

## TIM

## Alert

## Our forecasts for 4Q22

mIn PLN	4Q 2021	4Q 2022F	y/y	1-4Q 2021	1-4Q 2022F	y/y
Revenue	363.8	379.8	4%	1314.3	1516.7	15%
EBITDA	34.8	28.9	-17%	144.6	153.1	6%
EBIT	28.9	23.1	-20%	121.6	129.8	7%
Net profit	22.2	16.9	-24%	91.8	93.2	2%
EBITDA margin	9.6%	7.6%		11.0%	10.1%	
EBIT margin	7.9%	6.1%		9.3%	8.6%	
Net margin	6.1%	4.4%		7.0%	6.1%	

- TIM S.A.'s revenue amounted to PLN 129m in October (+7% y/y; +1% m/m), PLN 123m in November (+4% y/y; -5% m/m) and PLN 111m in December (+4% y/y; -10% m/m).
- We assume that the economic situation weighed on the 4Q results. Year-on-year revenue dynamics remained significantly below the inflation rate for another quarter in a row and, together with cost pressure, affected profitability.
- Despite a weaker quarter, we forecast that TIM will end the financial year with the strongest results in its history.

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## Explanation of the specialist terminology used

min (max) 52 weeks: minimum (maximum) of the market share price during the previous 52 weeks

Capitalisation: product of the share market price and the number of shares

EV: sum of the company's capitalisation and net debt

free float (%): share of the total number of shares decreased by 5% stakes held by one shareholder and own shares held by the company in the total number of shares

Average trading/month: average trading per month calculated as total trading value over previous 12 months divided by 12

ROE: rate of return on equity

ROA: rate of return on assets

EBIT: operating profit

EBITDA: operating profit + depreciation and amortization

EPS: earnings per share

ESG: a non-financial measure used for evaluating companies on how advanced they are with sustainability. It consists of environmental, social, and governance factors. The more sustainable business, the higher the PKO Securities ranking (score scale: 1-10).

DPS: dividend per 1 share

CEPS: sum of net profit and depreciation and amortization per 1 share

P/E: quotient of share market price and EPS

P/BV: quotient of share market price and book value of one share

EV/EBITDA: quotient of capitalisation increased by the company's net debt and EBITDA

Gross sales margin: relation of gross sales profit to net sales proceeds

EBITDA margin: relation of the sum of operating profit and depreciation to net sales proceeds

EBIT margin: relation of operating profit to net sales proceeds

Net profitability: relation of net profit to net sales proceeds