



ST-ERICSSON – EMPOWERING THE MOBILE BROADBAND REVOLUTION

Across the world, more and more people are using mobile broadband handsets, netbooks and laptops to stay continually connected to social networks, business applications, email and many other Internet services. ST-Ericsson is a leading supplier of the advanced wireless semiconductors and platforms inside these devices. In future, mobile broadband is likely to become ubiquitous, providing high-speed connectivity to many billions of people, devices and machines.

During 2010, mobile broadband subscriptions globally are likely to surpass fixed broadband connections and analysts forecast there will be more than 2bn mobile broadband subscriptions by the middle of the decade. HSPA is the leading mobile broadband technology. A key supplier to four of the top five handset manufacturers, ST Ericsson's platforms are inside many of the best HSPA devices on the market today and it is also carving out a leading position in the emerging mobile broadband technologies of TD-HSPA, HSPA+ and LTE (Long-Term Evolution).

MOBILE BROADBAND: A WORLDWIDE PHENOMENON

In Africa, Latin America and much of Asia, where fixed-line networks are scarce, mobile broadband networks are becoming the primary means of accessing the Internet and other online services. In developed countries, mobile broadband services are enabling people with feature phones, smartphones, netbooks and laptops to get online quickly and easily wherever they are. There are now more than 200 million HSPA mobile broadband subscriptions worldwide, according to Wireless Intelligence, and 315 commercial HSPA networks in 132 countries, according to the Global Mobile Suppliers Association (GSA).

With dedicated HSPA platforms for the feature phone, smartphone and embedded (laptops, netbooks and consumer electronics) markets, ST-Ericsson's solutions underpin many of the leading HSPA devices on sale today and those in development. For example, LG Electronics' forthcoming advanced LG GW990 mobile internet device will feature ST-Ericsson's small, low-power M340 HSPA modem. In 2009, ST-Ericsson shipped tens of millions of HSPA platforms.

AS FAST AS FIXED

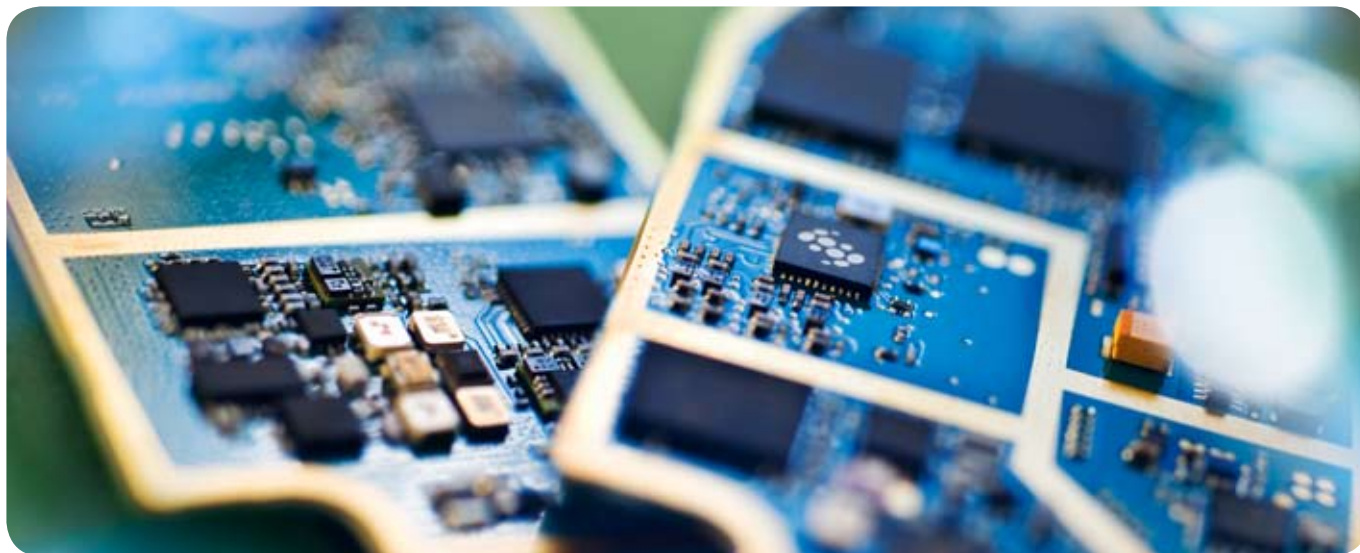
The performance and capabilities of HSPA networks are advancing in leaps and bounds as they are increasingly upgraded using HSPA+ technology, capable today of delivering peak downlink speeds of up to 21 Mbps – as fast, if not faster, than fixed-line broadband connections. In future, the majority of HSPA+ networks will run at speeds of up to 42 Mbps. As of February 2010, 41 HSPA+ networks had been commercially launched in 26 countries and, by the end of the year, there will be more than 100 HSPA+ networks in service, according to the GSA.

Commercially-available now, ST-Ericsson's M570 platform enables manufacturers to meet the growing demand for mass-market HSPA+ devices, which will be smaller and

cheaper than the first wave of HSPA+ devices. The M570, which has already been selected by several customers, enables simultaneous download speeds of up to 21 Mbps and upload speeds of 5.76 Mbps, as well as circuit-switched voice calls. It also consumes relatively little power, enabling manufacturers to embed the M570 into sleek and attractive consumer electronics devices, as well as mass-market phones, dongles, PCs, and netbooks.

From the consumer's perspective, devices based on the M570 platform will provide a high-quality user experience for a wide range of online applications, such as Internet browsing, real-time location services, uploading user-generated content, video conferencing and sending and receiving e-mails with attachments. The high peak data rates give a much higher average throughput than earlier mobile platforms, making it viable for householders to replace their fixed broadband connection with mobile broadband.

Compared with earlier HSPA+ solutions, the M570 platform also uses relatively little power, extending device battery life, while also delivering dramatically faster wake-from-idle time, lower latency and a true



always-on connection. Moreover, it employs advanced receiver technology to ensure high speed connections even in difficult radio environments, such as sometimes occur indoors or at the edge of network cells.

THE NEXT STEP CHANGE: LTE

The world's first LTE networks were launched by TeliaSonera in Sweden and Norway in December 2009. LTE enables consumers to enjoy high-definition television, video streaming and simpler, faster access to web-based applications. The GSA expects up to 19 LTE networks to be commercially launched by the end of 2010, while a total of 51 operators have committed to LTE deployments in 24 countries.

ST-Ericsson is at the forefront of the development of LTE. In December 2009, together with Ericsson, ST-Ericsson carried out the first demonstration of a multimode LTE/HSPA device that can move seamlessly between a live LTE network and a live HSPA network without dropping the connection. As LTE networks will be rolled-out gradually, this capability is crucial to ensure that people can maintain a continuous mobile broadband connection as they move in and out of areas with LTE coverage.

ST-Ericsson is also running comprehensive interoperability tests with leading operators and infrastructure vendors. ST-Ericsson's first multimode LTE/HSPA/GSM platform, the M710, is commercially available now, ensuring that it can be used in LTE devices mass produced in the second half of 2010

– in good time for the first large-scale deployments of LTE. The availability of multimode devices will encourage more mobile operators to adopt LTE.

As LTE coverage improves and voice functionalities are introduced, device manufacturers are likely to launch high-end mobile phones. LTE modems will also be integrated into notebooks and other consumer electronics devices.

BROADBAND TECHNOLOGY LEADER IN CHINA

China Mobile, the world's largest mobile phone operator, is deploying a mobile broadband network based on the Chinese technology TD-SCDMA and it has selected ST-Ericsson as a major technology partner for the development of both high-end and low-cost TD-SCDMA handsets. Having delivered 6.5 million TD-SCDMA chipsets by the end of 2009, ST-Ericsson is the clear leader in this segment of the wireless semiconductor market.

ST-Ericsson has entered into strategic partnerships with many of the key suppliers of devices to the Chinese market, including Dell, Nokia and Samsung. The partnership with Nokia will see the world's largest handset maker using ST-Ericsson as a key supplier of chipset platforms for its Symbian-based TD-SCDMA devices and solutions portfolio.

As part of the partnership with Samsung, ST-Ericsson provided the first multimode TD-

HSDPA (an upgrade to TD-SCDMA) and EDGE platform for Samsung's high-end devices. The platform is capable of supporting downlink speeds of up to 2.8 Mbps, enabling Chinese consumers to enjoy high-speed mobile internet services on their handsets when they have TD-HSDPA coverage, while also taking advantage of widespread EDGE coverage to make high-quality voice calls throughout China.

At the same time, ST-Ericsson is working with leading PC manufacturer Dell to bring high-speed mobility to the Chinese computing market. Dell's Inspiron Mini 10 Netbook is based on ST-Ericsson's TD-HSPA platform, the T7210.

ST-Ericsson has also joined forces with Hojy Wireless, a leading provider of EDGE and TD-SCDMA data solutions. Hojy has selected ST-Ericsson's dual-mode TD-HSPA/EDGE flexible modem, the M6718, to develop its next generation of high-speed mobile broadband modules to power data cards, USB dongles, notebooks and smartphones in China.

In September 2009, ST-Ericsson unveiled the industry's first TD-HSPA modem chip samples in 65nm. This new chip is smaller than existing products, making it easier to implement in mobile devices, and is also designed to have significantly lower power consumption. Commercial devices based on this chip, which enables downlink speeds up to 2.8Mbps and uplink speeds up to 2.2Mbps, will be available in the first half of 2010.

FOR FURTHER INFORMATION, PLEASE CONTACT:

MEDIA RELATIONS

Phone: +41 22 930 2733

Email: media.relations@stericsson.com

INVESTOR RELATIONS

Phone: +41 22 929 6973

Email: investor.relations@stericsson.com

