

PRESS RELEASE**Ericsson to modernize Kyivstar's network to meet uptake of mobile data in Ukraine**

Ericsson (NASDAQ:ERIC) is paving the way for leading Ukrainian operator Kyivstar to offer its 23.9 million subscribers mobile broadband services under a three-year network modernization deal between the two companies.

While Ukraine awaits the imminent release of 3G licenses, Kyivstar's customers across 99.9 percent of the country will be able to access multimedia data services and superior voice service thanks to an expansion and modernization of Kyivstar's GSM/EDGE network. Ericsson will boost capacity and coverage of the operator's radio access and core network, which serves more than half the nation's total subscriber base of 55.2 million. By increasing capacity by more than 30 percent, Kyivstar will be able to manage the anticipated uptake of mobile data in the network.

The core network capacity is expanded by using the Ericsson Mobile Softswitch Solution, which also enables cost-efficient migration to an all-IP network. The deal also covers microwave transmission, network deployment, systems integration and support services, as well as competence development for staff.

Igor Lytovchenko, President of Kyivstar, says: "This network modernization furthers Kyivstar's strategy of maintaining its technology leadership, while preparing for the launch of mobile broadband services with the introduction of 3G in Ukraine."

Jan Campbell, President of Ericsson Eastern Europe and Central Asia, says that the deal is an extension of Ericsson's established partnership with Kyivstar, which dates back to the nationwide rollout of its GSM network in 1996. "By using Ericsson's latest GSM/EDGE technologies, Kyivstar can deliver seamless services to its customers today and be well prepared for future needs."

Kyivstar and Ericsson have also joined forces in the area of advanced mobile technologies, with the first Ukrainian demonstrations of 3G and MMS in 2002 and EDGE in 2004.

Notes to editors:

Ericsson's multimedia content is available at the broadcast room:

www.ericsson.com/broadcast_room

Ericsson is the world's leading provider of technology and services to telecom operators. Ericsson is the leader in 2G, 3G and 4G mobile technologies, and provides support for networks with over 1 billion subscribers and has a leading position in managed services. The company's portfolio comprises of mobile and fixed network infrastructure, telecom services, software, broadband and multimedia solutions for operators, enterprises and the media industry. The Sony Ericsson and ST-Ericsson joint ventures provide consumers with feature-rich personal mobile devices.

Ericsson is advancing its vision of "to be the prime driver in an all-communicating world" through innovation, technology, and sustainable business solutions. Working in 175 countries, more than 75,000 employees generated revenue of SEK 209 billion (USD 32.2 billion) in 2008. Founded in 1876 with the headquarters in Stockholm, Sweden, Ericsson is listed on OMX NASDAQ, Stockholm and NASDAQ New York.

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About Kyivstar

Ukraine's national mobile communications operator Kyivstar provides services for more than 23.9 million subscribers as of 2009, covering territories where more than 99.9 percent of the population lives. Kyivstar's network covers all cities and towns and more than 28,000 rural settlements, all main national and regional roads, as well as most of the sea and river shores of Ukraine. Kyivstar provides EDGE/GPRS services over all its coverage territory in Ukraine and provides roaming services worldwide. Kyivstar provides Ukrainian citizens with modern telecommunication technologies at affordable prices.