

## Guangdong Telecom selects Alcatel-Lucent to deploy first VDSL2 network in China

Paris, June 3, 2009 – Alcatel-Lucent (Euronext Paris and NYSE: ALU) today announced that it has been selected by Guangdong Telecom, a subsidiary of China Telecom, to roll out a very high-speed digital subscriber line 2 (VDSL2) network in Guangdong Province, South of China. Alcatel-Lucent's VDSL2 technology will enable Guangdong Telecom to leverage its existing copper infrastructure to provide advanced services such as high-definition television (HDTV), video-on-demand (VOD), videoconferencing, high-speed Internet access, voice over IP (VoIP), etc. Guangdong Telecom is the first carrier to deploy a VDSL2 network solution in China. The contract was secured through Alcatel-Lucent Shanghai Bell, Alcatel-Lucent's flagship company in China.

Alcatel-Lucent will deliver a VDSL2 solution based on its 7302 Intelligent Services Access Manager (ISAM), part of Alcatel-Lucent's ISAM family - the world's most widely deployed IP access platform. This project leverages the unsurpassed density and scalability of Alcatel-Lucent's VDSL2 technology, and builds on Guangdong Telecom's existing network.

"Alcatel-lucent has been a long-term partner for China Telecom in various areas, especially in DSL," said Olivia Qiu, President of Alcatel-Lucent's activities in East Asia and of Alcatel-Lucent Shanghai Bell. "Guangdong Telecom's selection of our VDSL2 technology further confirms Alcatel-Lucent's global leadership in high-bandwidth IP access, and helps us secure a 50% share of this new market in China," Qiu added.

Alcatel-Lucent is 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. According to Dell'Oro<sup>1</sup>, Alcatel-Lucent has been the market leader in 4Q'08 DSL, IP DSL and VDSL shipments, and continues to lead these segments from a full-year perspective as well.

Alcatel-Lucent's leadership in DSL builds on its award-winning Intelligent Services Access Manager (ISAM) product family. The ISAM family has now been deployed at more than 210 customers worldwide, and is widely recognized for its ongoing innovations - the most recent being the groundbreaking Alcatel-Lucent Smart DSL technology, as well as its distributed DSLAM concept. Since its launch four years ago, the ISAM family has been adopted by at least one customer per week, consolidating Alcatel-Lucent's undisputed number one position in IP broadband access.

<sup>1</sup> Dell'Oro's DSL Access Concentrator Report, 4Q'08 (February 11<sup>th</sup>, 2009)

### 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>

### Alcatel-Lucent Press Contacts

Régine Coqueran	Tel: + 33 (0)1 40 76 49 24	<a href="mailto:regine.coqueran@alcatel-lucent.com">regine.coqueran@alcatel-lucent.com</a>
Laurent Dunoyer de Segonzac	Tel: + 33 (0)1 40 76 15 04	<a href="mailto:laurent.dunoyer_de_segonzac@alcatel-lucent.com">laurent.dunoyer_de_segonzac@alcatel-lucent.com</a>

### Alcatel-Lucent Investor Relations

Rémi Thomas	Tel: + 33 (0)1 40 76 50 61	<a href="mailto:remi.thomas@alcatel-lucent.com">remi.thomas@alcatel-lucent.com</a>
Tom Bevilacqua	Tel: + 1 908-582-7998	<a href="mailto:bevilacqua@alcatel-lucent.com">bevilacqua@alcatel-lucent.com</a>
Tony Lucido	Tel: + 33 (0)1 40 76 49 80	<a href="mailto:alucido@alcatel-lucent.com">alucido@alcatel-lucent.com</a>
Don Sweeney	Tel: + 1 908 582 6153	<a href="mailto:dsweeney@alcatel-lucent.com">dsweeney@alcatel-lucent.com</a>

