

PRESS RELEASE**Ericsson and TM to expand nationwide optical network in Malaysia**

Ericsson (NASDAQ:ERIC) and Telekom Malaysia Berhad (TM), Malaysia's leading next-generation communications and broadband provider, have signed a two-year contract for the nationwide expansion of TM's optical network infrastructure and associated network management. The move will allow TM to meet growing consumer appetite for broadband services, including advanced applications such as Internet Protocol Television (IPTV).

The contract is for the supply of an optical network based on Synchronous Digital Hierarchy (SDH) and Dense Wavelength Division Multiplexing (DWDM) technologies, and the provision of installation works and comprehensive maintenance services. The move will significantly boost network speed and performance, and sets the stage for the widespread deployment of a next-generation network, enabling faster speeds and better services for the end users. Deployment started in June 2008.

Dato' Zamzamzairani Mohd Isa, TM's Group Chief Executive Officer, says: "The nationwide expansion of TM's optical network will enhance its capacity and performance. In addition, this partnership will ensure that TM continues to offer quality broadband services to satisfy our ever increasing base of domestic consumers, and will provide ample opportunities for new developments in terms of TM products and services."

Krishna Kumar, President, Ericsson Malaysia, says: "We are honored to build upon our long-standing relationship with TM. This deal reflects the move by operators to implement scalable and flexible solutions that strengthen their broadband offerings, and give subscribers a richer communications experience."

The included products for high-speed transport are the Marconi-branded Optical Multiservice (OMS) and MHL 3000 WDM product families.

Ericsson's optical network solution is a key enabler for deploying new broadband services, and is part of the company's Full Service Broadband offering. Ericsson has delivered more than 400,000 optical transport network elements to more than 350 operators around the world.

Note to editors:

Press backgrounder on Enabling broadband everywhere, on any device

www.ericsson.com/ericsson/press/facts_figures/doc/fullservicebroadband.pdf

White paper on Full Service Broadband Metro Architecture

www.ericsson.com/technology/whitepapers/fsb_metro_rev_d.pdf

For more information about Ericsson and optical networks, visit;

www.ericsson.com/solutions/products/hp/Optical_Networks_pa.shtml

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 195 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 27.9 billion (SEK 188 billion) in 2007. 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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