

**PRESS RELEASE****Ericsson sees future opportunities**

**At the annual general meeting in Stockholm today, Ericsson CEO and President Carl-Henric Svanberg stressed to the company's shareholders that Ericsson's results for 2007 were among its best yet. Ericsson won market share in virtually every area and is now far larger than its closest competitors , even though many of them have merged.**

Svanberg said that the telecoms market faced an exciting future with many possibilities, but that the market was occasionally affected by external factors, such as shifts in technology and other changes. It was therefore important, he said, to maintain a long-term perspective.

Sales for 2007 rose 5 percent to SEK 188 billion and the profit for 2007 was almost SEK 31 billion. This means that Ericsson accounted for one-quarter of the industry's sales and for more than two-thirds of the profits.

Svanberg outlined the three business units' operations. Business Unit Networks is the largest area and accounts for two-thirds of sales. In 2007, it delivered its millionth base station. Each month, 300 billion traffic minutes pass through Ericsson's base stations. Svanberg stressed that it was vital for customers to have a major supplier that was on the cutting edge and was first out with new products.

Ericsson's Global Services business has doubled its turnover in the past five years and now represents a quarter of the group's sales. All the new advanced technology means that network complexity is increasing; as a result, so is the need for systems integration, an area that is growing particularly quickly. Ericsson monitors more than 800 networks, with 1 billion subscribers – a third of the world's subscribers. Ericsson also manages networks with 185 million subscribers, on a level with the world's largest operators.

The third area, Multimedia, was formed one year ago: it is an area for the future in which Ericsson is investing heavily within research and development. Svanberg pointed out that services such as YouTube are expected to increase the use of mobile networks significantly over the next few years, creating exciting business possibilities for Ericsson's Multimedia business unit. This means operators will have to invest in both capacity and software from Business Unit Networks so that they can cope with the increased traffic.

New services demand networks with even greater speeds and capacity. Last year, Ericsson invested SEK 29 billion in research and development. Svanberg showed the world's first radio base station for both GSM/WCDMA and LTE. It was introduced in February 2007 and is the first in the world to handle calls between two telephones with LTE technology.

However, Svanberg pointed out that not everything was about faster and more powerful networks. Ericsson is also working towards improving energy efficiency and increasing the use of alternative energy sources, such as solar power.

Svanberg underlined that 2007 had been a tough year for shareholders because of share-price fluctuations, but that it was also a year of many successes and that Ericsson had never been stronger in relation to its competitors than it was today.

He ended by saying that Ericsson had a good reputation among its customers, that he was impressed by the energy, commitment and decisiveness of all its employees, and the criticism from the end of 2007 increased the commitment and motivation.

*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 185 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 the Stockholm, London and NASDAQ stock exchanges.*

For more information, visit [www.ericsson.com](http://www.ericsson.com) or [www.ericsson.mobi](http://www.ericsson.mobi).

#### **FOR FURTHER INFORMATION, PLEASE CONTACT**

Ericsson Media Relations  
Phone: +46 8 719 69 92  
E-mail: [press.relations@ericsson.com](mailto:press.relations@ericsson.com)

**Ericsson Investor Relations**  
Phone: +46 8 719 00 00  
E-mail: [investor.relations@ericsson.com](mailto:investor.relations@ericsson.com)