

Ericsson chosen by BellSouth as infrastructure vendor for markets in Southeastern U.S.

- *Contract valued at \$750 million provides migration path to 3G and wireless Internet*

Ericsson Inc. today announced an agreement with BellSouth Cellular Corporation (BSCC) to supply its infrastructure equipment to 14 BellSouth markets, including Alabama, North Florida, Kentucky, Louisiana, Mississippi and Tennessee. The contract, valued at \$750 million, calls for Ericsson to provide and install switches, base stations, software, services and handsets throughout the markets to upgrade BSCC with systems that are ready to migrate to Third Generation and wireless Internet.

“This agreement strengthens BellSouth’s ability to provide our customers with the ubiquitous service they need today, while sharpening our competitive edge for the future,” said Rick Clawson, vice president of Engineering and Operations, BellSouth Cellular Corporation.

“With this contract, Ericsson and BellSouth reaffirm a long-term strategic goal of providing advanced telecommunications and datacom solutions to BellSouth customers globally,” said Sven-Christer Nilsson, president and CEO, Ericsson. “This deployment of our core products will help position BellSouth as a leader in evolving markets.”

The systems will serve Anniston, Birmingham, Gadsden, Tuscaloosa, Huntsville, Florence and Mobile, Ala.; Jacksonville, Daytona Beach, Melbourne-Titusville-Palm Beach and Orlando, Fla.; Lexington-Fayette and Louisville, Ky.; Baton Rouge, Lafayette and New Orleans, La.; Jackson, Miss; and Memphis, Chattanooga, Nashville-Davidson and Clarksville-Hopkinsville, Tenn. Selected systems will be in service as early as Fourth Quarter 1999.

There are approximately 95 million subscribers using TDMA/AMPS networks worldwide. TDMA is commercially available as a dual-band (850/1900 MHz) and dual-mode (analog-digital) technology. Nearly 23 million subscribers are already using TDMA digital services. TDMA (IS-136) already delivers nearly all of the IMT-2000 functionality and is being further enhanced to deliver all IMT-2000 capabilities in the existing 850 and 1900 MHz frequency bands and in the new 2 GHz band.

Ericsson is the leading provider in the new telecoms world, with communications solutions that combine telecom and datacom technologies with the 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. Please visit Ericsson's Press Room at <http://www.ericsson.se/pressroom>

BellSouth Cellular Corp. companies, BellSouth Mobility (BMI) and American Cellular Communications Corporation (ACC), provide wireless communications services to more than 5.6 million customers in 12 states. BMI operates with its partners in eight Southeastern states. ACC markets operate under a variety of names in California, Texas, and Virginia, and as Cellular One in Indiana. For more information, visit our Web site at www.bellsouthmobility.com.

FOR FURTHER INFORMATION, PLEASE CONTACT

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