

Telecoms providers lower mobile termination rates

In response to the interconnection terms laid down in the Telecommunications Act, the three mobile service providers Sunrise, Salt and Swisscom have reached an agreement in negotiations about lower mobile termination rates (MTR). The adjustments enter into force on 1 January 2017.

Mobile termination rates (MTR) are the charges levied by a mobile service provider on other telecommunications service providers for terminating calls in its network. MTRs have no direct impact on prices for customers. The primacy of negotiation applies. MTRs are consequently not regulated and are regularly adjusted by providers in line with market developments.

An overview of prices:

	Sunrise / Salt	Swisscom
MTRs until 31.12.2016 (centimes/min.)	7.35	5.95
MTRs from 01.01.2017 (centimes/min.)	4.30	3.10
MTRs from 01.01.2018 (centimes/min.)	3.90	2.95
MTRs from 01.01.2019 (centimes/min.)	3.50	2.80

Swisscom estimates that the adjustments will reduce its revenue by some CHF 50 million for 2017, but also expects an equivalent reduction in costs. This means that the lower rates have a relatively neutral impact on EBITDA.

Berne, 20 October 2016