



ERICSSON TV

The individual TV experience

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Agenda

- Consumer trends
- Operator trends
- Ericsson delivers the vision

The digital natives



**250,000 emails,
IM and SMS**

**10,000 hours of
mobile phone use**

**5,000 hours of
video game playing**

**3,500 hours of online
social networking**

**Constantly
connected**

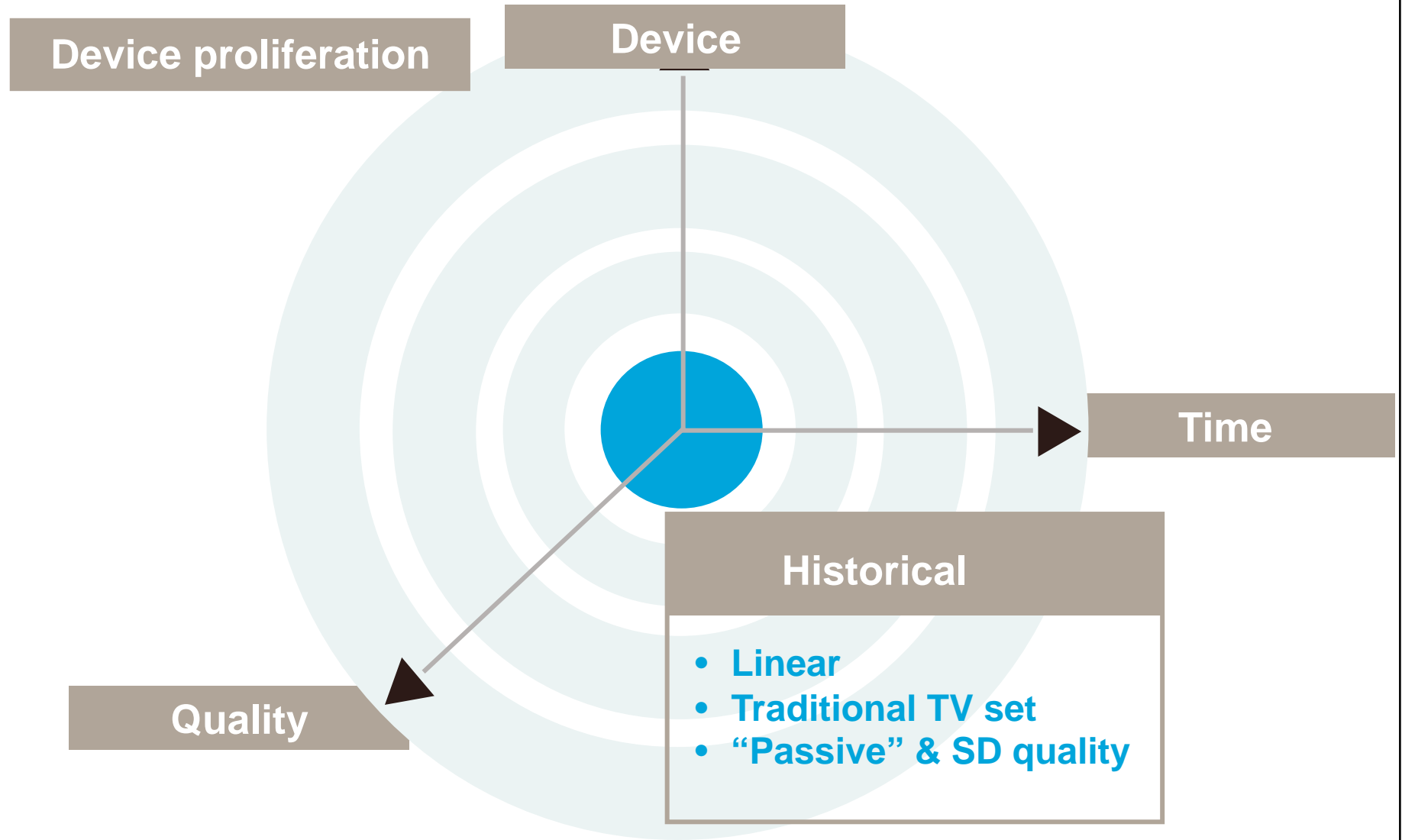
**Content creators
and multi-taskers**



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Source: The Digital Natives Project (2007), Pew Internet & American Life Project (2007), Financial Times (September 20, 2006)

Consumer trends



Consumer trends

Device proliferation

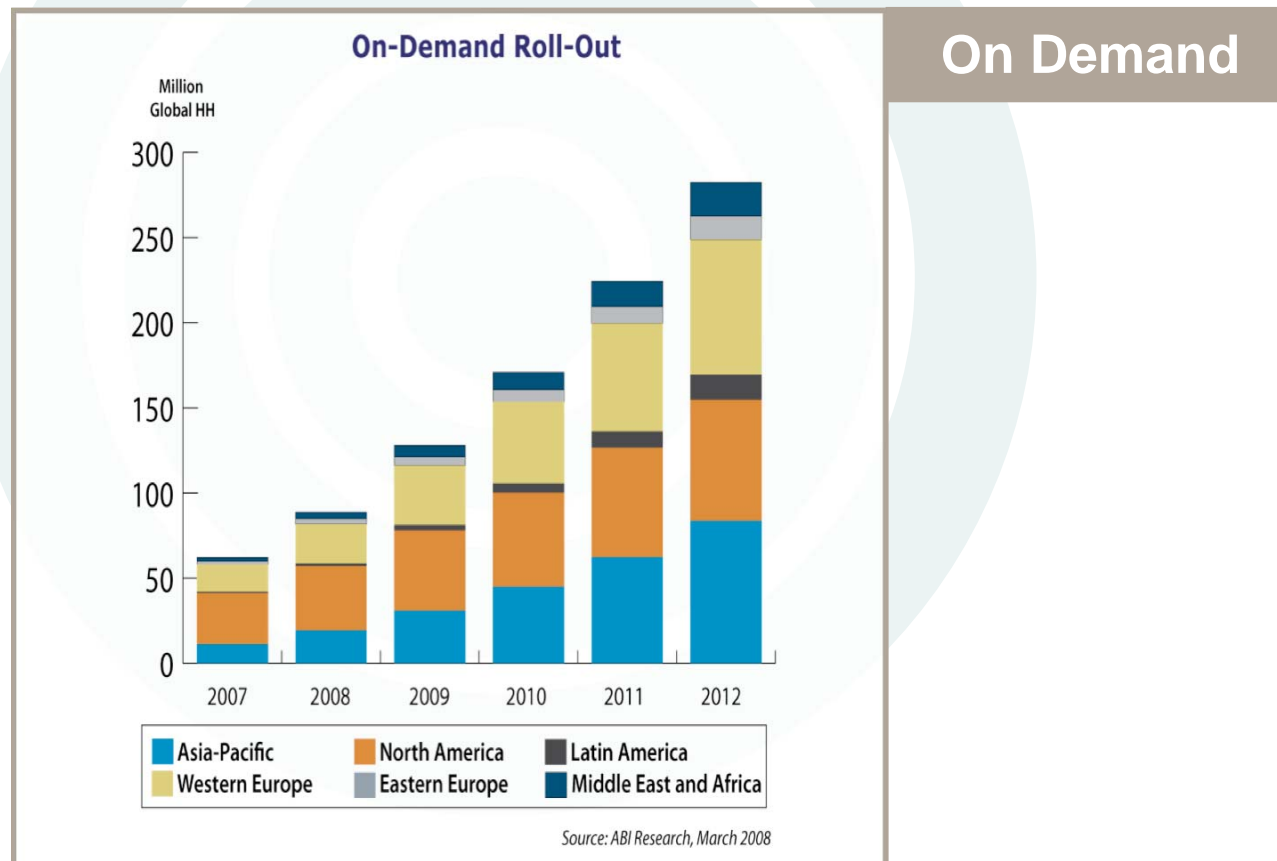


Enhanced experience

On Demand



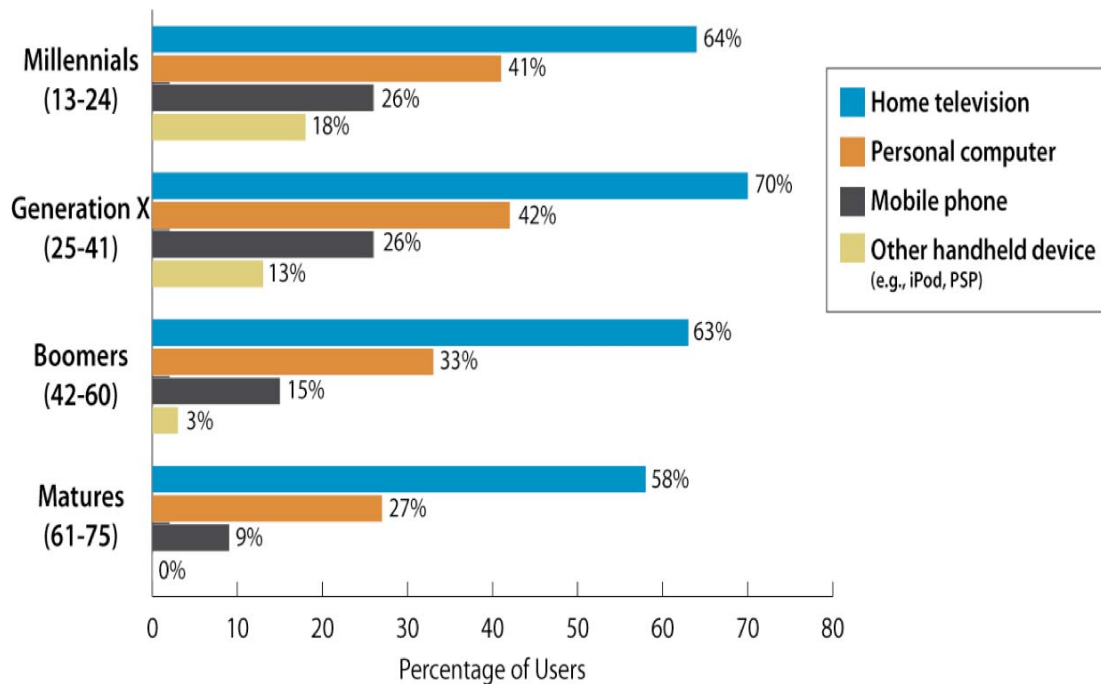
Consumer trends



Consumer trends

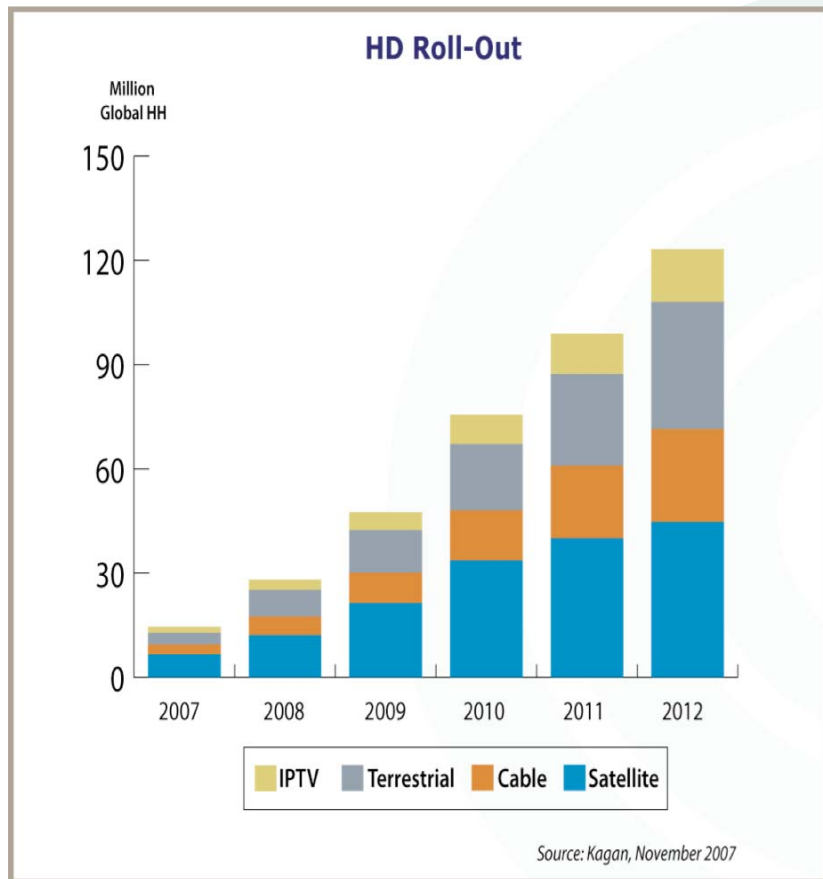
Device proliferation

Devices on which Users Watch Video Content by Age



Source: Deloitte Development and Harrison Group, January 2008, survey of U.S. consumers

Consumer trends



Enhanced experience

Towards a converged world

The Individual TV Roadmap

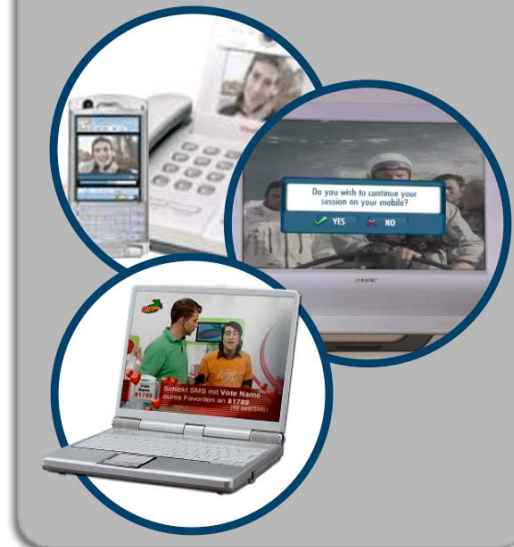
Yesterday

Interactive Communications



Today

Convergence



Tomorrow

Media Anywhere



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Operator challenges

SUBSCRIBER GROWTH

- **Reach:** across multiple channels and platforms
- **Engage:** richer and more compelling user experience

MONETIZATION

- **Advertising:** 2-way, targeted
- **Consumer payments:** subscriptions and (commerce) transactions

Subscriber growth

Differentiated offering

<p>HD</p> 	<p>VOD</p> 
<p>Time shifting</p> 	<p>Multi-platform</p> 
<p>Personalization</p> 	<p>ITV</p> 

PCCW

"The robust growth of PCCW's now TV service continues...Impressively, PCCW has managed to continue to slowly increase nowTV ARPU...PCCW has introduced richer interactive features to now TV, such as gaming, shopping, real-time financial information and a movie on-demand service. It has also created an 'advertising and interactive services' business unit to develop these new revenue opportunities."

Verizon

"...Verizon is opening up a variety of new entertainment experiences for its subscribers. ...it's clear that FiOS TV provides a more personalized user experience that is very different from the 'one size fits all' services that others offer."

Kurt Scherf, Parks Associates - September 20, 2007

Monetizing the new TV experience

Advertising

- Highly targeted
- On-demand
- Detailed statistics



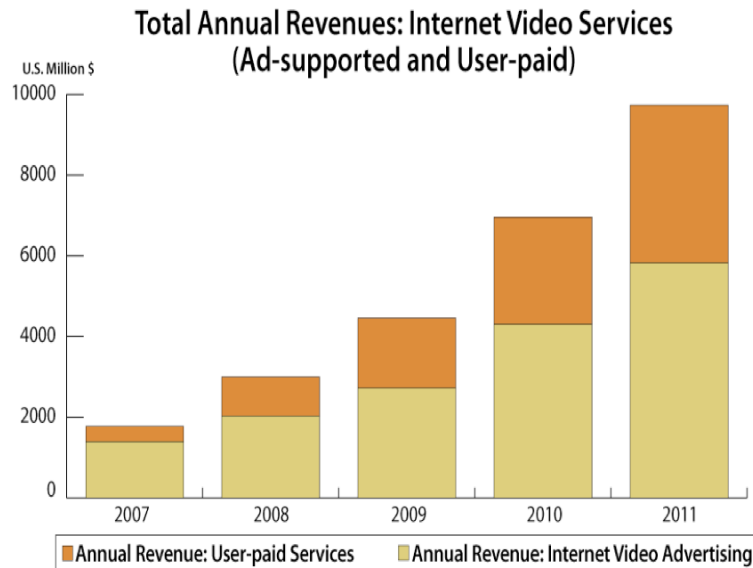
Consumer payments

- Commerce
- Micro-payments
- Subscriptions



Monetizing the new TV experience

Internet video: advertising & consumer payments

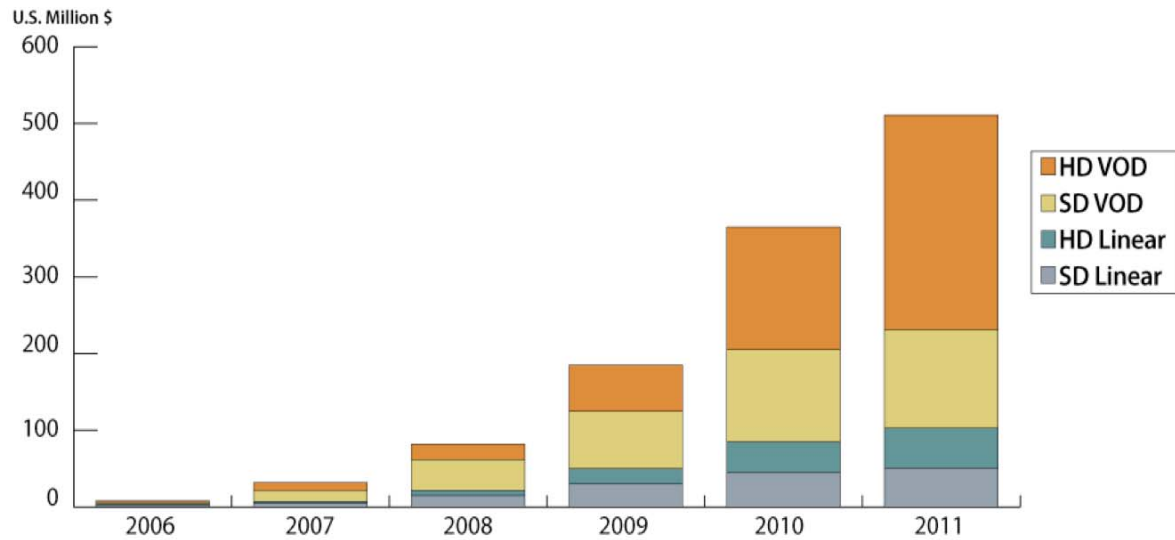


Source: Parks Associates, March 2008

Monetizing the new TV experience

Advertising

Annual Value of Digital Addressable Advertising Products, Worldwide



Source: In-Stat, 2007

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The Ericsson IPTV Offering

“Extended TV”

Broadcast TV

Time shift TV

Electronic Program Guide (EPG)

Systems integration



Charging

QoS monitoring

Video on Demand

HDTV

Network and local
Personal Video
Recording

Other services e.g. games,
advertising etc.

Based on a Full Service Broadband Network