

Creating a world leader in semiconductors and platforms for mobile applications



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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 reports for a better understanding of these risks and uncertainties.

Creating a new world leader

- Merging Ericsson Mobile Platforms and ST-NXP Wireless
 - Industry's strongest product offering
 - Industry's strongest customer base
 - Building on current partnership
- 50/50 joint venture
- Strong endorsement from key customers
- Pro forma sales in 2007 of US\$ 3.6 billion
- About 8,000 employed, majority in R&D

Evolution of platform market

At the beginning of mobile telephony

Modem
2G

Evolution of platform market

Following the introduction of mobile multimedia

Platforms

Multimedia and connectivity

Music, Camera, Video, GPS, Bluetooth, FM, Wi-Fi

Modem

2G, EDGE, 3G, HSPA, LTE

A complete product offering

Combining ST's and Ericsson's key strengths

Platforms

Multimedia and connectivity

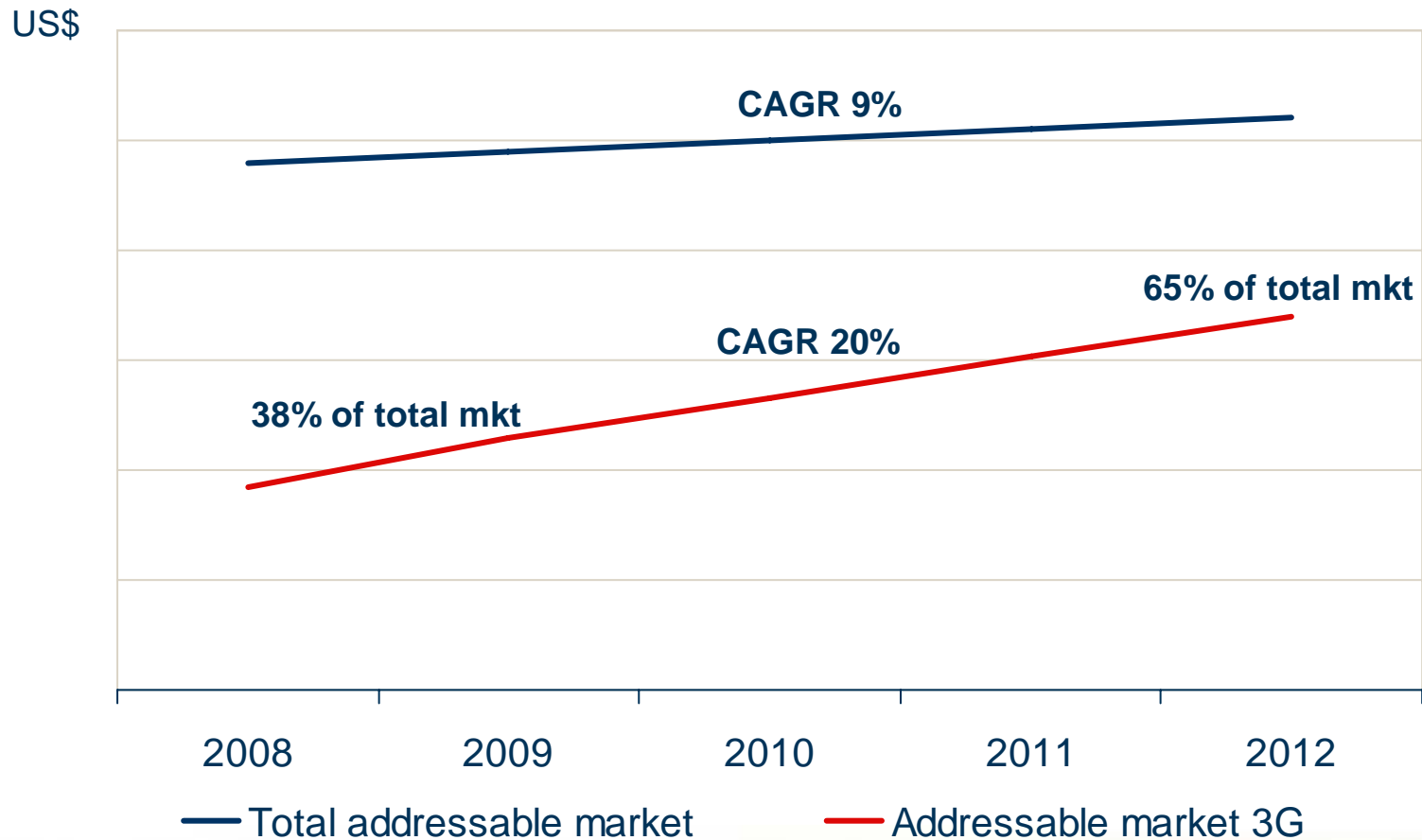
Music, Camera, Video, GPS, Bluetooth, FM, Wi-Fi

Modem

2G, EDGE, 3G, HSPA, LTE

Fabless business model

The mobile platform market



*Sources: Multiple external sources

This slide contains forward-looking statements

Strong rationale for JV

ST

- Leading supplier to Nokia Samsung and Sony Ericsson
- Industry-leading RF, analog, multimedia and connectivity
- World-class 2G/EDGE platforms and strong 3G offering

Ericsson

- Leading supplier to Sony Ericsson, LG, Sharp
- Industry-leading 3G and LTE platform technology
- Leading IPR portfolio

Combination of ST & Ericsson

- Technology leader
 - 2G, EDGE, 3G, HSPA and LTE
 - Clear scale advantage
- Complete platform offering
 - RF, analog, modem, multimedia, connectivity
- Strong customer base
 - Nokia, Samsung, Sony Ericsson, LG and Sharp and other exciting leaders
- Leverage semiconductor technology, manufacturing and infrastructure from ST
- Perfect fit, with synergies

ST-NXP Wireless today

- Pro forma sales 2007 of US\$ 3 billion
- Almost 8,000 employed
 - About 3,800 in R&D
- Headquarters in Geneva
 - Major sites in France, India, the US, and the Netherlands, and plants in Malaysia and the Philippines
- Main business
 - Major supplier to Nokia
 - 2G, 2.5G, EDGE and 3G supplier to Samsung
 - Baseband and RF ASIC supplier to EMP
 - 2G, 2.5G, EDGE and TD-SCDMA supplier to the China market
 - Multimedia and connectivity supplier to top handset manufacturers

STMicroelectronics' rationale

- Expands leadership from 2G and 3G to HSPA and LTE
- Strengthens IPR portfolio
- Exciting growth potential
 - Competitive position in growing market
 - Synergies in product portfolio
- Net positive cash flow with enhanced profitability, driven by strong long-term growth potential



Ericsson Mobile Platforms today

- Sales 2007 of SEK 3.7 billion
- Roughly 3,000 employed
 - About 2,700 in R&D
- Headquarters in Lund, Sweden
 - Main sites in Sweden, UK, Germany and the US
- Main business
 - 3G, HSPA and LTE technologies
 - 3G, HSPA platform supplier to Sony Ericsson
 - 3G, HSPA platform supplier to LG and Sharp

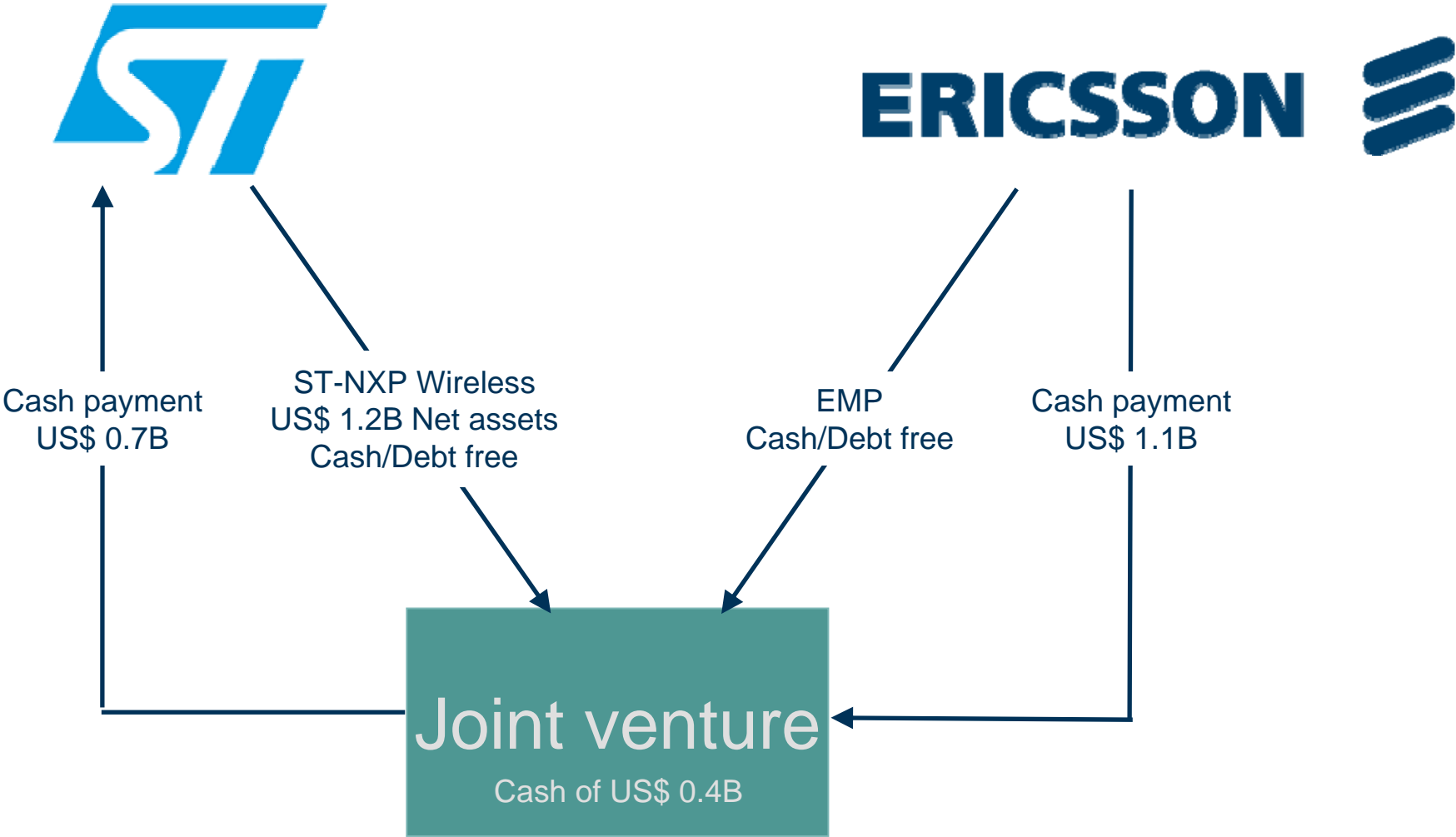


Ericsson's rationale

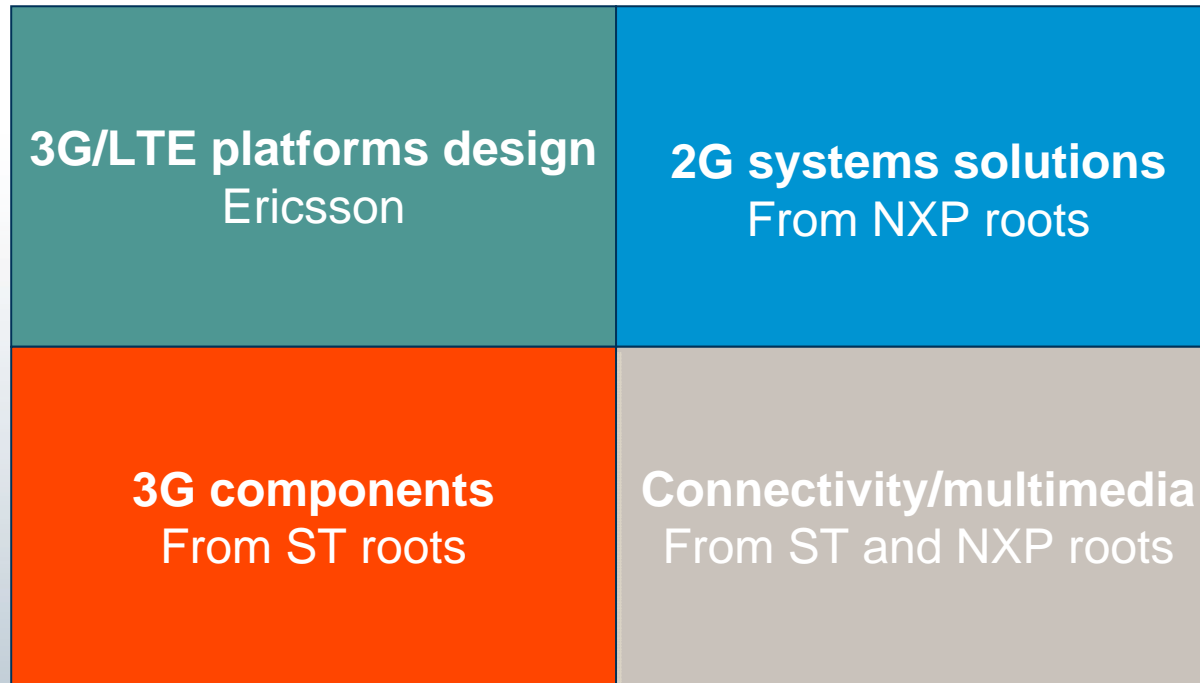
- Rationale for owning a platform business
 - Secure device support for new network functionality
 - Including access to early prototypes
 - Strengthen position to drive standardization
 - Strengthen ability to drive interoperability testing
- Rationale for forming the JV
 - Secure complete offering
 - Secure critical mass and scale
- Long-term positive earnings impact, short-term neutral



The deal



Complementary areas of focus and key competences



JV governance and main entities

- **Balanced governance**
 - 4 Board Directors from each parent
 - Ericsson to provide Chairman, ST to provide Vice Chairman
 - ST to appoint CEO, Ericsson to appoint Executive Vice President
- **Business led by a development and marketing company**
 - ST to consolidate and Ericsson to account by equity method
 - Approximately 7,000 people employed
- **Supported by an advanced access technology design company**
 - Provides advanced access technology design to the development and marketing company
 - Ericsson to consolidate and ST to account by equity method
 - Approximately 1,000 people employed

Integration management team

- Six members

Name	Current position
Alain Dutheil, team leader	COO, ST; CEO, ST-NXP Wireless
Marc Cetto	Executive VP, ST-NXP Wireless
Jörgen Lantto	CTO, Ericsson's Multimedia business
Timothy Lucie-Smith	CFO, Ericsson Italy
Robert Puskaric	Head of Ericsson Mobile Platforms
Tommi Uhari	Executive VP, ST-NXP Wireless

- Carl-Henric Svanberg, CEO of Ericsson - JV Chairman
- Carlo Bozotti, CEO of ST - JV Vice Chairman

Summary

JV with exciting potential

- Technology leader
 - 2G and 3G to HSPA and LTE
 - Clear scale advantage
- Complete platform offering
 - RF, analog, modem, multimedia, connectivity
- Strong customer base
 - Nokia, Samsung, Sony Ericsson, LG and Sharp and other exciting industry leaders
- Perfect fit, with synergies

Q & A



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