

## **COMCO approves merger of local.ch and search.ch**

**The Swiss Competition Commission (COMCO) has found the merger of Swisscom Directories Ltd (local.ch) and search.ch AG to be acceptable. The merger can thus proceed without restrictions and is expected to be completed by the middle of the year. Swisscom and Tamedia will hold respectively 69% and 31% of the shares in the resulting company and Tamedia 31%. The two companies will continue to develop their services to create a strong Swiss alternative to global providers of search engines and social networks.**

Swisscom and Tamedia welcome the decision of the Swiss Competition Commission and plan to complete the merger mid-2015. The online platforms local.ch and search.ch will continue to operate as separate services.

### **A strong Swiss alternative to global providers**

The merger of local.ch and search.ch will lead to a comprehensive Swiss directories service and information platform for private individuals, companies and public stakeholders as well as an important advertising partner for Swiss SMEs. Together, the two providers, who are competing with international companies like Google, reach around 3.6 million Internet users a month in Switzerland. Swisscom CEO Urs Schaeppi is pleased with the approval. "This decision is the right one given the international market environment and takes account of future developments," he says. "The merger will enable us to build a strong Swiss alternative to international search engines and social networks together with Tamedia and develop new and attractive services for our customers." Tamedia CEO Christoph Tonini adds: "Together with Swisscom, we now have an opportunity to build a strong Swiss online directories service, once again proving we are consistent in the implementation of our digital strategy."

Swisscom has granted Tamedia a right of sale (put option) and Tamedia has granted Swisscom a right of purchase (call option) for Tamedia's 31% share, which may be exercised three years after the completion of the transaction at a price of about CHF 200 million.

Swisscom Directories, with its online directories platform local.ch and its Local Guide phone directories business, is a leading advertiser and provider of directories in Switzerland. Swisscom Directories Ltd, a wholly-owned subsidiary of Swisscom, also comprises LTV Gelbe Seiten AG and local.ch AG, which merged with Swisscom Directories Ltd in 2014.

search.ch is a leading search and information service in Switzerland. Amongst other things, it offers an electronic telephone directory, an interactive map, a route planner, local weather reports, and up-to-date TV and cinema listings. Following the purchase of the 25% minority interest in search.ch previously held by Swiss Post, Tamedia will merge 100% of search.ch into the new joint undertaking.

Berne/Zurich, 24 March 2015