INTERIM UPDATE

ERICSSON MOBILITY REPORT

ON THE PULSE OF THE NETWORKED SOCIETY

This document is a scheduled update to some sections of the Ericsson Mobility Report, released in June 2014.

To view or download a copy of the original report, please visit: www.ericsson.com/ericsson-mobility-report

We will continue to share traffic and market data, along with our analysis, on a regular basis.

SUBSCRIPTIONS

Mobile broadband subscriptions passed 2.4 billon in Q2 2014

TRAFFIC

60% growth in data traffic between Q2 2013 and Q2 2014

August 2014

MOBILE SUBSCRIPTIONS Q2 2014

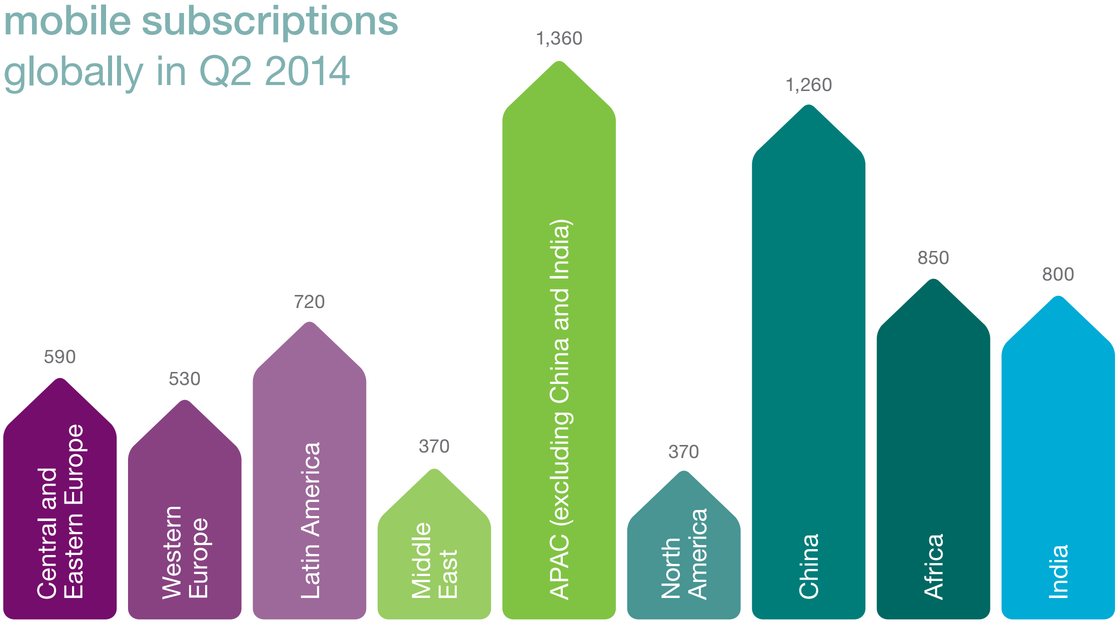
Total mobile subscriptions up to and including Q2 2014 were around 6.8 billion. Of these, 80 million new subscriptions were added during Q2 2014. However, the actual number of subscribers is around 4.6 billion, since many have several subscriptions.

Global mobile penetration was 94 percent in Q2 2014. Other interesting developments include:

- China grew most in the quarter in terms of net additions (+12 million), followed by Russia (+5 million), India (+5 million) and Indonesia (+4 million).
- Mobile subscriptions are growing around 6 percent year-on-year and 1.1 percent quarter-on quarter.
- In Q2 2014, mobile broadband subscriptions passed 2.4 billion, growing by around 140 million, reflecting a year-on-year increase of around 35 percent.
- WCDMA and HSPA subscriptions grew by around 70 million and LTE subscriptions increased by approximately 40 million to 280 million. The total number of subscriptions capable of using GSM grew by 90 million, while GSM-only subscriptions declined by 40 million, a rate of 1 percent.
- Around 300 million smartphones were sold in Q2 2014. This device represented more than 65 percent of all mobile phones sold in Q2 2014, compared to around 55 percent in Q2 2013. Of all mobile phone subscriptions, around 35 percent are associated with smartphones, leaving considerable room for further uptake.

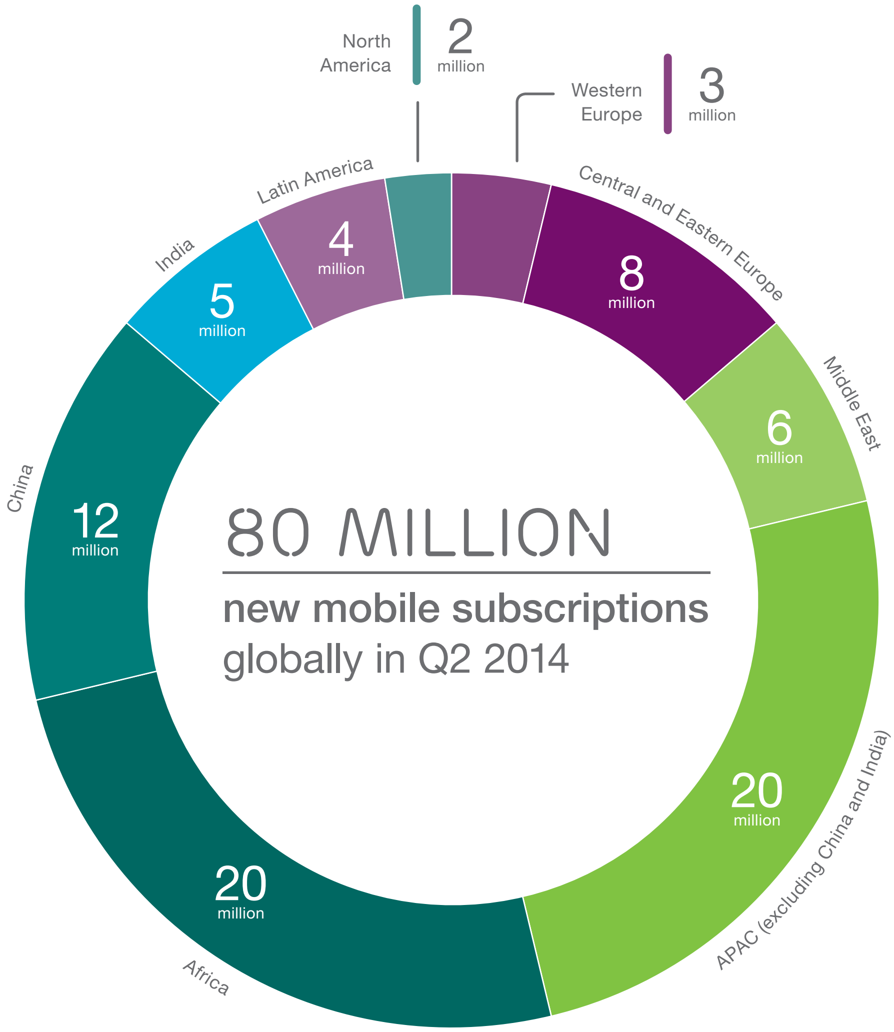
6.8 BILLION

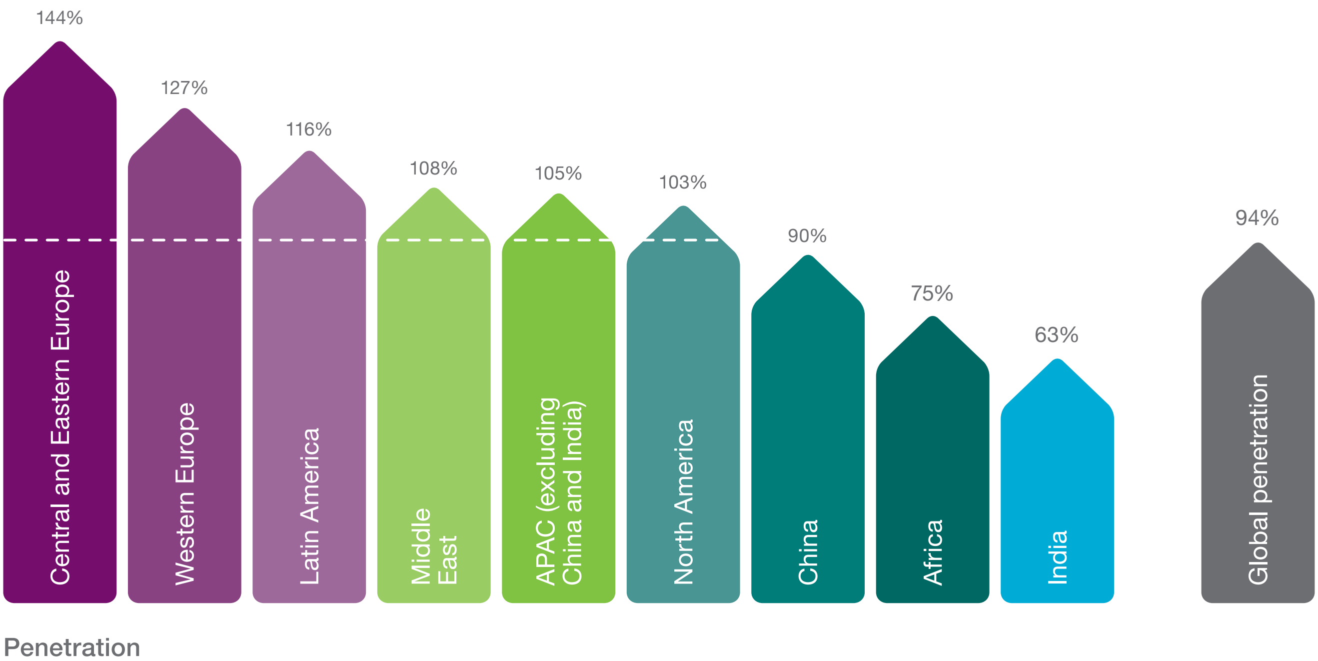
mobile subscriptions globally in Q2 2014



Mobile subscriptions (million)

Indian subscriptions include active VLR subscriptions.





Note that Turkey has been included as part of the Middle East instead of Central and Eastern Europe since Ericsson Mobility Report November 2013.

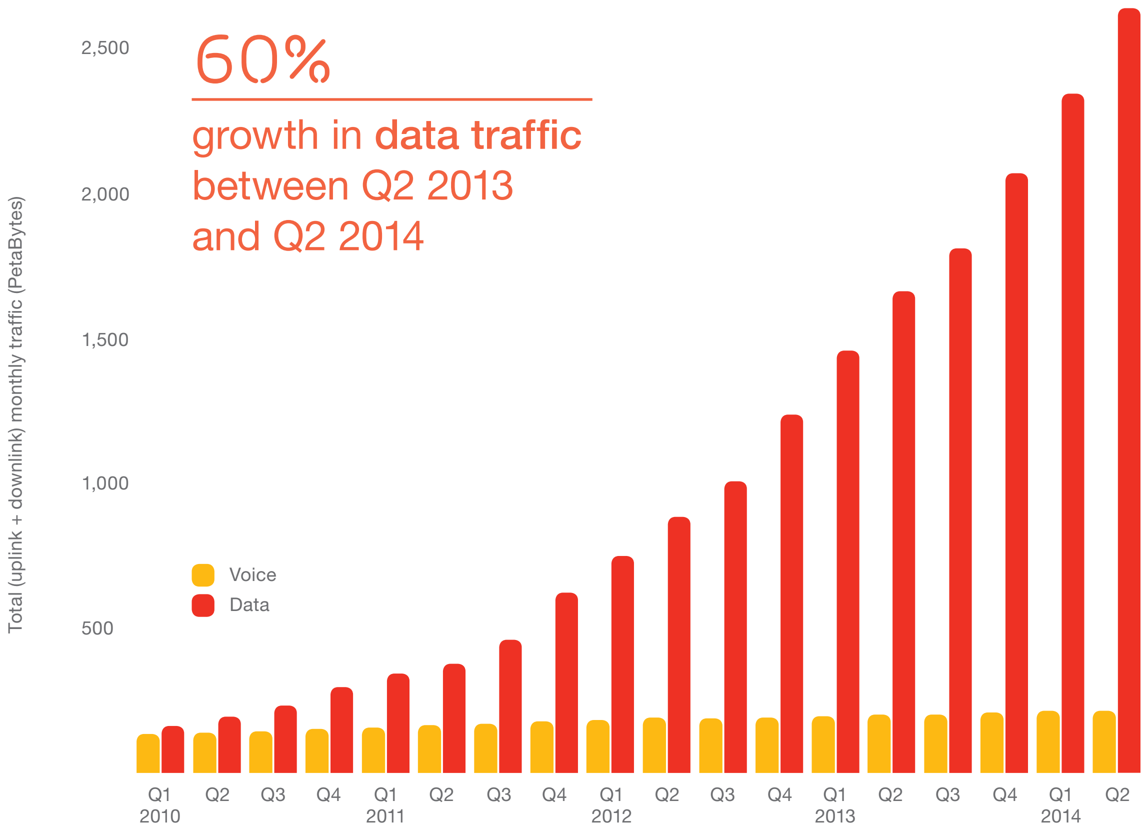
MOBILE TRAFFIC Q2 2014

Global traffic in mobile networks

The graph below shows total global monthly data and voice traffic. It depicts a strong increase in data traffic with a moderating rate of growth and flat voice traffic development. The number of mobile data subscriptions is increasing rapidly, and driving growth in data traffic along with a continuous increase in the average data volume per subscription. Data traffic grew around 10 percent between Q1 2014 and Q2 2014.

It should be noted that there are large differences in traffic levels between markets, regions and operators.

These measurements have been collected by Ericsson over several years using a large base of commercial networks that together cover all regions of the world. They form a representative base for calculating total traffic in the world's mobile networks.[1]



[1] Traffic does not include DVB-H, Wi-Fi, or Mobile WiMax. Voice does not include VoIP.

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