

Media release

Zurich, March 26, 2015

Seite 1/4

Sunrise 2014: Strong growth in revenue and EBITDA

- Strong growth momentum in 2014 with revenue up by 3.1% to CHF 2,084 million
- Adjusted EBITDA growth by 2.8% to CHF 638 million
- High investments into networks with peak for spending of CHF 356 million for over 85% LTE coverage
- Sunrise's network was rated best in mobile telephony by Connect
- New innovative products as well as significant improvements in network and customer care result in increasing subscriber numbers
- Strong growth in post-paid customers (+4.9%)
- 32.8k (+44.2%) Sunrise TV net adds in 2014 with 10.3k in Q4 alone
- Turnaround in broadband internet subscriber development

In 2014 Sunrise continued its strategy of investing in state-of-the-art integrated mobile and fixed network technology and customer care to continue the improvement of customer experience and service quality for the customers. This focus on innovative, customer-oriented products and services lead to an excellent annual result for 2014. The listing on SIX Swiss Exchange on February 6, 2015 demonstrates the Company's long-term commitment to the Swiss market and allows Sunrise to substantially strengthen the balance sheet and resulting from it to exploit future growth opportunities.

Libor Voncina, CEO of Sunrise, comments on the results: "2014 was a very successful year for Sunrise. We will continue our strategy that enabled our IPO by focusing on investments into technology, customer care and innovative products to continuously improve the services for our customers."

Innovative products drive growth in revenue and EBITDA

Based on innovative product offers and high investment activities into mobile and fixed network, Sunrise delivered excellent financial results in 2014: In the financial year 2014 Sunrise recorded total revenue of CHF 2,084 million, an increase of 3.1% over the same period last year. The adjusted EBITDA grew by 2.8% to CHF 638 million. This growth can be attributed primarily to the successful launch of three differentiated and innovative commercial propositions: a fair and transparent offer in mobile with Sunrise Freedom, a flexible fixed bundle with Sunrise Home, and an attractive convergence package with Sunrise Advantage.

Media release

Zurich, March 26, 2015

Seite 2/4

Strong growth in mobile postpaid and Sunrise TV customers

The new Freedom and Home offers have been very well-received by the Swiss market, enabling Sunrise to reach an inflection point in 2014. Mobile post-paid customer base grew by 4.9% (with 61.9k net adds) and stood at 1,319.9k at year-end. Sunrise Freedom continues to drive this growth, with more than 37% of Sunrise's postpaid base already on such contracts at year-end. The Sunrise Freedom rate plans have been awarded by the independent Connect Testlab Certification (Service, Price, Transparency).

Sunrise TV is continuing its success story thanks to innovative features (e.g. the "7 day ComeBack TV" function): At the end of 2014, 107k customers used Sunrise TV which represents net adds of 32.8k (+44.2%) in 2014 (with 10.3k in Q4 2014 alone).

The development on the landline side was also positive with a clear stabilization of total subscriptions and an increased share of convergent customers. For the first time since Q2 2012, Sunrise recorded in Q4 2014 positive internet net additions increasing the total number of internet subscriptions to 327k at year-end.

By attracting several new top customers to further strengthen the division's customer portfolio, 2014 was a successful year for Sunrise Business.

A partnership that makes sense

In December 2014, Sunrise started to accelerate brand awareness with an endorsement partnership that really makes sense: Roger Federer, as a new Sunrise customer, will promote the services of the biggest private telecommunication operator in Switzerland in the next few years. Roger Federer is the ideal partner for Sunrise, as he embodies the values of the company perfectly with his authentic and likeable manner and his fair sportsmanship.

2014 Connect network test: Awarded for the best network in mobile telephony out of all networks in Switzerland, Germany and Austria

Over the 3-year period until December 31, 2014, Sunrise has invested over CHF 1 billion in its network. Sunrise's total investment increased to CHF 356 million during the reporting year, an increase of 26.7% compared to 2013. Approximately 60% of this was invested into the mobile network infrastructure. Further investments were directed to the rollout of LTE and the support of the fixnet strategy.

The increased quality achieved through exceptionally high investments was confirmed by the results of the annual test of the German telecom magazine Connect. In the test score, Sunrise's network was rated "Very good" and ranked third across all telecom operators in the German speaking region of Europe. And even more importantly, the test results underline that Sunrise has the best network for mobile telephony.

The good result is proof of the right investment strategy into customer care and network to continue the improvement of customer experience and service quality for its valued Swiss customers.

Media release

Zurich, March 26, 2015

Seite 3/4

Biggest IPO in Switzerland since 2006

On 6 February 2015, Sunrise listed the shares of the newly incorporated holding company Sunrise Communications Group AG on the SIX Swiss Exchange. The proceeds from the successful initial public offering allowed the Company to substantially strengthen its balance sheet by reducing its net debt. The listing on the SIX Swiss Exchange demonstrates the Company's long-term commitment to the Swiss market and will support its corporate strategy of investing in state-of-the-art integrated mobile and fixed network technology.

Period Jan. 1 – Dec. 31, 2014	2014	2013	Q4 2014	Q4 2013
Total revenues (CHF million)	2,084	2,021	556	517
Mobile phone services	1,358	1,266	368	323
Landline services	521	558	138	143
Internet services	204	198	51	51
EBITDA (CHF million)	640	614	167	151
EBITDA margin (excl. hubbing)	33.3%	32.8%	32.9%	31.6%
Total customers (million)	3.3	3.3		

Sunrise

Corporate Communications

P.O. Box

CH-8050 Zürich

media@sunrise.net

www.sunrise.ch

Phone: 0800 333 000

Fax: +41 58 777 61 67

Media release

Zurich, March 26, 2015

Seite 4/4

About Sunrise

Sunrise Communications Group AG (Sunrise) is listed on the SIX Swiss Exchange in Zurich and is the leading fully-integrated challenger delivering a full range of services across all market segments. Sunrise is the leading non-incumbent operator in both the mobile (prepaid and postpaid) and landline retail voice markets, as well as the third-largest landline internet provider with IPTV, with approximately 3.3 million customer relationships, as of December 31, 2014. Sunrise is committed to deliver a best-in-class convergent experience.

Sunrise benefits from a 10,800 km nationwide state-of-the-art fibre network backbone. Sunrise provides mobile services through its own network based on GSM/GPRS/EDGE, UMTS/HSPA and LTE/4G technologies. On the fixed side, Sunrise leverages more than 600 points of presence in its fully-invested LLU network, with coverage of approximately 85% of households in Switzerland. The company has full access to the most advanced next-generation fiber technologies, such as vectoring, FTTS, FTTB and FTTH thanks to its long-term agreement with the incumbent, SFN and local utilities.

For the financial year ended December 31, 2014, Sunrise generated total revenue of CHF 2,084 million and adjusted EBITDA of CHF 638 million. Sunrise is headquartered in Zurich and had a total of 1,985 employees (including 111 apprentices) allocated to divers business locations across the entire country as of December 31, 2014.

For more information regarding Sunrise, please visit: www.sunrise.ch

Disclaimer

The information contained in this media release has not been independently verified and no representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness, reasonableness or correctness of the information or opinions contained herein. None of Sunrise Communications Group AG, its subsidiaries or any of their respective employees, advisers, representatives or affiliates shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this media release. The information contained in this media release is provided as at the date of this media release and is subject to change without notice. Statements made in this media release may include forward-looking statements. These statements may be identified by the fact that they use words such as "anticipate", "estimate", "should", "expect", "guidance", "project", "intend", "plan", "believe", and/or other words and terms of similar meaning in connection with, among other things, any discussion of results of operations, financial condition, liquidity, prospects, growth, strategies or developments in the industry in which we operate. Such statements are based on management's current intentions, expectations or beliefs and involve inherent risks, assumptions and uncertainties, including factors that could delay, divert or change any of them. Forward-looking statements contained in this media release regarding trends or current activities should not be taken as a representation that such trends or activities will continue in the future. Actual outcomes, results and other future events may differ materially from those expressed or implied by the statements contained herein. Such differences may adversely affect the outcome and financial effects of the plans and events described herein and may result from, among other things, changes in economic, business, competitive, technological, strategic or regulatory factors and other factors affecting the business and operations of the company. Neither Sunrise Communications Group AG nor any of its affiliates is under any obligation, and each such entity expressly disclaims any such obligation, to update, revise or amend any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on any such forward-looking statements, which speak only as of the date of this media release.

It should be noted that past performance is not a guide to future performance. Please also note that interim results are not necessarily indicative of full-year results.