North American Investor Relations Forum
Boston
August 14, 2008

ERICSSON

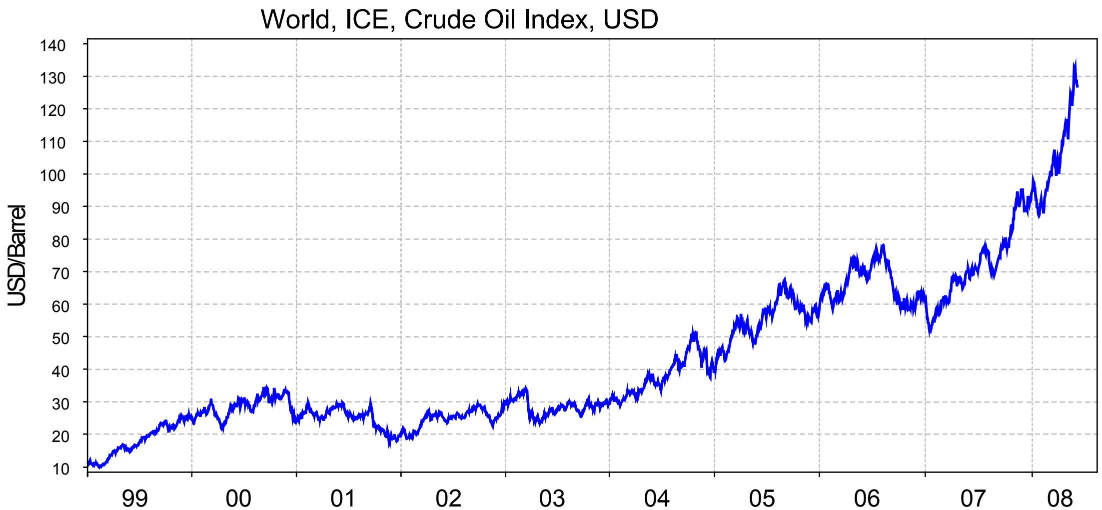
Safe Harbor Statement

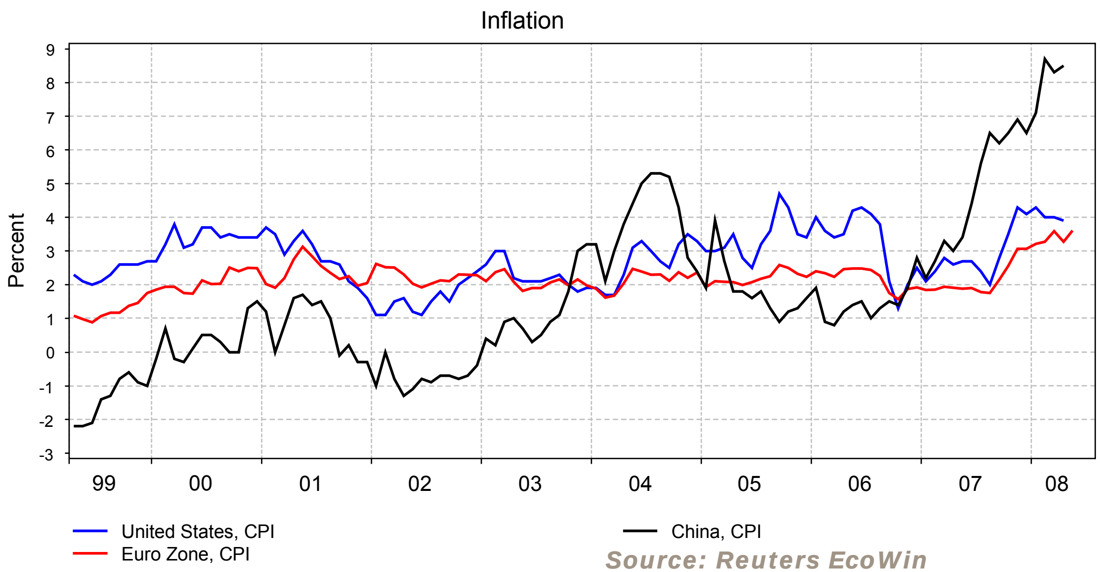
This presentation contains forward looking statements. Such statements are based on our current expectations and are subject to certain risks and uncertainties that could negatively affect our business. Please read our earnings reports and our most recent annual report for a better understanding of these risks and uncertainties.

The New MediaCom World
An Industry Outlook

Torbjörn Nilsson
Senior Advisor
to Ericsson CEO and Group

New worrying signs in the economy





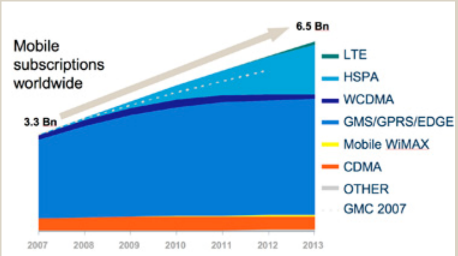
Source: Reuters EcoWin

- Record oil prices
- Increasing inflation
- Weakened US economy
- Falling house prices

Global trends

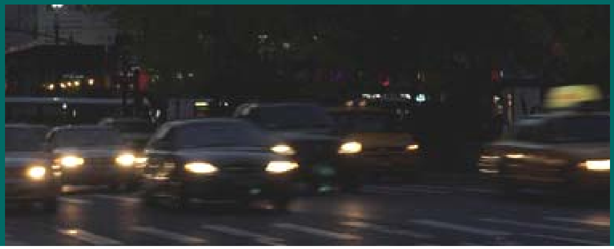
Asia – economic center of gravity
One billion more middle-class consumers

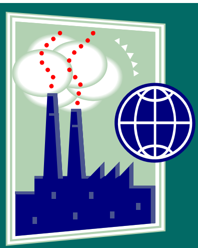
Strong growth in mobile and broadband
More than 6b mobile and 3b broadband subscriptions



The Internet and TV revolution
Going mobile, new opportunities

Sustainability
High on all agenda





Power of users

Changing behaviour with time, place and device shifts

66 billion
online searches conducted worldwide in December 2007. Google about 2/3.

Social and personal networking

More than 100 million blogs – 1.6 million new every day

Over 8.6 million articles and over 5.7 million registered contributors on Wikipedia globally

45%
of US and European workers are away from their desks more than 20% of their time - 85% of digital natives never leave home without their mobile

More than 100 million video views are generated on YouTube but also YouKu (China) every day

Over 4 billion songs, 125 million TV episodes and 7 million movies have been purchased and downloaded from iTunes. Video game sector is growing

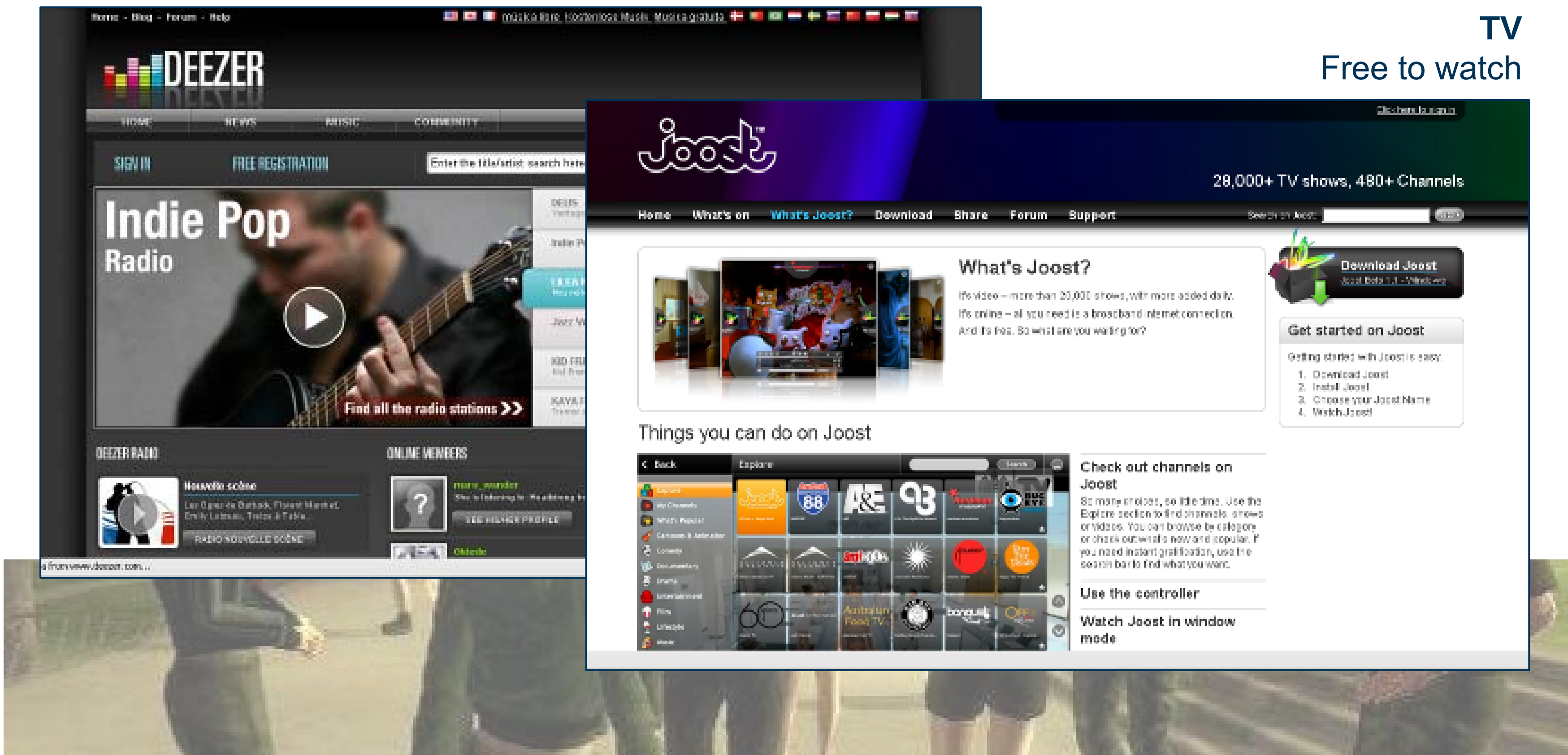
Source: Comscore (Oct 2007) Wikipedia (Oct 2007), ,

Advertising is the business model

Searches, free content and communication are the bait

Music
Free to listen

TV
Free to watch



TV as we know it is changing

Passive & analogue

Traditional scheduled TV

Interactive & digital

Personalization

Chatting

Voting

Mobility

Podcast TV

Sharing

On Demand

Advertising

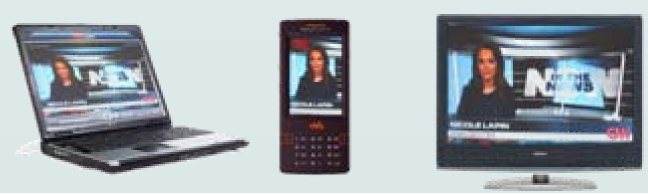
Two-way **IPTV & Web TV** **From Prime Time to My Time**

Two-way **3G Unicast**

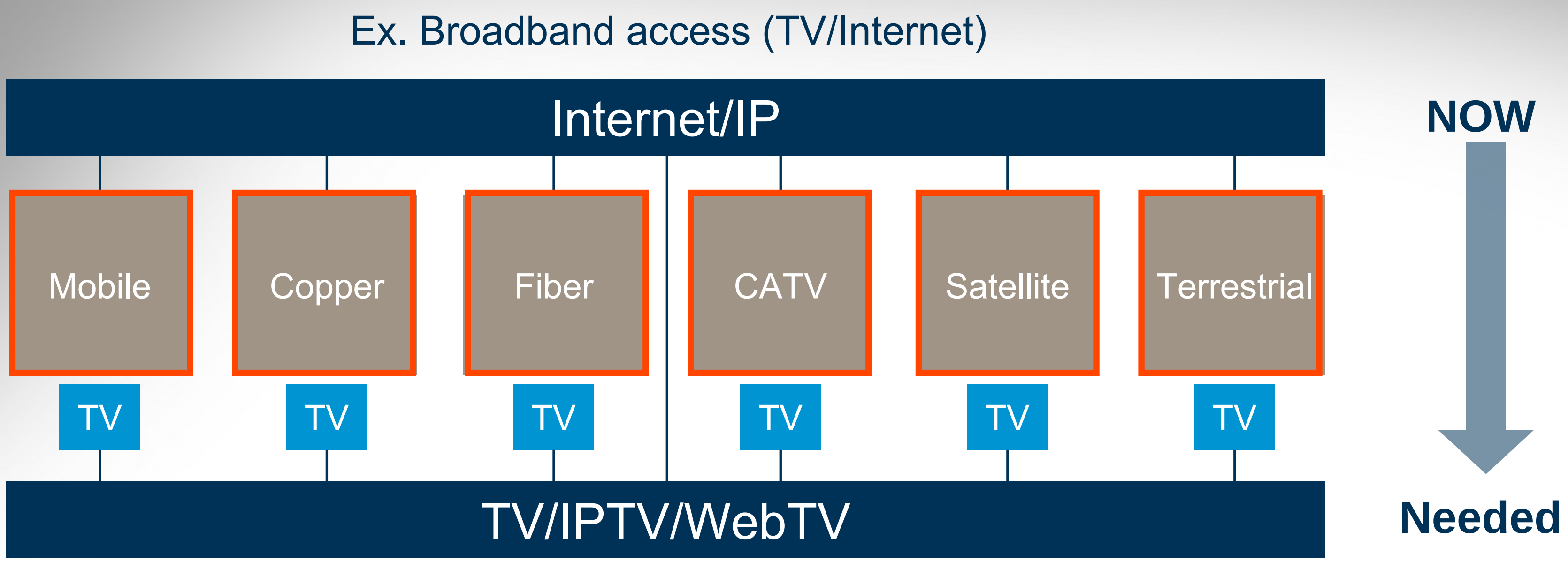
combined

One-way **3G Broadcast (MBMS)**

One-way **Dedicated broadcast (DVB-H...)**



Holistic regulation is necessary



- Take away silo regulation (competition vs. monopolies)
- Service regulation, not technology regulation
- Same type of services should be seen as a common market (I.e. TV/Internet above) – technology neutral
- Common/converged regulator in all countries

Over the top players
End-to-end integration and control

”New networked devices” - (with member controlled ecosystems)

BlackBerry/RIM	⟷	Applications etc.
MS/Windows	⟷	Applications (MSN/Content etc.)
Apple (iPhone)	⟷	Applications (iTunes etc.)
Qualcomm/Brew	⟷	Applications etc.
Google etc/Android	⟷	Applications (Search/Ads etc.)
Nokia etc (Symbian/Series 60/UIQ/MOAP)	⟷	Applications (OVI etc) etc.
Amazon/Kindle	⟷	Applications

Battle for brands and all inclusive (different worlds?)

Key industry trends

Economies of Scale & Scope

- Megaplayers/consolidation
- Convergence
- Cost reduction/operational excellence

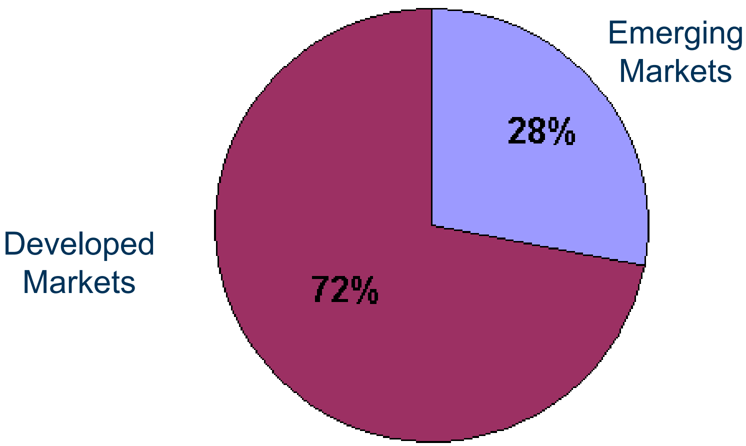
Growth & Innovation

- Emerging markets
- Triple- and quad-play bundling
- Segmentation/changing behaviors
- New business models

Next Generation Networks

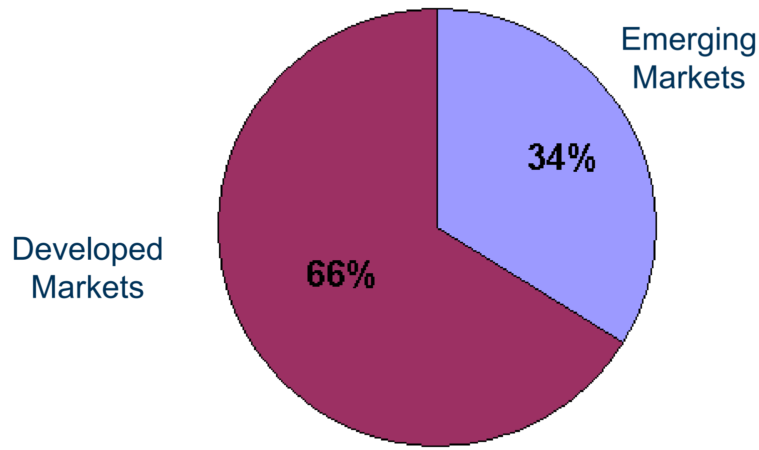
- Trusted services – End-to-End
- Multimedia broadband/regulation
- IP everywhere
- Service convergence (Web 2.0/Telco2.0) - UGC

Operator CAPEX growth



2004

≈ 193 BUSD



2007

≈ 261 BUSD

Emerging markets, double digit growth, driven by wireless

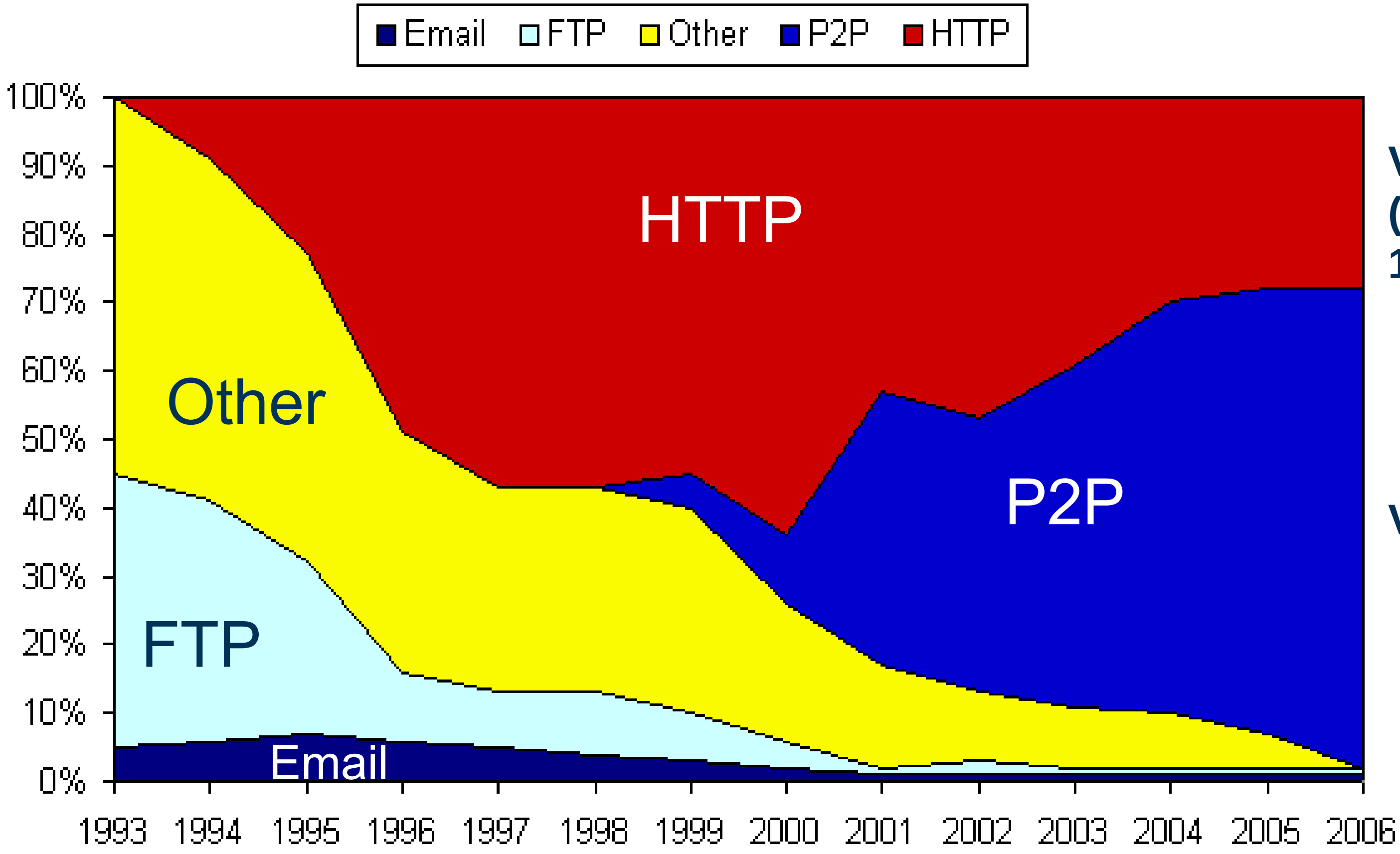
Wireline CAPEX somewhat higher than wireless

Source: Credit Suisse

Next generation networks and services

Internet traffic is highly interactive

Video drives volume



Video streaming (real-time ~ 1/3-1/2)

Video files ~ 2/3

Sources: CacheLogic, Ellacoya, Ipoques

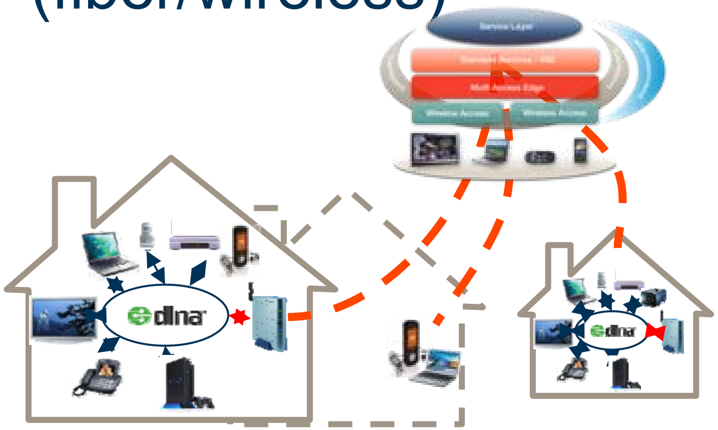
2007 YouTube (HTTP) is about 10% of all Internet traffic
5% generates 45% of traffic

The digital home

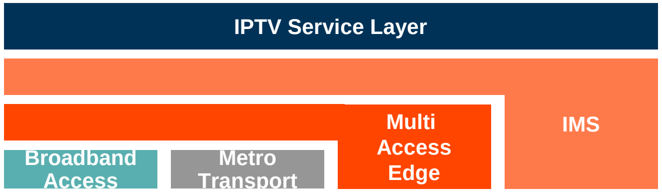
Open IPTV Forum: 37 members

Operators	CE vendors	etwork vendo	Set-top box	Other
ftgroup	SONY	ERICSSON	tilgin	Sun
TELECOM ITALIA	LG Life's Good	Nokia Siemens Networks	amino	verimatrix
T	TOSHIBA Leading Innovation	Alcatel-Lucent		ant
Telefónica	FUNAI	HUAWEI		accenture
TeliaSonera	PHILIPS sense and simplicity	ZTE中兴		ASTRA The Quality Link
	Panasonic			QUATIVE
	SAMSUNG			DF
	SHARP			bee

Driving connected home and remote access (fiber/wireless)



Driving convergence and a converged architecture



Rapid growth of IPTV and quad-play market

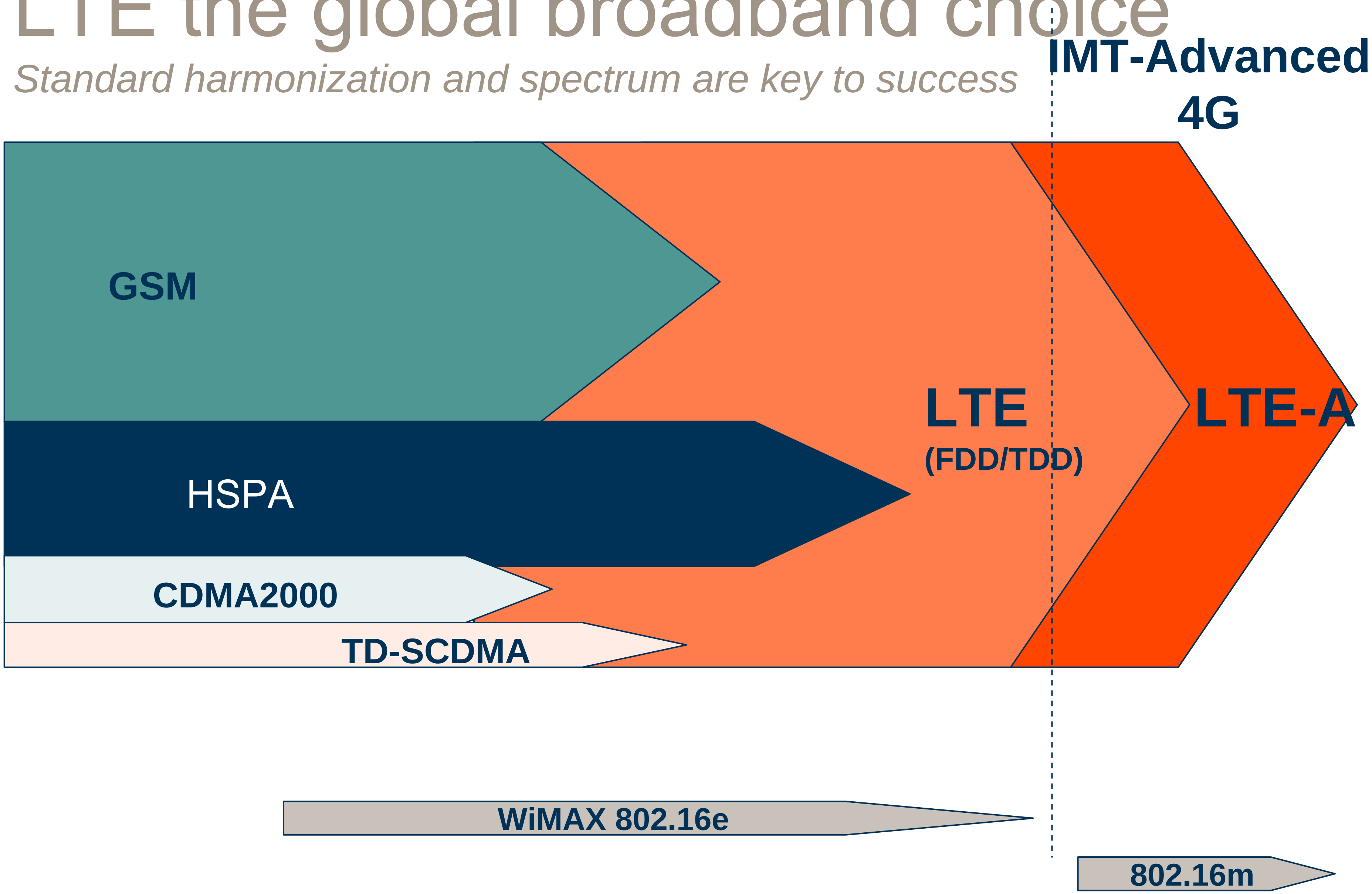
Internet & TV experience going mobile

- Targeting the mobile volume market

- New types of devices

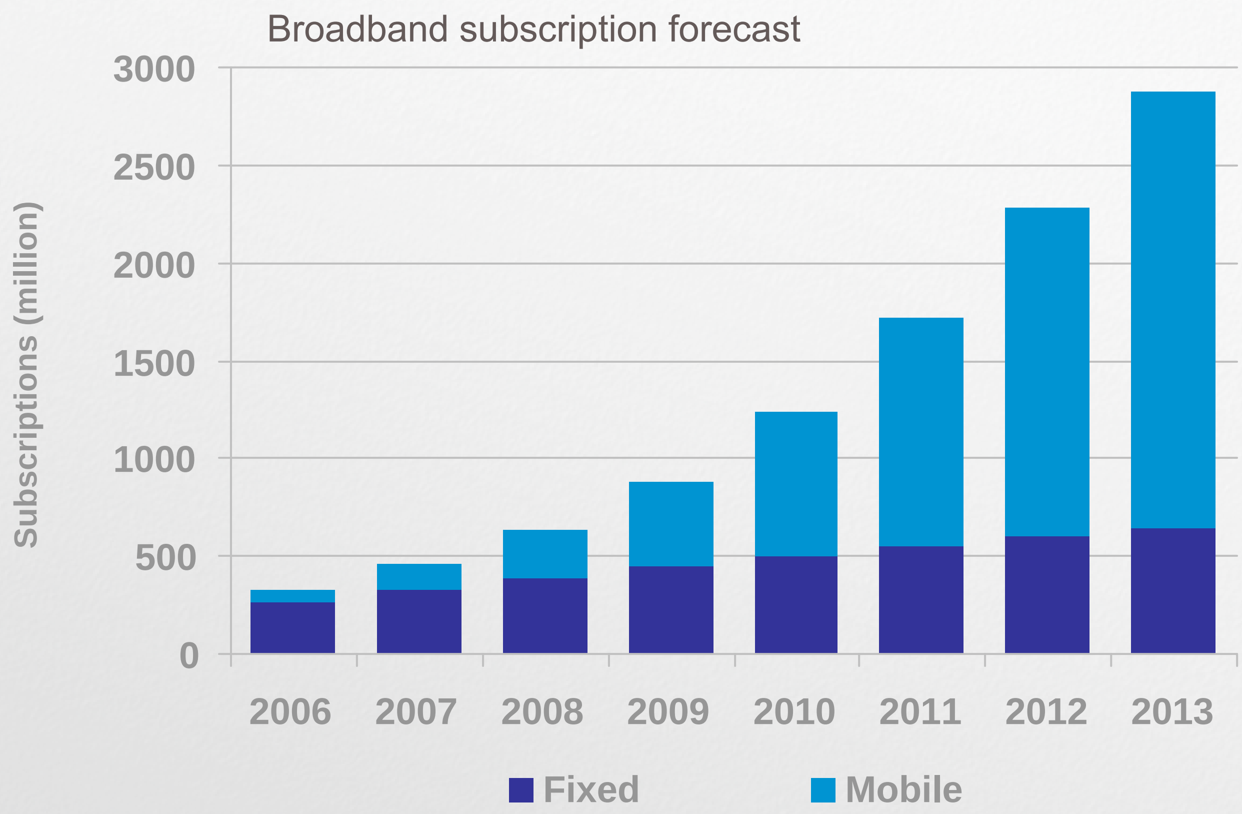
LTE the global broadband choice

Standard harmonization and spectrum are key to success



Rapid broadband growth

- More higher-speed access connections
- Triple-play/video driver
- More than 207 HSPA networks
- 724 HSPA devices (50% phone, 50% PC)
- Approaching 150 million smart phones/year



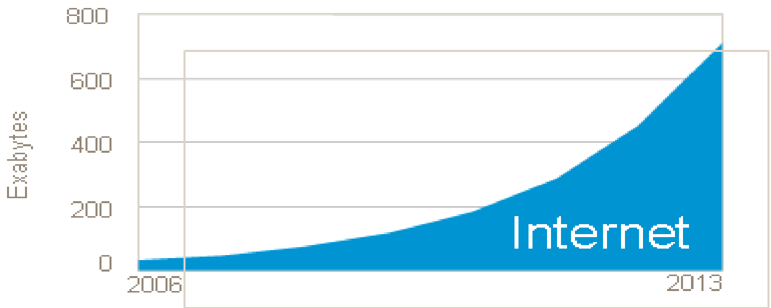
Mobile Broadband includes: CDMA2000 EV-DO, HSPA, LTE, Mobile WiMAX & Other

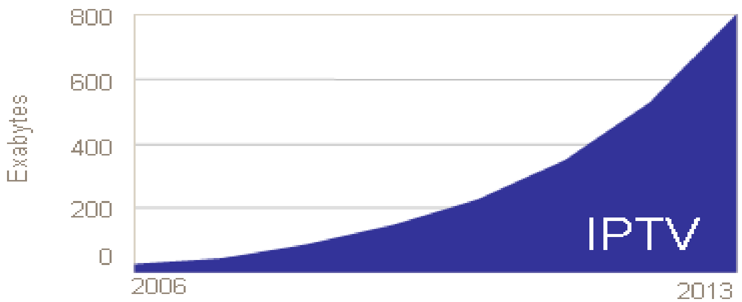
Fixed broadband includes: DSL, FTTx, Cable modem, Enterprise leased lines

Source: Internal Ericsson

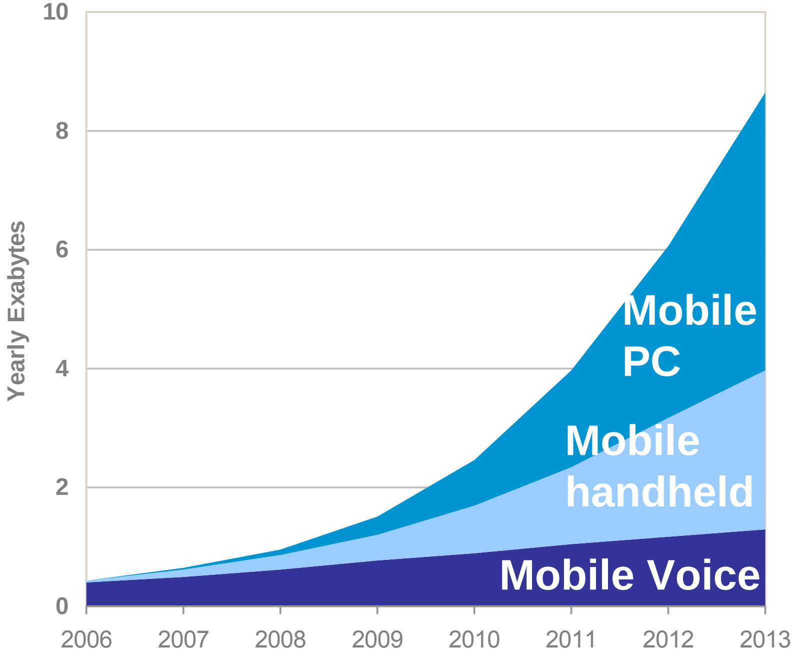
The Exabyte Era
Tenfold traffic growth in access networks

Subscriber traffic in fixed access networks





Subscriber traffic in mobile access networks



- IPTV and Internet drive access traffic
- Connected home and enterprise
- Flat rate experience

- Internet goes mobile
- Mobile broadband complement/ substitute classic ADSL

Voice will be noise

Source: Ericsson, IPTV 140 Millions subs 2013

Importance of spectrum

Network cost is a function of frequency

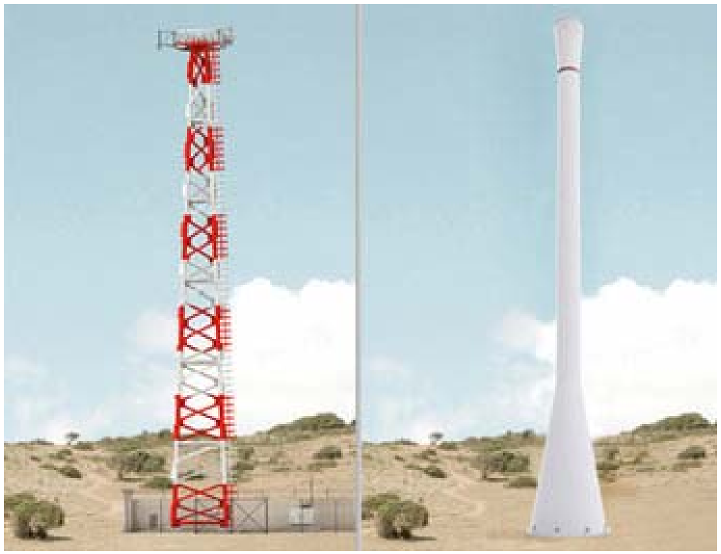
20 x log Kxf = Double the frequency and you loose 6 dB

Spectrum sub 1Ghz- Important for cost effective rural and indoor coverage.

Channels are getting wider to support higher bit rates.

Spectrum sub 1Ghz and wider channels

Sustainable innovation



Ericsson Tower Tube
Lower operation cost
  Up to 40% less energy/CO_2
Lower manufacturing cost
  About 30% less energy/CO_2

Solar village charger
Prototype for use in Millennium Villages
Charges up to 20 phones overnight

Green Site Solutions
Complete portfolio: Solar, biofuel, hybrid, fuelcell, wind

Source: Ericsson

Summary

The power base is shifting

- Consumers and content owners
- Media and internet business models

Regulation key to success

- Holistic regulation
- Right spectrum allocation
- Green requirements

Next-generation network requirements

- Trusted interactive services
- Bandwidth for HDTV/Video
- Mobile Internet

Market and Industry Trends:
The User and Business Perspctive

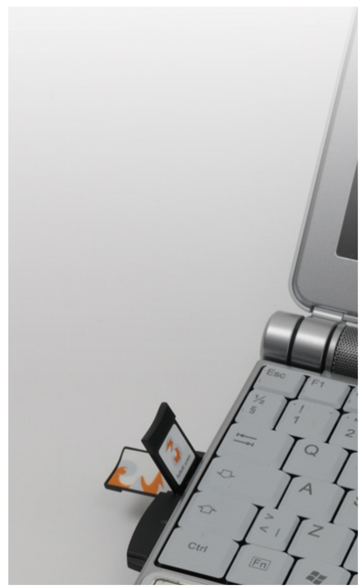
Johan Bergendahl
Vice President
and Chief Marketing Officer

Ericsson’s next growth opportunity

We personalized communication

We are personalizing broadband

We will personalize television-based communication



All-communicating world

Telecommunications - The world's growth engine

Telecommunications

The world's growth engine and a must for sustainability

Consumers

Quality of life through communications

Industry

Growth and profits through communications

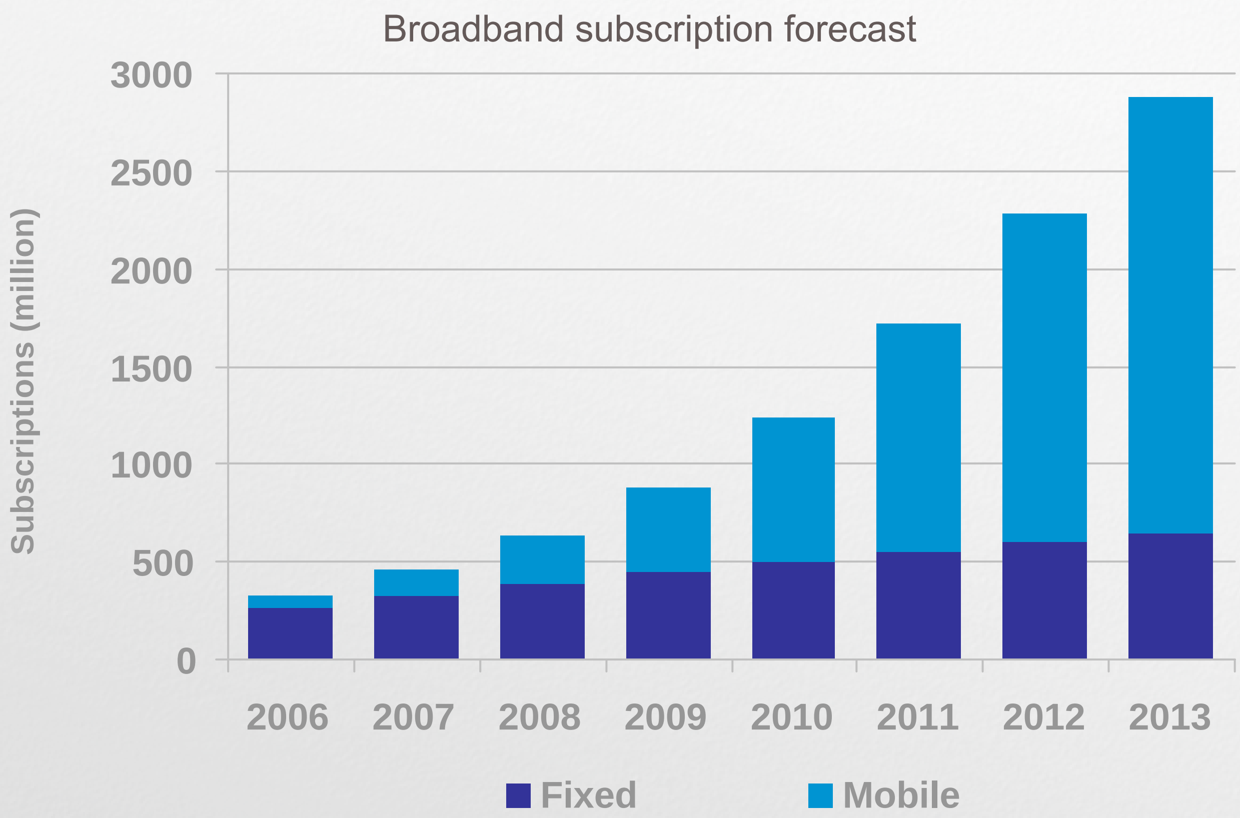
Country

Public services through communications

SUSTAINABILITY

Broadband subscriptions

Fixed and mobile, 06-13



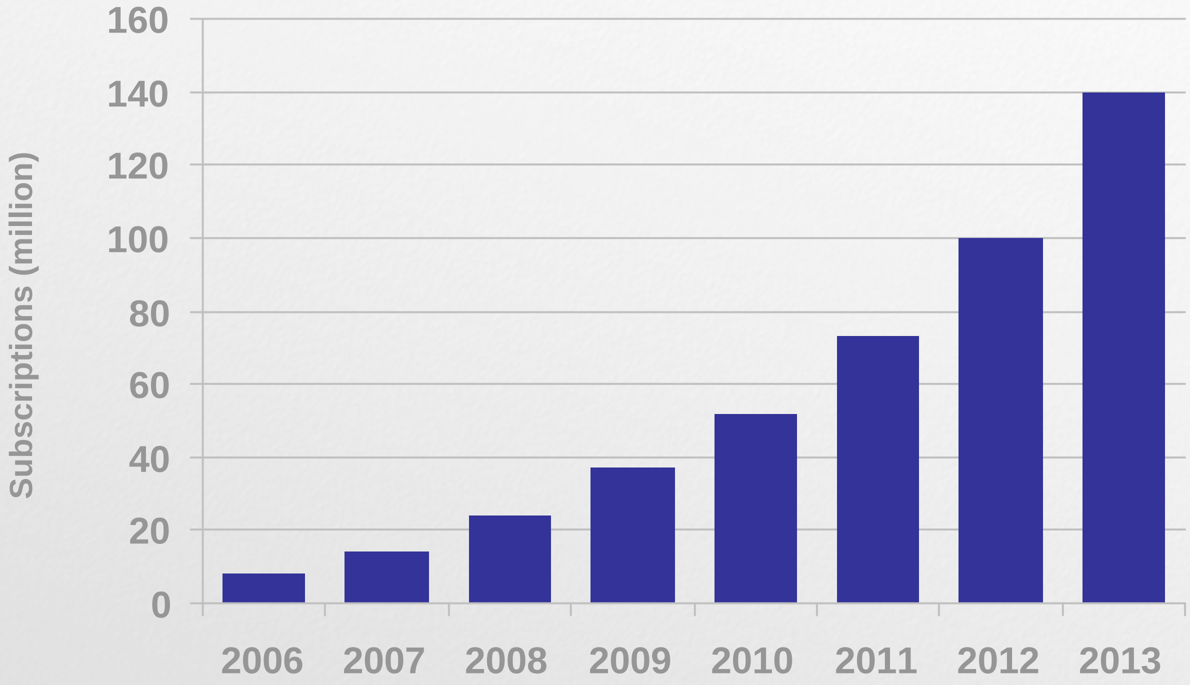
Mobile Broadband includes: CDMA2000 EV-DO, HSPA, LTE, Mobile WiMAX & Other

Fixed broadband includes: DSL, FTTx, Cable modem, Enterprise leased lines

Source: Internal Ericsson

Fixed IPTV subscriptions

Managed by operators, 06-13



Source: Internal Ericsson

Operators are in pole position

But forget business as usual

Applications and content

Connectivity

In the home, in the office
and on the move

This is what it will take

Key performance indicators

Innovation
Mastering ”ecosystem”

Stability
Openness

Hype factor
Upgradeability

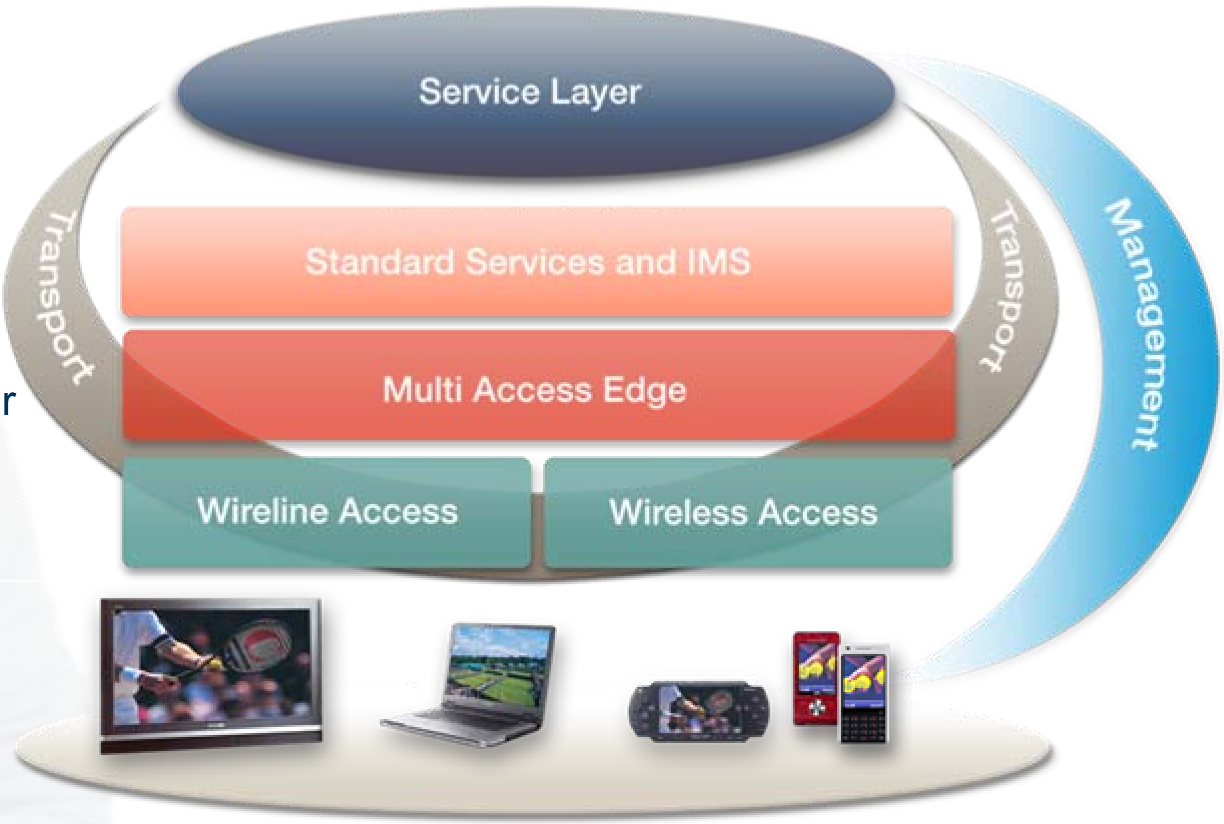
Ericsson's proposition

Prime Integrator & Managed Service

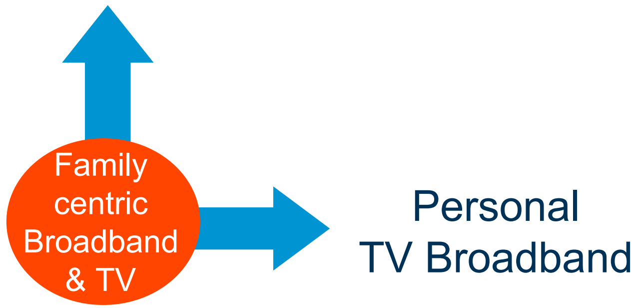
Consumer multimedia
Enterprise multimedia

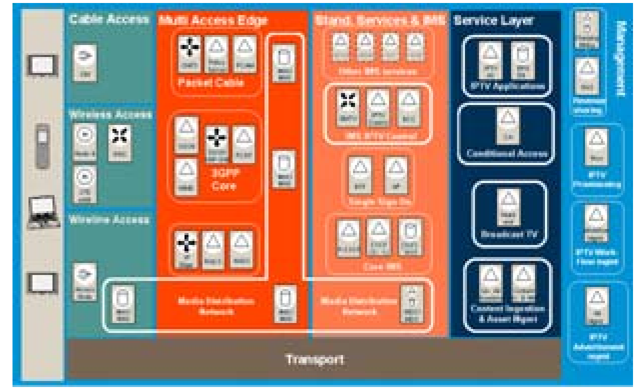
Full Service Broadband
Communications Expander

Consumer multimedia
Enterprise multimedia



Full Service Broadband - Recap





Redefining broadband

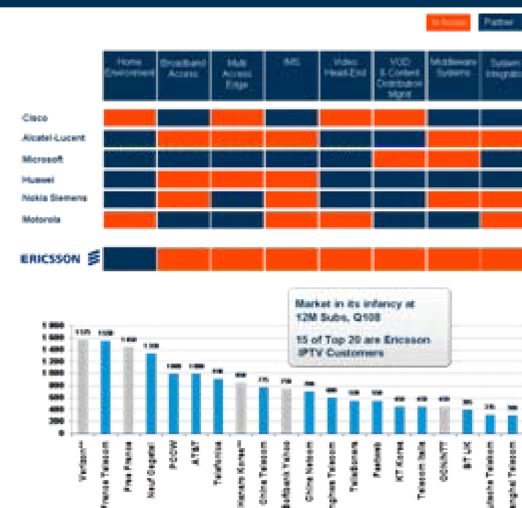
Target architecture

TANDBERG television

Redback NETWORKS

ENTRISPHERE

Marconi



Closing the gaps

Complete offer and references

Redback business update Q208

Redback Deployed Base
Ericsson/Redback Deployed Base

- Customers
  - Added 35 new customers (APAC 15, EMEA 13, Americas 7)
  - Revenue from 15 of top 20 wireline carriers
    - AT&T, China Telecom, China Mobile, China Unicom, DT, FT, KT, CHT
- Products and solutions
  - SM 480 Carrier Ethernet Switch launched to unify fixed and mobile networks
  - Integration of SmartEdge into Ericsson end-to-end solutions
    - MPBN, IPTV, Backhaul/PRAN, SASN
- Redback expansion
  - Ericsson continues investment in IP and Silicon Valley campus

Joint customer wins - *125 carriers in 60 countries*

Ericsson Silicon Valley campus

Ericsson + Redback +Tandberg + Entrisphere

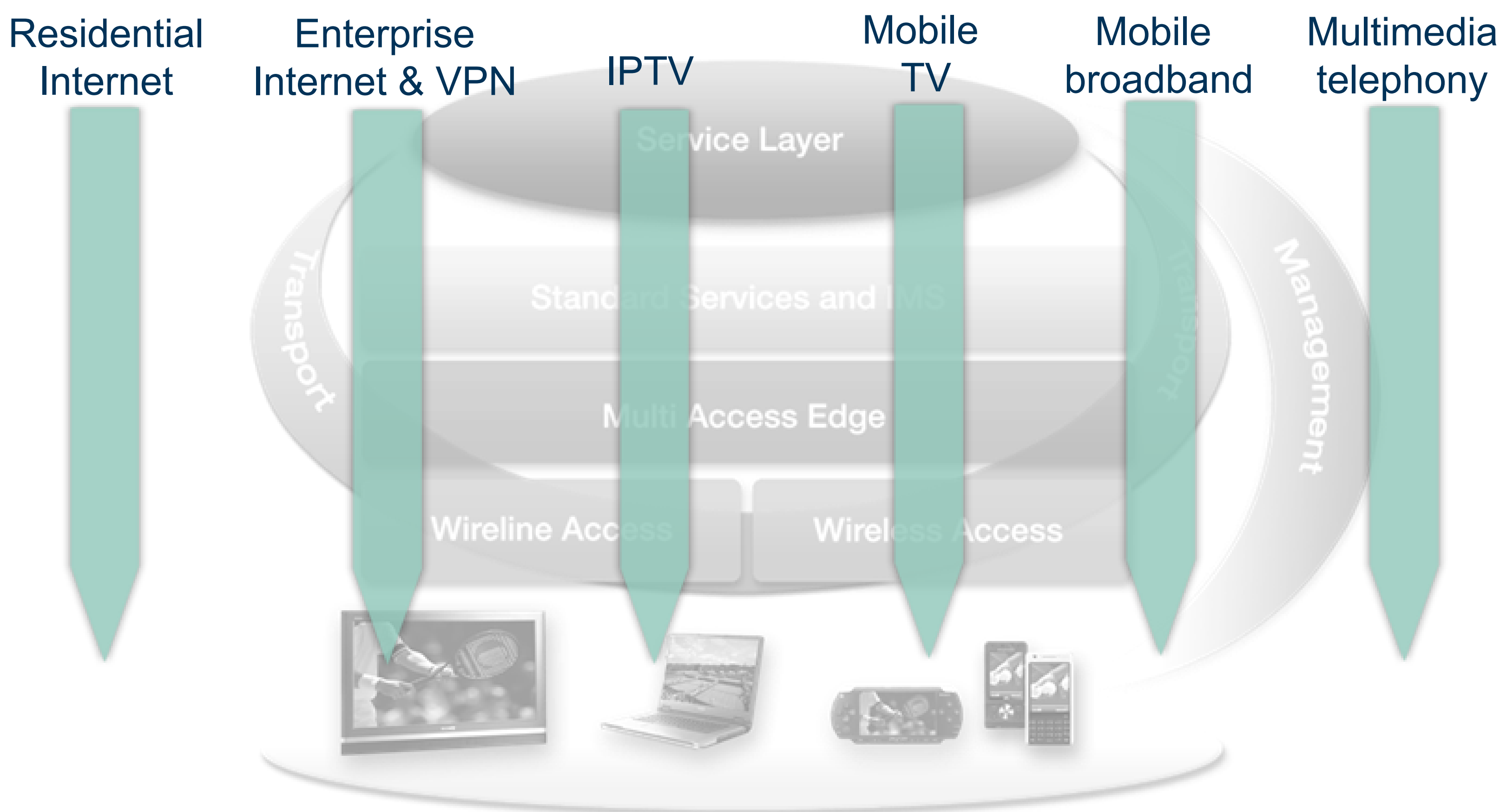
Ericsson executive assignments

Ericsson Research Silicon Valley

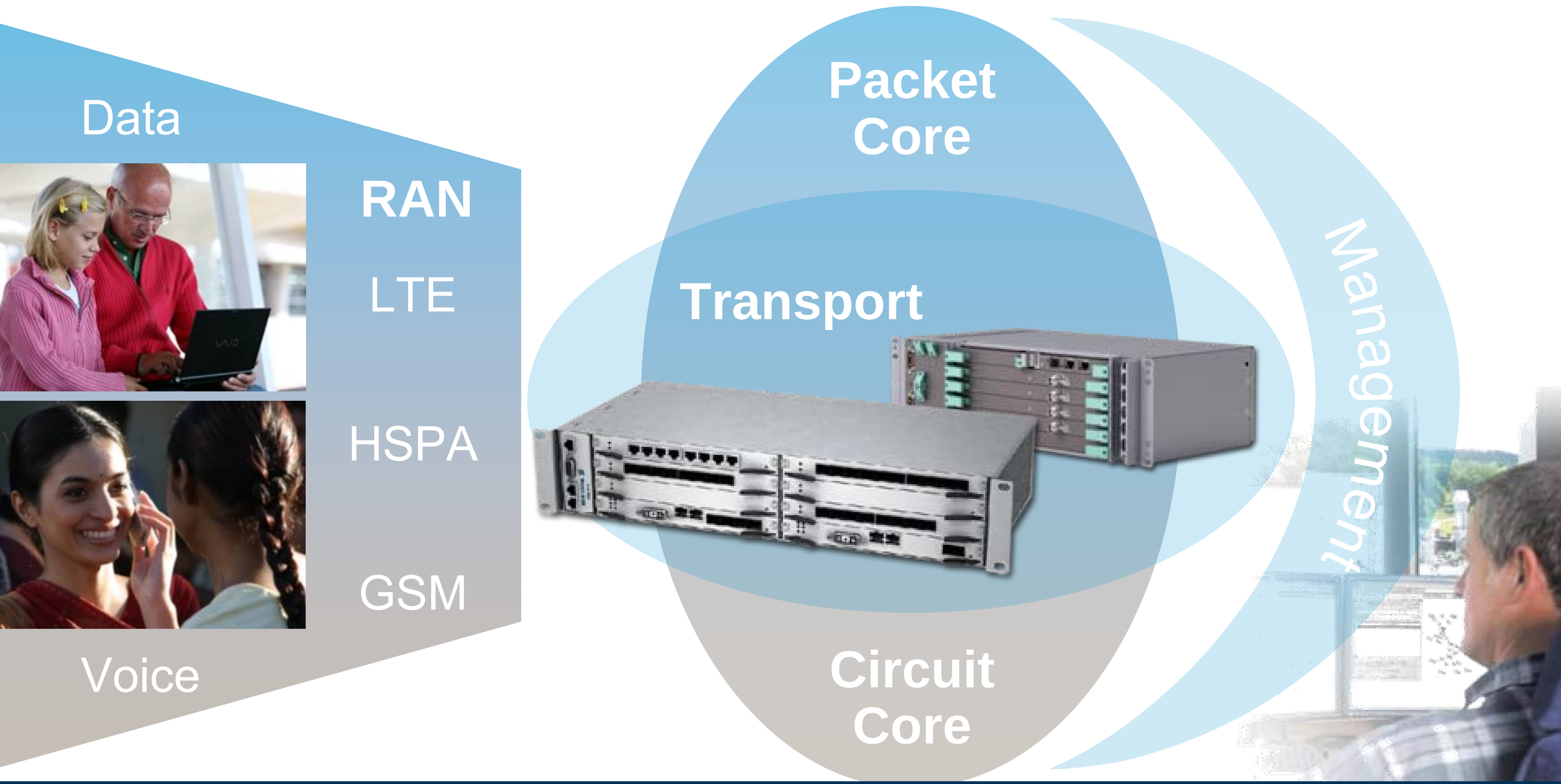
New PAPN focus fixed and mobile

Grow with revenues

Focused Full Service Broadband solutions



Secure continued leadership in mobility



Leading evolution to high-performing optimized common network

Ericsson multimedia capabilities

Devices

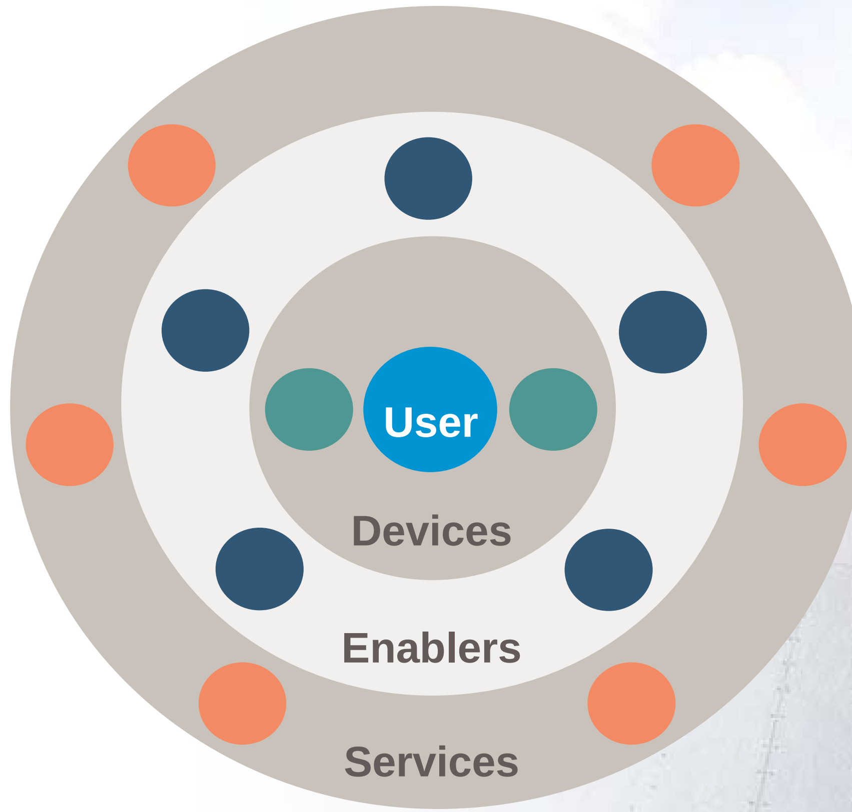
- Sony Ericsson
- Device platforms

Enablers

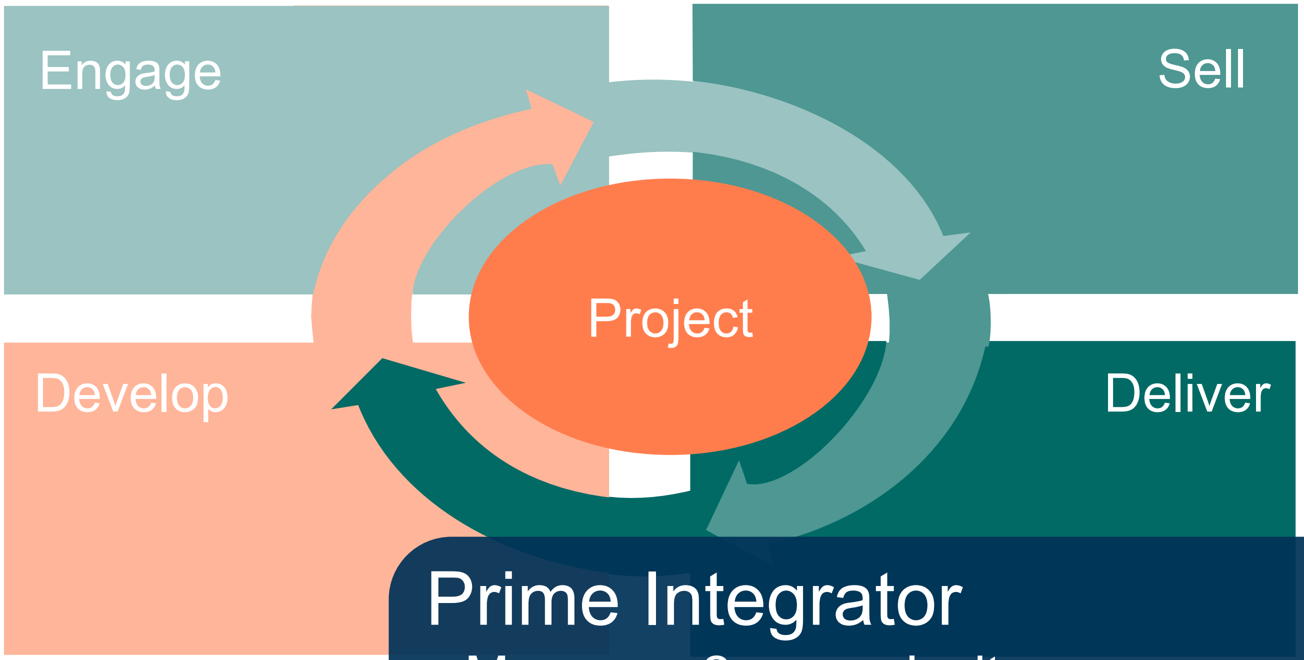
- Networked media & msg
- Service delivery platforms
- IMS
- Revenue management
- Enterprise applications

Services

- Brokering
- Business consulting
- Partnering
- Systems Integration
- Consumer Lab
- Mobility World
- Hosting



Operators' challenge:
Network complexity multiplies

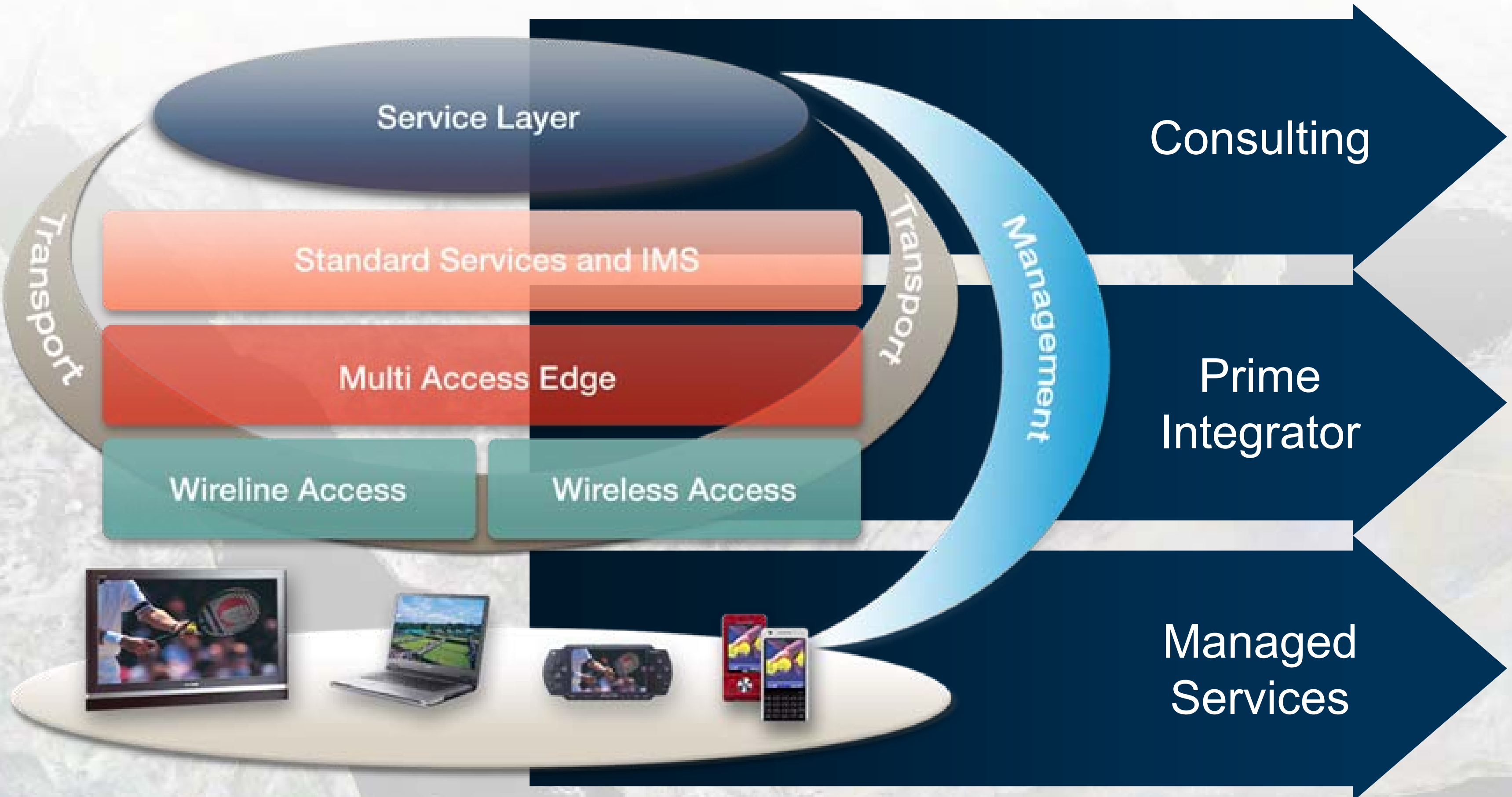


Prime Integrator
- Manage e2e complexity
- Reduce risk
- Integrate Ericsson products/solutions
- Front various third parties

Ericsson as Prime Integrator

Commitment. Technology. Services.

Our end-to-end proposition



Ericsson's next growth opportunity

We personalized communication

We are personalizing broadband

We will personalize television-based communication

Mobile Technologies

Håkan Eriksson

Chief Technology Officer

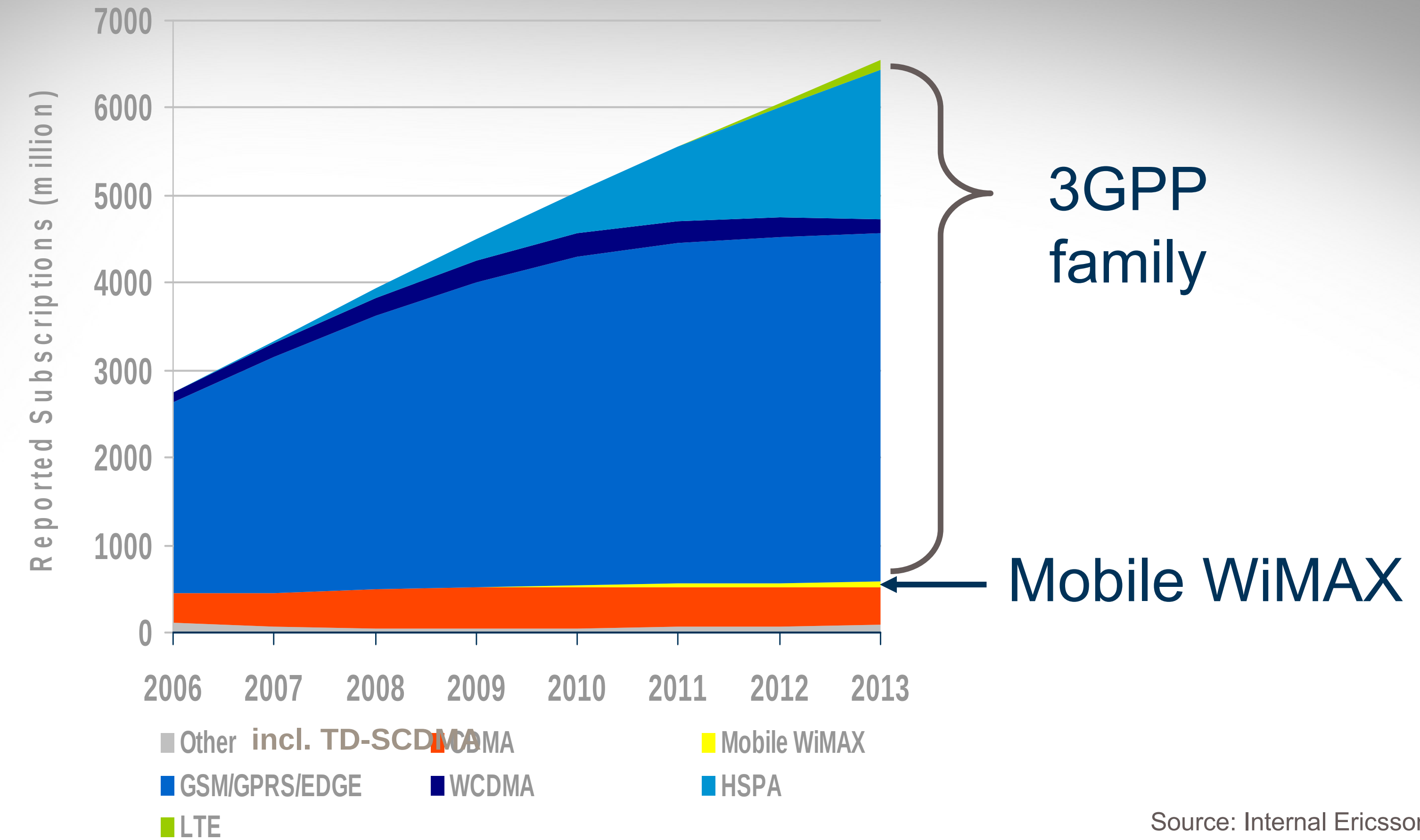
HSPA is mobile broadband

228 WCDMA operators in 94 countries, of which

- 207 HSPA operators in 89 countries
- 240 million WCDMA/HSPA subscribers
- 724 HSPA devices by 115 suppliers

Reported mobile subscriptions

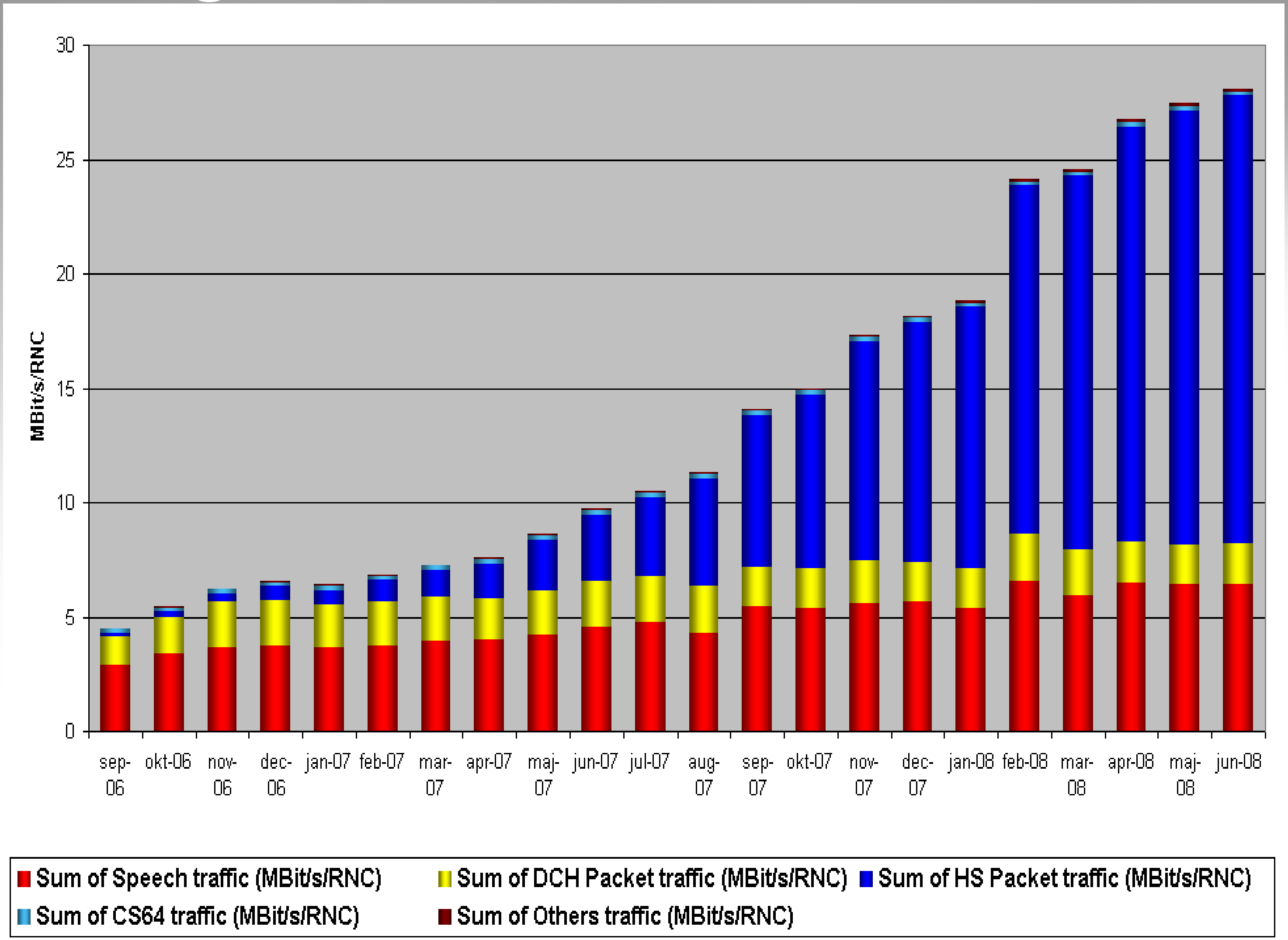
By system standard, 2006-2013



Source: Internal Ericsson

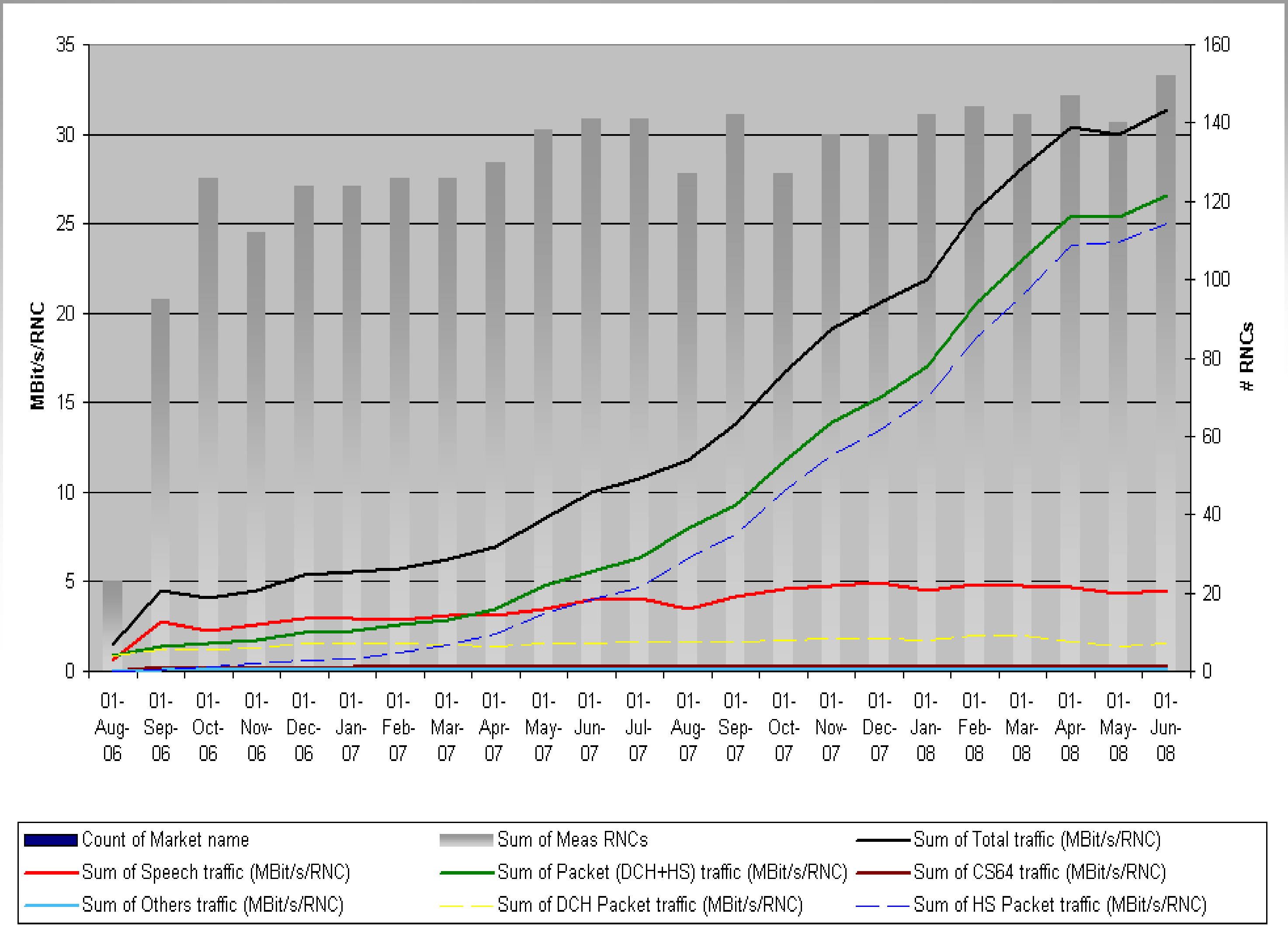
GSM, WCDMA/HSPA and LTE dominance gives economy of scale

Traffic growth – All markets



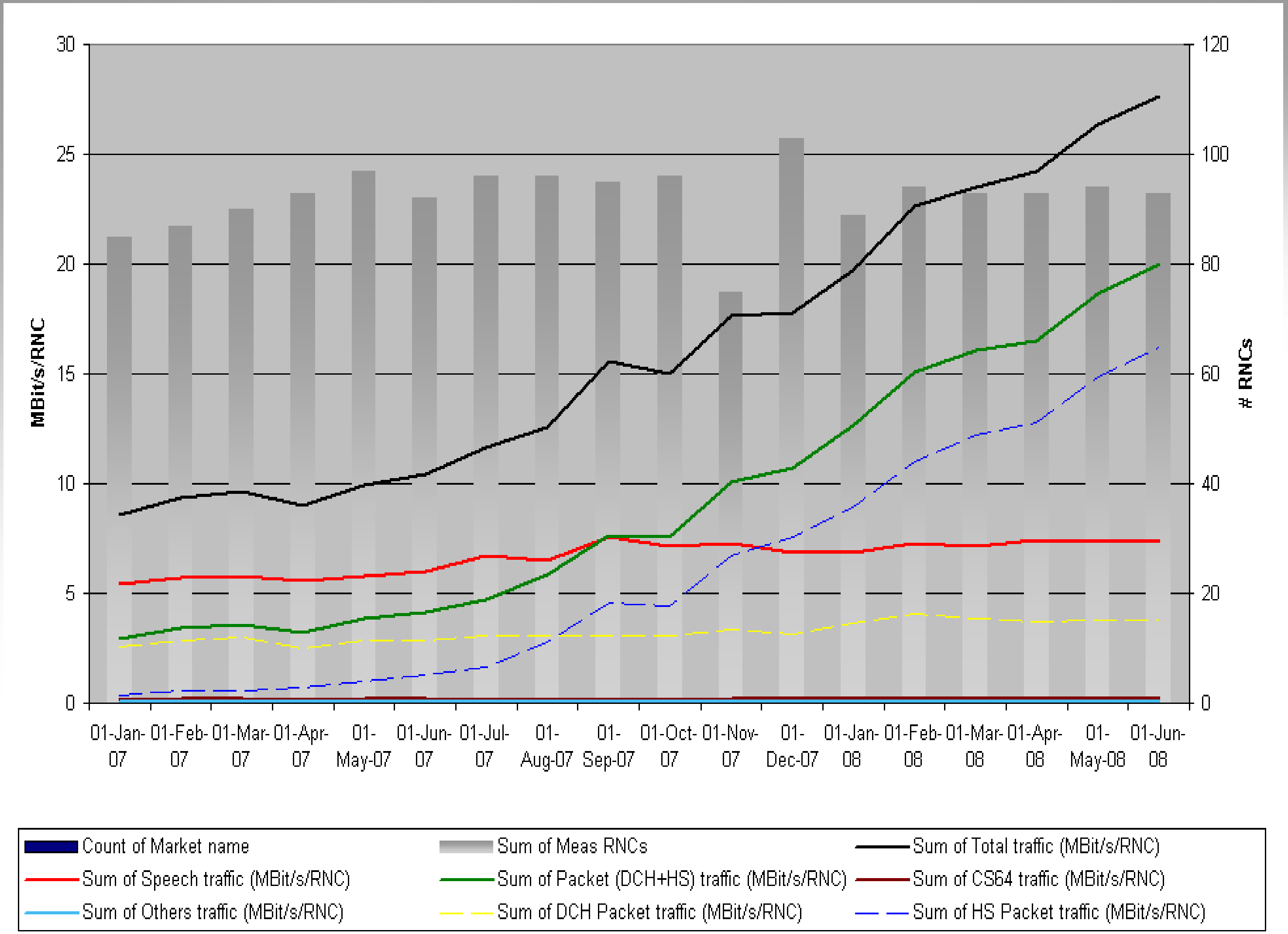
Source: NetQB

Average traffic in Western Europe



Source: NetQB

Average traffic in Asia-Pacific



Source: NetQB

Mobile broadband positioned for take off

All major notebook manufacturers ready for embedded HSPA

Mobile broadband FAQ

- *"Why doesn't the data increase show up in Base Station sales?"*

  or

  How does the increase in data traffic affect the need for radio resources?

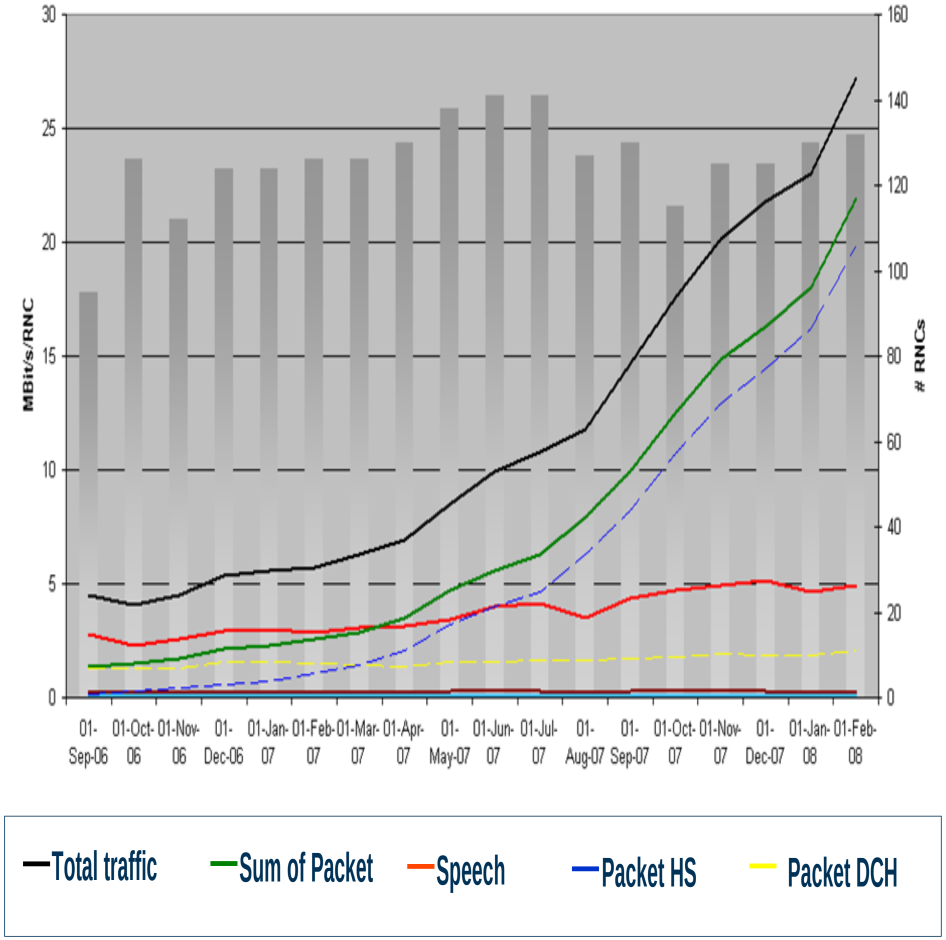
- *"Does going from 3 Mbps to 300 Mbps lead to a 100-fold increase in data capacity?"*

  or

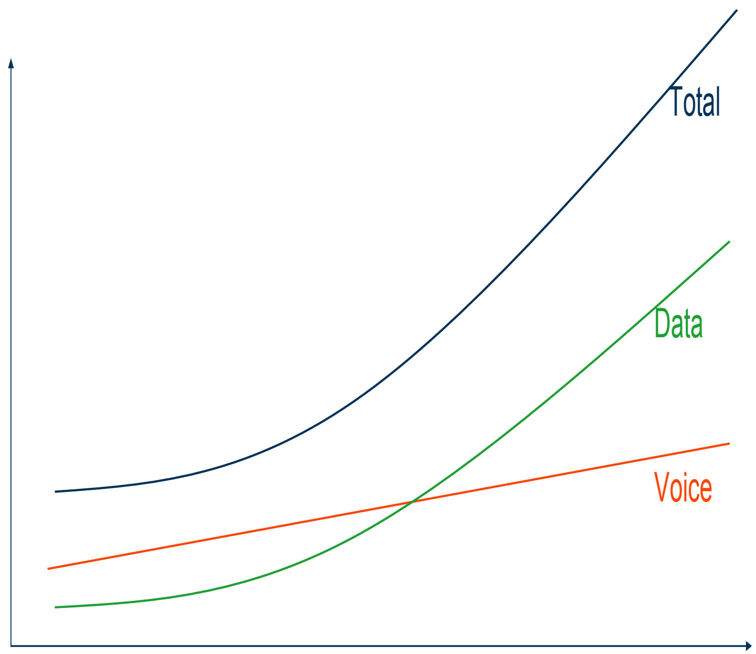
  How does data rate (Mbps) relate to data capacity (Bits/Hz)?

Data taking off

Average traffic in Western Europe



Traffic growth - simplified



Big difference between voice and data

Voice capacity in one carrier of 5 MHz

- 60-70 simultaneous users
- 8 kbps per user
- Gives about 500 kbps = **0.5 Mbps**

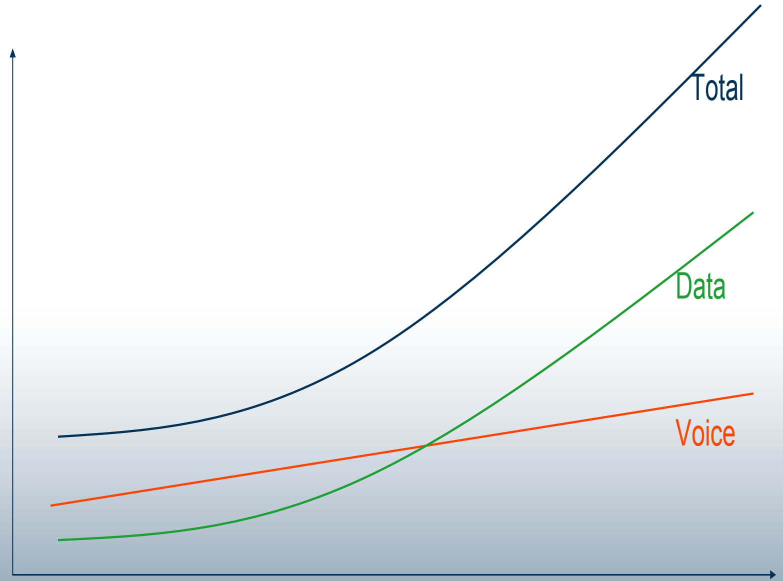
Data capacity in one carrier of 5 MHz

- Efficiency of 1 bit / Hz due to HSPA
- Gives about **5 Mbps**

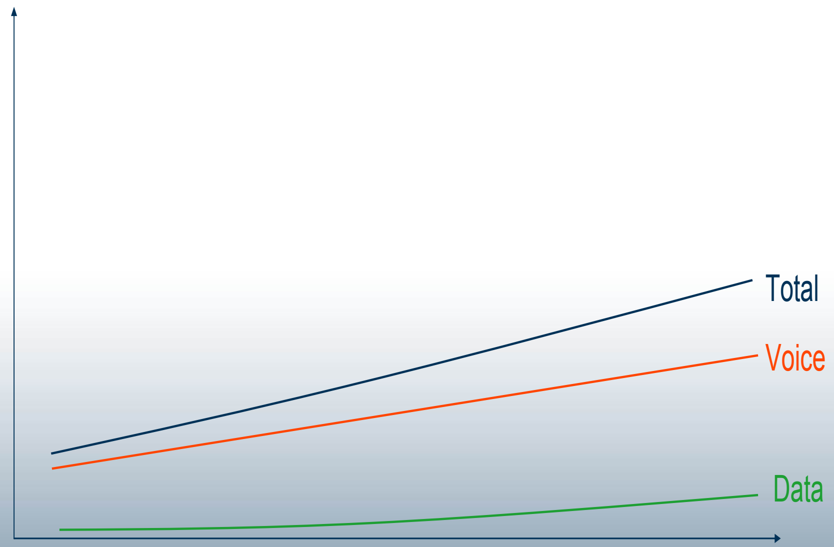
HSPA makes data bits 10 times lighter in the air

Data growth and radio resources

Traffic growth -simplified



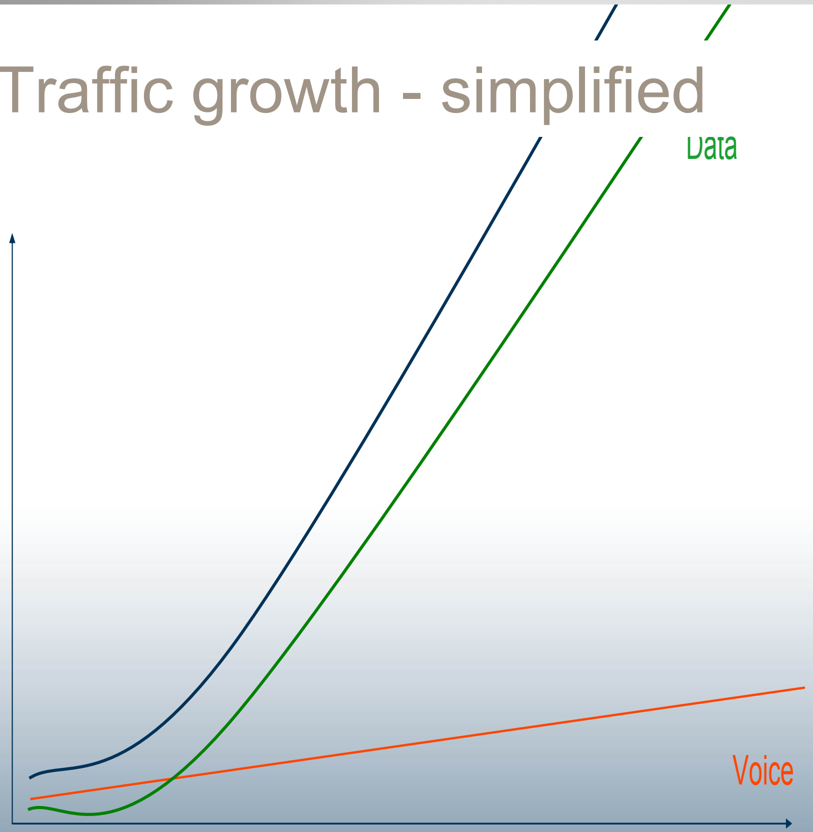
Perceived growth in air interface



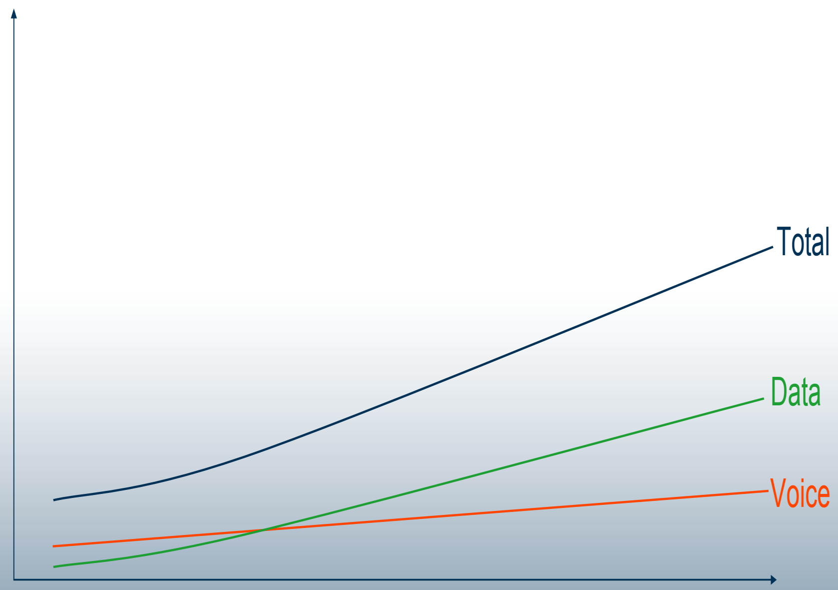
Data growth initially absorbed by HSPA efficiency

Data growth for aggressive operator

Traffic growth - simplified



Perceived growth in air interface



When data is 20 times voice, you need 3 times the radio resources

HSPA speed evolution

Downlink

3.6 Mbps

15 codes

14 Mbps

64QAM | 2x2 MIMO

21 Mbps | 28 Mbps

Both

42 Mbps

Multi Carrier

80Mbps +

Uplink

0.4 Mbps

HSPA on the uplink

1.4 Mbps

2 ms TTI

6 Mbps

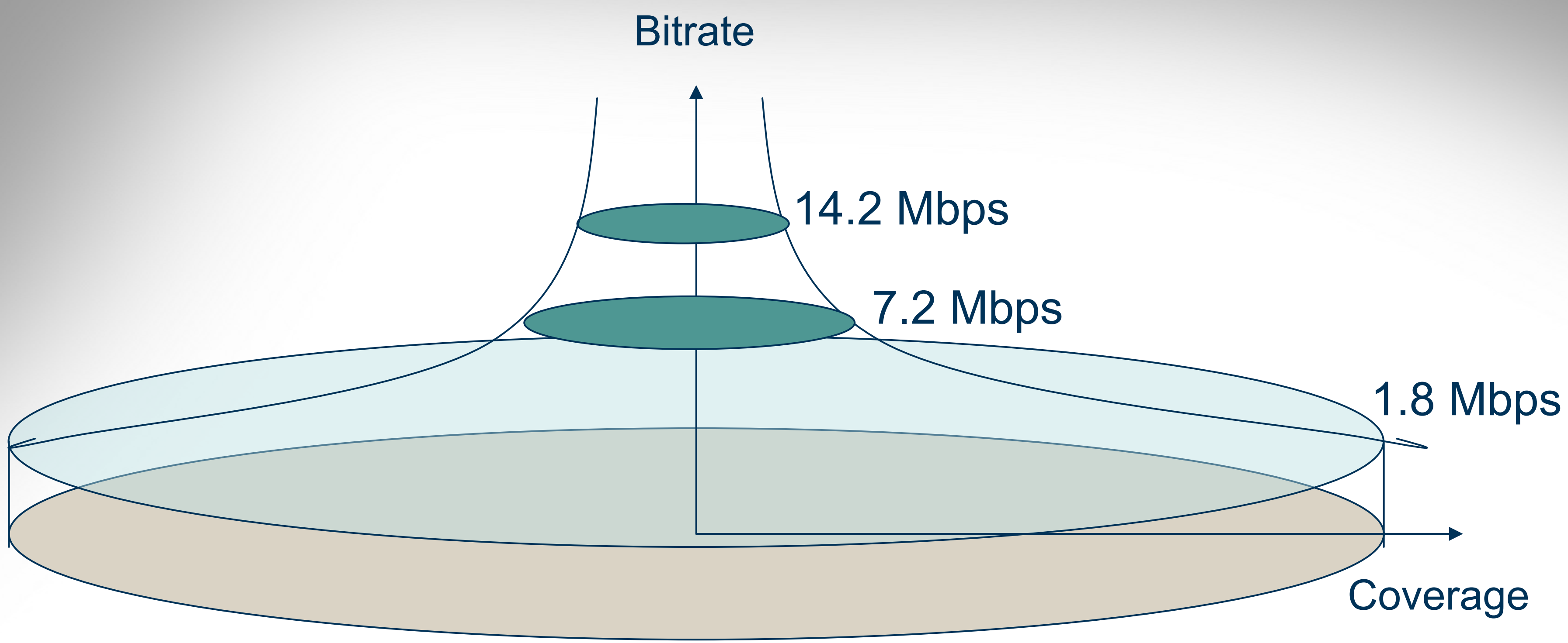
16QAM

12 Mbps

Multi Carrier

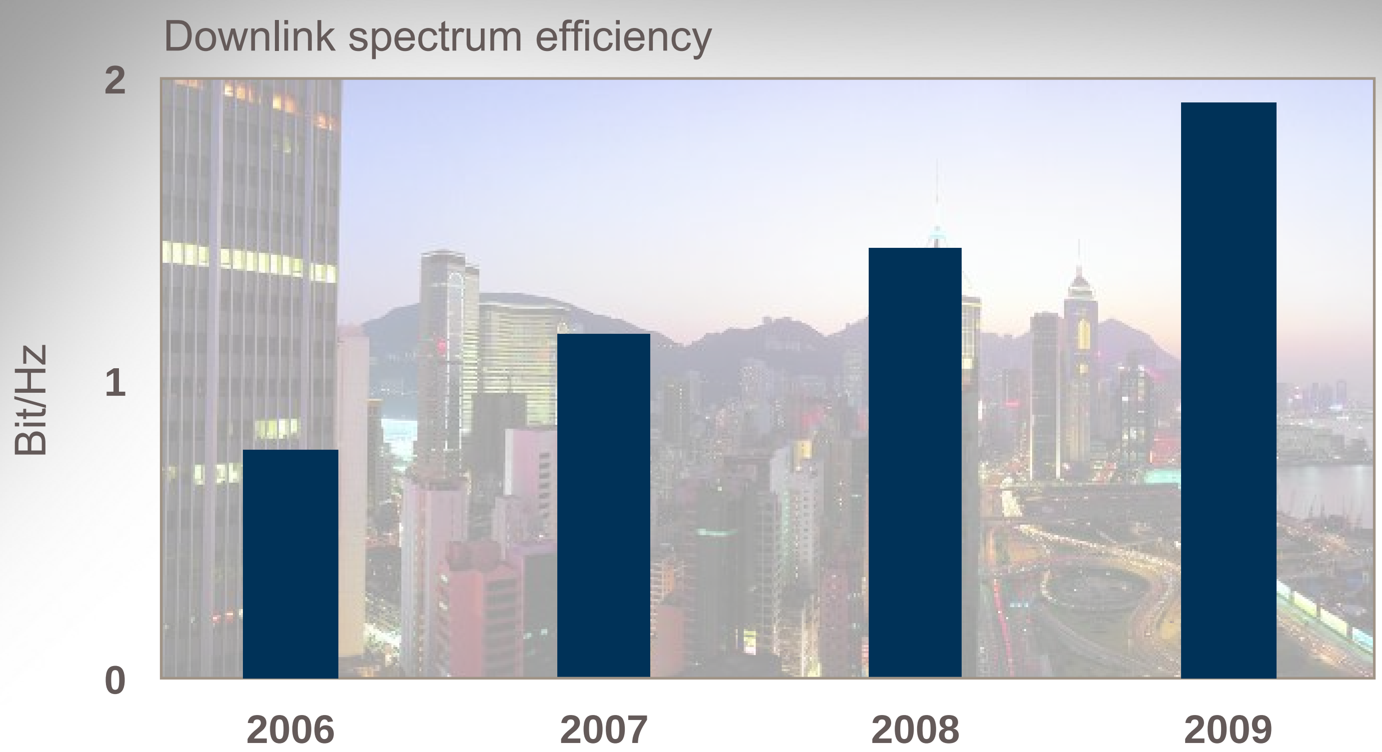
20 Mbps

Coverage vs. bitrates



Tenfold peak rate does not correspond to tenfold capacity

HSPA and LTE capacity evolution



HSPA R6	**HSPA R6**	**HSPA R7**	**HSPA & LTE R8**
GRAKE/Eq.	GRAKE/Eq. Rx Diversity	2x2 MIMO	64QAM&MIMO

Simulated under normal radio conditions

Twice the capacity with HSPA evolution and LTE

Mobile broadband FAQ

Q: *”Why doesn’t the data increase show up in Base Station sales?”*

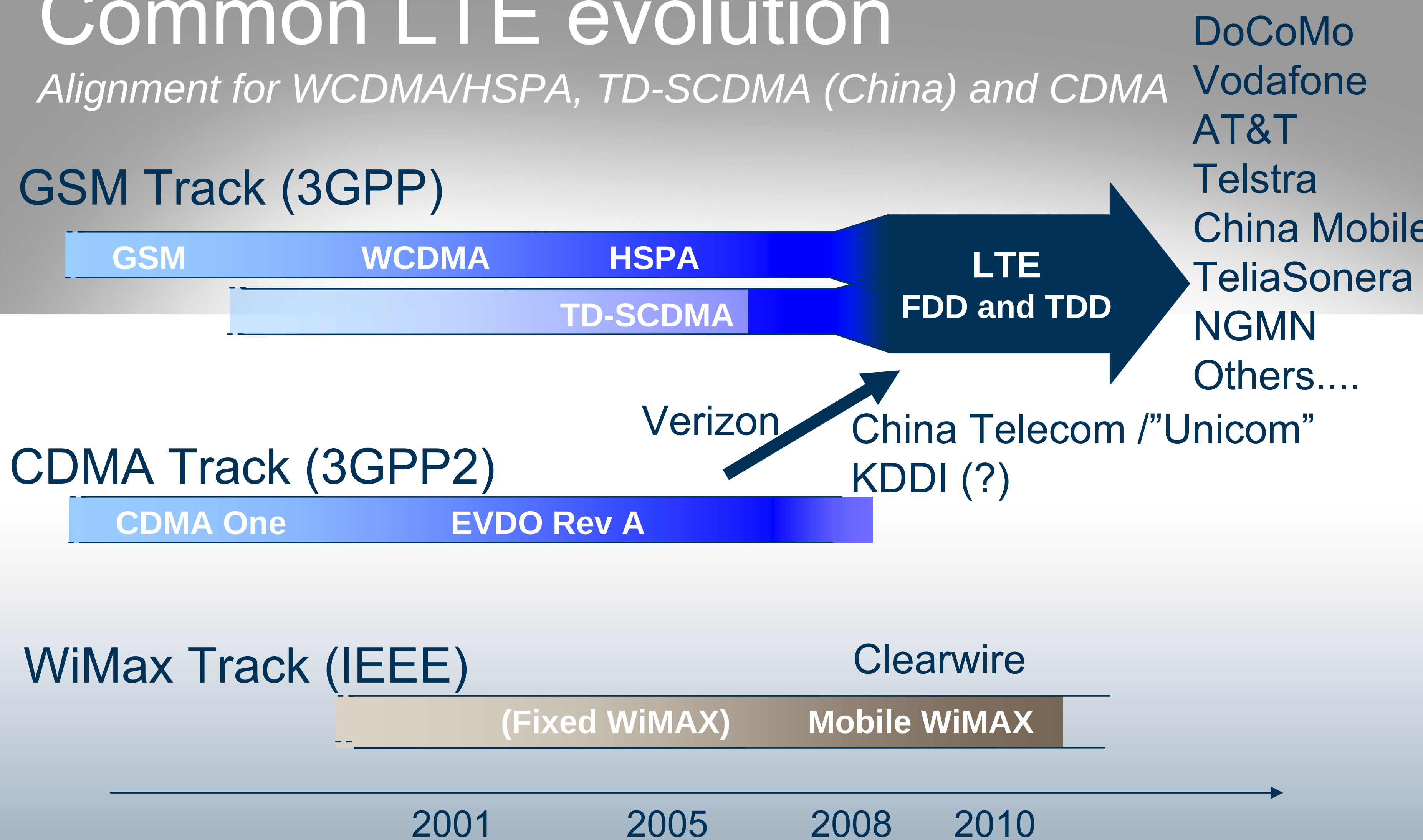
A: HSPA is 10 times more efficient than WCDMA. This temporarily absorbs the current data increase. Over time more data capacity is needed.

Q: ”Does going from 3 Mbps to 300 Mbps lead to a 100-fold increase in data capacity?”

A: No. The increase in peak rate will result in a twofold capacity increase.

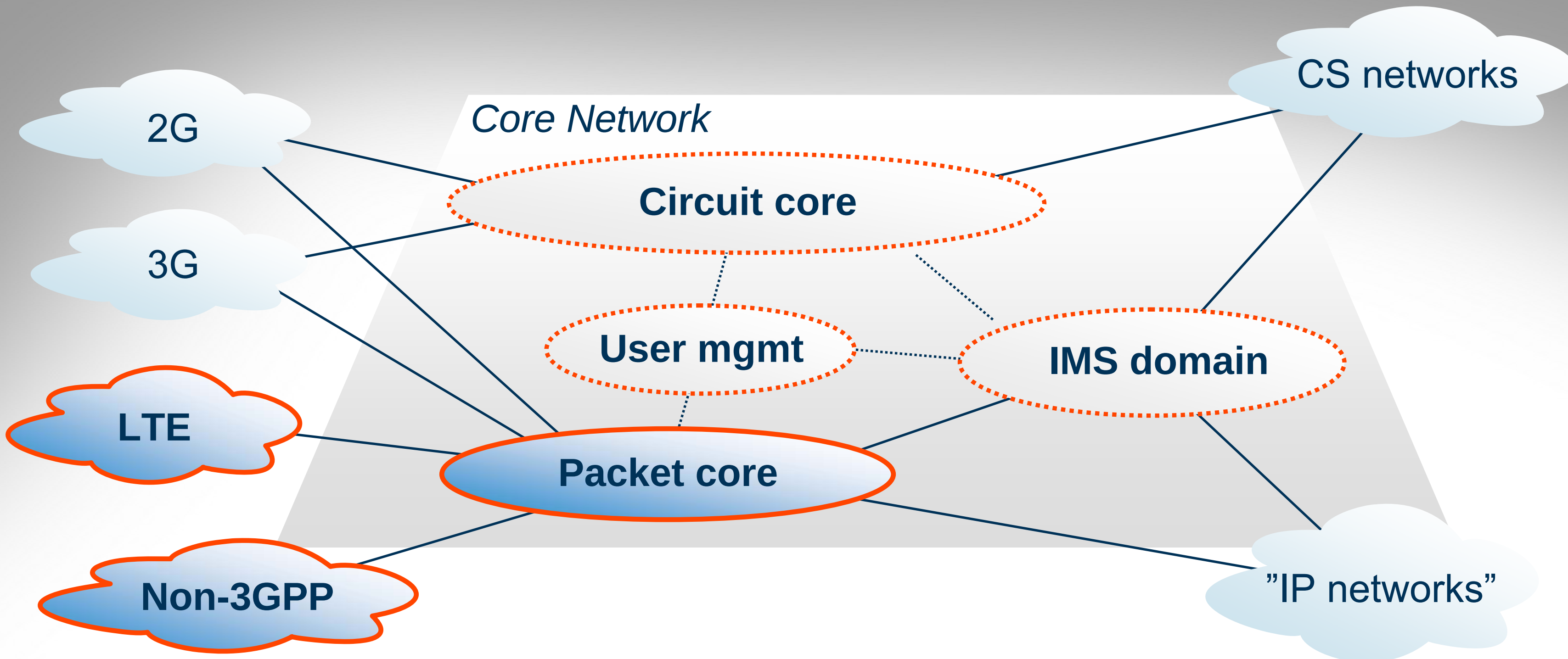
Common LTE evolution

Alignment for WCDMA/HSPA, TD-SCDMA (China) and CDMA



LTE the global standard for next generation (4G)

SAE and LTE

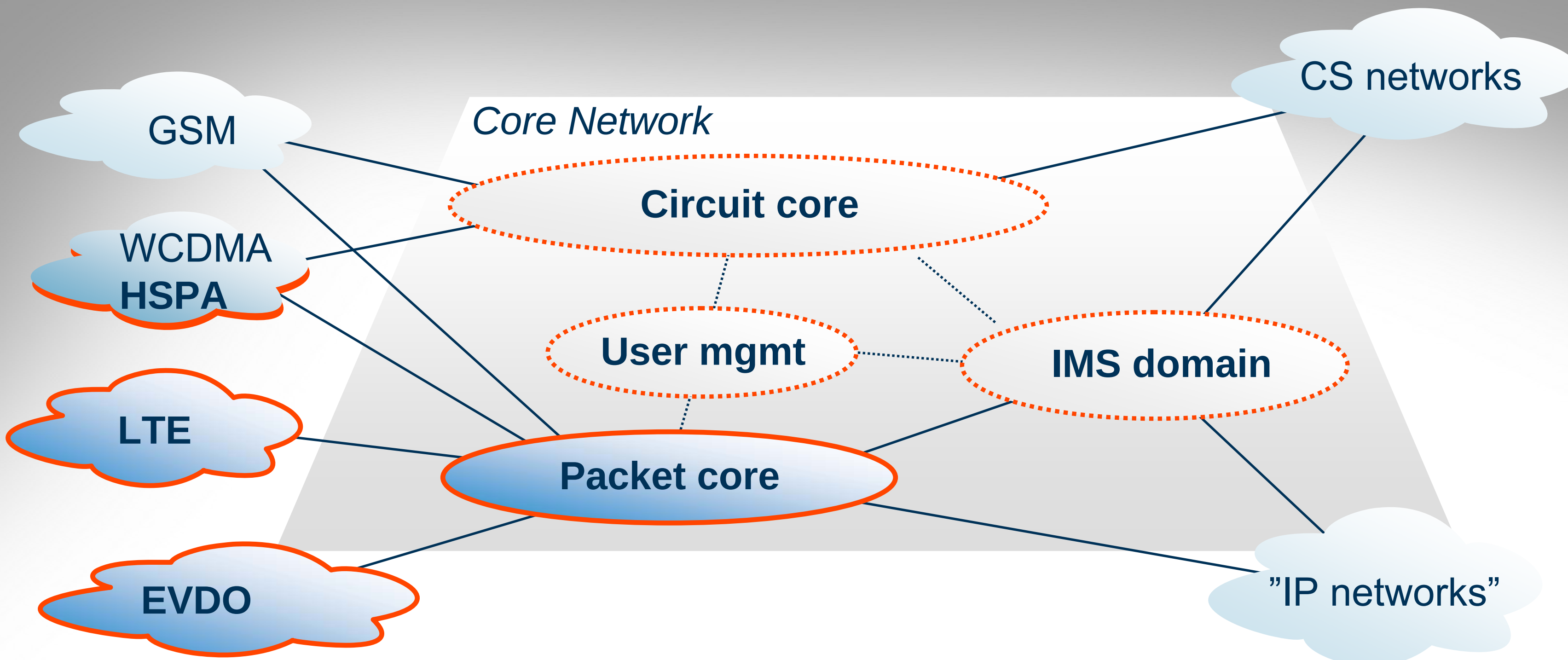


Teminology

LTE Long Term Evolution (also known as **eUTRAN**)

SAE System Architecture Evolution (3GPP study item)

SAE and LTE



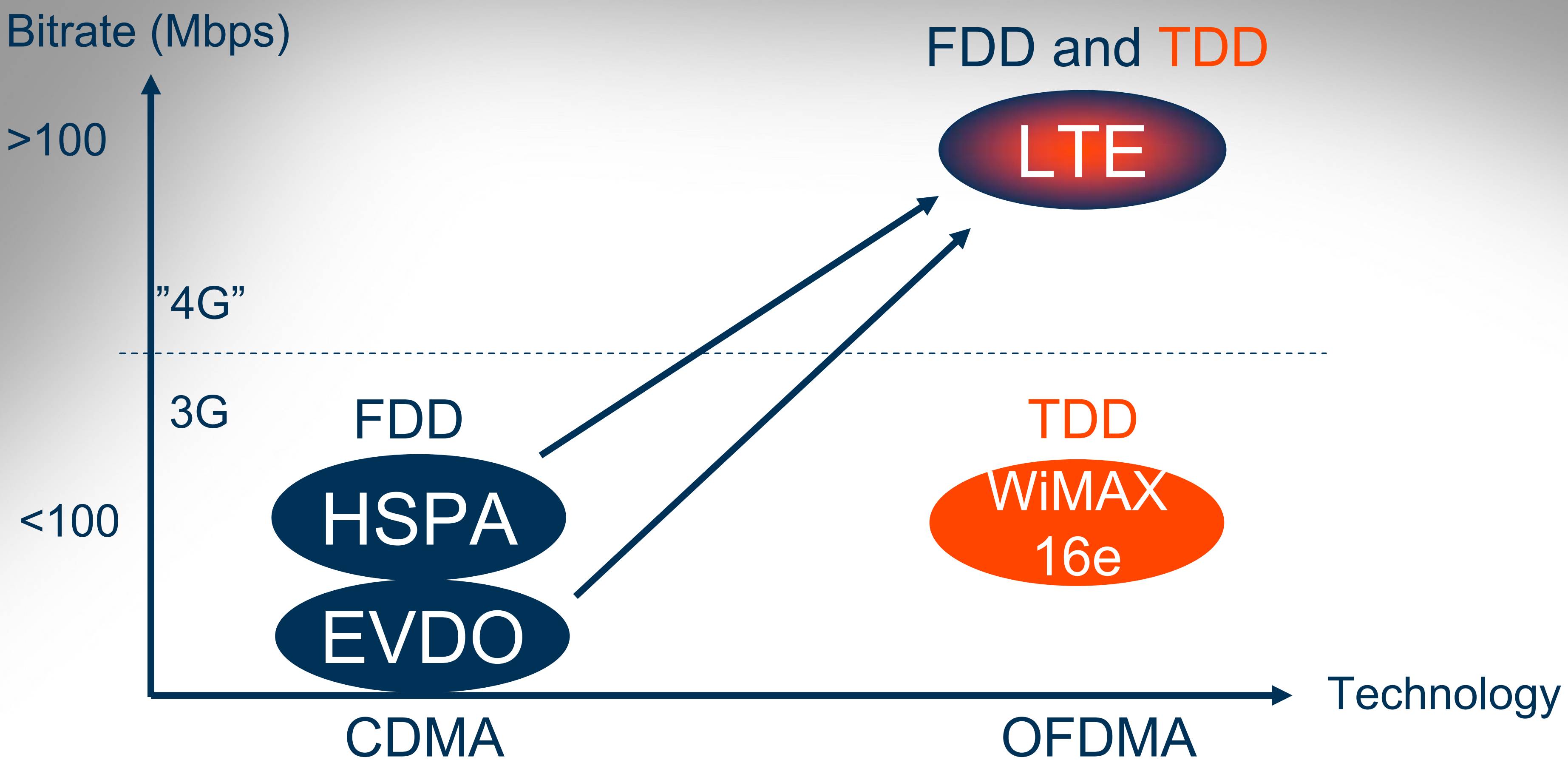
Teminology

LTE Long Term Evolution (also known as **eUTRAN**)

SAE System Architecture Evolution (3GPP study item)

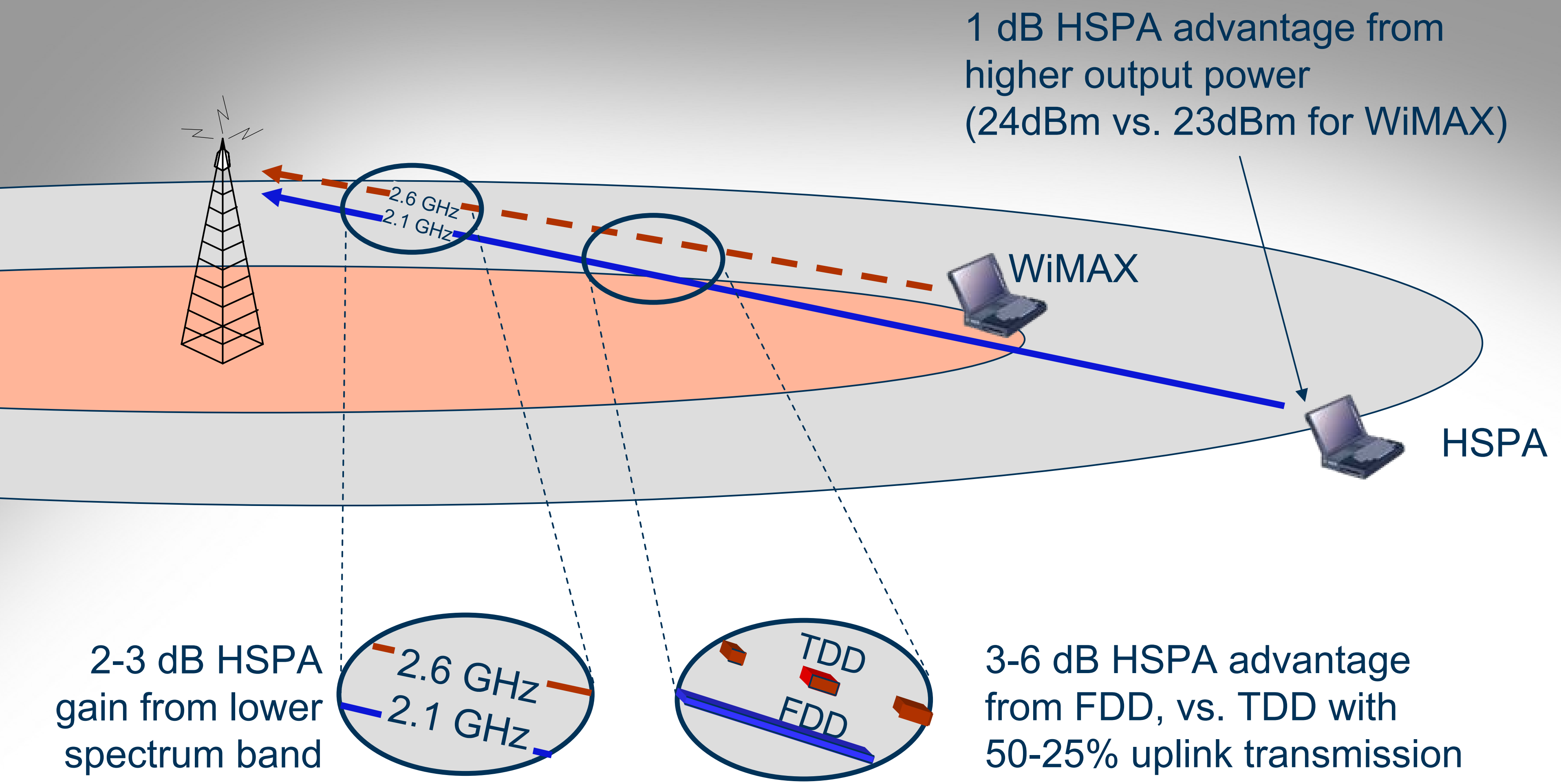
Bitrates and technologies

OFDMA does not mean 4G



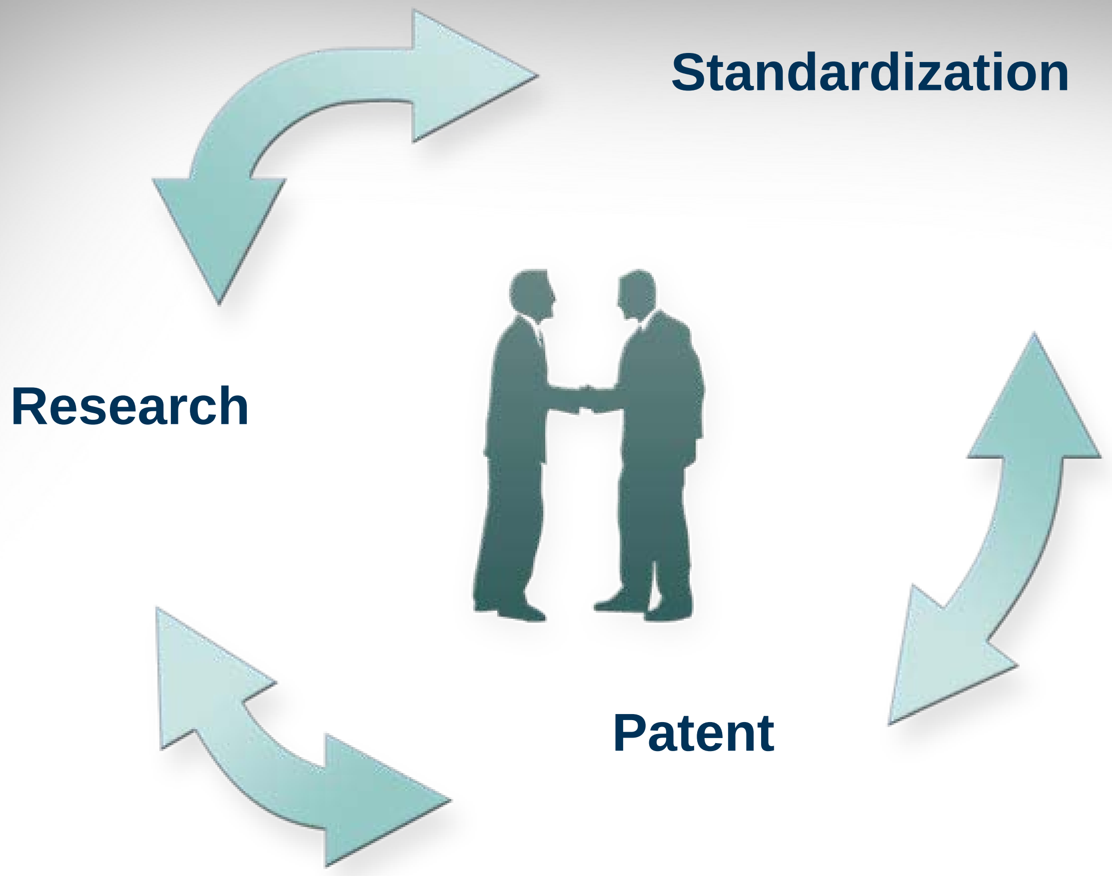
4G relates to IMT Advanced, over 100 Mbps - not to OFDMA

HSPA and WiMAX uplink coverage



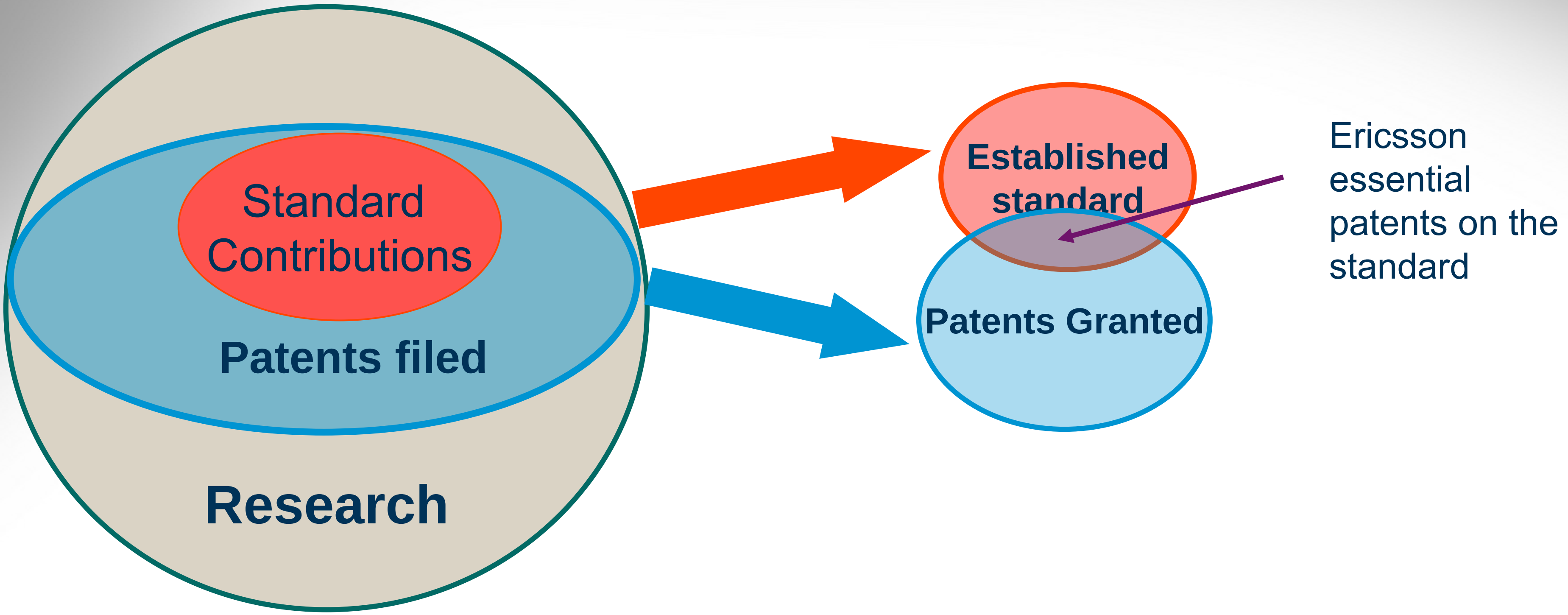
For realistic deployment, WiMAX needs a factor ~3 more sites

Research, standardization and patents



Everybody needs a license on a patent in a standard

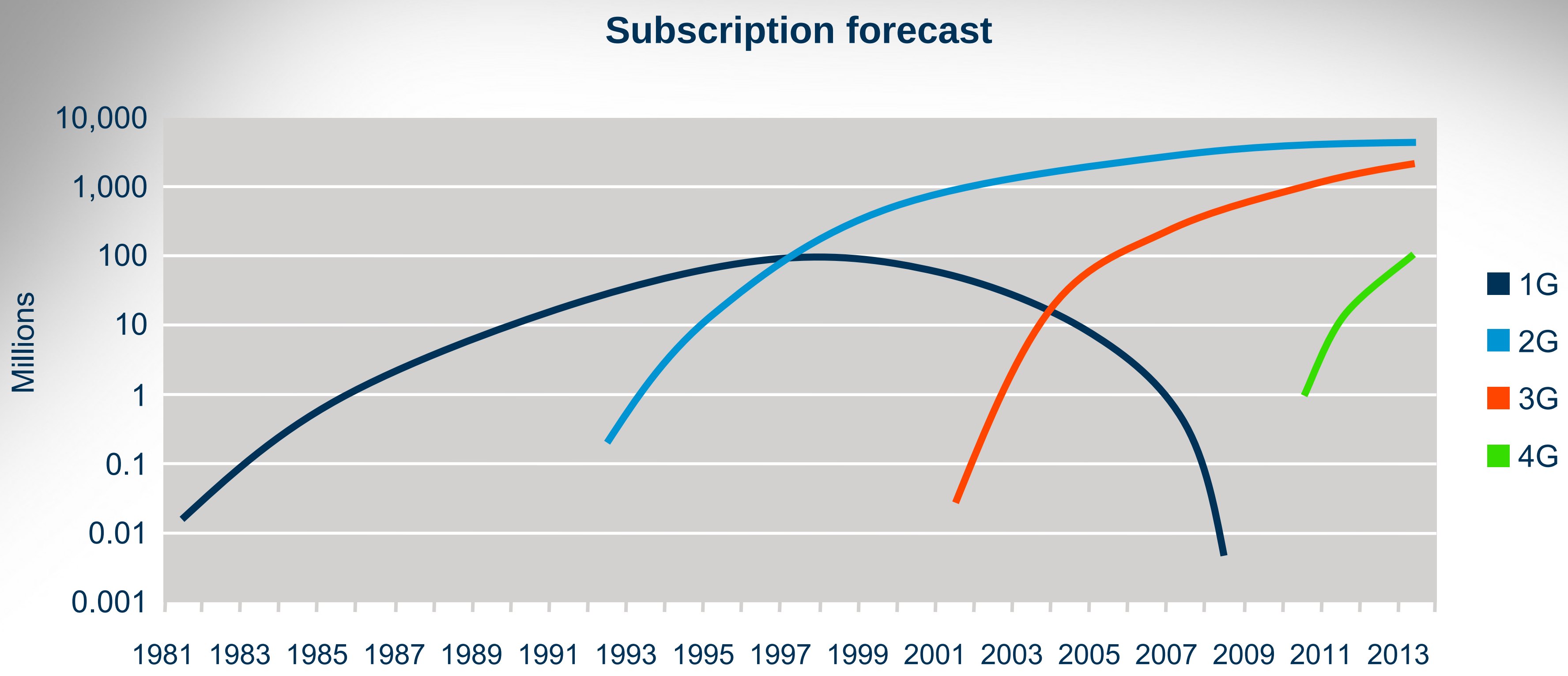
Contributions - essentiality



FRAND framework for LTE/SAE IPR

- Alcatel-Lucent, Ericsson, NEC, NextWave Wireless, Nokia, Nokia Siemens Networks and Sony Ericsson
- Fair: Proportional share of all standard essential IPR
- Reasonable: Reasonable maximum aggregate royalty rates
  - Single-digit percentage of the sales price for handsets
  - Single-digit dollar amount for notebooks with embedded LTE capabilities

Mobile generations



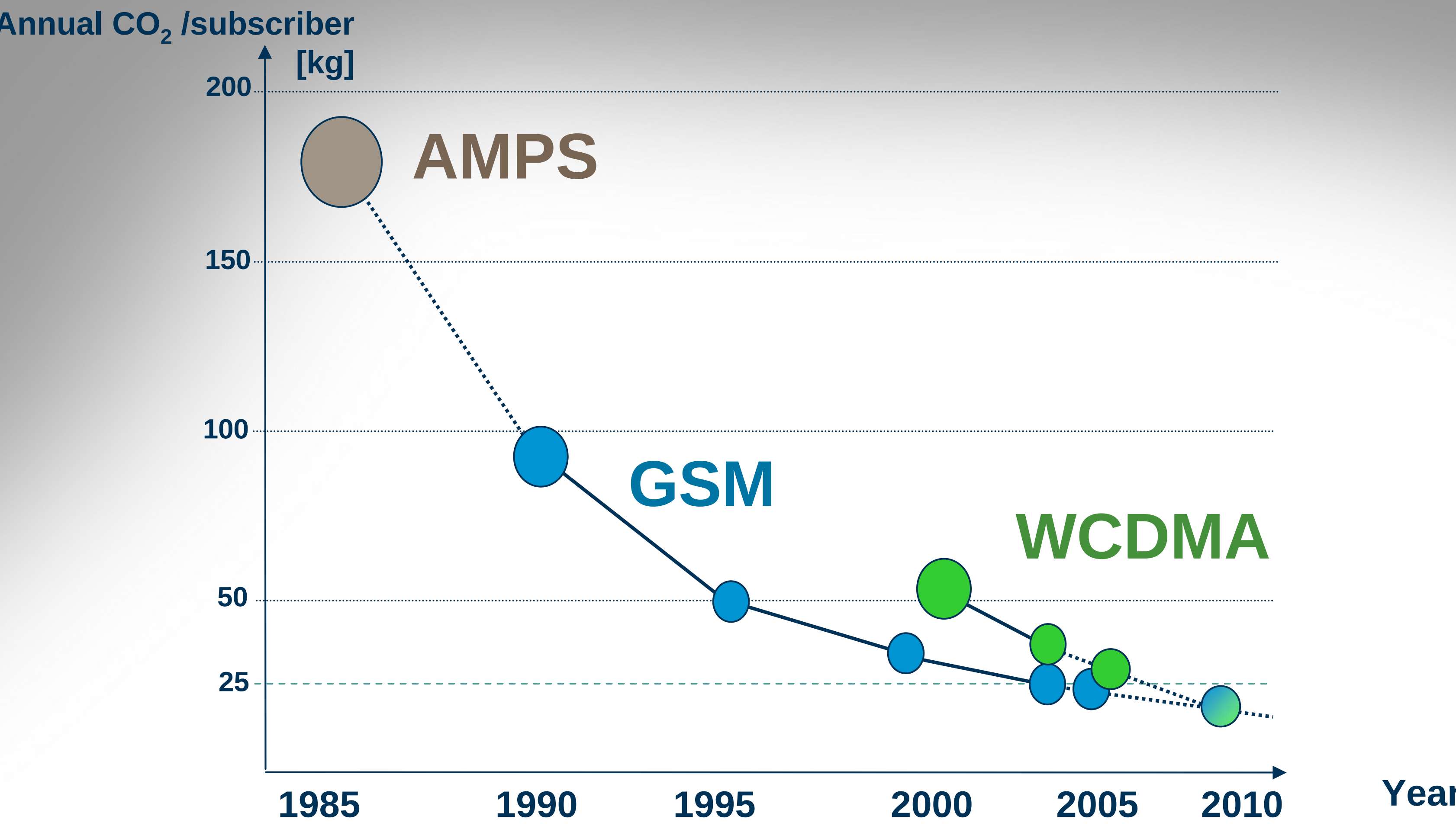
10 years between each generation – but faster uptake each time

Telecom, ICT and CO_2

2007	Share of global CO_2 emissions
Mobile telecom (3.3 billion subscriptions)	**0.2%**
Other ICT (PCs, data centers, fixed telecom)	~ 1.8%
TOTAL ICT:	**2%**

Total ICT sector only contributes 2% of total CO_2 emission

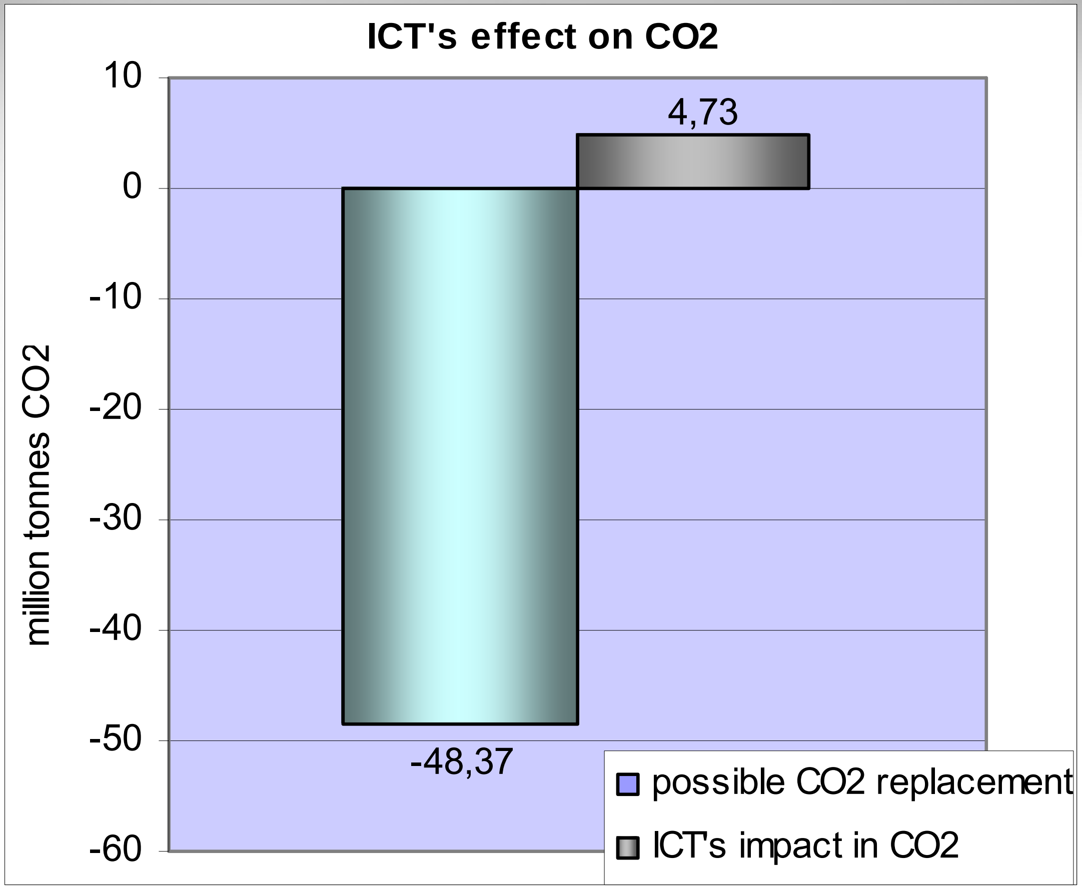
CO_2 per subscriber, Ericsson networks



Mobile subscription now 25 kg CO_2 per year – Same as driving car for 1h

Telecom's potential in CO_2 reduction

From problems to solutions



Source: WWF, ETNO

10 times payback in CO2 reduction

Summary

- HSPA is mobile broadband today
- LTE is the global choice for next generation (4G)
- Mobile broadband important tool for:
  - Efficiency and fun across people and industries
  - Bridging the digital divide
  - Reducing global warming

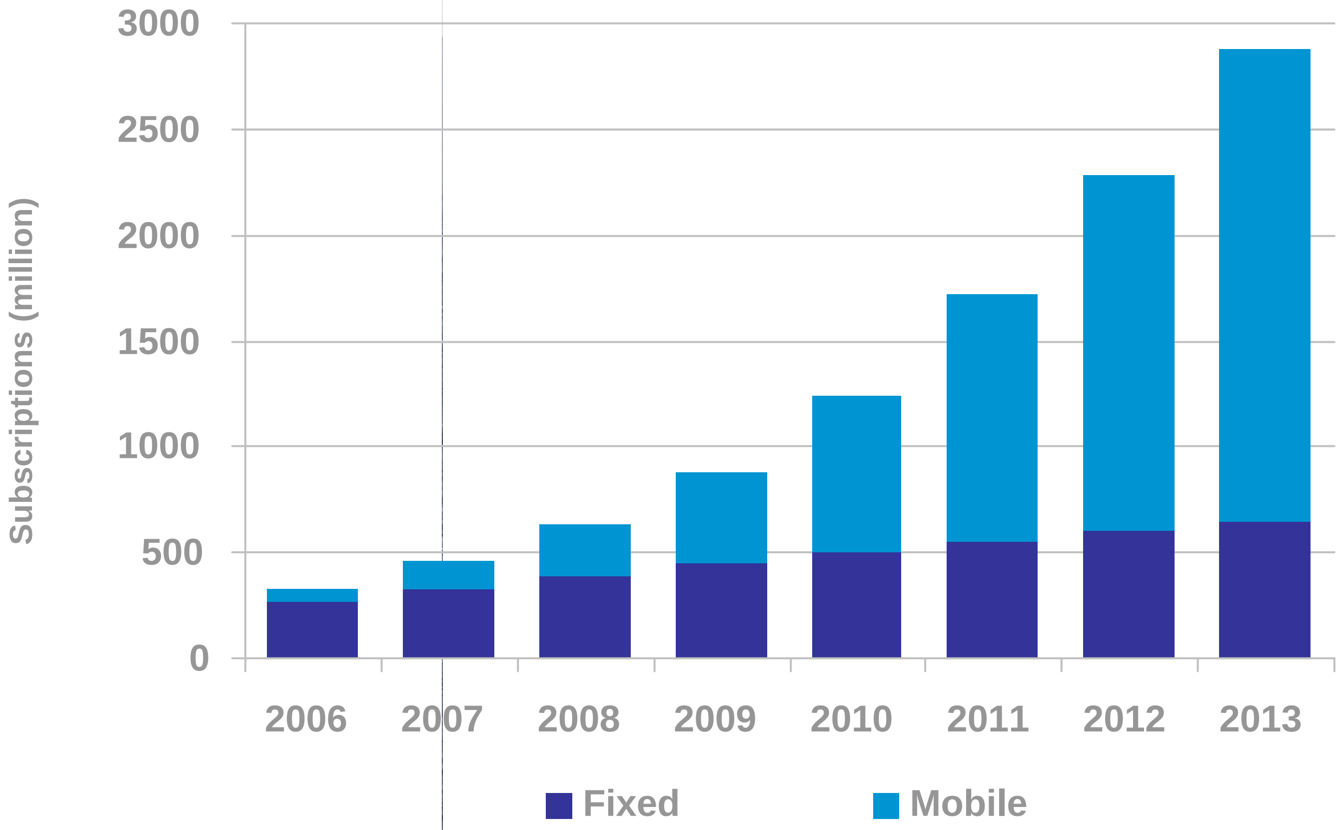
We did mobile telephony – Now we do mobile broadband

Mobile Broadband

Magnus Ewerbring Ph. D.
Director, Product Line WCDMA RAN

Impressive broadband growth

Mobile broadband overtakes fixed

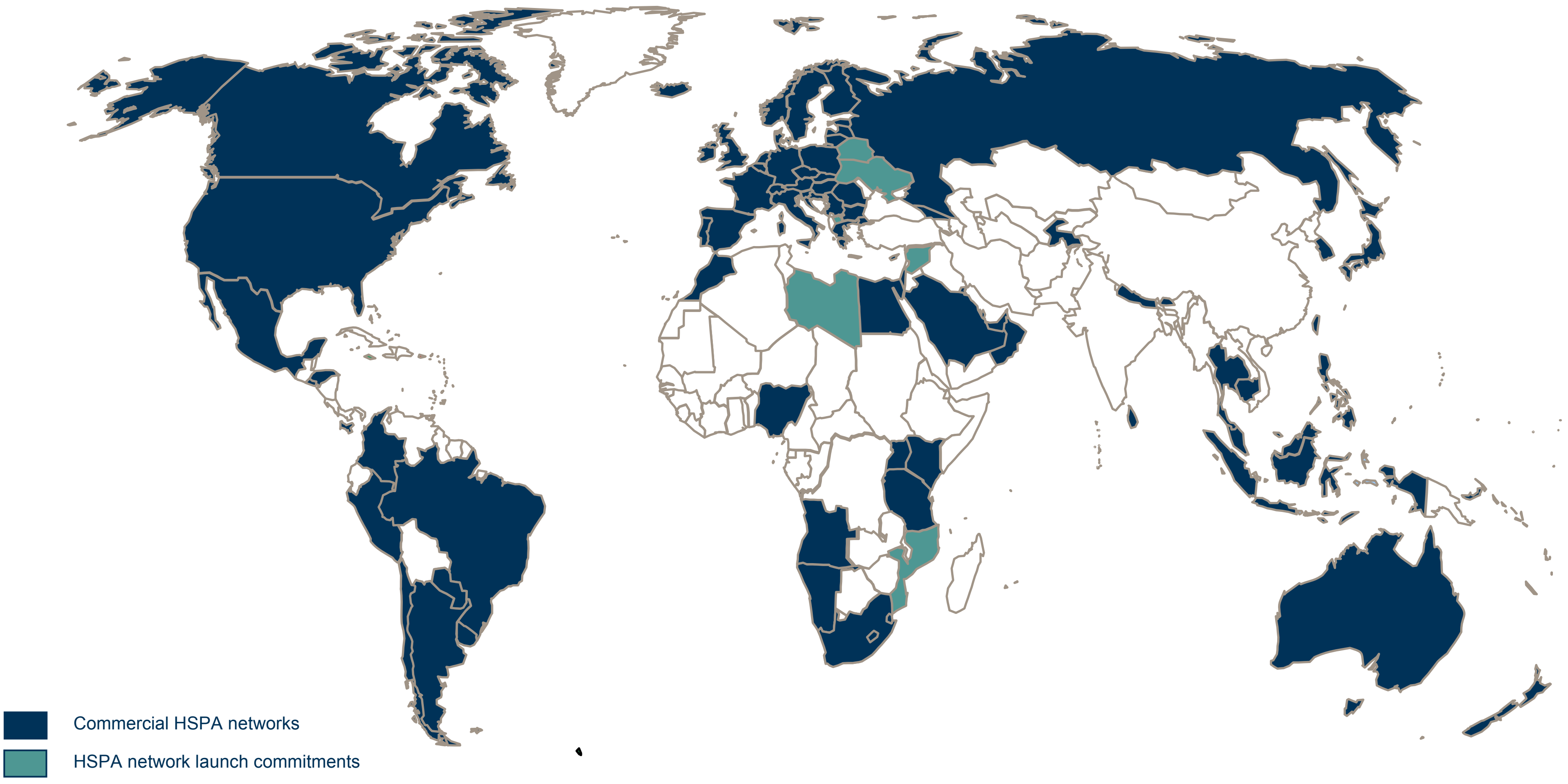


Mobile Broadband includes: CDMA2000 EV-DO, HSPA, LTE, Mobile WiMAX, Other
Fixed broadband includes: DSL, FTTx, Cable modem, Enterprise leased lines and Wireless Broadband

Source: Internal Ericsson

The Internet goes mobile

207 commercial HSPA networks



Source: GSA – Global mobile Suppliers Association: May, 2008

More than 600 HSPA devices

150 percent annual growth

- More than 300 HSPA phones, media players, cameras
- More than 100 PC data cards/modules
- More than 100 notebooks
- More than 50 wireless routers

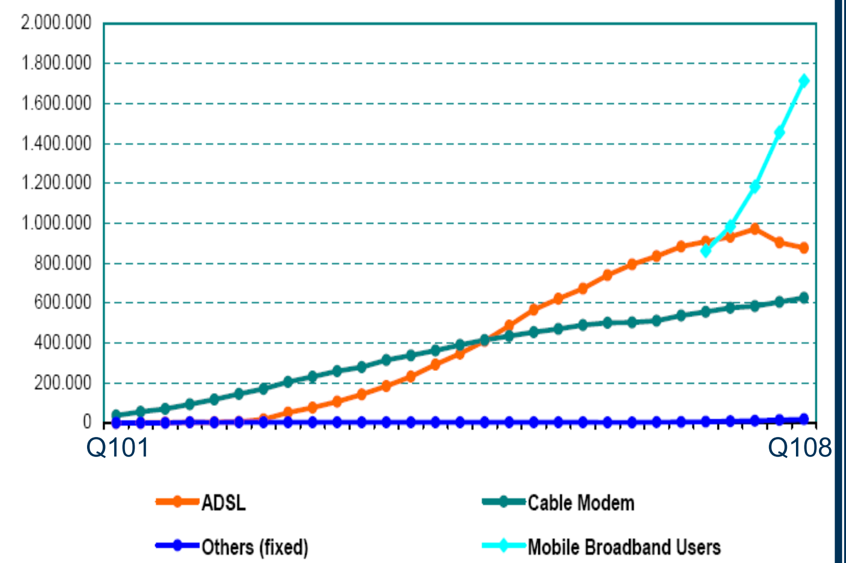
(GSMA Apr.'08)

Five times more devices, three times more suppliers in one year

Strong mobile broadband growth

Portugal	Mobile Access	Fixed Access
Subscribers	1.7 million	1.6 million
Q108 growth	+18%	-2.5%

Sweden
437,000 mobile broadband subscribers added 2007
More than 1 million forecast by end of 2008
Higher growth rate than fixed *(DSL: 231,000 in 2007)*



Internet access in Portugal, fixed and mobile

Source: ANACOM

Mobile broadband access is larger than fixed in Portugal

Excellent speed, HSPA benchmark

Average speed tests, Sweden

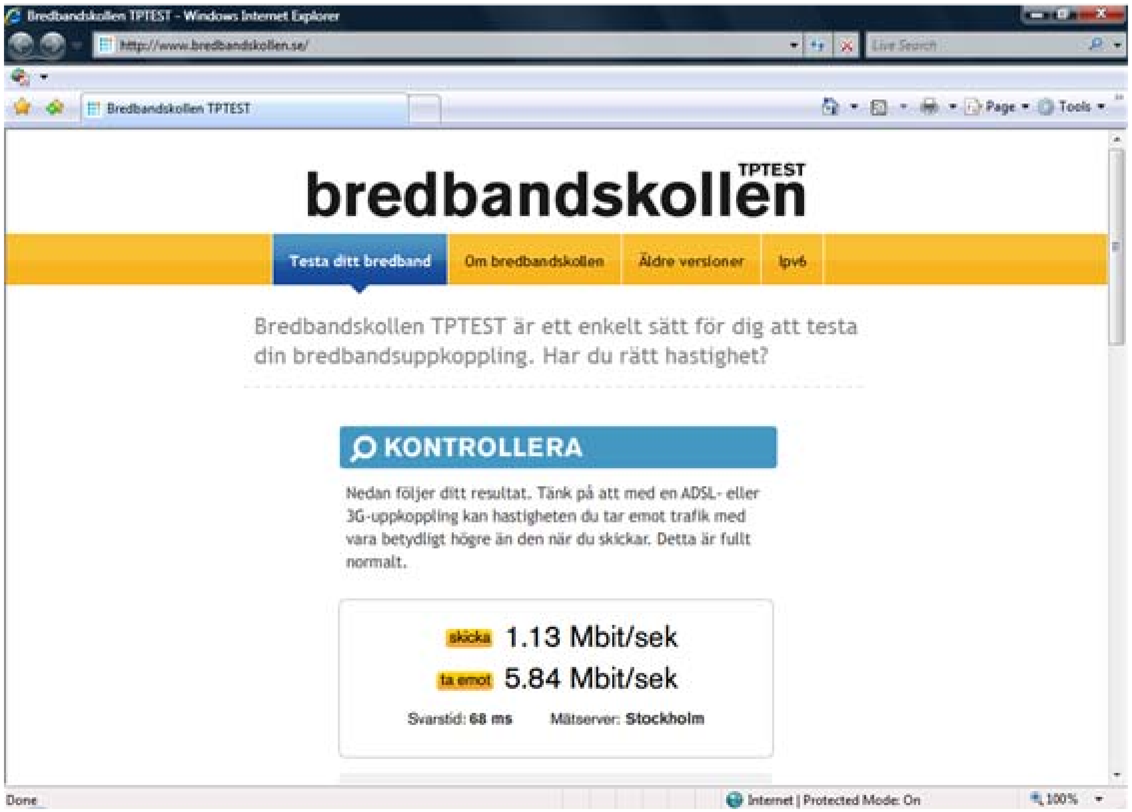
	ERICSSON Operator 1 [Mbps]	Vendor A Operator 2 [Mbps]
Stockholm 70 spots, inner city & suburbs	3.9	1.4
Gothenburg 50 spots, inner city & suburbs	3.8	1.9
Malmö 40 spots, inner city & suburbs	3.8	1.3

http://www.aftonbladet.se/pryl/tele/article2252094.ab

Higher speed and better coverage with Ericsson

Ericsson MBB modules in the field

Stockholm 2008

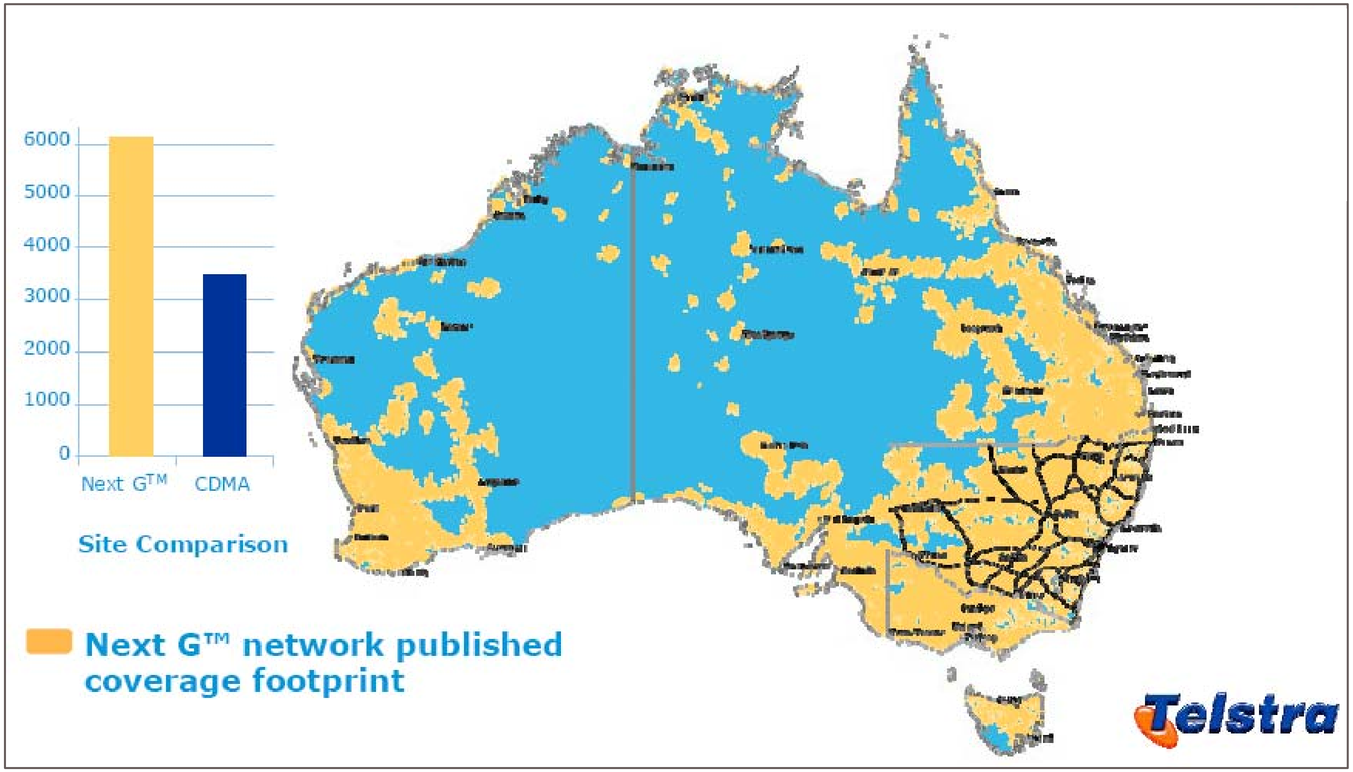


Result	
Uplink	1.13 Mbps
Downlink	5.84 Mbps
Response time	68 ms

Device peak capability: 7.2/1.4 Mbps

Fast Internet access anywhere

Complete coverage (99% pop.)
HSPA 14/1.4 Mbps, up to 125 mile range



Telstra Investor Day, Nov. 1 '07

Strong uptake with superior coverage and speed

Attractive HSPA pricing

On par with fixed broadband

$34 per month
3.6 Mbps 3 GB
Maxis Malaysia

$32 per month
7.2 Mbps unlimited
3 Sweden

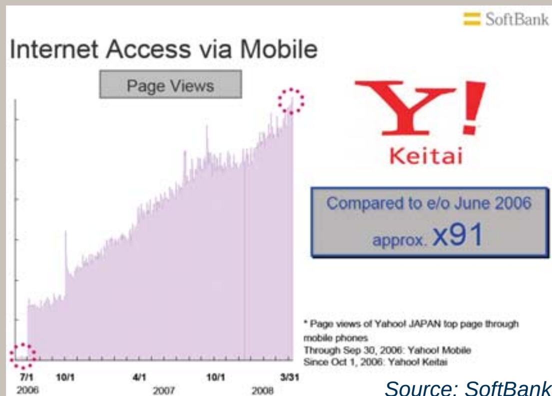
$31 per month
7.2/1.4 Mbps 3 GB
Mobikom Austria

$56 per month
7.2 Mbps Notebook included
The Phonehouse Sweden

Rapid uptake in consumer segment

Operator opportunity

Mobile Media



Source: SoftBank

Mobile Broadband

Any service anywhere
One network one investment

Mobile Voice

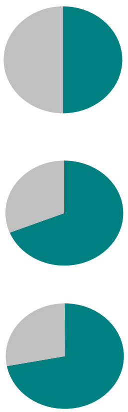
Fixed Broadband

Source: Telecompaper

Add new revenue streams; less OPEX and CAPEX

Ericsson–the leader in HSPA

	Launched networks	
	Ericsson	World
HSDPA	99 (50%)	198
HSDPA 7.2 Mbps	31 (69%)	45
Enhanced Uplink	26 (72%)	36



Source: GSA – Global Mobile Suppliers Association, May '08 & Ericsson internal

Continents		
N. America	Europe	Asia
S. America	Africa	Australia

Frequency bands		
2100	850	17/2100
900	1900	17/1800

First in all frequency bands

Ericsson HSPA leadership

- Coverage
  - Extended range, up to 125mi
  - Co-site GSM850/900 & HSPA1900/2100
- Capacity
  - Superior radio resource handling
  - User/Service priority handling
- Performance
  - Highest peak rates
  - Lowest latency

Smooth upgrade to HSPA Evolution

HSPA evolution

Downlink

3.6 Mbps

15 codes

14 Mbps

64QAM

2x2 MIMO

21 Mbps

28 Mbps

Both

42 Mbps

Multi Carrier
Higher Modulation
Combinations

80-160 Mbps

Uplink

20-40 Mbps

Multi Carrier

12 Mbps

16QAM

6 Mbps

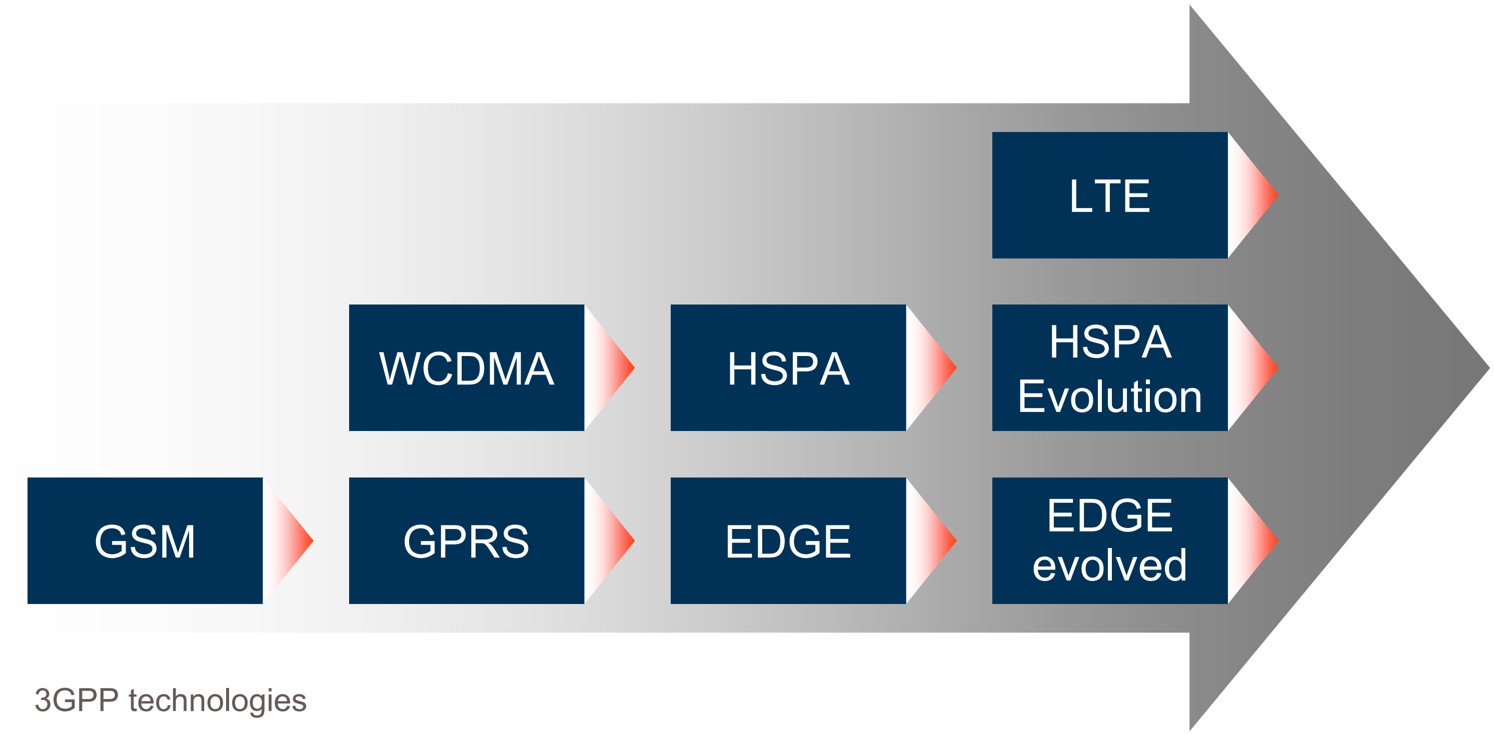
2 ms TTI

1.4 Mbps

0.4 Mbps

>100× speed, 10× capacity, HSPA compared to WCDMA Rel.99

Radio evolution path



Strongest evolution path

Multi-standard RBS site

GSM/WCDMA/LTE

Quarter size

Double capacity

Integrated site power

Integrated transmission

Example, 1 cabinet:
- 3×6 GSM
- 6×4 WCDMA
- 3×4 LTE

Higher efficiency, lower OPEX

Summary

- HSPA in wide commercial use
- Fast growth of mobile broadband
- Excellent Internet experience with HSPA
- Ericsson leads HSPA evolution
- Ericsson multi-standard products provide smooth evolution

Creating a Mass Market for Mobile Broadband

Magnus Kristersson
Head of Product Management
Mobile Broadband Modules

Agenda

- We embed things
- The market
- What Ericsson is doing

Consumer electronics is going mobile

Three waves of embedding mobile broadband

1

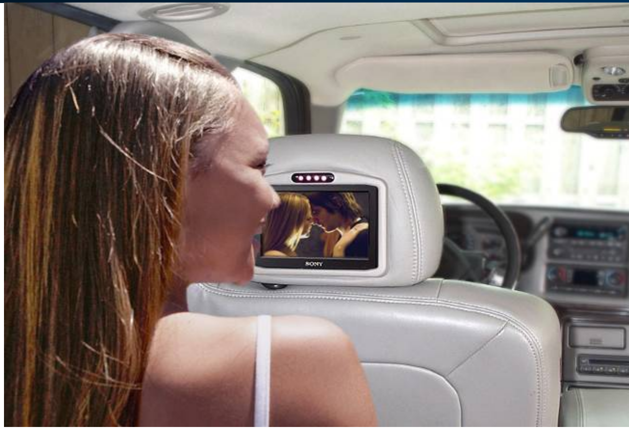
Bundled offerings with notebook and mobile broadband

2

Netbook/consumer notebook

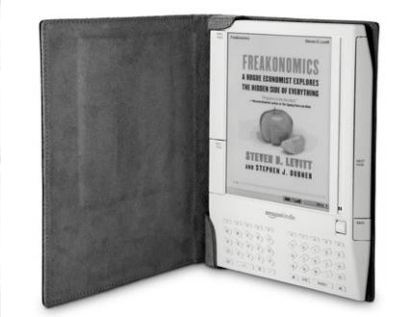
3

Navigation, car entertainment, gaming, cameras, MIDs



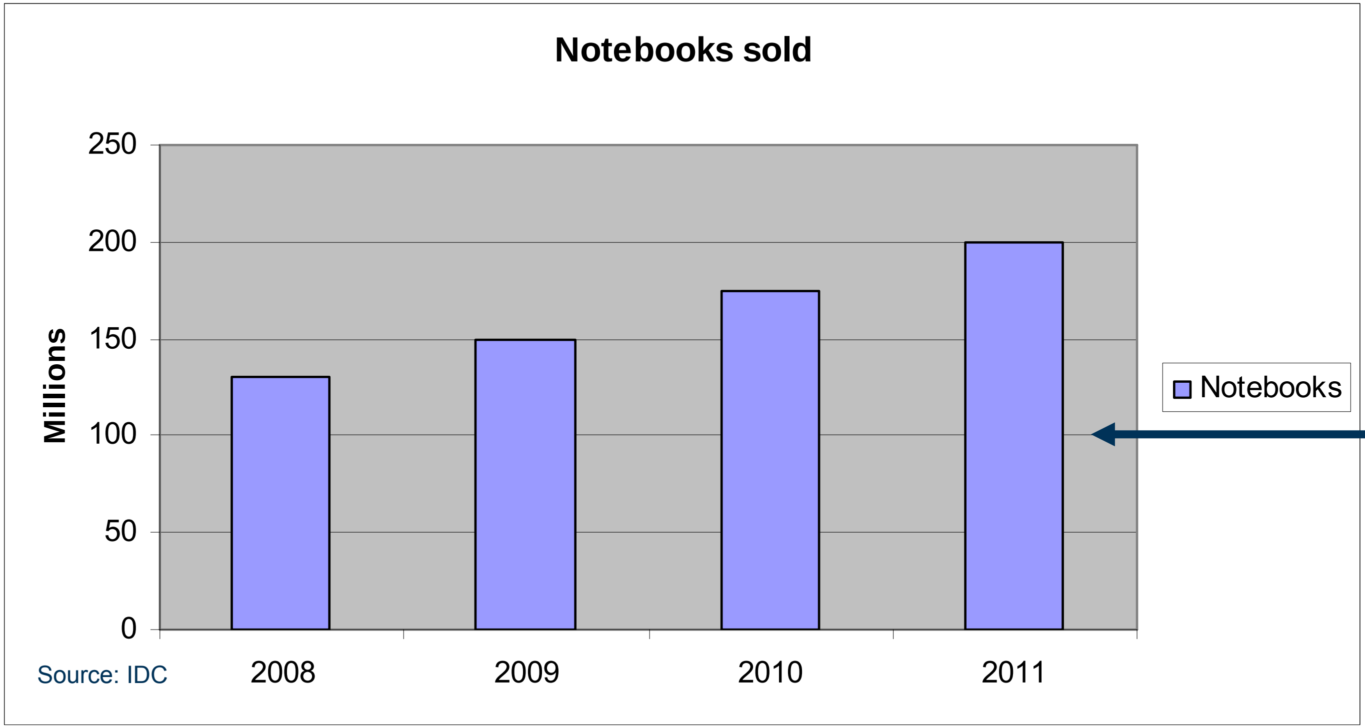
2008 is the tipping point between niche and mass market

Notebook – (R)evolution



Thinner, lighter, connected

Notebooks

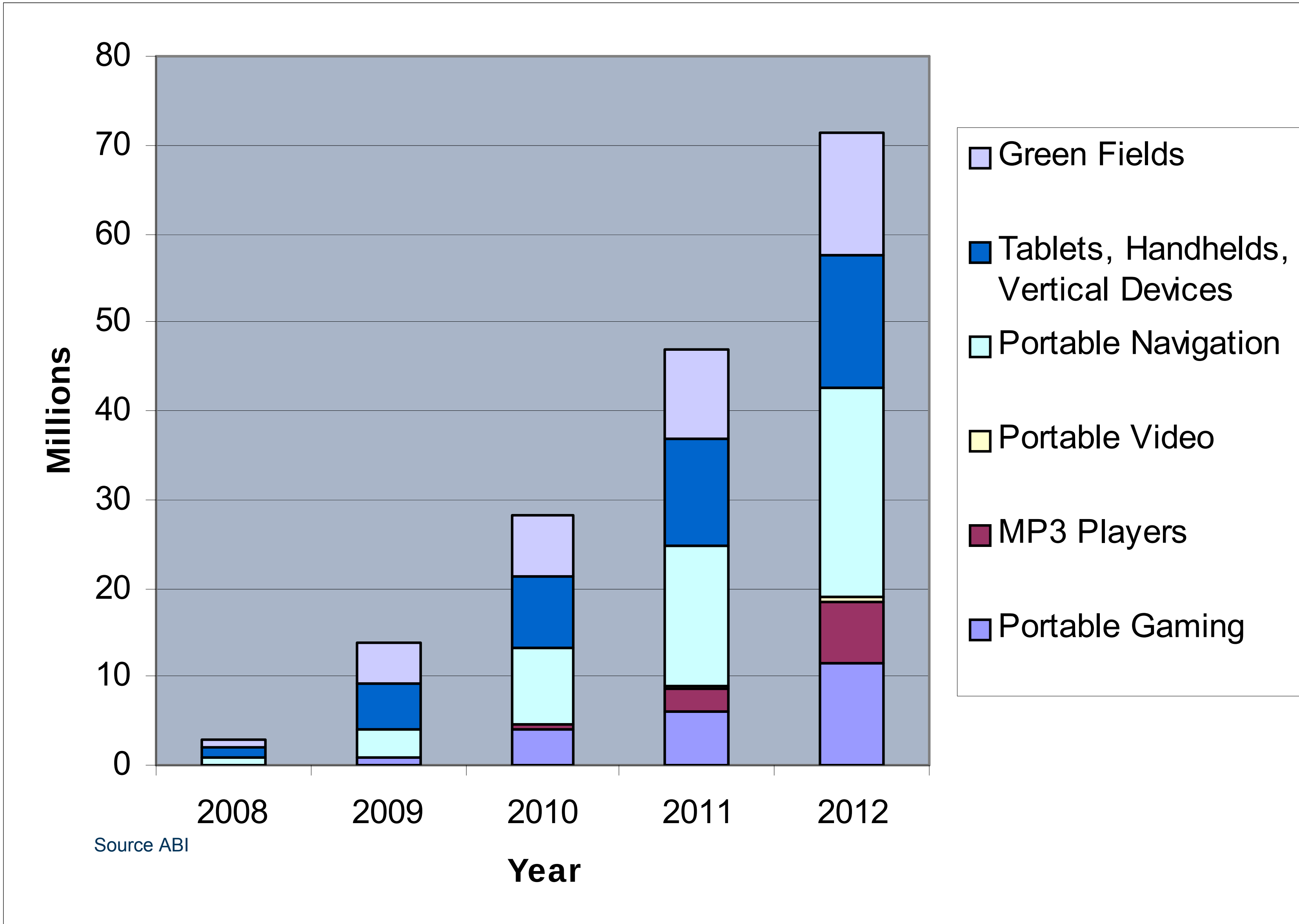


50% with inbuilt mobile broadband by 2011

Ericsson target

- The notebook is the primary device to consume data and drive traffic
- Half of all PCs purchased are notebooks

Mobile Internet devices



The mobile broadband devices

- From 8 kbps to 7 Mbps
- From large modems to embedded modules
- From expensive units to cost-efficient chipsets

Ericsson Mobile Broadband Modules

- Objectives:
  - Being a catalyst in creating the mobile broadband ecosystem with high-performing products at competitive prices.
  - More than half of notebooks shipped in 2011 will have mobile broadband modules. Ericsson will be the market leader.

- The product, available now:
  - **Form Factor:** PCI Express Mini Card
    Smaller form factor for CE devices in 2009
  - **Modes:** HSPA/WCDMA/EDGE
    LTE module in 2010
  - **Bands:** WCDMA triple band
    GSM/EDGE quad band

Vision: Mobile broadband in all notebooks and other connected devices

Benefits of inbuilt mobile broadband

Simple	Ready to go Connection automatically resumed after standby mode
Secure	Can’t lose or break the modem Built-in theft deterrence, protection of data
Superior	Worldwide coverage Optimized wireless performance and enhanced battery life Optimized with Intel’s processor technology Built-in GPS
$avings	Fewer assets to handle One-call ordering and support No local, user-based, purchasing decisions Worldwide coverage

Expanding business

Faster to market

- Established relationships with operators worldwide
- Long experience in radio testing
- Simple business model and strong IPR position
- Optimized with Intel's notebook platforms

3 of the top 5 PC brands are Ericsson customers

lenovo

DELL

TOSHIBA

The Result - Wireless Innovation and Leadership

- 3G WMobile Broadband in every ThinkPad
  - Mobile Broadband availability for targeted markets
  - System price with Mobile Broadband ~ to ThinkPad without Mobile Broadband
  - Leveraging common global standard (HSPA)
- Game changing business model
  - 3G the default wireless alternative
  - Enables carrier and channels to harvest subscribers
  - Live out of box connectivity with 30 day trial
- Strategic Alliances with industry leaders to drive business model change
  - Ericsson
  - Service providers
- Catalyst for change
  - Changes the way Mobile Broadband goes to market

WANted

lenovo

Summary

- Mobile broadband is here now
- Embedded will be the norm
- Embedded will be part of devices of many form factors
- Ericsson has a complete ecosystem and is driving the market development
- 2008 is a tipping point between niche market and mass market

Built-in mobile broadband

Simple	Secure
Superior	$avings

Television powered by Full Service Broadband

The individual TV experience

Arpit Joshipura
Head of IP Solutions
Ericsson Sales and Marketing

Eugene Sarmiento
Head of Sales Development, IPTV
Ericsson Multimedia

Peter Linder
Director, End to End Network Solutions
Ericsson Networks

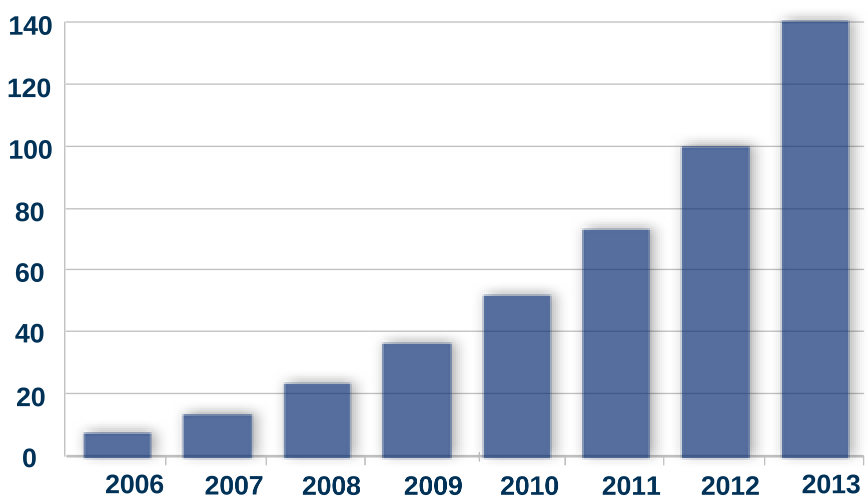
Topics

ERICSSON RACING TEAM

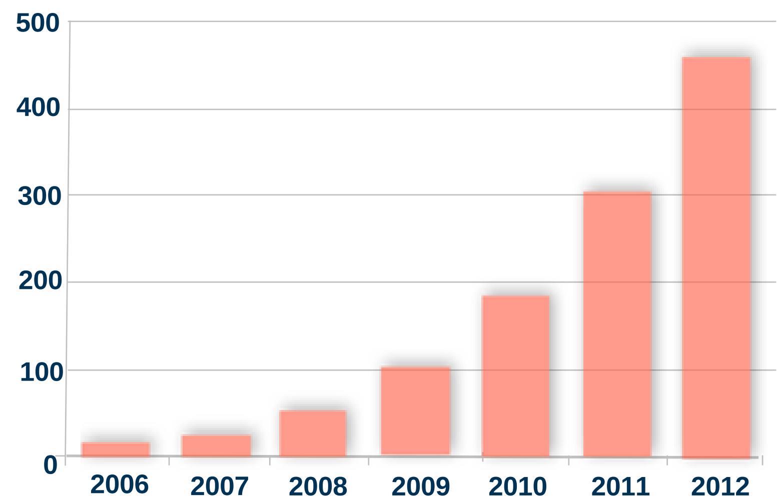
- Ericsson TV – Vision, Differentiators & Leadership
- Ericsson TV Solution – Service Layer
- Ericsson TV Solution – Network Layer

Fixed Facts - Why TV ?

IPTV Subscribers to grow from 12M in 2007 to 140M in 2013



Mobile TV Subscribers to grow from 20M in 2007 to 460M in 2012



IPTV - The only "**Efficient**" way to get:

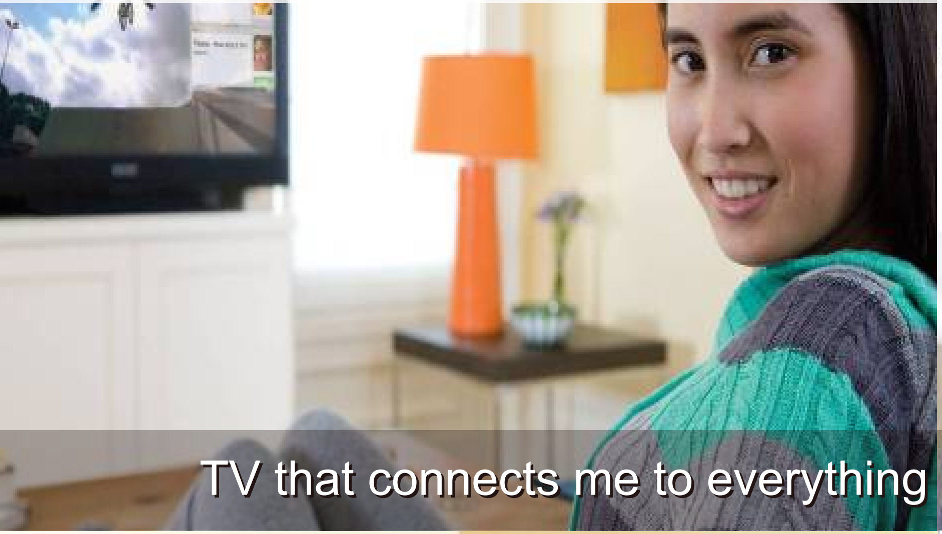
- Interactivity, Integrated Communications and On Demand for Video/TV
- HDTV/Video Ready differentiated Network offering using NextGen Fixed Network

Offensive/Complementary Strategy for Telcos with Internet Players

Defensive Strategy for Telcos against Cable and Satellite Operators

- Get a $90 ARPU customer without loosing $30 Voice & $25 Data Customer

The Individual TV Experience



TV that connects me to everything

TV that is personal

TV has to be High Quality

TV that is worth the money

Towards a converged world

The Individual TV Roadmap

Yesterday

Interactive Communications

Today

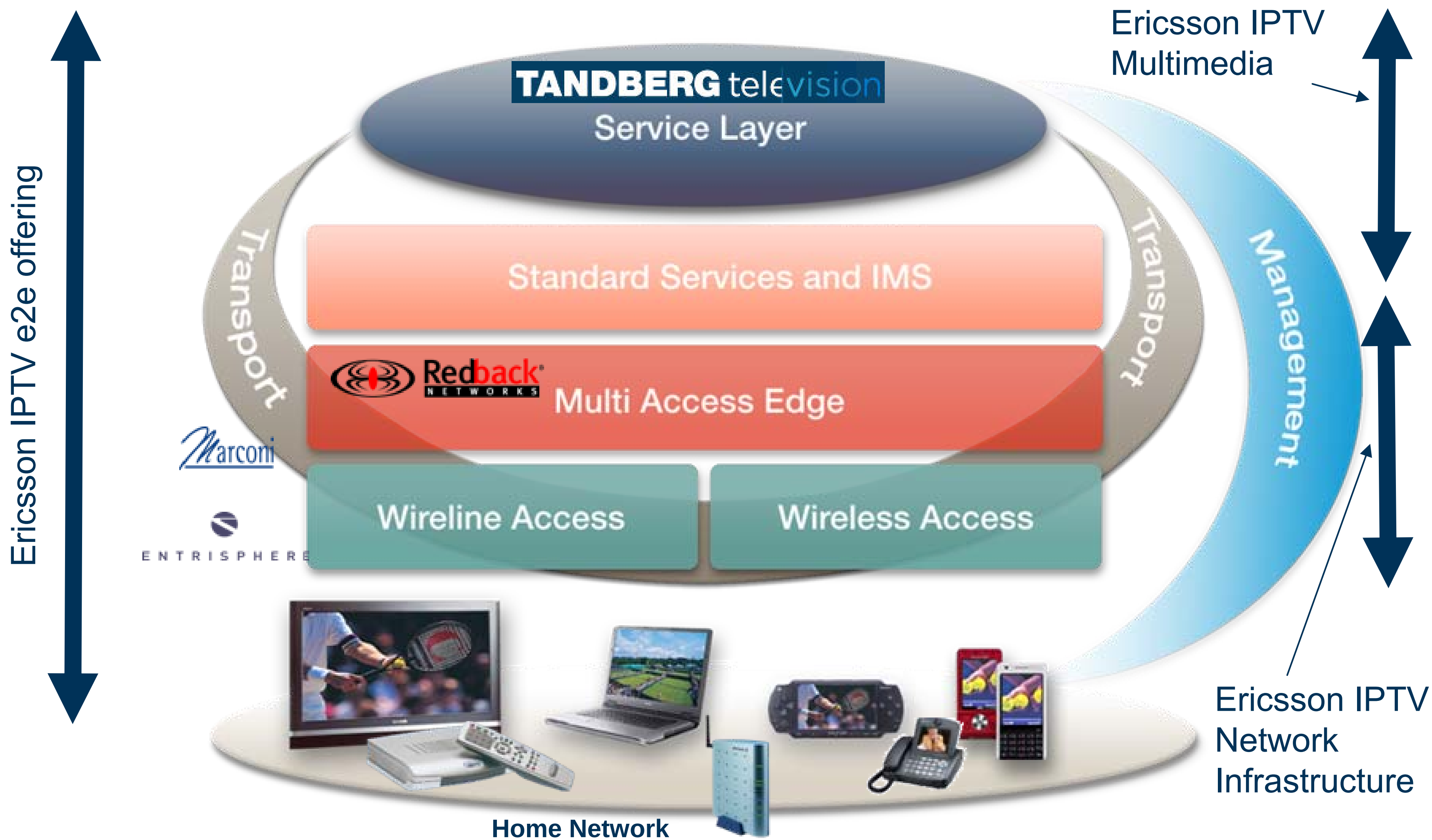
Convergence

Tomorrow

Media Anywhere

Ericsson Entry into TV

Acquisitions in 2007, now integrated into end to end solution



Perception established in 2007

HEAVY READING
REAL WORLD RESEARCH

Overall Rankings		
Vendor	Ranking	Score (Max of 80)
Cisco	1	73.5
Ericsson	2	65.8
Alcatel-Lucent	3	57.8
Nokia-Siemens	4	45.9
Juniper	5	44.2

Fixed and Mobile TV
(Multi-Platform Video)

TELECOM CONSULTING
DITTBERNER®
SINCE 1966

Overall Rankings		
Vendor	**Ranking**	**Score (Max of 10.0)**
Cisco	1	6.8
Ericsson	2	6.1
Alcatel-Lucent	3	5.9
Motorola	4	5.5
Juniper	5	5.4

IPTV and CableTV

Perception Continues into 2008

INFONETICS RESEARCH

Overall Rankings		
Vendor	Ranking	Score (%)
Microsoft	1	50%
Ericsson	2	30%
Cisco	3	20%
Alcatel-Lucent	4	10%
Nokia-Siemens	5	10%

IPTV and Video
Perception Survey, Service layer

Current Analysis

Overall Rankings		
Vendor	Ranking	Score
Cisco	1	
Ericsson	2	
Alcatel-Lucent	3	
Motorola	4	
Nokia-Siemens	5	

IPTV Solution
6 Selection Criteria

Ericsson TV Strategic Differentiators

TV From Niche to Masses

Driving the world's **first open** ecosystem for TV that allow operators to create a **mass market** for multiple millions of Televisionary users.

Converged TV Any Platform Any Device™

The **only** true converged solution in the world for Mobile TV & IPTV evolving existing Fixed and Mobile Networks

Ericsson TV The numbers

Proven in 15 of Top 20 carriers and over 200+ carriers worldwide. 2-4X the scale/capacity (**End to End)

Up to 90% TCO savings (Open applications development)

Ericsson TV Solution in a nutshell

World Leader in HeadEnd
(31% Market Share, 16K IPTV channels deployed)

Leading VOD and HDTV deployments
(90% NA VOD is managed by Ericsson

First Service Blended offering

90% Cost Savings on New
Application Deployments

Packet Optical
Transport

QoS per service

2X Scale for TV
against competition &
Savings of 58% TCO

Single platform for
different types of
TV/Video (IPTV,
MobileTV, NetTV,
P2PTV, Business)

Leading Scale & Capacity
(eg GPON is 4X Capacity
and 4X #of Digital Video
channels)

Set Top Box Interop, Open Ecosystem for 3
screens with Integrated Mobile Broadband in
Laptops & Mobile Devices

World Leader in Mobile Broadband/TV

Common access with guaranteed evolution
(quality, peak rates, broadcast capabilities)

Leading Architecture & Prime Integrator

Ericsson TV - deployment Proof

85% of the US cable operators use Openstream VoD Backoffice
225+ Head End Contracts with 15K+ IPTV channels
12+ End-2-End IPTV Contracts

Optical Platform for IPTV

5 of 10 largest IPTV deployments use Ericsson IP

4 Top Tier 1 Telcos with Ericsson GPON/VDSL2 Access

60+ Mobile TV End to End
>48 Use Ericsson Access

15 of Top 20 IPTV & Over 200 Operators use Ericsson for TV

Ericsson TV offering

Well-positioned against the competition

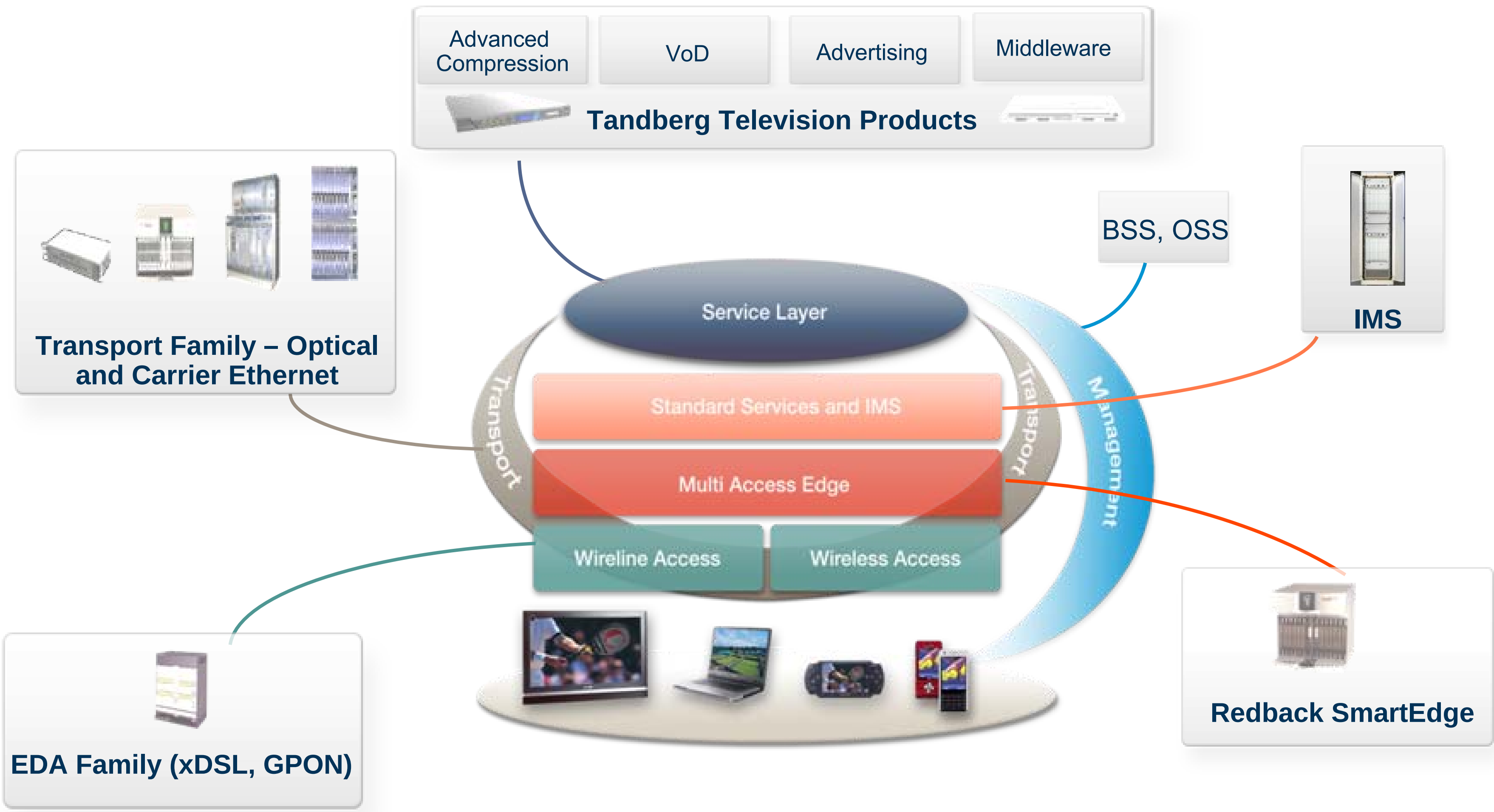
In-house | Partner

	Home Environment	Broadband Access	Multi Access Edge	IMS	Video Head-End	VOD & Content Distribution Mgmt	Middleware Systems	System Integration
Cisco	In-house	Partner	In-house	Partner	In-house	In-house	Partner	Partner
Alcatel-Lucent	Partner	In-house	In-house	In-house	Partner	Partner	In-house	In-house
Microsoft	Partner	Partner	Partner	Partner	Partner	In-house	In-house	Partner
Huawei	Partner	In-house	In-house	In-house	Partner	Partner	Partner	Partner
Nokia Siemens	Partner	In-house	Partner	In-house	Partner	Partner	In-house	In-house
Motorola	In-house	Partner	Partner	In-house	In-house	Partner	Partner	In-house
ERICSSON	Partner	In-house	In-house	In-house	In-house	In-house	In-house	In-house

The only complete, open and converged TV offering

Ericsson TV Offering

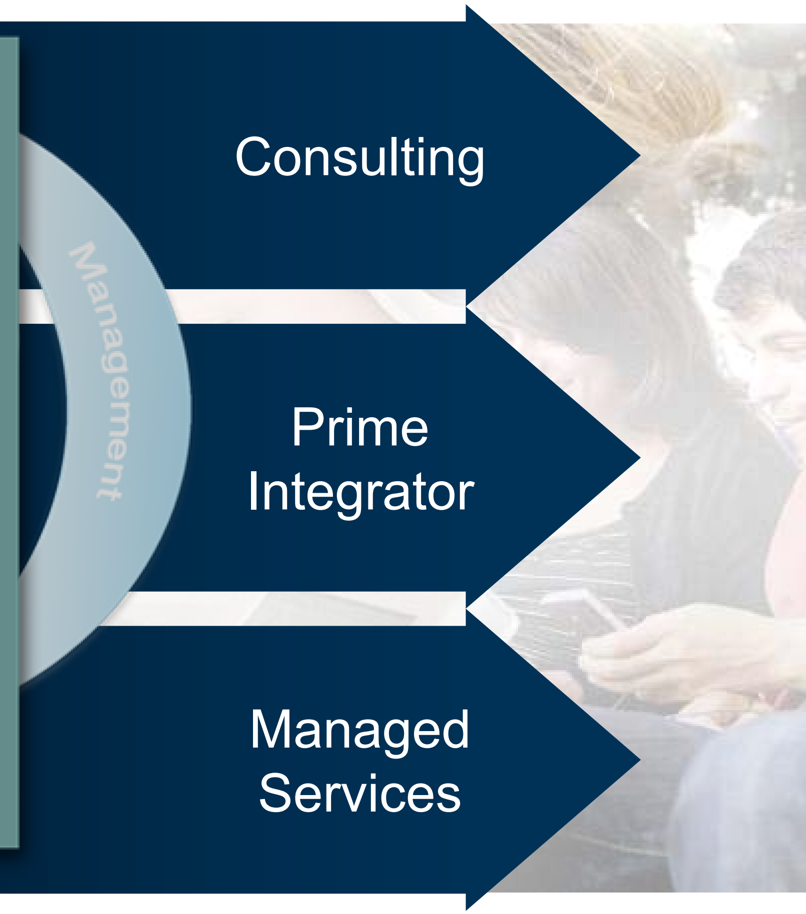
Integrated and Tested End to End



Ericsson as Business partner

- Network rollout
- Education
- Network design
- Customer support

- Managed operation and hosting
- Systems integration
- Business and technology consulting



Global best practices - tools, methods and processes

ERICSSON

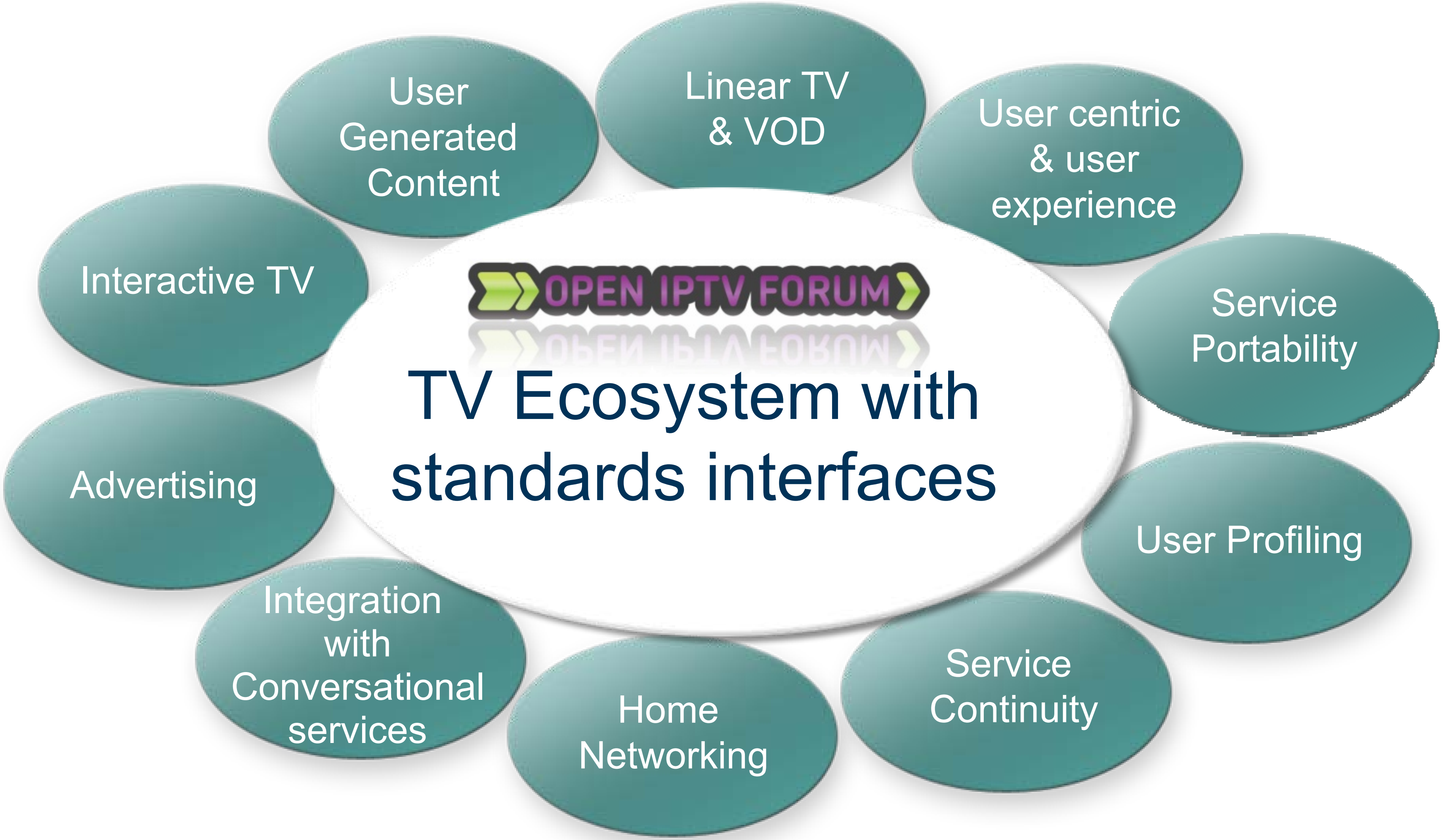
Topics

- Ericsson TV – Vision, Differentiators & Leadership
- Ericsson TV Solution – Service Layer
- Ericsson TV Solution – Network Layer

Ericsson TV is much more than 'TV'

TV Features

from Niche to Mass Market



The Ericsson TV Offering

Broadcast TV

Video on Demand

Time shift TV

HDTV

Electronic Program Guide (EPG)

Network and local Personal Video Recording

Systems integration

Other services e.g. games, advertising etc.

Charging

QoS monitoring

Feature Rich and Open, 250+ Multi-Media Use Cases

Features Roadmap for Television

Near term opportunities	Mid term opportunities	Longer term opportunities
- DVR Functionality - VoD – Movies & TV - Simple communications (Caller ID on the TV) - Search and Navigation - Set-top-to-PC links - Widgets (traffic, weather, news) - Casual games (casino, word, strategy, kids, sports)	- Blending of locally generated video content - Web video blending - Limited Internet-like features - remote access and place-shifting content - Targeted advertising - Social networking enhancements - Additional storage	- Motion sensing remotes - Video calling - Entertainment and communications blending (i.e. Voice services for gaming) - T-commerce - Home and health - Community features

Ericsson TV Unique Features (Sample)

- Cross Platform/Contextual/Dynamic Targeted Advertising
- TV Centric Social Networks through Presence and Messaging
- Automated ingest/workflow support for content catalog handling & publishing.
- SDK for blended service development.

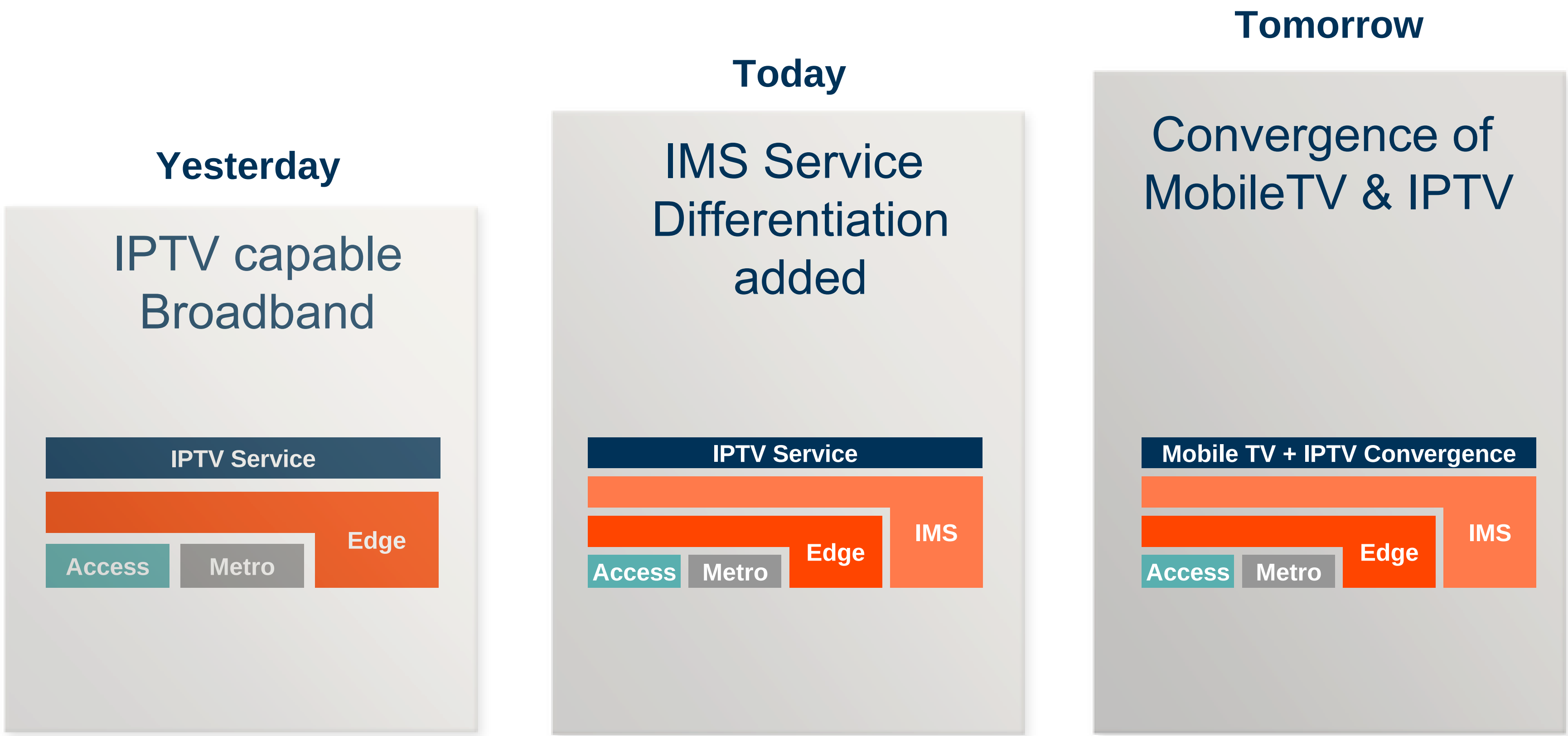
Source: Parks and Associates

Topics

- Ericsson TV – Vision, Differentiators & Leadership
- Ericsson TV Solution – Service Layer
- Ericsson TV Solution – Network Layer

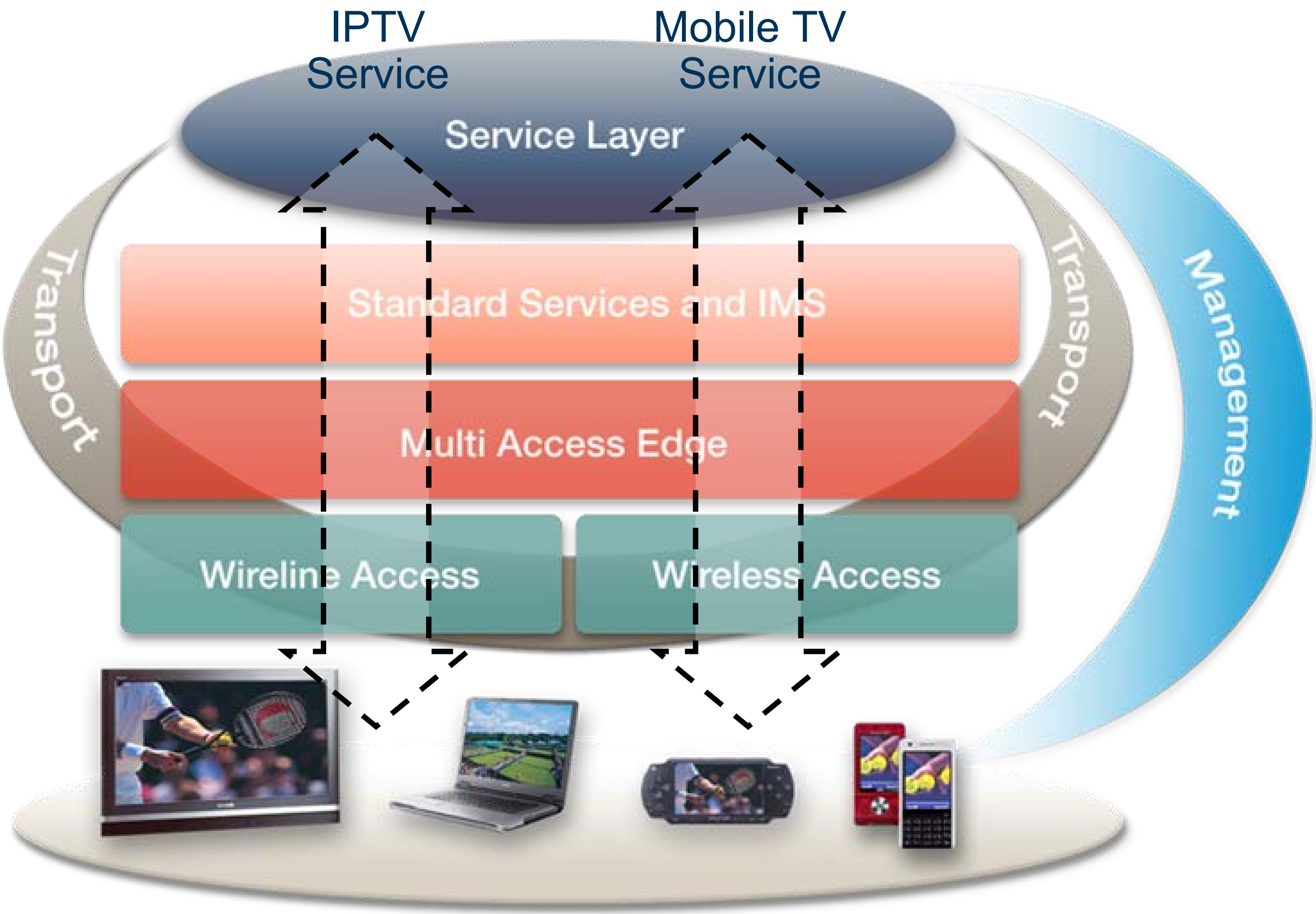
Ericsson TV network

The network layer brought to market in three distinct steps

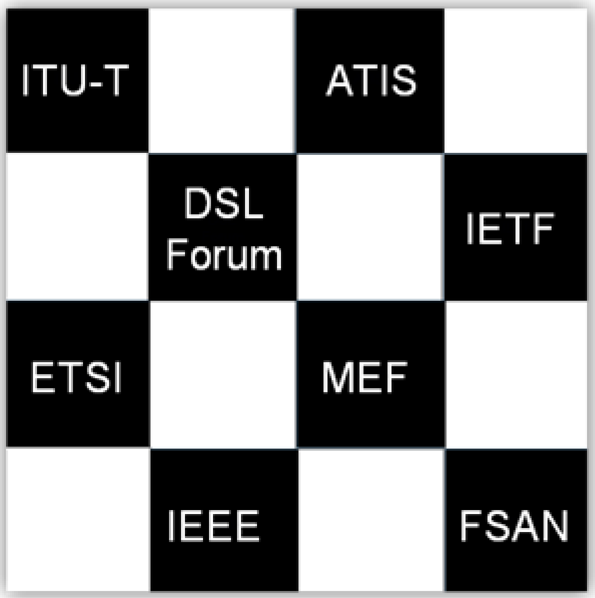


TV

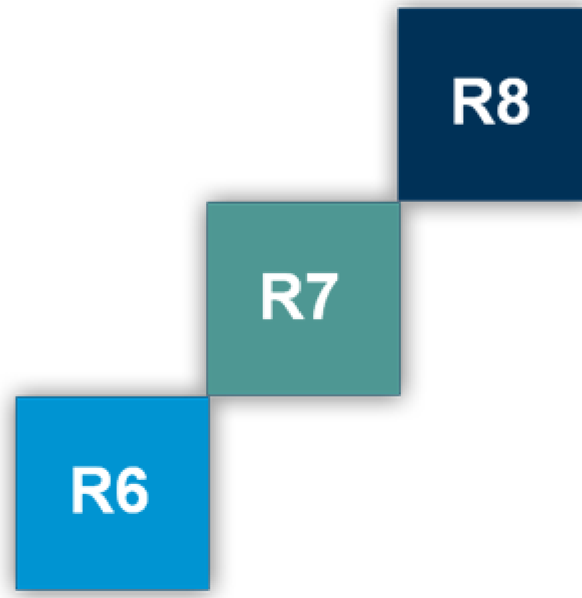
Shaping fixed and mobile networks



Two different standard worlds



Fixed Broadband Networks
Many standards – No Architecture



Mobile Networks
One Global architecture – Annual Revisions

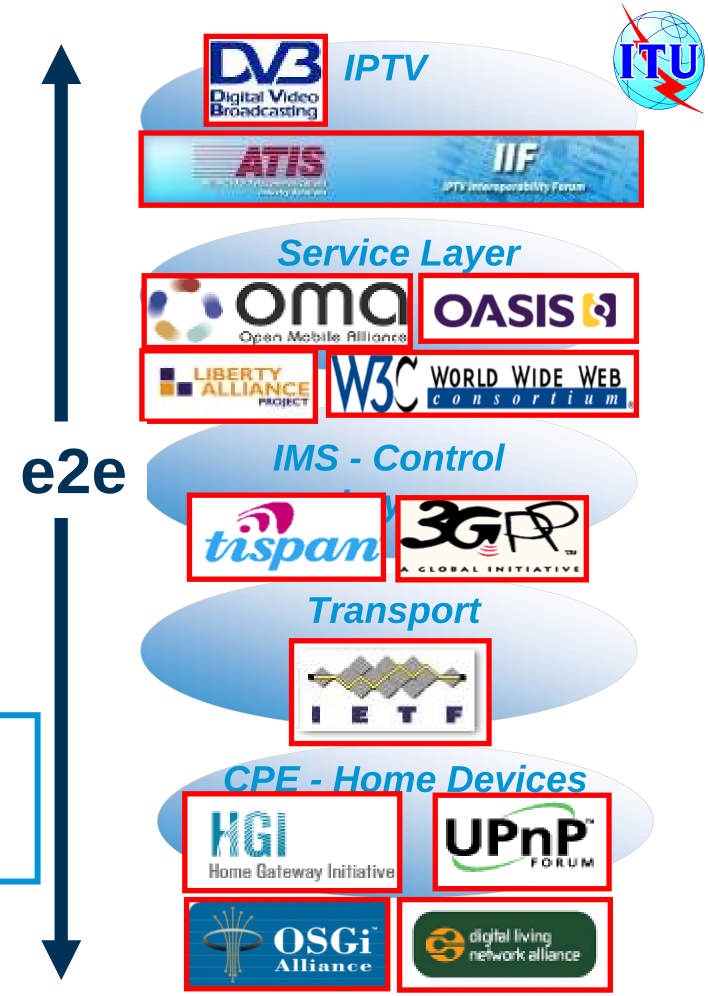
Marry fragmented Fixed Broadband standards with a holistic 3GPP architecture

OPEN IPTV FORUM

The standardization issue…

- Multiple Standards required by IPTV … most already exist
- IPTV solutions also include Proprietary technology
- Integration requirements lead to limited interoperability and economics of scale

Open IPTV Forum works towards an interoperable IPTV solution



Standardization - a success factor for IPTV mass market

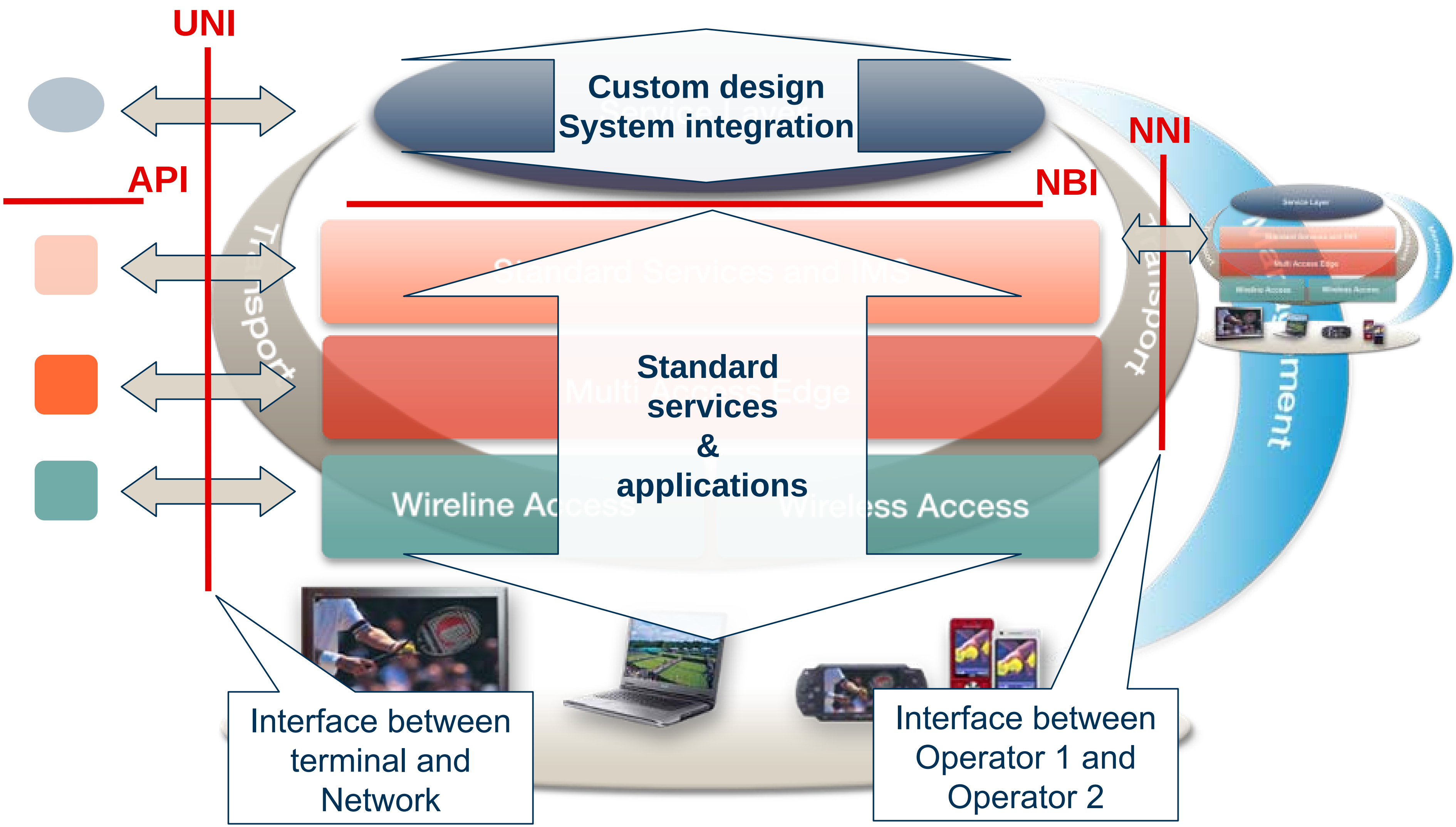
OPEN IPTV FORUM

37 strong members today, more to come, (including Access Systems Europe)

Please observe, some are active in more than one ”box” below

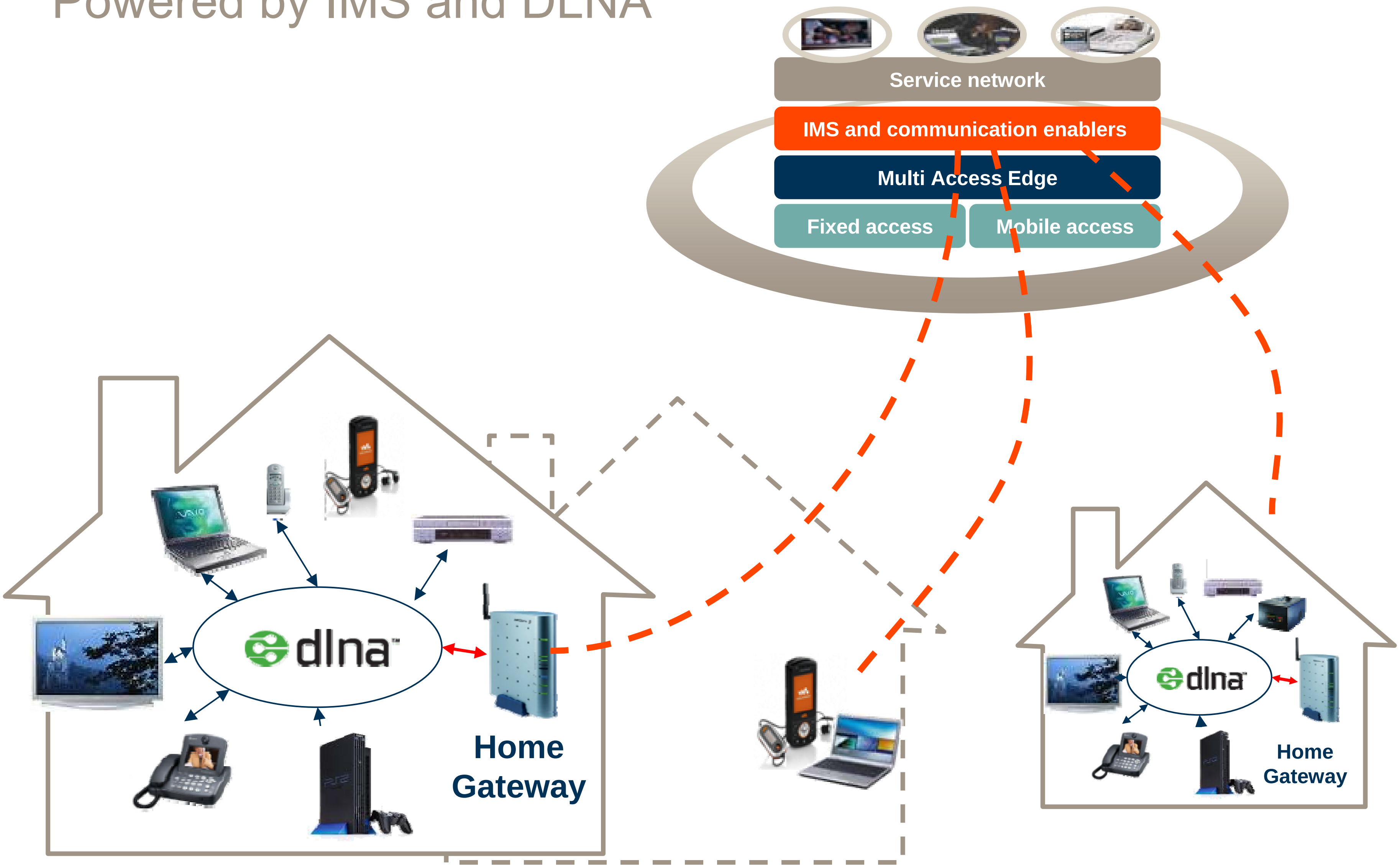
Operators	CE vendors	Network vendors	Set-top box	Middle Ware/other
T	FUNAI	Alcatel·Lucent	amino Shaping IPTV	accenture High performance. Delivered.
FASTWEB	LG	ERICSSON TAKING YOU FORWARD		ant
ftgroup	Panasonic	HUAWEI	THOMSON images & beyond	ASTRA
swisscom	PHILIPS		tilgin	bee
TELECOM ITALIA	SAMSUNG ELECTRONICS	Nokia Siemens Networks	ZyXEL	DF Digital Fountain
Telefónica	SHARP	ZTE中兴		intel Leap ahead
TeliaSonera	SONY			intertrust
	TOSHIBA			OPERA software
				QUATIVE
				Sun microsystems
				verimatrix

Full Service Broadband Architecture



Connected Digital Home

Powered by IMS and DLNA

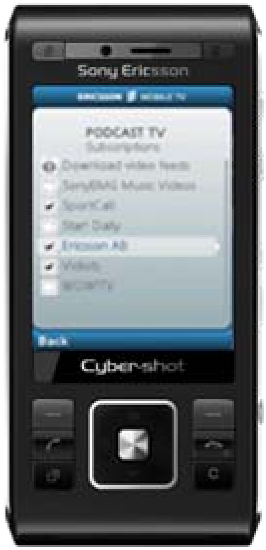


Ericsson Mobile TV

"Linear TV"

"On-demand TV"

"Podcast TV"



"Linear TV"
- Traditional scheduled TV
- Selection by brand/channel
- Fast Channel Switching

"On-demand TV"
- Streaming/download
- Selection by content/search
- Rewind, fast forward

"Podcast TV"
- Off-line consumption
- Subscription based
- Automatic updates

- Electronic Service/Program Guide (ESG/EPG)
- Personalized & Interactive
- Advertising

Based on a Full Service Broadband Network

The network as a TV differentiator

Four clear opportunities where capabilities varies between networks

Service Blending → IMS Introduction

Sending to the Network → Broadband

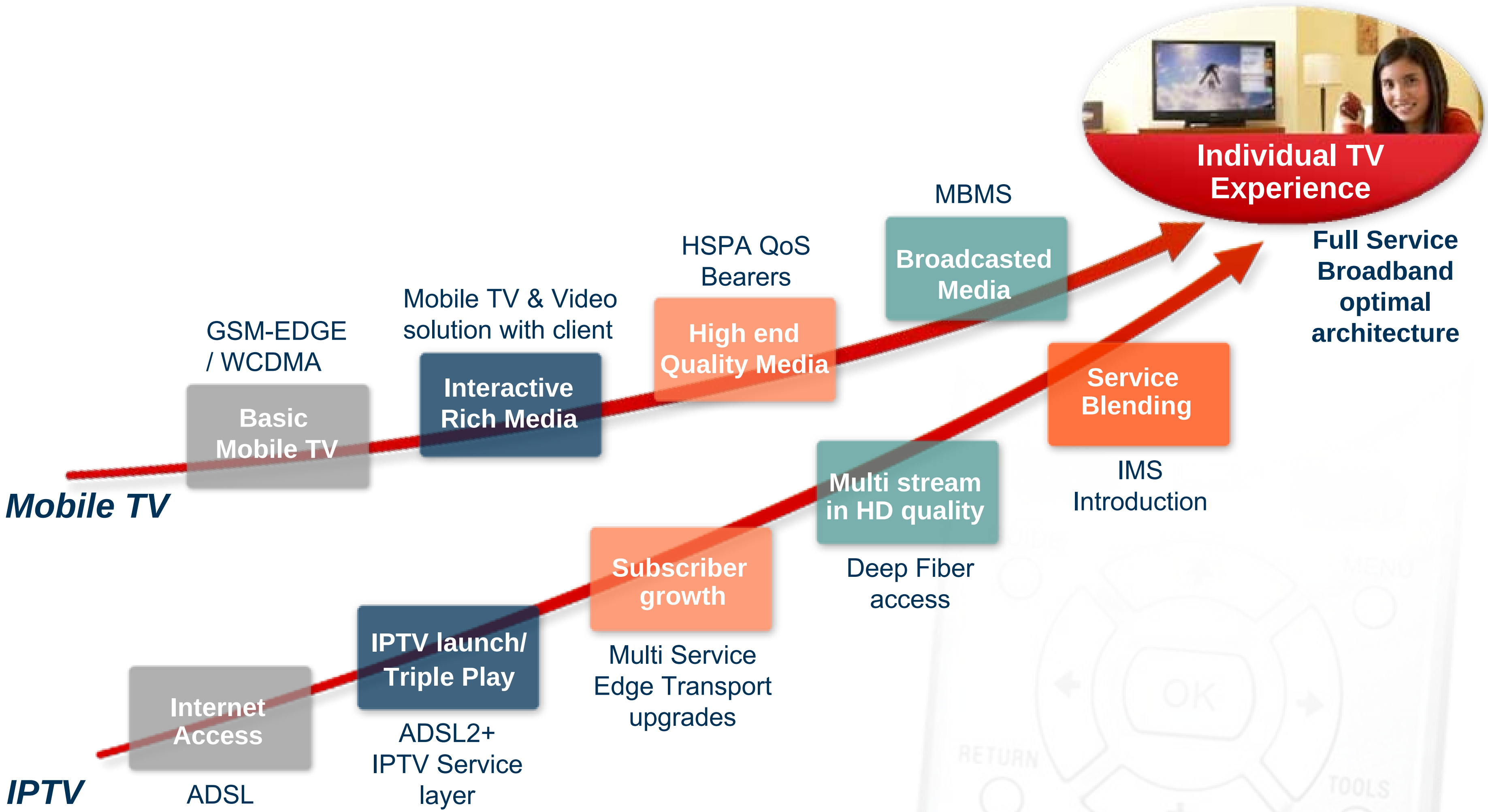
Multi-Stream/HD/Unicast → Deep Fiber Access + Transport Capacity

TV Convergence → IP Convergence

SONY

Full Service Broadband Transformation

Step by Step towards the Individual TV experience



Prime Integrator for TV distribution systems

Business Consulting		Systems Integration			Support
Define "TV" strategy	Propose solution Business case	Develop solution/ architecture Incl. operational process	Select & manage vendors	Integrate components/ solutions	Life cycle Management

- Ericsson Key differentiator
  - Holistic view
  - Understanding of IP consumer services
  - Technology, competence, methodes and tools to realize

Are you my Televisionary? – We make it happen!

Ericsson TV

Executive Summary

- Strategic Differentiators
  - First Open Solution – enables Niche to mass market transition
  - Only Converged TV solution – Any Platform Any Device™ leveraging existing fixed and mobile networks
  - Scale/Capacity of 2-4X, TCO Advantages up to 90%
- Customer Proof Points
  - Deployed in 15 of Top 20 IPTV Operators
  - Solution Elements proven in 225+ Operators
- Competitive Proof Points
  - Ericsson TV Ranked #2 by Analysts Survey of Operators
  - The Leading End-to-End Offering

Our converged, open, end-to-end proposition for TV

Multimedia

Energizing the Individual TV Experience

Prime Integrator

Bringing it all together

Full Service Broadband

Powering the Individual TV Experience

Services and Telecom

Peter Laurin

VP Multimedia, System Integration & Hosting, North America

Global Services strategy

Global Services

Networks

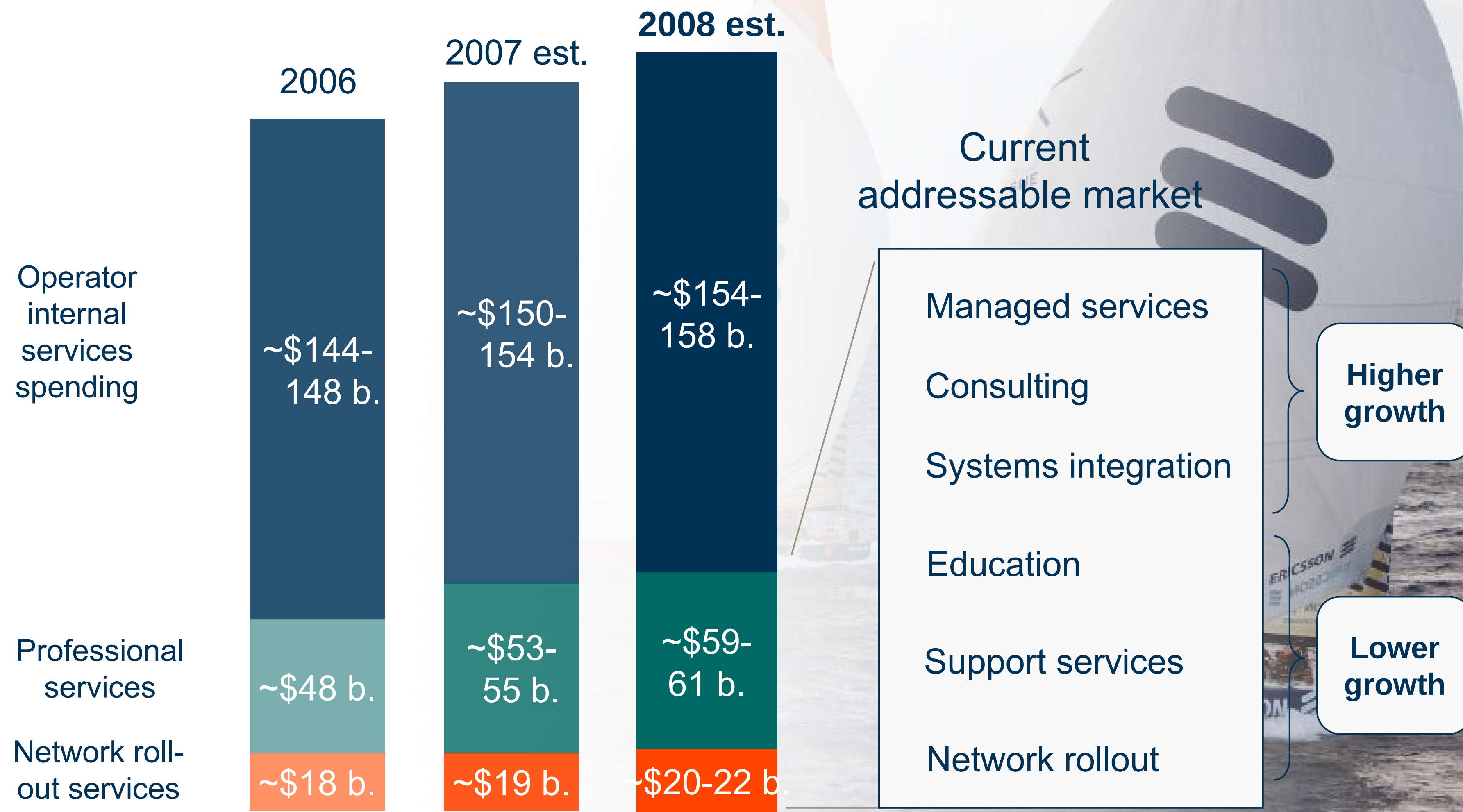
Multimedia

Expand services business

Managed services	Education
Systems Integration	Customer Support
Consulting	Network Roll-out

Grow services in Ericsson mobile, fixed and multimedia solutions

Telecom services market 2008



Continued good growth in Professional Services

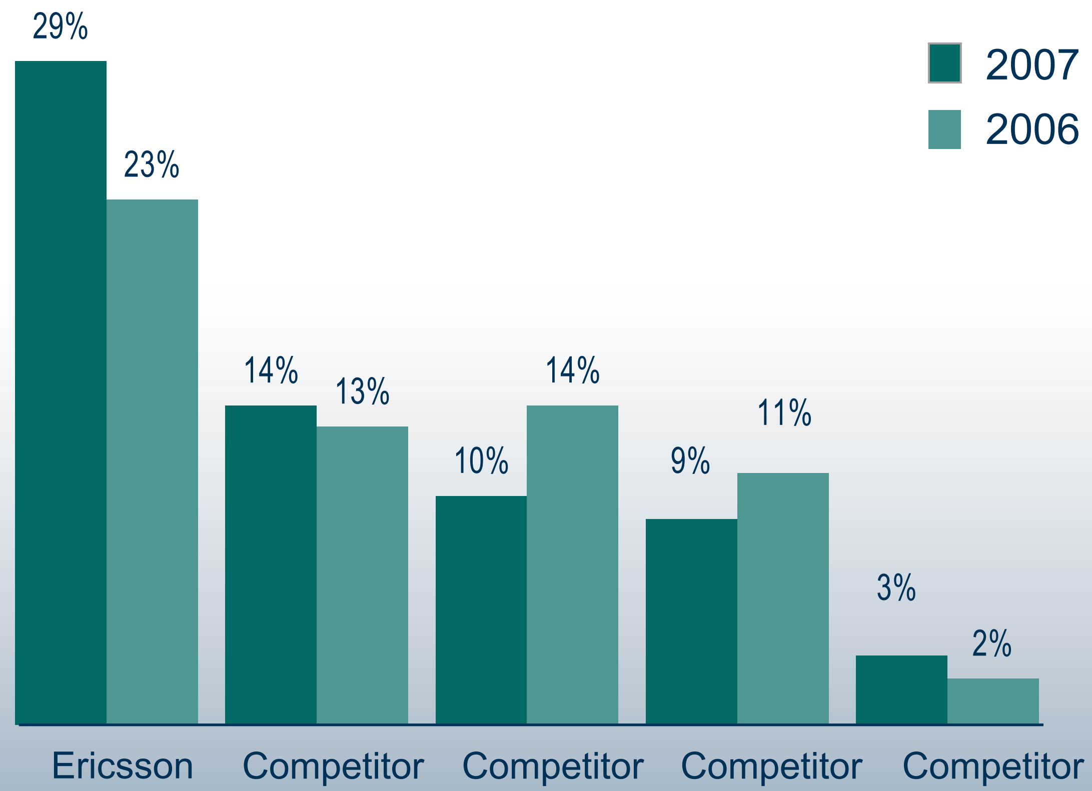
The leader in telecom services

- **Managed Services**
  - ~210 million subscribers – hosting growing rapidly
- **Customer Support**
  - 24/7 support of networks – 1 billion subscribers
- **Network Rollout**
  - >1,200 network build, expansions or migration projects in the past year
- **Systems Integration**
  - >1,000 integration projects in multi-vendor and multi-technology environments
- **Network Design and Optimization, Consulting**
  - >300 projects in network design, tuning, strategy consulting and security
- **Education**
  - 300,000 student days yearly

29,500 employees + 16,000 sourced = 45,500 resources

1 in operator top-of-mind perception

Telecom Services

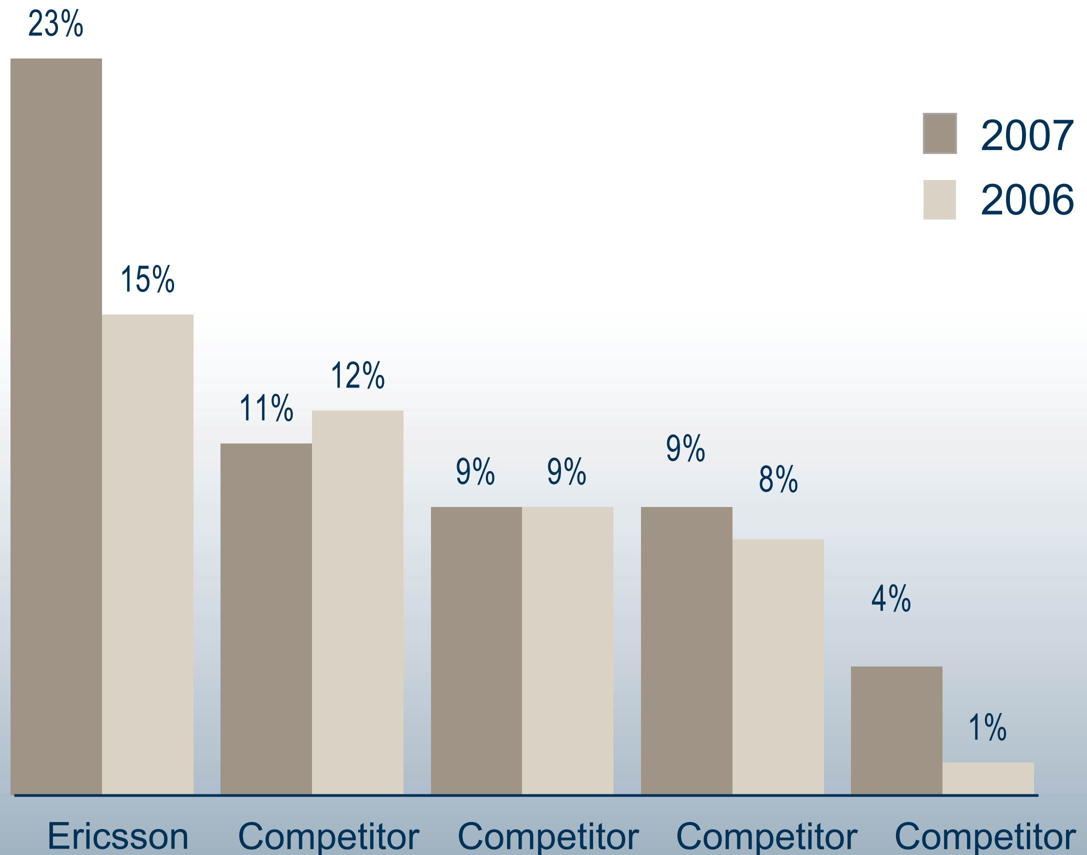


"Which company is the overall market leader in telecom services, such as consulting, deployment, integration, support and managed services?"

Source: BPRI Study 2007

#1 in operator top-of-mind perception

Managed Services



"Which company is the overall market leader in telecom-related managed services?"

Source: BPRI Study 2007

Trends in the telecom services market

1. Managed services a growing business opportunity
   – ”Growth”-driven in high-growth markets
   – ”Cost”-driven in mature markets

2. Accelerating demand for telecom systems integration
   – Network complexity
   – Multimedia services

Operators want business partners to build competitive edge

Managed Services

Hosted Prepaid Services

- Multi-year contract in place for prepaid services
- Supporting AT&T's GoPhone Service with
  - Around the clock operations
  - Systems Integration
  - Feature development
  - Life Cycle Management

>70 new consumer services

Operating networks with more than 210 million subscribers

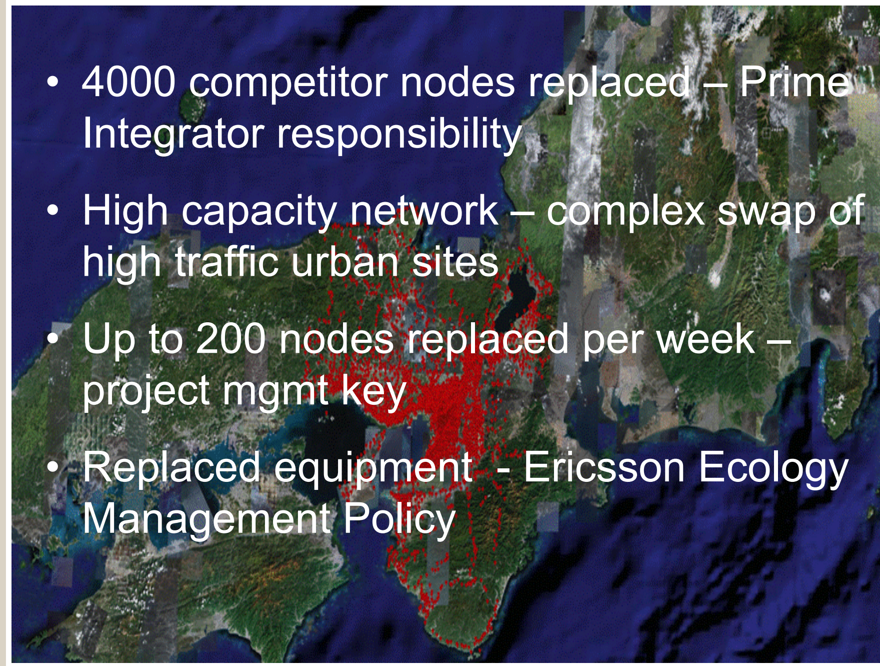
Prime Integrator

Sprint - IMS

- Ericsson is prime integrator of multi-vendor IMS solution
  – More than 15 different vendors and equipment providers
- Push-to-talk infrastructure integration enabling a unified end-user experience across different technologies

Softbank, Japan

Mobile broadband replacement project



- 4000 competitor nodes replaced – Prime Integrator responsibility
- High capacity network – complex swap of high traffic urban sites
- Up to 200 nodes replaced per week – project mgmt key
- Replaced equipment - Ericsson Ecology Management Policy

Taking a broader responsibility

Demand for end-to-end responsibility

Operator needs

- Deliver customer value
- Secure technology transitions
- Drive operational excellence
- Manage risks

Expectations on suppliers to take a broader responsibility

- Deliver end-to-end solution and competences
- Mitigate risks in multi-vendor environment and in technology transitions
- Manage complexity and reduce operational costs
- Orchestrate multiple suppliers

Prime Integrator

Summary

- Ericsson is the #1 telecom service vendor, with >10% market share
- Services market opportunity is large and growing
- Higher growth in managed services and system integration

Telecom contributions to energy and climate change

Elaine Weidman Grunewald

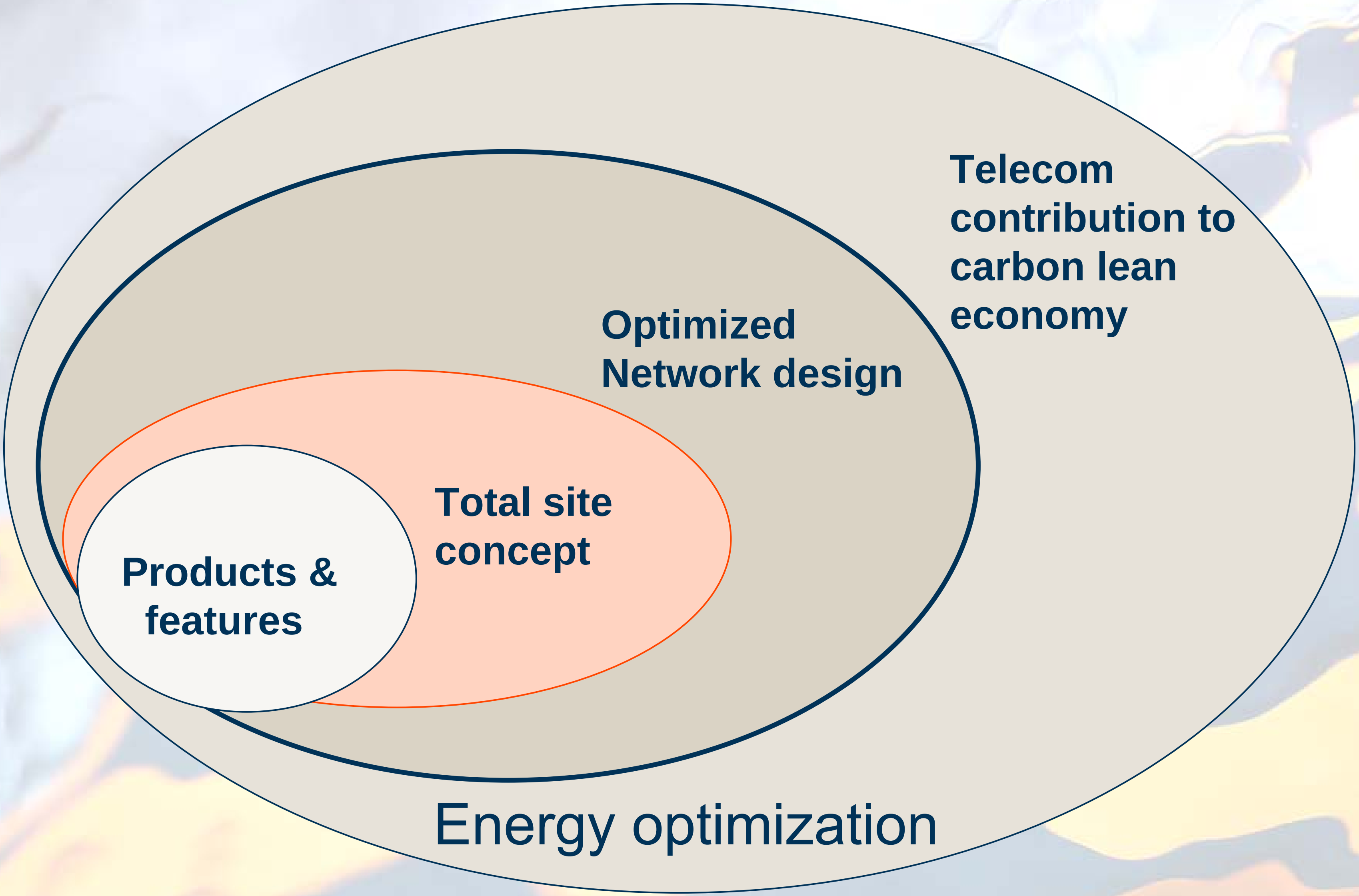
Director, Corporate Responsibility

Overview

- Our approach to energy and climate change
- Energy, total cost of ownership and CO_2
- Innovative solutions and services
- Mobile broadband and sustainability

Our competitive advantage

Climate change - sphere of influence

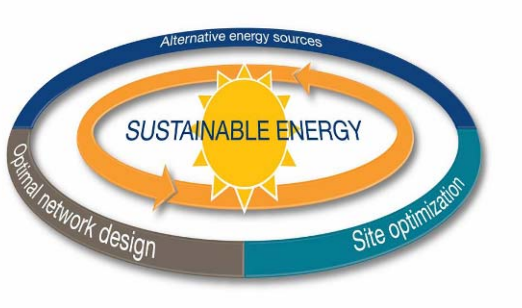


Ericsson life-cycle carbon footprint

Supply chain | Ericsson | Use phase | End of life

Product energy consumption is priority - 80% by end 2008

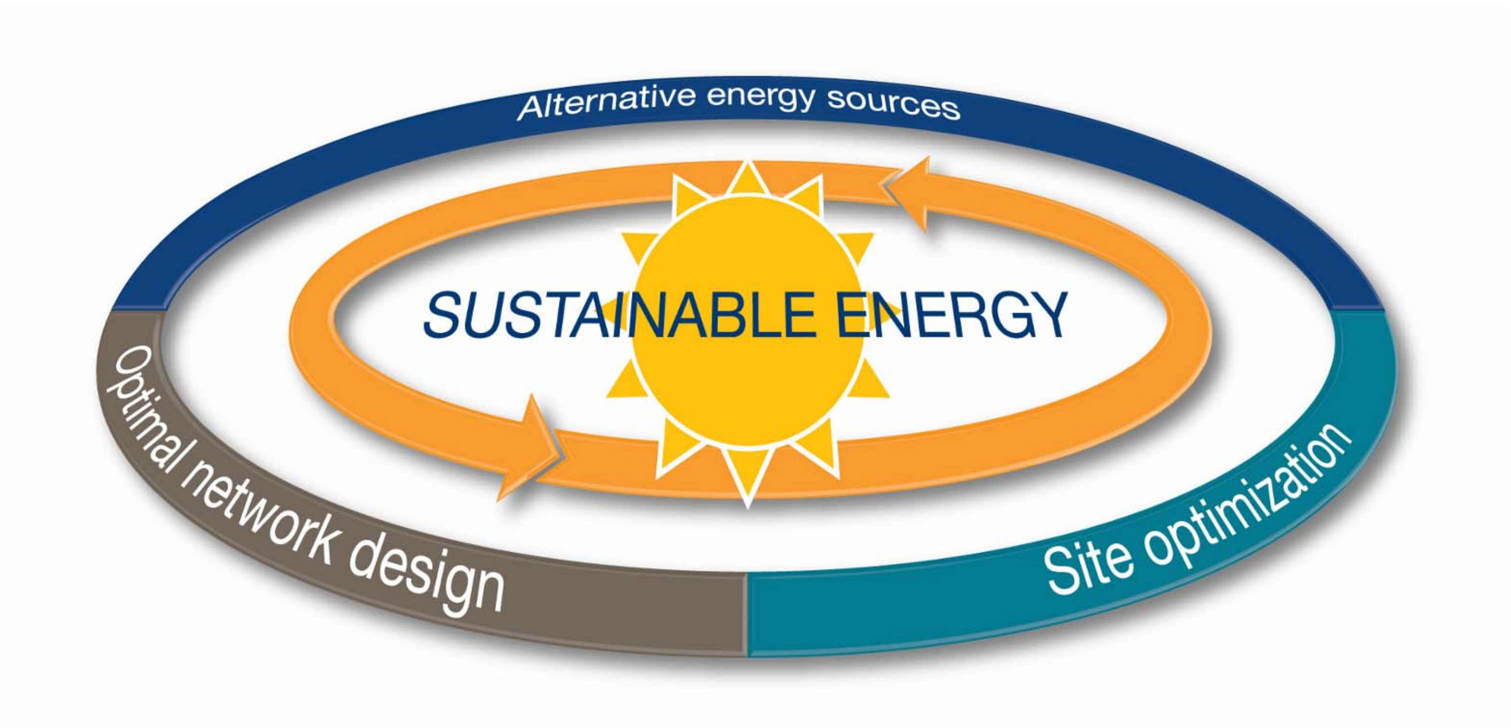
Optimizing on network and site level and introducing alternative energy sources impacts the Total Cost of Ownership



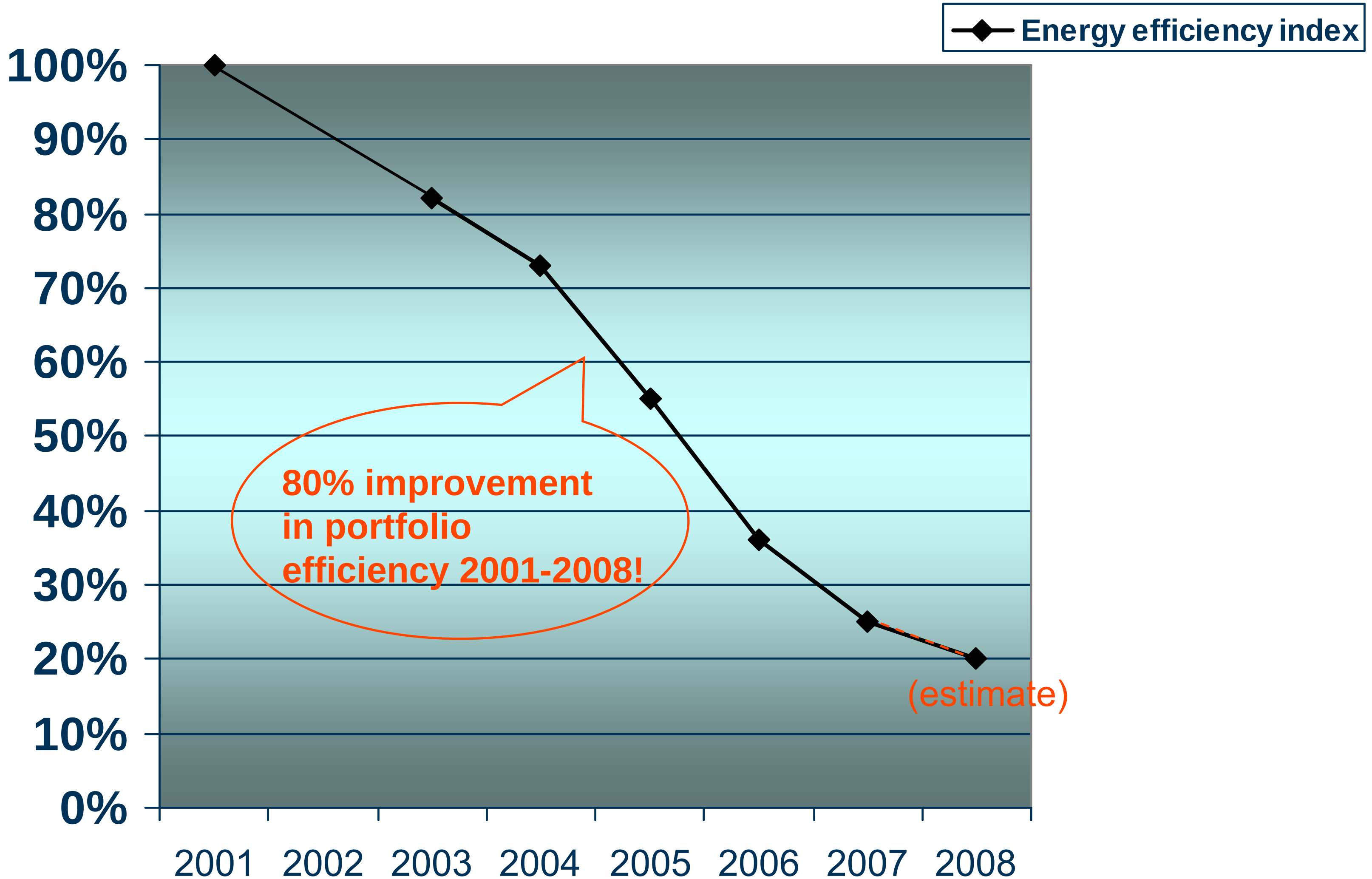
Sustainable energy solutions give a competitive advantage

Innovative solutions

Three-step process for energy efficient communication

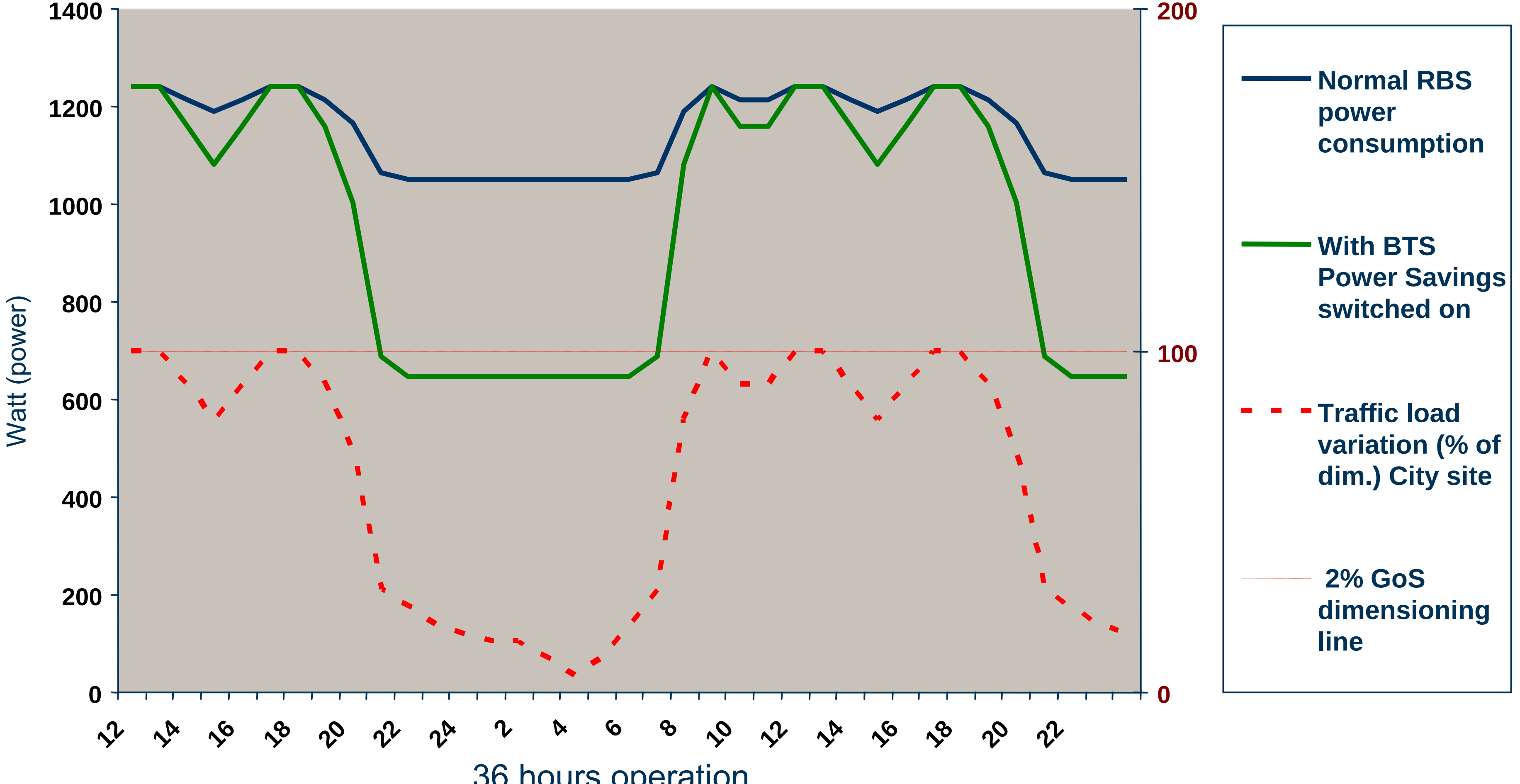


WCDMA portfolio energy efficiency index Improvement 2001-2008



Energy-efficient products and features

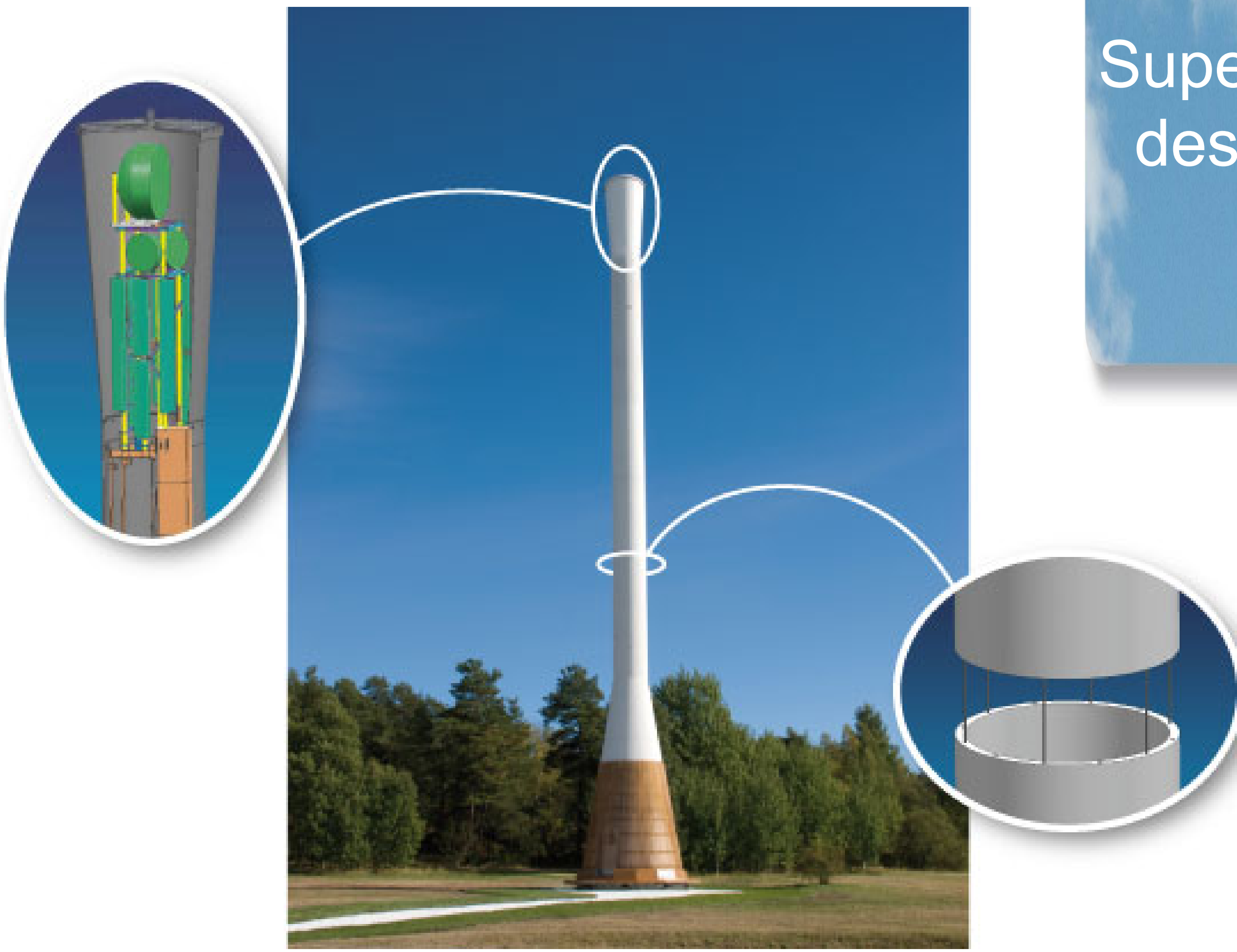
Our power-savings solution



Potential reduction: 7.300.000 kW per year

Innovative site solution

Ericsson Tower Tube



Superior design

Cost effective

Reduced environ-mental impact

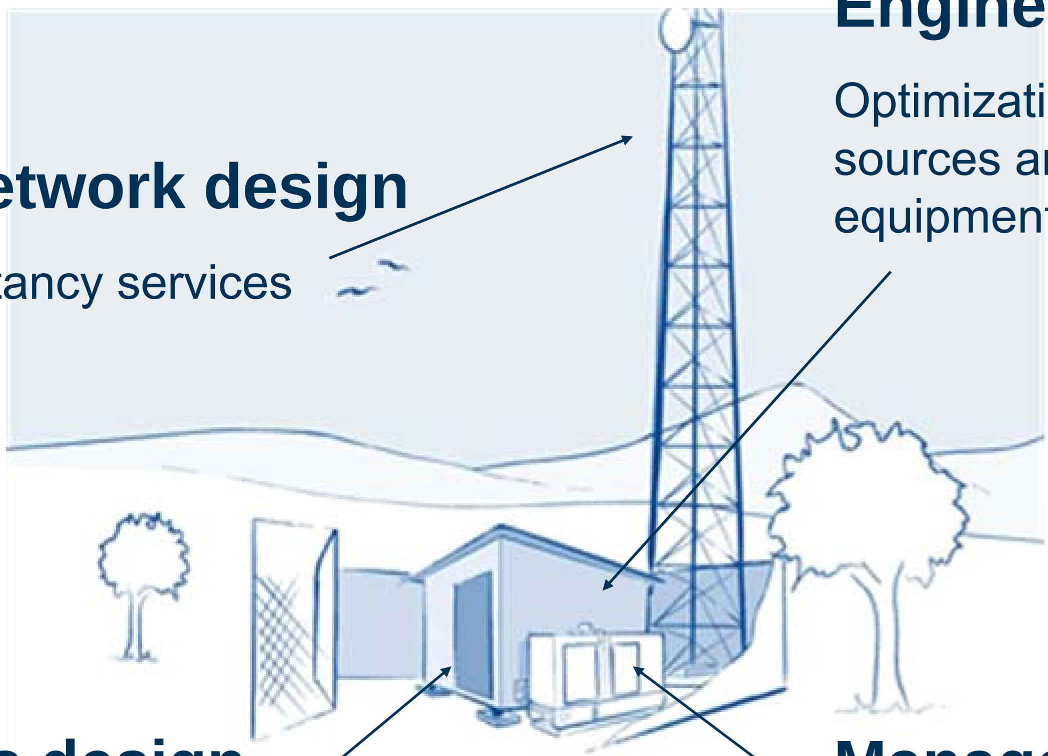
SWEDISH DESIGN AWARD

Alternative energy sources

- Solar power
- Fuel cells
- Hybrid solutions (solar/wind/diesel)
- Wind power
- Biofuels

… are growing in importance

Services for all energy aspects



Engineering

Optimization of energy sources and power using equipment and cooling

Optimal network design

Energy consultancy services

Civil works design

Structural design for energy optimisation

Managed Services

Power supply operations

Mobile broadband and sustainability

The Telstra experience

- Next G™ network is delivering voice and broadband services to 99% of the population
- Survey with 26 companies across 15 industries currently using the network
- Main environmental benefits from the use of Next G™
  - reduced travel; on average 5-10%, as high as 17%

Conclusions

- Understanding the relationship between energy, OPEX and CO_2
  - Enables us to develop efficient products and innovative sustainable energy solutions
- Energy-lean solutions create competitive advantage
- Our technology can provide solutions to address climate change
  - More energy-efficient telecom growth
  - Travel replacement
  - Dematerialization

Our competitive advantage

ERICSSON