Sunrise Communications Holdings S.A.

Interim Financial Report for the three-month period ended March 31, 2013

Facts & Figures

	January 1 - March 31, 2013	January 1 - March 31, 2012
Results of Operations		
(in '000 CHF, except where indicated)		
Revenue		
Mobile	303'547	317'213
Landline Services	135'019	147'694
thereof voice hubbing	*32'370*	*31'746*
Landline Internet	47'961	44'376
Total Revenue	486'527	509'283
Revenue (excluding hubbing)	*454'157*	*477'537*
EBITDA[1]	141'242	152'014
EBITDA margin (%)	29.0%	29.8%
EBITDA margin (excluding voice hubbing) (%)	31.1%	31.8%
Subscriber Base (end of period)		
(in thousands)		
Mobile subscriber base (excl. M2M)	2'131.7	2'122.9
Landline voice subscriber base	466.2	500.5
Landline Internet subscriber base	366.0	372.0
thereof XDSL	363.4	368.2
thereof LLU	249.2	279.8
ARPU		
(in CHF/month)		
Mobile Services	41.1	43.5
Landline Voice Services	42.3	45.0
Landline Internet Services	36.3	36.0
Employees		
FTEs [2] (end of period)	1'681	1'786

[1] EBITDA stands for: operating income before depreciation and amortisation, net financial result and income tax expense.

[2] FTEs related to Business Sunrise Enterprise Solutions are not included in 2012

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Business

Overview

Sunrise Communications Holdings S.A. (the “Group” or the “Company”) was incorporated under the laws of Luxembourg as of September 9, 2010. The main operating entity of the Group is Sunrise Communications AG based in Zurich, Switzerland which is the second largest telecommunications provider in Switzerland based on revenues for the three months ended March 31, 2013. Our integrated national mobile and landline network provides us with a strong competitive position. As an integrated service provider, we offer mobile voice and data, landline services (retail and wholesale voice, business services), landline Internet and IPTV services to both residential and business customers as well as to other operators. We are the leading non-incumbent operator in both the mobile and landline retail voice markets, with 2’131.7 thousand and 466.2 thousand subscribers, respectively, as of March 31, 2013. We are also the third-largest landline Internet provider with 366.0 thousand subscribers, including Sunrise TV subscribers, as of March 31, 2013. We provide our landline services through our national landline network and our mobile services through our own mobile network based on GSM/GPRS/EDGE and UMTS/HSPA technologies.

Financial Data

The financial data in this report covers the period from January 1 to March 31, 2013.

Comparative figures for the three month period ended March 31, 2012 are based on unaudited condensed consolidated interim financial statements of the Group for the three month period ended March 31, 2012.

Shareholders

Sunrise Communications Holdings S.A. is owned by Mobile Challenger Intermediate Group S.A., Luxembourg which itself is ultimately owned by Mobile Challenger Group S.à r.l.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Revenue
The Group's total revenue decreased year-on-year by 4.5% or CHF 22.8 million and amounted to CHF 486.5 million for the three month period ended March 31, 2013. The decrease in revenue was primarily attributable to a decrease of mobile revenue of CHF 13.7 million and a decrease in landline service revenue of CHF 12.7 million partially offset by an increase of Internet service revenue of CHF 3.6 million.

Mobile
Mobile revenue fell by 4.3% to CHF 303.5 million from CHF 317.2 million for the three months ended March 31, 2013. Postpaid revenue decreased due to the price reductions introduced in July 2012 and were only partially compensated by a higher subscriber base. Prepaid revenues decreased due to a decrease in subscriber base.

Landline Services
Landline services revenue decreased from CHF 147.7 million to CHF 135.0 for the three months ended March 31, 2013, a year-on-year decrease of CHF 12.7 million, or 8.6%. The decrease is primarily attributable to a lower customer base and declining retail voice revenues.

Landline Internet
Landline Internet revenue increased year-on-year from CHF 44.4 million to CHF 48.0 million, or 8.1% for the three months ended March 31, 2013. The increase in landline Internet revenue was primarily attributable to the launch of IPTV services end of March 2012.

Transmission Costs and Cost of Goods Sold
Transmission costs and cost of goods sold amounted to CHF 150.2 million for the three months ended March 31, 2013, an year-on-year decrease of CHF 9.5 million, or 6.0%, from CHF 159.7 million. The decrease is mainly driven by lower costs for handsets and lower traffic volumes generated by a lower prepaid customer base.

Other Operating Expenses
During the three month period ended March 31, 2013 other external expenses increased by CHF 2.2 million, or by 1.5%, from CHF 146.0 million to CHF 148.2 million. The increase in other operating expenses is primarily attributable to higher system and maintenance costs which is partially offset by lower marketing expenditures incurred during the three month period ended March 31, 2013.

Wages, Salaries and Pension Costs
Wages, salaries and pension costs were CHF 52.3 million for the three month period ended March 31, 2013, a year-on-year decrease of CHF 4.1 million, or 7.2%, from CHF 56.4 million which is primarily driven by a decrease of FTE's.

Following the application of IAS 19R, the Group reassessed its employee benefit obligations and recognized a decrease of employee benefit obligations of CHF 6.3 million as of January 1, 2013 (for further details with respect to the financial impact of IAS 19R refer to Note 4).

Other Income and Expenses, net
Other income and expenses, net were CHF 5.4 million for the three month period ended March 31, 2013, an increase of CHF 0.6 million, from CHF 4.8 million for the three month period ended March 31, 2012. The increase in other income and expenses, net was primarily attributable to an increase of cash-collectible early termination fees.

EBITDA
The Group generated an EBITDA of CHF 141.2 million, a year-on-year decrease of CHF 10.8 million, or 7.1%, from CHF 152.0 million for the three months ended March 31, 2012. The EBITDA decrease is primarily driven by a decrease in revenue partially offset by lower transmission costs and costs of goods sold and lower costs for wages, salaries and pension.

Depreciation and Amortization
Depreciation and amortization recorded during the three month period ending March 31, 2013 increased to CHF 116.7 million from CHF 89.9 million, a year-on-year increase of CHF 26.8 million, or 29.8%. The increase in depreciation and amortization was primarily driven by non-recurring write-offs of CHF 12.3 million related to the replacements of our mobile radio network with multi standard radio equipment performed during the first quarter 2013 and the amortization of the spectrum license (CHF 7.5 million) acquired in July 2012.

Change in Networking Capital
Change in net working capital reported was a decrease of CHF 20.7 million for the three month period ended March 31, 2013 compared to a decrease of CHF 114.4 million reported for the same period in prior year. The decrease of net working was primarily attributable to changes in trade and other payables driven by a change in Capex spending patterns and favourable payment conditions negotiated as well as a decrease of

provisions. This decrease was partially offset by an increase of trade and other receivables. Please refer to Note 13 for further information.

Liquidity and Capital Resources

The Group reported cash and cash equivalents amounting to CHF 224.4 million as of March 31, 2013, an increase of CHF 53.8 million compared to the cash position held by the Group as of December 31, 2012. The increase is primarily attributable to operational cash flow generated during the three month period ended March 31, 2013.

The Group's consolidated net debt position – consisting of floating rate notes, senior secured notes, senior notes and capital leases - amounted to CHF 2'317.0 million of which CHF 5.7 million are expected to be paid within 12 months (refer to note 10 for further details).

Certain Other Contractual Commitments

As March 31, 2013 the Group's other contractual commitments amounted to CHF 433.5 million relating to operating lease agreements, maintenance contracts as well as open purchase commitments.

Purchase Price Allocation (PPA) & Embedded derivatives

The acquisition of Sunrise Communications AG, which gave rise to a change of control, was accounted for using the acquisition method of accounting. As such, the cost of the acquisition is measured as the fair value of the assets transferred, liabilities incurred and the equity interests issued by the acquirer, including the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed are measured initially at their fair values at the acquisition date. The excess of the consideration transferred over the fair value of the acquirer's share of the identifiable net assets acquired is recorded as goodwill. The Group's valuation studies to allocate the purchase price to identifiable net assets were done in Q4'2010 and finalized in Q1'2011.

Following the refinancing transaction in July 2012, the Group recognized embedded derivatives in its financial statements. These embedded derivatives represent early redemption options related to financial instruments issued by the Group. The fair value of the embedded derivatives amounted to CHF 28.6 million as of March 31, 2013, an decrease of CHF 3.8 from CHF 32.4 reported as of December 31, 2012. The change in fair value is reported in the financial caption 'net financial items' in the table below.

For clarity of the underlying operational performance, the following table shows the condensed consolidated interim statements of income excluding the fair value adjustments made in relation with the acquisition of Sunrise Communications AG and embedded derivatives.

Effect of fair value adjustments resulting from the acquisition of Sunrise Communications AG & embedded derivatives on the Condensed Consolidated Interim Statements of Income

	January 1 - March 31, 2013 Before FV adjustments & Embedded derivatives	January 1 - March 31, 2013 Impact of FV adjustments & Embedded derivatives	January 1 - March 31, 2013 Including FV adjustments & Embedded derivatives
Revenue	**486'822**	**(295)**	**486'527**
Transmission costs and cost of goods sold	(150'214)	-	(150'214)
Other operating expenses	(148'215)	-	(148'215)
Wages, salaries and pension costs	(52'303)	-	(52'303)
Total operating expenses before other income and expenses, depreciation and amortization	**(350'732)**	**-**	**(350'732)**
Other income	5'987	-	5'987
Other expenses	(540)	-	(540)
Income before depreciation and amortization, net financial items and income taxes	**141'537**	**(295)**	**141'242**
Amortization and depreciation	(77'812)	(38'866)	(116'678)
Operating income	**63'725**	**(39'161)**	**24'564**
Net financial items	**(46'482)**	**(3'766)**	**(50'248)**
Income/(loss) before income taxes	**17'243**	**(42'927)**	**(25'684)**
Income taxes	(4'138)	1'310	(2'828)
Net income/(loss)	**13'105**	**(41'617)**	**(28'512)**

This table has been added for clarity reasons on the operational income of the Group.

Principal Factors Affecting Mobile Services Revenues

Mobile Subscriber Base and ARPU Development

The table below sets forth selected subscriber data for our mobile business for the periods indicated, including an analysis by type of subscriber.

Mobile Subscriber Base		'000
	March 31, 2013	March 31, 2012
Subscribers at end of period(1)	2'131.7	2'122.9
Subscriber growth over prior period	*0.4%*	
Of which:		
Postpaid(1)(2)	1'190.8	1'131.7
Prepaid(1)(3)	940.9	991.2

(1) Excludes MVNO subscribers but includes reseller-originated and yallo subscribers. Excludes machine-to-machine SIM cards (M2M).
(2) Postpaid mobile subscribers are counted in our subscriber base as long as they have an active contract.
(3) Prepaid mobile subscribers are counted in our subscriber base if they have had an activity event, such as a usage or refill, within the last 91 days.

Mobile ARPU		CHF/month
	January 1 - March 31, 2013	January 1 - March 31, 2012
Mobile ARPU(1)	41.1	43.5
Growth over prior period	*(5.6)%*	

(1) The Group defines mobile ARPU as the total mobile revenue in the period divided by the average number of mobile subscribers in the period, which is subsequently divided by the number of months in the period. The average number of mobile subscribers during a period is calculated by adding together the number of active mobile SIM cards at the beginning and end of each month during the period, dividing by two and then averaging the results from all months during the period.

The total number of our mobile subscribers increased by 8.7 thousand or 0.4%, to 2.13 million as of March 31, 2013 from 2.12 million as of March 31, 2012. New postpaid subscriber activations during this period were primarily attributed to competitive flat rate and mobile data plans as well as attractive hardware offers. Applying a 12 month activity rule on prepaid (as reported by Swisscom and Orange CH), our prepaid subscriber base as of March 31, 2013 would be 1'484.4 thousand and our total mobile subscriber base 2'675.2 thousand.

Mobile ARPU decreased by CHF 2.4, or 5.6%, to CHF 41.1 for the three month period ended March 31, 2013, from CHF 43.5 for the three month period March 31, 2012. The ARPU decrease is primarily driven by the mobile price reductions introduced in 2012 resulting in new customers joining with lower ARPUs and existing customers migrating to our new competitive flat rate and mobile data plans.

Mobile Churn
Our prepaid and postpaid blended mobile churn rate for the three month period ended March 31, 2013 increased to 9.5% from 9.2% year-on-year, which we attribute primarily to an increased churn in our prepaid segment, partly due to pre- to postpaid migrations.

Mobile Termination Rates
The applicable mobile termination rates for 2013 and 2012 are CHF 0.07 per minute for mobile calls terminating on Swisscom's mobile network and CHF 0.0875 per minute for mobile calls terminating on either Orange's network or our network.

Principal Factors Affecting Landline Services Revenues

Subscriber Base

The table below sets forth selected subscriber data for our landline retail voice subscribers.

Retail Voice Subscriber Base (1) ‘000

	March 31, 2013	March 31, 2012
Retail Voice	466.2	500.5
Decrease over prior period	*(6.9)%*	
Of which:		
LLU	249.2	279.8
Growth over prior period	(10.9)%	

(1) In our retail voice business, we report subscribers based on activity within the last month.

The total number of our retail voice subscribers decreased by 34.3 thousand, or 6.9%, as of March 31, 2013 to 466.2 thousand from 500.5 thousand as of March 31, 2012. We attribute the decrease to the departure of retail voice-only CPS customers, including customers acquired as part of the acquisition of Tele2 Switzerland in 2008 as well as clients churning from our retail voice network off the Sunrise network or are substituting their service with mobile services.

ARPU

The table below sets forth our retail voice ARPU for the periods indicated.

Landline Services ARPU CHF / month

	January 1 - March 31, 2013	January 1 - March 31, 2012
Retail Voice ARPU (1)	42.3	45.0
Growth / (Decrease) over prior period	*(5.9)%*	

(1) We define landline retail voice ARPU as the total retail voice revenue in the period divided by the average number of retail voice subscribers in the period, which is subsequently divided by the number of months in the period. The average number of retail voice subscribers in a period is calculated by adding together the number of retail voice subscribers at the beginning and end of each month during the period, dividing by two and then averaging the results from all months during the period.

Retail voice ARPU decreased year-on-year by CHF 2.7 or 5.9% to CHF 42.3 for the three months period ended March 31, 2013, from CHF 45.0. We attribute the year-on-year decrease for the twelve month period primarily to the reduction in voice volumes.

Principal Factors Affecting Landline Internet Revenues

Subscriber Base

The table below sets forth selected subscriber data for our landline Internet subscribers, including Sunrise TV subscribers.

Landline Internet Subscriber Base[(1)]		‘000
	March 31, 2013	March 31, 2012
Landline internet	366.0	372.0
Growth over period	*(1.6)%*	
Of which:		
Broadband BBCS	114.2	88.5
Increase over period	*29.1%*	
Broadband LLU	249.2	279.8
Decrease over period	*(10.9)%*	
Sunrise TV [(2)]	50.0	-

(1) In our landline Internet business, we report broadband connectivity services (BBCS) subscribers without ARB based on technical installations, while we report BBCS subscribers with ARB and LLU subscribers based on the number of active contracts. We currently pay fees to Swisscom of CHF 15.80 per month for each LLU line and CHF 28.00 per month for each BBCS line.
(2) Sunrise TV was launched end of March 2012.

The total number of our landline Internet subscribers fell by 6.0 thousand or 1.6%, from 372.0 thousand to 366.0 thousand as of March 31, 2012 year-on-year. The total number of broadband subscribers, including both LLU and BBCS services likewise decreased by 4.8 thousand or 1.3 % to 363.4 from 368.2, for the period ending March 31, 2013 compared to the same period in prior year.The decline of Internet only and voice/Internet bundles was only partially offset by an increase Sunrise TV customers (bundling of voice/Internet and IPTV).

ARPU

The table below sets forth our landline Internet, including Sunrise TV ARPU for the periods indicated.

Landline Internet ARPU		CHF / month
	January 1 - March 31, 2013	January 1 - March 31, 2012
Landline Internet ARPU [(1)]	36.3	36.0
Decrease over period	*0.9%*	
Blended Internet ARPU [(2)]	39.3	-

(1) We define landline Internet ARPU as the total landline Internet ADSL revenue in the period divided by the average number of landline Internet ADSL subscribers in the period, which is subsequently divided by the number of months in the period. The average number of landline Internet ADSL subscribers in a period is calculated by adding together the number of landline Internet ADSL subscribers at the beginning and end of each month during the period, dividing by two and then averaging the results from all months during the period. For purposes of calculating landline Internet ARPU, landline Internet revenue includes revenue generated from monthly subscription fees but does not include dial-up revenue and revenue from the sale of customer premises equipment, such as modems.
(2) We define the blended Internet + TV ARPU as the total landline ADSL revenue plus service revenue from the IPTV business divided by the average number of landline Internet ADSL subscribers

Landline Internet ARPU increased by 0.3 CHF or 0.9% from CHF 36.0 to CHF 36.3 year-on-year driven by changes in the product mix.

Material affiliate transactions
Sunrise Communications AG acts as a central counterparty to external financial institutions for all derivative instrument transactions of the Group (refer to note 11). Where necessary, back-to-back agreements are in place between Sunrise Communications AG and the respective debt holding group entities mirroring the external agreements with financial institutions.

On February 22, 2013, the Group repaid PECs and accrued interests in the amount of CHF 20.5 million to Mobile Challenger Intermediate Group S.A. which used the proceeds to repay the outstanding amount of EUR 16.4 million of PIK plus accrued interests.

Material contractual arrangements
During the first quarter 2013, Sunrise Communications AG entered into multiple supply contracts with a minimal financial commitment of CHF 71.3 million.

Material debt instruments
During the period ended March 31, 2013, no change has occurred to any material debt instrument issued by the group.

Credit Ratings
On March 11, 2013, Standard&Poor's Rating Services ("S&P") revised the outlook to negative from stable and affirmed the 'B+' long-term rating on Sunrise Communications Holdings S.A whilst Moody's Investor Services confirmed the 'B1' corporate family rating and FitchRatings confirmed the 'BB-' long-term issuer default rating.

Material risk factors
Sunrise operates a centralized risk management system which distinguishes between strategic and operating risks. Competition, network performance and maintenance, changes in regulations, acceptance by market of newly launched products are the main risks and uncertainties the Group is facing.

All identified risks are quantified (according to their realization probability and impact) and tracked on a risk schedule. This risk schedule is subject to an annually repeated detailed discussion process in the Group's Board of Directors. The permanent observation and control of risks is a management objective. A follow-up on the long-term measures was performed for 2012.

The recent development on the FX market and the strong Swiss franc does not have a material effect on the Group, as Sunrise is predominantly active in the domestic market. The foreign currency risk arising from loans and notes denominated in Euros have been fully and the interest rate risk arising from external loans and notes have been partially hedged by the Group.

Material recent developments
On January 17, 2013, Sunrise Communications AG announced that Libor Voncina replaced Oliver Steil as CEO. Timm Degenhardt joined the Sunrise Management Board as Chief Marketing Officer on February 4th, 2013.

Material acquisition, disposals and recapitalizations
No material acquisitions, disposals and recapitalizations occurred within the three month period ended March 31, 2013.

Sunrise Communications Holdings S.A.

Condensed consolidated interim financial statements for the three-month period ended March 31, 2013 (unaudited)

Condensed Consolidated Interim Statements of Income CHFk

	Note	January 1 - March 31, 2013 Unaudited	January 1 - March 31, 2012 Unaudited
Revenue	**5,6**	**486'527**	**509'283**
Transmission costs and cost of goods sold		(150'214)	(159'711)
Other operating expenses		(148'215)	(145'996)
Wages, salaries and pension costs		(52'303)	(56'383)
Total operating expenses before other income and expenses, depreciation and amortization		(350'732)	(362'090)
Other income	7	5'987	4'821
Other expenses	7	(540)	-
Income before depreciation and amortization, net financial items and income taxes		**141'242**	**152'014**
Amortization		(56'647)	(47'786)
Depreciation		(60'031)	(42'109)
Operating income		**24'564**	**62'119**
Foreign currency gains / (losses), net		(11'474)	12'992
Financial income		41'075	28'271
Financial expenses		(79'849)	(89'373)
Net financial items	**9**	**(50'248)**	**(48'110)**
Income/(loss) before income taxes		**(25'684)**	**14'009**
Income taxes		(2'828)	(4'378)
Net (loss) / income		**(28'512)**	**9'631**
Net (loss) / income attributable to equity holders of the Company		**(28'512)**	**9'631**

The accompanying notes form an integral part of the condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Comprehensive Income

CHFk

	Note	January 1 - March 31, 2013 Unaudited	January 1 - March 31, 2012 Unaudited
Net (loss) / income		**(28'512)**	**9'631**
Cash flow hedge gains		5'901	12'736
Income tax effect		(100)	(68)
Net other comprehensive income to be reclassified to profit and loss in subsquent periods		**5'801**	**12'668**
Other comprehensive income, net of tax		**5'801**	**12'668**
Total comprehensive (loss) / income		**(22'711)**	**22'299**
Comprehensive (loss) / income attributable to equity holders of the Company		**(22'711)**	**22'299**

The accompanying notes form an integral part of the condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Financial Position

Assets			CHFk
	Note	March 31, 2013 Unaudited	December 31, 2012 Unaudited *Restated**
Non-current assets			
Intangible assets		2'798'720	2'849'595
Property, plant and equipment		911'254	935'957
Derivative financial assets	11	28'637	32'403
Other non-current assets		153	153
Total non-current assets		**3'738'764**	**3'818'108**
Current assets			
Inventories		37'011	35'792
Trade and other receivables		343'554	336'058
Prepaid expenses		34'640	24'665
Cash and cash equivalents		224'374	170'601
Total current assets		**639'579**	**567'116**
Total assets		**4'378'343**	**4'385'224**

* Certain amounts above do not correspond to the annual consolidated financial statements as of December 31, 2012 as they include the adjustments detailed in Note 4.

The accompanying notes form an integral part of the condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Financial Position

Equity and liabilities CHFk

	Note	March 31, 2013 Unaudited	December 31, 2012 Unaudited *Restated**
Equity			
Common shares, share premium and PECs	8	828'270	848'519
Valuation reserve		(22'057)	(27'858)
Accumulated deficit		(55'809)	(27'505)
Total equity		**750'404**	**793'156**
Non-current liabilities			
Non-current portion of loans and notes	10	2'278'064	2'264'608
Non-current portion of financial leases	10	33'177	34'744
Non-current trade and other payables		196'463	195'000
Deferred tax liabilities		240'693	241'795
Provisions		112'751	113'916
Employee benefit obligations		75'953	75'120
Derivative liabilities	11	156'429	175'513
Deferred income		19'130	17'483
Total non-current liabilities		**3'112'660**	**3'118'179**
Current liabilities			
Current portion of financial leases	10	5'722	5'634
Trade and other payables	14	425'940	369'904
Income tax payable		18'911	17'285
Deferred income		42'062	46'676
Provisions		20'720	31'668
Other current liabilities		1'924	2'722
Total current liabilities		**515'279**	**473'889**
Total liabilities		**3'627'939**	**3'592'068**
Total equity and liabilities		**4'378'343**	**4'385'224**

* Certain amounts above do not correspond to the annual consolidated financial statements as of December 31, 2012 as they include the adjustments detailed in Note 4.

The accompanying notes form an integral part of the condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Cash Flow CHFk

	Note	January 1 - March 31, 2013 Unaudited	January 1 - March 31, 2012 Unaudited
Income before income taxes		**(25'684)**	**14'009**
Amortization		56'647	47'786
Depreciation		60'031	42'109
Movement in pension		380	(20)
Movement in provisions		(3'962)	-
Change in net working capital	13	(20'671)	(114'376)
Cash flow from operating activities before net financial items and tax		**66'740**	**(10'492)**
Financial income		(41'075)	(28'271)
Financial expense		79'849	89'373
Foreign currency gains/(losses), net		10'436	(13'073)
Interest received		4'822	6'227
Interest paid		(4'967)	(20'861)
Corporate income and withholding tax paid		(2'056)	(18'644)
Total cash flow from operating activities		**113'749**	**4'259**
Purchase of property, plant and equipment		(33'095)	(18'398)
Purchase of intangible assets		(5'720)	(7'683)
Sale of property, plant and equipment		224	-
Total cash flow used in investing activities		**(38'591)**	**(26'081)**
Redemption of PECs		(20'531)	-
Repayments of long-term loans and notes		-	(13'489)
Repayments of capital leases		(1'479)	(1'669)
Total cash flow used in financing activities		**(22'010)**	**(15'158)**
Total cash flow		**53'148**	**(36'980)**
Cash and cash equivalents January 1		170'601	485'437
Foreign currency impact on cash		625	(2'373)
Cash and cash equivalents March 31		**224'374**	**446'084**

The accompanying notes form an integral part of the condensed consolidated interim financial statements.

Consolidated Statements of Changes in Equity (unaudited) CHFk

	Common shares	Share premium	PECs	Valuation reserve	Accumulated deficit	Total
Equity at January 1	**1'000**	**125'876**	**721'643**	**(27'858)**	**(32'490)**	**788'171**
Restatement [1)]	-	-	-	-	4'985	4'985
Equity at January 1 restated	**1'000**	**125'876**	**721'643**	**(27'858)**	**(27'505)**	**793'156**
Loss for the period	-	-	-	-	(28'512)	(28'512)
Other comprehensive income	-	-	-	5'801	-	5'801
Total comprehensive loss	**-**	**-**	**-**	**5'801**	**(28'512)**	**(22'711)**
Prior year Reclassification	-	-	-	-	490	490
Repayment of PEC's	-	-	(20'249)	-	(282)	(20'531)
Equity at March 31, 2013	**1'000**	**125'876**	**701'394**	**(22'057)**	**(55'809)**	**750'404**

Consolidated Statements of Changes in Equity (unaudited) CHFk

	Common shares	Share premium	PECs	Valuation reserve	Accumulated deficit	Total
Equity at January 1	**1'000**	**125'876**	**805'698**	**(64'993)**	**(41'520)**	**826'061**
Net income for the period	-	-	-	-	9'631	9'631
Other comprehensive income	-	-	-	12'668	-	12'668
Total comprehensive income	**-**	**-**	**-**	**12'668**	**9'631**	**22'299**
Equity at March 31, 2012	**1'000**	**125'876**	**805'698**	**(52'325)**	**(31'889)**	**848'360**

[1)] Please refer to note 4 for further details related to the restatement.

The accompanying notes form an integral part of the condensed consolidated interim financial statements.

Notes to Condensed Consolidated Interim Financial Statements

Overview

Note 1 General information

Sunrise Communications Holdings S.A. (the "Company" or the "Group") has its registered office at Avenue Monterey 20, L-2163 Luxembourg. Sunrise Communications Holdings S.A. holds indirectly 100% of its principal operating company, Sunrise Communications AG, which has its registered office at Binzmühlestrasse 130, CH-8050 Zurich, Switzerland.

Sunrise Communications AG is the second-largest full-range telecommunications provider in Switzerland, and offers mobile voice and data, landline services (retail and wholesale voice, business and integration services), landline Internet including IPTV services to both residential and business customers, as well as to other operators. Sunrise has its own national backbone landline and ISP network, as well as its own mobile network based on GSM/EDGE and UMTS/HSDPA technology. In connection with the provision of services Sunrise resells handsets manufactured by well known suppliers.

These consolidated interim financial statements were approved for issue by the Company's Board of Directors on May 22, 2013.

Note 2 Basis of preparation

These financial statements are the condensed consolidated interim financial statements of Sunrise Communication Holdings S.A. as of and for the three months ended March 31, 2013. They have been prepared in accordance with IAS 34, "Interim financial reporting" – as adopted by the European Union. These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read be read in conjunction with the Consolidated Financial Statements for the year ended December 31, 2012.

Foreign currency translation
The consolidated financial statements are presented in CHF which is the functional currency of the Parent Company and each of its subsidiaries.

The following table summarizes the principal exchange rates used by the Group:

Currency	Balance Sheet		Income Statement and Cash Flow	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Euro	1.2173	1.2041	1.2335	1.2295
USD Dollar	0.9025	0.9025	0.9316	0.9390

Note 3 Accounting estimates and judgments, changes in accounting estimates and presentation

Accounting estimates and judgments
The preparation of condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. Those estimates affect mainly provisions, goodwill impairment tests, employee benefit obligations, allowance for doubtful receivables, embedded derivatives and taxes. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the period ended December 31, 2012 except for the changes disclosed in the section underneath and those outlined in Note 4.

Note 4 New accounting standards

The Group applied all standards and interpretations which had become effective for the financial year beginning January 1, 2013.

The following new standards and amendments to standards are effective for the first time for the financial year beginning January 1, 2013.

IAS 1 – Presentation of Items of Other Comprehensive Income
These amendments to IAS 1 introduce a new grouping of items presented in other comprehensive income (OCI). The amendment affected presentation only and had no impact on the Groups financial position or performance.

IAS 19 – Employee Benefits (revised 2011)
IAS 19 revised includes a number of amendments to the accounting for defined benefit plans such as expected returns on plan assets that are no longer recognised in profit & loss, instead there is a requirement to recognize interest on the net defined benefit obligation in profit & loss, calculated using the discount rate used to measure the defined benefit obligation. IAS 19R requires a restatement of previous periods. As a consequence, the Group restated its comparative figures. The impact on the consolidated balance sheet, consolidated income statement and the consolidated statement of comprehensive income are presented below:

Retrospective application of IAS 19R			CHFk
	Reported	Adjustment	Restated
Balance sheet at January 1, 2012			
Deferred tax liabilities	236'956	1'001	237'957
Employee benefit obligations	76'357	(4'767)	71'590
Equity	**826'061**	**3'766**	**829'827**
Balance sheet at March 31, 2012			
Deferred tax liabilities	228'960	1'001	229'961
Employee benefit obligations	76'357	(4'767)	71'590
Equity	**848'360**	**3'766**	**852'126**
Balance sheet at January 1, 2013			
Deferred tax liabilities	240'470	1'325	241'795
Employee benefit obligations	81'430	(6'310)	75'120
Equity	**788'171**	**4'985**	**793'156**
Income statement full year 2012			
Wages, salaries and pension costs	(218'555)	(1'830)	(220'385)
EBITDA	**631'058**	**(1'830)**	**629'228**
Financial expenses	(360'503)	(2'163)	(362'666)
Income taxes	(16'144)	839	(15'305)
Net income	**19'219**	**(3'993)**	**15'226**
Statement of comprehensive income full year 2012			
Net income	**19'219**	**(3'993)**	**15'226**
Actuarial losses related to defined benefit pension plans	(11'587)	(5'536)	3'993
Income taxes on actuarial losses	2'476	1'163	3'638
Other comprehensive income	**29'738**	**(4'373)**	**25'364**
Total comprehensive income	**48'957**	**(8'366)**	**40'591**

The impact of the retrospective application of IAS 19R on the consolidated statements of income and the statement of comprehensive income for the period ended March 31, 2012 was immaterial.

IFRS 13 – Fair Value Measurement
The new standard establishes a single source of guidance for all fair value measurements and provides guidance on how to measure fair value under IFRS. The application of IFRS 13 has not materially impacted the financial position and performance of the Group. IFRS 13 also requires specific disclosures on fair values in the consolidated annual financial statements. Some of these disclosures are specifically required by IAS 34 'Interim Financial Reporting' thereby affecting the interim condensed consolidated financial statements. The Group provides these disclosures in Note 12.

Several other new standards and amendments apply for the first time in 2013. However, they do not impact the the interim condensed consolidated financial statements of the Group.

Note 5 Segment reporting

The operating segments have been determined based on the Management reports reviewed by the Board of Directors. The Group's organizational structure reflects the different customer groups to which the Group provides its telecommunication products and services: 'Residential', 'Business', 'Wholesale' and a reportable segment 'Head Office' which includes finance, IT and technology functions of the Group.

Residential provides fixed line and mobile services to residential customers. Through its investments in local-loop unbundling (LLU) and IPTV, Sunrise focuses on selling its products in the Swiss telecommunications market by marketing bundled offers in Fixnet/Internet, Mobile and IPTV.

Business provides a full range of products and services, from fixed-line and mobile communications to Internet and data services as well as integration services to different business areas: Single office and home office ('Soho'), small and medium enterprises ('SME'), and large corporate clients.

The Wholesale product portfolio covers voice, data, Internet and infrastructure services such as carrier and roaming services which are marketed to national and international telecom service providers as well as Mobile virtual network operators (MVNO's).

Head Office activities comprise support units such as Network, IT and Customer Care as well as staff functions like Finance, HR and Strategy. Furthermore certain fees and sundry revenues and payments of reminder fees are allocated to this operating segment.

The accounting policies applicable to the reportable segments are the same as the Group's accounting policies that are applied to the consolidated financial statements for the period ended December 31, 2012 and those disclosed in Note 3 above.

Performance is measured based on 'Income before depreciation and amortization (EBITDA)' as included in the internal financial reports reviewed by the Board of Directors. EBITDA is defined as operating income before depreciation and amortization, net financial result and income tax expenses. The EBITDA earned by each segment is considered to be an adequate measure of the operating performance of the segments reported to the Board of Directors for the purposes of resource allocation and performance assessment.

Assets and liabilities are not allocated to operating segments in the management reports reviewed by the Board of Directors, as the review focuses on the development of net working capital on Group level.

Activities CHFk

	Residential		Business		Wholesale[1]		Head Office activities		Total	
	January 1 - March 31, 2013 Unaudited	January 1 - March 31, 2012 Unaudited	January 1 - March 31, 2013 Unaudited	January 1 - March 31, 2012 Unaudited	January 1 - March 31, 2013 Unaudited	January 1 - March 31, 2012 Unaudited	January 1 - March 31, 2013 Unaudited	January 1 - March 31, 2012 Unaudited	January 1 - March 31, 2013 Unaudited	January 1 - March 31, 2012 Unaudited
Revenue										
External customers	332'729	356'348	81'385	86'003	66'169	64'627	6'244	2'304	486'527	509'283
Intra-segment revenue	-	-	-	-	2'835	3'989	-	-	2'835	3'989
Total	**332'729**	**356'348**	**81'385**	**86'003**	**69'004**	**68'616**	**6'244**	**2'304**	**489'362**	**513'272**
Transmission costs and costs of goods sold										
External customers	(80'285)	(85'477)	(26'758)	(30'423)	(43'146)	(43'860)	(25)	49	(150'214)	(159'711)
Inter-segment costs	(2'835)	(3'989)	-	-	-	-	-	-	(2'835)	(3'989)
Total	**(83'120)**	**(89'466)**	**(26'758)**	**(30'423)**	**(43'146)**	**(43'860)**	**(25)**	**49**	**(153'049)**	**(163'700)**
Other operating expenses	(66'930)	(76'319)	(11'737)	(11'613)	(1'184)	(1'647)	(68'364)	(56'418)	(148'215)	(145'996)
Wages, salaries and pension costs	(10'784)	(13'596)	(14'450)	(14'015)	(792)	(2'145)	(26'277)	(26'627)	(52'303)	(56'383)
Other income	3'907	3'650	787	352	-	-	1'293	818	5'987	4'821
Other expenses	-	-	-	-	-	-	(540)	-	(540)	-
EBITDA	**175'802**	**180'618**	**29'227**	**30'305**	**23'882**	**20'964**	**(87'669)**	**(79'873)**	**141'242**	**152'014**

[1] Including hubbing revenue of CHFk 32,370 generated in 2013 and CHFk 31,746 generated in 2012

Reconciliation of net income before interest, tax, depreciation and amortization (EBITDA) CHFk

	January 1 - March 31, 2013 Unaudited	January 1 - March 31, 2012 Unaudited
EBITDA from reportable segments	141'242	152'014
Unallocated:		
Amortization	(56'647)	(47'786)
Depreciation	(60'031)	(42'109)
Net financial items	(50'248)	(48'110)
Consolidated net (loss) / income before income taxes	**(25'684)**	**14'009**

Note 6 Revenue

CHFk

	January 1 - March 31, 2013 Unaudited	January 1 - March 31, 2012 Unaudited
Mobile services	303'547	317'213
Landline services	135'019	147'694
thereof hubbing	*32'370*	*31'746*
Landline Internet	47'961	44'376
Total	**486'527**	**509'283**

	January 1 - March 31, 2013 Unaudited	January 1 - March 31, 2012 Unaudited
Sales of goods	36'859	20'879
Sales of services	449'668	488'404
Total	**486'527**	**509'283**

Note 7 Other income and other expenses

CHFk

Other Income	January 1 - March 31, 2013 Unaudited	January 1 - March 31, 2012 Unaudited
Early Termination Fees	4'692	4'003
Sub-leases	1'159	818
Other	136	-
Total	**5'987**	**4'821**

Other Expenses	January 1 - March 31, 2013 Unaudited	January 1 - March 31, 2012 Unaudited
Restructuring expenses	(540)	-
Total	**(540)**	**-**

Note 8 Common shares, share premium and PECs CHFk

	Shares (number) as of March 31, 2013	Shares (number) as of December 31, 2012	Nominal value (CHF)	March 31, 2013	December 31, 2012
				Unaudited	Unaudited
Class A Shares	90'000'000	90'000'000	0.01	900	900
Class B Shares	10'000'000	10'000'000	0.01	100	100
Share premium				125'876	125'876
Series A Preferred Equity Certificates	62'589'067'221	64'395'976'353	0.01	625'890	643'960
Series B Preferred Equity Certificates	7'550'384'405	7'768'359'511	0.01	75'504	77'683
Total Common shares, share premium and PECs				**828'270**	**848'519**

Share capital

The total authorized and issued number of ordinary shares comprises 100,000,000 shares with a nominal value of CHF 0.01 each.

PIK Repayment

Sunrise Communications Holdings S.A. repaid PECs A and PECs B plus accrued interest in the amount of CHF 20.5 million to Mobile Challenger Intermediate Group S.à r.l. in February 2013, which used these proceeds to early repay the outstanding amount of EUR 16.4 million of its PIK (payment in kind) loan plus including accrued interest.

Valuation reserve

Valuation reserve comprise fair value changes of derivative instruments that qualify as cash flow hedges. The fair value changes are recognized net of tax.

Accumulated deficit

Actuarial gains and losses, net of taxes, and the result for the current period and earnings or losses carried forward are recognized in accumulated deficit.

Note 9 Net financial items CHFk

	Interest	Fair value adjustments	Total financial income and (expenses) before foreign currency	Net foreign currency gains/(losses)	January 1 - March 31, 2013 Unaudited Total
Income					
Cash and cash equivalents	44	-	44	625	669
Financial liabilities measured at amortized cost	-	-	-	-	-
Derivatives – used for hedging	28'270	12'481	40'751	-	40'751
Derivatives – held for trading	3	212	215	-	215
Embedded derivatives [1)]	-	65	65	-	65
Other	-	-	-	2'339	2'339
Total Income	**28'317**	**12'758**	**41'075**	**2'964**	**44'039**
Expenses					
Cash and cash equivalents	-	-	-	-	-
Financial liabilities measured at amortized cost	(44'211)	-	(44'211)	(11'423)	(55'634)
Derivatives – used for hedging	(28'349)	-	(28'349)	-	(28'349)
Derivatives – held for trading	(189)	-	(189)	-	(189)
Embedded derivatives [1)]	-	(3'832)	(3'832)	-	(3'832)
Other	(3'268)	-	(3'268)	(3'015)	(6'283)
Total Expenses	**(76'017)**	**(3'832)**	**(79'849)**	**(14'438)**	**(94'287)**
Net financial items	**(47'700)**	**8'926**	**(38'774)**	**(11'474)**	**(50'248)**

[1)] Embedded derivatives represent early redemption options related to financial instruments issued by the Group.

Note 9 Net financial items

CHFk

January 1 - March 31, 2012 Unaudited	Interest	Fair value adjustments	Total financial income and (expenses) before foreign currency	Net foreign currency gains/(losses)	Total
Income					
Cash and cash equivalents	797		797	-	797
Financial liabilities measured at amortized cost	-		-	14'762	14'762
Derivatives – used for hedging	27'380		27'380	-	27'380
Derivatives – held for trading	13		13	-	13
Other	81		81	603	684
Total Income	**28'271**	**-**	**28'271**	**15'365**	**43'636**
Expenses					
Cash and cash equivalents	-	-	-	(2'373)	(2'373)
Financial liabilities measured at amortized cost	(46'053)	-	(46'053)	-	(46'053)
Derivatives – used for hedging	(27'497)	(13'917)	(41'414)	-	(41'414)
Derivatives – held for trading	(197)	451	254	-	254
Other	(2'160)	-	(2'160)	-	(2'160)
Total Expenses	**(75'907)**	**(13'466)**	**(89'373)**	**(2'373)**	**(91'746)**
Net financial items	**(47'636)**	**(13'466)**	**(61'102)**	**12'992**	**(48'110)**

Note 10 Borrowings

CHFk

	Nominal value at inception	Foreign exchange movement[1)]	Capitalized debt issuance cost[1)]	Loan and finance lease repayments	March 31, 2013 Carrying value Unaudited	December 31, 2012 Carrying value Unaudited
Floating rate						
Floating Rate Notes - CHF	175'000	-	(3'217)	-	171'783	171'635
Floating Rate Notes - EUR	200'570	2'725	(3'719)	-	199'576	197'819
		-	-			
Fixed rate						
Senior Secured Notes - CHF	300'000	-	(9'386)	-	290'614	290'250
Senior Secured Notes - CHF	370'000	-	(6'839)	-	363'161	362'873
Senior Secured Notes - EUR	650'384	(46'583)	(9'681)	-	594'120	589'080
Senior Notes - EUR	755'942	(73'014)	(24'118)	-	658'810	652'951
Total loans and notes	**2'451'896**	**(116'872)**	**(56'960)**	**-**	**2'278'064**	**2'264'608**
Other						
Debt relating to finance leases				(1'479)	38'899	40'378
Total borrowings				**(1'479)**	**2'316'963**	**2'304'986**
Of which expected to be paid within 12 months					(5'722)	(5'634)
Total long-term borrowings					**2'311'241**	**2'299'352**

1) since issuance of the borrowings

The Group's borrowings are governed by a number of financial covenants specified in the Revolving Credit Facility. The main covenants are leverage ratio and interest cover ratio. The Group performs quarterly covenant testing. The last covenant testing performed as of March 31, 2013 showed that the Group was in compliance with the applicable financial covenants.

Liabilities relating to finance leases are related primarily to lease agreements of fiber networks.

Note 11 Derivatives

CHFk

Derivative financial instruments are reported in the Consolidated Interim Statement of Financial Position as follows:

	March 31, 2013 Notional Amount	December 31, 2012 Notional amount	March 31, 2013 Fair value assets	March 31, 2013 Fair value liabilities	December 31, 2012 Fair value assets	December 31, 2012 Fair value liabilities
Cross currency interest rate swaps – fixed rate borrowings	1'418'076	1'418'076		(155'539)		(172'210)
Total cash flow hedges	**1'418'076**	**1'418'076**		**(155'539)**		**(172'210)**
Interest rate cap	100'000	100'000		-		-
Interest rate swap	100'000	100'000		(621)		(833)
Cross currency interest rate swaps – variable rate borrowings [1]	200'570	200'570		(269)		(2'470)
Embedded derivatives [2]			28'637		32'403	
Total held for trading	**400'570**	**400'570**	**28'637**	**(890)**	**32'403**	**(3'303)**
Total derivatives			**28'637**	**(156'429)**	**32'403**	**(175'513)**

[1] Cross currency interest rate swap related to the Floating Rate Note EUR 167 million
[2] Embedded derivatives represent early redemption options related to financial instruments issued by the Group.

	January 1 - March 31, 2013 Unaudited	January 1 - March 31, 2012 Unaudited
The change in the fair value of derivatives in the period can be summarized as:		
Cash flow hedges – movement in hedge reserve	10'158	(12'996)
Cash flow hedges – ineffectiveness	121	-
Fair value hedges	2'202	(921)
Total impact of hedging derivatives in the Statement of Income (note 9)	**12'481**	**(13'917)**
Impact of interest rate derivatives – held for trading in the Statement of Income (note 9)	212	451
Impact of embedded derivatives in the Statement of Income (note 9)	(3'767)	
Total impact of derivatives in the Statement of Income (note 9)	**8'926**	**(13'466)**

Note 12 Fair value estimation

The fair value of current financial assets and liabilities at amortized cost are assumed to approximate their carrying amounts due to the short-term nature of these financial instruments.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data)

The table below shows a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are carried in the consolidated financial statements:

CHFk

	Measurement principle	March 31, 2013 Fair value	March 31, 2013 Carrying value	December 31, 2012 Fair value	December 31, 2012 Carrying value
Cash	Amortized Cost	224'374	224'374	170'601	170'601
Trade and other receivables	Amortized Cost	343'554	343'554	336'058	336'058
Other non-current assets	Amortized Cost	153	153	153	153
Derivative assets - held to trading	Fair Value - Level 2	28'637	28'637	32'403	32'403
Total financial assets		**596'718**	**596'718**	**539'215**	**539'215**
Trade payables and other payables	Amortized Cost	(622'403)	(622'403)	(564'904)	(564'904)
Loans and notes	Amortized Cost	(2'462'140)	(2'278'064)	(2'492'570)	(2'264'608)
Financial leases	Amortized Cost	(38'899)	(38'899)	(40'378)	(40'378)
Derivative liabilities - held for trading	Fair Value - Level 2	(890)	(890)	(3'303)	(3'303)
Derivative liabilities - held for hedging	Fair Value - Level 2	(155'539)	(155'539)	(172'210)	(172'210)
Other current liabilities	Amortized Cost	(1'924)	(1'924)	(2'722)	(2'722)
Total financial liabilities		**(3'281'795)**	**(3'097'719)**	**(3'276'087)**	**(3'048'125)**

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

There have been no transfers between the different hierarchy levels during the three month period ended March 31, 2013.

Note 13 Change in net working capital

CHFk

	January 1 - March 31, 2013 Unaudited	January 1 - March 31, 2012 Unaudited
Change in inventories	(1'219)	(5'160)
Change in trade and other receivables	9'518	(7'835)
Change in trade and other payables	(13'142)	(75'517)
Change in other items, net	(15'828)	(25'864)
Total	**(20'671)**	**(114'376)**

The table above outlines cash relevant transactions which have been recognized in the caption 'change in net working capital' in the condensed consolidated interim statement of Cash Flow of the Group (see page 17).

Note 14 Other balance sheet items

Trade and other payables
The increase of trade and other payables amounting to CHF 56.0 million during the three month period ended March 31, 2013 is mainly attributable to accrued interests for the borrowings issued by the Group and the payables related to derivatives used to hedge the Group's currency exposure.

Trade and other payables decreased by CHF 21.0 million during the three month period ended March 31, 2012 as a result of a lower amount of outstanding invoices for Capex as of March 31, 2012.

Note 15 Dividend distribution

No dividend resolutions have been taken by the Board of Directors of Sunrise Communications Holdings S.A. – the ultimate parent of the group – or any other entity of the Group during the period under review (during the first quarter 2012).

Note 16 Contingencies

During the first quarter of 2013, Sunrise Communications AG entered into multiple supply contracts with a minimal financial commitment of CHF 71.3 million. In prior year, the capital commitment in the amount of CHF 482 million was related to the spectrum license acquired in July 2012.

Note 17 Financial risk management

The recent development on the FX market and the strong Swiss franc does not have a material effect on the Group, as Sunrise is predominantly active in its domestic market. A material part of the foreign currency risk arising from loans and notes denominated in Euros and the interest rate risk arising from external loans and notes have been hedged by the Group using derivative instruments.

Note 18 Related parties

On January 17, 2013, Sunrise Communications AG announced that Libor Voncina replaced Oliver Steil as CEO. Timm Degenhardt joined the Sunrise Management Board as Chief Marketing Officer on February 4, 2013.

Note 19 Events after the balance sheet date

Change in Management Board of Sunrise Communciations AG
In April 2013, Sebastian Prange joined as Chief Sales Officer (CSO) and Elmar Grasser joined as Chief Operating Officer (COO) the Sunrise Management Board. In April, Sunrise also announced that Rolf Kühne, Chief Technology Officer (CTO) decided to leave the Management Board as of May 1, 2013.