

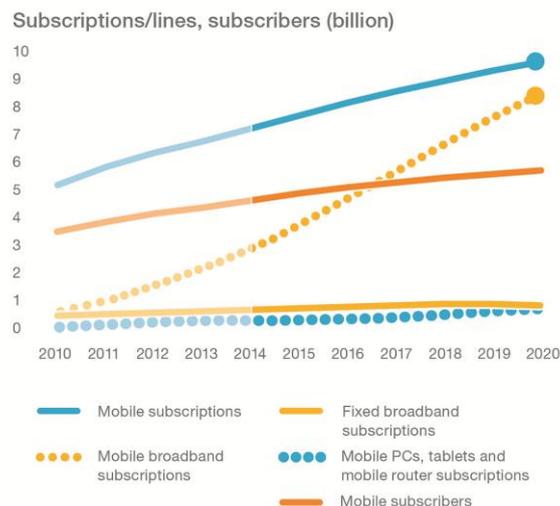
ERICSSON MOBILITY REPORT: 90 PERCENT WILL HAVE A MOBILE PHONE BY 2020

- By 2020, 90 percent of the world's population over 6 years old will have a mobile phone, and smartphone subscriptions are expected to top 6.1 billion
- India and China show fastest growth for new mobile subscriptions with 18 million and 12 million net additions in Q3 2014
- 800 million new smartphone subscriptions in 2014 brings total to 2.7 billion worldwide
- Mobile video traffic to increase tenfold and constitute 55 percent of all mobile data traffic by 2020

The latest edition of the Ericsson (NASDAQ:ERIC) Mobility Report, a comprehensive update on mobile trends leveraging big data from live networks worldwide, launches today and reveals that proliferation of mobile technology continues at a rapid pace: 90 percent of the world's population over six years old is predicted to have a mobile phone by 2020. Furthermore, by 2020 smartphone subscriptions are forecast to top 6.1 billion.

Fastest growth for new mobile subscriptions was found in India and China, with 18 million and 12 million net additions, respectively, in Q3 2014.

Rima Qureshi, Senior Vice President, Chief Strategy Officer and Head of M&A, Ericsson, says: "The falling cost of handsets, coupled with improved usability and increasing network coverage, are factors that are making mobile technology a global phenomenon that will soon be available to the vast majority of the world's population, regardless of age or location."



“The Ericsson Mobility Report shows that in 2020 the world will be connected like never before,” Qureshi added.

Smartphone penetration: 800 million new subscriptions in 2014

Smartphone growth continues as 65-70 percent of all phones sold in the third quarter of 2014 were smartphones, compared with 55 percent in the same quarter for 2013.

Despite this increased rate of sales, which will see the addition of an estimated 800 million new smartphone subscriptions by the end of 2014, the report finds there is still plenty of room for growth in the sector. Smartphones currently account for just 37 percent of all mobile phone subscriptions, meaning that many users have yet to make the switch to the more feature-rich, internet-friendly option.

The report predicts a strong uptake in the coming years as the number rises from 2.7 billion smartphone subscriptions today to the forecasted 6.1 billion in 2020.

Video: largest and fastest growing segment of mobile data traffic

Video continues to dominate mobile networks: in 4G-dominated networks it currently constitutes 45-55 percent of mobile traffic, driven largely by increased usage of video streaming and improvements in the mobile video experience.

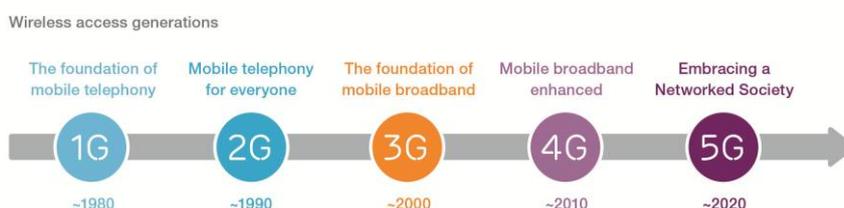
Video is increasingly appearing as part of other online applications such as news and adverts, and on social media platforms. At the same time, growth in video streaming is being driven by access to over-the-top (OTT) services and content, such as those provided by YouTube.

Devices used to watch video are also evolving. Many have larger screens, enabling higher picture quality for streamed video, which results in video being consumed on all types of devices and in higher quantities, both at home and on the move.

In terms of future outlook, Ericsson estimates that mobile video traffic will increase tenfold by 2020, ultimately constituting around 55 percent of all mobile data traffic in 2020.

5G: subscriptions on the horizon

5G is expected to be commercially deployed in 2020, and the technology is predicted to have a faster uptake than 4G LTE, just as 4G had a faster uptake than 3G. The difference here is that, in addition to new radio technologies, 5G will also encompass evolved versions of existing radio access (such as 3G and 4G), cloud, and core technologies to cater for the thousands of new ways that mobile technology will be used. 5G growth will be driven to a large extent by new use cases, especially in machine-type communications.



This is the seventh issue of the Ericsson Mobility Report, which shares forecast data, analysis and insight into traffic, subscriptions, and consumer behavior to provide insight into current traffic and market trends.

Ericsson regularly performs traffic measurements in over 100 live networks in all major regions of the world. Detailed measurements are made in a selected number of commercial WCDMA/HSPA and LTE networks with the purpose of discovering different traffic patterns.

The forecast period for the latest report has been updated to cover the period from 2014-2020.

Tool for custom data

To accompany the Ericsson Mobility Report, Ericsson has created the Traffic Exploration Tool for creating customized graphs and tables using data from the report. The information can be filtered by region, subscription, technology, traffic, and device type.

NOTES TO EDITORS

The full Ericsson Mobility Report findings, Ericsson's Traffic Exploration Tool, and regional appendices for North America, South East Asia & Oceania, Europe, Latin America, and North East Asia are all available at: www.ericsson.com/ericsson-mobility-report

[On-demand webcast: a walk through findings from the Ericsson Mobility Report Traffic Exploration Tool](#)

[Short video: Rima Qureshi with highlights from the EMR](#)

[Animation: Ericsson Mobility Report](#)

[Biography and photos of Rima Qureshi](#)

Download high-resolution photos and broadcast-quality video at 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 more than 110,000 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 2013 were SEK 227.4 billion (USD 34.9 billion). Ericsson is listed on NASDAQ OMX stock exchange in Stockholm and the NASDAQ in New York.

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FOR FURTHER INFORMATION, PLEASE CONTACT

Ericsson Corporate Communications

Phone: +46 10 719 69 92

E-mail: media.relations@ericsson.com

Ericsson Investor Relations

Phone: +46 10 719 00 00

E-mail: investor.relations@ericsson.com