ERICSSON

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PRESS BACKGROUNDER

EDGE AND ITS EVOLUTION – A COMPLEMENT TO WCDMA/HSPA AND LTE, ENABLING ACCESS TO INTERNET EVERYWHERE

EDGE – Enhanced Data Rates for GSM Evolution – is a radio technology that more than triples the data capacity of GSM/GPRS networks, enabling GSM operators to provide high-speed mobile internet access over existing infrastructure. Most of the world's GSM/GPRS operators have taken the step and upgraded GSM to EDGE. However, mass-market deployment is still to come, driven primarily by emerging markets' need for fast internet access, but also by operators making further EDGE deployments as an important complement to WCDMA/HSPA and future LTE networks.

EDGE is more than three times as efficient as GSM/GPRS in handling packet-switched data. Operators can use this boosted data capacity to increase individual user data rates, to serve more data users and to free up capacity for still-expanding voice traffic. With EDGE gradually becoming a mandatory function in GSM/GPRS and WCDMA/HSPA mobile devices, it is now considered a natural step in the evolution of GSM and a low-risk investment for mobile operators wanting to get the most out of their GSM networks.

EDGE functionality, delivered by Ericsson to customers' GSM networks, mostly requires only a software upgrade. This means it can be activated without changing any hardware in the radio base stations or in the existing cell plan. For older Ericsson radio base station equipment, EDGE is enabled simply by adding an EDGE-capable transceiver unit.

Speed up the network with Ericsson EDGE

Ericsson introduced basic EDGE back in 2002. Since then, it has developed a entire range of functionality improvements which have been added to its software feature portfolio. Activating these performance features significantly enhances end-user data speed, enabling new data applications such as mobile TV, music downloads and other services normally delivered only via WCDMA/HSPA networks. EDGE performance features bring measurable benefits to operators and end users. We call it the Ericsson EDGE.

EDGE driving WCDMA/HSPA uptake

User consumption of mobile data services has proven to be closely related to the quality of the services offered and how they are priced. Operators offering HSPA-based mobile broadband in combination with an attractive flat-rate charging model for data are experiencing a booming market, especially driven by laptop users. With a high-performance EDGE network as a fallback, these operators gain a lot: first, complementary coverage in areas not reached by WCDMA/HSPA signals, and second, EDGE speeds that attract end users with GSM phones who want mobile broadband access. Once they get used to high-speed services, these end users will be even more attracted by WCDMA/HSPA subscriptions and most probably shift to high-speed mobile broadband usage. In this way, EDGE encourages users to shift to WCDMA/HSPA, creating the basis for a truly seamless future network getting the most out of investments in the GSM/WCDMA/LTE family.

EDGE bringing mobile broadband to all

GSM technology will bring both telephony and internet access to the next billion mobile phone users in the coming years. In many emerging markets, with limited fixed-network infrastructure, people's first phone experience today comes from using a GSM phone. Adding a high-performance data service using EDGE is both inexpensive and easy for the operators. Inexpensive GSM/EDGE terminals, and the huge secondhand GSM phone market, will also bring broadband internet access to the masses, bringing benefits for both society and the individual.

EDGE Evolution – the next technology step

Ericsson is committed to promoting the standardization and mass-market adoption of EDGE Evolution, the next technology step in GSM/EDGE. EDGE Evolution consists of a handful of technical improvements that are gradually coming on to the market from 2008 to 2010. When fully implemented, these will bring peak data rates of up to 1Mbps for end users and boost network data capacity to up to three times that of today's EDGE networks. EDGE Evolution is made possible in an Ericsson EDGE network with a simple software upgrade, maximizing the lifetime of investments made in GSM/EDGE equipment.

Ericsson the leader in EDGE technology

Ericsson conducted the world's first live demonstration of EDGE at Ericsson's GSM Global Summit in Stockholm, Sweden, in June 1998. Ericsson was also the first to demonstrate GPRS, EDGE and WCDMA radio networks working together at the CommunicAsia event in June 2000. In 2003, the world's first commercial EDGE network was launched using infrastructure provided by Ericsson. In 2008, Ericsson was the first vendor to activate the initial step of EDGE Evolution in a live network. Ericsson is the world's principal supplier of mobile networks, with more than 40 percent of installed network infrastructure, and a strong presence in more than 140 markets. At the end of 2008, Ericsson was powering more than 250 commercial GSM networks offering EDGE services.

Notes to editors:

Photos are available here:
http://www.ericsson.com/ericsson/press/photos/index.shtml

Ericsson's standard multimedia content is available at the broadcast room:
www.ericsson.com/broadcast_room

Ericsson is the world's leading provider of technology and services to telecom operators. The market leader in 2G and 3G mobile technologies, Ericsson supplies communications services and manages networks that serve more than 250 million subscribers. The company's portfolio comprises mobile and fixed network infrastructure, and broadband and multimedia solutions for operators, enterprises and developers. The Sony Ericsson joint venture provides consumers with feature-rich personal mobile devices.

Ericsson is advancing its vision of 'communication for all' through innovation, technology, and sustainable business solutions. Working in 175 countries, more than 70,000 employees generated revenue of USD 27 billion (SEK 209 billion) in 2008. Founded in 1876 and headquartered in Stockholm, Sweden, Ericsson is listed on OMX Nordic Exchange Stockholm and NASDAQ

For more information, visit www.ericsson.com or www.ericsson.mobi.

FOR FURTHER INFORMATION, PLEASE CONTACT

Ericsson Corporate Public & Media Relations
Phone: +46 10 719 69 92
E-mail: press.relations@ericsson.com