

## **Ericsson wins groundbreaking GBP 270 million contract with BT**

- **Integrates IP-capable ATM into AXE networks**

**Ericsson has signed a groundbreaking contract with BT taking established AXE wireline networks into the next millennium. Ericsson's Next Generation networks efficiently integrate AXE, ATM and IP for use in BT's UK inter-city network. It will support a wide range of services, ranging from voice to datacom, including IP-based services. The contract also represents a breakthrough for Ericsson's ATM product line, including the scalable ATM switch, AXD 301.**

The contract is a frame agreement in total valued at GBP 270 million (SEK 3,400 million) over a five year period.

Ericsson's equipment, installed into BT's inter-city network, will support the rapidly increasing volumes of Internet traffic, including carrying voice and IP traffic. The large-scale network, integrating circuit-switched AXE and packet-switched ATM, will handle all of BT's national and international traffic as well as interconnect traffic. The solution supports BT's plans for an integrated narrowband and broadband inter-city network.

"This order represents a breakthrough for Ericsson in many respects. The solution is a huge step in bringing together circuit-switched AXE technology with datacom solutions based on ATM and IP. It's also the most significant contract we have signed for our ATM switch AXD 301, and a clear breakthrough for our data networking business," says Sven-Christer Nilsson, CEO of Ericsson.

The AXD 301 is Ericsson's scalable ATM switch, handling both ATM and IP traffic with Quality of Service capabilities. The switch has already demonstrated its capabilities to support the emerging MPLS (Multi Protocol Label Switching) standard for IP over ATM and the switches are to be connected through an integrated Ericsson 155 Megabit/s SDH interface.

*Ericsson is the leading provider in the new telecoms world, with communications solutions that combine telecom and datacom technologies with freedom of mobility for the user. With more than 100,000 employees in 140 countries, Ericsson simplifies communications for its customers – network operators, service providers, enterprises and consumers – the world over.*

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**FOR FURTHER INFORMATION, PLEASE CONTACT**

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