

Sunrise

Investor Overview

March 2019

Leading fully integrated challenger in Switzerland

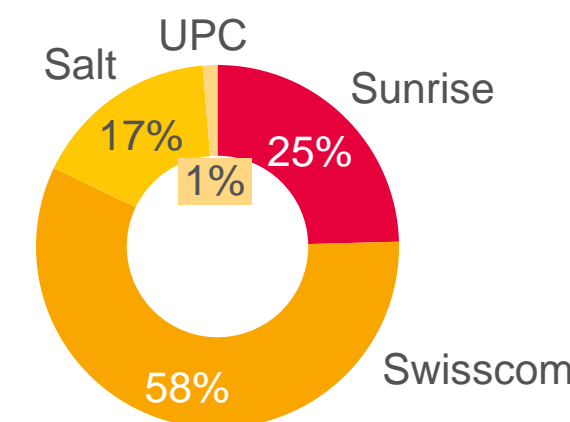
Fully integrated Swiss telco provider

- Present in **quality focused** Swiss market
- Diversified company set-up:
 - Fully integrated player benefiting from **cross-selling** and convergence
 - Serving **residential (72%), business (15%)** and wholesale customers
 - Strong **multi-brand** portfolio
- Outstanding own mobile network; landline wholesale access across various technologies
- Listed at SIX with around **CHF 3.4bn market cap** (75% free float) and CHF 4.7bn EV

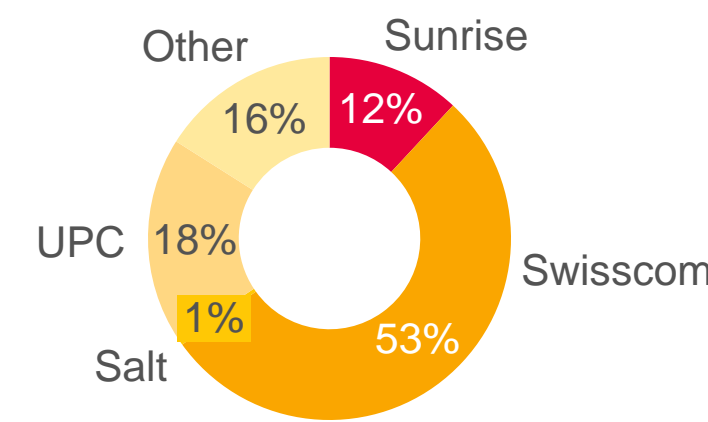


Leading challenger 2018

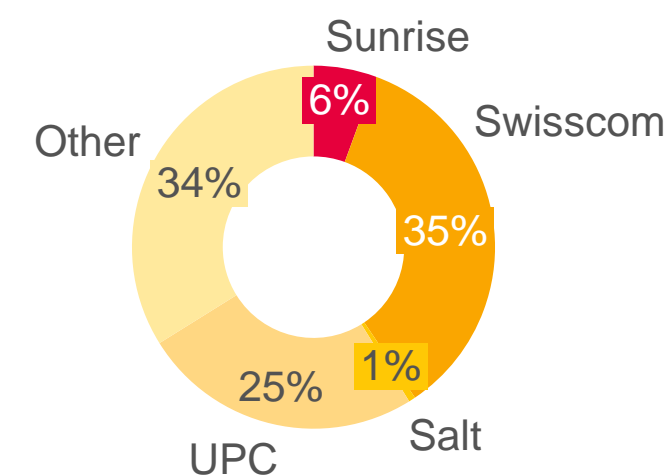
Mobile ¹⁾



Internet ²⁾

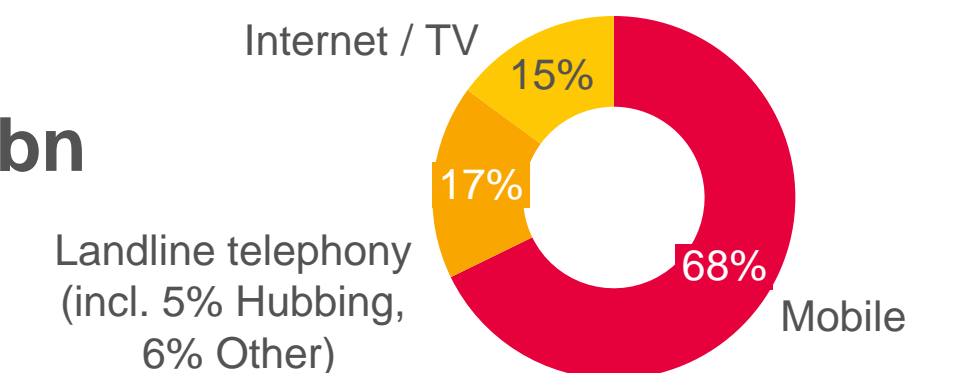


TV ²⁾

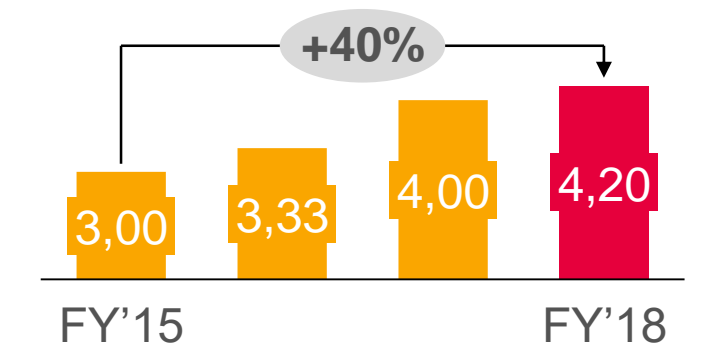


Financials 2018 (CHFm)

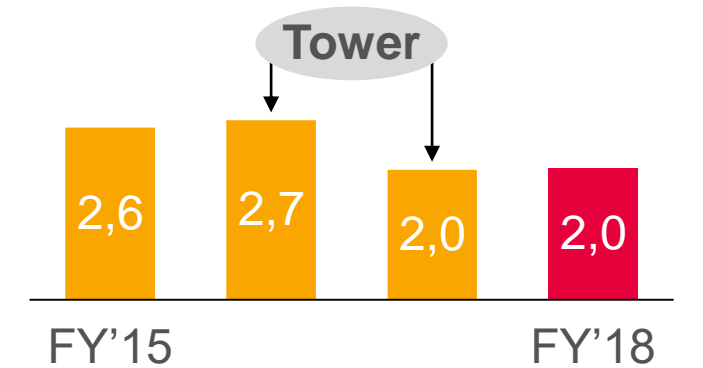
Revenue 1.9bn



Dividends



Net debt / adj. EBITDA



¹⁾ Customer market share; including prepaid customers based on the 12-month activity rule; excluding MVNOs ²⁾ Salt broadband / TV customers based on estimates as not published

Sunrise strategic priorities

Network quality

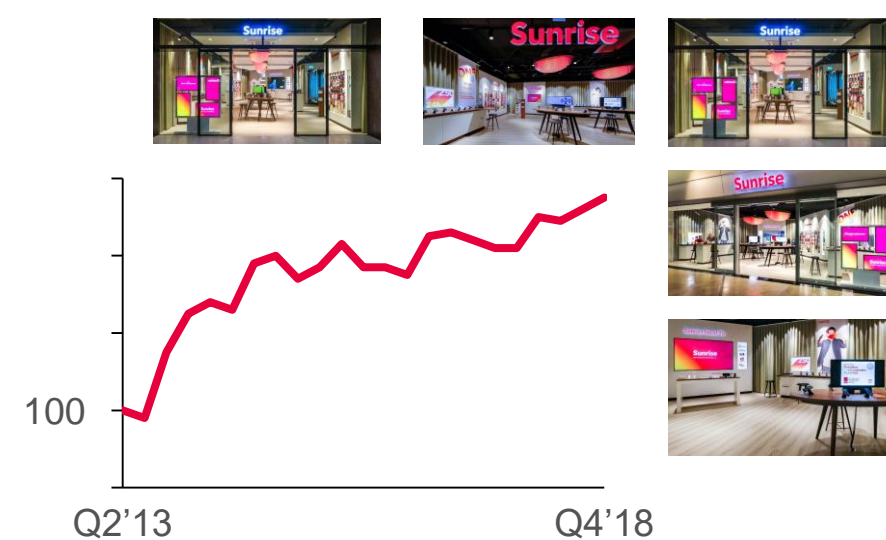
- Outstanding own mobile network with leading **dropped call ratios**, 43Mbit/s average experienced **download speed**, and 99.9%/96.0% LTE population/geographic coverage covering 64% YoY data growth
- Landline access via FTTH, xDSL, and MBB; wholesale/upfront investment model with incumbent and local utilities



1 of the world's best mobile networks ¹⁾

Customer interface

- **NPS** strongly up since introduction in 2013
- Ongoing shop refurbishment and opening of new shops
- Digital transformation on-track with strongly increasing **online** distribution channel share



Improving NPS ²⁾

Innovative converged products

- Converged tariff '**Sunrise ONE**' driving new customer gains and cross selling
- Increased focus on marketing and on communicating improved quality via **brand ambassador RF**, making Sunrise credible and authentic
- Leverage improving perception into **B2B**

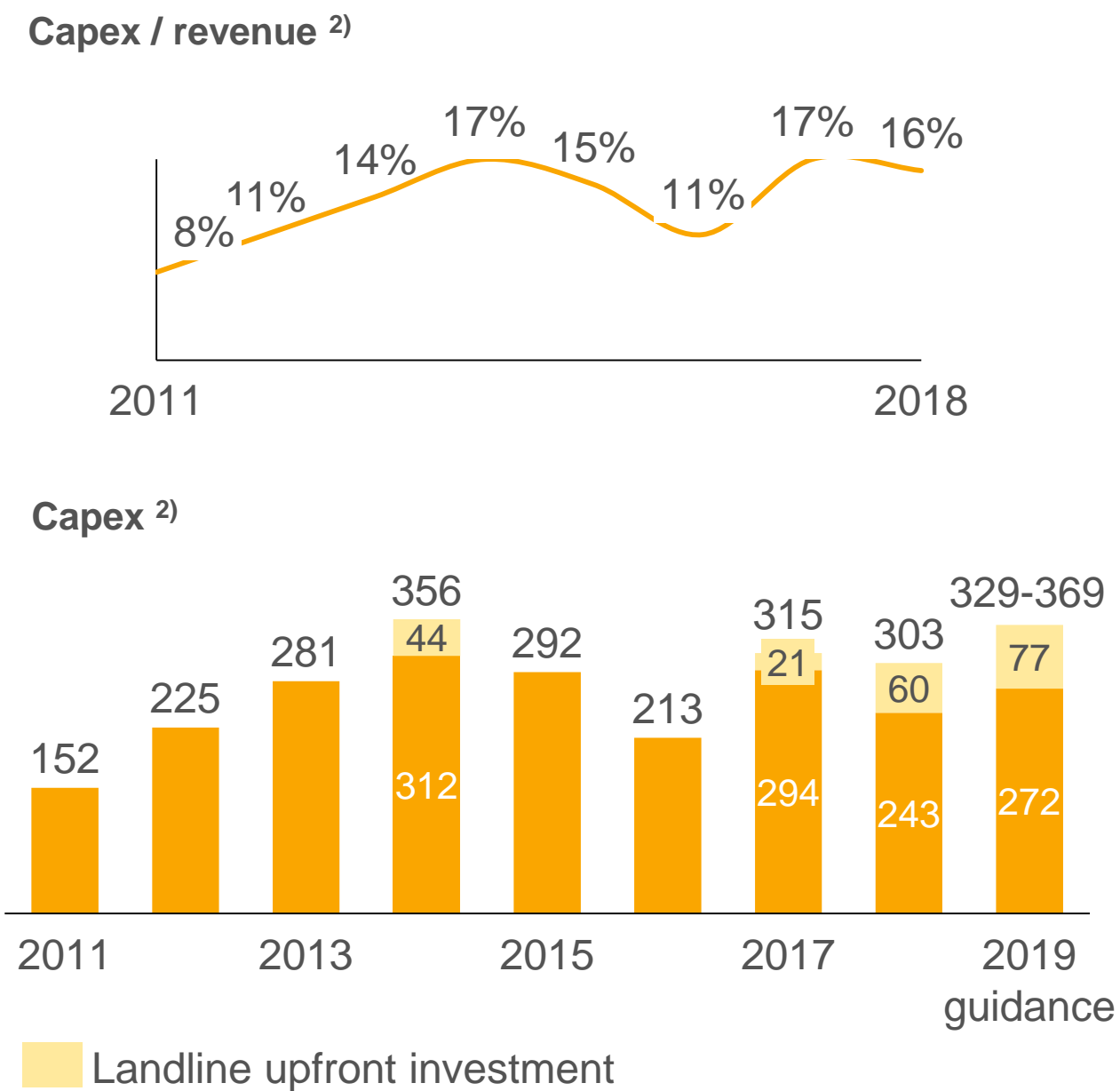


Drive convergence

¹⁾ Source: P3 as per end of January 2019, see FY'18 results presentation for more details, ²⁾ NPS (net promoter score) based on touchpoints (e.g. shops, call centers)

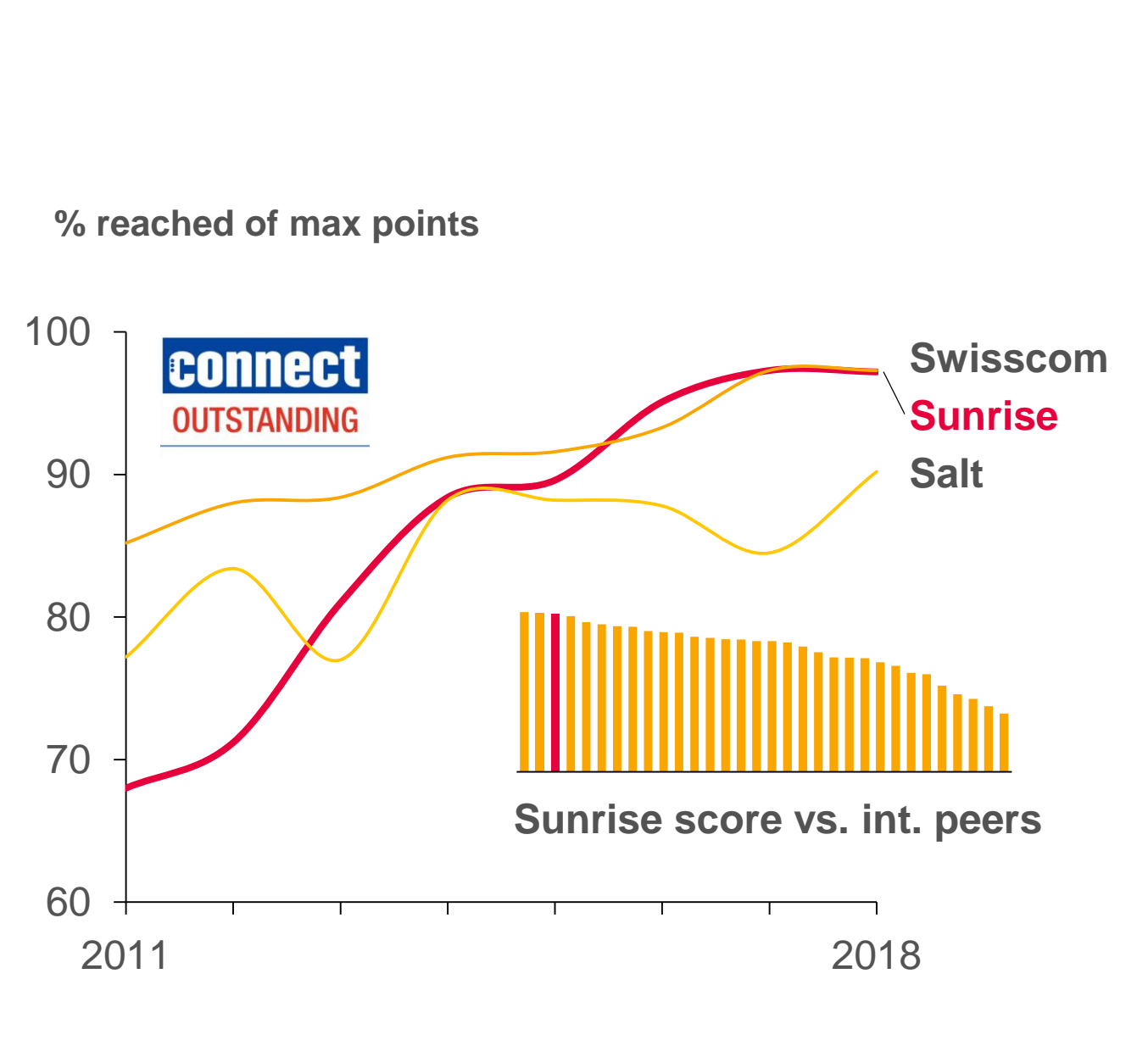
Outstanding mobile network quality

Network investment ramp-up



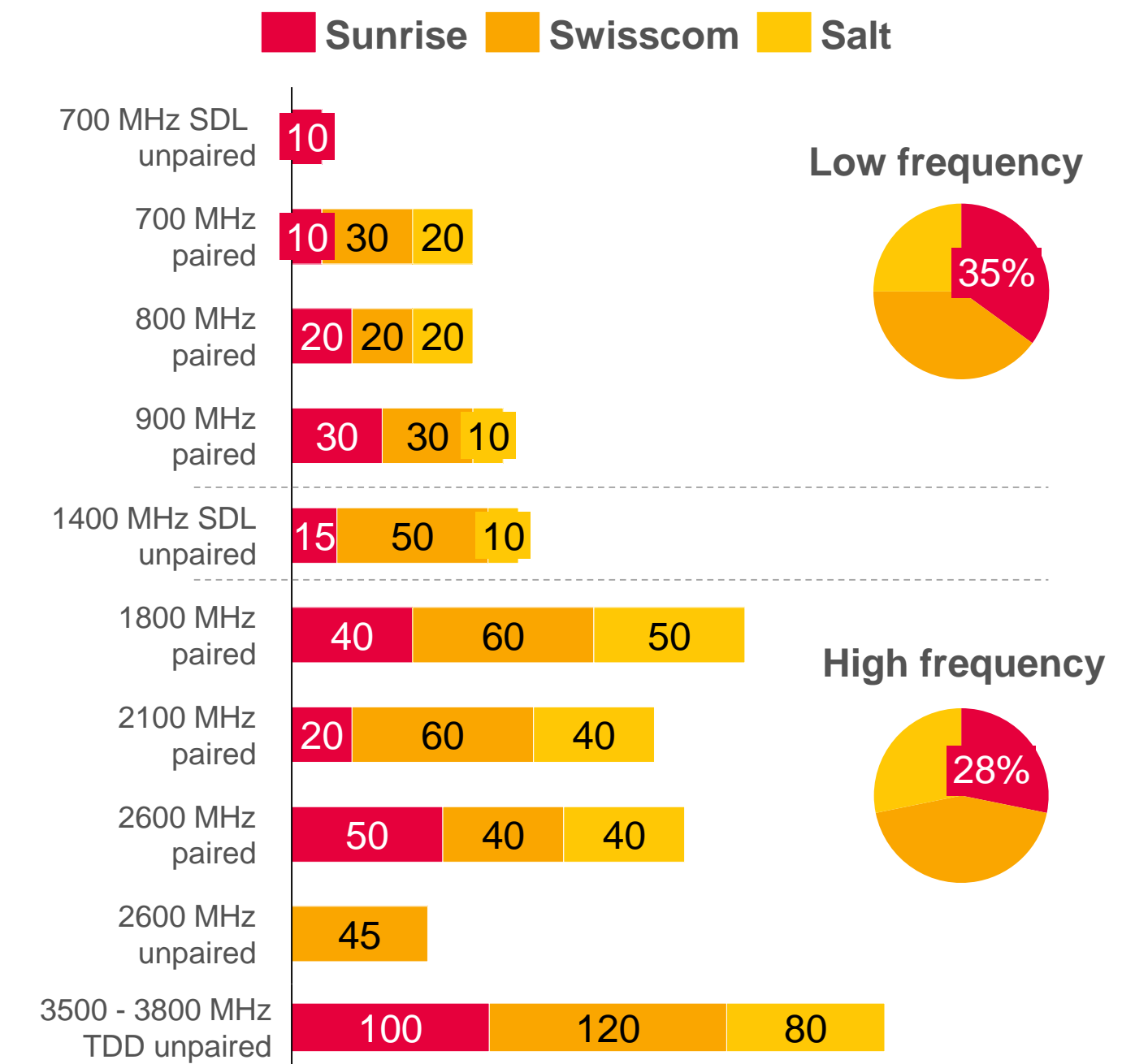
2019 Capex driven by accelerated 5G roll-out

Outstanding connect network test ¹⁾



Strongest improvement since 2011 driven by network investments

Strong spectrum position



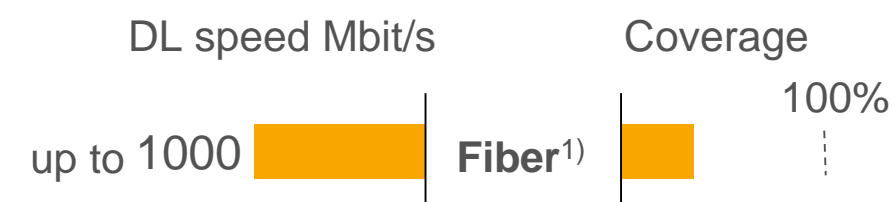
Available spectrum above 25% mobile market share

¹⁾ Source: connect 3/2019; www.connect.de; Scores: Swisscom 973, Sunrise 972, Salt 902; Sunrise score vs. international peers see FY'18 results presentation; ²⁾ Excl. spectrum of CHF 91m in 2019 and CHF 482m spectrum investments phased-in over 2012 (CHF 289m), 2015 and 2016; Capex definition includes 'movements in not-yet-paid Capex invoices' as of 2015

Sunrise landline access

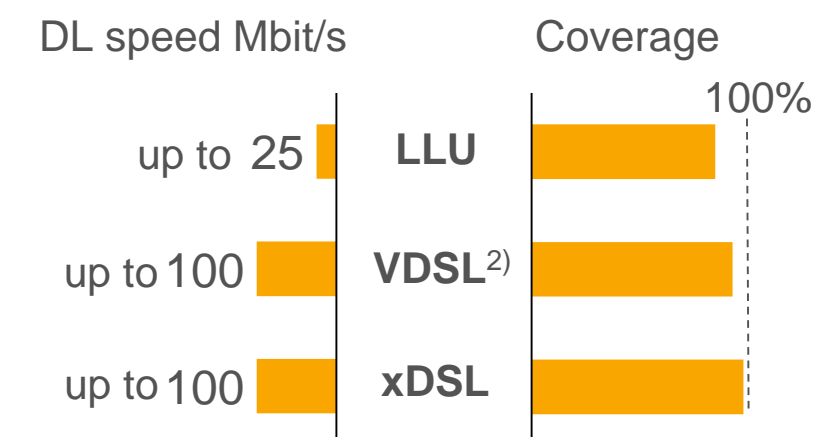
Fiber

- ~30% fiber coverage
- Closed 20 years agreements with utilities as of 2018
- 3.5 years agreement with Swisscom as of 2019
- **58% of internet net adds** via fiber in 2018



xDSL/Copper

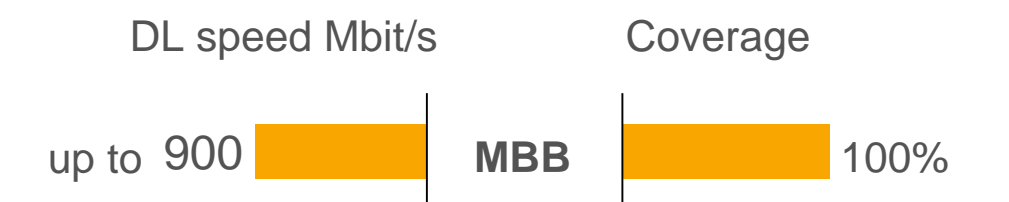
- ~98% xDSL coverage via 3.5 years agreement with Swisscom as of 2019
- Own LLU with above 600 PoPs
- Expected **decreasing share** as customers migrate to fiber or MBB



MBB



- **5G** roll-out to support use of mobile broadband (MBB)
- Fixed wireless **substitution** outside FTTH areas
- **Attractive** margins

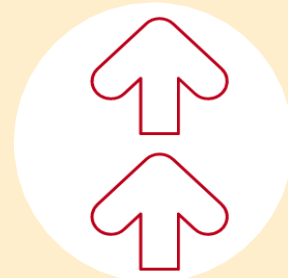


¹⁾ Based on Swisscom Q3'18 reporting; the fiber network is typically co-built between Swisscom and local utilities in Switzerland; ²⁾ Including FTTH, FTTS/C-Vectoring, FTTC, and FTTS G.fast (allowing for speeds up to 500 Mbit/s); taking into account primary households and businesses

Acquisition of UPC CH announced on 28 Feb 2019

Transaction highlights

Further information can be found on www.sunrise.ch/reports



Clear #2 player in mobile, TV, fixed broadband and fixed voice strengthening position as the leading converged challenger and true Swiss champion



Secures superior next generation fixed network infrastructure to drive enhanced customer experience and complements Sunrise's "5G for People strategy"



Significant potential value creation, with ~CHF2.8 billion (~85% cost & capex) NPV¹⁾ of estimated cost, capex and revenue synergies



Commitment to maintain prudent capital structure (2.7x²⁾ net debt / EBITDA post run-rate cost synergies) and progressive dividend policy with proposed DPS of CHF4.20 for 2018 and CHF4.35-4.45 for 2019, and annual 2018-20 growth rate of 4-6%³⁾

¹⁾ Post integration costs

²⁾ Based on leverage as of Dec-18 post rights issue and adjusted for spectrum payment and run-rate cost synergies

³⁾ Before taking into account the bonus element of the rights issue

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