

Audi and Ericsson to pioneer 5G for automotive manufacturing

Ingolstadt/Stockholm, August 2, 2018 – Premium automobile manufacturer Audi and 5G innovation leader Ericsson (NASDAQ: ERIC) are announcing plans to pioneer the use of 5G technology for automotive production. At Audi’s headquarters in Ingolstadt, Germany, the two companies agreed on a range of activities exploring the potential of 5G as a future-proof communication technology that can meet the high demands of automotive production. Audi and Ericsson have signed a Memorandum of Understanding (MoU) and in the coming months, experts from both companies will run field tests in a technical center at the “Audi Production Lab” in Gaimersheim, Germany.

Frank Loydl, Chief Information Officer at AUDI AG, says: "The fully networked factory will have a significant impact on the production of the future. A powerful network architecture that can respond in real time is of decisive importance for us. As part of the project with our partner Ericsson, we are testing the opportunities offered by 5G technology for industrial applications in the smart factory." In addition to the Ingolstadt plant, Audi and Ericsson are exploring whether 5G can be used in other Audi Group factories.

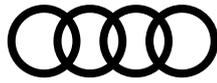
Erik Ekudden, Group CTO at Ericsson, says: “Ericsson is already running 5G industry programs all over the world to help manufacturers boost productivity and create new business opportunities. This project is a great opportunity to see what is possible when we bring 5G into an automobile production environment to truly enable smart wireless manufacturing.”

5G is the next-generation of mobile communications, which will extend the performance of today’s mobile networks to serve the future needs of consumers and industries. 5G networks will deliver a better and faster broadband experience for consumers, while for businesses 5G will be an enabler to open up new applications for everything from connected vehicles to the smart factories of tomorrow.

The technology has many network characteristics that are essential for Industry 4.0 with increasingly flexible and complex production processes. It allows for faster data throughput rates and more network capacities, as well as promising highly secure availability. Moreover, ultra-low latency ensures fast response times between equipment in the factory system.

In the first phase of the project, Audi and Ericsson will test a latency-critical application using wirelessly connected production robots that are equipped with a gluing application – a commonly used technique in auto body construction.

The planned infrastructure at the technical center in Gaimersheim will include the implementation of 5G technologies in a simulated production environment that mirrors those of Audi’s plant in Ingolstadt and other locations. The laboratory will be equipped with Ericsson's



Proof-of-Concept (PoC) network which is an open trial facility to enable early deployments of 5G technology. The network is designed to integrate alternative or complementary technologies to the ones currently in use, including WiFi or wireless LAN, or wired (Ethernet) connectivity of production components.

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About AUDI AG:

The Audi Group, with its brands Audi, Ducati and Lamborghini, is one of the most successful manufacturers of automobiles and motorcycles in the premium segment. It is present in more than 100 markets worldwide and produces at 16 locations in twelve countries. 100 percent subsidiaries of AUDI AG include Audi Sport GmbH (Neckarsulm), Automobili Lamborghini S.p.A. (Sant'Agata Bolognese, Italy) and Ducati Motor Holding S.p.A. (Bologna, Italy).

In 2017, the Audi Group delivered to customers about 1.878 million automobiles of the Audi brand, 3,815 sports cars of the Lamborghini brand and 55,900 motorcycles of the Ducati brand. In the 2017 fiscal year, AUDI AG achieved total revenue of €60.1 billion and an operating profit of €5.1 billion. At present, approximately 90,000 people work for the company all over the world, more than 60,000 of them in Germany. Audi focuses on sustainable products and technologies for the future of mobility.

Media contact AUDI AG:

Corporate Communications
Lena Bösch
Spokeswoman Audi IT
Phone: +49 841 89-44038
E-mail: lena.bosch@audi.de
www.audi-mediacycenter.com

About Ericsson:

Ericsson enables communications service providers to capture the full value of connectivity. The company's portfolio spans Networks, Digital Services, Managed Services, and Emerging Business and is designed to help our customers go digital, increase efficiency and find new revenue streams. Ericsson's investments in innovation have delivered the benefits of telephony and mobile broadband to billions of people around the world. The Ericsson stock is listed on Nasdaq Stockholm and on Nasdaq New York. www.ericsson.com

Media Contact Ericsson:

News Center
E-mail: media.relations@ericsson.com
Phone: +46 10 719 69 92

E-mail: investor.relations@ericsson.com
Phone: +46 10 719 00 00

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