

Swisscom raises dividend to CHF 21 per share

Shareholders attending today's Swisscom Annual General Meeting in Zurich approved all proposals put forward by the Board of Directors and agreed to a 5% increase in the dividend to CHF 21, the ninth increase in succession. Discharge was granted to the members of the Board of Directors and Group Executive Board for the 2010 financial year. Hansueli Loosli will take over as Chairman of the Board of Directors on 1 September 2011.

The 13th Annual General Meeting of Swisscom Ltd in Zurich was attended by 1,758 shareholders, representing 84.9% of the voting shares. The number of registered Swisscom shareholders at the end of March 2011 totalled around 60,000.

Successful financial year 2010

Commenting on 2010, Anton Scherrer, Chairman of the Board of Directors, said Swisscom can look back on a successful year. "Consumer confidence rose despite a still uncertain business environment. Group revenue was only just on a par with the prior-year level, while net income fell by 7%. We nevertheless consider 2010 to have been a successful year: factoring in currency effects, revenue increased by 2.1% and allowing for one-off items, net income rose by 1%."

Increased dividend results in a return of around 5 percent

Shareholders approved the annual report, financial statements and consolidated financial statements for 2010 and followed the Board of Directors' recommendation to set the ordinary dividend per share at CHF 21 gross (previous year CHF 20), the ninth increase in succession. The payout will allow Swisscom to further reduce net debt, which in turn will give the company greater financial flexibility. The dividend yield – based on the current share price – is around 5 per cent.

The total dividend amounts to CHF 1,088 million. Of this, CHF 466 million will be paid (free from withholding tax) from capital contribution reserves and CHF 622 million from free reserves. The net payment of CHF 16.80 per share will be made on 29 April 2011.

Discharge was granted to the members of the Board of Directors and Group Executive Board for the 2010 financial year. In a consultative vote, the meeting unanimously approved the Remuneration Report.

Hansueli Loosli to take over as Chairman of the Board of Directors on 1 September 2011

In view of the forthcoming Board elections, the meeting voted in favour of an amendment to the Articles of Incorporation, whereby, if necessary, it will be permitted to temporarily increase the number of Board members or deviate from the two-year term of office. The new provisions will therefore also provide greater room for manoeuvre for future succession planning.

Anton Scherrer announced his intentions to step down from the Board of Directors in 2011 back in September 2009. The newly elected Chairman, Hansueli Loosli, will take up office following the handover of his executive responsibilities at Coop on 1 September 2011. To ensure a seamless transfer of the chairmanship, Anton Scherrer was elected for an extended period to 31 August 2011.

A new member, Theophil H. Schlatter, was elected to the Board. It is planned that Mr Schlatter he will take over from the current Chairman of the Audit Committee, Othmar Vock, in 2012. Othmar Vock was re-elected to the Board for a further year. As a result of Theophil H. Schlatter's appointment, the Board will temporarily comprise 10 members until the departure of Anton Scherrer.

Michel Gobet, Thorsten G. Kreindl and Richard Roy were each re-elected for a further two-year term of office.

Hans Werder will succeed Felix Rosenberg as the new representative of the Swiss Confederation on the Board. The representative is delegated by the Federal Council and is not elected by the Annual General Meeting.

<http://www.swisscom.ch/annualgeneralmeeting>

Zurich, 20 April 2011