

PRESS RELEASE**Ericsson in new contract for outsourcing internal IT operations**

Ericsson (NASDAQ:ERIC) announced today it has signed a five-year IT outsourcing contract with IBM including application maintenance and development for Ericsson. The contract will improve the efficiency of Ericsson's IT delivery to approximately 70,000 end-users and reduce operational expenditures.

The new contract, which is an extension of a contract signed in 2003, will update Ericsson's IT services to cater better for the future needs of the company's employees and ensure flexible support for the global business.

Carl-Magnus Månsson, CIO and Head of Group IT at Ericsson, says: "We gain significant benefits by outsourcing our IT operations. It helps lower overall IT spending, reduces total cost of ownership and makes our IS/IT structure more efficient. It also ensures we are flexible and able to adapt to changing IT demands. Our supplier has clearly demonstrated it is the best-in-class provider and we are pleased to enter this long-term partnership."

The responsibility for Ericsson's internal, global, corporate voice and data network is not included in the outsourcing contract. This will be managed by Ericsson's business unit Global Services, who will also handle delivery of some business-critical applications and infrastructure services from its own Global Service Delivery Center.

The current IT outsourcing contract with IBM ends in fall 2008.

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.

FOR FURTHER INFORMATION, PLEASE CONTACT

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