

Transtelecom selects Alcatel-Lucent's solutions to transform railway communications network across Kazakhstan

Paris, December 4, 2009 - Alcatel-Lucent (Euronext Paris and NYSE: ALU) and «Transtelecom» JSC, one of the leading service providers in Kazakhstan, today announced that they have signed a USD 100 million agreement to modernize the telecommunication network of Kazakhstan Temir Zholy (KTZ), the state-owned railway and the vital corridor for the country.

Under the agreement, Alcatel-Lucent will deliver its solutions to build a fast, reliable and efficient mission-critical WAN infrastructure that will enable the delivery of new services and upgrade passenger and cargo traffic handling capabilities to international standards - which is of strategic importance to the Republic of Kazakhstan. The implementation of this project will enable to enhance the reliability of the signalling system of Kazakhstan Temir Zholy (KTZ).

The improved performance of the railway network can help strengthen the Kazakh economy and increase the competitiveness of exports on the international market, based on the need to move huge volumes of various cargos over long distances. Once the project completed, the lengths of the fiber-optic based network will be extended by 4,000 km.

“This project will fully address the most stringent communication needs of Kazakh Railways and will enable our company to provide innovative communication services to third-party operators, businesses and residential customers both locally and in international markets,” commented Mr. Ayupov Mirbolat, President, «Transtelecom» JSC.

Alcatel-Lucent will provide Kazakh Railways with a turnkey, integrated solution based on its optical multi-service transport solution and its IP/MPLS portfolio. Kazakh Railways will leverage Alcatel-Lucent's services expertise which includes project management and delivery, design, installation, application and software integration, multivendor maintenance, as well as the training of Transtelecom specialists. The modernized network will improve track maintenance, allowing for remote monitoring and diagnosis, reducing the need for specialists at remote sites.

“Through this project, Alcatel-Lucent is able to directly contribute to the deployment of the most modern telecommunications infrastructure in Kazakhstan,” said Alexander Tikhonov, Head of Alcatel-Lucent business in CIS. “We will leverage our experience in similar deployments and provide an overall project management to allow «Transtelecom» JSC to efficiently support critical communications.”

Alcatel-Lucent is the global leader in implementing integrated communications solutions for railways, with 30 years of experience in this area. Alcatel-Lucent is also a global leader in supplying optical and IP/MPLS networks.

About the Alcatel-Lucent solution

Alcatel-Lucent will deliver its 1678 MCC [connector], 1660 SM, 1662 SMC and 1650 SMC [multiplexers], 7750 SR-7/SR-12 [routers], 7210 SAS, 7450 ESS-6, 7450 ESS-1 [switches], network monitoring and management equipment, power supply systems, and the full turnkey construction of the optical and IP/MPLS network.

About Transtelecom

Joint-Stock Company Transtelecom (TTC-KZ) is the second largest fixed telecommunication company in Kazakhstan. Also it is one of the biggest primary ISP in Kazakhstan. The company has 13 branches in major cities, and operates in more than 200 settlements throughout the country. TTC-KZ has the second largest share of fixed communication market in rural areas (after Kazakhtelecom). TTC-KZ revenue in 2008 amounted to USD 80 million. Currently around 2 500 employees work for the company.

Project scope: Modernization and considerable extension of existing communications network of Kazakhstan railways - two new major optical fiber rings (large Western and smaller Eastern rings) will be built along almost all railroads in Kazakhstan, and existing fiber-optic lines will be extended.

About Alcatel-Lucent

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