

Media Release

Zurich, August 24, 2011

Page 1/3

Sunrise concludes successful first half year of 2011

- Continuous growth in customer base to 2.95 million (+3.2%)
- Significant increase especially in mobile postpaid customers (+15.5%)
- Underlying operating result on track (EBITDA +2.7%)

Sunrise continues its positive development: In the first half of 2011, the largest private telecommunications provider in Switzerland registered growth in all important areas. The customer base increased by 3.2% to 2.95 million compared to the corresponding period in the previous year. This successful development is primarily due to the significant increase in the mobile postpaid customer segment which grew by 140,487 customers (+15.5%). As for the EBITDA, Sunrise registered an increase of 2.7% to CHF 287 million compared to the corresponding period in 2010. Consequently, Sunrise was able to underline the sustainability and continuity of its development. With the arrival of Andreas Gregori as new CCO mid-August, Sunrise has completed its management board and is ready to face the challenges of the future.

During the first half of 2011, the customer base of Sunrise grew continuously: Compared to the corresponding period in 2010, the largest private telecommunications provider in Switzerland increased its number of customers by 3.2% reaching 2.95 million by June 30. This is especially due to the significant increase in the mobile postpaid segment where Sunrise welcomed 140,487 new customers. This corresponds to an increase of 15.5% compared to the first half year of 2010. While 15,600 existing mobile prepaid customers changed to postpaid subscriptions, Sunrise was also able to acquire 126,800 new customers in mobile postpaid. EBITDA once again increased in the first half of 2011: while the operating result amounted to CHF 279.9 million one year ago, it totalled CHF 287.4 million on June 30, 2011, which corresponds to an increase of 2.7%. The turnover declined by 1.9% to CHF 976 million in the first half year of 2011 due to declines in the international voice hubbing business which experienced a CHF 40 million drop in revenue. It was a strategic decision to scale back this very low margin business. At the same time, the EBITDA margin increased to 29.5%. This positive retail development strengthens the position of Sunrise as the leading private telecommunications provider in Switzerland.

Close to the customers: brand relaunch, new mobile postpaid rate plans and more shops

By relaunching the Sunrise brand at the beginning of June, Sunrise demonstrated its intention to set a clear focus on customer proximity. In the context of this strategy, Sunrise introduced a new mobile postpaid product portfolio on August 22nd. The new rate plans are tailored to the customers' needs and in line with the successful Sunrise sunflat 5 rate plan that was launched in June. While Sunrise expanded its existing flatrate subscriptions portfolio for unlimited use of voice and mobile internet, the company also introduced a new product line including packages of free minutes in order to be able to offer even more attractive subscriptions which meet the customers' needs and expectations. Also, Sunrise is continuously investing in the expansion of its shop network: from January to end of June, the company opened 8 new Sunrise

Media Release

Zurich, August 24, 2011

Page 2/3

centers. On August 25, Sunrise will open its goth shop and the company aims at having some 100 shops by the end of this year in order to be present throughout the country in as many places as possible.

Measures for a further enhanced customer service

Focusing on the improvement of its customer experience, Sunrise took several measures in the course of the first six months of 2011. The dedicated Customer Experience team revised the Sunrise website in order to improve its usability, introduced an automatic survey among customers who got in contact with the Sunrise customer care department and set up a dedicated team consisting of customer care specialists who take care of difficult customer requests. Also, the new mobile options Sunrise international and Sunrise roaming as well as the new Sunrise data alert were launched in order to meet the needs of customers who often travel abroad or make international calls.

Technology: investments in IPTV, focus on IPv6 and fibre rollout

In order to be close to the customer, Sunrise is advancing its plans for an IPTV offer which is planned to be launched by the end of this year or the beginning of 2012. The technical preparations are going on, the project is still on track. As a next step, a friendly user trial will start in October. Together with Business Sunrise, the technology department is currently elaborating an IPv6 product for business customers. Still in line with the focus to meet the needs and expectations of its customers, Sunrise is continuing the roll-out of fibre. In the course of the first half of 2011, several large projects for both residential and business customers were completed.

Business Sunrise is increasingly establishing itself in the business customer market

Business Sunrise is on track after the launch of the new sub-brand in January: The first six months of 2011 were characterized by many successful projects. Business Sunrise was able to gain customers in all segments: self-employed, small and medium companies as well as large customers. Compared to the corresponding period in 2010, Business Sunrise increased its over-all customer base by 22% and its mobile customer base by 29%. Cases, like Valora or the Canton of Berne, which were won in the context of the BEWAN project together with Connectis, show that Business Sunrise is a strong competitor in the market, both from a business and a technical point of view. The awareness of Business Sunrise was increased steadily, also by means of several image campaigns. By the end of 2012, Business Sunrise will hire an additional 30 employees in order to ensure continuous and sustainable growth.

Important year for enhancement of regulatory framework

In February, Sunrise requested a proceeding related to ULL and interconnection prices for 2011 from the federal communication commission (COMCOM). In April, the federal administrative court decided in a different case, that the applied LRIC method to calculate access costs on the incumbent network can be changed within the ordinance of the telecommunication law, which is currently under revision. Sunrise is strongly committed to enhance the regulatory framework for private telecommunication companies in Switzerland.

Media Release

Zurich, August 24, 2011

Page 3/3

Oliver Steil, CEO of Sunrise, comments, "The strong performance of Sunrise in the first half of 2011 demonstrates that we are on track. Within the past few months, we have completed our management board and can now pursue our strategy in order to ensure sustainable growth. We are especially pleased about the positive development of our customer base; the measures we are taking in order to improve the customer experience have proven that this is the right way. We will continue our investments in the roll-out of our network and in our customer care services."

| Time period 1/1–6/30/2011 | 1 st half of 2011 | 1 st half of 2010 | Change |
|-------------------------------------|------------------------------|------------------------------|--------|
| Total sales (in CHF m) | 976 | 994 | -1.9% |
| Mobile services | 626 | 578 | 8.4% |
| Landline network services | 262 | 328 | -20.1% |
| Landline services (excl. hubbing) | 199 | 224 | -11.4% |
| Internet services | 87 | 89 | -1.5% |
| EBITDA (in CHF m) | 287 | 280 | 2.7% |
| EBITDA margin | 29.5% | 28.2% | |
| EBITDA margin excl. hubbing | 31.2% | 31.2% | |
| Total customer number (in m) | 2.95 | 2.86 | 3.2% |

Sunrise

Sunrise is the largest private telecommunications provider in Switzerland, with offices in Zurich, Bern, Biel/Bienne, and Renens. Sunrise has 2.95 million customers, who use its services in the areas of mobile telephony, landline network, and the Internet. Business Sunrise offers customized communication solutions for business customers. The mobile network, which is based on GSM, EDGE, UMTS, and HSPA+ technologies, provides over 99% of the population with state-of-the-art mobile network services and permits transfer rates of up to 21 Mbps. A high-performance fiber optic network, with a total length of 10,000 km, enables high-quality voice and data services to be offered throughout the country. Thanks to unbundling, Sunrise can reach 85% of all households with its own broadband structure and operates 90 Sunrise centers across Switzerland. Sunrise is a brand of Sunrise Communications AG.