FIRST QUARTER 2010

23 APRIL 2010

HENRY STÉNSON

SENIOR VICE PRESIDENT
COMMUNICATIONS

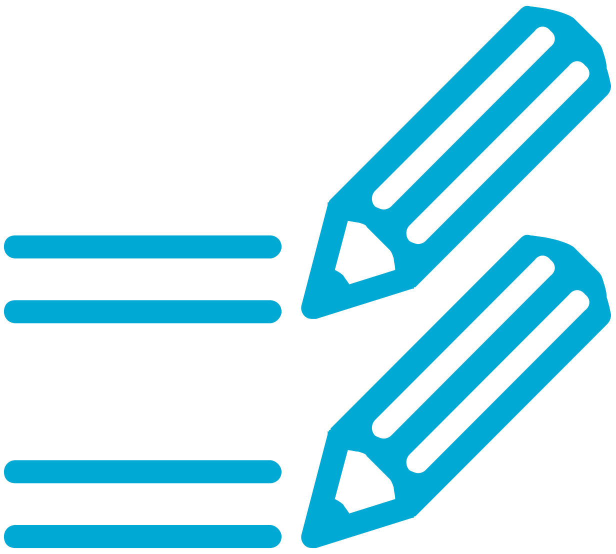
ERICSSON

FIRST QUARTER 2010

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 RISKT AND UNCERTAINTIES.

CHANGES IN EXTERNAL REPORTING

- Change in segments
  - Network Rollout moved to segment Global Services
  - All other segments unchanged
- Change in geographical breakdown
  - 10 regions replacing 5 markets
- EBITA replaces EBITDA
- Top 5 countries



HANS VESTBERG

PRESIDENT AND CEO

Q1 TRENDS

Varied operator investment activities also this quarter

Operators in developing markets still cautious

Network quality and efficiency discussions in markets with strong data traffic uptake

RECENT EVENTS

- LG-Ericsson JV in Korea
  - Acquisition of Nortel's stake, USD 242 m
- Cooperation with Datang on mobile technology
  - Research, development and commercial cooperation on TDD
- USD 1.8 b frame agreements in China
  - China Unicom and China Mobile
- USD 1.3 b network expansion contract in India with Bharti
  - Expansion and upgrade of Airtel's network
- Strong Q1 performance in Sony Ericsson
  - Return to profitability

NET SALES

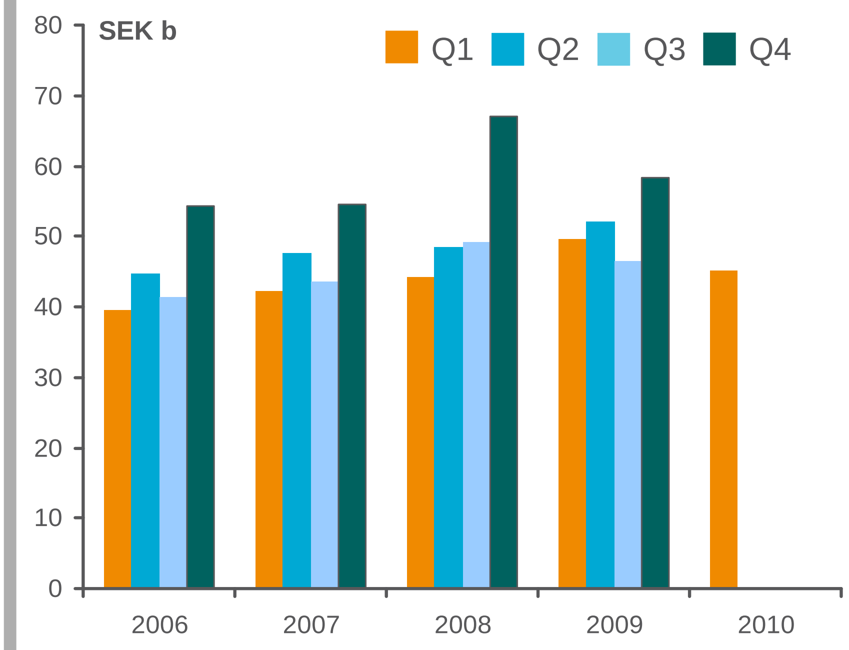
- Good development in Global Services and CDMA
- Lower sales in Networks and Multimedia
- Tight industry component supply impacted sales

Net sales

Q110	SEK 45.1
Y/Y	-9%

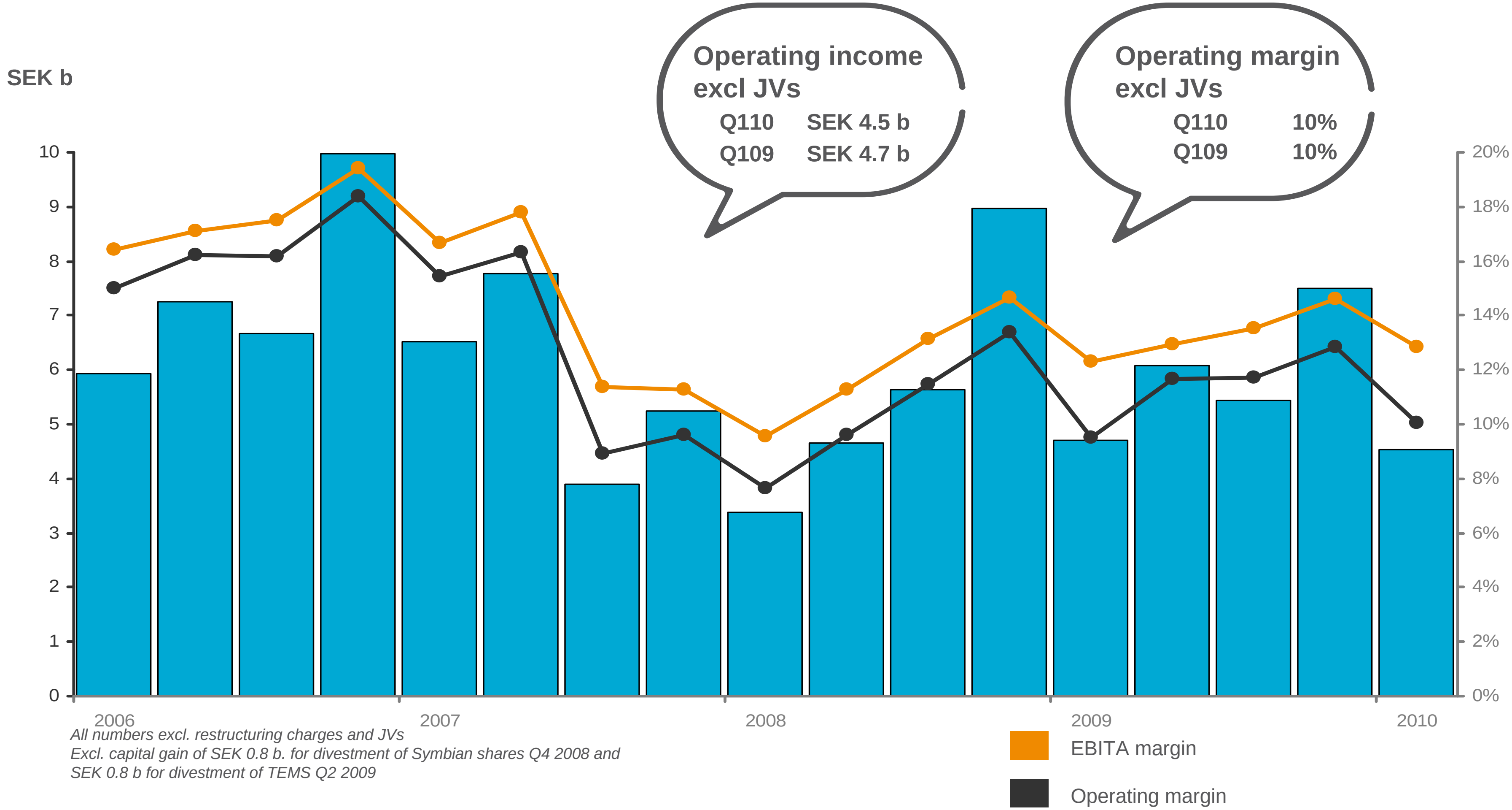
Comparable units

Y/Y:	-16%



ADJUSTED OPERATING INCOME AND MARGIN

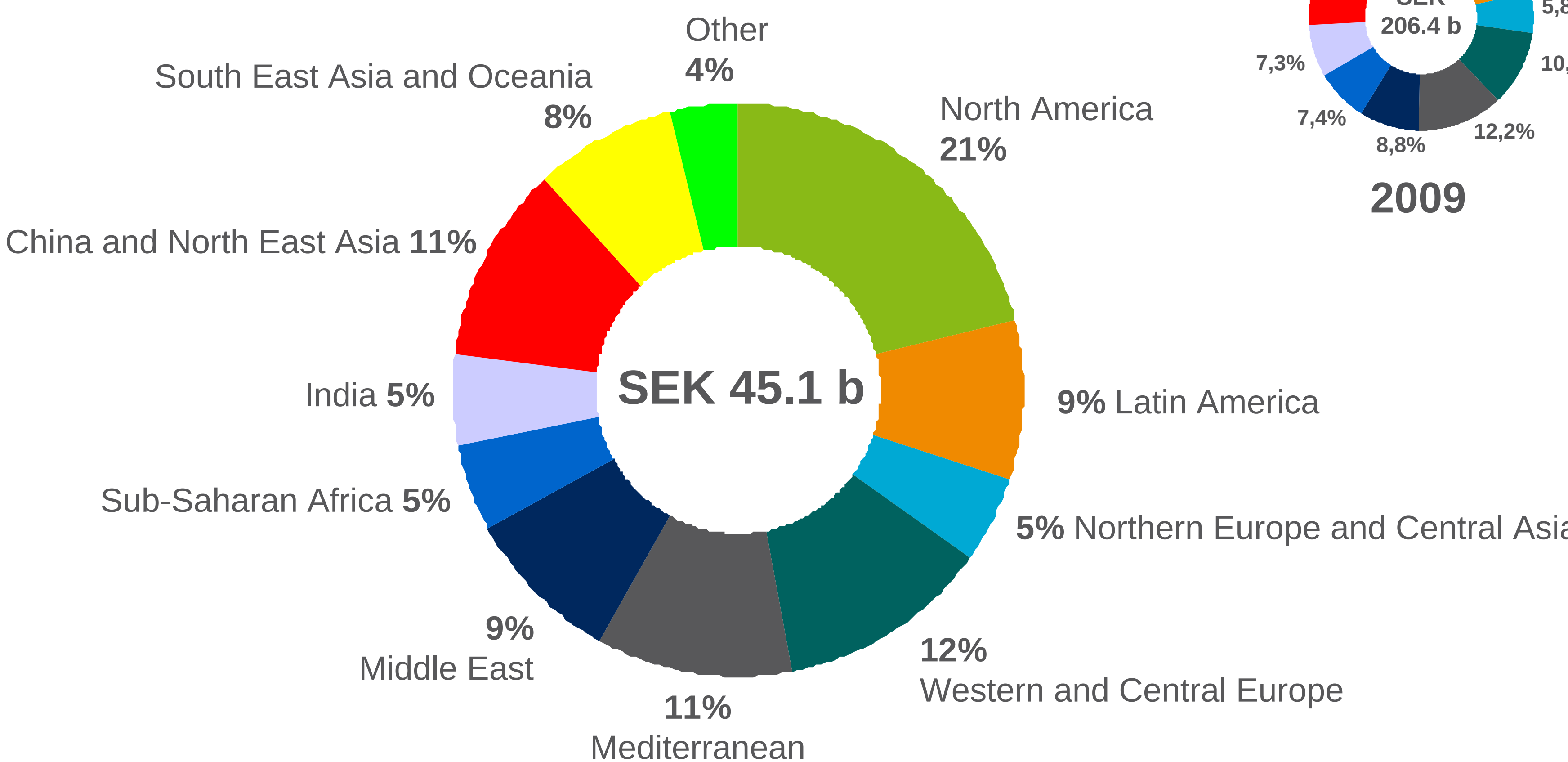
- Gross margin improved – business mix and efficiency gains
- Operating margin stable YoY despite lower sales



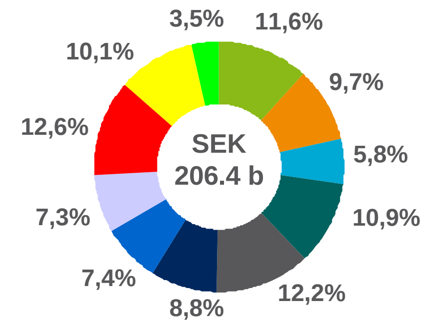
All numbers excl. restructuring charges and JVs
Excl. capital gain of SEK 0.8 b. for divestment of Symbian shares Q4 2008 and SEK 0.8 b for divestment of TEMS Q2 2009

REGIONAL COMMENTS

Q1 REGIONAL SALES SPLIT



2010 Q1



2009

REGIONAL SALES COMMENTS

North America
+99% YoY
+1% QoQ

- Very strong data traffic increase
- Further strengthened position

Mediterranean
-17% YoY
-28% QoQ

- Mobile broadband
- Operator focus on efficiency

Latin America
-9% YoY
-32% QoQ

- 3G auctions planned
- Good momentum in services

Western and Central Europe
-3% YoY
-15% QoQ

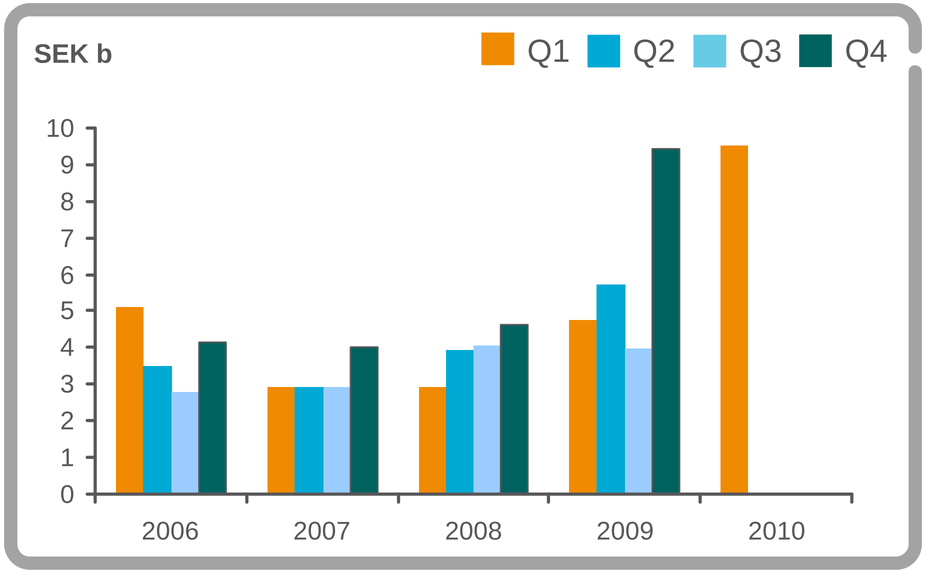
- Services strong
- LTE and network modernization

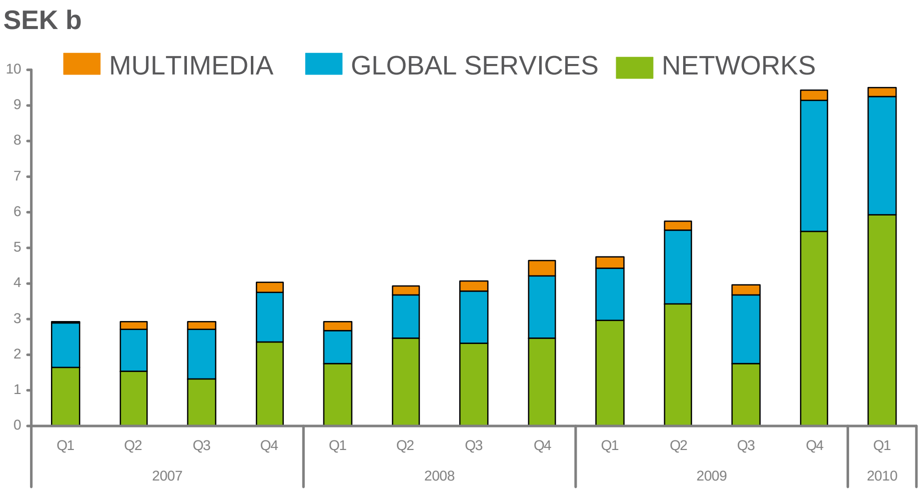
Northern Europe & Central Asia
-20% YoY
-34% QoQ

- Mobile broadband and modernization of fixed networks
- Central Asia still low investment levels

NORTH AMERICA

- 4G/LTE contract with AT&T
- Integration of acquired CDMA assets well on track
- Nortel GSM business acquired
- Sprint in full operation from Q409





REGIONAL SALES COMMENTS

Middle East
+-0% YoY
-22% QoQ

- Mixed development
- Networks declined – good development in services

Sub-Saharan Africa
-48% YoY
-37% QoQ

- Still impacted by economic climate
- Operator consolidation

India
-43% YoY
-33% QoQ

- Investments slow pending 3G auctions
- Bharti USD 1.3 b agreement

South East Asia and Oceania
-32% YoY
-32% QoQ

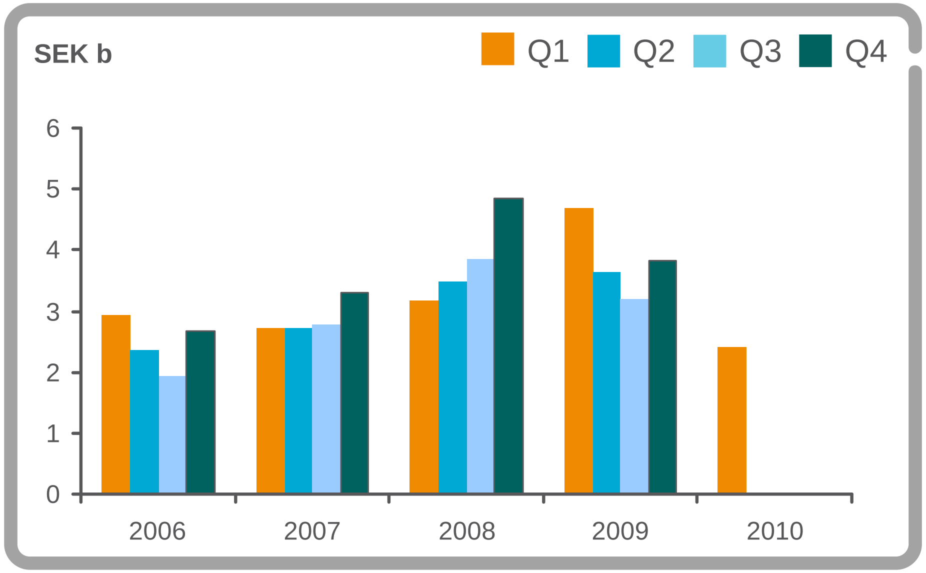
- Cautious operator investments in many markets
- Uncertainty around 3G licences in Bangladesh and Thailand

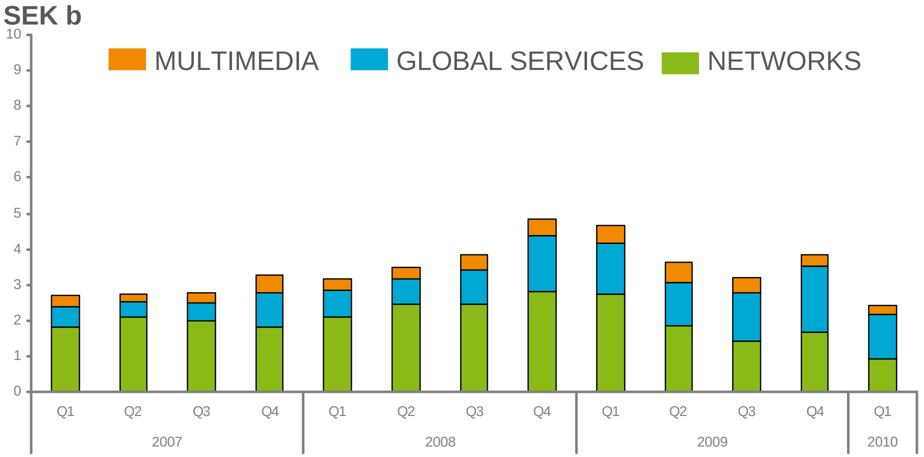
China and North East Asia
-15% YoY
-33% QoQ

- Tough comparison YoY
- Cooperation with Datang on TDD
- LG-Ericsson JV in Korea
- China frame agreements USD 1.8 b

SUB-SAHARAN AFRICA

- Impacted by economic climate
- 2G rollouts in focus – 3G picking up from low levels
- Increasing demand for services
- Revenue management slow in the region

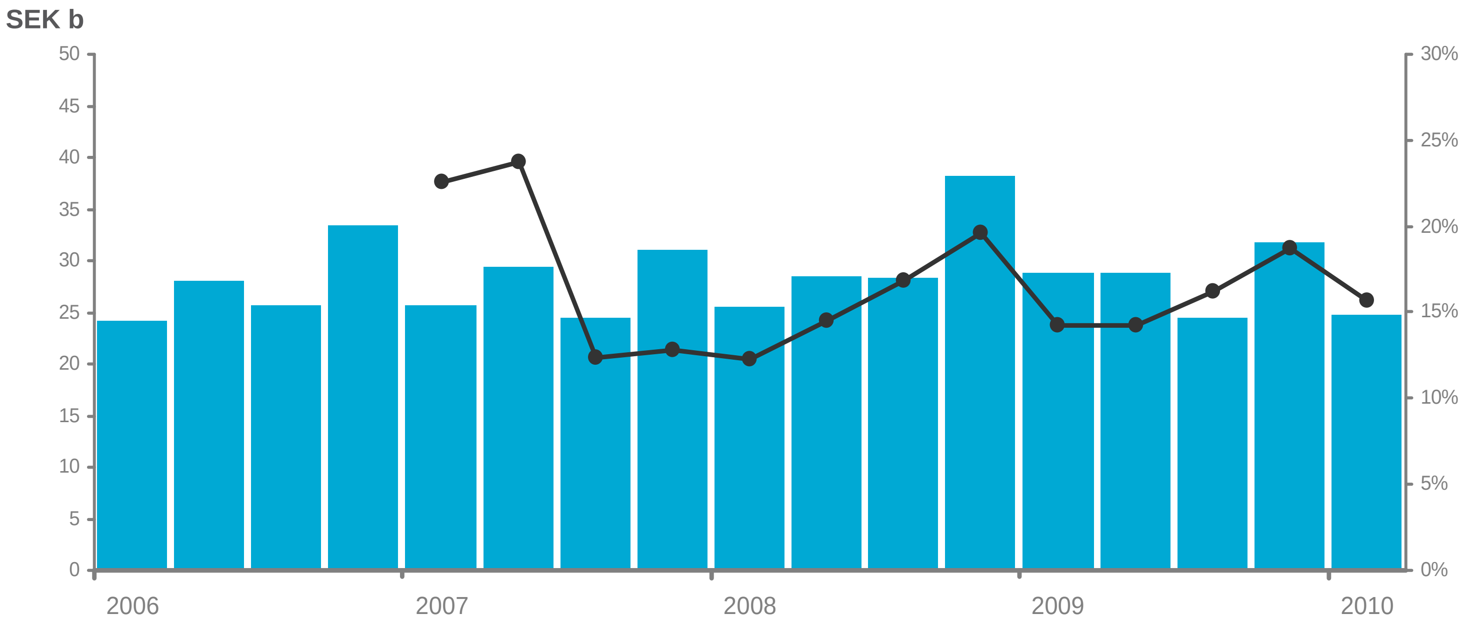




SEGMENTS

NETWORKS

- Sales positively impacted by acquired CDMA assets
- Tight industry component supply – more than offset by CDMA sales
- Continued decline in voice related sales
- Good growth in 3G sales
- EBITA positively impacted by efficiency gains, product mix, software



All numbers excl. restructuring charges

Sales

Y/Y	-14%
Q/Q	-22%

EBITA margin

Q110	16%
Q109	14%
Q409	19%

GLOBAL SERVICES

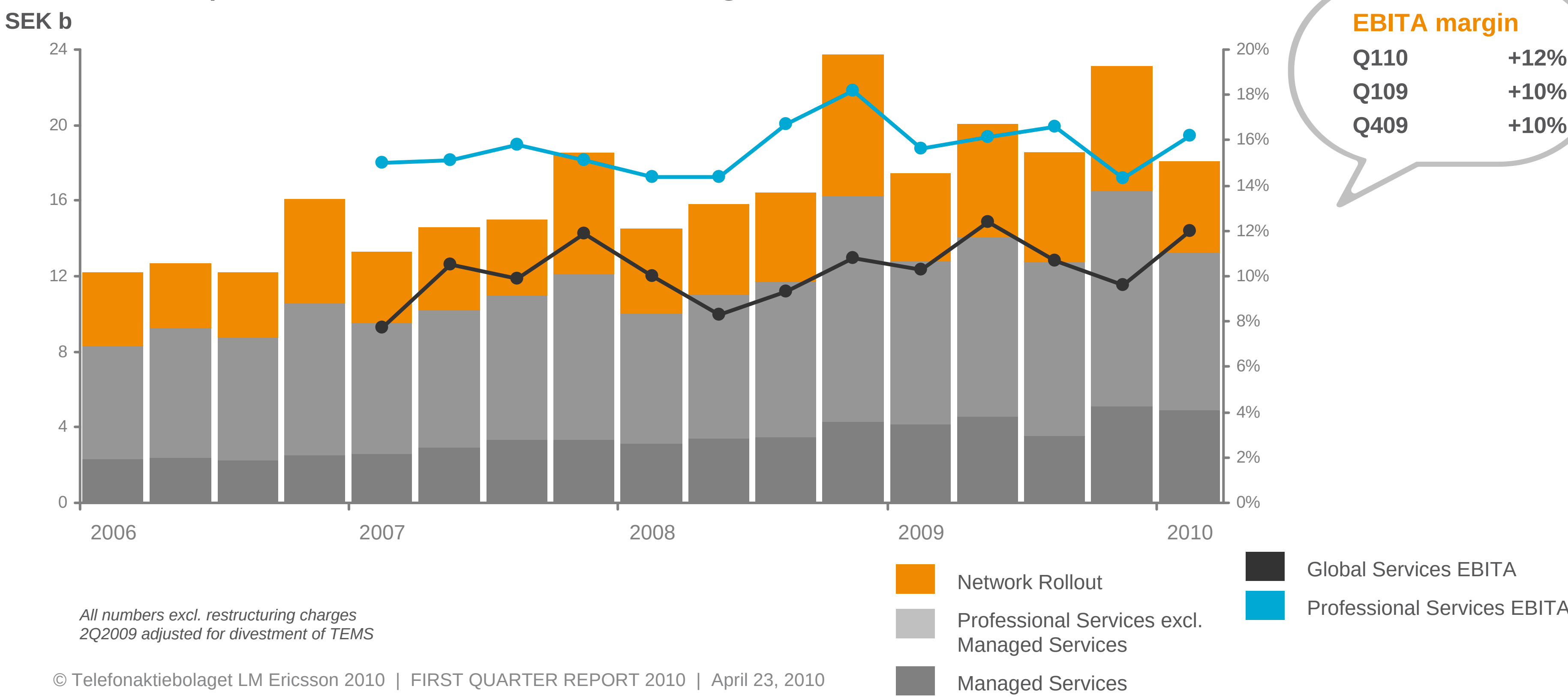
- Professional Services sales +4% YoY, local currencies +12%
- Managed Services sales +17% YoY, 16 contracts signed
- Network Rollout sales +3% YoY
- Global Services EBITA positively impacted from efficiency gains and improved Network Rollout margins

Sales

Y/Y	+3%
Q/Q	-22%

EBITA margin

Q110	+12%
Q109	+10%
Q409	+10%



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

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GLOBAL SERVICES

410 m

subscribers managed networks

2b

subscribers under support

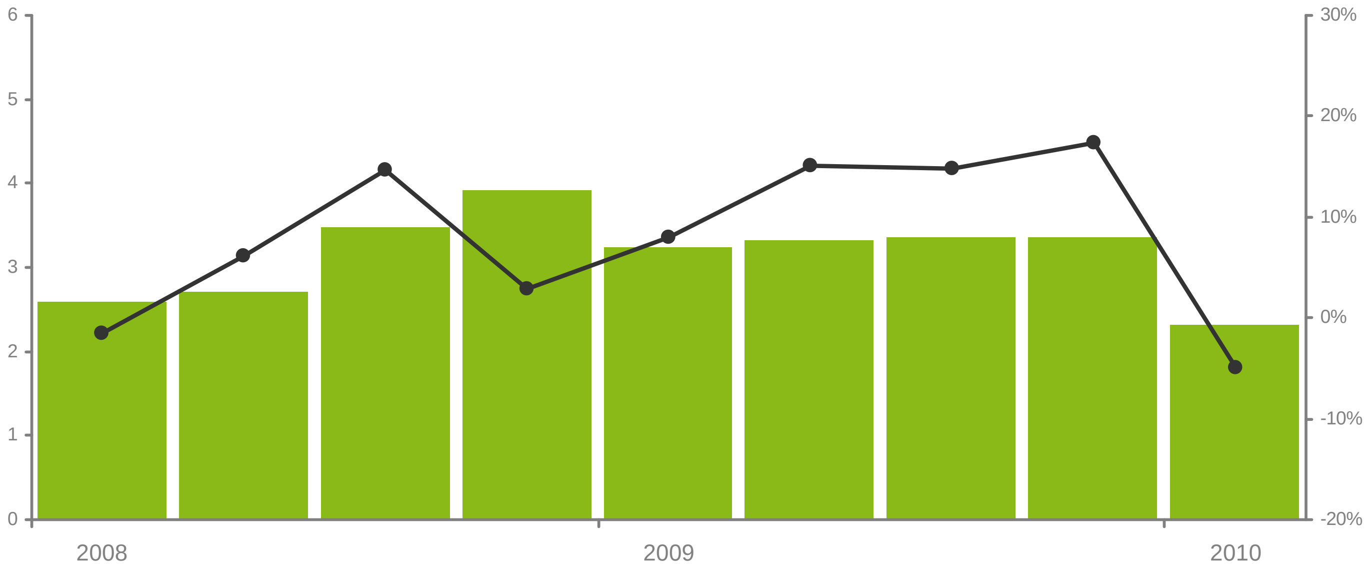
>40,000

service professionals

MULTIMEDIA

- Slower revenue management sales in developing markets – Sub-Saharan Africa, Middle East, South East Asia and Oceania
- Somewhat slower IPX sales
- Good development for TV
- EBITA declined due to lower volumes

SEK b



Sales

Y/Y	-29%
Q/Q	-31%

EBITA margin

Q110	-5%
Q109	+8%
Q409	17%

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 Q1

- Sony Ericsson
  - Sales of EUR 1,405 (1,736) m, down -20% sequentially
  - NIBT EUR 21 (-358) m, up from EUR -40 m in Q4
  - Reduced operating expenses
  - Successful new products

- ST-Ericsson
  - Sales of USD 606 (562) m, down -18% sequentially
  - Adjusted operating income USD -114 (-149) m
  - Restructuring plans on track

JAN FRYKHAMMAR

CFO AND EXECUTIVE VICE PRESIDENT

FINANCIAL OVERVIEW

Q1 FINANCIAL HIGHLIGHTS

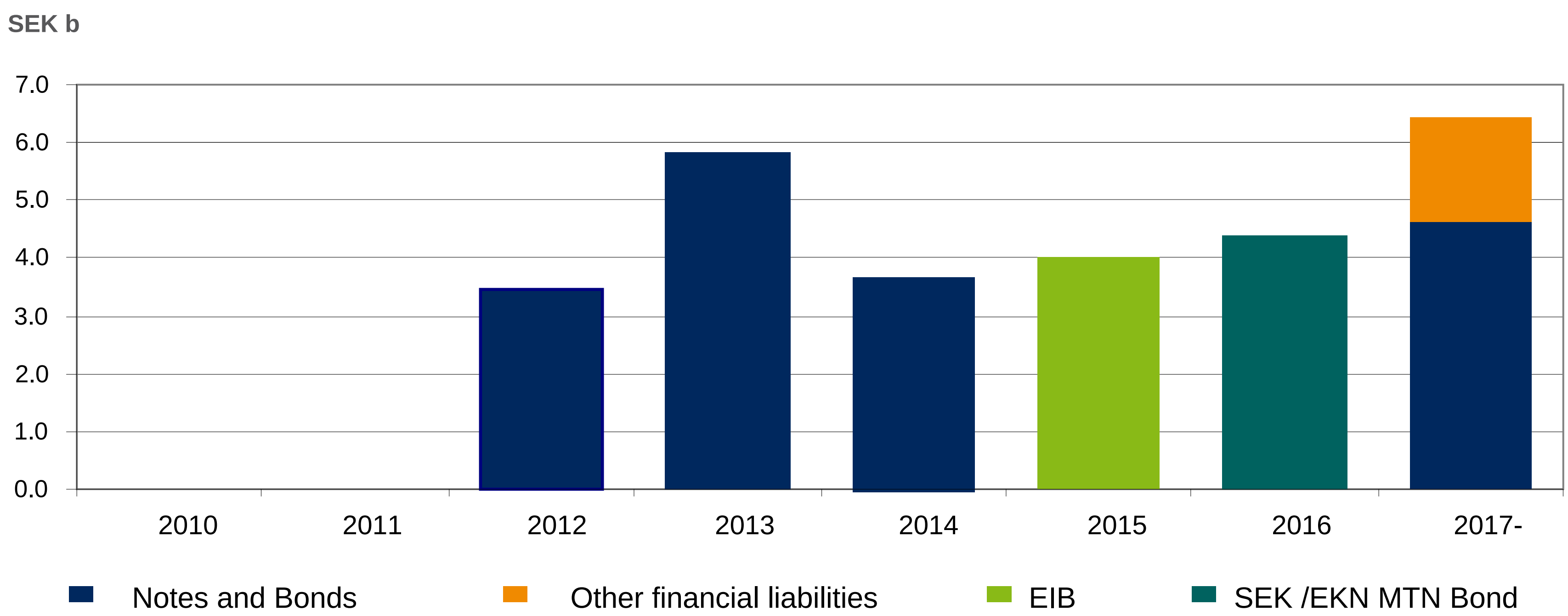
- Improved gross margin due to efficiency gains and product mix
- Operating margin stable YoY – despite lower sales
- Significant improvement in share in earnings of JVs
- Cash flow from operations increased due to focus on capital efficiency

	First quarter			Fourth quarter	
SEK b.	2010	2009	Change	2009	Change
Sales	45.1	49.6	-9%	58.3	-23%
Gross margin	39%	36%	-	35%	-
Operating income excl JVs	4.5	4.7	-4%	7.5	-39%
Share in earnings of JVs	-0.3	-2.2	-	-0.4	-
Net income	1.3	1.8	-30%	0.7	76%
EPS, diluted SEK	0.39	0.54	-	0.10	-
Cash flow from operations	2.3	-2.9	-	12.5	-

All numbers, excl. EPS, Net income and Cash flow from operations, excl. restructuring charges.

DEBT MATURITY PROFILE

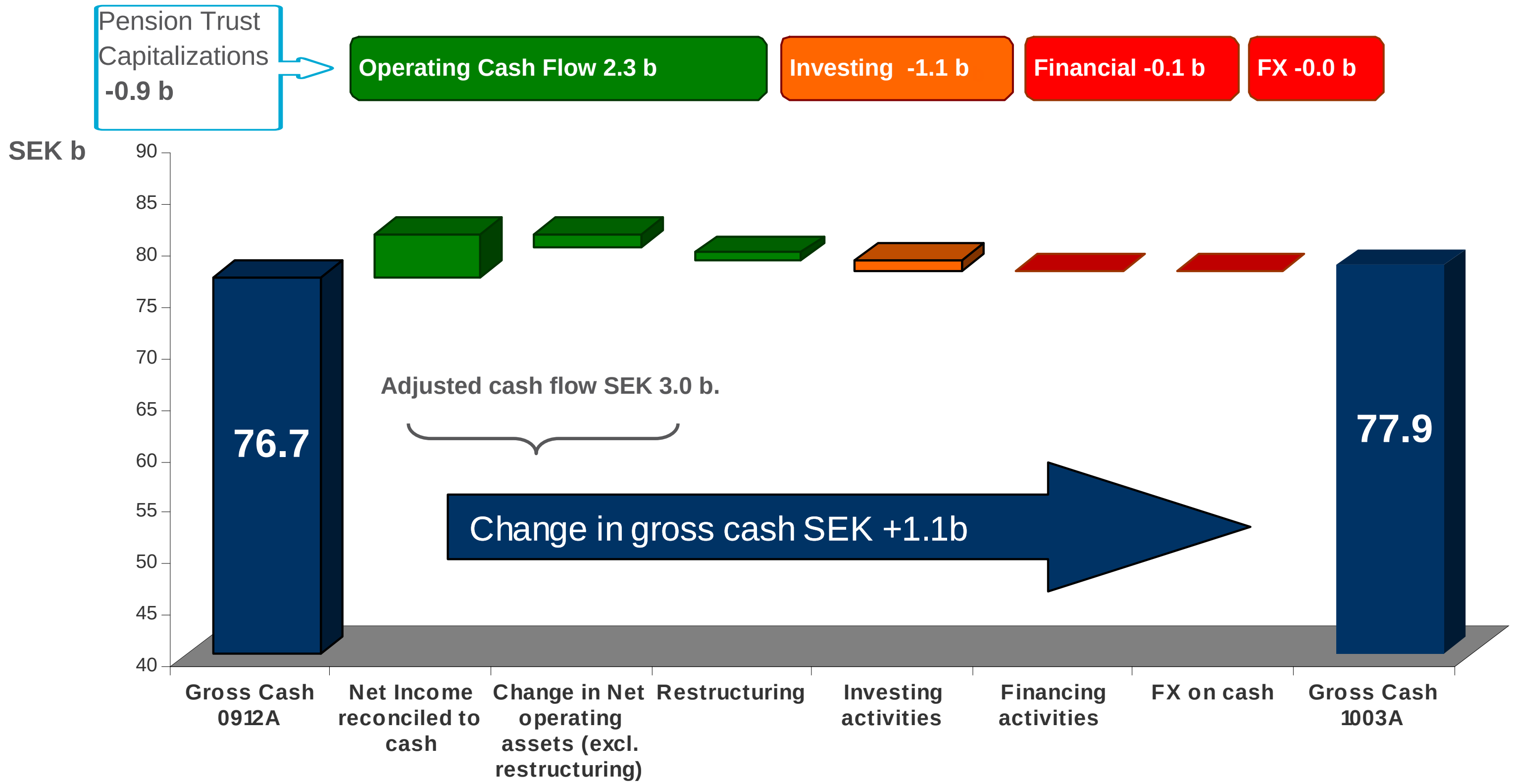
› No maturities within two years, thereafter even distribution over time



Undrawn back-up facility of USD 2 b available.

Maturing in July 2014. Not shown in this chart.

CHANGE IN GROSS CASH Q1 2010



Change in net cash SEK +2.4 b
From SEK 36.1 b to 38.5 b
Dividend SEK 6.4 b paid in Q2

BALANCE SHEET AND RATIOS

- DSO improved YoY due to continued focus on capital efficiency
- Inventory increased due to seasonal build-up
- Return on capital employed still low due to restructuring
- Continued healthy equity ratio

SEK b.	Mar 31 2010	Dec 31 2009	Sep 30 2009	Jun 30 2009	Mar 31 2009
Trade receivables	62.7	66.4	62.4	69.4	75.2
Days sales outstanding	117	106	118	121	124
Inventory	24.1	22.7	26.8	29.0	30.7
Inventory days	75	68	77	78	83
Payable days	59	57	57	59	65
Return on capital employed	5%	4%	4%	5%	7%
Equity ratio	53%	52%	52%	51%	52%

COST REDUCTION PROGRAM

- Original plan announced January 2009
  - Total savings 2009 to mid 2010 estimated to SEK 15-16 b
- Total restructuring charges now estimated to SEK 15 b
  - Approx SEK 1.5 b remains
  - Restructuring charges SEK 2.2 b for Q1 2010
  - Cash outlays of SEK 4.2 b remain to be made
- Cash outlays also after completion of program in Q2

Please note that not all restructuring charges lead to cash out

FOCUS AREAS

GROW FASTER THAN THE MARKET

BEST IN CLASS **MARGINS**

STRONG **CASH CONVERSION**

GROWTH IN **JV EARNINGS**

FIRST QUARTER 2010

Q & A

ERICSSON