

Ericsson chosen as sole 3G supplier by MobilCom

MobilCom today announced Ericsson as their sole 3G supplier. The contract is turn-key and has a value of USD 1.35 billion (EUR 1.6 bn). Only nine weeks after acquiring one of six German UMTS licences, MobilCom as the first UMTS operator in Germany has made it's vendor selection. This underlines Ericsson's position as the world's leading supplier of 3G mobile systems. Ericsson has now been chosen as vendor in 16 out of 21 3G agreements concluded to date.

"We are looking forward to take the leading role together with Ericsson in the installation and launch of the UMTS network in Germany," said Gerhard Schmid, CEO MobilCom AG. "It is a question of paramount importance to quickly roll out our network and provide our customers with products and applications, which are easy to understand and easy to use."

Ericsson will build up the complete network infrastructure as a turn-key solution. The cooperation will also cover areas such as competence development, terminals, applications and network operation. The contract is scheduled to run until 2003, with a total value amounting to EUR 1.6 bn.

"Ericsson sees this contract as a milestone and a confirmation of its position as a leading supplier of end-to-end communications solutions," says Ragnar Bäck, Ericsson Executive Vice President Western Europe. "The contract with MobilCom underlines our commitment to the largest mobile phone market in Europe and to the UMTS market in general. We sincerely look forward to cooperating with the MobilCom Group. We have set up common objectives and will cooperate as true partners, which will contribute to our success."

Ericsson has until now been selected vendor by 16 (out of 21) operators worldwide-see our reference list:

http://www.ericsson.net/pressroom/referencematerial/3g_referencelist.shtml

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 <http://www.ericsson.com/pressroom>

FOR FURTHER INFORMATION, PLEASE CONTACT

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About MobilCom AG

MobilCom AG is listed at the New Market of Frankfurt Stock Exchange since March, 1997. With a turnover exceeding DM 2.4 billion and a profit amounting to DM 244 million in 1999, MobilCom figures among the leading carriers in Germany. The services offered by MobilCom provide the customers with cost-efficient, easy-to-use, and unrestricted access to the whole world of telecommunications, including all of its innovative features – mobile communication, fixed network services, and Internet access. MobilCom's strictly customer-centered philosophy forms the basis for the company's economic success, differentiates it from its competitors, and has helped MobilCom to rapidly position itself as one of the leading carriers in Germany. The number of customers currently served by MobilCom has grown to more than 11 million. With the acquisition of the UMTS licence, MobilCom is going to convert itself from a successful telecommunications company to a leading multimedia provider.