

PRESS RELEASE

December 21, 2016



TELSTRA SELECTS ERICSSON'S SMALL CELL SOLUTIONS

- Telstra partners with Ericsson for indoor and outdoor small cell solutions to further enhance 4G coverage and customer experience in rural and urban areas
- Small cells provide a cost effective increase to 3G and LTE network coverage and are a key step in readying Telstra's network for 5G
- Small cell deployments are integral to Ericsson's heterogeneous network strategy

Ericsson (NASDAQ: ERIC) and Telstra have partnered to deploy indoor and outdoor small cells in the Telstra's 4G LTE network, including the Ericsson Radio Dot System and Pico Cell RBS 6402. Adding small cells will help increase coverage and enhance user experience in Telstra's 4G LTE network, enabling Telstra to continue providing a high quality and reliable mobile broadband service to its customers.

Mike Wright, Group Managing Director of Networks in Telstra Operations, says: "The outdoor small cell deployment and indoor small cell solutions are the latest step in our ongoing strategic partnership with Ericsson. Telstra has already deployed small cells in 50 rural towns across Australia. The result has been greater coverage and improved broadband experience for residents and business in these towns.

"With this new agreement, Telstra can increase the small cell rollout across Australia. In urban areas we are looking forward to delivering better indoor coverage not only for individual customers in office buildings, but also to our enterprise customers in shopping centers and large indoor venues."

Small cells are complementary to macro sites and a great way to solve capacity and coverage problems in hotspots such as busy city squares, commercial streets, railway stations, hotels, shopping malls, offices and airports. Close coordination with the rest of the network is needed to maximize reuse of scarce spectrum and ensure quality of service.

Thomas Norén, Head of Product Area Network Products, Ericsson, says: "By integrating small cells as part of the macro mobile network, operators can cost-effectively provide improved coverage. Coordinated, embedded small cells improve performance through frequency reuse, increasing both network data capacity and throughput without the need to split the available spectrum. Small cells also provide full-service transparency in the network, ensuring that Voice over LTE, Voice over WiFi and video calls work seamlessly in the network for a consistent user experience."

By leveraging both Ericsson's macro and small cell solutions, Telstra will be able to achieve a highly coordinated elastic radio access network architecture, providing significant additional Carrier Aggregation and Coordinated Multi Point gains.

PRESS RELEASE

December 21, 2016



Consumers expect high performing networks with high connection speeds, great data rates, extensive coverage and seamless availability of their mobile broadband service. Continuing to deliver a consistent, high quality and seamless mobile broadband experience is at the core of any operator's business, especially with ever-increasing traffic growth, driven by data intensive applications such as video streaming or virtual and augmented reality.

The latest Ericsson Mobility Report shows that globally, data traffic per smartphone will grow from 1.9 Gigabytes per month in 2016 to 11 Gigabytes per month in 2022. Achieving subscriber satisfaction will require not only improving network data performance outdoors, but also indoors where about 70 percent of today's data traffic is generated. Complementing macro networks with small cells are a key part of delivering performance requirements.

NOTES TO EDITORS

Ericsson Small Cells

https://www.ericsson.com/ourportfolio/products/small-cells?nav=productcategory006lfgb_101_0516

For media kits, backgrounders and high-resolution photos, please visit www.ericsson.com/press

Ericsson is the driving force behind the Networked Society – a world leader in communications technology and services. Our long-term relationships with every major telecom operator in the world allow people, business and society to fulfill their potential and create a more sustainable future.

Our services, software and infrastructure – especially in mobility, broadband and the cloud – are enabling the telecom industry and other sectors to do better business, increase efficiency, improve the user experience and capture new opportunities.

With approximately 115,000 professionals and customers in 180 countries, we combine global scale with technology and services leadership. We support networks that connect more than 2.5 billion subscribers. Forty percent of the world's mobile traffic is carried over Ericsson networks. And our investments in research and development ensure that our solutions – and our customers – stay in front.

Founded in 1876, Ericsson has its headquarters in Stockholm, Sweden. Net sales in 2015 were SEK 246.9 billion (USD 29.4 billion). Ericsson is listed on NASDAQ OMX stock exchange in Stockholm and the NASDAQ in New York.

www.ericsson.com

www.ericsson.com/news

[www.twitter.com/ericssonpress](https://twitter.com/ericssonpress)

www.facebook.com/ericsson

www.youtube.com/ericsson

PRESS RELEASE

December 21, 2016



FOR FURTHER INFORMATION, PLEASE CONTACT

Ericsson Corporate Communications

Phone: +46 10 719 69 92

E-mail: media.relations@ericsson.com

Ericsson Investor Relations

Phone: +46 10 719 00 00

E-mail: investor.relations@ericsson.com