

Analysts Meeting

See what you get

13 April 2000
London

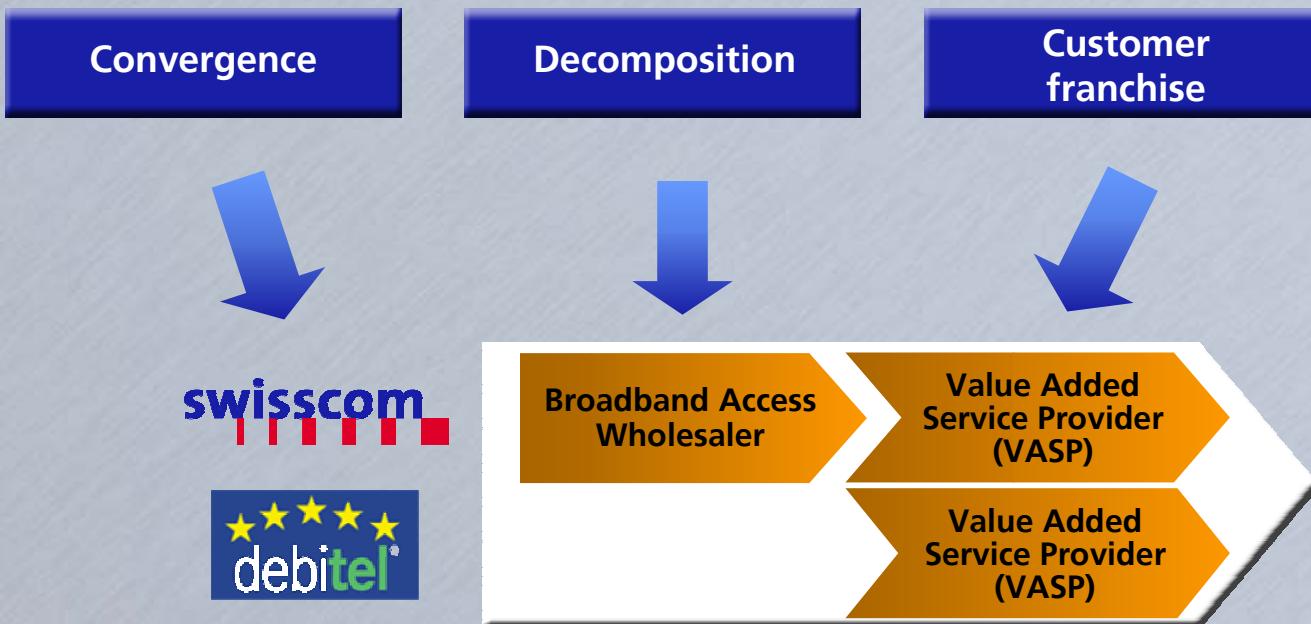
Agenda

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Introduction

Jens Alder
CEO

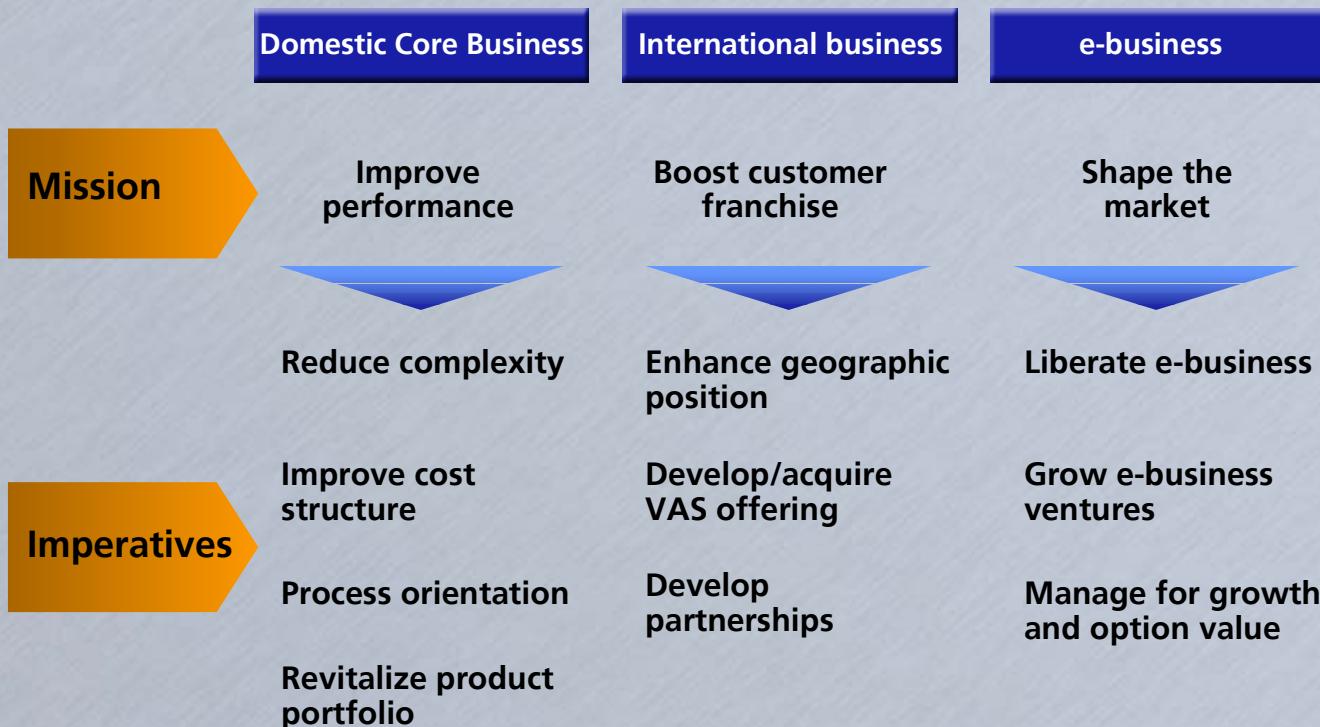
Where we left off last time



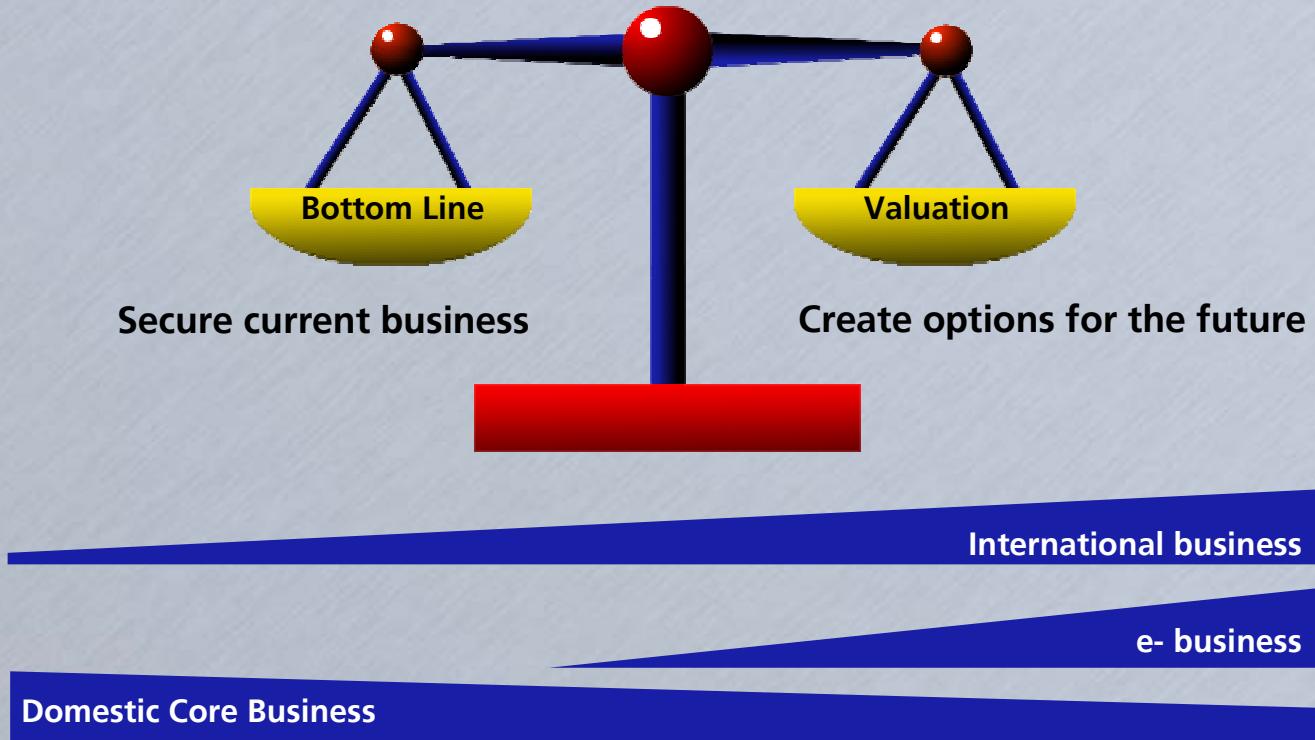
Complementary skills and assets to implement European VASP strategy

swisscom

Clear mission and imperatives



Manage bottom line and valuation



swisscom

Main levers

Domestic Core Business

International business

e-business

Secure
current
business

- “Fit for competition” program
- Operational efficiency

Create
options
for the
future

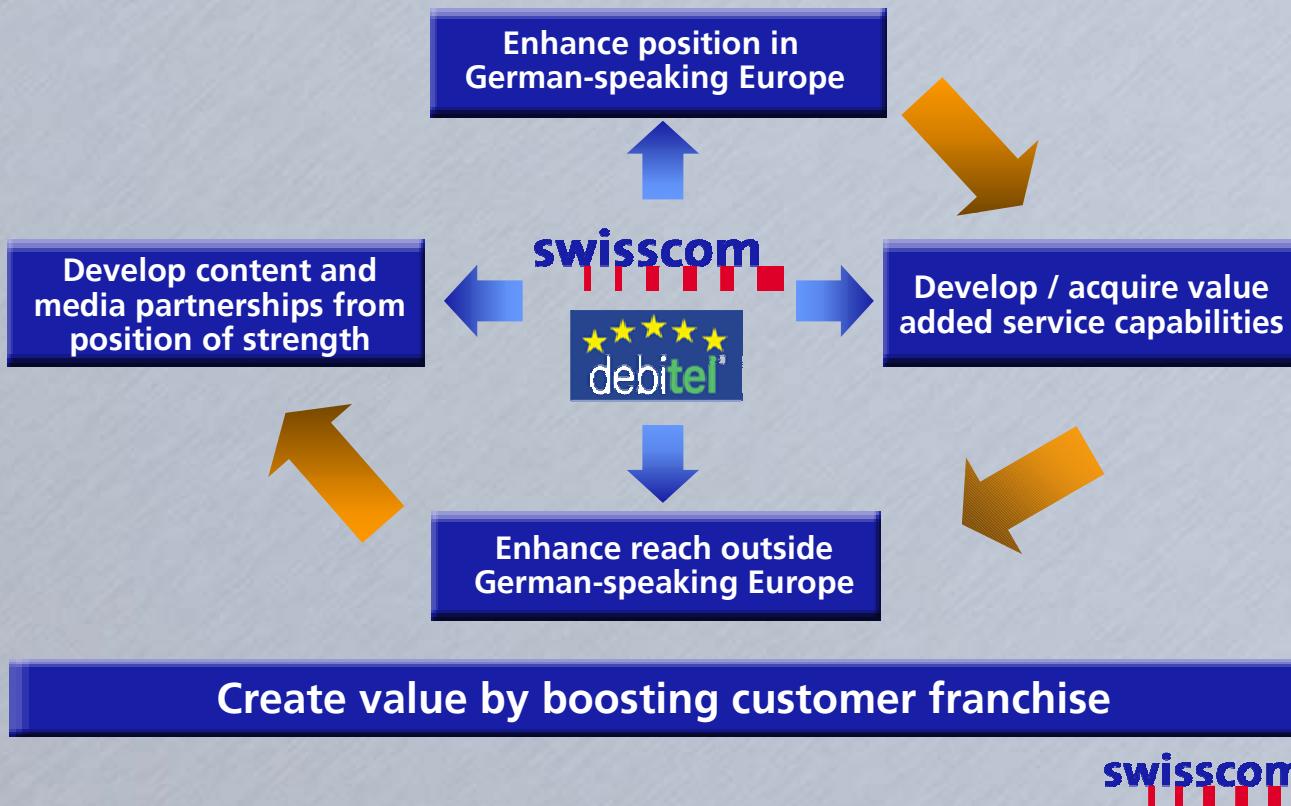
- Mobile customers
- UMTS/Mobile Data
- Broadband access
- Systems Integration & Outsourcing
- debitel customers
- UMTS Germany
- Mobile Data
- Potential IPO of tbw
- e-marketplace
- Incubator

Clear responsibilities assigned

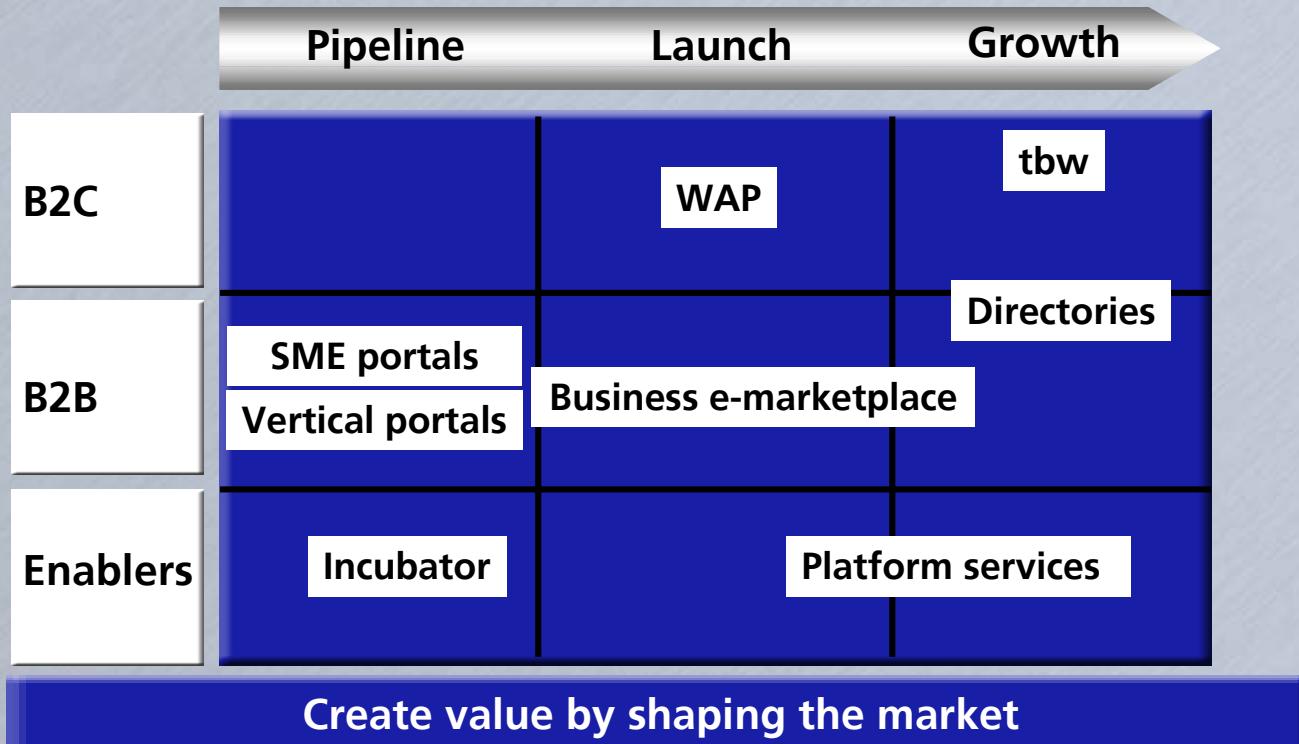


Management focus on the three key areas of challenge

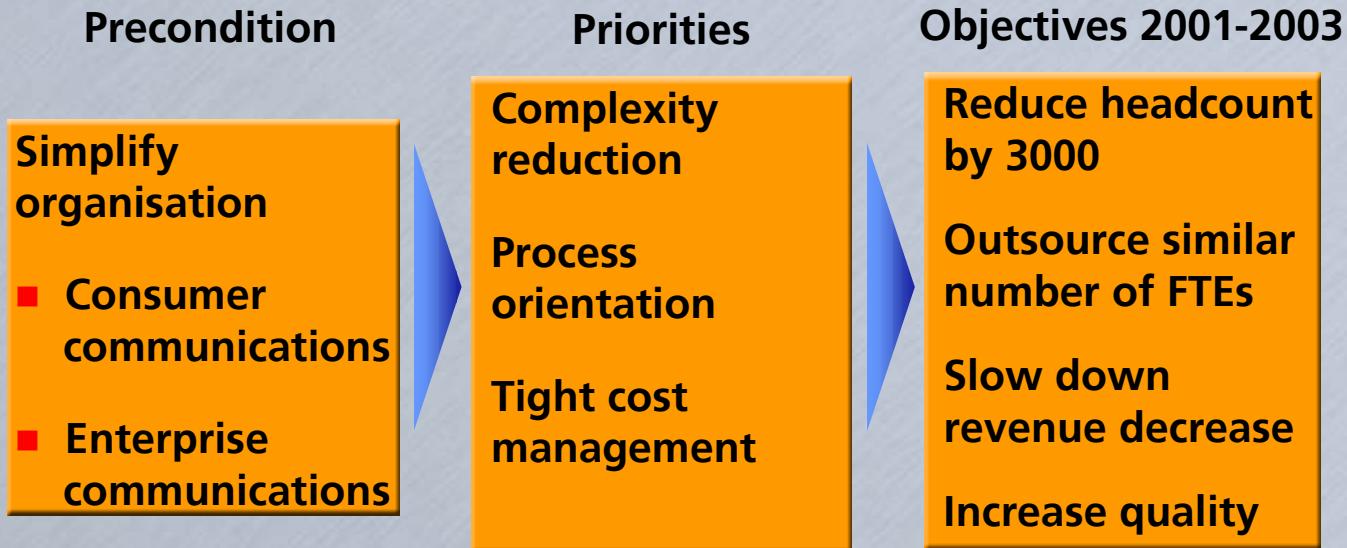
International business: Swisscom/debitel development path



e-business: strong portfolio with high growth potential



Domestic Core Business: “Fit for competition”



Create value by improving performance

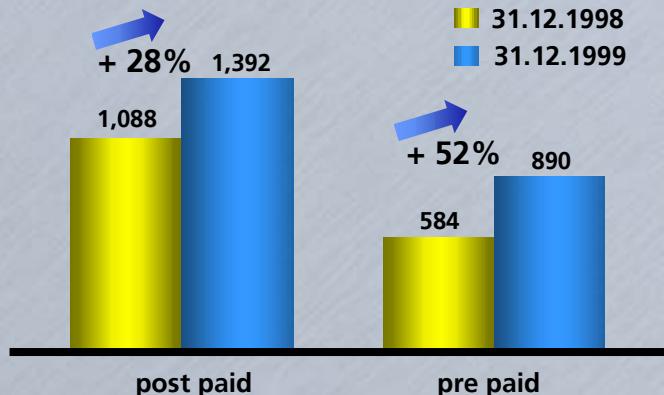
MobilCom

Carsten Schloter

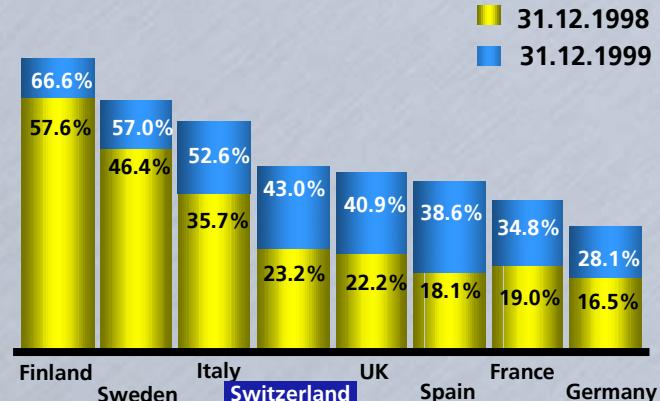


Customer development / market penetration

Swisscom customer development (Subscribers in thousands)



Penetration rates in Europe



| Customer growth: 1999 | post paid* | pre paid | total |
|-----------------------|------------|----------|---------|
| | 303,780 | 305,431 | 609,211 |

*including NATEL C

Further strong growth potential for Swisscom

swisscom

Competition

Average churn rate



Actions

- Price reductions
 - between 25% and 50%
- Marketing initiatives
 - permanent advertising presence
- Increased dealer commissions
 - managing distribution channels

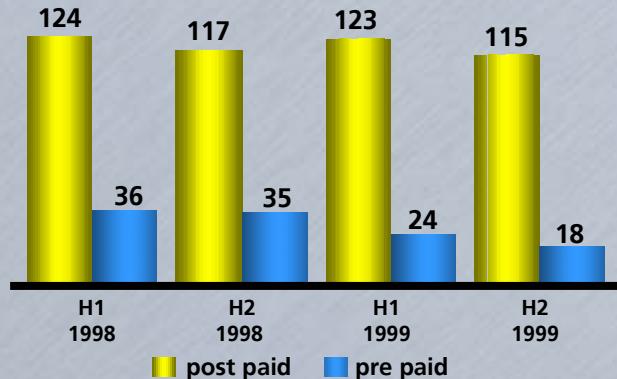
| | Q1 1999 | Q2 1999 | Q3 1999 | Q4 1999 |
|--|---------|---------|---------|---------|
| Acquisition costs: (CHF per new customer post paid) | 53 | 42 | 106 | 280 |
| Market share: | 96% | 89% | 80% | 75% |

Swisscom will maintain its strong market position

Facts & figures

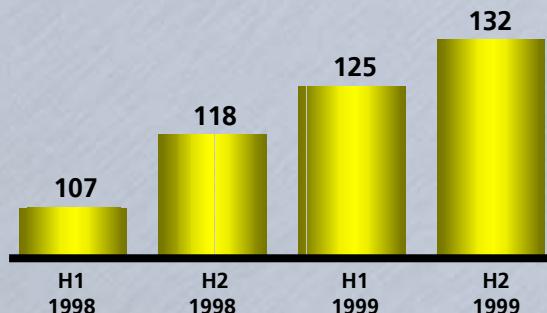
ARPU

CHF



AMPU post paid

Minutes



Outgoing minutes in millions:

| | 1998 | 1999 |
|-------------------------------|-------|-------|
| Outgoing minutes in millions: | 1,374 | 2,029 |

Price reductions lead to greater usage

swisscom

Market positioning

Pricing strategy

- Best price-performance ratio
- No price-breaker strategy

Products

- Integration of value added services
- COMBOX with Internet access
- Corporate Mobile Network
- NATEL office link

Network quality

- Increased network capacity
- Improved coverage

Swisscom will defend its leadership



Mobile Data Services 2000

SMS

Thousands of messages



Annual growth over 430%

The future

WAP

- Commercial since 21.02.2000
- First operator in Switzerland
- Number of content providers steadily increasing

GPRS

- Roll-out in H2 2000
- First provider in Switzerland

UMTS

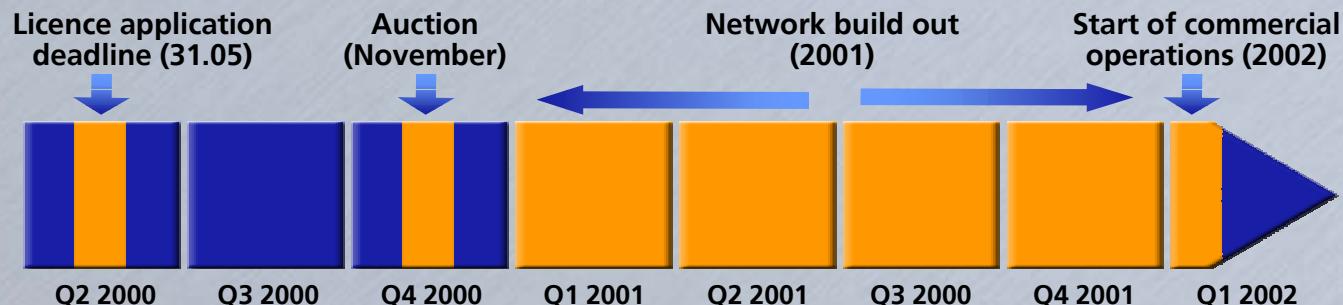
- Swisscom will continue to be an innovative operator in the future

First mover advantage

swisscom

Switzerland: UMTS licensing process

- Auction of 4 national UMTS licences, valid for 15 years
- All licences have identical frequency schemes
- Minimum coverage: 50% of population by the end of 2004
- Site-sharing provisions
- National roaming conditional upon 50% coverage (20% for new entrants)



Swisscom will apply for a UMTS licence

Conclusion for MobilCom

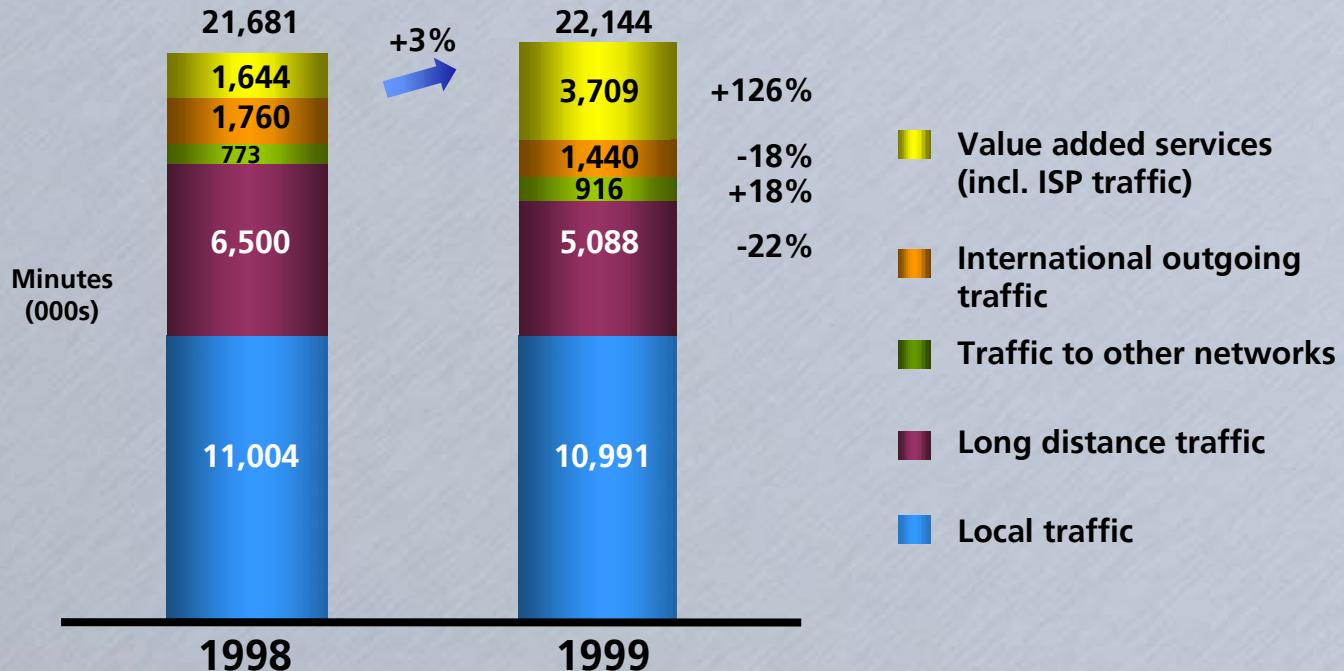
- Ongoing growth despite stiff competition
- Well defended leadership
- Stable ARPU despite price decline
- Well positioned for Mobile Data Services

Strong position to exploit future growth potential

PubliCom

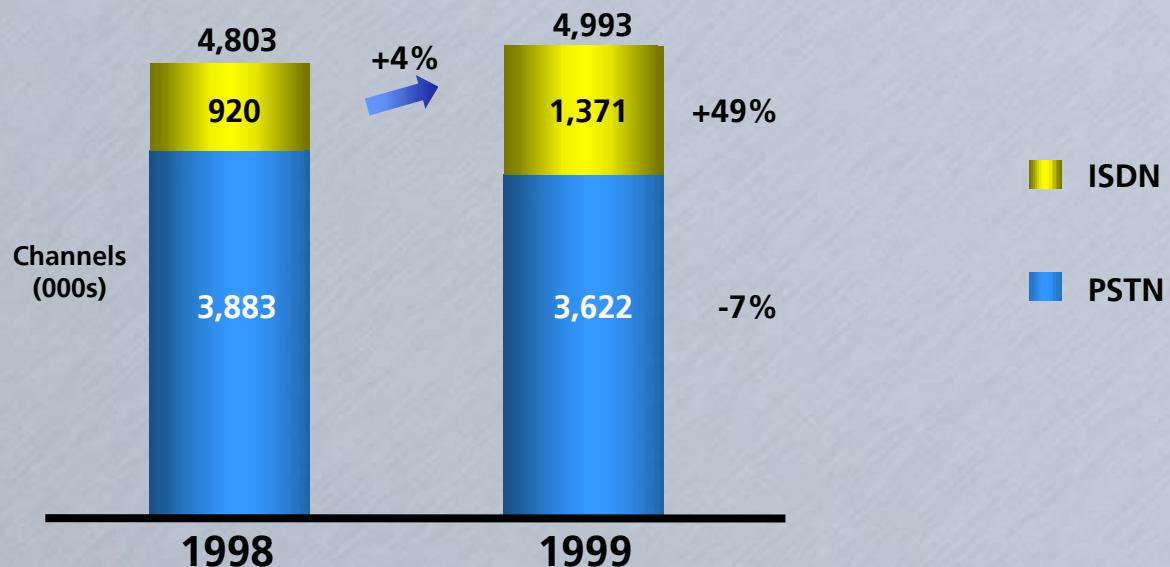
swisscom
The Swisscom logo consists of the word "swisscom" in a blue sans-serif font, with four small red squares of varying sizes positioned below the letter "s".

Network traffic



Increased ISP traffic compensates for decline in long distance

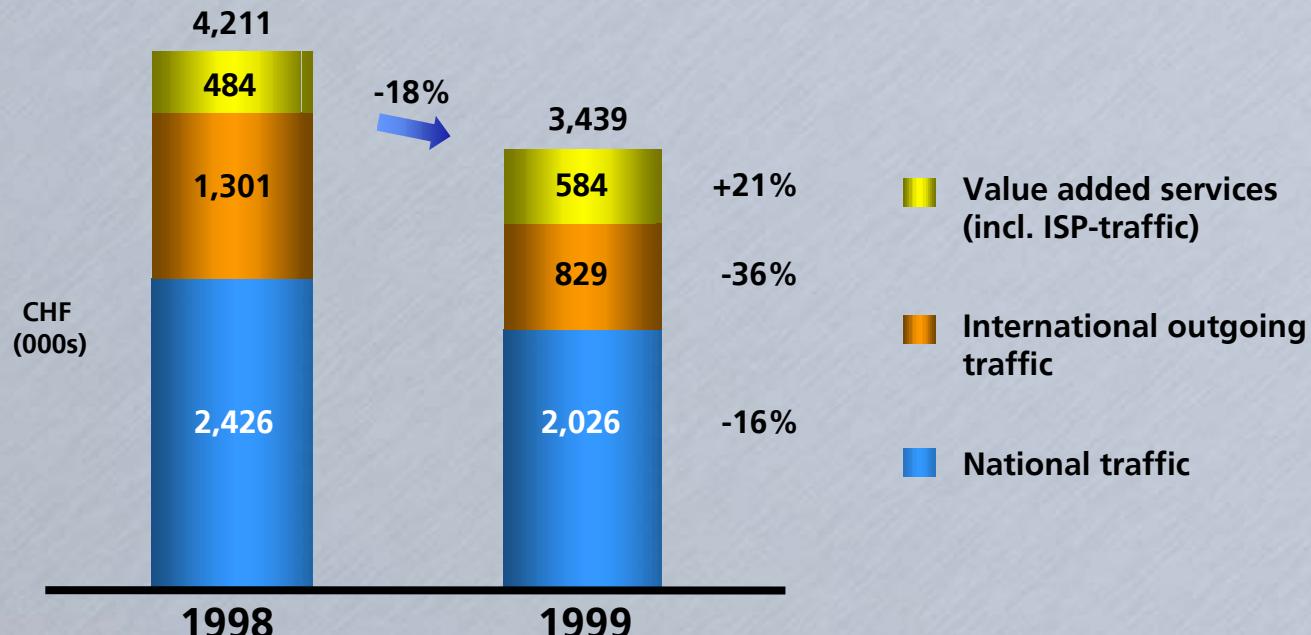
Access channels



ISDN is a success story

swisscom

Traffic revenues⁽¹⁾



(1) Revenues excluding access, customer premises equipment

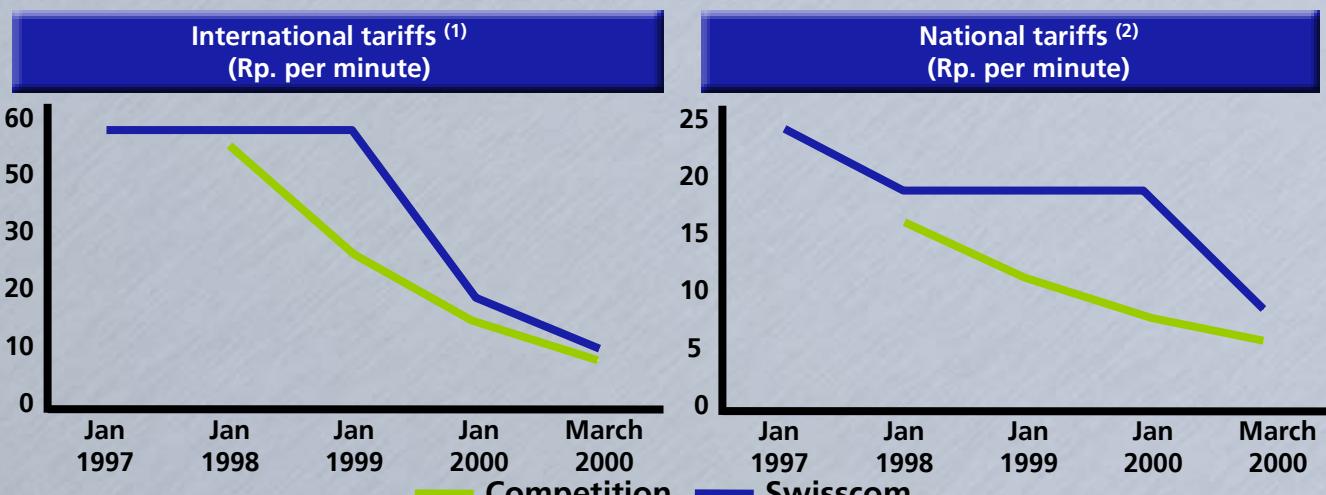
Strong competition in long distance

swisscom

Competitive environment

- 240 registered telecom providers (fixed network)
- 37 interconnection agreements with Swisscom
- Approx. 20% loss in national and international traffic

Stiff competition



(1) Average Swisscom tariffs to Germany, France, Italy, Austria
Average main competitors

(2) Average Swisscom tariffs (peak, off peak, night)
Average main competitors

Competitive pricing stabilises market share

swisscom

Product launches

1999

- Network services: Callback by busy, 3-way calling, Call waiting, etc.
- ISDN packages: ISDN Family, ISDN Business, ISDN Combi (with the blue window)
- ISP services: 0800 ISP, 0840 ISP
- phoneCard: low cost branded prepaid card
- Combox in fixed network (same as mobile)
- FollowME ^{NATEL}
- Messaging services from Teleguide (SMS, e-mail, Fax)

2000

- Fixed/Mobile/Internet bundles
- Unified Messaging
- VPN/CMN/Centrex - Corporate Virtual Network solution
- Corporate Access 058
- Dualphone: DECT/GSM
- ADSL Broadband Access

Market leadership through innovation

swisscom

Broadband access

Geographic roll-out: 7 cities



Target customers:

- Retail, teleworkers, SOHOs
- SME
- 45,000 customers by 2001

Price:

- Not yet fixed - current development in WLL and CATV under consideration

Roll-out:

- Launch in summer 2000 in Zurich and Geneva
- Progressive roll-out in other cities

Offering:

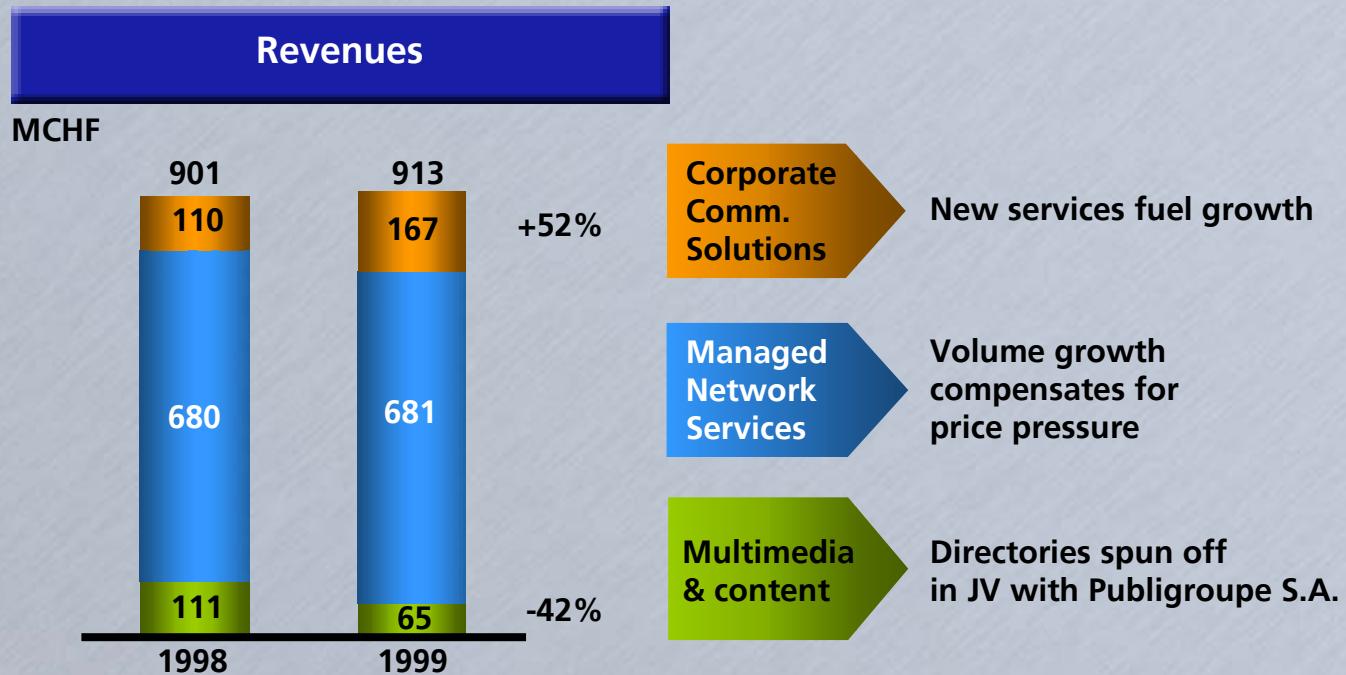
- Switched broadband access (retail)
- Dedicated access for ISP (resale)
- Broadband access for tbw
- IP-VPN
- Broadband remote access

swisscom

Data, SI&O and Wholesale

Heinz Karrer

Data - facts and figures



Corporate Communication Solutions is the growth engine

swisscom

Leading edge in IP platform and services

IP scalable service platform

- Multi-protocol label switching
- Converged IP platform
- Dense Wave Division Multiplexing
- Scalability (bandwidth, customers)

Value added services

- IP Virtual Private Network
- Internet access options
- ISP services
- Voice over IP

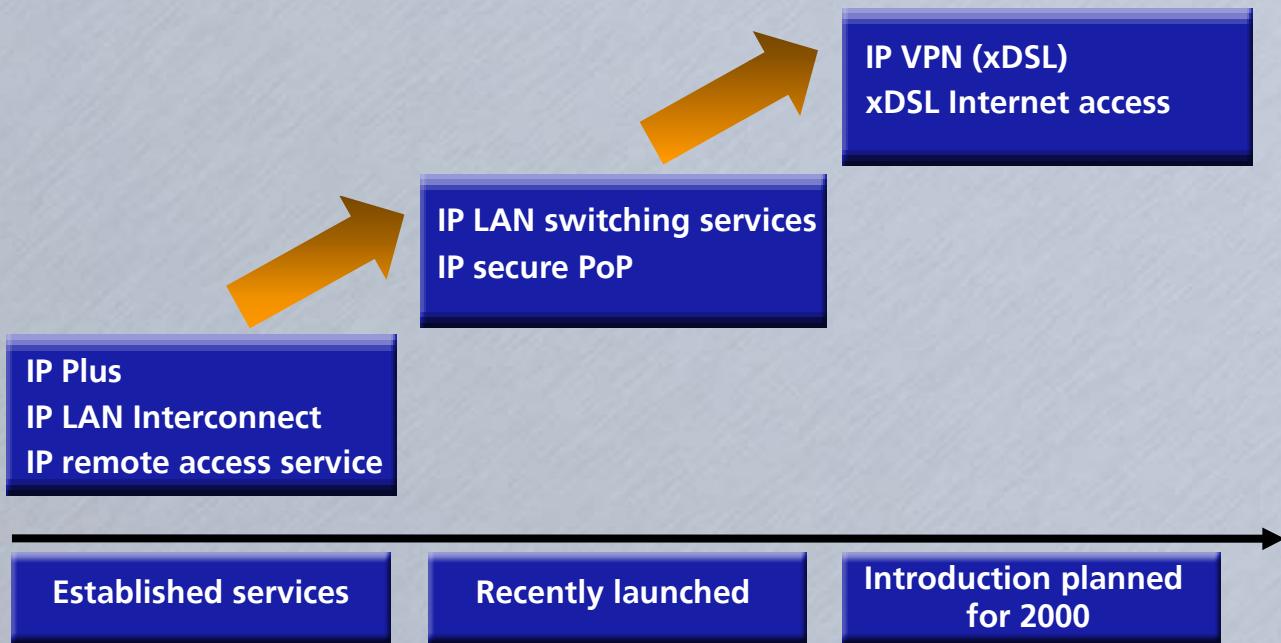
Enabler

Additional revenue streams

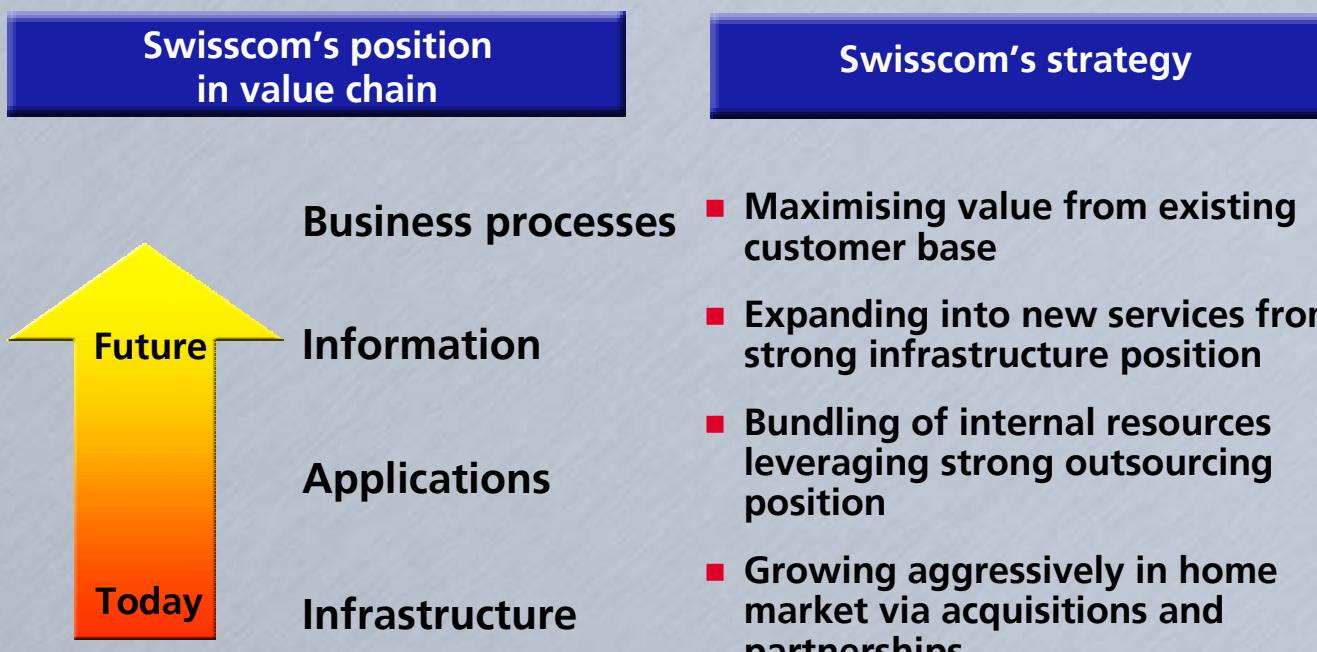
Pilot projects with major customers already in place

swisscom

IP-based value added services

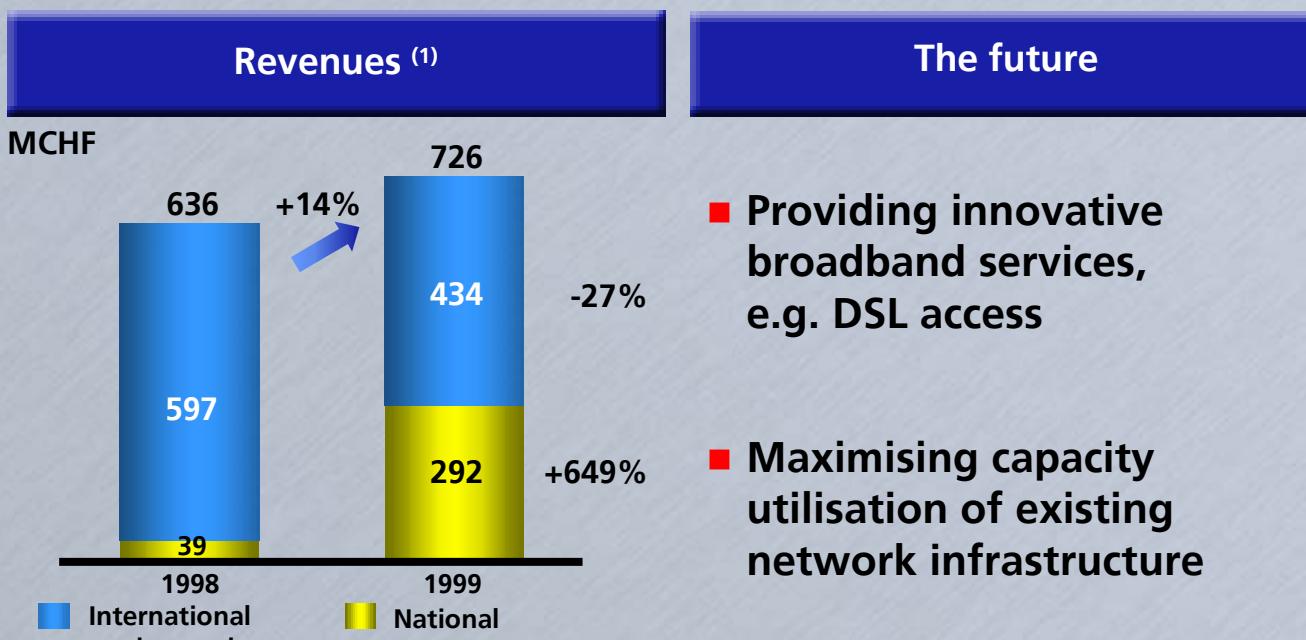


Systems Integration & Outsourcing



First deals with large customers already operational

Wholesale⁽¹⁾



National services provide strong basis for growth

International

Dominik Koechlin

Summary of 1999

- **Successful refocusing and significant value creation in the international portfolio**
- **Doubling of Swisscom's mobile customer base through the successful acquisition of debitel and strong starting position in B2C business**
- **Clearly differentiated international strategy as base for future value creation**

Management promises delivered



Divestiture of non-core assets

Digi, Sterling

- Digi resulted in a gain on discontinued operations of approx. MCHF 183
- Sterling Cellular resulted in a gain on discontinued operations of approx. MCHF 68⁽¹⁾

Unisource

- Unisource de-merged and non-core assets sold
- AUCS/Infonet Management contract concluded
- World class global solution partner

(1) Booked in January 2000

All announced divestitures successfully completed



Swisscom / debitel

Swisscom has more than doubled its mobile customer base

- debitel welcomed its 5m customer this year
- Market recognises value of debitel

Management co-operation strengthened

- Carsten Schloter has joined the Swisscom management team

Synergy development is well on track

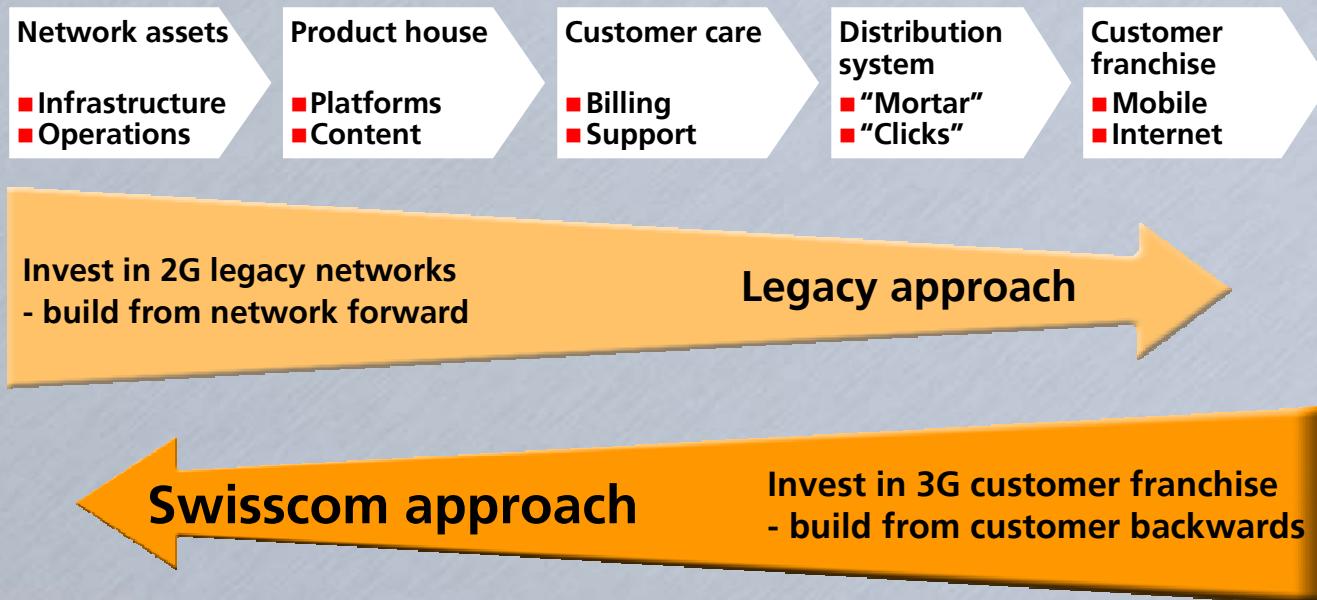
- MoU signed for joint purchasing of user devices through Dangaard
- Use of debitel's distribution channels for tbw under evaluation
- EasyRoam to be launched by debitel and Dangaard
- testion is the major source for debitel's fixed line services

Joint efforts to obtain UMTS licence under way

debitel has proven a successful acquisition



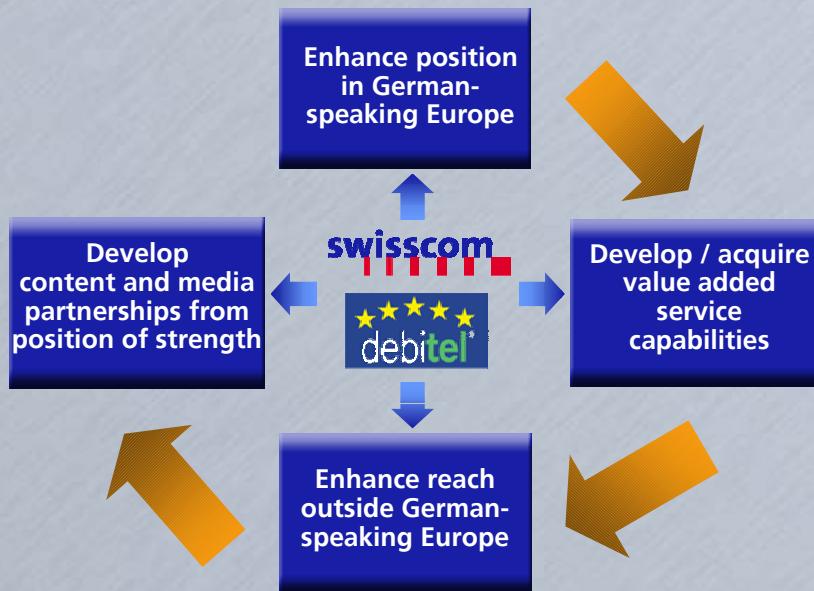
Swisscom's approach to 3G mobile data



Leverage customer franchise; no investments in GSM assets

swisscom

Swisscom/debitel will pursue the following directions



- Bid for 3G licenses in Germany, Switzerland
- Move to attain 3G platform access in other European countries
- Announce development partners
- More deals with M-commerce partners

Aggressive push is required to build position

Role of tesion and UTA

tesion

Successful operations

- Ranked second best regional and city carrier
- Customer growth over 200%
- Revenue growth over 300%

Ideal partner for debitel

- Aggressive development of fixed network wholesale strategy
- Wholesale agreement with debitel
- National network build-out under construction

UTA

No.1 alternative operator in Austria

- Best-in-class fixed operator
- Well equipped for Internet growth
- Commercial agreement with ONE to offer converged mobile services
- One of the most modern backbone networks in Europe (10GB)

Footprint for future expansion of mobile/data position in German-speaking Europe

Provide strategic assets for future direction

Mobile Data positioning

- Swisscom's international strategy is to play a leadership role in European Mobile Data
 - a convergence play, but led by thrust in mobile data
- debitel remains the key asset for this growth strategy
- Entry strategy built on customer franchise, not on ownership of network assets
 - no large investments in GSM (legacy) assets
 - fast roll-out of UMTS services, investments in UMTS networks only where necessary
- The existing portfolio is currently under evaluation and adjustments are being made in line with this strategy

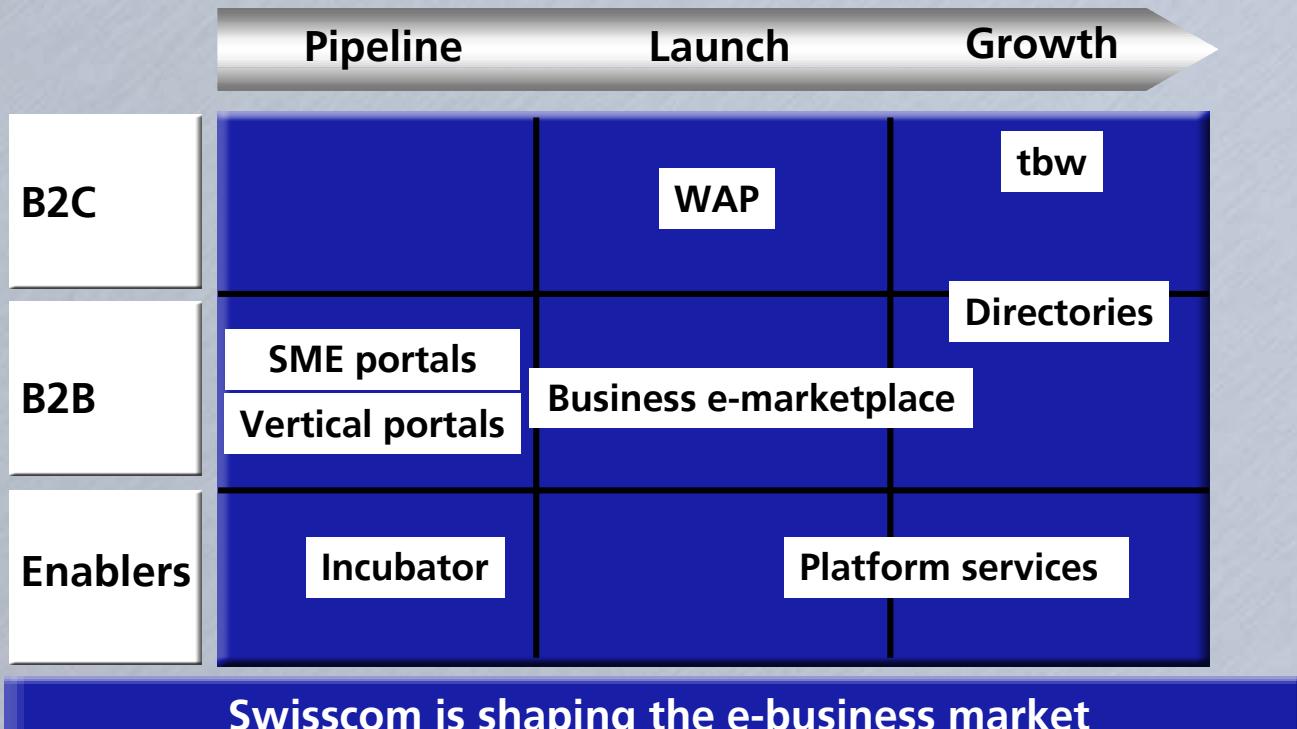
Aiming at a European leadership position

e-business

Jens Alder
CEO



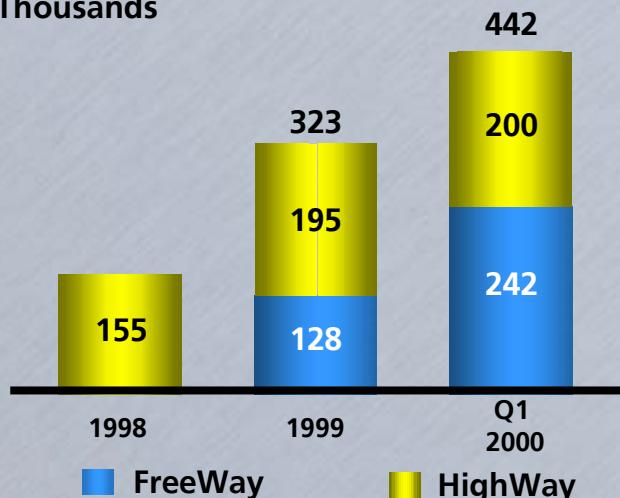
e-business portfolio



tbw key figures

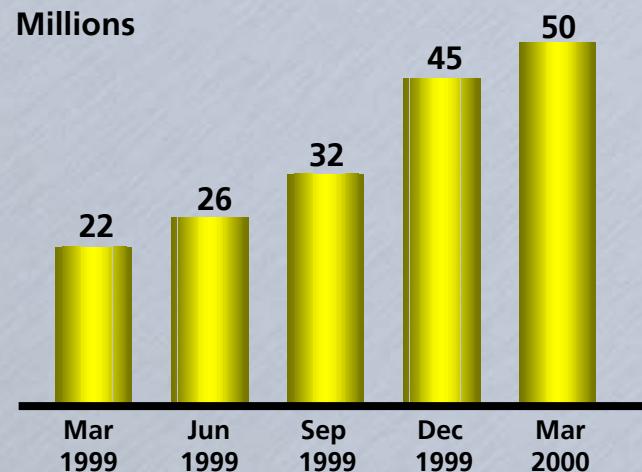
Unique users tbw

Thousands



Monthly pageviews

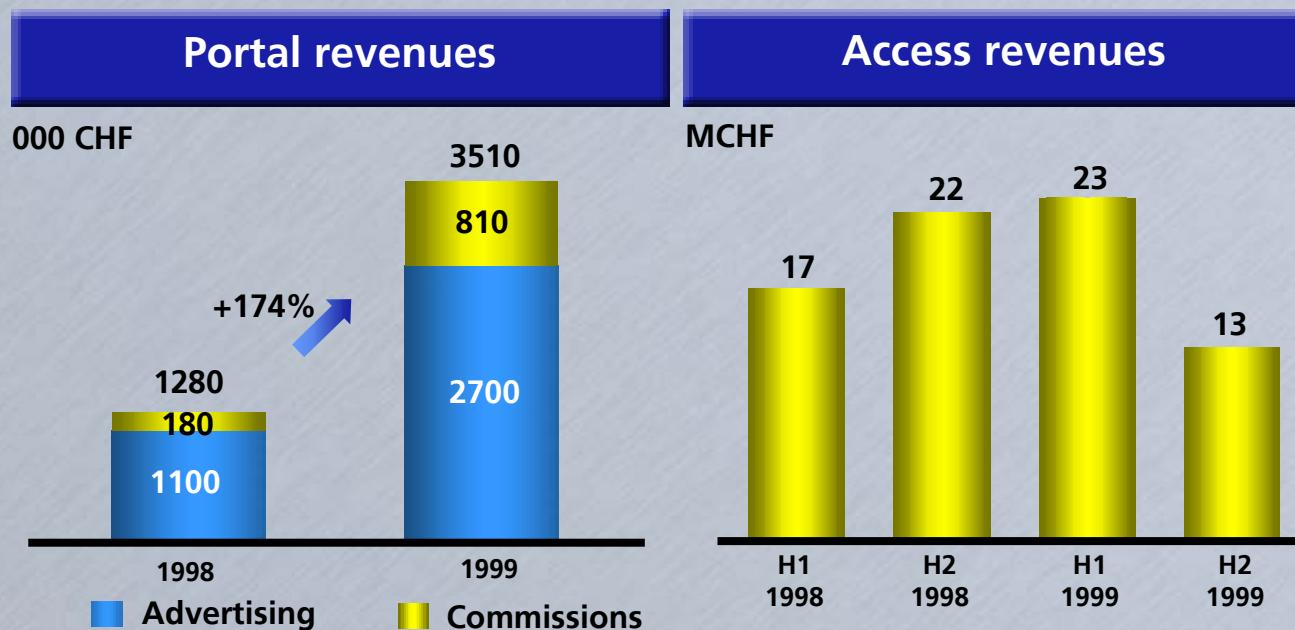
Millions



tbw is a continuing success story

swisscom

tbw key figures



Portal revenues growing strongly

swisscom

Partnership with TA Media

Classifieds/Vertical Portal Joint Venture

- Winner Market AG
- Excellent starting position
- Horizontal portal traffic and premier content

Marketing Partnership

- TA Media - a marketing powerhouse
- Cross-selling opportunities
- Bundling of subscriptions

Content Partnership

- Leverage TA Media pool
- Content for vertical channel creation
- Leverage two powerful brands

Attractive content for tbw subscribers



Potential IPO of tbw

Objectives

- Higher value-transparency
- Flexibility for more growth
- Acquisition and partnering currency
- Increase tbw profile
- Management incentives



- Possible timing: H2 2000
- Swisscom to keep majority

B2B e-marketplace

Status

- Contract with Commerce One
- New unit established
- Internal e-procurement pilot operational
- e-marketplace with supplier content online
- First partner deals signed

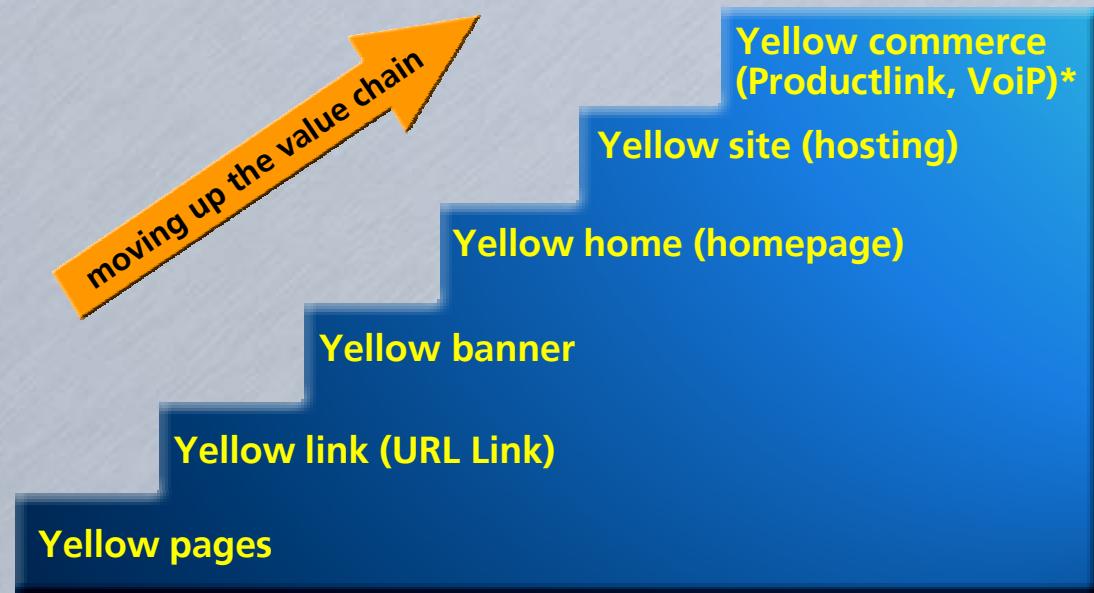
Outlook

- Multivertical e-marketplaces
- Spin-off; strategic equity partners
- Geographic expansion

Shaping the Swiss B2B market

swisscom

Directories

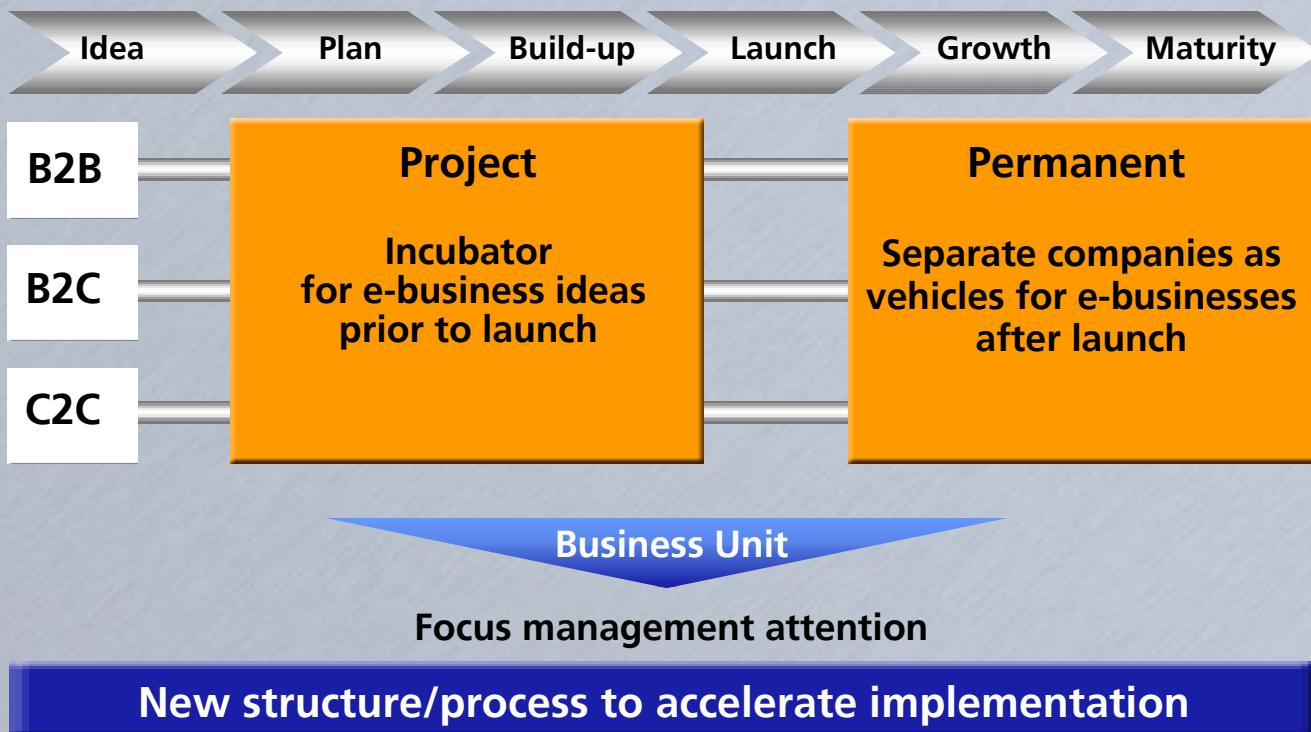


* To be launched H2 2000

Leveraging existing content for e-business

swisscom

Capturing and growing e-business opportunities



Financials

Dave Schnell
CFO

Key figures

| MCHF | 1998 | 1999 | 99/98 |
|--|---------------|---------------|---------------|
| Net revenues | 10,461 | 11,160 | 6.7% |
| Total operating expenses | 6,098 | 6,796 | 11.4% |
| EBITDA | 4,472 | 4,441 | -0.7% |
| as % of net revenues | 42.7% | 39.8% | |
| EBIT ⁽¹⁾ | 2,901 | 2,488 | -14.2% |
| as % of net revenues | 27.7% | 22.3% | |
| Net income from continuing operations | 2,074 | 2,208 | 6.5% |
| Discontinuing operations | -519 | 183 | |
| Net income | 1,555 | 2,391 | 53.8% |
| Earnings per share | 22.91 | 32.51 | 41.9% |

(1) Including restructuring charges (1998: MCHF -50; 1999: MCHF 249)

Strong improvement in net income



Key figures excluding debitel

| MCHF | 1998 | 1999 | 99/98 |
|--------------------------|-----------------------|--------|--------|
| Net revenues | 10,461 | 10,238 | -2.1% |
| Total operating expenses | 5,877 ⁽¹⁾ | 5,915 | 0.6% |
| EBITDA | 4,693 ⁽¹⁾ | 4,400 | -6.2% |
| as % of net revenues | 44.9% | 43.0% | |
| EBIT ⁽²⁾ | 3,122 ⁽¹⁾ | 2,542 | -18.6% |
| as % of net revenues | 29.8% | 24.8% | |
| Number of FTE employees | 21,574 ⁽³⁾ | 19,254 | -10.8% |

(1) Excluding stamp tax (1998: MCHF 221)

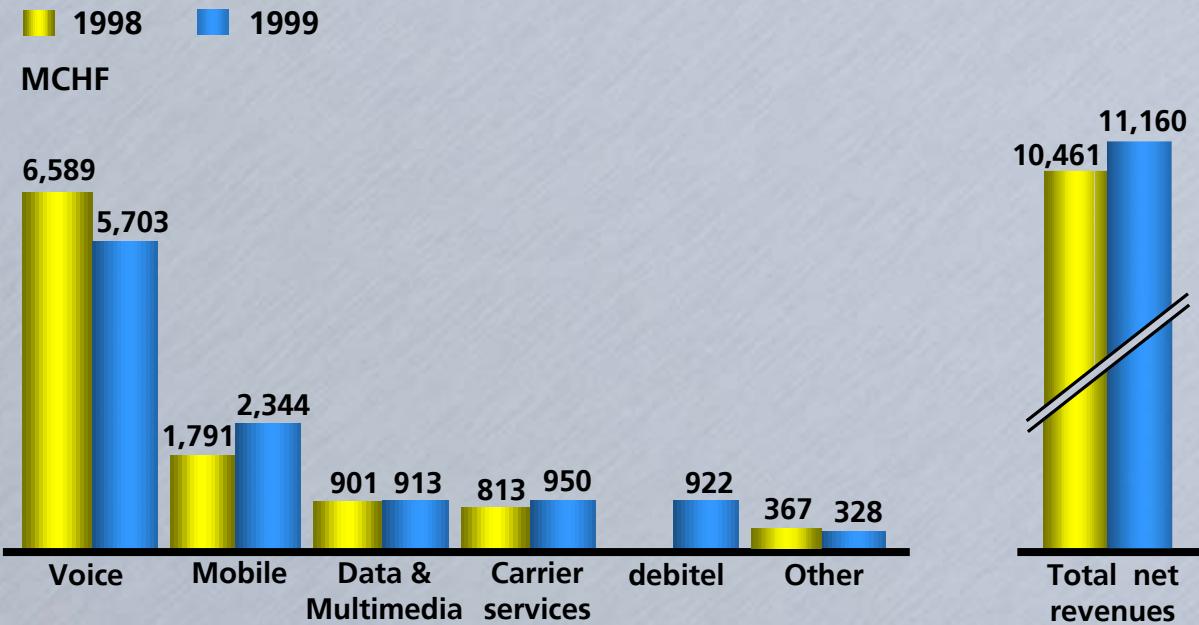
(2) Including restructuring charges (1998: MCHF -50; 1999: MCHF 249)

(3) Excluding employees of UTA (1998: 372)

Lower EBITDA because of strongly increased competition



Net revenues



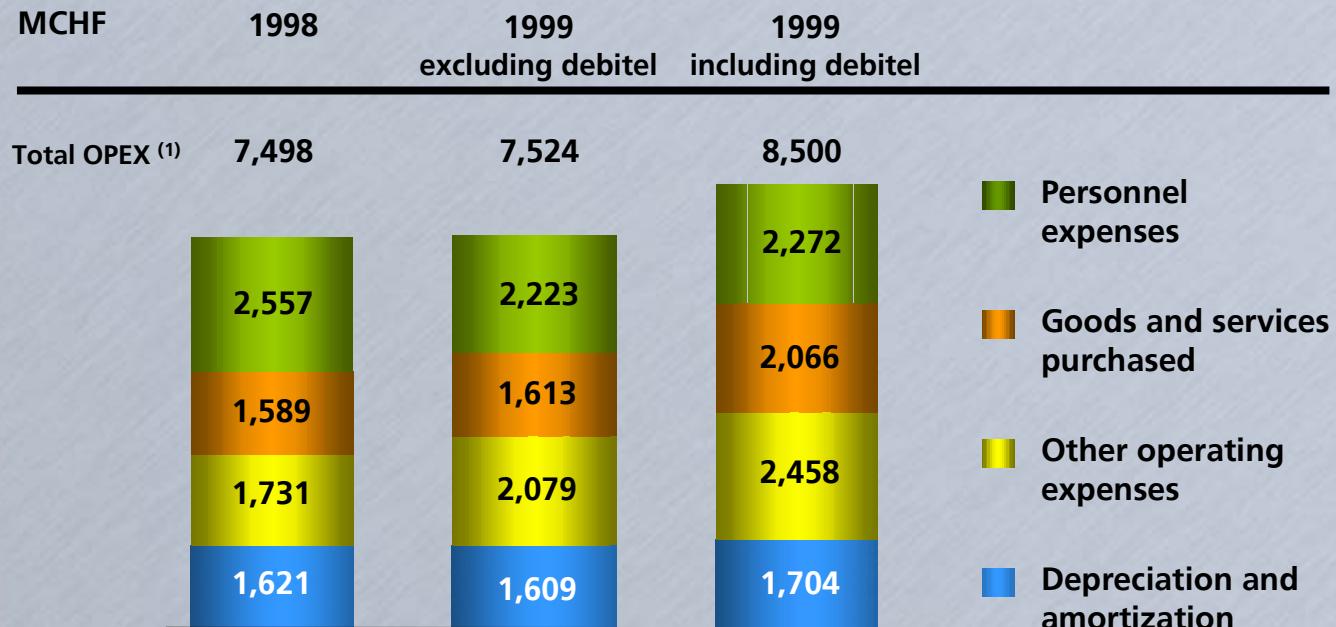
Strong revenue growth by mobile and first consolidation of debitel

Segment reporting

| MCHF | Voice | Mobile | Data & Multimedia | Carrier services | debitel | Other | Total |
|--------------------------------------|--------------|--------------|-------------------|------------------|------------|------------|---------------|
| Net revenues from external customers | 5,703 | 2,344 | 913 | 950 | 922 | 328 | 11,160 |
| Intersegment net revenues | 182 | 445 | 325 | 923 | | | 1,875 |
| Net revenues | 5,885 | 2,789 | 1,238 | 1,873 | 922 | 328 | 13,035 |
| EBIT (pre-goodwill) | 1,130 | 1,218 | 158 | 399 | 30 | 206 | 3,141 |
| as % of net revenues (1999) | 19.2% | 43.7% | 12.8% | 21.3% | 3.3% | | 24.1% |
| as % of net revenues (1998) | 25.1% | 43.5% | 24.0% | 21.5% | | | 27.8% |
| Amortization of goodwill | | | -3 | | -84 | | -87 |
| Segment operating income | 1,130 | 1,218 | 155 | 399 | -54 | 206 | 3,054 |
| Restructuring charges | | | | | | | -249 |
| Corporate expenses not allocated | | | | | | | -317 |
| Operating income (EBIT) | | | | | | | 2,488 |

Stable margins in mobile despite competition

Cost analysis



(1) Excluding restructuring charges (1998: MCHF -50; 1999: MCHF 249) and excluding stamp tax (1998: MCHF 221)

Personnel expenses reduced by 13%

Cost analysis excluding debitel

| MCHF | 1998 | 1999 | 99/98 | |
|---|--------------|--------------|--------------|--|
| Roaming | 147 | 263 | 116 | increased international mobile traffic |
| National traffic fees | | 153 | 153 | termination on other networks |
| International traffic fees | 691 | 438 | -253 | |
| Other | 751 | 759 | 8 | |
| Total goods & services purchased | 1,589 | 1,613 | 24 | |

| MCHF | | | | |
|---|--------------|--------------|------------|--|
| Rent | 132 | 186 | 54 | equipment replacement |
| Loss on disposal of fixed assets, net | 41 | 174 | 133 | IT infrastructure and Millennium Project |
| EDP | 323 | 417 | 94 | |
| Incentives for mobile telephony dealers | 44 | 97 | 53 | increased incentives |
| Other | 1,191 | 1,205 | 14 | |
| Total other operating expenses | 1,731 | 2,079 | 348 | |

Further cost management needed

Capital expenditure

| MCHF | 1998 | 1999 | 99/98 |
|---------------------|--------------|--------------|--------------|
| Fixed-line networks | 547 | 555 | 1.5% |
| Mobile networks | 318 | 329 | 3.5% |
| Buildings | 118 | 145 | 22.9% |
| Other | 322 | 439 | 36.3% |
| Total | 1,305 | 1,468 | 12.5% |

Focus on new technologies for networks



Net income

| MCHF | 1998 | 1999 |
|---|--------------|--------------|
| Operating income (EBIT)⁽¹⁾ | 2,901 | 2,488 |
| Financial expense | -407 | -259 |
| Financial income | 93 | 220 |
| Income tax expense | -319 | -535 |
| Income before equity in net (loss) income of affiliated companies and minority interests | 2,268 | 1,914 |
| Equity in net (loss) income of affiliated companies | -212 | 301 |
| Minority interest in (loss) income of consolidated subsidiaries | 18 | -7 |
| Net income from continuing operations | 2,074 | 2,208 |
| Discontinuing operations | -519 | 183 |
| Net income | 1,555 | 2,391 |

(1) After restructuring charges (1998: MCHF -50; 1999: MCHF 249)

Divestitures successfully executed

swisscom

Financing structure

| MCHF | 1998 | 1999 |
|--|--------------|--------------|
| Short-term debt | 1,264 | 4,049 |
| Long-term debt | 4,245 | 3,073 |
| Finance lease obligation | 517 | 637 |
| Interest-bearing debt | 6,026 | 7,759 |
| Less: cash, cash equivalents and securities available for sale | -1,787 | -1,276 |
| Net debt (excluding pension liability) | 4,239 | 6,483 |
| Pension liability | 1,851 | 2,248 |
| Incl. curtailment benefits | 768 | 575 |
| Total shareholders' equity | 5,347 | 6,685 |
| Book leverage (excluding pension liability) | 79.3% | 97.0% |
| Equity ratio | 31.6% | 32.0% |

Healthy ratios for further expansion



Sale of CABLECOM Group

MCHF

| | |
|--|--------------|
| Proceeds from sale to NTL | 5,800 |
| Debt | -1,606 |
| Net proceeds | 4,194 |
| Swisscom's stake of net proceeds (33.33%) | 1,398 |
| Book value | 57 |
| Gain | 1,341 |

Book gain in 2000 from the disposal of Swisscom's stake



Divestiture of commercial real estate



- Occupational planning
- Divestiture preparation
- Due diligence
- Offers received
- Selection of best offer

Expected to be finalised before year-end 2000

Dividend of CHF 15

MCHF

Gross dividend per share CHF 15

Payment date 05.06.2000

Payout ratio 46.1%

Return of gross dividend per share⁽¹⁾ 2.3%

Number of shares

Number of shares at 31.12.1999 73,550,000

Nominal value CHF 25

Swiss Confederation's stake 65.5%

(1) Share price at 31.12.1999: CHF 644

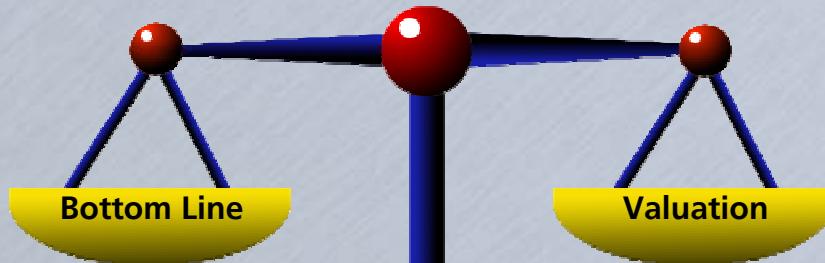
Attractive payout ratio of 46%



Conclusion

Jens Alder
CEO

Manage bottom line and valuation



Secure current business

Create options for the future



Main levers

Domestic Core Business

International business

e-business

Secure
current
business

- “Fit for competition” program
- Operational efficiency

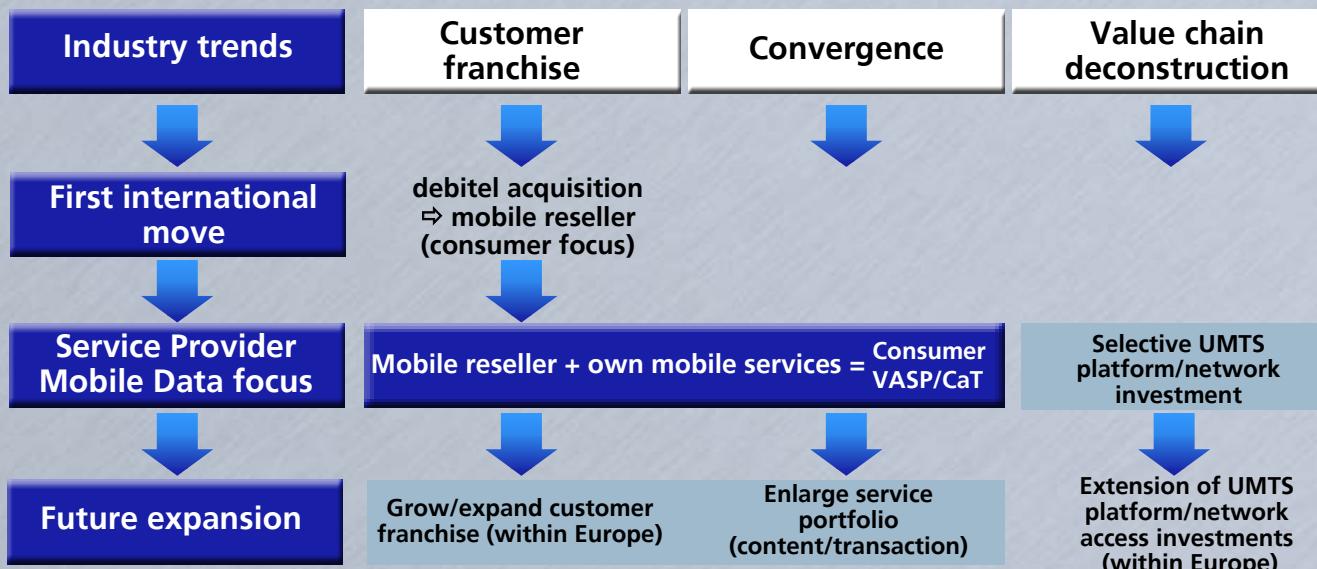
Create
options
for the
future

- Mobile customers
- UMTS/Mobile Data
- Broadband access
- Systems Integration & Outsourcing
- debitel customers
- UMTS Germany
- Mobile Data
- Potential IPO of tbw
- e-marketplace
- Incubator

Back-up

International

Swisscom's international strategy



German Mobile

Network assets

- Infrastructure
- Operations

Product house

- Platforms
- Content

Customer care

- Billing
- Support

Distribution system

- "Mortar"
- "Clicks"

Customer franchise

- Mobile
- Internet

- Traditional Swisscom strength
- Build-out partnerships
- Alternative MVNO strategy prepared

- Own WAP portal
- Shared partnerships with Swisscom

- Sophisticated multi-service billing system
- Leading reputation for customer care

- >5,000 Points of Sale
- Metro, EP strongest points of sale
- debitel.net - powerful new online channel
- Partnerships with Palm, Psion, Casio, Compaq

- >3m mobile customers
- Direct billing relationship
- Strong brand

debitel/Swisscom are well positioned for UMTS

swisscom

Route to 3G leadership

Customer franchise

- Swisscom is the third largest mobile provider in German-speaking Europe
- 7m mobile subscribers in strategic markets

Customer relationship management

- Excellent customer management systems and processes at debitel

Customer access

- Over 8,000 points of sale in Europe, including exclusive agreements

Strategic partners

- Europe's largest retailer (Metro)
- Largest handset wholesaler (Freecom/Dangaard)
- CaT partnerships (UBS, Credit Suisse for WAP banking)
- Mobile Internet: hardware suppliers (Psion, Casio, 3com/PALM and Compaq)

Customer franchise is an excellent starting position

International B2C business

Germany

debitel/dNS

- 100,000 Internet customers
- Strong consumer Internet portal with debitel.net
- Recent agreements with 3com, Compaq, Casio and Psion for co-operation in e-commerce and mobile Internet
- Recent marketing agreement with Yahoo

Outlook

- Leverage debitel customer base into growing Internet portal business

Austria

UTA

- Approx. 90,000 consumer Internet customers
- Bi-monthly doubling of customer base in 1999
- #2 market share position
- Voted best ISP by leading business magazine

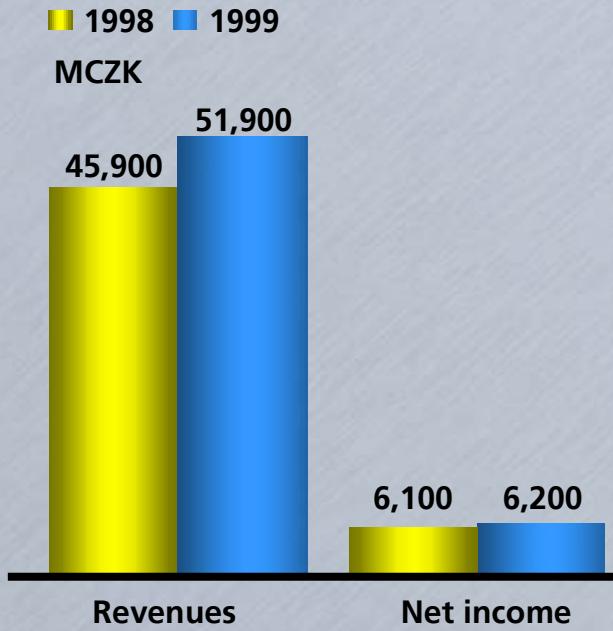
Outlook

- National consumer Internet portal with potential for media partnership

Strong starting point in German speaking markets for international ISP growth

swisscom

Cesky Telecom



- CT holds 51% of the largest GSM mobile operator in the Czech Republic
- Sale of the remaining 51% in CT owned by the Czech government is underway
- Swisscom network planning process will be used to drive CT's network extension
- CT is looking to strengthen its ISP business
- Focus on operational efficiency and growth in new business

Responding well to competition

swisscom

Back-up

Financials

Net revenues

| MCHF | 1998 | 1999 | 99/98 |
|--|---------------|---------------|---------------|
| Access | 1,343 | 1,366 | 1.7% |
| National traffic revenue | 2,426 | 2,026 | -16.5% |
| Outgoing international traffic revenue | 1,301 | 829 | -36.3% |
| Value-added and information services | 484 | 584 | 20.7% |
| Customer premises equipment | 1,035 | 898 | -13.2% |
| Voice | 6,589 | 5,703 | -13.4% |
| Mobile | 1,791 | 2,344 | 30.9% |
| Data & Multimedia | 901 | 913 | 1.3% |
| Carrier services | 813 | 950 | 16.9% |
| debitel | | 922 | |
| Other revenues | 367 | 328 | -10.6% |
| Total net revenues | 10,461 | 11,160 | 6.7% |



Consolidated cash flow

| MCHF | 1998 | 1999 |
|---|---------------------------|---------------|
| Net cash provided by operating activities | 3,574 | 3,366 |
| Capital expenditures | -1,305 | -1,468 |
| Investments in subsidiaries, affiliated companies and other non-current assets | -240 | -3,581 |
| Other investing activities | 206 | 248 |
| Net cash used in investing activities | -1,339 | -4,801 |
| Free cash flow | 2,235 | -1,435 |
| Net cash (used in) provided by financing activities | -732⁽¹⁾ | 887 |
| Net increase (decrease) in cash and cash equivalents | 1,503 | -548 |
| Cash and cash equivalents at end of year | 1,759 | 1,211 |

(1) Including net proceeds of MCHF 2,462 from IPO

Equity in net income from affiliates

| MCHF | Interest | 1998 | 1999 |
|---|---------------------------|-------------|------------|
| Cablecom / Balcab | 33.3% | 5 | 4 |
| UTA Telekom AG | <i>50.0% plus 1 share</i> | | -69 |
| Swisscom Directories / PubliDirect | <i>51.0% / 49.0%</i> | | 22 |
| Unisource N.V. | 33.3% | -152 | 408 |
| tesion | 50.0% | -23 | -29 |
| Telsource / Cesky Telekom | <i>49.0% / 13.2%</i> | -42 | -25 |
| Estel | 50.0% | | -3 |
| Freecom, ROL, Dansk GSM (debitel) | | | -3 |
| Other equity in affiliates | | | -4 |
| Total net (loss) income of affiliated companies ⁽¹⁾ | | -212 | 301 |

(1) Excluding Sterling Cellular Ltd. and Digi Swisscom Berhad



Accrued pension cost

| MCHF | 1998 | 1999 |
|--|--------------|----------------------|
| Present value of funded obligations | 5,028 | 5,754 ⁽¹⁾ |
| Fair value of plan assets | -2,713 | -3,419 |
| Benefit obligation in excess of plan assets | 2,315 | 2,335 |
| Unrecognized actuarial losses and prior service cost | -464 | -87 |
| Liability in the balance sheet | 1,851 | 2,248 |
| Early retirement program (1997) | -768 | -428 |
| Early retirement program (1999) | | -147 |
| Net liability without retirement programs | 1,083 | 1,673 |

(1) Increase in accrued pension cost of MCHF 452 upon adoption of IAS 19 (revised)

Tax calculation

| MCHF | 1998 | 1999 |
|---|--------------|--------------|
| Income before income taxes, equity in net (loss) income of affiliated companies and minority interest | 2,587 | 2,449 |
| Weighted average statutory tax rate ⁽¹⁾ | 25% | 25% |
| Income tax expense at weighted average statutory tax rate | 647 | 612 |
| Reduction in income taxes resulting from: | | |
| Deferred tax asset recorded on incorporation ⁽²⁾ | -230 | |
| Amortization of goodwill | | 22 |
| Loss on investment in affiliated companies | -52 | -16 |
| Income of non-taxable subsidiary | -3 | -18 |
| Other | -43 | -65 |
| Income tax expense as reported | 319 | 535 |
| Effective tax rate | 12.3% | 21.8% |

(1) The weighted average statutory tax rate includes both Federal and Cantonal taxes.

(2) Upon incorporation on 01.01.1998 Swisscom became subject to income taxes. At this date, the tax basis of accrued pension cost was lower than the IAS basis in the amount of MCHF 920. This difference resulted in a deferred tax asset of MCHF 230 which has been recorded as a deferred income tax credit during 1998.



Goodwill - debitel

MCHF

Cost of acquisition 3,394

Interest in fair value of net assets acquired 34

Goodwill **3,360**

Years of amortization 10

Amortization of goodwill per year 336