



Press Release

June 27, 2008

Sony Ericsson sees continued market challenges impacting sales and profit in the second quarter 2008

London, UK - Sony Ericsson Mobile Communications AB ("Sony Ericsson") announces today that its net sales and net income before taxes in the second quarter of 2008 continue to be negatively affected by moderating demand of mid-to-high end mobile phones, in combination with a delay of new products shipped during the quarter.

Although final results may differ, Sony Ericsson plans to ship approximately 24 million phones during the second quarter of 2008 with an estimated ASP (Average Selling Price) of EUR 115. Gross margin is expected to decline both year over year and sequentially. Net income before taxes is estimated to be about break-even.

Sony Ericsson plans to announce the second quarter 2008 financial results on July 18 at 7:30 am UK time/8:30 am CET.

- ENDS -

Having sold over 100 million phones in 2007, Sony Ericsson is a top global industry player operating in over 80 countries. Our phones, accessories and PC cards are synonymous with innovation and style. With R&D sites in Europe, Japan, China, India and North America, diversity is one of the core strengths of the company. Sony Ericsson was established as a 50:50 joint venture by Sony and Ericsson in October 2001, with global corporate functions located in London. For more information about Sony Ericsson please visit www.sonyericsson.com

CONTACTS:

Investors / Analysts

Ericsson Investor Relations

Gary Pinkham (Stockholm) +46 8 719 0858

Susanne Andersson (Stockholm) +46 8 719 4631

Sony Investor Relations

Shinji Tomita (London) +44 20 7444 9713

Tatsuyuki Sonoda (Tokyo) +81 3 6748 2180

Press / Media

Sony Ericsson global communications and PR

Aldo Liguori +44 20 8762 5860

Merran Wrigley +44 20 8762 5862

Email press.global@SonyEricsson.com

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.