

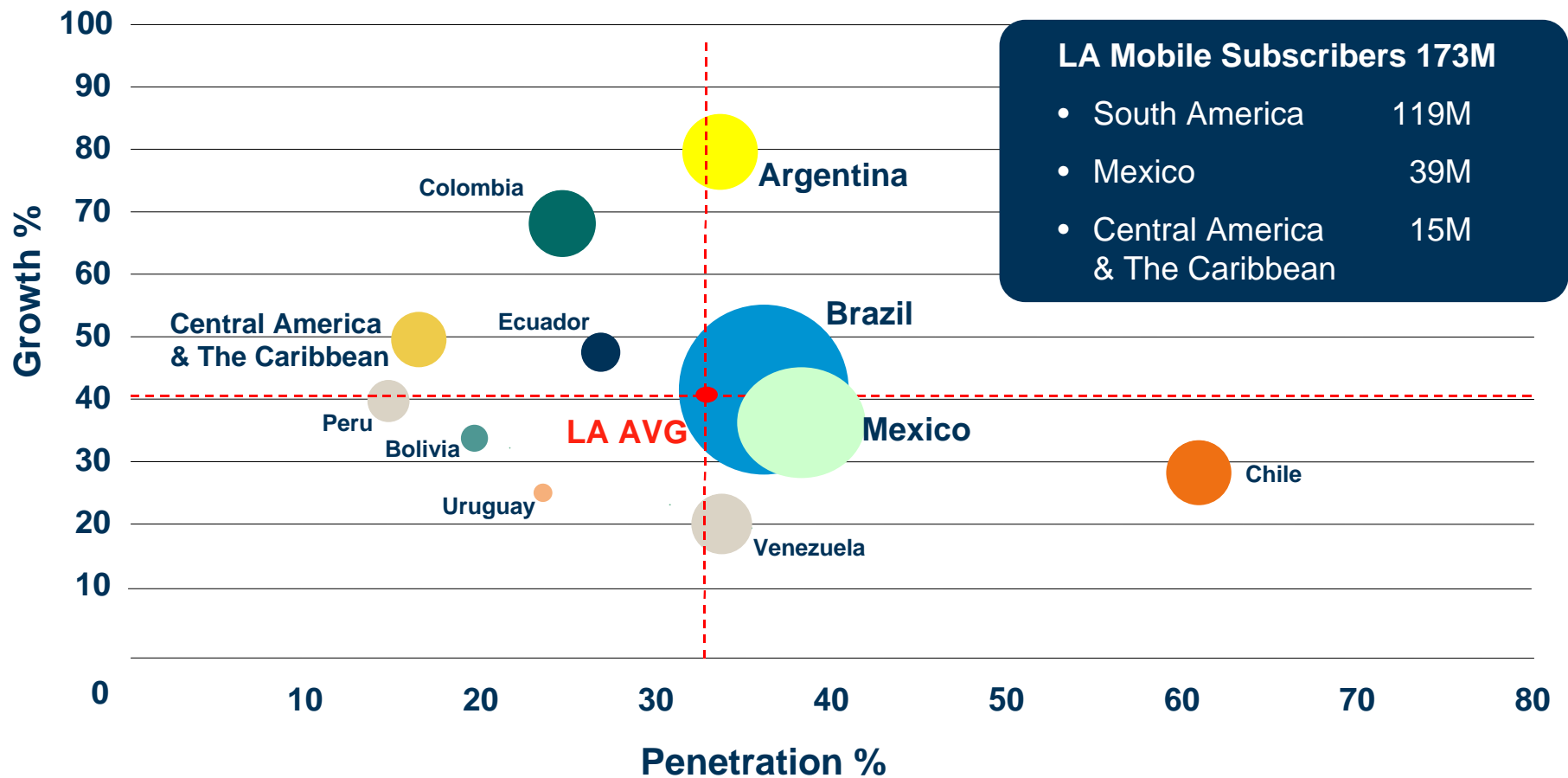
s **CMD**

Anders Runevad

President Ericsson Brazil

Strong mobile growth in Latin America

2004



* Bubble size represents number of Mobile Subscriptions

A high-growth market, containing all market segments

Low end predominantly pre-paid

- Low-cost and attractive handsets
- Low-cost tariffs
- Pre-paid data services
- Regional coverage

High end predominantly post-paid

- Attractive handsets
- Regional and international roaming for voice and data
- Wider bandwidth
- Content for different user profiles
- Enterprise applications

Latin America average: 80% pre-paid, 20% post-paid

Wide range of operator needs and issues

Market



- Tremendous wireless market growth
- ARPU coming down
- Wireline flat and strong growth in broadband

Technology development



- Wireless market driven by GSM with 39% (73M), followed by TDMA at 35% (66 M) and CDMA at 24% (46M) in Q105

Convergence



- Fixed-mobile bundling services will be a trend in the largest countries in the region for the next 3 years

Regulatory



- 3G licenses and spectrum utilization
- F2M interconnection fees

Positioned for success in Latin America

The largest players have 85% market share

América Móvil 66M subscribers

- Argentina
- Brazil
- Colombia
- Ecuador
- Guatemala
- Mexico
- Venezuela

Telefonica Móviles 54M subscribers

- Argentina
- Brazil
- Chile
- Colombia
- Ecuador
- El Salvador
- Guatemala
- Mexico
- Nicaragua
- Panama
- Peru
- Uruguay
- Venezuela

TIM 24M subscribers

- Argentina
- Bolivia
- Brazil
- Chile
- Cuba
- Paraguay
- Peru
- Venezuela



Ericsson Latin America

- Local presence since long
- Local R&D
- Local manufacturing
- Mixed with global experiences and know-how

And most importantly:

- We know our customers

Delivering sales in Latin America

- *Expanding in GSM / GPRS / EDGE networks*
 - Brasil Telecom, Telefonica Móvil in El Salvador, ICE in Costa Rica, América Móvil and TIM
 - Strengthen our position as the number one infrastructure supplier
- *Expanding in Services*
 - Managed Services in ICE, Telefonica Chile and Brasil Telecom
 - Large opportunity in Hosting and Managed Capacity
- *Lead the convergence between wireless and wireline*
 - Broadband access contract in Brazil and Colombia
 - Large installed base
 - Started the migration of our core networks to Softswitch and "all-IP"

The leaders partnering with the leader

We can meet a wide variety of customer needs

Expander

”Cost-efficient expansion into new geographical areas”

Mobile Softswitch

”Evolve to all-IP while saving on Core Network OPEX”

sCMD

Stockholm 10 may 2005

spring

Capital Markets Day