

## **Ericsson signs GSM, multiservice, IP backbone contracts in China valued at over USD 400 million**

**Ericsson has been awarded a series of contracts in China for GSM and multiservice network projects including IP backbone construction in Beijing and the provinces of Shandong, Hebei and Yunnan. With a combined value of more than USD 400 million, the contracts further strengthen Ericsson's market leadership in China.**

The announcement of the series of contracts comes during a visit to China by Ericsson President and CEO Kurt Hellstrom, who attended signing ceremonies in Beijing and other cities.

"I am honored that Ericsson is once more selected as one of the leading partners in the continuing advancement of telecommunications in China. These GSM, multiservice and IP backbone projects are further evidence of the solid, long-term cooperation established between Ericsson and Chinese telecommunications operators," said Kurt Hellstrom, President and CEO of Ericsson.

Beijing Ericsson Mobile Communications Company Limited and Nanjing Ericsson Panda Communications Company Limited, Ericsson's two major joint venture companies in China, will deliver all related systems and equipment. All contracts are being carried out with Chinese partners.

### **IP Backbone/Multiservice**

Ericsson will provide Shandong Telecom with its industry-leading AXI 580 IP backbone routers (based on Juniper Networks M160™) for Shandong Telecom's inter-city broadband IP networks. Ericsson won a similar contract from Shandong Telecom in November last year. Under the agreement with China Telecom, Ericsson will supply its AXI 520 IP backbone routers (based on Juniper Networks M20™) for all nodes of China Telecom's second data communications expansion project. In a third agreement, Ericsson will also provide Packet Backbone Network equipment including both the AXI 520 and AXI 580 routers to Jiangsu Mobile. AXE switches and ADSL equipment will be delivered to Liaoning Telecom.

### **GSM**

In a GSM expansion contract with Shandong Mobile, Ericsson will supply radio and switching infrastructure elements, prepaid systems, network planning and operational support services and customer and project services. Ericsson is the sole supplier in the fast growing GSM market in Shandong Province with a population of over 90 million.

In an expansion and upgrade project with Hebei Mobile, Ericsson will supply switching and radio equipment, adding GPRS and Mobile IN (Intelligent Network) features.

Ericsson will supply equipment and related services in a turnkey project to be completed in June for the fifth GSM expansion project by Yunnan Unicom. Ericsson has been selected by Yunnan Unicom as sole supplier of mobile communications infrastructure in all the previous four GSM expansion projects.

Hubei Mobile's sixth GSM expansion project includes a service contract to further improve network performance, in addition to providing network equipment. The project is scheduled for completion in September.

In contracts with Chongqing Mobile, Jiangsu Mobile and Xinjiang Mobile, Ericsson will supply equipment, training and/or project services for the three companies' GSM expansion projects.

*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 presence in 140 countries, Ericsson simplifies communications for customers all over the world.*

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

## **FOR FURTHER INFORMATION, PLEASE CONTACT**

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## **About Ericsson in China**

Today, Ericsson China has over 4,000 employees, 24 offices and 10 joint ventures, providing the country's users with comprehensive communications solutions.

## **Chinese Partners**

Chinese partners for these contracts are Shandong Mobile Communications Company Limited (Shandong Mobile), Hebei Mobile Communications Company Limited (Hebei Mobile), Hubei Mobile Communications Company Limited (Hubei Mobile), Jiangsu Mobile Communications Company Limited (Jiangsu Mobile), Chongqing Mobile Communications Company Limited (Chongqing Mobile), Xinjiang Mobile, Yunnan Unicom, China Telecom, Shandong Telecom and Liaoning Telecom.

**About Chinese operators**

Shandong Mobile, Hebei Mobile, Hubei Mobile, Chongqing Mobile, Jiangsu Mobile and Xinjiang Mobile are provincial branches of China Mobile, China's largest mobile communications operator. Yunnan Unicom is a provincial branch of China Unicom, the major competitor of China Mobile.

Shandong Telecom and Liaoning Telecom are the provincial branches of China Telecom, a leading telecom carrier offering fixed phone and IP services.

**China Telecommunications Corporation (China Telecom)** is established on May 17th, 2000 as an important representation of strategic reform and restructure of China's telecommunications industry. With a registered capital of 222 billion yuan (RMB), China Telecom majors in operation of a variety of domestic and international fixed telecommunications networks and facilities, including wireless local loops, voice, data, image, multimedia and information services based on those networks as well as relevant system integration and technology development.

**China Mobile Communications Corporation (China Mobile)** is the important state-owned enterprise that is established on April 20th 2000. There are all-capital subsidiary companies in 18 provinces with China Mobile Communications Corporation as the core. China Mobile is the biggest operator of GSM mobile communications in the world whose mobile network covers all the cities and over 96% county towns in China. It provides mainly the mobile voice service, data service, IP telephony service and multimedia service.

China Unicom was established in July 1994 and listed on the Hong Kong and New York stock markets in June 2000. China Unicom is China's second largest telecommunications operator providing a full range of telecom services such as domestic and international long-distance call service, mobile phone and data/IP network communications. Presently it has over 100 branches and several subsidiaries in the country's 30 provinces, autonomous regions and municipalities directly under the central government. With nearly 12 million users China Unicom is now the only fully licensed service provider in the country.

*Read more on-line at: <http://www.ericsson.com/press>*

*For more about Ericsson's Packet Backbone Network (PBN), please visit: <http://www.ericsson.com/datacom/solutions/pbn/index.shtml>.*

For more about Juniper Networks, please visit: <http://www.juniper.net/>