Swisscom FY 2020 results

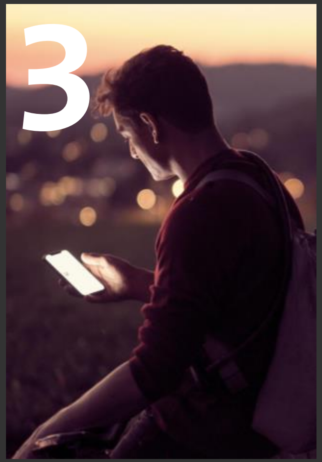
Analyst and investor presentation

February 4th, 2021

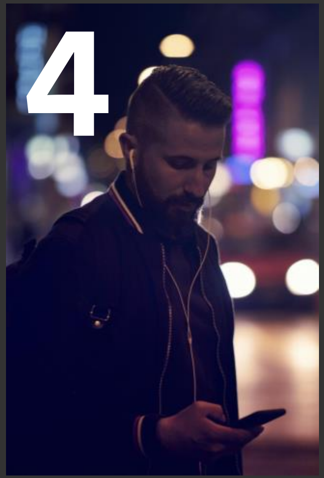
Welcome and agenda

Highlights 2020
Urs Schaeppi, CEO

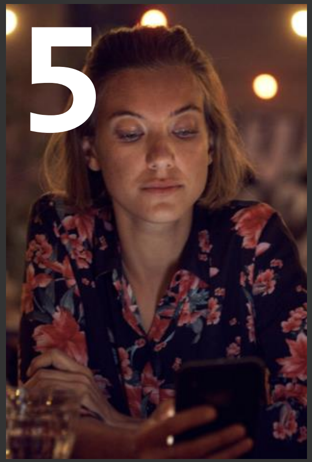
Strategy update
Urs Schaeppi, CEO



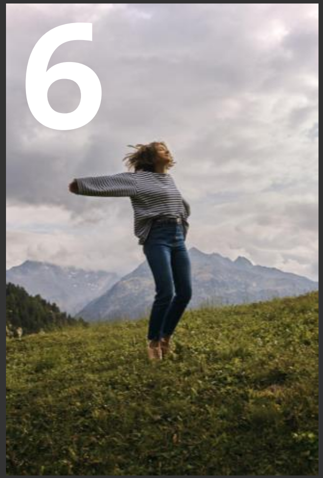
Swisscom Switzerland
Urs Schaeppi, CEO



Fastweb
Alberto Calcagno, CEO Fastweb



Group financials
Mario Rossi, CFO



Wrap-up
Urs Schaeppi, CEO

Q&A

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Highlights 2020

Urs Schaeppi, CEO Swisscom

Key achievements

Another solid year with various highlights along our strategic priorities

Leading networks	Best customer experience	Unique market position in ICT	Fastweb with sustainable growth	ESG focus pays off
Win of all Swiss w- network tests	NPS leadership extended	Leading in Cloud and managed Security [1]	4.5% stake in FiberCop	#1 in ESG out of 198 telecoms [2]
Introduction of 10Gbps services	blue launch	Growing Solutions	ICT capabilities strengthened	1st EURO green bond

1 Source: ISG research, 2 Source: Sustainalytics

Successful management of Covid-19 crisis

Pandemic with limited impacts (so far) and basis for acceleration of sector-specific opportunities

Resilient Swisscom in 2020

- Performing networks
- Customer assistance enhanced
- Business with limited impacts
- Hybrid working modes the new normal

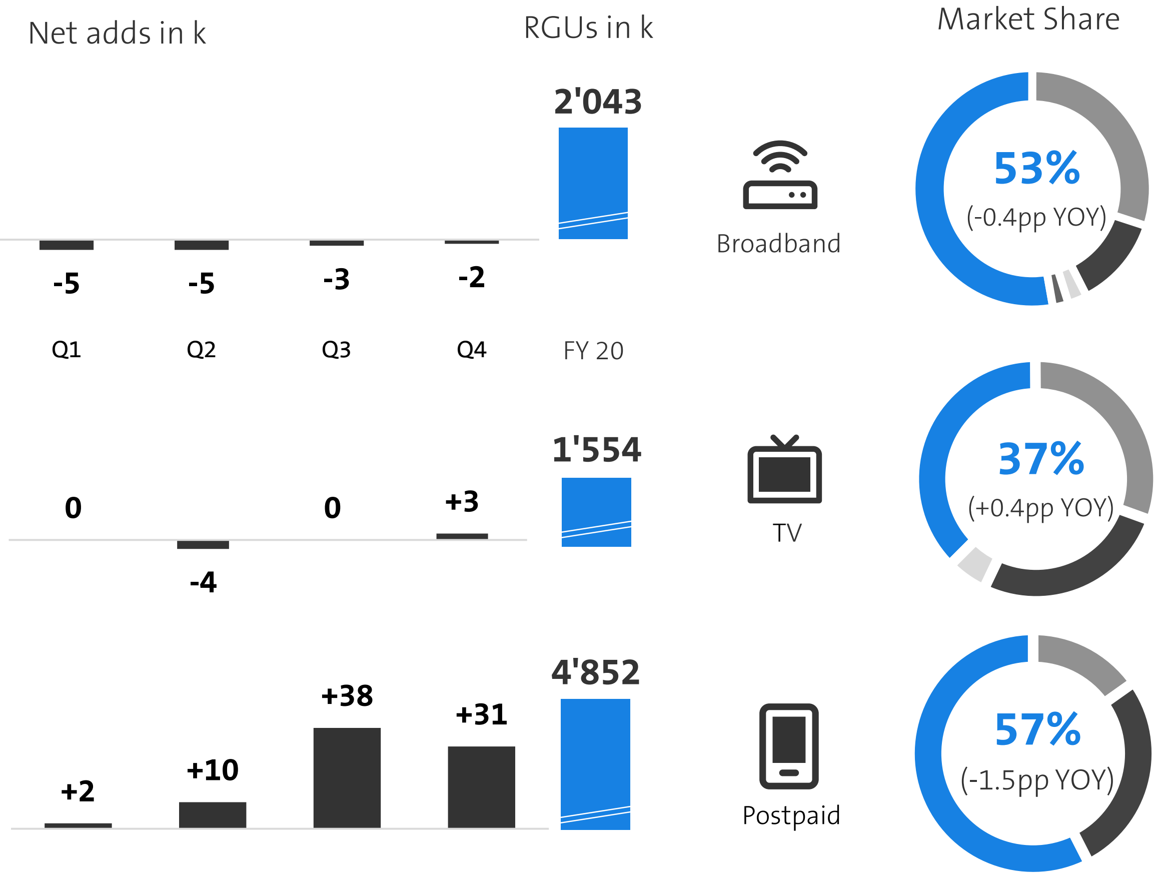
Positive impulses for the future

- Digital transformation
- Revision of cost base
- New customer needs and behaviours
- Industry revival

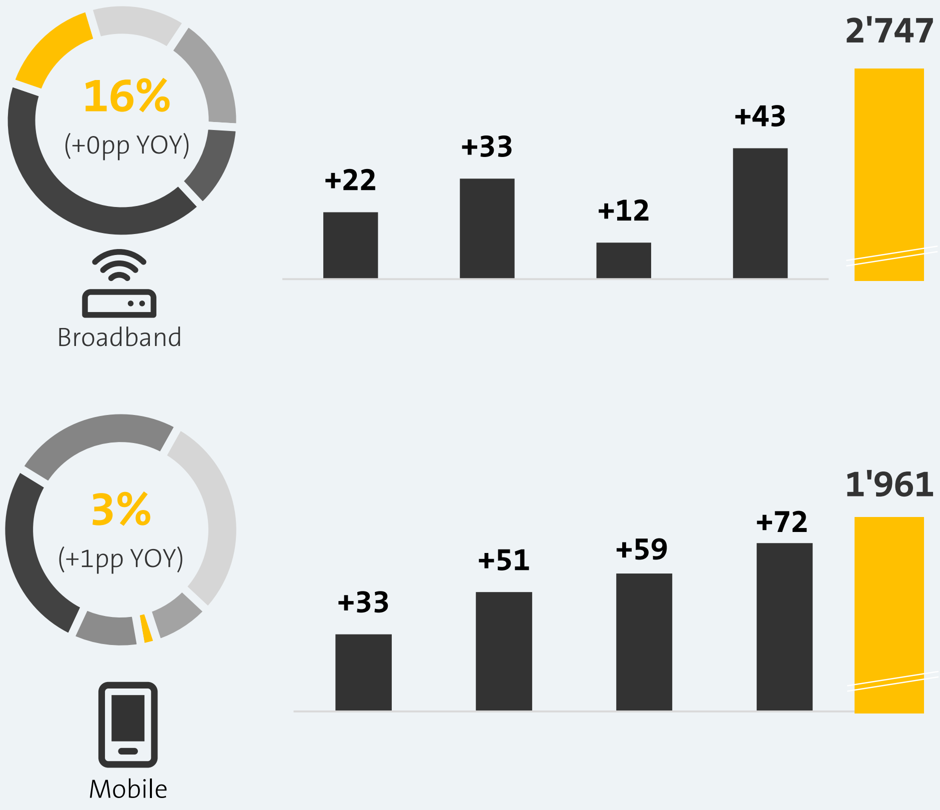
Market performance in Switzerland and Italy

Stable Swiss RGU base and leading across all segments. Fastweb's market position further strengthened

Swisscom Switzerland



Fastweb



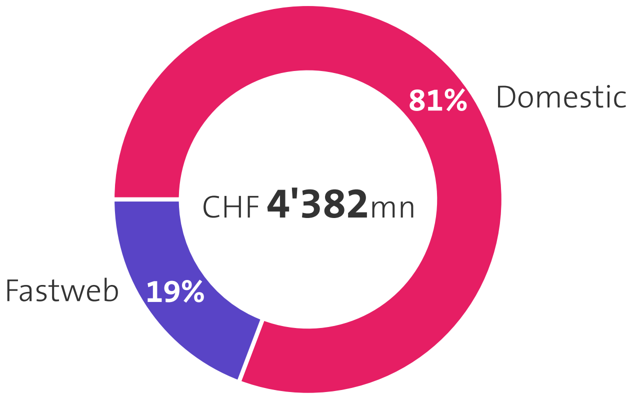
Market shares as per Q3 2020

Key financials in a nutshell

Solid underlying performance thanks to disciplined cost management in Switzerland and Fastweb growth

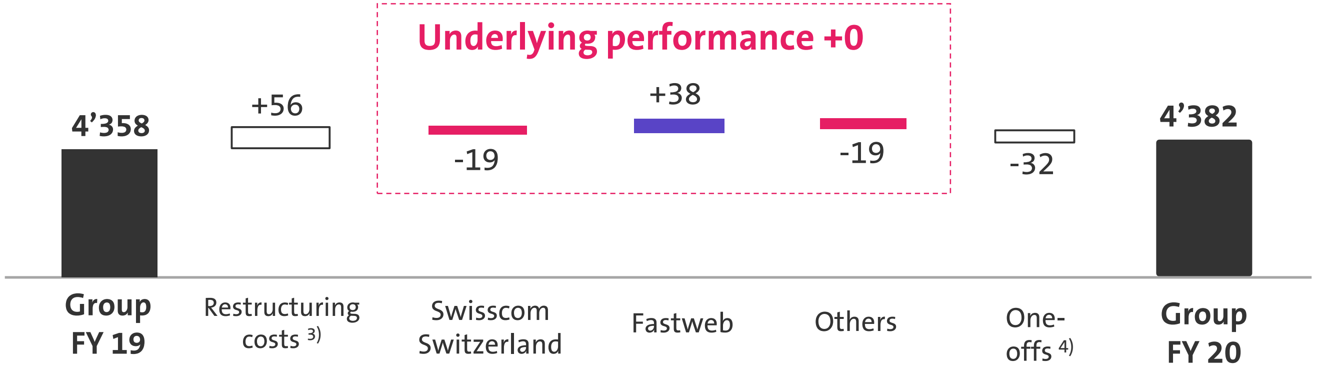
Net revenue	EBITDA	EBITDAaL 1)	CAPEX	OpFCF proxy	Net debt 5)
CHF **11'100**mn (-3.1% YOY)	CHF **4'382**mn (+0.6% YOY)	CHF **4'082**mn (+0.4% YOY)	CHF **2'229**mn (-8.6% YOY) 2)	CHF **1'853**mn (+14.0% YOY)	CHF **8'206**mn (-6.6% YOY)

FY20 EBITDA



EBITDA development

YOY changes in CHF mn



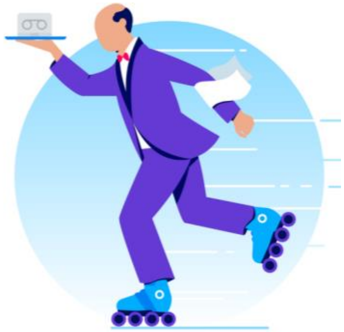
1) EBITDA after lease expense (depreciation right of use assets of CHF -255mn and interest expense leases of CHF -45mn), 2) prior year includes spectrum CAPEX of CHF 196mn
3) restructuring cost in 2019 4) consists of FX impact of CHF -32mn, 5) including lease liabilities of CHF 1'988mn

Strategy update

Urs Schaeppi, CEO Swisscom

The environment in a nutshell

Telco revenues under pressure but digitalisation brings opportunities for growth and efficiency



Sector

- **High CAPEX intensity**
- **Monetisation challenging**: non-stop service revenue pressure
- **Market size and share key**
- **Digitalisation**: unlock value from digitalisation and efficiency gains

Switzerland

- Economic environment **robust**
- A **mature** market with a clear value focus but price/quality sensitivity up
- In-market consolidation in 2020
- Network **competition high**
- ICT with promising outlook

Italy

- A **price-sensitive** market with limited customer loyalty
- **New operators** keeping competitive dynamics high
- **Network cooperation's** due to high fibre investments
- ICT growth opportunities

Swisscom with a strong foundation for the future

Market leader in Switzerland
for residential customers, SMEs and major corporations

Strongest brand and consumer confidence
in Switzerland

Technology leader and innovation pioneer
that actively takes opportunities to inspire customers

Successful challenger in Italy
with growing free cashflows

Well positioned for growth
in Switzerland with ICT and Italy with Fastweb

More than 20 years of focus on sustainability
to do more for people, the environment and Switzerland

Swisscom strategy with proven pillars

#ready to take the chances of a networked future - in Switzerland as #1 and in Italy as attacker

Best network
Innovative products
Best service

Efficient operations
Digital transformation
Smart investments

Maximise core
Growth in IT
Focused growth

Best access
OTT-like customer experience
Foster growth

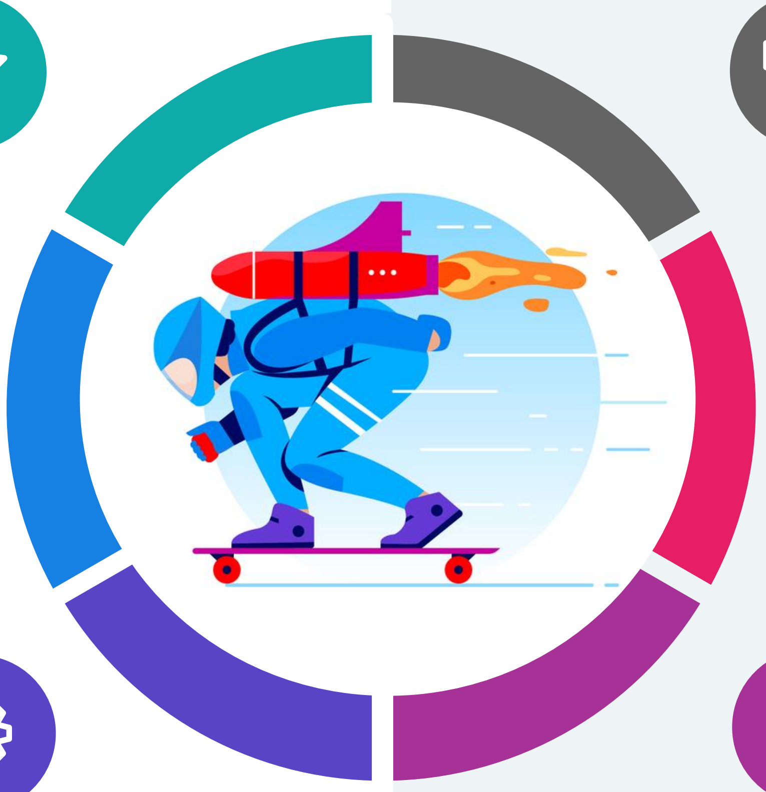
Swisscom's *#ready* roadmap for 2021 and beyond

Swisscom's ingredients to carry on successful operations and take future (digital) opportunities

#ready to **defend leading market shares** in Switzerland

#ready to **shape innovation** and develop the infinite solutions of tomorrow

#ready to **drive transformation** as key enabler for the future



#ready with strong **commitments to corporate responsibility**

#ready to **stimulate growth** - in core, IT and adjacent businesses both in Switzerland and Italy

#ready to **deliver predictable shareholder remuneration** while keeping healthy financial profile

The building blocks of Swisscom's innovation

Innovation key to stimulate best customer experience and new growth

Internet of things

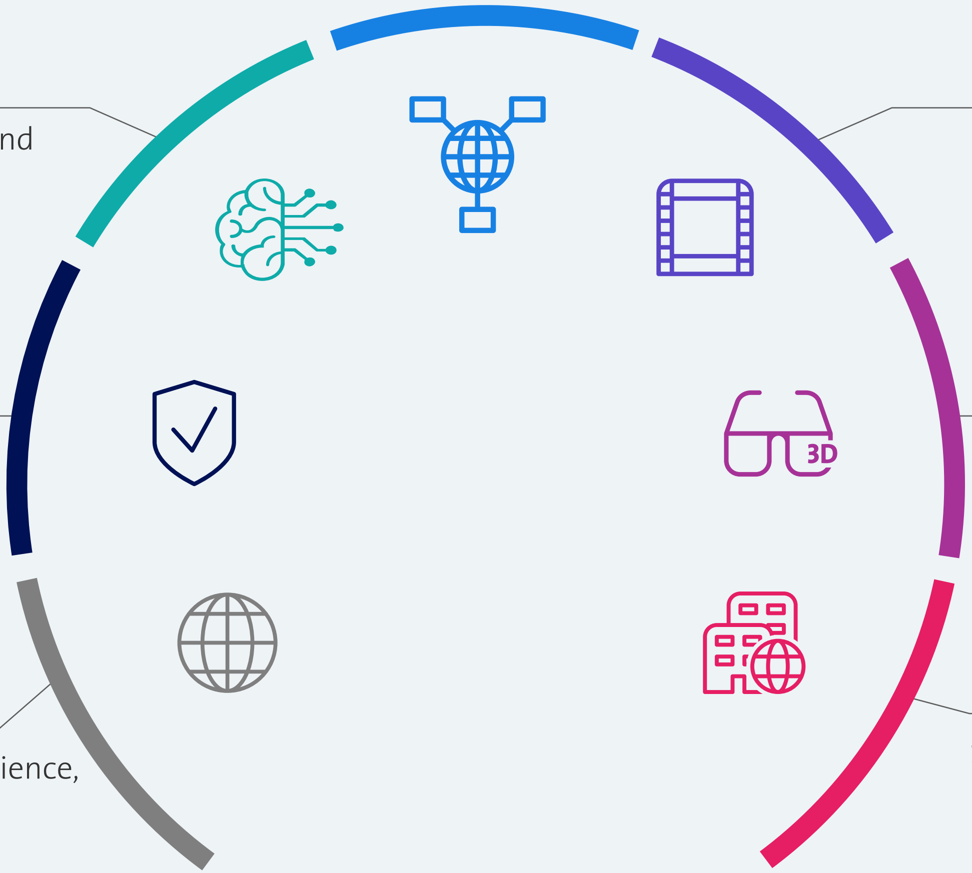
Best IoT platform and E2E solution provider

Analytics and artificial intelligence

Development of artificial intelligence and analytics capabilities

Entertainment

Best offering on a connected entertainment ecosystem



Security

Development of best-in-class security services

Digital business

Internet services based on data driven software platforms

Network and infrastructure

Growth through better customer experience, differentiation and process efficiency

Digital Swisscom

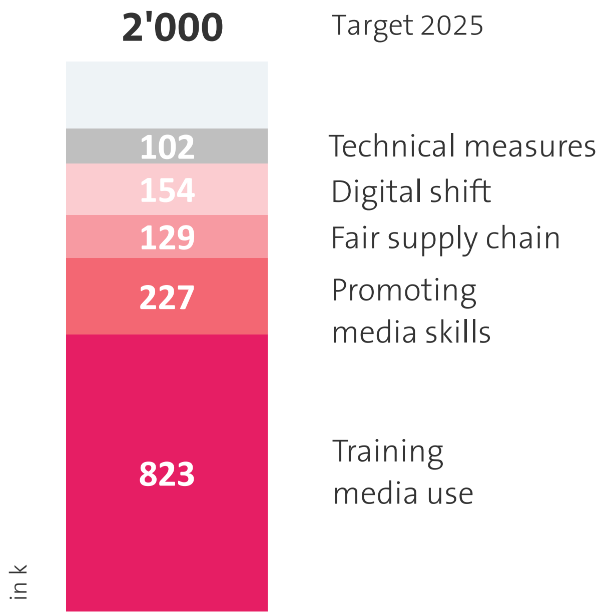
Simplicity and efficiency through digital process standardisations and clear product portfolio

Swisscom with strong commitment to corporate responsibility

2025 targets along SDG* set for people, environment and Switzerland

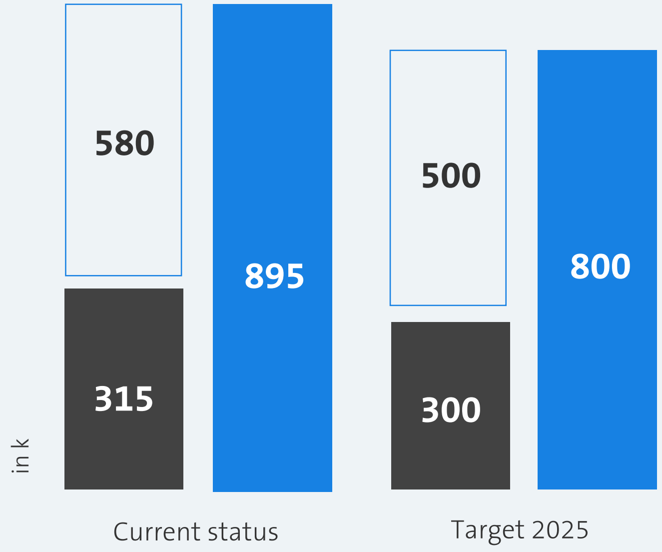
#ready to support people

- Support **2 million people**



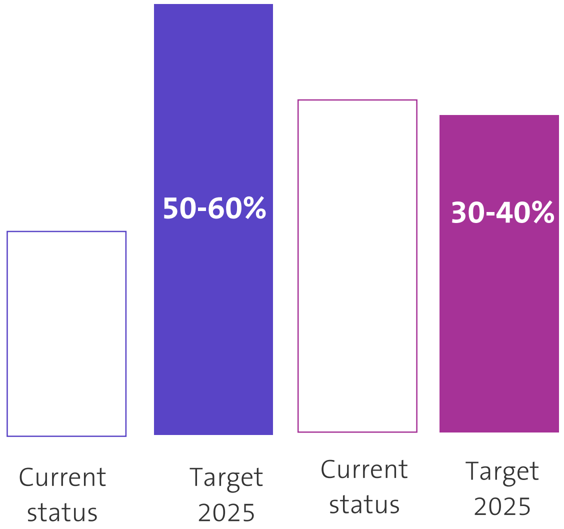
#ready to protect the environment

- **Limit own CO_2 emissions** by 2025 to 300k tonnes
- **Total CO_2 savings** of 800k tonnes

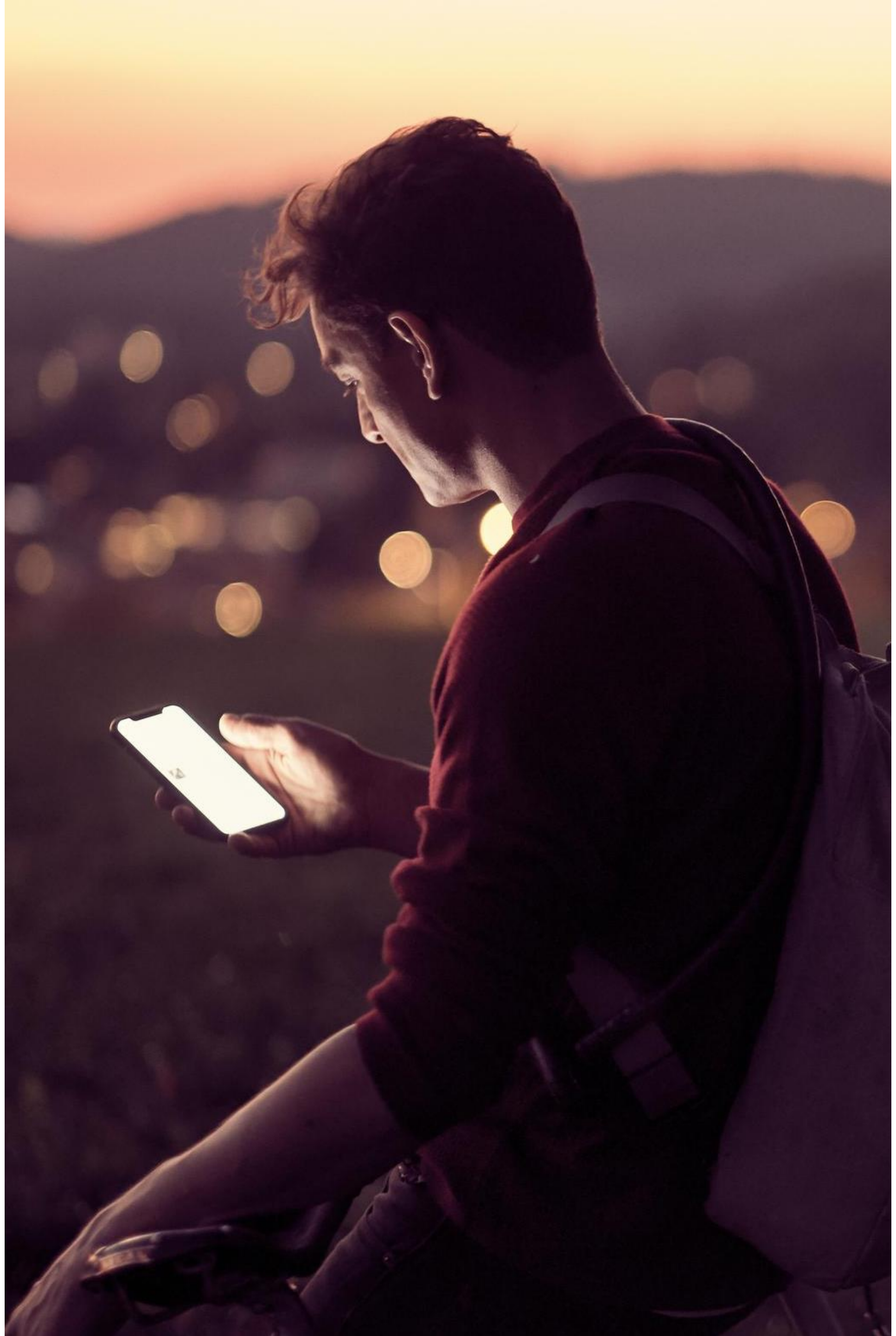


#ready for Switzerland

- **50-60%** coverage of homes with UBB of **10Gbps**
- In addition **30-40%** coverage of homes with UBB up to **500Mbps**



* Suistanable Development Goals from the United Nations



Swisscom Switzerland

Urs Schaeppi, CEO Swisscom

Achievements 2020

Successful network upgrades and operational performance in Switzerland

Networks

- >80 Mbps in 82% HHs, 10Gbps in 32%
- 96% 5G coverage, 5G+ >500 communities
- 5G demo of 1.2Gbps on a train
- 2G sunset since Jan 2021

B2C

- inOne with unbroken success
- FMC penetration growing
- Leading market shares
- Steady blended ARPUs

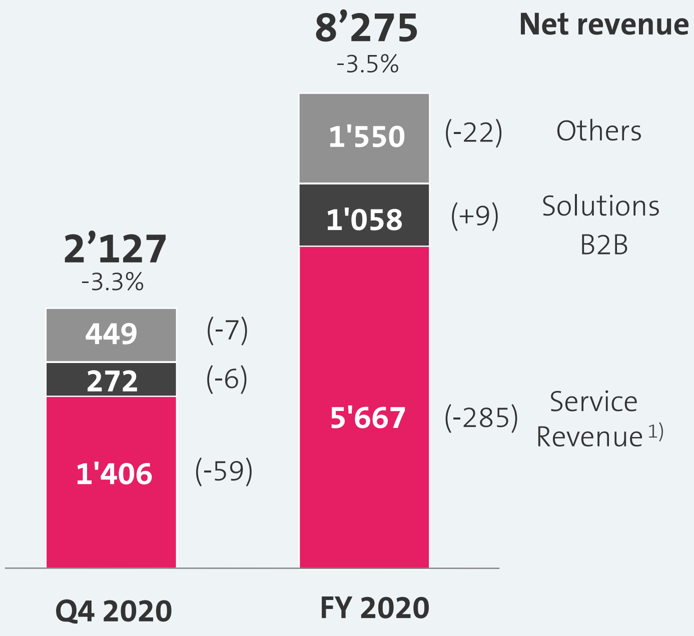
B2B

- One B2B transformation on track
- NPS leadership extended
- Cloud business growing
- Slightly lighter order entry due to Covid-19

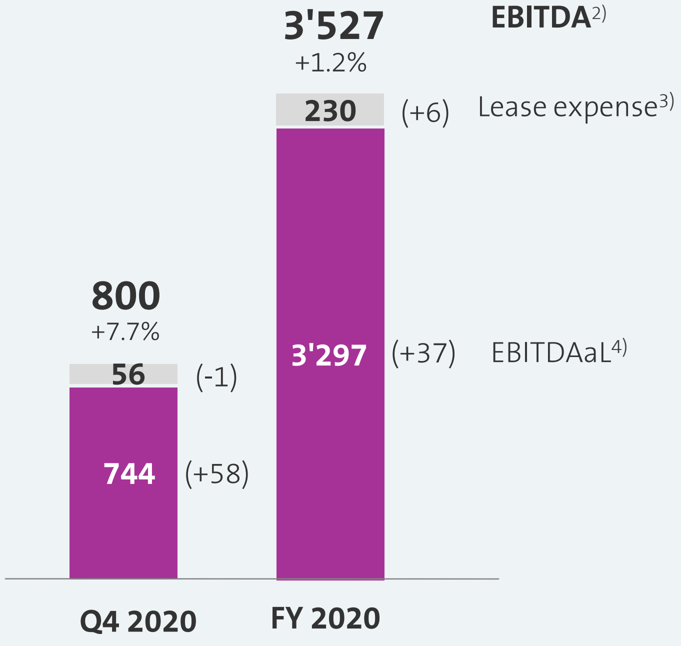
Financials 2020

Service revenue evolution in line with expectations, solid EBITDA supported by indirect cost savings

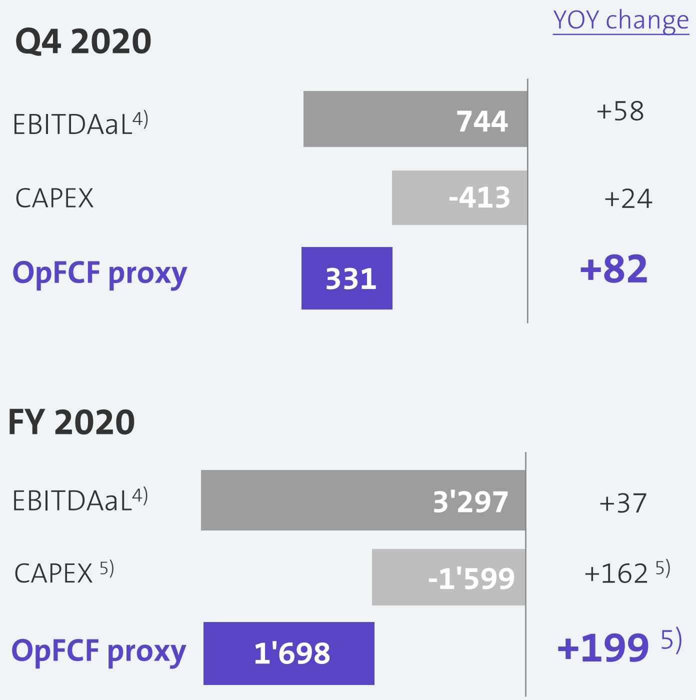
Net revenue in CHF mn (YOY changes)



EBITDA in CHF mn (YOY changes)



OpFCF proxy in CHF mn



1) FY with outbound roaming impacts of CHF -64mn (Q1 CHF -5mn, Q2 CHF -22mn, Q3 CHF - 20mn, Q4 CHF -17mn), t/o Covid-19 CHF -42mn
2) reported EBITDA, 3) consists of depreciation right of use assets and interest expense leases, 4) EBITDA minus lease expense, 5) prior year includes spectrum licence expense (CHF -196mn)

The roadmap of the best network: *#ready* in 2021 and beyond

FTTH as the long-term sustainable infra
Double FTTH footprint to 60% by 2025

Winner of all mobile network tests in CH
Swisscom with the largest 5G coverage

Efficient fibre-network expansion
Execute own fibre plan and reuse FTTS infrastructure

Vision of one simple convergent reliable network
Powered by consolidation, new technologies and virtualisation

Swisscom with the best network experience in Switzerland

A multi-technology approach differentiating by best performance, best coverage and highest reliability

The best fully converged network as a differentiator

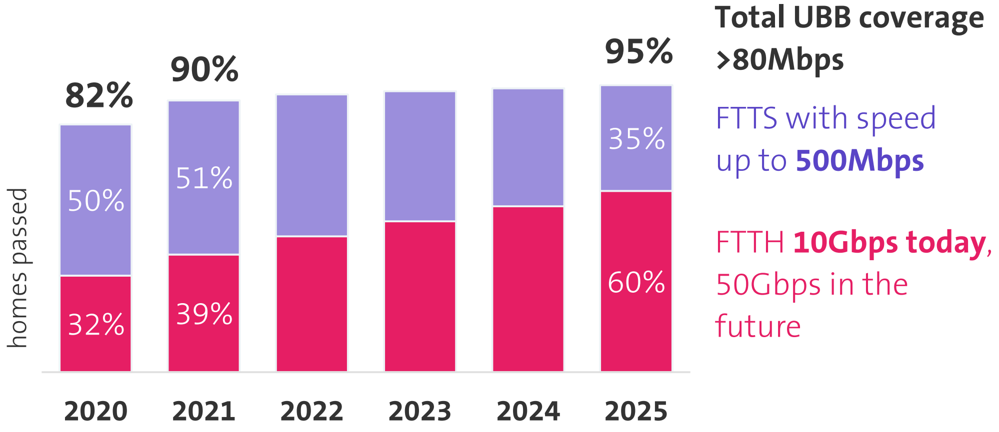
Best Performance | **Best Coverage** | **Highest Reliability**

	2020 status	**2021** target	**2025** ambition
Ultrabroadband everywhere	82% 80Mbps 32% 10Gbps	90% 80Mbps 39% 10Gbps	~95% >80-500Mbps ~60% 10Gbps
5G everywhere	4G+ 99% 5G 96% 5G+ >500 communities	5G 99% 5G+ extend full speed	5G 99% 5G+ nationwide
All services virtualised	First critical workloads		Most workloads
One unified network	All IP completion	2G phaseout	3G phaseout Copper phaseout in fiber areas

On track with UBB rollout plan making Switzerland gigabit ready

Penetration and ARPU uplift after fibre upgrade

Maximum bandwidth nationwide

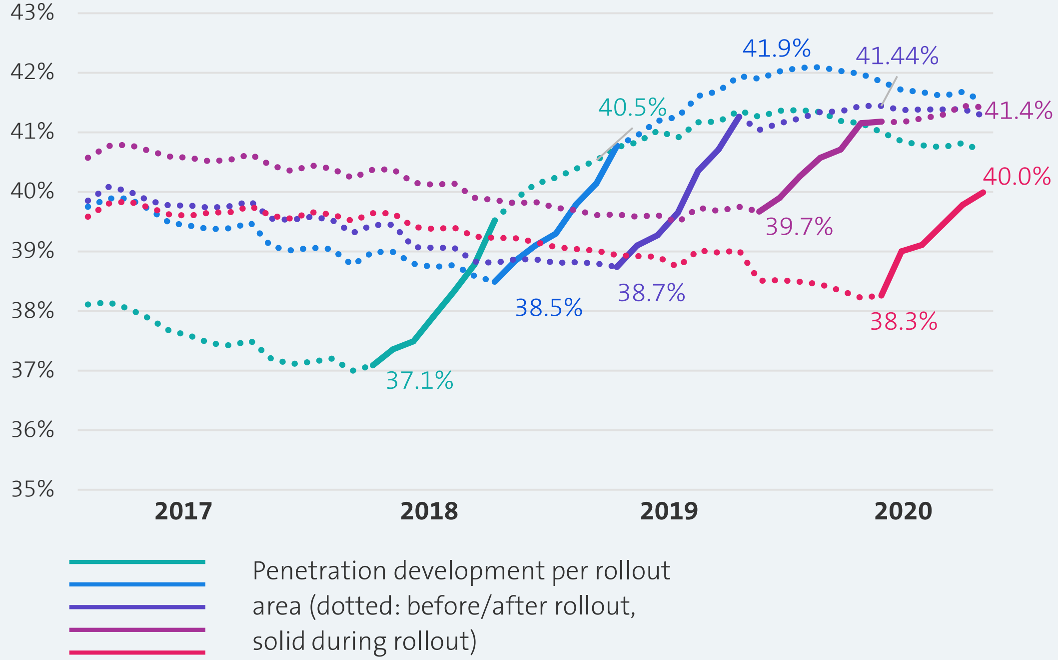


- **90% homes with >80Mbps by 2021** to satisfy the ever-growing demand for bandwidth
- **Double FTTH footprint until 2025** as long-term sustainable infrastructure
- XGS.**PON technology with 10Gbps** - 50Gbps possible as demonstrated in Swisscom labs

Hybrid fibre upgrade with positive effects

- **ARPU stabilisation** (+3 CHF after local upgrade)
- Defend **market leadership** (penetration uplift after local upgrade of 2-4pp)

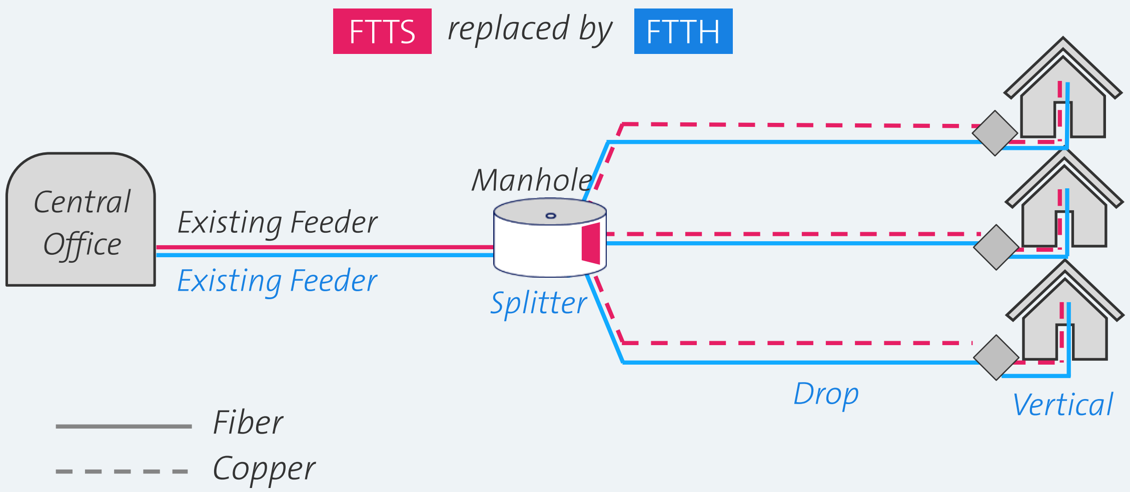
Local B2C own brand penetration after copper to FTTx upgrade



Swisscom as infrastructure player invests in own fibre

Open to cooperation if it makes sense

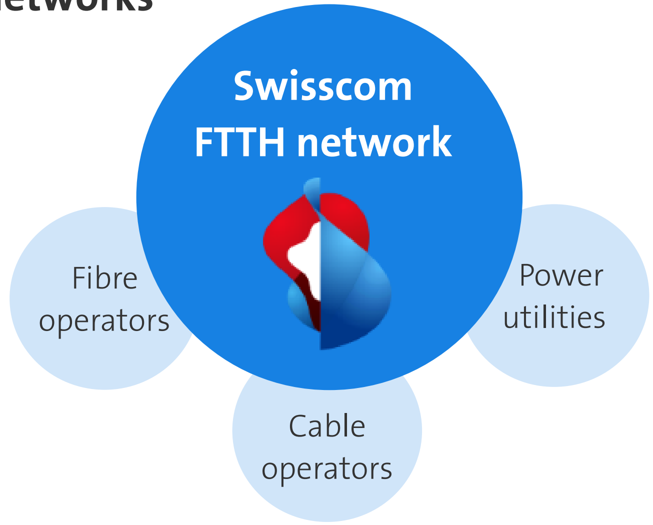
Efficient fibre-network expansion



- Swisscom with **fibre investments of CHF ~500-600mn p.a.**
- P2MP topology allows **reuse of existing FTTS infra**
- Unit costs well below P2P topology
- **Additional ~20% cost potential** through synergies with communal construction and new technologies
- Vertical on-demand

Opportunistic approach to cooperation

- **Swisscom invests in fibre on its own**
- Open to **cooperation with favourable economics** and assuming partners are ready to invest
- **No whole-buy by Swisscom on 3rd-party FTTH networks**



Winner of all Swiss mobile tests in 2020 including 5G

Undisputed mobile leadership and #ready for tomorrow with the best 5G network

#1 mobile network as usual

- Swisscom mobile network prevailed in **all benchmark tests** – in all test categories

- **World-class quality** among European networks:
    - **#3 in Europe** (connect*)
    - **#1 Global in upload speed** (Ookla)

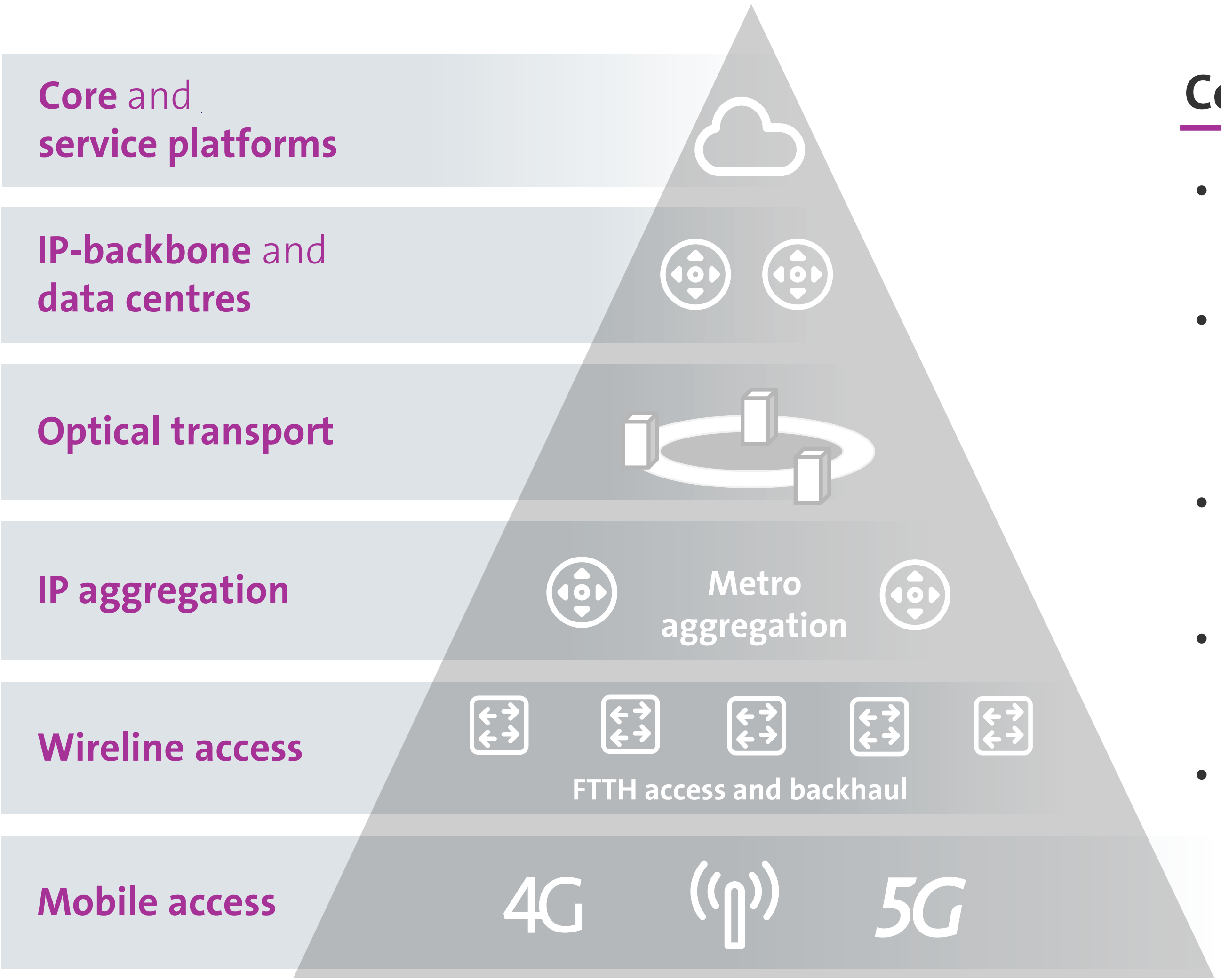
* 1. Telia, 2 .Vodafone NL, 3. Swisscom

Largest 5G coverage in Switzerland

- **96% of population covered by 5G**, **>500 communities with 5G+** (3.6GHz TDD)
- **Gigabit speeds on 20% sites**, based on **completely fiberized backhaul** (5.5k macros)
- **Strict Swiss EMF regulation unchanged** – all operators working with authorities on a relief – more 5G power due to 2G sunset

Our vision: one simple convergent network powered by cloud, FTTH and 5G

Equipping our network for the new decade



Convergence on all levels

- **Consolidation of network platforms** (ambition 2025: -70% vs. 2019)
- Rigorous thin-out of platforms and applications to **reduce number of IT & network vendors** (ambition 2025: -60% vs. 2019)
- "**Simplicity is prerequisite for reliability**": reaching unprecedented levels of stability
- **Network function virtualisation** according to life cycles and minimal transition cost
- **Phaseout of legacy access platforms** (2G, 3G, copper lines where FTTH)

B2C roadmap to be *#ready* in 2021 and beyond

Value base management
Maximise customer value by continuously refreshing inOne and increasing convergence penetration

Market competitiveness
Push 2nd brand Wingo to defend market shares

Compelling entertainment experience
Foster blue as next entertainment chapter and embark on new market opportunities

Multi-touchpoint evolution
Modernisation of shops, online first and digital marketing to stimulate NPS and sales success

Smart and secure living
Generate revenues with smart life and security solutions beyond connectivity

Maximise customer value by refreshing inOne

Further development of inOne value proposition to penetrate own customer base further

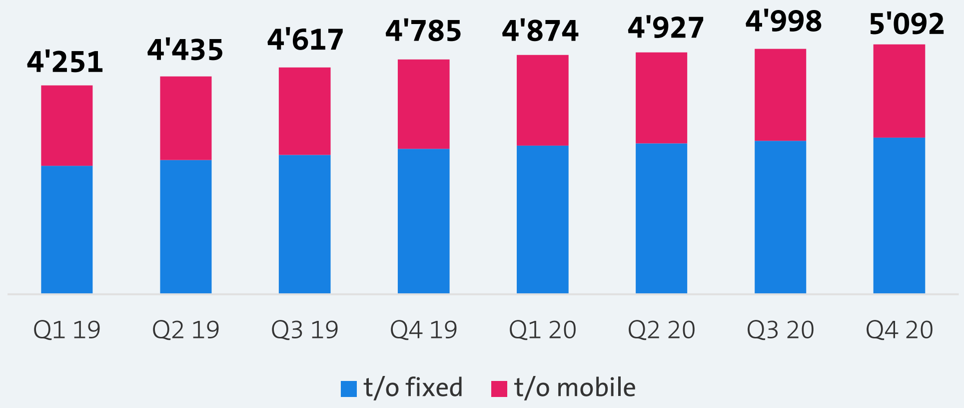
inOne Home 2020

- Keep competitive edge by continuous strengthening of broadband position through **bandwidth extension**. Offering with **10Gbps available for 30% of customer base** already (~50% with up to 500Mbps)
- **Non-stop development of entertainment offering**: launch of new TV X tariff (including Netflix) and blue

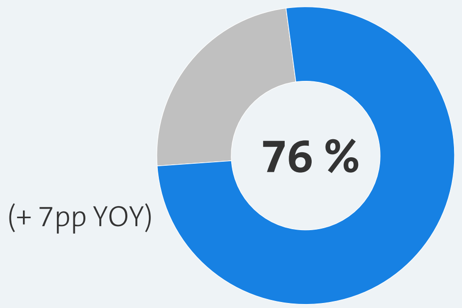
inOne Mobile 2020

- **Repositioning of youth offers**: price-performance adjustments with more data volume improving ARPU and customer satisfaction in youth segment
- **inOne momentum unbroken** and increasing penetration further

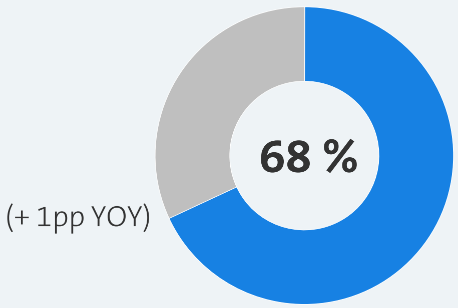
inOne RGUs
in k



inOne Home
% of B2C broadband RGUs



inOne Mobile
% of B2C postpaid RGUs

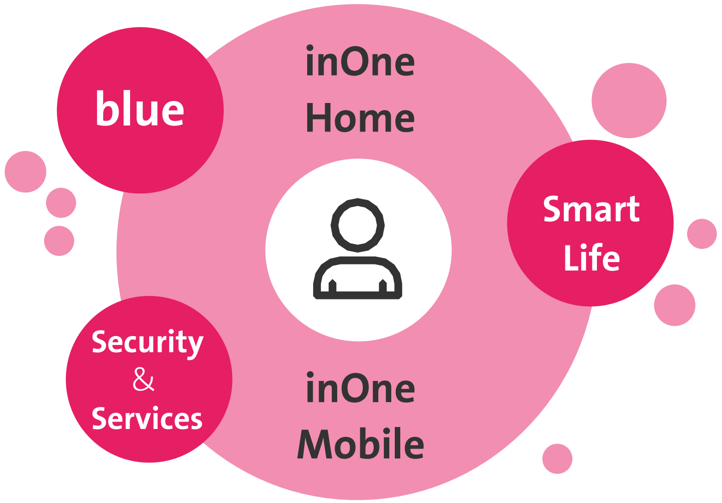


Driving convergence strategy to the next level

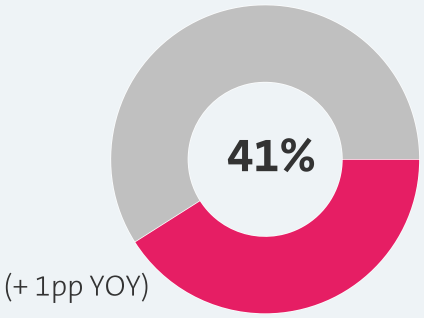
Growing FMC penetration positively impacts life-time value of customer base

Leverage successful convergence story further

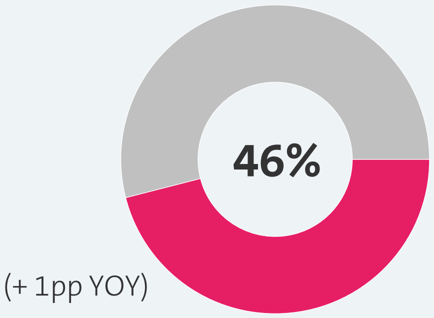
- **Strengthen market resiliency** migrating customers to convergent offers
- FMC subs with **significantly lower churn** and **higher NPS** but at some cost
- Swisscom drives **convergence play around fixed-mobile** to increase share of wallet and life-time value



FM converged postpaid value subs

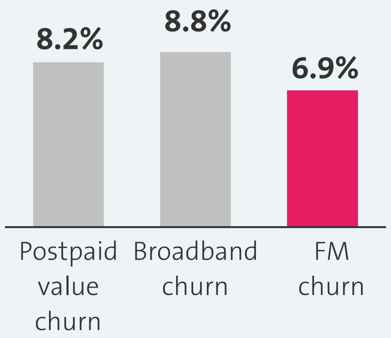


FM converged broadband subs



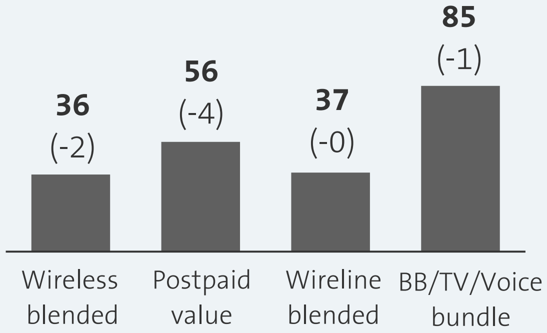
Churn rates

p.a.



ARPUs

in CHF (YOY)



With blue the very best from the world of entertainment

New Swisscom brand and OTT solution to cement household value and grow market share (37%) further

Launch of new entertainment platform in Q3 ...

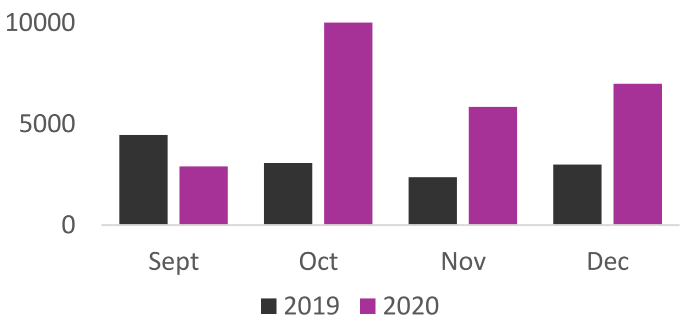
blue TV via **Swisscom Box** or **Swisscom blue TV app**

- Easy-to-use
- Over 300 channels with replay and recording
- Integrated apps on Box: Netflix, Sky, Amazon Prime, DAZN, Twitch, PlaySuisse (etc.)
- **blue+** with sports, movies or series as package or pay-per-view
- Access to MySports
- Live gaming and eSports, music, smart home

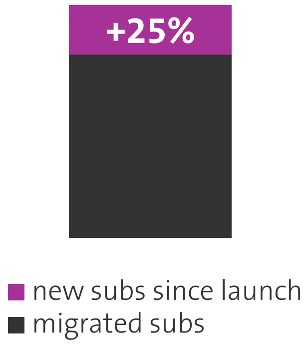
blue Sports with **exclusive content** rights

... enabling best-ever sales and subs growth

blue Sports gross adds



118k blue OTT subs



Successful Smart Life strategy with solid growth in 2020

Position Swisscom as innovative industry leader and increase stickiness of broadband customers

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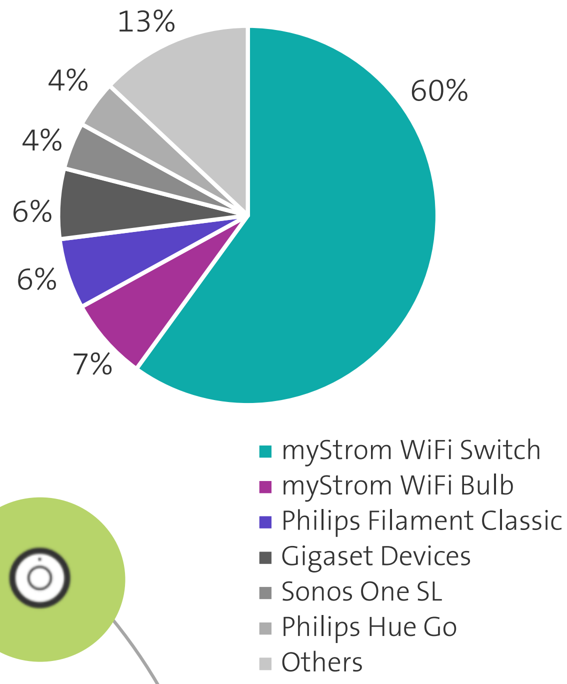
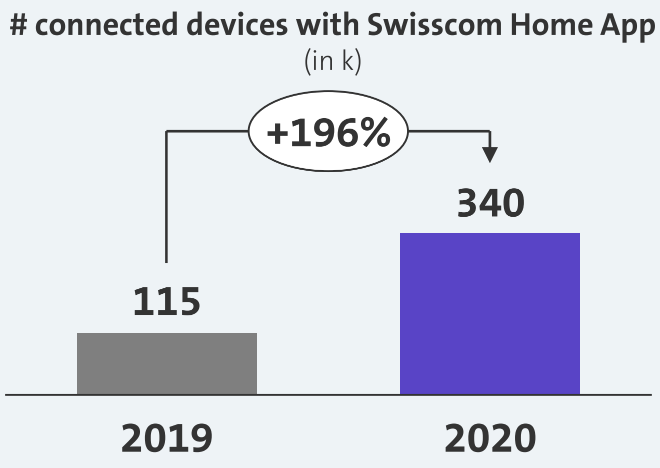
Highlights 2020 and outlook

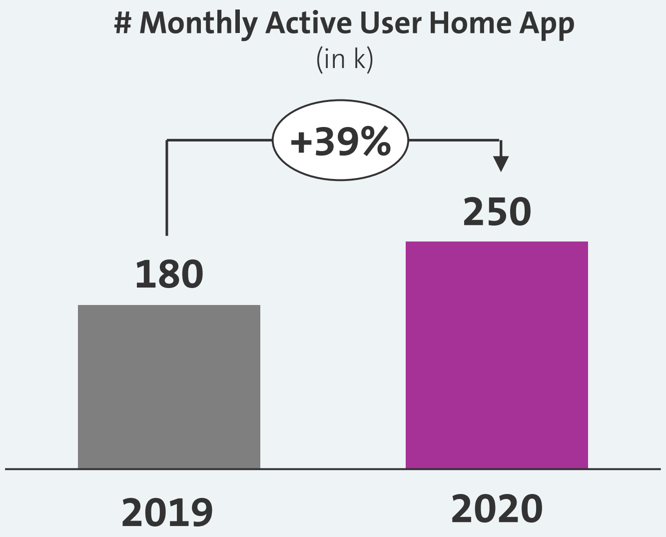
- Rollout to **all Swisscom Shops**
- Launch of new **Smart Switch**, interlinked with Swisscom Home App
- Smart Life **revenues up by +50%**
- **Outlook**: push Smart Life products via targeted **promotions** and introduce **installment payments** to lower entry barrier

Top seller breakdown

- All devices **manageable via Swisscom Home App**







VAS growth by focusing on Security & Services

Continuously maximise top-line contributions by expanding security portfolio

Doubled down on security story in 2020

- Swisscom with **New Easy Travel Insurance** solution. Flexible booking (CHF 1/day) possible
- Introduction of **Easy Cyber Insurance** enabling legal protection when surfing
- A **next VAS chapter under evaluation** to offer Swisscom customers other carefree experiences

Security and protection services	Smart phone **protection**, internet **security**, **cyber** insurance, **travel** insurance
Support services	**Paid services** for customers' private infrastructure and software
Cloud and mail offerings	**myCloud** with backup solutions and **bluewin** mail with paid-offers

Security & Services revenues growing

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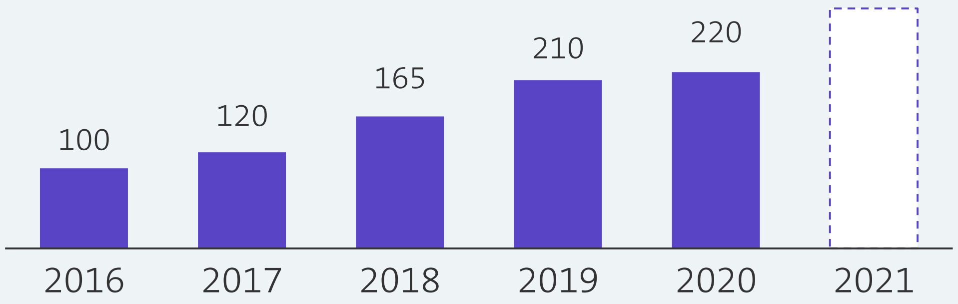


Attacker brand Wingo further strengthened to maximise customer base

Push Wingo as 2nd brand to defend B2C market shares

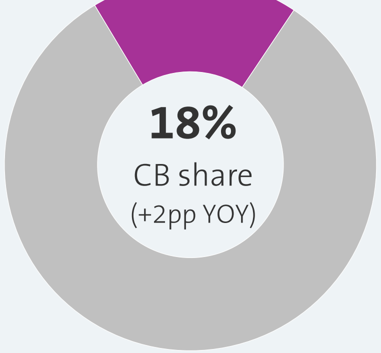
wingo – Substantial growth in 2020

- **Portfolio extension**: expanded Wingo portfolio and introduced several new tariffs to target a variety of customers groups
- **Go-to-market**: since August, Wingo available in 120 brick-and-mortar stores at Mobilezone - though online will remain most important channel
- **Promotions:** successful promotions launched to generate significant net adds with low cannibalisation of Swisscom Own brand

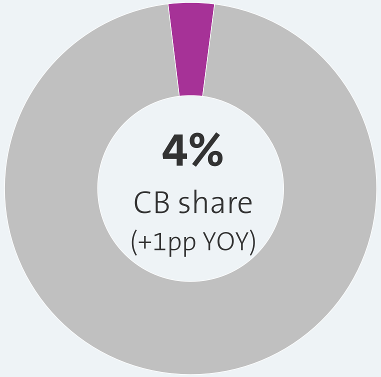
M-Budget Mobile, coop mobile – Increase of competitiveness

- Slight customer growth with 3rd brands **M-Budget Mobile** and **Coop Mobile**
- With 3rd party brands Swisscom serves the channels melectronics, Post, Fust and Interdiscount

2nd/3rd brands postpaid value subs
(+62k net adds in 2020)



2nd/3rd brands broadband subs
(+14k net adds in 2020)



Boost sales performance by optimised omni-channel approach

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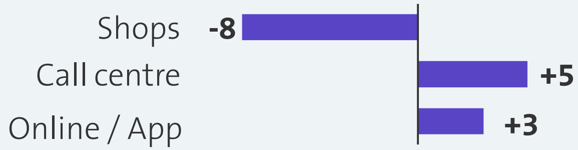
Digital sales and service channels increasingly important for Swisscom

Channel	Current role	Future role
Shops [1]	• Main **sales channel** • Important **service touch point**	• **Extra focus on inspiration, experience** and **tailored services**
Call centre [2]	• Main channel for **service requests** • Increasingly relevant for **sales**	• Focus on **complex** and **emotional customer requirements** • Key for **cross-/upselling**
Online / App [3]	• Important for **information** and **advice** but with potential in care and sales	• **MySwisscom App** increasingly important for sales • Push **digital self-service**
Customer field services	• Main focus on providing **service** and **support**	• **Reduce on-site visits** • **Stronger focus** on **lead generation**

Achievements 2020

- **Optimisation of online sales journey** leading to increase of digital sales share
- New **MySwisscom App** driving digital self-service and sales: >**1mn users**
- **Modernisation of shops** with more focus on inspiration & experience

Channel share change (2020 in p.p.)



1 Own, franchise and 3rd party shops 2. incl. direct marketing 3. Swisscom portal, customer centre and MySwisscom App

B2B roadmap to be *#ready* in 2021 and beyond

One B2B transformation
Develop B2B framework further to lever benefits along the full value chain

Smart ICT for SMEs
Establish convergent offerings with strong focus on customer needs

Value differentiation
Defend premium Telco position by pushing innovation and services

Omni-channel approach
Ensure #1 NPS position through best E2E one-stop-shop experiences

Stimulate growth in Cloud and Security
Leverage leading position in Solutions to capture ICT growth

One B2B transformation on track

Boost customer proximity and operational efficiency reached in 2020 – roadmap continues in 2021+

The market environment

- High **price competition in Telco** business
- **5G** and **IoT** with future business opportunities
- **ICT** market **growing** but strongly fragmented and very international
- Journey to the **Cloud impacting** further **market dynamics**

One B2B to excite, realise and grow

ONE B2B

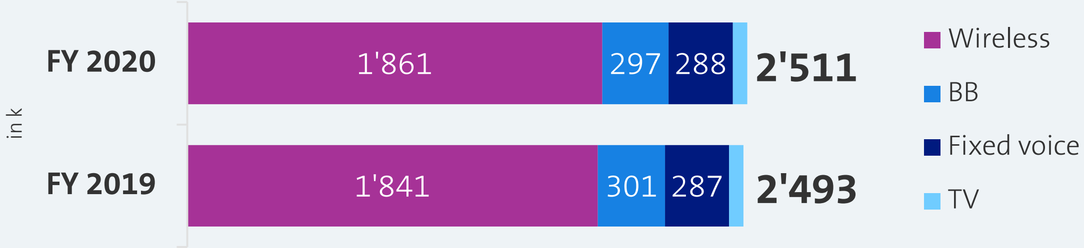
- **Integrated business model** with high execution responsibilities
- **Strong customer proximity** with best sales and service excellence
- **One portfolio** with modular B2B products
- **Max efficiency** through process automation and standardisation

Service revenue impacted by competition and price pressure

Hold leading position in a challenging market with strong value proposition

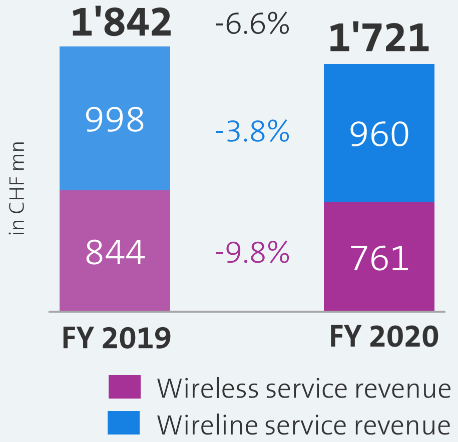
Strong market position successfully defended ...

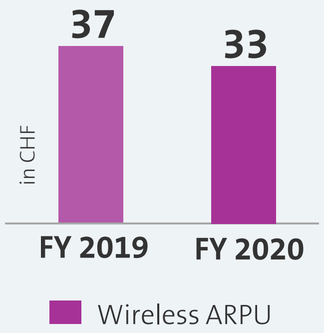
- In **wireless** pressure due to **competitive RFPs**, but **# of RGUs with 2.5mn stable**



- **2G phaseout** with structural effects as per Q1 2021

... but at cost of declining service revenue / ARPU





Attractive modular offerings

- Wireless
- Fixed

Push value differentiation further

Convergent ICT proposition

- Smart ICT

Protect market share & revenue

Technology leadership

- 5G Campus
- IoT System Solutions

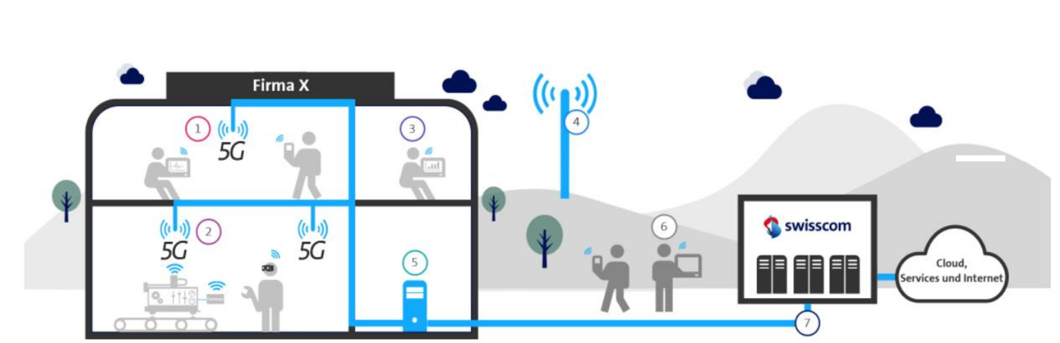
Pursue future opportunities

5G and IoT offer new business opportunities in Telco segment

Swisscom as full service provider perfectly positioned to combine 5G with IoT, cloud and analytics

5G Campus for performance sensitive applications

Mobile Private Network



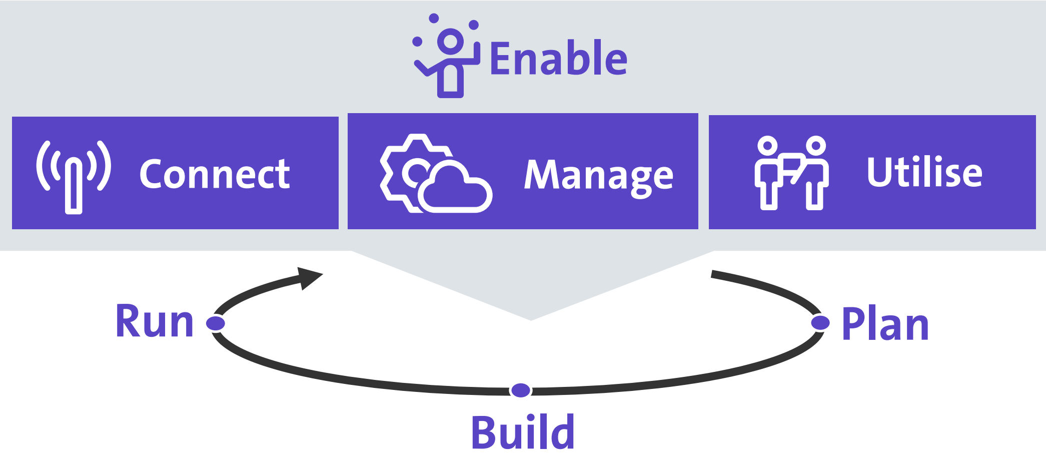
Sample use cases

Health Care: reliable secure coverage

Industry: low latency and full coverage

Construction: high band-width on sites

IoT system solutions



Sample use cases

Health Care: smart tracking and monitoring

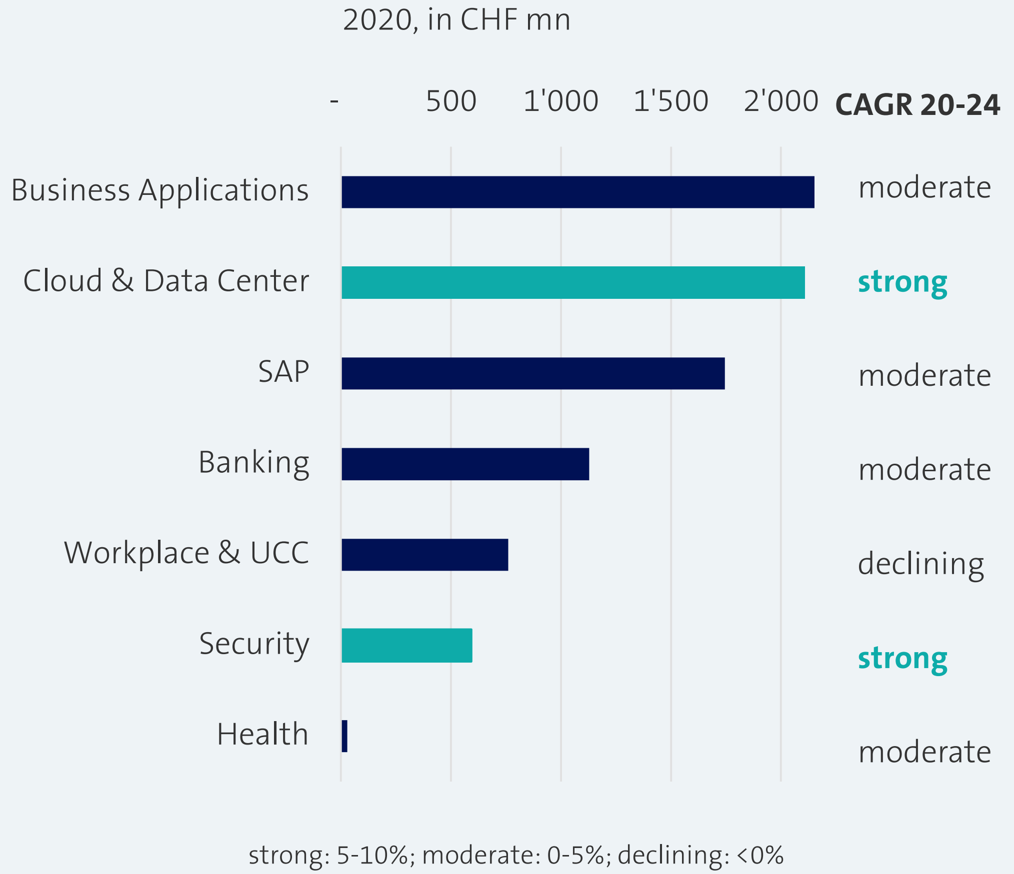
Industry: process digitisation

Buildings: building utilisation

Swisscom participates in a growing IT solutions market in Switzerland

Security, Cloud and Data Center remain fastest growing market segments

Growing ICT market in Switzerland: 8.5bn [1] with CAGR ~4%



1 PAC 2020, addressable market

Market trends

- Increasing dynamics from **international competition**
- **Continuous** workload **shift to the Cloud** and to Cloud-based SaaS [2] applications
- **Security** as primary concern for IT executives
- **Covid-19 a future digitalisation multiplier**, despite temporary delays of investments

Swisscom initiatives (samples)

Hybrid Cloud-based ICT offerings

Managed security services and SOC [3]

Smart ICT for SME

- Ensure **growth in promising areas**
- Consistent **focus on customer needs**
- Establish **convergent offerings**

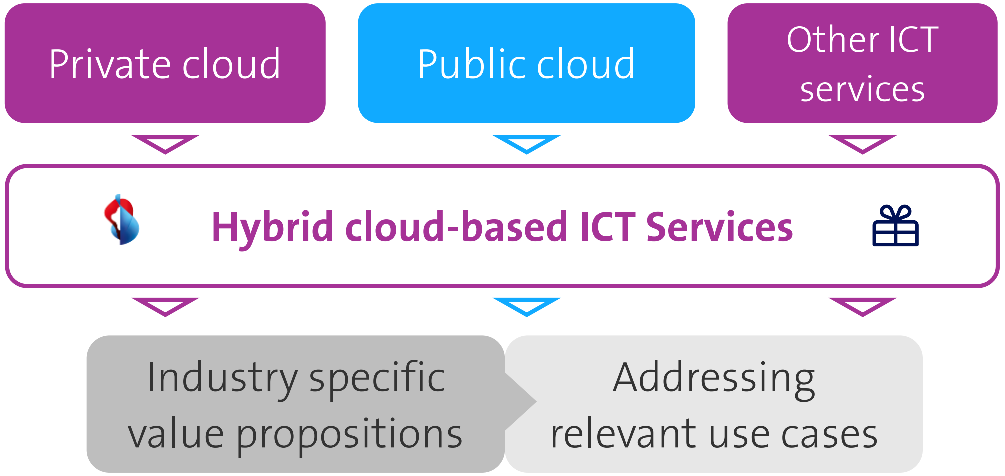
2 Software as a Service, 3 Security Operations Center

Offering E2E customer solutions as key to winning in growing segments

Swisscom as trusted and established IT partner with ability to benefit from market growth

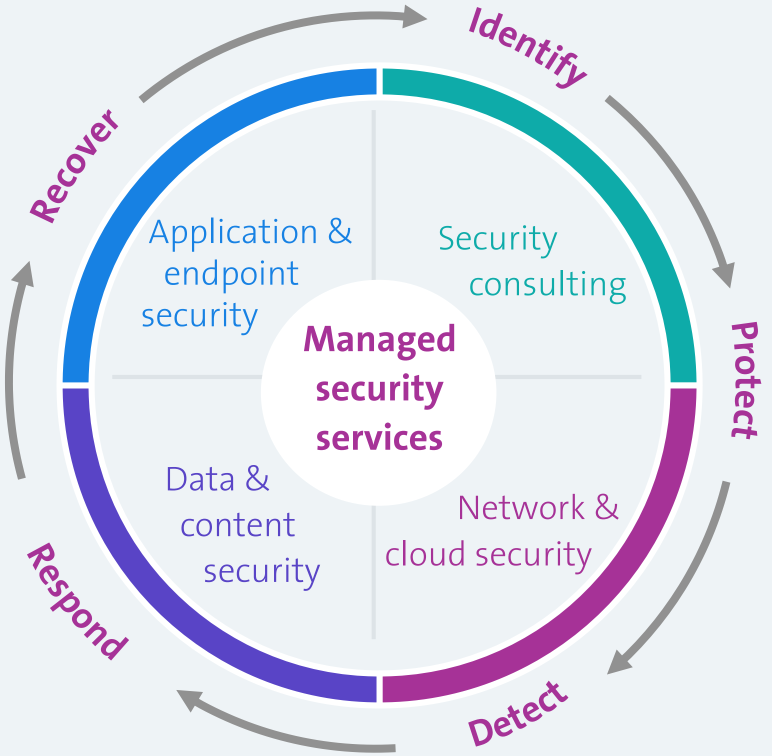
Hybrid cloud solutions with vertical E2E offerings

- Combining Swisscom **private cloud** with strategic **GPC[1] partnerships** for journey to the cloud
- Leveraging **Swisscom customer relationships** and positioning as reliable partner with Swiss market insights



Managed security services & SOC[2]

- Strong and **increasing demand** for MSS[3] due to **increased cyber risk** and **shortage of talents**
- Swisscom with 200+ specialists as trusted Swiss partner, leveraging network and customer insights



1 Global Public Cloud

2 Security Operations Center; 3 Managed Security Services

Lever Swisscom's strong market position in SME

Convergent ICT offering to support digital transformation and increase share of wallet

Smart ICT solutions for SMEs ...

Service management

- IT helpdesk
- Defined on-call and response times
- Personal assistance and on-site support
- IT monitoring and maintenance

Preconfigured IT solution components

- User cloud packages
- Company cloud services
- User hardware packages

... serving all customers needs

- **One-stop shop** with a complete and perfectly tailored package
- **Integrated all-in-one solution from a single source**
- **Customised Cloud outsourcing** depending on customers demand
- **Local support** providing appropriate technical expertise and advice
- **Transparent costs** enabling SMEs to plan their outgoings with no need for own investments

Best B2B service as baseline for Swisscom's value approach

Omnichannel approach to ensure highest customer satisfaction in the Swisscom ecosystem

One B2B customer service

Ensure consistent cross-segment customer experience

Online interaction push

Increase share of online interactions with extended capabilities

#1 NPS

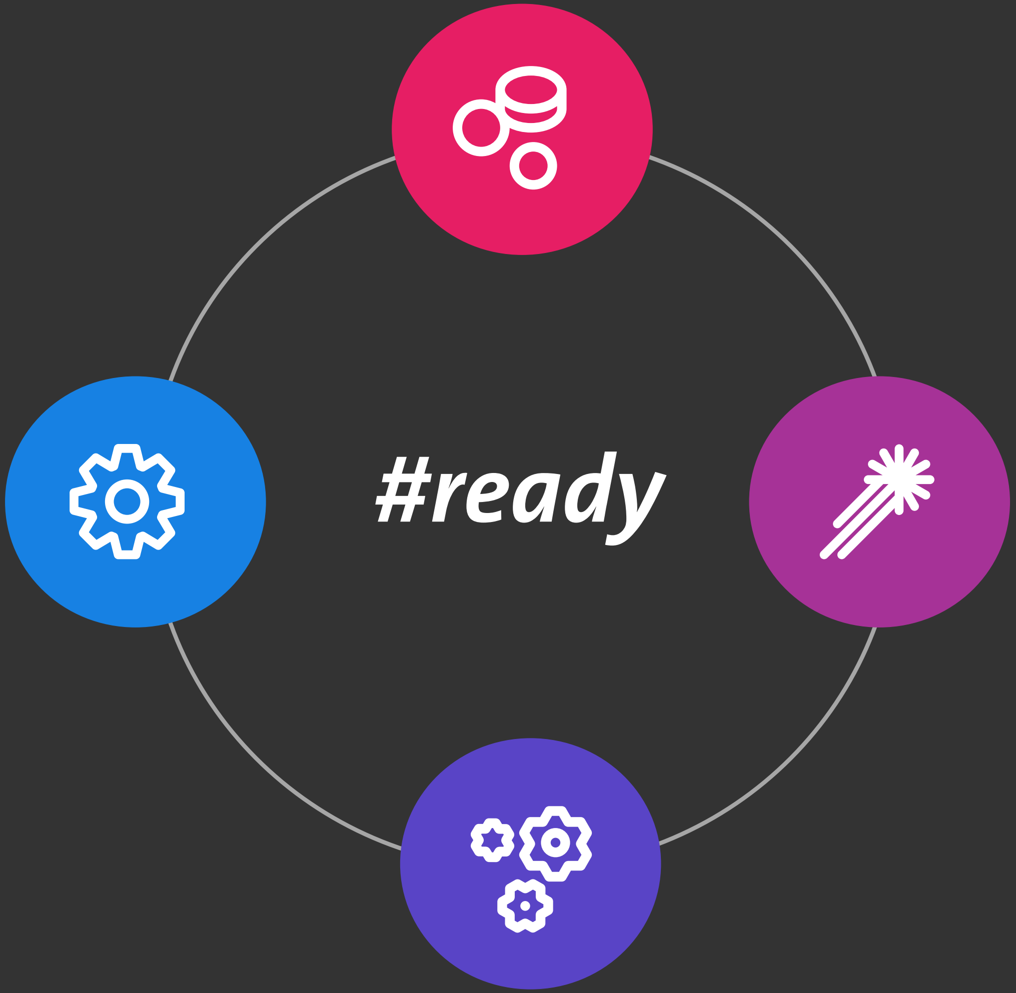
High partner satisfaction

Leverage multiplication effect of partner satisfaction into mid-market

One B2B portal

Unified customer centre for standardised transactions

Operational excellence roadmap to be *#ready* in 2021 and beyond



Cost control essential
Keep high discipline and transformation spirit to realise cost targets

Boost operational efficiency further
Key to remain competitive, reduce complexity and compensate top-line pressure

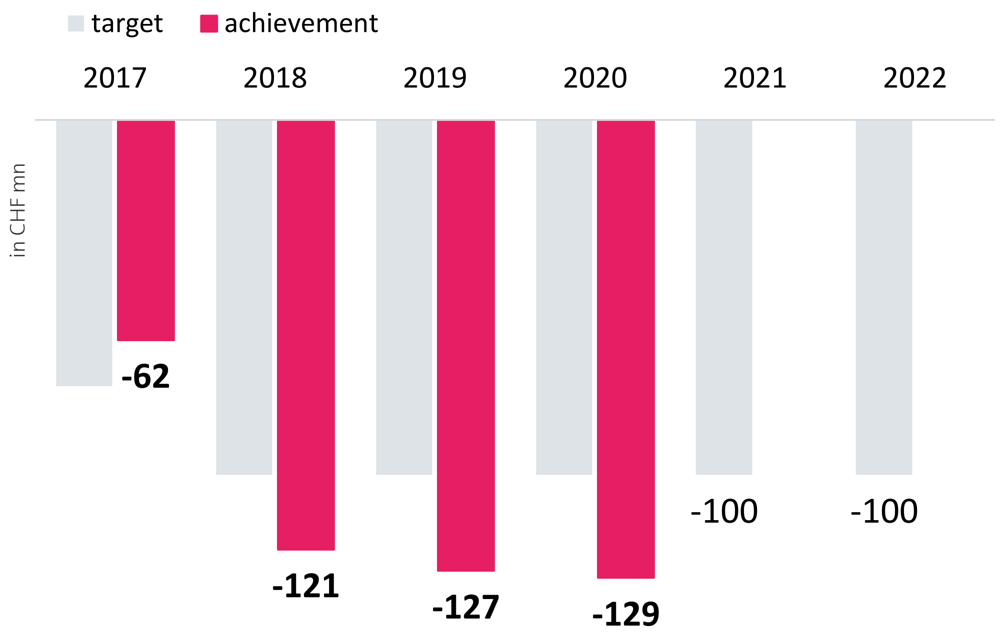
Simplify network and IT architecture
Consolidate platforms and simplify systems to increase efficiency further

Benefit from new ways of working
Move to more agile, collaborative and remote working

Operational excellence as top management priority

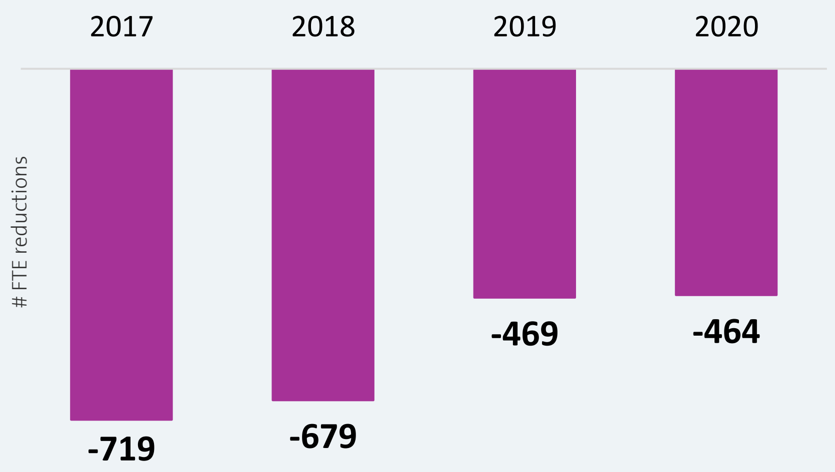
Swisscom lowered indirect cost base in Switzerland by CHF >0.4bn over the last 4 years

Solid track record on (indirect) cost program



- 2020 marks another year outperforming target of CHF 100mn
- Cumulative **net savings of CHF 439mn in 4 years**

Swisscom Switzerland with lower FTE basis



- FTE number of Swisscom Switzerland constantly decreasing
- **At YE 2020, Swisscom Switzerland with 12'591 FTEs**

Way forward with three focus areas ...

... to realise further annual net (indirect cost) savings of CHF ~100mn

Network and IT

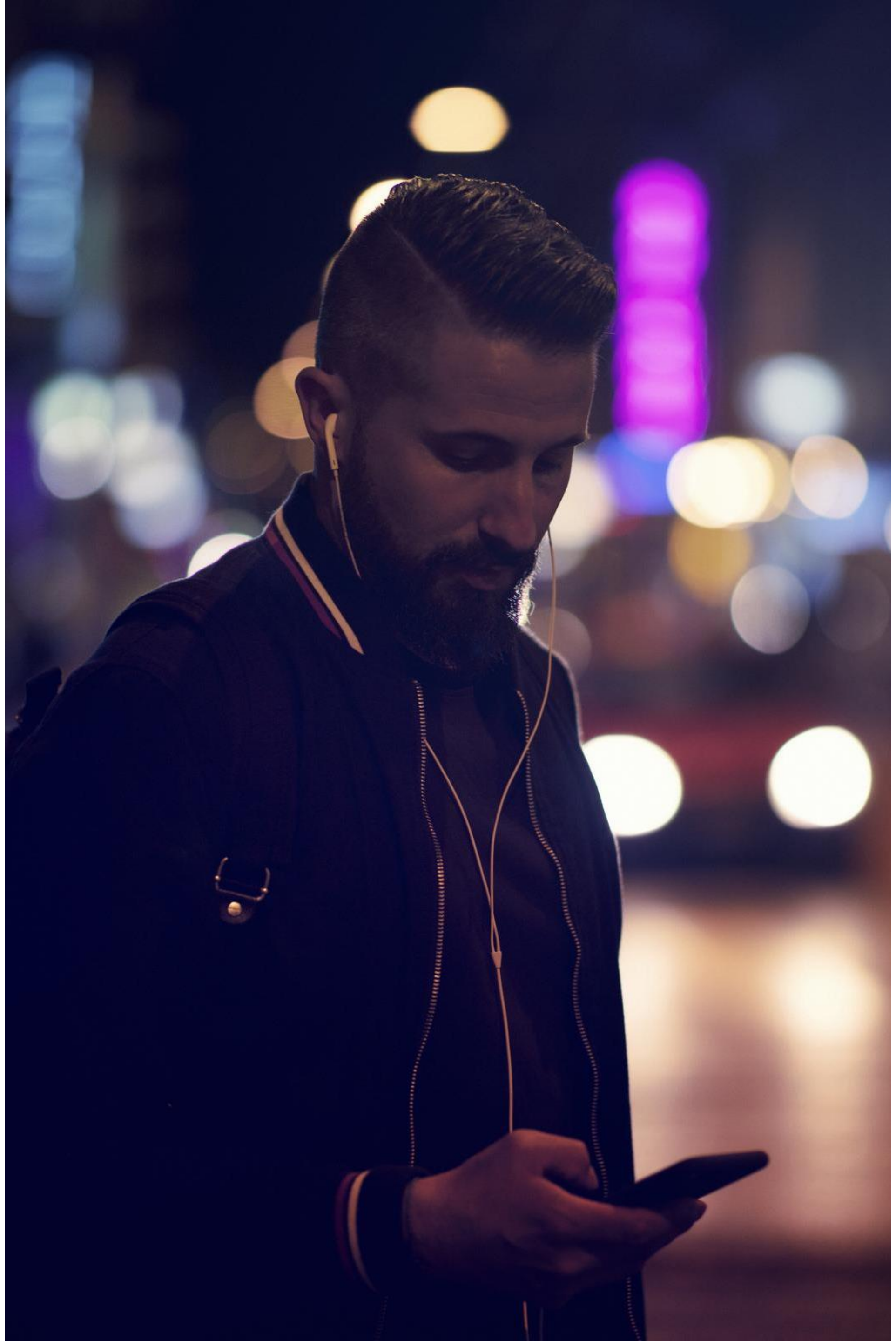
- Simplify infrastructure setup
- Drive efficiency in network and IT ahead
- Push digital transformation
- Future-proof IT framework

Operational efficiency

- Reduce complexity
- Less is more
- Digital customer experience
- FTE management

New ways of working

- Agile workforce
- Collaborative
- Hybrid working models



Fastweb

Alberto Calcagno, CEO Fastweb

Achievements 2020

Strong performance despite a challenging 2020, laying solid foundations to confirm future growth

Distinct commercial and operational performance

- Full year **guidance** achieved
- **Growth** across all business segments
- Further **market share** increase in Enterprise to approx. 34% [1)]
- **NPS** leadership in wireline confirmed

Unique growth story

Over the last 5 years ***Fastweb the only established Italian player to grow*** [2)]

Execution of 'infrastructure-OTT' strategy

UBB infrastructure

- **5G FWA** rollout on track: c. 200 active sites
- **5G mobile** rollout on track: c. 700 active sites
- **FiberCop**: FlashFiber continues and in 2021 FiberCop to take up operations

OTT platform

- Cloud company **Cutaway** merge completed
- **5G FWA service** launched
- **7Layers** purchase of 70% shares completed and strong collaboration implemented

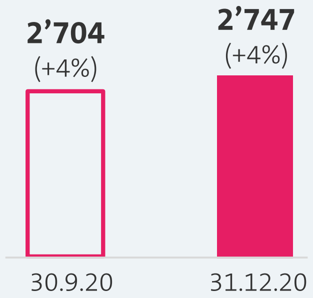
1) Source EY 2020, based on 2019 constant market perimeter 2) Source: Mediobanca, 'The largest Telcos worldwide', Oct 2020

Operational performance 2020

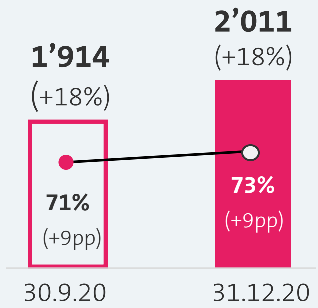
Distinctive commercial approach and effective customer base management are paying off

B2C operational KPIs

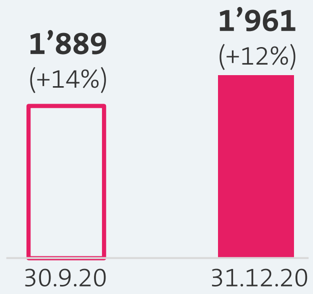
Broadband subs
in k (YOY change)



UBB subs
in k (YOY change)



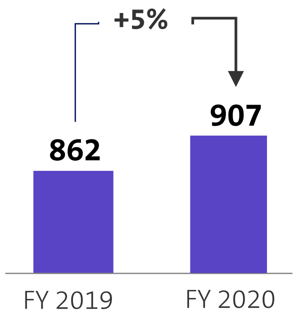
Mobile subs
in k (YOY change)



- Steady YOY BB CB growth of 4%
- +9pp YOY UBB penetration over broadband customer base
- +12% YOY mobile customer base growth
- FMC penetration over wireline customer base at 34%

B2B and Wholesale operational KPIs

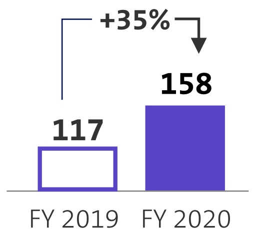
Enterprise Revenues
in EUR mn



- NPS further increasing by 15pp to 79%
- New contracts

Connectivity	ICT /Security

Wholesale UBB lines
in k

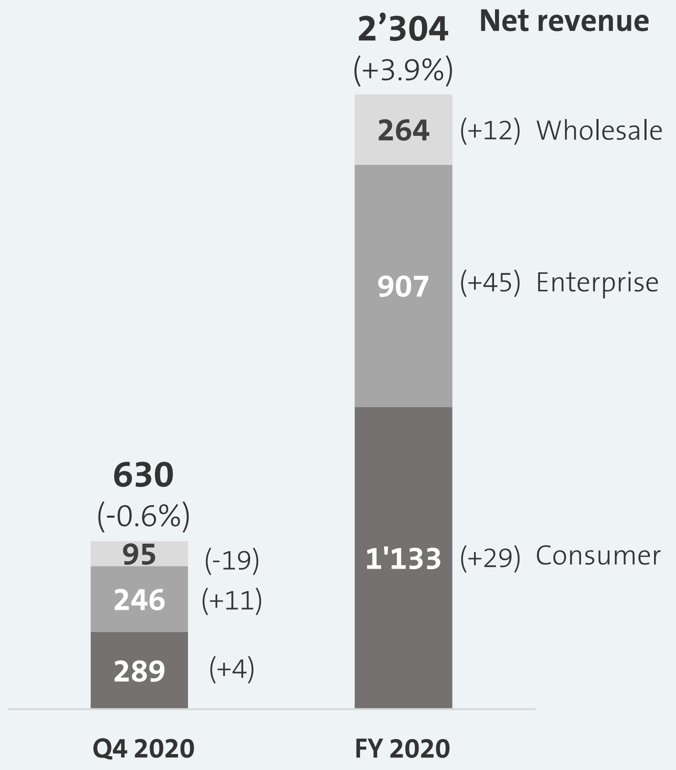


- Wholesale UBB lines +35% YOY driven by execution of new agreements
- Doubling revenues generated by wholesale UBB business

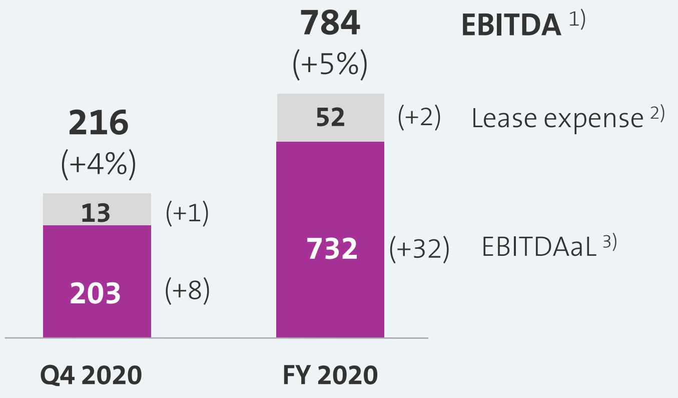
Financial results 2020

FY guidance achieved - Fastweb the only Italian operator steadily growing since years

Net revenue in EUR mn (YOY)

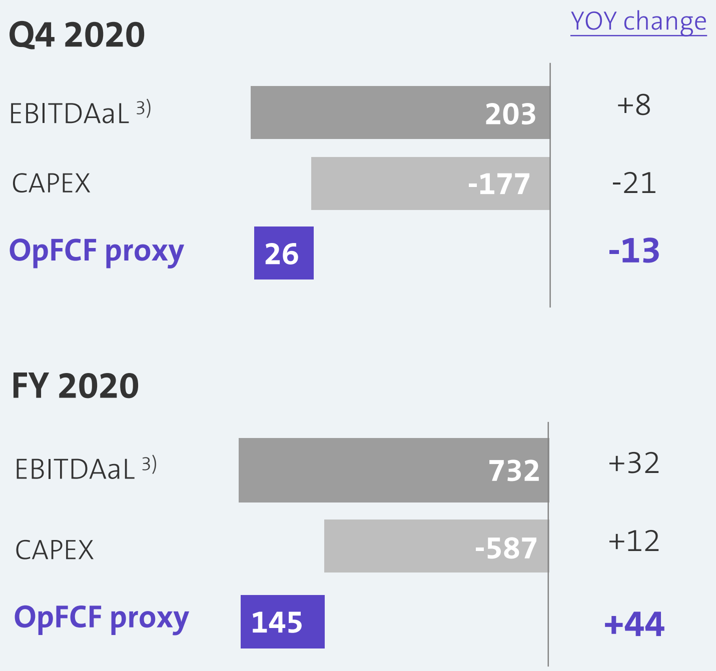


EBITDA in EUR mn (YOY)



- **EBITDAaL** growth confirmed +5% YOY, in line with prior year and FY guidance
- **YoY increase** driven by higher gross margin on all business units

OpFCF proxy in EUR mn (YOY)



- **CAPEX** -2% vs. prior year
- **OpFCF proxy** improving +44mn YOY

1) Reported EBITDA 2) Consists of depreciation right of use assets and interest expense leases 3) EBITDA minus lease expense

Fastweb roadmap to be *#ready* in 2021 and beyond

Provide the best performance everywhere
Leverage 5G FWA, FiberCop and 5G mobile

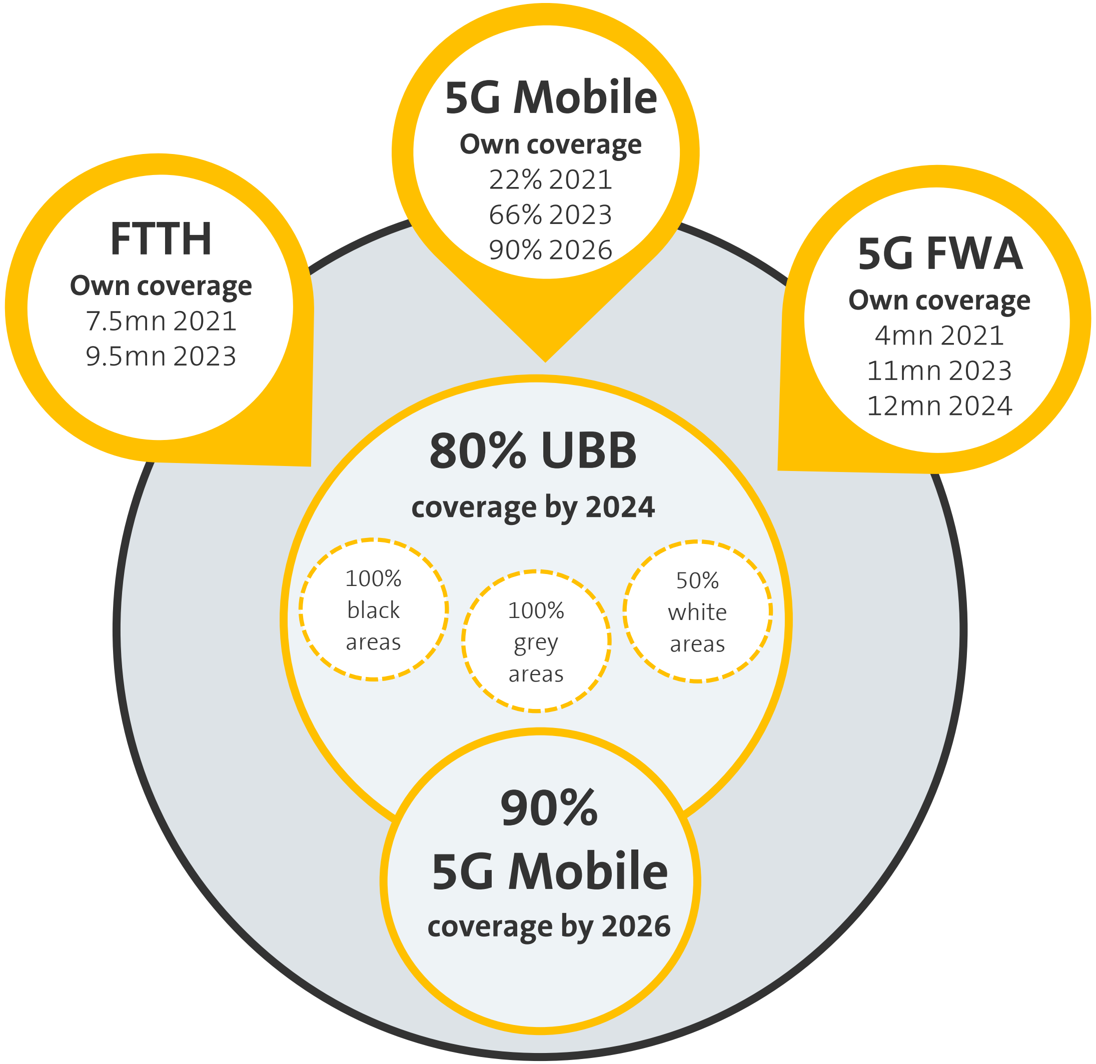
A leading UBB provider in B2C
Enabling unparalleled customer experience to fuel growth

Profit from new opportunities in B2B
Tapping into new opportunities to extend share of wallet of established CB

Boost Wholesale business
Accelerate UBB volume business and further growth in core services

Provide the best network performance everywhere

#ready to deploy the largest UBB footprint in Italy



- **Self-financed deployment**
- **Stable CAPEX envelope of approx. EUR 600mn over time with different wireline/mobile mix** [1)]

  90/10 in 2020 -> 60/40 in 2025
- **80% of Fastweb customers connected through a UBB service in 2021**

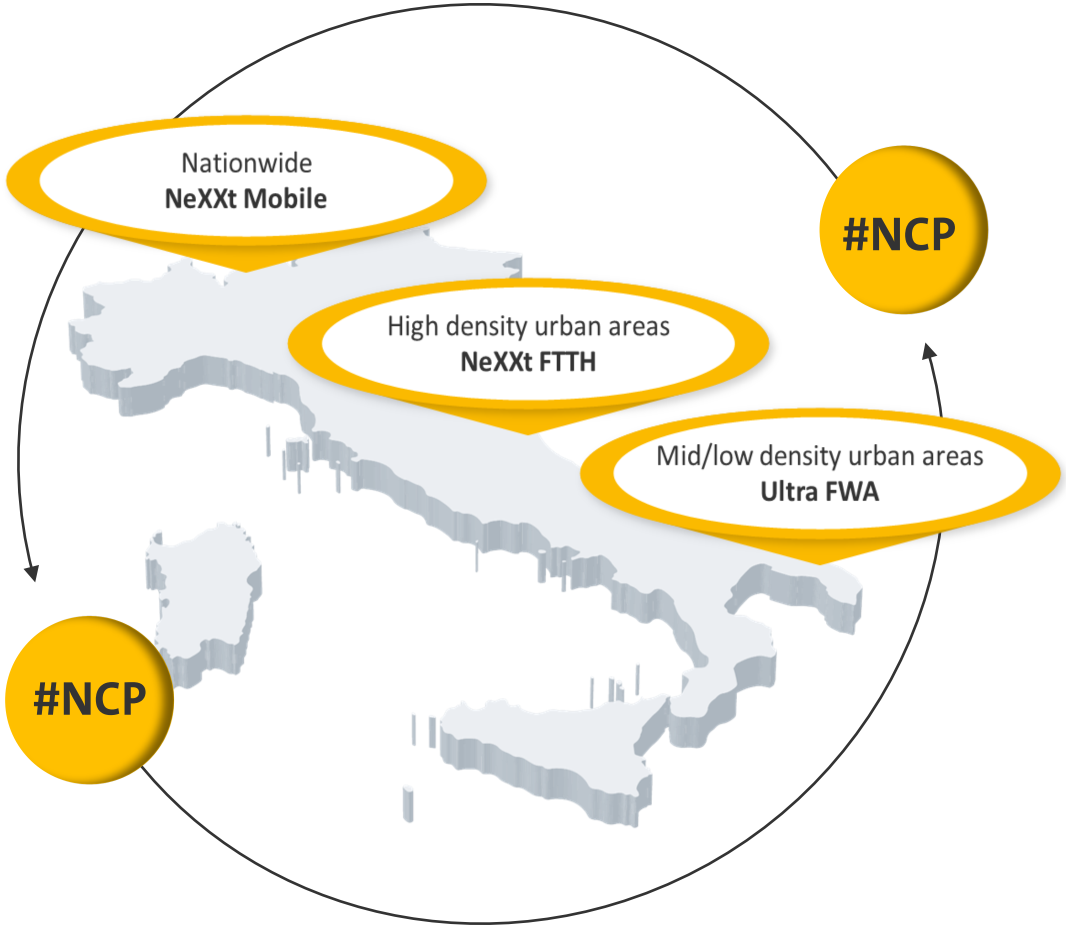
1) 100 = Infrastructure CAPEX

'NeXXt generation 2025' initiative to cement UBB leadership

#ready to differentiate in B2C

Fastweb with a new market approach

- **Addressing all customer needs in wireline, mobile and convergence**
- **Leveraging the power of Fastweb infrastructure**



Launch of several services in 2021 to build new competitive advantages

#ready to stimulate growth in B2C

NeXXt Mobile

5G

- Launching 5G mobile service in **top cities and progressively nationwide**

NeXXt FTTH

2.5Gbps

- The first provider to **more-than-double FTTH speed**
- From 1Gbps per family to **1Gbps per person**

Available to 4mn HHs
in 30 cities

Ultra FWA

Up to 1 Gbps

5G

- Today only 20% of Italian families with 1Gbps connectivity
- The 1st provider to **bring real UBB service in mid/low density areas**

50 cities 2020 | **500 cities** 2021 | **2k cities** 2024

- The first service enabling **a truly 'OTT' customer experience**

One click onboard | **One day** activation | **Fully digital** cust. care

#NCP

Offering maximum transparency and simplicity to old and new customers

No extra charges | **No** hidden costs | **No** migration costs | **No** contract obligation

Benefit from new opportunities in B2B

#ready to push on ICT/Security VAS and to open a new frontier of growth with 5G mobile service

FASTWEB

Uniquely positioned to leverage existing assets/capabilities in B2B to increase share of wallet

Unparalleled wireline CB
(c. 34% overall market share[1]), 43% market share in PA, 33/40 FTSE MIB companies served by Fastweb)

Strong legitimacy
Highest NPS in the market

500+ professionals
Dedicated to Enterprise/PAs

ICT and Security VAS

Cutaway

7 LAYERS

Enhanced capability to address higher volumes of opportunities/lower dependency from 3rd parties/scalability of service platforms

VAS orderbook: from >50% to c. 70% in mid-term

The Enterprise mobile market

EUR 1.0bn
(voice/data) [2)]

Growing market

Oligopolistic situation with two leading players

Experiencing new usages enabled by 5G

Open up a new frontier of growth within easy reach for Fastweb, service launch end 2021, 10% market share target long term

1) Source EY 2020, market share includes voice, data and VAS/ICT addressed by Telco's 2) Excluding M2M

Boost wholesale business

#ready to accelerate UBB volume business and further grow in core services

Already a leading provider in the wholesale B2B market

EUR ~260mn revenues

15% market share 1)

Backhauling to >10k BTS
o/w +2.0k in 2020

Access platform

FASTWEB
TIM
open fiber

- Own FTTH/S
- National business infra
- FWA
- VULA
- Active/Passive infra
- Active/Passive GPON

One-stop-shop strategy

Single access platform to all national infrastructures (Fastweb/TIM/OF) allowing economies of scale and cost reduction

Push on short term opportunities and get ready for new mid-term growth drivers

Scale-up UBB volume business
Target 0.4mn CB in 2021

Scale-up backhauling business
Target 2k BTS in 2021

Tap in in the MVNO market
Target to launch mobile wholesale service in 2022

1) Data services only, internal estimates

Wrap-up and guidance

#ready to grow likewise in 2021

On track to deploy the largest proprietary UBB footprint in Italy and to provide the best performance everywhere

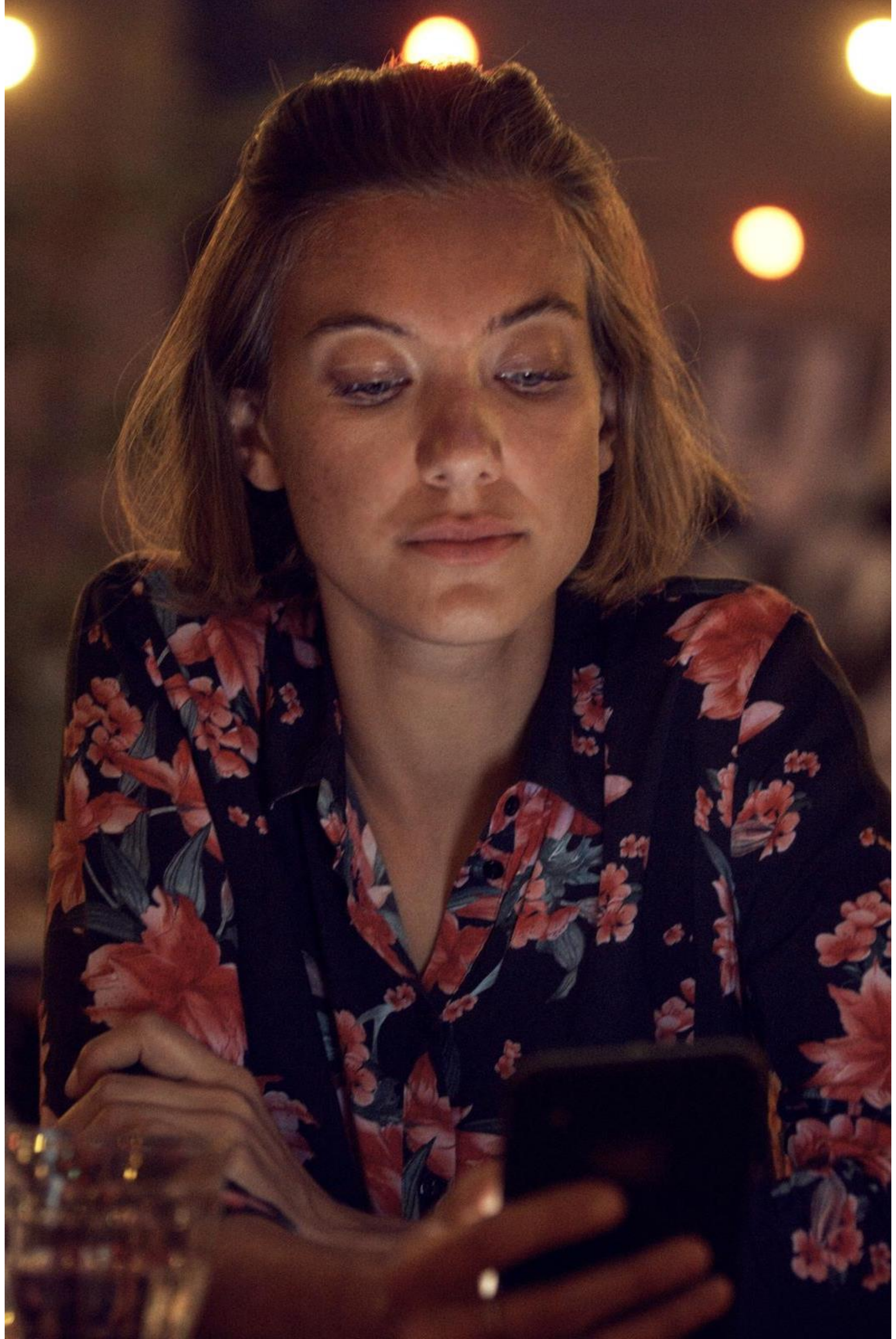
Expanding in ICT and launching 5G mobile to stimulate further growth in B2B

Launching a unique B2C proposition to support further growth and to fend off increasing competition in wireline

Further boost wholesale business

Guidance 2021

- Revenues +5% YOY
- EBITDAaL +5% YOY
- CAPEX stable

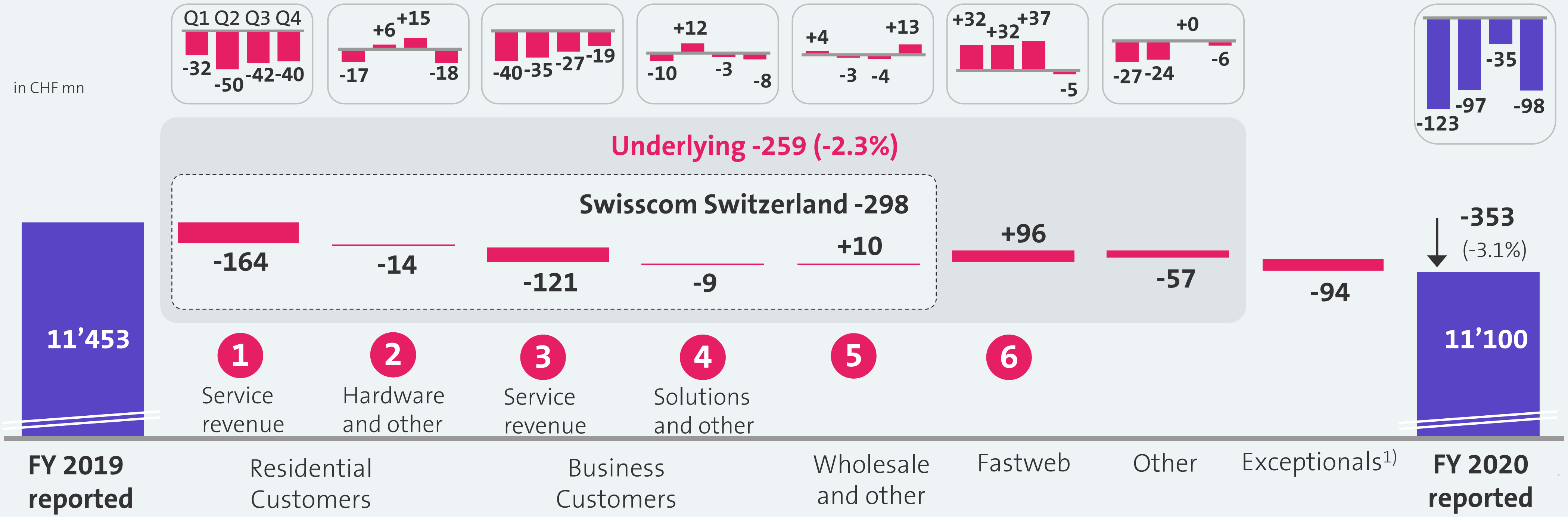


Group financials

Mario Rossi, CFO Swisscom

Group revenue and changes by segments

Top-line evolution (with Swisscom Switzerland down and Fastweb up) in line with original guidance



1. High promotional activity and ongoing brand shift led to pressure on service revenue. Acceleration after Q1 mainly due to roaming (12m CHF -28mn) primarily due to Covid-19
2. Q2-Q3 with softer IFRS15 revenue adjustments and Q4 with lower hardware sales and entertainment revenue
3. Q4 with lower price pressure and higher traffic volume. Lower roaming revenue (12m CHF -36mn) primarily due to Covid-19
4. Solutions with revenue growth CHF +9mn (mostly Cloud services) but overcompensated by lower hardware sales
5. Increase in MVNO and UBB services partly compensated by lower inbound roaming (12m CHF -25mn) driven by Covid-19
6. FY positive, Q4 impacted by extraordinary wholesale contributions in 2019

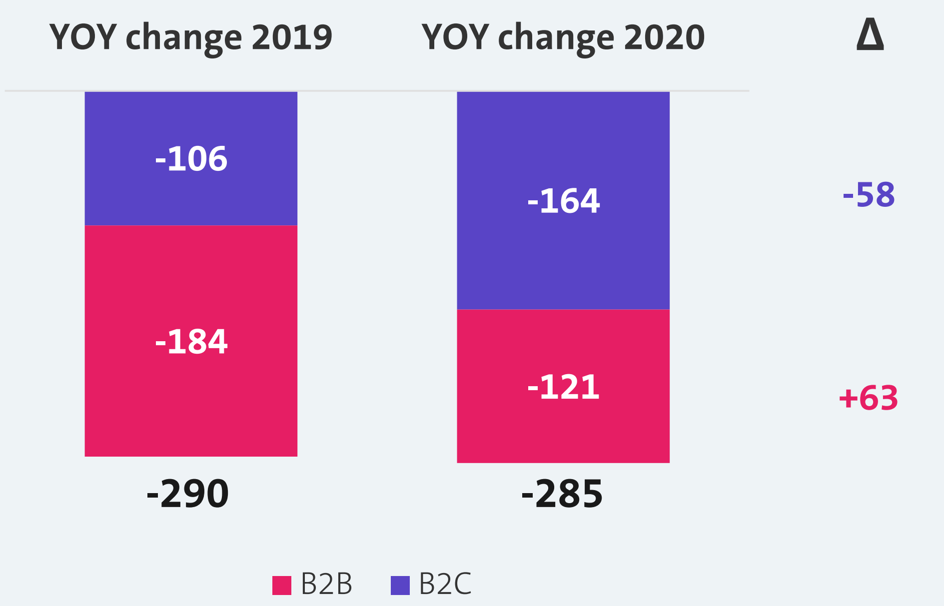
1) Consists of currency impacts (CHF -94mn)

Service revenue development

Overall trend unchanged but with different segmental dynamics

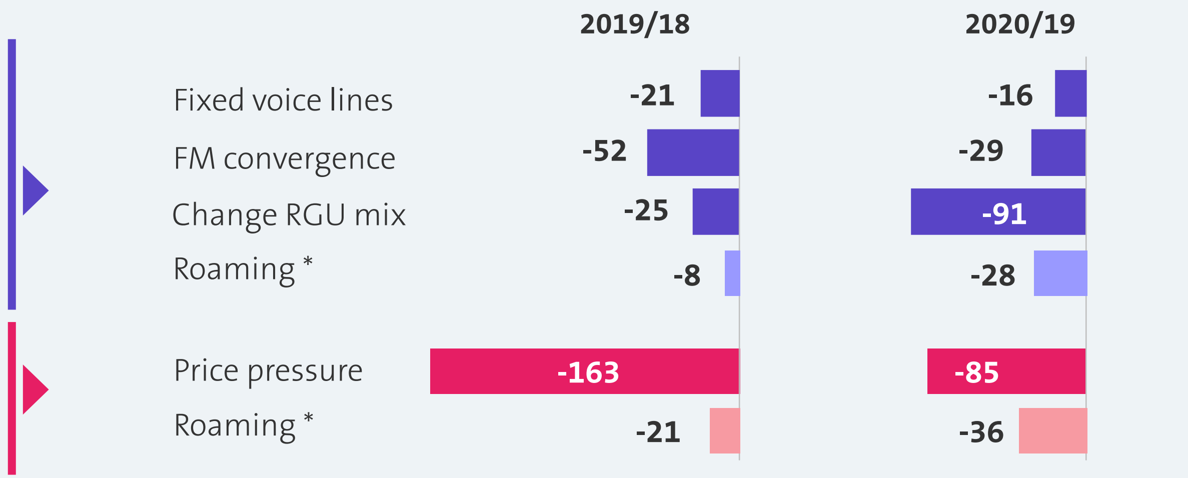
Service revenue development ...

in CHF mn (YOY)



... with different dynamics

in CHF mn (YOY)

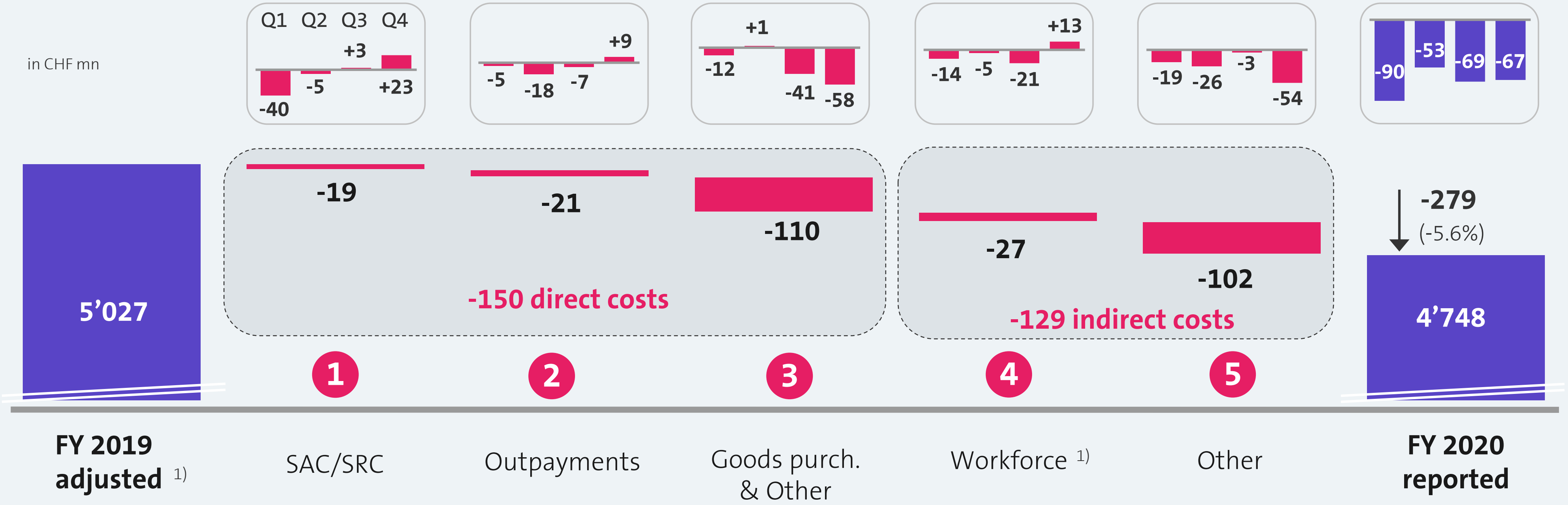


* change in dynamics primarily due to Covid-19

- Competitive pressure in B2C up due to higher price sensitivity and promotional intensity, B2B with softer price pressure in 2020
- Short-term no trend reversal expected

OPEX Swisscom Switzerland

Operational excellence initiatives with expected impacts lowering indirect costs on a recurring basis

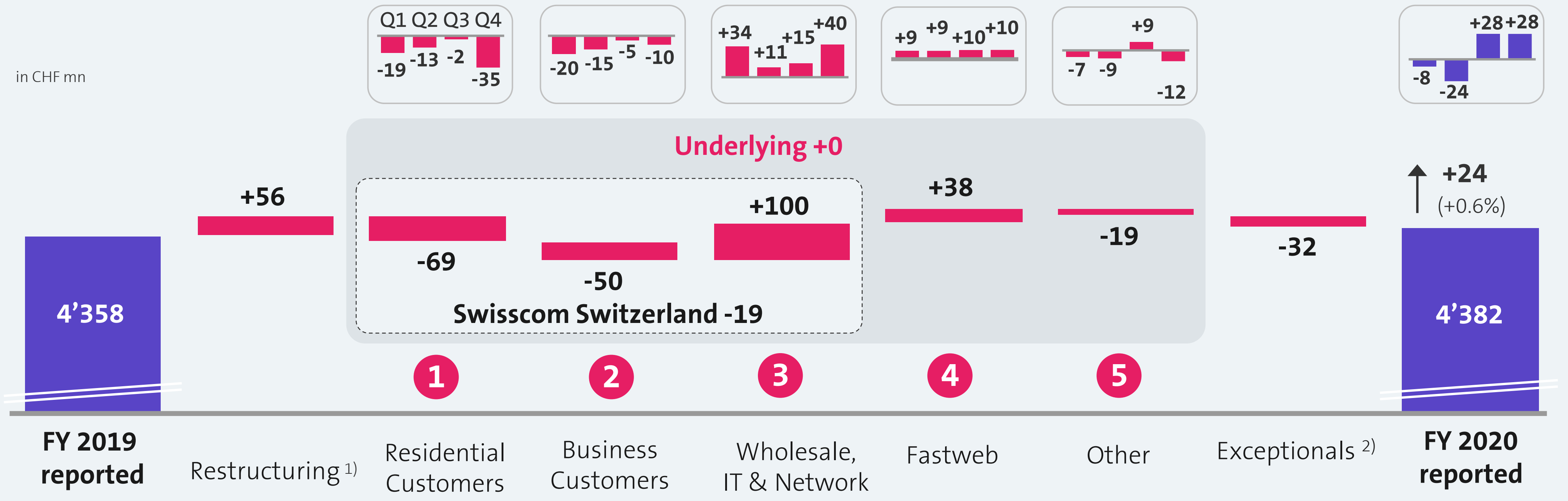


1. Q1 with lower retention and acquisition costs primarily in wireless, Q4 up due to exchange of former generation of TV boxes
2. Mostly impacted by lower roaming outpayments (driven by Covid-19), Q4 up due to higher national interconnection volume
3. Q4 with lower purchase cost alongside with lower hardware sales, lower handset repair cost and less stock adjustments
4. Operational excellence leads to an FTE reduction at Swisscom Switzerland of -464 YOY
5. Q4 with lower costs for marketing and customer projects in B2B

1) excluding restructuring cost of CHF 62mn (Q4-2019)

Group EBITDA and changes by segments

Satisfying underlying results thanks to strong cost management in Switzerland and growing Fastweb



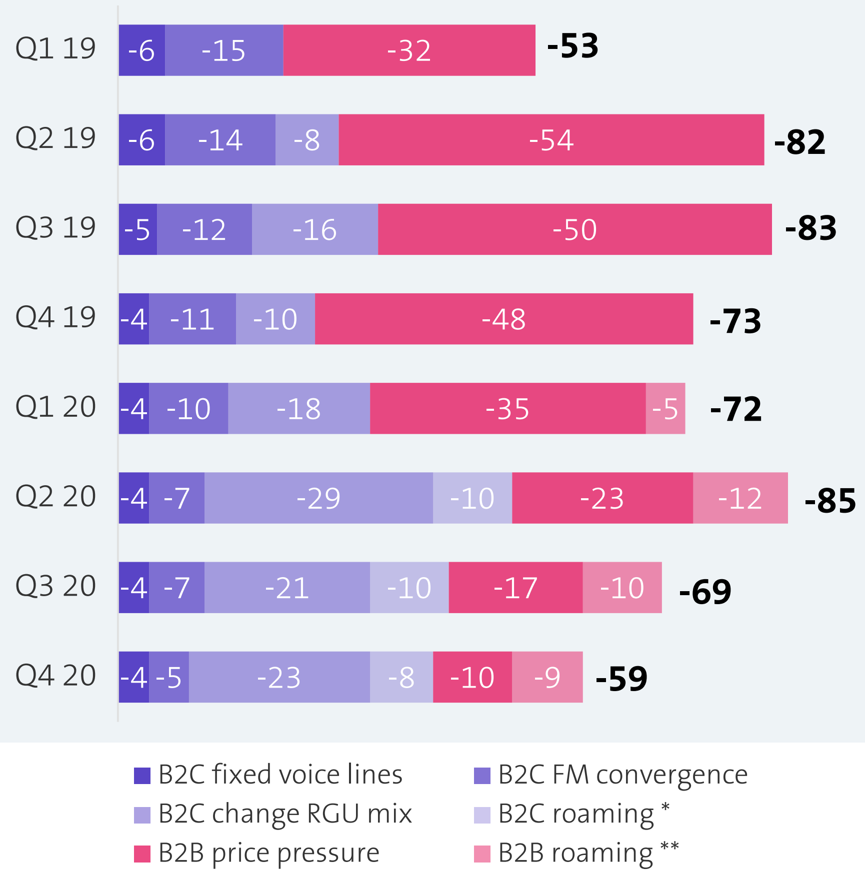
1. Q3 with improved result due to lower OPEX for sport events (Covid-19), Q4 impacted by higher SAC/SRC
2. Softer price pressure and continuous management of cost base influenced also Q4 positively
3. Increase is supported by lower cost for IT and support functions. Q2 and Q3 weaker due to lower roaming inbound revenue (Covid-19). Q4 with higher cost savings YOY
4. Steady increase throughout the year
5. Q4 impacted by higher intercompany profit elimination and higher pension cost (non-cash)

1) Restructuring Swisscom Switzerland (CHF 62mn) and Other segments (release of CHF -6mn)
2) Consists of currency impacts (CHF -32mn)

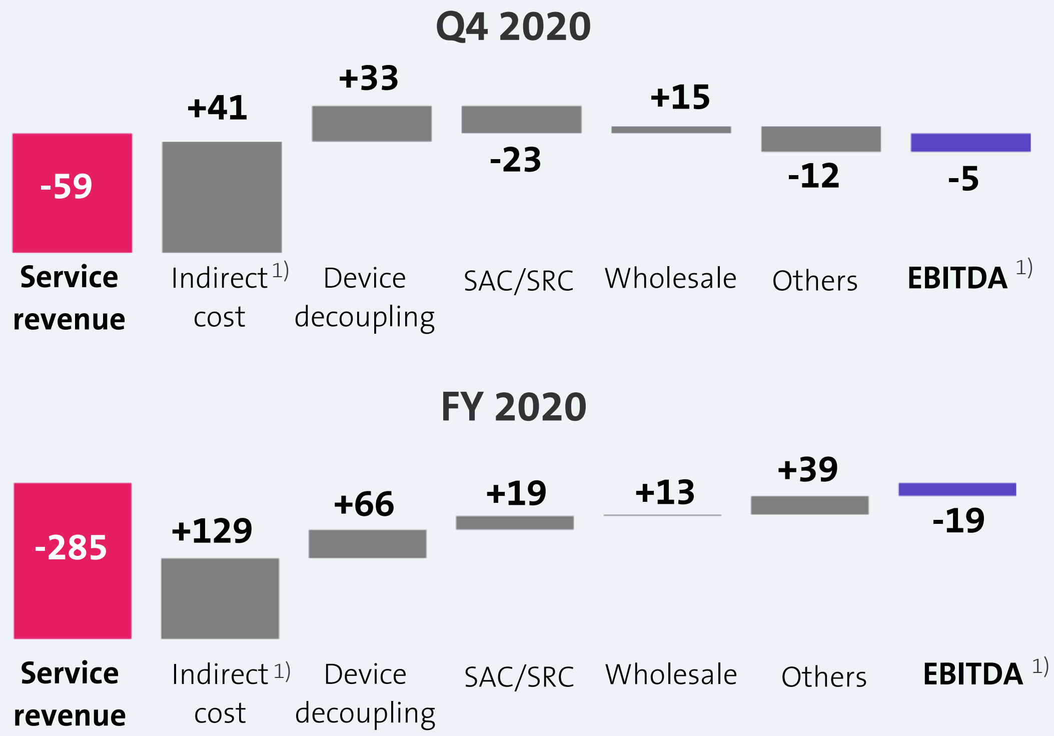
EBITDA dynamics of Swisscom Switzerland

Covid-19 with some service revenue but nil margin impact. FY EBITDA slightly better than expected

Service revenue evolution YOY changes in CHF mn



EBITDA dynamics YOY changes in CHF mn

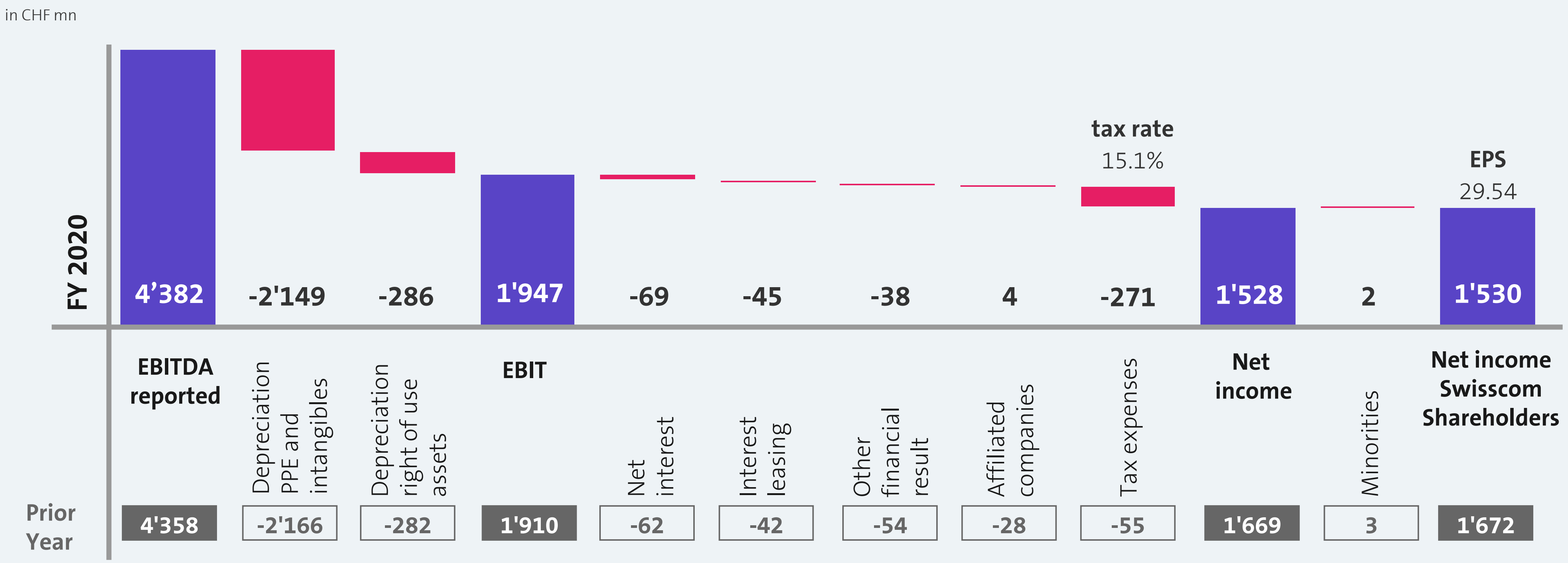


* B2C with FY impact of CHF -28mn, t/o Covid-19 CHF -18mn
** B2B with FY impact of CHF -36mn, t/o Covid-19 CHF -24mn

1) Excluding restructuring cost (CHF 62mn in 2019)

Net income

Net income impacted by higher tax expenses due to deferred tax liability adjustments in prior year



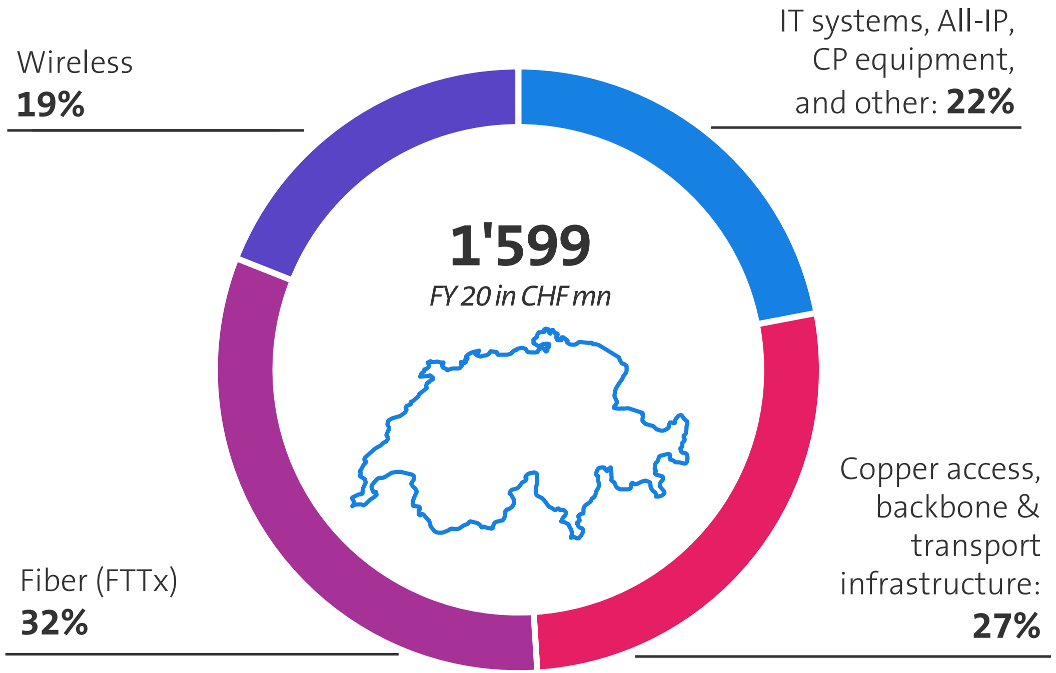
- Swisscom expects a long-term corporate tax rate of 19%

Capital expenditures

Continuous investments in high quality network

	Q4 2020	FY 2020
Group CAPEX 1)	CHF **597**mn (-1.3% YOY)	CHF **2'229**mn (-0.6% YOY)
Swisscom Switzerland 1)	CHF **413**mn (-5.5% YOY)	CHF **1'599**mn (+2.2% YOY)
Fastweb 2)	CHF **190**mn (+10.5% YOY)	CHF **629**mn (-5.7% YOY)
Other	CHF **-6**mn (Q4 19: CHF -4mn)	CHF **1**mn (FY 19: CHF 10mn)

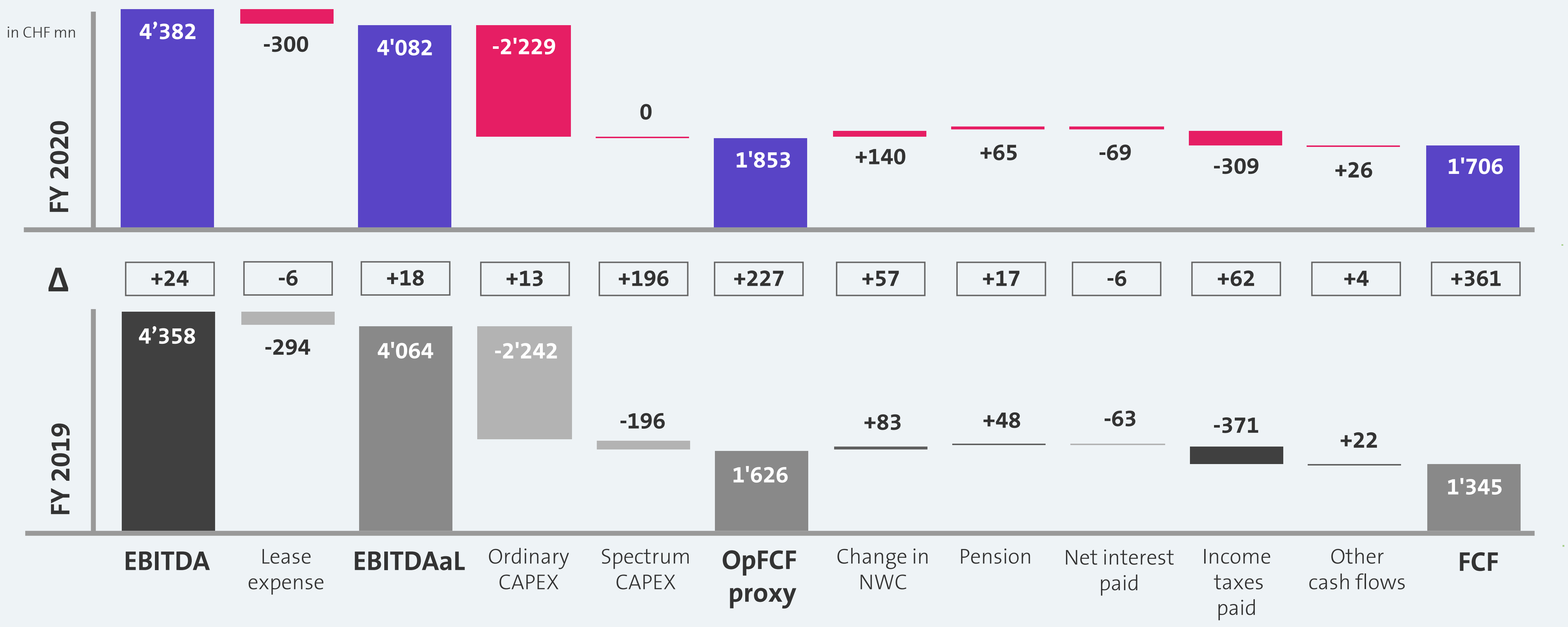
1) Excluding prior year spectrum CAPEX of CHF 196mn
2) In local currency in Q4 2019: EUR 156mn, in Q4 2020: EUR 177mn, FY 2019: EUR 599mn, in FY 2020: EUR 587mn



- FTTx rollout and upgrading of mobile network in Switzerland, slightly higher compared to prior year
- Ongoing investments in network infrastructure keep Fastweb's CAPEX on a high level, but lower compared to previous year

Free cash flow

Reported FCF up by CHF +361mn, excluding spectrum CAPEX up by CHF +165mn

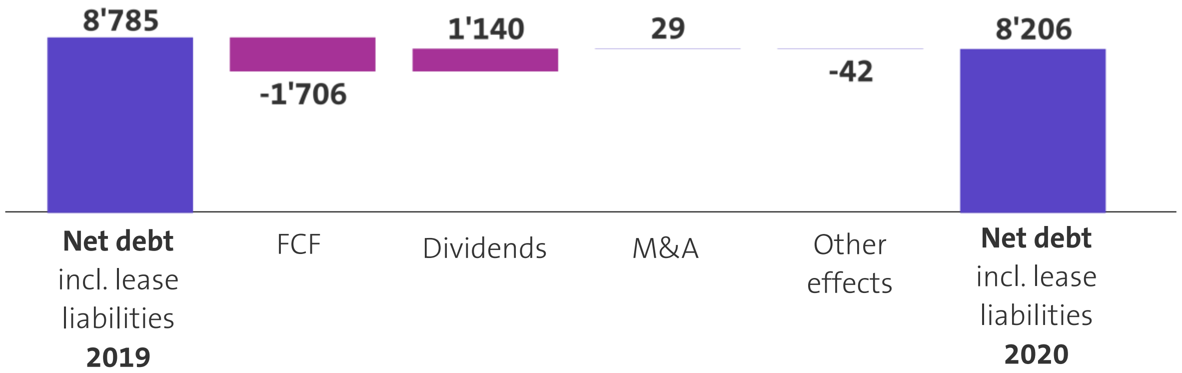


- FCF excluding spectrum CAPEX higher than prior year driven by lower income taxes paid and change in NWC

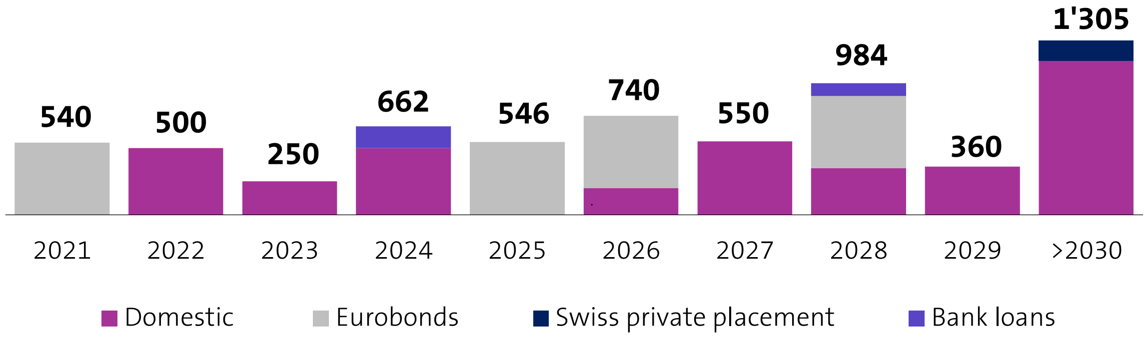
Swisscom committed to sound financial profile

Well balanced and diversified maturity profile

Net debt development (in CHF mn)



Debt maturity profile as per YE 2020 [1)]

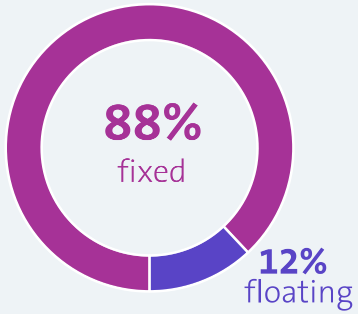


1) excl. short-term money market borrowings

Leverage
1.9x
1.5x IFRS16 adjusted

Ratings
S&P: **A Stable**
Moody's: **A2 Stable**

Debt mix



- Ø interest rate of **0.9%**
- Debt portfolio **duration** of **5.82 years**
- **CHF 2bn** (unused) **committed credit lines**

Guidance FY 2021

Net revenue of CHF ~11.1bn, EBITDA of CHF ~4.3bn and CAPEX of CHF ~2.3bn

in CHF mn	2020 reported	Expected YOY change Swisscom w/o Fastweb	Expected YOY change Fastweb in EUR mn	2021 outlook [2]	Splits into:
Revenue	**11'100**	**< 0**	**> 0**	**~11'100**	CHF ~8.5bn for Swisscom w/o Fastweb + EUR ~2.4bn for Fastweb
EBITDA [1]	**4'382**	**< 0**	**> 0**	**~4'300**	CHF ~3.4bn for Swisscom w/o Fastweb + EUR ~0.8bn for Fastweb
CAPEX	**2'229**	**> 0**	**0**	**~2'300**	CHF >1.6bn for Swisscom w/o Fastweb + EUR ~0.6bn for Fastweb

Upon meeting its targets, Swisscom plans to propose
again a dividend of CHF 22/share (payable in 2022)

1 EBITDAaL 2021 outlook for Swisscom: CHF ~4.0bn
2 For consolidation purposes, CHF/EUR of 1.07 has been used (vs. 1.07 for fiscal year 2020)

Wrap-up

Urs Schaeppi, CEO Swisscom

Thank you Mario and welcome Eugen

New Swisscom CFO from March 1st, 2021

Mario Rossi (1960)

- More than 22 years in different management functions at Swisscom
- **Swisscom CFO since 2013**
- Stepping down as per end of February 2021
- **Thank you Mario** and the very best for your future

Eugen Stermetz (1972)

- 25 years of management experience
- **Since 2012 in senior financial roles at Swisscom**, among others heading M&A and Treasury
- Prior to Swisscom, CFO in IT and biotech/pharma and management consultant at BCG
- **Welcome Eugen as Swisscom CFO** and member of the group executive board **from 1 March 2021**

Final remarks

#ready for 2021 and beyond

Deliver on leading position in Switzerland outperforming in network, sales and service

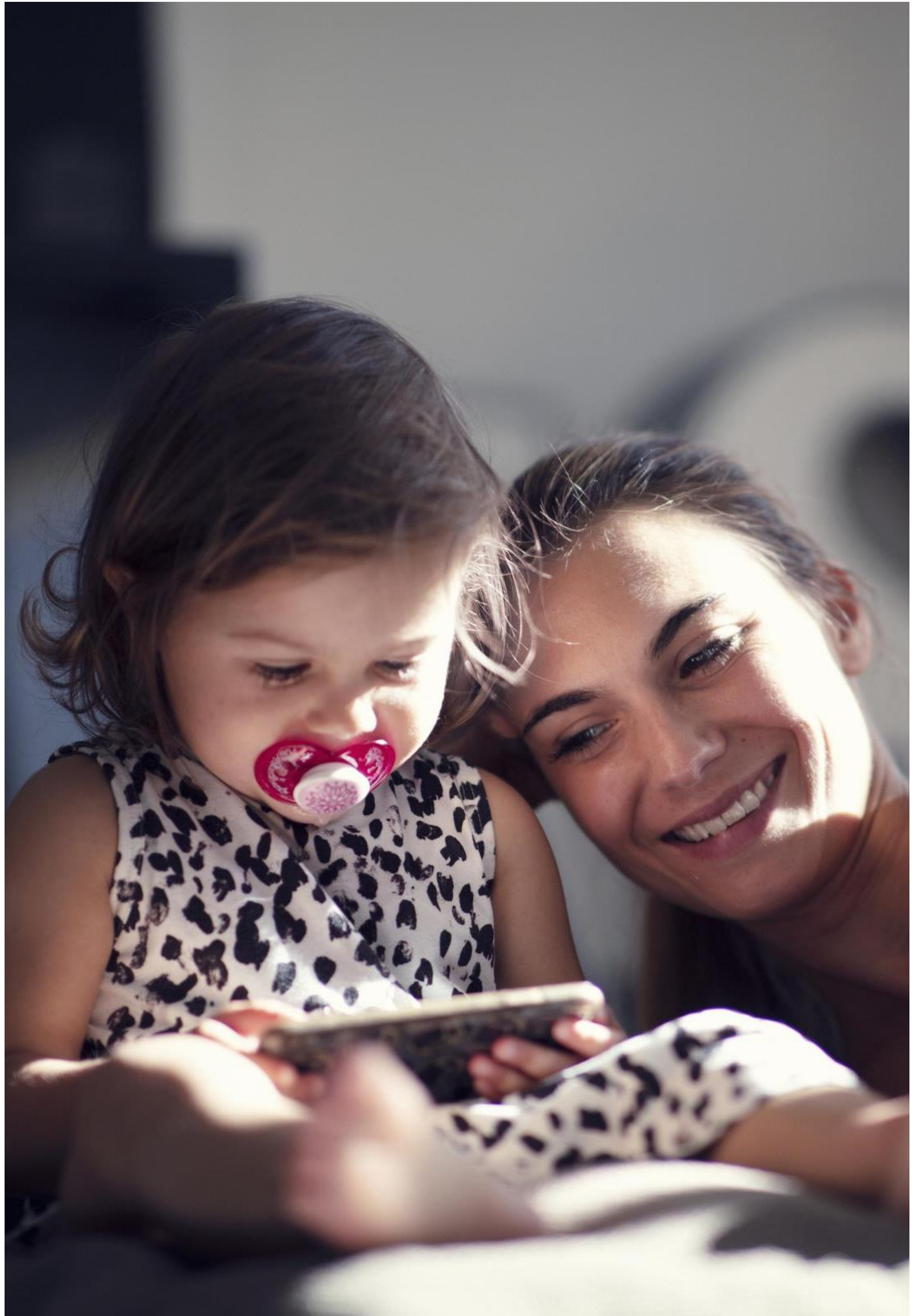
Strong commitment to **operational excellence**

Enable a **predictable shareholder remuneration**

Push Fastweb in its next chapter of growth

Execute new **growth ambitions**

Q&A



Appendix

Swisscom strategy with proven pillar 'best customer experience'

Cement premium brand positioning with inspiring products & services on leading infrastructure in Switzerland

#Key beliefs

Best infrastructure

- Extend network leadership by rolling-out fibre and 5G
- Maximise (indoor) coverage
- Reliability and security key

Best service

- Further expand NPS lead by pushing personalised local and digital services
- Foster multi-touchpoint experience

Innovative products

- Reinforce FMC offerings
- Push smart life services
- Drive entertainment further
- Develop 5G Campus and Edge Cloud Solutions

Swisscom strategy with proven pillar 'operational excellence'

Reduce complexity, drive digitisation and be #ready for a more agile business environment

#Key beliefs

Efficient operations

- Simplicity essential – for channels, portfolios and processes
- Enhance agile operating model
- Platform consolidations
- Smart E2E operations

Digital transformation

- Online first
- Process automation
- Maximise business support

Smart investments

- Lean portfolio management
- Reduction in unit costs
- Increase building capacity
- Global sourcing with international delivery partners

Swisscom strategy with proven pillar 'new growth in Switzerland'

Maximise core business, grow in IT and adjacent businesses along a clear path

#Key beliefs

Core business

- Grow with 2nd and 3rd brands to defend leading market shares
- Stimulate growth with entertainment and smart products
- Drive VAS to the next level

IT business

- Penetrate the SME market with smart ICT
- Grow Solutions business with cloud, security, IoT, consulting and banking services

Focused growth in adjacent businesses

- Fintech
- Trust services
- Directory and marketing services for SMEs
- Venturing

Swisscom strategy with proven pillar 'Fastweb'

Trusted infrastructure-OTT player with strong UBB and 5G footprint

#Key beliefs

Position

- Market share growth
- Increase own UBB footprint with 5G mobile and 5G FWA

Products

- 'NeXXt generation 2025' initiative in B2C
- Launch of mobile Enterprise offerings

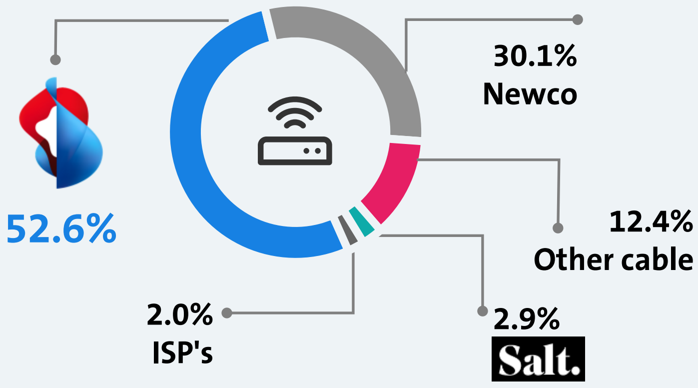
ICT & wholesale

- Benefit from scale in UBB business
- ICT, Cloud & Security
- Push backhauling business

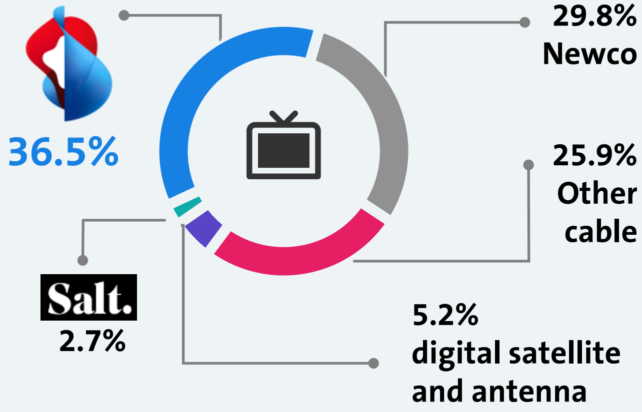
Market shares

Stable position in Switzerland, strengthened in Italy

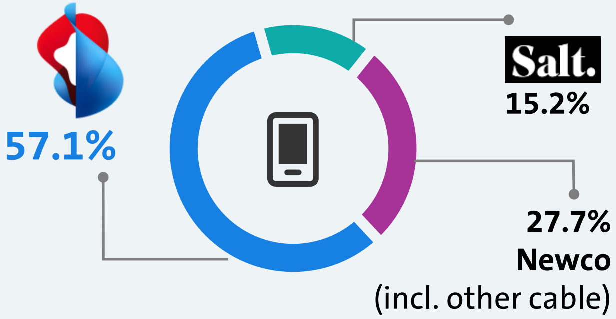
Broadband



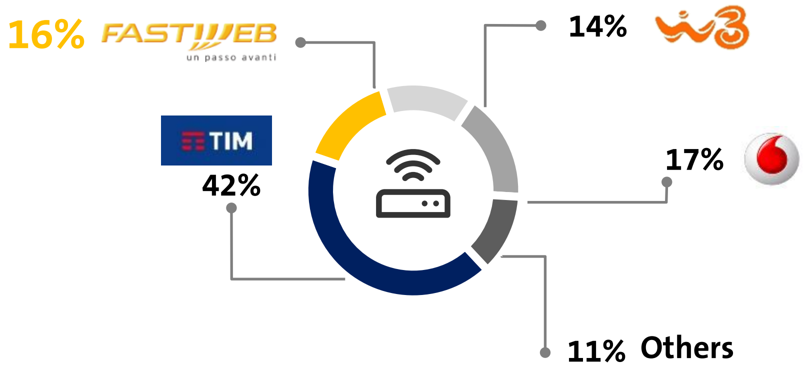
TV



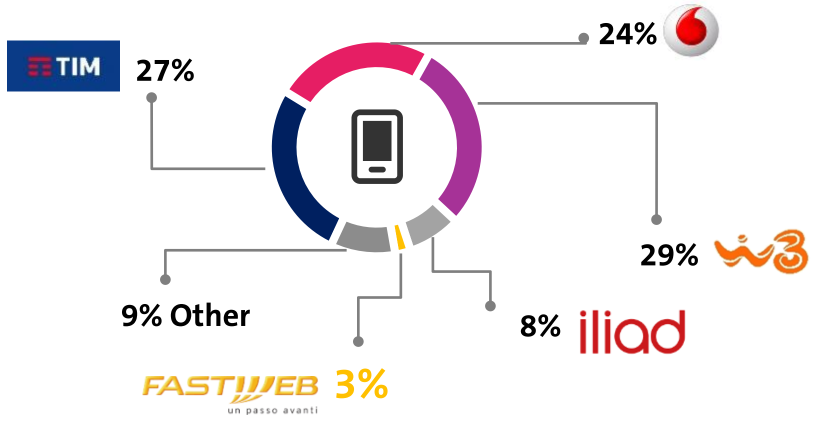
Postpaid



Broadband



Mobile



Market shares as per Q3 2020

Key financials

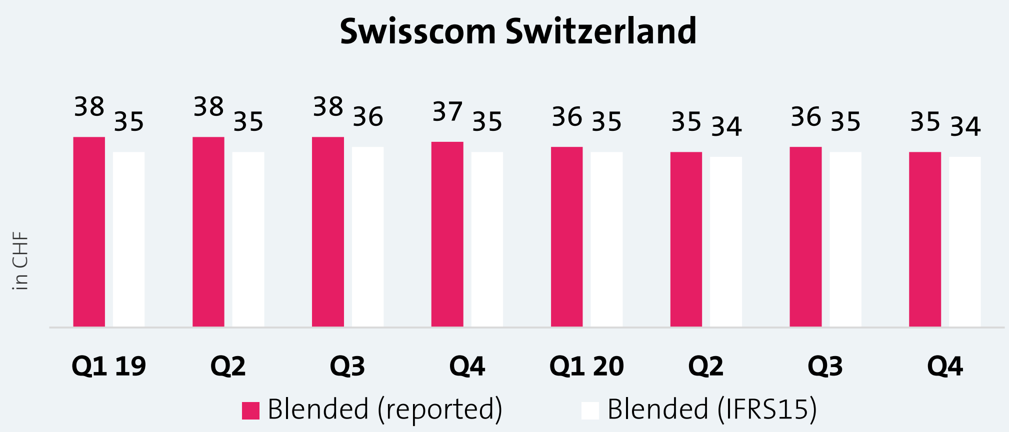
Reported and underlying revenue and EBITDA

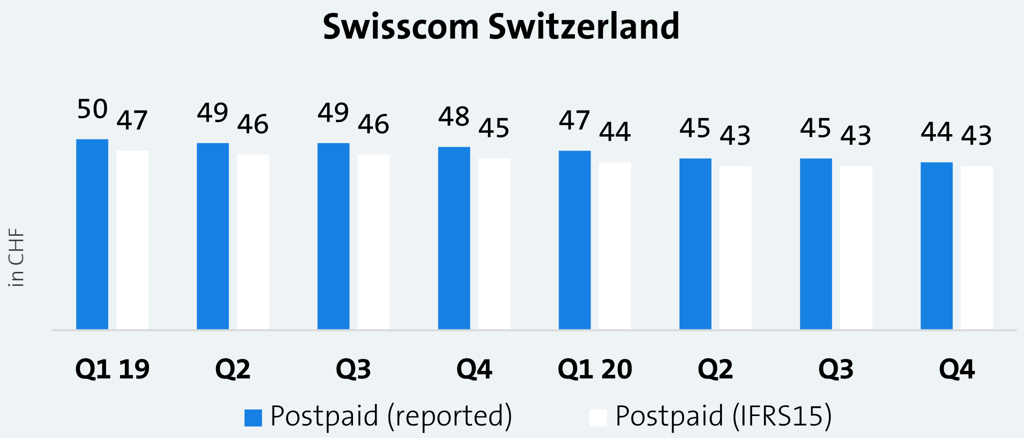
in CHF mn

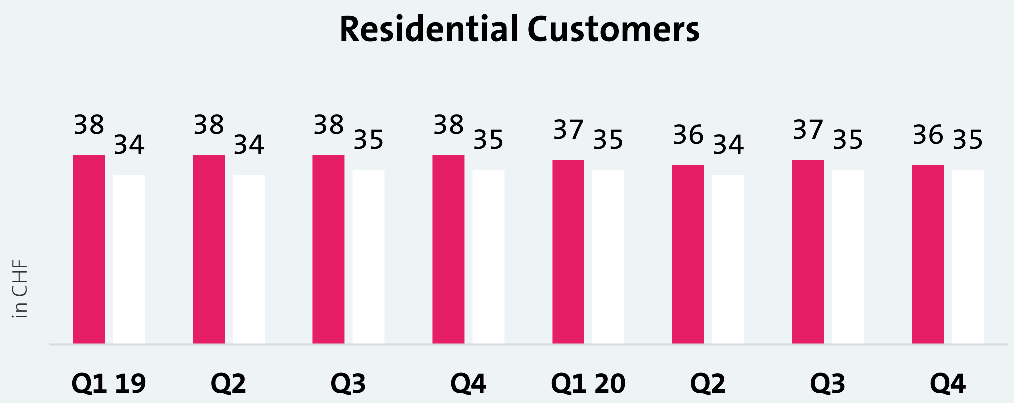
	2019					2020					Change Q/Q, FY				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Revenue, reported	**2'860**	**2'803**	**2'793**	**2'997**	**11'453**	**2'737**	**2'706**	**2'758**	**2'899**	**11'100**	**-123**	**-97**	**-35**	**-98**	**-353**
Currency effect						33	35	11	15	94	+33	+35	+11	+15	+94
Underlying change											**-90**	**-62**	**-24**	**-83**	**-259**
EBITDA, reported	**1'119**	**1'121**	**1'120**	**998**	**4'358**	**1'111**	**1'097**	**1'148**	**1'026**	**4'382**	**-8**	**-24**	**+28**	**+28**	**+24**
Adjustment effect IFRS16	5	5	5	-15	0						-5	-5	-5	+15	+0
Restructuring				56	56									-56	-56
Currency effect						10	12	4	6	32	+10	+12	+4	+6	+32
Underlying change											**-3**	**-17**	**+27**	**-7**	**+0**

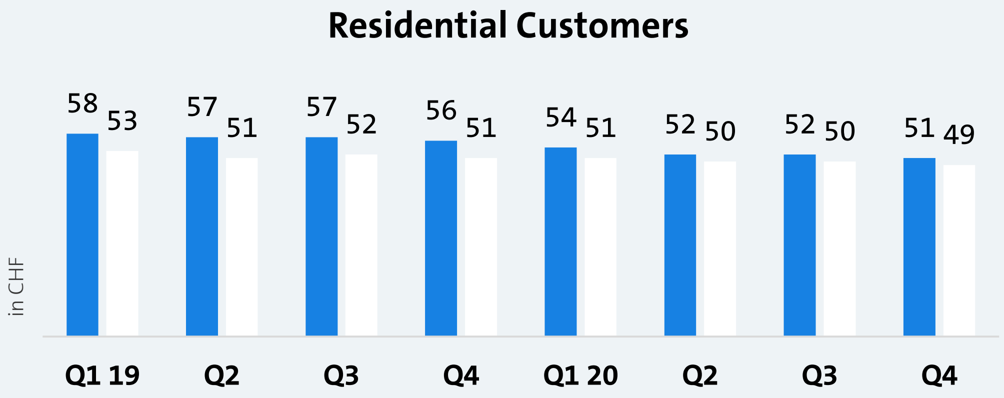
Swisscom Switzerland

Wireless ARPU and IFRS15 adjustments









Residential Customers

Segment reporting as per 31.12.2020

Net revenue decreased driven by lower service revenue.

Service revenue decreased (-4.0%) due to higher discount volumes (inOne), brand shift and lower roaming volumes (Covid-19).

Contribution margin 2 decreased by 2.5%, half of the service revenue decrease could by compensated on that level.

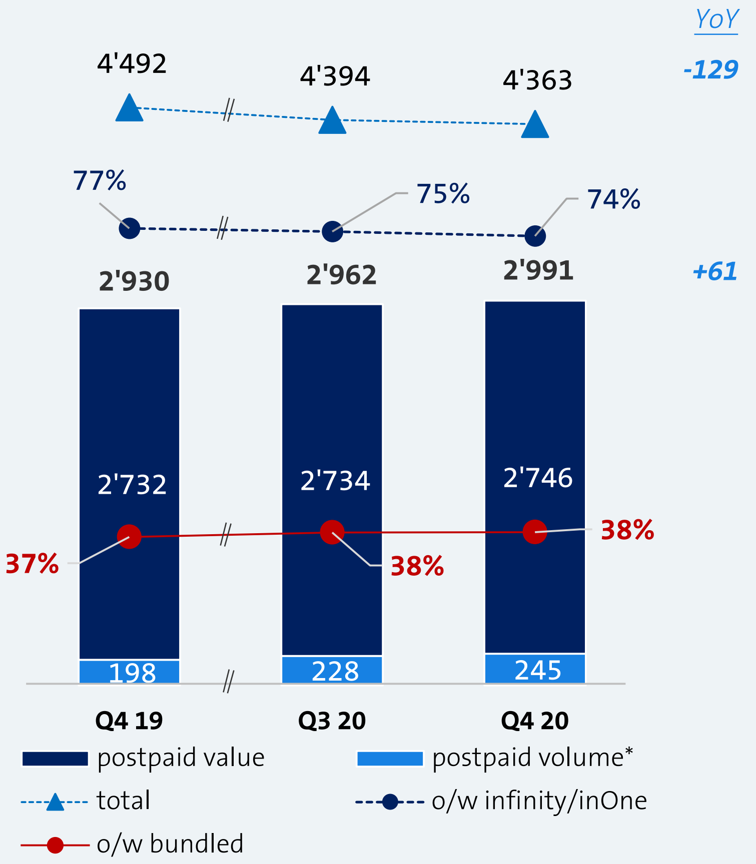
	Q4 2020	Q4/Q4	31.12.2020	YoY
Net revenue in MCHF [1)]	**1'186**	**-4.4%**	**4'564**	**-3.6%**
Direct costs in MCHF	-338	-3.4%	-1'088	-7.0%
Indirect costs in MCHF [2)]	-218	-3.1%	-775	-2.6%
Contribution margin 2 in MCHF	**630**	**-5.3%**	**2'701**	**-2.5%**
Contribution margin 2 in %	*53.1%*		*59.2%*	
Depreciation & amortisation in MCHF	-17	-5.6%	-72	-18.2%
Lease expense in MCHF	-10	-9.1%	-43	-10.4%
Segment result in MCHF	**603**	-5.2%	**2'586**	-1.8%
CAPEX in MCHF	-8	-50.0%	-27	-15.6%
FTE's	-49		3'088	-7.6%
Broadband lines in '000 [3)]	-1		1'746	-0.6%
Voice lines in '000 [3)]	-22		1'235	-5.5%
Wireless customers Prepaid in '000	-60		1'372	-12.2%
Wireless customers Postpaid in '000 [3)]	+29		2'991	2.1%
Blended wireless ARPU in CHF	36	-5.3%	36	-5.3%
TV subs in '000 [3)]	+3		1'489	-0.1%

1) incl. intersegment revenues
2) incl. capitalised costs and other income
3) sum of single play and bundles

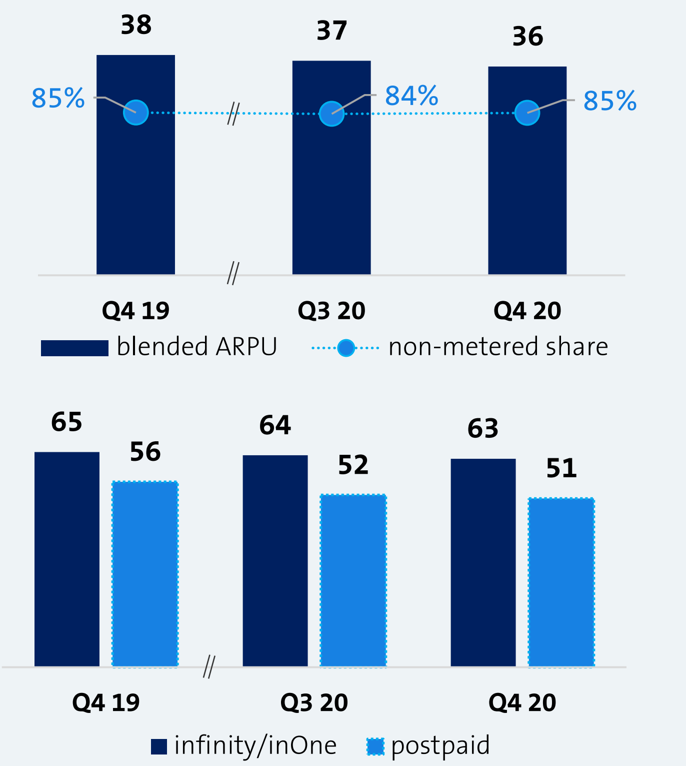
Residential Customers

Wireless performance

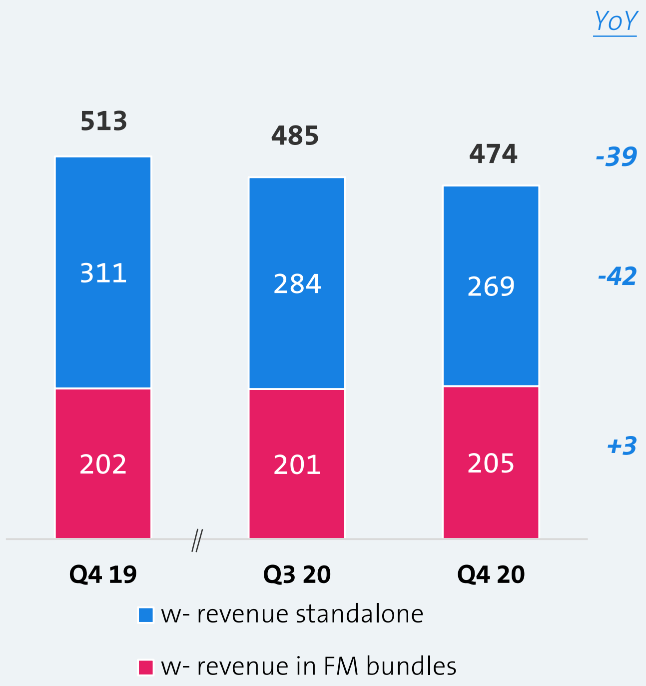
Subscriptions (in k)



ARPU (in CHF)



Service Revenue (in CHF mn)

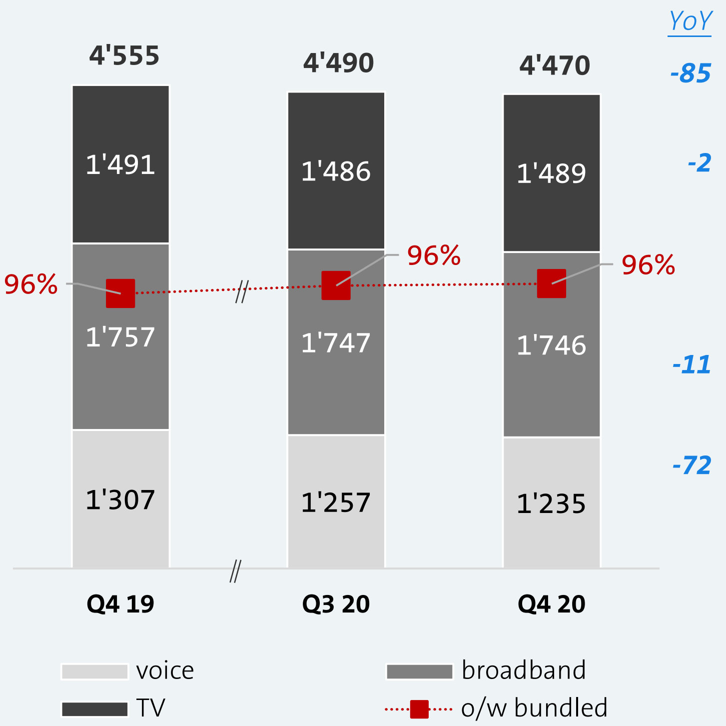


* consists of data and multi SIM cards

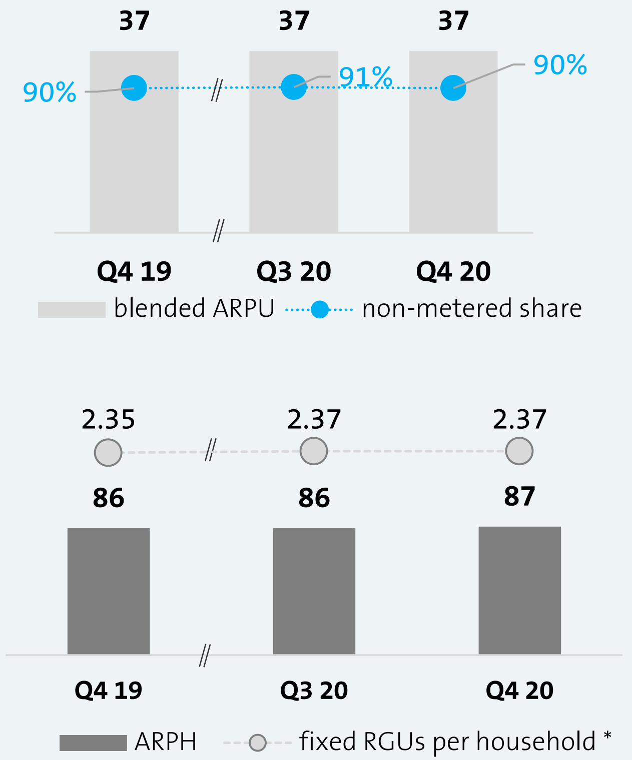
Residential Customers

Wireline performance

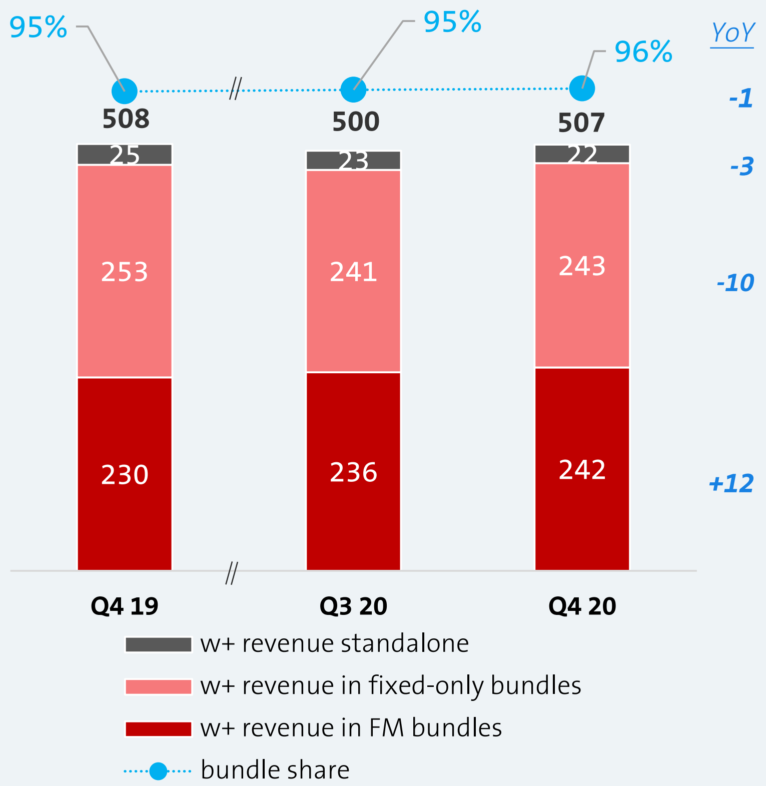
Subscriptions (in k)



ARPU and ARPH (in CHF)



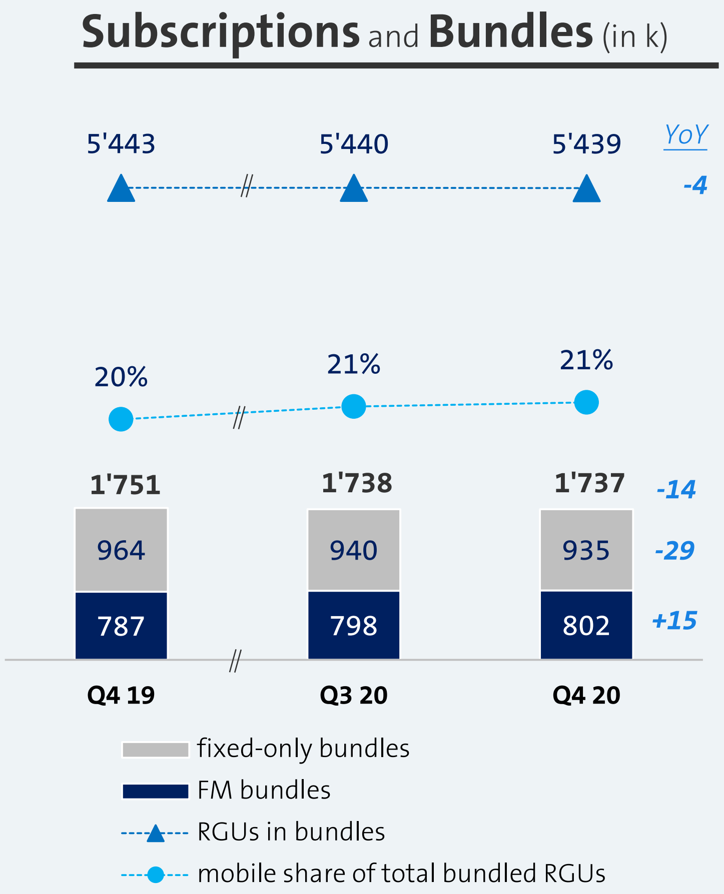
Service Revenue (in CHF mn)

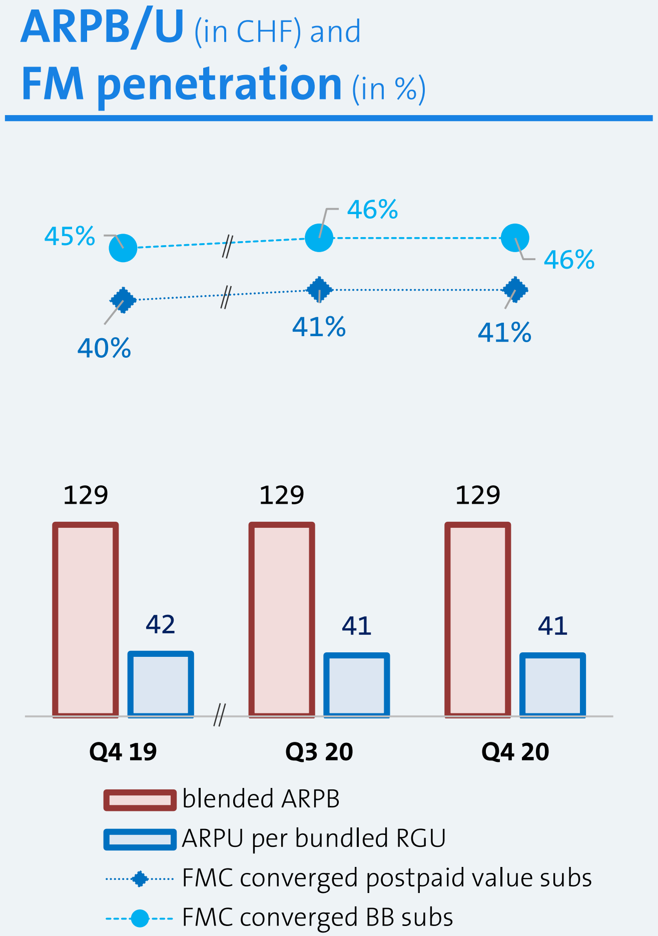


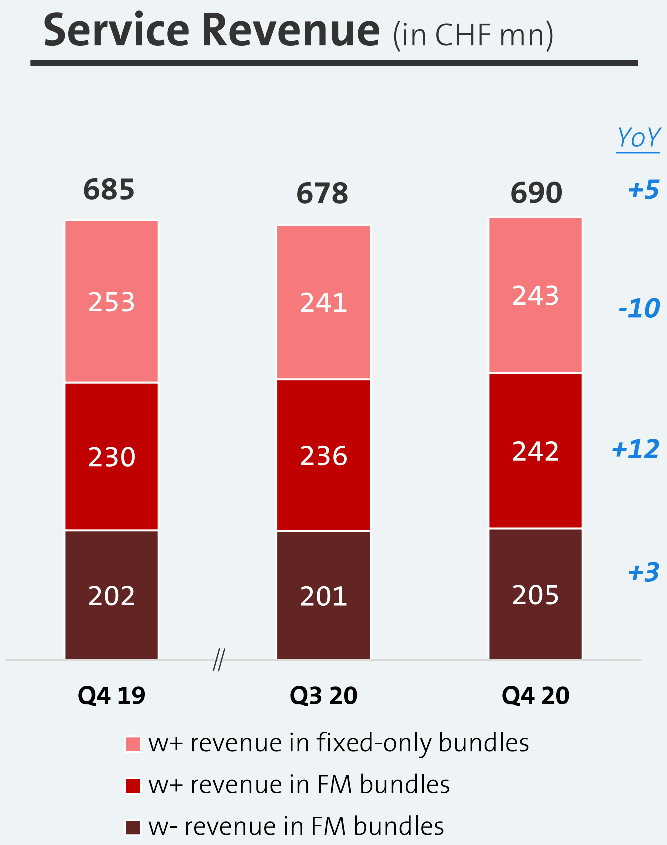
* HH = total broadband subscriptions + [total 1P voice subs – total 1P broadband subs]

Residential Customers

Performance of fixed and FM bundles







Business Customers

Segment reporting as per 31.12.2020

Net revenue down -4.3%, decrease in service revenue (-6.6%) due to price erosion and lower roaming volume (Covid-19).

On the other hand, solutions revenue slightly up 0.9%. Increase realised in cloud services, new communication platforms and system integration, other products with decrease.

Hardware sales instead did not reach prior year volumes.

Contribution margin 2 down by 3.6%, more than half of the service revenue decline could by compensated by lower cost.

	Q4 2020	Q4/Q4	31.12.2020	YoY
Net revenue in MCHF [1]	**786**	**-3.4%**	**3'100**	**-4.3%**
Direct costs in MCHF	-220	-1.3%	-818	-6.6%
Indirect costs in MCHF [2]	-236	-6.0%	-938	-3.3%
Contribution margin 2 in MCHF	**330**	**-2.9%**	**1'344**	**-3.6%**
Contribution margin 2 in %	*42.0%*		*43.4%*	
Depreciation & amortisation in MCHF	-19	-29.6%	-76	-14.6%
Lease expense in MCHF	-8	14.3%	-33	13.8%
Segment result in MCHF	**303**	-1.0%	**1'235**	-3.2%
CAPEX in MCHF	-13	44.4%	-40	-7.0%
FTE's	+12		4'917	-3.9%
Broadband lines in '000	-1		297	-1.3%
Voice lines in '000	-1		288	0.3%
Wireless customers in '000	+2		1'861	1.1%
Blended wireless ARPU in CHF	32	-11.1%	33	-10.8%
TV subs in '000	+0		65	1.6%

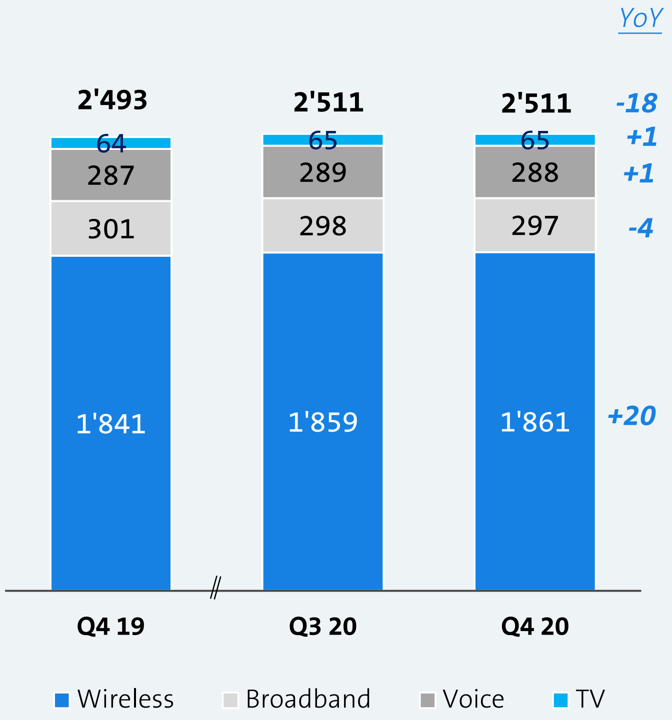
1) incl. intersegment revenues

2) incl. capitalised costs and other income

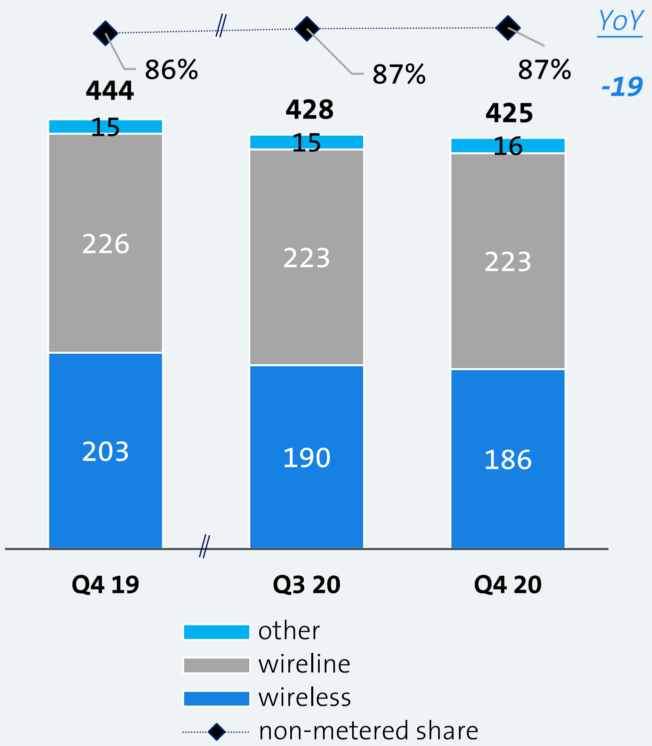
Business Customers

Subs and revenue performance

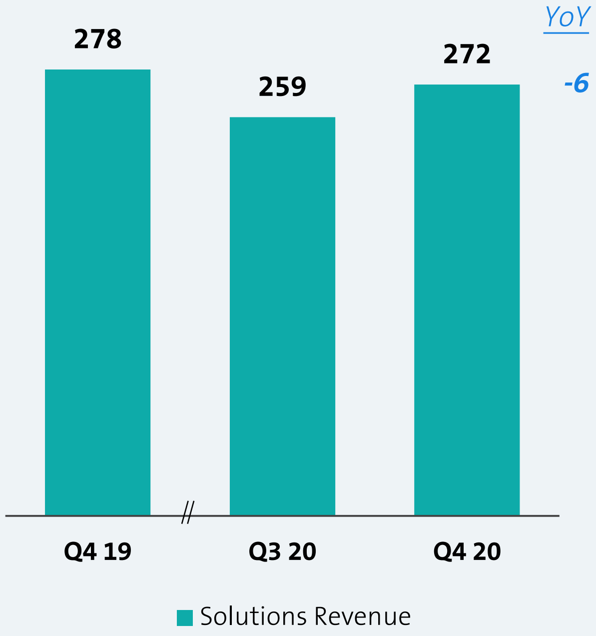
Subscriptions (in k)



Service Revenue (in CHF mn)



Solutions Revenue (in CHF mn)



* Consists of revenues from vertical businesses, digital solutions, cloud and network services and other solutions

Wholesale

Segment reporting as per 31.12.2020

Revenue from external customers up by 2.8%. Higher revenue from MVNO services as well as for connectivity services partly compensated by lower inbound roaming (Covid-19).

Contribution margin 2 up 2.5% YoY.

	Q4 2020	Q4/Q4	31.12.2020	YoY
External revenue in MCHF	171	11.0%	661	2.8%
Intersegment revenue in MCHF	78	20.0%	315	-3.1%
Net revenue in MCHF	**249**	**13.7%**	**976**	**0.8%**
Direct costs in MCHF	-109	12.4%	-433	-2.0%
Indirect costs in MCHF [1)]	-7	75.0%	-19	26.7%
Contribution margin 2 in MCHF	**133**	**12.7%**	**524**	**2.5%**
Contribution margin 2 in %	*53.4%*		*53.7%*	
Depreciation & amortisation in MCHF	-		-	
Lease expense in MCHF	-1		-1	
Segment result in MCHF	**132**	12.8%	**523**	2.5%
CAPEX in MCHF	-		-	
FTE's	-2		83	0.0%
Full access lines in '000	-3		56	-20.0%
BB (wholesale) lines in '000	+12		555	7.8%

1) incl. capitalised costs and other income

Wholesale portfolio

Access offerings

Solution Business

Carrier Line Service Basic und Premium

- Dedicated high-quality Point-to-Point Data Transmission, 2M to 100G symmetric

Carrier Ethernet Service Basic und Premium

- Layer 2 Service for low-cost and flexible Ethernet connections, 2M to 10G symmetric

Low End Copper and Low End Fibre

- Cost-efficient low-end-access, 2M to 1G symmetric

Mass Market

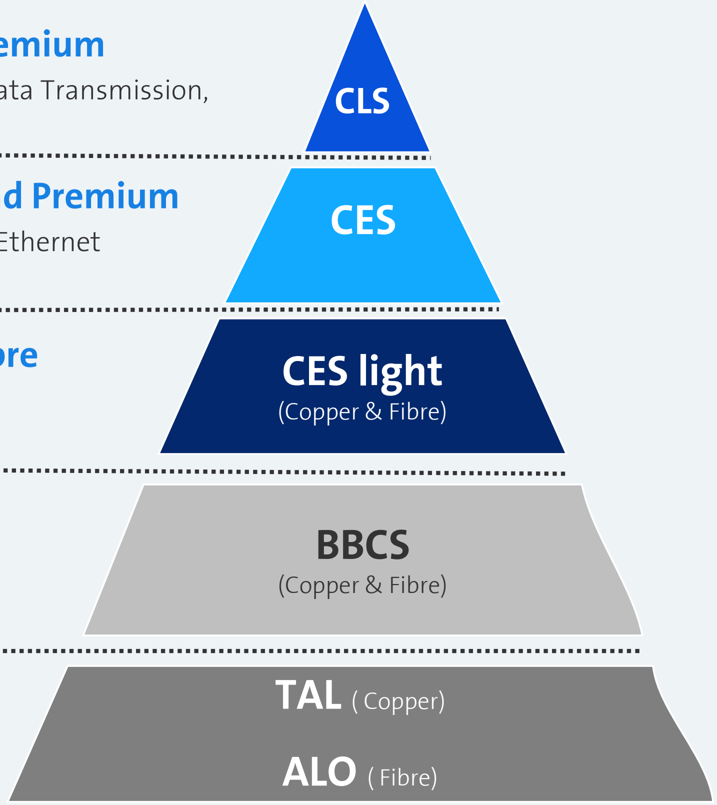
Broadband Connectivity Service

- Swiss-wide broadband access, 2M to 1G, asymmetric and symmetric

Unbundled Line (TAL)

Access Line Optical (ALO)

- Layer 1 line rental



Monthly mass market prices	
Broadband Connectivity Service BBCS, Layer 3, 20/4 Mbit/s	CHF 22
Broadband Connectivity Service BBCS, Layer 3, 50/10 Mbit/s	CHF 23
Broadband Connectivity Service BBCS, Layer 3, 100/20 Mbit/s	CHF 27
Unbundled Access Line TAL, Layer 1, Copper*	CHF 12.70
Access Line Optical[1] ALO, Layer 1, Fibre*	CHF 25

1 From 1st October 2020 onwards

IT, Network and Infrastructure

Segment reporting as per 31.12.2020

Contribution margin 2 improved by 12.5%. Prior year was charged by restructuring cost.
On an adjusted basis, the contribution margin improved by 7.7% supported by lower cost for IT and other OPEX.

	Q4 2020	Q4/Q4	31.12.2020	YoY
Net revenue in MCHF	**21**	**5.0%**	**85**	**0.0%**
Direct costs in MCHF	-3	0.0%	-12	9.1%
Workforce expenses in MCHF	-227	-13.4%	-824	-4.1%
Maintenance in MCHF	-51	0.0%	-198	0.0%
IT expenses in MCHF	-46	-6.1%	-153	-10.0%
Other OPEX in MCHF	-96	-29.4%	-381	-16.8%
Indirect costs in MCHF	-420	-15.7%	-1'556	-7.7%
Capitalised costs and other income in MCHF	109	7.9%	441	5.0%
Contribution margin 2 in MCHF	**-293**	**-22.9%**	**-1'042**	**-12.5%**
Depreciation & amortisation in MCHF	-333	1.2%	-1'361	1.7%
Lease expense in MCHF	-37	-2.6%	-153	4.8%
Segment result in MCHF	**-663**	-11.2%	**-2'556**	-4.4%
CAPEX in MCHF	-392	-4.9%	-1'532	-9.1%
FTE's	+11		4'503	-0.2%

Fastweb

Segment reporting as per 31.12.2020

Consumer revenue up by 2.6% YoY driven by the increase in customer base.

Enterprise revenue up by 5.2% as revenues with the private sector and public administrations increased.

Wholesale revenue increased as well.

EBITDA up by 4.5% YoY driven by the revenue increase.

	Q4 2020	Q4/Q4	31.12.2020	YoY
Consumer revenue in MEUR	289	1.4%	1'133	2.6%
Enterprise revenue in MEUR	246	4.7%	907	5.2%
Wholesale revenue in MEUR 1)	95	-16.7%	264	4.8%
Net revenue in MEUR 1)	**630**	**-0.6%**	**2'304**	**3.9%**
OPEX in MEUR 2)	-414	-3.0%	-1'520	3.5%
EBITDA in MEUR	**216**	**4.3%**	**784**	**4.5%**
EBITDA margin in %	*34.3%*		*34.0%*	
Depreciation& amortisation in MEUR	-145	0.0%	-577	3.0%
Lease expense in MEUR	-13	8.3%	-52	4.0%
Segment result in MEUR	**58**	16.0%	**155**	10.7%
CAPEX in MEUR	-177	13.5%	-587	-2.0%
FTE's	+69		2'703	10.1%
BB customers in '000	+43		2'747	4.2%
Wireless customers in '000	+72		1'961	12.3%
In consolidated Swisscom accounts				
EBITDA in MCHF	232	1.8%	840	0.7%
CAPEX in MCHF	-190	10.5%	-629	-5.7%

1) incl. revenues to Swisscom companies

2) incl. capitalised costs and other income

Other

Segment reporting as per 31.12.2020

External revenue down by 12.6% YoY, as Cablex and Broadcast report lower revenue in 2020.

At Cablex relative high external revenue in prior year due to a customer project.

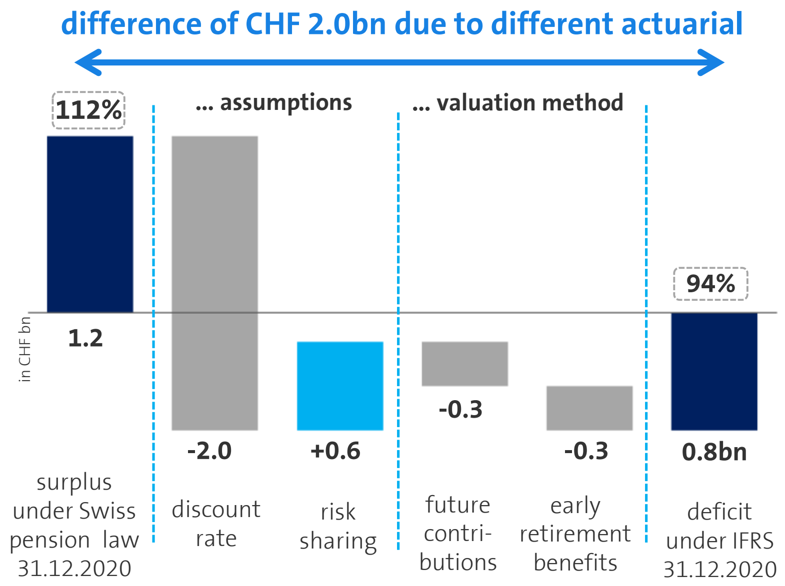
	Q4 2020	Q4/Q4	31.12.2020	YoY
External revenue in MCHF	116	-7.9%	445	-12.6%
Net revenue in MCHF [1)]	**261**	**-5.8%**	**1'020**	**-5.5%**
OPEX in MCHF [2)]	-214	-7.8%	-835	-6.2%
EBITDA in MCHF	**47**	**4.4%**	**185**	**-2.1%**
EBITDA margin in %	*18.0%*		*18.1%*	
Depreciation & amortisation in MCHF	-17	30.8%	-62	-1.6%
Lease expense in MCHF	-3	-25.0%	-12	-7.7%
Segment result in MCHF	**27**	-3.6%	**111**	-1.8%
CAPEX in MCHF	-14	-6.7%	-44	-6.4%
FTE's	-2		3'558	-1.3%

1) incl. intersegment revenues
2) incl. capitalised costs and other income

Pension plan

Situation as per 31.12.2020

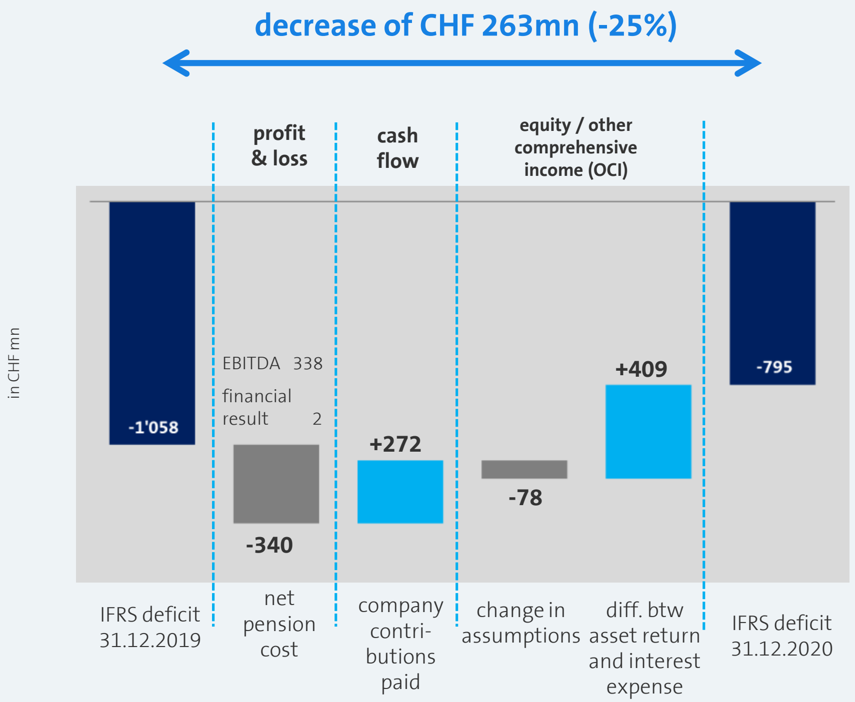
Valuation differences between Swiss pension law and IFRS



- Funding requirements are based on the actuarial valuation in accordance with Swiss pension law, IFRS not relevant
- Coverage ratio under Swiss pension law: 111.8%
- Key actuarial assumptions:

	Swiss pension law	IFRS
Discount rate	1,75% based on expected long-term asset return	0.19% based on yield of AA-rated corporate bonds

Evolution IFRS deficit in 2020



- Net pension cost significantly higher than cash contributions
- High return on plan assets compensates effect of lower discount rate assumption

Pension plan

Reported costs and outlook

in CHF mn	2019 reported	2020 reported	Change 21/20	2021 estimated
Operating pension cost (EBITDA)	325	338	-5	333
Net interest (financial result)	8	2	0	2
Total pension cost (P&L)	333	340	-5	335
Company contributions (cash payments)	278	273	10	283
Operating pension cost less cash payments	**47**	**65**	**-15**	**50**

Operating pension cost

- Costs recognized in EBITDA measured in accordance with IFRS
- Costs are highly sensitive to changes of discount rate assumption

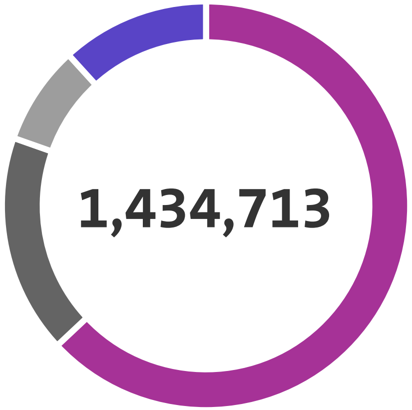
Cash payments

- Cash contributions are not based on IFRS actuarial valuation method
- Contributions are lower than IFRS pension cost

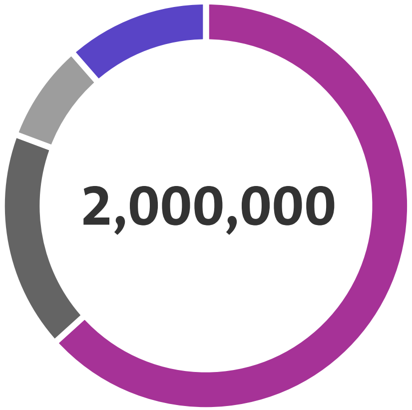
#ready for people ...

... to make our contribution to a changing society

Status 2020



Goal 2025



- Already enables over 1.4 million people yearly to capitalise on the opportunities of the networked world
- Measures contain: Training in media use, developing media skills, employees with audited suppliers, digital shift, technical measures

#ready for the environment ...

... to make our contribution to environmental protection

Status 2020

CO_2 emissions

315

CO_2 savings

895

CO_2 reduction

580

Goal 2025

CO_2 emissions

300

CO_2 savings

800

CO_2 reduction

500

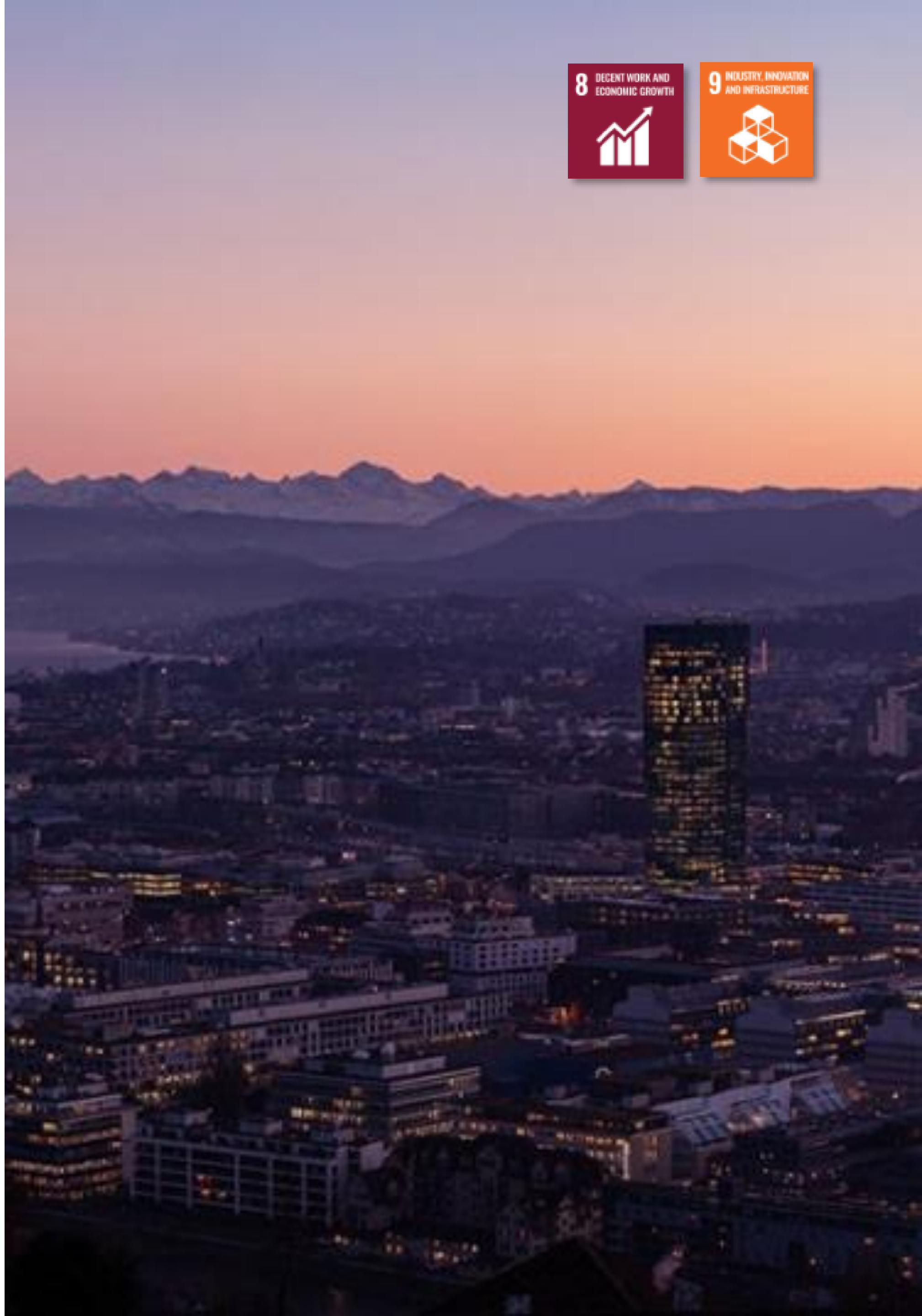
- Together with our customers we save more CO_2 than we emit
- The goal 2025 is a net difference of 500k tonnes CO_2
- This is equivalent to ~1% of the greenhouse gas emissions produced by Switzerland
- Strong contribution of our green portfolio in 2020 for sustained economic and environmental protection

#ready for Switzerland ...

... to strengthen Switzerland's competitiveness and quality of life

Status 2020 **Goal 2025**

- Reliable highspeed internet for all Swiss households and businesses
- Goal 2025: double FTTH coverage as a prerequisite for Switzerland's competitiveness



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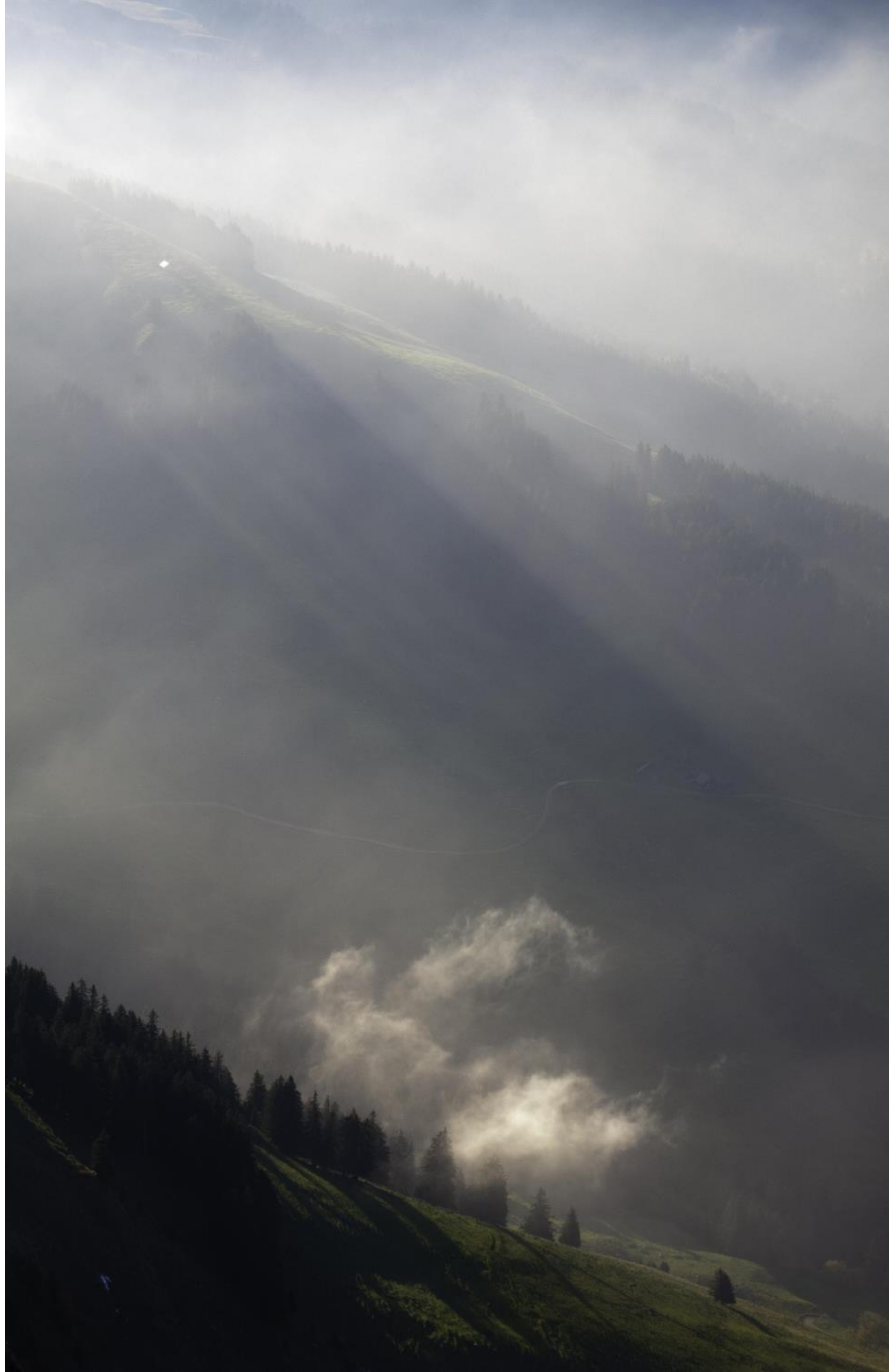

Cautionary statement

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.

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