

Ericsson wins contract for nationwide IP voice and data network in Portugal

Ericsson UK has won a contract from Interoute, a London-based pan-European telecommunications group. Under the contract, Ericsson will design, install and support a nationwide Internet Protocol Telephony (IPT) network for Interoute in Portugal, using the latest advances in IP technology.

The contract award, valued at USD some 6.5 million (SEK 55 million) follows shortly after a similar IPT network, supplied by Ericsson for Interoute in Spain earlier in 1999 has successfully gone live.

Interoute opted for the Ericsson Portuguese network proposal because it is flexible, offers more compact, more efficient and less expensive points of presence (POPs) than circuit switched systems, provides efficient customer billing facilities, and ensures regulatory compliance.

Commenting on the award, Albert Mackey, Interoute's European Managing Director, says, "Ericsson's offer was very competitive, and their product was right for our distributed networking needs. They also met our requirement for the earliest network deployment."

Contract completion is scheduled for July 2000. The Portuguese network will consist of twelve POPs, with its central hub in Lisbon. The Lisbon site will also provide the network's international links to Madrid and London. The network will have a total capacity of 8 million switch/minutes, and it is expected that it will initially be used by some 40,000 residential, pre-paid card and retail customers. The main management center will be located in Lisbon, with 24-hour 7-day support provided by Ericsson.

The Interoute network will use Ericsson's robust carrier class IPT system latest version 1.6.2. This high capacity system is expandable to meet the anticipated growth into the millennium and provides SS7 signaling interconnection to the PSTN. The system is the platform for a wide variety of applications including phone-to-phone, pre-paid calling cards, fax, and PC-to-phone, phone-to-PC and web-based dialing.

Ericsson's IPT platform is deployed in more than 40 countries. With this, Ericsson has one of the largest installed bases of any IP telephony solution.

Ericsson is the leading provider in the new telecom 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: http://www.ericsson.se/pressroom

FOR FURTHER INFORMATION, PLEASE CONTACT

Antoinette Torell, Ericsson Corporate Communications

Phone: +46 70 519 3699; E-mail: antoinette.torell@lme.ericsson.se

Staffan Lindholm, General Manager, Ericsson IP Services

Phone: +46 70 510 0603; E-mail: staffan.lindholm@etx.ericsson.se

About Interoute

Interoute (http://www.interoute.com) is a leading pan-European telecommunications group and one of the fastest growing in the world.

The Interoute network is now within reach of more than 80% of Western Europe, or 310 million people. Operating in 11 countries throughout Europe as well as North America, the group offers a wide range of communications services to business customers, residential users and other carriers. The group operates its own international network with gateway switches in London and New York and is building national networks throughout Europe. Interoute has more interconnects in the UK than any other carrier except BT and has full operating licenses and interconnect agreements in most major European countries.

Interoute also owns i-21 Future Communication Ltd,

http://www.i-21future.com, a next generation ultra-bandwidth provider, is currently building Europe's largest fiber optic network, spanning 20,900 route kilometers across 17 countries and 70 cities. The Group is also majority shareholder in Flute Ltd ttp://www.flute.ltd.uk, which is building a submarine cable system covering the UK, North Sea and Baltic area.

Interoute is a privately held company owned by a number of internationally based shareholders, the largest and majority shareholder being the Sandoz Family Foundation, one of the world's largest private family foundations. The Sandoz Family Foundation also has a controlling interest in World Online, one of Europe's largest Internet Service Providers.

Interoute and World Online are collaborating to bring a full range of telecoms and Internet-based services to their respective customers.

About Ericsson's IPT solution

Ericsson's IPT (1.6) is a high-capacity, SS7-interoperable platform that gives carriers the ability to offer world-wide IP telephony services. IPT 1.6 has a port capacity of up to 780 channels in one chassis, with a maximum of six chassis to a rack for a total of 4,680 channels. In addition, Ericsson is able to provide increased network efficiency due to the addition of lower bit-rate codecs, which translate the analog signals of the public telephone network to digital signals for the IP telephony network and vice versa. These industry standard, lower bit-rate codecs, G729.A and G723.21, allow for greater voice quality and lower bandwidth requirements.

At Supercomm '99, Mier Communications, the leading testing laboratory for IP Telephony, awarded Ericsson's IPT Solution the NetWORKS as AdvertisedTM Award. The award was given to the Ericsson system based on five-part testing criteria. The five criteria are ease of configuration, ease of installation and use, breath of features, operations and maintenance functions, and superior performance for voice. For more information about Ericsson's IPT solution, please visit http://www.ericsson.com/ipservices/