

Ericsson, Swisscom launch Europe's first large scale 5G network

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Ericsson and Swisscom have launched Europe's first 5G network

Telecom equipment manufacturer Ericsson said Wednesday it had launched the first European large scale commercial 5G network together with Swiss operator Swisscom, as Ericsson posted a first quarter profit

boosted by sales in North America.

The Swedish supplier of [network](#) equipment said in a statement that the 5G network, launched in 54 cities in Switzerland, had been switched on just after midnight on April 17, after Swisscom secured a license to operate a 5G network in the country.

Ericsson made the announcement as it reported a first quarter net profit of 2.4 billion kronor (\$260 million, 230 million euros), compared to a net loss of 725 million kronor in the corresponding quarter a year ago.

Net sales grew to 48.9 billion kronor, up from 43.4 billion in Q1 of 2018.

Chief executive Borje Ekholm said growth had primarily been driven by sales in North America.

"To date we have publicly announced commercial 5G deals with 18 named operator customers, which, at the moment, is more than any other vendor," Ekholm said in a statement.

Ekholm also said that as 5G technology was being rolled out, the company would continue to incur costs for [field trials](#) and they were expecting large-scale deployments of 5G to begin in parts of Asia by the end of 2019.

"Combined, this will gradually impact short-term margins but strengthen our position in the long term," he said.

Shares in Ericsson traded up more than three percent on the Stockholm stock exchange following the release of the earnings report, hitting a four-year high in early trading on Wednesday.

Ericsson, one of Chinese telecom giant Huawei's main rivals in the 5G market, said earlier this year it hadn't felt any effects from US pressure on countries to ban Huawei's equipment amid fears that it could compromise the security of the mobile phone networks.

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