

This is Ericsson in 2008

As the world's largest supplier of network equipment and related services to telecom operators, Ericsson has over 78,000 employees and customers in more than 175 countries. Innovation, technology leadership and sustainable business solutions advance a vision to be the prime driver in an all-communicating world. Long-term relationships with all major operators result in Ericsson serving well over 40 percent of all mobile subscribers. Ericsson manages a number of operator-owned networks with, altogether, 250 million subscribers globally. The Sony Ericsson joint venture is a major supplier of feature-rich mobile phones.

Financial results in short

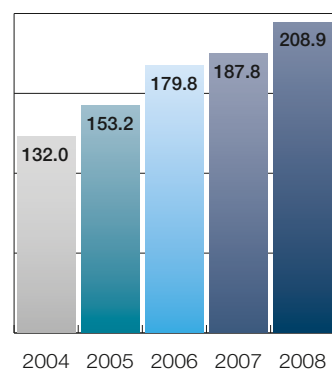
- **Sales grew by 11 percent to SEK 209 billion** with global demand across the entire portfolio.
- **Operating margin was 11.4 (16.3) percent, excluding restructuring charges,** due to a gross margin decrease along with insignificant contribution from Sony Ericsson compared to 2007.
- **Earnings per share 49 percent lower, SEK 3.52,** negatively impacted by restructuring charges and Sony Ericsson.
- **Payment readiness improved from SEK 65 billion to SEK 85 billion at year end,** with working capital efficiency improvements.

Key developments

- 650 million new mobile subscriptions added to reach the 4 billion mark.
- Emerging markets fastest growing, with India and China now our largest markets.
- Record year for GSM network shipments.
- Weaker demand for replacement phones affecting mobile phone market but usage grew.
- Mobile broadband took off with tripled subscriptions and peak data rates of 21 Mbps.
- Joint venture to build leading position in semiconductors and platforms for mobile devices.
- Multimedia investments start to pay off with especially good progress in Revenue Management and Service Delivery & Provisioning.
- LTE established as first true global mobile standard.
- Introduced new multi-standard radio base station.
- Expanded presence in Silicon Valley to strengthen our position in IP technologies.

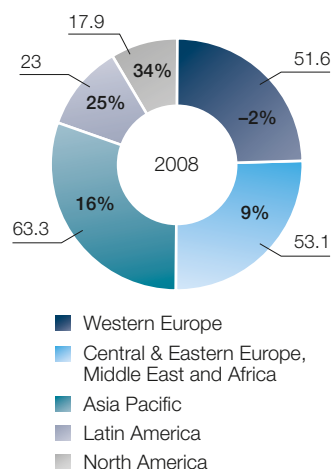
NET SALES

(SEK billion)



SALES BY REGION 2008

Ericsson net sales (SEK billion) and change (percent) year-over-year



OUR 10 LARGEST MARKETS 2008

Percent of total sales

