



FOURTH QUARTER AND FULL YEAR

25 JANUARY 2010



HENRY STÉNSON

SENIOR VICE PRESIDENT
COMMUNICATIONS

A decorative graphic on the left side of the slide features a cluster of green and blue dots of various sizes, arranged in a pattern that suggests a signal or data flow.

FOURTH QUARTER AND FULL YEAR

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.



HENRY STÉNSON

SENIOR VICE PRESIDENT
COMMUNICATIONS



HANS VESTBERG

PRESIDENT AND CEO



2009 TRENDS

ACCELERATED DATA GROWTH

NETWORK MODERNIZATION AND IP

TECHNOLOGY SHIFT – 2G, 3G, 4G

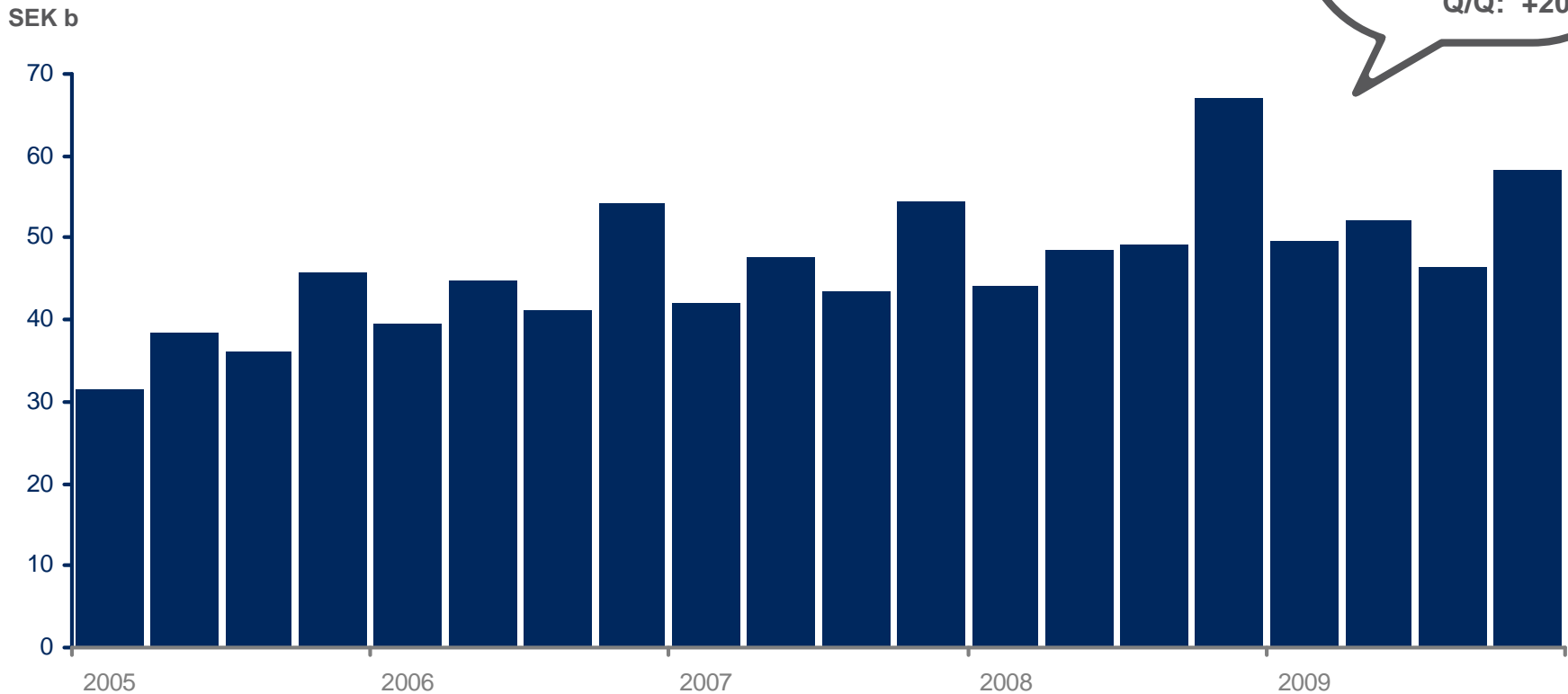
IMPACT FROM ECONOMIC ENVIRONMENT

OPERATOR FOCUS ON EFFICIENCY

NET SALES

- › Operator investment behavior varies between regions and countries
- › Continued good demand for services
- › Maintained market shares well in all segments
- › Currency fluctuations also affected the year and the quarter

Comparable units
 Full year: 0%
 Y/Y: -16%
 Q/Q: +20%



ADJUSTED OPERATING INCOME AND MARGIN

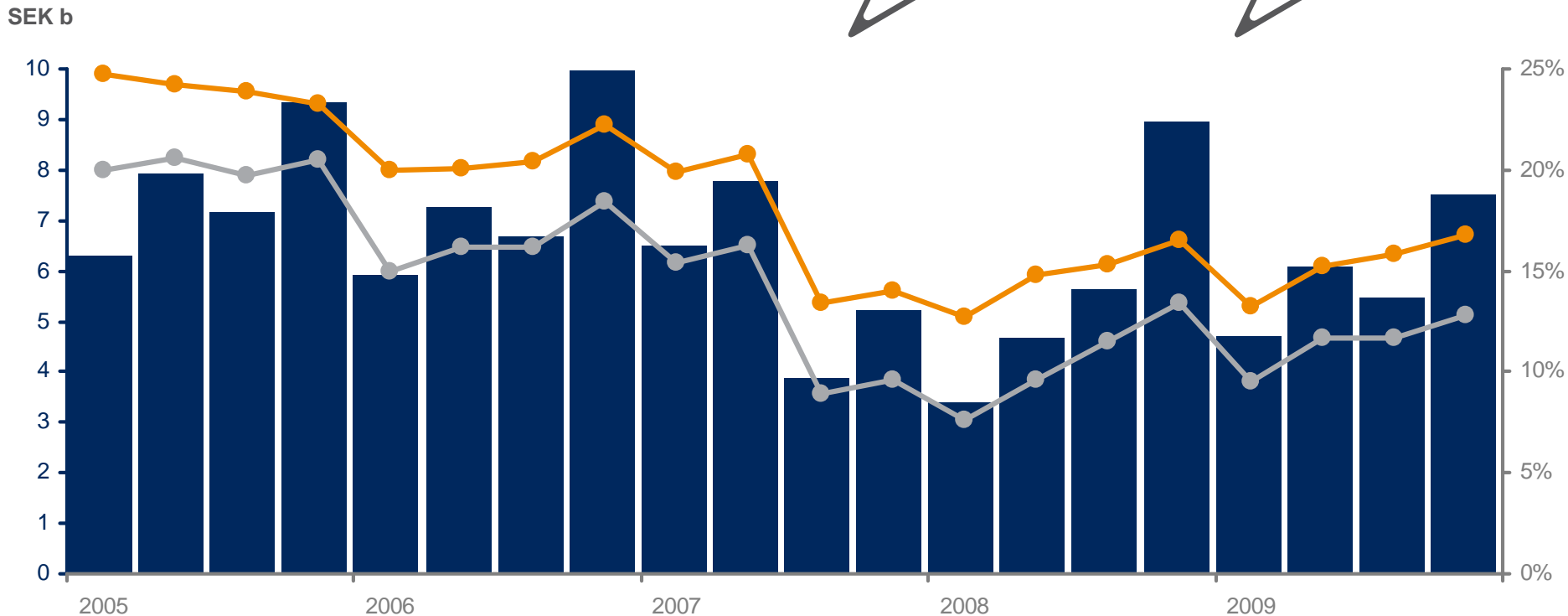
- › Stable margins despite lower YoY sales
- › Effects from cost reduction activities
- › Positive impact from acquired Nortel business in Q4

Operating income excl JVs

2009	SEK 24.6 b
2008	SEK 23.4 b
Q409	SEK 7.5 b
Q408	SEK 9.0 b

Operating margin excl JVs

2009	12%
2008	11%
Q409	13%
Q408	13%



All numbers excl. restructuring charges and JVs
 Excl. capital gain of SEK 0.8 b. for divestment of Symbian shares Q4 2008 and
 SEK 0.8 b for divestment of TEMS Q2 2009

Operating margin
 EBITDA margin



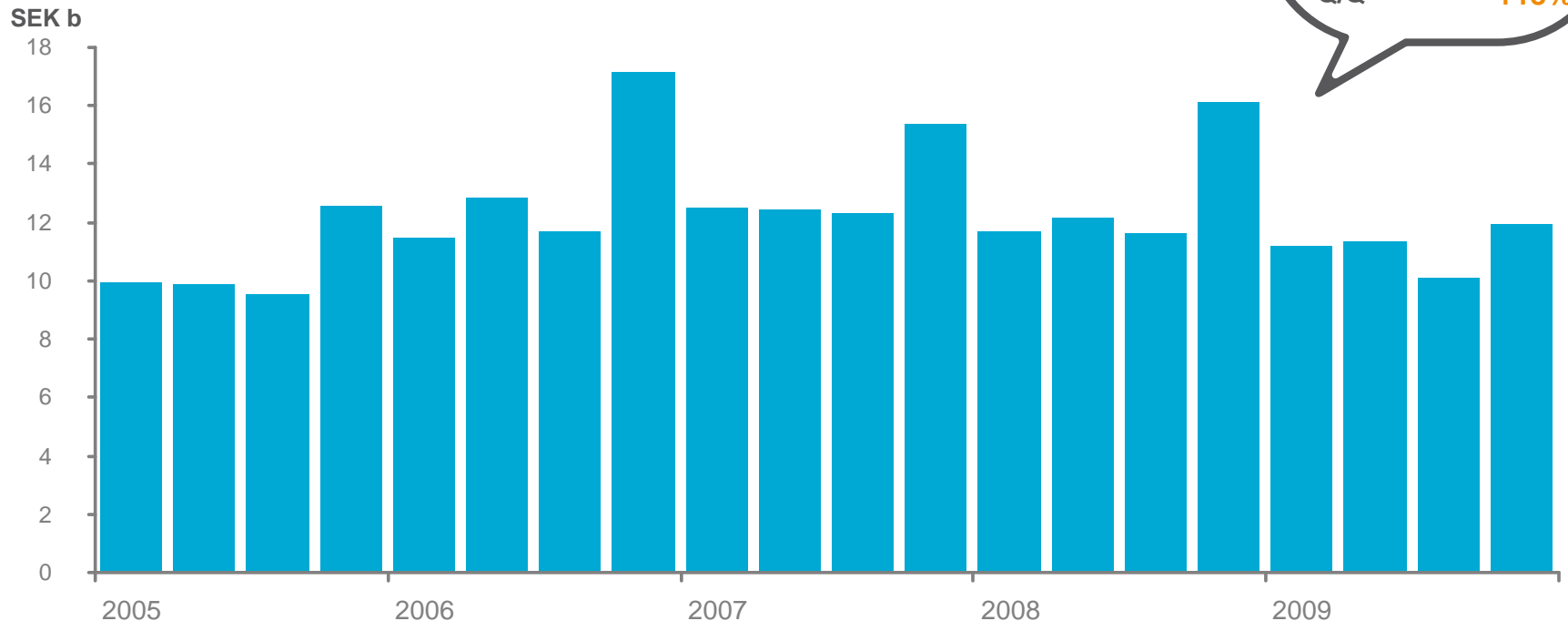
REGIONAL COMMENTS

WESTERN EUROPE

- › Continued consumer uptake of mobile broadband
- › Quality, network modernization and efficiency on operator agendas
- › Major contract wins
 - Q4 2009 Mobile Norway, TV4 Group
 - 2010 TeliaSonera, 3 Scandinavia

Sales comparable units

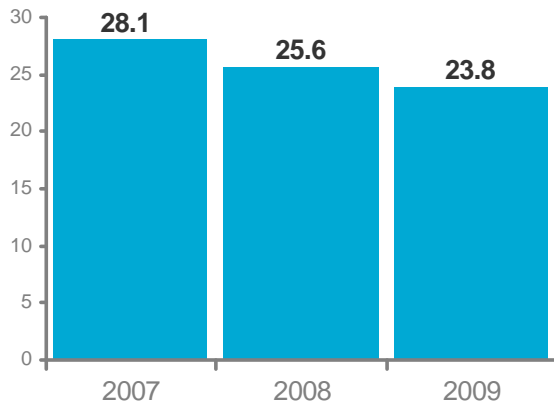
Full year	-6%
Y/Y	-21%
Q/Q	+18%



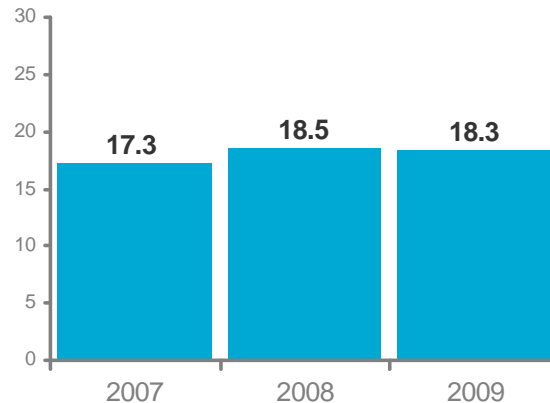
WESTERN EUROPE BY SEGMENT

- › Continued good demand for services throughout the year
- › Building capability to become network modernization partner
- › Cautious operator network investments

NETWORKS (SEK b)

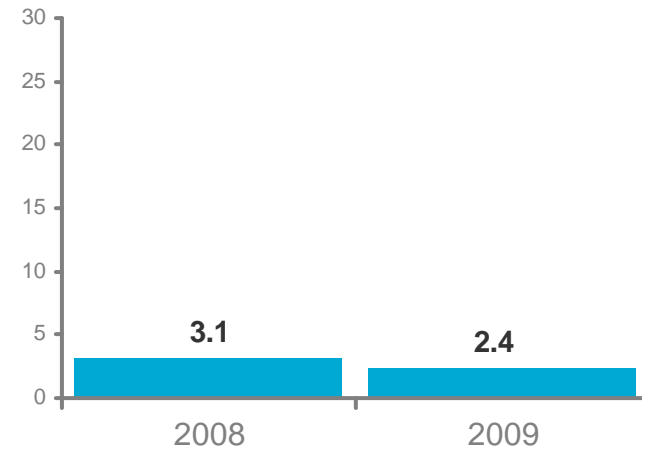


PROFESSIONAL SERVICES (SEK b)



Second half of 2009 negatively impacted by reduced scope in a managed services agreement in Italy

MULTIMEDIA (SEK b)

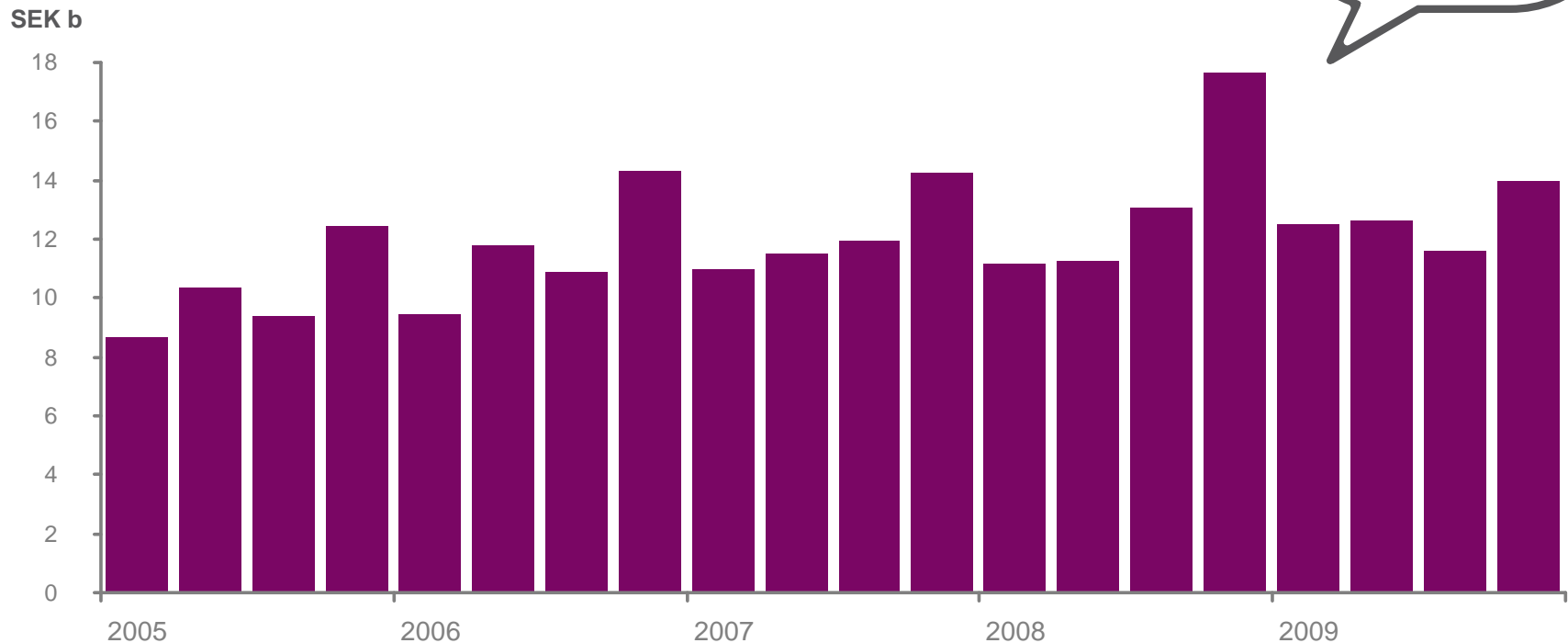


Multimedia adjusted for divestment of mobile platforms business and PBX in 2008

CENTRAL EUROPE, MIDDLE EAST AND AFRICA

- › Region most impacted by economic climate in 2009
- › Credit environment still tight for some operators
- › Continued subscriber growth and focus on coverage

Full year **-4%**
Y/Y **-21%**
Q/Q **+20%**

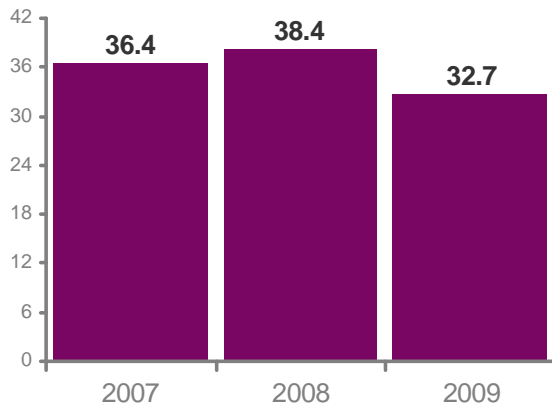


CENTRAL EUROPE, MIDDLE EAST AND AFRICA BY SEGMENT

- › Large variations in region – 2G buildouts as well as mobile broadband
- › Strong interest for managed services
 - Contracts with Romtelecom and du in Q4
- › Frame agreement with MTN in Q4

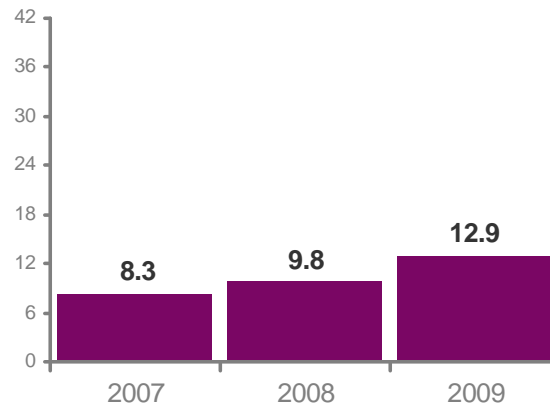
NETWORKS

(SEK b)



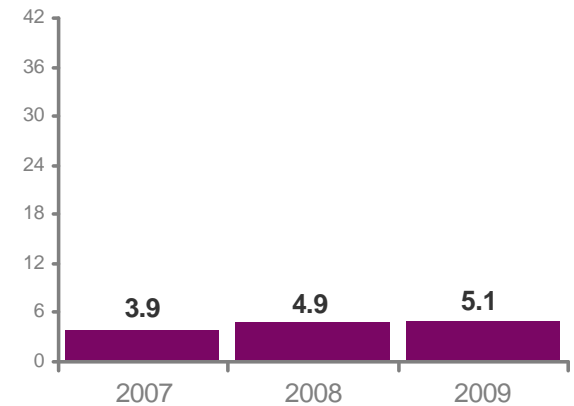
PROFESSIONAL SERVICES

(SEK b)



MULTIMEDIA

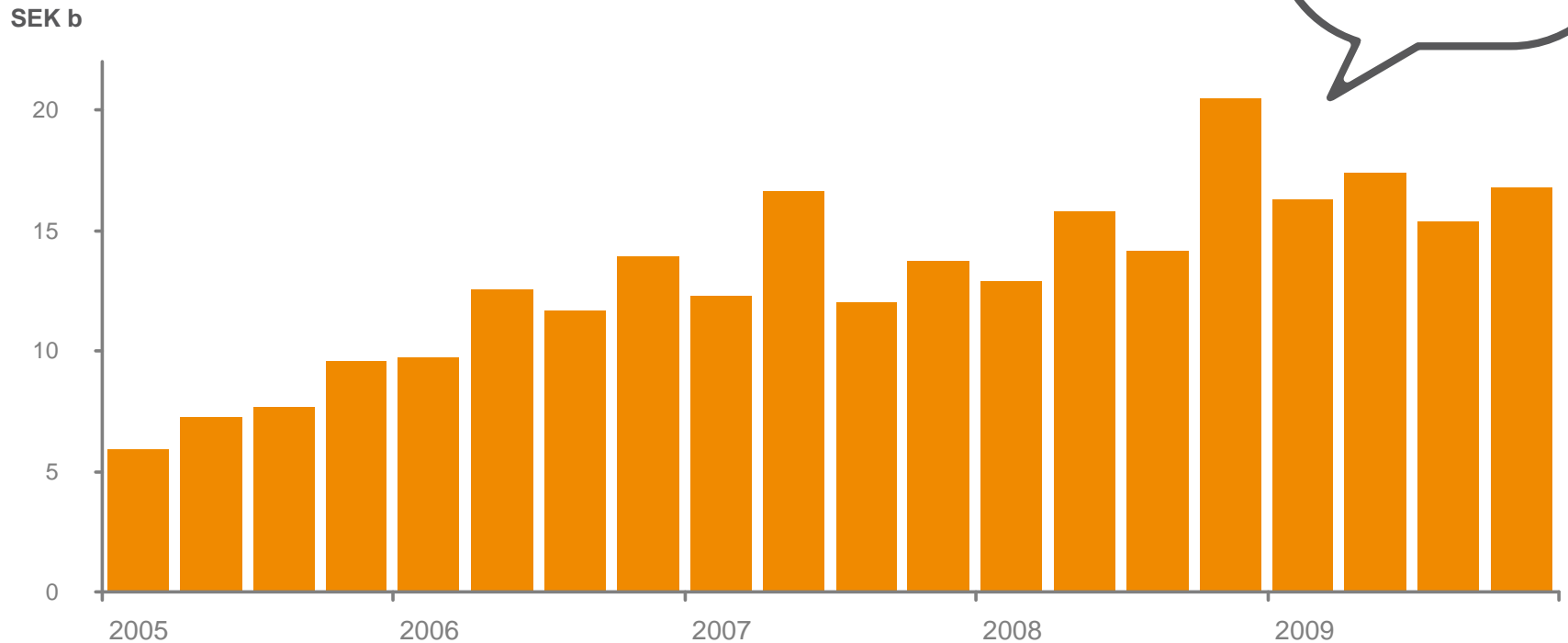
(SEK b)



ASIA PACIFIC

- › China, India, Vietnam, Japan showed good development - network buildouts
- › Bangladesh, Indonesia and Pakistan affected by economic climate
- › Indian operators cautious in Q4 pending 3G licenses

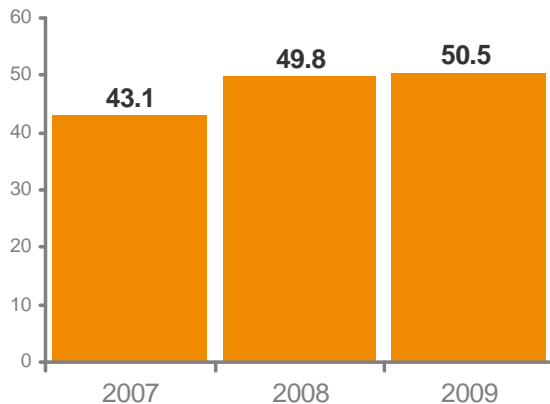
Full year **+4%**
 Y/Y **-18%**
 Q/Q **+9%**



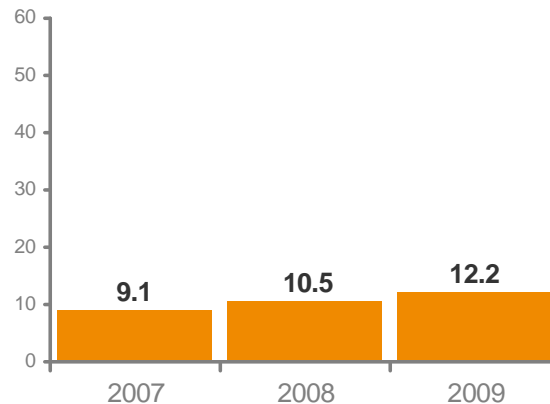
ASIA PACIFIC BY SEGMENT

- › Subscriber growth and network deployments
- › Major mobile broadband rollout in China
- › GPON rollouts with all three operators in China
- › Good traction for Professional Services

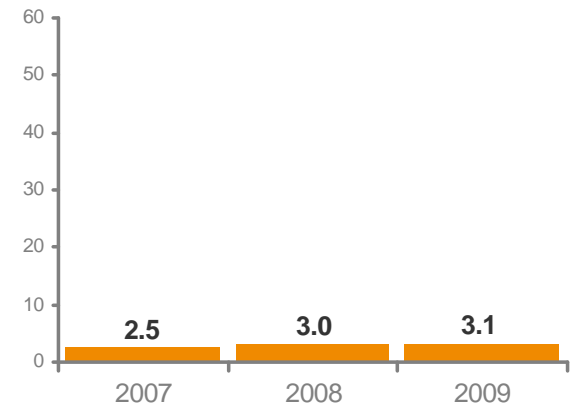
NETWORKS
(SEK b)



PROFESSIONAL SERVICES
(SEK b)



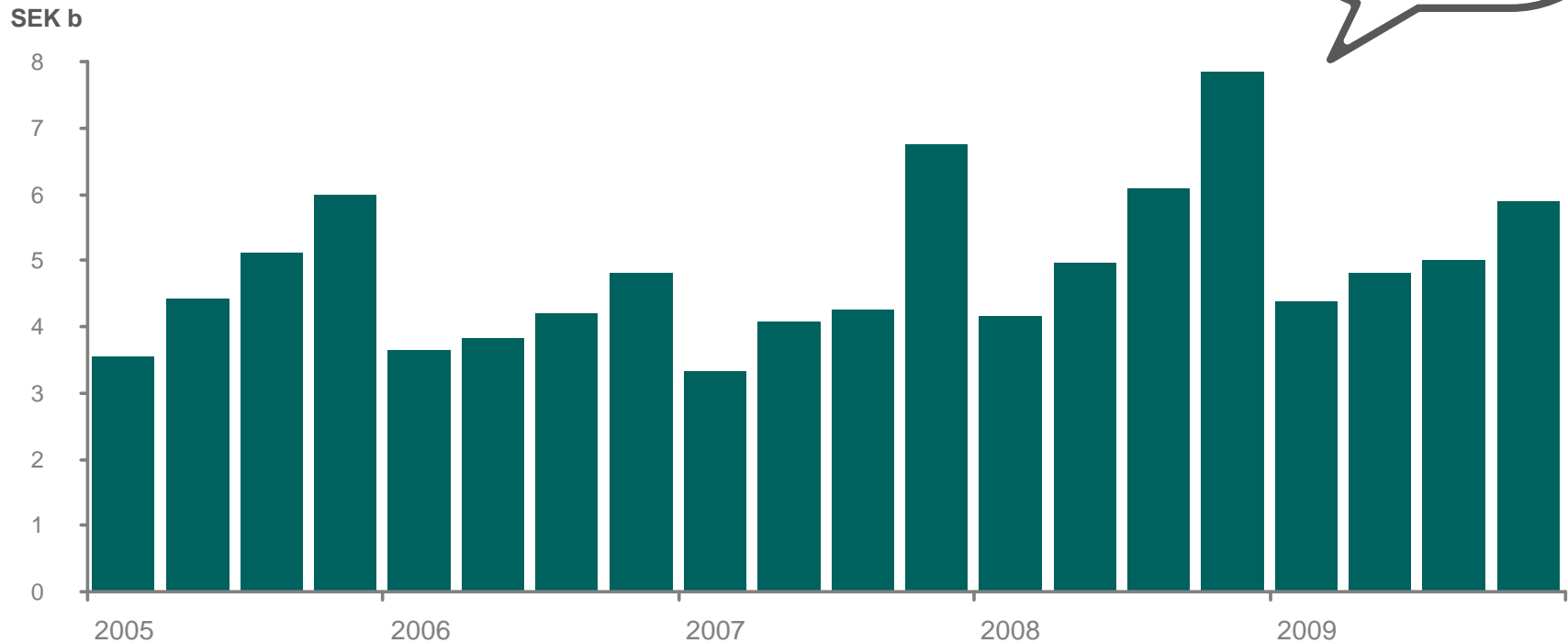
MULTIMEDIA
(SEK b)



LATIN AMERICA

- › Impacted by economic climate
- › Sales also impacted by licensing delays
- › Mobile subscriptions continue to develop positively

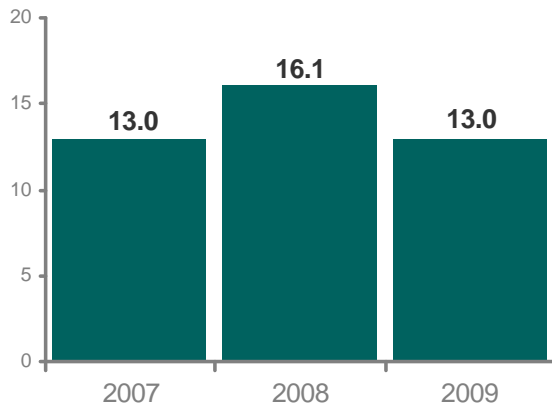
Full year **-13%**
 Y/Y **-25%**
 Q/Q **+18%**



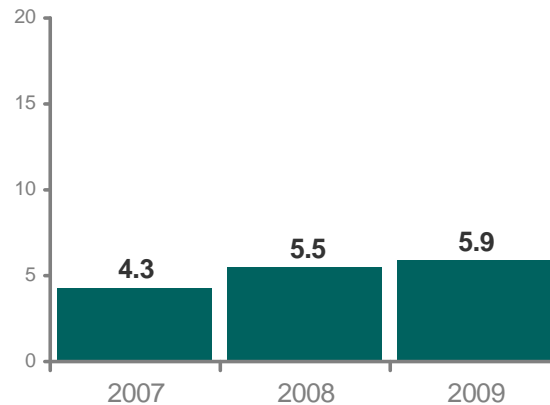
LATIN AMERICA BY SEGMENT

- › Mobile broadband continues to develop well
- › Growing demand for managed services across the region
- › Large buildouts in 2008 – tough comparison

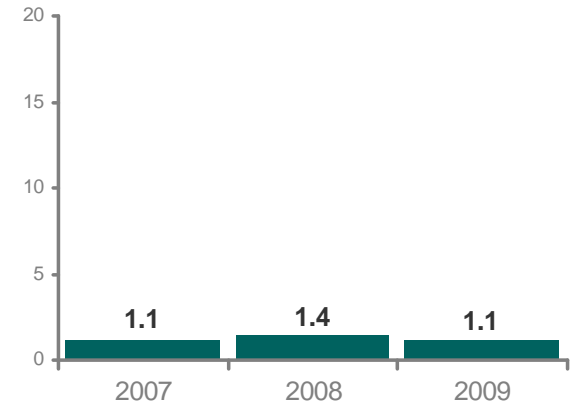
NETWORKS
(SEK b)



PROFESSIONAL SERVICES
(SEK b)



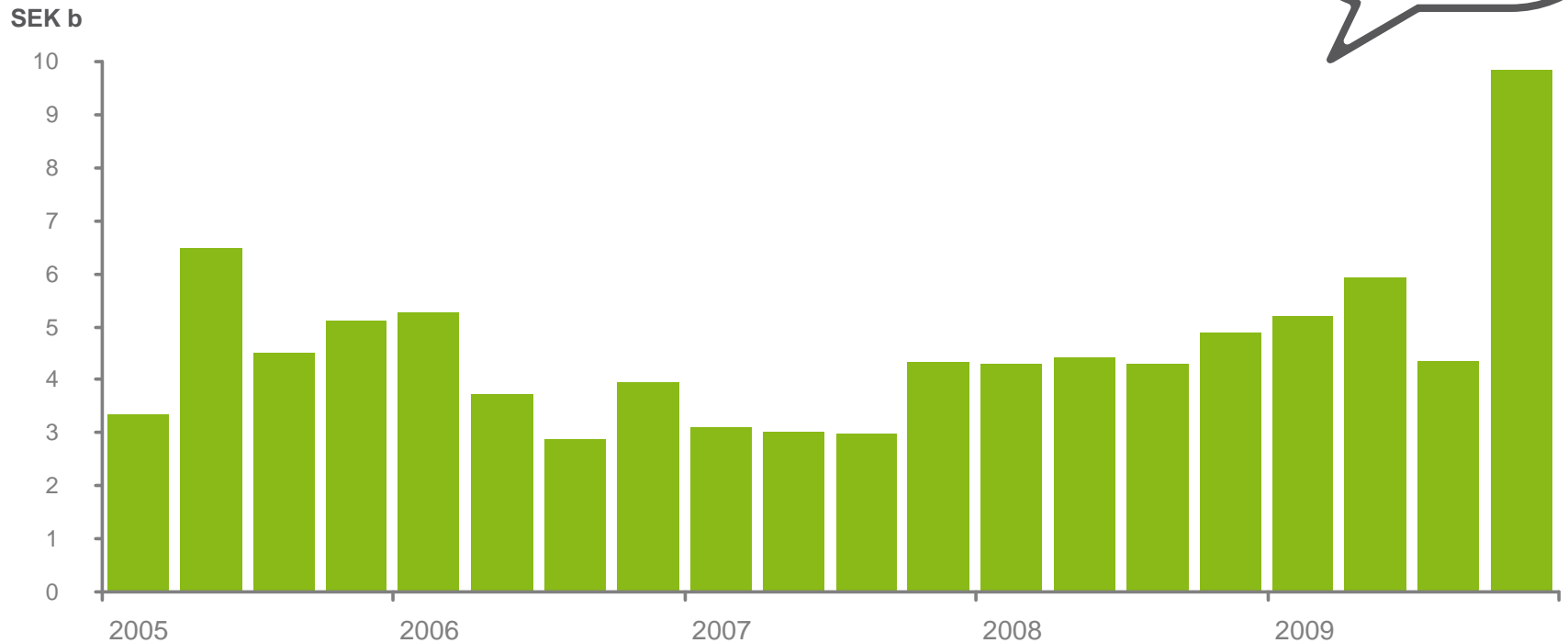
MULTIMEDIA
(SEK b)



NORTH AMERICA

- › Significantly strengthened position during the year – market share gains
- › Former Nortel business consolidated SEK 2.7 b in sales in Q4
- › First full quarter with Sprint service agreement

Full year **+41%**
 Y/Y **+101%**
 Q/Q **+126%**

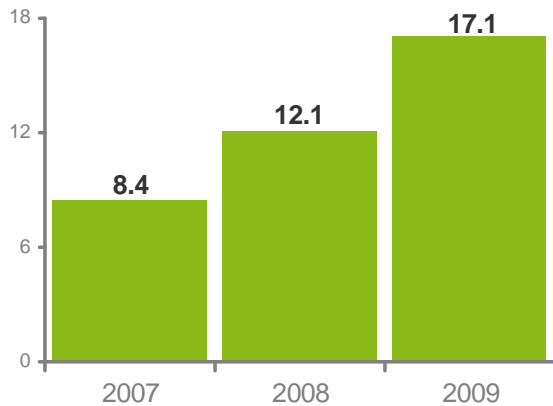


NORTH AMERICA BY SEGMENT

- › Growth in all segments
- › 14,000 employees – tripled in 2009
- › Key supplier for wireline for AT&T - LTE for Verizon

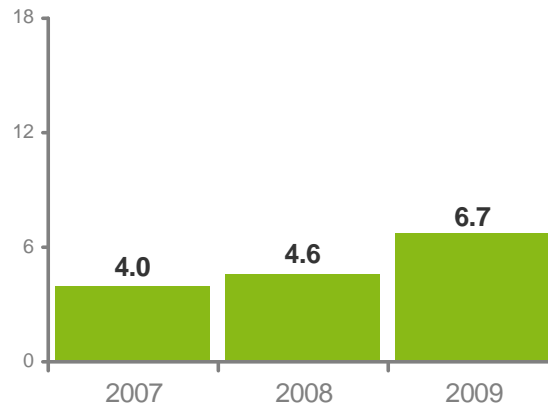
NETWORKS

(SEK b)



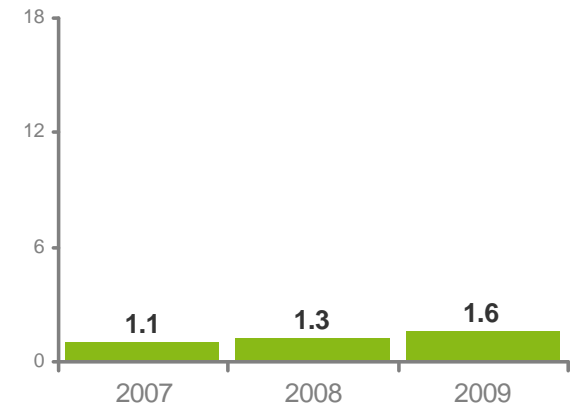
PROFESSIONAL SERVICES

(SEK b)



MULTIMEDIA

(SEK b)





SEGMENTS

NETWORKS

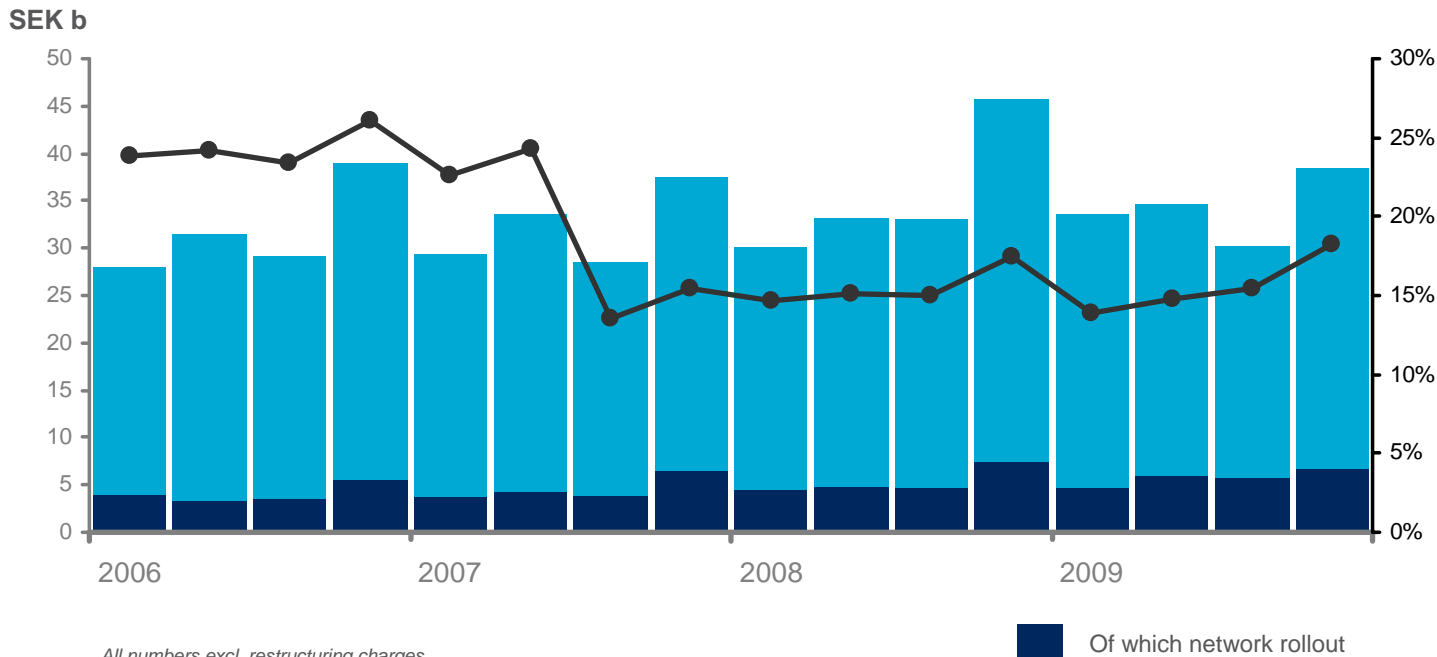
- › Stable margins despite drop in sales year-over-year
- › Mobile infrastructure market share maintained well in 2009
- › Positive impact in Q4 from acquired Nortel business
- › Decline in GSM not yet offset by growth in WCDMA sales
- › Continued data growth drives backhaul and IP router sales

Sales

Full year	-3%
Y/Y	-16%
Q/Q	+27%

EBITDA margin

2009	15%
2008	16%
Q409	17%
Q408	17%



All numbers excl. restructuring charges

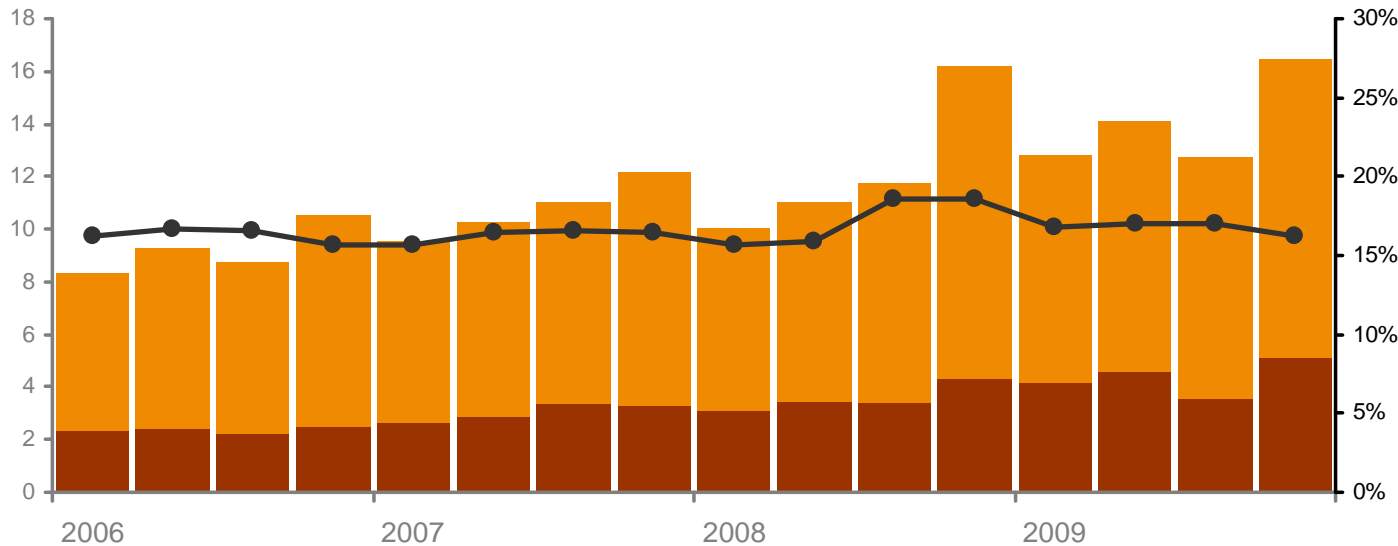
PROFESSIONAL SERVICES

- › Continued good growth in constant currencies full year and year-over-year
- › Several strategic services contracts incl Sprint
- › Acquired Pride in Italy – 1,000 systems integration experts

40,000
service professionals

370 m
subscribers managed networks

SEK b



Sales

Full year +15%
Y/Y +2%
Q/Q +29%

EBITDA margin

2009 17%
2008 17%
Q409 16%
Q408 19%

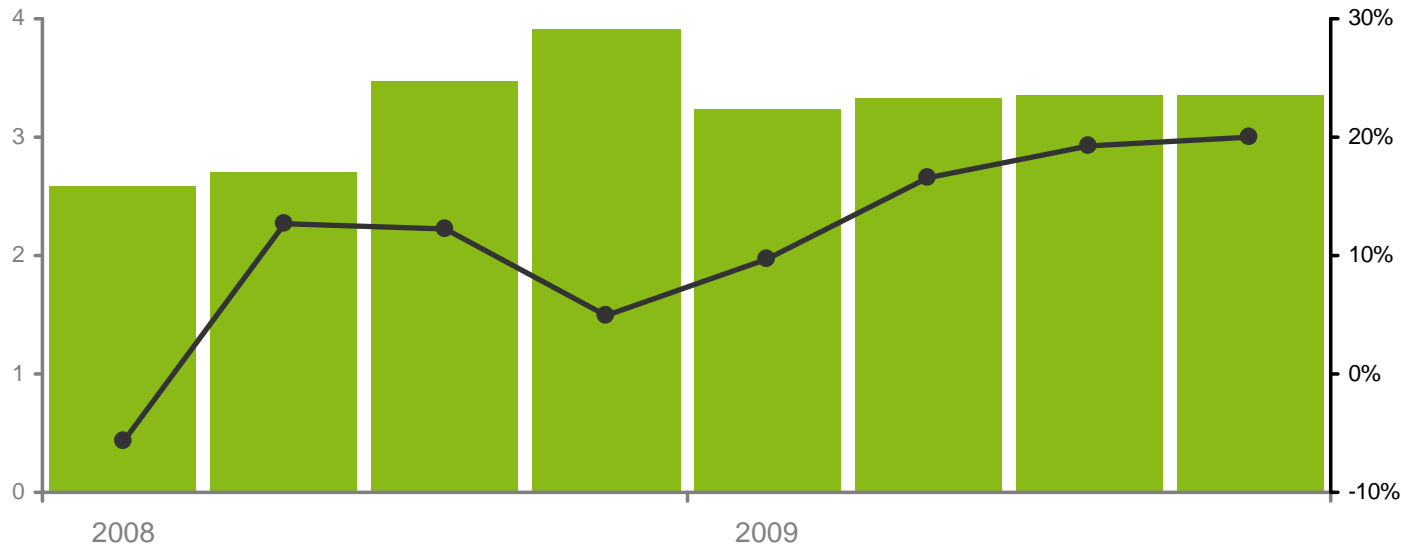
All numbers excl. restructuring charges
2Q2009 adjusted for divestment of TEMS

Of which managed services

MULTIMEDIA

- › Strong EBITDA margin development
- › Revenue Management impacted - slower demand in several emerging markets Q4
- › Good development in TV, multimedia brokering (IPX)

SEK b



Sales

Full year	+5%
Y/Y	-14%
Q/Q	0%

EBITDA margin

2009	16%
2008	8%
Q409	20%
Q408	5%

All numbers excl. restructuring charges and adjusted for divestment of mobile platforms and PBX business in 2008
 Q42008 excl. capital gain of SEK 0.8 b. for divestment of Symbian shares

JOINT VENTURES Q4

› Sony Ericsson



Sony Ericsson

- Sales of EUR 1,750 (2,914) m, up 8% sequentially
- NIBT EUR -40 (-133) m, up from EUR -198 m in Q3
 - › Reduced operating expenses
 - › Successful sales Aino, Satio

› ST-Ericsson



- Sales of USD 740 m, up 2% sequentially
- Adjusted operating income USD -50 m, up from USD -77 m in Q3
- Cost reductions on track



JAN FRYKHAMMAR

CFO AND EXECUTIVE VICE PRESIDENT



FINANCIAL OVERVIEW

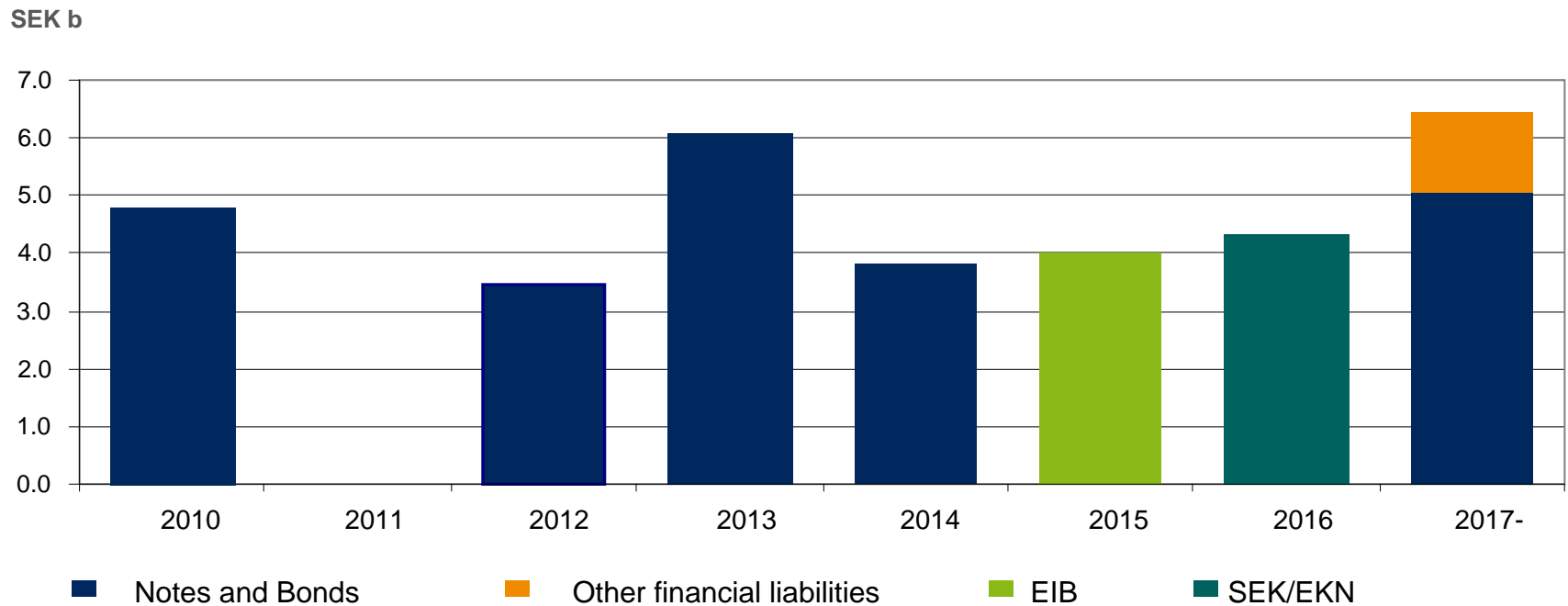
Q4 FINANCIAL HIGHLIGHTS

- › Stable margins despite lower year-over-year sales
- › Continued efficiency programs
- › JVs on track to return to become profitable
- › Strong operating cash flow due to improved working capital

SEK b.	Fourth quarter			Third quarter		Full year		
	2009	2008	Change	2009	Change	2009	2008	Change
Net sales	58.3	67.0	-13%	46.4	26%	206.5	208.9	-1%
Adj operating income excl JVs	7.5	9.0		5.5		24.6	23.4	
Restructuring charges	-4.3	-2.3		-2.7		-11.3	-6.7	
Share in earnings of JVs	-1.5	-1.3		-1.6		-7.4	-0.4	
Net income	0.7	4.1		0.8		4.1	11.7	
EPS, diluted SEK	0.10	1.21		0.25		1.14	3.52	
Operating Cash flow	12.5	7.0		5.7		24.5	24.0	
Board of Directors propose dividend SEK 2.00						6.4	6.0	

DEBT MATURITY PROFILE

› Debt maturity as per September 2009

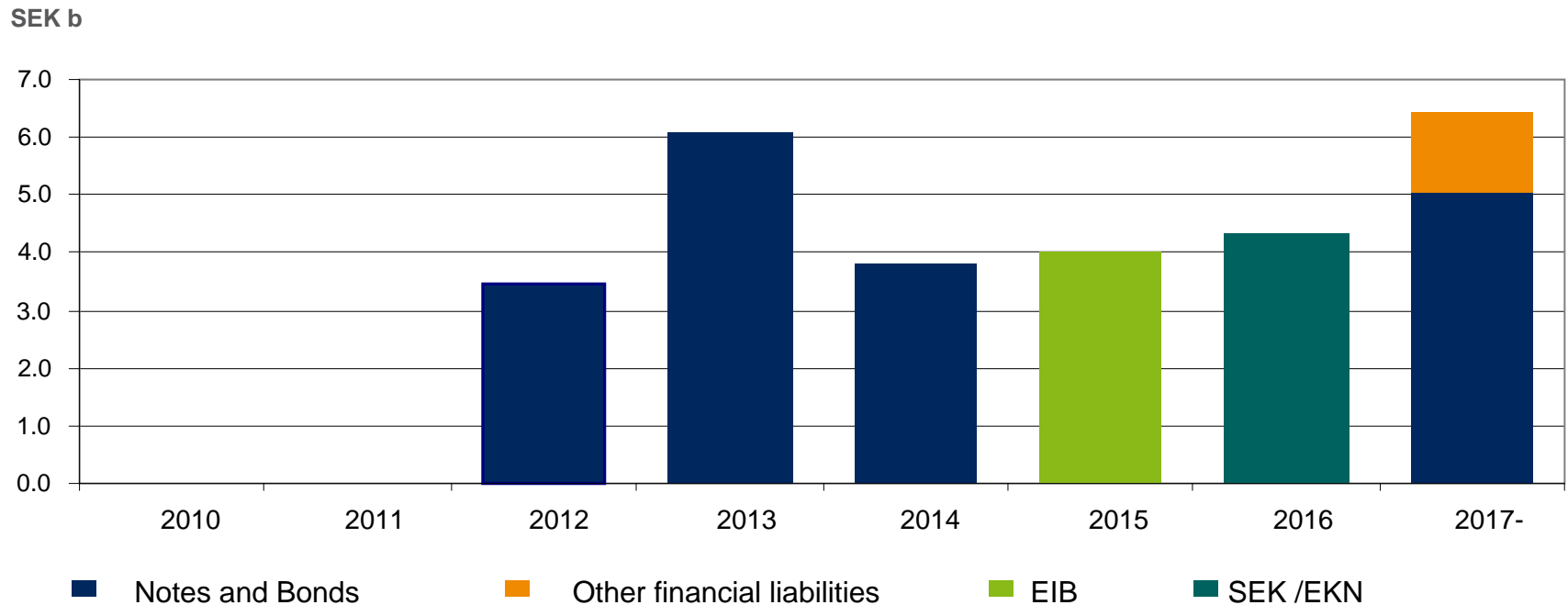


Undrawn back-up facility of USD 2 b available.

Maturing in July 2014. Not shown in this chart.

DEBT MATURITY PROFILE

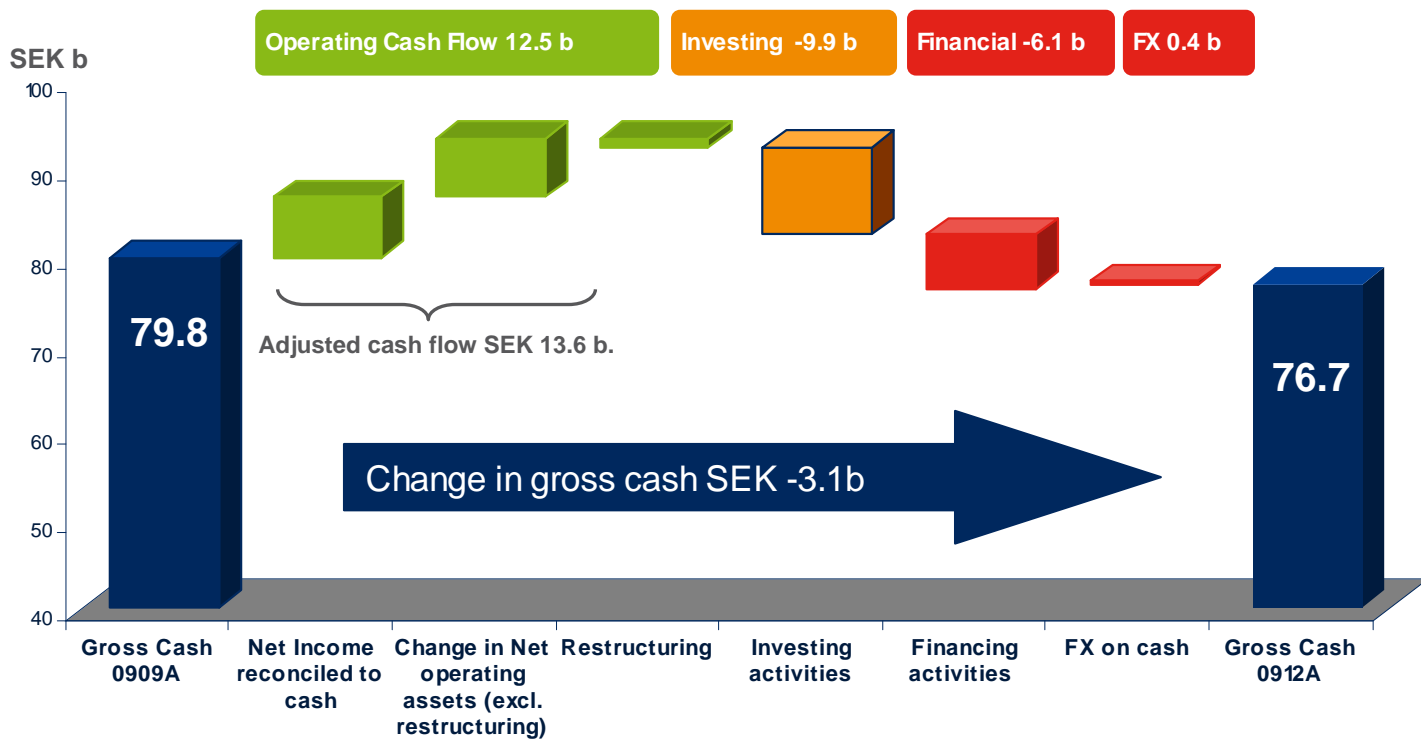
- › Early redemption of callable EMTN bond due 2010 (EUR 471 m) in November
- › Repurchase of bond reduced gross debt and improved annual interest net



Undrawn back-up facility of USD 2 b available.

Maturing in July 2014. Not shown in this chart.

CHANGE IN GROSS CASH Q4 2009



[
]

Change in net cash SEK +2.2 b
From SEK 33.9 b to 36.1 b

BALANCE SHEET AND RATIOS

- › Strong collections in the quarter
- › Project completions before year-end
- › ROCE decline driven by losses in JVs
- › Continued healthy equity ratio

SEK b.	Dec 31 2009	Sep 30 2009	June 30 2009	Mar 31 2009	Dec 31 2008
Trade receivables	66.4	62.4	69.4	75.2	75.9
Days sales outstanding	106	118	121	124	106
Inventory	22.7	26.8	29.0	30.7	27.8
Inventory days	68	77	78	83	68
Payable days	57	57	59	65	55
Return on capital employed	4%	4%	5%	7%	11%
Equity ratio	52%	52%	51%	52%	50%

COST REDUCTION PROGRAM

- › Transition to IP paves way for efficiency improvements
 - Common hardware and software platforms, fewer sites

- › Original plan announced January 2009
 - Planned savings of SEK 10 b from 2H 2010
 - SEK 6-7 b estimated restructuring charges

- › Further efficiency potential uncovered during fall 2009
 - Total savings 2009 to mid 2010 now estimated to SEK 15-16 b
 - Total restructuring charges now estimated to SEK 13-14 b

- › Restructuring charges SEK 11.3 b for 2009
 - Remaining restructuring charges in 2010 of SEK 2-3 b
 - Cash outlays of SEK 4.3 b remain to be made

Please note that not all restructuring charges lead to cash out

2009 IN SUMMARY

IMPACT SECOND HALF FROM ECONOMIC CLIMATE

**MAINTAINED MARKET SHARES WELL
IN ALL SEGMENTS**

**COST REDUCTIONS GIVING EFFECTS –
STABLE MARGINS**

STRONG FINANCIAL POSITION

FOCUS AREAS

GROW FASTER THAN THE MARKET

BEST IN CLASS MARGINS

STRONG CASH CONVERSION

GROWTH IN JV EARNINGS



FOURTH QUARTER AND FULL YEAR

Q & A



ERICSSON