

Bharti Airtel awards network expansion contract to Ericsson

Ericsson (NASDAQ:ERIC) and Bharti Airtel have signed one of the world's largest network expansion deals, worth an estimated USD 2 billion. The state-of-the-art network will help Airtel offer world-class and cost-effective products and services to its customers, and help it expand its reach in rural India. It is Ericsson's largest deal to date.

Bharti Airtel, India's leading integrated telecom service provider, has awarded Ericsson an estimated USD 2 billion expansion contract, including expansion of its GSM/EDGE network and providing capacity management. The expansion is in line with Bharti Airtel's objective to offer world-class and cost effective telecom products and services to its customers through a state-of-the-art, converged network across the country. The deal will allow Bharti Airtel to expand its reach into rural areas thereby further consolidating its leadership position.

Under the two-year supply and services contract, Ericsson will design, plan, deploy, optimize and manage Bharti Airtel's GSM network across 15 circles in India as well as for its pan-India pre-paid platform across 23 circles. In addition, Ericsson will also deliver pan-India integrated device management solutions, enabling usage of advanced data services by all mobile customers across retail and enterprise segments.

Manoj Kohli, President and CEO, Bharti Airtel, says: "At Bharti, it has always been our endeavor to offer world-class products and services to our customers. Our partnership with Ericsson is testament to this belief as it allows us to focus on delivering a better customer experience, leveraging Ericsson's global expertise to enhance our networks.

"The state-of-the-art network will further allow us to offer more innovative products and solutions in the areas of voice and data such as community-based charging, location-based services and enterprise VPN services. Bharti and Ericsson are also looking at forming a focus group to work on energy optimization by way of introducing energy-efficient equipment and alternate energy sources."

Mats Granryd, President, Ericsson India, says: "This contract is an important part of realizing Bharti's vision of a converged network and of expanding coverage in rural India to launch innovative voice and data services for the Indian consumer. We are honored that Bharti Airtel has chosen to partner with us in this grand venture that underpins our strategy of providing communications for all through sustainable and innovative solutions."

The core network is based on Ericsson's layered architecture that will pave the way to an all-IP environment, and includes a common 2G/3G core based on Mobile Softswitch; a robust Mobile Packet Backbone Network for data services; and a pan-India pre-paid platform using intelligent network

technology to deliver innovative pre-paid services to users with the shortest time-to-market as well as to allow Bharti to charge differentially for both voice and data; and a state-of-the-art location-based services solution that will pave the way for unique location-based services and applications to be launched for the Indian consumer.

On the radio access side, the cornerstones for cost-efficient coverage including Ericsson's latest radio access portfolio – with opex-saving solutions such as main-remote design, the Flamingo series radio base station and the Expander solution – will be deployed as part of this contract, to allow rapid expansion into rural markets. The core and access solutions will be supported by a robust and scaleable network backbone for all transmission requirements through Ericsson's MINI-LINK transport portfolio.

Ericsson has been a strategic partner of Bharti Airtel since 1995, and manages around 70 percent of its GSM/EDGE network in 15 circles in India. Ericsson's nationwide charging solution caters to Airtel customers across all the 23 circles of Bharti Airtel.

Notes to editors:

Photos will be available during the day at:

www.ericsson.com/ericsson/press/photos/index.shtml

Ericsson awarded major expansion, managed services deal with Bharti Airtel in India (Press release):

www.ericsson.com/ericsson/press/releases/20060824-1070941.shtml

Success stories: www.ericsson.com/ericsson/successstories/archive.shtml

Ericsson in India: www.ericsson.com/in

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About Bharti Airtel Limited

Bharti Airtel Limited, a group company of Bharti Enterprises, is India's leading integrated telecom service provider, with a total of 42.68 million customers as of May 31, 2007, and including 40.74 million mobile customers. Bharti Airtel has been rated among the best-performing companies in the world in the BusinessWeek IT 100 list 2007.

Bharti Airtel is structured into three strategic business units: Mobile services, Broadband & Telephone (B&T) services, and Enterprise services. The mobile business provides mobile and fixed wireless services using GSM technology across 23 telecom circles. The B&T business provides broadband & telephone services in 94 cities. The Enterprise services provide end-to-end telecom solutions to corporate customers and national & international long-distance services to carriers. All these services are provided under the Airtel brand. Airtel's high-speed optic fiber network currently spans more than 40,000km, covering all major cities in the country. The company has two international landing stations in Chennai that connect two submarine cable systems: i2i to Singapore and SEA-ME-WE-4 to Europe. For more information, visit <http://www.bhartiairtel.in>.