PRESS RELEASE
JANUARY 6, 2016

ERICSSON INTRODUCES THREE IOT SOLUTIONS FOR SMART HOMES AND CITIES

- Smart Metering as a Service puts consumers in control and enables utility companies to offer "smart" services to consumers in the future
- User & IoT (Internet of Things) Data Analytics enables controlled access and exposure of data from cellular and non-cellular devices and creates value through cross-industry offerings
- Networks Software 17A Diversifies Cellular for Massive IoT, supporting millions of IoT devices in one cell site, 90 percent reduced module cost, 10+ years battery life and 7-time cell coverage improvement

Ericsson (NASDAQ:ERIC) today launches three new solutions to equip communication service providers and utility companies to address services and requirements in the fast-growing Internet of Things (IoT) market. Those new additions will strengthen Ericsson's unique positon with end-to-end capability.

IoT is quickly emerging as a very significant agent of transformation as it blends the physical and digital worlds. In the latest Ericsson Mobility Report, 28 billion connected devices are forecasted by the year 2021, more than half of which are M2M and IoT connections.

Numerous studies have identified the potential and value of IoT to society, with smart cities and connected homes, including consumer devices, making up as much that value. Driving industry innovations in smart cities and connected homes, Ericsson is launching three IoT solutions:

- **Smart Metering as a Service**
- **User & IoT Data Analytics**
- **Networks Software 17A Diversifying Cellular for Massive IoT**

Launch 1: Smart Metering as a Service

ICT is becoming increasingly critical for utility providers as they look to improve operational efficiency and find ways to innovate and improve customer experience. Smart Metering as a Service enables end-to-end business process outsourcing drawing on Ericsson's experience of enabling more than 42 million smart meters worldwide. The benefits of Smart Metering as a Service include reduced time-to-market, superior meter management and operations, as well as maximum cost savings. In short, utility providers will enjoy lower total cost of

ownership, reduced complexity as Ericsson acts as a single point of contact with IT service providers, telecom operators and field services companies; and improved quality of service.

For consumers, smart metering and a smarter, connected grid enables more reliable services, more accurate billing and the ability to control spending – thanks to timely consumption data. It also supports advanced security automation lighting, heating and cooling services – identified by Ericsson's recent ConsumerLab report as areas of high interest for consumers.

Smart Metering as a Service will be commercially available in Q2 2016.

Launch 2: User & IoT Data Analytics

Exponential growth in the number of connected devices, both from consumers and industries, presents telecom operators with an opportunity to unlock the value of user and IoT data in their network databases.

Ericsson's User & IoT Data Analytics allows operators to do that by providing a real-time analytics engine embedded in the subscriber database.

This solution extends Ericsson's User Data Consolidation (UDC) offering, and works for both cellular- and non-cellular devices. It can also fetch data from other vendors' network data bases and aggregate them in the analysis. Additional data from external sources can be included and, with the use of secure exposure, cross-industry IoT insights and applications also become a possibility.

As a result, operators can improve internal operational efficiency and expand business toward both consumers and industries. In parallel, they can extend their roles in the IoT ecosystem beyond simply providing connectivity and climb up the value chain.

Ericsson User & IoT Data Analytics will be commercially available from end Q2 2016.

Launch 3: Networks Software 17A Diversifies Cellular for Massive IoT

In September 2015, Ericsson announced a suite of software upgrades to accelerate the uptake of IoT, removing roadblocks to mass-market adoption. To meet the new challenges of supporting the coming massive numbers of IoT devices with a wide range of use cases and requirements, Ericsson is launching Networks Software 17A for Massive IoT that supports millions of IoT device connections per cell site. The software-only upgrades introduce newest device category for LTE connections, Narrowband-IoT (NB-IoT), to existing network infrastructure, for fast rollout of reliable, secure mobile connectivity at the lowest total cost of ownership.

NB-IoT is well suited to IoT applications such as metering and sensor monitoring and flexibly scales to support millions of connections per cell site. It also reduces module costs by 90 percent and provides seven times better coverage. Combined with power-saving

improvements, it delivers more than 10-year device battery life while maintaining downlink reachability.

These enhancements complement features available in the previous software release to address the diversity of IoT requirements while making best use of the extensive global footprint of existing networks. The upgrades to LTE and GSM networks provide an ideal platform for IoT growth.

Ericsson Networks Software 17A for Massive IoT will become commercially available in Q4 2016. This means Ericsson will deliver the industry's first complete cellular low-power, wide-area (LPWA) offering to market this year.

Ericsson at Consumer Electronics Show 2016

Ericsson will be present at the Consumer Electronics Show in Las Vegas, January 6-9, 2016. Please visit our booth #10433 located in the Central Hall at Las Vegas Convention Center. Ericsson's exhibition stand delivers an end-user perspective on the Networked Society, where connectivity is the starting point for new ways of innovating, collaborating and socializing. In our stand, we will explore life in tomorrow's connected world with featured demonstrations and story lines that showcase how 5G and the Internet of Things (IoT) are empowering people, revolutionizing industries and transforming the Networked Society.

NOTES TO EDITORS

On demand digital event for media and analysts, available from January 7

Product info: Smart Metering as a Service

Product info: User & IoT Data Analytics

Product info: Networks Software 17A Diversifying Cellular for Massive IoT

For media kits, backgrounders and high-resolution photos, please visit www.ericsson.com/press

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.

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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 2014 were SEK 228.0 billion (USD 33.1 billion). Ericsson is listed on NASDAQ OMX stock exchange in Stockholm and the NASDAQ in New York.

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