

Attachment 2

Speech of Mr. Libor Voncina (CEO) Annual General Meeting of Sunrise Communications Group AG

**Friday, April 15, 2016
Lake Side, Zürich**

(The spoken word prevails)

Thank you Lorne

Dear shareholders

Welcome to the first Sunrise AGM also from my side. I am glad to see so many of you here in Zurich. I would like to start with an overview of 2015. Our CFO André Krause will then give you some financial insights.

A highlight of 2015 was surely the continued strong subscriber momentum that we achieved - not only in mobile postpaid but also in internet and TV.

On the top of the slide you see that 80'000 new mobile postpaid customers joined Sunrise in 2015. This represents a plus of 6 percent. The number of Landline Internet Subscribers increased by nearly 5 percent, and the TV subscribers increased by a strong 25 percent.

At the same time customer churn improvements continued. This was supported by us having strongly worked on improving the customer experience, as I will outline later on.

As you can see in the middle of the slide, there were however various factors, which reverted the strong subscriber performance into a year-over-year revenue decrease.

First:

Like many other telecom companies, we experienced a structural decline in prepaid mobile customers. The ongoing pre- to postpaid migration was driven by both: increased cost control in postpaid due to flat rates, as well as the trend towards mobile data consumption where postpaid tends to have better offers.

Second:

We have not been immune to changing customer behavior in landline voice, where customers are replacing fixed line calls with mobile or OTT calls.

Third:

The strengthening of the Swiss Franc, value mix and roaming had adverse impacts on our business.

Finally:

We did encounter headwinds from the Freedom hardware unwind as more and more customers migrated to our Freedom tariffs. However, it is encouraging to see, that the headwind is fading off. We expect this headwind to largely end by the end of 2016.

All in all this meant that the positive subscriber momentum was not sufficient to offset the headwinds, resulting in lower revenue.

However, despite the lower revenue, we were able to reach a roughly stable EBITDA. It decreased by 1.8% to 627 million Swiss Francs and was supported by a strong monitoring of our cost base.

For example, we have streamlined our organization in Q3. An important part of the organizational simplification has been the creation of a single commercial unit that enabled us to further strengthen our customer focus. It also resulted in an 8% workforce reduction. We will continue to implement our simplification and digitalization initiatives. They will further improve our cost structure and lead to an even better customer experience going forwards.

Equity free cash flow in turn has strongly improved from -4 million Swiss Francs in 2014 to 153 million Swiss Francs in 2015. This was supported by lowered Capex. Following the significant investment ramp up over the past years, we were able to reduce Capex back to more normalized levels. The positive equity free cash flow development was also supported by lower interest expenses following our switch to a lower cost financing structure in spring 2015.

The net loss of CHF 113m is primarily related to one-off costs associated with the IPO and with the switch to the lower cost financing structure. Adjusted for those one-off costs, net income would have amounted to a positive CHF 44m in 2015.

Finally on the bottom of the page you see, that we propose a dividend of 3 Swiss Francs per share, which is fully in-line with our guidance.

Now let me move from a trading and financial overview to a strategic overview.

In 2013 we initiated four strategic growth levers: network quality, customer experience, innovation, and brand awareness.

Today, I am particularly pleased to report the progress we have made in each one of them and to see that they are starting to pay off.

The recent substantial investments into our mobile network turned Sunrise into the mobile operator with the strongest network quality improvement since 2012. We were not only able to largely close the network quality gap to the incumbent Swisscom. We also have been able to overtake Swisscom in mobile voice quality.

In the middle of the slide you see, that thanks to a consequent customer orientation we achieved strong improvements in customer experience. The improvements have been confirmed by various independent tests in 2015. The introduction of the net promoter score (NPS) helped us to measure our progress and will support us to further improve customer experience going forward.

Our commitment to innovate was underscored, when we launched the enhanced Sunrise smart TV last November. It includes features such as cloud based recording at a very competitive price. Its multi-screen functionality means that we are bringing our TV product onto mobile devices. We are thereby further increasing awareness for our convergent offer.

Finally on brand awareness, we are extremely pleased to have found the perfect match in our brand ambassador Roger Federer. He will help us to position the Sunrise brand as the premium challenger in Switzerland.

We believe the successful implementation of these four growth levers is a key reason, why we succeeded in 2015 to grow our customer base by 80 thousand in mobile postpaid, by 15 thousand in internet, and by 27 thousand in TV.

Having now looked at the recent the strategic progress, I will give you a strategic outlook on the next slide.

As just highlighted, Sunrise fixed the strategic basics since 2013 and got recognized with proof points such as the strong rankings in the independent connect and Bilanz tests. Going forward we want to communicate these proof points via our recognized brand ambassador Roger Federer and make customers tell the proof points themselves. Hence we are about to differentiate the Sunrise brand as the premium challenger with a convergent offering at a non-monopolistic price.

At the same time we will use our multi brand approach to compete in the Budget and Ethno segments.

We will also further increase awareness for Sunrise B2B and provide simple and relevant solutions based on business customer needs.

As a result of all the measures just mentioned, we see further growth potential within mobile post-paid, internet, TV, and B2B. This growth should increasingly offset moderating headwinds over the mid-term, supported by continued cost efficiency measures. We will also continuously monitor competitive landscape and pricing dynamics which are determinants for mid-term growth potential, too.

I hereby conclude the strategic update and handover to our CFO André Krause.