

**Alcatel-Lucent introduces “small cell” offering for the enterprise market to improve wireless voice and data coverage in office environments**

**Mobile World Congress, Barcelona, February 16, 2010** - Alcatel-Lucent (Euronext Paris and NYSE: ALU) today announced the availability of a “small cell” (femtocell) wireless solution designed specifically to address the needs of enterprise customers. The enterprise small cell offering helps service providers better serve valuable customers inside of buildings that typically suffer from poor wireless voice and data coverage.

Alcatel-Lucent’s small cell offering for enterprises not only improves coverage in office environments, it also provides increased data capacity and throughput, making it possible to introduce a wide variety of high-bandwidth applications. The small cell offering builds on Alcatel-Lucent’s industry-leading femto base station router, an innovative platform that packs third-generation (3G) W-CDMA/HSPA radio access and core network elements into one compact, easy-to-deploy unit.

“Demand for mobile data services is growing dramatically, and business applications represent a particularly promising market for mobile service providers,” said Wim Sweldens, president of Alcatel-Lucent’s wireless activities. “Our small cell offering for enterprises is perfectly suited to addressing the needs of businesses for uninterrupted, high-quality mobile connectivity on their premises.”

The small cell solution for enterprises offers benefits to wireless service providers too, most notably a practical, cost-effective and proven means of expanding network coverage and capacity indoors as well as in “hotspots.” Because of poor radio frequency penetration through building structures, enterprises often suffer from signal weakness. Small cells solve this problem while offering the added benefit of offloading local traffic onto available wireline broadband infrastructures. This, in turn, reduces the demand on mobile data networks.

As importantly, the small cell solution for enterprises helps to ensure improved mobile voice coverage for workers in their offices. Today, many business subscribers cannot make a simple voice call on their company-provide mobile phones while at work, let alone access mobile data services.

To ensure service providers can offer a high-quality experience to their subscribers, Alcatel-Lucent has developed an end-to-end small cell solution designed to address the key challenges associated with the introduction of small cells. The solution features Alcatel-Lucent’s patented auto-configuration capability, which enables service providers to deploy and more easily manage large numbers of small, stand-alone base stations. This helps reduce the operational burden on operators while making it relatively simple for enterprises to get service up and running at their locations.

The solution also features device management capabilities provided by the Motive Home Device Manager; Motive is a division of Alcatel-Lucent and leading provider of device management solutions. This, coupled with self-organizing network technology (a Bell Labs innovation), makes the small cell solution more economically attractive than prior alternatives. Alcatel-Lucent also offers a comprehensive package of deployment, project management and end-to-end network integration capabilities in support of our small cell offering.

In conjunction with the launch of this new offering, Alcatel-Lucent also is introducing a new website that can answer both operator and consumer questions about small cell products and architectures. The site, [www.wilson-street.com](http://www.wilson-street.com), provides insight and commentary on some of the key issues associated with the growing focus on small cell architectures, including: business cases for smallcells at home; the rise of the mobile internet - delivering a great experience; smallcells compared to Wifi; smallcells as good citizens in a macro world; the new face of mobile - shift in the way people use mobile data; sweating your assets in a busy network with smallcells.

#### **About Alcatel-Lucent**

Alcatel-Lucent (Euronext Paris and NYSE: ALU) is the trusted transformation partner of service providers, enterprises, strategic industries such as defense, energy, healthcare, transportation, 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 15.2 billion in 2009 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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