

**Seventh General Meeting of Swisscom Ltd Shareholders in Lucerne:**

## **Call for greater transparency on the part of shareholders too**

**At the seventh General Meeting of Swisscom Shareholders held in Lucerne on 26 April 2005, Chairman of the Board Markus Rauh called for greater transparency on the part of shareholders. Rauh said that the information available to listed companies on institutional investors was often minimal. Swisscom is to pay a dividend of CHF 14 per share for fiscal 2004, CHF 1 higher than the previous year dividend, and will reduce share capital by 7.13% following last year's successful share buy-back. The General Meeting elected three new members to the Swisscom Board of Directors.**

At the General Meeting of Swisscom Shareholders the Chairman, Markus Rauh, addressed the current discussion on calls for increased transparency on the part of companies: "We welcome this trend but ask in return that shareholders also follow suit, since better transparency is also in their interests." According to Rauh, nowadays there is a great deal of information available to listed companies on private investors but little about institutional investors. According to the results of a study commissioned by Swisscom, shareholders' identities can be determined for only 54% of the Swisscom free float (excluding the government's stake). "This makes regular dialogue with shareholders difficult. With many shareholders concealing their position, we are unable to address their needs," explained Rauh. Since it is precisely these institutional investors who are demanding greater transparency, the logical step is to demand the same in return: "Investors as well as companies are subject to transparency rights and obligations."

### **Reduction in share capital following successful buy-back**

The seventh General Meeting of Swisscom Shareholders was attended by 1,660 shareholders, representing 70.71% of the voting shares. Excluding the government's 61.35% stake, one third of the free floating share capital was represented. This low attendance is also attributable to the aforementioned lack of transparency on the part of institutional shareholders. In mid-April 2005 the number of Swisscom shareholders totalled around 65,500.

Shareholders approved the 2004 annual report, financial statements and consolidated financial statements as well as the dividend of CHF 14 per share (CHF 9.10 net after deduction of withholding tax) recommended by the Board of Directors. The net dividend sum, free from expenses, will be distributed to shareholders on 29 April 2005. The General Meeting of Shareholders approved a proposal to reduce the number of shares by 7.13% to 61.48 million by

destroying the shares acquired through the 2004 share buy-back scheme. Within the next few weeks Swisscom plans to launch its previously announced 2005 share buy-back programme.

The General Meeting granted discharge to the members of the Board of Directors and the Executive Board for the 2004 financial year. KPMG was elected for a further year as statutory auditors and Group auditors.

### **Election of three new members to the Board of Directors**

Peter K pfer, Andr  Richoz and Helmut Woelki stood down from the Board of Directors at the 2005 General Meeting. Fides P. Baldesberger, Anton Scherrer and Othmar Vock were elected as new members of the Board. Anton Scherrer will take over as Vice Chairman for one year. As already announced, Anton Scherrer will be proposed at next year's General Meeting to succeed Markus Rauh as Chairman of the Board.

Michel Gobet, Torsten G. Kreindl and Richard Roy were re-elected for a further two-year term. Markus Rauh and Jacqueline Demierre were re-elected for one year due to the statutory 8-year limitation on holding office.

Invitation including curriculum vitae of the new Board members:

[http://www.swisscom.com/2005gv/20050426\\_GV\\_de.pdf](http://www.swisscom.com/2005gv/20050426_GV_de.pdf)

Photos and biographical details on members of the Board of Directors:

<http://www.swisscom.com/board>

Lucerne, 26 April 2005