
VESTBERG AT MWC16: 5G, IOT AND CLOUD TO DISRUPT EVERY INDUSTRY

- Ericsson President and CEO Hans Vestberg says digital disruption will come to every industry in 2016
- Vestberg affirms strong focus on Cisco partnership; Ericsson Dynamic Service Manager launched
- Announcement of global alliance with Amazon Web Services (AWS) to accelerate cloud transformation in the telecommunications service provider industry
- New IoT Transformation offering leverages Ericsson's global services footprint, industry experience and technology leadership to help customers drive IoT business

At Mobile World Congress (MWC) 2016, Ericsson (NASDAQ: ERIC) President and CEO Hans Vestberg said digital disruption will come to every industry in 2016 and made major announcements in 5G, the Internet of Things (IoT) and cloud. With these announcements, Ericsson solidifies its positions as a leading ICT transformation partner for customers across industries.

As Ericsson's vision of 50 billion connected devices approaches, three fundamental ICT forces – broadband, mobility and cloud – are rapidly reshaping value chains, digitalizing business models and creating possibilities that were previously unimaginable. As an ICT leader, Ericsson is enabling this transformation and simultaneously evolving itself.

Vestberg said: "Along with our industry and our customers, Ericsson is on a transformation journey. Today, 66 percent of our business comes from software and services; just years ago the majority was hardware. The majority of our principal competitors are ICT players, rather than telecommunications businesses. Our portfolio is constantly evolving to keep pace with customer demands. Now, with industries and even whole societies being disrupted by mobility, broadband and cloud, we are accelerating our own transformation."

Turning to Ericsson's MWC 2016 launches, Vestberg identified 5G, IoT and cloud as the hottest topics in the ICT industry – and made major announcements in each area:

5G

- Ericsson has agreements with 20 major operators around the world to work together on 5G – more than any other vendor. 5G radio prototype network field trials will continue with operators during 2016.
- Ericsson is leading research initiatives for 5G pre-standardization including 5GEx, METIS II and 5G for Europe; the company is committed to continued engagement with industry and society partners.
- Ericsson is active in aligning industry time plans (3GPP, ITU-R) to assure the commercial launch of 5G in 2020.
- Ericsson is delivering 5G concepts to improve today's 4G networks – Ericsson Lean Carrier, Elastic RAN, Massive IoT (NB-IoT and LTE-M).

IoT

- Ericsson's new [IoT Transformation offering](#) is a modular set of IoT professional services and software solutions that can be tailored to operators' needs and IoT ambitions. It leverages Ericsson's global services footprint, industry experience and technology leadership to help customers drive IoT transformation and business.
- Ericsson is collaborating with AT&T to bring the operator's [Digital Life solution](#) – which uses IoT technology to transform home security and automation – to service providers outside the US.

Cloud

- Ericsson has announced plans to form a global business, [technology and services alliance with Amazon Web Services](#) (AWS) to accelerate cloud transformation for telecoms service providers.
- Ericsson has joined the Open Compute Project (OCP) to drive adoption of data center solutions based on the company's software-defined infrastructure and Intel® Rack Scale Architecture.
- [Ericsson and Quanta Computer have formed a strategic](#) partnership to accelerate manufacturing of the Ericsson Hyperscale Datacenter System 8000.

Establishing a Unified Delivery Network

Ericsson also announced the [establishment of a Unified Delivery Network \(UDN\)](#) with global service providers to launch a new ubiquitous content delivery ecosystem. The UDN is supported by service providers including Hutchison, Telstra, AIS and Vodafone, and by

leading content providers. The UDN aggregates regional service provider capabilities on a global scale, and allows consumers to benefit from enhanced quality video experiences through seamless delivery.

Vestberg underlined that many of these announcements are based on industry partnerships, since no single company is capable of capturing every opportunity by itself in an increasingly complex ICT landscape. This year, more than 50 partners have joined Ericsson at MWC at various levels.

“With the pace of change faster than ever, strong and long-term strategic partnerships are a necessity to drive growth, accelerate innovation and speed the digital transformation demanded by customers and consumers across all industries,” he said.

Update on Cisco partnership

One high-profile example is [Ericsson's next-generation strategic partnership](#) with Cisco to create the networks of the future. Vestberg was joined on stage by Rima Qureshi, Chief Strategy Officer, Ericsson, and Hilton Romanski, Chief Strategy Officer, Cisco, to present the latest updates on the partnership.

With a joint and complete end-to-end offering, global market presence, unparalleled market position and strong cultural fit, the partnership was developed to create the networks of the future – and through this, shape the direction of the industry. Since the partnership was announced in November 2015, close to 200 customer engagements have resulted in multiple customer wins.

Ericsson also introduced today the [Ericsson Dynamic Service Manager](#), a new product for real-time management of network services via multiple technology and vendor domains. The result of a joint collaboration and encompassing intellectual property from the two companies, the Dynamic Service Manager will initially focus on multi-vendor mobile backhaul, IP core, and enterprise VPNs. It brings together Ericsson's leadership in OSS and Cisco's expertise in IP and optical for the cost-effective management of complex network services. General availability of this product is expected in second half of 2016.

Closing the briefing, Vestberg said Ericsson is strongly positioned to create lasting value in a fast evolving ICT market:

“Digital disruption will come to every industry in 2016. Today's announcements – together with the hundreds of demonstrations we will show this week at MWC 2016 – clearly demonstrate the strength of our portfolio and our capabilities as an ICT transformation partner. As the Networked Society accelerates around us, Ericsson turns great ideas into global realities.”

[Ericsson at Mobile World Congress 2016](#)

During Mobile World Congress 2016, held February 22 to February 25, 2016 in Barcelona, Spain, Ericsson will showcase its unique industry insights, the latest innovation and inspirational discussions that enable powerful new business opportunities.

We are in the midst of the societal transformation we call the Networked Society: a society in which mobility, broadband and cloud empower every person and every industry to reach their full potential. Opportunity is everywhere, and companies are transforming according to the role they have chosen to play in the value chains and ecosystems of the Networked Society.

Join us in our Hall (Hall 2, Stand 2N60) to learn about 5G, the Internet of Things and cloud, and to discuss the impact digital transformation can have on people, business and society.

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Ericsson is the driving force behind the Networked Society – a world leader in communications technology and services. Our long-term relationships with every major telecom operator in the world allow people, business and society to fulfill their potential and create a more sustainable future.

Our services, software and infrastructure – especially in mobility, broadband and the cloud – are enabling the telecom industry and other sectors to do better business, increase efficiency, improve the user experience and capture new opportunities.

With approximately 115,000 professionals and customers in 180 countries, we combine global scale with technology and services leadership. We support networks that connect more than 2.5 billion subscribers. Forty percent of the world's mobile traffic is carried over Ericsson networks. And our investments in research and development ensure that our solutions – and our customers – stay in front.

Founded in 1876, Ericsson has its headquarters in Stockholm, Sweden. Net sales in 2015 were SEK 246.9 billion (USD 29.4 billion). Ericsson is listed on NASDAQ OMX stock exchange in Stockholm and the NASDAQ in New York.

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