

Ericsson clinches USD 176 million in contracts with China Unicom

Ericsson has signed a series of five contracts valued at US\$176 million (SEK 1,631 million) for expansion of China Unicom's GSM 900 networks in the five provinces of Jilin, Sichuan, Jiangsu, Anhui and Hubei. With the implementation of the contracted equipment and service, the total capacity of the Ericsson GSM networks in these five provinces will be increased to 3.83 million subscribers.

The five expansion projects are scheduled to be completed by the end of this year.

The new contracts further strengthen Ericsson's position as China Unicom's top mobile communications solutions supplier. During 1999, Ericsson won orders from China Unicom at a total value of more than USD 220 million. In a deal announced in June 2000 Ericsson became the largest WAP supplier to China Unicom for delivery of infrastructure, equipment, software, services and applications to China Unicom's WAP networks in nine cities in six provinces.

"These contracts are further evidence of Ericsson's strong partnership with China Unicom, as well as Ericsson's continued commitment to growing its share of the China market," says Mr. Michael Ricks, President of Ericsson (China) Company Limited.

Mr. Wang Jianzhou, Executive Vice President of China Unicom praises the successful co-operation between Ericsson and China Unicom during the past few years. "We believe that with the growth of China Unicom, the co-operation between the two sides will be further expanded and deepened," he says.

Ericsson's two key manufacturing joint ventures in China, Beijing Ericsson Mobile Communications Co., Ltd and Nanjing Ericsson Mobile Communication Co. Ltd. will supply the equipment and services.

Ericsson has had a long-term co-operation with China Unicom since signing its first GSM expansion contract with Wuxi Branch in 1995. Ericsson is now the major supplier of solutions as well as professional services to China Unicom both in wired and wireless systems.

Ericsson China has nearly 4,000 employees, 24 offices across the country and 10 joint ventures that provide a full range of communications solutions and services.

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 more than 100,000 employees in 140 countries, Ericsson simplifies communications for customers all over the world.

Read more at www.ericsson.com/pressroom

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About China Unicom

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.

With nearly 12 million users China Unicom is now the only fully licensed service provider in the country.