



PRESS RELEASE
MARCH 29, 2010

FRAME AGREEMENTS WITH CHINA MOBILE AND CHINA UNICOM, VALUED AT USD 1.8 BILLION

- Network expansion to speed up the fastest-growing economy
- Better quality and performance to boost 56.3 percent penetration rate
- Faster 3G network and boosted network capacity for millions of tech-savvy Chinese

With a potential customer base of 1.3 billion, telecom operators are now taking steps to further expand and boost China's communication infrastructure and related services. China Mobile and China Unicom today signed 2G/3G frame agreements with Ericsson (NASDAQ: ERIC).

Living in the fastest-growing major economy in the world for the past 30 years, the Chinese have developed increasing technological needs. A steadily rising number of the Chinese population is going mobile. In 2009, there was an additional 106 million new mobile subscriptions, bringing it to a total of a 747 million. With a penetration rate of 56.3 percent, there are no signs of the market cooling down. The fixed broadband market also shows strong growth of about 20%, bringing it to a total of 103 million subscriptions at the end of 2009.

Today, 99 percent of the population has mobile coverage, thanks to operators' recent network expansion to rural areas. However, new additions and increased usage, especially with non-voice services, has put pressure on the networks and operators. Because of this, the operators are investing in maintaining quality and performance levels, especially in larger cities.

Mats H Olsson, Head of Ericsson Greater China, says: "The signing of the significant frame agreements is a manifestation of our continued strong cooperation with our Chinese customers. We are confident that we will do an even better job in supplying the latest technology and best-in-class services in time to support Chinese operators in fulfilling the demand of this tremendous market growth".

Under the agreement with China Mobile, Ericsson will provide a radio access network including a multi-standard radio base station RBS 6000 and mobile soft-switching technology, which will drastically boost the capacity of the network and evolve it into an IP network. With such solutions, Ericsson will also help China Mobile to achieve their energy saving goals. The framework contract is worth USD 1 billion and will be implemented during 2010.

In the agreement with China Unicom, Ericsson will provide a faster 3G network with HSPA Evolution technology to secure higher speed and better user experience for consumers. In addition, Ericsson will further expand cooperation with China Unicom in the area of IP and broadband, supplying IP routers, fiber access technologies GPON and 40G WDM as well as



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IP multimedia subsystem (IMS). The framework contract is worth USD 800 million and will also be implemented during 2010.

NOTES TO EDITORS:

[Images from signing ceremony to be added here](#)

[Picture of Mats Olsson](#)

[Images of products](#)

[Multimedia content is available at the 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 175 countries, more than 80,000 employees generated revenue of SEK 206.5 billion (USD 27.1 billion) in 2009. Founded in 1876 with the headquarters in Stockholm, Sweden, Ericsson is listed on OMX NASDAQ, Stockholm and NASDAQ New York.

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UPCOMING EVENTS

Ericsson's Capital Markets Day, Stockholm, Sweden, May 5-6

Ericsson Business Innovation Forum, Shanghai, China, May 17-18

For more information please contact the Ericsson Media Relations Team.