
ERICSSON TO ACQUIRE LEADING MEDIA SERVICES COMPANY RED BEE MEDIA

- Acquisition broadens Ericsson's broadcast services portfolio and further expands its capabilities in the TV industry
- 1,500 highly-skilled broadcast services professionals to join Ericsson
- Adding new operations in Europe and Australia

Ericsson (NASDAQ:ERIC), a world-leading provider of communications technology and services, today announced its intention to acquire Red Bee Media, a world-leading media services company headquartered in the UK, from an entity controlled by Macquarie Advanced Investment Partners, L.P.

The acquisition, which is subject to regulatory approval, supports Ericsson's strategy to grow in the broadcast services market and takes advantage of its technology and services leadership to help broadcasters and content owners address the convergence of video and mobility. It will bring 1,500 highly-skilled employees, as well as media services and operations facilities in the UK, France, Germany, Spain and Australia. This will further strengthen Ericsson's broadcast services business, which was started in 2007 and expanded in 2012 with the acquisition of Technicolor's Broadcast Services Division.

With 1,240 of Red Bee Media employees being based in the UK, Ericsson's UK business would grow to around 4,000 employees and with more than one-third working in the media services business, the UK will become a global media hub for Ericsson.

Since its foundation in 2005, Red Bee Media has established itself as a strong and diverse business with a growing number of customers around the world. It provides a range of media services; from media asset management to playout and digital video publishing, metadata services, multilingual access services and creative services to major broadcasters and broadband platforms. Red Bee Media, which is known for its high quality playout services, is also the largest editorial metadata provider in Europe, delivers more than 100,000 hours of subtitling per year for leading broadcasters.

The Television and Media industry is undergoing an unprecedented transformation driven by consumers' appetite for rich, interactive, anytime, anywhere entertainment. The confluence of communications, broadband and media technologies and the use of IP and mobile networks to generate and deliver such experiences is creating new opportunities in the ecosystem.

PRESS RELEASE

JULY 1, 2013



New services are expanding and re-defining the way consumers experience entertainment, placing new economic and creativity demands on businesses – whether they be broadcasters, telcos or other media companies – worldwide. According to the Ericsson Mobility Report June 2013 release, video is the single biggest contributor to traffic in mobile networks and this is expected to grow 60 percent annually until the end of 2018.

“Ericsson is making a step change to our business, cementing our commitment to TV and broadcast services and continuing a journey we started in 2007,” says Magnus Mandersson, Executive Vice President and Head of Business Unit Global Services, Ericsson. “We can create value for broadcasters by making digital content more accessible, enabling monetization of TV content more efficiently. Video traffic shows very strong uptake in the mobile networks and Ericsson can address the need of both broadcasters and telecom operators through our technology expertise and services capabilities.”

Ericsson's core capabilities in hardware, software, systems integration and management/operations services have been deployed worldwide in the communications and broadband businesses to create success for many players. Ericsson provides innovative technology solutions for content acquisition, exchange, distribution, delivery and the provisioning of multi-screen entertainment experiences based on a 20-year, Emmy award winning heritage in media research and development.

Ericsson's broadcast services expertise makes use of its industry leading position in managed services and serves leading regional and global broadcasters to bring enhanced efficiency into their business operations – being it live or thematic content.

Serving one billion subscribers worldwide, Ericsson is the leading provider of managed services for telecom operator networks. It has invested in processes, methods and tools in this segment for more than 15 years. In recent years, Ericsson has expanded this successful business model to other industries, such as utilities, transportation and the TV industry.

The closing of the acquisition is subject to approval from relevant regulatory authorities and other contractual conditions. After completion, Red Bee Media will be incorporated into Ericsson's Business Unit Global Services.

NOTES TO EDITORS

Photo of Magnus Mandersson:

www.ericsson.com/thecompany/press/photolibrary/management

Ericsson's Mobility Report 2013: www.ericsson.com/ericsson-mobility-report

Ericsson's role in the TV industry - media kit:

www.ericsson.com/thecompany/press/mediakits/tv-industry

Broadcast Services background material:

www.ericsson.com/res/thecompany/docs/press/backgrounders/broadcast_services_press_bkgrounder.pdf

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Read more about Red Bee Media at www.redbeemedia.com

Red Bee Media is one of the world's leading media services companies. Working with broadcasters, content owners, platform operators and brands, the company blends technology and creative expertise to provide a range of services; from playout, multi-platform media management and distribution through to access services, metadata, content discovery, companion applications, content marketing and brand consultancy.

Ericsson's acquisition of Technicolor's Broadcast Services Division

www.ericsson.com/thecompany/press/releases/2012/07/1623638

Extended partnership with TV5Monde: www.ericsson.com/news/1638215

Ericsson to manage HBO Nordic's playout services: www.ericsson.com/news/1638933

Ericsson to operate TV4 Group's playout services: www.ericsson.com/news/1355548

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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