Agenda

1. Nine months 2008 results
2. Strategy
3. Customer Orientation
4. Organisation
5. Swisscom Switzerland
6. Cost savings
7. Fastweb
8. Economic cycle
9. Credit considerations
10. 2008 guidance
1. Nine months results 2008: In a nutshell

### Key financials

<table>
<thead>
<tr>
<th>in CHF mm</th>
<th>30.09.2008</th>
<th>YOY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net revenue</td>
<td>9,085</td>
<td>12.4%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>3,615</td>
<td>10.4%</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>39.8%</td>
<td></td>
</tr>
<tr>
<td>EBIT</td>
<td>2,066</td>
<td>5.2%</td>
</tr>
<tr>
<td>Net income</td>
<td>1,316</td>
<td>-19.4%</td>
</tr>
<tr>
<td>SCM net income</td>
<td>1,313</td>
<td>-19.3%</td>
</tr>
<tr>
<td>EPS</td>
<td>25.35</td>
<td>-19.3%</td>
</tr>
<tr>
<td>CAPEX</td>
<td>1,365</td>
<td>1.6%</td>
</tr>
<tr>
<td>OpFCF</td>
<td>2,124</td>
<td>32.6%</td>
</tr>
<tr>
<td>Net debt</td>
<td>9,904</td>
<td>-5.8%</td>
</tr>
<tr>
<td>FTE</td>
<td>19,995</td>
<td>1.7%</td>
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</tbody>
</table>

1) Net income before minorities
2) Net income to Swisscom shareholders (excl. minority interests)
3) Avg. # of outstanding shares as per 30 September 2008: 51.802mm

### Comments

- **Headline figures** up mainly due to 1\textsuperscript{st} time consolidation of Fastweb:
  - Net revenue: CHF +1,003 mm
  - EBITDA: CHF +340 mm
- **Like-for-like** slightly up: traditional business declines over-compensated by growth from new subs (BB and Mobile) and new businesses (IPTV, iPhone, mobile data, ICT)
- **Like-for-like** EBITDA slightly down (-1.2%) mainly due to high cost of introduction iPhone
- **SCM net income** down mainly because of an exceptional charge for the early termination of cross-border leasing transactions in Q2, and high profit in Q3 2007 from sale Antenna Hungária
- **CAPEX** overall flat:
  - Fastweb consolidation +CHF 248mm
  - Swisscom standalone Capex down 21.2% YOY esp. due to lower VDSL costs
- **OpFCF** up by CHF +522mm (+33%), largely from higher EBITDA, lower Capex and better NWC development. Fastweb delivered CHF 242mm of the total increase in OpFCF

2. Strategy:
3 pillars, 1 outcome

Maximize
- the existing business
  by improving and fortifying market position

Extend
- to deepen the business
  by driving cost down, focusing on valuable business

Expand
- to widen the business
  by moving into increasingly cash generative business

Use proceeds to optimize payouts to shareholders while securing efficient capital structure
3. Paradigm change: From technology to customer focus

Technologies: Fixed Mobile

Sofar separated technologies converge to single All IP

enabling the delivery of a wider range of services for increasingly diverging customer needs

Customers: Residential Small & Medium Enterprises Corporate
4. Organisation: Aligned with strategy

- CEO
  Swisscom Group

- Swisscom (Switzerland)
  - Residential
  - SME
  - Corporates
  - Wholesale
  - Networks & IT

- Swisscom IT Services
- Swisscom Participations
- Fastweb

- Maximize
- Extend
- Expand
5. Swisscom Switzerland: The cash generator

**Market shares YE 2007**
- Mobile voice: 78%
- Mobile data: 88%
- Fixed voice: 70%
- Broadband: 43%

**Financial results 9 months 2008**
- Revenues: CHF 1,393mm
- Contribution Margin: CHF 680mm

**Market shares YE 2007**
- Mobile voice: 83%
- Mobile data: 83%
- Fixed voice: 84%
- Broadband: 63%

**Revenues:** CHF 865mm
**Contribution Margin:** CHF 634mm

**Market shares YE 2007**
- Mobile voice: 62%
- Mobile data: 55%
- Fixed voice: 65%
- Broadband retail: 50%

**Revenues:** CHF 3,869mm
**Contribution Margin:** CHF 2,210mm

**Focus products**
- Voice
- Broadband
- Roaming

**Revenues:** CHF 1,249mm
**Contribution Margin:** CHF 427mm

**Factory**
- Mobile networks
- Fixed networks

**Contribution Margin:** CHF -1,079mm

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**Swisscom Switzerland**

**EBITDA:** CHF 2,874 mm
**Capex:** CHF 732 mm
**FCF proxy:** CHF 2,142 mm
6. Efficiency initiatives: Short and medium term cost improvements

- **Short term**
  - Savings from new organisation (one shared services, reduction of M&S overlaps, less real estate, system optimisation)
  - Extra savings - CHF 100-120 mm pa

- **Medium term**
  - Savings from one single All-IP network with TDM switch-off in 2013
  - Cumulative cash-out (2008-2010): CHF 250 mm
  - Savings ~ CHF 330 mm pa
7. Fastweb: The growth generator

FASTWEB expanding its broadband customer base significantly faster than most European Altnets:

- FASTWEB broadband net adds market share steadily over 20% in 2008
- TI dominant position in retail broadband (61% market share) offers additional opportunities

FASTWEB EBITDA growth well above average:

- EBITDA margin steadily over 30% in 2008 (average Altnet = 25%)
- Absolute EBITDA contribution to outpace Capex by > € 100mm in 2008
- Fastweb contribution to OpFCF (i.e. shareholder returns for Swisscom shareholders) CHF 242 mm by 30.9.2008

1 Comparison based on fixed line broadband customers
2 Average calculated on the basis of 1H 2007 and 1H 2008 published results of Iliad, HanseNet, Tele2, Telenet, Tiscali, United Internet, Versatel and Wind (Fixed Line)
3 FASTWEB EBITDA excludes EUR 30 mm extraordinary item booked in 2Q 2008
8. Economic cycle: Robust in uncertain times (1/2)

Swisscom
- Order intake at Segment Swisscom CBU not significantly impacted
- Exposure to banking/insurance sector limited: 16% of CBU sales and 3% of group sales
- Highest sales of the year in Sept and Oct at SME
- Swisscom IT sales in Oct best of last 3 months, and offer-requests highest of the year
- Residential sales in Oct just above average of both past 12 and past 9 months

CBU Weekly Order intake (1.1.2007 - 5.11.2008)
8. Economic cycle: Robust in uncertain times (1/2)

Fastweb
- Order intake from corporate accounts in Sept and October trending back up again from annual holiday dip in August
- Sales continuing to grow, also Sept and Oct above 9 month average
- No meaningful difference between sales trends for residential and corporate accounts

Index (avg. of first 9 months 2008 = 100)
9. Credit considerations: Refinancing schedule

- **Swisscom’s rating** is „A-, stable“ (S&P) and „A2, stable“ (Moody‘s)
- **Gross debt** of CHF 12.3 bln is either in CHF or fully swapped into CHF. As a result Forex swings do not impact debt level.
- **CHF debt** typically come at 1.5-2% lower interest rates than € debt.
- **Outstanding debt** at extremely **favourable conditions** in light of the current market conditions.
- **Refinancing schedule** safe with first larger tranche in 2011.
10. **2008 guidance:**
Likely to be achieved

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<tbody>
<tr>
<td>Net revenue</td>
<td>11.1</td>
<td>15%</td>
<td>12.3</td>
<td>11%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>4.5</td>
<td>19%</td>
<td>4.8</td>
<td>7%</td>
</tr>
<tr>
<td>CAPEX</td>
<td>2.0</td>
<td>51%</td>
<td>2.1-2.2</td>
<td>5-10%</td>
</tr>
<tr>
<td>OpFCF</td>
<td>2.1</td>
<td>-5%</td>
<td>2.4-2.5</td>
<td>15-20%</td>
</tr>
<tr>
<td>Payouts per share 1)</td>
<td>20</td>
<td>18%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>2.1</td>
<td>31%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Earnings per share</td>
<td>39.9</td>
<td>38%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of employees</td>
<td>19,844</td>
<td>16%</td>
<td></td>
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</tbody>
</table>

1) Payout 2007 consisted of ordinary payment of CHF 18 and extraordinary dividend of CHF 2 per share, both paid in April 2008. Payouts in general are defined as approx. 50% of OpFCF, and can be in the form of dividends and share buy backs.
Q&A
Cautionary statement regarding forward-looking statements

"This communication contains statements that constitute "forward-looking statements". In this communication, such forward-looking statements include, without limitation, statements relating to our financial condition, results of operations and business and certain of our strategic plans and objectives.

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

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