

Press release

Alcatel-Lucent remains the worldwide leader in the fixed broadband access market

Paris, December 22, 2008 - Alcatel-Lucent (Euronext Paris and NYSE: ALU) today announced that it remains the worldwide leader in the fixed broadband access market, supporting the largest mass deployments of video, voice and data services. Today, one out of three fixed broadband subscribers around the world is served through an access network provided by Alcatel-Lucent. This market leadership is driven by a strategy of continuous innovation and quality assurance.

According to the latest access report of industry analyst firm Dell'Oro*, Alcatel-Lucent continues to lead the DSLAM market with 6.1 million lines shipped in the third quarter of 2008, a market share of 34.9%, and a worldwide installed base of 180 million lines. Alcatel-Lucent also leads in IP DSLAM with a market share of 32.6%, and of 34.2% in VDSL. Alcatel-Lucent maintains its regional leadership in North America, EMEA and rest of the world, while retaining a second position in Asia Pacific.

Furthermore, Dell'Oro confirms Alcatel-Lucent's market leadership in GPON shipments in the third quarter of 2008 with a market share of 46,1%. Alcatel-Lucent is present in every country engaged in FTTH and has more than 90 fiber deployments ongoing worldwide, with a mix of GPON and point-to-point roll-outs.

"The promise of new services delivered to anybody anywhere will require a profound transformation to next generation wireline and wireless access. Bandwidth demand continues to grow, and network capacity remains one of the determining factors to successfully deliver high-bandwidth voice, video and data applications to consumers and business customers," says Luis Martinez Amago, President of Alcatel-Lucent's fixed access activities. "Leveraging our leadership in GPON and VDSL, we are dedicated to further boost innovations helping operators offer advanced applications at home, on the move, and to businesses."

Alcatel-Lucent brings its customers the strongest product portfolio, customer-focused business consultancy programs, ongoing investment in innovation, and unmatched experience in supporting very large, complex, end-to-end deployments. Alcatel-Lucent's IP access portfolio builds on its Intelligent Services Access Manager (ISAM) family - the industry's most renowned IP access platform, supporting a flexible mix of future-proof access technologies such as xDSL, GPON and Point to Point fiber, and a variety of network topologies (central office as well as remote architectures). More than 200 service providers around the world have already selected the ISAM platform.

* DSL Access Concentrators (Single Service + Multiservice) - Worldwide & Regions (3Q08). (Dell'Oro - November 2008)

About Alcatel-Lucent

Alcatel-Lucent (Euronext Paris and NYSE: ALU) is the trusted partner of service providers, enterprises and governments worldwide, providing solutions that deliver voice, data and video communication services to end-users. A leader in fixed, mobile and converged broadband networking, IP technologies, applications and services, Alcatel-Lucent leverages the unrivalled technical and scientific expertise of Bell Labs, one of the largest innovation powerhouses in the communications industry. With operations in more than 130 countries and the most experienced global services organization in the industry, Alcatel-Lucent is a local partner with a global reach. Alcatel-Lucent achieved revenues of Euro 17.8 billion in 2007 and is incorporated in France, with executive offices located in Paris. For more information, visit Alcatel-Lucent on the Internet: http://www.alcatel-lucent.com

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