

PRESS RELEASE**Ericsson and Chunghwa Telecom deploy next-generation optical network in Taiwan**

Ericsson (NASDAQ:ERIC) will deploy a metro aggregation network for Taiwan's largest telecom operator, Chunghwa Telecom (CHT), ensuring high-quality, high-capacity broadband services, such as IPTV and e-health, for both fixed and mobile access.

According to Chunghwa's market forecast, there will be an eighty percent coverage of 30Mbps broadband network in Taiwan by 2011. Ericsson's Marconi Optical Multi-Service (OMS) solution will be a key component assist Chunghwa to take a leading position in this market.

The OMS solution improves capacity and network efficiency, eliminating bottlenecks and significantly improving the quality and reliability of bandwidth-intensive services such as IPTV. Ericsson's technology gives users greater flexibility in terms of access technology choice, supporting any type of service from a common metro network.

The solution also plays an important role in lowering the transport costs (per bit) by aggregating and grooming traffic in the metro network, with support for both telephony (TDM: Time-Division Multiplexing) and IP (Ethernet) traffic. It also provides a key link between different parts of the network, such as the fixed and wireless backbone network and CHT's all-IP fiber network.

Under the agreement Ericsson will also be responsible for professional services, including network deployment, learning services and support.

Stefan Johansson, President of Ericsson Taiwan, says: "This cooperation to integrate the mobile and fixed-line metro aggregation network and the all-IP fiber network is a milestone for Taiwan's telecom industry as it moves into the optical era. We are happy that CHT has selected Ericsson's innovative solutions to grow with its business and this further cement the partnership between the two companies."

Notes to editors:

Ericsson's standard multimedia content is available at the broadcast room:

[www.ericsson.com/broadcast room](http://www.ericsson.com/broadcast_room)

Ericsson is the world's leading provider of technology and services to telecom operators. The market leader in 2G and 3G mobile technologies, Ericsson supplies communications services and manages networks that serve more than 250 million subscribers. The company's portfolio comprises mobile and fixed network infrastructure, and broadband and multimedia solutions for operators, enterprises and developers. The Sony Ericsson joint venture provides consumers with feature-rich personal mobile devices.

Ericsson is advancing its vision of 'communication for all' through innovation, technology, and sustainable business solutions. Working in 175 countries, more than 70,000 employees generated revenue of USD 27 billion (SEK 209 billion) in 2008. Founded in 1876 and headquartered in Stockholm, Sweden, Ericsson is listed on OMX Nordic Exchange Stockholm and NASDAQ

For more information, visit www.ericsson.com or www.ericsson.mobi.

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About Chunghwa Telecom

Chunghwa Telecom (TAIEX 2412, NYSE: CHT) is the leading telecom service provider in Taiwan. Chunghwa Telecom provides fixed-line, mobile, internet and data services to residential and business customers in Taiwan. www.cht.com.tw

About Ericsson's Marconi OMS 1600/800

The Marconi OMS 1600 is a compact, multi-service optical networking platform, capable of delivering a wide range of data and TDM services. The combination of TDM support and a packet-switch framework make it ideal for mobile and fixed-line integration in a full service broadband network, providing high flexibility and efficiency. OMS also supports Dense Wavelength Division Multiplexing (DWDM) optical transmission technology, and works in harmony with the Marconi MHL 3000 WDM platform. The high port density and comprehensive switching options of OMS, coupled with modular configurability, enables operators to cost-effectively and incrementally respond to the rapidly changing user demands. The Marconi OMS 800 is a family of OMS Access and EDGE devices that provide ultra-compact (pizza-box style) optical transport solutions to deploy Ethernet services simultaneously alongside traditional TDM services with rapid payback on investment. Both Marconi OMS and MHL platforms are managed by ServiceOn.