

Ericsson enters partnership agreement with MTS to deploy 3G network in Russia

Ericsson (NASDAQ: ERIC) has signed a frame agreement with Mobile TeleSystems OJSV (MTS), Russia's leading mobile operator, to supply and deploy a 3G/HSPA network.

Under the agreement, Ericsson will deliver a turnkey solution including 3G/HSPA core and radio access network equipment, network management system hardware and software plus a range of professional services such as network deployment, system integration, operation, technical support and training.

The commercial launch of 3G network segments is scheduled for second half of 2008.

This move will enable MTS to offer its subscribers high-speed mobile broadband services together with innovative, next-generation multimedia services, such as mobile TV and video calls.

Ericsson's HSPA (High-Speed Packet Access) provides fast data transmission speeds in uplink and downlink. It also boosts network capacity and lowers response times for interactive services. Ericsson's unique dual access packet core allows smooth and efficient introduction of high speed 3G/HSPA services through software upgrade of the existing GSM core hardware.

Bjorn Eisner, Vice-President, Ericsson Eastern Europe and Central Asia, says: "We are delighted to continue our longstanding relationship with MTS and become the supplier for their next-generation mobile network in this dynamic and rapidly growing market."

Ericsson is currently powering 75 of the 154 commercial HSPA networks launched worldwide, with many additional ongoing deployments.

Ericsson is shaping the future of Mobile and Broadband Internet communications through its continuous technology leadership. Providing innovative solutions in more than 140 countries, Ericsson is helping to create the most powerful communication companies in the world.

Read more at www.ericsson.com

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About MTS

Mobile TeleSystems OJSC (MTS) is the largest mobile phone operator in Russia and the CIS. Together with its subsidiaries, MTS has more than 83 million subscribers and provides GSM services in Armenia, Belarus, Russia, Turkmenistan, Ukraine, and Uzbekistan. MTS is 52.8% majority-owned by [Sistema](#), the largest private sector consumer services company in Russia and the CIS.

About Ericsson's HSPA solution

HSPA stands for High Speed Packet Access. An inherent advantage of HSPA is that the technology is a natural extension of existing WCDMA/GSM networks, or about 85 percent of the world's existing wireless networks, and therefore has the potential to be readily available to a large number of wireless users, creating a mass market for mobile broadband. By 2010, 71 percent of mobile broadband connections are projected to be HSPA-based. Ericsson's HSPA mobile broadband solution, part of Ericsson's Full Service Broadband offering, today enables download speeds of up to 14.4Mbps and upload speeds of 1.4Mbps. The advanced technology lets operators more than double their system capacity and cuts response times for interactive services. On average, users will be able to download 20 times faster than with a GSM/GPRS connection. Future evolution steps will increase the HSPA download speed to 42Mbps and the upload speed to 12Mbps. Ericsson offers HSPA support on many frequency bands ranging from 850MHz to 2.6GHz.

About Ericsson's Managed Services Offering

Ericsson has the telecom industry's most comprehensive managed services offering. It ranges from designing, building, operating and managing day-to-day operations of a customer's network, including end user services and business support systems, to hosting service applications and content, as well as providing network coverage and capacity on demand. As the undisputed leader in managed services, Ericsson has officially announced more than 100 managed services contracts with operators worldwide since 2002. In all current managed services contracts, excluding hosting, Ericsson is managing networks that together serve more than 160 million subscribers worldwide.