertakings, taken as a whole, do not appear to be manifestly unfounded and are capable of removing the restrictions to competition hypothesized in the measure initiating the investigation in question.

On January 5, 2022, with the publication on the AGCM (the Italian Competition Authority) website, market testing began.

The deadline for rebuttal arguments and proposing any accessory amendments to the commitments presented by TIM and DAZN is scheduled for March 7, 2022.

On February 23, 2022, TIM and DAZN were convened separately to the AGCM (the Italian Competition Authority) offices. During the hearing, the Offices informed TIM – and thereafter confirmed this in the hearing meetings – that in a hearing held on February 15, the Board deemed it necessary to make certain "accessory" changes in order to approve the commitments submitted.

On March 4, 2022, TIM and DAZN requested an extension of the deadline for the submission of observations, also in view of the new aspects that had emerged on February 23. The new deadline was set as March 23, 2022.

On March 22, 2022, TIM informed the Authority that the additional changes considered necessary by the Board to approve the commitments would have entailed a complete overhaul of the contents and economic balance of the agreements signed by TIM and DAZN, such as to make it no longer possible to pursue the hypothesized business model. At the same time, TIM informed the Authority of the start of negotiations with DAZN possibly concerning the revision of the distribution exclusivity clause, which was the main object of the Authority's investigation. Considering the complexity of negotiations, TIM requested an extension of another 30 days for submission of observations. The extension was authorized and the new deadline set as April 23, 2022.

On April 20, 2022, in consideration of the extension of negotiations, also due to the complexity and economic relevance of that being negotiated, DAZN and TIM requested an additional extension. The new deadline was set as May 9, 2022.

On May 9, 2022, TIM informed the Authority that it had declared willing to DAZN to waive the exclusivity of the distribution of Serie A football rights, as currently regulated by the Deal Memo, with DAZN consequently having the faculty to distribute such rights also through third party operators and that, in exchange for the willingness to waive this right, the Parties had begun negotiations for a review of the contracted economic commitment envisaged by TIM.

On June 7, 2022, the Authority ruled on the rejection of the commitments submitted, which "would appear, both where considered comprehensively and individually, to be unable to eliminate the anticompetitive aspects identified in the resolution that started the proceedings, insofar as they do not resolve the competition concerns highlighted in the initial proceedings, where not translated into shared contractual amendments such as to eliminate the critical competition issues" highlighted by the Authority.

Again on June 7, 2022, the Authority ruled on the deferral of the deadline for the conclusion of proceedings to March 31, 2023.

On August 2, 2022, TIM informed the Antitrust Authority that it had reached a new agreement with DAZN, under which the latter has the faculty to distribute football rights through any third party, surpassing the previous system of exclusivity in TIM's favor.

On January 20, 2023, notification was given of the investigation results (CRI).

AGCM (the Italian Competition Authority) believes that the agreement reached on January 27, 2021 (the "Deal Memo") had contents and resulted in effects that reduced competition for its entire duration (and therefore until stipulation of the new agreement on August 3, 2022).

On January 31, 2023, AGCM (the Italian Competition Authority) resolved to extend the deadline for conclusion of the proceedings until May 31, 2023.

TIM filed its statement of defence March 28, 2023, and the final hearing with the Authority was held on April 4, 2023.

On April 18, 2023, AGCM (the Italian Competition Authority) decided to again extend the deadline for the conclusion of the proceedings to June 30, 2023, due to the complexity of the defence put forward by the Parties in their pleadings.

On June 28, 2023, AGCM (the Italian Competition Authority) ruled that the conduct of TIM and DAZN constitutes an agreement restricting competition in breach of Article 101 TFEU (the "AGCM Measure").

Yet the arrangement – in particular regarding exclusivity – only lasted for approximately one month and its potentially restrictive effects on competition were neutralized by the Authority's timely initiation of the investigation procedure on July 6, 2021.

Indeed, the precautionary sub-proceedings instigated at the start of the first football season of the three-year period 2021-2024 actually prevented the effects of the arrangement from occurring, as at the beginning of August 2021 TIM and DAZN discontinued the application of the disputed contractual clauses through their own voluntary action. The original agreement was then replaced by a new contract, entered into in August 2022, in which any exclusivity was completely eliminated, thus rooting out the antitrust concerns about exclusivity of distribution.

Consequently, and in light of the mitigating circumstances recognized, AGCM (the Italian Competition Authority) imposed a fine of 760,776.82 euros on TIM and a fine of 7,240,250.84 euros on DAZN.

On September 20, 2023, TIM paid the fine with reservations in view of the appeal brought by the Company with the Lazio Regional Administrative Court against the decision against it.

On May 11, 2024, the Lazio Regional Administrative Court threw out the appeals of TIM and DAZN for the annulment of the AGCM Measure and, without annulling the AGCM Measure (which will therefore continue in effect until any amendment by the AGCM itself), declared that the AGCM (the Italian Competition Authority) has a duty to resume the measure in accordance with the Lazio Regional Administrative Court's ruling.

In a nutshell, the Lazio Regional Administrative Court has valued the following reason, which is common to the appeals of both Sky and Fastweb: According to the CRI, the prohibited agreement had market effects from January 27, 2021 to August 4, 2022, whereas the AGCM Measure reduced the duration of the violation from July 1, 2021 – when the marketing of the rights under Deal Memo commenced – up to the implementation of voluntary measures adopted by TIM and DAZN as part of the precautionary sub-proceedings at the beginning of August 2021. Therefore, the AGCM Measure appeared to contradict the investigation results (CRI), with the Board having failed to adequately justified its decision to depart from the preliminary findings. At this point, AGCM (the Italian Competition Authority) could reopen the investigation or appeal against the ruling of the Lazio Regional Administrative Court. TIM are considering its options for taking action against the ruling of the Lazio Regional Administrative Court, which could include an appeal. TIM has decided to proceed with the appeal, which has been served on all parties involved. By order published on October 4, 2024, the Lazio Regional Administrative Court rejected TIM's petition to stay the proceedings. The hearing on the merits is awaiting scheduling.

Wind Tre S.p.A. – I857

By writ of summons brought before the Court of Milan and served in January 2024, operator Wind Tre S.p.A. requested that TIM S.p.A. and DAZN limited be ordered to compensate, jointly and severally, Wind Tre S.p.A. for the damage allegedly suffered by it as a result of the defendants' alleged violation of art. 102 of the TFEU (abuse of a dominant position) due to having signed a mutual agreement in January 2021 (the "Deal Memo") which – in the claimant's opinion – would result in damage quantifiable in 69,803,012.00 euros.

In addition, Wind Tre S.p.A. is requesting that TIM S.p.A. be ordered to pay 10,266,377.00 euros in compensation for the damage allegedly resulting from advertising campaigns which were intended, according to the claimant, to suggest to customers that subscribing to TIM's FTTH service, or subscribing to TIMVISION's offer, was the only way to access DAZN service content.

On April 29, 2024, TIM entered an appearance and counterclaim in which it called for Wind's claims to be thrown out and for the proceedings to be suspended pending the Lazio Regional Administrative Court's ruling on TIM and DAZN's application to annul the measure adopted by AGCM (the Italian Antitrust Authority) on June 28, 2023 (in which AGCM resolved that the conduct of TIM and DAZN in signing the Deal Memo constituted an agreement restricting competition). The first hearing was initially set for July 8, 2024, but was later postponed to March 11, 2025.

Universal Service

In a decision published in July 2015, the Council of State rejected the appeal lodged by AGCom and TIM against the judgment of the Lazio Administrative Court (TAR) on the financing of the universal service obligations for the period 1999–2003. With this judgment the judge had granted the appeals by Vodafone, annulling AGCom decisions 106, 107, 109/11/CONS on the renewal of the related proceedings, which included Vodafone among the subjects required to contribute, for a sum of approximately 38 million euros. Essentially, the judgment confirms that the Authority has not demonstrated the particular degree of "replaceability" between fixed and mobile telephony for mobile operators to be included among the subjects required to repay the cost of the universal service, which means that AGCom needs to issue a new ruling. TIM has filed an application with AGCom to renew the proceedings, and an appeal against the judgment of the Court of Appeal to the Court of Cassation (which subsequently ruled that the appeal was inadmissible).

In April 2016 Vodafone appealed against the Ministry of Economic Development (MISE) and TIM to the Council of State, for non-compliance with the judgment of the Council of State. This appeal referred to AGCom decision 109/11/CONS (2003 yearly payment, on the basis of which Vodafone had paid the sum of approximately 9 million euros as contribution, restitution of which was requested).

In its judgment of November 2016, the Council of State rejected the appeal, referring to the Regional Administrative Court (TAR) the decision on the methods of compliance. In February 2017, Vodafone presented the Lazio Regional Administrative Court with four new appeals against the Ministry of Economic Development and TIM regarding observance of the ruling, upheld on appeal, countermanding the resolutions for the years 1999–2003 and repayment of the aforesaid amounts of around 38 million euros already paid to the Ministry of Economic Development as a contribution.

With a judgment issued in June 2018, the TAR rejected all of Vodafone's appeals for observance, and, as requested by TIM, expressly affirmed that AGCom must renew the proceedings, particularly with regard to the determination of the degree of replaceability between fixed and mobile telephony. Vodafone challenged the four judgments before the Council of State, which, with a decision of October 2019, upheld Vodafone's appeal and confirmed the restitutory obligation of the sums in question applicable to TIM.

With resolution no. 263/20/CIR, AGCom started proceedings to renew the investigation into the iniquity of the net cost of the universal service for 1999-2009 and the allocation of contribution expenses. Vodafone has challenged this resolution before the Regional Administrative Court. The renewal proceedings concluded with resolution 18/21/CIR, which substantively confirmed the draft order. This same resolution has only been challenged before the regional administrative court by TIM for the years 1999 and 2000, while Vodafone, Wind and Fastweb have challenged the resolution for all years concerned with opposite grounds. By judgments published in February 2022, resolution 18/21/CIR was partially canceled; indeed, the regional administrative court has rejected the main complaint reporting the lack of power of renovation and upheld only the grounds hinged on the alleged unreasonable nature of the threshold envisaged by AGCom for the analysis of iniquity second facie. Fastweb, Vodafone, Wind, AGCom and TIM appealed the judgment of the Regional Administrative Court with the Council of State; The hearings on the merits were set for April 4 and April 27, 2023. At the end of the hearing on April 4, 2023, the case was reserved for judgment. On April 18, 2023, the Council of Ministers issued a collegial order referring several issues to the EU Court of Justice for a preliminary ruling.

The EU Court of Justice, in a ruling published on September 19, 2024, upheld the arguments of TIM's defense and rejected Vodafone's arguments, ruling that: (i) proof of a certain degree of fixed/mobile substitutability is not required for mobile operators to participate in the unfair burden sharing mechanism; (ii) it is up to Member States to establish the criteria for assessing burden unfairness. The hearing on the cases stayed in the Council of State pending the decision of the Court of Justice has been set for May 8, 2025.

Brazil - Opportunity arbitration

In May 2012, TIM and Telecom Italia International N.V. (now merged in Telecom Italia Finance) were served with a notice of arbitration proceedings brought by the Opportunity group, claiming compensation for damages allegedly suffered for presumed breach of a settlement agreement signed in 2005. Based on the claimant's allegations, the damages relate to circumstances that emerged in the criminal proceedings pending before the Milan Court regarding, inter alia, unlawful activities engaged in by former employees of TIM.

The investigatory phase having been completed, the hearing for oral discussion took place in November 2014, after which the parties filed their concluding arguments in preparation for the decision on the case.

In September 2015, the Board of Arbitration declared the proceedings closed, as the award was going to be filed.

In September 2016 the ICC Court notified the parties of its judgment, based on which the Court of Arbitration rejected all the claims made by the Opportunity group and decided that the legal costs, administrative costs and costs for expert witnesses should be split between the parties (the "2016 Arbitration Award").

In April 2017 the Opportunity group filed an appeal against the 2016 Arbitration Award before the Paris Court of Appeal.

In November 2017, TIM and Telecom Italia Finance received from the Secretariat of the ICC's International Court of Arbitration notice of a Request for Revision of the 2016 Arbitration Award, filed by the Opportunity group, asking for a new award. A Board of Arbitration was subsequently established.

In October 2018, TIM and Telecom Italia Finance requested proceedings with the Paris Court of Appeal to be suspended, in the light of proceedings pending with the Court of Arbitration of the International Chamber of Commerce to review the same 2016 Arbitration Award. In November 2018, the Paris Court of Appeal suspended the proceedings until the decision is taken by the Court of Arbitration in the review proceedings.

As regards the proceedings to review the 2016 Arbitration Award, in October 2019 the ICC held the discussion hearing in Paris. In August 2020, the Arbitration Court issued the award rejecting the Request for Revision presented by the Opportunity Group (the "2020 Arbitration Award").

In December 2020, the Opportunity group filed an appeal against the 2020 Arbitration Award before the Paris Court of Appeal. In May 2021 the Opportunity group asked the Paris Court of Appeal to summarize the proceedings brought against the 2016 Arbitration Award. Thereafter, the Opportunity Group, TIM and Telecom Italia Finance filed their briefs in the two proceedings pending before the Paris Court of Appeal, respectively against the 2016 Arbitration Award and the 2020 Arbitration Award. The appeal proceedings were heard on January 8, 2024. In its decision of May 2, 2024, the Paris Court of Appeal quashed the 2016 Arbitration Award on the grounds that the Court considered one of the members sitting on the arbitration panel to be affected by a conflict of interest. In a separate decision issued on the same date, the Court ordered the reopening of the 2020 Arbitration Award proceedings and, on June 24, 2024, observations were submitted on the consequences that the quashing of the 2016 Arbitration Award may have in relation to the appeal against the 2020 Arbitration Award. Proceedings are still pending.

On June 20, 2024, TIM and Telecom Italia Finance lodged an appealed with the Court of Cassation against the judgment quashing the 2016 Arbitration Award.

On September 3, 2024, the Paris Court of Appeal rejected Opportunity's petition to set aside the 2020 Award following the annulment of the 2016 Award. The proceedings have therefore been stayed until the outcome of the case initiated in the Court of Cassation, with the 2020 Award remaining in effect.

Iliad (winback)

By writ of summons served during the first quarter of 2020, Iliad Italia S.p.A. sued TIM before the Court of Milan for alleged anti-competitive conduct, including through the Kena Mobile brand, which was allegedly aimed at hindering its entry to and consolidation in the mobile phone market in Italy, seeking damages of at least 71.4 million euros.

TIM filed an appearance, fully disputing the requests of Iliad Italia S.p.A.; and, in turn, submitting a counterclaim in accordance with Art. 2598 of the Italian Civil Code, with reference to the denigration implemented by Iliad Italia S.p.A. in regard to TIM and formulating a symmetrical claim for damages. In the first preliminary brief, Iliad updated its claim for damages, taking it to 242.8 million euros, and later to 292.8 million euros.

The proceedings ended in a judgment of September 25, 2023, which did not award Iliad any damages; TIM's counterclaim was declared inadmissible.

In its notice of appeal served on December 15, 2023, Iliad requested that the first-instance judgment be partially overturned, requesting, among other things, that TIM be ordered to pay full compensation of not less than 292.8 million euros for the pecuniary and non-pecuniary damage suffered by Iliad.

On April 17, 2024, TIM entered an appearance in court and lodged a counterappeal. At the hearing of May 8, 2024, the Judge reserved the right to decide on the preliminary requests. The Judge, in an order of May 29, 2024 rendering the judgment that had been reserved at the hearing of May 8, 2024, having found that the appellant in its appeal had once again offered as evidence part of the documents offered in the first instance solely on a USB stick and that said USB stick could still not be consulted in that it was protected by a password that had not been communicated, ruled that the password must be obtained and the USB stick accessed as a result in the adversarial proceedings between the parties, thus postponing the hearing of the parties until September 11, 2024. At the hearing of September 11, 2024, the Judge reserved the right to decide on the preliminary requests.

In an order of October 14, 2024, a hearing was set for April 30, 2025 for case to be remitted for decision.

Iliad (restrictions on duration and termination costs)

By writ of summons notified in September 2021, Iliad Italia S.p.A. summonsed TIM before the Court of Milan for the alleged application to customers of unlawful contractual conditions in terms of time limits and economic costs for withdrawal with reference to mobile and fixed telephone offers, with a consequent petition to order TIM to compensate damages, currently quantified as 120.4 million euros.

The hearing for closing arguments, originally set for May 28, 2024, was postponed to June 10, 2025.

Fastweb (Ethernet ATM migration)

By writ of summons notified in December 2021, TIM summonsed Fastweb before the Court of Milan, asking that it be ascertained and declared that Fastweb had not achieved the minimum objectives of migration from ATM bitstream technology to Ethernet bitstream technology in any of the 30 Collection Areas into which the national territory is divided by the deadline envisaged by industry regulation and the migration plan agreed by the parties; and therefore that it ascertain and declare that TIM is entitled to: (a) reverse the economic benefits relating to this migration granted retroactively from April 12, 2016 to Fastweb and (b) obtain from Fastweb the prices for the ATM bandwidth envisaged by the contract stipulated by the parties and the current Reference Offers in force ratione temporis; (c) therefore declare and order Fastweb to pay TIM the total amount of 79,240,329.47 euros (or other amount, potentially greater, as may be assessed during the course of proceedings).

Fastweb filed an appearance and submitted a counterclaim for abuse of a dominant market position and breach of contract. Fastweb’s application is essentially based on alleged delays in the development of Ethernet coverage. The counterparty complains of damages of around 81.4 million euros. Having noted that the counterclaim made by Fastweb would appear to go beyond the profile of breach of contract and that, in this case, the specialized business chambers may be competent to judge the matter, the investigating judge has returned the case to the Chambers President for due consideration. The Chambers President submitted the case to the President of the specialized business chambers. The first hearing took place on December 14, 2022. The hearing for the admission of the preliminary motions was postponed to June 13, 2023. Subsequent to the filing of the preliminary motions, Fastweb re-quantified damage allegedly suffered as a result of TIM's unlawful conduct at approximately 101.1 million euros (of which 13.2 million euros is subject to the acceptance of TIM's main claim).

At the hearing of June 13, 2023, the investigating judge reserved judgment. To dissolve this reservation, the investigative judge ordered an expert report to be prepared by a court-appointed expert, who was to be appointed and sworn in on November 21, 2023. The public hearing for the examination of the court-appointed expert witness has been scheduled for February 4, 2025.

Iliad (INWIT)

By writ of summons served in July 2022, Iliad Italia S.p.A. summonsed Telecom, Vodafone and Infrastrutture Wireless Italiane S.p.A. (“INWIT”) before the Court of Milan to assess the alleged unlawful conduct of INWIT, Telecom and Vodafone, consisting of refusal to allow Iliad to upgrade its mobile telephone transmission systems installed on INWIT-owned infrastructures. As a result of this conduct, Iliad has asked that Telecom be ordered, together with INWIT and Vodafone, to compensate the damages allegedly suffered, which it has reserved the right to quantify during the course of proceedings. The initial hearing took place on April 5, 2023, with the Judge reserving judgment on the objection as to the invalidity of the writ of summons brought by TIM. The initial hearing was deferred to October 11, 2023, following the admittance of the objection as to the invalidity of the writ of summons brought by TIM. At the hearing, the Judge set three dates for the exchange of pleadings between the parties: November 10, 2023, December 11, 2023, and January 2, 2024. At the end of the hearing of September 24, 2024 concerning the admission of evidence, the Judge adjourned the discussion of the same to the hearing on January 21, 2025.

VAS (Value Added Services) - Seizure by the Public Prosecutor's Office of Milan

On April 24, 2024, the hearing was heard before the Court of Review of Milan. The Court of Review was called upon to rule on the appeal lodged by TIM against the seizure order made against it by the investigating judge of the Court of Milan.

After hearing the case, the Court of Review upheld the appeal, entering a decision on April 26, 2024 which:

- ordered the seizure order for 248,941,282.30 euros against TIM to be quashed; and
- ordered everything previously seized from TIM to be returned.

The reasoning for the decision will be announced in the next 30 days.

In particular, the events that led to the seizure by the Milan Public Prosecutor's Office are summarized below.

On February 29, 2024, TIM had been notified of a seizure order issued on February 8, 2024 by the Judge for Preliminary Investigations of Milan, which had ordered the preventive seizure of the sums held in the current accounts in the Company's name, for a total amount of 248,941,282.30 euros.

The measure concerned an alleged computer fraud (Article 640-ter of the Criminal Code) in the field of the so-called "VAS" (i.e. Value Added Services) provided by third-party companies called CSPs (i.e. “Content Service Provider”).

TIM is not under investigation in the proceedings in question, and that the offence in dispute is not among those that, pursuant to Legislative Decree no. No. 231 of 2001, could theoretically constitute a prerequisite for administrative offences, attributable to the Company.

With specific reference to TIM, evidence of a possible fraudulent phenomenon in the sector emerged only in 2019, due to the significant number of disavowals of VAS services recorded in that year.

During that period, the Company reported these events to the Public Prosecutor's Office of Rome, in whose proceedings, currently being dismissed, the Company's role as a victim of the crime was confirmed.

In addition, the Company promptly carried out all the necessary actions aimed at neutralizing the phenomenon of illicit activations of VAS services.

(b) Other information

TIM S.A. - Arbitration case no. 28/2021/SEC8

In March 2020, TIM S.A., a Brazilian subsidiary of the TIM Group, concluded negotiations with C6 bank and, in April 2020, launched exclusive offers for TIM customers who had opened C6 bank accounts and used their services. As compensation for this contract, TIM S.A. receives commission for each account activated, as well as the option of obtaining an investment in the bank upon achieving certain targets connected to the number of active accounts.

The number of shares received for each target achieved varies during the contract term, with the initial percentages being more advantageous for TIM due to the greater effort required for a new digital company to take off.

Even with the project’s success, differences between the partners resulted in the initiation of arbitration proceedings in 2021.

The disputes between TIM S.A. and C6 are still ongoing before the Brazil-Canada Chamber of Commerce. An undesirable outcome to these disputes could lead to the partnership being dissolved.

On February 1, 2021, TIM S.A. announced that as part of this partnership it had obtained the right to exercise a Subscription Bonus to an indirect investment of approximately 1.44% in the share capital of Banco C6 S.A. due to the fulfillment of the first tier of agreed objectives in December 2020. This right was exercised, when deemed appropriate by the Company's management, in the amount of 163 million reais.

TIM S.A. had accomplished eleven objectives. representing a total stake of 6.06% in the bank since the beginning of the partnership, including 4.62%held in the form of derivatives and 1.44% as equity.

Vivendi S.E.

On December 15, 2023, TIM S.p.A. was served an ordinary writ of summons from the shareholder Vivendi, contesting the legitimacy of the board resolution of November 5, 2023 approving the sale of TIM’s fixed network assets and the investments held in FiberCop S.p.A. and Telenergia S.r.l. (“NetCo”) by Optics BidCo S.p.A. (a subsidiary of KKR). Vivendi did not make any application for precautionary injunction, nor did it request an urgent halt to executing the resolution and the consequent negotiations. The Company appeared in the proceedings to contest the merits of the arguments and requests made by Vivendi, confirming the legitimacy of the resolutions adopted by the Board of Directors and the agreements signed with Optics BidCo.

At the first hearing held on May 21, 2024, after having made attempts at conciliation and proceeded with the oral discussion, the judge reserved the right to deliberate. On May 22, 2024, the Judge rendered its previously reserved judgment by rejecting Vivendi's preliminary motions in full and remitting the case for decision; a hearing was set for November 5, 2024 and subsequently adjourned to November 14, 2024.

Dispute concerning the license fees for 1998

TIM has summoned the Prime Minister's Office to appear in a civil suit for compensation for damages caused by the Italian State through appeal ruling 7506/09, handed down by the Council of State in breach, in the view of the Company, of Community law.

The main claim which the proceedings are founded on is based on community jurisprudence that recognizes the right to assert the responsibility of the State in relation to violation of rights recognized in community law and injured by a judgment that has become definitive, in respect of which no other remedy may be applied. The judgment of the Council of State definitively denied TIM the right to obtain restitution of the concession charge for 1998 (totalling 386 million euros for Telecom Italia and 143 million euros for the former TIM Company, plus interest), already denied by the Lazio regional administrative court despite the favourable and binding opinion of the European Court of Justice in February 2008. This judgment concerned the conflict between EC Directive 97/13 on general authorizations and individual licenses in the telecommunications services industry, and the national regulations that had deferred, for 1998, the obligation to pay the fee payable by telecommunications concession holders, despite the intervening deregulation process. The Company then proposed an alternative compensation claim, within the sphere of the same proceedings, for tort pursuant to art. 2043 of the Italian Civil Code. The compensation claimed has been quantified as approximately 529 million euros, plus legal interest and revaluation. The Avvocatura di Stato filed an appearance and submitted a counterclaim for the same sum. The case is subject to eligibility analysis by the Court, which declared the inadmissibility of TIM's main claim (case for damages for manifest breach of community law pursuant to law 117/88). However, this decision was amended in favor of the Company on appeal. In March 2015 the Rome Court issued its judgment in the first instance, declaring the Company's application inadmissible.

In 2015, TIM has appealed the decision, and the case is now pending the hearing specifying the nature of the forms of order sought. The Court of Appeal has scheduled the hearing for closing arguments for April 2, 2019. Thereafter, without any new procedural activities having taken place, the Court of Appeal incontrovertibly deferred the hearing for closing arguments first to 2020 and then to 2021 (from when the terms for conclusion and replies shall run, which will be followed shortly thereafter by the issue of the judgment). These deferrals were followed by the latest, of January 15, 2021, scheduling the new hearing for January 25, 2022.

On the matters underlying the case, the following must be noted:

- on the considered lack of jurisdiction of the Court of Rome (concerned by the judgment of the Court of Rome appealed by TIM) to judge the liability of the Italian government for the work of senior magistrates (in the case in point, the Council of State), which would have led to the declared inadmissibility of the claim in accordance with Art. 5, law no. 117/1978 (old text) - the United Chambers of the Court of Cassation ruled with judgment no. 14842 on June 7, 2018, confirming the jurisdiction of the Court of Rome and, therefore, the correctness of TIM's choice to base its lawsuit in the Court of Rome;
- on the unlawful nature of the conduct of the Italian government – and, therefore, on the liability of the State-Court in accordance with Law no. 117/1998 – once again, the EU Court of Justice has ruled, deciding on the prejudicial matter raised by the Lazio TAR in other, connected proceedings, in its judgment given on March 4, 2020 in C-34/19, stressing that TIM was not required to pay the charges demanded by the State for 1998 and, therefore, confirming the clear violation by the Council of State of European Community law (also because in clear conflict with the decision already given by the EU Court of Justice on February 21, 2008 in C-296/06, as, moreover, already ruled by the Court of Appeal of Rome, Chambers I, in Decree of January 31, 2012, which sanctioned the procedural admissibility of TIM's lawsuit);
- on the matter of the right to repeat the charges paid for 1998 - the Court of Cassation ruled in its judgment no. 18603 given on September 7, 2020, rejecting the appeal brought by the Presidency of the Council against the judgment whereby the Court of Appeal of Rome had upheld the claim for compensation made by Vodafone (payment of charges for 1998) for the same title in separate proceedings.

In short, the company paid the charges disputed in 1998; it promptly challenged the administrative provision that had unfairly required said payment, before the administrative court; the administrative proceedings before the Council of State concluded negatively in 2009 (despite the recalled opposite judgment of the European Court of Justice); the civil proceedings of first instance concluded in March 2015 with a judgment of rejection for grounds of admissibility (then solved in the sense indicated by the company with the referenced judgment of Cassation in United Chambers no. 14842/18) and more than 6 years after the first instance judgment – going from deferral to deferral – the appeal judgment (that could only uphold the mentioned judgments of the Court of Justice and the Court of Cassation) has not yet been issued (nor, on the basis of these repeated deferrals, can the company forecast when it will be given).

The company is examining the various scenarios and legal claims (national, European Community, etc.) that may contribute towards defining the appeal dispute. It is considered, in fact, that the principles of the reasonable duration of the trial, in accordance with subsection 2 of article 111 of the Constitution and in accordance with article 6 of the European Convention on Human Rights, are violated by these events, considering: (i) the year in which payment was made of the undue charges is 1998; (ii) the value of these charges is approximately 529 million euros plus interest from that date; (iii) the extremely long procedural process has not even led to an appeal judgment (started in 2015 and with an unpredictable conclusion, given the continuous deferrals); (iv) the circumstance that the legal matter appears to be readily able to be settled, as not one but two judgments have already been given by the EU Court of Justice declaring payment of the charges to be incompatible with European Community legislation (judgments that have currently been ignored by the national court).

As part of these analyses aimed at deciding the appeal, on January 25, 2021 the company filed a request with the Court of Appeal in Rome to bring forward the hearing (postponed as mentioned to January 25, 2022). This is to avoid the umpteenth adjournment of the case, which concerns the failure to comply with two inter-partes decisions rendered in the matter by the EU Court of Justice for a manifest violation of European law by the State-Judge. With a ruling on February 8, 2021, the Rome Court of Appeal (second section specializing in corporate matters) deemed it could grant the request for an advance ruling, setting the hearing for November 30, 2021. On that date the case was taken to decision with the assignment of the legal terms for closing statements and replies. By order of February 22, 2022, having acknowledged that one of its members had chosen to abstain, the Board re-submitted the case, arranging for the deeds to be sent onto the President of the Court of Appeal. On March 4, 2022, the case was reassigned to another judge. By judgment of March 31, 2022, the Board scheduled the hearing for December 1, 2022 for closing arguments. The Board deferred the case to the hearing of January 19, 2023 for verbal discussion. Following the request made by the State advocacy, the case was again deferred until March 9, 2023. At the hearing on December 13, 2023, the Board granted the parties time to submit their closing statements and replies.

In its judgment No. 2320/2024 entered on April 3, 2024, the Court of Appeal of Rome upheld the claim brought by the Company, thus overturning the judgment against TIM and ordering the Presidency of the Council of Ministers to pay 528,711,476.00 euros, adjusted for inflation and plus the statutory interest accrued since the date the appeal was files, with costs awarded to the Company in the amount of 550,000.00 euros plus ancillary charges.

On October 14, 2024, the Presidency of the Council of Ministers served notice of the appeal to the Court of Cassation.

ALTERNATIVE PERFORMANCE MEASURES

In addition to the conventional financial performance measures established by IFRS Accounting Standards, the TIM Group uses certain alternative performance measures in its internal presentations (business plan) and in external presentations (to analysts and investors) for the purposes of enabling a better understanding of the performance of its operations and its financial position. These measures in fact represent a useful unit of measurement for assessing the operating performance of the Group (as a whole and at Business Unit level).

Such measures, which are presented in the periodical financial reports (annual and interim), should, however, not be considered as a substitute for those required by IFRS Accounting Standards. As these measurements are not defined by the IFRS Accounting Standards, their calculation may differ from the alternative indicators published by other companies. This is why comparability between companies may be limited.

The alternative performance measures normally used are described below:

- **EBITDA**: this measure is used by TIM as the financial target, in addition to the **EBIT**. These measures are calculated as follows:

Profit (loss) before tax from continuing operations	
+	Finance expenses
-	Finance income
+/-	Other expenses (income) from investments
+/-	Share of losses (profits) of associates and joint ventures accounted for using the equity method
EBIT – Operating profit (loss)	
+/-	Impairment losses (reversals) on non-current assets
+/-	Losses (gains) on disposals of non-current assets
+	Depreciation and amortization
EBITDA - Operating profit (loss) before depreciation and amortization, capital gains (losses) and impairment reversals (losses) on non-current assets	

- **Organic change and impact of non-recurring items on revenues, EBITDA and EBIT**: these measures express changes (amount and/or percentage) in Revenues, EBITDA and EBIT, excluding, where applicable, the effects of the change in the scope of consolidation, the exchange differences and the non-recurring events and transactions. The TIM Group presents a reconciliation between the "accounting or reported" figures and the "organic excluding the non-recurring items".
- **EBITDA *margin* and EBIT *margin***: TIM believes that these margins represent useful indicator of the ability of the Group (as a whole and at Business Unit level) to generate profits from its revenues. In fact, EBITDA margin and EBIT margin measure the operating performance of an entity by analyzing the percentage of revenues that are converted into EBITDA and EBIT, respectively.
- **Net Financial Debt**: TIM believes that the Net Financial Debt represents an accurate indicator of its ability to meet its financial obligations. It is represented by Gross Financial Debt less Cash and Cash Equivalents and other Financial Assets. The TIM Group presents a table showing the amounts taken from the statements of financial position and used to calculate the Net Financial Debt of the Group.
  To provide a better representation of the true performance of Net Financial Debt, in addition to the usual indicator (renamed "Net financial debt carrying amount"), the TIM Group reports a measure called "Adjusted net financial debt", which neutralizes the effects caused by the volatility of financial markets. Given that some components of the fair value measurement of derivatives (contracts for setting the exchange and interest rate for contractual flows) and of derivatives embedded in other financial instruments do not result in actual monetary settlement, the Adjusted net financial debt excludes these purely accounting and non-monetary effects (including the effects of IFRS 13 – Fair Value Measurement) from the measurement of derivatives and related financial assets/liabilities.
  Net financial debt is calculated as follows:

+	Non-current financial liabilities
+	Current financial liabilities
+	Financial liabilities directly associated with Discontinued operations/Non-current assets held for sale
A)	**Gross financial debt**
+	Non-current financial assets
+	Current financial assets
+	Financial assets relating to Discontinued operations/Non-current assets held for sale
B)	**Financial assets**
C=(A - B)	**Net financial debt carrying amount**
D)	**Reversal of fair value measurement of derivatives and related financial liabilities/assets**
E=(C + D)	**Adjusted Net Financial Debt**

- **Equity Free Cash Flow (EFCF)**: this financial measure represents the free cash flow available for the remuneration of own capital, to repay debt and to cover any financial investments and payments of licenses and frequencies. In particular, the indicator highlights the change in adjusted net financial debt without considering the impacts of payment of dividends, changes in equity, acquisitions/disposals of equity investments, outlay for the purchase of licenses and frequencies, increases/decreases of finance lease liabilities payable (new lease operations, renewals and/or extensions, cancellations/early extinguishing of leases).

  The Equity Free Cash Flow measure is calculated as follows:

	Reduction/(Increase) in adjusted net financial debt from continuing operations
+/-	Impact for finance leases (new lease operations and/or renewals and/or extensions (-)/any terminations/early extinguishing of leases (+))
-	Payment of TLC licenses and for the use of frequencies
+/-	Financial impact of acquisitions and/or disposals of investments
-	Dividend payment and Change in Equity
	Equity Free Cash Flow

- **Capital expenditures (net of TLC licenses)**: this financial measure represents the capital expenditures made net of investments for competence relating to TLC licenses for the use of frequencies.
- **Operating Free Cash Flow (OFCF) and Operating Free Cash Flow (net of licenses)**: these financial measures represent the cash flow available to repay the debt (including lease payables) and cover any financial investments and, in the case of OFCF, payments of licenses and frequencies.

  Operating Free Cash Flow and Operating Free Cash Flow (net of licenses) are calculated as follows:

	EBITDA
-	Capital expenditures on an accrual basis
+/-	Change in net operating working capital (Change in inventories, Change in trade receivables and other net receivables, Change in trade payables, Change in payables for mobile telephone licenses/spectrum, Other changes in operating receivables/payables, Change in employee benefits, Change in operating provisions and other changes)
	Operating Free Cash Flow
-	Payment of TLC licenses and for the use of frequencies
	Operating Free Cash Flow (net of licenses)

Alternative performance measures after lease

Following the adoption of IFRS 16, the TIM Group presents the following additional alternative performance measures:

- **EBITDA After Lease ("EBITDA-AL")**, calculated by adjusting the Organic EBITDA, net of the non-recurring items, from the amounts connected with the accounting treatment of the lease contracts;
- **Adjusted Net Financial Debt After Lease**, calculated by excluding from the adjusted net financial debt the net liabilities related to the accounting treatment of lease contracts. TIM believes that the Adjusted net financial debt After Lease represents an indicator of the ability to meet its financial obligations;
- **Equity Free Cash Flow After Lease,** calculated by excluding from the Equity Free Cash Flow the amounts related to lease payments. In particular, this measure is calculated as follows:

+	Equity Free Cash Flow
-	Principal share of lease payments

  This measure is a useful indicator of the ability to generate Free Cash Flow.

Like-for-like alternative performance measures

In order to provide a better understanding of the business's performance, organic economic and financial information relating to the operating performance in the first nine months of 2024 and the first nine months of 2023 of the business in the "TIM ServCo" perimeter is presented below. Such organic like-for-like information is prepared by simulating the separation operation of the fixed network, with the creation of the NetCo component and the consequent definition of the TIM ServCo perimeter, as if it had taken place at the beginning of the reference period (January 1).