

ERICSSON LM TELEPHONE CO  
Form 6-K  
January 22, 2010

# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## FORM 6-K

REPORT OF FOREIGN ISSUER

Pursuant to Rule 13a-16 or 15d-16 of  
the Securities Exchange Act of 1934

January 22, 2010

# LM ERICSSON TELEPHONE COMPANY

(Translation of registrant's name into English)

Torshamnsgatan 23, Kista

SE-164 83, Stockholm, Sweden

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934. Yes  No

Announcement of LM Ericsson Telephone Company, dated January 22, 2010 regarding Sony Ericsson reports fourth quarter and full year 2009 results

January 22, 2010

**Sony Ericsson reports fourth quarter and full year 2009 results****Q4 Highlights:****Improved quarterly financial results reflected success of refreshed portfolio****Transformation programme bearing fruit and to continue****Announced first Android-based phone, the XPERIA X10**

The consolidated financial summary for Sony Ericsson Mobile Communications AB (Sony Ericsson) for the fourth quarter and full year ended December 31, 2009 is as follows:

|  | Q4 2009 | Q3 2009 | Q4 2008 | FY 2009 | FY 2008 |
|--|---------|---------|---------|---------|---------|
| Number of units shipped (million)                      | 14.6    | 14.1    | 24.2    | 57.1    | 96.6    |
| Sales (Euro m.)  | 1,750   | 1,619   | 2,914   | 6,788   | 11,244  |
| Gross margin (%)                                       | 23%     | 16%     | 15%     | 15%     | 22%     |
| Operating income (Euro m.)                             | -181    | -193    | -262    | -1,018  | -113    |
| Operating margin (%)                                   | -10%    | -12%    | -9%     | -15%    | -1%     |
| Restructuring charges (Euro m.)                        | 150     | 2       | 129     | 164     | 175     |
| Operating income excl. restructuring charges (Euro m.) | -32     | -191    | -133    | -854    | 61      |
| Operating margin excl. restructuring charges (%)       | -2%     | -12%    | -5%     | -13%    | 1%      |
| Income before taxes (IBT) (Euro m.)                    | -190    | -199    | -261    | -1,043  | -83     |
| IBT excl. restructuring charges (Euro m.)              | -40     | -198    | -133    | -878    | 92      |
| Net income (Euro m.)                                   | -167    | -164    | -187    | -836    | -73     |
| Average selling price (Euro)                           | 120     | 114     | 121     | 119     | 116     |

Bert Nordberg, President, Sony Ericsson comments; The refreshed portfolio, coupled with the business transformation programme has started to positively impact our financial results. Continued cost saving activities and resource realignment are necessary in order to build a leaner, more efficient organisation capable of meeting the demands of the changing competitive landscape. We will continue to focus on returning the company to profitability by establishing Sony Ericsson as the communication entertainment brand based on an exciting portfolio of mid- and high-end products, such as our recently announced Android-based phone, the XPERIA X10. 2010 will still be challenging as the full benefit of cost improvements will not impact results until the second half of the year, however we are confident that our business is on the right track.

Units shipped in the quarter were 14.6 million, a sequential increase of 3% and a year-on-year decrease of 40%. Sales for the quarter were Euro 1,750 million, a sequential increase of 8% and a year-on-year decrease of 40%. The sequential increase was driven by market seasonality and successful sales of Satio and Aino phones. The year-on-year decrease in both units and sales was mainly due to a downturn in the global handset market and

a faster than anticipated shift to touch screen phones in the mid-priced sector of the market. Average Selling Price (ASP) for the quarter rose sequentially by 5% to Euro 120 due to a more favourable product mix.

Gross margin percentage improved sequentially and year-on-year mainly driven by the successful sales of new, higher-margin phones as well as the positive impact of cost reduction activities.

Income before taxes for the quarter, excluding restructuring charges, was a loss of Euro 40 million compared to a loss of Euro 198 million in the previous quarter. The reduced loss was due to the improved gross margin and the benefits of reduced operating expenses. Excluding restructuring charges, Sony Ericsson made a loss for the full year 2009 of Euro 878 million compared with an income of Euro 92 million in 2008. The year-on-year deterioration was mainly attributable to the lower sales.

As of December 31, 2009, Sony Ericsson had a net cash position of Euro 620 million.

During 2009, Sony Ericsson secured external funding of Euro 455 million to strengthen the balance sheet and improve liquidity, out of which Euro 350 million has been guaranteed by the parent companies on a 50/50 basis.

Euro 255 million was drawn by the end of 2009, but the remaining Euro 200 million, a two-year committed back-up facility, has not been utilised.

The programme started in mid-2008 to reduce annual operating expenses by Euro 880 million is continuing; with

the full benefit expected during the second half of 2010. Since the start of the programme Sony Ericsson has reduced its global workforce by approximately 2,500 people to 9,100 by the end of 2009. The total restructuring

charges taken to date are Euro 339 million, and charges for the full programme are estimated to be well within the previously announced Euro 500 million.

Sony Ericsson estimates that the global handset market in units for the fourth quarter 2009 was flat year-on-year and that its market share was about 5% in the fourth quarter. Sony Ericsson believes that the global handset

market for the full year 2009 decreased in volume by around 8% year-on-year to around 1.1 billion units and that its market share in units for the full year 2009 was about 5%.

Sony Ericsson forecasts a slight growth in units in the global handset market in 2010.

- END -

The liquid identity is a registered trademark of Sony Ericsson Mobile Communications AB.

Aino , Satio and XPERIA are trademarks or registered trademarks of Sony Ericsson Mobile Communications AB.

Sony is a registered trademark of Sony Corporation. Ericsson is a registered trademark of Telefonaktiebolaget LM Ericsson. Any rights not expressly granted herein are reserved. Subject to change without prior notice.

**EDITOR S NOTES:**

Financial statements:

Consolidated income statement

Consolidated income statement full year

Consolidated income statement isolated quarters

Consolidated balance sheet

## Edgar Filing: ERICSSON LM TELEPHONE CO - Form 6-K

Consolidated statement of cash flows

Consolidated statement of cash flows full year

Consolidated statement of cash flows isolated quarters

### Additional information:

Net sales by market area, by quarter

Sony Ericsson is a 50:50 joint venture by Sony and Ericsson established in October 2001, with global corporate functions located in London and operations in all major markets. Our vision is to become the industry leader in Communication Entertainment; where new styles of communicating through the internet and social media, become entertainment. Sony Ericsson offers exciting consumer experiences through phones, accessories, content and applications. For more information please visit, [www.sonyericsson.com](http://www.sonyericsson.com).

**CONTACTS:**

Investors / analysts

**Ericsson investor relations**

Susanne Andersson (Stockholm) +46 10 719 4631

Lars Jacobsson (Stockholm) +46 10 719 9489

**Sony investor relations**

Gen Tsuchikawa (Tokyo) +81 3 6748 2180

Shinji Tomita (London) +44 20 7426 8696

Press / media

**Sony Ericsson global communications and PR**

Aldo Liguori (London) +44 20 8762 5860

Merran Wrigley (London) +44 20 8762 5862

A live webcast of the conference call discussing the company's results for the fourth quarter and full year ended December 31, 2009 will be available on January 22, 2010 at the following times:

**TIMING:**

15:30 UK time (GMT)

16:30 Central European time (CET)

10:30 US Eastern time (EST)

00:30 Japan time (JST) January 23, 2010

**WEBCAST:**

A live webcast of the conference call will be available at: [www.ericsson.com/ericsson/investors](http://www.ericsson.com/ericsson/investors)

Or please click here to join the webcast directly:

[www.thomson-](http://www.thomson-)

[webcast.net/uk/dispatching/?event\\_id=55bbf43ecfabff7e6e911983a216b4b0&portal\\_id=ccec29148a44ec4b8077c845c5b4cbba](http://webcast.net/uk/dispatching/?event_id=55bbf43ecfabff7e6e911983a216b4b0&portal_id=ccec29148a44ec4b8077c845c5b4cbba)

The archived webcast will be available approximately one hour after the completion of the conference call.

**CALL-IN NUMBERS:**

UK and Europe +44 20 7806 1956

Edgar Filing: ERICSSON LM TELEPHONE CO - Form 6-K

Sweden +46 8 5352 6407  
US: +1 718 354 1389  
Japan: +81 3 3570 8228

**REPLAY:**

A replay of the conference call will be available approximately two hours after the completion of the conference call until 11:00 pm UK time on 28 January, 2010.

UK and Europe: +44 20 7111 1244  
Sweden: +46 8 5051 3897  
US: +1 347 366 9565  
Japan: +81 3 5767 9615  
Replay pass code: **8140934#**

*This press release contains forward-looking statements that involve inherent risks and uncertainties. We have identified certain important factors that may cause actual results to differ materially from those contained in such forward-looking statements. For a detailed description of risk factors see Sony's and Ericsson's filings with the US Securities and Exchange Commission, particularly each company's latest published Annual Report on Form 20-F.*

## Sony Ericsson

## CONSOLIDATED INCOME STATEMENT

| EUR million                         | 2009        | Oct-Dec<br>2008 | Change      |
|-------------------------------------|-------------|-----------------|-------------|
| Net sales                           | 1,750       | 2,914           | -40%        |
| Cost of sales                       | -1,341      | -2,476          | -46%        |
| <b>Gross profit</b>                 | <b>409</b>  | <b>438</b>      | <b>-7%</b>  |
| Gross margin %                      | 23.4%       | 15.0%           | 8%          |
| Research and development expenses   | -299        | -359            | -17%        |
| Selling and administrative expenses | -299        | -366            | -18%        |
| <b>Operating expenses</b>           | <b>-599</b> | <b>-725</b>     | <b>-17%</b> |
| Other operating income, net         | 8           | 24              | -66%        |
| <b>Operating income</b>             | <b>-181</b> | <b>-262</b>     | <b>-31%</b> |
| Operating margin %                  | -10.4%      | -9.0%           | -1%         |
| Financial income                    | 4           | 28              | -88%        |
| Financial expenses                  | -12         | -27             | -55%        |
| <b>Income after financial items</b> | <b>-190</b> | <b>-261</b>     | <b>-27%</b> |
| Taxes                               | 36          | 81              | -56%        |
| Minority interest                   | -12         | -7              | 75%         |
| <b>Net income</b>                   | <b>-167</b> | <b>-187</b>     | <b>-11%</b> |
| Number of units shipped (million)   | 14.6        | 24.2            | -40%        |
| ASP (EUR)                           | 120         | 121             | -1%         |

| EUR Million                       | 2009 | Oct-Dec<br>2008 |
|-----------------------------------|------|-----------------|
| Restructuring charges             |      |                 |
| Cost of sales                     | 41   | 67              |
| Research and development expenses | 72   | 35              |
| Sales and administrative expenses | 37   | 24              |
| Other operating income, net       | 0    | 3               |
| Total                             | 150  | 129             |

## Sony Ericsson

## CONSOLIDATED INCOME STATEMENT

| EUR million                         | 2009          | Jan-Dec<br>2008 | Change      |
|-------------------------------------|---------------|-----------------|-------------|
| Net sales                           | 6,788         | 11,244          | -40%        |
| Cost of sales                       | -5,782        | -8,750          | -34%        |
| <b>Gross profit</b>                 | <b>1,006</b>  | <b>2,494</b>    | <b>-60%</b> |
| Gross margin %                      | 14.8%         | 22.2%           | -7%         |
| Research and development expenses   | -1,108        | -1,379          | -20%        |
| Selling and administrative expenses | -964          | -1,249          | -23%        |
| <b>Operating expenses</b>           | <b>-2,072</b> | <b>-2,628</b>   | <b>-21%</b> |
| Other operating income, net         | 48            | 21              | -           |
| <b>Operating income</b>             | <b>-1,018</b> | <b>-113</b>     | <b>-</b>    |
| Operating margin %                  | -15.0%        | -1.0%           | -14%        |
| Financial income                    | 21            | 101             | -79%        |
| Financial expenses                  | -46           | -71             | -35%        |
| <b>Income after financial items</b> | <b>-1,043</b> | <b>-83</b>      | <b>-</b>    |
| Taxes                               | 236           | 31              | -           |
| Minority interest                   | -29           | -21             | 35%         |
| <b>Net income</b>                   | <b>-836</b>   | <b>-73</b>      | <b>-</b>    |
| Number of units shipped (million)   | 57.1          | 96.6            | -41%        |
| ASP (EUR)                           | 119           | 116             | 2%          |

| EUR Million                       | 2009 | Jan-Dec<br>2008 |
|-----------------------------------|------|-----------------|
| Restructuring charges             |      |                 |
| Cost of sales                     | 39   | 75              |
| Research and development expenses | 84   | 62              |
| Sales and administrative expenses | 41   | 29              |
| Other operating income, net       | 0    | 9               |
| Total                             | 164  | 175             |



## Sony Ericsson

## CONSOLIDATED INCOME STATEMENT ISOLATED QUARTERS

| EUR million                         | 2009        |             |             |             | 2008        |             |             |             |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                     | Q4          | Q3          | Q2          | Q1          | Q4          | Q3          | Q2          | Q1          |
| Net sales                           | 1,750       | 1,619       | 1,684       | 1,736       | 2,914       | 2,808       | 2,820       | 2,702       |
| Cost of sales                       | -1,341      | -1,367      | -1,483      | -1,591      | -2,476      | -2,192      | -2,168      | -1,914      |
| <b>Gross profit</b>                 | <b>409</b>  | <b>252</b>  | <b>200</b>  | <b>145</b>  | <b>438</b>  | <b>616</b>  | <b>653</b>  | <b>788</b>  |
| Gross margin %                      | 23.4%       | 15.5%       | 11.9%       | 8.4%        | 15.0%       | 21.9%       | 23.1%       | 29.2%       |
| Research and development expenses   | -299        | -260        | -245        | -303        | -359        | -337        | -344        | -339        |
| Selling and administrative expenses | -299        | -205        | -235        | -225        | -366        | -303        | -310        | -270        |
| <b>Operating expenses</b>           | <b>-599</b> | <b>-465</b> | <b>-480</b> | <b>-528</b> | <b>-725</b> | <b>-640</b> | <b>-653</b> | <b>-610</b> |
| Other operating income, net         | 8           | 21          | 6           | 13          | 24          | -8          | -2          | 6           |
| <b>Operating income</b>             | <b>-181</b> | <b>-193</b> | <b>-274</b> | <b>-369</b> | <b>-262</b> | <b>-33</b>  | <b>-2</b>   | <b>184</b>  |
| Operating margin %                  | -10.4%      | -11.9%      | -16.3%      | -21.3%      | -9.0%       | -1.2%       | -0.1%       | 6.8%        |
| Financial income                    | 4           | 3           | 6           | 9           | 28          | 25          | 25          | 24          |
| Financial expenses                  | -12         | -9          | -15         | -10         | -27         | -15         | -14         | -15         |
| <b>Income after financial items</b> | <b>-190</b> | <b>-199</b> | <b>-283</b> | <b>-370</b> | <b>-261</b> | <b>-23</b>  | <b>8</b>    | <b>193</b>  |
| Taxes                               | 36          | 42          | 74          | 84          | 81          | 6           | 0           | -57         |
| Minority interest                   | -12         | -6          | -4          | -6          | -7          | -8          | -3          | -3          |
| <b>Net income</b>                   | <b>-167</b> | <b>-164</b> | <b>-213</b> | <b>-293</b> | <b>-187</b> | <b>-25</b>  | <b>6</b>    | <b>133</b>  |
| Number of units shipped (million)   | 14.6        | 14.1        | 13.8        | 14.5        | 24.2        | 25.7        | 24.4        | 22.3        |
| ASP (EUR)                           | 120         | 114         | 122         | 120         | 121         | 109         | 116         | 121         |

| EUR Million                       | 2009 |    |    |    | 2008 |    |    |
|-----------------------------------|------|----|----|----|------|----|----|
|                                   | Q4   | Q3 | Q2 | Q1 | Q4   | Q3 | Q2 |
| Restructuring charges             |      |    |    |    |      |    |    |
| Cost of sales                     | 41   | 0  | -9 | 7  | 67   | 0  | 8  |
| Research and development expenses | 72   | 1  | 9  | 2  | 35   | 26 | 2  |
| Sales and administrative expenses | 37   | 1  | 1  | 3  | 24   | 3  | 1  |
| Other operating income, net       | 0    | 0  | 0  | 0  | 3    | 6  | 0  |
| Total                             | 150  | 2  | 1  | 12 | 129  | 35 | 11 |

## Sony Ericsson

## CONSOLIDATED BALANCE SHEET

| EUR million                                      | Dec 31<br>2009 | Sep 30<br>2009 | Jun 30<br>2009 | Dec 31<br>2008 |
|--|----------------|----------------|----------------|----------------|
| <b>ASSETS</b>                                    |                |                |                |                |
| <b>Total fixed and financial assets</b>          | <b>779</b>     | <b>757</b>     | <b>736</b>     | <b>590</b>     |
| <b>Current assets</b>                            |                |                |                |                |
| Inventories                                      | 358            | 397            | 404            | 531            |
| Accounts receivable                              | 832            | 917            | 936            | 1,629          |
| Other assets                                     | 415            | 416            | 379            | 585            |
| Other short-term cash investments                | 489            | 464            | 456            | 707            |
| Cash and bank                                    | 389            | 532            | 509            | 418            |
| <b>Total current assets</b>                      | <b>2,483</b>   | <b>2,726</b>   | <b>2,685</b>   | <b>3,870</b>   |
| <b>Total assets</b>                              | <b>3,262</b>   | <b>3,482</b>   | <b>3,421</b>   | <b>4,460</b>   |
| <b>SHAREHOLDERS EQUITY AND LIABILITIES</b>       |                |                |                |                |
| Shareholders equity                              | 381            | 532            | 694            | 1,217          |
| Minority interest                                | 47             | 43             | 66             | 57             |
| <b>Total equity</b>                              | <b>428</b>     | <b>575</b>     | <b>760</b>     | <b>1,274</b>   |
| Borrowing, Non Current                           | 0              | 50             | 0              | 0              |
| Other long-term liabilities                      | 32             | 31             | 30             | 30             |
| <b>Total long-term liabilities</b>               | <b>32</b>      | <b>81</b>      | <b>30</b>      | <b>30</b>      |
| Accounts payable                                 | 852            | 1,019          | 848            | 990            |
| Borrowing, Current                               | 258            | 105            | 0              | 53             |
| Other current liabilities                        | 1,692          | 1,702          | 1,782          | 2,113          |
| <b>Total current liabilities</b>                 | <b>2,802</b>   | <b>2,826</b>   | <b>2,630</b>   | <b>3,156</b>   |
| <b>Total shareholders equity and liabilities</b> | <b>3,262</b>   | <b>3,482</b>   | <b>3,421</b>   | <b>4,460</b>   |
| Net cash*  | 620            | 841            | 965            | 1,072          |

\* Net cash is defined as cash and bank plus short-term cash investments less interest-bearing liabilities.

Sony Ericsson

## CONSOLIDATED STATEMENT OF CASH FLOWS

| EUR million                                 | Oct-Dec     |              |
|---|-------------|--------------|
|   | 2009        | 2008         |
| <b>OPERATIONS</b>                           |             |              |
| Net income                                  | -167        | -187         |
| Adjustments to reconcile net income to cash | 48          | 37           |
|   | -119        | -150         |
| Changes in operating net assets             | -97         | -168         |
| <b>Cash flow from operating activities</b>  | <b>-216</b> | <b>-318</b>  |
| <b>INVESTMENTS</b>                          |             |              |
| Investing activities                        | -10         | 41           |
| <b>Cash flow from investing activities</b>  | <b>-10</b>  | <b>41</b>    |
| <b>FINANCING</b>                            |             |              |
| Financing activities                        | 100         | -46          |
| <b>Cash flow from financing activities</b>  | <b>100</b>  | <b>-46</b>   |
| <b>Net change in cash</b>                   | <b>-126</b> | <b>-323</b>  |
| <b>Cash, beginning of period</b>            | <b>996</b>  | <b>1,473</b> |
| <b>Translation difference in Cash</b>       | <b>8</b>    | <b>-25</b>   |
| <b>Cash, end of period</b>                  | <b>878</b>  | <b>1,125</b> |

Sony Ericsson

**CONSOLIDATED STATEMENT OF CASH FLOWS**

| EUR million                                 | <b>Jan-Dec</b> |               |
|---|----------------|---------------|
|   | <b>2009</b>    | <b>2008</b>   |
| <b>OPERATIONS</b>                           |                |               |
| Net income                                  | -836           | -73           |
| Adjustments to reconcile net income to cash | 135            | 146           |
|   | -701           | 73            |
| Changes in operating net assets             | 333            | -323          |
| <b>Cash flow from operating activities</b>  | <b>-368</b>    | <b>-250</b>   |
| <b>INVESTMENTS</b>                          |                |               |
| Investing activities                        | -84            | -64           |
| <b>Cash flow from investing activities</b>  | <b>-84</b>     | <b>-64</b>    |
| <b>FINANCING</b>                            |                |               |
| Financing activities                        | 205            | -754          |
| <b>Cash flow from financing activities</b>  | <b>205</b>     | <b>-754</b>   |
| <b>Net change in cash</b>                   | <b>-247</b>    | <b>-1,068</b> |
| <b>Cash, beginning of period</b>            | <b>1,125</b>   | <b>2,155</b>  |
| <b>Translation difference in Cash</b>       | <b>-1</b>      | <b>37</b>     |
| <b>Cash, end of period</b>                  | <b>878</b>     | <b>1,125</b>  |

Sony Ericsson

## CONSOLIDATED STATEMENT OF CASH FLOWS ISOLATED QUARTERS

| EUR million                                 | 2009        |            |              |              | 2008         |              |              |              |
|---|-------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|
|   | Q4          | Q3         | Q2           | Q1           | Q4           | Q3           | Q2           | Q1           |
| <b>OPERATIONS</b>                           |             |            |              |              |              |              |              |              |
| Net income                                  | -167        | -164       | -213         | -293         | -187         | -25          | 6            | 133          |
| Adjustments to reconcile net income to cash | 48          | 20         | 37           | 29           | 37           | 39           | 40           | 31           |
|   | -119        | -143       | -176         | -263         | -150         | 15           | 46           | 164          |
| Changes in operating net assets             | -97         | 49         | 60           | 321          | -168         | 88           | -142         | -101         |
| <b>Cash flow from operating activities</b>  | <b>-216</b> | <b>-94</b> | <b>-115</b>  | <b>58</b>    | <b>-318</b>  | <b>102</b>   | <b>-96</b>   | <b>64</b>    |
| <b>INVESTMENTS</b>                          |             |            |              |              |              |              |              |              |
| Investing activities                        | -10         | -42        | -13          | -19          | 41           | -55          | -29          | -22          |
| <b>Cash flow from investing activities</b>  | <b>-10</b>  | <b>-42</b> | <b>-13</b>   | <b>-19</b>   | <b>41</b>    | <b>-55</b>   | <b>-29</b>   | <b>-22</b>   |
| <b>FINANCING</b>                            |             |            |              |              |              |              |              |              |
| Financing activities                        | 100         | 159        | 0            | -53          | -46          | -238         | -8           | -462         |
| <b>Cash flow from financing activities</b>  | <b>100</b>  | <b>159</b> | <b>0</b>     | <b>-53</b>   | <b>-46</b>   | <b>-238</b>  | <b>-8</b>    | <b>-462</b>  |
| <b>Net change in cash</b>                   | <b>-126</b> | <b>22</b>  | <b>-128</b>  | <b>-14</b>   | <b>-323</b>  | <b>-191</b>  | <b>-133</b>  | <b>-421</b>  |
| <b>Cash, beginning of period</b>            | <b>996</b>  | <b>965</b> | <b>1,116</b> | <b>1,125</b> | <b>1,473</b> | <b>1,591</b> | <b>1,711</b> | <b>2,155</b> |
| <b>Translation difference in Cash</b>       | <b>8</b>    | <b>9</b>   | <b>-23</b>   | <b>5</b>     | <b>-25</b>   | <b>74</b>    | <b>13</b>    | <b>-24</b>   |
| <b>Cash, end of period</b>                  | <b>878</b>  | <b>996</b> | <b>965</b>   | <b>1,116</b> | <b>1,125</b> | <b>1,473</b> | <b>1,591</b> | <b>1,711</b> |

## Sony Ericsson

## NET SALES BY MARKET AREA BY QUARTER

EUR million

| Isolated quarters              | 2009         |              |              |              | 2008          |              |              |              |
|--------------------------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|
|                                | Q4           | Q3           | Q2           | Q1           | Q4            | Q3           | Q2           | Q1           |
| Europe, Middle East & Africa * | 966          | 875          | 927          | 977          | 1,642         | 1,427        | 1,386        | 1,494        |
| Americas                       | 222          | 232          | 195          | 200          | 636           | 703          | 740          | 486          |
| Asia                           | 562          | 512          | 562          | 559          | 636           | 678          | 694          | 722          |
| <b>Total</b>                   | <b>1,750</b> | <b>1,619</b> | <b>1,684</b> | <b>1,736</b> | <b>2,914</b>  | <b>2,808</b> | <b>2,820</b> | <b>2,702</b> |
| * of which Western Europe      | 678          | 636          | 678          | 721          | 1,117         | 947          | 900          | 979          |
| Sequential change (%)          | 2009         |              |              |              | 2008          |              |              |              |
|                                | Q4           | Q3           | Q2           | Q1           | Q4            | Q3           | Q2           | Q1           |
| Europe, Middle East & Africa * | 10%          | -6%          | -5%          | -40%         | 15%           | 3%           | -7%          | -34%         |
| Americas                       | -4%          | 19%          | -3%          | -69%         | -10%          | -5%          | 52%          | -24%         |
| Asia                           | 10%          | -9%          | 1%           | -12%         | -6%           | -2%          | -4%          | -18%         |
| <b>Total</b>                   | <b>8%</b>    | <b>-4%</b>   | <b>-3%</b>   | <b>-40%</b>  | <b>4%</b>     | <b>0%</b>    | <b>4%</b>    | <b>-28%</b>  |
| * of which Western Europe      | 7%           | -6%          | -6%          | -35%         | 18%           | 5%           | -8%          | -38%         |
| Year over year change (%)      | 2009         |              |              |              | 2008          |              |              |              |
|                                | Q4           | Q3           | Q2           | Q1           | Q4            | Q3           | Q2           | Q1           |
| Europe, Middle East & Africa * | -41%         | -39%         | -33%         | -35%         | -27%          | -17%         | -20%         | -7%          |
| Americas                       | -65%         | -67%         | -74%         | -59%         | 0%            | 23%          | 48%          | 33%          |
| Asia                           | -12%         | -25%         | -19%         | -23%         | -28%          | -17%         | -21%         | -25%         |
| <b>Total</b>                   | <b>-40%</b>  | <b>-42%</b>  | <b>-40%</b>  | <b>-36%</b>  | <b>-23%</b>   | <b>-10%</b>  | <b>-9%</b>   | <b>-8%</b>   |
| * of which Western Europe      | -39%         | -33%         | -25%         | -26%         | -29%          | -14%         | -18%         | -9%          |
| Year to date                   | 2009         |              |              |              | 2008          |              |              |              |
|                                | 0912         | 0909         | 0906         | 0903         | 0812          | 0809         | 0806         | 0803         |
| Europe, Middle East & Africa * | 3,744        | 2,778        | 1,903        | 977          | 5,947         | 4,306        | 2,879        | 1,494        |
| Americas                       | 850          | 627          | 395          | 200          | 2,566         | 1,930        | 1,226        | 486          |
| Asia                           | 2,194        | 1,633        | 1,121        | 559          | 2,731         | 2,094        | 1,416        | 722          |
| <b>Total</b>                   | <b>6,788</b> | <b>5,038</b> | <b>3,419</b> | <b>1,736</b> | <b>11,244</b> | <b>8,330</b> | <b>5,522</b> | <b>2,702</b> |
| * of which Western Europe      | 2,714        | 2,036        | 1,400        | 721          | 3,943         | 2,826        | 1,879        | 979          |
| YTD year over year change (%)  | 2009         |              |              |              | 2008          |              |              |              |
|                                | 0912         | 0909         | 0906         | 0903         | 0812          | 0809         | 0806         | 0803         |
| Europe, Middle East & Africa * | -37%         | -35%         | -34%         | -35%         | -18%          | -15%         | -13%         | -7%          |
| Americas                       | -67%         | -67%         | -68%         | -59%         | 24%           | 34%          | 42%          | 33%          |
| Asia                           | -20%         | -22%         | -21%         | -23%         | -23%          | -21%         | -23%         | -25%         |
| <b>Total</b>                   | <b>-40%</b>  | <b>-40%</b>  | <b>-38%</b>  | <b>-36%</b>  | <b>-13%</b>   | <b>-9%</b>   | <b>-9%</b>   | <b>-8%</b>   |
| * of which Western Europe      | -31%         | -28%         | -26%         | -26%         | -19%          | -14%         | -14%         | -9%          |

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TELEFONAKTIEBOLAGET LM ERICSSON (publ)

By: /s/ CARL OLOF BLOMQVIST  
**Carl Olof Blomqvist**  
**Senior Vice President and**

**General Counsel**

By: /s/ HENRY STÉNSON  
**Henry Sténson**  
**Senior Vice President**

**Corporate Communications**

Date: January 22, 2010