



# Q1 2024 results

Investor & analyst presentation

swisscom

02 May 2024



# Agenda

## **Introduction**

Louis Schmid, Head of Investor Relations Swisscom

## **1. Achievements**

Christoph Aeschlimann, CEO Swisscom

## **2. Business update - Switzerland and Italy**

Christoph Aeschlimann, CEO Swisscom

## **3. Transaction update - Vodafone Italia**

Christoph Aeschlimann, CEO Swisscom

## **4. Financial results**

Eugen Stermetz, CFO Swisscom

## **Questions & answers**

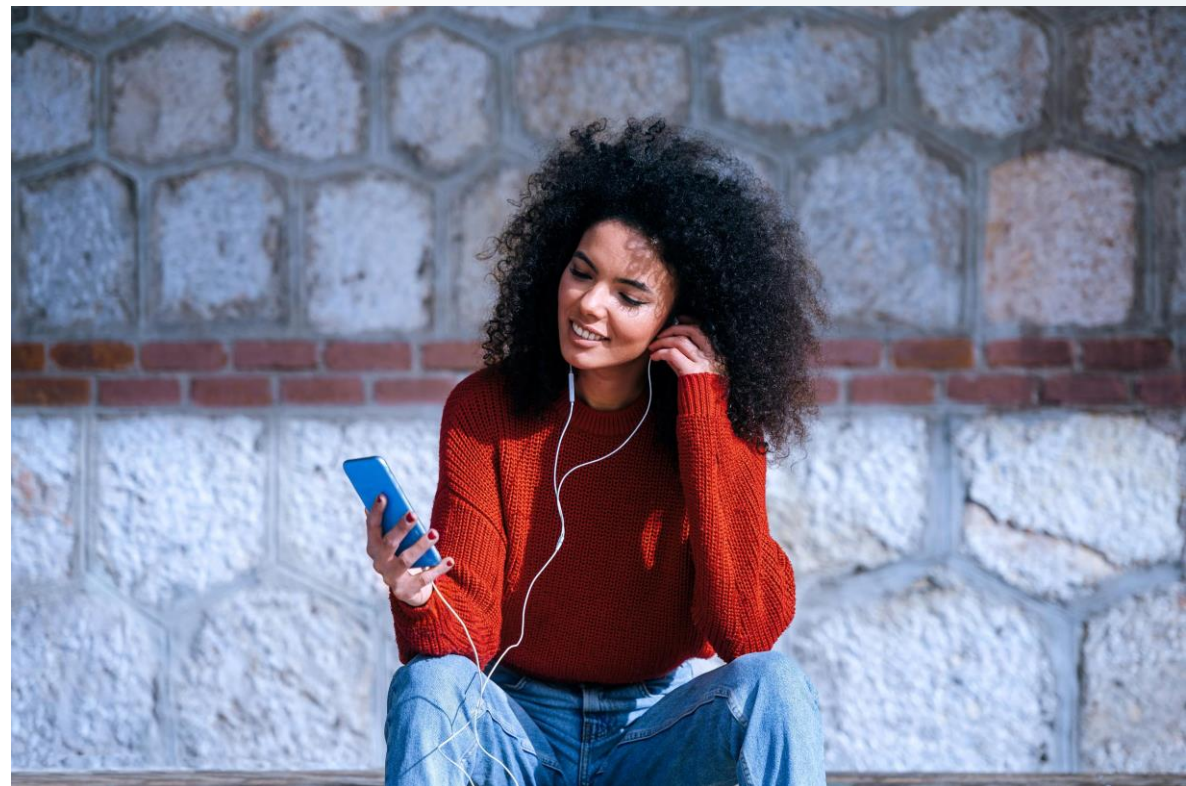
## **Appendix**





# Achievements

Christoph Aeschlimann  
CEO Swisscom







# Highlights

The Italian transaction with its FCF and dividend growth prospects as key highlight

- 1
- 2
- 3
- 4



## Satisfying Q1 results and as expected

- Top line slightly lower
- EBITDA of CHF 1.16bn ahead of consensus<sup>1</sup>
- Margin robust at 43%
- FY guidance reiterated



## Following value over price in Switzerland

- Operationally mixed
- Diverging top-line: Telco down, IT up
- Several test wins<sup>2</sup>
- New InsurTech offerings
- FTTH coverage expanded



## Growing with Fastweb in Italy

- Growing across all KPIs
- Launch of Fastweb Energia
- Several new B2B contracts
- Wholesale growing
- TU SEI FUTURO: among top 10 Italian brands<sup>3</sup>



## Acquisition of Vodafone Italia and merging with Fastweb

- Attractive valuation
- Compelling strategic rationale
- Substantial value creation
- Closing expected in Q1 2025



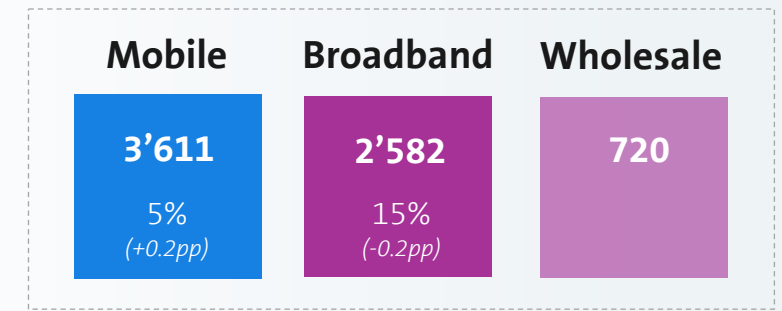
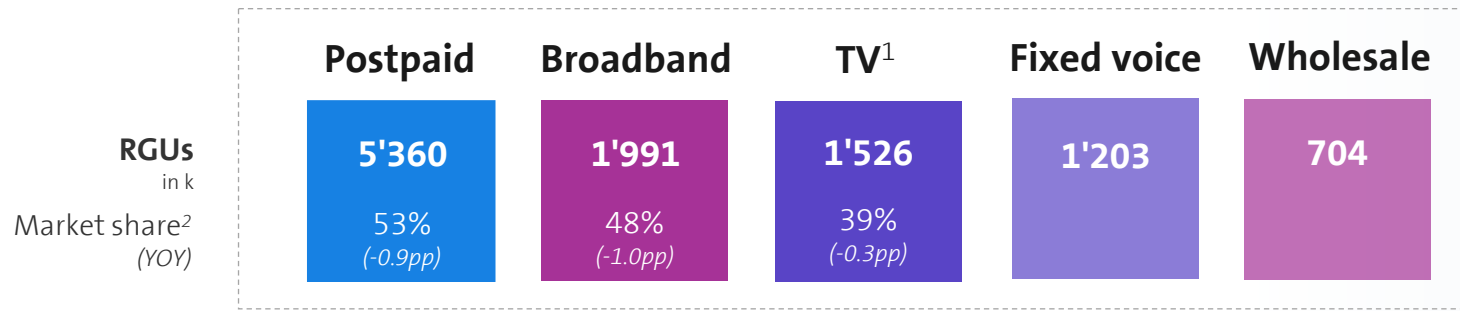
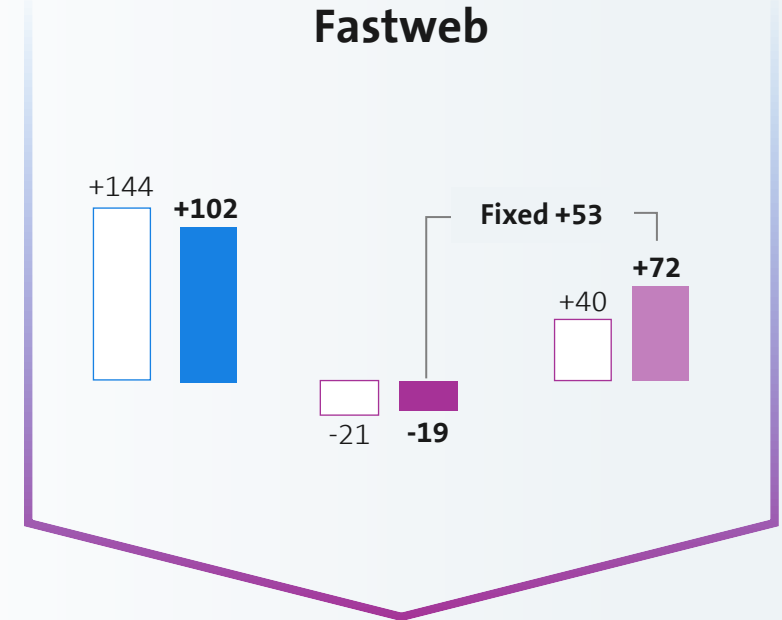
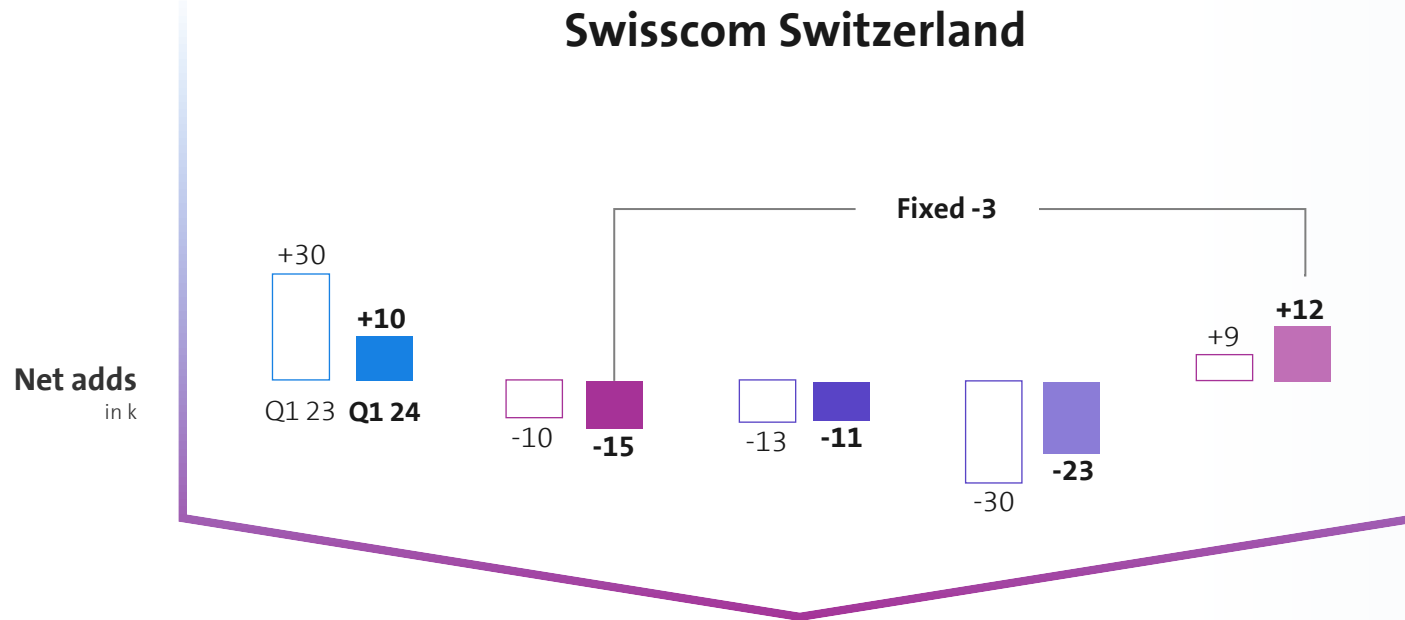
1) Q1 EBITDA consensus: CHF 1'135mn (published as of 9 April 2024 on [www.swisscom.ch/ir](http://www.swisscom.ch/ir)), 2) Mobile network (CHIP magazine) and hotline (connect), 3) Italian brands for diversity, equity, and inclusion, Source: Diversity Brand Index 2024



# Operational performance

Mobile growing. Fixed broadly stable in Switzerland and increasing in Italy

- 1
- 2
- 3
- 4



1) RGUs without OTT subs, 2) As per 31.12.2023



# Financial results

EBITDA development as expected and OpFCF lower due to seasonally higher capital expenditures

- 1
- 2
- 3
- 4

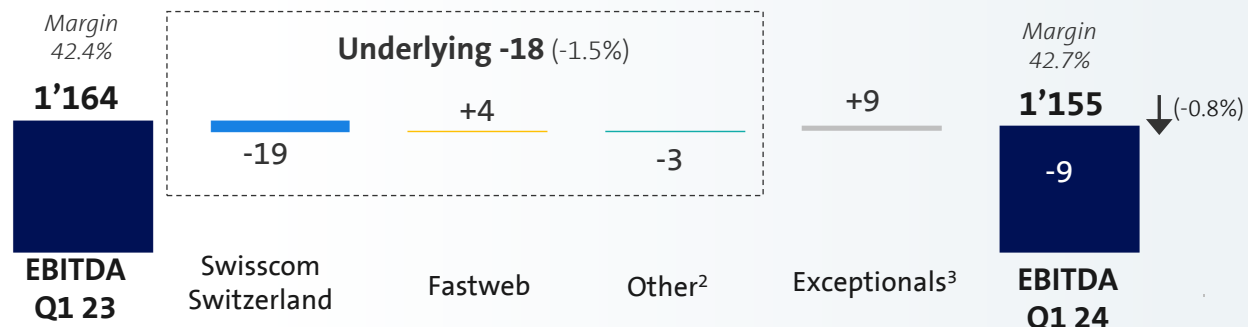
## Q1 24 key figures

in CHF mn

<b>Revenue</b>	<b>2'703</b> (-1.6% YOY)
<b>EBITDA</b>	<b>1'155</b> (-0.8% YOY)
<b>Net income</b>	<b>455</b> (+2.9% YOY)
<b>CAPEX</b>	<b>594</b> (+9.0% YOY)
<b>Net debt<sup>1</sup></b>	<b>6'941</b> (-3.2% YOY)

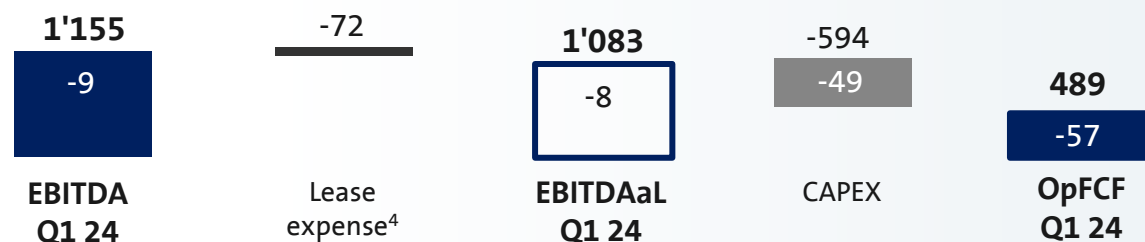
## Q1 24 EBITDA development

in CHF mn, YOY



## Q1 24 OpFCF development

in CHF mn



1) Including lease liabilities, 2) Includes Other operating segments, intersegment elimination group level and pension reconciliation, 3) Includes currency impact (CHF -9mn), regulatory litigations (CHF +24mn), transaction cost Vodafone Italia (CHF -6mn), 4) Consists of depreciation right of use assets excluding IRU of CHF -60mn and interest expense leases of CHF -12mn



# Business update - Switzerland and Italy

Christoph Aeschlimann  
CEO Swisscom





# Swisscom's strategic priorities for 2024 and beyond

For Switzerland and Italy

- 1
- 2
- 3
- 4



**Delight**  
customers

## Create unique customer experience

- Strong brand play and quality positioning
- High customer lifetime loyalty
- Leading network proposition



**Innovate**  
for growth

## Deliver digital products and services of the future

- New business propositions beyond the core
- Innovative ICT solutions
- Future-proof networks
- New opportunities in wholesale market



**Achieve more**  
with less

## Achieve more with less

- High efficiency
- Simplified IT
- Process standardization
- Sales and service excellence



**Perform**  
together

## Develop ourselves and our collaboration

- Performance culture
- Skill transformation
- Diversity and talents
- Effective organisation forms





# B2C Telco - Ongoing strong value commitment across all brands

Continuous investments in quality and service differentiation

Delight customers with value by design ...

... to maximise ARPU contributions and customer loyalty

- 1
- 2 +
- 3
- 4

  
Strong value focus

## Quality proposition further strengthened

- Extended **blue offerings**, e.g. online-only proposition, extra 6 months
- Drive **FMC penetration** further, e.g. with reposition of **convergence advantage**
- Less promotions across all brands**, following a clear quality and value over price strategy
- Strong brand play**: positioning beyond products with GoGreen



  
Provide best service experience

## Outstanding customer service

- #1 in mobile hotline service** in DACH region, winner for 2<sup>nd</sup> year in a row, rating further improved to outstanding<sup>1</sup>
- Seamless phygital experience** with self-service cabins and terminals in shops

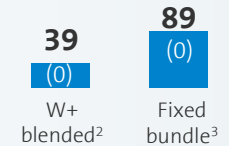
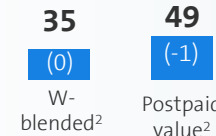


Q1 2024

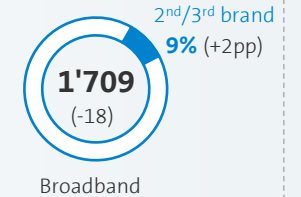
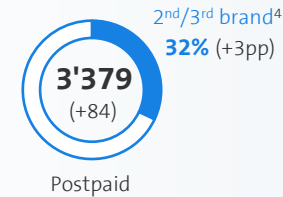


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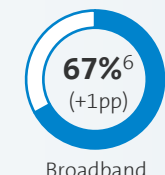
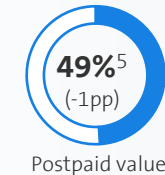
**ARPU**  
in CHF (YOY)



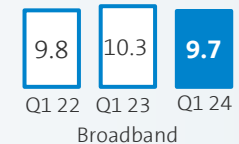
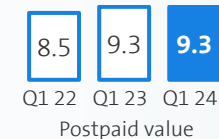
**RGU**  
base in k (YOY)



**FMC**  
in % (YOY)



**Churn**  
rate p.a.



1) Source: connect, 2) Across all brands 3) Own brand bundle (BB + TV + fixed voice), 4) Share of postpaid value, 5) FMC share of postpaid value HHs (1'137k converged HHs, out of total HHs (2'340k, all brands) with at least 1 postpaid value subscription), 6) FMC share of BB HHs (1'137k converged HHs, out of total BB connections (1'709k, all brands))



# B2C Telco - Convincing new business propositions beyond the core

Lever strong customer relationship, digital sales platforms and trustworthy brand

Create a unique ecosystem with innovative services of the future ...

... to tap into new growth areas

- 1
- 2
- 3
- 4

Innovate Entertainment for growth

### Win customers with best content offerings

- **The Home of Football** position strengthened with successful launch of **UEFA-Champions League knockout phase**
- Switch to highest picture **quality UHD HDR**
- State of the art features: **'MySelection'** for easy overview and management of subscriptions

Expand InsureTech offerings

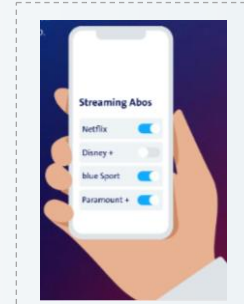
### Switch-on insurance - unique products in cooperation with leading insurance providers

- **Expanded product portfolio** and **new partnerships** - with even more in the pipeline
- **Next generation features:** flexible configuration with simple swipe toggle
- **More convenience:** My Swisscom-integrated, easy-to-pay, flexible termination



### The Home of Football

### MySelection



### InsureTech portfolio and partnerships

<b>Leisure</b>  <b>new</b>	<b>Rental deposit</b>  <b>Coming soon</b>	<b>Contents &amp; personal liability insurance</b>  <b>Coming soon</b>
<b>Motor</b>  <b>Coming soon</b>	<b>Easy Protection</b>  <b>Coming soon</b>	<b>Easy Cyber</b>  <b>Coming soon</b>

ARAG
 **new**



# B2B Telco and IT - Lever leading position in connectivity to drive growth in IT

Bring business value to customers through product innovation, new services and digital transformation

Permanently develop the B2B propositions ...

... to maintain Telco service revenue and achieve IT revenue growth

- 1
- 2 +
- 3
- 4

**Execute value strategy**

## Differentiation in Telco offerings towards competition increased

- **Enterprise Mobile: full launch** on March 1, with adjusted portfolio and active marketing for SME customers with standard pricing
- Improved customer experience and ARPU potential thanks to **launch of 5G FWA<sup>1</sup> in all relevant wireline portfolios for SME customers**



**Grow in IT**

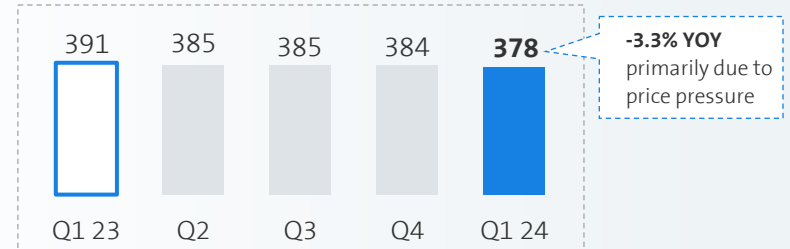
## Position as a leading IT service provider enhanced

- **Launch of SME IT Solution**, the flexible and integrated workplace solution for IT, network, internet and telephony
- New majority participation in **Camptocamp**, one of the leading Swiss developers and integrators of open-source solutions, further strengthens Swisscom's IT portfolio



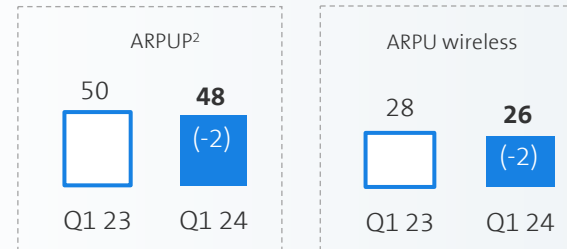
### Telco service revenue

in CHF mn



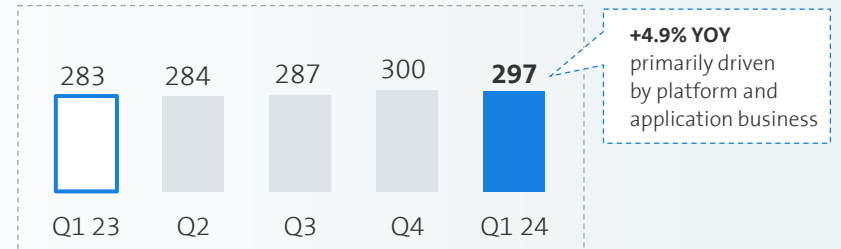
### ARPU<sup>2</sup>

in CHF (YOY)



### IT service revenue

in CHF mn



1) Fixed Wireless Access, 2) Average revenue per underlying product (w- and w+)



# Networks and IT - Continuously enhance network leadership in Switzerland

Swisscom with high investments in 5G+ and FTTH rollout and innovation

Delight customers even more with next generation connectivity...

... in combination with most reliable and secure services

- 1
- 2
- 3
- 4

**Best mobile network**

## Best mobile network in Switzerland for superior customer experience

- **Winner of CHIP mobile network test**, outstanding and rated highly in all categories (internet, voice, 5G availability), 9<sup>th</sup> time in a row<sup>1</sup>
- **Successful partnership with Ericsson renewed** for further 3 years to drive smart and energy-efficient mobile infrastructure with AI and automatisisation



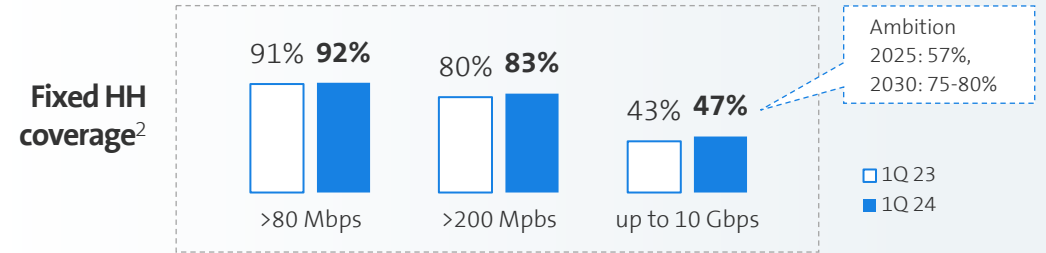
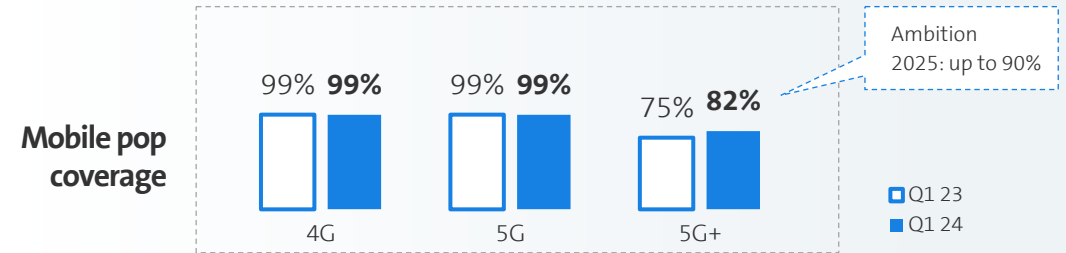
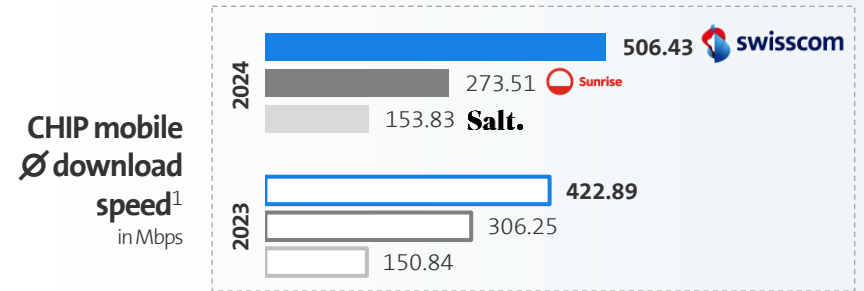
**FTTH as future-proof technology**

## Future-proof UBB network

- **Continuous investments in FTTH:** 2.56mn HHs with up to 10 Gbps speed (+4pp YOY)
- **COMCO investigation on FTTH rollout completed:** no impact on Swisscom's network expansion (adapted to P2P in Q3 2022)
- **Swisscom with new universal service proposition** (80/8 Mbps down-/up-stream speeds) as per 1 Jan 2024



... in combination with most reliable and secure services



1) CHIP magazine, 2) Ratio of total 5.45mn HHs in Switzerland






# Telco - Achieving more with less remains a top priority

Continuously strive for Telco cost savings to balance out Telco service revenue erosion

Optimisation of touch points and internal processes ...

... with no compromise for delighting customers

- 1
- 2
- 3
- 4

  
Lean and digital-1<sup>st</sup> touch points

### Extended shop concept

- Lean and innovative **pop-up shops, shopolino and phygital shops with self-care terminals and cabins**

### Digital push for sales and service excellence

- **mySwisscom** app and **Wingo website** redesigned
- Started **rollout of AI-based care experiences** for customers and agent

### Successful 3<sup>rd</sup> party near-shoring

- Own, 2<sup>nd</sup> and 3<sup>rd</sup> brands with call centres in **Kosovo** and first trials in **Poland** and **Bulgaria**

  
Bring efficiency to the next level

### Swisscom GPT introduced



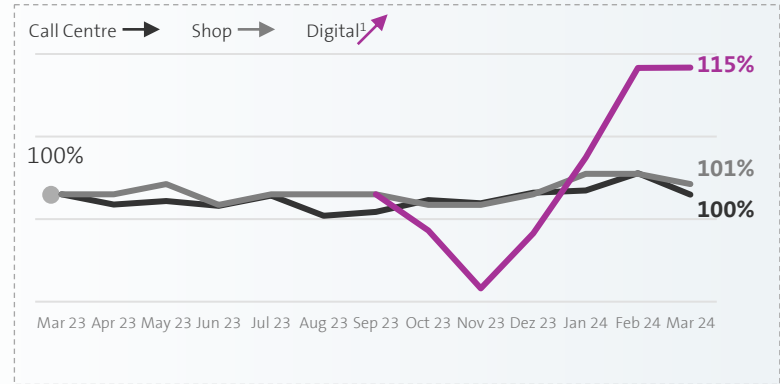
- A **corporate secure (Gen)AI** tool to foster workplace efficiency, available to every employee

### Ongoing IT automation and simplification

- Continuously boost **lifecycle management, decoupling and standardisation**

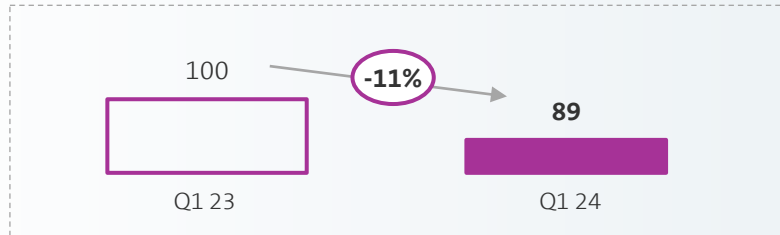
### Achieve more...

NPS across all touchpoints indexed

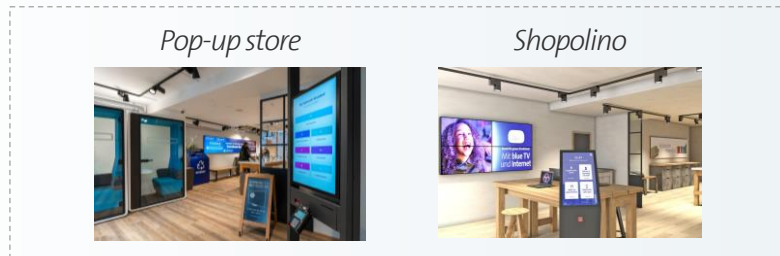


### ...with less

Contact centre workload indexed



New shops formats



1) Digital NPS introduced in Sep 23



# Fastweb B2C Telco - Keep strong quality focus and grow beyond core

Increase convergency economics and develop a domestic ecosystem tailored to HHs

Drive value differentiation with unique customer experience ...

... and innovative services to increase FMC and customer loyalty

- 1
- 2
- 3
- 4

**Value-oriented growth**

### Value strategy supported by innovative AI-driven tools

- **Innovative AI-driven churn-prevention** and **customised offerings** to keep BB customer base nearly stable
- **Push mobile** and increase FMC penetration to boost lifetime value of customers



### Further grow in mobile

- **Powerful market entry of SKY** in the mobile arena, with 'SKY Mobile powered by Fastweb'
- Fastweb 2<sup>nd</sup> best market performer in Italy - again in Q1<sup>1</sup>



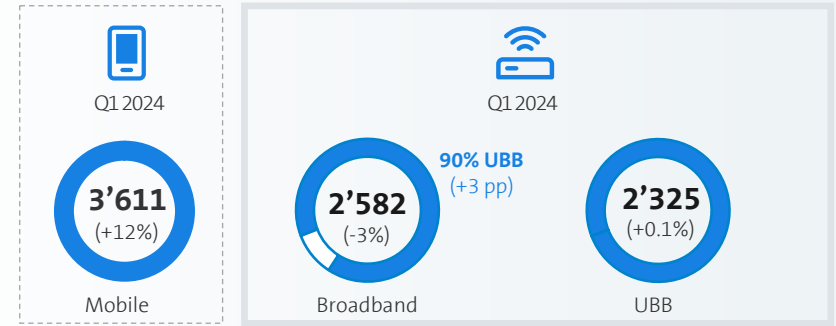
**Energia Launch**

### Energia Launch – offering upsell opportunities

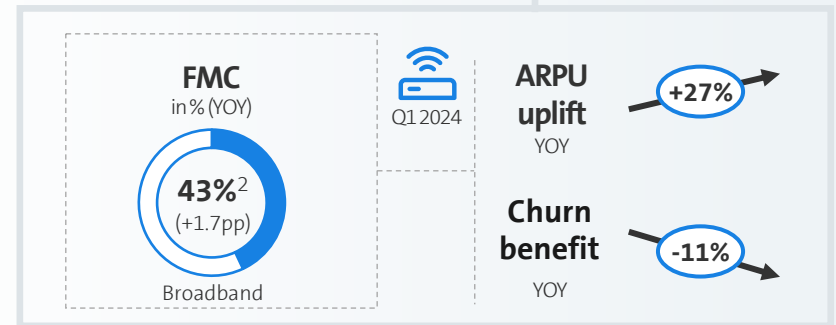
- **New energy products** for families with flat and pay per use offerings
- With the **target to reach >100k customers** over a three-years horizon



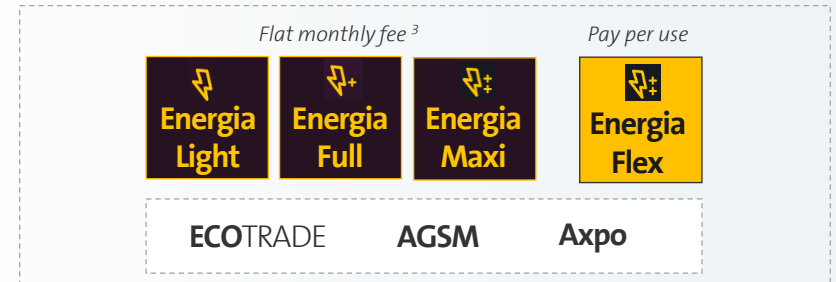
Subs  
in k(YOY)



Convergency  
economics  
in% (YOY)



Energy  
portfolio



1) Source: MNP Platform, 2) FMC share of BB HHs (1'110k converged HHs, out of total 2'582k BB connections), 3) Three tier offers based on monthly energy consumption



# Fastweb B2B and Wholesale - Q1 with top line growth...

...driven by public sector and rising UBB connections in Wholesale

Focus on ICT services and wholesale core services ...

... and continuously drive commercial momentum and top line growth

- 1
- 2
- 3
- 4

**Reinforce IT position**

## B2B with strong Q1 performance

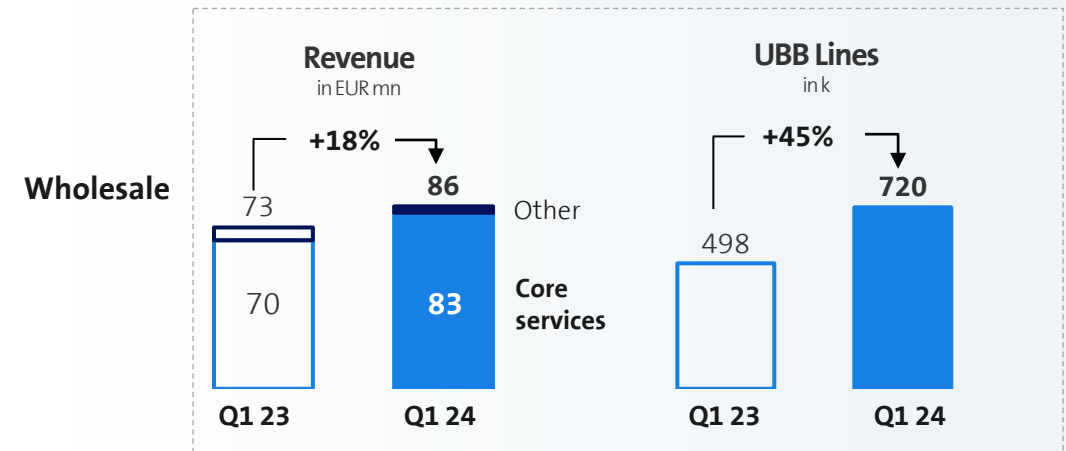
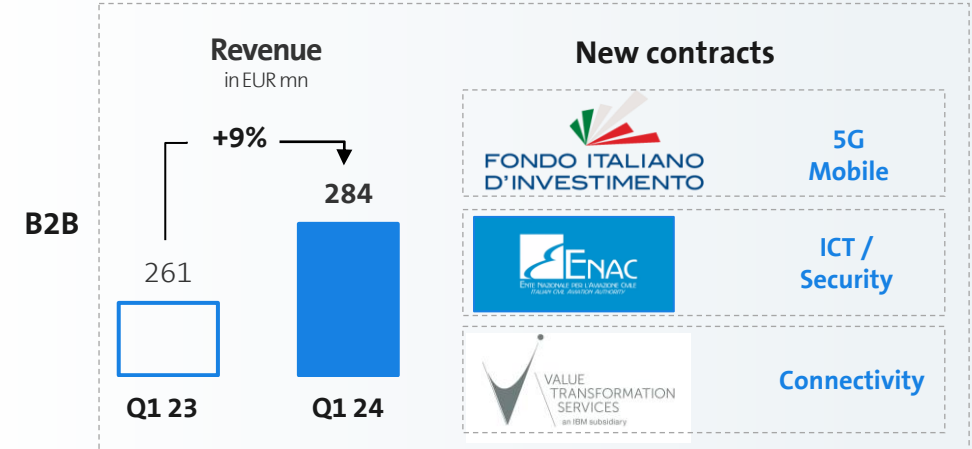
- Growth driven by large accounts and public sector (thanks to Consip framework agreement activities) with **new contracts** in **system management, cyber security** and **cloud services**
- Reinforcing position as a leading IT provider thanks to strategic platforms, e.g. DefenderAI and FASTedge



**Continuous growth**

## Wholesale with innovative and reliable services

- Core services** with **+19% revenue** in Q1 thanks to **+222k new connections** (YOY) driven by Enel, Sky, Iliad and Windtre and other wholesale customers
- New agreement with Eolo**
  - to **serve wholesale customers** of Fastweb in white areas **with Eolo's 5G FWA** (while bringing in Fastweb's 26 GHz band frequencies)
  - to **sell wholesale UBB services of Fastweb to Eolo**





# Transaction update - Vodafone Italia

Christoph Aeschlimann  
CEO Swisscom







# A unique opportunity to create a leading converged challenger in Italy

Swisscom to acquire Vodafone Italia for EUR 8.0bn EV and combine it with Fastweb

## Transaction strengthens Swisscom's profile in Italy

Unique opportunity in Italy

### Transaction terms

- **100% acquisition** of Vodafone Italia **at attractive valuation**: EUR 8.0bn (EV), 100% debt-financed
- **Expected closing in Q1 2025**, subject to regulatory and other customary approvals

### Compelling strategic rationale

- **Creation of a leading converged challenger** in Italy, able to compete effectively based on improved scale, convergence and infrastructure
- Combination with **clear benefits for customers and Italy**

### Substantial value creation

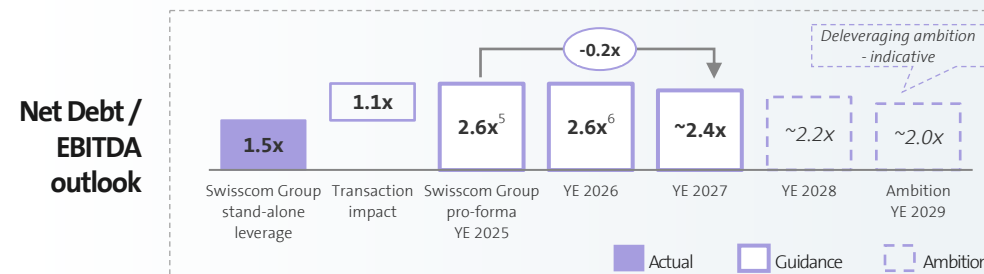
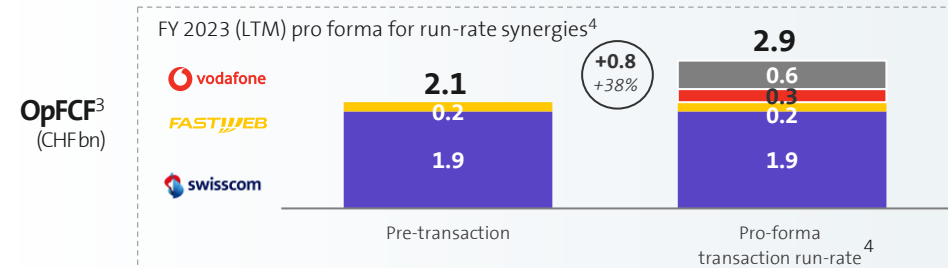
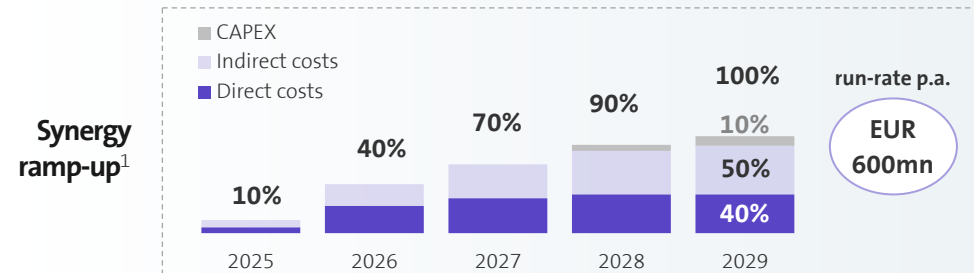
- **High and tangible synergies** with run-rate of EUR ~600mn p.a.
- **Dividends increase** to CHF 26/share<sup>1</sup> in 2026<sup>2</sup> (CHF +4), with ambition for further growth
- **Clear deleveraging path**

### On track with ratings, financing and regulatory approvals

- **Post-announcement credit opinions** **S&P Global** **MOODY'S** confirm outlook for **A ratings**
- **Loan syndication** successfully **completed** and **committed credit lines increased to CHF 2.9bn** (CHF +0.7bn)
- **Approval process with regulatory authorities initialised**

Latest update

## Long-term value creation, attractive dividend and strong balance sheet



Note: Whenever reference is made to Vodafone Italia LTM Dec 2023 financials, the figures represent Swisscom's estimates, 1) Subject to closing in early 2025, 2) Year in which dividend is paid out, 3) OpFCF defined as EBITDAaL minus CAPEX, 4) Including EUR ~540mn EBITDAaL run-rate synergies and EUR ~60mn CAPEX run-rate synergies 2029 (year 5 post-completion), 5) Based on estimated increase in lease liability of EUR ~1.7bn and lease expense of EUR ~1.0bn due to transaction, 6) Includes estimated increase in lease liability of EUR ~2.4bn compared to previous year due to expected renewal of Tower MSA agreement with INWIT in 2026



# Financial results

Eugen Stermetz  
CFO Swisscom



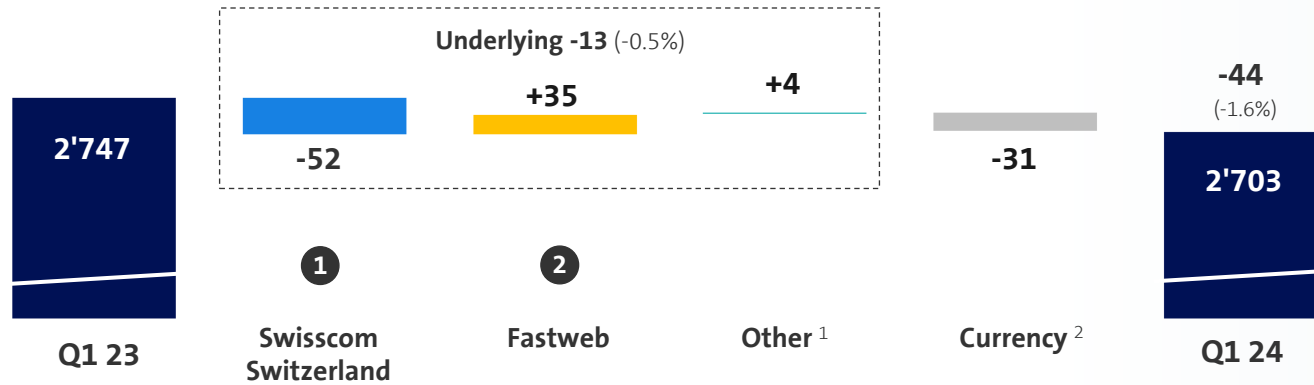


# Group revenue and EBITDA

Underlying top line almost flat thanks to growth from Italy. EBITDA development as expected

## Revenue

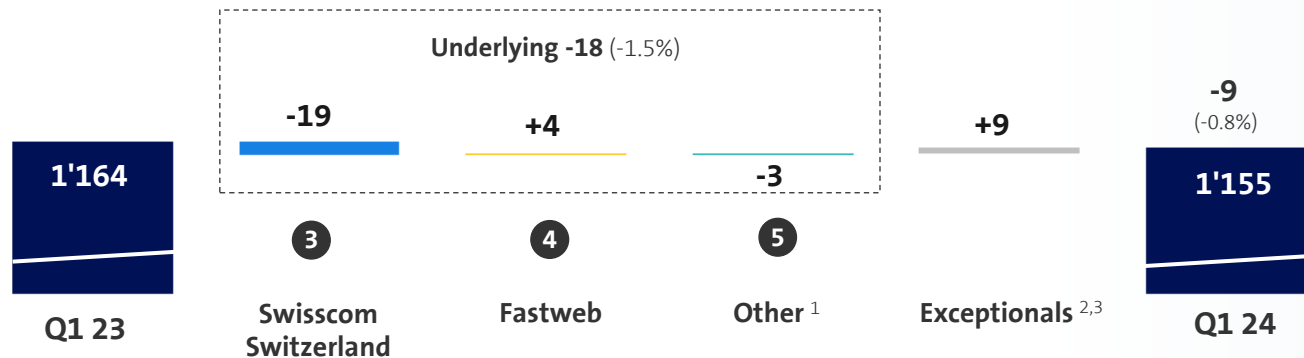
in CHF mn



- 1 Decrease in hardware and software sales and lower Telco service revenue, partly compensated by higher IT service revenue
- 2 B2B (IT service revenue and hardware sales) and Wholesale with growing top line contributions

## EBITDA

in CHF mn



- 3 Telco with seasonally higher decrease in service revenue partly compensated by cost savings (CHF +8mn)
- 4 EBITDA growth driven by Wholesale business (more UBB lines sold)
- 5 Driven by higher pension costs due to lower IFRS discount rate

1) Includes other operating segments, pension reconciliation, intersegment elimination group level, 2) CHF/EUR exchange rate for Q1 2024 0.9478 (vs. Q1 2023 0.995), 3) Regulatory litigations (CHF +24mn), transaction cost Vodafone Italia (CHF -6mn), currency (CHF -9mn)

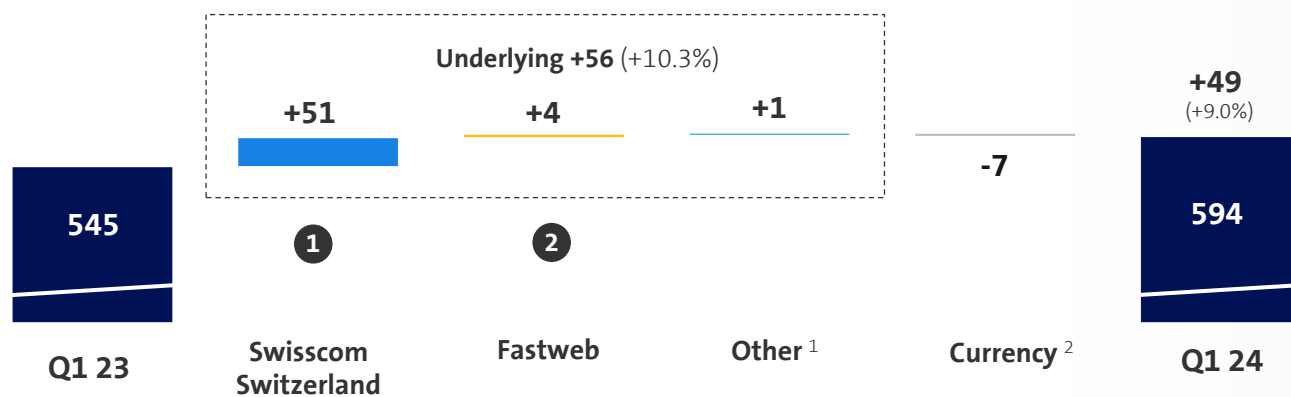


# Group CAPEX and OpFCF

Q1 with lower OpFCF contribution due to seasonally higher CAPEX

## CAPEX

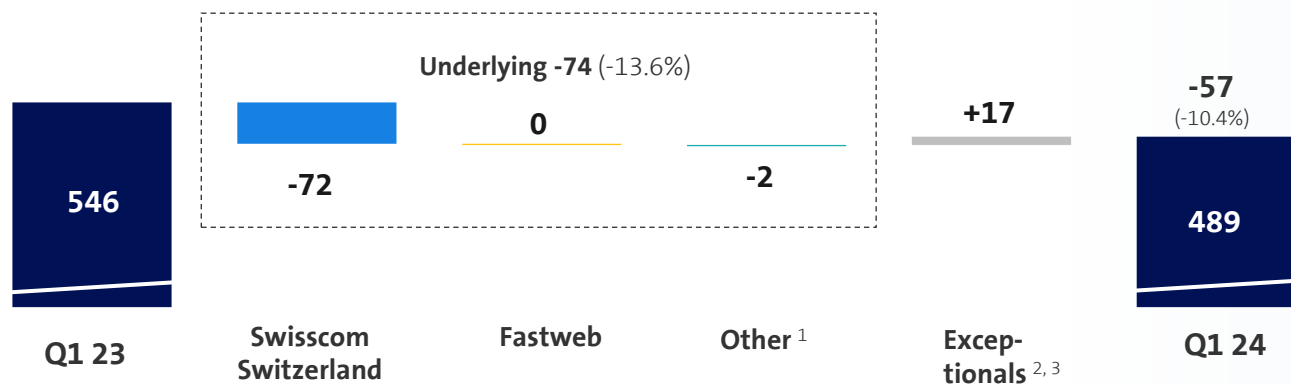
in CHF mn



- 1 Acceleration of FTTH rollout. In addition, in Q1 investments in wireless network higher than average
- 2 Marginally higher due to IT and customer-driven CAPEX

## OpFCF

in CHF mn



1) Includes Other operating segments, pension reconciliation, intersegment elimination group level, 2) CHF/EUR exchange rate for Q1 2024 0.9478 (vs. Q1 2023 0.995), 3) Regulatory litigations (CHF +24mn), transaction cost Vodafone Italia (CHF -6mn), currency (CHF -1mn)





# Swisscom Switzerland revenue and EBITDA changes by segments

As expected, Q1 slightly lower

## Revenue

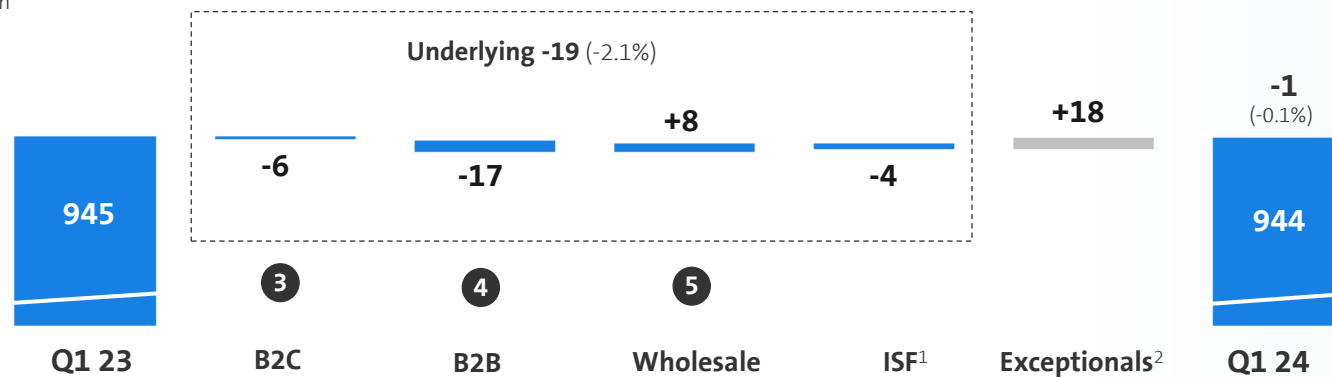
in CHF mn



- 1 Decrease in hardware and software revenue (CHF -32mn, less smartphones sold), lower Telco service revenue (CHF -17mn) and other revenue (CHF -10mn)
- 2 Lower Telco service revenue (CHF -13mn) compensated by low-margin IT service revenue (CHF +14mn) and hardware and software sales (CHF +1mn)

## EBITDA

in CHF mn



- 3 Decrease in Telco service revenue mostly compensated by cost savings (indirect cost CHF +11mn)
- 4 Lower Telco service revenue (CHF -13mn) and slightly weaker profitability in IT business (as prior year was rather strong)
- 5 Wholesale up thanks to improved roaming contribution

1) Infrastructure & Support Functions, including intersegment elimination,  
 2) Regulatory litigations (CHF +24mn), transaction cost Vodafone Italia (CHF -6mn)

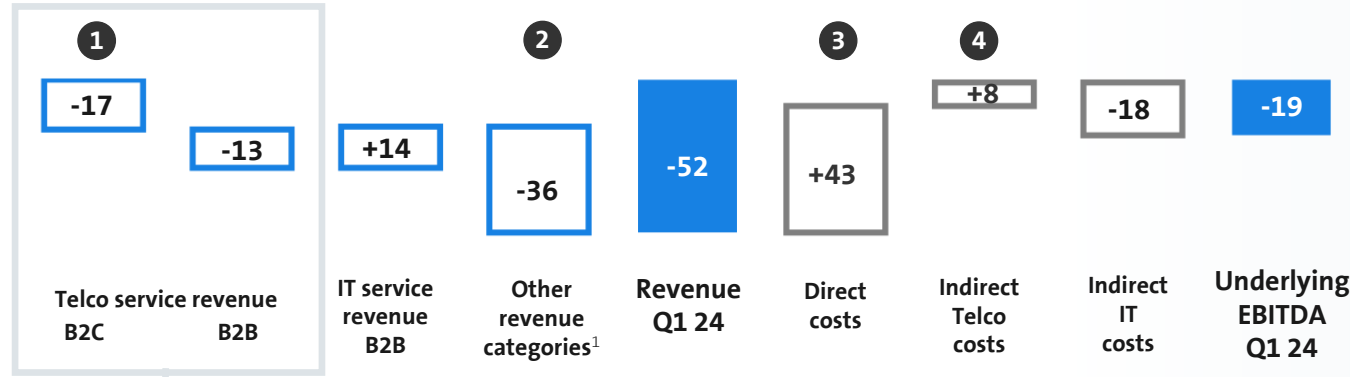


# Swisscom Switzerland revenue and underlying EBITDA changes by business drivers

B2C Telco service revenue and Telco cost savings relatively weak in Q1, initial FY guidance reiterated

## Revenue and EBITDA

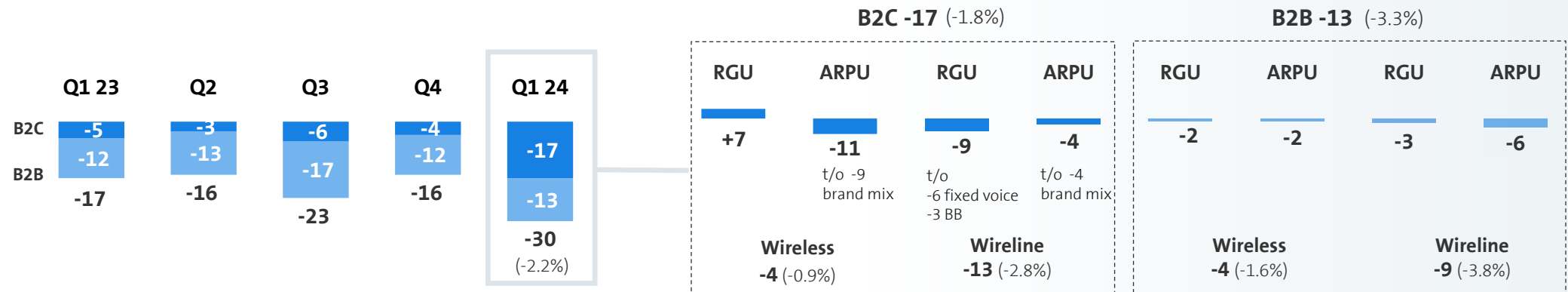
YOY changes in CHF mn



- 1 Weaker YOY due to VAT (CHF -4mn), lower BB subs base (CHF -3mn) and brand mix in w+ (CHF -4mn). Several measures implemented to improve trend and support initial FY outlook
- 2 Lower hardware and software sales (CHF -30mn)
- 3 Lower cost for goods purchased (CHF +30mn) alongside with lower revenue from smartphone sales, lower SAC/SRC (CHF +7mn) and lower outpayments (CHF +6mn)
- 4 Indirect Telco cost improved only by CHF +8mn as Q1 impacted by seasonally higher cost for network maintenance

## Telco service revenue

in CHF mn



1) Includes hard- and software revenue, wholesale revenue and other revenue

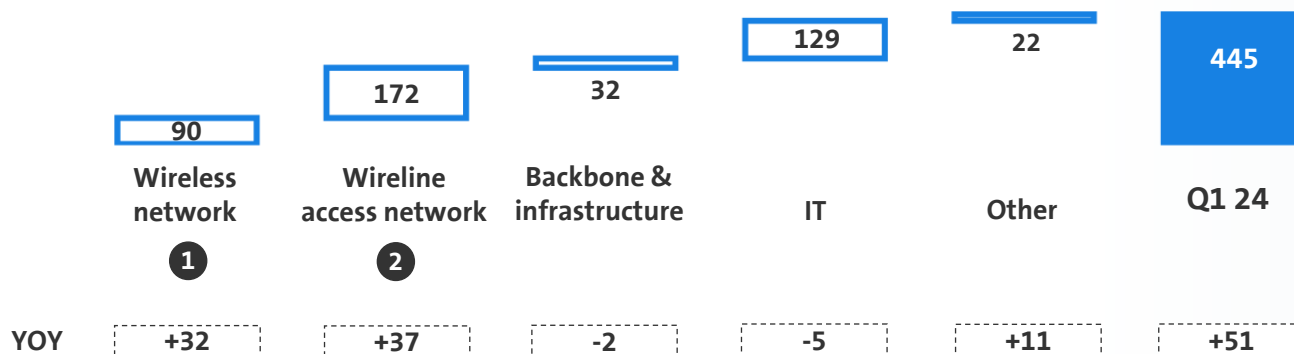


# Swisscom Switzerland CAPEX and OpFCF

Lower OpFCF contribution in Q1, primarily driven by seasonally higher investments into fibre and core wireless

## CAPEX

in CHF mn

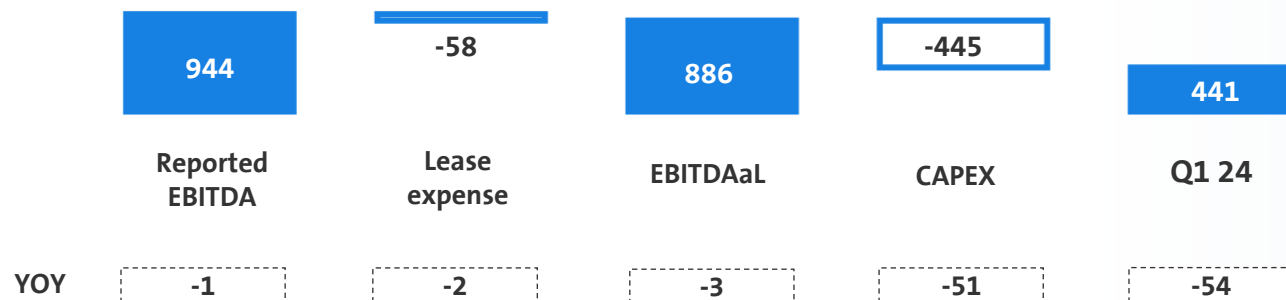


1 Q1 higher (than average per quarter) due to investments in mobile core network

2 Increase due to higher investments in fibre optics networks (Q1 2024 with CHF 114mn for FTTH) because expansion progressed more slowly last year due to P2P switch (Q1 2023 with CHF 73mn for FTTH)

## OpFCF

in CHF mn



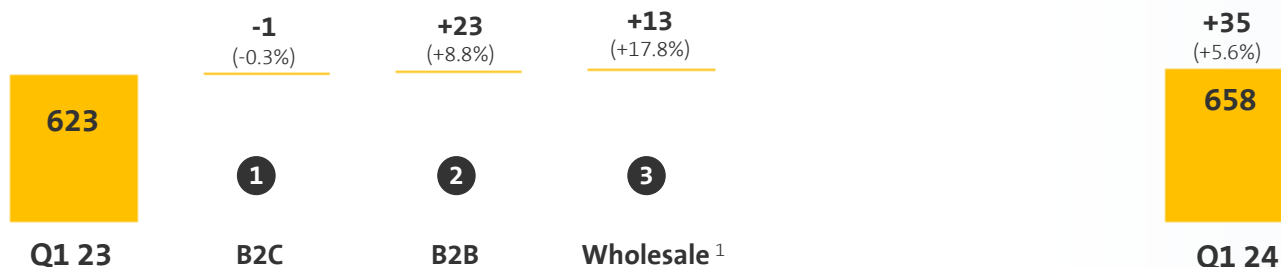


# Fastweb revenue and EBITDA changes by segments

EBITDA increase of +2.1% thanks to growing Wholesale contributions

## Revenue

in EUR mn



- 1) In line with PY thanks to mobile (with +380k subs YOY) offsetting competitive pressure in wireline
- 2) Top line growth driven by IT service revenue, primarily in public sector thanks to Consip framework agreement activities
- 3) Higher number of UBB lines (+222k YOY) stimulates top line growth (+17.8%)

## EBITDA

in EUR mn



- 4) Softer YOY as consequence of slightly lower top line and higher acquisition costs
- 5) Lower EBITDA contribution due to increased personnel costs (more employees because of additional project- and IT-business)
- 6) Margin increase driven by growing UBB lines sold to new and existing wholesale customers

1) Includes intersegment revenue, 2) Infrastructure and Support Functions

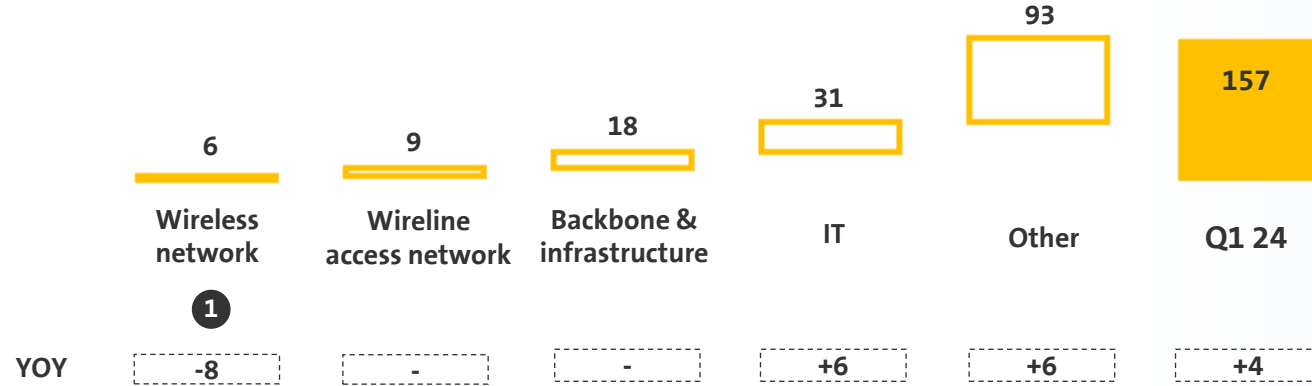


# Fastweb CAPEX and OpFCF

Stable OpFCF contribution thanks to EBTIDA growth

## CAPEX

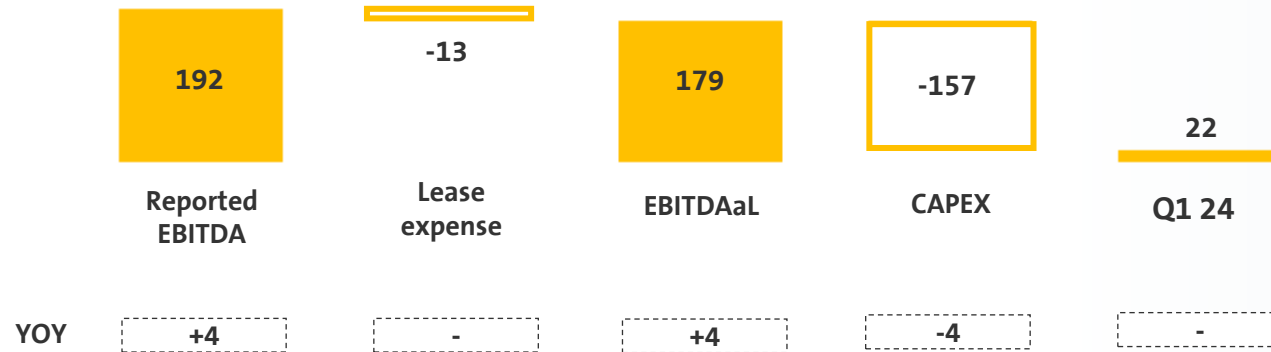
in EUR mn



① YOY lower due to rollout stop of a dedicated FWA network

## OpFCF

in EUR mn



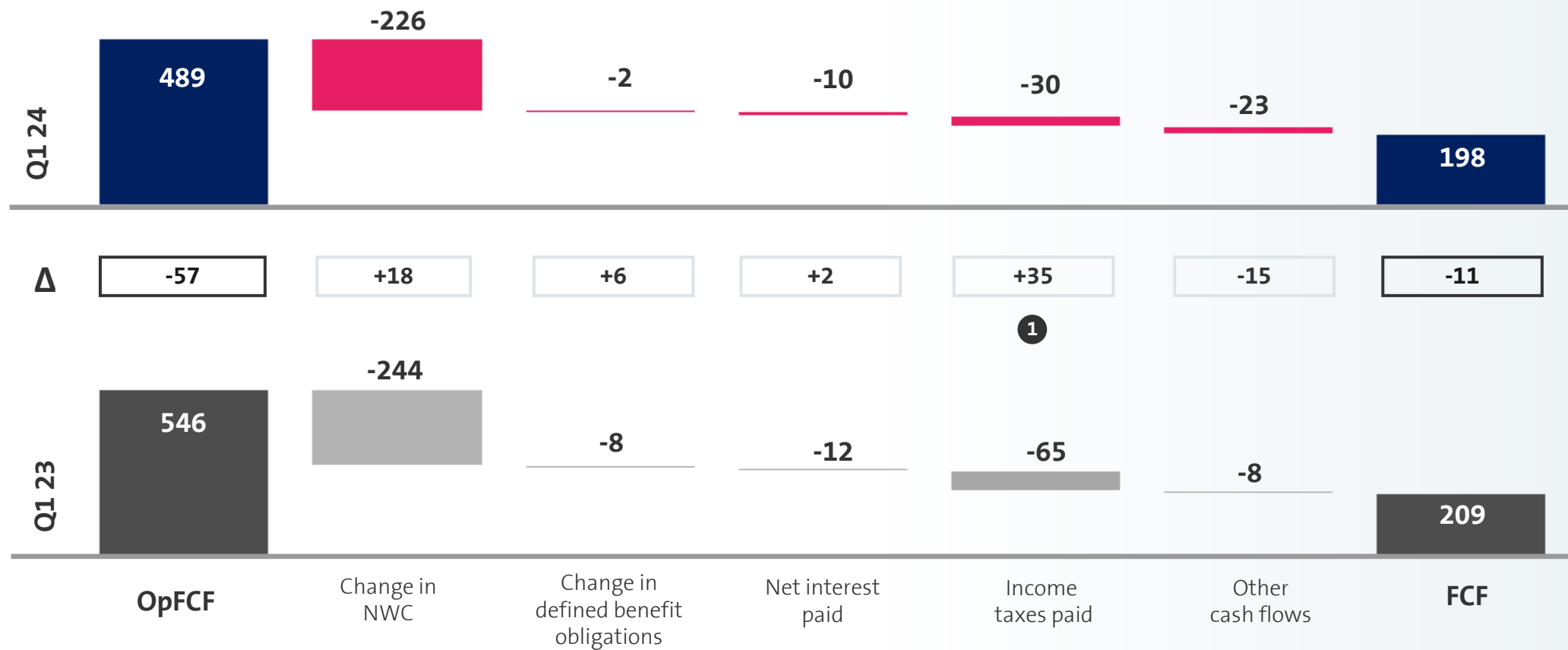




# Group free cash flow

FCF nearly flat thanks to better NWC development and lower taxes paid

in CHF mn



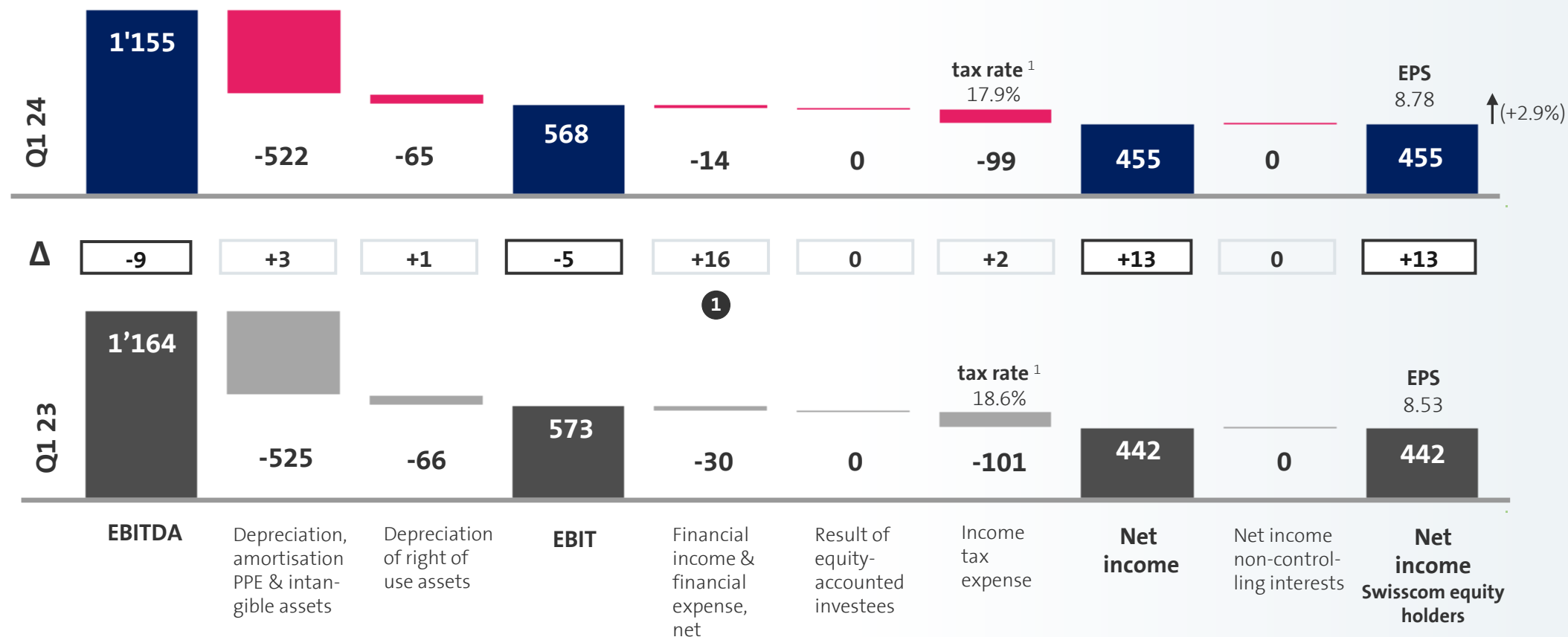
<sup>1</sup> YOY lower due to tax credit benefits this year and one-time payments in prior year



# Group net income

Net income up primarily thanks to better net financial result

in CHF mn



<sup>1</sup> Net financial result positively impacted by FX gains and interest effects from release of provisions

1) Tax rate Q1 24: Tax expenses of CHF 99mn / EBT of CHF 554mn = 17.9%, tax rate Q1 23: Tax expenses of CHF 101mn / EBT of CHF 543mn = 18.6%



# Group guidance FY 2024

Confirmed

1

2

3

4

in CHF bn	2023 reported	splits into:	2024 outlook <sup>3</sup>	splits into:
<b>Revenue</b>	<b>11.072</b>	CHF 8.5bn for Switzerland <sup>2</sup> EUR 2.6bn for Fastweb	<b>~11.0</b>	CHF ~8.5bn for Switzerland EUR ~2.6-2.7bn for Fastweb
<b>EBITDA<sup>1</sup></b>	<b>4.622</b>	CHF 3.8bn for Switzerland <sup>4</sup> EUR 0.8bn for Fastweb <sup>5</sup>	<b>4.5-4.6</b>	CHF ~3.7bn for Switzerland EUR ~0.9bn for Fastweb
<b>CAPEX</b>	<b>2.292</b>	CHF 1.7bn for Switzerland EUR 0.6bn for Fastweb	<b>~2.3</b>	CHF ~1.7bn for Switzerland EUR ~0.6bn for Fastweb

Upon meeting its targets, Swisscom plans to propose again,  
**a dividend of CHF 22/share** (payable in 2025)

1) EBITDAaL 2023: CHF 4.334bn, EBITDAaL guidance 2024: CHF ~4.2-4.3bn, 2) Swisscom Group without Fastweb,  
3) For consolidation purposes, CHF/EUR of 0.93 has been used (vs 0.97 for FY 2023),  
4) CHF 3.78bn for Switzerland when adjusted by exceptionals, 5) EUR 0.87bn for Fastweb when adjusted by exceptionals



## Questions & Answers





# Appendix







# Key financials

## Underlying revenue and EBITDA

in CHF mn

	2023					2024				YOY				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
<b>Revenue</b>	<b>2'747</b>	<b>2'703</b>	<b>2'752</b>	<b>2'870</b>	<b>11'072</b>	<b>2'703</b>								<b>-44</b>
Currency effect <sup>1</sup>						31								+31
<b>Underlying</b>														<b>-13</b>
<b>EBITDA</b>	<b>1'164</b>	<b>1'139</b>	<b>1'174</b>	<b>1'145</b>	<b>4'622</b>	<b>1'155</b>								<b>-9</b>
Regulatory litigations		3		-54	-51	-24								-24
Transaction cost Vodafone Italia						6								+6
Restructuring cost				7	7									
FWA strategy change				60	60									
Adjustments		3		13	16	-18								-18
<b>EBITDA adjusted</b>	<b>1'164</b>	<b>1'142</b>	<b>1'174</b>	<b>1'158</b>	<b>4'638</b>	<b>1'137</b>								<b>-27</b>
Currency effect <sup>1</sup>						9								+9
<b>Underlying</b>														<b>-18</b>



# Swisscom Switzerland - Residential Customers

Segment reporting as per 31.03.2024

Revenue decreased due to lower hardware sales (less smartphones sold) and softer Telco service revenue.

Telco service revenue down (CHF -17mn, -1.8%, o/w CHF -4mn higher VAT).

EBITDA decreased by CHF -6mn, -0.8%: decrease in Telco service revenue mostly compensated by cost savings (indirect cost CHF +11mn).

in MCHF	31.03.2024	YOY
<b>Revenue <sup>1)</sup></b>	<b>1'078</b>	<b>-5.2%</b>
Direct costs	-188	-18.3%
Indirect costs <sup>2)</sup>	-142	-7.2%
<b>EBITDA</b>	<b>748</b>	<b>-0.8%</b>
<i>EBITDA as % of revenue</i>	<i>69.4%</i>	
Lease expense	-10	0.0%
EBITDAaL	738	-0.8%
CAPEX	-6	-14.3%
OpFCF proxy	732	-0.7%
Number of employees (FTE)	2'524	-1.3%
Postpaid subs (k)	3'379	2.5%
Prepaid subs (k)	909	-9.2%
Wireless subs (k)	4'288	-0.2%
ARPU wireless in CHF	35	-2.8%
Broadband subs (k)	1'709	-1.0%
TV subs (k)	1'462	-1.9%
Fixed voice subs (k)	988	-6.6%

1) incl. intersegment revenues

2) incl. own work capitalised and other income



# Residential Customers

## Q1 2024 operational KPIs

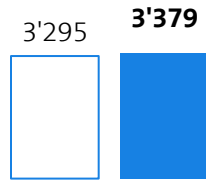
### Wireless

### Wireline

□ Q1 23 ■ Q1 24

□ Q1 23 ■ Q1 24

#### RGUs in k



Postpaid

#### Penetration rates

Postpaid value (YOY, pp)

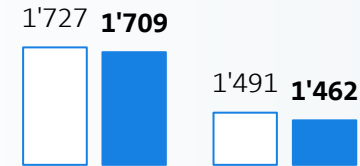


2nd/3rd brand

blue

FMC HH<sup>1</sup>

#### RGUs in k

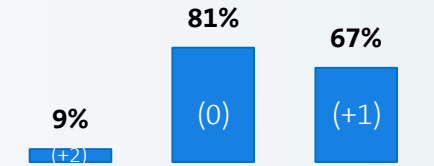


Broadband

TV

#### Penetration rates

Broadband (YOY, pp)

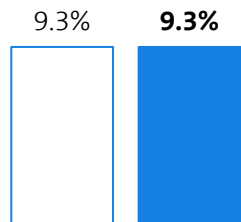


2nd/3rd brand

blue

FMC HH<sup>2</sup>

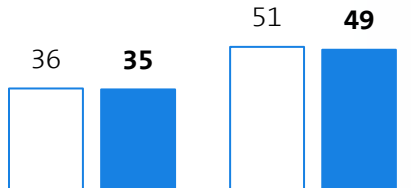
#### Churn rates p.a.



Postpaid value

#### ARPU

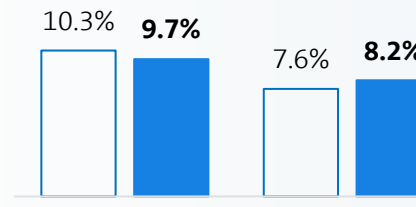
in CHF (YOY)



W- blended

Postpaid Value

#### Churn rates p.a.

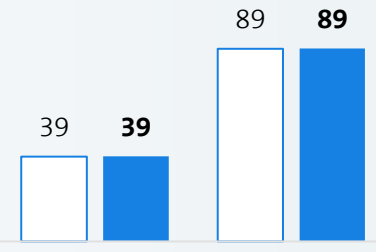


Broadband

FMC

#### ARPU

in CHF (YOY)



W+ blended

W+ bundle<sup>3</sup>

1) FMC share of postpaid value HHs (1'137k converged HHs, out of total HHs (2'340k, all brands) with at least 1 postpaid value subscription),

2) FMC share of BB HHs (1'137k converged HHs, out of total BB connections (1'709k, all brands), 3) own brand bundle (BB + TV + fixed voice)



# Swisscom Switzerland - Business Customers

Segment reporting as per 31.03.2024

Revenue slightly increased (+0.7%). Lower Telco service revenue (CHF -13mn) compensated by low-margin IT service revenue (CHF +14mn) and hardware and software sales (CHF +1mn).

EBITDA decreased (-5.0%) driven by lower Telco service revenue (CHF -13mn) and slightly weaker profitability in IT business.

in MCHF	31.03.2024	YOY
<b>Revenue <sup>1)</sup></b>	<b>773</b>	<b>0.7%</b>
Direct costs	-178	3.5%
Indirect costs <sup>2)</sup>	-270	6.3%
<b>EBITDA</b>	<b>325</b>	<b>-5.0%</b>
<i>EBITDA as % of revenue</i>	<i>42.0%</i>	
Lease expense	-8	0.0%
EBITDAaL	317	-5.1%
CAPEX	-13	0.0%
OpFCF proxy	304	-5.3%
Number of employees (FTE)	5'585	7.2%
Wireless subs (k)	1'981	2.2%
ARPU wireless in CHF	26	-7.1%
Broadband subs (k)	282	-2.8%
TV subs (k)	64	-4.5%
Fixed voice subs (k)	215	-8.1%

1) incl. intersegment revenues

2) incl. own work capitalised and other income



# Swisscom Switzerland - Wholesale

Segment reporting as per 31.03.2024

Revenue nearly stable (+1.5%). Slightly higher revenue from Wholesale services.

EBITDA up (+16%). Q1 24 includes a release of regulatory provision (CHF +5mn). On an adjusted basis, EBITDA increased by +10% thanks to improved roaming contribution.

in MCHF	31.03.2024	YOY
<b>Revenue <sup>1)</sup></b>	<b>136</b>	<b>1.5%</b>
Direct costs	-44	-10.2%
Indirect costs <sup>2)</sup>	1	n.m.
<b>EBITDA</b>	<b>93</b>	<b>16.3%</b>
<i>EBITDA as % of revenue</i>	<i>68.4%</i>	
Lease expense	-	
EBITDAaL	93	16.3%
CAPEX	-	
OpFCF proxy	93	16.3%
Number of employees (FTE)	83	1.2%
Wholesale lines (k)	704	2.3%

1) incl. intersegment revenues

2) incl. own work capitalised and other income





# Swisscom Switzerland - Infrastructure & Support Functions

Segment reporting as per 31.03.2024

Reported EBITDA improved by 4.7% primarily thanks exceptional items (regulatory litigations CHF +19mn, transaction cost Vodafone Italia CHF -6mn).

On an adjusted basis, EBITDA remained flat despite seasonally higher maintenance expenses (compensated by cost savings).

in MCHF	31.03.2024	YOY
<b>Revenue <sup>1)</sup></b>	<b>19</b>	<b>0.0%</b>
Direct costs	-	-
Indirect costs <sup>2)</sup>	-240	-4.4%
<b>EBITDA</b>	<b>-221</b>	<b>-4.7%</b>
Lease expense	-40	5.3%
EBITDAaL	-261	-3.3%
CAPEX	-426	13.9%
OpFCF proxy	-687	6.7%
Number of employees (FTE)	5'197	4.0%

1) incl. intersegment revenues

2) incl. own work capitalised and other income



# Fastweb

Segment reporting as per 31.03.2024

Residential customers revenue on prior level (-0.3%). Decrease in wireline compensated by increasing wireless customer base.

Business customers revenue up by +8.8% due to increasing IT service revenue.

Wholesale revenue increased (+17.8%) as well, driven by higher number of wholesale lines (+44.6%).

EBITDA up by +2.1% driven by top line growth.

in MEUR	31.03.2024	YOY
Residential customers	288	-0.3%
Business customers	284	8.8%
Wholesale <sup>1)</sup>	86	17.8%
<b>Revenue <sup>1)</sup></b>	<b>658</b>	<b>5.6%</b>
Direct costs	-320	10.3%
Indirect costs <sup>2)</sup>	-146	0.7%
<b>EBITDA</b>	<b>192</b>	<b>2.1%</b>
<i>EBITDA as % of revenue</i>	29.2%	
Lease expense	-13	0.0%
EBITDAaL	179	2.3%
CAPEX	-157	2.6%
OpFCF proxy	22	0.0%
Number of employees (FTE)	3'225	4.5%
Wireless subs (k)	3'611	11.8%
Broadband subs (k)	2'582	-3.0%
Wholesale lines (k)	720	44.6%
<b>In consolidated Swisscom accounts</b>		
EBITDA in MCHF	182	-2.7%
CAPEX in MCHF	-149	-2.0%

1) incl. intersegment revenues

2) incl. own work capitalised and other income



## Other

Segment reporting as per 31.03.2024

Revenue up by +5.0%  
thanks to higher revenue  
at cabledex.

EBITDA on prior year level  
(CHF +1mn).

in MCHF	31.03.2024	YOY
External revenue	104	5.1%
<b>Revenue <sup>1)</sup></b>	<b>252</b>	<b>5.0%</b>
Direct costs	-18	-5.3%
Indirect costs <sup>2)</sup>	-201	6.3%
<b>EBITDA</b>	<b>33</b>	<b>3.1%</b>
<i>EBITDA as % of revenue</i>	<i>13.1%</i>	
Lease expense	-3	50.0%
EBITDAaL	30	0.0%
CAPEX	-8	0.0%
OpFCF proxy	22	0.0%
Number of employees (FTE)	3'333	0.5%

1) incl. intersegment revenues

2) incl. own work capitalised and other income



# Pension cost and cash payments

Net pension cost impacted by discount rate, but company contributions (cash) stable

in CHF mn	Q1 23	Q1 24	<i>reported</i> YOY	FY 23	<i>estimate</i> FY 24	<i>estimate</i> YOY
Segments' pension cost	68	69	1	273	279	6
Pension reconciliation	-9	-4	5	-37	-22	15
<b>Operating pension cost (EBITDA)</b>	<b>59</b>	<b>65</b>	<b>6</b>	<b>236</b>	<b>257</b>	<b>21</b>
Net interest (financial result)	-1	-1	-1	-5	-5	0
<b>Total pension cost (P&amp;L)</b>	<b>58</b>	<b>64</b>	<b>6</b>	<b>231</b>	<b>252</b>	<b>21</b>
<b>Company contributions (cash payments)</b>	<b>67</b>	<b>67</b>	<b>0</b>	<b>267</b>	<b>273</b>	<b>6</b>
Pension cost (EBITDA) less cash payments	-8	-2	6	-31	-16	15

## Operating pension cost

- Costs highly sensitive to changes of discount rate
- Operating pension cost FY 2024 CHF 21mn higher compared to FY 2023 because of lower discount rate (t/o CHF 15mn pension reconciliation)

## Cash payments

- Cash contributions not based on IFRS
- No impact of interest rate on cash contributions
- FY 2024 estimate: company contributions (in cash) at stable level



# New CAPEX categories

Including lists of various components

	Swisscom Switzerland		Fastweb	
	Q1 2024			Q1 2024
<b>Wireless network</b>	CHF 90mn	<ul style="list-style-type: none"> <li>• <b>Access</b> network: upgrade and modernisation of existing sites, building of new antenna sites</li> <li>• <b>Core</b> network</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Core</b> network incl. capacity increase</li> </ul>	EUR 6mn
<b>Wireline access network</b>	CHF 172mn	<ul style="list-style-type: none"> <li>• <b>Access</b> network, most of it realised with <b>fibre</b></li> <li>• <b>Capacity</b> increase (e.g. expansion feeder, replacement ducts) as well as <b>new access</b> (e.g. to new buildings)</li> </ul>		EUR 9mn
<b>Backbone &amp; infrastructure<sup>1</sup></b>	CHF 32mn	<ul style="list-style-type: none"> <li>• Wireline <b>core</b> and <b>transport</b> network</li> <li>• <b>Central offices</b> and <b>data centres</b></li> </ul>		EUR 18mn
<b>IT</b>	CHF 129mn	<ul style="list-style-type: none"> <li>• <b>Hardware</b> and <b>licences</b></li> <li>• <b>Software development</b></li> </ul>		EUR 31mn
<b>Other</b>	CHF 22mn	<ul style="list-style-type: none"> <li>• <b>Customer- and project-driven</b> (e.g. router)</li> <li>• <b>Others</b>: shops, SIMAG, local.ch, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Customer- and project-driven</b> (e.g. modem &amp; routers, dedicated fibre link, customer activations cost<sup>2</sup>)</li> </ul>	EUR 93mn





## Cautionary statement

regarding forward looking statements

- "This communication contains statements that constitute "forward-looking statements". In this communication, such forward-looking statements include, without limitation, statements relating to our financial condition, results of operations and business and certain of our strategic plans and objectives.
- Because these forward-looking statements are subject to risks and uncertainties, actual future results may differ materially from those expressed in or implied by the statements. Many of these risks and uncertainties relate to factors which are beyond Swisscom's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behaviour of other market participants, the actions of governmental regulators and other risk factors detailed in Swisscom's and Fastweb's past and future filings and reports, including those filed with the U.S. Securities and Exchange Commission and in past and future filings, press releases, reports and other information posted on Swisscom Group Companies' websites.
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- Swisscom disclaims any intention or obligation to update and revise any forward-looking statements, whether as a result of new information, future events or otherwise."



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