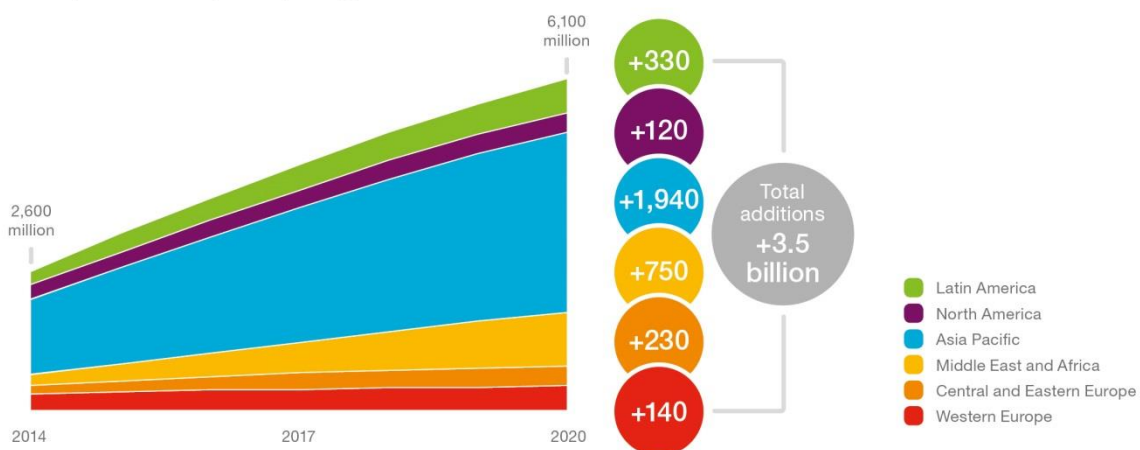


ERICSSON MOBILITY REPORT: 70 PERCENT OF WORLD'S POPULATION USING SMARTPHONES BY 2020

- Advanced mobile technology will be globally ubiquitous by 2020 with 70 percent of people using smartphones and 90 percent covered by mobile broadband networks
- Smartphone subscriptions will more than double by 2020, reaching 6.1 billion. Almost 80% of these new subscriptions will come from Asia Pacific, Middle East and Africa
- By 2020 80 percent of all mobile data traffic will come from smartphones. North America and Europe will continue to have highest data usage per smartphone
- Video traffic to grow 55 percent per year until 2020, driven by video streaming services and increasing prevalence of video in online content

Findings from the latest edition of the Ericsson (NASDAQ:ERIC) [Mobility Report](#), published today, show that by 2020 advanced mobile technology will be commonplace around the globe: smartphone subscriptions will more than double, reaching 6.1 billion, 70% of the world's population will be using smartphones, and 90 percent will be covered by mobile broadband networks.

Smartphone subscriptions per region 2014–2020



The report, a comprehensive update on mobile trends, shows that growth in mature markets comes from an increasing number of devices per individual. In developing regions, it comes from a swell of new subscribers as smartphones become more affordable; almost 80% of

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smartphone subscriptions added by year-end 2020 will be from Asia Pacific, the Middle East, and Africa.

With the continued rise of smartphones comes an accelerated growth in data usage: smartphone data is predicted to increase ten-fold by 2020, when 80 percent of all mobile data traffic will come from smartphones. Average monthly data usage per smartphone in North America will increase from 2.4 GB today to 14 GB by 2020.

Rima Qureshi, Senior Vice President, Chief Strategy Officer, Ericsson, says: 'This immense growth in advanced mobile technology and data usage, driven by a surge in mobile connectivity and smartphone uptake, will makes today's big data revolution feel like the arrival of a floppy disk. We see the potential for mass-scale transformation, bringing a wealth of opportunities for telecom operators and others to capture new revenue streams. But it also requires greater focus on cost efficient delivery and openness to new business models to compete and remain effective.'

An expanding range of applications and business models coupled with falling modem costs are key factors driving the growth of connected devices. Added to this, new use cases are emerging for both short and long range applications, leading to even stronger growth of connected devices moving forward. Ericsson's forecast, outlined in the report, points to 26 billion connected devices by 2020, confirming we are well on the way to reaching the vision of 50 billion connected devices.

Each year until 2020, mobile video traffic will grow by a staggering 55 percent *per year* and will constitute around 60 percent of all mobile data traffic by the end of that period. Growth is largely driven by shifting user preferences towards video streaming services, and the increasing prevalence of video in online content including news, advertisements and social media.

When looking at data consumption in advanced mobile broadband markets, findings show a significant proportion of traffic is generated by a limited number of subscribers. These heavy data users represent 10 percent of total subscribers but generate 55 percent of total data traffic. Video is dominant among heavy users, who typically watch around one hour of video per day, which is 20 times more than the average user.

The Ericsson Mobility Report shares forecast data, analysis and insight into mobile traffic, subscriptions, and consumer behavior to provide insight into current traffic and market trends in today's Networked Society.

Ericsson regularly performs traffic measurements in over 100 live networks in all major regions of the world. Detailed measurements are made in a selected number of commercial WCDMA/HSPA and LTE networks with the purpose of discovering different traffic patterns.

Tool for customizing data

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To accompany the Ericsson Mobility Report, Ericsson has created the [Traffic Exploration Tool](#) for creating customized graphs and tables using data from the report. The information can be filtered by region, subscription, technology, traffic, and device type.

NOTES TO EDITORS

The full Ericsson Mobility Report findings, Traffic Exploration Tool, and six regional appendices for North America, South East Asia & Oceania, Europe, North East Asia (from June 4th), Middle East & North East Africa (from June 7th), and India (from June 16th) can be found at: www.ericsson.com/mobility-report

[Graphs from Ericsson Mobility Report](#)

[Short video: Rima Qureshi with Mobility Report highlights](#)

[Biography and photos of Rima Qureshi](#)

Download high-resolution photos and broadcast-quality video at www.ericsson.com/press

Ericsson is the driving force behind the Networked Society – a world leader in communications technology and services. Our long-term relationships with every major telecom operator in the world allow people, business and society to fulfill their potential and create a more sustainable future.

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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