










swisscom

Q3 2018 results presentation

Conference Call – 1 November 2018

Agenda

	Introduction	Louis Schmid, IR
	In a nutshell	Urs Schaeppi, CEO
	Swisscom Switzerland	
	Fastweb	
	Financials	Mario Rossi, CFO
	Q&A	All
	Backup	

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- Introduction
- **In a nutshell**
- Swisscom Switzerland
- Fastweb
- Financials
- Q&A
- Backup

Urs Schaeppi, CEO

9M highlights

Satisfying market performance and solid set of financials supporting our FY guidance

4

Financials as expected, Q3 EBITDA margin up YOY

Revenue CHF 2.9bn,
EBITDA CHF 1.1bn
(37.7% vs. Q3 17 37.5%),
CAPEX CHF 552mn



inOne penetration further up

2.1mn customers with
4.2mn subs **(+229k
in Q3, +779k YTD)**,
~50% of Retail RGU base.
Stable FM **churn at 5%**



Solid Q3 RGU trends in CH, TV market share at 35%

Postpaid +19k,
broadband +2k, TV +9k,
voice lines -60k (YOY +20k).
Retail bundles +14k



First completely standardised 5G network in urban areas



Swisscom testing
latest wireless generation
under real conditions

Regulatory update



**Fibre access
regulation rejected**
in 1st Chamber;
debate in 2nd Chamber
planned for Dec 2018

Further cost efficiencies reached

9M **indirect cost down**
(CHF **-82mn** YOY),
workforce base further
reduced **(-607 FTEs YTD)**



Fastweb on track

Positive Consumer **net adds**:
+44k mobile, +18k BB and
+97k UBB. **Industrial EBITDA**
in € up **(+5% YoY)** and
OpFCF increased by € +10mn



Successful refinancing transaction

New bond of **CHF 150mn**
(coupon of **0.75%** p.a.;
duration 10Y) further **reducing**
avg. interest rate to 1%



FY 2018 guidance confirmed

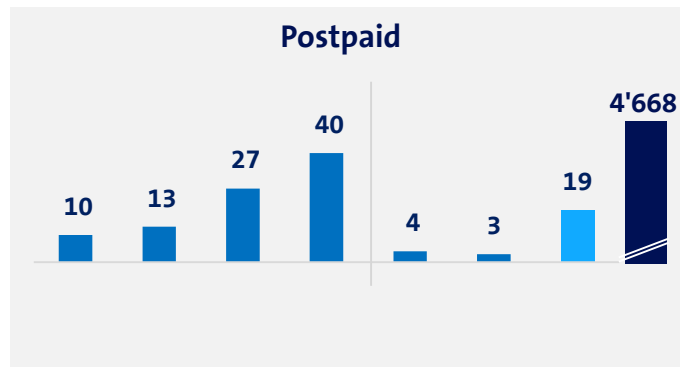
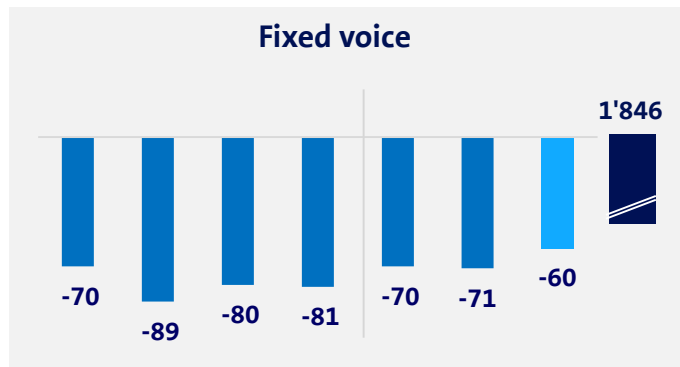
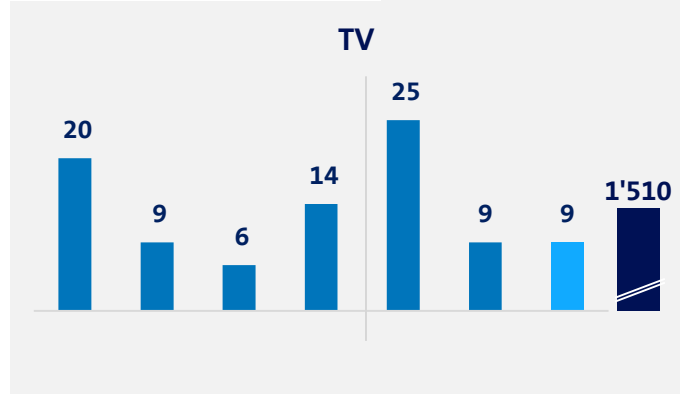
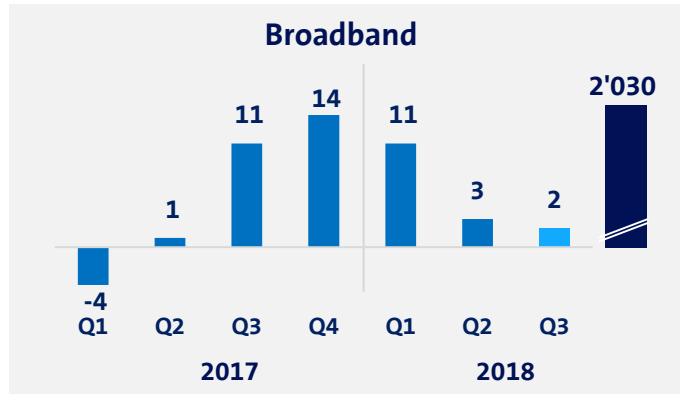
Revenue CHF ~11.6bn
EBITDA CHF ~4.2bn
CAPEX CHF <2.4bn



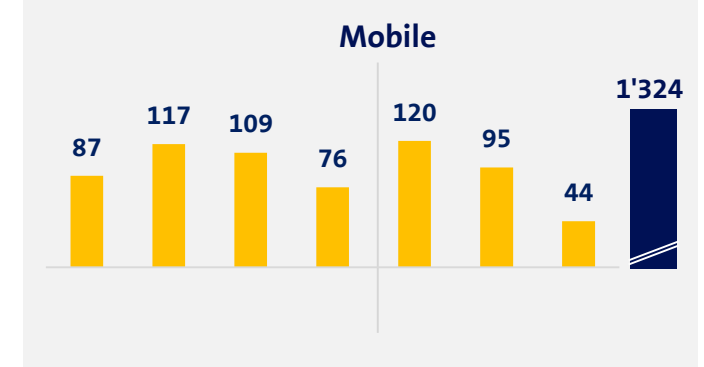
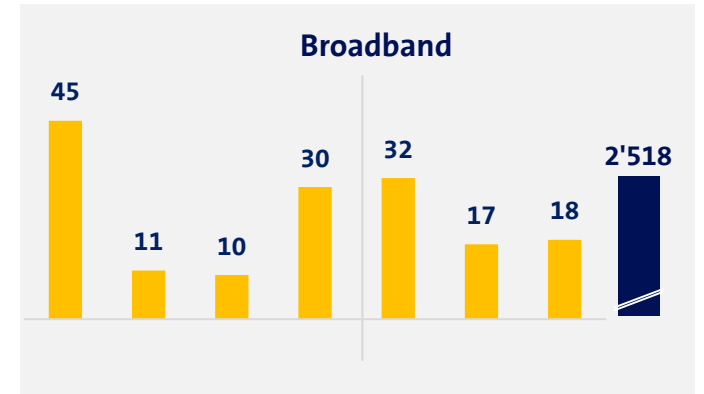
9M operational performance

Swisscom Switzerland with robust RGU momentum and Fastweb with ongoing RGU growth

Swisscom Switzerland (RGUs in k)



Fastweb (RGUs in k)

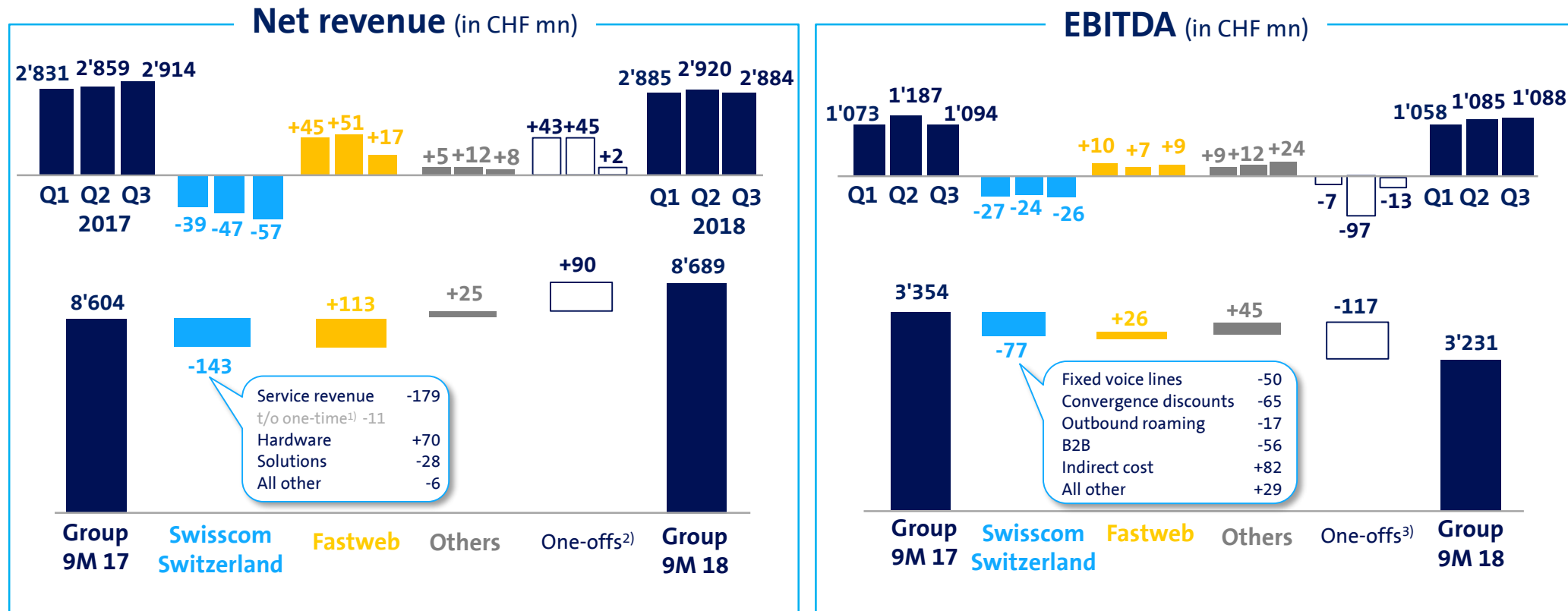


Successful customer base management in Switzerland and growth in Italy

9M key financials

Top-line and EBITDA in line with expectations to achieve full-year guidance

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1) One-time customer-fidelity effects in Q1 2018 impacting Retail Customers with CHF -9mn and Enterprise Customers with CHF -2mn, 2) Consists of currency impacts (CHF +94mn) and IFRS15 adjustments in 2018 (CHF -4mn), 3) Consists of other income from litigations at Fastweb in 2017 (CHF -102mn), currency impacts (CHF +30mn), gain of sale of real estate (CHF +5mn) and IFRS15 adjustments in 2018 (CHF -50mn)

Organic 9m 2018 operating result YOY stable

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Urs Schaeppi, CEO

Unchanged priorities in Switzerland

Consequent execution to maximise FCF generation from Swiss operations

8



1

In a mature market **customer base management** matters

> Steer market dynamics with a **clear value focus**



2

Continuous investments to cement leadership

> **Quality network** and **premium offerings stimulate** market environment **positively**



3

Convergence drives **bundling migration**

> FM customers with **high(er) life time value**



4

B2B a heterogenous business with diverging dynamics

> Leverage strong customer base with **ICT, cloud and security offerings**



5

Execute **efficiency improvements** to address structural impacts

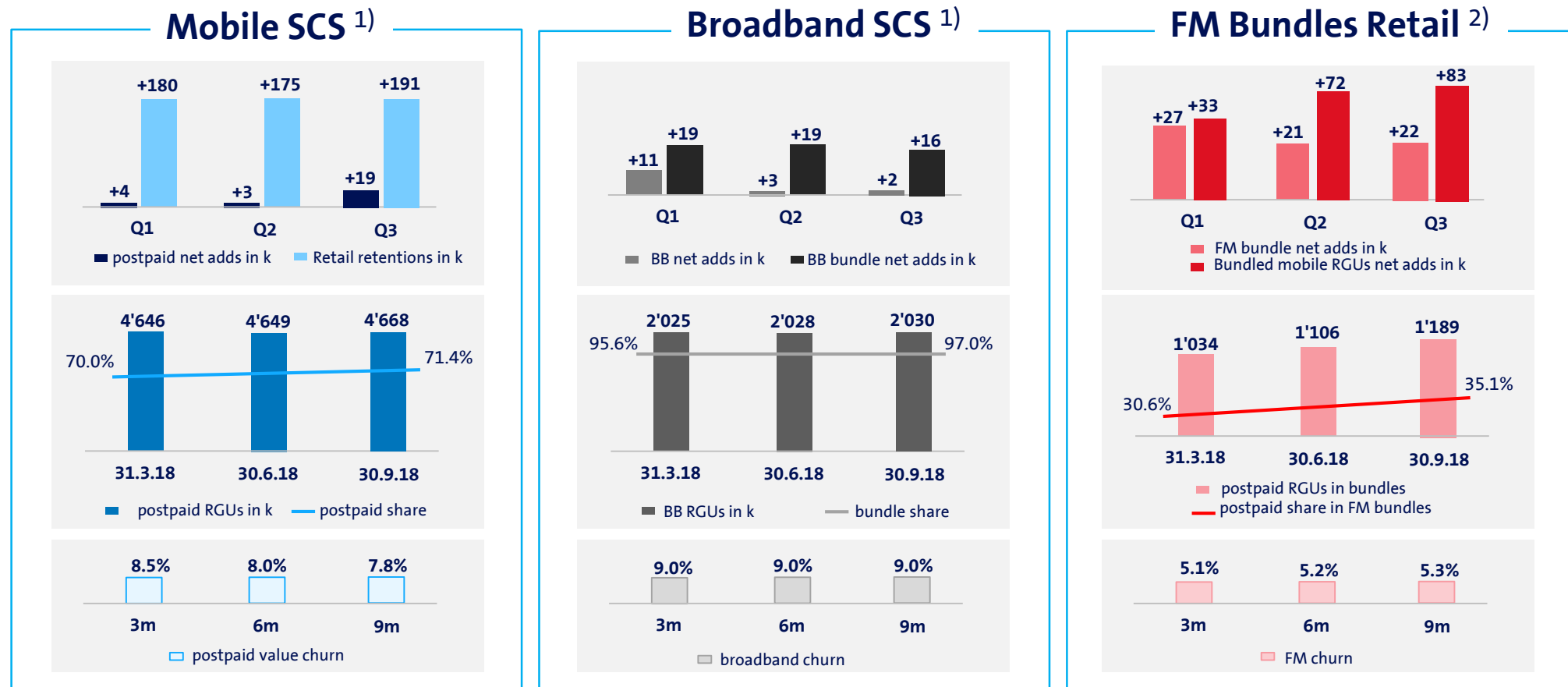
> **Cost management** a key priority to **maintain margins**



It's all about execution!

Switzerland with mature markets ...

... requires a clear value focus from Swisscom as market leader across all segments



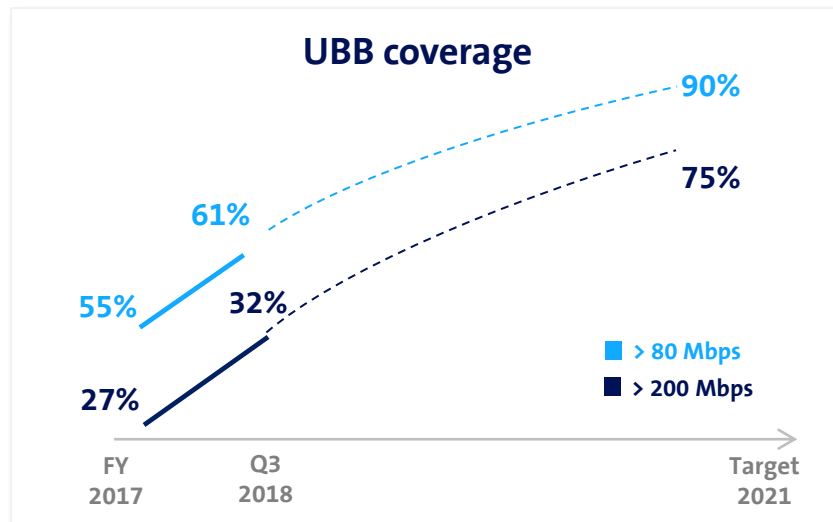
Manage outstanding customer loyalty by delivering reliability, quality and added value

Network upgrades for technology leadership in the long term

The network for Switzerland's digital future

W+ network update

- > Bandwidth expansion on track to achieve 2021 targets



- > Current run rate of UBB rollout: ~2000 HH/day and 300 communities/year; leading to ~3.51mn fibre connections o/w 1.42mn FTTH as per end of Sept 18

W- network update

- > Swisscom always 1st provider in Switzerland to introduce the latest mobile technology
- > Make sure our customers are the first to benefit from improved speeds
- > First 5G data transfers successfully completed
- > Swisscom tested 5G under real conditions in urban areas



- > Swisscom wins PC Magazin test and speed test for fastest mobile network



Swisscom remains one step ahead: Consistently pushing the development of 5G

Revision of Telecoms Act in the spotlight

No need for fundamental changes to ensure ongoing favourable environment for the Swiss market

Telecoms Act revision

Timeline

- > Debate was in the 1st Chamber in Sept 2018
- > 2nd Chamber debate expected in Dec 2018

Fibre regulation

- > Rejected by 1st Chamber because of the functioning network competition
 - > Nationwide network investments
 - > Ubiquity of availability of cable and fibre networks
 - > Broad wholesale offerings

Net neutrality

- > 1st Chamber requirement to treat all data transmissions equally and transparently

Roaming

- > Swisscom follows 'roam like home' approach since 2012 and is ahead of regulatory intention
- > Government with the possibility to set price caps (in case of disproportionality)



Government draft to Parliament



2017

Debate 1st Chamber



2018

Debate 2nd Chamber

2019

Expected Enactment by Government

2020

Revision of Telecoms Act not effective before H2 2019

Specific Q3 activities to stimulate Retail market performance

Inspire customers with tailored measures and value improvements ...



Selection of activities during Q3 2018

Increase broadband speeds and prices

Intentions

- Maintain ARPU
- Minimise churn rates



**Start of Champions League season;
Launch of new Teleclub packs**

- Strengthen TV market position
- Grow market share



**Wingo and M-Budget offerings revised;
Launch of Simply Mobile Prepaid**

- Target new customer segments
- Drive low-end market success



Targeted promotions

- Stimulate RGU base
- Maximise customer value



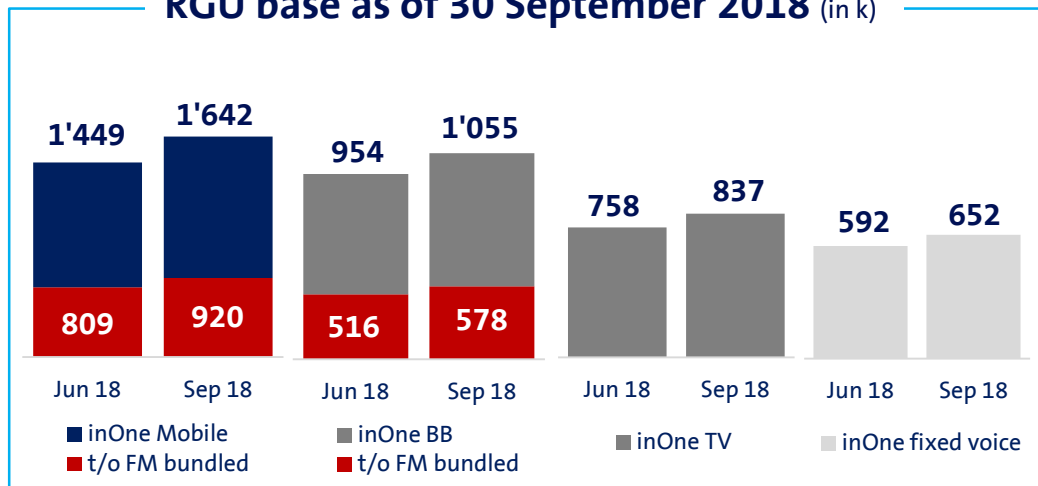
... and justify high customer loyalty and strong market positions

2.12 million customers with 4.19 million inOne subscriptions

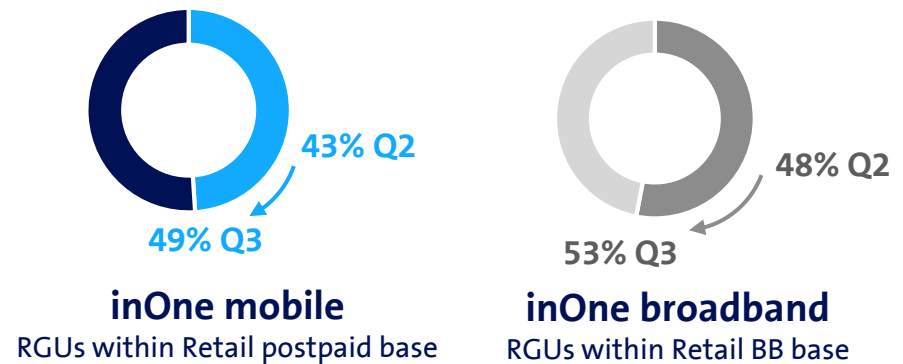
Successful market performance leading to further growing inOne penetration

13

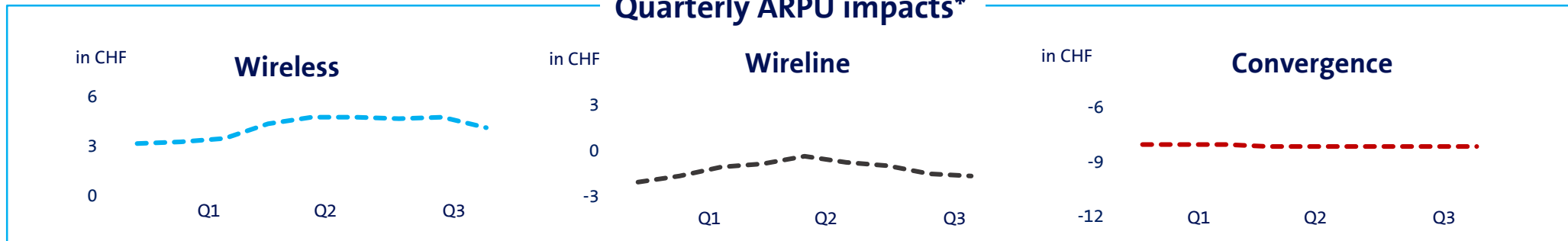
RGU base as of 30 September 2018 (in k)



Penetration as per 30 September 2018



Quarterly ARPU impacts*



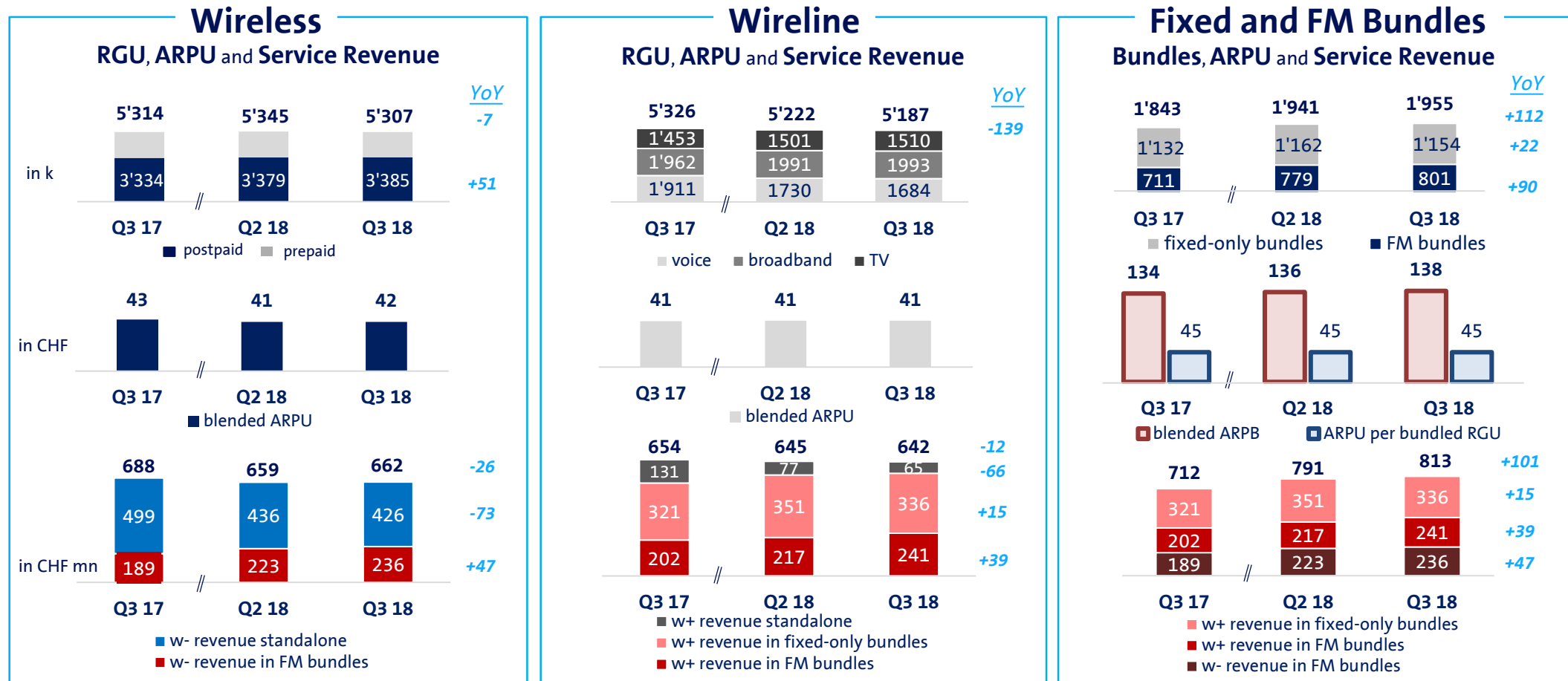
Impacts of convergence as expected: customer benefits increasing life time value!

* Migrators only

Retail Customers - Service Revenue performance

Blended W- and W+ ARPU with solid evolution and ARPB up to CHF 138

14

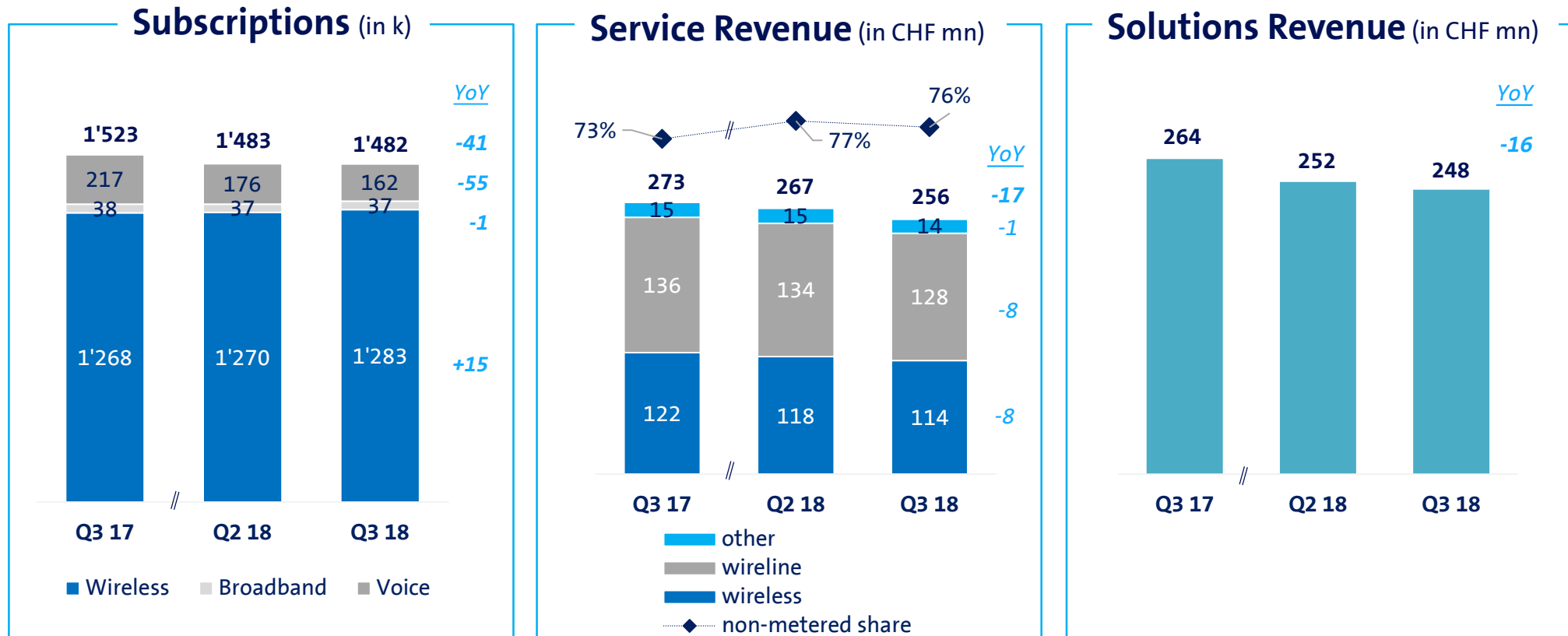


Ongoing positive postpaid momentum (+51k YOY) and bundle migration (+112k YOY)

Enterprise Customers - Telco and Solutions performance

RGU base QoQ stable, with less voice lines driven by All IP and increased wireless subscriptions

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Swisscom's market shares in B2B stable.

Structural, competitive and customer-driven effects lead to lower top-line contributions

Sustained cost reduction efforts

Decreasing volumes lead to positive impact on indirect cost base

Results of continuous efficiency measures

Shop frequencies



- > Positive impact on conversion rate
- > Higher NPS due to additional services like My Service, Repair Center, Internet Security, etc.

- > All IP Migration almost completed
- > Further improved network stability

Call volume



Field service interactions



- > All IP Migration almost completed
- > More stable equipment



CHF -82mn

decrease of indirect cost base



-607 FTEs

of Swisscom Switzerland since YE 17

Well on track to reach cost savings target 2018 of CHF 100mn

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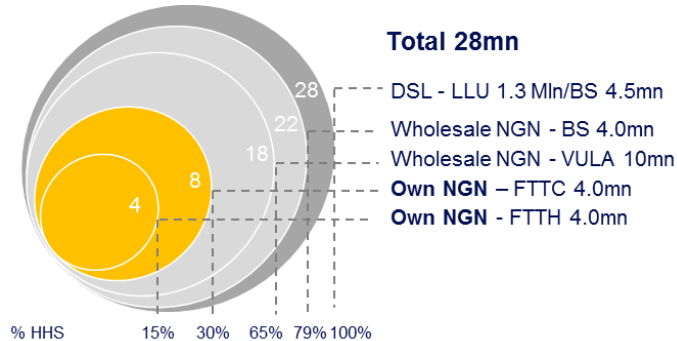
Urs Schaeppi, CEO

UBB network expansion with 5G as a hybrid fixed-wireless technology

Fastweb successfully bidding for spectrum @26 GHz in recent Italian 5G auction

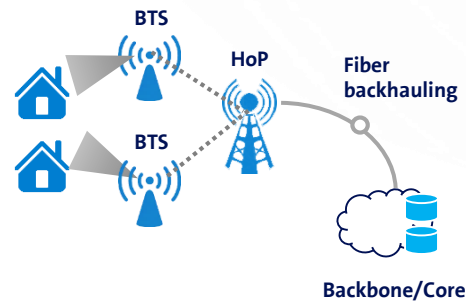
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FIXED NETWORK



8.0mn HHS FTTx footprint

FIXED WIRELESS ACCESS



6.0mn HHS FWA footprint

5G WIRELESS



Fibre to provide backhauling
45'000 km in approx. 1'000 municipalities



FTTS cabinets to host and power small cells equipment
Over 22'000 street cabinets today



Spectrum
40 MHz @ 3.5 GHz
200 MHz @ 26 GHz

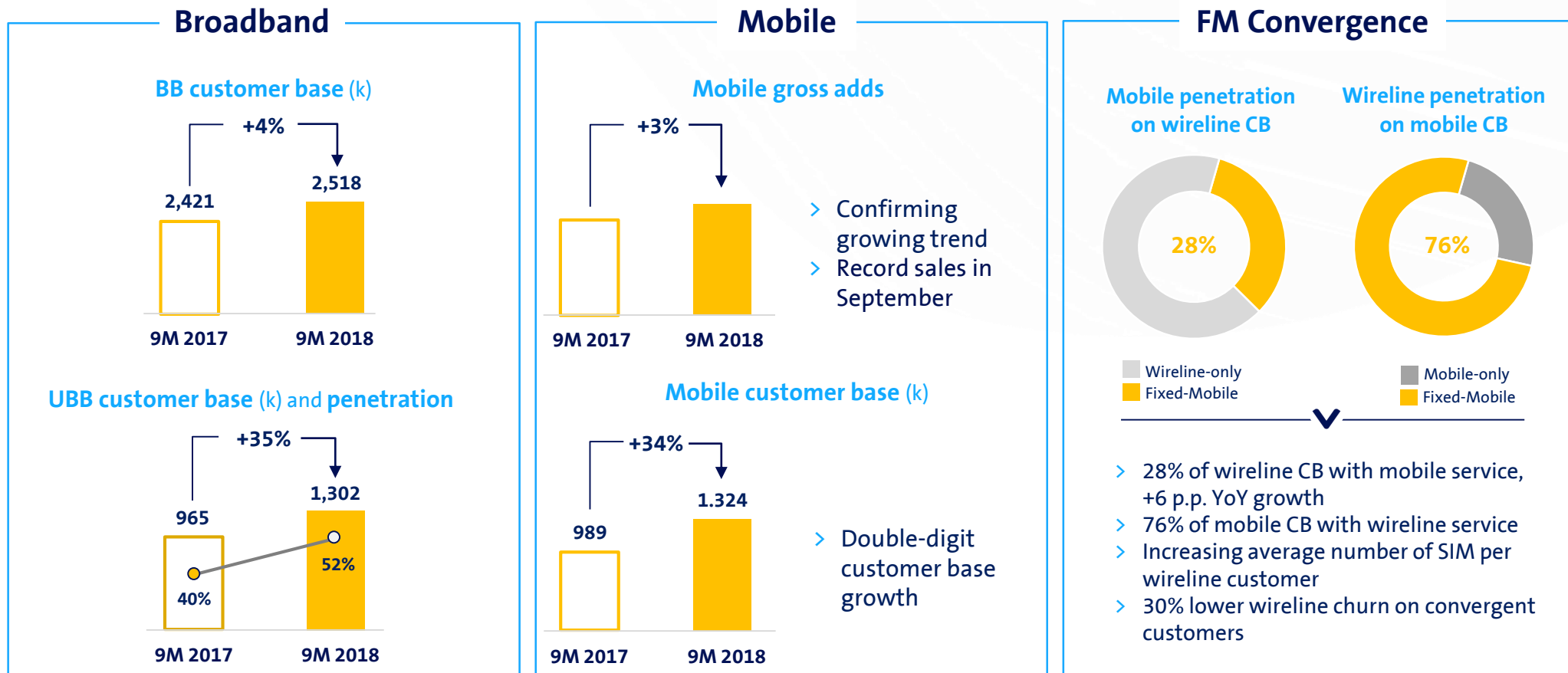
Own infrastructure covering 14.0mn HHS or 50% nationwide

5G infrastructure with selective coverage of ultra dense hot spot areas

5G is an opportunity Fastweb to position as a leading convergent player

Fastweb - Consumer performance

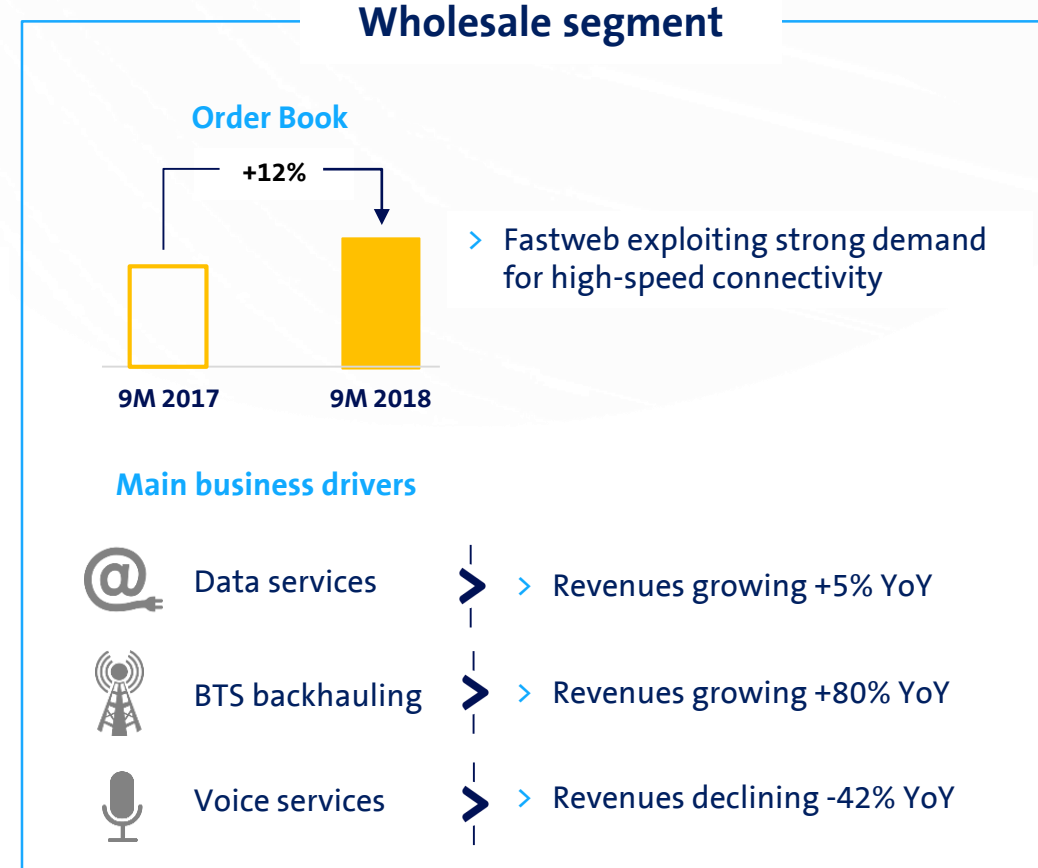
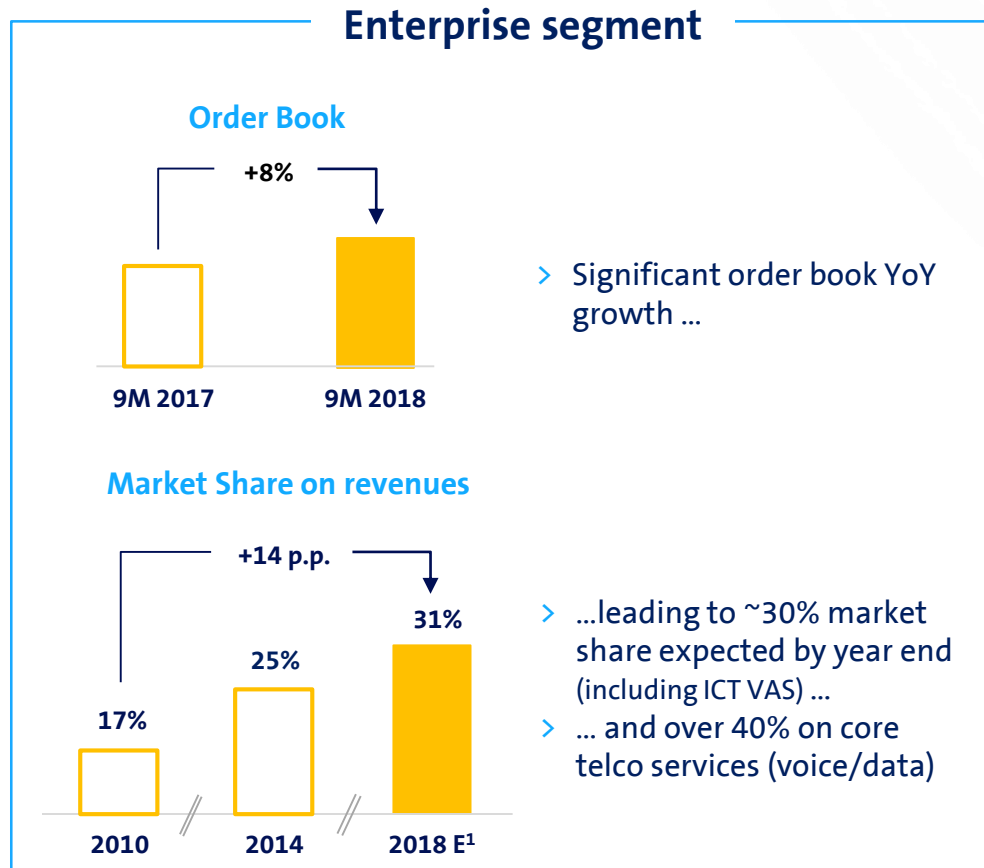
Excellent operational growth on mobile and convergence, despite fierce competition



Effective commercial strategy supporting FMC penetration

Fastweb – B2B and Wholesale performance

Yielding a robust double-digit order intake in both markets

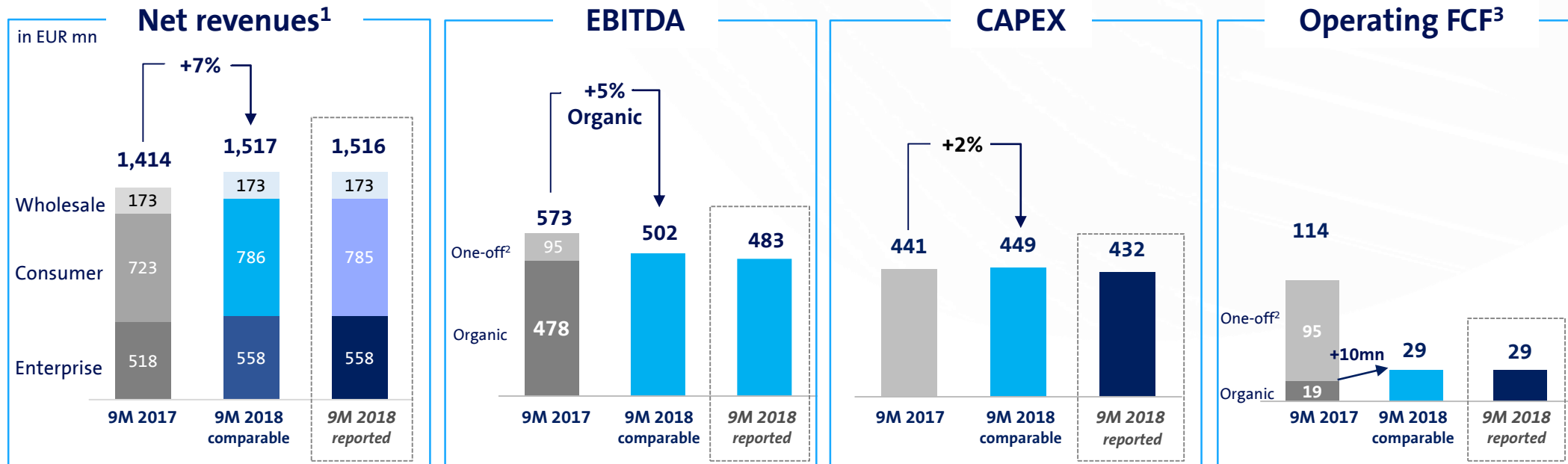


2018 expected to further extend Fastweb B2B growth

¹Expected; source: analyst data

Fastweb – Financial summary

Solid financial momentum with organic EBITDA and FCF growth



- Revenue increase of +7% with contributions of Enterprise (+8% YoY) and Consumer (+5% YoY net of 4W billing)¹ segments
- +5% organic EBITDA growth (excluding strong 2017 one-offs)
- CAPEX in line with previous year
- EUR +10mn increase of organic component of operating FCF

Healthy set of financials allowing Fastweb to meet 2018 targets

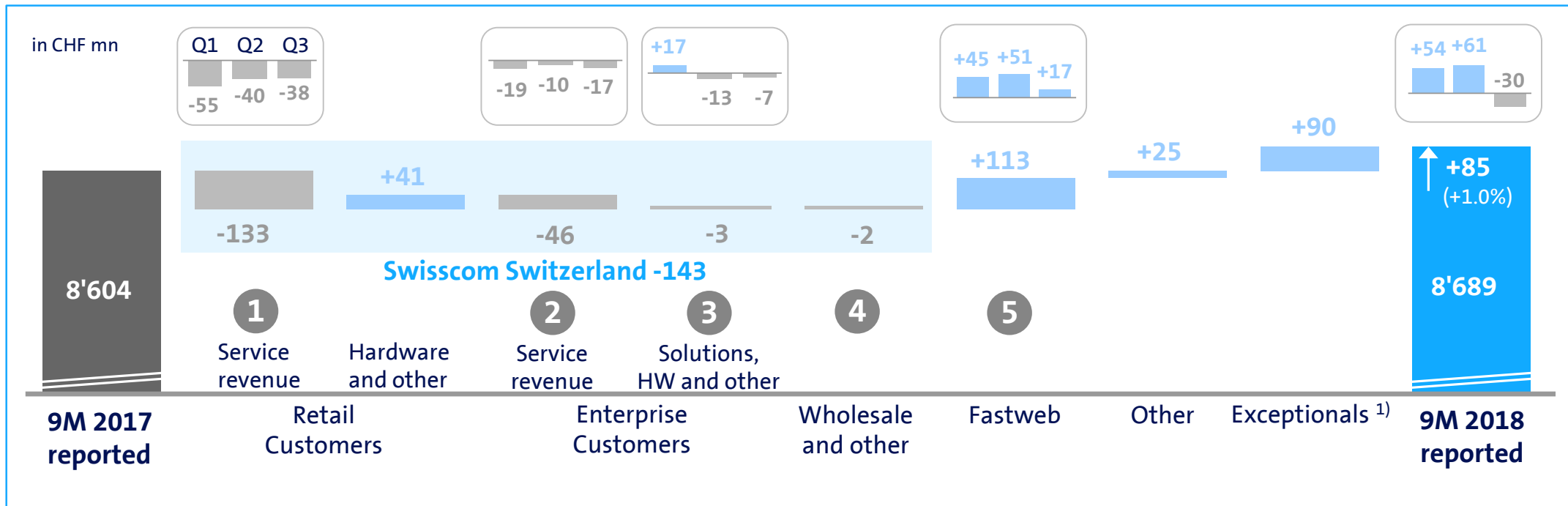
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Mario Rossi, CFO

Revenue breakdown by segments

Divergent top-line evolutions with Switzerland down and Italy up - in line with expectations

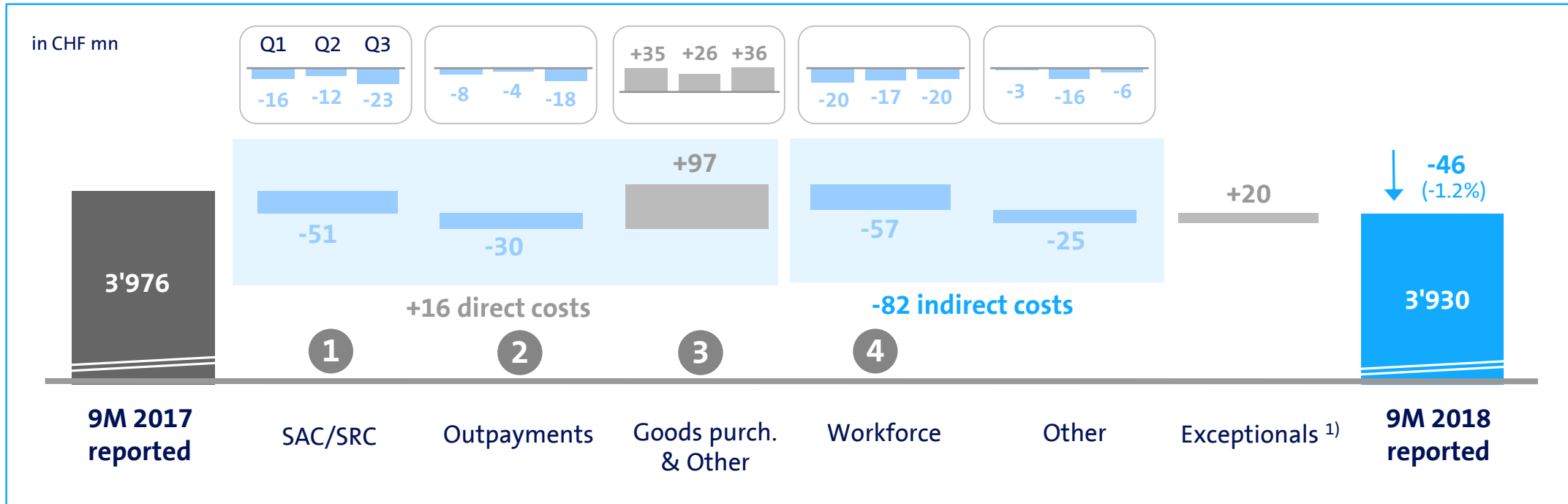


- Decrease of voice access lines
 - TV, BB and wireless RGUs affected by market saturation
 - W- revenue impacted by roaming and convergence
- Price pressure in wireless
 - Wireline with structural changes due to All IP and increased market intensity
- Solutions business with a decrease of -28mn, primarily driven by Banking due to project volatility and changed customer requirements whereas Cloud Services report growth. Hardware & other with an increase of +25mn
- Increase due to higher (BB) connectivity services compensated by lower inbound roaming and termination (lower rates)
- Increase supported by growing customer base in Consumer segment as well as 4-weeks billing

¹⁾ Consists of currency impacts (CHF +94mn) and IFRS15 adjustments in 2018 (CHF -4mn)

OPEX of Swisscom Switzerland

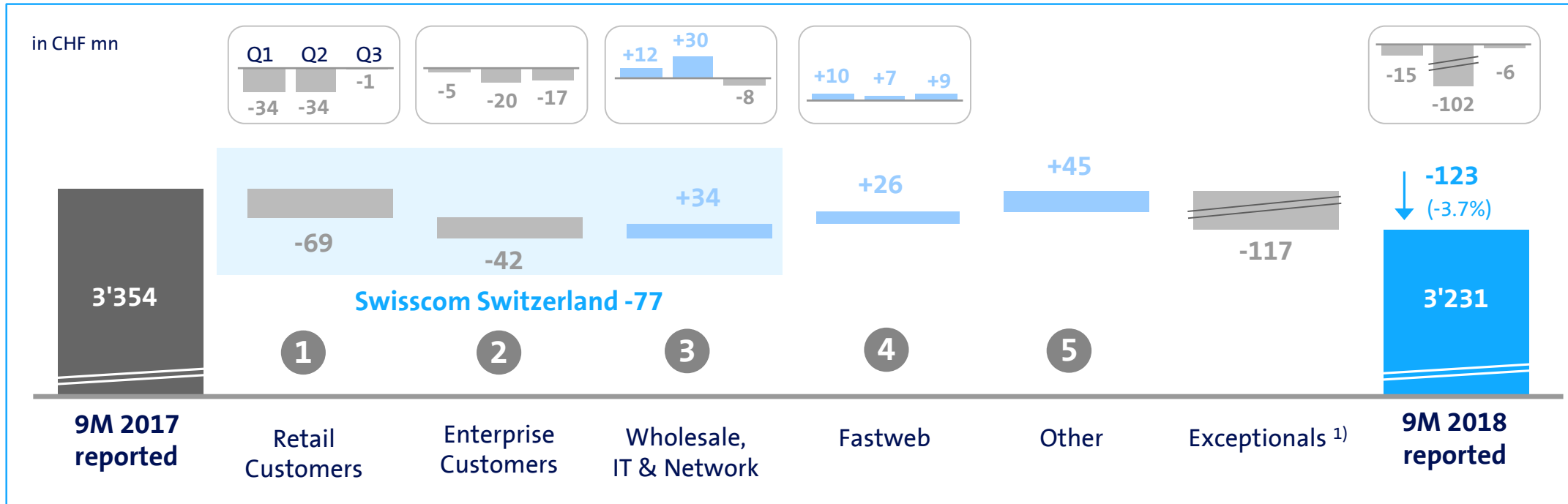
Operational excellence initiatives with expected impacts to lower OPEX on a recurring basis



1) Consists of IFRS15 adjustments in 2018 (CHF +25mn) and gain of sale of real estate in 2018 (CHF -5mn)

EBITDA breakdown by segments

Cost saving initiatives partly compensate top-line erosion in Switzerland – Fastweb up YOY



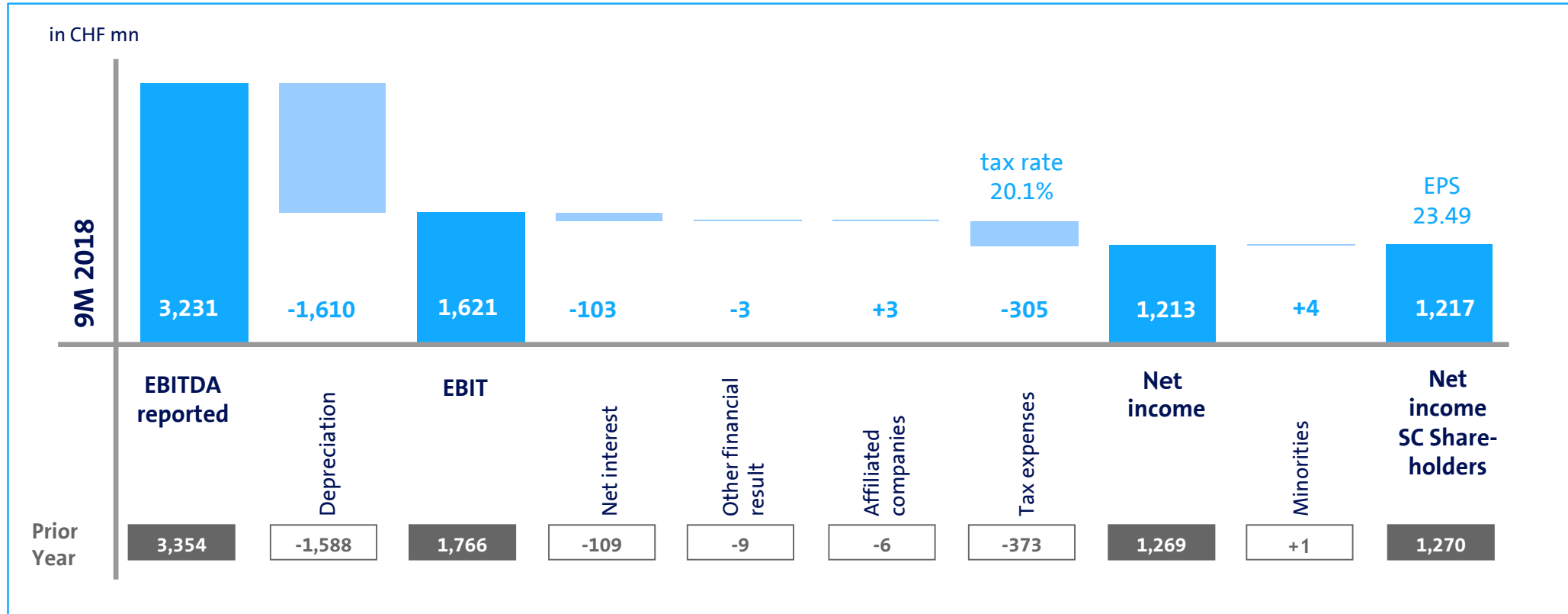
- 1 Lower costs partly compensate lower service revenue, improvement in Q3 supported by lower SAC/SRC
- 2 Price pressure and structural effects in the connectivity and Solutions business lead to lower contribution
- 3 Increase is supported by lower cost for support functions and higher revenue for wholesale services. Q3 impacted by lower inbound roaming

- 4 EBITDA up revenue driven due to volume growth and price changes, despite 2017 was positively impacted by a retroactive change in regulated bitstream prices
- 5 t/o +30mn reconciliation pension cost IAS 19

¹⁾ Consists of other income from litigations at Fastweb in 2017 (-102 MCHF), currency impacts (CHF +30mn), gain of sale of real estate (CHF +5mn) and IFRS15 adjustments in 2018 (CHF -50mn)

Net income

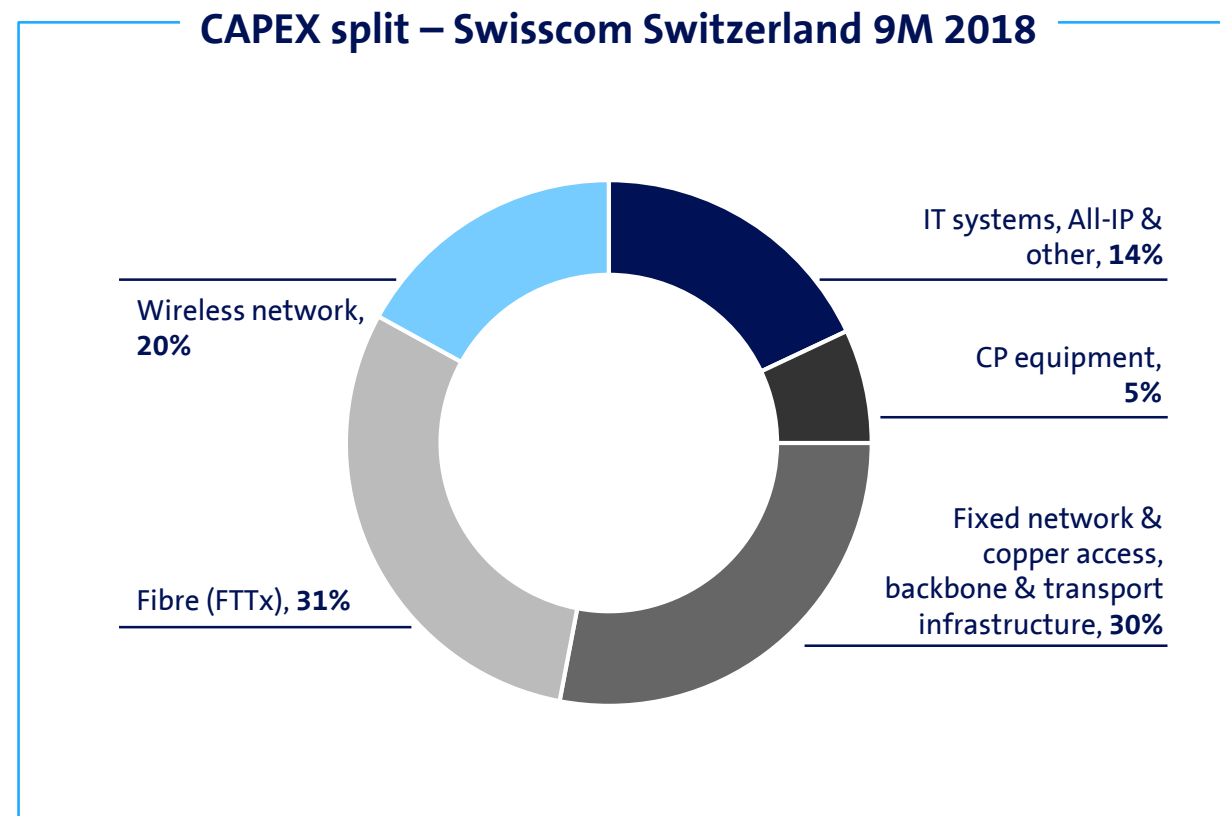
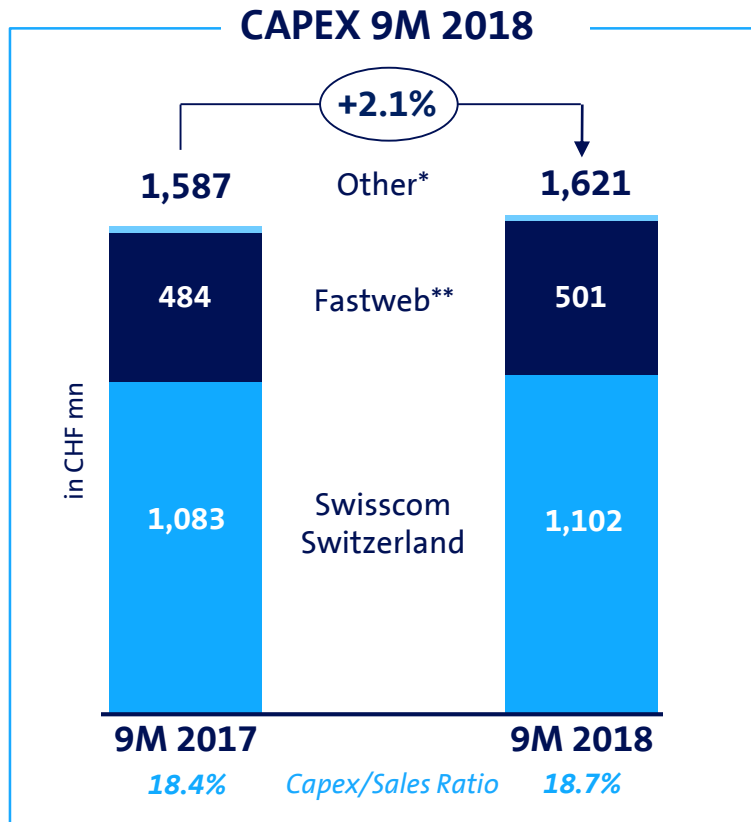
Bottom-line down (-4.4% YOY) driven by lower reported EBITDA



➤ Lower tax expenses mainly due to lower EBT and final tax assessments related to prior years (9M 2017 tax rate: 22.7%)

Capital expenditures

YOY increase primarily driven by higher Euro exchange rate



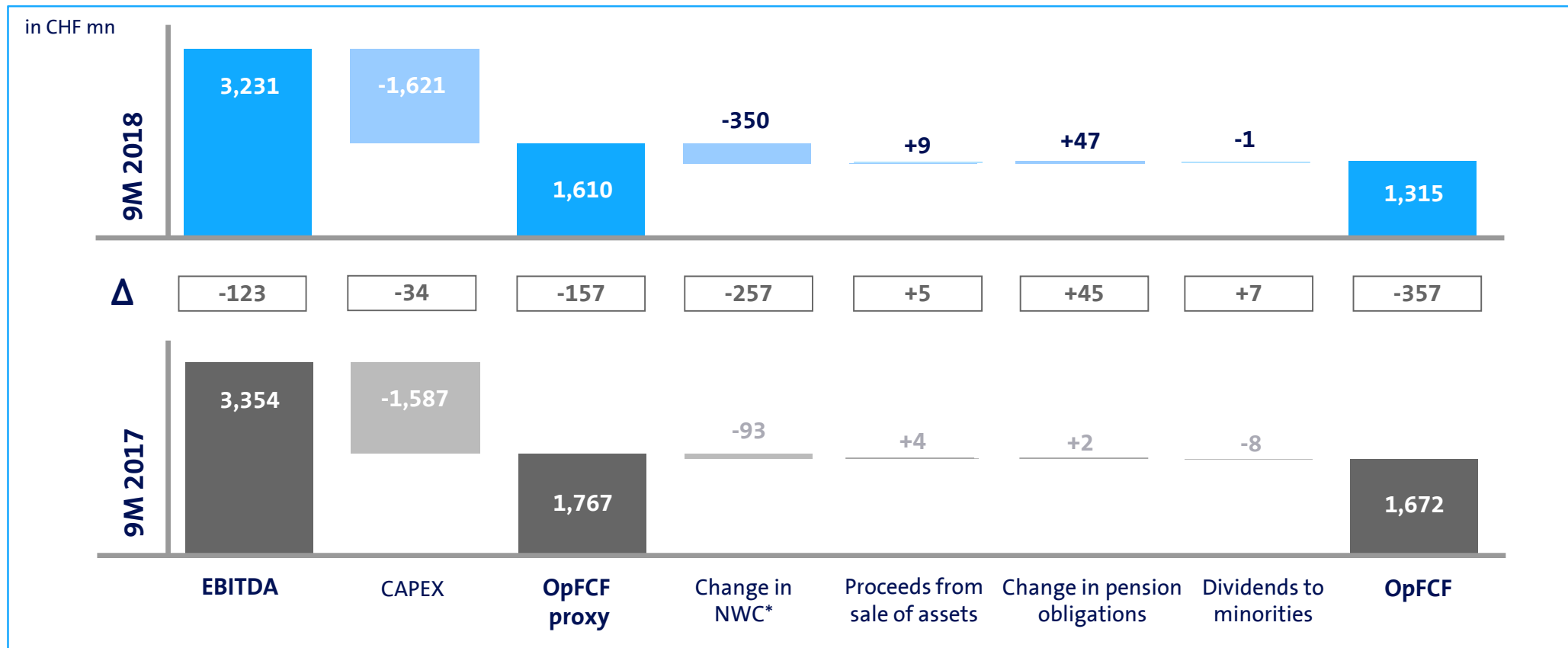
- > CAPEX of Swisscom Switzerland slightly above previous year, the roll out of fiber network continues
- > In local currency Fastweb's CAPEX remain on a high level, ongoing investments in network infrastructures

* in 9M 2018 CHF 18mn, in 9M 2017 CHF 20mn , ** in local currency in 9M 2018: EUR 432mn, in 9M 2017: EUR 441mn

Operating free cash flow

OpFCF down by 21% due to lower EBITDA and higher net working capital compared to YE 2017

28

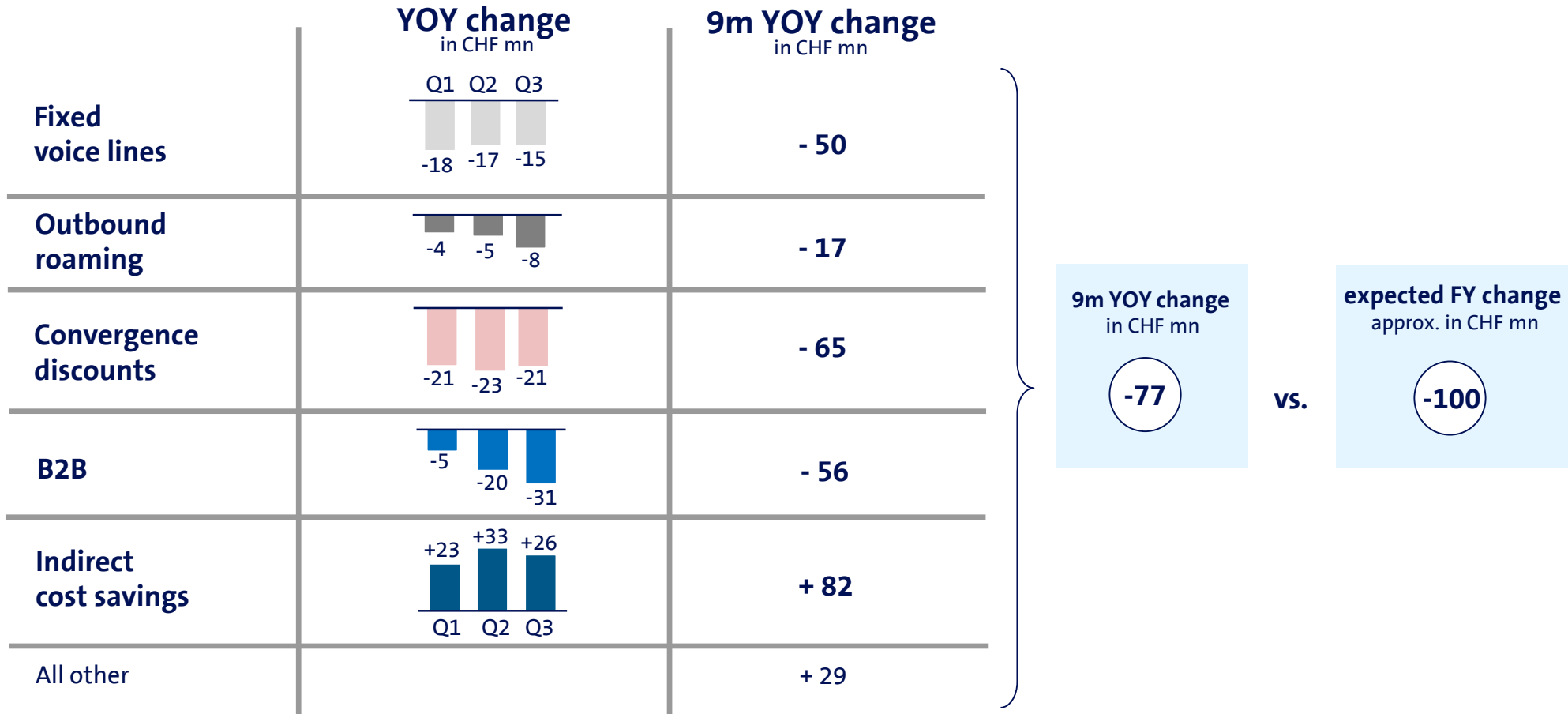


- Higher net working capital compared to YE 2017 mainly due to decreasing trade payables and prepayments as a result of seasonal fluctuation
- In 2017 lower change in pension obligations due to an extraordinary payment (CHF 50mn)

* Change in net working capital and other cash flow from operating activities

Underlying EBITDA trends 2018 of Swisscom Switzerland

YOY tendencies unchanged - B2B impact accelerating and being ahead of FY estimate



▼
Overall on track!

Unchanged guidance for fiscal year 2018

Net revenue of CHF ~11.6bn, EBITDA ~4.2bn and CAPEX <2.4bn

in CHF mn	2017 reported	Adjustments	2017 pro forma	Expected YOY change Swisscom w/o Fastweb	Expected YOY change Fastweb	IFRS 15 impact	2018 outlook **	Splits into:
Revenue	11'662			< 0	> 0	-10	~ 11'600	~ CHF 9.2bn for Swisscom w/o Fastweb + > € 2.0bn for Fastweb
EBITDA	4'295	- 41*	4'254	< 0	> 0	- 50	~ 4'200	~ CHF 3.4bn for Swisscom w/o Fastweb + ~ € 0.7bn for Fastweb
CAPEX	2'378			< 0	> 0	-	< 2'400	> CHF 1.6bn for Swisscom w/o Fastweb + ~ € 0.6bn for Fastweb

Fixed voice lines -
 Outbound roaming -
 Convergence discounts --
 B2B -
 Operational excellence ++

Industrial performance +
 FX effect +

* Consists of income from litigations at Fastweb (CHF 102mn) and provisions for restructuring (CHF -61mn)

** For consolidation purposes, CHF/EUR of 1.16 has been used (vs. 1.11 for fiscal year 2017)



Upon meeting its 2018 targets, Swisscom plans to propose again a dividend of CHF 22/share

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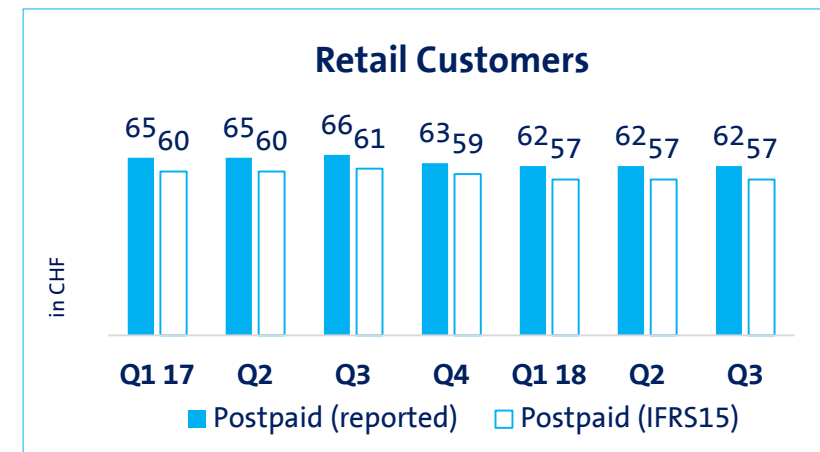
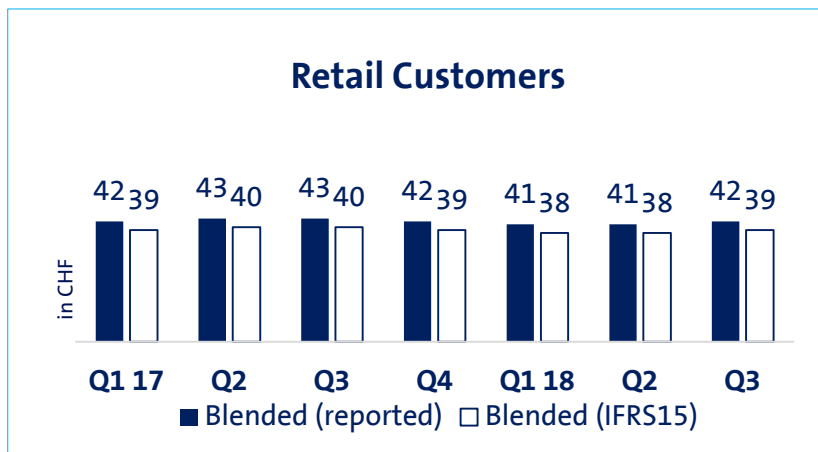
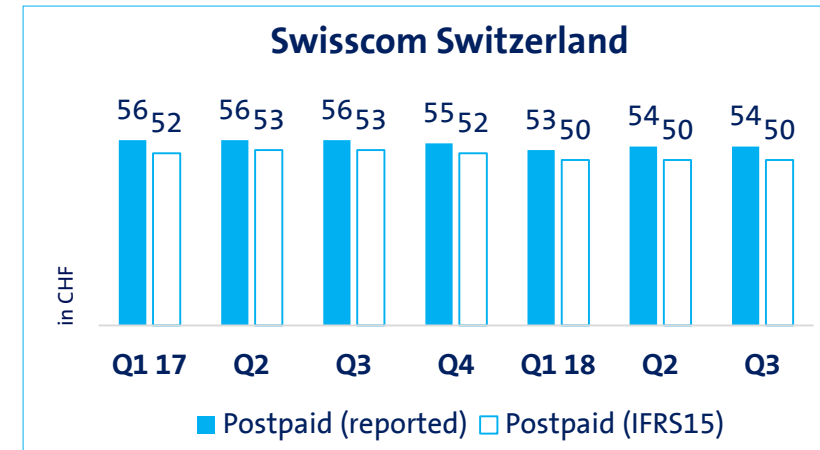
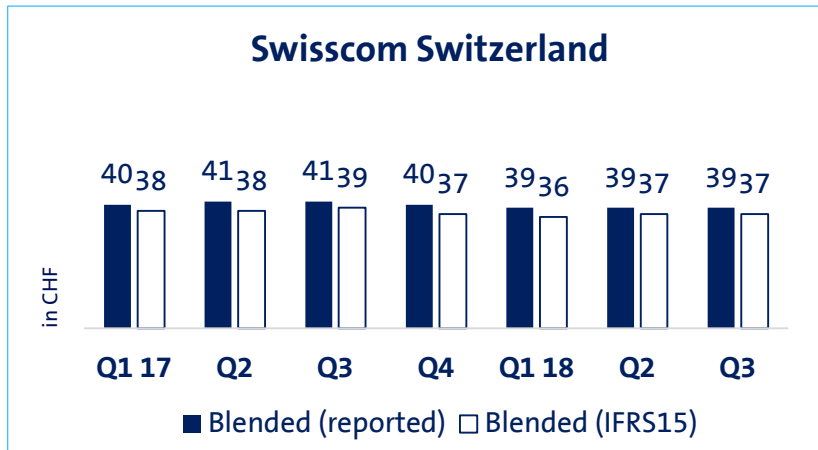
Key financials - reported vs. underlying

in CHF mn	2017				2018				Change Q/Q			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue, reported	2'831	2'859	2'914	3'058	2'885	2'920	2'884		+54	+61	-30	
o/w currency effect					47	43	4		+47	+43	+4	
IFRS 15 reconciliation					-4	2	-2		-4	+2	-2	
Revenue, underlying change									+11	+16	-32	
EBITDA, reported	1'073	1'187	1'094	941	1'058	1'085	1'088		-15	-102	-6	
o/w Gain from sale of real estate				4		3	2			+3	+2	
Restructuring				-61								
Other income from litigations (Fastweb)		102								-102		
Currency effect					13	15	2		+13	+15	+2	
IFRS 15 reconciliation					-20	-13	-17		-20	-13	-17	
EBITDA, underlying change									-8	-5	+7	

IFRS15 - P&L adjustments

in CHF million	2017				2018 reported				2018 IFRS15 adj.			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Retail Customers	1'497	1'481	1'478	1'515	1'456	1'448	1'457		1'457	1'448	1'459	
Enterprise Customers	586	599	586	631	584	576	562		584	576	562	
Wholesale	138	135	157	148	141	145	148		141	145	148	
IT, Network & Infrastructure	6	7	6	7	5	5	5		5	5	5	
Swisscom Switzerland	2'227	2'222	2'227	2'301	2'186	2'174	2'172		2'187	2'174	2'174	
Fastweb	482	508	554	611	572	604	575		575	602	575	
Other operating segments	122	129	132	146	127	142	137		127	142	137	
Group Headquarters	0	0	1	0	0	0	0		0	0	0	
Net revenue from external customers	2'831	2'859	2'914	3'058	2'885	2'920	2'884		2'889	2'918	2'886	
t/o Net revenue IFRS15 impact Swisscom Switzerland					(1)	0	(2)					
t/o Net revenue IFRS15 impact Fastweb					(3)	2	0					
Direct costs	(606)	(607)	(698)	(810)	(704)	(692)	(723)		(688)	(677)	(708)	
Personnel expenses	(753)	(738)	(695)	(816)	(723)	(714)	(661)		(723)	(714)	(661)	
Other operating expenses	(490)	(517)	(513)	(632)	(503)	(540)	(519)		(503)	(540)	(519)	
Capitalized costs and other income	91	190	86	141	103	111	107		103	111	107	
Operating income (EBITDA)	1'073	1'187	1'094	941	1'058	1'085	1'088		1'078	1'098	1'105	
t/o EBITDA IFRS15 impact Swisscom Switzerland					(9)	(9)	(10)					
t/o EBITDA IFRS15 impact Fastweb					(11)	(4)	(7)					

IFRS15 - wireless ARPU adjustments



Retail Customers - segment reporting

Net revenue decreased driven by a lower service revenue, increase in hardware sales partly compensates.

Service revenue decreased (-3.3%) due to higher discount volumes (inOne), a decrease in access lines and lower roaming revenue.

Contribution margin 2 decreased by 3.6%. Lower Service revenue was partly compensated by lower SAC/SRC and lower indirect cost (mainly workforce).

	Q3 2018	Q3/Q3	30.09.2018	YoY
Net revenue in MCHF ¹⁾	1'477	-1.5%	4'422	-2.1%
Direct costs in MCHF	-352	-1.9%	-1'003	2.7%
Indirect costs in MCHF ²⁾	-273	-1.4%	-827	-2.8%
Contribution margin 2 in MCHF	852	-1.3%	2'592	-3.6%
Contribution margin 2 in %	57.7%		58.6%	
CAPEX in MCHF	-37	-5.1%	-116	-7.2%
FTE's	-43		5'397	-6.1%
Broadband lines in '000 ³⁾	+2		1'993	1.6%
Voice lines in '000 ³⁾	-46		1'684	-11.9%
Wireless customers Prepaid in '000	-44		1'922	-2.9%
Wireless customers Postpaid in '000 ³⁾	+6		3'385	1.5%
Blended wireless ARPU in CHF	42	-2.3%	41	-4.7%
TV subs in '000 ³⁾	+9		1'510	3.9%

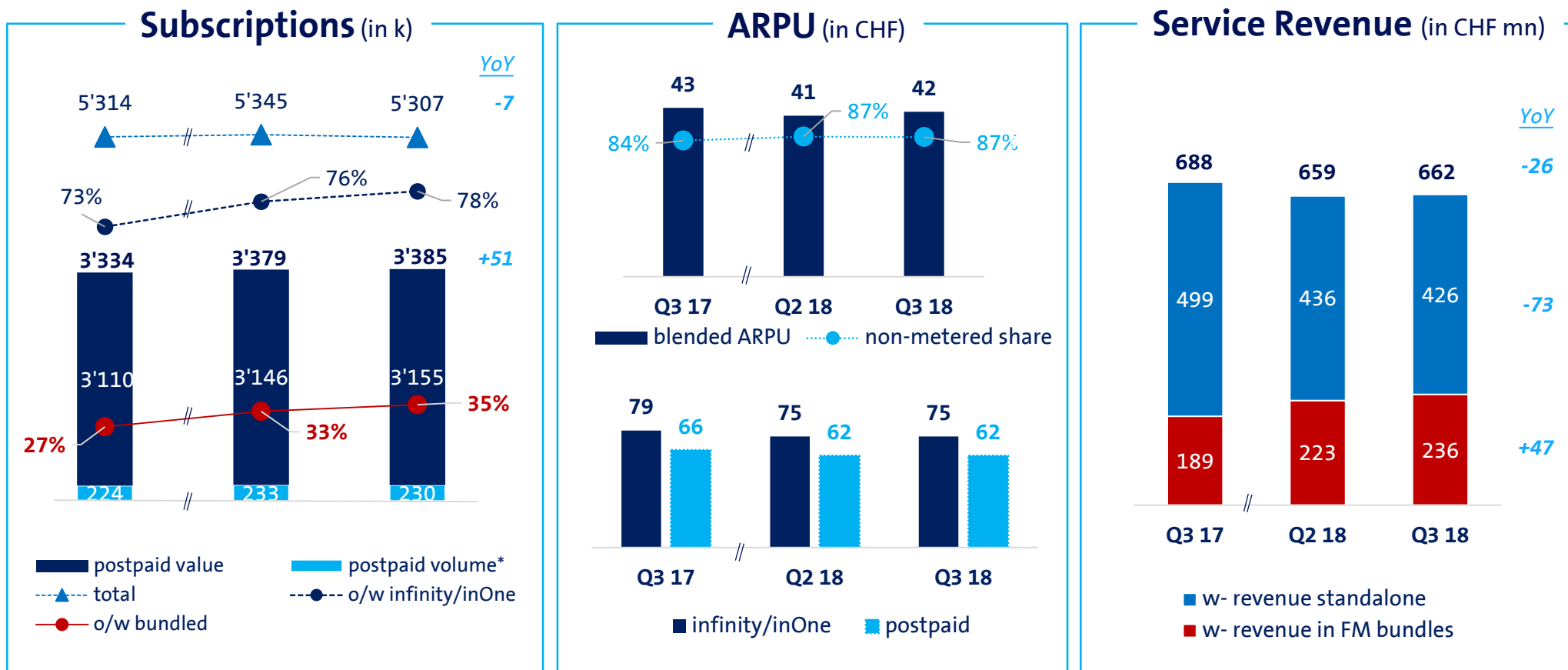
1) incl. intersegment revenues

2) incl. capitalised costs and other income

3) sum of single play and bundles

Retail Customers - wireless performance

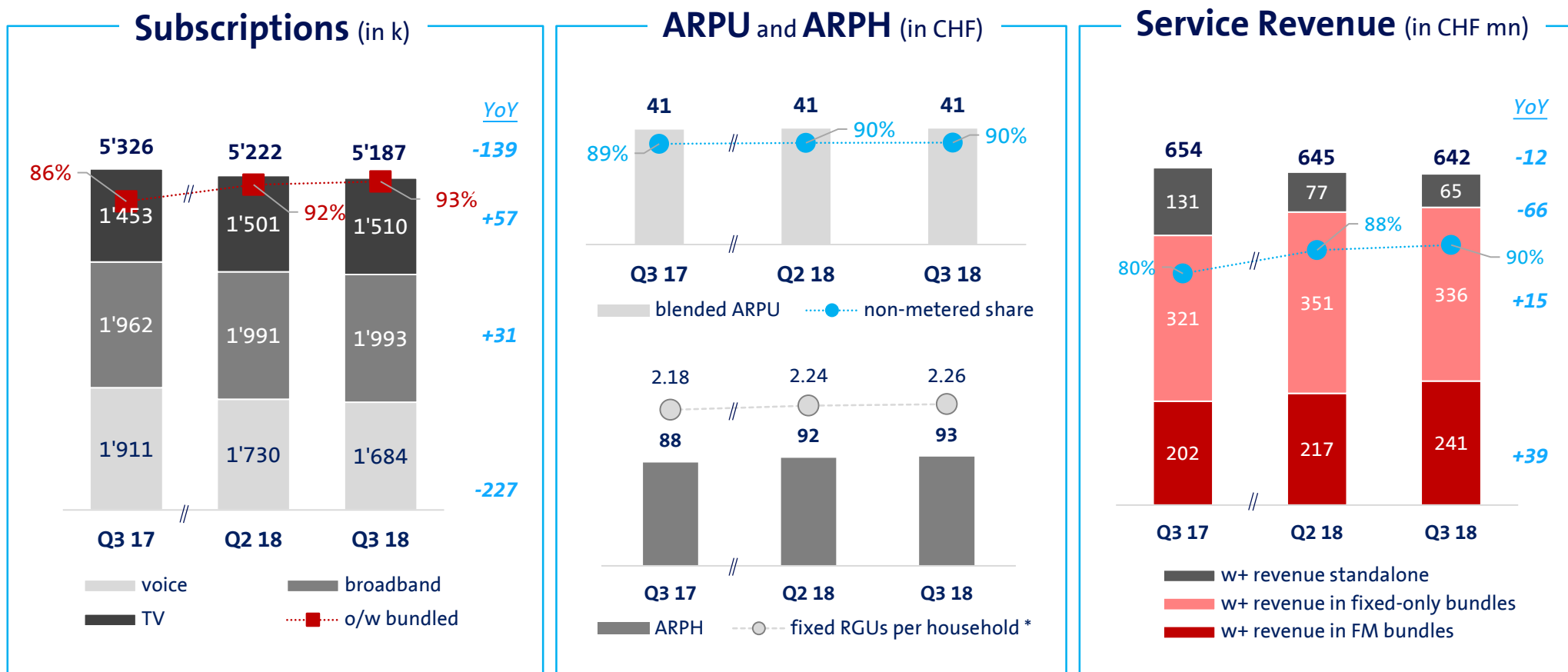
37



* consists of data and multi SIM cards, ** w/o infinity entry and data subscriptions

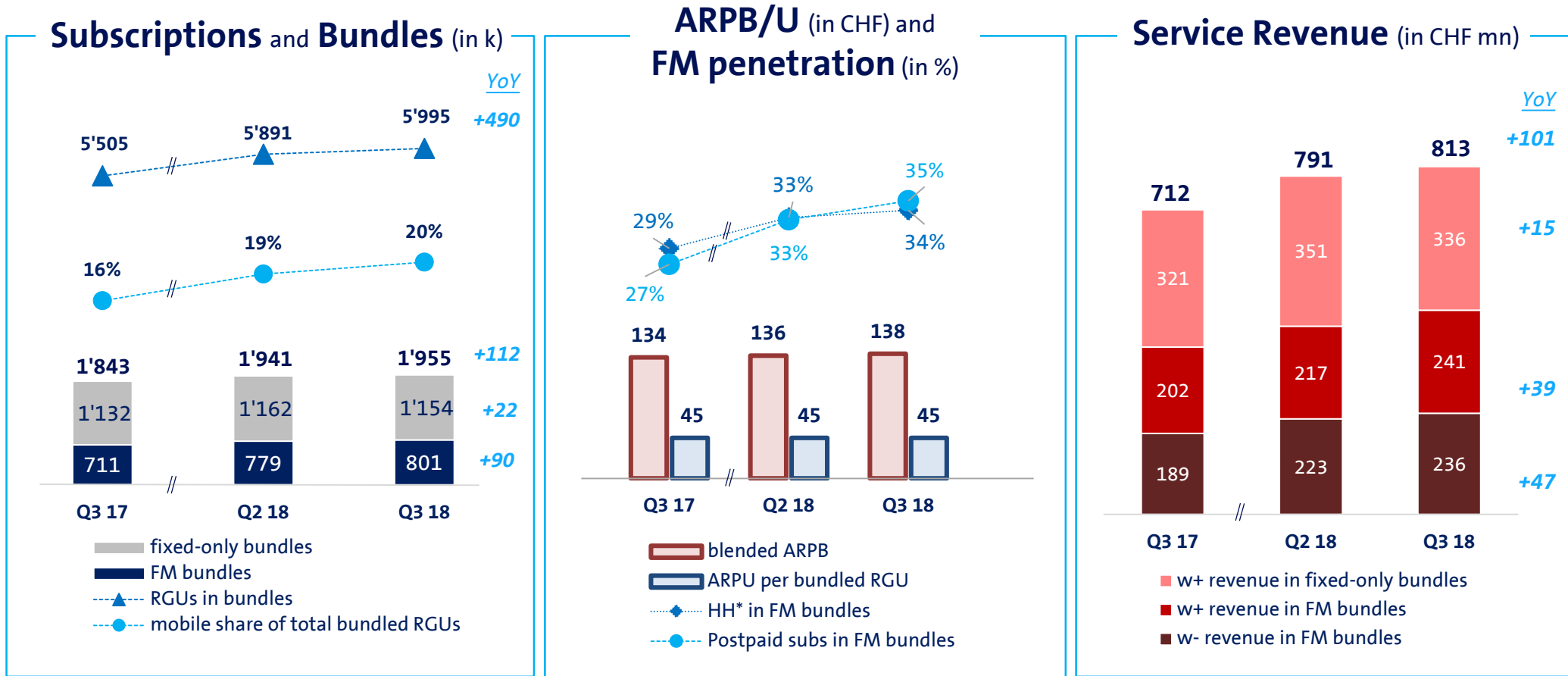
Retail Customers - wireline performance

38



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

Retail Customers - performance of fixed and FM bundles

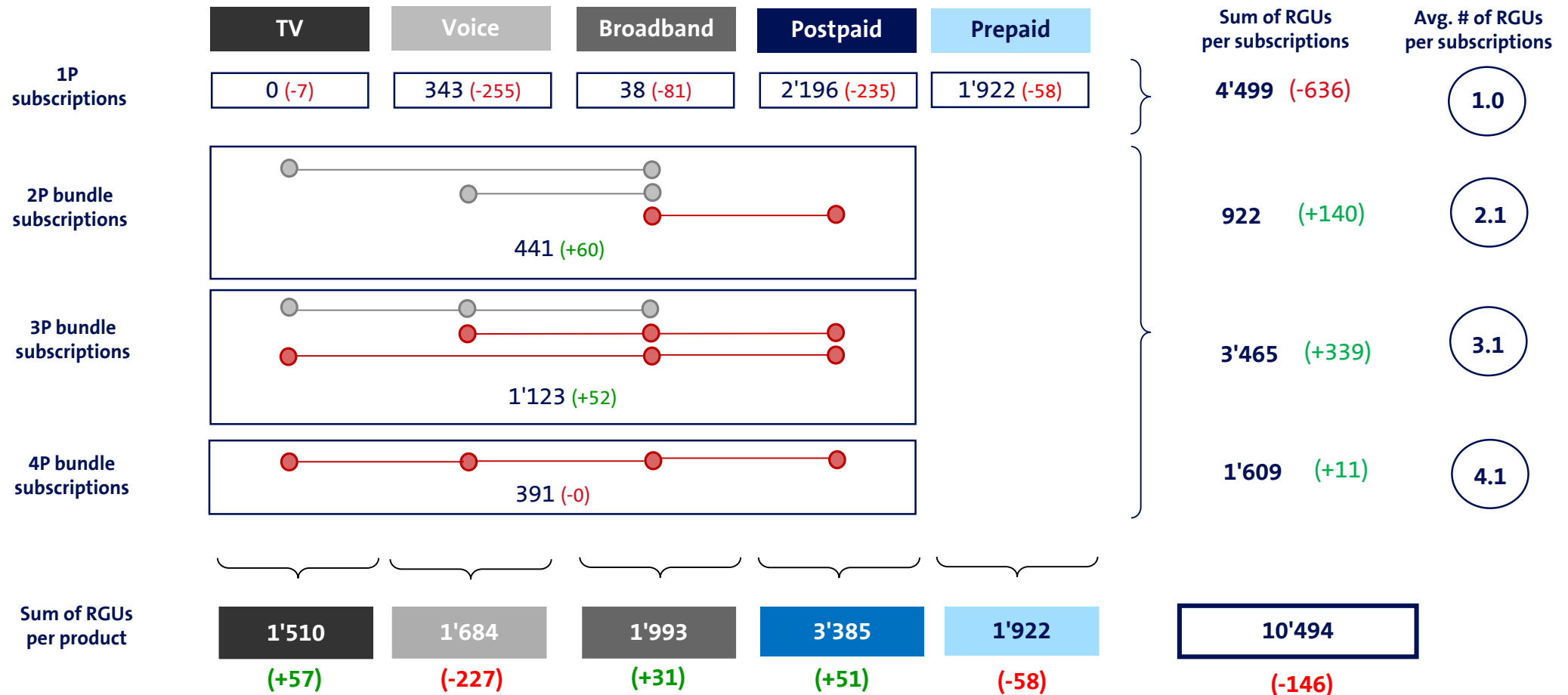


* HH = total broadband subscriptions + [total 1P voice subs – total 1P broadband subs]

Retail Customers - RGUs and 1P-4P bundle subscriptions as per Q3 2018

Retail Customers

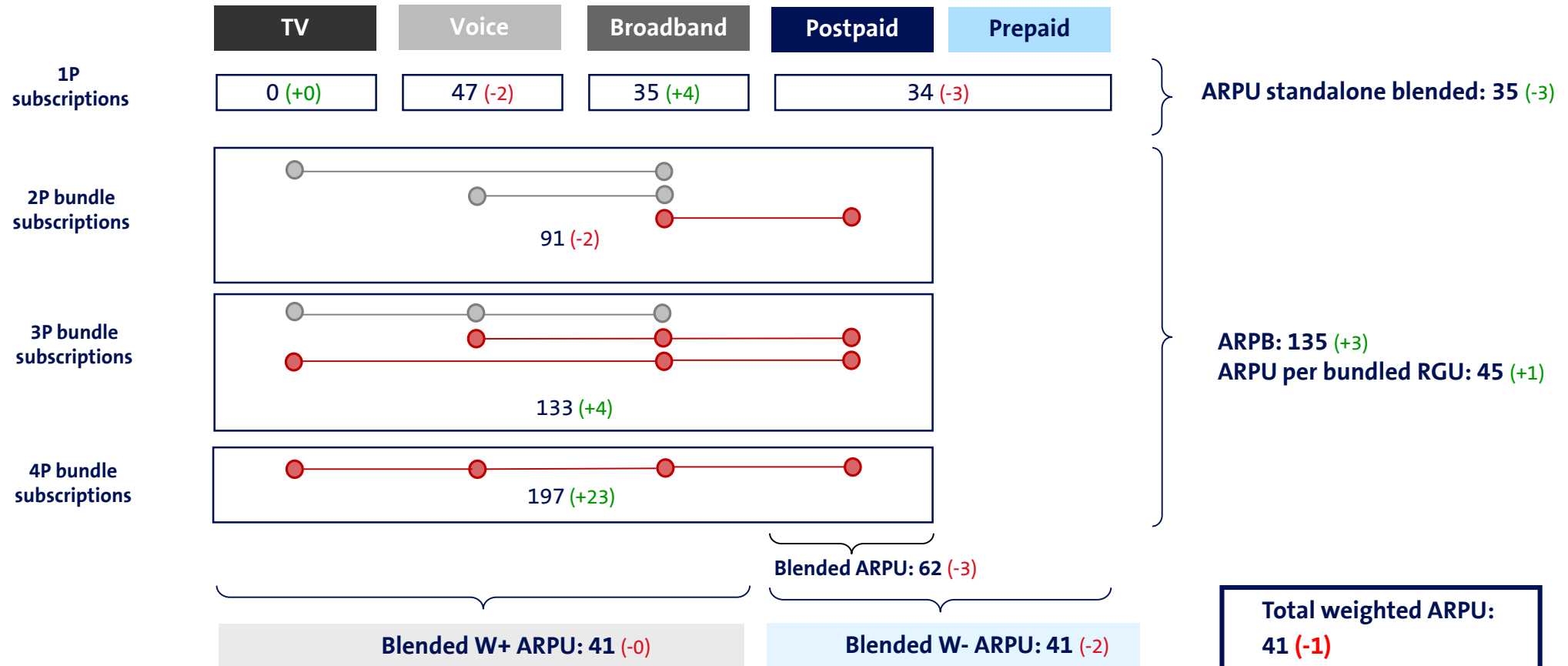
In k, YTD (change to 30.09.2017 in brackets)



Retail Customers – Q3 2018 ARPUs

Retail Customers

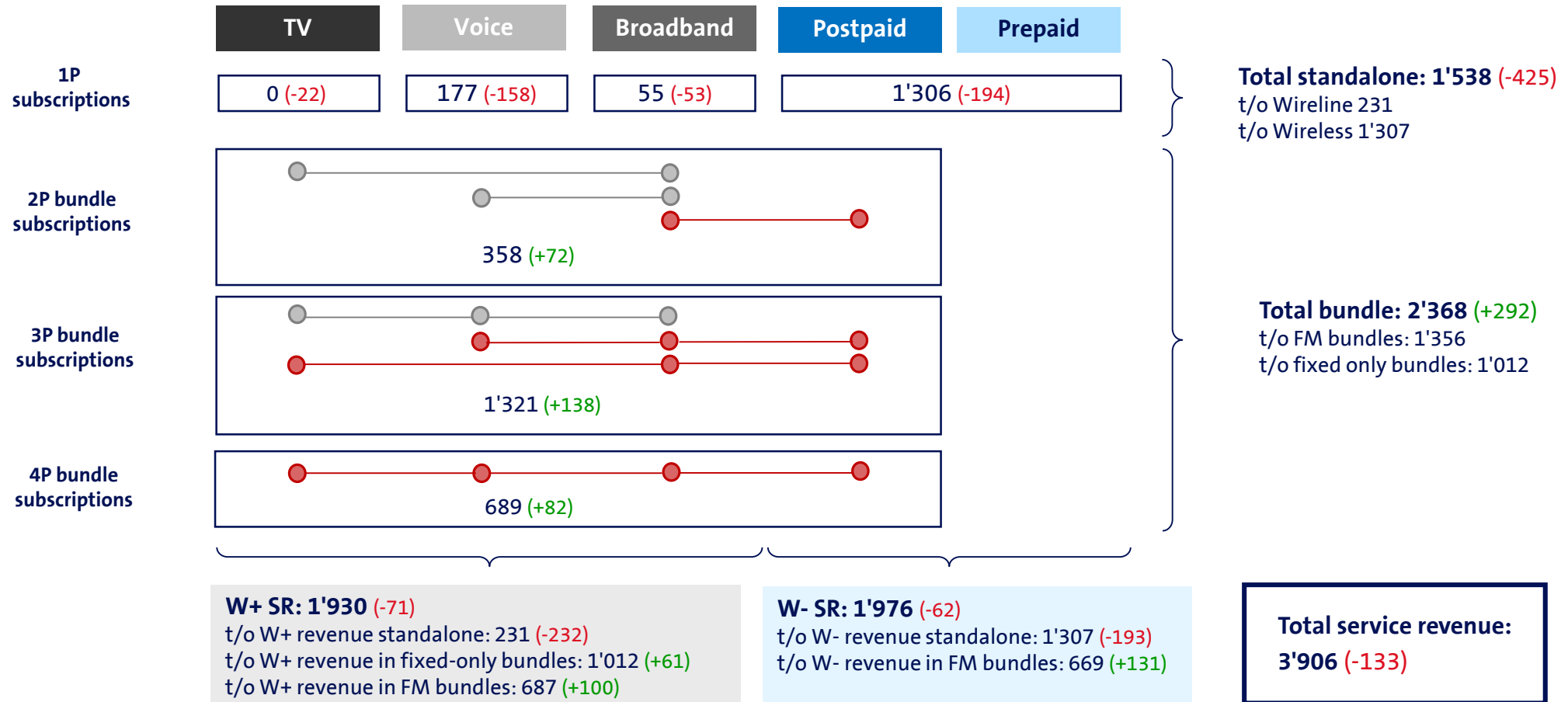
In CHF YTD, (Change to 30.09.2017 in brackets)



Retail Customers – Q3 2018 service revenue

Retail Customers

In CHF mn YTD, (Change to 30.09.2017 in brackets)



Enterprise Customers - segment reporting

Net revenue down -2.8%, decrease in service revenue (-5.5%) due to price erosion and lower volume. Hardware sales partly compensate.

Solutions revenue down 3.5%, change in customer requirements in the banking segment is only partly compensated by new business.

Contribution margin 2 decreased by 6.7%, driven by the decrease of service revenue. Lower indirect costs partly compensate.

	Q3 2018	Q3/Q3	30.09.2018	YoY
Net revenue in MCHF ¹⁾	587	-4.2%	1'800	-2.8%
Direct costs in MCHF	-186	6.3%	-552	3.0%
Indirect costs in MCHF ²⁾	-206	-8.8%	-667	-3.8%
Contribution margin 2 in MCHF	195	-8.0%	581	-6.7%
Contribution margin 2 in %	33.2%		32.3%	
CAPEX in MCHF	-13	-7.1%	-38	-24.0%
FTE's	-1		4'384	-5.1%
Broadband lines in '000	+0		37	-2.6%
Voice lines in '000	-14		162	-25.3%
Wireless customers in '000	+13		1'283	1.2%
Blended wireless ARPU in CHF	30	-6.3%	30	-6.3%

1) incl. intersegment revenues

2) incl. capitalised costs and other income

Wholesale - segment reporting

Revenue from external customers up 0.9%. The increase in volume driven wholesale connectivity services is mostly compensated by lower revenue for inbound roaming and termination services.

Intersegment revenue down as lower outpayments (lower roaming cost and lower termination fees) are invoiced to the customer units.

Increase of Contribution margin 2 driven by change in revenue mix.

	Q3 2018	Q3/Q3	30.09.2018	YoY
External revenue in MCHF	148	-5.7%	434	0.9%
Intersegment revenue in MCHF	104	-13.3%	244	-9.0%
Net revenue in MCHF	252	-9.0%	678	-2.9%
Direct costs in MCHF	-129	-12.8%	-323	-8.8%
Indirect costs in MCHF ¹⁾	-4	n.m.	-13	n.m.
Contribution margin 2 in MCHF	119	-3.3%	342	3.6%
Contribution margin 2 in %	47.2%		50.4%	
CAPEX in MCHF	-		-	
FTE's	-2		83	-4.6%
Full access lines in '000	-4		91	-20.2%
BB (wholesale) lines in '000	+10		472	12.6%

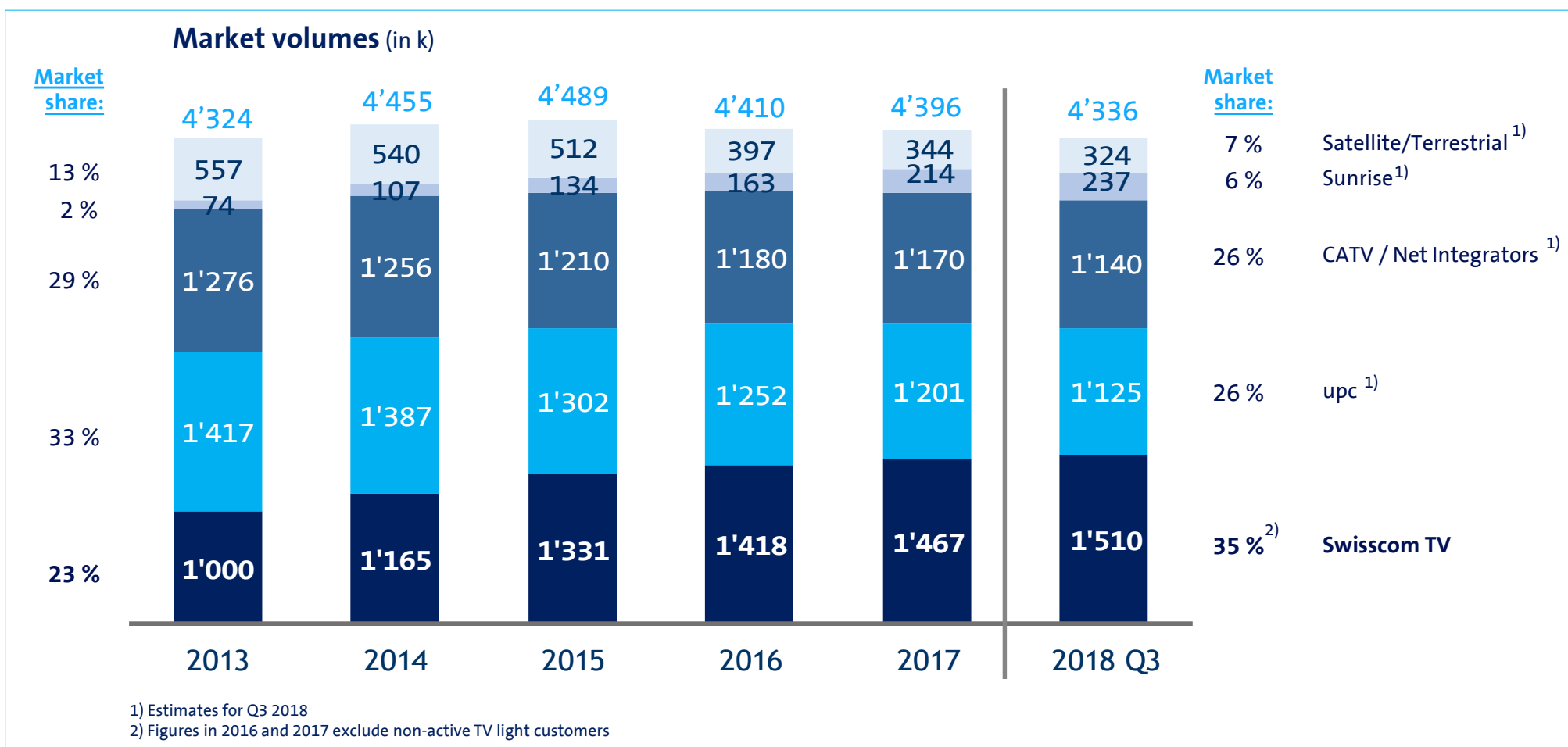
1) incl. capitalised costs and other income

IT, Network and Infrastructure - segment reporting

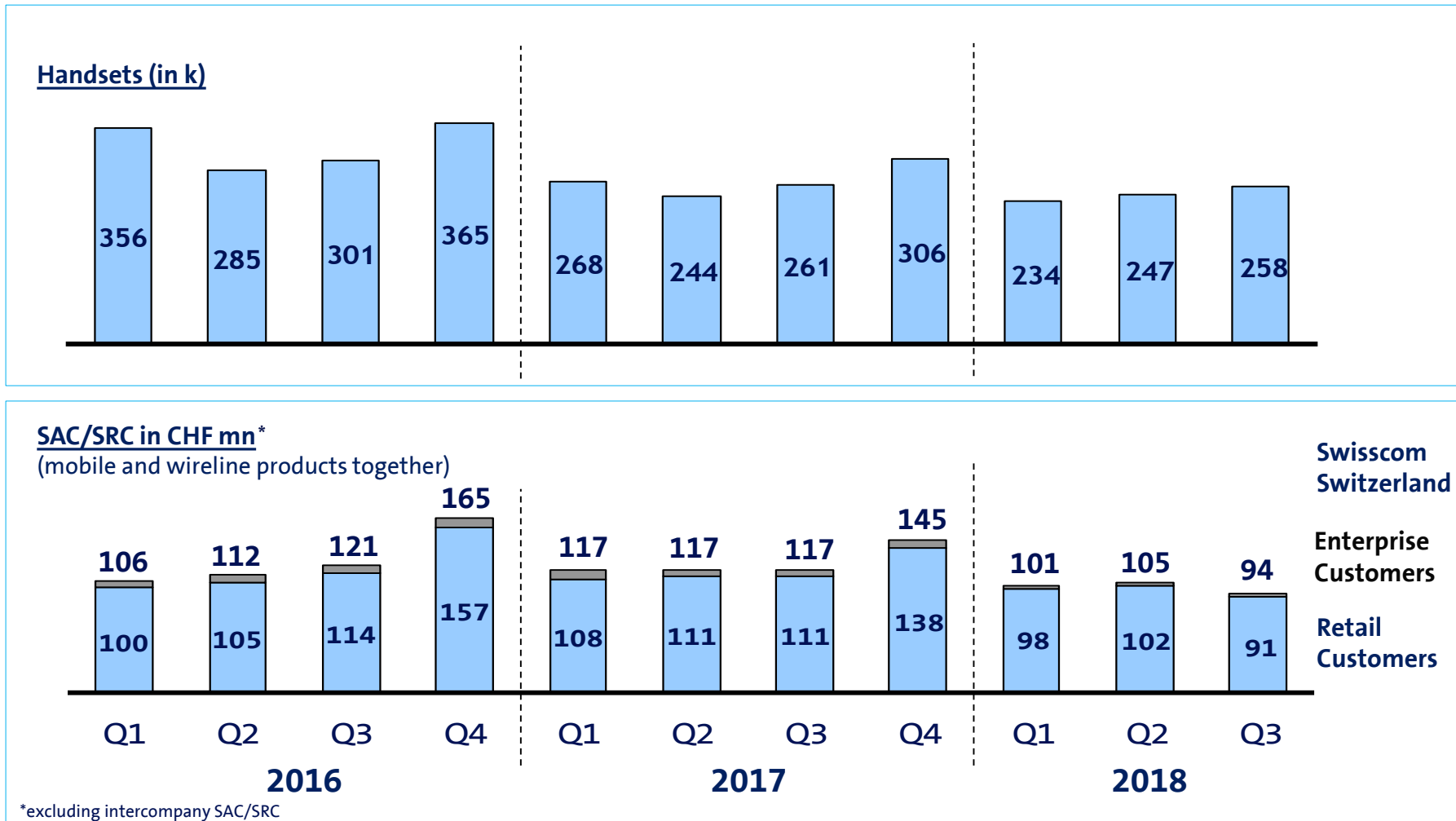
Indirect costs below prior year level (-2.0%) driven by lower costs for workforce and lower IT expenses. Headcount decreased by 3.4%.

	Q3 2018	Q3/Q3	30.09.2018	YoY
Net revenue in MCHF	39	-4.9%	119	-4.8%
Direct costs in MCHF	-2	-	-8	-
Workforce expenses in MCHF	-198	-0.5%	-618	-1.7%
Rent in MCHF	-43	0.0%	-129	-1.5%
Maintenance in MCHF	-52	6.1%	-137	2.2%
IT expenses in MCHF	-45	-6.3%	-132	-8.3%
Other OPEX in MCHF	-94	1.1%	-289	-1.4%
Indirect costs in MCHF	-432	0.0%	-1'305	-2.0%
Capitalised costs and other income in MCHF	104	-1.9%	340	1.5%
Contribution margin 2 in MCHF	-291	1.0%	-854	-3.0%
Depreciation, amortisation and impairment in MCHF	-326	1.9%	-976	1.6%
Segment result in MCHF	-617	1.5%	-1'830	-0.6%
CAPEX in MCHF	-340	9.7%	-947	4.4%
FTE's	+9		4'686	-3.4%

Swisscom Switzerland - overview of Swiss TV market



Swisscom Switzerland - overview of sold handsets and SAC / SRC



Fastweb - segment reporting

Consumer revenue up by 8.6% YoY driven by the increase in customer base. ARPU stabilised on previous year level.

EBITDA down by -15.7% YoY including an income from a settlement of a legal dispute (EUR 95 million) in the previous year.

On a comparable basis EBITDA up by 5.0% YoY driven by the revenue increase partly compensated by a positive one-off effect in the prior year (retroactive lower prices for purchased wholesale products).

	Q3 2018	Q3/Q3	30.09.2018	YoY
Consumer revenue in MEUR	264	4.3%	785	8.6%
Enterprise revenue in MEUR	190	7.3%	558	7.7%
Wholesale revenue in MEUR ¹⁾	51	-16.4%	173	0.0%
Net revenue in MEUR ¹⁾	505	2.9%	1'516	7.2%
OPEX in MEUR ²⁾	-332	3.4%	-1'033	22.8%
EBITDA in MEUR	173	1.8%	483	-15.7%
EBITDA margin in %	34.3%		31.9%	
CAPEX in MEUR	-135	-2.9%	-432	-2.0%
FTE's	-13		2'470	-1.6%
BB customers in '000	+18		2'518	4.0%
Wireless customers in '000	+44		1'324	33.9%
In consolidated Swisscom accounts				
EBITDA in MCHF	198	2.1%	560	-10.8%
CAPEX in MCHF	-154	-2.5%	-501	3.5%

1) incl. revenues to Swisscom companies

2) incl. capitalised costs and other income

Other - segment reporting

Net revenue up by 6.9% YoY due to higher revenue at Cablex for construction services, revenue up for external customers as well as for the internal customer Swisscom Switzerland.

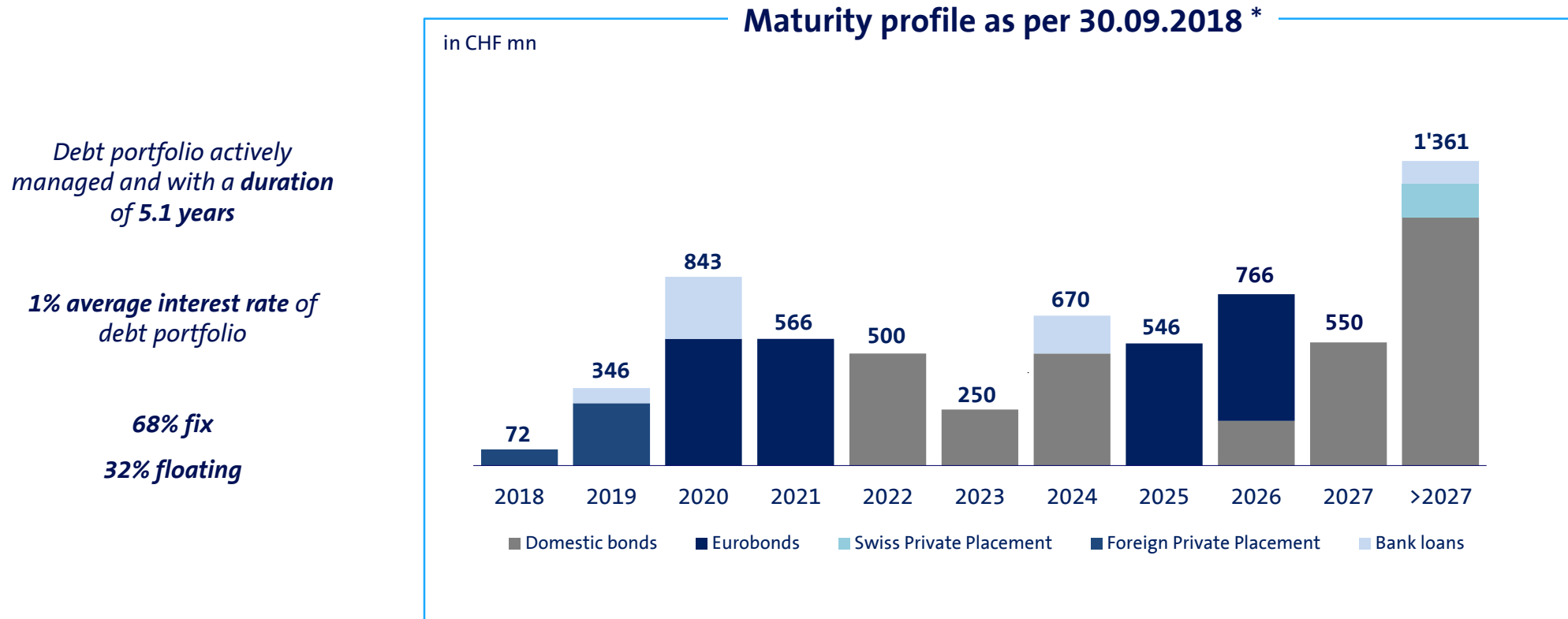
FTE down by -1.1% YoY as a result of the sale of subsidiaries.

	Q3 2018	Q3/Q3	30.09.2018	YoY
External revenue in MCHF	137	3.8%	406	6.0%
Net revenue in MCHF ¹⁾	229	6.5%	654	6.9%
OPEX in MCHF ²⁾	-176	6.0%	-515	6.6%
EBITDA in MCHF	53	8.2%	139	7.8%
EBITDA margin in %	23.1%		21.3%	
CAPEX in MCHF	-12	-20.0%	-31	-20.5%
FTE's	+24		2'587	-1.1%

1) incl. intersegment revenues

2) incl. capitalised costs and other income

B/S – Swisscom's maturity profile



* excl. short-term money market borrowings

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