# Ericsson and FarEasTone sign USD 325 million GSM/GPRS network agreement in Taiwan

Ericsson and FarEasTone Telecommunications Co., Ltd. (FarEasTone) have signed a framework agreement valued at USD 325 million to upgrade and develop the Taiwan operator's GSM/GPRS mobile network infrastructure for year 2001. The major expansion is to meet demands of FarEasTone's rapidly increasing customer base, to expand geographically and to offer new Mobile Internet services.

FarEasTone is the leading mobile communications service provider in Taiwan and one of the largest and fastest growing mobile communications service providers in Asia. This new contract is key to FarEasTone's plans to rapidly expand its network and provide more sophisticated voice and data services to its customers.

Under this agreement, FET will purchase Ericsson's GSM/GPRS infrastructure products valued at USD 325 million, including a number of Ericsson's latest GSM innovations and applications, such as Mobile e-Pay and Safetrader, MPS3.0 (Mobile Positioning System), GSM on the Net and WAP3.0.

FarEasTone was one of the first mobile operators to sign up for Ericsson's GPRS technology providing end-to-end solutions including core network elements, transmission backbone, interfaces, implementation and relevant end-user terminals and applications. The transmission speed of WAP via the GPRS network will be two to four times faster than WAP via basic GSM. FarEasTone customers will be the first in Taiwan to enjoy the high speed and superior quality brought by GPRS.

"In this time of converging services, an operator's ability to provide meaningful and easy-to-use applications will be the key to success. To provide these applications, operators must have the right network infrastructure. Ericsson is a long-term business partner of FarEasTone and we believe they will again deliver the quality network to meet the infrastructure needs of our customers," said FarEasTone President Joseph H. O'Konek.

"Taiwanese are sophisticated users of mobile services, and very quick to try out new technology and services," said Jan Signell, President of Ericsson Taiwan Ltd. "Network quality is key to FarEasTone and in this partnership Ericsson can demonstrate its technical competence and capability to deliver high quality GSM systems and services to FarEasTone and its customers." The successful partnership between Ericsson and FarEasTone has resulted in FarEasTone constantly being awarded the highest rating (A+) for customer satisfaction in the quality inspection conducted by the Director General of Telecommunications of Taiwan, lastly for the third consecutive year.

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 <a href="http://www.ericsson.com/pressroom">http://www.ericsson.com/pressroom</a>

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### **About FarEasTone**

FarEasTone is the leader in converged communications services in Taiwan. In 1999, FarEasTone's revenues exceeded NTD 18 billion and net income (after tax) was NTD 1.6 billion. In the year 2000, FarEasTone revenues reached NTD 32.18 billion and after-tax net income was NTD 4.039 billion. Today, FarEasTone has over 3.65 million wireless customers and more than 350,000 ISP customers using FETnet. FarEasTone's convergent wireless communications and Internet services provide easy, economical access to all the wealth and diversity of the Internet allowing its customers to share the company's vision: "Anywhere, anytime, communications to enrich the lives of people". For more information, please contact <u>www.fareastone.com.tw</u> or <u>www.fetnet.net</u>

#### About GSM

GSM is the world's most widely deployed wireless communications standard, with over 400 million subscribers, worldwide. Ericsson is the global market leader in GSM. More than 140 operators in more than 70 countries around the world rely on GSM systems from Ericsson. FarEasTone is one of Ericsson's top 10 GSM infrastructure customers.

### **About GPRS**

GPRS is a packet-based data bearer service for GSM networks that provides higher data speeds and the first important step in the transition to 3G mobile communications. It will make mobile data faster, cheaper, and easier to use than ever before. To date Ericsson has more commercial agreements (66) and more subscribers in GPRS customers' networks (152 million) than any other supplier. More than 50 Ericsson customers have integrated GPRS in their public networks.