

Media release

Zurich, 19 May 2015

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Solid development for Sunrise in the first quarter 2015

- Increase in revenue by 5.3% y-o-y to CHF 489 million
- Growth in adjusted EBITDA by 4.7% y-o-y to CHF 138 million
- 58,600 new mobile postpaid customers within last 12 months, of which 13,900 in Q1 2015
- Continuing customer growth for Sunrise TV with 32,300 new customers (+39%) within last 12 months, 7,900 in Q1 2015
- Positive internet subscriber growth trend continued

In the first quarter of 2015, Sunrise revenue increased by CHF 25 million or 5.3% to CHF 489 million compared to the same period last year. The adjusted EBITDA increased by CHF 6 million or 4.7% to CHF 138 million. Operating income amounts to CHF 19 million.

Adjusted for the IPO and refinancing costs of CHF 155 million, the net loss amounts to CHF 12 million, consequently the IFRS reported net loss is at CHF 167 million. Sunrise confirms a dividend for 2015 of at least CHF 135 million to be paid 2016.

Positive subscriber trends

Sunrise has been able to continue the positive trend in a more challenging environment with ongoing competitive pressure. Commenting on the Q1/2015-results CEO Libor Voncina says: "Given our competitive product and service portfolio, Sunrise is well positioned to continue the customer growth trend. The successful IPO has further strengthened the business of Sunrise."

The positive trends in subscriber development continued with mobile post-paid gaining 58,600 new customers (+4.6%) compared to the same quarter last year, with 13,900 in the first quarter 2015 alone. In TV, Sunrise increased the customer base by 32,300 customers, reaching a total of 115,000 (+39%) with 7,900 (+7.4%) in the first quarter of 2015. The turnaround in internet subscription development was confirmed with 1,900 new customers in the first quarter 2015.

Expansion of fibre-optic network

The infrastructure investments in the past three months amount to CHF 38 million (-30% y-o-y), primarily on the upgrade of the radio access and core network as well as LTE. The focus for 2015 will be the expansion of the LTE coverage and LTE-Advanced (4G+) roll-out. Sunrise low frequency bands will be further utilized to enhance the nationwide and deep indoor coverage. Sunrise is continuing to expand its fibre-optic network coverage on top of its DSL infrastructure. Currently, Sunrise customers can benefit from the modern fibre-optic speeds in Bern, Zurich, St. Gallen, Basel, Luzern, Winterthur and Geneva.

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Continued innovations

Sunrise has recently expanded its mobile roaming proposition to offer additional value to customers. Starting May 18th 2015, Sunrise has yet again lowered roaming prices. The reduction in the standard rates for popular travel destinations is up to 81%. The new "Travel Days" include unlimited telephony and messaging for up to 30 days and allow customers to "roam like home" in Western Europe as well as in the US and Canada.

The new yallo Postpaid subscription was launched on March 18th and offers unlimited calls in all Swiss networks as well as in all networks of 41 European countries, unlimited SMS and WhatsApp usage as well as unlimited mobile surfing, of which 1 GB with full 4G speed. The yallo Postpaid subscription is available in all branches of the Swiss Post.

In Q1 Sunrise launched "Hot from the US" TV-series, being available in Switzerland within 48 hours after their initial broadcasting. Until June 2015 the offer will contain 34 series.

Sunrise continues to win business customers

Sunrise continues to win customers in the business area: Sunrise will now be providing comprehensive telecommunications services for Cofely, the Coop Rechtsschutz AG and the cantonal police of Geneva, as well as the University of Basel, Strabag and SR Technics. These customer wins show the progress Sunrise is making in gaining share in the business area.

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	Q1 2015	Q1 2014
Total revenue (CHF million)	489	464
Mobile phone services	320	285
Landline services	119	128
Internet services	49	51
EBITDA (CHF million)	133	132
EBITDA margin (excl. hubbing)	29.5%	30.8%
Adjusted EBITDA	138	131
Operating income	19	28
Net loss	(167)	(10)
thereof IPO and refinancing cost	(155)	n/a
Basic and diluted earnings per share (CHF)	(4.48)	n/a
Customer development (thousand)		
Mobile		
Postpaid	1,334	1,275
Prepaid	1,090	1,202
Landline		
Retail voice	395	426
Internet	329	340
IPTV	115	83

Sunrise Communications Group AG published its financial results for Q1 2015. You can find the report, presentation and associated information on <http://corporate.sunrise.ch/ir/reports-and-presentations/>.

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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 vctoring, 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

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