

# Ericsson suspends business in Russia indefinitely and records provision in Q1 2022

- Ericsson suspends affected business in Russia
- Records a SEK 0.9 b. provision in first quarter 2022

In late February, Ericsson (NASDAQ: ERIC) suspended all deliveries to customers in Russia. In the light of recent events and of European Union sanctions, the company will now suspend its affected business with customers in Russia indefinitely. Ericsson is engaging with customers and partners regarding the indefinite suspension of the affected business. The priority is to focus on the safety and well-being of Ericsson employees in Russia and they will be placed on paid leave.

As a consequence, Ericsson records a SEK 0.9 b. provision in first quarter 2022 for impairment of assets and other exceptional costs. No staff redundancy cost is included. The provision will be recorded in Other Operating Expenses in Segment Networks. Around one third of this amount will impact cashflow.

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