



PRESS RELEASE
FEBRUARY 3, 2012

SWISSCOM AND ERICSSON MACHINE-TO-MACHINE PARTNERS

- Switzerland's leading operator to address needs of enterprise customers from different industries with machine-to-machine (M2M) offering from summer 2012
- Ericsson Device Connection Platform is brought to market with a business model providing a low initial investment in technology and a fast time to market
- Swisscom sees long-term potential of up to 100 million connected devices and machines in Switzerland

Switzerland's largest operator Swisscom and Ericsson (NASDAQ:ERIC) have launched a partnership to develop the M2M market. Swisscom will offer enterprises, from different industries both in Switzerland as well as Swisscom customers abroad, services to leverage efficiencies along their customers' value chain from production to distribution. Swisscom's M2M offering is based on Ericsson's market-proven Device Connection Platform, which allows for cost-efficient management of a large number of connected devices and machines. The first trials will start in February 2012. The commercial introduction of services is scheduled for the summer 2012.

Several hundred thousand machines are already connected in Switzerland. Swisscom predictions indicate that this number will grow significantly in the coming years, and that in the long run, the addressable market will comprise up to 100 million connected devices and machines in Switzerland alone. Industries that benefit from M2M communication are typically utilities, government, transport and healthcare, but the potential for its use extends well beyond that.

Urs Schaeppi, Head of Swisscom Corporate Business Unit, says: "We are entering this partnership – in which Ericsson supports us not only with its M2M connectivity platform, but also with its extensive experience of the worldwide M2M market – with the clear ambition not only to be first in an emerging market, but also to provide our customers with the kind of superior offering they are used to from us. Our ambition is to provide enterprise customers with a scalable, easy-to-configure-and-maintain, telecom-grade solution that helps them to leverage the full potential of their M2M connectivity and gain a competitive advantage."

Swisscom's early mover advantage, as one of Ericsson's first Device Connection Platform customers, gives them the potential to address new revenue streams. The Device Connection Platform cloud service will allow Swisscom to grow flexibly according to demand from its enterprise customers from different industries. The pay-as-you-grow business model allows the operator a fast time to market. Ericsson's M2M solution is industry-agnostic, and can easily be adapted to different industries' and customers' needs.



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Anders Runevad, Head of Region Western & Central Europe, Ericsson, says: “We have built out our leading position as an M2M solution provider to operators worldwide and now we are partnering with Swisscom in one of the world’s first large-scale M2M market introductions. We have connected billions of people to date with mobile networks. Now we are starting to address the Networked Society with our vision of more than 50 billion connected devices – primarily from M2M connectivity in all kinds of industries – by 2020 worldwide.”

Compared with today's end-user-focused SIM card subscription management, operators need to streamline handling of data traffic, charging, billing, maintenance and upgrade of their M2M solutions in a much leaner, cost-efficient way in their networks. Since the M2M market is very diverse in terms of customer requirements, operators need an industry-agnostic platform that supports them in easily creating specific or customized types of service offerings. The different kinds of customers lead to varying demands on, for example, bandwidth and quality of service.

About Ericsson’s Device Connection Platform

The Device Connection Platform is a managed connectivity platform, provided as a service, for mobile operators and mobile virtual network operators for the wholesale of M2M connectivity towards enterprises. It enables operators to address new revenue streams from a vast variety of devices while simplifying the process and reducing the cost of connecting them in order to benefit from economies of scale. The platform provides access to key functionalities including subscription management, device management and operator and enterprise self-service portals.

NOTES TO EDITORS:

Press release on Ericsson and M2M; “Next step in M2M communication with Telenor Connexion” <http://www.ericsson.com/news/1507369>

White paper on 50 billion connected devices;

http://www.ericsson.com/news/110214_more_than_50_billion_244188811_c?categoryFilter=white_papers_1270673222_c

Product description of the Device Connection Platform;

http://www.ericsson.com/ourportfolio/products/device-connection-platform?nav=fqb_101_973

Our multimedia content is available at the broadcast room: www.ericsson.com/broadcast_room

Ericsson is the world’s leading provider of technology and services to telecom operators. Ericsson is the leader in 2G, 3G and 4G mobile technologies, and provides support for networks with over 2 billion subscribers and has the leading position in managed services. The company’s portfolio comprises mobile and fixed network infrastructure, telecom services, software, broadband and multimedia solutions for operators, enterprises and the media industry. The Sony Ericsson and ST-Ericsson joint ventures provide consumers with feature-rich personal mobile devices.

Ericsson is advancing its vision of being the “prime driver in an all-communicating world” through innovation, technology, and sustainable business solutions. Working in 180 countries, more than



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90,000 employees generated revenue of SEK 203.3 billion (USD 28.2 billion) in 2010. Founded in 1876 with the headquarters in Stockholm, Sweden, Ericsson is listed on NASDAQ OMX, Stockholm and NASDAQ New York.

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