

Ericsson selected by China Mobile as main supplier for world's largest GPRS network

Ericsson has been selected as the main supplier of the GPRS network by China Mobile Communications Corporation (China Mobile). Award of the frame contract to Ericsson follows a thorough, yearlong technical and commercial evaluation by China Mobile of available GPRS solutions on offer from various suppliers. When implemented, China Mobile will have the single largest GPRS network in the world.

Ericsson was chosen as main supplier to China Mobile because of its superior technical solution and demonstrated ability to provide strong local competence to support rapid rollout of the new GPRS network throughout China. Ericsson is also supporting rapid development of local third party applications for the Chinese mobile Internet market through its established Open Lab in Beijing and recently launched Mobile Internet Solutions Center in Shenzhen.

“This agreement will significantly promote the ‘Monternet Plan (Mobile Internet Plan)’ and Internet business in the country, as well as the migration to 3G,” said Mr. Li Yue, Vice President of China Mobile Communications Corporation.

“We are delighted with China Mobile’s decision to select Ericsson as their main GPRS system supplier,” said said Mr. Jan Malm, President of Ericsson (China) Company Ltd. “We consider this decision as a base for continued long-term agreement for mobile communications, wireless data and value-added services.”

Jan Malm added, “With GPRS, China Mobile will enable its users to obtain packet-based services with benefits of always on-line connectivity to the mobile Internet. It will further simplify the way we communicate, and works as a key step in the smooth evolution of GSM networks to 3G capabilities.”

Under the terms of the contract with China Mobile, Ericsson will provide infrastructure equipment and services, installation support and competence development for local operator staff in building the GPRS network. The agreement with China Mobile also will see Ericsson significantly expanding GSM networks throughout China, through the provision of system equipment, software upgrades, including GPRS technology, installation and back-up for competence development.

The GPRS network provided by Ericsson will be implemented during the first quarter of 2001. It will be concentrated in nine main cities throughout China, including Shijiazhuang, Jinan, Qingdao, Shanghai, Guangzhou, Chongqing, Wuhan, Nanjing and Nanning.

China Mobile, the country's largest mobile operator, is accelerating deployment of its nation-wide GPRS network to meet demand for quality mobile Internet services in the fast-growing Chinese mobile market. According to recent industry forecasts, the number of mobile phone users in China is expected to reach 270 million by 2004, making it the single largest market in the world. China Mobile is expected to have one of the world's largest GPRS networks with Ericsson as the main supplier.

Ericsson is the leading communications supplier, combining innovation in mobility and Internet in creating the new era of mobile Internet. Ericsson provides total solutions covering everything from systems and applications to mobile phones and other communications tools. With more than 100,000 employees in 140 countries, Ericsson simplifies communications for customers all over the world.

Read more at <http://www.ericsson.com/pressroom>

FOR FURTHER INFORMATION, PLEASE CONTACT

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About Ericsson China

Today, Ericsson has 24 offices, 10 joint ventures and nearly 4,000 employees in China, providing total solutions for Chinese customers.

About GPRS

Ericsson is the clear market leader with its open GPRS solution and has already delivered more than 50 standards compatible GPRS solutions with leading operators in Asia-Pacific, Europe and the Americas. Ericsson also has more commercial GPRS agreements than any other vendor.

Ericsson supports operators around the world with infrastructure, GPRS phones with Bluetooth, and ready-to-go mobile Internet applications, enabling early commercial launch of GPRS systems.

Customers that have launched live GPRS systems so far include Vodafone in the UK, Telstra in Australia, SmarTone in Hong Kong and Guangdong Mobile Communication Co. Ltd. (GMCC) in China.

The Ericsson GPRS solution is future-proofed for third generation (3G) systems and is fully compatible with the GPRS specifications approved at SMG 31(Special Mobile Group within ETSI standardization organization).

To support the early introduction of commercial GPRS services, Ericsson is ramping up the shipment of the first GPRS phone, the R520, to larger volumes supporting operators who already have implemented Ericsson's GPRS solutions. The R520 phone supports GSM 900/1800/1900 frequencies, allowing communication on one phone throughout 120

countries on five continents. The R520 is the first GPRS phone with Bluetooth and the first phone in the world supporting WAP 1.2.1. It also supports Chinese characters.

For further information about Ericsson's GPRS solution please visit:
<http://www.ericsson.com/pressroom/20000915-0022.html>