

Press release

China Telecom chooses Alcatel-Lucent's GPON solution

Paris, June 8, 2009 — Alcatel-Lucent (Euronext Paris and NYSE: ALU) today announced that it has secured nearly 40% of China Telecom's 2009 fiber-to-the-home (FTTH) trial projects. Building on Alcatel-Lucent's gigabit passive optical networking (GPON) solution in 5 of its deployments, China Telecom will be able to cost-effectively deliver high-revenue, user-centric broadband services over distances of up to 20km, via an optical fiber. The contracts were secured through Alcatel-Lucent Shanghai Bell, Alcatel-Lucent's flagship company in China.

"Alcatel-lucent has been a long-term partner for China Telecom in various areas, especially in DSL," said Olivia Qiu, President of Alcatel-Lucent East Asia and Alcatel-Lucent Shanghai Bell. "China Telecom's selection of our GPON solution further confirms Alcatel-lucent's leading position in the fixed broadband access market and consolidates Alcatel-Lucent's GPON leadership," she added.

Alcatel-Lucent will deploy its 7342 Intelligent Services Access Manager Fiber-to-the-User (ISAM FTTU) platform, the company's flagship GPON solution for the delivery of ultra-high-speed services to residential and business users. The product was recently awarded the P&T Publishing Company's "Jury Recommended Solution" by a group of chief engineers from China Telecom, China Mobile, China Unicom and other Chinese operators. The GPON platform will be complemented by the Alcatel-Lucent 5520 Access Management System (AMS) - Alcatel-Lucent's next-generation element management system that covers the entire ISAM product portfolio, encompassing DSL as well as fiber-based access.

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. Alcatel-Lucent is currently involved in over 90 FTTH projects worldwide, over 75 of which are with GPON. Leading service providers such as Verizon, France Telecom and Hanaro Telecom have adopted Alcatel-Lucent's GPON solution. Additionally, Alcatel-Lucent's GPON has been deployed by a considerable number of utility companies as well as municipalities and regions around the world.

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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