



## **Swisscom acquires majority stake in Cinetrade**

**On 30 April 2013, Swisscom increased its strategic holding in Cinetrade, which it has held since 2005, from 49% to 75%. In doing so, Swisscom has secured the long-standing experience of the Cinetrade team in the film and sports broadcasting business. Stephan Sager will remain a shareholder and CEO of Cinetrade.**

By entering into the TV business in 2011, Swisscom opened up competition in the Swiss television market, which following significant investment led to a substantial expansion in the range of sports television programming. Thanks to the commitment of Swisscom and Cinetrade, sports fans today can benefit from a much wider selection of live broadcasts on both free TV and pay TV. For example, there is now four to six times as many football matches broadcast live on free TV, while it is now also possible to enjoy all 180 games from the Swiss Super League, as well as 36 Challenge League games, on pay TV.

The partnership between Swisscom and Cinetrade has developed over many years: Swisscom customers have one-stop access to a range of appealing programmes via TV and computer, as well as smartphones and tablets. Swisscom offers its TV customer more than 4000 Teleclub Sport Live events and 7800 titles (films, documentaries, concerts) on demand each year. In the past year alone, customers have viewed almost eight million live sporting events and films with Swisscom TV. Teleclub also offers several attractive pay TV packages.

### **Swisscom will not influence programme organisation**

Swisscom has now increased its strategic holding in Cinetrade, which it has held since 2005, from 49% to 75%. The parties have agreed not to disclose details of the purchase price. Cinetrade will not be integrated into Swisscom, and will instead continue to operate as a strategic holding under the existing management. Stephan Sager will remain a shareholder and CEO of the company.

Programmes and their content will now be composed by Teleclub Programm AG, in which Cinetrade only has a minority holding. In future, Swisscom will thus also play no role in the organisation of programmes or their editorial content. Teleclub Programm AG will assume responsibility for the



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organisation of television programmes (pay TV, sport) and the editing of programme information for the Cinetrade Group.

The Competition Commission approved Swisscom's holding in Cinetrade in 2005. At the end of 2011, the Commission confirmed that neither the assumption of a majority holding in Cinetrade nor the sale of the majority holding in the broadcaster need to be reported.

The Cinetrade Group employs approximately 600 staff. The company holds film and sports rights for pay TV, video on demand and pay per view, and makes use of these via its pay TV platforms and VOD/PPV services. Cinetrade also operates a leading cinema chain in Switzerland.

Berne, 2 May 2013