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## MTN AND ERICSSON BRING MANAGED RURAL COVERAGE TO BENIN

- Ericsson has signed its first Managed Rural Coverage contract to provide mobile connectivity as a service in parts of Benin where connectivity was previously unavailable
- Satellite transmission and solar energy will be used to minimize costs and emissions while improving the financial viability of these rural and low population penetration areas
- MTN Benin has been a customer since 1999

Ericsson (NASDAQ: ERIC) has signed its first Managed Rural Coverage deal with MTN, bringing mobile coverage as a service to parts of central and northern Benin where there was none previously. Managed Rural Coverage is a cost-competitive solution whereby Ericsson enables operators to provide mobile coverage for a set period according to service level agreements and defined key performance indicators. In this case, Ericsson and MTN Benin have signed an agreement for five years.

Despite the rapid growth in mobile communications, commercially viable business models are still lacking in many rural areas. As a result, some 2.4 billion people still do not have access to the internet. Under the terms of this contract, access will be provided via low-power consumption Ericsson radio base stations running on solar energy to avoid the high costs and emissions associated with diesel generators. Transmission will be provided via satellite to avoid the high costs and civil works associated with building a microwave backhaul network in remote villages. In this way, it was possible to create a business model to provide mobile coverage to parts of Benin where people have to survive on less than 2 dollars a day.

Stephen Blewett, CEO of MTN Benin, says: “The overall mission of the MTN Group is to make our customers’ lives a whole lot brighter, and that starts with the basics of providing mobile coverage. We’re always interested in finding new ways of connecting people from all walks of life in Benin. What matters to Benin, matters to us, and with Ericsson’s help, we are now able to provide mobile coverage in areas where it previously did not exist. This connectivity allows people in these areas to communicate with family, friends and acquaintances which they previously could not do. We are also proud to see members of these communities establishing themselves as MTN Mobile Money agents. We’re keeping true to our promise of leading the way and welcoming everyone into the bold new digital world.”

Jean-Claude Geha, Vice President and Head of Managed Services at Ericsson, says: “Managed Rural Coverage is a new business model and it’s great that we can now announce our first contract with the leading operator not just in Benin, but in Africa as a

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whole. Ericsson's Networked Society vision calls for us to connect the unconnected because we believe that access to communication is a basic human need, and Managed Rural Coverage allows us to do just that. We believe people in rural parts of Benin will benefit greatly from their newfound mobile connectivity, which greatly increases access to information and services that support health, education and small businesses.”

MTN Benin has been an Ericsson customer since 1999, with Ericsson serving as the sole supplier of core, packet core, radio, transmission and charging system nodes. In January, Ericsson and MTN Benin announced a partnership to retrieve and safely dispose of electronic equipment that has reached end of life.

### NOTES TO EDITORS

[Managed Services press backgrounder](#)

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*Our services, software and infrastructure – especially in mobility, broadband and the cloud – are enabling the telecom industry and other sectors to do better business, increase efficiency, improve the user experience and capture new opportunities.*

*With approximately 115,000 professionals and customers in 180 countries, we combine global scale with technology and services leadership. We support networks that connect more than 2.5 billion subscribers. Forty percent of the world's mobile traffic is carried over Ericsson networks. And our investments in research and development ensure that our solutions – and our customers – stay in front.*

*Founded in 1876, Ericsson has its headquarters in Stockholm, Sweden. Net sales in 2014 were SEK 228.0 billion (USD 33.1 billion). Ericsson is listed on NASDAQ OMX stock exchange in Stockholm and the NASDAQ in New York.*

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