



Acquisition of Vodafone Italia

Creating a leading converged challenger in Italy

Media Call
15 March 2024



Transaction highlights

Swisscom to acquire Vodafone Italia for EUR 8.0 billion EV and combine it with Fastweb

Transaction terms

- **Acquisition of 100% of Vodafone Italia**, fully consolidated and controlled as of closing
- Purchase price of **EUR 8.0 billion** (Enterprise Value), 100% debt-financed
- **Expected closing in Q1 2025**, subject to regulatory and other customary approvals

Compelling strategic rationale

- **Creation of a leading converged challenger** in Italy, able to compete effectively based on:
 - **Scale:** sizeable #2 with the necessary scale to be profitable, invest and innovate
 - **Convergence:** Well-balanced position in fixed and mobile in all customer segments, providing a high-quality one-stop shop for consumers and businesses
 - **Infrastructure:** extensive infrastructure footprint in mobile and fixed (and FWA) yielding owner economics and operating leverage
- **Combination with clear benefits** for customers and Italy

Substantial value creation

- **High and tangible synergies** with run-rate of EUR ~600 million p.a. (~100% achieved by YE 2029)
- **Attractive valuation** with EV/EBITDAaL¹ of 5.1x post-synergies and EV/OpFCF² of 9.2x post-synergies
- **FCF neutral in year 1 and accretive from year 2**, (excluding integration costs), **continuous FCF growth** prospects as synergies materialise
- **Higher dividends** CHF 26/share³ in 2026⁴ (CHF +4 vs. CHF 22 in 2025⁴), with ambition for further growth thereafter in line with FCF evolution
- **Strong balance sheet** maintained with an **excellent A credit rating**, supported by a **clear deleveraging path** from ~2.6x net debt/EBITDA (YE 2025) to **~2.4x by YE 2027**



Strategically stronger, financially rock-solid

Transaction strengthens Swisscom's profile in Italy and adds FCF growth to its rock-solid financials



Group goals



Trusted Leader in
digital life & business



Outstanding in
innovation & reliability



Rock-solid
financials



Pioneer in
sustainability



High-performing
teams

✓ Number 1 in Switzerland

- **Strong market position in Swiss Telco** based on NPS leadership **and IT Services** based on unique portfolio proposition
- Swiss business with **robust FCFs**

✓ Leading challenger in Italy

- Creating a **leading converged challenger in Italy** based on improved **scale, convergence** and own **infrastructure**
- Italian business with **growing FCFs**

✓ Long-term value creation

- Stable FCFs from Swiss Telco
- Profitable growth in Swiss IT
- **Growing FCFs** from **synergies in Italy**

✓ Attractive dividend

- **Growing dividend** CHF 26/share¹ in 2026², with ambition for further growth thereafter in line with FCF evolution

✓ Strong balance sheet

- **Single A credit rating** expected to be retained
- Clear deleveraging path

Highly stable and resilient Swiss business with enhanced growth profile in Italy, underpinning dividend increase



We remain closely connected

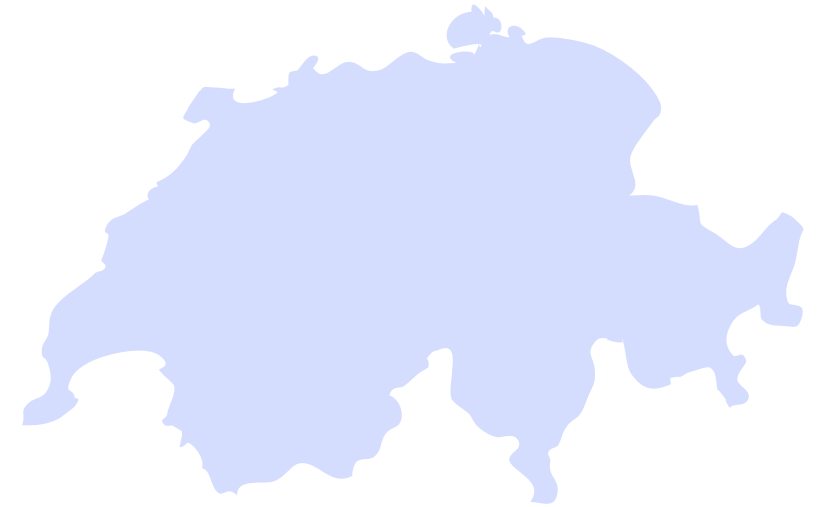
to our country and its people.

Unchanged focus on Swiss market

Continued high investments in innovation, top-quality service, and next-generation infrastructure.

Network expansion targets such as optical fibre coverage of 75-80% by 2030 remain unchanged.

No impact on employees in Switzerland.





Q&A