

ERICSSON MOBILITY REPORT: GLOBAL SMARTPHONE SUBSCRIPTIONS TO REACH 5.6 BILLION BY 2019

- Mobile subscriptions will reach 9.3 billion by 2019, 5.6 billion of which will be for smartphones
- 90 percent of the world's population will be covered by WCDMA/HSPA in 2019 and 65 percent will be covered by LTE
- Smartphone subscriptions will triple and smartphone traffic will increase 10 times between 2013 and 2019

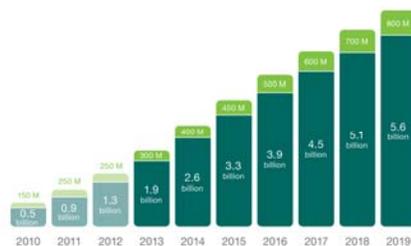
The latest Ericsson (NASDAQ:ERIC) Mobility Report reveals that mobile subscriptions are expected to reach 9.3 billion by 2019, and more than 60 percent of these – 5.6 billion – will be for smartphones. To support the smartphone user experience, WCDMA/HSPA networks are predicted to cover 90 percent of the world's population by 2019. Moreover, almost two-thirds (65 percent) of the world's population will be covered by 4G/LTE networks.

Currently, smartphones represent 25-30 percent of all mobile phone subscriptions, yet they account for the majority (55 percent) of mobile phones sold in Q3.

Douglas Gilstrap, Senior Vice President and Head of Strategy at Ericsson, says: "The rapid pace of smartphone uptake has been phenomenal and is set to continue. It took more than five years to reach the first billion smartphone subscriptions, but it will take less than two to hit the 2 billion mark¹. Between now and 2019, smartphone subscriptions will triple.

"Interestingly, this trend will be driven by uptake in China and other emerging markets as lower-priced smartphone models become available."

Smartphones, mobile PCs, tablets and mobile routers with cellular connection



Legend:
■ Mobile PCs, tablets and mobile router subscriptions
■ Smartphone subscriptions

Source: Ericsson (November 2013)

Smartphone traffic will grow by 10 times between 2013 and 2019, reaching 10 exabytes. Video is growing 55 percent annually, and will represent more than 50 percent of the mobile data traffic, while social networking and web services will account for around 10 percent each in 2019.

This edition of Ericsson Mobility Report includes further analysis of app coverage² – a new approach to evaluating network performance and user experience – with particular focus on indoor and city environments. Radio signals attenuate rapidly as they go through buildings and the high concentration of users, building material and height all pose additional challenges. Having good mobile coverage is an important aspect of life for many; it is now ranked among the top five satisfaction factors of life in a city. As the majority of mobile traffic originates from cities, Ericsson compares three different strategies to provide indoor coverage using simulation software to predict the extent of app coverage in high-rise buildings in this issue.

To accompany the 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.

¹Estimated growth in total smartphone subscriptions, 2012 to 2014

²App coverage measures the network's ability to deliver sufficient performance to run a particular application at an acceptable quality level

NOTES TO EDITORS

The full Mobility Report findings, appendices for North East Asia and Sub-Saharan Africa, and Ericsson's new Traffic Exploration Tool are all available at:

www.ericsson.com/ericsson-mobility-report

[Biography and photos of Douglas Gilstrap](#)

Download high-resolution photos and broadcast-quality video at www.ericsson.com/press

Ericsson is a world-leading provider of communications technology and services. We are enabling the Networked Society with efficient real-time solutions that allow us all to study, work and live our lives more freely, in sustainable societies around the world.

Our offering comprises services, software and infrastructure within Information and Communications Technology for telecom operators and other industries. Today 40 percent of the world's mobile traffic goes through Ericsson networks and we support customers' networks servicing more than 2.5 billion subscriptions.

We are more than 110,000 people working with customers in more than 180 countries. Founded in 1876, Ericsson is headquartered in Stockholm, Sweden. In 2012 the company's net sales were SEK 227.8 billion (USD 33.8 billion). Ericsson is listed on NASDAQ OMX, Stockholm and NASDAQ, New York stock exchanges.

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