

A photograph of a sailboat on the ocean, viewed from the deck. The mast and rigging are visible in the foreground. In the distance, another sailboat with a tall mast and a sail is visible on the horizon. The text 'MANAGED SERVICES' is overlaid in the center of the image.

MANAGED SERVICES

Maximizing the benefits of
local presence and global strength

Why do operators outsource?

“Today most operators accept that quality of service can be enhanced by network outsourcing.”¹⁾

IDATE
Consulting & Research

“Operators are being forced to rely on developing and delivering new value added services to help them differentiate and maintain revenue growth.”²⁾

informa
telecoms & media

“Lower, more predictable costs and higher levels of support and availability.”³⁾

ovum

1) Idate Consulting & Research, “Network Outsourcing – Strategies and Outlook”. 2007

2) Informa telecoms & media, “Managed Services: The business case for outsourcing network operations and services hosting”. 2007

3) Ovum, “Managed Services – Service providers need to get on the same page as enterprises.” 2007

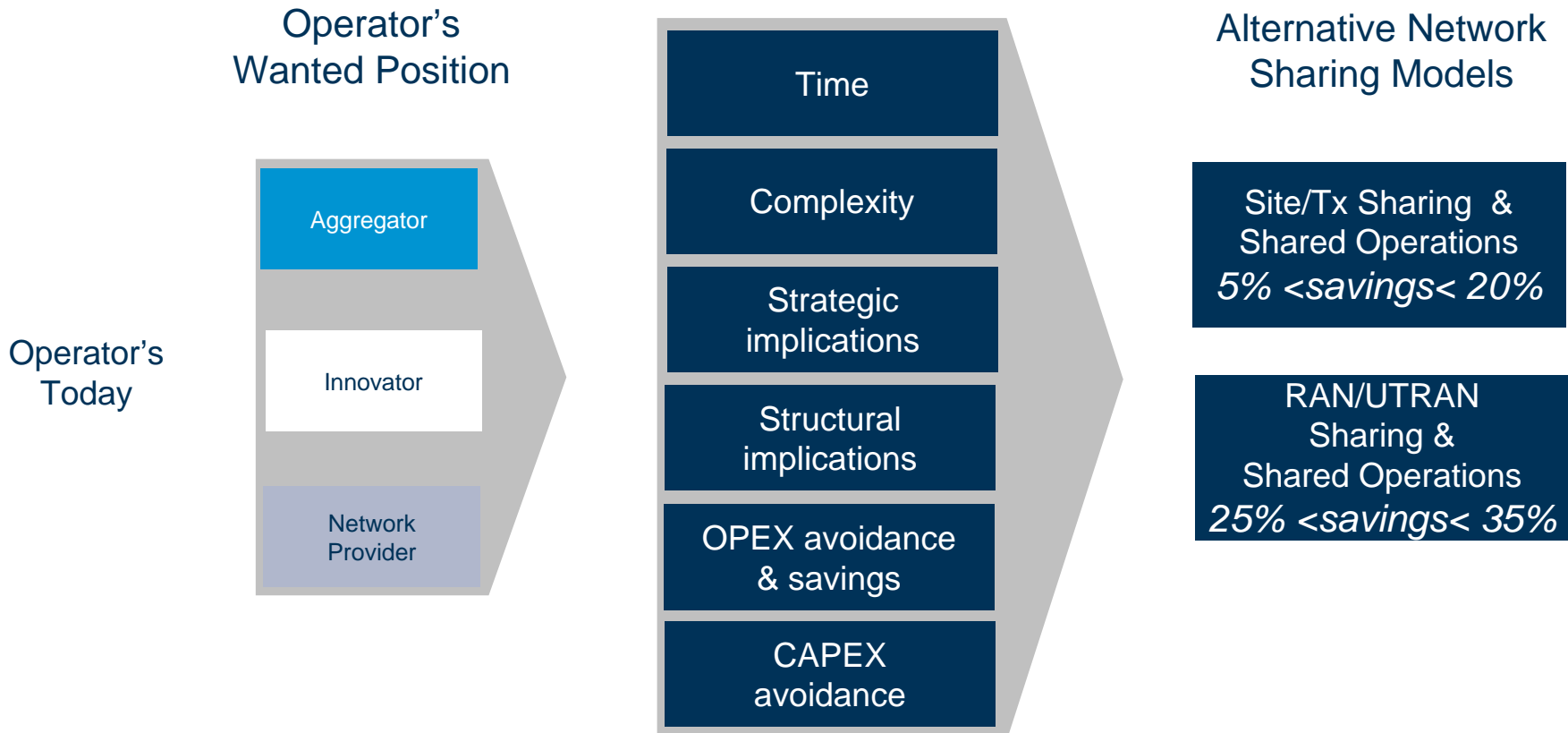
Reasons for outsourcing decisions

- Cost savings
- Focus on core
- Access new competencies
- Service flexibility and revenue expansion
- Speed/time to market
- Simplify complexity – technology, business
- Network performance and quality improvements

Operators reviewing their business models and focus

Operator challenges in sharing

Sharing of network elements and operations are driven by operator's long term strategy and short term decision criteria



Ericsson supports these models through it's Managed Services offering

This is Ericsson Managed Services

- Ericsson is **establishing, operating and maintaining networks**, on long-term contracts with operators and enterprises
- Ericsson is **hosting service applications, content and enablers** for operators
- Ericsson is **providing network coverage and capacity** when and where needed for operators
- The partnership Ericsson and operator is defined through a **Service Level Agreement (SLA)**, and measured by Key Performance Indicators (KPI's) under a managed services agreement
- Ericsson's managed services are **multi-vendor, multi-technology, multi-country and multi-operator**
- Ericsson is sometimes **transferring staff** from an operator to Ericsson as a part of a managed services contract

There is an operator benefit to outsource “non-core tasks”

From Pioneering to Industrialization



Build, Operate and Transfer
Project mode
One-to-One



Build, Operate and Maintain
Day to day activity
One-to-Many

Managed services growth areas

Media and Internet

- TV Broadcaster
- Endemol



Enterprise and Government

Mobile and Fixed Operators

- TDC
- Deutsche Telekom
- Netia



- Elisa
- Acea
- Endesa
- New Zealand Police



Our Managed Services Capabilities



Network

Service Layer

Business Support Systems

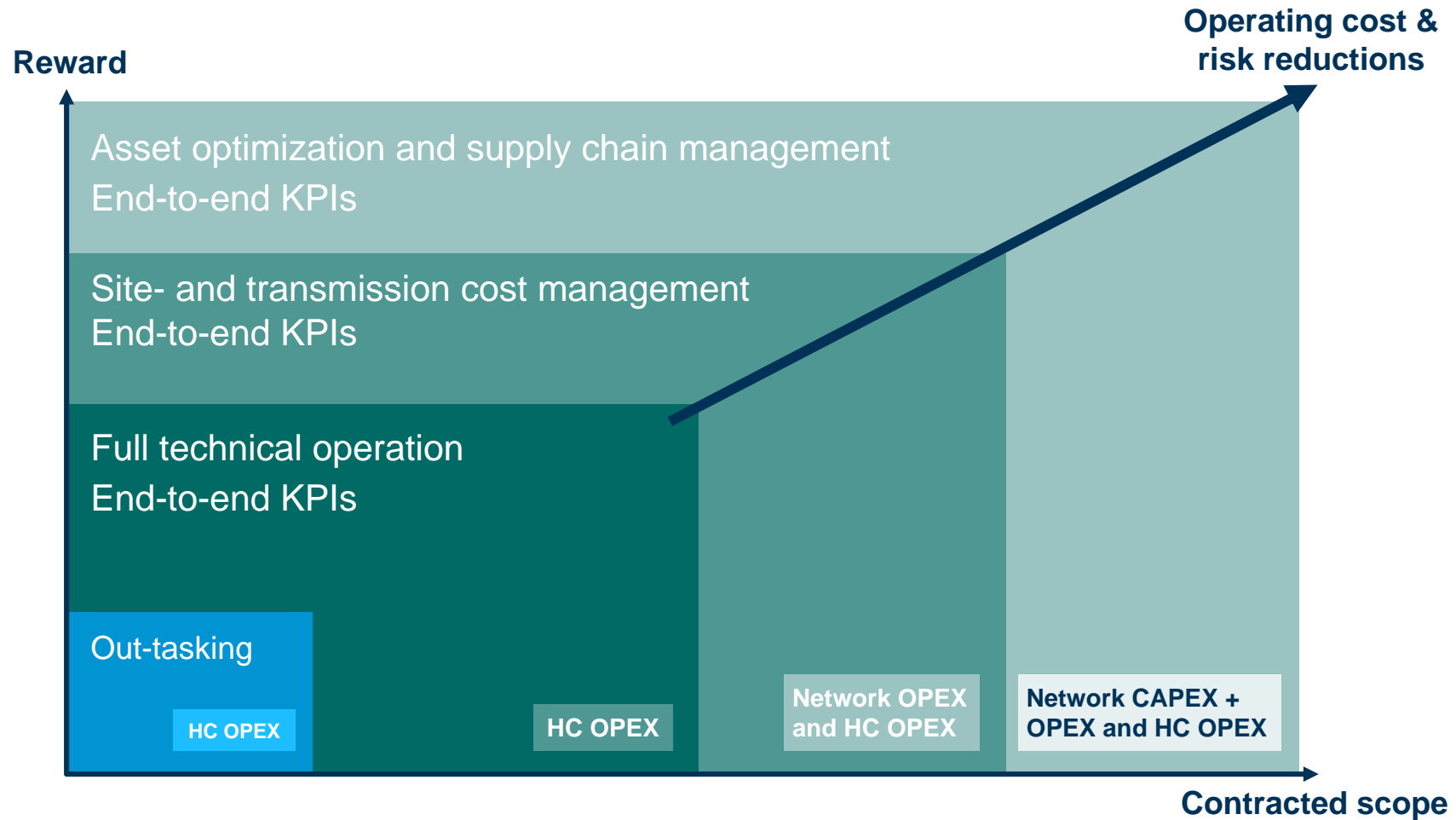
Leveraging Global Services scale and skill

Scope of Service (detailed)

Managed Services

Service Functions Domains	Design & Plan			Build		Operate					
	Planning / Engineering	Optimization	Applications Development & 3 rd Level Support	Technology Integration	Deployment	Field operations	Network operation				
						Operations Management					
						Field Services	Service & Resource Fulfilment	2nd Level Operations	1st Level Operations	Customer Problem Management	Help Desk
Network <ul style="list-style-type: none"> Customer Premises Eqmt. Outside Plant Access (mobile & fixed) Transmission Circuit & Packet Core 											
Services <ul style="list-style-type: none"> Value Added Services Service Delivery Platform Content Services 											
BSS & OSS <ul style="list-style-type: none"> Business Support Services Enterprise Services Service & Network Mgmt 											

Defining scope of partnership



Managed Services - optimizing both OPEX and CAPEX

More than 300 contracts

Examples of official MS contracts since 2002:



Managing Networks with over 275 Million Subscribers

Proven industry leadership

in Managed Services

Experience from >300 Managed Services contracts

Delivering Managed Services to customers in >100 countries

Managing networks that together serve >275 msubs

14.3 BSEK sales 2008 - YoY growth 17%

Managing multi-vendor, multi-technology networks
– 50% of equipment non-Ericsson

>15 years experience in Managed Services

ERICSSON 

TAKING YOU FORWARD