



Press Release

Rome, February 24, 2026

TIM: REVENUES AND EBITDA GROWTH, STRONG CASH GENERATION IN 2025

ALL TARGETS ACHIEVED FOR THE FOURTH CONSECUTIVE YEAR

Organic results 2025¹:

- **REVENUES INCREASE TO €13.7 BLN (+2.7% YoY)**
- **EBITDA AFTER LEASE UP BY 6.5% YoY AT €3.7 BLN**
- **SIGNIFICANT REDUCTION OF NET DEBT AFTER LEASE TO €6.9 BILLION, LEVERAGE BELOW 1.9x**
- **POST-SPARKLE SHAREHOLDERS' REMUNERATION POLICY AND 2026 REMUNERATION POLICY CONFIRMED**
- **BOD TO PROPOSE AT THE NEXT SHAREDHOLDERS' MEETING €400 MILLION SHARE BUYBACK PLAN, SUBORDINATED TO SPARKLE CLOSING, AND A REVERSE STOCK SPLIT**
- **2026 BUDGET AND GUIDANCE APPROVED**

TIM's Board of Directors met today under the chairmanship of Alberta Figari and examined the preliminary results at December 31, 2025. The Board will meet to approve the annual report and the consolidated financial statements on the coming March 11.

2025 represents the Group's first full financial year within its new industrial and financial structure, characterized by a simplified structure, lower capital intensity and a strong focus on sustainable cash generation. For the fourth consecutive year, the Group has met its announced targets.

STATEMENT BY PIETRO LABRIOLA, GROUP CHIEF EXECUTIVE OFFICER:

"2025 confirms the completion of the transformation that began in 2022. TIM now features a stronger financial structure, greater profitability and sustainable cash generation. This enables us to structure a remuneration policy that is disciplined and consistent with our long-term objectives. Furthermore, the results of the fourth quarter of the year confirm the growth path undertaken, with an increase in revenues and margins in line with expectations, thanks to strong business performance in both the Domestic and Brazilian markets".

ORGANIC RESULTS 2025

- Group **total revenues** amounted to 13.7 billion euros, up by 2.7% year-on-year (+1.9% in domestic to 9.5 billion euros, +4.6% in Brazil to 4.2 billion euros); Group **service revenues** rose by 3.5% year-on-year to 12.9 billion euros (+2.7% in domestic to 8.8 billion euros, +5.2% in Brazil to 4.1 billion euros);

¹ In the preliminary financial and operating results of the TIM Group at December 31, 2025, Sparkle has been classified, pursuant to IFRS 5, as held for sale. Therefore, the TIM Domestic perimeter does not include Sparkle, unless otherwise indicated.

In order to provide a better understanding of the business performance, like-for-like organic data is presented. These figures consider Sparkle as an asset held for sale and the NetCo transaction as if it had occurred at the beginning of the reference period (January 1, 2024), therefore simulating, for the first six months of 2024, the impact of the relationship between TIM and NetCo/FiberCop, regulated by the Master Service Agreement (MSA).

- Group **EBITDA** increased, up by 6.4% year-on-year to 4.4 billion euros (+5.2% in domestic to 2.2 billion euros, +7.7% in Brazil to 2.1 billion euros);
- Group **EBITDA After Lease** also grew significantly, rising to 26.9% of revenues, to 3.7 billion euros, up 6.5% year-on-year (+5.1% in the domestic market to 2.0 billion euros, +8.5% in Brazil to 1.7 billion euros);
- **TIM Consumer** recorded a slight decline in total revenues (-0.9% year-on-year) to 6 billion euros, while service revenues remained essentially stable at 5.5 billion euros (-0.6% year-on-year). TIM Consumer's performance is characterized by a stable retail business and a decline in MVNO business linked to the gradual phasing of large wholesale customers between 2025 and 2026, which will lead to a normalization of volumes during the financial year. The main KPIs showed improvement: ARPU grew strongly in the fixed segment (+5.1% year-on-year) and rose slightly in the mobile segment (+0.4% year-on-year), thanks in part to repricing activities carried out since the beginning of 2025, which affected approximately 4.1 million fixed lines and approximately 4.2 million mobile lines. The impact on churn was lower than expected, remaining stable, with the net balance of lines linked to mobile number portability (MNP) confirmed as neutral. The implementation of the Customer Platform strategy continues successfully, with a 4.6% increase in TimVision's service revenues and the positive market reception of the TIM Energia service powered by Poste Italiane.
- **TIM Enterprise** recorded total revenues of 3.5 billion euros (+7.0% year-on-year) and service revenues of 3.3 billion euros (+8.6% year-on-year), continuing to outperform the reference market, with a growth trend that reached the fourteenth consecutive quarter. The Cloud segment remained the main and fastest-growing business line, with service revenues up 24% YoY, also driven by the National Strategic Hub, whose contribution doubles year on year. IoT and Security are growing, while connectivity is slightly decreasing. The percentage of service revenues related to ICT rises to 68% (+4 percentage points year-on-year). The value of the order book is growing to over 4.0 billion euros.
- **TIM Brasil** recorded total revenues of 4.2 billion euros (+4.6% year-on-year) and service revenues of 4.1 billion euros (+5.2% year-on-year). EBITDA After-Lease amounted to 1.7 billion euros (+8.5% year-on-year), with a growth trend for eleven consecutive quarters thanks to the boost from the mobile segment and cost efficiency.

Group investments amounted to 1.9 billion euros, equal to 13.9% of revenues.

Strong cash generation, with an Equity Free Cash Flow After Lease of over 0.7 billion euros in the fourth quarter², led to a reduction in the Group's adjusted Net Financial Debt After Lease at December 31, 2025 below the 6.9 billion euros mark³.

The ruling of the Supreme Court dated December 19, 2025, confirming the refund of the 1998 license fee, resulting in a compensation to the TIM Group of about 1 billion euros, and the recognition of non-recurring income in the income statement, with no effect on the net financial position in 2025. The positive impact on the net financial position is expected in 2026.

The consolidated financial statements of the TIM Group - Domestic Business Unit as of December 31, 2025, also take into account the new forward-looking assessment of the recognition in the income statement of deferred contract costs of the fixed network, which has been reduced from 8 to 4 years, resulting in the recognition of higher costs (among non-recurring items) at December 31, 2025, a non-recurring item of approximately 0.6 billion euros, mainly in "Other operating costs", with no impact on financial indicators.

The Board of Directors approved the updated budget and guidance for 2026, which confirms the growth trends forecast in the targets already presented to the market for the financial year.

² Including the contribution related to Sparkle. The final ruling of the Supreme Court in favour of the TIM Group regarding the 1998 license fee had no impact on the NFP as of December 31, 2025.

³ Including the net debt of Sparkle. The final ruling of the Supreme Court in favour of the TIM Group regarding the 1998 license fee had no impact on the NFP as of December 31, 2025.

Below are the financial targets⁴:

- **Group revenues** up between 2 and 3% from 13.7 billion euros in 2025; TIM Domestic revenues up between 1 and 2% from 9.5 billion euros in 2025.
- **Group EBITDA After Lease** up between 5 and 6% from 3.7 billion euros in 2025; for TIM Domestic EBITDA After Lease up by approximately 4% from 2 billion euros in 2025.
- **Group Capex** below 14% of revenues in 2026; for TIM Domestic Capex equal to approximately 12% of revenues.

- **Equity Free Cash Flow After Lease⁵** equal to approximately 1.8 billion euros in 2026, including the compensation relating to the 1998 license fee.
- **Organic reduction of Group debt**, with a Net Debt After Lease/EBITDA After Lease ratio below 1.7x in 2026⁶, which represents a 'best in class' level among European peers.

During the financial year, TIM intends to pay shareholders, through buybacks, a remuneration equal to approximately 50% of the expected proceeds from the sale of Sparkle, subject to the closing which is expected in the second quarter of the year, and to the completion of the voluntary reduction of share capital and of the conversion of savings shares, already approved by the Shareholders' Meetings on January 28. In particular, the Board of Directors decided to propose to the Shareholders' Meeting of April 15 a buyback program up to a maximum of 400 million euros and for a maximum of 700,000,000 ordinary shares⁷, corresponding to approximately 3.3% of the share capital. The buyback shall be partially used to service the remuneration and share-based incentive plans.

It is to be noted as well that saving shareholders also guaranteed, for the current financial year, the remuneration deriving from the cash component linked to the voluntary or mandatory conversion of savings shares into ordinary shares, as approved by the Shareholders' Meetings on January 28.

Furthermore, the BoD decided to propose to Shareholders' Meetings of April 15 a reverse stock split of TIM ordinary shares in the ratio of 1 new ordinary share for every 10 existing ordinary shares, which is subject to the completion of the voluntary reduction of share capital and of the conversion of savings shares, as already stated. The reverse stock split will reduce stock volatility, also by attracting new investor classes, and, together with the conversion of savings shares, will result in a leaner and more efficient capital structure.

For 2026 financial year, the Group confirms the remuneration guidance to its shareholders with an amount equal to approximately 70% of the generated Equity Free Cash Flow After Lease, net of the impact of the compensation of the 1998 license fee and the dividends pertaining to TIM Brasil's minority interests, to be distributed following the Annual General Meeting scheduled for spring 2027.

TIM, during the second half of the year, will organize a Capital Markets Day to illustrate to the market the new industrial plan which it intends to adopt following the conversion of savings shares and in light of the main industrial dossiers currently underway, including the definition of the scope of synergies with Poste Italiane.

**TIM Press
Office**

timpressoffice@telecomitalia.it

TIM Investor Relations

investor_relations@telecomitalia.it

https://www.gruppotim.it/investor_relations

⁴ Excluding non-recurring items, changes in the scope of consolidation, and exchange rate fluctuations. Group income statement data at the average exchange rate of R\$6.31/€.

⁵ TIM Brasil cash flow based on the annual exchange rate published by Bloomberg Survey and based on projections of leading banks (average exchange rate 2026 of R\$6.54/€).

⁶ The exact amount will depend on the percentage of savings shareholders who opt for the optional conversion of savings shares into ordinary shares.

⁷ To be understood as reduced, following the share reverse stock split, to a maximum of 70,000,000 ordinary shares in total.

<https://www.gruppotim.it/media>

The TIM Group's preliminary results as of December 31, 2025 will be presented to the financial community in a webcast on February 25, 2026. The event will begin at 11:00 a.m. (Italian time). The presentation will be followed by a Q&A session. Journalists will be able to follow the proceedings of the presentation online, but not ask questions, by logging on to the following [link](#). The presentation slides will be available at [link](#).



INTRODUCTION

The economic and financial results of the TIM Group and TIM S.p.A. for the 2025 financial year and the previous year presented for comparison have been prepared in accordance with the IFRS accounting standards issued by the International Accounting Standards Board and endorsed by the European Union (referred to as “IFRS”). The accounting criteria and consolidation principles adopted are consistent with those used in the consolidated financial statements of the TIM Group and the separate financial statements of TIM S.p.A. as of December 31, 2024, except for the amendments to accounting principles issued by the IASB and effective from January 1, 2025.

The operating performance of the TIM Group is affected by non-recurring income and expenses related to events and transactions that, by their nature, do not occur continuously in normal operating activities and are highlighted because they are significant in amount. These non-recurring items include, among others, any goodwill impairment changes, charges associated with corporate reorganization/restructuring, provisions for regulatory disputes and potential liabilities related to them, liabilities with customers and/or suppliers, provisions for onerous contracts and prior-year adjustments.

As of December 31, 2025 (as already indicated starting from the first quarter of 2025), the Sparkle group is classified, in accordance with IFRS 5, as an asset available for sale. For comparative purposes only, the consolidated income statement data and consolidated statement of cash flows data already published as of December 31, 2024 have been consistently reclassified. The shareholding in Sparkle S.p.A. is held by the Parent Company TIM S.p.A.; the Sparkle group is active in the development of fibre-optic networks for international wholesale customers.

Furthermore, following the sale, on July 1, 2024, of the entire equity investment held by TIM S.p.A. in FiberCop S.p.A., subsequent to the transfer by TIM S.p.A. to FiberCop S.p.A. of a business unit consisting of activities related to the primary network, the so-called “Wholesale” activity, and the entire equity investment in the subsidiary Telenergia S.r.l. (the “NetCo Transaction”), and in order to provide a better understanding of business performance, organic economic and financial information has been included relating to the performance for the first twelve months of 2024, restated on the basis of management information. Such organic 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 perimeter, as it had occurred at the start of the reference period (January 1, 2024). Therefore, for all organic data the **like-for-like** definition is used to highlight both organic information (Brazil Business Unit) and organic information as reconstructed above (Domestic Business Unit, TIM Group), simulating for the first six months of 2024, the impact of the relationship between TIM and NetCo/FiberCop, regulated by the Master Service Agreement (MSA) and recording, as from July 1, 2024 (date of disposal), the actual accounting impact of the MSA and the Transitional Services Agreement (TSA).

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 and 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; Capital expenditures (net of TLC licenses); Operating free cash flow and Operating free cash flow (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 and the analytical detail of the amounts of the reclassifications introduced and of the methods for determining indicators is also provided.



LIKE-FOR-LIKE RESULTS IN 2025

The main financial results of the TIM Group, in which the Telecom Italia Sparkle Group is classified as Discontinued Operations, were as follows: TIM Group (Sparkle Discontinued Operations).

TIM Group preliminary like-for-like results (Sparkle Discontinued Operations)

(million euros) - organic data (*)	2025	2024	% Change
Revenues	13,734	13,368	2.7
TIM Domestic	9,543	9,369	1.9
<i>of which TIM Consumer</i>	6,023	6,078	(0.9)
<i>of which TIM Enterprise</i>	3,520	3,291	7.0
TIM Brasil	4,220	4,034	4.6
Service revenues	12,860	12,426	3.5
TIM Domestic	8,791	8,563	2.7
<i>of which TIM Consumer</i>	5,515	5,546	(0.6)
<i>of which TIM Enterprise</i>	3,276	3,017	8.6
TIM Brasil	4,098	3,898	5.2
EBITDA	4,353	4,092	6.4
TIM Domestic	2,217	2,107	5.2
TIM Brasil	2,143	1,991	7.7
EBITDA AL	3,689	3,463	6.5
TIM Domestic	2,029	1,931	5.1
TIM Brasil	1,667	1,538	8.5
CAPEX (net of telecommunications licenses)	1,903	1,935	(1.7)
TIM Domestic	1,183	1,214	(2.6)
TIM Brasil	720	721	(0.2)
EBITDA AL-CAPEX (net of telecommunications licenses)	1,786	1,528	16.9
TIM Domestic	846	717	18.0
TIM Brasil	947	817	16.1

(*) 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.

MAIN CHANGES IN THE SCOPE OF CONSOLIDATION OF THE TIM GROUP

During fiscal year 2025, there were no significant changes in the scope of consolidation.

During fiscal year 2024, the main changes in the scope of consolidation were as follows:

- the disposal, on July 1, 2024, of the entire interest held by TIM S.p.A. in FiberCop S.p.A. following the transfer by TIM S.p.A. to FiberCop S.p.A. of a business unit consisting of the activities relating to the Primary Network, the so-called "Wholesale" business and the entire interest in the subsidiary Telenergia S.r.l. ("NetCo Operation"). On that date, therefore, the deconsolidation of the transferred business occurred and the effects of the Transaction on the income statement and financial position were recognized and classified in accordance with IFRS 5, among Discontinued Operations;
- the acquisition of control, through the subsidiary Telsy S.p.A. (Domestic Business Unit), of QTI S.r.l., a company operating in the development, production and marketing of innovative products and services with high technological value.

PRELIMINARY RESULTS FOR THE TIM GROUP FOR THE 2025 FINANCIAL YEAR

The **total revenues of the TIM Group (Sparkle Discontinued Operations)** for the 2025 financial year amounted to **13,734 million euros**, +0.6% compared to the 2024 financial year (13,653 million euros).

The breakdown of total revenues for the year 2025 by operating segment in comparison with 2024 is as follows:

(million euros)	2025		2024		Changes		
		% weight		% weight	absolute	%	% like-for-like
Domestic	9,543	69.5	9,318	68.2	225	2.4	1.9
Brazil	4,220	30.7	4,366	32.0	(146)	(3.3)	4.6
Other operations	—	—	—	—	—	—	—
Adjustments and eliminations	(29)	(0.2)	(31)	(0.2)	2	—	—
Consolidated Total	13,734	100.0	13,653	100.0	81	0.6	2.7

TIM Group like-for-like consolidated revenues are calculated as follows:

(million euros)	2025	2024	% Change
REVENUES	13,734	13,653	0.6
Foreign currency financial statements translation effect		(332)	
ORGANIC REVENUES excluding non-recurring items	13,734	13,321	3.1
Impacts deriving from:			
Master Service Agreement (MSA)		67	
Other		(20)	
Like-for-like ORGANIC REVENUES	13,734	13,368	2.7

The **EBITDA of the TIM Group (Sparkle Discontinued Operations)** for FY2025 amounts to **4,566 million euros** (4,744 million euros in FY2024, -3.8%).

EBITDA by operating segment for 2025, compared to 2024, was as follows:

(million euros)	2025		2024		Changes		
		% weight		% weight	absolute	%	% like-for-like
Domestic	2,437	53.4	2,593	54.7	(156)	(6.0)	5.2
Brazil	2,136	46.8	2,155	45.4	(19)	(0.9)	7.7
Other operations	(7)	(0.2)	(6)	(0.1)	(1)	—	—
Adjustments and eliminations	—	—	2	—	(2)	—	—
Consolidated Total	4,566	100.0	4,744	100.0	(178)	(3.8)	6.4

TIM Group like-for-like consolidated EBITDA is calculated as follows:

(million euros)	2025	2024	% Change
EBITDA	4,566	4,744	(3.8)
Foreign currency financial statements translation effect		(164)	
Non-recurring expenses (income)		97	
Effect of translating non-recurring expenses (income) in currency			
ORGANIC EBITDA excluding non-recurring items	4,353	4,677	(6.9)
Impacts deriving from:			
New Master Service Agreement (MSA)		(902)	
Reversal of previous MSA between TIM and FiberCop		341	
Other		(24)	
Like-for-like ORGANIC EBITDA	4,353	4,092	6.4

EBITDA for the year 2025 includes non-recurring net income for a total of 213 million euros (non-recurring net charges of 97 million euros in the year 2024):

(million euros)	2025	2024
Non-recurring expenses/ (Income) with an impact on EBITDA		
Other income		
1998 License fee - compensation for damages	(973)	—
Other	(16)	(55)
Acquisition of goods and services and Change in inventories		
Deferred contract costs of the fixed network - transition from 8 years to 4 years of the recognition period in the income statement	589	—
Other costs and charges	46	23
Employee benefits expenses		
Deferred contract costs of the fixed network - transition from 8 years to 4 years of the recognition period in the income statement	39	—
Charges connected to corporate reorganization/restructuring and other costs	84	85
Other operating expenses		
Sundry expenses and provisions	18	44
Impact on EBITDA	(213)	97

In particular, the preliminary figures for 2025 include the following non-recurring expenses/(income):

- operating income of 973 million euros, relating to compensation for total damages in relation to the license fee for the exercise of telecommunications activities, paid by the TIM Group with reference to the 1998 financial year, definitively confirmed by Judgment no. 33241 of December 19, 2025 of the Supreme Court, which upheld the decision of the Court of Appeal of Rome of April 2024. Further details are included in the annex;
- other income of 16 million euros mainly resulting from the release of commercial risk provisions;
- operating expenses of 628 million euros (589 million euros recorded in acquisition of goods and services and 39 million euros recorded in personnel expenses) related to the change, within the Domestic Business Unit, in the duration from 8 to 4 years of the recognition in the income statement of deferred contract costs of fixed network. Further details are included in the annex;
- other costs for acquisition of goods and services amounting to 46 million euros, mainly relating to consulting and professional services connected with corporate transactions and the development of non-recurring projects;
- other employee benefits expenses of 84 million euros mainly related to individual redundancy plans and disputes with staff;
- other operating expenses of 18 million euros mainly relating to provisions for related disputes, regulatory sanctions and potential liabilities.

The **TIM Group headcount** at December 31, 2025 was **25,602**, (26,298 including the Sparkle group, Discontinued Operations), including 16,847 in Italy (26,887 at December 31, 2024, including 9,366 in Italy).

In 2025, **industrial investments and investments in mobile telephony/spectrum licenses of the TIM Group (Sparkle Discontinued Operations)** amounted to 1,903 million euros (2,032 million euros in 2024).

CapEx is broken down as follows by operating segment:

(million euros)	2025		2024		Change
		% weight		% weight	
Domestic	1,183	62.2	1,252	61.6	(69)
Brazil	720	37.8	780	38.4	(60)
Other operations	—	—	—	—	—
Adjustments and eliminations	—	—	—	—	—
Consolidated Total	1,903	100.0	2,032	100.0	(129)
% of Revenues	13.9		14.9		(1.0)pp

In particular:

- the **Domestic Business Unit (Sparkle Discontinued Operations)** presents industrial investments of 1,183 million euros, with a significant share aimed at the development of Mobile, IT and cloud infrastructure;
- the **Brazil Business Unit** recorded industrial investments in 2025 of 720 million euros (780 million euros in 2024). Excluding the unfavorable exchange rate dynamics (-59 million euros), the Business Unit's capital expenditures are substantially stable compared to 2024.

The Group's **Operating Free Cash Flow (OFCF, calculated by applying IFRS 16)** in 2025 was positive and amounted to 1.9 billion euros (positive for 2.6 billion euros in 2024).

Equity Free Cash Flow (calculated by applying IFRS 16) for the year 2025 amounts to 1.1 billion euros (0.2 billion euros in the 2024 financial year).

Equity Free Cash Flow After Lease for the year 2025 amounts to 0.7 billion euros (negative for 0.3 billion euros in the 2024 financial year).

Net financial debt carrying amount amounted to 9,875 million euros at December 31, 2025, a decrease of 362 million euros compared to December 31, 2024 (10,237 million euros). This reduction is mainly due to the positive dynamics of operational and financial management, net of the payment of dividends and the share buyback program by the Brazil Business Unit.

Adjusted net financial debt (including IFRS 16 net debt) amounts to 9,778 million euros at September 30, 2025, up 291 million euros compared to December 31, 2024 (10,126 million euros). The reversal of the fair value measurement of derivatives and related financial liabilities/financial assets recorded a positive change of 14 million euros; this valuation adjusts the booked Net Financial Debt with no monetary effect.

Adjusted Net Financial Debt – After Lease (net of lease contracts) as of December 31, 2025 amounted to 6,854 million euros, down by 412 million euros compared to December 31, 2024 (7,266 million euros).

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)	12.31.2025 (a)	12/31/2024 (b)	Change (a-b)
Net financial debt carrying amount	9,875	10,237	(362)
<i>Reversal of fair value measurement of derivatives and related financial liabilities/assets</i>	(97)	(111)	14
Adjusted Net Financial Debt	9,778	10,126	(348)
<i>Leasing</i>	(2,913)	(2,860)	(53)
<i>Leasing - Discontinued operations/Non-current assets held for sale</i>	(11)	—	(11)
Adjusted Net Financial Debt - After Lease	6,854	7,266	(412)

In the fourth quarter of 2025, adjusted net financial debt decreased by 1,125 million euros compared to September 30, 2025.

(million euros)	12.31.2025 (a)	9/30/2025 (b)	Change (a-b)
Net financial debt carrying amount	9,875	10,652	(777)
<i>Reversal of fair value measurement of derivatives and related financial liabilities/assets</i>	(97)	(118)	21
Adjusted Net Financial Debt	9,778	10,534	(756)
<i>Leasing</i>	(2,913)	(2,966)	53
<i>Leasing - Discontinued operations/Non-current assets held for sale</i>	(11)	(23)	12
Adjusted Net Financial Debt - After Lease	6,854	7,545	(691)

It should be noted that, since July 2025, cash and cash equivalents has been buoyed by the collection of 995.4 million euros, following the assignment to a pool of leading banks of the entire receivable relating to the refund of the 1998 License Fee (amount including statutory interest accrued up to the date of the sale). The assignment had no impact on Net financial debt.

As of December 31, 2025, the TIM Group's available **liquidity margin** was equal to 7,153 million euros and calculated considering:

- “Cash and cash equivalents” and “Current securities other than investments” for a total of 3,418 million euros (4,364 million euros at December 31, 2024), also including 334 million euros (nominal) in repurchase agreements expiring by February 2026;
- Revolving Credit Facility amounting to 3,000 million euros, totally available;

- the new Term Credit Facility entered into on July 22, 2025 by TIM with a pool of leading national and international banks for an amount of 750 million euros, partially guaranteed by SACE (pursuant to Law December 30, 2023, no. 213 and subsequent amendments), drawn for 15 million euros as of December 31, 2025.

This margin allows coverage of the Group's non-current financial liabilities (including the portion of medium/long-term liabilities maturing within twelve months) falling due for at least the next 48 months.

PRELIMINARY RESULTS OF THE BUSINESS UNITS

Domestic

Domestic Business Unit (Sparkle Discontinued Operations) revenues amounted to 9,543 million euros, up 225 million euros compared to 2024 (+2.4%).

Domestic like-for-like revenues are calculated as follows:

(million euros)	2025	2024	Changes %
REVENUES	9,543	9,318	2.4
Foreign currency financial statements translation effect	—	—	
Non-recurring income/(expenses)	—	—	
ORGANIC REVENUES - excluding non-recurring items	9,543	9,318	2.4
Impacts deriving from:			
Master Service Agreement (MSA)		67	
Other		(16)	
Like-for-like ORGANIC REVENUES	9,543	9,369	1.9

“Like-for-like” service revenues amounted to 8,791 million euros (+228 million euros compared to 2024, +2.7%), thanks to growth in ICT revenues despite the impact of the competitive environment on the customer base.

Handset and Bundle & Handset “like-for-like” revenues, including the change in work in progress, amounted to 752 million euros in 2025, down 54 million euros compared to the same period of the previous year, due to a contraction in both the TIM Enterprise and TIM Consumer segments.

TIM Consumer. The reference perimeter is made up of the set of voice and Internet services and products managed and developed in Landline and Mobile for individuals and families (from public telephony, from caring activities and administrative management of customers) and for customers of SMEs (Small and Medium Enterprises), SOHO (Small Office Home Office) and other mobile operators (MVNOs); it includes the company TIM Retail, which coordinates the activities of its stores).

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

	12.31.2025	12/31/2024
Total Fixed accesses (thousands)	6,904	7,169
Of which active ultra-broadband accesses (thousands)	5,556	5,478
Fixed Consumer ARPU (€/month) ⁽¹⁾	32.0	30.5
Mobile lines at period end (thousands)	15,173	15,984
of which Human calling (thousands)	13,048	13,280
Mobile churn rate (%) ⁽²⁾	18.5	19.4
Mobile Consumer Human calling ARPU (€/month) ⁽³⁾	10.7	10.6

(1) Organic Consumer service revenues in proportion to the average number of Consumer accesses. The figures for 2024 have been proformed to the same perimeter as for 2025.

(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 calling lines.

(million euros) - organic data	2025	2024	% Change
	(a)	(b)	(a-b)/b
TIM Consumer revenues - like-for-like	6,023	6,078	(0.9)
Service revenues	5,515	5,546	(0.6)
Handset and Bundle & Handset revenues	508	532	(4.5)

TIM Consumer revenues for the first nine months of 2025 amounted to 6,023 million euros. The reduction of 55 million euros compared to the same period of the previous year is due to lower revenues from mobile services and lower product sales.

Service revenues, which totaled 5,515 million euros, decreased by 31 million euros compared to 2024.

Handset and Bundle & Handset revenues for TIM Consumer are equal to 508 million euros, down by 24 million euros compared to fiscal year 2024: the change is mainly related to lower sales volumes of fixed-line products.

TIM Enterprise. The reference perimeter consists of the set of connectivity services and products and 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	2025	2024	% Change
	(a)	(b)	(a-b)/b
TIM Enterprise revenues - like-for-like	3,520	3,291	7.0
Service revenues	3,276	3,017	8.6
Handset and Bundle & Handset revenues	244	274	(10.9)

TIM Enterprise's revenues amounted to 3,520 million euros, up by 229 million euros (+7.0%) compared to the 2024 financial year, thanks to the service revenue component (+259 million euros, +8.6%), driven by IT cloud services.

EBITDA for the year 2025 **of the domestic business unit (Sparkle Discontinued Operations)** amounted to 2,437 million euros (-156 million euros compared to 2024).

Domestic "like-for-like" EBITDA is calculated as follows:

(million euros)	2025	2024	Changes absolute	%
EBITDA	2,437	2,593	(156)	(6.0)
Foreign currency financial statements translation effect	—	—	—	—
Non-recurring expenses (income)	(220)	97	(317)	
ORGANIC EBITDA excluding non-recurring items	2,217	2,690	(473)	(17.6)
Impacts deriving from:				
New Master Service Agreement (MSA)		(902)	902	
Reversal of previous MSA between TIM and FiberCop		341	(341)	
Other		(22)	22	
Like-for-like ORGANIC EBITDA	2,217	2,107	110	5.2

Headcount as of December 31, 2025 was 16,887 (17,751 as of December 31, 2024).

Brazil (average real/euro exchange rate 6.29416)

Revenues for 2025 of the **Brazil Business Unit (TIM Brasil group)** amount to 26,625 million reais (25,448 million reais in 2024, +4.6%).

Growth was driven by **service revenues** (25,856 million reais compared to 24,588 million reais in fiscal year 2024, +5.2%) with mobile service revenues growing by 5.4% in fiscal year 2025 thanks to continued improvement in the post-paid segment. Fixed-line service revenues showed a slight increase of 0.4% compared to the 2024 financial year. Ultrafibra's results for the fourth quarter of 2025 show a return to growth, reflecting the company's efforts throughout the year to improve its operations.

Revenues from product sales totaled 769 million reais (860 million reais in the 2024 financial year).

The **mobile ARPU** in the 2025 financial year was 32.8 reais (31.4 reais in the first quarter of 2024, +4.6%).

Total mobile lines as of December 31, 2025, amounted to approximately 62 million, substantially in line with the total mobile lines as of December 31, 2024 (62.1 million). The positive performance of the post-paid segment was offset by the reduction of lines in the pre-paid segment. As of December 31, 2025, post-paid customers represent 52.8% of the customer base (48.7% as of December 31, 2024).

Broadband ARPU for fiscal year 2025 was 94.8 reais (97.2 reais in fiscal year 2024).

EBITDA for 2025 amounts to 13,477 million reais (12,562 million reais in 2024, +7.3%) and the margin on revenues is 50.6% (49.4% in 2024).

Organic EBITDA, net of the non-recurring component, increased by 7.7% and was calculated as follows:

(million Brazilian reais)	2025	2024	Changes absolute	%
EBITDA	13,477	12,562	915	7.3
Non-recurring expenses (income)	47	—	47	
ORGANIC EBITDA excluding non-recurring items	13,524	12,562	962	7.7

The growth in EBITDA is mainly attributable to the positive performance of service revenues, partially offset by the increase in operating expenses.

The incidence of EBITDA on revenues stood, in organic terms, at 50.8% (49.4% in 2024).

Headcount as of December 31, 2025 was 8,702 units (9,123 units as of December 31, 2024).

PRELIMINARY RESULTS OF TIM S.p.A.

2025 **revenues** came to 9,446 million euros (9,218 million euros in 2024), with an increase of 228 million euros, equal to +2.5%.

Like-for-like revenues are calculated as follows:

(million euros)	2025	2024	Changes %
REVENUES	9,446	9,218	2.5
Foreign currency financial statements translation effect	—	—	
Non-recurring income/(expenses)	—	—	
ORGANIC REVENUES - excluding non-recurring items	9,446	9,218	2.5
Impacts deriving from:			
Master Service Agreement (MSA)		67	
Other		—	
Like-for-like ORGANIC REVENUES	9,446	9,285	1.7
<i>Broken down as follows:</i>			
Like-for-like service revenues	8,736	8,516	2.6
Like-for-like Handset and Bundle & Handset revenues	710	769	(7.7)

- **Consumer + SMB.** The reference perimeter is made up of the set of voice and Internet services and products managed and developed in Landline and Mobile for individuals and families (from public telephony, from caring activities and administrative management of customers) and for customers of SMEs (Small and Medium Enterprises) and SOHO (Small Office Home Office).

(million euros)	2025	2024	% Change
Consumer & SMB revenues - like-for-like	5,635	5,621	0.2
Service revenues	5,112	5,087	0.5
Handset and Bundle & Handset revenues	523	534	(2.1)

In particular, the **service revenues** of the segment amounted to 5,112 million euros and recorded an increase of 25 million euros (+0.5%) compared to financial year 2024, despite the competitive environment on the customer base.

Handset and Bundle & Handset revenues for the segment amounted to 523 million euros, down by 11 million euros compared to 2024 (-2.1%); the change is connected to the lower sales of products in the fixed segment.

- **Enterprise.** The reference perimeter consists of the set of connectivity services and products and ICT solutions managed and developed for Top, Public Sector and Large Account customers.

(million euros)	2025	2024	% Change
Enterprise revenues - like-for-like	3,478	3,265	6.5
Service revenues	3,281	3,031	8.2
Handset and Bundle & Handset revenues	197	234	(15.8)

Specifically, **revenues from Enterprise services** totaled 3,281 million euros, an increase of 250 million euros (+8.2%) over 2024, due to growth in cloud and security services.

TIM S.p.A.'s **EBITDA** for FY2025 is 2,069 million euros (-261 million euros compared to FY2024, -11.2%).

Like-for-like EBITDA is calculated as follows:

(million euros)	2025	2024	Changes %
EBITDA	2,069	2,330	(11.2)
Foreign currency financial statements translation effect	—		
Non-recurring expenses (income)	(141)	97	
ORGANIC EBITDA excluding non-recurring items	1,928	2,427	(20.6)
Impacts deriving from:			
<i>New Master Service Agreement (MSA)</i>		(902)	
<i>Reversal of previous MSA between TIM and FiberCop</i>		341	
<i>Other</i>		(17)	
Like-for-like ORGANIC EBITDA	1,928	1,849	4.3

EBITDA for the year 2025 of TIM S.p.A. includes non-recurring net income for a total of 141 million euros (non-recurring net charges for 97 million euros in the year 2024), broken down as follows:

(million euros)	2025	2024
Non-recurring expenses/ (Income) with an impact on EBITDA		
Other income		
1998 License fee - compensation for damages	(973)	—
Other	(15)	(55)
Acquisition of goods and services and Change in inventories		
Deferred contract costs of the fixed network - transition from 8 years to 4 years of the recognition period in the income statement	671	—
Expenses related to agreements and the development of non-recurring projects and other charges	36	24
Employee benefits expenses		
Deferred contract costs of the fixed network - transition from 8 years to 4 years of the recognition period in the income statement	39	—
Charges connected to corporate reorganization/restructuring and other costs	83	84
Other operating expenses		
Other expenses and provisions	18	44
Impact on EBITDA	(141)	97

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)	2025	2024	Changes	
			absolute	%
Like-for-like ORGANIC EBITDA	4,353	4,092	261	6.4
Lease payments	(664)	(629)	(35)	(5.6)
Like-for-like EBITDA After Lease (EBITDA-AL)	3,689	3,463	226	6.5

LIKE-FOR-LIKE EBITDA AFTER LEASE - DOMESTIC

(million euros)	2025	2024	Changes	
			absolute	%
Like-for-like ORGANIC EBITDA	2,217	2,107	110	5.2
Lease payments	(188)	(176)	(12)	(6.8)
Like-for-like EBITDA After Lease (EBITDA-AL)	2,029	1,931	98	5.1

EBITDA AFTER LEASE - BRAZIL

(million euros)	2025	2024	Changes	
			absolute	%
ORGANIC EBITDA excluding non-recurring items	2,143	1,991	152	7.7
Lease payments (*)	(476)	(453)	(23)	(5.1)
EBITDA After Lease (EBITDA-AL)	1,667	1,538	129	8.5

(*) Does not include penalties associated with the decommissioning plan following the acquisition of the Oi Group's mobile assets amounting to approximately 37 million reais; approximately 6 million euros in 2025 (approximately 287 million reais; approximately 45 million euros in the 2024 financial year).

ADJUSTED NET FINANCIAL DEBT AFTER LEASE - TIM GROUP

(million euros)	12.31.2025	12/31/2024	Change
Adjusted Net Financial Debt	9,778	10,126	(348)
Leasing	(2,924)	(2,860)	(64)
Adjusted Net Financial Debt - After Lease	6,854	7,266	(412)



EBITDA AFTER LEASE TIM S.p.A. LIKE-FOR-LIKE

(million euros)	2025	2024	Changes	
			absolute	%
Like-for-like ORGANIC EBITDA	1,928	1,849	79	4.3
Lease payments	(170)	(164)	(6)	3.7
Like-for-like EBITDA After Lease (EBITDA-AL)	1,758	1,685	73	4.3

ADJUSTED NET FINANCIAL DEBT AFTER LEASE TIM S.p.A.

(million euros)	12.31.2025	12/31/2024	Change
Adjusted Net Financial Debt	10,407	9,915	492
Leasing	(746)	(835)	89
Adjusted Net Financial Debt - After Lease	9,661	9,080	581

EVENTS AFTER DECEMBER 31, 2025

TIM S.A. (Brazil Business Unit): TIM S.A. strengthens its B2B strategy with the acquisition of V8.Tech

On November 26, 2025, the Board of Directors of TIM S.A. (Brazil Business Unit) approved the signing of a share purchase contract (“Contract”) for the acquisition of 100% of the share capital of V8 Consulting S.A. (“V8.Tech”), for a consideration of 140 million reais (amount subject to the usual adjustments for this type of transaction, as provided for in the Contract) to be paid at closing. This amount may be increased by further payments (earn-out) up to a limit of 140 million reais, subject to the fulfilment of certain conditions, within a period of six years (“Transaction”).

Founded in 2014, V8.Tech is a technology company specializing in the integration of digital solutions and managed services, with a strong presence in digital transformation, in cloud computing (multicloud, private and hybrid) and in artificial intelligence. The company currently employs approximately 380 professionals and posted net revenues of approximately 235 million reais in the last 12 months (through September 2025), with a compound annual growth rate (CAGR) of 17% between 2021 and 2024. Additionally, it serves more than 100 customers active in various sectors of the economy.

The transaction strengthens TIM S.A.’s B2B strategy, significantly expanding the Company’s ability to provide comprehensive digital transformation solutions. The integration of cloud and digital services into TIM S.A.’s portfolio will enable the delivery of end-to-end projects, supported by highly specialized teams recognized for their industry know-how.

The closing of the Transaction was subject to the approval of the *Conselho Administrativo de Defesa Econômica* (CADE) as well as the fulfilment of other customary conditions for transactions of this type.

On January 30, 2026, TIM S.A. announced that it had completed, once all applicable conditions precedent had been satisfied, the acquisition of the entire share capital of V8 Consulting S.A., according to the terms and conditions described above.

TIM S.A. (Brazil Business Unit): Acquisition of all shares of I-Systems

On February 11, 2026, TIM S.A. (Brazil Business Unit) announced that the Company’s Board of Directors has approved the execution of a Share Purchase Agreement with IHS Fiber Brasil - Cessão de Infraestruturas Ltda., which sets forth the terms and conditions for the acquisition, by the Company, of 51% of the total share capital of I-Systems Soluções de Infraestrutura S.A. (“I-Systems”) currently held by IHS Brasil, for an amount of 950 million reais, to be paid on the date of the closing of the Transaction.

Should the Transaction be completed, the Company – which already owns 49% of I-Systems’ share capital – will hold all of its shares, making I-Systems its wholly-owned subsidiary.

I-Systems operates in the neutral optical fiber network sector in the Brazilian market, offering independent infrastructures for the wholesale segment. The company operates in the states of São Paulo, Minas Gerais, Rio de Janeiro, Goiás, Paraná, Bahia, Pernambuco, and Amazonas, with a total of approximately 9 million *home passed*.

The closing of the Transaction is subject to the satisfaction of certain customary conditions precedent for this type of transaction, including, among others, obtaining the necessary approvals from the *Conselho Administrativo de Defesa Econômica* (CADE) and the *Agência Nacional de Telecomunicações* (ANATEL), as well as applicable corporate approvals.



The Executive responsible for preparing the corporate accounting documents, Piergiorgio Peluso, 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.