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## ERICSSON CEO SETS THE SCENE FOR INDUSTRY TRANSFORMATION AT MWC15

- Predictions for 2015 focus on video, LTE subscriber growth and mobile broadband coverage
- Announces hyperscale upgrade to Ericsson Cloud System —adding new software and hardware to ensure a secure cloud experience —and a first step beyond connected devices to connected systems with the launch of Ericsson Traffic Cloud
- Broad set of new launches support operator needs across network evolution, IT transformation and opportunities for innovation and revenue growth

Ericsson (NASDAQ:ERIC) President and CEO Hans Vestberg reflected on the pace of change in the industry at the company's opening-day media and analyst briefing at Mobile World Congress in Barcelona, showcasing the latest solutions that the company is bringing to market, and making predictions for 2015.

Vestberg said: "We predict four key changes during 2015: more people will watch streamed, on-demand video than broadcast TV on a weekly basis; video will generate half of the mobile data traffic; LTE subscriber growth will exceed 80 percent; and world mobile broadband coverage will be above 70 percent. This all are massive forces of change and open up new opportunities both in the ICT industry and in other industries."

Vestberg continued: "There is a new logic being applied across industries. We can see a definite shift from physical products to digital services. New business models are emerging, along with new ways of solving old problems that create new efficiencies. True customer intimacy can be created using digital tools. All in all, you can see that ICT drives transformation that is really changing the game."

At Mobile World Congress, Ericsson shows its full range of capabilities supporting a broad variety of customer needs. A total of nine new launches were lined up with a common theme of transformation and advancing digital experiences.

Already at the Consumer Electronics Show in January, Ericsson was first to introduce [LTE-LAA, License Assisted Access](#) on small cells, enabling consumers to leverage the combination of licensed and unlicensed bands to achieve higher peak rates indoors.

The [Ericsson Radio System](#) is a completely new approach to how to build radio networks on the road to 5G, with the [Router 6000 Series](#) integrating IP backhaul into the radio

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network. [Networks Software 15B](#), the latest release of Ericsson's network wide software, introduces Ericsson Virtual Router, app coverage improvements such as simultaneous LTE TDD-FDD operation, a new release of the Ericsson Network Manager, along with other features.

In addition to hardware and software, Ericsson introduced its [App Experience Optimization](#) service enabling improvements of time-to-content by up to 70 percent and upload time by up to 50 percent. Ericsson's strength in IT transformation is represented by the launch of the [Digital Telco Transformation](#) – a consulting and systems integration toolbox that enables operators to become truly digital in their own operations and customer interaction. One part of this toolbox is the [Expert Analytics 15.0](#), a software solution that predicts user satisfaction and allows operators to take automated actions that will improve Net Promoter Scores.

In the new revenues and innovation layer, the latest release of the [Media Delivery Network](#) enables operators to take a strong position in the core of the media delivery value chain.

At the media and analyst briefing, Hans Vestberg announced the new hyperscale capabilities of the Ericsson Cloud System, saying: "Our proposition is about more than realizing a cloud solution. It is about realizing a digital industrialization strategy. The new additions to the Ericsson Cloud System, including [Ericsson HDS 8000 \(Hyperscale Datacenter System\)](#) Ericsson, tackle the challenges with security, governance and automation, which are areas we know are blockers for many companies," said Vestberg.

The Ericsson HDS 8000 is the first product in the world to include Intel Rack Scale Architecture. Ericsson and Intel have been working together for a long time across a number of technology areas, and now the two companies are moving into the data center and delivering new solution building on that relationship.

Brian Krzanich, CEO of Intel, joined Hans Vestberg on the stage. Speaking afterwards, he said: "We truly value our relationship with Ericsson, which has grown deeper and stronger over the years, and I'm delighted to be here on the occasion of the Hyperscale Datacenter System launch. It's wonderful to see our companies pooling our talents and collaborating on such an innovative and world class solution."

The second launch that was announced for the first time at the media and analyst briefing goes beyond connected devices to a world of connected systems. Vestberg explained: "The real value of the Networked Society lies in connecting complete systems, not only the devices in the system. That is when we can really start to unlock the hidden value that ICT enables."

With the launch of [Connected Traffic Cloud](#), Ericsson goes beyond connecting cars to connecting the entire traffic system. This opens up opportunities to tackle two of the big challenges in society: road safety and traffic management. The solution is a managed cloud

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MARCH 2, 2015



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platform that enables the sharing of real-time traffic and road conditions data between connected vehicles and road traffic authorities and also the communication of traffic advisories to drivers.

The platform has been proven in other industry specific solutions such [Connected Vehicle Cloud](#) and [Connected Maritime Cloud](#).

Summing up the presentation, Vestberg reiterated the company's strategic direction for growth with a number of newly won contracts in both core and targeted growth areas.

### **Ericsson at Mobile World Congress 2015**

During Mobile World Congress 2015 in Barcelona, Spain, Ericsson is showing world-leading technology, service capabilities, and innovations. The Networked Society is transforming entire industries. ICT tools have become fundamental everyday resources for businesses, people and society. We lead the way with software, services, and hardware solutions that drive development in mobility, broadband and cloud, creating the foundation for new ecosystems, and transformation across industries. The change that transformation brings is in the hands of everyone. That is why we at Mobile World Congress this year will talk about how we enable change-makers in the Networked Society.

You can find us at MWC in Hall 2, Stand 2N60. Follow us during the event using @Ericsson and join the discussion using #MWC15. Insights from our experts and Networked Society evangelists are also published on our blog during the event.

### NOTES TO EDITORS

Download high-resolution photos and broadcast-quality video at [www.ericsson.com/press](http://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.*

*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.*

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*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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