



2024

Interim Report
January–March

swisscom

KPIs

In CHF million, except where indicated	31.03.2024	31.03.2023	Change	
Revenue and results¹				
Revenue	2,703	2,747	–1.6%	
Operating income before depreciation and amortisation (EBITDA)	1,155	1,164	–0.8%	
EBITDA as % of revenue	42.7	42.4		
EBITDA after lease expense (EBITDAaL)	1,083	1,091	–0.7%	
Operating income (EBIT)	568	573	–0.9%	
Net income	455	442	2.9%	
Earnings per share	8.78	8.53	2.9%	
Balance sheet and cash flows³				
Equity	12,190	11,695	4.2%	
Equity ratio	47.6	46.1		
Capital expenditure	594	545	9.0%	
Operating free cash flow	489	546	–10.4%	
Free cash flow	198	209	–5.3%	
Net debt	6,941	7,171	–3.2%	
Operational data				
Fixed telephony access lines in Switzerland	in thousand	1,203	1,292	–6.9%
Broadband access lines retail in Switzerland	in thousand	1,991	2,017	–1.3%
TV access lines in Switzerland	in thousand	1,526	1,558	–2.1%
Mobile access lines in Switzerland	in thousand	6,269	6,235	0.5%
Access lines wholesale in Switzerland	in thousand	704	688	2.3%
Broadband access lines retail in Italy	in thousand	2,582	2,662	–3.0%
Broadband access lines wholesale in Italy	in thousand	720	498	44.6%
Mobile access lines in Italy	in thousand	3,611	3,231	11.8%
Swisscom share				
Number of issued shares	in thousand	51,802	51,802	–%
Market capitalisation		27,351	30,211	–9.5%
Closing price at end of period	CHF	528.00	583.20	–9.5%
Employees				
Full-time equivalent employees	number	19,947	19,252	3.6%
Average number of full-time equivalent employees	number	19,865	19,219	3.4%

¹ Swisscom uses various alternative performance measures. The definitions and the reconciliation to the values in accordance with IFRS are set out in the interim report on pages 23 and 24.

Financial review

Summary

Group revenue decreased by 1.6% year-on-year to CHF 2,703 million. Operating income before depreciation and amortisation (EBITDA) fell by 0.8% to CHF 1,155 million. The reported revenue and EBITDA development was influenced by the performance of the euro (EUR) as a result of the substantial share attributable to the Italian subsidiary Fastweb. The EUR average exchange rate fell by 4.7% in the first quarter of 2024 compared to the same quarter in the previous year. This resulted in negative exchange differences on Group revenue of CHF 31 million and on EBITDA of CHF 9 million. Based on a constant EUR exchange rate, revenue in the first quarter of 2024 fell by 0.5% or CHF 13 million. Swisscom Switzerland's revenue fell by 2.5%. Fastweb achieved an increase in revenue of 5.6% (in EUR).

EBITDA development was influenced not only by currency effects, but also by non-recurring items related to litigation in the amount of CHF 24 million. On the other hand, non-recurring costs of CHF 6 million, which had an impact on EBITDA, were incurred in connection with preparations for the takeover of Vodafone Italia. Without these non-recurring items and with a constant EUR exchange rate, this resulted in a drop in EBITDA of CHF 18 million (-1.5%). CHF 19 million (-2.0%) of this drop is attributable to Swisscom Switzerland. Fastweb, on the other hand, reported an increase of EUR 4 million (+2.1%). Consolidated net income rose by 2.9% year-on-year to total CHF 455 million. The lower operating income was offset by an improvement in the financial result.

The Group's capital expenditure rose by 9.0% in a year-on-year comparison to CHF 594 million. Capital expenditure in the Swiss core business rose by 12.9%, and by 2.6% at Fastweb (in EUR). Operating free cash flow fell by CHF 57 million or 10.4% year-on-year to CHF 489 million due to lower EBITDA and increased capital expenditure. Free cash flow was down only slightly on the previous year to CHF 198 million (CHF -11 million). The improved development in net working capital and lower income taxes paid largely offset the drop in operating free cash flow. The CHF 35 million drop in income taxes paid to CHF 30 million was attributable to different payment due dates. Net debt decreased by 3.2% to CHF 6,941 million year-on-year. The number of Swisscom employees increased by 3.6% to 19,947 FTEs. In Switzerland, headcount increased by 2.2% to 16,105 FTEs as a result of company acquisitions.

The financial outlook for the 2024 financial year remains unchanged. Swisscom expects revenue of around CHF 11.0 billion, EBITDA of CHF 4.5–4.6 billion and capital expenditure of around CHF 2.3 billion. Subject to achieving its targets, Swisscom plans to propose payment of an unchanged attractive dividend of CHF 22 per share for the 2024 financial year at the 2025 Annual General Meeting.

Segment results

In CHF million	31.03.2024	31.03.2023	Change
Revenue¹			
Residential Customers	1,078	1,137	–5.2%
Business Customers	773	768	0.7%
Wholesale	136	134	1.5%
Infrastructure & Support Functions	19	19	–%
Intersegment elimination	(13)	(13)	–%
Swisscom Switzerland	1,993	2,045	–2.5%
Fastweb	623	619	0.6%
Other Operating Segments	252	240	5.0%
Intersegment elimination	(165)	(157)	5.1%
Total revenue	2,703	2,747	–1.6%
Operating income before depreciation and amortisation (EBITDA)¹			
Residential Customers	748	754	–0.8%
Business Customers	325	342	–5.0%
Wholesale	93	80	16.3%
Infrastructure & Support Functions	(221)	(232)	–4.7%
Intersegment elimination	(1)	1	
Swisscom Switzerland	944	945	–0.1%
Fastweb	182	187	–2.7%
Other Operating Segments	33	32	3.1%
Reconciliation pension cost ²	4	9	–55.6%
Intersegment elimination	(8)	(9)	–11.1%
Total EBITDA	1,155	1,164	–0.8%

¹ As of 1 January 2024 Swisscom has made adjustments to the financial management. The previous year's figures have been adjusted accordingly. For further information, see notes 2 to the interim financial statements.

² Operating income of segments includes ordinary employer contributions as pension fund expense. The difference to the pension cost according to IAS 19 is recognised as a reconciliation item.

Swisscom's reporting focuses on the operating divisions Swisscom Switzerland and Fastweb. The other business divisions are grouped together under Other Operating Segments. Swisscom Switzerland comprises the customer segments Residential Customers, Business Customers and Wholesale, along with the Infrastructure & Support Functions business division. Fastweb is a telecommunications provider for residential and business customers in Italy. Other Operating Segments primarily comprises Swisscom Directories Ltd (localsearch), Swisscom Broadcast Ltd (radio transmitters) and calex Ltd (network construction and maintenance).

The Infrastructure & Support Functions business division does not charge any network costs or management fees to other segments for its services. The remaining services between the segments are charged at market prices. Network costs in Switzerland are budgeted, monitored and controlled by the Infrastructure & Support Functions segment, which is managed as a cost centre. For this reason, no revenue is credited to the Infrastructure & Support Functions segment within the segment reporting, with the exception of the rental and administration of buildings and vehicles. The results of the Residential Customers, Business Customers and Wholesale segments thus correspond to a contribution margin before network costs.

Swisscom Switzerland

In CHF million, except where indicated	31.03.2024	31.03.2023	Change
Revenue and operating income before depreciation and amortisation (EBITDA)			
Telecoms services	1,324	1,354	-2.2%
IT services	297	283	4.9%
Merchandise	187	217	-13.8%
Wholesale	134	131	2.3%
Revenue other	35	45	-22.2%
External revenue	1,977	2,030	-2.6%
Intersegment revenue	16	15	6.7%
Revenue	1,993	2,045	-2.5%
Direct costs	(380)	(423)	-10.2%
Indirect costs	(669)	(677)	-1.2%
Operating expense	(1,049)	(1,100)	-4.6%
EBITDA	944	945	-0.1%
Margin as % of revenue	47.4	46.2	
Operating free cash flow			
EBITDA	944	945	-0.1%
Lease expense	(58)	(56)	3.6%
EBITDA after lease expense (EBITDAaL)	886	889	-0.3%
Capital expenditure	(445)	(394)	12.9%
Operating free cash flow	441	495	-10.9%
Operational data in thousand and headcount			
Fixed telephony access lines	1,203	1,292	-6.9%
Broadband access lines retail	1,991	2,017	-1.3%
TV access lines	1,526	1,558	-2.1%
Mobile access lines	6,269	6,235	0.5%
Access lines wholesale	704	688	2.3%
Full-time equivalent employees	13,389	12,848	4.2%

Swisscom Switzerland's revenue decreased by 2.5% or CHF 52 million to CHF 1,993 million. Revenue from telecoms services decreased by 2.2% or CHF 30 million to CHF 1,324 million. Of this decline, CHF 17 million (-1.8%) was attributable to the Residential Customers segment and CHF 13 million (-3.3%) to the Business Customers segment. Revenue from merchandise dipped by CHF 30 million or 13.8% to CHF 187 million due to the lower number of smartphones sold. By contrast, revenue from IT services rose by 4.9% to CHF 297 million. In an intense market environment, there was a reduction in the number of connections for broadband (-1.3%) and TV (-2.1%), while the number of connections for mobile telephony increased slightly (+0.5%). In mobile communications, the customer structure changed due to an increase in postpaid lines (+126,000) and a similarly pronounced decrease in prepaid lines (-92,000). The share of secondary and third-party brands in the Residential Customers segment rose from 29% to 32%. The number of connections for fixed network telephony dropped (-6.9%) as a result of its substitution with mobile telephony.

The operating expense decreased by 4.6% or CHF 51 million. Direct costs fell by CHF 43 million or 10.2%. There was a drop in both the cost of purchasing merchandise, and subscriber acquisition and subscriber retention costs. Indirect costs fell by CHF 8 million (-1.2%), rising by CHF 10 million if non-recurring items are left out of the equation. In telecommunications, cost savings of CHF 8 million were realised through efficiency improvement measures. By contrast, indirect costs in the area of IT services increased by CHF 18 million. Headcount increased by 4.2% year-on-year to 13,389 FTEs as a result of company acquisitions. Operating income before depreciation and amortisation (EBITDA) remained virtually stable (-0.1%) at CHF 944 million. After adjustments to reflect non-recurring items, EBITDA fell by 2.0%. Cost-cutting measures partly compensated for the decline in revenue from telecoms services. Capital expenditure increased by 12.9% or CHF 51 million to CHF 445 million mainly due to measures to step up the expansion of the access network with optical fibre and higher investment in the mobile network. Swisscom plans to increase fibre-optic coverage (FTTH) to around 57% by the end of 2025, and to 75-80% by the end of 2030.

Fastweb

In EUR million, except where indicated	31.03.2024	31.03.2023	Change
Revenue and operating income before depreciation and amortisation (EBITDA)			
Residential Customers	288	289	−0.3%
Corporate Business	284	261	8.8%
Wholesale	84	71	18.3%
External revenue	656	621	5.6%
Intersegment revenue	2	2	−%
Revenue	658	623	5.6%
Operating expense	(466)	(435)	7.1%
EBITDA	192	188	2.1%
Margin as % of revenue	29.2	30.2	
Operating free cash flow			
EBITDA	192	188	2.1%
Lease expense	(13)	(13)	−%
EBITDA after lease expense (EBITDAaL)	179	175	2.3%
Capital expenditure	(157)	(153)	2.6%
Operating free cash flow	22	22	−%
Operational data in thousand and headcount			
Broadband access lines retail	2,582	2,662	−3.0%
Broadband access lines wholesale	720	498	44.6%
Mobile access lines	3,611	3,231	11.8%
Full-time equivalent employees	3,225	3,087	4.5%

Fastweb's revenue rose year-on-year by 5.6% or EUR 35 million to EUR 658 million. Competition remained fierce. The customer base in the fixed-network business (retail and wholesale) grew by 4.5% overall to 3.30 million. While the customer base in the retail segment fell by 3.0% to 2.58 million due to the challenging market environment, the number of ultra-fast broadband connections provided by Fastweb to other operators (wholesale business) rose to 720,000 (+44.6%). Among retail customers, the share of ultra-fast broadband connections increased by 3 percentage points to 90%. The number of mobile access lines increased by 380,000 (+11.8%) to 3.61 million, with bundled offerings continuing to play an important role here. 43% of broadband customers used a bundled offering combining fixed network and mobile. Revenue from residential customers was almost unchanged year-on-year at EUR 288 million (−0.3%). The lower revenue in the fixed-network business was offset by an increase in the mobile communications segment as a result of the increased customer base. Revenue from business customers increased by 8.8% or EUR 23 million to EUR 284 million, driven by the higher revenue from IT services. Revenue from wholesale business increased by 18.3% or EUR 13 million to EUR 84 million due to the higher number of subscribers.

Operating expenses increased by EUR 31 million (+7.1%). Driven by revenue growth, the operating result before depreciation and amortisation (EBITDA) increased by EUR 4 million (+2.1%). Capital expenditure increased by 2.6% to EUR 157 million due to an increase in customer-driven investment. Headcount increased by 4.5% or 138 FTEs to 3,225 FTEs as the company took on external staff and the growth created a need for more personnel.

Other Operating Segments

In CHF million, except where indicated	31.03.2024	31.03.2023	Change
Revenue and operating income before depreciation and amortisation (EBITDA)			
External revenue	104	99	5.1%
Intersegment revenue	148	141	5.0%
Revenue	252	240	5.0%
Operating expense	(219)	(208)	5.3%
EBITDA	33	32	3.1%
Margin as % of revenue	13.1	13.3	
Operating free cash flow			
EBITDA	33	32	3.1%
Lease expense	(3)	(2)	50.0%
EBITDA after lease expense (EBITDAaL)	30	30	–%
Capital expenditure	(8)	(8)	–%
Operating free cash flow	22	22	–%
Headcount			
Full-time equivalent employees	3,333	3,317	0.5%

Revenue in Other Operating Segments was up by 5.0% or CHF 12 million year-on-year to CHF 252 million, due primarily to higher revenue for cabling construction services. The operating result before depreciation and amortisation (EBITDA) increased by 3.1% or CHF 1 million to CHF 33 million. The profit margin was down slightly to 13.1% (prior year: 13.3%). Headcount was at 3,333 full-time equivalents, almost on a par with the previous year (+0.5%).

Depreciation and amortisation, non-operating results

In CHF million, except where indicated	31.03.2024	31.03.2023	Change
Operating income before depreciation and amortisation (EBITDA)	1,155	1,164	–0.8%
Depreciation and amortisation of property, plant and equipment and intangible assets	(522)	(525)	–0.6%
Depreciation of right-of-use assets	(65)	(66)	–1.5%
Operating income (EBIT)	568	573	–0.9%
Net interest expense on financial assets and liabilities	(15)	(14)	7.1%
Interest expense on lease liabilities	(12)	(12)	–%
Other financial result	13	(4)	
Result of equity-accounted investees	–	–	–%
Income before income taxes	554	543	2.0%
Income tax expense	(99)	(101)	–2.0%
Net income	455	442	2.9%
Attributable to equity holders of Swisscom Ltd	455	442	2.9%
Attributable to non-controlling interests	–	–	–%
Earnings per share (in CHF)	8.78	8.53	2.9%

Net income increased by 2.9% or CHF 13 million to CHF 455 million. The lower operating income (CHF –5 million) was offset by an improvement in the financial result (CHF +16 million) and lower income tax expense (CHF +2 million). The income tax expense was CHF 99 million (prior year: CHF 101 million), corresponding to an effective income tax rate of 17.9% (prior year: 18.6%).

Cash flows

In CHF million	31.03.2024	31.03.2023	Change
Operating income before depreciation and amortisation (EBITDA)	1,155	1,164	(9)
Lease expense	(72)	(73)	1
EBITDA after lease expense (EBITDAaL)	1,083	1,091	(8)
Capital expenditure	(594)	(545)	(49)
Operating free cash flow	489	546	(57)
Change in net working capital	(226)	(244)	18
Change in defined benefit obligations	(2)	(8)	6
Net interest payments on financial assets and liabilities	(10)	(12)	2
Income taxes paid	(30)	(65)	35
Other operating cash flows	(23)	(8)	(15)
Free cash flow	198	209	(11)
Net expenditures for company acquisitions and disposals	(9)	–	(9)
Other changes ¹	(59)	(6)	(53)
Decrease in net debt	130	203	(73)

¹ Includes foreign currency effects, fair value adjustments and non-cash changes in net debt positions.

Operating free cash flow fell by CHF 57 million to CHF 489 million due to higher capital expenditure and lower EBITDA. This was largely offset by improved development in net working capital and lower income taxes paid. As a result, free cash flow fell by CHF 11 million to CHF 198 million. The CHF 35 million drop in income taxes paid to CHF 30 million was attributable to different payment due dates.

Net asset position

In CHF million, except where indicated	31.03.2024	31.12.2023	Change
Property, plant and equipment	11,223	11,059	1.5%
Intangible assets	1,787	1,737	2.9%
Goodwill	5,203	5,172	0.6%
Right-of-use assets	2,016	1,972	2.2%
Trade receivables	2,200	2,143	2.7%
Receivables from finance leases	125	130	–3.8%
Trade payables	(1,637)	(1,611)	1.6%
Provisions	(1,232)	(1,263)	–2.5%
Deferred gain on sale and leaseback of real estate	(80)	(81)	–1.2%
Other operating assets and liabilities, net	27	(141)	
Net operating assets	19,632	19,117	2.7%
Net debt	(6,941)	(7,071)	–1.8%
Defined benefit assets and obligations, net	(9)	(10)	–10.0%
Income tax assets and liabilities, net	(950)	(875)	8.6%
Equity-accounted investees and other financial assets	458	461	–0.7%
Equity	12,190	11,622	4.9%
Equity ratio in %	47.7	47.0	

Net operating assets were higher at CHF 19.6 billion (+2.7%) compared with year-end 2023. The 4.9% increase in equity to CHF 12.2 billion corresponds to the net income for the first quarter of 2024. The equity ratio rose from 47.0% to 47.7% compared with the end of 2023. On 27 March 2024, the Annual General Meeting of Swisscom Ltd approved the payment of an unchanged dividend of CHF 22 gross per share. A total dividend amount of CHF 1,140 million was paid out on 2 April 2024.

Net debt

Net debt consists of financial liabilities and lease liabilities less cash and cash equivalents, listed debt instruments and derivative financial instruments.

In CHF million	31.03.2024	31.12.2023	Change
Debenture bonds	4,875	4,789	1.8%
Bank loans	268	267	0.4%
Private placements	322	322	–%
Other financial liabilities	276	287	–3.8%
Lease liabilities	1,925	1,915	0.5%
Total financial liabilities and lease liabilities	7,666	7,580	1.1%
Cash and cash equivalents	(345)	(148)	133.1%
Other financial assets	(380)	(361)	5.3%
Net debt	6,941	7,071	–1.8%

In recent years, Swisscom has taken advantage of favourable capital market conditions with a view to optimising the interest and maturity structure of the Group's financial liabilities. As at 31 March 2024, the average interest expense on financial liabilities was 1.0%, the average residual term to maturity was 4.9 years, and the share of fixed-interest-bearing financial liabilities was 92%. Swisscom also has two lines of credit totalling CHF 2.2 billion, which have not been used.

Outlook

Key figures or as noted	2023 reported	2024 outlook ⁴
Revenue		
Swisscom Group	CHF 11,072 million ¹	~ CHF 11.0 billion
Switzerland ³	CHF 8,511 million	~ CHF 8.5 billion
Fastweb	EUR 2,633 million	EUR 2.6–2.7 billion
Operating income before depreciation and amortisation (EBITDA)		
Swisscom Group	CHF 4,622 million	CHF 4.5–4.6 billion ²
Switzerland ³	CHF 3,846 million	~ CHF 3.7 billion
Fastweb	EUR 798 million	~ EUR 0.9 billion
Capital expenditure		
Swisscom Group	CHF 2,292 million	~ CHF 2.3 bn
Switzerland ³	CHF 1,686 million	~ CHF 1.7 billion
Fastweb	EUR 623 million	~ EUR 0.6 billion

¹ Restated. For further information, see note 1 to the interim financial statements.

² EBITDA after lease expense (EBITDAaL) 2023: CHF 4,334 million; EBITDaL guidance 2024: CHF 4.2–4.3 billion

³ Swisscom w/o Fastweb

⁴ Exchange rate CHF/EUR 0.93 (2023: CHF/EUR 0.973).

The financial outlook for the 2024 financial year remains unchanged. Swisscom expects revenue of around CHF 11.0 billion, EBITwDA of CHF 4.5 to 4.6 billion and capital expenditure of around CHF 2.3 billion. Subject to achievement of its targets, Swisscom plans to propose payment of an unchanged dividend of CHF 22 per share for the 2024 financial year at the 2025 Annual General Meeting.

Consolidated interim financial statements

Consolidated statement of comprehensive income (unaudited)

In CHF million, except for per share amounts	Note	1.01.–31.03.2024	1.01.–31.03.2023
Income statement			
Revenue	2	2,703	2,747
Direct costs	3	(685)	(710)
Personnel expense	3	(703)	(680)
Other operating expense	3	(362)	(357)
Capitalised self-constructed assets and other income	3	202	164
Operating income before depreciation and amortisation		1,155	1,164
Depreciation and amortisation of property, plant and equipment and intangible assets		(522)	(525)
Depreciation of right-of-use assets		(65)	(66)
Operating income		568	573
Financial income	6	23	8
Financial expense	6	(37)	(38)
Result of equity-accounted investees		–	–
Income before income taxes		554	543
Income tax expense		(99)	(101)
Net income		455	442
Other comprehensive income			
Actuarial gains and losses from defined benefit pension plans		(2)	(7)
Change in fair value of equity instruments		(11)	62
Items that will not be reclassified to income statement		(13)	55
Foreign currency translation adjustments of foreign subsidiaries		107	24
Change in cash flow hedges		12	3
Items that are or may be reclassified subsequently to income statement		119	27
Other comprehensive income		106	82
Comprehensive income			
Net income		455	442
Other comprehensive income		106	82
Comprehensive income		561	524
Share of net income and comprehensive income			
Equity holders of Swisscom Ltd		455	442
Non-controlling interests		–	–
Net income		455	442
Equity holders of Swisscom Ltd		561	524
Non-controlling interests		–	–
Comprehensive income		561	524
Earnings per share			
Basic and diluted earnings per share (in CHF)		8.78	8.53

Consolidated balance sheet (unaudited)

In CHF million	Note	31.03.2024	31.12.2023
Assets			
Cash and cash equivalents		345	148
Trade receivables	7	2,200	2,143
Receivables from finance leases		39	46
Other operating assets	7	1,593	1,323
Other financial assets		60	50
Current income tax assets		3	1
Non-current assets held for sale		–	7
Total current assets		4,240	3,718
Property, plant and equipment		11,223	11,059
Intangible assets		1,787	1,737
Goodwill		5,203	5,172
Right-of-use assets		2,016	1,972
Equity-accounted investees		28	27
Receivables from finance leases		86	84
Other financial assets		750	745
Defined benefit assets		11	11
Deferred tax assets		222	225
Total non-current assets		21,326	21,032
Total assets		25,566	24,750
Liabilities and equity			
Financial liabilities	5	706	718
Lease liabilities		229	227
Trade payables	7	1,637	1,611
Other operating liabilities	7	1,566	1,471
Provisions	8	110	115
Current income tax liabilities		271	203
Total current liabilities		4,519	4,345
Financial liabilities	5	5,035	4,947
Lease liabilities		1,696	1,688
Defined benefit obligations		20	21
Provisions	8	1,122	1,148
Deferred gain on sale and leaseback of real estate		80	81
Deferred tax liabilities		904	898
Total non-current liabilities		8,857	8,783
Total liabilities		13,376	13,128
Share capital		52	52
Capital reserves		136	136
Retained earnings		13,971	13,529
Foreign currency translation adjustments		(1,979)	(2,086)
Hedging reserves		–	(12)
Equity attributable to equity-holders of Swisscom Ltd		12,180	11,619
Non-controlling interests		10	3
Total equity		12,190	11,622
Total liabilities and equity		25,566	24,750

Consolidated statement of cash flows (unaudited)

In CHF million	Note	1.01.–31.03.2024	1.01.–31.03.2023
Net income		455	442
Income tax expense		99	101
Result of equity-accounted investees		–	–
Financial income	6	(23)	(8)
Financial expense	6	37	38
Depreciation and amortisation of property, plant and equipment and intangible assets		522	525
Depreciation of right-of-use assets		65	66
Gain on sale of property, plant and equipment		(2)	(1)
Revenue from finance leases		(15)	(19)
Proceeds from finance leases receivables		23	42
Change in deferred gain from the sale and leaseback of real estate		(1)	(1)
Change in operating assets and liabilities	7	(198)	(228)
Change in provisions		(27)	(15)
Change in defined benefit obligations		(2)	(8)
Interest received		2	1
Interest payments for financial liabilities		(12)	(13)
Interest payments for lease liabilities		(12)	(12)
Income taxes paid		(30)	(65)
Cash flow from operating activities		881	845
Purchase of property, plant and equipment and intangible assets		(590)	(541)
Sale of property, plant and equipment and intangible assets		3	3
Acquisition of subsidiaries, net of cash and cash equivalents acquired		(9)	(2)
Proceeds from sale of subsidiaries, net of cash and cash equivalents acquired		–	3
Expenditure of equity-accounted investees		–	(1)
Purchase of other financial assets		(1)	(2)
Proceeds from other financial assets		12	11
Other cash flows from investing activities		–	(1)
Cash flow used in investing activities		(585)	(530)
Issuance of financial liabilities	5	5	208
Repayment of financial liabilities	5	(12)	(36)
Repayment of lease liabilities		(96)	(98)
Other cash flows from financing activities		(2)	1
(Cash flow used in) cash flow from financing activities		(105)	75
Net increase in cash and cash equivalents		191	390
Cash and cash equivalents at 1 January		148	121
Foreign currency translation adjustments in respect of cash and cash equivalents		6	2
Cash and cash equivalents at the end of financial period		345	513

Consolidated statement of changes in equity (unaudited)

In CHF million	Share capital	Capital reserves	Retained earnings	Foreign currency translation adjustments	Hedge reserves	Equity attributable to equity holders of Swisscom	Non-controlling interests	Total equity
Balance at 1 January 2023	52	136	12,942	(1,960)	(2)	11,168	3	11,171
Net income	–	–	442	–	–	442	–	442
Other comprehensive income	–	–	55	24	3	82	–	82
Comprehensive income	–	–	497	24	3	524	–	524
Other changes	–	–	–	–	–	–	–	–
Balance at 31 March 2023	52	136	13,439	(1,936)	1	11,692	3	11,695
Balance at 1 January 2024	52	136	13,529	(2,086)	(12)	11,619	3	11,622
Net income	–	–	455	–	–	455	–	455
Other comprehensive income	–	–	(13)	107	12	106	–	106
Comprehensive income	–	–	442	107	12	561	–	561
Other changes	–	–	–	–	–	–	7	7
Balance at 31 March 2024	52	136	13,971	(1,979)	–	12,180	10	12,190

Notes to the interim financial statements

About this report

General disclosures

The Swisscom Group (hereinafter referred to as 'Swisscom') provides telecommunications services, and is active primarily in Switzerland and Italy. The unaudited consolidated financial statements as at 31 March 2024 cover Swisscom Ltd, as parent company, and its subsidiaries. Swisscom Ltd is a public limited company with special status under Swiss law and has its registered office in Ittigen (Bern). The address is: Swisscom Ltd, Alte Tiefenastrasse 6, 3048 Worblaufen. Swisscom is listed on the SIX Swiss Exchange. The number of issued shares is unchanged from the prior year and totals 51,801,943. The shares have a nominal value of CHF 1 and are fully paid-up. Each share entitles the holder to one vote. The majority shareholder of Swisscom Ltd is the Swiss Confederation ('Confederation'). The Confederation is obligated by current law to hold the majority of the capital and voting rights. The Board of Directors of Swisscom approved the issuance of these consolidated interim financial statements on 1 May 2024. There were events after the reporting date in connection with antitrust proceedings. See Note 8.

Basis of preparation

The consolidated interim financial statements for the three months to 31 March 2024 were prepared in accordance with International Accounting Standard 'IAS 34 Interim Financial Reporting' and should be read in conjunction with the consolidated financial statements for the financial year ended 31 December 2023. The consolidated interim financial statements were prepared in accordance with the accounting policies described in the 2023 consolidated financial statements and the revised accounting principles described below.

In preparing the consolidated interim financial statements, management is required to make accounting estimates and assumptions. Adjustments are made for changes in estimates and assumptions during the reporting period in which the original estimates and assumptions changed.

Swisscom operates in business areas where the provision of services is not subject to any major seasonal or cyclical fluctuations during the financial year. Income taxes are calculated on the basis of an estimate of the expected income tax rate for the full year. For the consolidated interim financial statements, a CHF/EUR exchange rate of 0.977 was used as the closing rate (31 December 2023: CHF/EUR 0.926) and 0.948 as the average rate for the period (prior year: CHF/EUR 0.995).

1 Changes in accounting principles

As of 1 January 2024, Swisscom adopted various amendments to the existing International Accounting Standards (IFRS) and interpretations, none of which have a material impact on the results or the financial position of the Group.

Swisscom reviewed the classification and presentation of direct and indirect costs. The review resulted primarily in the introduction of changes to the way purchased network services are classified. As of 2024, these will be reported as direct costs. In the past, these costs were included in indirect costs. The change will improve the presentation of operating expense in the consolidated financial reporting, making it more relevant. The prior year's comparatives have been restated accordingly. The change increases direct costs, and reduces indirect costs, for the 2023 financial year by CHF 181 million in each case (Q1 2023: CHF 49 million).

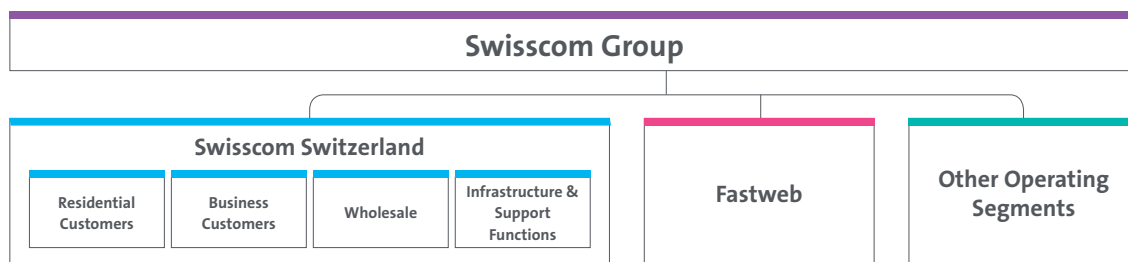
2 Segment information

Changes in segment reporting

With effect from 1 January 2024, Swisscom reallocated various divisions and central costs to the segments within Swisscom Switzerland. In addition, the TV-related Swisscom Broadcast operating division (Other Operating Segments) was shifted to the Residential Customers segment within Swisscom Switzerland. The prior year's figures have been restated as follows:

In CHF million	Reported	Adjustment	Restated
Revenue			
Financial year 2023			
Residential Customers	4,502	3	4,505
Business Customers	3,098	(15)	3,083
Wholesale	542	(1)	541
Infrastructure & Support Functions	73	–	73
Intersegment elimination	(69)	14	(55)
Swisscom Switzerland	8,146	1	8,147
Fastweb	2,561	–	2,561
Other Operating Segments	1,075	(12)	1,063
Intersegment elimination	(710)	11	(699)
Total revenue	11,072	–	11,072
Operating income before depreciation and amortisation (EBITDA)			
Financial year 2023			
Residential Customers	2,979	28	3,007
Business Customers	1,358	(13)	1,345
Wholesale	326	(1)	325
Infrastructure & Support Functions	(963)	(6)	(969)
Intersegment elimination	1	–	1
Swisscom Switzerland	3,701	8	3,709
Fastweb	776	–	776
Other Operating Segments	153	(8)	145
Reconciliation pension cost	37	–	37
Intersegment elimination	(45)	–	(45)
Total EBITDA	4,622	–	4,622

General disclosures



Reporting is divided into the segments Residential Customers, Business Customers, Wholesale and Infrastructure & Support Functions, which are grouped under Swisscom Switzerland, as well as Fastweb and Other Operating Segments.

For its services, the Infrastructure & Support Functions segment does not charge any network costs or management fees to other segments. The remaining services between the segments are charged at market prices. The results of the Residential Customers, Business Customers and Wholesale segments thus correspond to a contribution margin before network costs.

Segment expense encompasses the direct and indirect costs, which include personnel expense, other operating costs less capitalised costs of self-constructed assets and other income. Pension cost includes ordinary employer contributions. The difference between the ordinary employer contributions and the pension cost as provided for under IAS 19 is reported in the column 'Eliminations'. In the first three months of 2024, the Eliminations column includes income of CHF 4 million (prior year: income of CHF 9 million) as a pension cost reconciliation item in accordance with IAS 19.

Leases between the segments are not recognised in the balance sheet in accordance with IFRS 16. The reported lease expense of the segments comprises depreciation and interest on leases excluding depreciation of indefeasible rights of use (IRU) of CHF 5 million (prior year: CHF 5 million) and the accounting for the rental of buildings between segments. The lease expense of assets of low value is presented as direct costs.

Capital expenditure consists of the purchase of property, plant and equipment and intangible assets and payments for indefeasible rights of use (IRU). In general, IRUs are paid in full at the beginning of the use and are classified as leases under IFRS 16. From an economic point of view, IRU payments will be considered as capital expenditure in the segment information. Capital expenditure in the first three months of 2024 includes IRU payments of CHF 4 million (prior year: CHF 4 million).

Segment information 2024

1.01.–31.03.2024, in CHF million	Swisscom Switzerland	Fastweb	Other Operating Segments	Elimination	Total
Residential customers	1,074	273	–	–	1,347
Business customers	769	269	104	–	1,142
Wholesale customers	134	80	–	–	214
External revenue	1,977	622	104	–	2,703
Intersegment revenue	16	1	148	(165)	–
Revenue	1,993	623	252	(165)	2,703
Direct costs	(380)	(304)	(18)	17	(685)
Indirect costs	(669)	(137)	(201)	144	(863)
Operating income before depreciation and amortisation (EBITDA)	944	182	33	(4)	1,155
Depreciation and amortisation of property, plant and equipment and intangible assets					(522)
Depreciation of right-of-use assets					(65)
Operating income (EBIT)					568
Financial income					23
Financial expense					(37)
Result of equity-accounted investees					–
Income before income taxes					554
Income tax expense					(99)
Net income					455
EBITDA	944	182	33	(4)	1,155
Lease expense	(58)	(12)	(3)	1	(72)
EBITDA after lease expense (EBITDAaL)	886	170	30	(3)	1,083
Capital expenditure	(445)	(149)	(8)	8	(594)
Operating free cash flow	441	21	22	5	489

Segment information Swisscom Switzerland 2024

1.01.–31.03.2024, in CHF million	Residential Customers	Business Customers	Wholesale	Infrastructure & Support Functions	Elimination	Total Swisscom Switzerland
Fixed-line	489	200	–	–	–	689
Mobile	457	178	–	–	–	635
Telecom services	946	378	–	–	–	1,324
IT services	–	297	–	–	–	297
Merchandise	103	84	–	–	–	187
Wholesale	–	–	134	–	–	134
Revenue other	25	6	–	4	–	35
External revenue	1,074	765	134	4	–	1,977
Intersegment revenue	4	8	2	15	(13)	16
Revenue	1,078	773	136	19	(13)	1,993
Direct costs	(188)	(178)	(44)	–	30	(380)
Indirect costs	(142)	(270)	1	(240)	(18)	(669)
Operating income before depreciation and amortisation (EBITDA)	748	325	93	(221)	(1)	944
Capital expenditure	(6)	(13)	–	(426)	–	(445)

Segment information 2023

1.01.–31.03.2023, in CHF million, restated	Swisscom Switzerland	Fastweb	Other Operating Segments	Elimination	Total
Residential customers	1,133	288	–	–	1,421
Business customers	766	260	99	–	1,125
Wholesale customers	131	70	–	–	201
External revenue	2,030	618	99	–	2,747
Intersegment revenue	15	1	141	(157)	–
Revenue	2,045	619	240	(157)	2,747
Direct costs	(423)	(288)	(19)	20	(710)
Indirect costs	(677)	(144)	(189)	137	(873)
Operating income before depreciation and amortisation (EBITDA)	945	187	32	–	1,164
Depreciation and amortisation of property, plant and equipment and intangible assets					(525)
Depreciation of right-of-use assets					(66)
Operating income (EBIT)					573
Financial income					8
Financial expense					(38)
Result of equity-accounted investees					–
Income before income taxes					543
Income tax expense					(101)
Net income					442
EBITDA	945	187	32	–	1,164
Lease expense	(56)	(14)	(2)	(1)	(73)
EBITDA after lease expense (EBITDAal)[§]	889	173	30	(1)	1,091
Capital expenditure	(394)	(152)	(8)	9	(545)
Operating free cash flow	495	21	22	8	546

Segment information Swisscom Switzerland 2023

1.01.–31.03.2023, in CHF million, restated	Residential Customers	Business Customers	Wholesale	Infrastructure & Support Functions	Elimination	Total Swisscom Switzerland
Fixed-line	502	209	–	–	–	711
Mobile	461	182	–	–	–	643
Telecom services	963	391	–	–	–	1,354
IT services	–	283	–	–	–	283
Merchandise	135	82	–	–	–	217
Wholesale	–	–	131	–	–	131
Revenue other	35	5	–	5	–	45
External revenue	1,133	761	131	5	–	2,030
Intersegment revenue	4	7	3	14	(13)	15
Revenue	1,137	768	134	19	(13)	2,045
Direct costs	(230)	(172)	(49)	–	28	(423)
Indirect costs	(153)	(254)	(5)	(251)	(14)	(677)
Operating income before depreciation and amortisation (EBITDA)	754	342	80	(232)	1	945
Capital expenditure	(7)	(13)	–	(374)	–	(394)

3 Operating costs

Direct costs

In CHF million	1.01.–31.03.2024	1.01.–31.03.2023
Customer premises equipment and merchandise	223	260
Services purchased	149	143
Costs to obtain a contract	57	50
Costs to fulfill a contract	20	21
Network access costs of swiss subsidiaries	42	49
Network access costs of foreign subsidiaries	194	187
Total direct costs	685	710

Indirect costs

In CHF million	1.01.–31.03.2024	1.01.–31.03.2023
Salary and social security expenses	689	662
Other personnel expense	14	18
Total personnel expense	703	680
Information technology cost	70	67
Maintenance expense	57	53
Energy costs	42	37
Advertising and selling expenses	33	36
Consultancy expenses and freelance workforce	25	22
Call centre services purchased	28	32
Administration expense	8	10
Allowances for receivables and contract assets	13	17
Miscellaneous operating expenses	86	83
Total other operating expense	362	357
Capitalised self-constructed tangible and intangible assets	(147)	(132)
Own work for capitalised contract costs	(11)	(12)
Gain on sale of property, plant and equipment	(2)	(1)
Miscellaneous income	(42)	(19)
Total capitalised self-constructed assets and other income	(202)	(164)
Total indirect costs	863	873

Capitalised self-constructed tangible and intangible assets include personnel costs for the manufacture of technical installations, the construction of network infrastructure and the development of software for internal use.

4 Dividend

On 27 March 2024, the Annual General Meeting of Swisscom Ltd approved the payment of an unchanged gross dividend of CHF 22 per share. A total dividend amount of CHF 1,140 million was paid out on 2 April 2024.

5 Financial liabilities

In CHF million	Carring amount 1.01.2024	Issuance	Repayment	Other changes ¹	Carring amount 31.03.2024	Fair Value
Financial liabilities						
Bank loans	267	2	(12)	11	268	265
Debenture bonds	4,789	–	–	86	4,875	4,663
Private placements	322	–	–	–	322	316
Derivative financial instruments	136	–	–	(23)	113	113
Other financial liabilities	151	3	–	9	163	153
Total financial liabilities	5,665	5	(12)	83	5,741	5,510

¹ Interest expense, interest payments, non-cash changes and foreign currency translation adjustments.

Swisscom has two confirmed lines of credit amounting to CHF 1,000 million maturing in 2028 and CHF 1,200 million maturing in 2028. As of 31 March 2024, none of these lines of credit had been drawn down, as in the prior year.

6 Financial result

In CHF million	1.01.–31.03.2024	1.01.–31.03.2023
Interest income on financial assets	2	2
Foreign exchange gains	9	1
Interest and present-value adjustments on provisions	9	–
Other financial income	3	5
Total financial income	23	8
Interest expense on financial liabilities	(17)	(16)
Interest expense on lease liabilities	(12)	(12)
Interest and present-value adjustments on provisions	–	(5)
Other financial expense	(8)	(5)
Total financial expense	(37)	(38)
Financial income and financial expense, net	(14)	(30)
Interest expense on lease liabilities	(12)	(12)
Net interest expense on financial assets and liabilities	(15)	(14)

7 Net current operating assets

Operating assets and liabilities changed as follows in the first three months of 2024:

In CHF million	1.01.2024	Operational changes	Other changes ¹	31.03.2024
Trade receivables	2,143	19	38	2,200
Other operating assets	1,323	223	47	1,593
Trade payables	(1,611)	21	(47)	(1,637)
Other operating liabilities	(1,471)	(65)	(30)	(1,566)
Total operating assets and liabilities, net	384	198	8	590

1 Foreign currency translation and adjustments from acquisition and sale of subsidiaries.

Other operating assets and liabilities

In CHF million	31.03.2024	31.12.2023
Other operating assets		
Contract assets	180	174
Contract costs	268	268
Inventories	189	161
Prepaid expenses	673	528
Other operating assets	283	192
Total other operating assets	1,593	1,323
Other operating liabilities		
Contract liabilities	990	961
Accruals for variable performance-related bonus	177	146
Other operating liabilities	399	364
Total other operating liabilities	1,566	1,471

8 Provisions and contingent liabilities

Provisions

Provisions changed as follows in the first three months of 2024:

In CHF million	Dismantlement and restoration costs	Regulatory and competition law proceedings	Others	Total
Balance at 1 January 2024	866	200	197	1,263
Additions to provisions	–	3	4	7
Adjustments recorded under property, plant and equipment	1	–	–	1
Interest and present-value adjustments	2	(11)	–	(9)
Release of unused provisions	–	(18)	(2)	(20)
Use of provisions	(5)	–	(9)	(14)
Business combinations	–	–	1	1
Foreign currency translation adjustments	–	–	3	3
Balance at 31 March 2024	864	174	194	1,232
Thereof current provisions	–	37	73	110
Thereof non-current provisions	864	137	121	1,122

In accordance with the Telecommunications Act, Swisscom provides access services (incl. interconnection) to other telecommunications service providers in Switzerland. In previous years, several telecommunications service providers demanded ComCom reduce the prices charged to them by Swisscom for regulated network access services. The Competition Commission (COMCO) has also launched various investigations against Swisscom in the past.

In its investigation as to the invitation to tender for the corporate network of the Swiss Post in 2008, the Competition Commission (COMCO) reached the conclusion in November 2015 that Swisscom has a dominant position on the market for broadband access for business clients. COMCO imposed a penalty of CHF 8 million on grounds of conduct which was judged to be unlawful under competition law. In June 2021, the Federal Administrative Court largely confirmed COMCO's ruling and ordered Swisscom to pay a fine of CHF 7 million. Swisscom filed an appeal against this decision with the Federal Court. In its ruling published on 18 April 2024, the Federal Court concluded, in the final instance, that Swisscom had behaved correctly and repealed COMCO's penalty decision.

On 17 December 2020, COMCO opened an investigation into Swisscom's optical fibre network and ordered precautionary measures. Swisscom has filed an appeal against these precautionary measures. In its ruling of 2 November 2022, the Federal Court found that the precautionary measures ordered by the Competition Commission (which had previously been confirmed by the Federal Administrative Court) were not arbitrary and confirmed them as well. On 25 April 2024, COMCO published a penalty notice in the amount of CHF 18 million on grounds of conduct which was judged to be unlawful under competition law. Swisscom will appeal against the decision before the Federal Administrative Court.

In the past, Swisscom recognised provisions for regulatory and antitrust proceedings on the basis of legal assessments. As a result of the reassessment of these proceedings, provisions of CHF 3 million were set up in the first quarter of 2024 and provisions of CHF 29 million (incl. interest) were reversed. Any payments to be made will depend on the date on which legally binding decrees and decisions are issued, and could probably occur within five years.

Contingent liabilities for regulatory and competition law proceedings

With regard to the contingent liabilities reported in the 2023 consolidated financial statements in connection with regulatory and antitrust proceedings, Swisscom is of the opinion that an outflow of resources is unlikely and, as before, has therefore not recognised any provisions for this in the consolidated financial statements as at 31 March 2024.

9 Company acquisition of Vodafone Italia

In March 2024, Swisscom reached binding agreements with Vodafone Group Plc regarding the takeover of 100% of Vodafone Italia for a purchase price of EUR 8.0 billion (cash and debt-free). The company is then to be merged with Fastweb, Swisscom's subsidiary in Italy. 100% of the purchase price is covered by cash and will be financed using debt capital in full. The merger of Vodafone Italia and Fastweb is designed to bring together complementary, high-quality mobile communications and fixed telephone network infrastructures, skills and expertise in order to create a leading convergent provider in a market that offers growth opportunities. The completion of the transaction is subject to regulatory and other standard approvals. The transaction is expected to be completed in the first quarter of 2025.

Alternative performance measures

Swisscom uses key indicators defined in the International Financial Reporting Standards (IFRS) throughout its entire financial reporting, as well as selected alternative performance measures (APMs). These alternative measures provide useful information on the Group's financial situation and are used for financial management and control purposes. As these measures are not defined under IFRS, the calculation may differ from the published APMs of other companies. For this reason, comparability across companies may be limited. The key alternative performance measures used at Swisscom for the interim financial reporting as at 31 March 2024 are defined as follows:

Key performance measure	Swisscom definition
Adjustments	Significant items that, due to their exceptional nature, cannot be considered part of the Swisscom Group's ongoing performance, such as termination benefits and significant positions in connection with legal cases or other non-recurring items. In addition, the application of changes in the IFRS accounting principles and standards can have an impact on comparability with the previous year if these principles are not applied retrospectively.
At constant exchange rates	Key performance measures considering currency effects (figures for 2024 are translated at the 2023 exchange rate to calculate the currency effect).
Operating income before depreciation and amortisation (EBITDA)	Operating income before depreciation, amortisation and impairment losses of property, intangible assets and right-of-use assets, financial expense and financial income, result of equity-accounted investees and income tax expense.
Operating income (EBIT)	Operating income before financial expense and financial income, result of equity-accounted investees and income tax expense.
Capital expenditure	Purchase of property, plant and equipment and intangible assets and payments for indefeasible rights of use (IRU) which are classified as leases under IFRS 16. In general, IRUs are paid in full at the beginning of use.
Operating free cash flow	Operating income before depreciation and amortisation (EBITDA) less investments in property, plant and equipment and intangible assets as well as payments for network access rights (IRU) and leasing expenses. Leasing expenses include interest expenses on leasing liabilities and depreciation of rights of use excluding depreciation of rights of use for network access (IRU) as well as impairments of rights of use.
Free cash flow	Cash flows from operating and investing activities excl. cash flows from the purchase and sale of subsidiaries and purchase of and proceeds from equity-accounted investees and other financial assets.
Net debt	Financial liabilities and lease liabilities less cash and cash equivalents, listed debt instruments and derivative financial instruments.

Reconciliation of alternative performance measures

In CHF million	1.01.–31.03.2024	1.01.–31.03.2023	Change reported	Change at constant exchange rates
Revenue				
Revenue	2,703	2,747	-1.6%	-0.5%
Operating income before depreciation and amortisation (EBITDA)				
EBITDA	1,155	1,164	-0.8%	-%
Legal proceedings in Switzerland	(24)	–		
Transaction costs for company acquisitions	6	–		
EBITDA adjusted	1,137	1,164	-2.3%	-1.5%
Capital expenditure				
Capital expenditure in property, plant and equipment and intangible assets	590	541	9.1%	10.4%
Payments for indefeasible rights of use (IRU)	4	4		
Capital expenditure	594	545	9.0%	10.3%
In CHF million	1.01.–31.03.2024	1.01.–31.03.2023	Change reported	
Operating free cash flow				
Cash flow from operating activities	881	845	36	
Capital expenditure	(594)	(545)	(49)	
Depreciation of right-of-use assets	(65)	(66)	1	
Depreciation of indefeasible rights of use (IRU)	5	5	–	
Proceeds from finance lease receivables	(23)	(42)	19	
Change in deferred gain from the sale and leaseback of real estate	1	1	–	
Change in operating assets and liabilities	198	228	(30)	
Change in provisions	27	15	12	
Change in defined benefit obligations	2	8	(6)	
Gain on sale of property, plant and equipment	2	1	1	
Revenue from finance leases	15	19	(4)	
Interest received	(2)	(1)	(1)	
Interest payments for financial liabilities	12	13	(1)	
Income taxes paid	30	65	(35)	
Operating free cash flow	489	546	(57)	
Free cash flow				
Cash flow from operating activities	881	845	36	
Cash flow used in investing activities	(585)	(530)	(55)	
Repayment of lease liabilities	(96)	(98)	2	
Acquisition of subsidiaries, net of cash and cash equivalents acquired	9	2	7	
Proceeds from sale of subsidiaries, net of cash and cash equivalents acquired	–	(3)	3	
Expenditure for equity-accounted investees	–	1	(1)	
Purchase of other financial assets	1	2	(1)	
Proceeds from other financial assets	(12)	(11)	(1)	
Other cash flows from investing activities	–	1	(1)	
Other cash flows from financing activities	(2)	(1)	(1)	
Free cash flow	198	209	(11)	

Further Information

Share information

Swisscom share performance indicators

31.12.2023–31.03.2024	SIX Swiss Exchange
Closing price as at 31 December 2023 in CHF ¹	506.00
Closing price as at 31 March 2024 in CHF ¹	528.00
Year high in CHF ¹	559.80
Year low in CHF ¹	493.90
Total volume of traded shares	5,551,735
Total turnover in CHF million	2,863.69
Daily average of traded shares	88,123
Daily average in CHF million	45.56

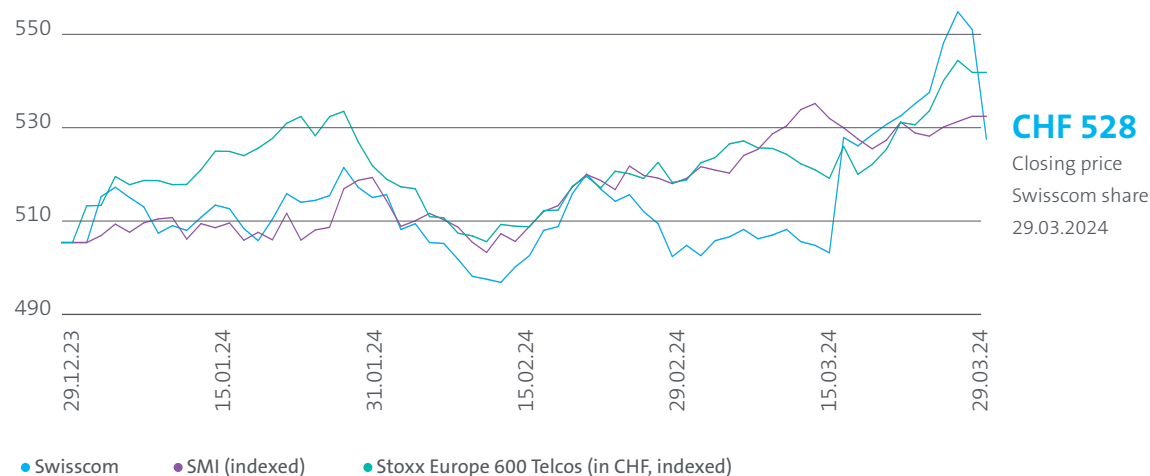
Source: Bloomberg

1 paid prices

Share performance

Share performance since 1 January 2024

in CHF



Financial calendar

- 31 July 2024 2024 Second-Quarter Results
- 31 October 2024 2024 Third-Quarter Results
- 06 February 2025 2024 Annual Results and Annual Report

Stock exchanges

Swisscom shares are listed on the SIX Swiss Exchange under the symbol SCMN (Securities No. 874251). In the United States, they are traded in the form of American Depositary Receipts (ADR) at a ratio of 1:10 (Over The Counter, Level 1) under the symbol SCMWY (Pink Sheet No. 69769).

Quarterly review 2023 and 2024

In CHF million, except where indicated	1. quarter	2. quarter	3. quarter	4. quarter	2023	1. quarter	2. quarter	3. quarter	4. quarter	2024
Income statement										
Revenue	2,747	2,703	2,752	2,870	11,072	2,703				2,703
Direct costs	(710)	(674)	(739)	(783)	(2,906)	(685)				(685)
Personnel expense	(680)	(670)	(634)	(696)	(2,680)	(703)				(703)
Other operating expense	(357)	(414)	(382)	(477)	(1,630)	(362)				(362)
Capitalised self-constructed assets and other income	164	194	177	231	766	202				202
Operating income (EBITDA)	1,164	1,139	1,174	1,145	4,622	1,155				1,155
Depreciation and amortisation	(525)	(531)	(510)	(560)	(2,126)	(522)				(522)
Depreciation of right-of-use assets	(66)	(66)	(65)	(94)	(291)	(65)				(65)
Operating income (EBIT)	573	542	599	491	2,205	568				568
Net interest expenses on financial assets and liabilities	(14)	(19)	(18)	(16)	(67)	(15)				(15)
Interest expense on lease liabilities	(12)	(9)	(13)	(10)	(44)	(12)				(12)
Other financial result	(4)	(6)	2	(11)	(19)	13				13
Equity-accounted investees	–	–	–	–	–	–				–
Income before income taxes	543	508	570	454	2,075	554				554
Income tax expense	(101)	(102)	(108)	(53)	(364)	(99)				(99)
Net income	442	406	462	401	1,711	455				455
Attributable to equity holders of Swisscom Ltd	442	406	463	400	1,711	455				455
Attributable to non-controlling interests	–	–	(1)	1	–	–				–
Earnings per share (in CHF)	8.53	7.84	8.94	7.72	33.03	8.78				8.78
Revenue										
Swisscom Switzerland	2,045	1,999	2,023	2,080	8,147	1,993				1,993
Fastweb	619	617	637	688	2,561	623				623
Other Operating Segments	240	255	266	302	1,063	252				252
Intersegment elimination	(157)	(168)	(174)	(200)	(699)	(165)				(165)
Total revenue	2,747	2,703	2,752	2,870	11,072	2,703				2,703
Operating income before depreciation and amortisation (EBITDA)										
Swisscom Switzerland	945	915	913	936	3,709	944				944
Fastweb	187	206	221	162	776	182				182
Other Operating Segments	32	19	42	52	145	33				33
Reconciliation pension cost	9	10	9	9	37	4				4
Elimination	(9)	(11)	(11)	(14)	(45)	(8)				(8)
Total EBITDA	1,164	1,139	1,174	1,145	4,622	1,155				1,155
Capital expenditure										
Swisscom Switzerland	394	427	376	493	1,690	445				445
Fastweb	152	141	143	170	606	149				149
Other Operating Segments	8	10	10	12	40	8				8
Intersegment elimination	(9)	(10)	(12)	(13)	(44)	(8)				(8)
Total capital expenditure	545	568	517	662	2,292	594				594

In CHF million, except where indicated	1. quarter	2. quarter	3. quarter	4. quarter	2023	1. quarter	2. quarter	3. quarter	4. quarter	2024
Operating free cash flow										
Operating income (EBITDA)	1,164	1,139	1,174	1,145	4,622	1,155				1,155
Lease expense	(73)	(70)	(74)	(71)	(288)	(72)				(72)
EBITDA after lease expense (EBITDAal)	1,091	1,069	1,100	1,074	4,334	1,083				1,083
Capital expenditure	(545)	(568)	(517)	(662)	(2,292)	(594)				(594)
Operating free cash flow	546	501	583	412	2,042	489				489
Free cash flow										
Free cash flow	209	253	575	443	1,480	198				198
Net debt										
Net debt	7,171	8,108	7,507	7,071	7,071	6,941				6,941
Full-time equivalent employees										
Swisscom Switzerland	12,848	13,061	13,218	13,263	13,263	13,389				13,389
Fastweb	3,087	3,117	3,146	3,157	3,157	3,225				3,225
Other Operating Segments	3,317	3,319	3,322	3,309	3,309	3,333				3,333
Total FTEs	19,252	19,497	19,686	19,729	19,729	19,947				19,947
Information by geographical regions										
Revenue in Switzerland	2,129	2,088	2,116	2,183	8,516	2,079				2,079
Revenue in other countries	618	615	636	687	2,556	624				624
Total revenue	2,747	2,703	2,752	2,870	11,072	2,703				2,703
Operating income (EBITDA) Switzerland	975	933	951	983	3,842	972				972
Operating income (EBITDA) other countries	189	206	223	162	780	183				183
Total EBITDA	1,164	1,139	1,174	1,145	4,622	1,155				1,155
Capital expenditure in Switzerland	392	427	374	492	1,685	444				444
Capital expenditure in other countries	153	141	143	170	607	150				150
Total capital expenditure	545	568	517	662	2,292	594				594
Headcount in Switzerland	15,755	15,929	16,048	16,051	16,051	16,105				16,105
Headcount in other countries	3,497	3,568	3,638	3,678	3,678	3,842				3,842
Total headcount (full-time equivalent)	19,252	19,497	19,686	19,729	19,729	19,947				19,947
Fastweb, in EUR million										
Residential Customers	289	291	289	294	1,163	288				288
Corporate Business	261	266	287	320	1,134	284				284
Wholesale	71	70	83	106	330	84				84
External revenue	621	627	659	720	2,627	656				656
Intersegment revenue	2	1	1	2	6	2				2
Revenue	623	628	660	722	2,633	658				658
Operating income (EBITDA)	188	210	229	171	798	192				192
Margin as % of revenue	30.2	33.4	34.7	23.7	30.3	29.2				29.2
Lease expense	(13)	(14)	(14)	(14)	(55)	(13)				(13)
EBITDA after lease expense (EBITDAal)	175	196	215	157	743	179				179
Capital expenditure	(153)	(144)	(148)	(178)	(623)	(153)				(153)
Operating free cash flow	22	52	67	(21)	120	26				26
Broadband access lines in thousand	2,662	2,631	2,613	2,601	2,601	2,582				2,582
Broadband access lines wholesale in thousand	498	532	579	648	648	720				720
Mobile access lines in thousand	3,231	3,343	3,428	3,509	3,509	3,611				3,611

In CHF million, except where indicated	1. quarter	2. quarter	3. quarter	4. quarter	2023	1. quarter	2. quarter	3. quarter	4. quarter	2024
Swisscom Switzerland Revenue and results										
Residential Customers	963	963	967	963	3,856	946				946
Business Customers	391	385	385	384	1,545	378				378
Revenue telecoms services	1,354	1,348	1,352	1,347	5,401	1,324				1,324
IT services	283	284	287	300	1,154	297				297
Merchandise	217	175	191	252	835	187				187
Wholesale	131	132	139	128	530	134				134
Revenue other	45	45	40	39	169	35				35
External revenue	2,030	1,984	2,009	2,066	8,089	1,977				1,977
Intersegment revenue	15	15	14	14	58	16				16
Revenue	2,045	1,999	2,023	2,080	8,147	1,993				1,993
Residential Customers	1,137	1,099	1,111	1,158	4,505	1,078				1,078
Business Customers	768	760	765	790	3,083	773				773
Wholesale	134	135	142	130	541	136				136
Infrastructure & Support Functions	19	19	19	16	73	19				19
Intersegment elimination	(13)	(14)	(14)	(14)	(55)	(13)				(13)
Revenue	2,045	1,999	2,023	2,080	8,147	1,993				1,993
Residential Customers	754	748	760	745	3,007	748				748
Business Customers	342	330	338	335	1,345	325				325
Wholesale	80	86	53	106	325	93				93
Infrastructure & Support Functions	(232)	(248)	(239)	(250)	(969)	(221)				(221)
Intersegment elimination	1	(1)	1	–	1	(1)				(1)
EBITDA	945	915	913	936	3,709	944				944
Margin as % of revenue	46.2	45.8	45.1	45.0	45.5	47.4				47.4
Lease expense	(56)	(55)	(58)	(56)	(225)	(58)				(58)
EBITDA after lease expense (EBITDAaL)	889	860	855	880	3,484	886				886
Capital expenditure	(394)	(427)	(376)	(493)	(1,690)	(445)				(445)
Operating free cash flow	495	433	479	387	1,794	441				441
Operational data in thousand										
Residential Customers	1,058	1,041	1,024	1,008	1,008	988				988
Business Customers	234	230	225	218	218	215				215
Fixed telephony access lines	1,292	1,271	1,249	1,226	1,226	1,203				1,203
Residential Customers	1,727	1,724	1,722	1,721	1,721	1,709				1,709
Business Customers	290	288	287	285	285	282				282
Broadband access lines retail	2,017	2,012	2,009	2,006	2,006	1,991				1,991
Residential Customers	1,491	1,483	1,475	1,472	1,472	1,462				1,462
Business Customers	67	66	66	65	65	64				64
TV access lines	1,558	1,549	1,541	1,537	1,537	1,526				1,526
Residential Customers	3,295	3,322	3,354	3,380	3,380	3,379				3,379
Business Customers	1,939	1,958	1,961	1,970	1,970	1,981				1,981
Mobile access lines Postpaid	5,234	5,280	5,315	5,350	5,350	5,360				5,360
Prepaid Residential Customers	1,001	979	949	927	927	909				909
Mobile access lines	6,235	6,259	6,264	6,277	6,277	6,269				6,269
Broadband access lines wholesale	688	682	683	692	692	704				704

Forward-looking statements

This Interim Report is published in German and English. The German version is binding.

This interim report contains forward-looking statements. In this Interim Report, such forward-looking statements include, without limitation, statements relating to our financial position, results of operations and business and certain of our strategic plans and objectives.

Because these forward-looking statements are subject to risks and uncertainties, actual future results may differ materially from those expressed in or implied by the statements. Many of these risks and uncertainties relate to factors which are beyond Swisscom's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behaviour of other market participants, the actions of governmental regulators and other risk factors detailed in Swisscom's and Fastweb's past and future filings and reports, including those filed with the U.S. Securities and Exchange Commission and in past and future filings, press releases, reports and other information posted on Swisscom Group Companies' websites.

Readers are cautioned not to put undue reliance on forward-looking statements, which speak only of the date of this communication.

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