Analyst & investor presentation

Q3 2022 results

27 October 2022

Agenda

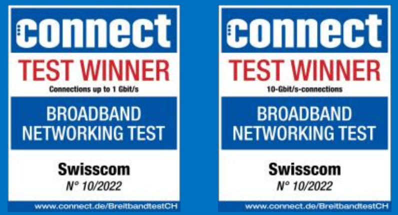
Introduction	Louis Schmid, IR
1. Highlights	Christoph Aeschlimann, CEO
2. Business review	Christoph Aeschlimann, CEO
3. Financial results	Eugen Stermetz, CFO
Questions & answers	all
Appendix	

Highlights

Q3 in a nutshell

Solid underlying EBITDA
Q3 CHF -5mn YOY,
9m CHF +17mn YOY

Winner of connect shop and app test
Swisscom again outstanding



#1 in broadband
Swisscom #1 of connect and PC Magazin broadband tests. The only Swiss provider with an "outstanding" rating[1]

COMCO investigation ongoing
Fibre rollout and targets adapted

B2C with positive service revenue development
driven by best customer experience across all brands

Swisscom #1 ICT provider
of Top 500 Ranking[2]

Solid Solutions growth
Q3 top line up: +5.1% YOY

Fastweb growing
in a challenging environment

Successful 50G PON field tests
Swisscom invests constantly in its fibre-optic expansion

Adjusted revenue outlook
reflecting stronger Swiss franc.
EBITDA and CAPEX guidance 2022 unchanged

1) Source: connect
2) Source: Computerworld 8-9/2022, Top 500 Ranking

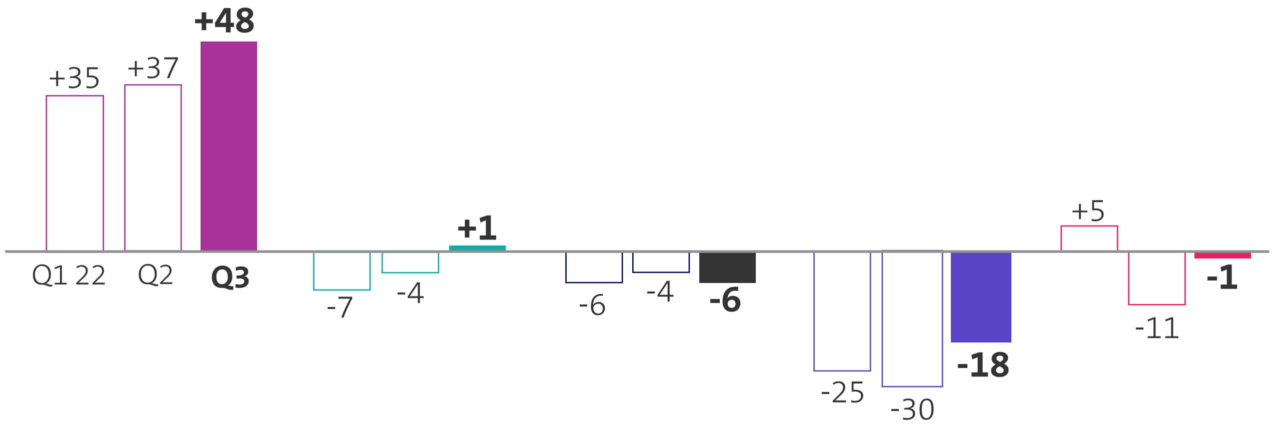
Q3 market performance

Robust net add trends thanks to strong market positions in Switzerland and Italy

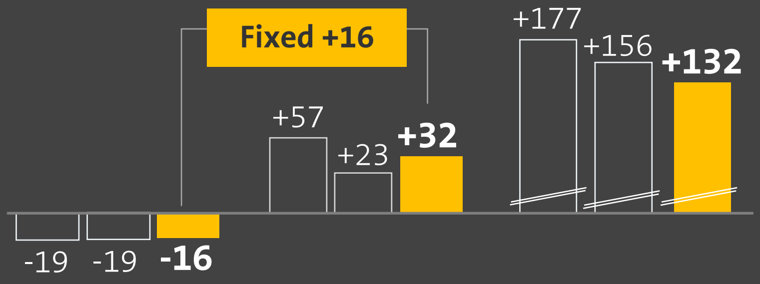
1

Swisscom Switzerland

Net adds
reported in k



Fastweb



	Postpaid	Broadband	TV	Fixed voice	Wholesale	Fastweb Broadband	Fastweb Wholesale	Fastweb Mobile
RGUs in k	5'100	2'027	1'576	1'351	691	2’696	418	2’937
Converged B2C share [1]	40%	46%				40%		
Market share [2]	55%	50%	39%			16%		3%

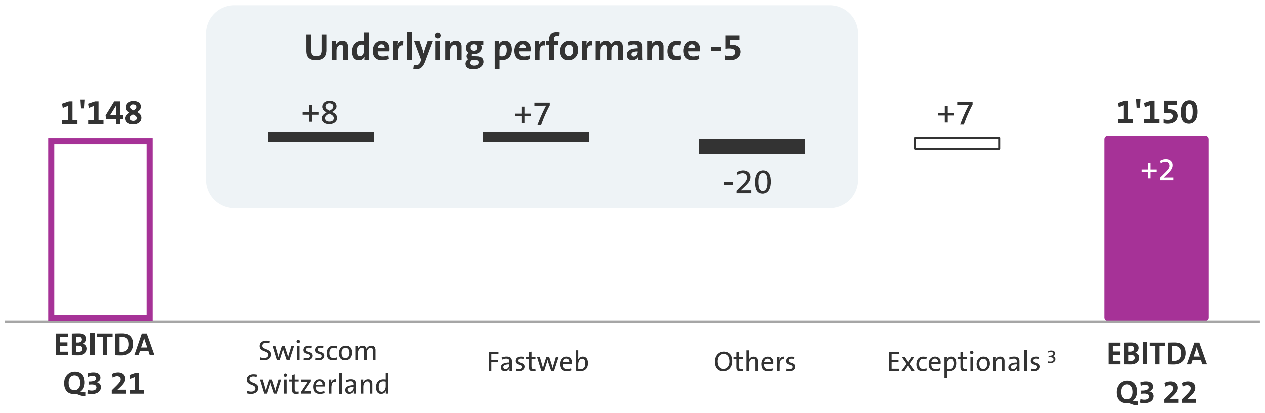
1) Subs with FMC benefit
2) Market share as per 30.6.2022

Q3 financial performance

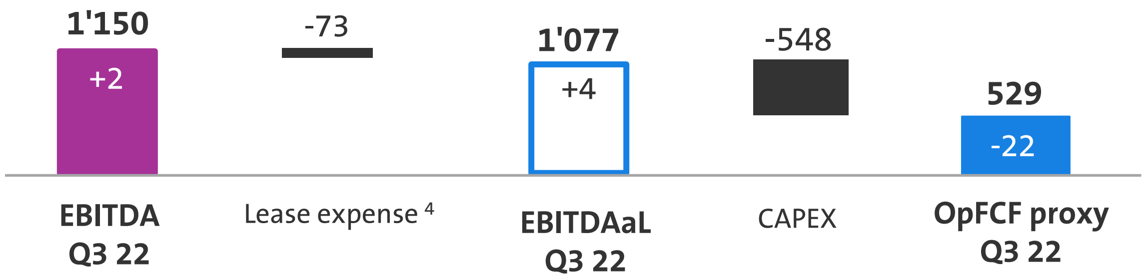
EBITDA margin of Q3 at 42.1% driven by strong underlying results

in CHF mn, (% YOY)	Q3 22	9m 22
Net revenue	**2'731** (-1.1%)	**8'225** (-1.4%)
EBITDA	**1'150** (+0.2%)	**3'341** (-3.6%)
EBITDA margin	*42.1%*	*40.6%*
Net income reported	**429** (-12.4%)	**1'214** (-21.0%)
comparable [1]	(-7.3%)	(+2.5%)
CAPEX	**548** (+5.0%)	**1'601** (-0.2%)
Net debt [2]		**7'704** (-3.7%)

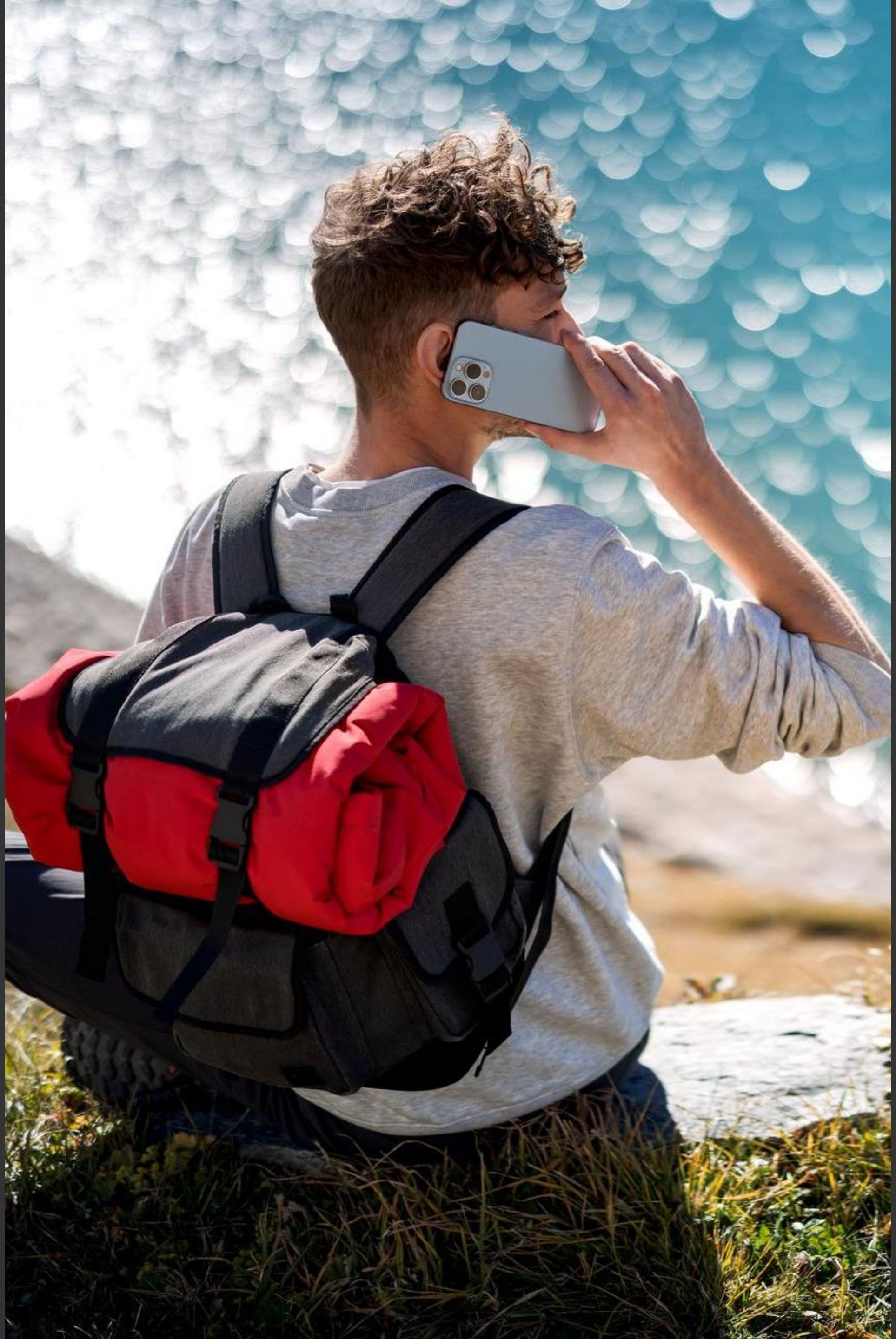
Q3 EBITDA development in CHF mn and YOY changes



Q3 OpFCF proxy development in CHF mn



1) Comparable net income 9m 2021 considers exceptionals for adjustments of pension cost (CHF +60mn), provision for regulatory litigations (CHF -52mn), one-off gains of CHF +207mn (CHF +38mn from sale of BICS and CHF +169mn from transfer of 20% stake in FlashFiber to FiberCop), positive one-off tax impacts in Italy (CHF +57mn from tax regime changes) and net income 9m 2022 considers exceptionals for adjustments of provision for regulatory litigations of CHF -82mn. Excluding tax effects, 2) Incl. lease liabilities of CHF 1'928mn, leverage: 1.7x, 3) Q3 21 with adjustments of provision for regulatory litigations (CHF -30mn) and Q3 22 with YOY currency effects of CHF -23mn, 4) Consists of depreciation right of use assets excluding IRU of CHF -62mn and interest expense leases



Business review

Swisscom invests constantly in its future-proof networks

Enabling best customer experience through UBB extension and investments in new technologies

Continuous UBB extension

Wireless pop coverage		**Wireline** HH coverage	
5G+	5G	1-10 Gbps[1]	>200 Mbps
69%	99%	41%	78%
(+7pp YTD)		(+4pp YTD)	(+6pp YTD)

Successful 50G PON field tests

- **World's 1st operator with 50G PON live tests** in the network of a Swiss municipality
- 50G PON fibre-optic technology enables **higher speeds, lower latency, additional security service features or connection service attributes**

Swisscom adapts its FTTH rollout ...

... as process with COMCO is still ongoing

- Today with much better visibility on final outcome: share of P2P topology will be significant
- **Formal decision not expected before Q1 2023**, no details known yet

... and starts building predominantly P2P access lines and retrofitting non-marketable P2MP access lines

- **Business cannot wait any longer**, as per end of Q3 2022 c. 400k P2MP access lines not marketable (growing by approx. +70k each quarter)
- P2P access lines immediately marketable, irrespective of final outcome. **No sunk costs** associated with this move, since P2P share will be significant anyway
- **Unchanged plan to substantially increase FTTH coverage** with **adjusted target of 50-55% by 2025** and **long-term ambition of 70-80% by 2030**
- Thanks to a slightly lower rollout speed and further rollout optimisation, **CAPEX envelope for fibre of CHF 500-600mn p.a. remains unchanged** and well within the indicated range of possible outcomes ('best case' and 'worst case'[2])
- **Salt**: **discussions already ongoing** to adapt fibre partnership to new circumstances

1) Of which 7% (or c. 400k lines) not marketable due to COMCO's precautionary measures,
2) As presented at the FY analyst presentation on 3 Feb 2022

B2C with strong commercial performance

Swisscom successfully defends value and market share thanks to Swisscom blue and wingo

Recap of Swisscom blue portfolio

- **Successful introduction** of an innovative proposition, again (after infinity, inOne) shaping the Swiss market
- Main rationale is to **address needs of digital natives** which account for significant share of new customers
- Swisscom blue is **better, simpler** and **more attractive** for digital savy customers who have everything with Swisscom and choose digital self-service first

Simply Digital (SD) benefit

- Mainly attracting younger, digital natives
- Designed as **replacement for youth benefit** (limited to <30y)
- **High self-service acceptance** with SD customers
- **Limited optimisation in customer base** which still has a high preference for assisted service

Operational performance

- **Good sales momentum**: 4'506k blue RGUs per Q3
- **Low churn rates** (both on mobile and broadband) thanks to high satisfaction and investment in loyalty/retention
- **Reduced price promotions under Swisscom brand** with limited impact on sales but noticeable ARPU effect. We continue to opportunistically optimise promo intensity
- **wingo**, Swisscom's 2nd brand to defend market share in more price sensitive segments, with **substantial growth**

B2C with outstanding customer experience

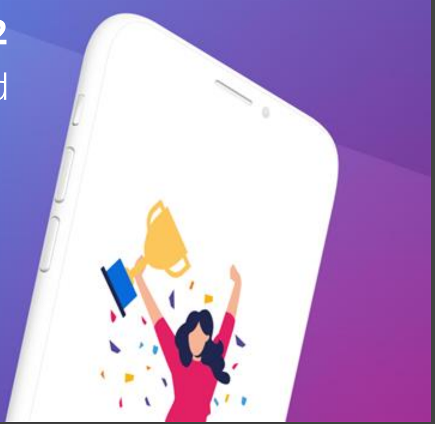
Swisscom roll outs innovative shop concept and wins connect shop and app test 2022

Rollout of innovative shop concept

- **Committed to broad shop footprint in Switzerland** with more than 8mn visits per year
- To remain close to customers, Swisscom upgrades its shops with **entirely new and innovative digital concept**
- Shops are newly divided in three zones: **(1) welcome** and **inspiration, (2) service** and **(3) advise**
- **Win of connect shop test 2022**

My Swisscom app awarded

- **Win of connect app test 2022**
  - Again #1 in Switzerland
  - Best in Europe (with 979 of 1000 points)
- Proof of Swisscom's strong position to serve customers with **best digital services in the future**



#1 NPS market position further cemented

- Most recent NPS survey:
  - **Positive momentum for Swisscom**
  - **Swisscom with highest NPS**, by a large margin
- Sustained investments in customer experience and brand clearly pay off and support premium pricing

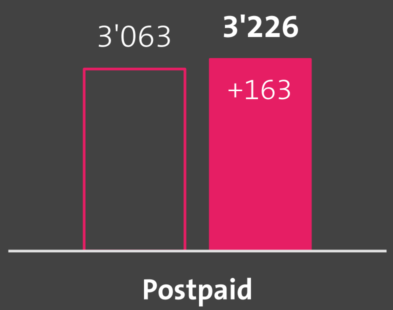
B2C with encouraging operational results

Encouraging development with ongoing 2nd/3rd brands' growth, very low churn rates and higher blended ARPUs

Wireless

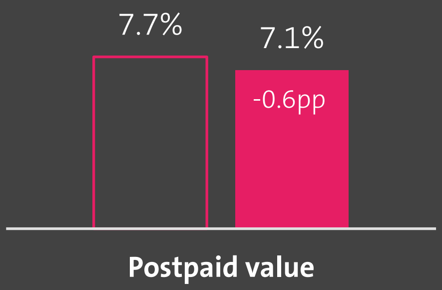
□ Q3 21 ■ Q3 22

RGUs in k (YOY)

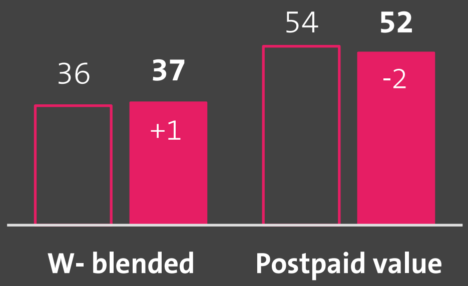


- **Growing** RGU base
- Postpaid value share of **2nd/3rd brands: 26%** (+5pp YOY)
- **44% blue** and 21% inOne **penetration**

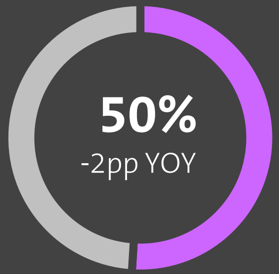
Churn rates p.a. (YOY)



ARPUs in CHF (YOY)

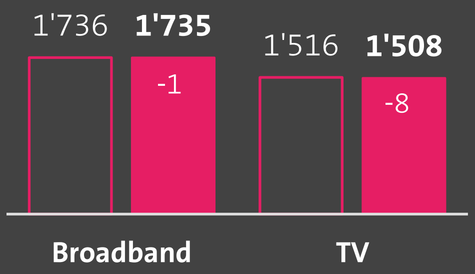


FM converged postpaid value HHs 2



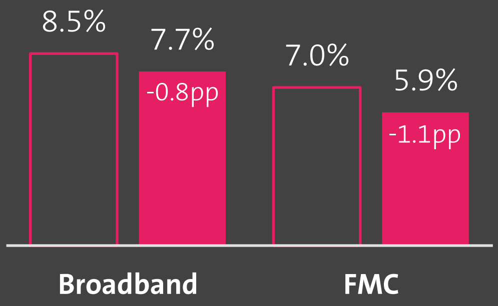
Wireline

RGUs in k (YOY)

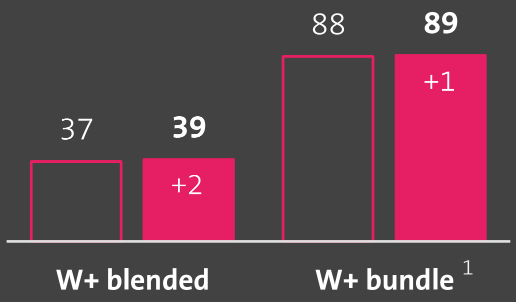


- RGU base **stable**
- BB share of **2nd/3rd brands: 6%** (+1pp YOY)
- **79% blue penetration**

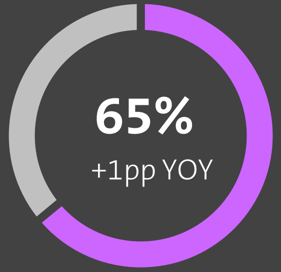
Churn rate p.a. (YOY)



ARPUs in CHF (YOY)



FM converged broadband HHs 3

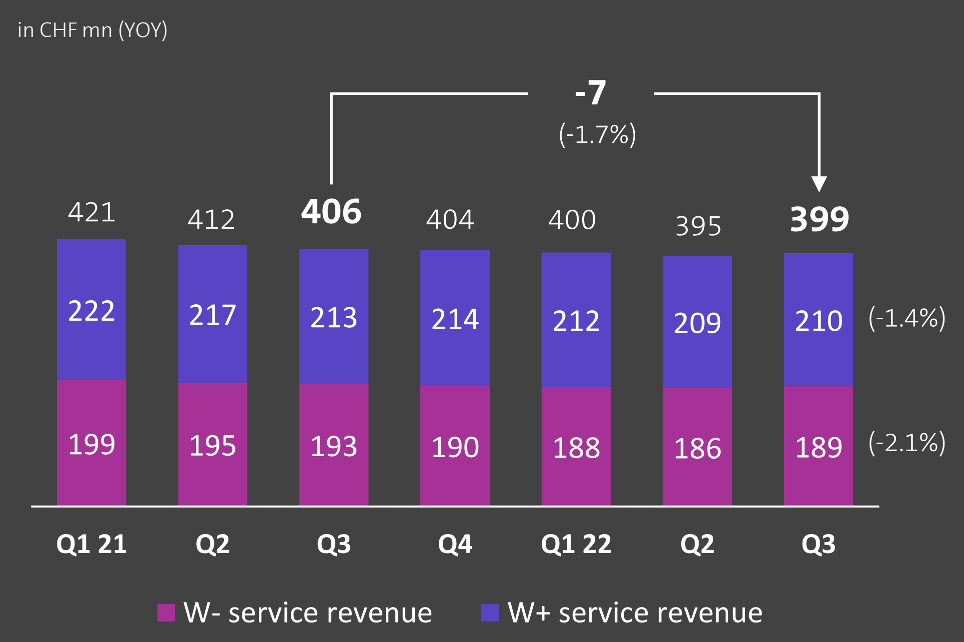


1) BB + TV + fixed voice, 2) 1'123k converged HHs, out of total HHs with at least 1 postpaid value subscription (2'238k, all brands) 3) 1'123k converged HHs, out of total BB connections (1'735k, all brands)

B2B with improving service revenue trend and solid Solutions growth

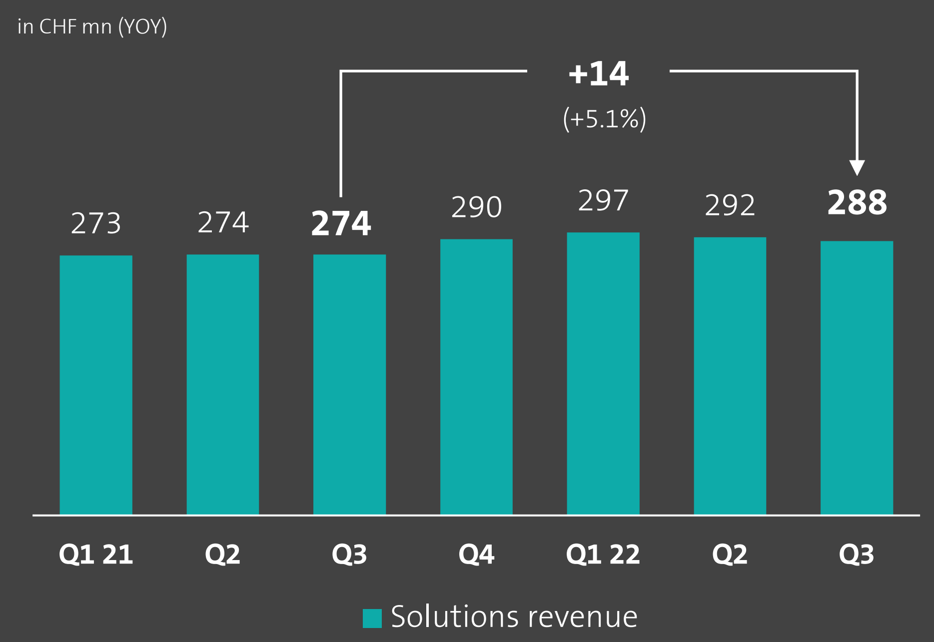
Solutions top line growing (CHF +14mn) and overcompensating service revenue decline (CHF -7mn)

Service revenue with improving development



- Q3 **wireless service revenue** down CHF -4mn YOY primarily due to RGU (mix) impact
- Q3 **wireline service revenue** down CHF -3mn YOY impacted by price pressure and declining Covid-19 tailwind

Continuous growth in IT Solutions

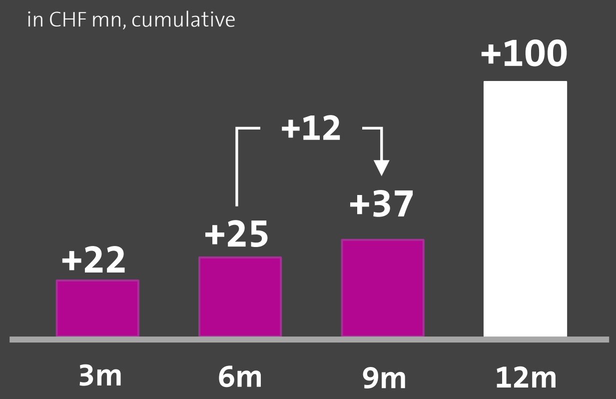


- **Organic growth of CHF +6mn** thanks to portfolio extension and unchanged high demand for ICT services
- **Non-organic contribution of CHF +8mn**: driven by the acquisition of MTF Group's companies

Operational excellence update and results

Clear focus, high discipline and transformation spirit essential to reduce Telco cost base sustainably

Telco cost savings 2022



- **On track to achieve FY ambition of CHF 100mn** Telco cost savings
- **Q3** Telco cost savings of CHF +12mn - **as expected**
- **Q4** with a **stronger** expected contribution due to the profile of the current initiatives and marketing expense phasing in PY

Consolidation and modernisation of network and IT platforms

Simplification of operations

Push process automation

Drive digitalisation to the next level

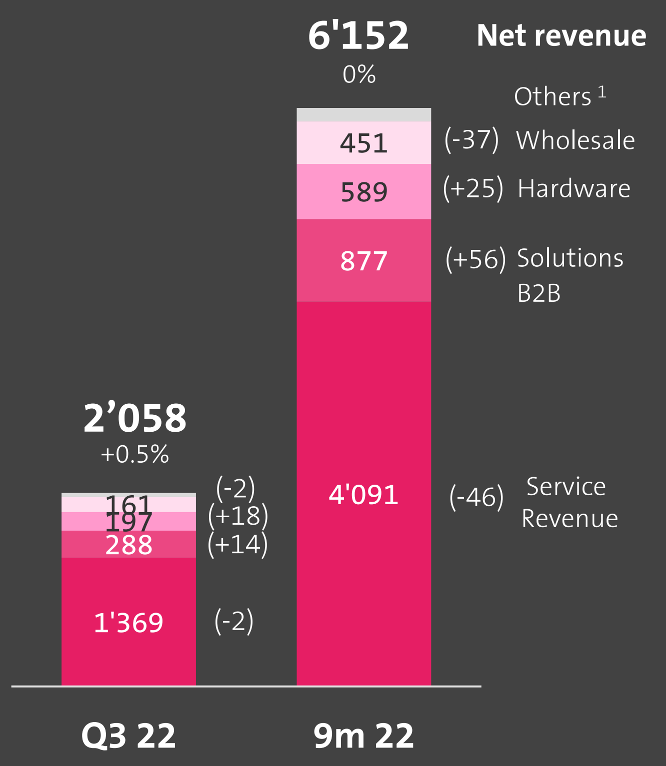
Continuous improvement of efficiency

Boost agility further

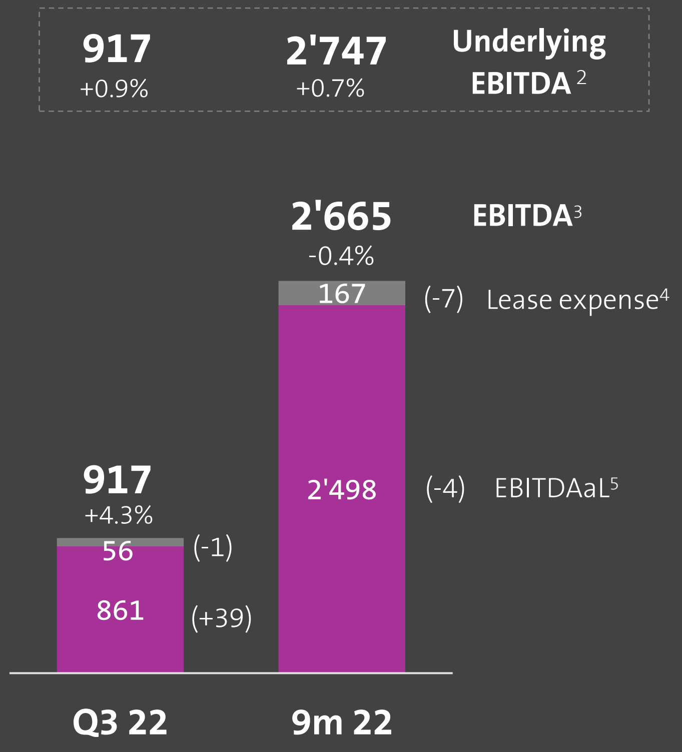
Swisscom Switzerland: financial results

Positive development with robust top line and increased underlying EBITDA

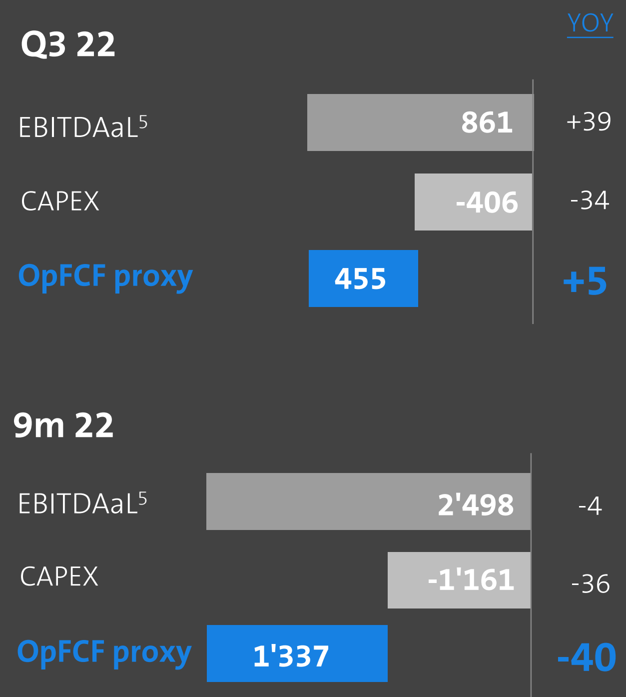
Net revenue in CHF mn (YOY)



EBITDA in CHF mn (YOY)



OpFCF proxy in CHF mn



1) Q3 22: CHF 43mn (CHF -17mn YOY), 9m 22: CHF 144mn (CHF +4mn YOY), 2) Underlying EBITDA and YOY change consider exceptional items for Q3 (2021: CHF -30mn adjustments of provision for regulatory litigations) and for 9m (2021: CHF -52mn adjustments of provision for regulatory litigations, 2022: CHF -82mn adjustments of provision for regulatory litigations) , 3) Reported EBITDA, 4) Consists of depreciation of right-of-use assets and interest expense leases, 5) EBITDA minus lease expense

Fastweb on track by successfully executing its priorities 2022

Retaining value in UBB Consumer and growing in Mobile, Enterprise and Wholesale

Q3 total net adds: +148k

Fixed +16k
Mobile +132k

Consumer

Broadband

- Reached 2.3mn UBB subs (+5% YOY), 85% UBB penetration (+6pp YOY)

Mobile

- Confirmed 2nd best market performer

Enterprise

Telco

- Increasing momentum for 5G Mobile Enterprise, signed agreements with primary institutions and companies (e.g. Ministry of Tourism, LG Electronics, Banca Monte dei Paschi di Siena)

ICT

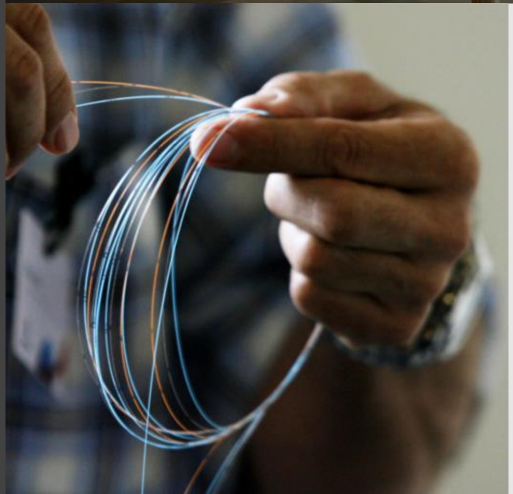
- Awarded for ICT services for Comune di Cagliari

Wholesale

- RGU base steadily growing: 418k (+76% YOY)
- Signed strategic agreement with **Iliad** to provide FTTH connectivity, alongside with current Sky and Windtre agreements

Sustainability

- From August 2022, all Fastweb's fixed and mobile connections have zero direct and indirect CO_2 emissions
- Fastweb Digital Academy reached c. 30k delivered courses, and launched new cyber-security analysts course



Network coverage

Fibre (>100 Mbps)

- 92% of HHs and companies

5G FWA

- 3.5mn HHs (+0.8mn vs Q2)

5G Mobile (outdoor)

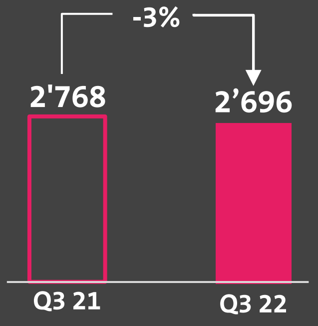
- 62% (+1pp vs Q2)

Fastweb: Consumer performance

Positive Q3 operational results with growing UBB (+3k) and Mobile (+132k) subscribitions

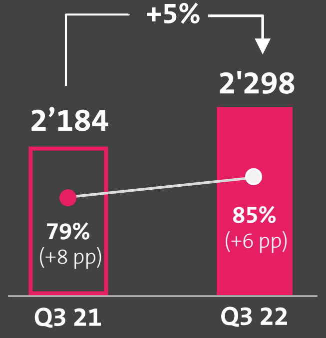
Fixed

Broadband subs in k (YOY change)



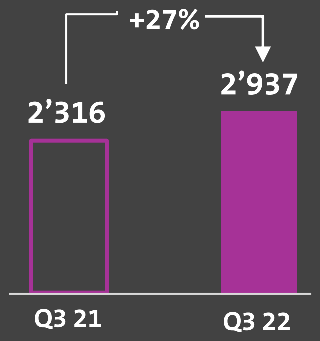
- BB subs slightly down (as expected) as focus remains on value and UBB subs

UBB subs (k) and **penetration** (YOY change)



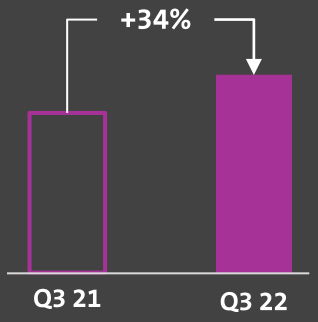
- UBB base up to 2.298 (+5% YOY)
- Penetration at 85% (+6pp YOY)
- 93% of gross adds are UBB subs

Mobile



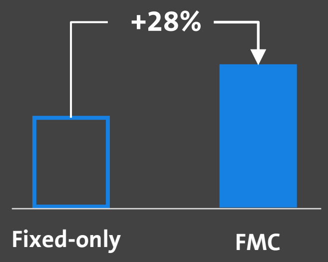
- Solid YOY growth driven by attractive offerings
  - +132k in Q3
  - +27% YOY

Data usage
(GB/customer/month)

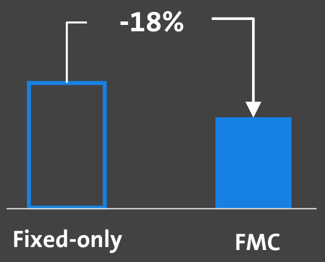


ARPU, churn, FMC penetration

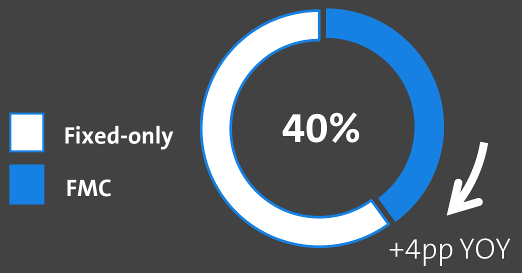
ARPU uplift
(EUR/month, YOY)



Churn benefit
(YOY)



FMC penetration within BB customer base

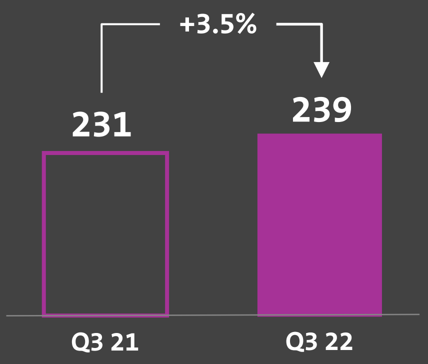


Fastweb: Enterprise and Wholesale performance

Confirmed growth on Enterprise and Wholesale Core Services revenues

Enterprise

Revenues in EUR mn (YOY)



- +3.5% YOY **driven by private and public admin sector**
- **EU funds:** execution of awarded bids started in Sept, connected schools (10k sites) and health (12k sites)
- **5G Mobile Enterprise**, won several contracts with private companies and public administrations

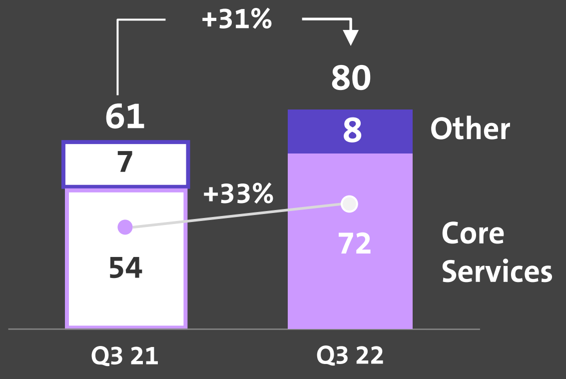
New contracts

5G Mobile, Connectivity and ICT/Security main growth drivers

Ministry of Tourism	Comune di Cagliari	Banca Mediolanum
5G Mobile Enterprise	Connectivity	ICT /Security

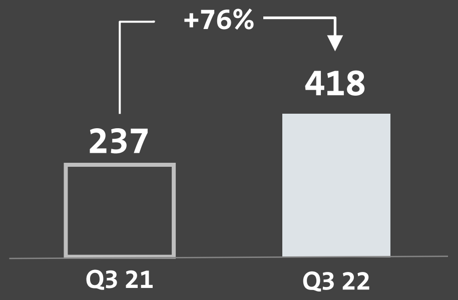
Wholesale

Revenues in EUR mn (YOY)[1]



- **Core Services: growing (+33% YOY)** thanks to increase of UBB wholesale lines and IRU-related business
- **Other** wholesale revenues with low marginality: EUR +1mn

Wholesale lines (k)



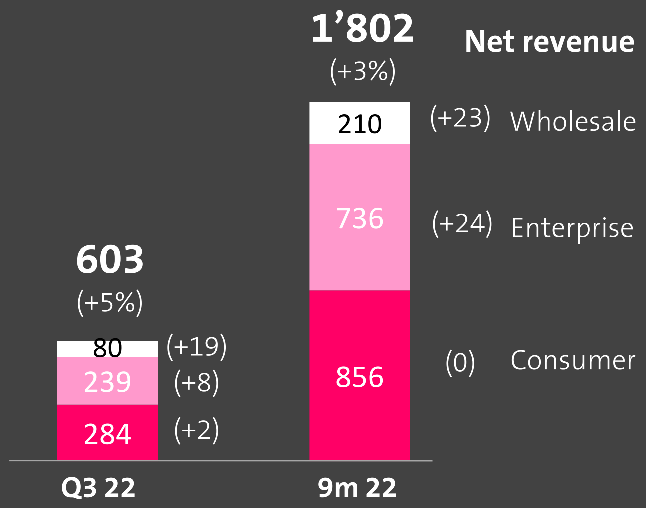
- Q3 2022 with **+32k new connections,** YOY +181k (+76%)

1) Including intercompany revenues

Fastweb: financial results

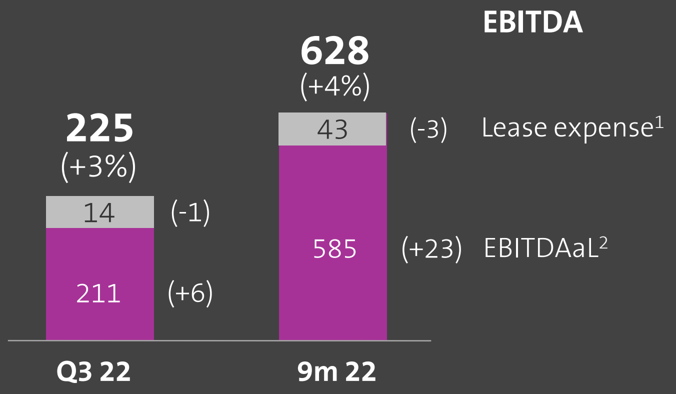
Growing top line and EBITDA in a challenging environment. CAPEX in line with FY guidance

Net revenue in EUR mn (YOY)



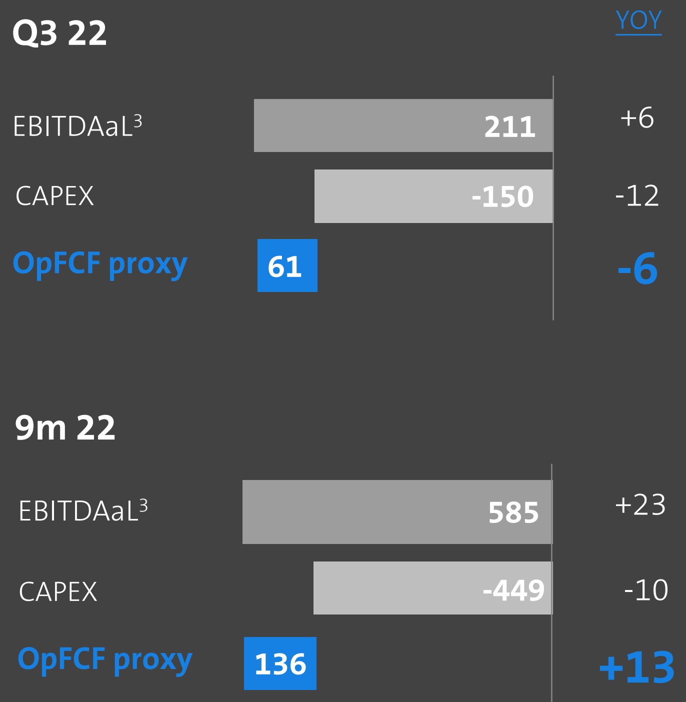
- **Q3 top line up +5% YOY** primarily thanks to Enterprise and strong Wholesale contribution
- **9m up +3% YOY**, driven by **Enterprise** (+3% YOY) and **Wholesale** (+12%)**.** Stable on **Consumer**

EBITDA in EUR mn (YOY)



- **EBITDA Q3:** +3%, despite income from litigation proceeds in prior year
- **FY outlook**: unchanged ambition of growth. 12m target slightly adjusted to +4-5% due to higher energy expenses

OpFCF proxy in EUR mn

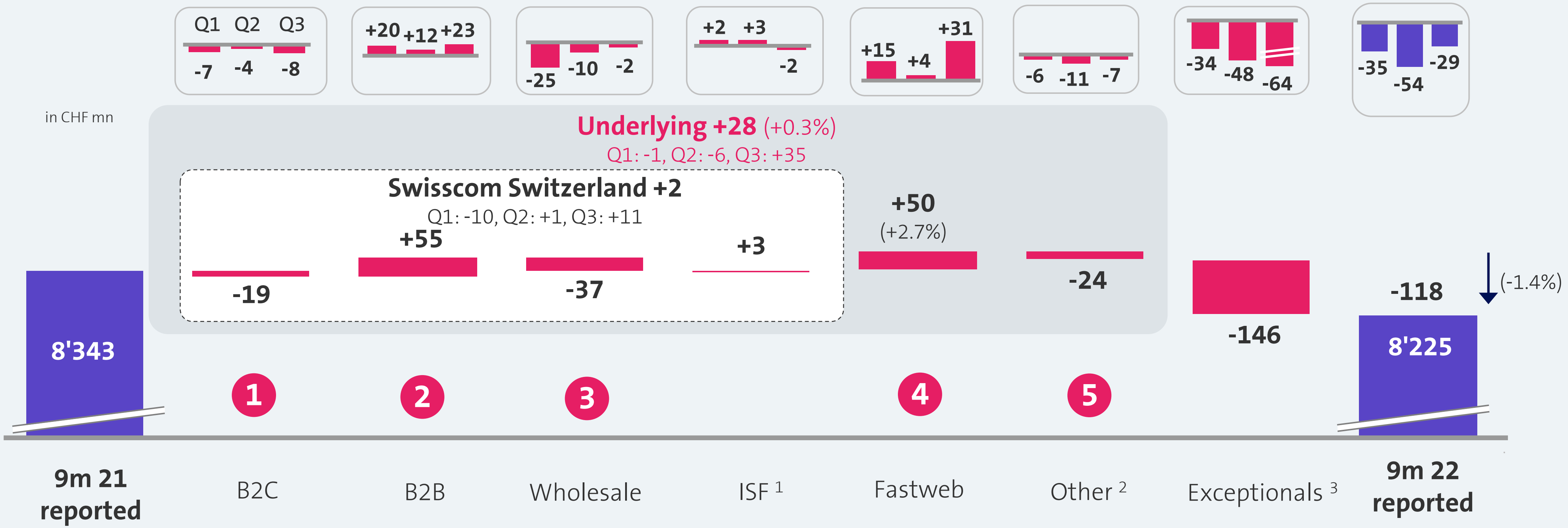


1) Consists of depreciation right of use assets and interest expense leases with scope of IFRS 16, 2) EBITDA after lease expense

Financial results

Group revenue and changes by segments

Positive underlying top line development with Swisscom Switzerland stable and Fastweb growing



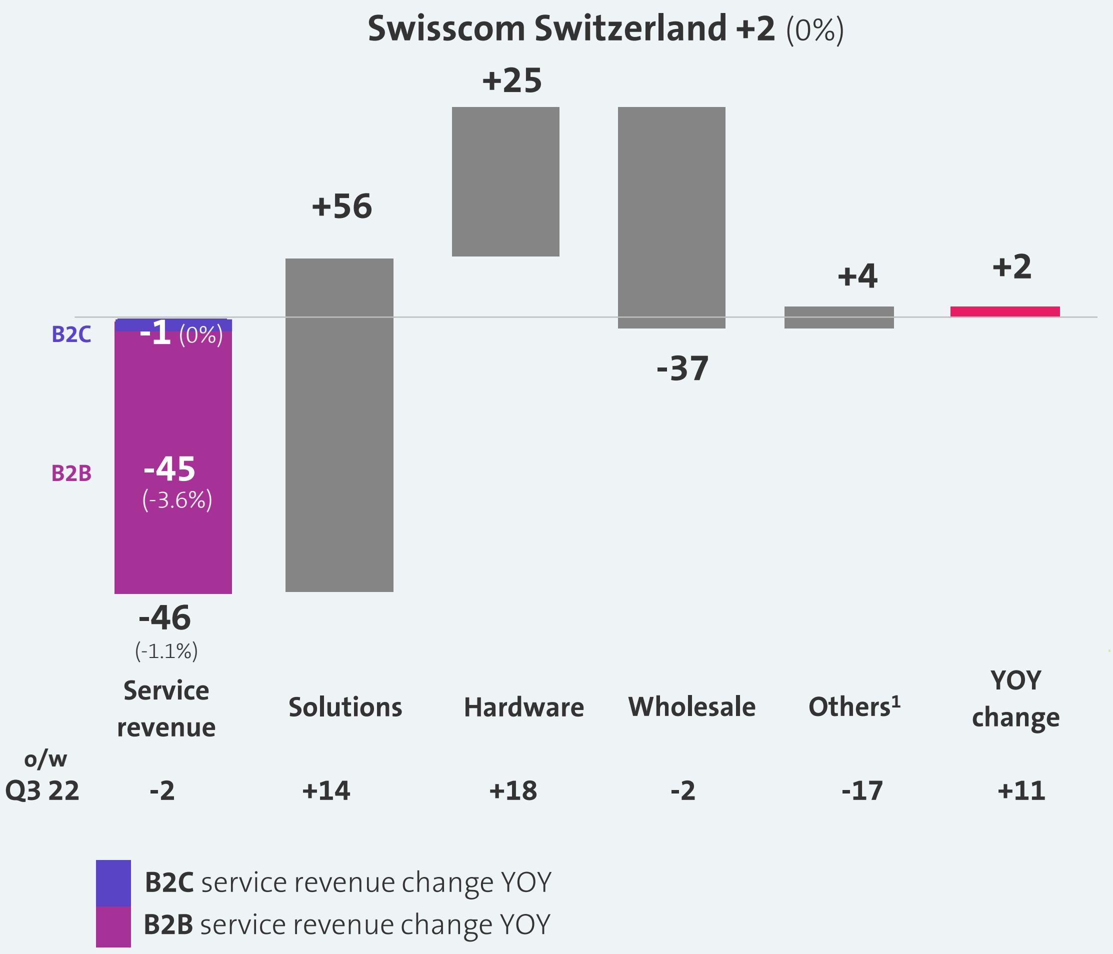
1. Q3 service revenue increase (CHF +5mn) overcompensated by lower other revenues (primarily device insurance commissions)
2. Q3 service revenue decline (CHF -7mn) overcompensated by growth in Solutions (CHF +14mn, t/o CHF +8mn non-organic) and higher hardware sales (CHF +18mn)
3. Q3 improved as impact from MVNO loss phased-out in Q2
4. Q3 up thanks to growth in all segments: Consumer CHF +2mn, Enterprise CHF +9mn and Wholesale CHF +20mn
5. Negative mainly due to disposal of local.fr at YE

1) Infrastructure & Support Functions, including intersegment revenue, 2) Other operating segments and intersegment elimination, 3) 9m 2022 consists of currency effects of CHF -146mn

Swisscom Switzerland: revenue changes and service revenue dynamics

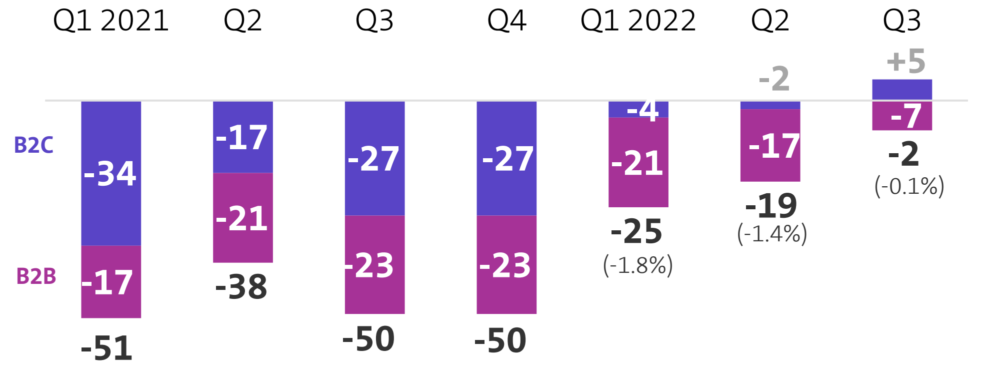
Q3 service revenue dynamics further improving compared to previous quarters

9m 22 revenue changes by business drivers in CHF mn (YOY)

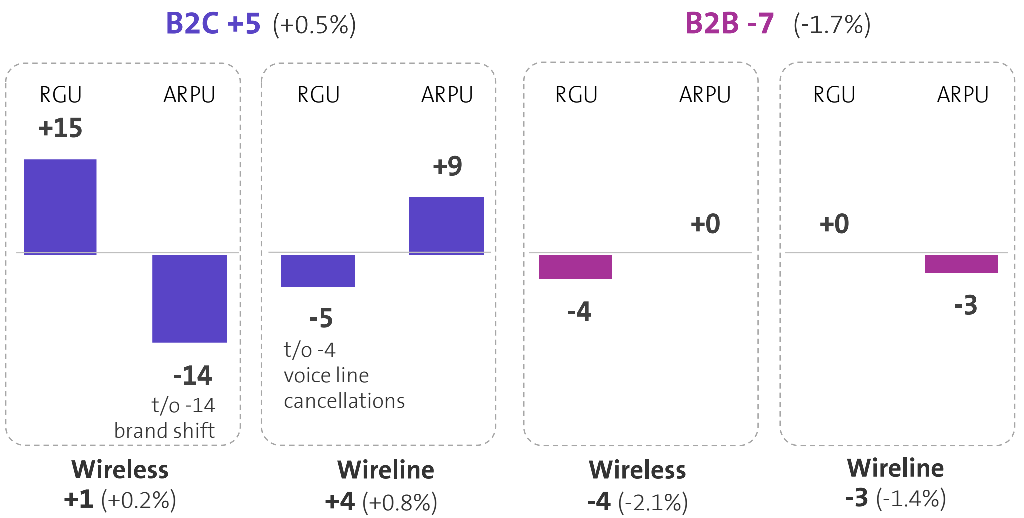


1) Including intersegment revenue

Service revenue evolution and Q3 22 changes in CHF mn (YOY)

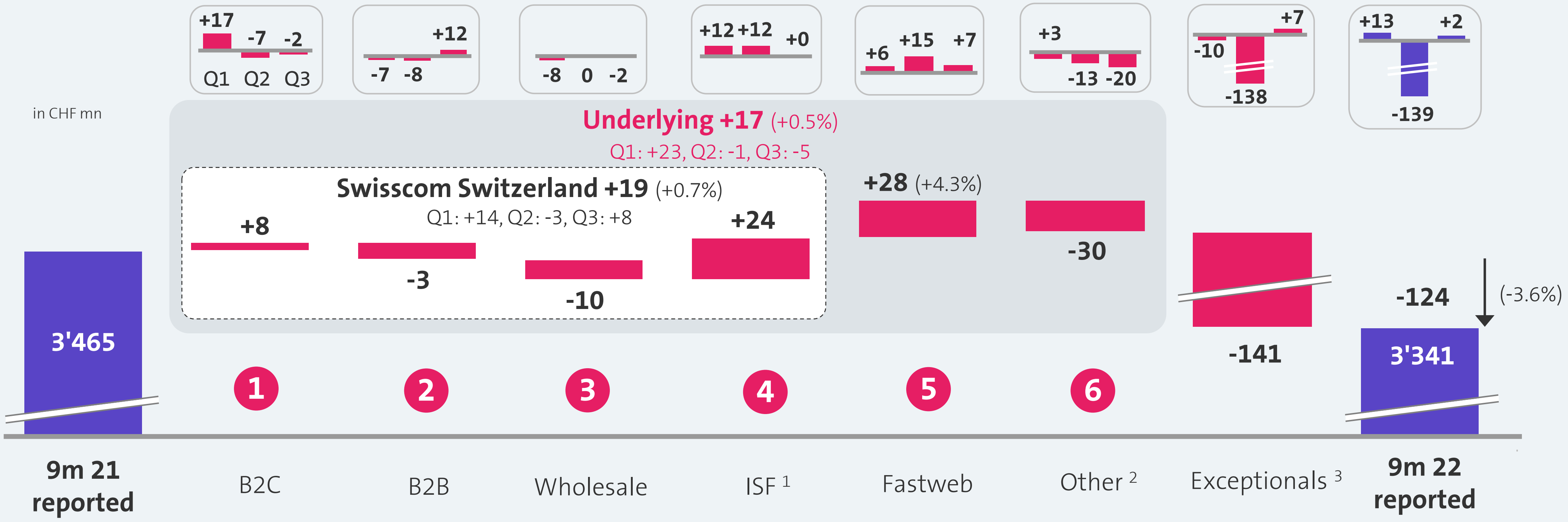


Q3 22 changes by RGU and ARPU in CHF mn (YOY)



Group EBITDA and changes by segments

Solid underlying performance

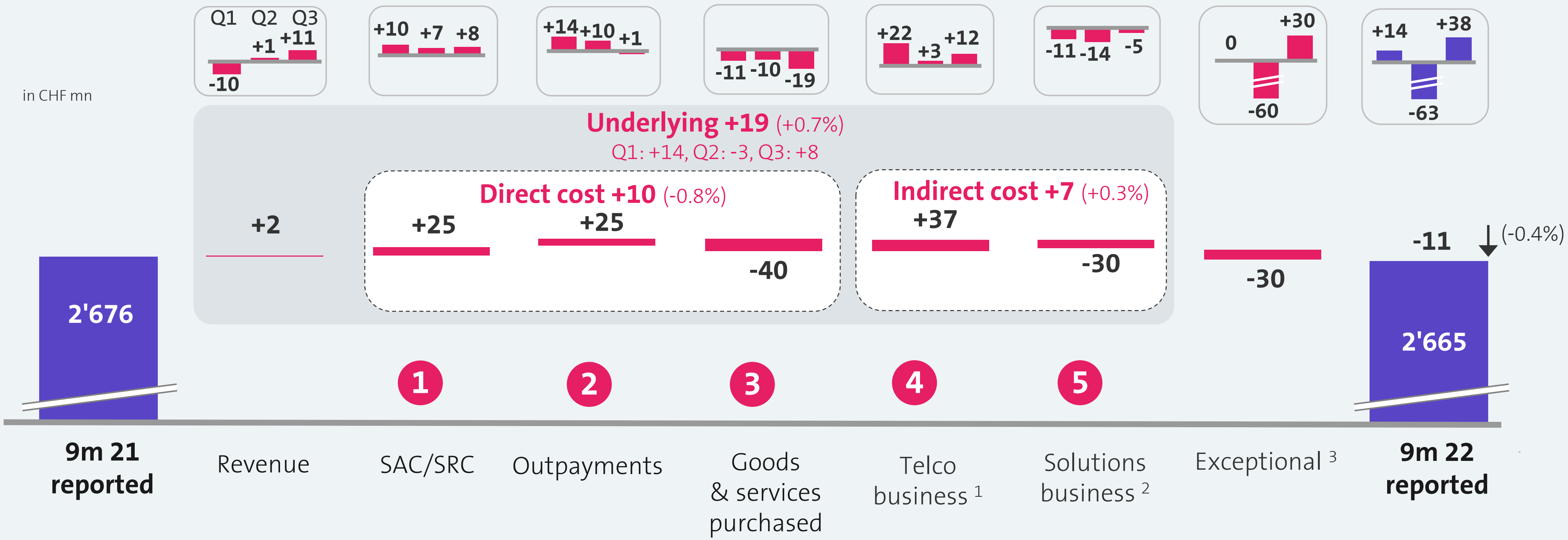


1. Q3 almost flat YOY thanks to solid service revenue contribution
2. Q3 improved as decrease in service revenue is slowing down and ongoing Solutions growth with seasonally higher profitability
3. In Q3, inbound roaming below prior year partly compensated by higher volume in access services and seasonally higher mobile backhauling revenues
4. Q3 flat, cost savings compensated by seasonal increase in accruals
5. Q3 up despite contributions from regulatory litigations in prior year
6. Q3 down primarily due to softer contributions from cablex and pension reconciliation

1) Including intersegment elimination Swisscom Switzerland, 2) Including Other operating segments and intersegment elimination Group level, 3) 9m 2021 with effects from lower pension cost (Q2: CHF +60mn) and adjustments of provisions for regulatory litigations (Q2: CHF -22mn, Q3: CHF -30mn), 9m 2022 with effects from adjustments of provisions for regulatory litigations (Q2: CHF -82mn) and currency effects (Q1: CHF -10mn, Q2: CHF -18mn, Q3: CHF -23mn), Q3 exceptionals of CHF +7mn YOY consists of adjustments of provisions for regulatory litigations in 2021 of CHF -30mn and currency effects in 2022 of CHF -23mn

EBITDA Swisscom Switzerland with OPEX changes and dynamics

Underlying EBITDA up thanks to lower direct cost and continued savings in indirect Telco costs



1. Q3 with continued evolution driven by lower retention measures in wireless due to softer market intensity and limited HW availability
2. Q3: stable outpayments thanks to lower average unit fees for roaming compensating volume increase
3. Q3 with similar trends to H1: higher cost in B2B alongside with higher HW sales
4. Q3 as expected. On track to full year target (of CHF 100mn) thanks to strong expected Q4 contribution
5. Cost increase in order to support Solutions growth seasonally lower in Q3

1) Capacity costs and other operating expenses of the Telco business, 2) Capacity costs and other operating expenses of the Solutions business
3) Adjustments of provisions for regulatory litigations (Q2 21: CHF -22mn, Q3 21: CHF -30mn and Q2 22: CHF -82mn)

Capital expenditures

Q3 with higher investments in Switzerland. Overall Group CAPEX in line with FY guidance of CHF ~2.3bn

in CHF mn	Q3 22	9m 22
Group CAPEX	548 (+26, +5.0% YOY)	1'601 (-4, -0.2% YOY)
Swisscom Switzerland	406 (+34, +9.1% YOY)	1'161 (+36, +3.2% YOY)
Fastweb [1]	147 (-2, -1.3% YOY)	453 (-26, -5.4% YOY)
Other	-5	-13

1) In local currency 9m 22: EUR 449mn (+10, +2.3% YOY)

Swisscom Switzerland 9m 22

Wireless
CHF 204mn (-17% YOY)

- Lower **wireless** investments due to backlog of pending building permissions

Fibre
CHF 337mn (-9% YOY)

- Lower CAPEX for **fibre** due to FTTS completion and COMCO fibre investigation into FTTH topology

Backbone & transport infra
CHF 357mn (+30% YOY)

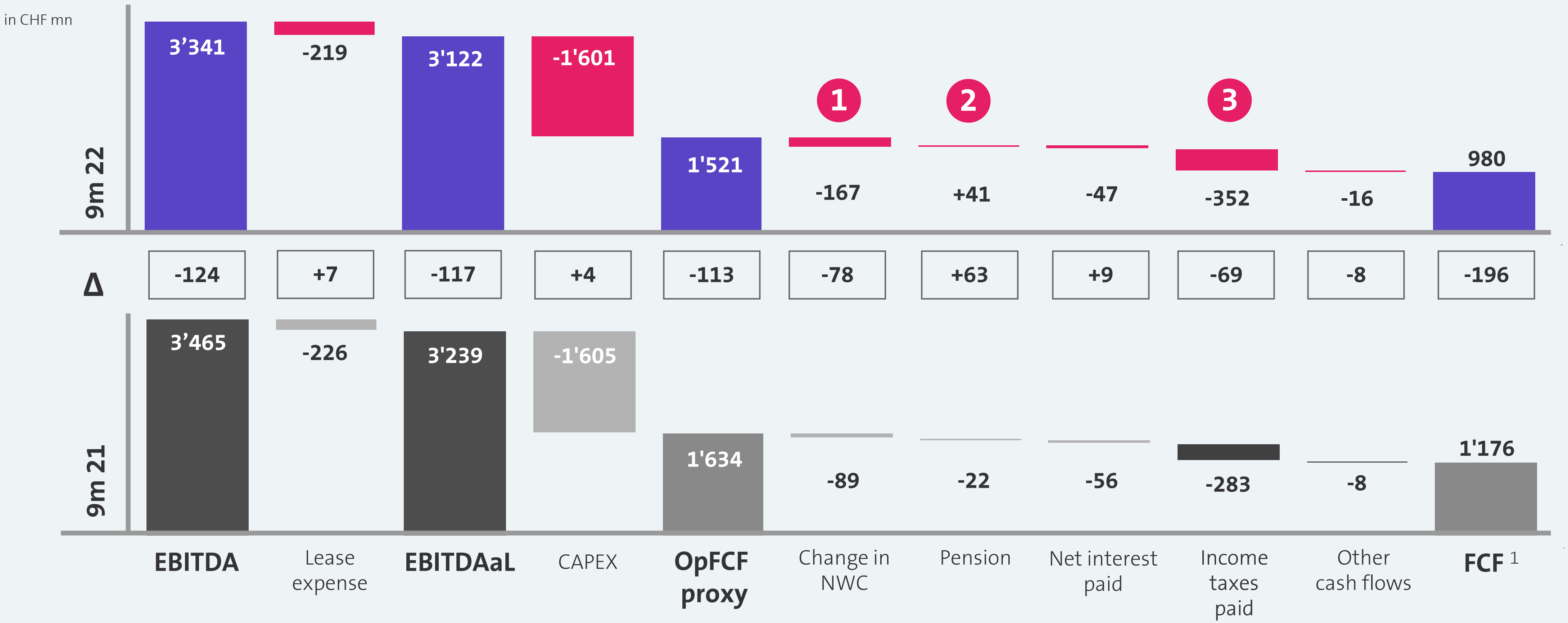
- Higher **backbone & transport** CAPEX to reduce complexity, increase network stability and enable future cost savings

IT, CP equipment, others
CHF 263mn (+13% YOY)

- Higher **IT** investments to push digitalisation, drive customer experience and increase efficiency further

Free cash flow

FCF down (CHF -196mn YOY) due to lower reported EBITDA, NWC and different phasing of tax payments

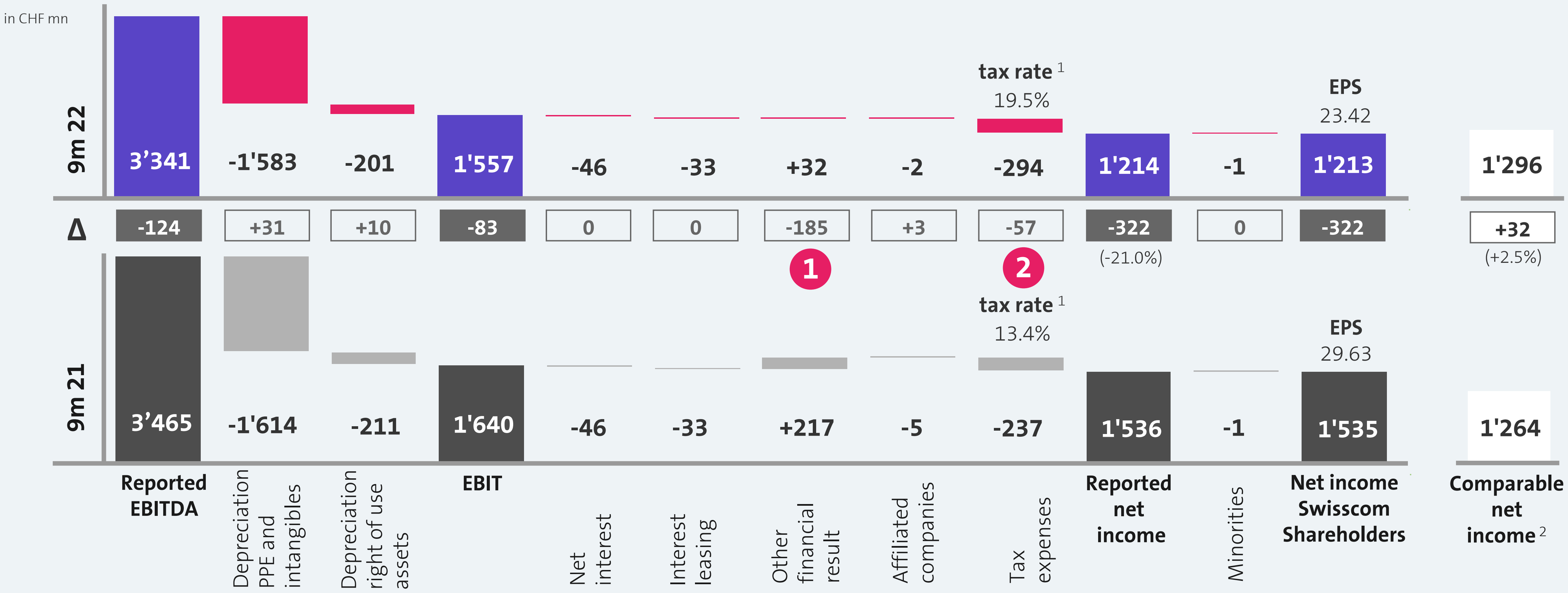


1. 9m 2022 extraordinarily impacted by payments in connection with regulatory litigations (settled in Q4 2021)
2. Positive YOY change from negative one-off effect from pension plan amendment (CHF -60mn) in Q2 2021
3. Higher in 9m 22 due to a different payment schedule compared to 2021

1) FCF excluding M&A effects (9m 22 CHF -65mn, 9m 21 CHF +109mn)

Net income

Reported net income impacted by one-off effects in EBITDA, financial result and tax expenses



1 Other financial result 2021 positively impacted by one-off gains of CHF 38mn from sale of BICS and CHF 169mn from transfer of 20% stake in FlashFiber to FiberCop. 2022 positively impacted by change in fair value of interest rate swaps (CHF +43mn YOY)

2 Tax rate 2021 lower as a result of BICS sale, the FiberCop transaction and step-up of Fastweb intangibles for tax purposes

1) Tax rate 9m 22: tax expenses of CHF 294mn / EBT of CHF 1'508mn = 19.5%, tax rate 9m 21: tax expenses of CHF 237mn / EBT of CHF 1'773mn = 13.4%, 2) Comparable net income 9m 2021 considers exceptionals for adjustments of pension cost (CHF +60mn), provision for regulatory litigations (CHF -52mn), one-off gains of CHF +207mn (CHF +38mn from sale of BICS and CHF +169mn from transfer of 20% stake in FlashFiber to FiberCop), positive one-off tax impacts in Italy (CHF +57mn from tax regime changes) and net income 9m 2022 considers exceptionals for adjustments of provision for regulatory litigations of CHF -82mn. Excluding tax effects

Adjusted revenue outlook reflecting stronger Swiss franc

EBITDA and CAPEX guidance 2022 unchanged

in CHF bn	2021 reported	Splits into:	so far outlook 2022 [3]	new outlook 2022 [4]	Splits into:
Revenue	**11.183**	CHF 8.6bn for Switzerland [2] EUR 2.4bn for Fastweb	11.1-11.2	**~11.1**	CHF 8.5-8.6bn for Switzerland EUR ~2.5bn for Fastweb
EBITDA [1]	**4.478**	CHF 3.6bn for Switzerland EUR 0.8bn for Fastweb	~4.4	**~4.4**	CHF ~3.5bn for Switzerland EUR 0.8-0.9bn for Fastweb
CAPEX	**2.286**	CHF 1.6bn for Switzerland EUR 0.6bn for Fastweb	~2.3	**~2.3**	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 2023)

1) EBITDAaL 2021: CHF 4.2bn, EBITDAaL guidance 2022: CHF ~4.1bn
2) Swisscom Group without Fastweb
3) As presented on 4 August 2022
4) For consolidation purposes, CHF/EUR of 1.00 (new, so far 1.04) has been used (vs. 1.08 for FY 2021)

Questions & answers

Appendix

Key financials

Reported and underlying revenue and EBITDA

in CHF mn

	2021					2022				Change Q/Q			
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue, reported	**2'803**	**2'780**	**2'760**	**2'840**	**11'183**	**2'768**	**2'726**	**2'731**		**-35**	**-54**	**-29**	
Currency effect						34	48	64		+34	+48	+64	
Underlying change										**-1**	**-6**	**+35**	
EBITDA, reported	**1'124**	**1'193**	**1'148**	**1'013**	**4'478**	**1'137**	**1'054**	**1'150**		**+13**	**-139**	**+2**	
Provisions for regulatory litigations		22	30		52		82				+60	-30	
Adjustment pension cost		-60			-60						+60		
Restructuring cost				14	14								
Currency effect						10	18	23		+10	+18	+23	
Underlying change										**+23**	**-1**	**-5**	

Residential Customers

Segment reporting as per 30.09.2022

Net revenue decreased driven by hardware sales.

Service revenue flat. Impact from brand shift compensated by an increase in postpaid customers.

EBITDA up by +0.4%: lower subscriber acquisition and retention costs and lower cost for handsets purchased mostly compensated by higher marketing expenses due to launch of the blue portfolio in Q2.

	Q3 2022	Q3/Q3	30.09.2022	YoY
Net revenue in MCHF [1)]	**1'131**	**-0.7%**	**3'370**	**-0.5%**
Direct costs in MCHF	-216	-2.3%	-639	-4.8%
Indirect costs in MCHF [2)]	-159	-0.6%	-501	1.2%
EBITDA in MCHF	**756**	**-0.3%**	**2'230**	**0.4%**
EBITDA in %	*66.8%*		*66.2%*	
Depreciation & amortisation in MCHF	-15	25.0%	-45	15.4%
Lease expense in MCHF	-10	0.0%	-29	-3.3%
Segment result in MCHF	**731**	-0.7%	**2'156**	0.1%
CAPEX in MCHF	-14	100.0%	-31	93.8%
FTE's	-47		2'724	-8.1%
Wireless customers Postpaid in '000	+57		3'226	5.3%
Wireless customers Prepaid in '000	-39		1'066	-15.9%
Blended wireless ARPU in CHF	+37	2.8%	36	0.0%
Broadband lines in '000	+1		1'734	-0.1%
Voice lines in '000	-18		1'103	-5.8%
TV subs in '000	-5		1'508	-0.5%

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

Business Customers

Segment reporting as per 30.09.2022

Net revenue increased (+2.5%), thanks to higher Solutions revenue (+6.8%) and hardware sales (+28.0%), additionally supported by non-organic growth resulting from the MTF acquisition.

On the other hand, service revenue decreased (-3.6%) due to ongoing price pressure. Decrease softened in Q3 due to increased roaming revenue.

EBITDA slightly down (-0.3%). The decline in high margin service revenue mostly compensated by growth in Solutions and efficiency increase.

	Q3 2022	Q3/Q3	30.09.2022	YoY
Net revenue in MCHF [1)]	**764**	**3.0%**	**2'321**	**2.5%**
Direct costs in MCHF	-180	7.1%	-551	7.2%
Indirect costs in MCHF [2)]	-223	-0.9%	-716	3.2%
EBITDA in MCHF	**361**	**3.4%**	**1'054**	**-0.3%**
EBITDA in %	*47.3%*		*45.4%*	
Depreciation & amortisation in MCHF	-19	18.8%	-55	10.0%
Lease expense in MCHF	-7	-12.5%	-22	-8.3%
Segment result in MCHF	**335**	3.1%	**977**	-0.6%
CAPEX in MCHF	-10	11.1%	-32	6.7%
FTE's	-10		5'173	2.3%
Wireless customers in '000	-9		1'874	0.8%
Blended wireless ARPU in CHF	31	0.0%	30	-3.2%
Broadband lines in '000	+0		293	-0.3%
Voice lines in '000	+0		248	-8.1%
TV subs in '000	-1		68	-1.4%

1) incl. intersegment revenues

2) incl. capitalised costs and other income

Wholesale

Segment reporting as per 30.09.2022

Revenue from external customers down by -7.6%, mainly due to MVNO loss. 9m inbound roaming also down (CHF -19mn), as price decrease overcompensated volume increase.

Wholesale lines with minor decrease and limited revenue impact.

EBITDA down -4.5% YOY (CHF -10mn) primarily driven by the MVNO loss.

	Q3 2022	Q3/Q3	30.09.2022	YoY
External revenue in MCHF	161	-1.2%	451	-7.6%
Intersegment revenue in MCHF	2	0.0%	8	33.3%
Net revenue in MCHF	**163**	**-1.2%**	**459**	**-7.1%**
Direct costs in MCHF	-105	1.0%	-236	-9.2%
Indirect costs in MCHF [1)]	-4	-20.0%	-13	-7.1%
EBITDA in MCHF	**54**	**-3.6%**	**210**	**-4.5%**
EBITDA in %	*33.1%*		*45.8%*	
Depreciation & amortisation in MCHF	-		-	
Lease expense in MCHF	-		-	
Segment result in MCHF	**54**	-3.6%	**210**	-4.5%
CAPEX in MCHF	-		-	
FTE's	+0		76	0.0%
Wholesale lines in '000	-1		691	-0.1%

1) incl. capitalised costs and other income

Infrastructure & Support Functions

Segment reporting as per 30.09.2022

EBITDA deteriorated by 1.0% (CHF -8mn). 9m 2021 and 2022 were affected by adjustments of provisions for regulatory litigations. On a comparable basis, contribution margin improved by +2.9% following the ongoing cost reduction program.

Workforce expenses (net of capitalized costs) decreased by -5.9% (CHF 28mn) as the insourcing program led to a higher contribution of activated cost.

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	Q3 2022	Q3/Q3	30.09.2022	YoY
Net revenue in MCHF	**18**	**0.0%**	**54**	**-5.3%**
Direct costs in MCHF	-3	50.0%	-7	40.0%
Workforce expenses in MCHF[1)]	-151	0.7%	-449	-5.9%
Maintenance in MCHF	-50	-10.7%	-148	-9.2%
IT expenses in MCHF	-34	3.0%	-99	0.0%
Other OPEX in MCHF	-95	-22.1%	-362	10.0%
Other indirect costs in MCHF	-179	-15.2%	-609	3.0%
Other income in MCHF	61	-1.6%	181	-6.7%
Other indirect costs and income in MCHF	-118	-20.8%	-428	7.8%
Indirect costs in MCHF[2)]	-269	-10.0%	-877	0.3%
EBITDA in MCHF	**-254**	**-10.2%**	**-830**	**1.0%**
Depreciation & amortisation in MCHF	-342	2.1%	-1'023	-0.9%
Lease expense in MCHF	-38	-5.0%	-115	-4.2%
Segment result in MCHF	**-634**	-3.6%	**-1'968**	-0.3%
CAPEX in MCHF	-381	7.0%	-1'098	1.8%
FTE's	+0		4'897	0.6%

1) incl. capitalised costs

2) incl. intersegment indirect costs

Fastweb

Segment reporting as per 30.09.2022

Consumer revenue on level of prior year, thanks to growth in mobile compensating impact from increased competition in broadband.

Enterprise revenue up by +3.4% as primarily revenue from public administration sector increased.

Wholesale revenue increased (+12.3%) as well, primarily driven by increasing number of wholesale lines.

EBITDA up by +4.3% YOY thanks to top line growth.

	Q3 2022	Q3/Q3	30.09.2022	YoY
Consumer revenue in MEUR	284	0.7%	856	0.0%
Enterprise revenue in MEUR	239	3.5%	736	3.4%
Wholesale revenue in MEUR 1)	80	31.1%	210	12.3%
Net revenue in MEUR 1)	**603**	**5.1%**	**1'802**	**2.7%**
OPEX in MEUR 2)	-378	6.2%	-1'174	1.8%
EBITDA in MEUR	**225**	**3.2%**	**628**	**4.3%**
EBITDA margin in %	*37.3%*		*34.9%*	
Depreciation& amortisation in MEUR	-150	2.0%	-449	2.0%
Lease expense in MEUR	-14	7.7%	-43	7.5%
Segment result in MEUR	**61**	5.2%	**136**	11.5%
CAPEX in MEUR	-150	8.7%	-449	2.3%
FTE's	+35		2'915	6.3%
BB customers in '000	-16		2'696	-2.6%
Wireless customers in '000	+132		2'937	26.8%
Wholesale ultra broadband lines in '000	+32		418	76.4%
In consolidated Swisscom accounts				
EBITDA in MCHF	220	-6.8%	633	-3.5%
CAPEX in MCHF	-147	-1.3%	-453	-5.4%

1) incl. revenues to Swisscom companies

2) incl. capitalised costs and other income

Other Operating Segments

Segment reporting as per 30.09.2022

Net revenue slightly lower YOY due to the disposal of local.fr at YE 2021.

9m EBITDA lower due to softer contributions from cablex.

Declining number of FTE YOY driven by sale of local.fr at YE 2021.

	Q3 2022	Q3/Q3	30.09.2022	YoY
External revenue in MCHF	101	-8.2%	307	-5.8%
Net revenue in MCHF [1)]	**259**	**-2.3%**	**759**	**-1.4%**
OPEX in MCHF [2)]	-220	3.8%	-637	0.5%
EBITDA in MCHF	**39**	**-26.4%**	**122**	**-10.3%**
EBITDA margin in %	*15.1%*		*16.1%*	
Depreciation & amortisation in MCHF	-12	-7.7%	-35	-12.5%
Lease expense in MCHF	-3	0.0%	-8	-11.1%
Segment result in MCHF	**24**	-35.1%	**79**	-9.2%
CAPEX in MCHF	-8	-20.0%	-22	-24.1%
FTE's	-12		3'248	-6.3%

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

Pension plan

Reported costs and outlook: company contributions (cash payments) stable

in CHF mn	9m 21 reported	9m 22 reported	FY 21 reported	FY 22 estimate	*Change 22/23*	FY 23 estimate
Operating pension cost	241	251	320	335	*-70*	265
Plan amendments (one-off cost reduction)	-60	-	-60	-	-	-
Net pension cost (EBITDA)	**181**	**251**	**260**	**335**	***-70***	**265**
Net interest (financial result)	1	-	1	1	-	1
Total pension cost (P&L)	**182**	**251**	**261**	**336**	***-70***	**266**
Company contributions (cash payments)	**203**	**210**	**269**	**265**	-	**265**
Pension cost (EBITDA) less cash payments	**-22**	**41**	**-9**	**70**	***-70***	**-**

Operating pension cost

- Positive effect of plan amendment CHF 60mn included in 9m 2021 (negative cost)
- Costs highly sensitive to changes of discount rate
- Based on current market interest rates estimated operating pension cost FY 2023 CHF -70mn lower compared to FY 2022

Cash payments

- Cash contributions not based on IFRS
- Estimated increase in interest rate 2023 has no impact on cash payments
- 2023 estimate: company contributions (cash payments) = operating pension cost

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