

Press Release

Zurich, March 22, 2012

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Sunrise: accelerated customer growth leads to 13.1% growth in operating results in FY 2011

- **Customer base passes the 3 million mark for the first time, with 30,931 customers joining in the fourth quarter of 2011 alone**
- **Customer growth leads to double-digit increase in operating result (EBITDA +13.1%)**
- **Further investment in the future: Sunrise TV launched, 25% more stores and over 354 new employees (+11.7%)**

Sunrise finished the 2011 fiscal year successfully, proving the sustainability of its positive development. The largest private telecommunications provider in Switzerland recorded significant growth. As of December 31, 2011, the number of customers increased to over 3 million (+1.9%), mainly attributable to significant growth in the Mobile Postpaid area, which grew by double digits (+11.0%). Due to the positive development of the customer base, the Sunrise operating result (EBITDA) also increased by double digits (+13.1%) to CHF 607.6 million. With this, Sunrise clearly strengthened its position as the largest private telecommunications provider in Switzerland.

Mobile Postpaid area drives total number of customers past 3 million

The positive development in the most important indicators is evidence once again of the sustainable growth of Sunrise. Since the beginning of the new ownership by CVC Capital Partners in fall 2010, the telecommunications company has achieved sustainably good results quarter after quarter, and was able to continue its clear growth trend. The 2011 financial figures prove this conclusively. First, the number of Sunrise customers exceeded 3 million. As of December 31, 2011, the largest private telecommunications provider in Switzerland registered a record number of 3,001,507 customers, which represents a 1.9% increase over the previous year. The rise in total customer numbers to over 3 million is primarily due to the sharp increase in Mobile Postpaid customers, which stood at 1.1 million (+11.0%) as of December 31. Successful new rate plans and smartphone offerings that meet customers' needs for increased data use are behind this gain.

Double-digit EBITDA growth – revenue, excluding hubbing, increases by 2.1%

This broadened customer base resulted in a double-digit increase in the operating result (EBITDA +13.1%) to CHF 607.6 million in the last fiscal year. Although total Sunrise revenue declined by 1.8% to CHF 1.98 billion due to strategic changes in the hubbing business area, Sunrise recorded an increase (+2.1%) to CHF 1.86 billion in revenues adjusted for the hubbing business and a significantly improved EBITDA margin (+3.2%) after adjustment for hubbing. The revenue increase in the mobile radio area to CHF 1.29 billion (+7.2%) also clearly shows the positive trend in the company's business performance.

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Business Sunrise as the only alternative in the business customer market

Once again, Business Sunrise, the business customer branch of Sunrise, experienced significant growth in all customer segments and was able to contribute decisively to the gratifying result. The total number of customers grew by 20% in the last fiscal year. Business Sunrise sent a clear signal to the competition with the purchase of network integrator NextiraOne (Schweiz) GmbH in the fourth quarter of 2011. This merger allows Business Sunrise to operate in the business customer environment as the only full-service provider other than the market leader, and offer "one-stop-shopping" to companies of every size, from the self-employed up to major internationally active customers.

Investment in the future: New basis for network expansion, Sunrise TV as a fourth pillar of business and expansion of the sales network

With an extensive investment drive in new and existing frequency ranges, Sunrise has confirmed its long-term commitment to the Swiss market. It is especially well represented in the valuable low frequency ranges of 800 and 900 MHz. This lays the groundwork for expansion in the existing mobile network as well as the expansion of future networks up to 2028.

Since the launch of its own digital offer Sunrise TV around two months ago, Sunrise now offers mobile telephony, a landline network, Internet and television, all from a single source. With a host of innovations, including ComeBack TV and the largest offering of HD channels in its basic package (29 channels), Sunrise TV becomes the company's fourth pillar of business and is now ready to gain market share in digital TV.

With the striking expansion of their own shop network from 80 to over 100 branches and more than 100 new shop employees in the 2011 fiscal year, Sunrise substantiated its claim of being present nationwide for its customers. The sales network expansion will be continued in 2012.

As of December 31, 2011, 1,707 Sunrise employees (+11.7%) ensured that customers were provided with the best possible service experience. With the integration of NextiraOne (Schweiz) GmbH, the number of Sunrise employees grew by another 176, achieving a new personnel record. This reinforces the appeal of Sunrise as one of the most important Swiss employers in the ICT industry.

Oliver Steil, CEO of Sunrise, comments: "I am very satisfied with our 2011 business result. Sunrise has proved that even in a fiercely competitive environment it is possible to develop gradually and enjoy successes. I am particularly pleased that we have opened up a new business area with Sunrise TV. In previous quarters we have taken strong action in the product development area and cost savings where it was necessary. We can and will build upon this foundation in the coming months and years."

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Time period 1/1–12/31/2011	2011	2010	Q4 2011	Q4 2010
Total sales (in CHF m) excl. hubbing	1,856.7	1,818.0	495.9	470.0
Mobile network services	1,292.5	1,205.3	356.1	321.5
Landline network services	387.9	435.7	95.5	103.9
Internet services	176.3	177.0	44.3	44.7
EBITDA (in CHF m)	607.6	537.3	141.9	125.6
EBITDA margin (excl. hubbing)	32.7%	29.6%	28.6%	26.7%
Total customer number (in m)	3,00	2.94		

Sunrise

Sunrise is the largest private telecommunications provider in Switzerland, with offices in Zurich, Kloten, Lucerne, Basel, Berne, Biel/Bienne, Renens, Geneva and Lugano. More than 3 million customers use Sunrise products and services in the areas of mobile telecommunications, landline network, the Internet and IPTV. Sunrise TV, the latest generation in entertainment, has the largest selection of HD broadcasters in the basic package, ComeBack TV and Live Pause functions and a unique variety of TV and radio channels. The Business Sunrise business customer division offers individual communications solutions for business customers. The Sunrise mobile network, which is based on GSM, EDGE, UMTS und HSPA+ technologies, makes modern mobile network services available to 99% of the population with transfer speeds of up to 21 Mbit/sec. A high-performance 10,000 km-long fiber-optic network can provide high-quality voice and data services throughout the country. Thanks to unbundling, Sunrise can reach approximately 85 % of all households with their broadband services. Sunrise operates more than 100 Sunrise centers throughout Switzerland. Sunrise is a brand of Sunrise Communications AG.