



CONSULTING AND SYSTEMS INTEGRATION

PAOLO COLELLA,
VP AND HEAD OF CONSULTING AND
SYSTEMS INTEGRATION,
ERICSSON

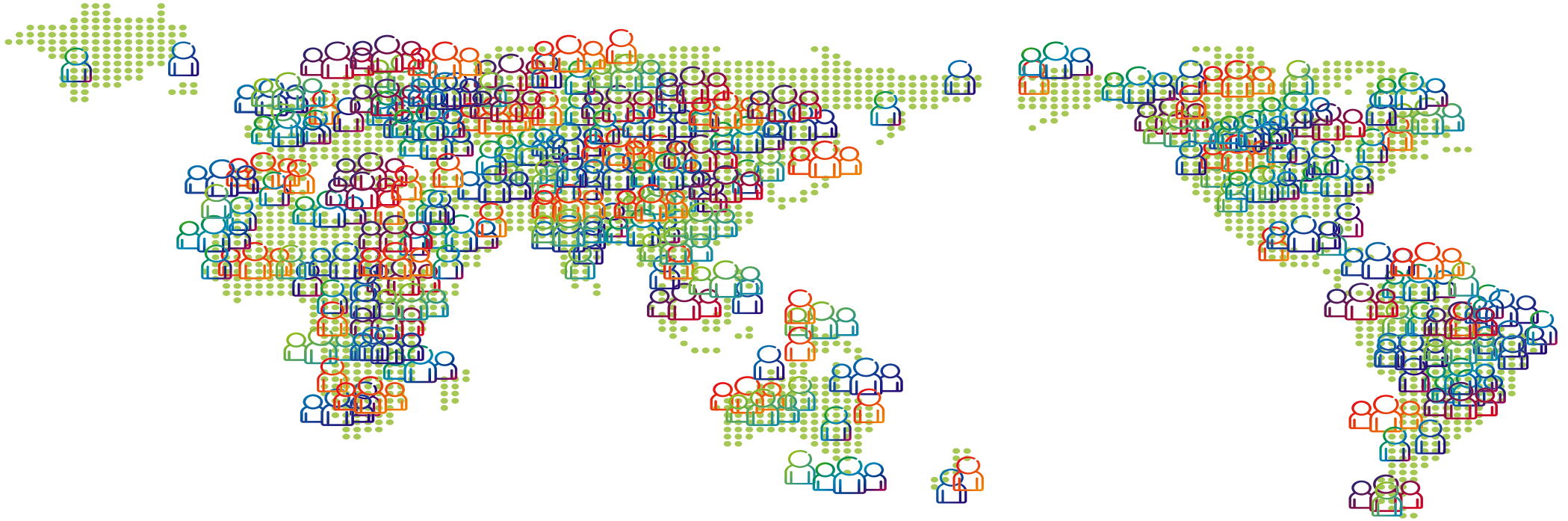
THIS PRESENTATION CONTAINS FORWARD LOOKING STATEMENTS. SUCH STATEMENTS ARE BASED ON OUR CURRENT EXPECTATIONS AND ARE SUBJECT TO CERTAIN RISKS AND UNCERTAINTIES THAT COULD NEGATIVELY AFFECT OUR BUSINESS. PLEASE READ OUR EARNINGS REPORTS AND OUR MOST RECENT ANNUAL REPORT FOR A BETTER UNDERSTANDING OF THESE RISKS AND UNCERTAINTIES.

CSI BUSINESS JOURNEY

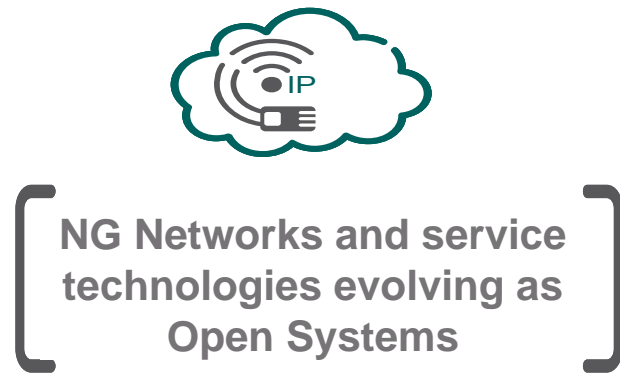
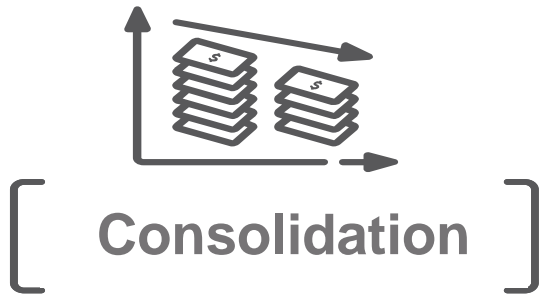
FROM SI CLOSE TO OUR PRODUCTS TO FULL TELECOM ICT TRANSFORMATION

10,000 ICT professionals

1,300+ projects annually

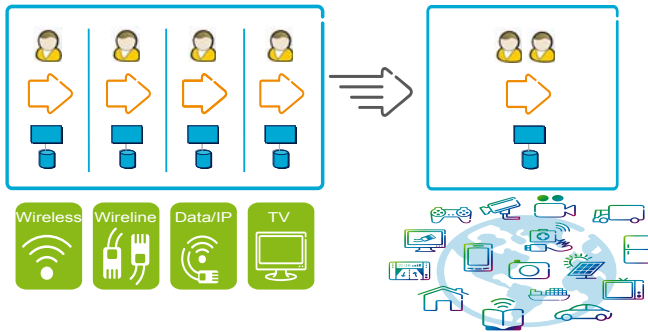


MARKET DYNAMICS INCREASE DEMAND FOR CSI CAPABILITIES



Creating new business

Monetising network assets, customer relationship and the innovation over the top



Delivering efficiencies

Extract margin from current topline



Typical Objectives

- › Smarter Billing logic - Real Time, Customer Centric, Context Driven
- › “Virtualising” BSS/OSS
- › From SLA/KPI performance to Customer Experience / e2e Service Assurance
- › Enable retail, wholesale and partnership models



Typical Objectives

- › Process and Operations consolidation & simplification
- › Process automation
- › Energy saving/Sustainability
- › Systems consolidation (footprint)
- › Leakage correction

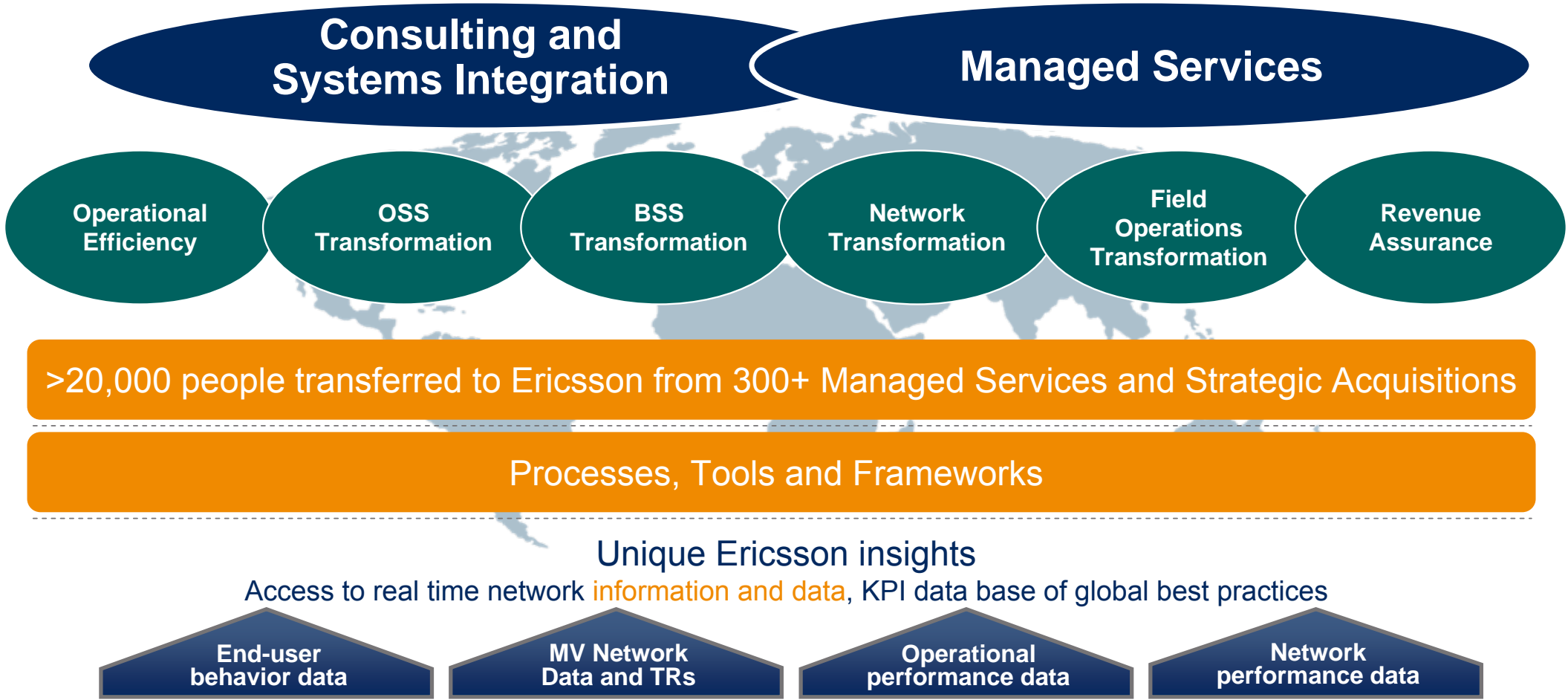
WE HAVE UNIQUE ASSETS TO SUPPORT THE OPERATORS

- Deep market and technology insights
- E2E knowledge across business processes, IT and network
- Track record of delivering on cost reduction and operational performance (750 million subscribers)
- Capabilities for large scale transformation and consolidation
- More than 1300 CSI projects per year and 10,000 consultants (Q2 2010)

Global player – Specialized in Telecom
Reputation for never walking away from our responsibilities

PARTNERING FOR TRANSFORMATION

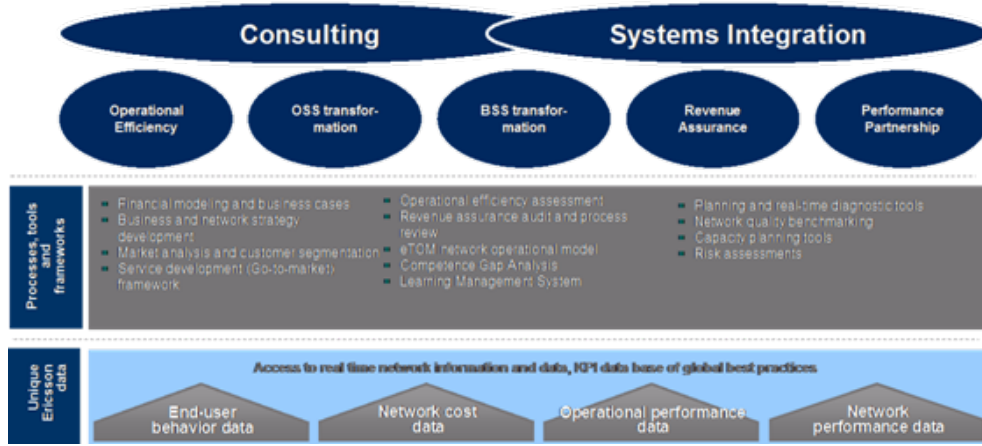
UNIQUE ASSETS TO DRIVE EFFICIENCY



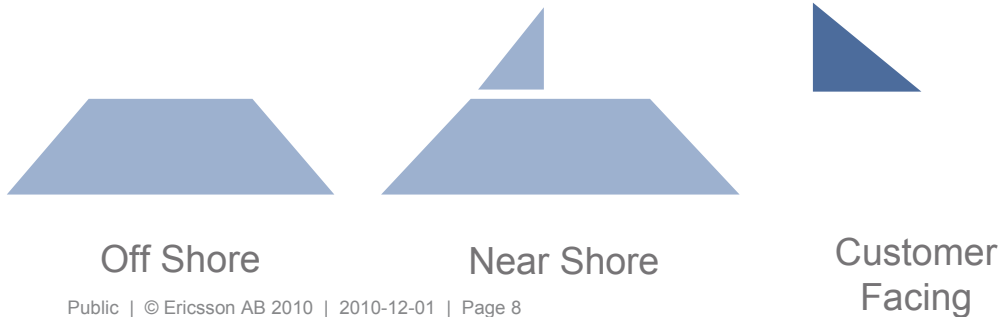
OUR CAPABILITIES



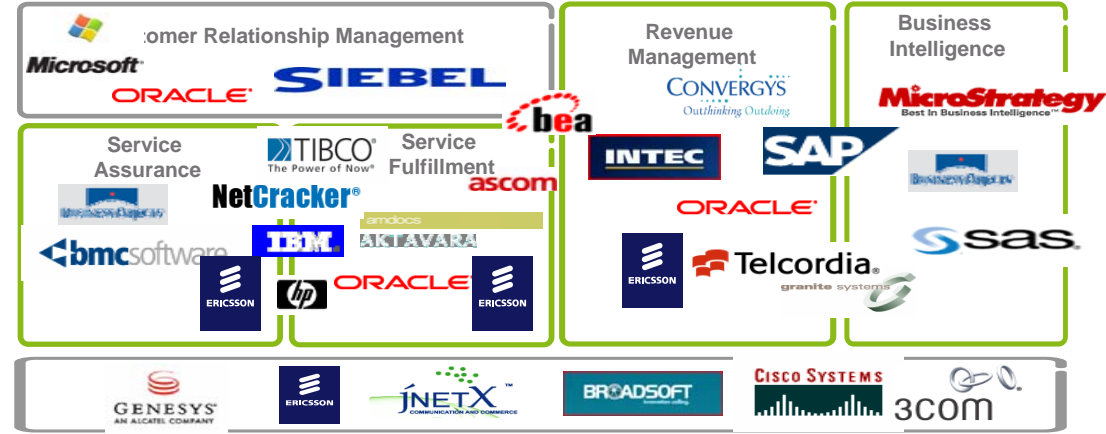
CSI OFFERINGS



CSI DELIVERY MODEL



CSI PARTNER MODEL



GLOBAL METHODS AND TOOLS



- > Customer Program Management
- > Governance model
- > CSI Competence and employee management
- > CSI Re-use methods including best practice & SW database
- > Global databases, consumer behavior, network performance, operations, network financial data

ONLINE CHARGING & OSS APPLICATIONS MAINTENANCE & OPERATIONS

TELEFONICA GROUP



Managed Services

Business challenge

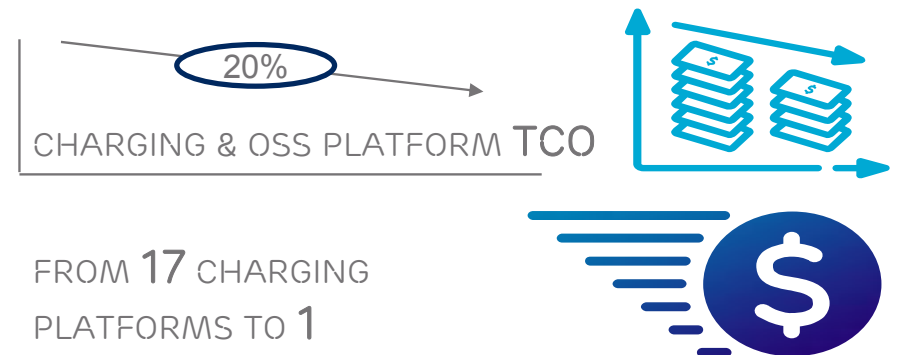
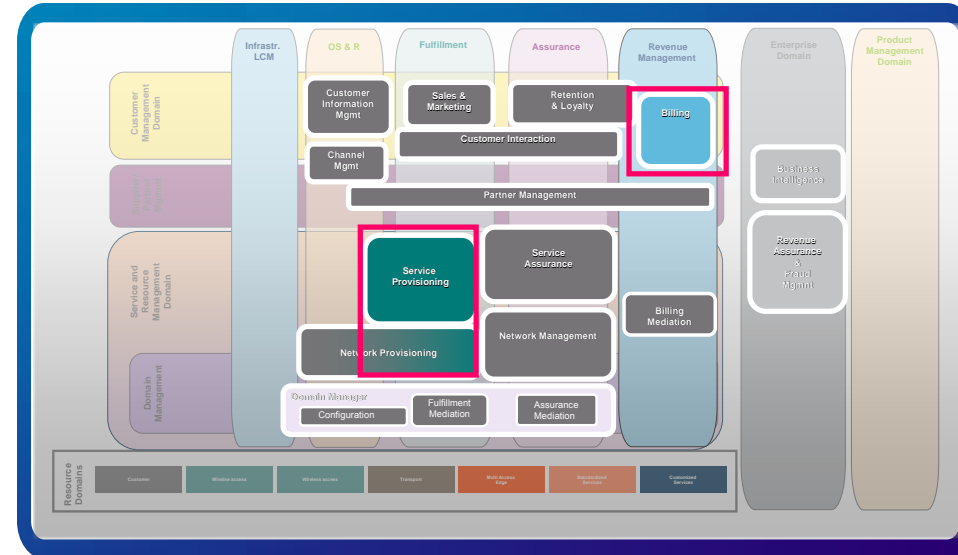
- Streamline the development & maintenance of applications
- Focus on core activities
- Develop new markets

Ericsson solution and approach

- Asset takeover of entire Charging Solution (Altamira) including 220 employees
- design, development, support, integration activities
- Transfer of local Telefonica resources
- Intellectual Property rights of Charging solution transferred

Business benefit

- OPEX reduction
- Industrialize Charging Solution
- Operational improvements:
 - > Centralized Demand Management
 - > Consolidation of SW versions across countries
 - > Common support process & tools



TELEFONICA, LATIN AMERICA

REVENUE ASSURANCE, CONSULTING AND SYSTEMS INTEGRATION



RA Transformation partner



Business challenge

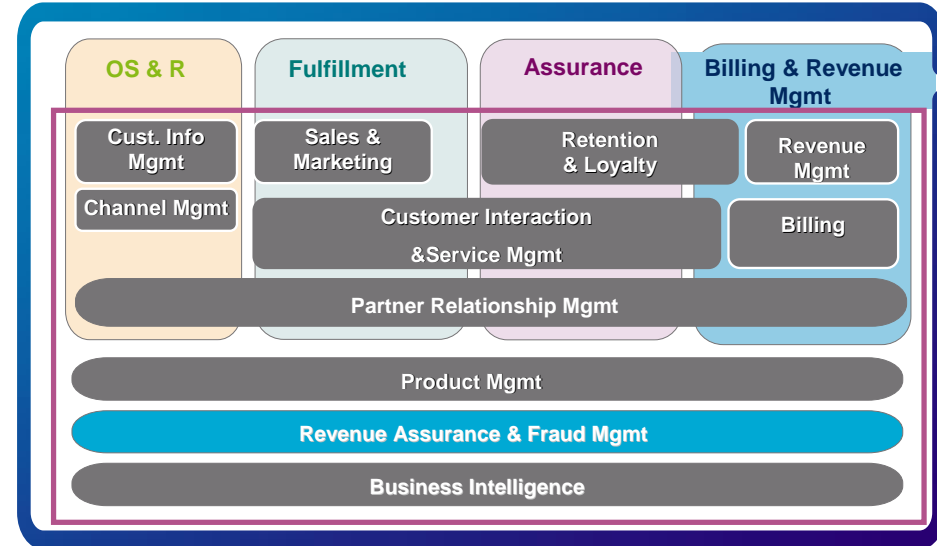
- › Reaching aggressive revenue leakage recovery targets across the group, 18 Latin America operations
- › Standardize revenue assurance framework and KPI model and increase RA maturity
- › To manage execution of a large and complex transformation program

Ericsson solution and approach

- › Prime Integrator for the transformation program
- › Consulting and Systems Integration services
 - Develop and implement the RA functional model
 - Form taskforce to detect and recover leakages
 - Implement best practices
 - Automate RA processes and controls by implementing a RA IT solution

Business Value

- › Bottom line (EBIDTA) benefit
- › Increased revenue control for both fixed and mobile sides across its Latin American operations
- › Prevention of recurrence of inconsistencies that adversely affect revenues



Revenue control



Revenue growth



Efficiency

NEDJMA, ALGERIA

ENSURE CUSTOMER'S EXPERIENCE

Business challenge

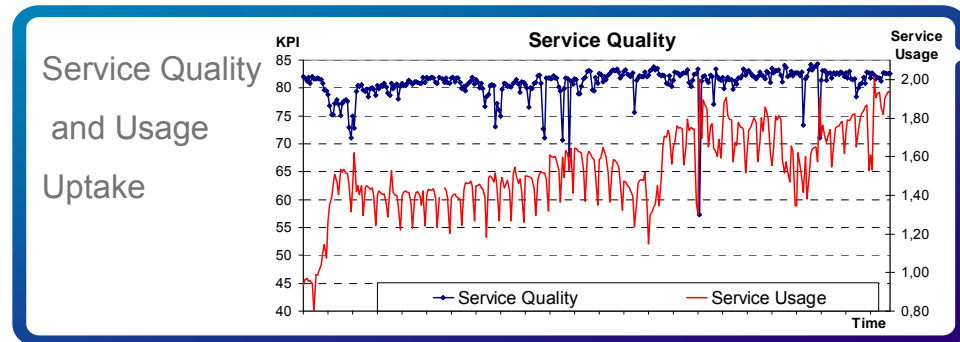
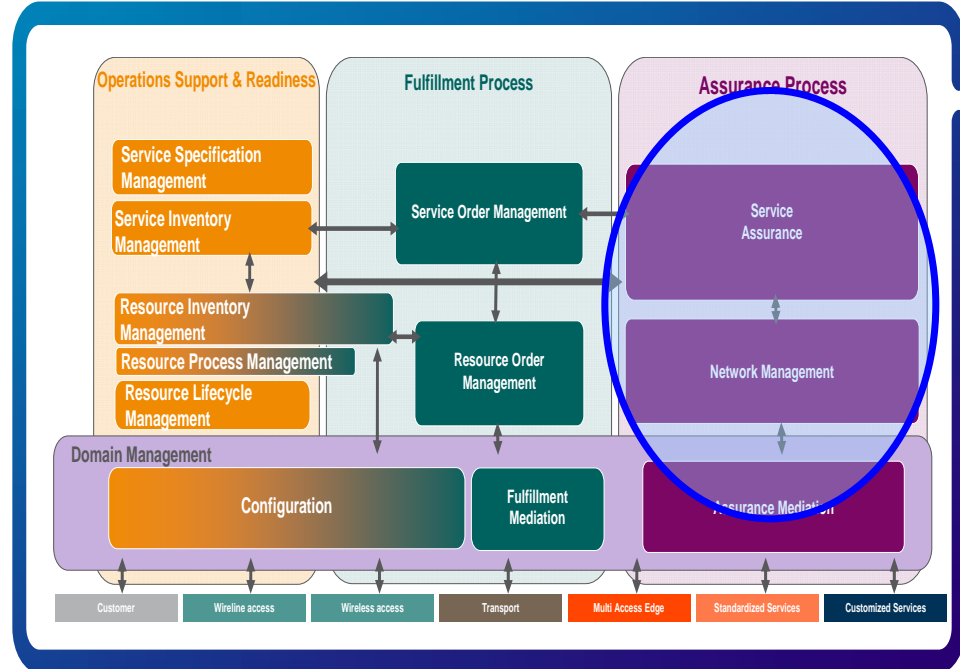
- › Become the preferred service provider in the region
- › Inefficient network operations with no overview of network status
- › Low network resource utilization and low service quality hindering market share growth

Ericsson solution and approach

- › Establishment of a NOC with a "Unified monitoring system", including products from Ericsson and HP, SAP BusinessObjects and BMC Software
- › Network optimization and node re-allocation
- › Implementation of e2e service quality solution
- › Competence development of NOC personal

Business value

- › 2x service usage while maintained customer experience
- › Stable service quality
- › ROI within 1 year
- › Flexible operation platform to support the change towards service centric operation



SCALE AND SKILL ADVANTAGE

10,000 CSI professionals Developing talent through:

- organic growth
- in-sourcing from customers
- strategic acquisitions

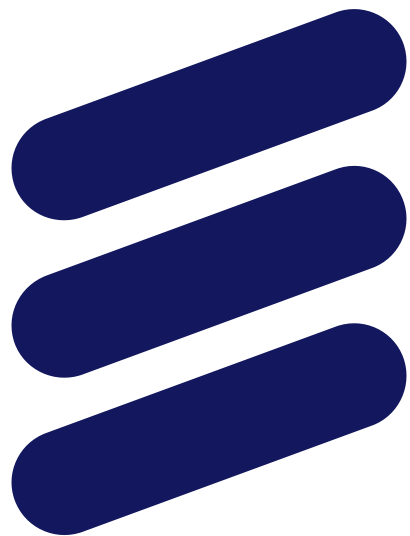
Every year we deliver:
 300+ Consulting projects
 1,000+ SI projects
 300,000+ Student days

Over 750 million subscribers in networks managed by Ericsson

- NOC set-up, operational process development, common tool selections and integration,
- NOC consolidations through Consulting and Systems Integration expertise

Acquisitions

- 2004 Audilog France
- 2005 Teleca OSS, Sweden
- 2005 TUSC, Australia
- 2007 HyC, Spain
- 2009 Bizitec, Turkey
- 2010 Pride, Italy
- 2010 inCode, USA



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