



ad hoc announcement according to § 15 WpHG

of

**LHS Aktiengesellschaft,
Frankfurt am Main
(DE000LHS4000)**

**Execution of a Domination Agreement with E/LHS – Offering Compensation of
EUR 26.19 per LHS Share**

Frankfurt/Main, March 11, 2008 – Today a domination agreement was signed between LHS Aktiengesellschaft as controlled party and E/LHS Acquisition GmbH, Düsseldorf (Germany), via Ericsson GmbH, Düsseldorf, a 100 % subsidiary of Telefonaktiebolaget LM Ericsson, Stockholm (Sweden), as controlling party, whereby LHS Aktiengesellschaft has agreed to a control of its management by E/LHS Acquisition GmbH. The domination agreement is subject to the consent of the ordinary general meeting of LHS Aktiengesellschaft expected to be held on April 29, 2008.

E/LHS Acquisition GmbH guarantees to the outside shareholders of LHS Aktiengesellschaft (on the terms and conditions set out in the domination agreement) an adequate guaranteed dividend in the form of a recurring cash payment (guaranteed dividend). The guaranteed dividend will add up to a gross amount of EUR 2.07 (net amount: EUR 1.93) per no-par value share for each full financial year. In addition, E/LHS Acquisition GmbH undertakes (in accordance with the terms and conditions set out in the agreement) to acquire upon demand the shares of any outside shareholder in return for a cash compensation of EUR 26.19.

LHS Aktiengesellschaft
The Management Board