



ERICSSON

BUSINESS SEGMENT INTRODUCTION

INVESTOR UPDATE 2016

NOVEMBER 10, 2016 NEW YORK

OVERVIEW OF NEW SEGMENTS



	% of Ericsson sales 2015	Operating margin, excl. restr. 2015 ¹	Addressable market 2016 (USD b.), CAGR '16-'18 ²	Main components products	Main components services
Networks	~ 75%	Mid-teens	~100 -2-0%	Radio Transport	Customer Support Network Rollout Network Managed Services
IT & Cloud	~ 20%	Break-even	~100 5-7%	OSS & BSS Cloud, NFV/SDN Telecom core IP routing	Consulting & Systems Integration IT Managed Services
Media	~ 5%	Negative low-teens	~12 9-11%	Media Compression Content delivery	Consulting & Systems Integration Broadcast Services

New simplified structure optimized for different customer needs and accountability

1. Preliminary and un-audited estimate.
2. Excluding Industry & Society markets and IPR

This slide contains forward-looking statements. Actual result may be materially different.

2017 REPORTING STRUCTURE



	Net sales	Profitability	Market dimension
Networks	Total net sales - of which products - of which services	Gross income Operating income EBITA	Sales breakdown by market area and "Other"
IT & Cloud	Total net sales - of which products - of which services	Gross income Operating income EBITA	Sales breakdown by market area and "Other"
Media	Total net sales	Gross income Operating income EBITA	Sales breakdown by market area and "Other"

Q1 2017 actuals first reporting according to new structure
2015 and 2016 restated numbers will be communicated well in advance of Q1 2017 reporting