

Alcatel-Lucent unveils new elements of its Long Term Evolution (LTE) wireless broadband portfolio

New LTE software module is a significant step in Alcatel-Lucent's strategy to deliver the "ultimate wireless broadband experience"

Mobile World Congress Barcelona, February 16, 2009 - To help wireless and converged service providers meet the accelerating demand for broadband wireless data services, Alcatel-Lucent (Euronext Paris and NYSE: ALU) today introduced a software module that enables service providers to expand the capabilities of their wireless networks through the rapid introduction of Long Term Evolution (LTE) technology. The software module is a key component of the company's enhanced NodeB (eNodeB) solution and represents a major step forward in the company's strategy to support the delivery of next-generation wireless services worldwide.

The software module is already in trials with tier-one service providers around the world, and will be generally available in mid-2009.

The LTE software module can be loaded onto the Alcatel-Lucent 9326 Digital 2U eNode B - a "zero footprint" baseband module already widely deployed and field-proven with Alcatel-Lucent's 3G customers. This baseband module integrates easily into existing base station cabinets, enabling a seamless evolution to LTE via software-only upgrade. It provides high capacity and high throughput with improved response time for new service offerings and enables operators to quickly and flexibly add LTE capability to their existing networks.

"The introduction of this LTE software offering highlights our focus on bringing the latest innovations to market to help mobile operators give their customers a superior mobile broadband experience," said Paul Larbey, head of Next Generation Mobile Access activities for Alcatel-Lucent. "We are strongly committed to ensuring that our service provider customers can quickly evolve and optimize their radio access networks with the latest technology, while preserving their initial investment. By upgrading their networks with Alcatel-Lucent, customers know that they will satisfy their subscribers' expectations today and be prepared to support these needs as they evolve".

Alcatel-Lucent's LTE solution complies with the latest 3GPP standards and incorporates innovations from Alcatel-Lucent Bell Labs such as Self-Organizing and Self-Optimizing (SON) capabilities that facilitate the rapid introduction of services and ensure that the network is dynamically optimized. The LTE enhanced NodeB solution also benefits from Alcatel-Lucent's market-proven expertise in key technologies on which next-generation wireless access is based, such as IP, multiple input/multiple output (MIMO) and orthogonal frequency division multiple access (OFDMA).

The flexibility of Alcatel-Lucent's radio network solutions, as demonstrated with the LTE software module that has been introduced for our 3G NodeBs, is part of a more comprehensive strategy to offer a converged RAN approach. Leveraging years of Bell Labs research in Software Defined Radio (SDR) and years of experience with software-only upgrades, Alcatel-Lucent provides unprecedented flexibility to operators in their network evolution or renovation scenarios. Beyond the ability to upgrade 3G base stations to support LTE, our solutions allow different technologies (2G, 3G and LTE) to coexist in a single base station and flexible software based spectrum refarming. Our SDR base station modules can be installed on the 500,000 Base

Stations that we have already deployed, ensuring our customers investment protection and a smooth path to more advanced capabilities in the future.

Alcatel-Lucent's eNodeB is featured on the company's stand at the GSMA Mobile World Congress tradeshow and exhibition in Barcelona from February 16 through 20 - the company is demonstrating LTE calls using devices from LG Electronics. Visitors to the Alcatel-Lucent stand (#147 in Hall 8) will be able to experience how LTE enables end users to perform a variety of tasks simultaneously, such as supporting multiple high-bandwidth video and music downloads.

About Alcatel-Lucent's Ultimate Wireless Broadband End-to-End solution:

The LTE software module is a fundamental pillar of Alcatel-Lucent's Ultimate Wireless Broadband End-to-End solution. This comprehensive solution enables wireless and converged services providers to advance their business, operational model and end-to-end network. It provides an end-to-end LTE network with a full set of LTE and IP products, transformation and integration services, plus the ng hConnect open ecosystem of devices, content and application partners. This solution brings Alcatel-Lucent's broadband and IP market leadership to deliver unprecedented scalability, quality of experience, business agility, and controlled network costs. For more information: <http://www.alcatel-lucent.com/lte>

About Alcatel-Lucent

Alcatel-Lucent (Euronext Paris and NYSE: ALU) is the trusted partner of service providers, enterprises and governments worldwide, providing solutions to 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 16.98 billion in 2008 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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