This presentation contains statements that constitute forward-looking statements regarding the intent, belief or current expectations of future growth in the different business lines and the global business, financial results and other aspects of the activities and situation relating to the TIM Group.

The financial results of the TIM Group are prepared in accordance with the International Financial Reporting Standards issued by IASB and endorsed by the EU (IFRS). The accounting policies and consolidation principles adopted in the preparation of the financial results for the FY17 and the 18-20 Industrial Plan have been applied on a basis consistent with those adopted in the 2016 Consolidated Financial Statements.

Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those projected or implied in the forward-looking statements as a result of various factors.

As a result of this, the Industrial Plan doesn’t take into account the following IFRS: IFRS 15 Revenue from Contracts with Customers, IFRS 9 Financial Instruments and IFRS 16 Leases.

The financial results for the FY17 have not yet been verified by the independent auditors. Segment information is consistent with the prior periods under comparison.
FY’17 and 2018-’20 Plan

1. 4Q’17 and FY Main Results

2. 2018-’20 Plan: Key Drivers and KPI Evolution

3. Targets and Take-Aways

4. Appendix
### Full Year 2017

<table>
<thead>
<tr>
<th></th>
<th>FY'16</th>
<th>FY'17</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Group</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Revenues</td>
<td>17,915</td>
<td>18,263</td>
</tr>
<tr>
<td>EBITDA</td>
<td>8,291</td>
<td>8,673</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>FY'16</th>
<th>FY'17</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Domestic</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Revenues</td>
<td>13,871</td>
<td>14,000</td>
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<tr>
<td>EBITDA</td>
<td>6,878</td>
<td>7,053</td>
</tr>
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<table>
<thead>
<tr>
<th></th>
<th>FY'16</th>
<th>FY'17</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Brazil</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Revenues</td>
<td>4,082</td>
<td>4,291</td>
</tr>
<tr>
<td>EBITDA</td>
<td>1,434</td>
<td>1,635</td>
</tr>
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</table>

### Fourth Quarter 2017

<table>
<thead>
<tr>
<th></th>
<th>4Q'16</th>
<th>4Q'17</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Group</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Revenues</td>
<td>4,516</td>
<td>4,666</td>
</tr>
<tr>
<td>EBITDA</td>
<td>3,524</td>
<td>3,607</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>4Q'16</th>
<th>4Q'17</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Domestic</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Revenues</td>
<td>1,744</td>
<td>1,777</td>
</tr>
<tr>
<td>EBITDA</td>
<td>1,004</td>
<td>1,065</td>
</tr>
</tbody>
</table>

### Net Debt

- **€25.3 bln** (4) Down by **€920mln QoQ**
- **€679mln** 4Q'17 Provision includes 4,000 personnel exits

---

(1) Including exchange rate impact and non recurring items
(2) Targets: Service Revenues stability & EBITDA YoY low single digit growth
(3) Targets: Service Revenues & EBITDA positive in all quarters
(4) Adjusted
FY’17 and 4Q’17 TIM Group Total Revenues Breakdown

**TIM Group**

**By Technology**
- Mobile: +1.9%
- Fixed: 67%

**By Business Segment**
- Sparkle Group: +0.4%
- Nat. WHS: -5.1%
- Business: +2.8%
- Consumer: +4.7%
- Inwit (+6.8%) & others: -30%

**Brazil**

**By Technology**
- Mobile: +3.9%
- Fixed: 95%

**Highlights**

FY’17 Retail Top Line both Fixed and Mobile shows low-single digit growth YoY

*4Q'17 Domestic Mobile Total Revenues slightly down due to product re-phasing, Service Revenues positive YoY*

National Wholesale FY’17 YoY underperformance is driven by comparison effect with 3Q16 long-term fixed infrastructure leases

Positive performance for all segments in 4Q’17

Mobile Revenues supported by continued increase in postpaid customer base

Consistent evolution of Fixed customer base due to the growth of TIM Live

---

(1) Excluding exchange rate impact and non recurring items
(2) Net of Eliminations

**FY’17**
- Total Revs.: €19,828 (+2.7%)
  - o/w Domestic: €15,354 (+2.4%)
  - o/w Brasil: €4,502 (+4.0%)

**4Q’17**
- Total Revs.: €5,149 (+2.8%)
  - o/w Domestic: €4,042 (+2.0%)
  - o/w Brasil: €1,113 (+5.3%)
Domestic Mobile: Leading in Quality and Results

Revenues & ARPU

Organic data, €mln, % YoY, ARPU €/month

<table>
<thead>
<tr>
<th></th>
<th>FY'16</th>
<th>FY'17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>1,424</td>
<td>1,424</td>
</tr>
<tr>
<td>Product</td>
<td>1,225</td>
<td>1,325</td>
</tr>
<tr>
<td>Services</td>
<td>199</td>
<td>200</td>
</tr>
<tr>
<td>4Q'17</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY'17</td>
<td>5,275</td>
<td>620</td>
</tr>
</tbody>
</table>

Continued YoY Service Revenues growth sustained by robust increase in data usage and innovative services

ARPU Human (1)

<table>
<thead>
<tr>
<th></th>
<th>1Q'16</th>
<th>2Q'17</th>
<th>3Q'17</th>
<th>4Q'17</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.5</td>
<td>15.3</td>
<td>16.0</td>
<td>16.7</td>
<td>2017</td>
</tr>
<tr>
<td>14.5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Customer Base

K, Rounded numbers, % YoY, 4Q'17 %QoQ

<table>
<thead>
<tr>
<th></th>
<th>FY'16</th>
<th></th>
<th>FY'17</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>TOT. CB</td>
<td>29,617</td>
<td>+3.8%</td>
<td>30,755</td>
<td></td>
</tr>
<tr>
<td>TOT. ACTIVE</td>
<td>25,651</td>
<td>+5.2%</td>
<td>26,992</td>
<td></td>
</tr>
<tr>
<td>NOT HUMAN (2)</td>
<td>6,089</td>
<td>+21.9%</td>
<td>7,424</td>
<td></td>
</tr>
<tr>
<td>HUMAN (o/w Voice &amp; Mess. Only)</td>
<td>7,757</td>
<td>-1,084</td>
<td>6,674</td>
<td></td>
</tr>
<tr>
<td>HUMAN (o/w BB Users)</td>
<td>11,804</td>
<td>+1,091</td>
<td>12,895</td>
<td></td>
</tr>
<tr>
<td>4G Users</td>
<td>7,613</td>
<td>+2,132</td>
<td>9,745</td>
<td></td>
</tr>
</tbody>
</table>

4Q'17 Net Adds/Losses

+470, +1.6% +405, +1.5% +517, +7.5% -112, -0.6%

Total CB growth (+1,137k YoY) driven by M2M, Large Screen and reduction of inactive customers

BroadBand CB reaches 12,895k users (+1,091k YoY)

Active customer penetration increase: 1,342 k more calling lines,

LTE users scaling up sharply
Domestic Fixed: UBB Setting the Pace, TIM Vision growing fast

**Revenues & ARPU**

<table>
<thead>
<tr>
<th>Total Revenues</th>
<th>FY'17</th>
<th>4Q'17</th>
</tr>
</thead>
<tbody>
<tr>
<td>10,689</td>
<td>+1.8%</td>
<td>9,952</td>
</tr>
</tbody>
</table>

Total Revenues up by €194 mln YoY

**Fixed Accesses & Customer Base**

<table>
<thead>
<tr>
<th>Total Fixed Accesses(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY'16</td>
</tr>
<tr>
<td>11,285</td>
</tr>
<tr>
<td>BB</td>
</tr>
<tr>
<td>7,191</td>
</tr>
<tr>
<td>+451</td>
</tr>
<tr>
<td>UBB+BB CB</td>
</tr>
<tr>
<td>7,641</td>
</tr>
<tr>
<td>+1,172</td>
</tr>
</tbody>
</table>

**Product**

- VoIP not included. FY'17 Line Performance including VoIP was -111k
- M2M ARPU is ~0.7€/month in FY'17
- Including mobile TIM Vision customers are 1.5mln

1.3m TIM Vision customers(3), +63%
22% of Consumer BB CB, +7p.p.

~20% of Consumer BB CB is single-bill F/M Convergent, another ~28% has also a TIM Mobile Line while paying 2 bills
Domestic UBB Networks: Coverage Strongly Increased, Capex Peak Reached as Planned

- **111 k cabinets passed**
- **281 k FTTH OTB installed**
- **18.7 mln HH passed FTTC in ~3,600 cities speed up to 200 Mbit/s**
- **2.3 mln HH connected FTTH in 30 main cities speed up to 1Gbit/s**

**FTTx Penetration**

- FY'16: 14%
- FY'17: 29%

**4G Penetration**

- FY'16: 64%
- FY'17: 76%

---

(1) Passed
(2) FTTx Retail on Total Fixed BroadBand lines
(3) LTE on Total Mobile BroadBand lines

FY'17 and 2018-’20 Plan

Milan, March 7 2018
TIM Brasil: Turnaround marked by Strong Results

**Delivering Growth**

- **Service Revenues**
  - 4Q'17: 4,075, +6.1%
  - FY'17: 15,474, +5.1%

**Robust Improvement in Revenue Quality**

- Mobile ARPU
  - FY17 ARPU: +12.2% YoY
  - 1Q'17: 19.0, 2Q'17: 19.4, 3Q'17: 20.5, 4Q'17: 21.9

- Fixed BB ARPU
  - FY17 BB ARPU: +14.9% YoY
  - 1Q'17: 61.4, 2Q'17: 61.8, 3Q'17: 68.2, 4Q'17: 69.9

- Mobile postpaid Net Adds (k lines)
  - FY17: +14.0%
  - 1Q'17: 445, 2Q'17: 509, 3Q'17: 935, 4Q'17: 1,028

- Fixed UBB Net Adds (k lines)
  - FY17 Ultra BB Net Adds 86k lines
  - 4Q'16: 7, 4Q'17: 16

**Record Ebitda Margin**

- EBITDA Margin at 36.3%
- Full year EBITDA Margin at 36.3%
- 4Q'17: 1,758, +13.5%
- FY'17: 5,894, +14.0%

- Mobile ARPU (R$mln), Organic Performance, ARPU in R$, Rounded numbers
- Full year EBITDA Margin at 36.3%
- ROBUST IMPROVEMENT IN REVENUE QUALITY
## 2017 Domestic OPEX

### Organic data, €mln

<table>
<thead>
<tr>
<th>Component</th>
<th>FY'16</th>
<th>FY'17</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total OPEX</td>
<td>8,121</td>
<td>8,301</td>
<td>+2.2%</td>
</tr>
<tr>
<td>Volume Driven (COGs)</td>
<td>3,356</td>
<td>3,779</td>
<td>+12.6%</td>
</tr>
<tr>
<td>OPEX Net of Volume Driven</td>
<td>4,765</td>
<td>4,522</td>
<td>-5.1%</td>
</tr>
<tr>
<td>Market Driven</td>
<td>1,018</td>
<td>1,132</td>
<td>+11.3%</td>
</tr>
<tr>
<td>Process Driven &amp; Other</td>
<td>1,133</td>
<td>821</td>
<td>-27.5%</td>
</tr>
<tr>
<td>Labour Costs</td>
<td>2,615</td>
<td>2,569</td>
<td>-1.8%</td>
</tr>
</tbody>
</table>

### Efficiency Area

**Volume Driven**
- Interconnection (40%)
- Devices & Other COGs (55%)
- Content e VAS (5%)

**Market Driven**
- Acquisition (22%)
- Advertising (14%)
- Customer Management (37%)
- Commercial Net Expenses (27%)

**Process Driven**
- Rental & Power (43%)
- G&A incl. IT (34%)
- Network Operations (23%)

### Notes

- **Remixing cost allocation**: Net of Volume Driven, OPEX down €243mln. Volume Driven up €423mln YoY, driven by relevant 2017 Product Increase (including Smart TVs, Connected HH Appliances and Modems)
- **Market Driven YoY growth** to support commercial performance and quality
- **Reduction in Process Driven Costs** due to efficiencies in IT, Energy and G&A
- **Labour Costs reduction** due to FTE downsize (-1.5k YoY)
# Domestic Capex Evolution

## 2017 Domestic CAPEX

Organic data, €m

<table>
<thead>
<tr>
<th>Component</th>
<th>FY'16</th>
<th>FY'17</th>
<th>YoY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total CAPEX</strong></td>
<td>3,709</td>
<td>3,921</td>
<td>+212 YoY</td>
</tr>
<tr>
<td><strong>Network</strong> (2)</td>
<td>2,587</td>
<td>3,009</td>
<td>+422 YoY</td>
</tr>
<tr>
<td><strong>Real Estate &amp; Other</strong></td>
<td>219</td>
<td>115</td>
<td>-104 YoY</td>
</tr>
<tr>
<td><strong>Commercial</strong></td>
<td>358</td>
<td>344</td>
<td>-14 YoY</td>
</tr>
<tr>
<td><strong>IT</strong></td>
<td>544</td>
<td>452</td>
<td>-92 YoY</td>
</tr>
</tbody>
</table>

### Domestic Capex evolution composed by:

- **UBB network** roll-out costs, driving the 212 Mln€ total Domestic Capex increase for the Year
- Lower **Procurement costs & Transformational projects**
- Steady approach in **Commercial**, supporting growth on UBB CB and ICT for Businesses
- **IT Efficiencies and ROI-driven reallocation of resources**

(1) FY’17 Capex Net of €630mln License cost
(2) Telecom Italia Sparkle included (€169mln)
## Free Cash Flow Generation

**€m**

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY16</th>
<th>YoY</th>
<th>4Q 2017</th>
<th>4Q 2016</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>8,673</td>
<td>8,199</td>
<td>474</td>
<td>2,460</td>
<td>2,168</td>
<td>292</td>
</tr>
<tr>
<td>CAPEX (ex-Spectrum)</td>
<td>-5,071</td>
<td>-4,876</td>
<td>-195</td>
<td>-1,820</td>
<td>-1,769</td>
<td>-51</td>
</tr>
<tr>
<td>Adjusted ∆WC</td>
<td>-219</td>
<td>-467</td>
<td>248</td>
<td>858</td>
<td>549</td>
<td>309</td>
</tr>
<tr>
<td><strong>OpFCF (ex-Spectrum)</strong></td>
<td>3,383</td>
<td>2,856</td>
<td>527</td>
<td>1,498</td>
<td>948</td>
<td>550</td>
</tr>
<tr>
<td>Total Financial Expenses (4)</td>
<td>-1,572</td>
<td>-1,659</td>
<td>87</td>
<td>-413</td>
<td>-386</td>
<td>-27</td>
</tr>
<tr>
<td>Cash taxes</td>
<td>-1,113</td>
<td>-218</td>
<td>-895(5)</td>
<td>-309</td>
<td>-101</td>
<td>-208</td>
</tr>
<tr>
<td>Other impacts (6)</td>
<td>266</td>
<td>-371</td>
<td>636</td>
<td>186</td>
<td>-107</td>
<td>293</td>
</tr>
<tr>
<td><strong>EFCF</strong> (7)</td>
<td>964</td>
<td>608</td>
<td>356</td>
<td>963</td>
<td>354</td>
<td>609</td>
</tr>
<tr>
<td>Dividends</td>
<td>-235</td>
<td>-227</td>
<td>-8</td>
<td>-17</td>
<td>0</td>
<td>-17</td>
</tr>
<tr>
<td>Change in Equity</td>
<td>16</td>
<td>1,304(8)</td>
<td>-1,288</td>
<td>0</td>
<td>1,304(8)</td>
<td>-1,304</td>
</tr>
<tr>
<td><strong>Net Cash Flow before M&amp;A, Spectrum &amp; IAS 17</strong></td>
<td>744</td>
<td>1,685</td>
<td>-940</td>
<td>946</td>
<td>1,658</td>
<td>-712</td>
</tr>
<tr>
<td>M&amp;A</td>
<td>21</td>
<td>692(3)</td>
<td>-671</td>
<td>-4</td>
<td>4</td>
<td>-8</td>
</tr>
<tr>
<td>Spectrum (9)</td>
<td>-887</td>
<td>0</td>
<td>-887</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>IAS 17 (10)</td>
<td>-68</td>
<td>-218</td>
<td>150</td>
<td>-22</td>
<td>-47</td>
<td>24</td>
</tr>
<tr>
<td><strong>Net Cash Flow</strong></td>
<td>-189</td>
<td>2,159</td>
<td>-2,348</td>
<td>920</td>
<td>1,615</td>
<td>-696</td>
</tr>
<tr>
<td>Opening Net Debt</td>
<td>25,119</td>
<td>27,278</td>
<td></td>
<td>26,228</td>
<td>26,735</td>
<td></td>
</tr>
<tr>
<td>Closing net Debt</td>
<td>25,308</td>
<td>25,119</td>
<td></td>
<td>25,308</td>
<td>25,119</td>
<td></td>
</tr>
</tbody>
</table>

(1) Reported EBITDA excluding Provisions for €883mln in 2017 and €197mln in 2016
(2) Reported ∆WC excluding Provisions for €883mln in 2017, Spectrum Clean-Up (Brazil) for €257mln in 2017 and provisions for €197mln in 2016
(3) o/w disp. Argentina (€685mln)
(4) Financial expenses correlated to debt.
(5) In 2017 higher taxes related to 2016 final payment (€556mln) and 2017 advanced payment (€339mln)
(6) Delta FY17 vs FY16 = €636mln, o/w Exchange Rate Impact (€516mln), IAS17 Brazil (€68mln)
(7) NCF before dividends, IAS17 & ex-spectrum
(8) TIM Mandatory Convertible Bond maturity covered via ord. Shares issuance for €1.3bln value
(9) Spectrum Clean-Up Brazil (€257mln), GSM Licence Italy (€630mln)
(10) Financial Leases
Take-aways from 2017

- A record year, driven by ultra broadband growing penetration
- Strong performance from main subsidiaries
- Networks in Italy and Brazil faster and wider than ever
- TIM recognized as most successful Italian brand among the top 500 in the world (1)

(1) Brand Finance Global 500: TIM ranking #178, +60 positions gained YoY and 30% brand value growth
FY’17 and 2018-’20 Plan

1. 4Q’17 and FY Main Results
2. 2018-’20 Plan: Key Drivers and KPI Evolution
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4. Appendix
DigiTIM pillars

- **Best in class customer engagement** through **digital** and **agile** customer journey redesign

- **Leadership positioning** by sustaining premium customer base and capturing new growth opportunities in and **outside the core**

- Acceleration of **cash-flow generation** to strengthen balance sheet and increase total shareholder return

- **Agile organization**, performance based and data driven culture
DigiTIM is a portfolio value driven strategy with solid execution enablers

Best in class customer engagement

<table>
<thead>
<tr>
<th>Leadership positioning</th>
<th>Cash-flow generation</th>
<th>Agile organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>1 Consumer</strong></td>
<td><strong>2 Business</strong></td>
<td><strong>3 Wholesale</strong></td>
</tr>
<tr>
<td>• Sustain premium base through convergence (data and exclusive content)</td>
<td>• Sustain traditional revenue base through convergence, fiber and VOIP migration</td>
<td>• Sustain traditional revenues through fiber migration (e.g., NetCo)</td>
</tr>
<tr>
<td>• Extract more value from CB accelerating fiber migration and new avenues of growth</td>
<td>• Accelerate evolution towards an &quot;ICT Company&quot; to capture new growth opportunities (e.g., cloud, ICT on SMEs)</td>
<td>• Step-change growth of non-regulated sales by radically improving customer engagement</td>
</tr>
<tr>
<td>• Transform customer engagement through Digital journeys and new simplified portfolios</td>
<td>• Optimize coverage to improve competitive positioning</td>
<td>• Optimize coverage to improve competitive positioning</td>
</tr>
</tbody>
</table>

**4 TIM Brasil**
- Win share on affluent segments (e.g., post-paid SMB) leveraging premium infrastructure and improving customer digital engagement
- Further deliver on fixed and mobile UBB by expanding coverage
- Accelerate cash generation through smart CAPEX and efficiency program

**5 Inwit**
- Strengthen leadership on Italian tower market leveraging on new mobile opportunities and leading network densification phase

**6 Sparkle**
- Sustain traditional business, expand commercial footprint on new geographies and accelerate data/VAS services

**7 OPEX efficiency**
- Create a lean efficient and zero-based cost structure leveraging the digital transformation and data analytics

**8 CAPEX effectiveness**
- Maximize value driven CAPEX deployment leveraging current UBB infrastructure

**9 Digital**
- Enable superior customer engagement and omnichannel experience while unlocking efficiency

**10 Advanced Analytics and AI**
- Implement leading capabilities to capture value both on customer engagement (e.g., predictive CLM) and cash flow generation (e.g., predictive maintenance)

**11 People, culture & organization**
- Drive accountability, transparency and performance based culture via agile organization and high employee engagement

**12 Execution**
- Drive implementation pace and drastically streamline internal processes with end-to-end Transformation Office
Consumer: Pursue Premium and Value, transforming Customer Experience

**Strategic actions**

- Simplified, flexible fixed and mobile portfolios
- Digitally enabled, intuitive customer journeys
- Network leadership: Fiber, 4.5G, VoLTE, 5G early adoption in 2020
- Increased FMC convergence through additional content and mobile data benefits
- Accelerated fiber migration to improve customer engagement and reduce churn
- 2nd brand Kena to address non-premium segments and sustain TIM value
- TIM acquisition focused on segmented approach
- Enhanced customer base value management through Digital and Advanced Analytics
- New avenues of growth: Mobile-adv, SmartHome, TIM Personal
- Channel mix optimization towards digital and direct
- Digital customer management: self and AI-enabled caring
- Lean digital and automated operations

**Impact by 2020**

- Maintain #1 position for Best quality Network in Italy (1)
- Consolidate and extend to Fixed #1 position in CSI by 2019
- Fixed BB CB (Mln lines)
  - 2017: 1.8
  - 2020: >5
- LTE Penetration (2)
  - 2017: 76%
  - 2020: >95%
- Convergent CB (3)
  - 2017: ~3x
  - 2020: ~2x
- 3x Digital Sales -30% Human-operated interactions

(1) TIM #1 in OOKLA SpeedTest
(2) Mobile BB CB
(3) Single-bill F/M Convergent CB
Business: Accelerate Evolution, Sustain Traditional

**Strategic actions**

- **Large**: automatization to reduce order-to-delivery time
- **SME’s**: new digital commercial and caring engagement to improve service level
- Evolution towards “ICT company”
  - Public cloud and managed services expansion to further grow Large clients base
  - Tapping of basic IT opportunity to improve SME’s revenues mix
  - Step up on convergence, fiber and VOIP migration to protect SME’s ARPU level
- Adoption of lean digital business model
- Contract management, ordering and provisioning digitalization
- Optimization of service delivery and caring costs

**Impact by 2020**

- -15% Order-to-delivery time
- +5p.p. CSI for Medium & Large in 2020
- -10% Customer care call volumes

<table>
<thead>
<tr>
<th>IT &amp; Cloud Revenues (Mln €)</th>
<th>Fiber CB (Mln lines)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017 0.3</td>
<td>2017 0.3</td>
</tr>
<tr>
<td>2020 &gt;1</td>
<td>2020 &gt;1</td>
</tr>
</tbody>
</table>

Grow ICT & Cloud to become 25% of total revenues

~1.5x

FY’17 and 2018-’20 Plan
Milan, March 7 2018
Wholesale: Back to Growth

**Strategic actions**

- **Improved, faster delivery process** of core services through new **digital** and **automation** tools
- **Upgraded** and **modernized assurance** process, with improved **self-solution** options and **site information quality**
- **Fixed Access Network Legal Separation Plan:** A Step-Change Evolution of TIM Full Equivalence Functional Separation into a **one-stop shop**, for maximum quality in regulated and unregulated services

**Impact by 2020**

- **60% faster E2E FTTC delivery time**
- **-32p.p. claim rate**

**Strengthening of Equality of Access for all operators**

- **Value** and **demand driven** deployment of fiber with **smart mix** of FFTH and FTTC
- **Additional incentives to fiber migration** through flexible pricing and innovative turn-key offerings
- **Greater share of non-regulated services** with streamlined process to improve delivery speed

- **UltraBroadBand**
  - (Mln lines)
  - 2017: ~1
  - 2020: >3

- **+20% Field force productivity**

**Leadership positioning**

- **“Smarter” Service Creation Process** through increased automation
- **Superior Field Force productivity** through **automation** and **reward system** optimization

**Best in class**

- **customer engagement**

**Cash-flow generation**

- **Value and demand driven** deployment of fiber with **smart mix** of FFTH and FTTC
- **Additional incentives to fiber migration** through flexible pricing and innovative turn-key offerings
- **Greater share of non-regulated services** with streamlined process to improve delivery speed

**60% faster E2E FTTC delivery time**

- **-32p.p. claim rate**

**Strengthening of Equality of Access for all operators**

- **UltraBroadBand**
  - (Mln lines)
  - 2017: ~1
  - 2020: >3

- **+20% Field force productivity**
TIM Brasil: More Postpaid and Broadband for continued positive Results

**Strategic actions**

- **Best in class customer engagement**
  - Continued expansion of the best fixed and mobile infrastructure (4G, Fiber) to differentiate experience
  - Improve Customer engagement through increased penetration of digital interactions

- **Leadership position**
  - Acceleration of mobile growth targeting more affluent segments (e.g., controle, post-paid)
  - Growth of Residential segment contribution to top-line
  - Step-change growth in SMB segment leveraging new organization, go-to-market and value proposition
  - Development of new, innovative revenue streams (e.g., IoT, mobile adv)

- **Cash-flow generation**
  - Improvement of Cash Generation ability through “smart” CAPEX and Debt/Tax optimization
  - Capture full digitalization efficiency potential
  - “Zero-based” approach on traditional efficiency levers

**Impact by 2020**

- >4K Cities covered by 4G (96% of Urban Population)
- >2X growth of e-bill and e-pay penetration
- ~5X growth in My-TIM App users

**Mobile CB (%)**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepaid</td>
<td>30%</td>
<td>~50%</td>
</tr>
<tr>
<td>Postpaid</td>
<td>~50%</td>
<td>~50%</td>
</tr>
</tbody>
</table>

4X growth of residential BB CB (1)

- ≥40% EBITDA margin in 2020
- ≥20% EBITDA-CAPEX on revenues in 2020
Inwit: Strengthen Tower Leadership  
Sparkle: Pursue International Expansion and Data Opportunities

<table>
<thead>
<tr>
<th>Strategic actions</th>
<th>Impact by 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leadership</strong></td>
<td><strong>Impact by 2020</strong></td>
</tr>
<tr>
<td><strong>positioning</strong></td>
<td></td>
</tr>
<tr>
<td>• Focus on winning new stakes of MNO’s tower demand, leveraging on high quality portfolio</td>
<td>~400 New sites</td>
</tr>
<tr>
<td>• Extend leadership to next generation infrastructures (e.g., 5G, small cells)</td>
<td>~1k Fiber Links</td>
</tr>
<tr>
<td><strong>Cash-flow</strong></td>
<td></td>
</tr>
<tr>
<td><strong>generation</strong></td>
<td></td>
</tr>
<tr>
<td>• Enhance cost base through revised lease/purchase strategy</td>
<td>~10k Small cells</td>
</tr>
<tr>
<td><strong>Leadership</strong></td>
<td></td>
</tr>
<tr>
<td><strong>positioning</strong></td>
<td>+25 IP POP</td>
</tr>
<tr>
<td>• Focus on data services to monetize consumption growth and to improve market reach</td>
<td>30% Capex focused on transformation</td>
</tr>
<tr>
<td>• Enhancement of service portfolio, focus on VAS (e.g., data center, security as a service)</td>
<td></td>
</tr>
<tr>
<td>• Retention of core voice business</td>
<td></td>
</tr>
<tr>
<td><strong>Cash-flow</strong></td>
<td>100% Infrastructure at 100Gb</td>
</tr>
<tr>
<td><strong>generation</strong></td>
<td>100% Voice traffic processed by virtual nodes</td>
</tr>
<tr>
<td>• Delaying and decommissioning of obsolete technologies, virtualization to improve network</td>
<td></td>
</tr>
<tr>
<td>• Review of pricing paradigm toward a scalable “pay-as-you-grow” model (vs. fixed capacity)</td>
<td></td>
</tr>
<tr>
<td>• Organization streamlining</td>
<td></td>
</tr>
</tbody>
</table>
### Digitalization enlarges Opex Efficiency area

<table>
<thead>
<tr>
<th>Cost area</th>
<th>Addressable Domestic baseline 2017</th>
<th>Strategic actions</th>
<th>Impact by 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Commercial</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Devices &amp; other COGS</td>
<td>2,030</td>
<td>• Optimize specifications &amp; vendor portfolio, apply procurement excellence practices</td>
<td>20% Online fixed acquisitions (1)</td>
</tr>
<tr>
<td>Content &amp; VAS</td>
<td>170</td>
<td>• Shift to digital channels (acquisition &amp; top-up); lower overall volumes (lower churn)</td>
<td>-18% Customer care calls</td>
</tr>
<tr>
<td>Acquisition</td>
<td>360</td>
<td>• Migration toward digital self-caring (App, IVR, chat bots)</td>
<td></td>
</tr>
<tr>
<td>Customer management</td>
<td>400</td>
<td>• Analytics driven media mix modeling</td>
<td></td>
</tr>
<tr>
<td>Advertising</td>
<td>160</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Industrial</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Network operations</td>
<td>360</td>
<td>• Transition towards Network-as-a-Service: Decommissioning/delayering</td>
<td>Central Offices decommissioning begins</td>
</tr>
<tr>
<td>Rent &amp; Power</td>
<td>660</td>
<td>• Virtualization and automation</td>
<td>-35% Energy and rental costs</td>
</tr>
<tr>
<td><strong>G&amp;A and Labour</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G&amp;A incl. IT</td>
<td>530</td>
<td>• Real estate streamlining and consolidation</td>
<td>-25% Organizational units</td>
</tr>
<tr>
<td>Labour cost</td>
<td>2,570</td>
<td>• Contracts re-negotiation</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Digitalization of work processes and automation of recurring tasks</td>
<td>20% Digital-enabled productivity improvement</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Organization simplification and de-layering</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Use of early retirements and other instruments to right size the organization</td>
<td></td>
</tr>
<tr>
<td><strong>Addressable Baseline 2017</strong></td>
<td>7,240</td>
<td>~80% of total OPEX(2)</td>
<td></td>
</tr>
</tbody>
</table>
DigiTIM optimized Domestic CAPEX mix

**Domestic CAPEX breakdown**

### 2017

- **IT Transformation**: 12%
- **Mobile expansion**: 12%
- **Fixed expansion**: 34%

- **CPE and success based**: 15%
- **Transport capacity, run and maintain**: 27%

**~25% capital intensity**

### 2020

- **IT Transformation**: 11%
- **Mobile expansion**: 21%
- **Fixed expansion**: 14%

- **CPE and success based**: 24%
- **Transport capacity, run and maintain**: 31%

**~19% capital intensity**

**2018-2020 €9bn Cumulated Domestic Capex**

**Key initiatives by 2020**

- **CPE and success based**: +9 p.p.
  - Strong growth on Fiber migration on Consumer and ICT offer on Business

- **Mobile expansion**: +9 p.p.
  - Capacity upgrade on 4G
  - 4.5G/5G deployment leveraging value driven analytics

- **Transport capacity, run and maintain**: +4 p.p.
  - 3x mobile and 7x fixed network capacity increase
  - Network-as-a-Service transformation as enabler for OPEX reduction

- **IT Transformation**: -1 p.p.
  - New CRM and billing systems completed and released in 2017
  - Aggressive application decommissioning

- **Fixed access**: -20 p.p.
  - Selected improvements leveraging existing coverage (77% FTTx YE2017) to achieve 100 cities with FTTH and increasing our ~80% FTTx coverage on a demand-driven basis

---

(1) Sparkle and Spectrum License not included in the baseline
(2) Total Capex includes €0.6 bln of centralized saving from purchasing and optimization/prioritization

FY'17 and 2018-'20 Plan
Milan, March 7 2018
Deploying and Evolving a State-of-the-Art Multi-Technology Access Network

Strategic actions

- Mobile capacity and coverage improvement to enable new revenue streams (e.g. content usage, 4G indoor VoLTE)
- "Smart" Ultra Broad Band coverage and capacity upgrade through smart capex deployment based on Advanced Analytics
- 5G: Move past experimental level into early stage phase, based on proven use case (2020)
- Transport backbone upgrade to sustain 5G and video traffic
- TIM Video infrastructure (Z-Byte Network) development
- Transform toward Network as a Service paradigm
  - Decommissioning toward a full-IP network platform to significantly reduce running costs
  - Network Virtualization and Automation to reduce capex investments for capacity upgrade and hardware costs, allowing agile delivery of new digital services (e.g. Internet of Things)
  - Internal processes digitization to reduce “time-to-market” of new services

Impact by 2020

- 3x Mobile capacity increase
- ~ 80% Households FTTx coverage (own network)
- 100 Cities FTTH
- -25% Transport costs
- -70% time for feasibility studies
- Central Offices decommissioning begins (1)
- -35% Energy and rental costs

(1) Actual decommissioning of ~6,500 central offices out of a total of ~11,000 is subject to 3-5 years of regulatory notice. Project started in 2017.
Digital and Advanced Analytics

**Strategic actions**

- End-to-end digital customer lifecycle management
- Personalized experience with smart targeting

- New **omni-channel CRM** (BSS) and **billing systems**, based on an open service architecture
- Deployment of **Advanced Analytics capabilities** at scale in all LoB

- Radical middle- and back-office automation and simplification
- Digital-first self-caring capabilities, focus on App and IVR
- Aggressive IT decommissioning and simplification plans

- Deployment of **Agile operating model at scale**
- Setup of dedicated Digital and AA Centers of Excellence (CoE)

**Impact by 2020**

- **From website to eCommerce catalogue**
  - Single Convergent App for fixed and mobile

- **IT Complexity**
  - Number of managed applications
  - 605
  - 300
  - 2017: 605
  - 2020: 300
  - -50% reduction

- **Lead time for new offer creation**
  - ~80%

- **Data sources in near-real-time**
  - ~50%

- **Productivity enabled by Digital**
  - ~20%

- **Smart phone customers never calling call center**
  - ~80%

- **Developments vs. configurations**
  - ~70%
### People, Culture & Organization

<table>
<thead>
<tr>
<th><strong>Strategic actions</strong></th>
<th><strong>Impact by 2020</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• New organization structure simplified and delayered</td>
<td>-20% Organizational units</td>
</tr>
<tr>
<td>• From silos to agile organization to enable fast decision making autonomy &amp; accountably</td>
<td>~500 new “digital” talents to hire</td>
</tr>
<tr>
<td>• Introduction of new digital competences (e.g., big data, network virtualization)</td>
<td>~100% Share of resources involved in digital learning and/or re-skilling</td>
</tr>
<tr>
<td>• Dedicated retention &amp; development program for Top Talents: digital learning, welfare scheme &amp; top talent career path</td>
<td>~20% Wholesale on-field productivity increase</td>
</tr>
<tr>
<td>• Introduction of continuous rewarding plan based on larger set of KPIs (e.g., productivity) and targeting sub-managerial resources</td>
<td>~4,000 exits</td>
</tr>
<tr>
<td>• Reduction of labor costs leveraging early retirements and other instruments</td>
<td>Strong Management engagement</td>
</tr>
<tr>
<td>• Implementation of a new LTI for key people at the organization. TIM LTI is designed as a share incentive plan, with KPIs aligned to share performance and to cumulated Equity FCF generation for 2018-'20.</td>
<td></td>
</tr>
<tr>
<td>• Plan to be approved at next AGM</td>
<td></td>
</tr>
</tbody>
</table>
End-to-end Transformation across all BUs and X-functional enabler

A grid of 10 Workstreams, 40+ Themes(1), 250+ Initiatives running across the Company

Transformation Office

<table>
<thead>
<tr>
<th>Workstream</th>
<th>Consumer</th>
<th>Business</th>
<th>Wholesale Market</th>
<th>Wholesale Open Access</th>
<th>Technology</th>
<th>Caring</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement and RE</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Orga and Simplification</td>
<td>8</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Digital and Analytics</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality and CE</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total number of themes</td>
<td>9</td>
<td>13</td>
<td>3</td>
<td>3</td>
<td>5</td>
<td>3</td>
</tr>
</tbody>
</table>

A solid Implementation Machine to drive Transformation

- Dedicated Transformation Office with 20+ full time resources
- 250+ initiatives articulated in 3,200+ milestones with clear responsibilities and accountability
- Control tower infrastructure for continuous monitoring of transformational KPIs and real time transparency of economic impact, through a granular reconciliation between actual benefits and targets
- Execution engine in place:
  - Weekly progresses led by Top Management, focusing also on the synchronization of cross-functional enablers
  - Monthly assessment of executional risks
  - Central “Swat teams” dedicated to support transformational workstreams (new capabilities and methodologies)

(1) E.g., Convergence penetration, Fiber penetration, Business channels reinforcement, IT & Cloud development, Self-care migration, Wholesale sales effectiveness increase, Open Access network run optimization, Decommissioning, Insourcing, …
FY’17 and 2018-’20 Plan

1. 4Q’17 and FY Main Results

2. 2018-’20 Plan: Key Drivers and KPI Evolution

3. Targets and Take-Aways

4. Appendix
## TIM 2018–’20 Targets

### GOALS

<table>
<thead>
<tr>
<th>Sustain Top Line &amp; Profitability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strong Deleverage and drop in Capex Intensity</td>
</tr>
<tr>
<td>Relevant Step-up in 3-Years Cumulated Free Cash Flow</td>
</tr>
</tbody>
</table>

### DRIVERS

- **Focus on value maximization** via accelerated convergence and new services
- **Drive digital and analytics** as core differentiators (both cost and revenues)
- **Look for growth in and outside the core** (eg. Cloud, IoT, Mobile Advertising, Data Monetization)
- **In Italy, TIM Fixed UBB lines** (Retail + WHS) to grow to ~9 million by 2020 (3x 2017 figure)

- **Enhanced cash generation**, supported by operational and financial discipline, will lower our Group Net Debt/EBitda ratio by end 2018
- **Domestic Capex / Sales** moving back to normal intensity, having now completed catch-up phase

- **Selective growth investments** to maximize ROI
- **Lower capital intensity** following network rollout
- **Reduce costs** while improving customer satisfaction through agile customer journey redesign

### TARGETS / KPIs

- **Domestic Service Revenues**: Broadly Stable
- **Domestic EBITDA**: Low single digit 2017–’20 CAGR (1)
- **Brazil & Inwit**: Continued Growth in Revenues and Ebitda (2)

- **Group Adj. NFP/EBITDA** ~2.7x in 2018, further reducing both in 2019 and 2020 (3)
- **Domestic Capex/Sales** <20% by YE2019

- **2018–’20 Group Cumulated Equity Free Cash Flow of ~ €4.5bn** (4) excluding spectrum and pre-dividend

---

(1) On Organic basis
(2) Specific Company guidance is in the Annex section
(3) Spectrum not included
(4) Cumulative ’15–’17 Equity Free Cash Flow at €1.6bln, excl. M&A
1. **DigiTIM is now**
   - Best in class customer engagement through digital and agile customer journey redesign
   - Leadership positioning by sustaining premium customer base and capturing new growth opportunities in and outside the core
   - Acceleration of cash-flow generation to strengthen balance sheet and increase total shareholder return
   - Agile organization, performance based and data driven culture

2. **Relentless focus on execution: delivery is utmost priority**
   - End-to-end transformation across all BUs, leveraging on cross-functional enablers
   - New organization and way of thinking
FY’17 and 2018-’20 Plan

1. 4Q’17 and FY Main Results
2. 2018-’20 Plan: Key Drivers and KPI Evolution
3. Targets and Take-Aways
4. Appendix
## TIM Brazil 2018–’20 Targets

### GOALS

- **Sustain Top Line Growth**
  - Further improve Mobile Service Revenue Share
  - Expand Residential BB Revenues contribution

- **Improve Profitability**
  - Zero Base approach on Traditional Efficiency
  - Capture Digitalization initiatives potential

- **Expand Cash Generation**
  - Smart Capex “More with less” approach
  - Optimize Tax Rate
  - Optimize Debt and Shareholders’ Remuneration

### DRIVERS

- **Zero Base approach on Traditional Efficiency**
- **Capture Digitalization initiatives potential**
- **Smart Capex “More with less” approach**
- **Optimize Tax Rate**
- **Optimize Debt and Shareholders’ Remuneration**

### SHORT TERM TARGETS / KPIs

<table>
<thead>
<tr>
<th>GOALS</th>
<th>DRIVERS</th>
<th>TARGETS / KPIs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustain Top Line Growth</td>
<td>Further improve Mobile Service Revenue Share</td>
<td>Service Revenues Growth:</td>
</tr>
<tr>
<td></td>
<td>Expand Residential BB Revenues contribution</td>
<td>5-7% in 2018</td>
</tr>
<tr>
<td></td>
<td>Zero Base approach on Traditional Efficiency</td>
<td>EBITDA:</td>
</tr>
<tr>
<td></td>
<td>Capture Digitalization initiatives potential</td>
<td>Double Digit growth in 2018</td>
</tr>
<tr>
<td></td>
<td>Smart Capex “More with less” approach</td>
<td>Ebitda-Capex on Revenues:</td>
</tr>
<tr>
<td></td>
<td>Optimize Tax Rate</td>
<td>≥13% in 2018</td>
</tr>
<tr>
<td></td>
<td>Optimize Debt and Shareholders’ Remuneration</td>
<td></td>
</tr>
</tbody>
</table>

### LONG TERM TARGETS / KPIs

<table>
<thead>
<tr>
<th>GOALS</th>
<th>DRIVERS</th>
<th>TARGETS / KPIs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustain Top Line Growth</td>
<td>Further improve Mobile Service Revenue Share</td>
<td>Service Revenues Growth:</td>
</tr>
<tr>
<td></td>
<td>Expand Residential BB Revenues contribution</td>
<td>Mid to High Single Digit CAGR ‘17–’20</td>
</tr>
<tr>
<td></td>
<td>Zero Base approach on Traditional Efficiency</td>
<td>EBITDA Margin:</td>
</tr>
<tr>
<td></td>
<td>Capture Digitalization initiatives potential</td>
<td>≥40% in 2020</td>
</tr>
<tr>
<td></td>
<td>Smart Capex “More with less” approach</td>
<td>Ebitda-Capex on Revenues:</td>
</tr>
<tr>
<td></td>
<td>Optimize Tax Rate</td>
<td>≥20% in 2020</td>
</tr>
<tr>
<td></td>
<td>Optimize Debt and Shareholders’ Remuneration</td>
<td>Capex: ~12B R$ in ‘18–’20 (~20% on Rev. in 2020)</td>
</tr>
</tbody>
</table>
## Inwit 2018–’20 Targets

<table>
<thead>
<tr>
<th>GOALS</th>
<th>DRIVERS</th>
<th>SHORT TERM TARGETS / KPIs</th>
<th>LONG TERM TARGETS / KPIs</th>
</tr>
</thead>
</table>
| Maintain leadership | • Maintain top-of-mind positioning on asset quality  
• Additional tenants on existing towers  
• Lead network densification phase | Tenancy Ratio: 1.9x tenants per site in 2018 | Revenues Growth: Mid single Digit CAGR ‘17–’20 |
| Address next generation infrastructures market | • Reinforce leadership on small cell neutral host market  
• Start sharing model on fiber backhauling  
• Prepare for “5G driven” new services | New Sites: 0,6k sites by 2018  
Small Cells: 4k remote units in 2018 | CAPEX: 300 mln € in 2018/20 |
| Improve cash-flow generation | • Win stake of demand from new players and FWA  
• Take off of new businesses  
• Keep up lease cost renegotiation effort and lean organization | EBITDA: Low Teens CAGR ‘15–’18 | Recurring FCF*: Low Teens CAGR ‘17–’20 |

* EBITDA – Recurring Capex – Change in Working capital – Cash Taxes – Cash Interests
Liquidity margin

<table>
<thead>
<tr>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
<th>FY 2022</th>
<th>Beyond 2022</th>
<th>Total M/L Term Debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>€5,000(2)</td>
<td>€4,568</td>
<td>€3,141</td>
<td>€1,983</td>
<td>€1,305</td>
<td>€3,884</td>
<td>€29,345(1)</td>
</tr>
<tr>
<td>€1,402</td>
<td>€1,845</td>
<td>€716</td>
<td>€741</td>
<td>€797</td>
<td>€2,069</td>
<td>€21,775</td>
</tr>
</tbody>
</table>

Liquidity margin

- Undrawn portions of committed
- Bonds
- Loans (of which long-term rent, financial and operating lease payable €2.387)
- C&CE
- Drawn bank facility

(1) €29,345mln is the nominal amount of outstanding medium-long term debt. By adding the balance of IAS adjustments and reverse fair value valuations (€820mln) and current financial liabilities (€984mln), the gross debt figure of €31,149mln is reached.
(2) Considered the new Revolving Credit Facility stipulated in January 2018.
Well Diversified and Hedged Debt

Average m/l term maturity:
7.75 years (bond only 8.07 years)

Fixed rate portion on gross debt approximately 71.3%

Around 33% of outstanding bonds (nominal amount) denominated in USD and GBP and is fully hedged

Cost of debt: ~4.8%

N.B. The figures are net of the adjustment due to the fair value measurement of derivatives and related financial liabilities/assets, as follows:
- the impact on Gross Financial Debt is equal to €1,715mln (of which €200mln on bonds)
- the impact on Financial Assets is equal to €932mln.

Therefore, the Net Financial Indebtedness is adjusted by €783mln.

N.B. The difference between total financial assets (€5,841mln) and C&CE and marketable securities (€4,568mln) is equal to €1,273mln and refers to positive MTM derivatives (accrued interests and exchange rate) for €844 mln, financial receivables for lease for €114 mln, deposits beyond 3 months for €100 mln and other credits for €215 mln.