Ericsson to acquire LCC mobile network planning and field measurement product divisions

Ericsson has reached a definitive agreement to acquire the assets of Field Measurement Systems and Network Planning Software divisions of Virginia, US-based LCC International Inc. The cash purchase is made for approx. USD 22 million (SEK 185 million).

With the acquisition, Ericsson will further strengthen its leading portfolio of mobile network design, optimization and quality assurance software and hardware tools, known as TEMS. The transaction includes the rights to all of LCC's field measurement systems, network planning and performance management software, any related technologies and all patents, copyrights and trademarks associated with the company's products business.

Ericsson and LCC have also agreed to enter into a three year product supply agreement for certain field measurement and network optimization products and a license agreement pursuant to which Ericsson will license to LCC network planning software for use in connection with LCC's radio engineering services. Ericsson will also be providing support services to LCC.

The LCC products to be acquired are complementary with Ericsson's current TEMS portfolio, both from a strategic and technological point of view. By combining its current TEMS portfolio of tools with the LCC products, Ericsson will achieve a unique leading position to supply the wireless market with products for network design, optimization and quality assurance for all major mobile systems, as well as upcoming third generation (3G) systems.

"In addition to further enhancing our capabilities in present field measurement, the expertise and broader product portfolio we are gaining are especially important as we move into third generation wireless systems, where planning, measurement and performance management products are even more critical than in today's mobile networks," said Christer Edmark, General Manager, Ericsson Quality Improvement Solutions.

"With the purchase of the two LCC product divisions, Ericsson has given a clear indication of their intent to be the leading provider of mobile network planning and engineering products," said Mike Bonin, senior vice president of the Field Measurement Group at LCC. "Ericsson's experience in managing large network infrastructure implementation grants the LCC divisions first-hand knowledge of new system feature requirements and future standards."

The Field Measurement Systems Division and the Network Planning Software Division acquired by Ericsson together have approximately 140 employees based in McLean, Virginia, and 45 employees in a Norwegian subsidiary, LCC Europe AS, located in Oslo, Norway.

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.

Please visit Ericsson's Press Room at: <u>http://www.ericsson.se/pressroom</u>

For further information on TEMS, see: <u>http://www.ericsson.se/wireless/products/tems/</u>

FOR FURTHER INFORMATION, PLEASE CONTACT

Johan Wiklund, Ericsson Corporate Communications Phone: +46 70 560 0134; E-mail: johan.wiklund@lme.ericsson.se

Christer Edmark, General Manager, Ericsson Quality Improvement Solutions, Ericsson Services Phone: +46 70 649 1706; E-mail: <u>christer.edmark@epl.ericsson.se</u>

Company Information

LCC International, Inc. (http://www.lcc.com) is one of the world's largest suppliers of integrated end to end infrastructure services to the wireless telecommunications industry. A leader in the industry since 1983, LCC has performed technical services for the largest wireless operators in North and South America, Europe, the Middle East, Africa and Asia. The Company has worked with all major access technologies and has participated in the design, deployment, optimization and maintenance of some of the largest and most sophisticated wireless systems in the world. By combining technical consulting and tower ownership and management LCC is unique in its ability to provide comprehensive turn-key services to wireless operators around the world.