

3GSM



2006

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Henry Sténson
Senior Vice President
Communications



2006

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Carl-Henric Svanberg
President and CEO



2006

Kurt Jofs

Executive Vice President
Business Unit Access



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Hans Vestberg

Executive Vice President
and Head of Global Services

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Carl-Henric Svanberg
President and CEO



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An all-communicating world

More than **450** million new users 2005

More than **2.2** billion users

3 billion users before 2010

Mobility generates growth



3G rollout continues

3G



HSDPA-handsets this year

HSDPA - a milestone

HSDPA

Commercially launched

21 Ericsson networks, **17** countries

Most networks to be upgraded 2006

PC cards available now

Handsets – regular size and performance

The fundamentals are in place

The new telecom eco-system

Media industry

Mobile TV

Messaging

Internet (www)

New partnerships will be required



Telecom plays a key role!

Mobile TV today

Offered in 40 networks globally



Builds on existing consumer behavior

Ericsson key achievements 2005

Financials

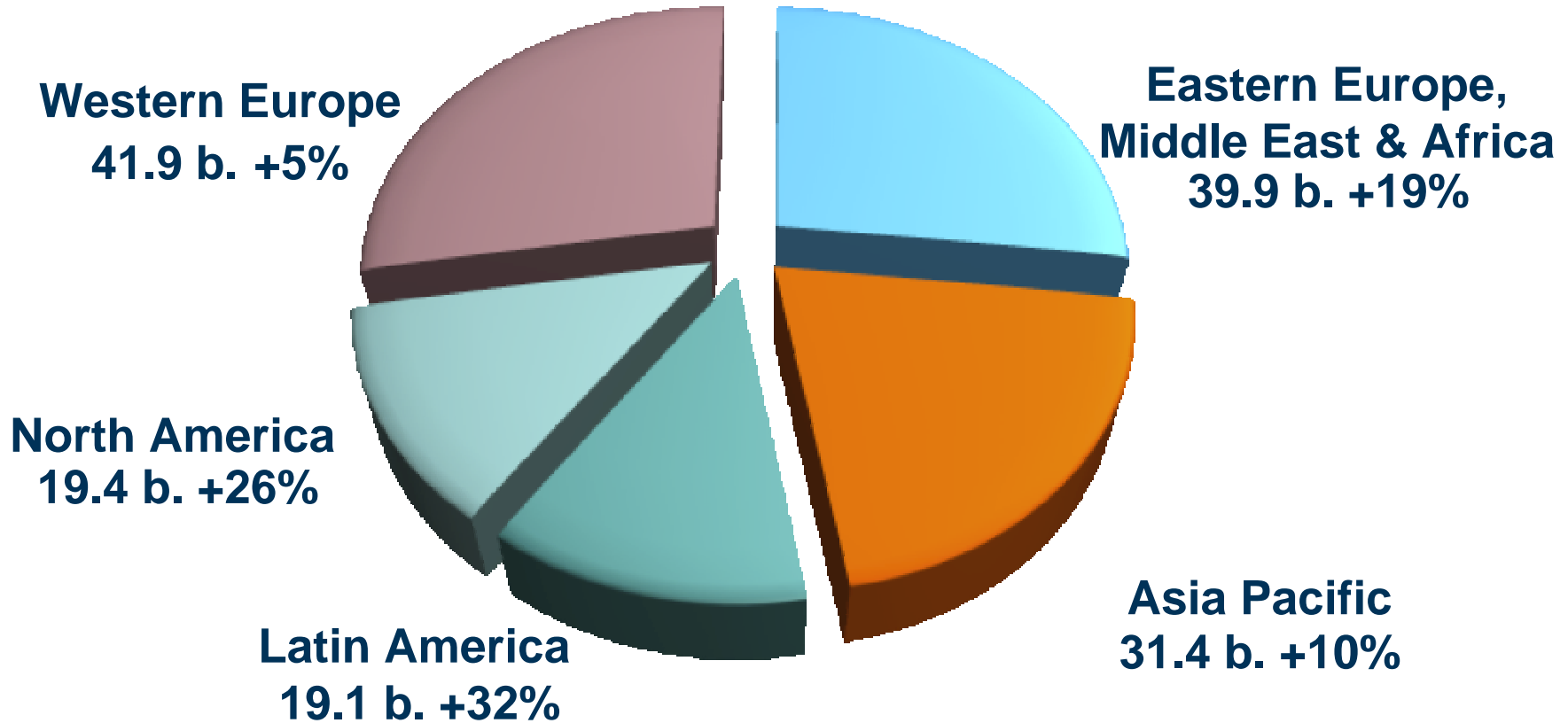
- Solid earnings
 - Operating margins of 22%
 - Income SEK 33.3 bn
- Sales up 15%, Opex up 5%
 - Opex decreasing as % of sales
- Breakthrough year for services – up 29%



A true global leader

Regional update, full year 2005

- Ericsson sales (BSEK) and growth (%) year-over-year



Strong growth in Americas and EEMEA

New cool handsets

Attractive products for a mass-market

Sony Ericsson



New cool handsets

Attractive products for a mass market

Sony Ericsson



Ericsson Mobile Platforms



Technology to enable growth

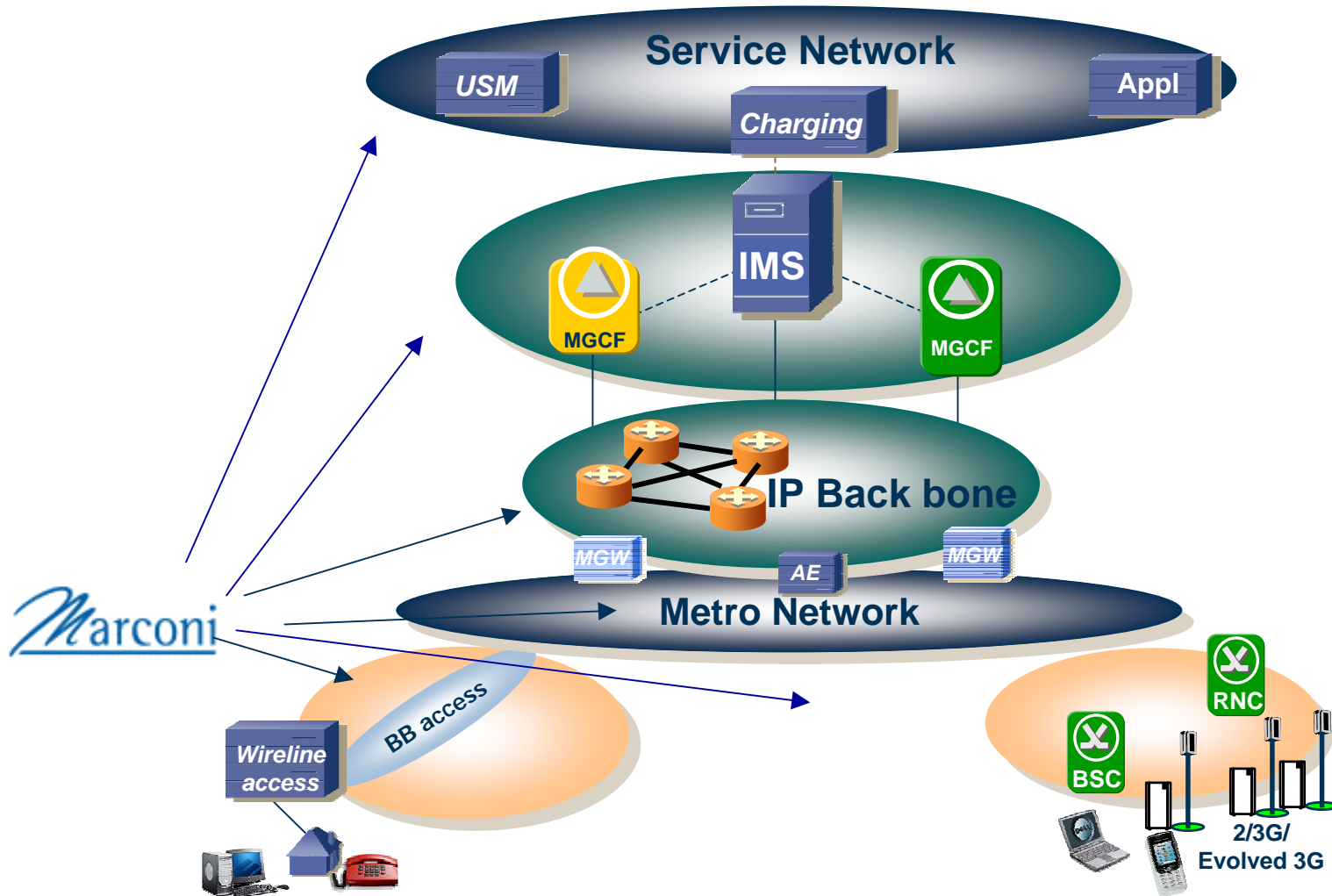
Improving efficiency

- Efficient evolution to all-IP
 - Reducing opex
 - New services
- Radio access
 - Optimal solution for every site
- Managed Services including Hosting
 - Strengthening operators competitiveness
- Transmission
 - Removing the bottlenecks

Technology leadership

Strong wireline & transmission position

Marconi assets - a perfect fit



IMS the next technology step

IMS

– evolution towards all-IP

18 IMS contracts
37 IMS trials

102.10.46.02 - 165.465.90.345 - 174.5.
86.05 - 198.162.86.5 - 10.12.16.34 -
198.162.4.10 - 10.4.72.04 - 135.12.50.4
102.10.46.02 - 165.465.90.345 - 174.5.
86.05 - 198.162.86.5 - 10.12.16.34 -

HSDPA

– broadband everywhere



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Kurt Jofs

Executive Vice President
Business Unit Access



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Mobile Broadband is changing the industry

Just like mobile telephony once did



Add new revenue streams on existing network

HSDPA with Ericsson

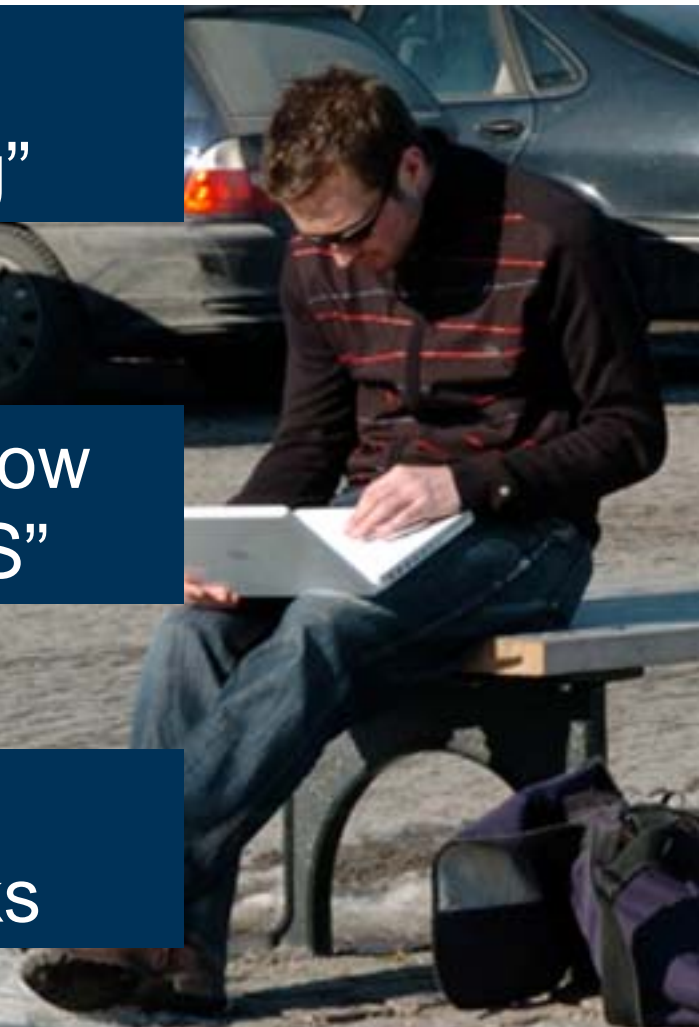
A commercial reality since 2005

Cingular blog:

”I’ve got HSDPA, it is outstanding”

“Citywide wireless broadband is now real and widely available in the US”

HSDPA deployed in thousands of radio base stations in live networks



Ericsson delivers the lowest Total Cost of Ownership for operators



Optimal solutions for every site

Reducing Total Cost of Ownership even further

GSM to WCDMA upgrade



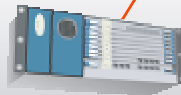
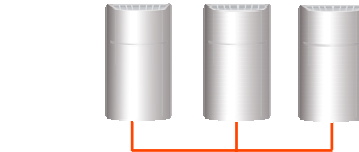
WCDMA



GSM



Main Remote



Common GSM/WCDMA



GSM/WCDMA



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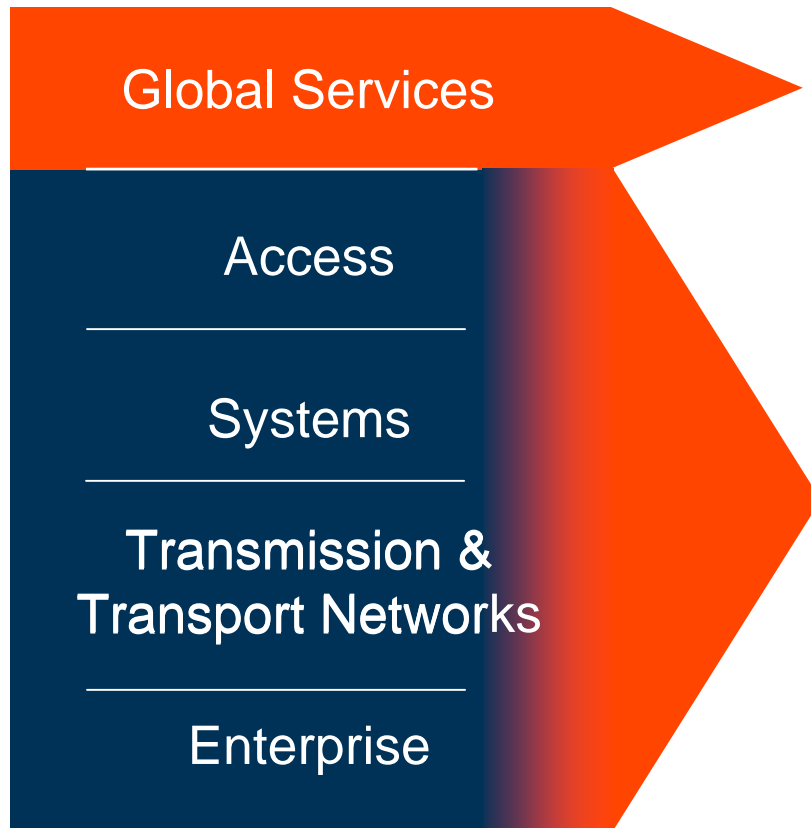


Hans Vestberg
Executive Vice President
and Head of Global Services

2006

Ericsson - Global Services

Successful strategy



Expand the services scope - adding further value

- Managed Services
- Systems Integration
- Business and Technology Consulting

Provide services in Ericsson's end-to-end solutions

- Network Design
- Network Rollout
- Education
- Customer Support

21,000 Services professionals - global and local capabilities

People dimension of Global Services

- More than 21,000 skilled Ericsson services professionals in over 140 countries
 - 15,000 employees close to customers
 - 6,000 employees in Global Service Delivery Centers
- In addition 10,000 – 12,000 resources from partners handled on a daily basis

30,000 people - largest telecom service organization

The leader in Telecom Services

- **Managed Services**
53 million subscribers – hosting growing rapidly
- **Support Services**
24/7 support of networks > 650 million subscribers
- **Rollout Services**
800 network deployment projects yearly
- **Systems Integration**
Solutions for 350 operators in 110 countries
- **Consulting**
200 technology consulting projects for 3G
- **Education**
200,000 student days yearly



Key achievements 2005

Global Services

- **Broader Prime Integrator responsibility**
 - Cingular, SprintNextel, Telecom Italia
- **Managed Services agreements with 3 UK and 3 Italy**
 - To date the largest agreements signed by Ericsson
- **Attractive content in our Hosting solutions**
 - Music, games, multimedia subscriptions, TV & video, downloads
 - Hosting for enterprises

Managing networks serving 53 million subscribers

Managed Services agreements

- **Hosting - Music**

- First U.S. agreement for Napster Mobile with SunCom Wireless
 - Hosting agreement for entertainment portal with One Austria
 - Hosted personalized music portal with Polkomtel in Poland

- **Hosting - Enterprise**

- Ericsson's hosted push e-mail solution EMO, chosen by 3 Italia
 - During 2005 – 35 mobile e-mail contracts taken, some 50% hosted by Ericsson

- **Managed Services – Operations**

- Managed Services operations contract with 3 Hong Kong



Ericsson works with music companies such as ...



Technology and Services leadership

- Innovations
- Best practices, tools, methods, processes



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Q & A



2006

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TAKING YOU FORWARD

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