

Ad hoc announcement pursuant to Art. 53 LR/results for Q1 2025

Strong growth due to acquisition of Vodafone Italia

- Swisscom posts record quarterly revenue following successful takeover of Vodafone Italia
- Network expansion in Switzerland: 53% optical fibre coverage, 86% 5G+ coverage
- Italy: integration of Vodafone Italia progressing as planned
- Financial outlook for 2025 confirmed

Christoph Aeschlimann, CEO of Swisscom, on the first quarter of 2025: "Business performance in the first quarter of 2025 met our expectations. Swisscom is on track. Our consistent commitment to quality and our investment in infrastructure are paying off. Our mobile networks in Switzerland and Italy have been rated as the best in their respective countries. New offers such as the 'We Are Family' discount for people living in the same household are also off to a good start. I am especially pleased that the integration of Vodafone Italia is going as planned. This acquisition in Italy is creating significant added value for all stakeholders and strengthening Swisscom as a whole."

Swisscom Group revenue grows by almost 40%

Thanks to the successful acquisition of Vodafone Italia, the Swisscom Group increased its revenue by 39.3% to CHF 3,759 million. The number of mobile and broadband lines in Switzerland and Italy rose to well over 30 million. EBITDA after lease expense (EBITDAaL) increased by 17.9% to CHF 1,277 million and operating free cash flow increased by 1.8% to CHF 498 million.

Compared with the pro forma figures* for the first quarter of 2024, group revenues fell by 1.2% year-on-year to CHF 3,759 million. EBITDAaL fell by 6.6% to CHF 1,277 million. On an adjusted basis and at constant exchange rates, this resulted in a 4.2% decrease in EBITDAaL, driven by a decline in Italy. Operating free cash flow rose by 6% to CHF 498 million, while net income fell by CHF 88 million year-on-year to CHF 367 million (-19.3%). Factors contributing to the decrease included the decline in revenue in Switzerland and higher expenses in connection with the acquisition of Vodafone Italia, which, as expected, are not yet offset by any synergies.

Switzerland: stable financial and operational development

Revenue in the Swiss segment fell by CHF 24 million to CHF 1,962 million (-1.2%). Revenue from telecom services fell by 2.0% overall to CHF 1,294 million. However, nearly half of the decline in revenue was offset by cost savings. Revenue from IT services for business customers increased by 2.4% to CHF 304 million in the first quarter. EBITDAaL remained almost stable at CHF 865 million on an adjusted basis (-0.3%), while operating free cash flow increased by 0.2% to CHF 442 million.

The number of postpaid mobile lines increased by 151,000 to 5.51 million (+2.8%). The number of fixed-line broadband connections decreased by 1.9% year-on-year to 1.95 million connections. In a shrinking TV market, the number of TV connections fell by 2.9% to 1.48 million. The number of connections that Swisscom made available to other operators rose to 742,000 (+5.4%).

As of the end of March 2025, Swisscom covered roughly 53% of Swiss households and businesses with optical fibre and 86% of the population with 5G+. In April, CHIP named Swisscom's mobile network the

best network in Switzerland for the tenth time in a row. Swisscom is systematically advancing the modernisation of its existing fixed network and mobile communications infrastructure in all Swiss municipalities.

Italy: Stable business performance in a year of transition

Compared with the pro forma figures* for the first quarter of 2024, revenue in the Italy segment remained almost stable at EUR 1,818 million (-0.4%). Revenue from residential customers decreased by 2.6% to EUR 854 million, while revenue from business customers increased by 2.7% to EUR 800 million, driven by growth in IT services and merchandise. EBITDAaL fell by 10.8% on an adjusted basis to EUR 428 million on an adjusted basis. As a result of lower investments, operating free cash flow grew to EUR 57 million (+16.3%).

Compared to the previous year, the number of mobile access lines for residential customers fell by 2.6% to 15.93 million. However, Fastweb + Vodafone increased the number of mobile connections for business customers by 12.3% to 4.28 million and maintained its overall customer base. Fixed-line broadband connections for residential and business customers fell by 3.4% to 5.85 million. The number of fixed-line broadband connections provided by Fastweb + Vodafone to other operators rose to 968,000 (+34.4%). As a result, the total number of fixed-line broadband connections increased slightly year-on-year (+0.6%).

As of the end of March 2025, Fastweb + Vodafone covers 52% of households and businesses in Italy with FTTH (+13% year-on-year). The mobile network reaches 78% of the population with 5G (+5% year-on-year) and has been rated the best network in Italy in the relevant network tests. By 2030, 90% of homes and offices in Italy should benefit from FTTH and 90% of the population from 5G.

Promoting fair working conditions in global supply chains

Swisscom joined the Joint Alliance for CSR (JAC) industry initiative as a group in 2025 and is committed to improving working conditions in global ICT supply chains. In just the first quarter of 2025, Swisscom put some 32,000 jobs in supply chains through audits – a first step on the path to achieving this year's Group target of 150,000 jobs.

Financial outlook for 2025 confirmed

For the 2025 financial year, Swisscom expects revenue of around CHF 15.0 to CHF 15.2 billion, EBITDAaL of around CHF 5.0 billion and capital expenditure of between CHF 3.1 billion and CHF 3.2 billion (around CHF 1.7 billion of which will be in Switzerland). At the end of 2025, Swisscom expects a debt ratio (net debt/EBITDA) of 2.4x. Subject to achieving its targets, Swisscom will propose increasing the dividend from the previous CHF 22 per share to CHF 26 per share for the 2025 financial year at the 2026 Annual General Meeting.

The key figures at a glance

Financial key figures (in CHF million), reported	1.1–31.3.2025	1.1–31.3.2024	Change
Revenue	3,759	2,699	39.3%
EBITDAaL	1,277	1,083	17.9%
Capital expenditure	779	594	31.1%
Operating free cash flow	498	489	1.8%
Financial key figures (in CHF million), pro forma*	1.1–31.3.2025	1.1–31.3.2024	Change
Revenue	3,759	3,806*	-1.2% -1.1%**
EBITDAaL	1,277	1,367*	-6.6% -4.2%**
Capital expenditure	779	897*	-13.2% -9.8%**
Operating free cash flow	498	470*	6.0% 5.5%**
Net income	367	455	-19.3%
Operational performance (in thousands)	31.3.2025	31.3.2024	Change
Mobile access lines in Switzerland	6,365	6,269	1.5%
Broadband access lines in Switzerland	1,953	1,991	-1.9%
Wholesale access lines in Switzerland	742	704	5.4%
Mobile access lines in Italy	20,215	20,174*	0.2%
Broadband access lines in Italy	5,849	6,058*	-3.4%
Wholesale access lines in Italy (Broadband)	968	720	34.4%

* Swisscom acquired Vodafone Italia at the end of 2024. The figures for revenue, EBITDAaL, capital expenditure and operating free cash flow are presented as if Vodafone Italia were consolidated as of 1 January 2024 using uniform accounting principles.

** On a like-for-like basis and at constant exchange rates

Swisscom uses various alternative performance measures. The definition and reconciliation of values in accordance with IFRS are set out in the Interim Report as at 31 March 2025.

The detailed quarterly report:

<https://reports.swisscom.ch/en/2025q1/report/>

Other documents:

<http://www.swisscom.ch/ir>

Bern, 08 May 2025

Disclaimer

This notification contains forward-looking statements. In this notification, such forward-looking statements include, without limitation, statements relating to our financial condition, results of operations and business and certain of our strategic plans and objectives.

Because these forward-looking statements are subject to risks and uncertainties, actual future results may differ materially from those expressed in or implied by the statements. Many of these risks and uncertainties relate to factors that are beyond Swisscom's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behaviour of other market participants, the actions of governmental regulators and other risk factors detailed in the past and future filings and reports of Swisscom, Fastweb and Vodafone Italia (Fastweb + Vodafone Italia), including those filed with the U.S. Securities and Exchange Commission and in past and future filings, press releases, reports and other information posted on Swisscom Group Companies' websites.

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