

Media release

Zurich, October 24th, 2012

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Sunrise restructures for further growth in the Swiss telecom market

Sunrise has successfully positioned itself as the largest privately-owned full-service provider in the Swiss telecom market. To continue its previous growth strategy in an increasingly challenging market environment, Sunrise has decided to establish leaner and more efficient structures. Hereby, customer service will be strengthened and within the network program TQ Net, the capacity for mobile data traffic will be expanded. Within the framework of this new set-up, Sunrise will reduce its workforce by 140 (7%). A social plan developed in the past with the labor union will apply. Sunrise continues to invest more than CHF 200 million per year in infrastructure and thus into the Swiss market. This will enable Sunrise to maintain its best value-for-money positioning.

As the largest private telecom service provider, Sunrise has successfully positioned itself in the market as a full-service provider with the best value-for-money offering. The company has further strengthened its growth strategy by implementing a series of structural measures and investments since the beginning of the year. These measures include in particular the integration of Business Sunrise Enterprise Solutions GmbH, an extensive partnership with a new technology partner and investing in an extensive, long-term secured license package at the mobile frequency auction. However, the Swiss telecom market remains highly competitive and only partially liberalized and is increasingly being driven by price changes.

New personnel set-up

In order to maintain its growth strategy, Sunrise strengthens its efficient structure and further orients customer service and the network program TQ Net towards the new market situation. In the context of this new set-up, Sunrise is reducing its workforce by 140 employees (7%). The customer care department is not affected by the reduction in workforce.

Sunrise lives its responsibility towards its employees and is devising the changes in the personnel set-up in a socially responsible manner. Wherever possible the reduction of workplaces is avoided by natural fluctuation and internal moves. Sunrise's engagement in training the young is not affected. A social plan developed in the past in collaboration with the Staff Committee and the labor union syndicom will apply for the employees affected by the restructuring. Those affected by the restructuring will be released and will receive support from a specialized company in finding new employment. In future, Sunrise will employ 1685 employees and 89 trainees.

Uninterrupted investment activity

Sunrise is continuing to invest in the entire network infrastructure without respite. Based on the new licenses and a new technology partner, Sunrise is investing more than CHF 200 million next year in infrastructure for the fix- and mobile network. On the mobile side, Sunrise is continuing to invest through the second half of the year in order to increase its capacity for mobile data transmission within the scope of the TQ Net investment program.

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Sunrise is the largest private telecommunications provider in Switzerland, with offices in Zurich, Kloten, Lucerne, Basel, Berne, Biel/Bienne, Renens, Geneva and Lugano. Around 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, is distinguished by the largest selection of HD broadcasters in the basic package, the 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 and HSPA+ technologies, provides 99% of the population with modern mobile network services at transfer speeds up to 42 Mbit/sec. A high-performance fiber-optic network with a total length of 10,000 km enables provision of high-quality voice and data services throughout the country. Thanks to unbundling, Sunrise can reach approximately 85% of all households with its broadband services. Sunrise operates more than 100 Sunrise centers throughout Switzerland. Sunrise is a brand of Sunrise Communications AG.