

## **Ericsson signs major frame agreements for Guangdong province**

**Ericsson will on Friday sign two key frame agreements in Stockholm with China Telecom Group Guangdong Corporation and Guangdong Mobile Communications Co. Ltd. (GMCC), to build a new generation fixed network and expand mobile networks in China's southern province of Guangdong.**

Valued at USD 550 million, the fixed network and mobile agreements confirm Ericsson as Guangdong's leading telecommunications supplier in the foreseeable future. It is expected that detailed contracts for the two agreements will be finalized next year.

"We are very pleased to strengthen further our established association with Guangdong Province," commented Kurt Hellström, President, Telefon AB LM Ericsson. "Guangdong, with a population of 70 million and accounting for 18 percent of national telecommunications revenues, is at the spearhead of China's telecom revolution, and by these agreements Ericsson continues to be recognized as long-term partner in the modernization process."

Under the terms of the agreement with China Telecom Group Guangdong Corporation, Ericsson will provide technical co-operation in research and development, infrastructure equipment and services, installation support and competence development for local staff in building a new generation fixed network for the province.

Meanwhile, the agreement with GMCC will see Ericsson significantly expanding Guangdong's existing GSM networks, through the provision of system equipment, software upgrades, including GPRS technology, installation and back-up for competence development.

Ericsson's relationship with Guangdong Province dates back to 1983, when an Ericsson AXE switching system was purchased by the province's telecom authorities. In 1987 the first contract for an analogue TACS mobile system was signed. Since then Ericsson has worked closely with China Telecom Group Guangdong Corporation and GMCC in expanding and upgrading the province's fixed and mobile networks.

*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.*

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## **FOR FURTHER INFORMATION, PLEASE CONTACT**

Pia Gideon, Vice President External Relations, Corporate Communications  
Phone: +46 8 719 2864; E-mail: [pia.gideon@lme.ericsson.se](mailto:pia.gideon@lme.ericsson.se)

James Luo, Communications Director, Ericsson Asia/Pacific  
Phone: +852 2590 5905; E-mail: [james.luo@eap.ericsson.se](mailto:james.luo@eap.ericsson.se)

Stephen Yeung, Executive Vice President, Ericsson (China) Co. Ltd.  
Phone: +852 259 02 383; E-mail: [stephen.yeung@ehk.ericsson.se](mailto:stephen.yeung@ehk.ericsson.se)

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