



# 2024

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**Interim Report**  
January–September

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**swisscom**

# KPIs

In CHF million, except where indicated	30.09.2024	30.09.2023	Change	
<b>Revenue and results<sup>1</sup></b>				
Revenue	8,173	8,202	–0.4%	
Operating income before depreciation and amortisation (EBITDA)	3,438	3,477	–1.1%	
EBITDA as % of revenue	42.1	42.4		
EBITDA after lease expense (EBITDAaL)	3,221	3,260	–1.2%	
Operating income (EBIT)	1,652	1,714	–3.6%	
Net income	1,283	1,310	–2.1%	
Earnings per share	24.77	25.31	–2.1%	
<b>Balance sheet and cash flows<sup>1</sup></b>				
Equity	11,908	11,353	4.9%	
Equity ratio	39.6	45.7		
Capital expenditure	1,731	1,630	6.2%	
Operating free cash flow	1,490	1,630	–8.6%	
Free cash flow	1,037	1,037	–%	
Net debt	6,893	7,507	–8.2%	
<b>Operational data</b>				
Fixed telephony access lines in Switzerland	in thousand	1,159	1,249	–7.2%
Broadband access lines retail in Switzerland	in thousand	1,973	2,009	–1.8%
TV access lines in Switzerland	in thousand	1,499	1,541	–2.7%
Mobile access lines in Switzerland	in thousand	6,279	6,264	0.2%
Access lines wholesale in Switzerland	in thousand	722	683	5.7%
Broadband access lines retail in Italy	in thousand	2,548	2,613	–2.5%
Broadband access lines wholesale in Italy	in thousand	832	579	43.7%
Mobile access lines in Italy	in thousand	3,816	3,428	11.3%
<b>Swisscom share</b>				
Number of issued shares	in thousand	51,802	51,802	–%
Market capitalisation		28,605	28,191	1.5%
Closing price at end of period	CHF	552.20	544.20	1.5%
<b>Employees</b>				
Full-time equivalent employees	number	19,980	19,686	1.5%
Average number of full-time equivalent employees	number	19,914	19,380	2.8%

<sup>1</sup> 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 26 and 27.

# Financial review

## Summary

Group revenue decreased by 0.4% year-on-year to CHF 8,173 million. Operating income before depreciation and amortisation (EBITDA) rose by 1.1% to CHF 3,438 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 2.5% in the first nine months of 2024 compared to the same period of the previous year. This resulted in negative exchange differences on Group revenue of CHF 50 million and on EBITDA of CHF 16 million. Based on a constant EUR exchange rate, revenue in the first nine months of 2024 rose by 0.3% or CHF 21 million. Swisscom Switzerland's revenue fell by 1.7%. Fastweb achieved an increase in revenue of 6.3% (in EUR).

EBITDA development was positively influenced not only by currency effects, but also by non-recurring items relating to litigation of CHF 24 million (prior year: CHF –3 million). On the other hand, non-recurring costs of CHF 18 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 decline in EBITDA of CHF 32 million (–0.9%). CHF 45 million (–1.6%) of this drop is attributable to Swisscom Switzerland. Fastweb, on the other hand, reported an increase of CHF 8 million (+1.3%). Consolidated net income decreased by 2.1% year-on-year to total CHF 1,283 million. The lower operating income figure was offset by an improved financial result and a lower tax expense.

The Group's capital expenditure rose by 6.2% in a year-on-year comparison to CHF 1,731 million. Capital expenditure in the Swiss core business rose by 8.8%, and by 1.3% at Fastweb (in EUR). Operating free cash flow fell by CHF 140 million or 8.6% year-on-year to CHF 1,490 million due to lower EBITDA and increased capital expenditure. By contrast, free cash flow remained stable at CHF 1,037 million. The decline in operating free cash flow was offset by better performance in net working capital and lower interest and income taxes paid. Net debt decreased by 8.2% to CHF 6,893 million year-on-year. The number of Swisscom employees increased by 1.5% to 19,980 FTEs. The headcount across Switzerland remained stable at 16,043 FTEs.

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	3 <sup>rd</sup> quarter 2024	3 <sup>rd</sup> quarter 2023	Change	1.01.–30.09. 2024	1.01.–30.09. 2023	Change
<b>Revenue<sup>1</sup></b>						
Residential Customers	1,090	1,111	–1.9%	3,247	3,347	–3.0%
Business Customers	752	765	–1.7%	2,310	2,293	0.7%
Wholesale	133	142	–6.3%	395	411	–3.9%
Infrastructure & Support Functions	19	19	–%	57	57	–%
Intersegment elimination	(16)	(14)	14.3%	(43)	(41)	4.9%
<b>Swisscom Switzerland</b>	<b>1,978</b>	<b>2,023</b>	<b>–2.2%</b>	<b>5,966</b>	<b>6,067</b>	<b>–1.7%</b>
Fastweb	654	637	2.7%	1,940	1,873	3.6%
Other Operating Segments	283	266	6.4%	820	761	7.8%
Intersegment elimination	(196)	(174)	12.6%	(553)	(499)	10.8%
<b>Total revenue</b>	<b>2,719</b>	<b>2,752</b>	<b>–1.2%</b>	<b>8,173</b>	<b>8,202</b>	<b>–0.4%</b>
<b>Operating income before depreciation and amortisation (EBITDA)<sup>1</sup></b>						
Residential Customers	757	760	–0.4%	2,249	2,262	–0.6%
Business Customers	331	338	–2.1%	976	1,010	–3.4%
Wholesale	57	53	7.5%	215	219	–1.8%
Infrastructure & Support Functions	(239)	(239)	–%	(716)	(719)	–0.4%
Intersegment elimination	–	1	–100.0%	–	1	–100.0%
<b>Swisscom Switzerland</b>	<b>906</b>	<b>913</b>	<b>–0.8%</b>	<b>2,724</b>	<b>2,773</b>	<b>–1.8%</b>
Fastweb	219	221	–0.9%	619	614	0.8%
Other Operating Segments	41	42	–2.4%	112	93	20.4%
Reconciliation pension cost <sup>2</sup>	5	9	–44.4%	14	28	–50.0%
Intersegment elimination	(12)	(11)	9.1%	(31)	(31)	–%
<b>Total EBITDA</b>	<b>1,159</b>	<b>1,174</b>	<b>–1.3%</b>	<b>3,438</b>	<b>3,477</b>	<b>–1.1%</b>

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 note 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 cablex 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. This business division 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	3 <sup>rd</sup> quarter 2024	3 <sup>rd</sup> quarter 2023	Change	1.01.–30.09. 2024	1.01.–30.09. 2023	Change
<b>Revenue and operating income before depreciation and amortisation (EBITDA)</b>						
Telecom services	1,328	1,352	-1.8%	3,976	4,054	-1.9%
IT services	296	287	3.1%	897	854	5.0%
Merchandise	169	191	-11.5%	551	583	-5.5%
Wholesale	131	139	-5.8%	388	402	-3.5%
Revenue other	39	40	-2.5%	109	130	-16.2%
<b>External revenue</b>	<b>1,963</b>	<b>2,009</b>	<b>-2.3%</b>	<b>5,921</b>	<b>6,023</b>	<b>-1.7%</b>
Intersegment revenue	15	14	7.1%	45	44	2.3%
<b>Revenue</b>	<b>1,978</b>	<b>2,023</b>	<b>-2.2%</b>	<b>5,966</b>	<b>6,067</b>	<b>-1.7%</b>
Direct costs	(398)	(428)	-7.0%	(1,180)	(1,243)	-5.1%
Indirect costs	(674)	(682)	-1.2%	(2,062)	(2,051)	0.5%
<b>Operating expense</b>	<b>(1,072)</b>	<b>(1,110)</b>	<b>-3.4%</b>	<b>(3,242)</b>	<b>(3,294)</b>	<b>-1.6%</b>
<b>EBITDA</b>	<b>906</b>	<b>913</b>	<b>-0.8%</b>	<b>2,724</b>	<b>2,773</b>	<b>-1.8%</b>
Margin as % of revenue	45.8	45.1		45.7	45.7	
<b>Operating free cash flow</b>						
EBITDA	906	913	-0.8%	2,724	2,773	-1.8%
Lease expense	(59)	(58)	-%	(174)	(169)	3.0%
<b>EBITDA after lease expense (EBITDAaL)</b>	<b>847</b>	<b>855</b>	<b>-0.9%</b>	<b>2,550</b>	<b>2,604</b>	<b>-2.1%</b>
Capital expenditure	(437)	(376)	16.2%	(1,302)	(1,197)	8.8%
<b>Operating free cash flow</b>	<b>410</b>	<b>479</b>	<b>-14.4%</b>	<b>1,248</b>	<b>1,407</b>	<b>-11.3%</b>
<b>Operational data in thousand and headcount</b>						
Fixed telephony access lines				1,159	1,249	-7.2%
Broadband access lines retail				1,973	2,009	-1.8%
TV access lines				1,499	1,541	-2.7%
Mobile access lines				6,279	6,264	0.2%
Access lines wholesale				722	683	5.7%
Full-time equivalent employees				13,400	13,218	1.4%

Swisscom Switzerland's revenue decreased by 1.7% or CHF 101 million to CHF 5,966 million. Revenue from telecoms services declined by 1.9% or CHF 78 million to CHF 3,976 million. Of this decline, CHF 44 million (-1.5%) was attributable to the Residential Customers segment and CHF 34 million (-2.9%) to the Business Customers segment. Revenue from merchandise dipped by CHF 32 million or 5.5% to CHF 551 million. Of this decline, CHF 38 million (-11.1%) was attributable to the Residential Customers segment due to the lower number of smartphones sold. The Business Customers segment reported a slight increase of CHF 6 million (+2.5%). Revenue from IT services rose by 5.0% to CHF 897 million. In an intense market environment, there was a reduction in the number of connections for broadband (-1.8%) and TV (-2.7%), while the number of connections for mobile telephony increased slightly (+0.2%). In mobile communications, the customer structure changed due to an increase in postpaid lines (+102,000) and a similarly pronounced decrease in prepaid lines (-87,000). The share of secondary and third-party brands in the Residential Customers segment rose from 30% to 33%. The number of connections for fixed network telephony dropped (-7.2%) as a result of its substitution with mobile telephony.

The operating expense decreased by 1.6% or CHF 52 million. Direct costs fell by CHF 63 million or 5.1%. There was a drop in both the cost of purchasing merchandise, and subscriber acquisition and customer loyalty costs. Indirect costs rose by CHF 11 million (+0.5%), or by CHF 7 million if non-recurring items are left out of the equation. In telecommunications, cost savings of CHF 23 million were realised through efficiency improvement measures. By contrast, indirect costs in the area of IT services increased by CHF 30 million. Headcount increased by 1.4% year-on-year to 13,400 FTEs as a result of company acquisitions. Operating income before depreciation and amortisation (EBITDA) decreased by 1.8% or by CHF 49 million to CHF 2,724 million. The EBITDA decline was CHF 45 million (-1.6%) without taking non-recurring items in account. Cost-cutting measures partly compensated for the decline in revenue from telecoms services. Capital expenditure increased by 8.8% or CHF 105 million to CHF 1,302 million mainly due to higher capital expenditure in the expansion of the access network with optical fibre and increased 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	3 <sup>rd</sup> quarter 2024	3 <sup>rd</sup> quarter 2023	Change	1.01.–30.09. 2024	1.01.–30.09. 2023	Change
<b>Revenue and operating income before depreciation and amortisation (EBITDA)</b>						
Residential customers	292	289	1.0%	870	869	0.1%
Corporate customers	304	287	5.9%	883	814	8.5%
Wholesale	92	83	10.8%	273	224	21.9%
<b>External revenue</b>	<b>688</b>	<b>659</b>	<b>4.4%</b>	<b>2,026</b>	<b>1,907</b>	<b>6.2%</b>
Intersegment revenue	3	1	200.0%	5	4	25.0%
<b>Revenue</b>	<b>691</b>	<b>660</b>	<b>4.7%</b>	<b>2,031</b>	<b>1,911</b>	<b>6.3%</b>
Direct costs	(348)	(315)	10.5%	(996)	(887)	12.3%
Indirect costs	(112)	(116)	-3.4%	(387)	(397)	-2.5%
<b>Operating expense</b>	<b>(460)</b>	<b>(431)</b>	<b>6.7%</b>	<b>(1,383)</b>	<b>(1,284)</b>	<b>7.7%</b>
<b>EBITDA</b>	<b>231</b>	<b>229</b>	<b>0.9%</b>	<b>648</b>	<b>627</b>	<b>3.3%</b>
Margin as % of revenue	33.4	34.7		31.9	32.8	
<b>Operating free cash flow</b>						
EBITDA	231	229	0.9%	648	627	3.3%
Lease expense	(13)	(14)	-7.1%	(38)	(41)	-7.3%
<b>EBITDA after lease expense (EBITDAaL)</b>	<b>218</b>	<b>215</b>	<b>1.4%</b>	<b>610</b>	<b>586</b>	<b>4.1%</b>
Capital expenditure	(144)	(148)	-2.7%	(451)	(445)	1.3%
<b>Operating free cash flow</b>	<b>74</b>	<b>67</b>	<b>10.4%</b>	<b>159</b>	<b>141</b>	<b>12.8%</b>
<b>Operational data in thousand and headcount</b>						
Broadband access lines retail				2,548	2,613	-2.5%
Broadband access lines wholesale				832	579	43.7%
Mobile access lines				3,816	3,428	11.3%
Full-time equivalent employees				3,266	3,146	3.8%

Fastweb's revenue rose year-on-year by 6.3% or EUR 120 million to EUR 2,031 million. Competition remained fierce. The customer base in the fixed-network business (retail and wholesale) grew by 5.9% overall to 3.38 million. While the customer base in the retail segment fell by 2.5% to 2.55 million due to the challenging market environment, the number of ultra-fast broadband connections provided by Fastweb to other operators (wholesale business) rose to 832,000 (+43.7%). Among retail customers, the share of ultra-fast broadband connections increased by two percentage points to 91%. The number of mobile access lines increased by 388,000 (+11.3%) to 3.82 million, with bundled offerings continuing to play an important role here. 44% of broadband customers used a bundled offering combining fixed network and mobile. At EUR 870 million, residential customer revenue remained at almost the same level year-on-year (+0.1%). The lower revenue in the fixed-network business was offset by an increase in the mobile business due to the larger customer base. Revenue from business customers increased by 8.5% or EUR 69 million to EUR 883 million, driven by higher revenue in IT services. Revenue from wholesale business increased by 21.9% or EUR 49 million to EUR 273 million due to broadband access growth.

Operating expenses increased by EUR 99 million (+7.7%). Operating expenses in the previous year had been influenced by the recognition of provisions for legal proceedings in the first half of 2023 in the amount of EUR 13 million. Without these items, the operating expense increased by EUR 112 million (+8.8%) and operating income before depreciation and amortisation (EBITDA) by EUR 8 million (+1.3%), largely due to revenue growth. Capital expenditure increased by 1.3% to EUR 451 million due to an increase in customer-driven investment. Headcount increased by 3.8% or 120 FTEs to 3,266 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	3 <sup>rd</sup> quarter 2024	3 <sup>rd</sup> quarter 2023	Change	1.01.–30.09. 2024	1.01.–30.09. 2023	Change
<b>Revenue and operating income before depreciation and amortisation (EBITDA)</b>						
External revenue	103	107	-3.7%	316	310	1.9%
Intersegment revenue	180	159	13.2%	504	451	11.8%
<b>Revenue</b>	<b>283</b>	<b>266</b>	<b>6.4%</b>	<b>820</b>	<b>761</b>	<b>7.8%</b>
Operating expense	(242)	(224)	8.0%	(708)	(668)	6.0%
<b>EBITDA</b>	<b>41</b>	<b>42</b>	<b>-2.4%</b>	<b>112</b>	<b>93</b>	<b>20.4%</b>
Margin as % of revenue	14.5	15.8		13.7	12.2	
<b>Operating free cash flow</b>						
EBITDA	41	42	-2.4%	112	93	20.4%
Lease expense	(3)	(3)	-%	(8)	(8)	-%
<b>EBITDA after lease expense (EBITDAal)</b>	<b>38</b>	<b>39</b>	<b>-2.6%</b>	<b>104</b>	<b>85</b>	<b>22.4%</b>
Capital expenditure	(11)	(10)	10.0%	(28)	(28)	-%
<b>Operating free cash flow</b>	<b>27</b>	<b>29</b>	<b>-6.9%</b>	<b>76</b>	<b>57</b>	<b>33.3%</b>
<b>Headcount</b>						
Full-time equivalent employees				3,314	3,322	-0.2%

Revenue in Other Operating Segments was up by 7.8% or CHF 59 million to CHF 820 million compared to the previous year, due primarily to higher revenue for cablex construction services. Operating income before depreciation and amortisation (EBITDA) was up by 20.4% or CHF 19 million to CHF 112 million due to one-off charges in connection with customer projects in the prior-year period. The profit margin stood at 13.7% (previous year: 12.2%). Headcount was at 3,314 full-time equivalents, almost on a par with the previous year (-0.2%).

## Depreciation and amortisation, non-operating results

In CHF million, except where indicated	3 <sup>rd</sup> quarter 2024	3 <sup>rd</sup> quarter 2023	Change	1.01.–30.09. 2024	1.01.–30.09. 2023	Change
<b>Operating income before depreciation and amortisation (EBITDA)</b>	<b>1,159</b>	<b>1,174</b>	<b>-1.3%</b>	<b>3,438</b>	<b>3,477</b>	<b>-1.1%</b>
Depreciation and amortisation of property, plant and equipment and intangible assets	(529)	(510)	3.7%	(1,590)	(1,566)	1.5%
Depreciation of right-of-use assets	(66)	(65)	1.5%	(196)	(197)	-0.5%
<b>Operating income (EBIT)</b>	<b>564</b>	<b>599</b>	<b>-5.8%</b>	<b>1,652</b>	<b>1,714</b>	<b>-3.6%</b>
Interest expense on financial liabilities	(52)	(20)	160.0%	(100)	(56)	78.6%
Interest income on financial assets	48	2	2,300.0%	60	5	1,100.0%
Interest expense on lease liabilities	(11)	(13)	-15.4%	(35)	(34)	2.9%
Other financial result	3	2	50.0%	–	(8)	-100.0%
Result of equity-accounted investees	–	–	–	(1)	–	–
<b>Income before income taxes</b>	<b>552</b>	<b>570</b>	<b>-3.2%</b>	<b>1,576</b>	<b>1,621</b>	<b>-2.8%</b>
Income tax expense	(105)	(108)	-2.8%	(293)	(311)	-5.8%
<b>Net income</b>	<b>447</b>	<b>462</b>	<b>-3.2%</b>	<b>1,283</b>	<b>1,310</b>	<b>-2.1%</b>
Attributable to equity holders of Swisscom Ltd	447	463	-3.5%	1,283	1,311	-2.1%
Attributable to non-controlling interests	–	(1)	-100.0%	–	(1)	-100.0%
Earnings per share (in CHF)	8.63	8.94	-3.5%	24.77	25.31	-2.1%

Net income fell slightly by CHF 27 million (-2.1%) to CHF 1,283 million. The lower operating income (CHF -62 million) was offset by an improvement in the financial result (CHF +18 million) and lower tax expense (CHF +18 million). The income tax expense was CHF 293 million (prior year: CHF 311 million), corresponding to an effective income tax rate of 18.6% (prior year: 19.2%).

The interest expense rose as a result of the new financing relating to the planned acquisition of Vodafone Italia. The funds raised are being invested in financial assets until the transaction is completed to compensate for the higher interest expense.



## Cash flows

In CHF million	1.01.–30.09. 2024	1.01.–30.09. 2023	Change
Operating income before depreciation and amortisation (EBITDA)	3,438	3,477	(39)
Lease expense	(217)	(217)	–
<b>EBITDA after lease expense (EBITDAaL)</b>	<b>3,221</b>	<b>3,260</b>	<b>(39)</b>
Capital expenditure	(1,731)	(1,630)	(101)
<b>Operating free cash flow</b>	<b>1,490</b>	<b>1,630</b>	<b>(140)</b>
Change in net working capital	(195)	(242)	47
Change in net defined benefit liabilities	3	(25)	28
Net interest payments on financial assets and liabilities	(5)	(56)	51
Income taxes paid	(242)	(271)	29
Other operating cash flow	(14)	1	(15)
<b>Free cash flow</b>	<b>1,037</b>	<b>1,037</b>	<b>–</b>
Net expenditures for company acquisitions and disposals	(19)	(60)	41
Dividends paid to equity holders of Swisscom Ltd	(1,140)	(1,140)	–
Proceeds from sale of FiberCop	423	–	423
Other changes <sup>1</sup>	(123)	30	(153)
<b>Decrease (increase) in net debt</b>	<b>178</b>	<b>(133)</b>	<b>311</b>

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

Operating free cash flow fell by CHF 140 million to CHF 1,490 (–8,6%) million due to higher capital expenditure and lower EBITDA. Net working capital grew by CHF 195 million compared with the end of 2023 (prior year: increase of CHF 242 million). Various payment maturities for interest income and expenses resulted in lower net interest paid. Income taxes paid also dropped further due to other maturities. As a result, free cash flow remained stable at CHF 1,037 million. In the second quarter of 2024, an unchanged dividend per share of CHF 22 was paid, representing a total dividend payment of CHF 1,140 million. In 2024, Fastweb sold its 4.5% share in FiberCop for a purchase price of EUR 439 million (CHF 423 million).

## Net asset position

In CHF million, except where indicated	30.09.2024	31.12.2023	Change
Property, plant and equipment	11,330	11,059	271
Intangible assets	1,711	1,737	(26)
Goodwill	5,184	5,172	12
Right-of-use assets	1,976	1,972	4
Trade receivables	2,073	2,143	(70)
Receivables from finance leases	128	130	(2)
Trade payables	(1,518)	(1,611)	93
Provisions	(1,253)	(1,263)	10
Deferred gain on sale and leaseback of real estate	(78)	(81)	3
Other operating assets and liabilities, net	(37)	(148)	111
<b>Net operating assets</b>	<b>19,516</b>	<b>19,110</b>	<b>406</b>
Net debt	(6,893)	(7,071)	178
Defined benefit assets and liabilities, net	(21)	(10)	(11)
Income tax assets and liabilities, net	(913)	(875)	(38)
Equity-accounted investees and other financial assets	214	461	(247)
Non-current assets held for sale	5	7	(2)
<b>Equity</b>	<b>11,908</b>	<b>11,622</b>	<b>286</b>
Equity ratio in %	39.6	47.0	

Net operating assets rose by CHF 0.4 billion (+2.1%) to CHF 19.5 billion compared with year-end 2023. The increase is mainly due to the high level of investing activity in the network infrastructure in both Switzerland and Italy. Equity rose by CHF 0.3 billion (+2.5%) to CHF 11.9 billion. Net income of CHF 1,283 million and other gains recognised in equity of CHF 145 million were offset by dividend payments of CHF 1,140 million. 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. The equity ratio fell from 47.0% to 39.6% versus the end of 2023. The reason for the decrease in the equity ratio is the increase in the balance sheet total resulting from financial liabilities being issued in relation to the acquisition of Vodafone Italia.

## Net debt

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

In CHF million	30.09.2024	31.12.2023	Change
Debenture bonds	9,841	4,789	5,052
Bank loans	257	267	(10)
Private placements	321	322	(1)
Other financial liabilities	318	287	31
Lease liabilities	1,907	1,915	(8)
<b>Total financial liabilities and lease liabilities</b>	<b>12,644</b>	<b>7,580</b>	<b>5,064</b>
Cash and cash equivalents	(3,252)	(148)	(3,104)
Other financial assets	(2,499)	(361)	(2,138)
<b>Net debt</b>	<b>6,893</b>	<b>7,071</b>	<b>(178)</b>

As at 30 September 2024, the average interest rate on financial liabilities was 1.96%, the average residual term to maturity was 6.7 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.

In March 2024, Swisscom signed a contract to acquire Vodafone Italia for EUR 8.0 billion. The transaction is scheduled to complete in the first quarter of 2025. Swisscom finalised its transaction financing in the second quarter of 2024. This comprises the issue of domestic Swiss bonds totalling CHF 1.1 billion, eurobonds of EUR 4.0 billion and a syndicated bank loan in the amount of EUR 3.0 billion. The bonds were issued in May 2024. The funds raised from the bond issues were either used to repay existing debt or were invested in current financial assets. Current financial assets are recognised as cash and cash equivalents or as other financial assets in Swisscom's consolidated financial statements. For further information, see note 5 to the interim financial statements.

## Outlook

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

<sup>1</sup> Restated. For further information, see note 1 to the interim financial statements.

<sup>2</sup> EBITDA after lease expense (EBITDAaL) 2023: CHF 4,334 million; EBITDAaL guidance 2024: CHF 4.2–4.3 billion.

<sup>3</sup> Swisscom w/o Fastweb.

<sup>4</sup> 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, EBITDA of around 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	3 <sup>rd</sup> quarter 2024	3 <sup>rd</sup> quarter 2023	1.01.–30.09. 2024	1.01.–30.09. 2023
<b>Income statement</b>					
<b>Revenue</b>	2	<b>2,719</b>	<b>2,752</b>	<b>8,173</b>	<b>8,202</b>
Direct costs	3	(729)	(739)	(2,141)	(2,123)
Personnel expense	3	(644)	(634)	(2,048)	(1,984)
Other operating expense	3	(374)	(382)	(1,115)	(1,153)
Capitalised self-constructed assets and other income	3	187	177	569	535
<b>Operating income before depreciation and amortisation</b>		<b>1,159</b>	<b>1,174</b>	<b>3,438</b>	<b>3,477</b>
Depreciation and amortisation of property, plant and equipment and intangible assets		(529)	(510)	(1,590)	(1,566)
Depreciation of right-of-use assets		(66)	(65)	(196)	(197)
<b>Operating income</b>		<b>564</b>	<b>599</b>	<b>1,652</b>	<b>1,714</b>
Financial income	6	64	14	99	25
Financial expense	6	(76)	(43)	(174)	(118)
Result of equity-accounted investees		–	–	(1)	–
<b>Income before income taxes</b>		<b>552</b>	<b>570</b>	<b>1,576</b>	<b>1,621</b>
Income tax expense		(105)	(108)	(293)	(311)
<b>Net income</b>		<b>447</b>	<b>462</b>	<b>1,283</b>	<b>1,310</b>
<b>Other comprehensive income</b>					
Actuarial gains and losses from defined benefit pension plans		(3)	(7)	(10)	(22)
Change in fair value of equity instruments		(11)	(7)	161	68
<b>Items that will not be reclassified to income statement</b>		<b>(14)</b>	<b>(14)</b>	<b>151</b>	<b>46</b>
Foreign currency translation adjustments of foreign subsidiaries		(63)	(25)	15	(38)
Change in cash flow hedges		(40)	3	(21)	4
<b>Items that are or may be reclassified subsequently to income statement</b>		<b>(103)</b>	<b>(22)</b>	<b>(6)</b>	<b>(34)</b>
<b>Other comprehensive income</b>		<b>(117)</b>	<b>(36)</b>	<b>145</b>	<b>12</b>
<b>Comprehensive income</b>					
Net income		447	462	1,283	1,310
Other comprehensive income		(117)	(36)	145	12
<b>Comprehensive income</b>		<b>330</b>	<b>426</b>	<b>1,428</b>	<b>1,322</b>
<b>Share of net income and comprehensive income</b>					
Equity holders of Swisscom Ltd		447	463	1,283	1,311
Non-controlling interests		–	(1)	–	(1)
<b>Net income</b>		<b>447</b>	<b>462</b>	<b>1,283</b>	<b>1,310</b>
Equity holders of Swisscom Ltd		331	427	1,429	1,323
Non-controlling interests		(1)	(1)	(1)	(1)
<b>Comprehensive income</b>		<b>330</b>	<b>426</b>	<b>1,428</b>	<b>1,322</b>
<b>Earnings per share</b>					
<b>Basic and diluted earnings per share (in CHF)</b>		<b>8.63</b>	<b>8.94</b>	<b>24.77</b>	<b>25.31</b>

## Consolidated balance sheet (unaudited)

In CHF million	Note	30.09.2024	31.12.2023
<b>Assets</b>			
Cash and cash equivalents	5	3,252	148
Trade receivables	7	2,073	2,143
Receivables from finance leases	7	42	46
Other operating assets	7	1,461	1,323
Other financial assets	5	2,175	50
Current income tax assets		3	1
Non-current assets held for sale		5	7
<b>Total current assets</b>		<b>9,011</b>	<b>3,718</b>
Property, plant and equipment		11,330	11,059
Intangible assets		1,711	1,737
Goodwill		5,184	5,172
Right-of-use assets		1,976	1,972
Equity-accounted investees		25	27
Receivables from finance leases		86	84
Other financial assets		515	745
Net defined benefit assets		–	11
Deferred tax assets		211	225
<b>Total non-current assets</b>		<b>21,038</b>	<b>21,032</b>
<b>Total assets</b>		<b>30,049</b>	<b>24,750</b>
<b>Liabilities and equity</b>			
Financial liabilities	5	673	718
Lease liabilities		230	227
Trade payables	7	1,518	1,611
Other operating liabilities	7	1,498	1,471
Provisions	8	93	115
Current income tax liabilities		258	203
<b>Total current liabilities</b>		<b>4,270</b>	<b>4,345</b>
Financial liabilities	5	10,064	4,947
Lease liabilities		1,677	1,688
Net defined benefit liabilities		21	21
Provisions	8	1,160	1,148
Deferred gain on sale and leaseback of real estate		78	81
Deferred tax liabilities		871	898
<b>Total non-current liabilities</b>		<b>13,871</b>	<b>8,783</b>
<b>Total liabilities</b>		<b>18,141</b>	<b>13,128</b>
Share capital		52	52
Capital reserves		136	136
Retained earnings		13,822	13,529
Foreign currency translation adjustments		(2,071)	(2,086)
Hedge reserves		(33)	(12)
<b>Equity attributable to equity-holders of Swisscom Ltd</b>		<b>11,906</b>	<b>11,619</b>
Non-controlling interests		2	3
<b>Total equity</b>		<b>11,908</b>	<b>11,622</b>
<b>Total liabilities and equity</b>		<b>30,049</b>	<b>24,750</b>

## Consolidated statement of cash flows (unaudited)

In CHF million	Note	1.01.–30.09. 2024	1.01.–30.09. 2023
Net income		1,283	1,310
Income tax expense		293	311
Result of equity-accounted investees		1	–
Financial income	6	(99)	(25)
Financial expense	6	174	118
Depreciation and amortisation of property, plant and equipment and intangible assets		1,590	1,566
Depreciation of right-of-use assets		196	197
Gain on sale of property, plant and equipment		(7)	(5)
Loss on sale of property, plant and equipment		–	1
Expense for share-based payments		1	1
Revenue from finance leases		(59)	(62)
Proceeds from finance leases		63	80
Change in deferred gain from the sale and leaseback of real estate		(3)	(3)
Change in operating assets and liabilities	7	(134)	(195)
Change in provisions		(58)	(44)
Change in net defined benefit liabilities		3	(25)
Interest received		57	5
Interest payments on financial liabilities		(62)	(61)
Interest payments on lease liabilities		(35)	(34)
Dividends received		1	9
Income taxes paid		(242)	(271)
<b>Cash flow from operating activities</b>		<b>2,963</b>	<b>2,873</b>
Purchase of property, plant and equipment and intangible assets		(1,715)	(1,615)
Sale of property, plant and equipment and intangible assets		10	8
Acquisition of subsidiaries, net of cash and cash equivalents acquired		(20)	(62)
Proceeds from sale of subsidiaries, net of cash and cash equivalents sold		1	3
Acquisition of equity-accounted investees		–	(1)
Purchase of other financial assets		(2,159)	(19)
Proceeds from other financial assets	10	431	17
Other cash flows from investing activities		(13)	(10)
<b>Cash flow used in investing activities</b>		<b>(3,465)</b>	<b>(1,679)</b>
Issuance of financial liabilities	5	5,639	635
Repayment of financial liabilities	5	(523)	(445)
Repayment of lease liabilities		(208)	(217)
Dividends paid to equity holders of Swisscom Ltd		(1,140)	(1,140)
Dividends paid to non-controlling interests		–	(1)
Other cash flows from financing activities		(2)	(17)
<b>Cash inflow (outflow) from financing activities</b>		<b>3,766</b>	<b>(1,185)</b>
<b>Net increase in cash and cash equivalents</b>		<b>3,264</b>	<b>9</b>
Cash and cash equivalents at 1 January		148	121
Foreign currency translation adjustments in respect of cash and cash equivalents		(160)	(3)
<b>Cash and cash equivalents at the end of period</b>		<b>3,252</b>	<b>127</b>

## 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
<b>Balance at 1 January 2023</b>	<b>52</b>	<b>136</b>	<b>12,942</b>	<b>(1,960)</b>	<b>(2)</b>	<b>11,168</b>	<b>3</b>	<b>11,171</b>
Net income	–	–	1,311	–	–	1,311	(1)	1,310
Other comprehensive income	–	–	46	(38)	4	12	–	12
<b>Comprehensive income</b>	<b>–</b>	<b>–</b>	<b>1,357</b>	<b>(38)</b>	<b>4</b>	<b>1,323</b>	<b>(1)</b>	<b>1,322</b>
Dividends paid	–	–	(1,140)	–	–	(1,140)	(1)	(1,141)
Other changes	–	–	(1)	–	–	(1)	2	1
<b>Balance at 30 September 2023</b>	<b>52</b>	<b>136</b>	<b>13,158</b>	<b>(1,998)</b>	<b>2</b>	<b>11,350</b>	<b>3</b>	<b>11,353</b>
<b>Balance at 1 January 2024</b>	<b>52</b>	<b>136</b>	<b>13,529</b>	<b>(2,086)</b>	<b>(12)</b>	<b>11,619</b>	<b>3</b>	<b>11,622</b>
Net income	–	–	1,283	–	–	1,283	–	1,283
Other comprehensive income	–	–	151	15	(21)	145	–	145
<b>Comprehensive income</b>	<b>–</b>	<b>–</b>	<b>1,434</b>	<b>15</b>	<b>(21)</b>	<b>1,428</b>	<b>–</b>	<b>1,428</b>
Dividends paid	–	–	(1,140)	–	–	(1,140)	–	(1,140)
Other changes	–	–	(1)	–	–	(1)	(1)	(2)
<b>Balance at 30 September 2024</b>	<b>52</b>	<b>136</b>	<b>13,822</b>	<b>(2,071)</b>	<b>(33)</b>	<b>11,906</b>	<b>2</b>	<b>11,908</b>

# 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 30 September 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 (Berne). 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 30 October 2024. To date, no material events after the reporting date have occurred.

### Basis of preparation

The consolidated interim financial statements for the nine months to 30 September 2024 have been 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 ending 31 December 2023.

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 0.944 was used as the closing rate (31 December 2023: CHF/EUR 0.926) and 0.9554 as the average rate for the period (prior year: CHF/EUR 0.9802).

## 1 Accounting policies

As of 1 January 2024, Swisscom adopted various amendments to the existing International Accounting Standards (IFRS) and interpretations, none of which has 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 in the introduction of changes, primarily to the way purchased network services are classified and presented, from 2024 onwards. This improves the presentation of operating expenses for the financial management of Swisscom's operating units. The previous year was adjusted accordingly. The change increases direct costs, and reduces indirect costs, for the 2023 financial year by CHF 181 million in each case (first nine months of 2023: CHF 144 million).



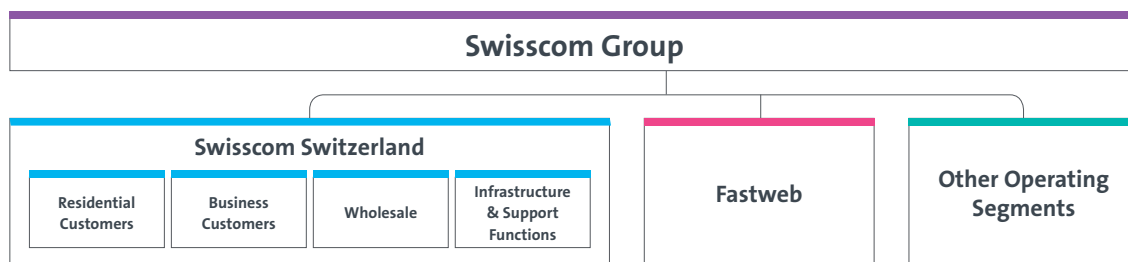
## 2 Segment information

### 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 were restated as follows:

In CHF million	Reported	Adjustment	Restated
<b>Revenue</b>			
<b>Financial year 2023</b>			
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)
<b>Swisscom Switzerland</b>	<b>8,146</b>	<b>1</b>	<b>8,147</b>
Fastweb	2,561	–	2,561
Other Operating Segments	1,075	(12)	1,063
Intersegment elimination	(710)	11	(699)
<b>Total revenue</b>	<b>11,072</b>	<b>–</b>	<b>11,072</b>
<b>Operating income before depreciation and amortisation (EBITDA)</b>			
<b>Financial year 2023</b>			
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
<b>Swisscom Switzerland</b>	<b>3,701</b>	<b>8</b>	<b>3,709</b>
Fastweb	776	–	776
Other Operating Segments	153	(8)	145
Reconciliation pension cost	37	–	37
Intersegment elimination	(45)	–	(45)
<b>Total EBITDA</b>	<b>4,622</b>	<b>–</b>	<b>4,622</b>

## 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 nine months of 2024, the Eliminations segment result includes income of CHF 14 million (prior year: income of CHF 28 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 14 million (prior year: CHF 14 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 nine months of 2024 includes IRU payments of CHF 16 million (prior year: CHF 15 million).

## Segment information 2024

1.01.–30.09.2024, in CHF million	Swisscom Switzerland	Fastweb	Other Operating Segments	Elimination	<b>Total</b>
Residential customers	3,235	831	–	–	4,066
Corporate customers	2,298	844	316	–	3,458
Wholesale customers	388	261	–	–	649
<b>External revenue</b>	<b>5,921</b>	<b>1,936</b>	<b>316</b>	<b>–</b>	<b>8,173</b>
Intersegment revenue	45	4	504	(553)	–
<b>Revenue</b>	<b>5,966</b>	<b>1,940</b>	<b>820</b>	<b>(553)</b>	<b>8,173</b>
Direct costs	(1,180)	(951)	(56)	46	(2,141)
Indirect costs	(2,062)	(370)	(652)	490	(2,594)
<b>Operating income before depreciation and amortisation (EBITDA)</b>	<b>2,724</b>	<b>619</b>	<b>112</b>	<b>(17)</b>	<b>3,438</b>
Depreciation and amortisation of property, plant and equipment and intangible assets					(1,590)
Depreciation of right-of-use assets					(196)
<b>Operating income (EBIT)</b>					<b>1,652</b>
Financial income					99
Financial expense					(174)
Result of equity-accounted investees					(1)
<b>Income before income taxes</b>					<b>1,576</b>
Income tax expense					(293)
<b>Net income</b>					<b>1,283</b>
EBITDA	2,724	619	112	(17)	3,438
Lease expense	(174)	(36)	(8)	1	(217)
<b>EBITDA after lease expense (EBITDAal)</b>	<b>2,550</b>	<b>583</b>	<b>104</b>	<b>(16)</b>	<b>3,221</b>
Capital expenditure	(1,302)	(431)	(28)	30	(1,731)
<b>Operating free cash flow</b>	<b>1,248</b>	<b>152</b>	<b>76</b>	<b>14</b>	<b>1,490</b>

## Segment information Swisscom Switzerland 2024

1.01.–30.09.2024, in CHF million	Residential Customers	Business Customers	Wholesale	Infrastructure & Support Functions	Elimination	<b>Total Swisscom Switzerland</b>
Fixed-line	1,473	598	–	–	–	2,071
Mobile	1,376	529	–	–	–	1,905
<b>Telecom services</b>	<b>2,849</b>	<b>1,127</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3,976</b>
IT services	–	897	–	–	–	897
Merchandise	304	246	–	–	1	551
Wholesale	–	–	388	–	–	388
Revenue other	82	15	–	13	(1)	109
<b>External revenue</b>	<b>3,235</b>	<b>2,285</b>	<b>388</b>	<b>13</b>	<b>–</b>	<b>5,921</b>
Intersegment revenue	12	25	7	44	(43)	45
<b>Revenue</b>	<b>3,247</b>	<b>2,310</b>	<b>395</b>	<b>57</b>	<b>(43)</b>	<b>5,966</b>
Direct costs	(562)	(534)	(171)	(1)	88	(1,180)
Indirect costs	(436)	(800)	(9)	(772)	(45)	(2,062)
<b>Operating income before depreciation and amortisation (EBITDA)</b>	<b>2,249</b>	<b>976</b>	<b>215</b>	<b>(716)</b>	<b>–</b>	<b>2,724</b>
Capital expenditure	(23)	(31)	–	(1,248)	–	(1,302)

## Segment information 2023

1.01.–30.09.2023, in CHF million, restated	Swisscom Switzerland	Fastweb	Other Operating Segments	Elimination	Total
Residential customers	3,336	852	–	–	4,188
Corporate customers	2,285	798	310	–	3,393
Wholesale customers	402	219	–	–	621
<b>External revenue</b>	<b>6,023</b>	<b>1,869</b>	<b>310</b>	<b>–</b>	<b>8,202</b>
Intersegment revenue	44	4	451	(499)	–
<b>Revenue</b>	<b>6,067</b>	<b>1,873</b>	<b>761</b>	<b>(499)</b>	<b>8,202</b>
Direct costs	(1,243)	(869)	(60)	49	(2,123)
Indirect costs	(2,051)	(390)	(608)	447	(2,602)
<b>Operating income before depreciation and amortisation (EBITDA)</b>	<b>2,773</b>	<b>614</b>	<b>93</b>	<b>(3)</b>	<b>3,477</b>
Depreciation and amortisation of property, plant and equipment and intangible assets					(1,566)
Depreciation of right-of-use assets					(197)
<b>Operating income (EBIT)</b>					<b>1,714</b>
Financial income					25
Financial expense					(118)
Result of equity-accounted investees					–
<b>Income before income taxes</b>					<b>1,621</b>
Income tax expense					(311)
<b>Net income</b>					<b>1,310</b>
EBITDA	2,773	614	93	(3)	3,477
Lease expense	(169)	(40)	(8)	–	(217)
<b>EBITDA after lease expense (EBITDAal)</b>	<b>2,604</b>	<b>574</b>	<b>85</b>	<b>(3)</b>	<b>3,260</b>
Capital expenditure	(1,197)	(436)	(28)	31	(1,630)
<b>Operating free cash flow</b>	<b>1,407</b>	<b>138</b>	<b>57</b>	<b>28</b>	<b>1,630</b>

## Segment information Swisscom Switzerland 2023

1.01.–30.09.2023, in CHF million, restated	Residential Customers	Business Customers	Wholesale	Infrastructure & Support Functions	Elimination	Total Swisscom Switzerland
Fixed-line	1,501	616	–	–	(1)	2,116
Mobile	1,392	545	–	–	1	1,938
<b>Telecom services</b>	<b>2,893</b>	<b>1,161</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>4,054</b>
IT services	–	854	–	–	–	854
Merchandise	342	240	–	–	1	583
Wholesale	–	–	402	–	–	402
Revenue other	101	17	–	13	(1)	130
<b>External revenue</b>	<b>3,336</b>	<b>2,272</b>	<b>402</b>	<b>13</b>	<b>–</b>	<b>6,023</b>
Intersegment revenue	11	21	9	44	(41)	44
<b>Revenue</b>	<b>3,347</b>	<b>2,293</b>	<b>411</b>	<b>57</b>	<b>(41)</b>	<b>6,067</b>
Direct costs	(626)	(517)	(188)	–	88	(1,243)
Indirect costs	(459)	(766)	(4)	(776)	(46)	(2,051)
<b>Operating income before depreciation and amortisation (EBITDA)</b>	<b>2,262</b>	<b>1,010</b>	<b>219</b>	<b>(719)</b>	<b>1</b>	<b>2,773</b>
Capital expenditure	(27)	(42)	–	(1,128)	–	(1,197)

### 3 Operating costs

#### Direct costs

In CHF million	1.01.–30.09.2024	1.01.–30.09.2023
Customer premises equipment and merchandise	663	714
Services purchased	513	452
Costs to obtain a contract	167	158
Costs to fulfill a contract	56	66
Network access costs of swiss subsidiaries	168	188
Network access costs of foreign subsidiaries	574	545
<b>Total direct costs</b>	<b>2,141</b>	<b>2,123</b>

#### Indirect costs

In CHF million	1.01.–30.09.2024	1.01.–30.09.2023
Salary and social security expenses	2,013	1,940
Other personnel expense	35	44
<b>Total personnel expense</b>	<b>2,048</b>	<b>1,984</b>
Information technology cost	213	210
Maintenance expense	192	195
Energy costs	123	118
Advertising and selling expenses	114	115
Consultancy expenses and freelance workforce	73	64
Call centre services purchased	82	89
Administration expense	24	25
Allowances for receivables and contract assets	38	51
Miscellaneous operating expenses	256	286
<b>Total other operating expense</b>	<b>1,115</b>	<b>1,153</b>
Capitalised self-constructed tangible and intangible assets	(451)	(394)
Own work for capitalised contract costs	(28)	(39)
Gain on sale of property, plant and equipment	(7)	(5)
Miscellaneous income	(83)	(97)
<b>Total capitalised self-constructed assets and other income</b>	<b>(569)</b>	<b>(535)</b>
<b>Total indirect costs</b>	<b>2,594</b>	<b>2,602</b>

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 4 April 2024.

## 5 Financial liabilities

In CHF million	Carring amount 1.01.2024	Issuance	Repayment	Other changes <sup>1</sup>	Carring amount 30.09.2024	Fair Value
<b>Financial liabilities</b>						
Bank loans	267	2	(23)	11	257	260
Debenture bonds	4,789	5,634	(500)	(82)	9,841	9,968
Private placements	322	–	–	(1)	321	322
Derivative financial instruments	136	–	–	26	162	162
Other financial liabilities	151	3	–	2	156	151
<b>Total financial liabilities</b>	<b>5,665</b>	<b>5,639</b>	<b>(523)</b>	<b>(44)</b>	<b>10,737</b>	<b>10,863</b>

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

In March 2024, Swisscom signed a contract to acquire Vodafone Italia for EUR 8.0 billion. The transaction is scheduled to complete in the first quarter of 2025. Swisscom finalised its transaction financing in the second quarter of 2024. This comprises the issue of domestic Swiss bonds totalling CHF 1.1 billion, eurobonds of EUR 4.0 billion and a syndicated bank loan in the amount of EUR 3.0 billion. Swisscom issued the bonds as follows in May 2024:

In CHF million or EUR million	Maturity years	Par value in currency	Nominal interest rate
Debenture bond in CHF	2024–2030	315	1,65%
Debenture bond in CHF	2024–2034	455	1,80%
Debenture bond in CHF	2024–2039	375	2,00%
<b>Total debenture bonds in CHF</b>		<b>1,145</b>	
Debenture bond in EUR	2024–2026	500	3,50%
Debenture bond in EUR	2024–2028	500	3,50%
Debenture bond in EUR	2024–2031	1,250	3,50%
Debenture bond in EUR	2024–2036	1,000	3,625%
Debenture bond in EUR	2024–2044	750	3,875%
<b>Total debenture bonds in EUR</b>		<b>4,000</b>	

The funds raised from the bond issues were either used to repay existing debt or were invested in current financial assets. Depending on the maturity, current financial assets are recognised as cash and cash equivalents or as other current financial assets in Swisscom's consolidated financial statements. If the transaction does not materialise, the bonds can be redeemed early at 101% of their nominal value. The syndicated bank loan totalling EUR 3.0 billion will be made available in two equal tranches with terms of three and five years respectively.

Swisscom also raised two bonds in the third quarter of 2024: a bond of CHF 100 million with a coupon of 1.2%, maturing in 2035 and a bond of EUR 500 million with a coupon of 3.25%, maturing in 2034. The funds raised from the bond issues were either used to repay existing debt or were invested in current financial assets.

Swisscom also 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 30 September 2024, none of these lines of credit had been drawn down, as in the prior year.

## 6 Financial result

In CHF million	1.01.–30.09.2024	1.01.–30.09.2023
Interest income on financial assets	60	5
Foreign exchange gains	22	–
Interest and present-value adjustments on provisions	4	–
Other financial income	13	20
<b>Total financial income</b>	<b>99</b>	<b>25</b>
Interest expense on financial liabilities	(100)	(56)
Interest expense on lease liabilities	(35)	(34)
Change in fair value of interest rate swaps	–	(3)
Interest and present-value adjustments on provisions	–	(8)
Other financial expense	(39)	(17)
<b>Total financial expense</b>	<b>(174)</b>	<b>(118)</b>
<b>Financial income and financial expense, net</b>	<b>(75)</b>	<b>(93)</b>
Interest expense on lease liabilities	(35)	(34)
Net interest expense on financial assets and liabilities	(40)	(51)

## 7 Net current operating assets

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

In CHF million	01.01.2024	Operational changes	Other changes <sup>1</sup>	30.09.2024
Trade receivables	2,143	(86)	16	2,073
Other operating assets	1,323	120	18	1,461
Trade payables	(1,611)	109	(16)	(1,518)
Other operating liabilities	(1,471)	(9)	(18)	(1,498)
<b>Total operating assets and liabilities, net</b>	<b>384</b>	<b>134</b>	<b>–</b>	<b>518</b>

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

## Other operating assets and liabilities

In CHF million	30.09.2024	31.12.2023
<b>Other operating assets</b>		
Contract assets	209	174
Contract costs	267	268
Inventories	138	161
Prepaid expenses	630	528
Other operating assets	217	192
<b>Total other operating assets</b>	<b>1,461</b>	<b>1,323</b>
<b>Other operating liabilities</b>		
Contract liabilities	958	961
Accruals for variable performance-related bonus	103	146
Other operating liabilities	437	364
<b>Total other operating liabilities</b>	<b>1,498</b>	<b>1,471</b>

## 8 Provisions and contingent liabilities

### Provisions

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

In CHF million	Dismantlement and restoration costs	Regulatory and competition law proceedings	Others	Total
<b>Balance at 1 January 2024</b>	<b>866</b>	<b>200</b>	<b>197</b>	<b>1,263</b>
Additions to provisions	–	10	9	19
Adjustments recognised under property, plant and equipment	50	–	–	50
Interest and present-value adjustments	7	(11)	–	(4)
Release of unused provisions	–	(22)	(12)	(34)
Use of provisions	(15)	–	(28)	(43)
Business combinations	–	–	1	1
Foreign currency translation adjustments	–	–	1	1
<b>Balance at 30 September 2024</b>	<b>908</b>	<b>177</b>	<b>168</b>	<b>1,253</b>
Thereof current provisions	–	34	59	93
Thereof non-current provisions	908	143	109	1,160

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 that 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 a complaint 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 has appealed against the decision before the Federal Administrative Court.

In April 2013, COMCO launched an investigation against Swisscom under the Federal Cartel Act concerning the broadcasting of sporting events on pay TV. In May 2016, COMCO imposed a penalty of CHF 72 million on Swisscom in these proceedings. Swisscom filed an appeal against this ruling with the Federal Administrative Court. In June 2022, the Federal Administrative Court largely confirmed COMCO's ruling and ordered Swisscom to pay a fine of CHF 72 million. Swisscom paid the fine in the third quarter of 2022. Swisscom filed a complaint against this decision with the Federal Court. The Federal Court confirmed the fine of CHF 72 million in the final instance on 10 May 2024.

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 10 million were made in the first nine months of 2024 and CHF 33 million (including interest) was reversed. Any payments to be made will depend upon 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 30 September 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. Further information about financing is provided in Note 5 to the interim financial statements.

## 10 Sale of shares in FiberCop

In June 2024, Fastweb signed a contract for the sale of its 4.5% stake in FiberCop to Optics Bidco S.A., a subsidiary of KKR. KKR is thus acquiring all FiberCop shares held by Fastweb for an amount of EUR 439 million (CHF 423 million). The transaction was completed in July 2024. In Swisscom's consolidated financial statements, FiberCop is recognised at fair value through other comprehensive income and reported under other financial assets. The difference of EUR 189 million (CHF 181 million) between the purchase price and the previous carrying amount was recognised as income in other comprehensive income in the second quarter of 2024.

# 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 30 September 2024 are defined as follows:

Key performance measure	Swisscom definition
<b>Adjustments</b>	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.
<b>At constant exchange rates</b>	Key performance measures considering currency effects (figures for 2024 are translated at the 2023 exchange rate to calculate the currency effect).
<b>Operating income before depreciation and amortisation (EBITDA)</b>	Operating income before depreciation, amortisation and impairment losses of property, plant and equipment, intangible assets and right-of-use assets, financial expense and financial income, result of equity-accounted investees and income tax expense.
<b>Operating income (EBIT)</b>	Operating income before financial expense and financial income, result of equity accounted investees and income tax expense.
<b>Capital expenditure</b>	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.
<b>Operating free cash flow</b>	Operating income before depreciation and amortisation (EBITDA) less capital expenditure in property, plant and equipment, intangible assets and payments for indefeasible rights of use (IRU) and lease expense. Lease expense includes interest expense on lease liabilities and depreciation of rights of use excl. depreciation of indefeasible rights of use (IRU) and impairment losses on right-of-use assets.
<b>Free cash flow</b>	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.
<b>Net debt</b>	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.–30.09.2024	1.01.–30.09.2023	Change reported	Change at constant exchange rates
<b>Revenue</b>				
Revenue	8,173	8,202	–0.4%	0.3%
<b>Operating income before depreciation and amortisation (EBITDA)</b>				
EBITDA	3,438	3,477	–1.1%	–0.7%
Legal proceedings in Switzerland	(24)	(10)		
Legal proceedings in Italy	–	13		
Transaction costs for company acquisitions	18	–		
<b>EBITDA adjusted</b>	<b>3,432</b>	<b>3,480</b>	<b>–1.4%</b>	<b>–0.9%</b>
<b>Capital expenditure</b>				
Capital expenditure in property, plant and equipment and intangible assets	1,715	1,615	6.2%	6.9%
Payments for indefeasible rights of use (IRU)	16	15	6.7%	
<b>Capital expenditure</b>	<b>1,731</b>	<b>1,630</b>	<b>6.2%</b>	<b>6.9%</b>
<b>Operating free cash flow</b>				
Cash flow from operating activities	2,963	2,873	90	
Capital expenditure	(1,731)	(1,630)	(101)	
Depreciation of right-of-use assets	(196)	(197)	1	
Depreciation of indefeasible rights of use (IRU)	14	14	–	
Change in deferred gain from the sale and leaseback of real estate	3	3	–	
Change in operating assets and liabilities	134	195	(61)	
Change in provisions	58	44	14	
Change in net defined benefit liabilities	(3)	25	(28)	
Gain on sale of property, plant and equipment	7	5	2	
Loss on sale of property, plant and equipment	–	(1)	1	
Expense for share-based payments	(1)	(1)	–	
Revenue from finance leases	59	62	(3)	
Proceeds from finance leases	(63)	(80)	17	
Interest received	(57)	(5)	(52)	
Interest payments on financial liabilities	62	61	1	
Dividends received	(1)	(9)	8	
Income taxes paid	242	271	(29)	
<b>Operating free cash flow</b>	<b>1,490</b>	<b>1,630</b>	<b>(140)</b>	
<b>Free cash flow</b>				
Cash flow from operating activities	2,963	2,873	90	
Cash flow used in investing activities	(3,465)	(1,679)	(1,786)	
Repayment of lease liabilities	(208)	(217)	9	
Acquisition of subsidiaries, net of cash and cash equivalents acquired	20	62	(42)	
Proceeds from equity-accounted investees	(1)	(3)	2	
Acquisition of equity-accounted investees	–	1	(1)	
Purchase of other financial assets	2,159	19	2,140	
Proceeds from other financial assets	(431)	(19)	(412)	
<b>Free cash flow</b>	<b>1,037</b>	<b>1,037</b>	<b>–</b>	

# Further Information

## Share information

### Swisscom share performance indicators

1.01.–30.09.2024	SIX Swiss Exchange
Closing price as at 31 December 2023 in CHF <sup>1</sup>	506.00
Closing price as at 30 September 2024 in CHF <sup>1</sup>	552.20
Year high in CHF <sup>1</sup>	559.80
Year low in CHF <sup>1</sup>	486.80
Total volume of traded shares	16,452,518
Total turnover in CHF million	8,499.15
Daily average of traded shares	87,513
Daily average in CHF million	45.21

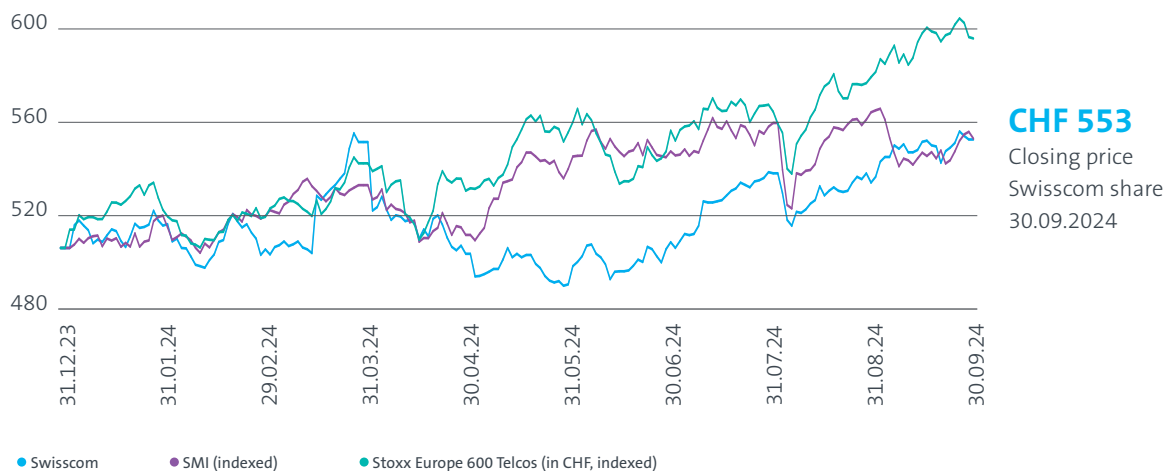
Source: Bloomberg

1 paid prices

## Share performance

### Share performance since 1 January 2024

in CHF



## Financial calendar

- 13 February 2025 2024 Annual Results and Annual Report
- 08 May 2025 2025 First-Quarter Results
- 07 August 2025 2025 Second-Quarter Results
- 06 November 2025 2025 Third-Quarter Results

## 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 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	2023	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	2024
<b>Income statement</b>										
<b>Revenue</b>	<b>2,747</b>	<b>2,703</b>	<b>2,752</b>	<b>2,870</b>	<b>11,072</b>	<b>2,703</b>	<b>2,751</b>	<b>2,719</b>		<b>8,173</b>
Direct costs	(710)	(674)	(739)	(783)	(2,906)	(685)	(727)	(729)		(2,141)
Personnel expense	(679)	(671)	(634)	(696)	(2,680)	(703)	(701)	(644)		(2,048)
Other operating expense	(358)	(413)	(382)	(477)	(1,630)	(362)	(379)	(374)		(1,115)
Capitalised self-constructed assets and other income	164	194	177	231	766	202	180	187		569
<b>Operating income (EBITDA)</b>	<b>1,164</b>	<b>1,139</b>	<b>1,174</b>	<b>1,145</b>	<b>4,622</b>	<b>1,155</b>	<b>1,124</b>	<b>1,159</b>		<b>3,438</b>
Depreciation and amortisation	(525)	(531)	(510)	(560)	(2,126)	(522)	(539)	(529)		(1,590)
Depreciation of right-of-use assets	(66)	(66)	(65)	(94)	(291)	(65)	(65)	(66)		(196)
<b>Operating income (EBIT)</b>	<b>573</b>	<b>542</b>	<b>599</b>	<b>491</b>	<b>2,205</b>	<b>568</b>	<b>520</b>	<b>564</b>		<b>1,652</b>
Net interest expense on financial assets and liabilities	(14)	(19)	(18)	(16)	(67)	(15)	(21)	(4)		(40)
Interest expense on lease liabilities	(12)	(9)	(13)	(10)	(44)	(12)	(12)	(11)		(35)
Other financial result	(4)	(6)	2	(11)	(19)	13	(16)	3		–
Equity-accounted investees	–	–	–	–	–	–	(1)	–		(1)
<b>Income before income taxes</b>	<b>543</b>	<b>508</b>	<b>570</b>	<b>454</b>	<b>2,075</b>	<b>554</b>	<b>470</b>	<b>552</b>		<b>1,576</b>
Income tax expense	(101)	(102)	(108)	(53)	(364)	(99)	(89)	(105)		(293)
<b>Net income</b>	<b>442</b>	<b>406</b>	<b>462</b>	<b>401</b>	<b>1,711</b>	<b>455</b>	<b>381</b>	<b>447</b>		<b>1,283</b>
Attributable to equity holders of Swisscom Ltd	442	406	463	400	1,711	455	381	447		1,283
Attributable to non-controlling interests	–	–	(1)	1	–	–	–	–		–
Earnings per share (in CHF)	8.53	7.84	8.94	7.72	33.03	8.78	7.35	8.63		24.77
<b>Revenue</b>										
Swisscom Switzerland	2,045	1,999	2,023	2,080	8,147	1,993	1,995	1,978		5,966
Fastweb	619	617	637	688	2,561	623	663	654		1,940
Other Operating Segments	240	255	266	302	1,063	252	285	283		820
Intersegment elimination	(157)	(168)	(174)	(200)	(699)	(165)	(192)	(196)		(553)
<b>Total revenue</b>	<b>2,747</b>	<b>2,703</b>	<b>2,752</b>	<b>2,870</b>	<b>11,072</b>	<b>2,703</b>	<b>2,751</b>	<b>2,719</b>		<b>8,173</b>
<b>Operating income before depreciation and amortisation (EBITDA)</b>										
Swisscom Switzerland	945	915	913	936	3,709	944	874	906		2,724
Fastweb	187	206	221	162	776	182	218	219		619
Other Operating Segments	32	19	42	52	145	33	38	41		112
Reconciliation pension cost	9	10	9	9	37	4	5	5		14
Elimination	(9)	(11)	(11)	(14)	(45)	(8)	(11)	(12)		(31)
<b>Total EBITDA</b>	<b>1,164</b>	<b>1,139</b>	<b>1,174</b>	<b>1,145</b>	<b>4,622</b>	<b>1,155</b>	<b>1,124</b>	<b>1,159</b>		<b>3,438</b>
<b>Capital expenditure</b>										
Swisscom Switzerland	394	427	376	493	1,690	445	420	437		1,302
Fastweb	152	141	143	170	606	149	145	137		431
Other Operating Segments	8	10	10	12	40	8	9	11		28
Intersegment elimination	(9)	(10)	(12)	(13)	(44)	(8)	(11)	(11)		(30)
<b>Total capital expenditure</b>	<b>545</b>	<b>568</b>	<b>517</b>	<b>662</b>	<b>2,292</b>	<b>594</b>	<b>563</b>	<b>574</b>		<b>1,731</b>

In CHF million, except where indicated	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	2023	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	2024
<b>Operating free cash flow</b>										
Operating income (EBITDA)	1,164	1,139	1,174	1,145	4,622	1,155	1,124	1,159		3,438
Lease expense	(73)	(70)	(74)	(71)	(288)	(72)	(73)	(72)		(217)
<b>EBITDA after lease expense (EBITDAaL)</b>	<b>1,091</b>	<b>1,069</b>	<b>1,100</b>	<b>1,074</b>	<b>4,334</b>	<b>1,083</b>	<b>1,051</b>	<b>1,087</b>		<b>3,221</b>
Capital expenditure	(545)	(568)	(517)	(662)	(2,292)	(594)	(563)	(574)		(1,731)
<b>Operating free cash flow</b>	<b>546</b>	<b>501</b>	<b>583</b>	<b>412</b>	<b>2,042</b>	<b>489</b>	<b>488</b>	<b>513</b>		<b>1,490</b>
<b>Free cash flow</b>										
Free cash flow	209	253	575	443	1,480	198	155	684		1,037
<b>Net debt</b>										
Net debt	7,171	8,108	7,507	7,071	7,071	6,941	7,919	6,893		6,893
<b>Full-time equivalent employees</b>										
Swisscom Switzerland	12,848	13,061	13,218	13,263	13,263	13,389	13,361	13,400		13,400
Fastweb	3,087	3,117	3,146	3,157	3,157	3,225	3,251	3,266		3,266
Other Operating Segments	3,317	3,319	3,322	3,309	3,309	3,333	3,324	3,314		3,314
<b>Total personnel expense</b>	<b>19,252</b>	<b>19,497</b>	<b>19,686</b>	<b>19,729</b>	<b>19,729</b>	<b>19,947</b>	<b>19,936</b>	<b>19,980</b>		<b>19,980</b>
<b>Information by geographical regions</b>										
Revenue in Switzerland	2,129	2,088	2,116	2,183	8,516	2,079	2,088	2,065		6,232
Revenue in other countries	618	615	636	687	2,556	624	663	654		1,941
<b>Total revenue</b>	<b>2,747</b>	<b>2,703</b>	<b>2,752</b>	<b>2,870</b>	<b>11,072</b>	<b>2,703</b>	<b>2,751</b>	<b>2,719</b>		<b>8,173</b>
Operating income (EBITDA) in Switzerland	975	933	951	983	3,842	972	905	939		2,816
Operating income (EBITDA) in other countries	189	206	223	162	780	183	219	220		622
<b>Total EBITDA</b>	<b>1,164</b>	<b>1,139</b>	<b>1,174</b>	<b>1,145</b>	<b>4,622</b>	<b>1,155</b>	<b>1,124</b>	<b>1,159</b>		<b>3,438</b>
Capital expenditure in Switzerland	392	427	374	492	1,685	444	418	436		1,298
Capital expenditure in other countries	153	141	143	170	607	150	145	138		433
<b>Total capital expenditure</b>	<b>545</b>	<b>568</b>	<b>517</b>	<b>662</b>	<b>2,292</b>	<b>594</b>	<b>563</b>	<b>574</b>		<b>1,731</b>
Headcount in Switzerland	15,755	15,929	16,048	16,051	16,051	16,105	16,044	16,043		16,043
Headcount in other countries	3,497	3,568	3,638	3,678	3,678	3,842	3,892	3,937		3,937
<b>Total headcount (full-time equivalent)</b>	<b>19,252</b>	<b>19,497</b>	<b>19,686</b>	<b>19,729</b>	<b>19,729</b>	<b>19,947</b>	<b>19,936</b>	<b>19,980</b>		<b>19,980</b>
<b>Fastweb, in EUR million</b>										
Residential customers	289	291	289	294	1,163	288	290	292		870
Corporate customers	261	266	287	320	1,134	284	295	304		883
Wholesale	71	70	83	106	330	84	97	92		273
<b>External revenue</b>	<b>621</b>	<b>627</b>	<b>659</b>	<b>720</b>	<b>2,627</b>	<b>656</b>	<b>682</b>	<b>688</b>		<b>2,026</b>
Intersegment revenue	2	1	1	2	6	2	–	3		5
<b>Revenue</b>	<b>623</b>	<b>628</b>	<b>660</b>	<b>722</b>	<b>2,633</b>	<b>658</b>	<b>682</b>	<b>691</b>		<b>2,031</b>
<b>Operating income (EBITDA)</b>	<b>188</b>	<b>210</b>	<b>229</b>	<b>171</b>	<b>798</b>	<b>192</b>	<b>225</b>	<b>231</b>		<b>648</b>
Margin as % of revenue	30.2	33.4	34.7	23.7	30.3	29.2	33.0	33.4		31.9
Lease expense	(13)	(14)	(14)	(14)	(55)	(13)	(12)	(13)		(38)
<b>EBITDA after lease expense (EBITDAaL)</b>	<b>175</b>	<b>196</b>	<b>215</b>	<b>157</b>	<b>743</b>	<b>179</b>	<b>213</b>	<b>218</b>		<b>610</b>
Capital expenditure	(153)	(144)	(148)	(178)	(623)	(157)	(150)	(144)		(451)
<b>Operating free cash flow</b>	<b>22</b>	<b>52</b>	<b>67</b>	<b>(21)</b>	<b>120</b>	<b>22</b>	<b>63</b>	<b>74</b>		<b>159</b>
Broadband access lines in thousand	2,662	2,631	2,613	2,601	2,601	2,582	2,557	2,548		2,548
Broadband access lines wholesale in thousand	498	532	579	648	648	720	778	832		832
Mobile access lines in thousand	3,231	3,343	3,428	3,509	3,509	3,611	3,724	3,816		3,816

In CHF million, except where indicated	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	2023	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	2024
<b>Swisscom Switzerland</b>										
<b>Revenue and results</b>										
Residential Customers	963	963	967	963	3,856	946	949	954		2,849
Business Customers	391	385	385	384	1,545	378	375	374		1,127
<b>Revenue telecom services</b>	<b>1,354</b>	<b>1,348</b>	<b>1,352</b>	<b>1,347</b>	<b>5,401</b>	<b>1,324</b>	<b>1,324</b>	<b>1,328</b>		<b>3,976</b>
IT services	283	284	287	300	1,154	297	304	296		897
Merchandise	217	175	191	252	835	187	195	169		551
Wholesale	131	132	139	128	530	134	123	131		388
Revenue other	45	45	40	39	169	35	35	39		109
<b>External revenue</b>	<b>2,030</b>	<b>1,984</b>	<b>2,009</b>	<b>2,066</b>	<b>8,089</b>	<b>1,977</b>	<b>1,981</b>	<b>1,963</b>		<b>5,921</b>
Intersegment revenue	15	15	14	14	58	16	14	15		45
<b>Revenue</b>	<b>2,045</b>	<b>1,999</b>	<b>2,023</b>	<b>2,080</b>	<b>8,147</b>	<b>1,993</b>	<b>1,995</b>	<b>1,978</b>		<b>5,966</b>
Residential Customers	1,137	1,099	1,111	1,158	4,505	1,078	1,079	1,090		3,247
Business Customers	768	760	765	790	3,083	773	785	752		2,310
Wholesale	134	135	142	130	541	136	126	133		395
Infrastructure & Support Functions	19	19	19	16	73	19	19	19		57
Intersegment elimination	(13)	(14)	(14)	(14)	(55)	(13)	(14)	(16)		(43)
<b>Revenue</b>	<b>2,045</b>	<b>1,999</b>	<b>2,023</b>	<b>2,080</b>	<b>8,147</b>	<b>1,993</b>	<b>1,995</b>	<b>1,978</b>		<b>5,966</b>
Residential Customers	754	748	760	745	3,007	748	744	757		2,249
Business Customers	342	330	338	335	1,345	325	320	331		976
Wholesale	80	86	53	106	325	93	65	57		215
Infrastructure & Support Functions	(232)	(248)	(239)	(250)	(969)	(221)	(256)	(239)		(716)
Intersegment elimination	1	(1)	1	–	1	(1)	1	–		–
<b>EBITDA</b>	<b>945</b>	<b>915</b>	<b>913</b>	<b>936</b>	<b>3,709</b>	<b>944</b>	<b>874</b>	<b>906</b>		<b>2,724</b>
Margin as % of revenue	46.2	45.8	45.1	45.0	45.5	47.4	43.8	45.8		45.7
Lease expense	(56)	(55)	(58)	(56)	(225)	(58)	(57)	(59)		(174)
<b>EBITDA after lease expense (EBITDAaL)</b>	<b>889</b>	<b>860</b>	<b>855</b>	<b>880</b>	<b>3,484</b>	<b>886</b>	<b>817</b>	<b>847</b>		<b>2,550</b>
Capital expenditure	(394)	(427)	(376)	(493)	(1,690)	(445)	(420)	(437)		(1,302)
<b>Operating free cash flow</b>	<b>495</b>	<b>433</b>	<b>479</b>	<b>387</b>	<b>1,794</b>	<b>441</b>	<b>397</b>	<b>410</b>		<b>1,248</b>
<b>Operational data in thousand</b>										
Residential Customers	1,058	1,041	1,024	1,008	1,008	988	969	951		951
Business Customers	234	230	225	218	218	215	212	208		208
<b>Fixed telephony access lines</b>	<b>1,292</b>	<b>1,271</b>	<b>1,249</b>	<b>1,226</b>	<b>1,226</b>	<b>1,203</b>	<b>1,181</b>	<b>1,159</b>		<b>1,159</b>
Residential Customers	1,727	1,724	1,722	1,721	1,721	1,709	1,703	1,697		1,697
Business Customers	290	288	287	285	285	282	279	276		276
<b>Broadband access lines retail</b>	<b>2,017</b>	<b>2,012</b>	<b>2,009</b>	<b>2,006</b>	<b>2,006</b>	<b>1,991</b>	<b>1,982</b>	<b>1,973</b>		<b>1,973</b>
Residential Customers	1,491	1,483	1,475	1,472	1,472	1,462	1,448	1,436		1,436
Business Customers	67	66	66	65	65	64	63	63		63
<b>TV access lines</b>	<b>1,558</b>	<b>1,549</b>	<b>1,541</b>	<b>1,537</b>	<b>1,537</b>	<b>1,526</b>	<b>1,511</b>	<b>1,499</b>		<b>1,499</b>
Residential Customers	3,295	3,322	3,354	3,380	3,380	3,379	3,396	3,416		3,416
Business Customers	1,939	1,958	1,961	1,970	1,970	1,981	1,986	2,001		2,001
<b>Mobile access lines Postpaid</b>	<b>5,234</b>	<b>5,280</b>	<b>5,315</b>	<b>5,350</b>	<b>5,350</b>	<b>5,360</b>	<b>5,382</b>	<b>5,417</b>		<b>5,417</b>
Prepaid Residential Customers	1,001	979	949	927	927	909	888	862		862
<b>Mobile access lines</b>	<b>6,235</b>	<b>6,259</b>	<b>6,264</b>	<b>6,277</b>	<b>6,277</b>	<b>6,269</b>	<b>6,270</b>	<b>6,279</b>		<b>6,279</b>
Access lines wholesale	688	682	683	692	692	704	712	722		722

## 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 that 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.

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