

Press release

KPN selects Alcatel-Lucent's Bell Labs as strategic adviser for ongoing network and business transformation

Mobile World Congress, Barcelona, February 16, 2010 - Alcatel-Lucent (Euronext Paris and NYSE: ALU) today announced that leading European service provider KPN has selected Bell Labs to advise on a network and business transformation program. This engagement, part of an ongoing relationship with Alcatel-Lucent around transformational services, will support KPN to meet the complex challenges of managing explosive growth in traffic on its networks.

Bell Labs will work with KPN to further develop strategic technology roadmaps that provide a systematic approach to network transformation. It will also generate comprehensive business scenarios that take into account dozens of business and technology parameters, and utilize Bell Labs-developed decision-support methods and tools to enable KPN to run business case and network optimization scenarios on a real-time and as needed basis.

"Our customers, both consumers and business, are using fixed and mobile networks and broadband services in completely new ways and we are transforming our networks and services accordingly," said Joost Farwerck, executive vice president of KPN Wholesale & Operations. "We consider Bell Labs as a strategic adviser not only because of their ability to provide state-of-theart network advisory and modelling services, but because they offer insights into the business implications and address issues that are top of mind in the boardroom."

"The insights we are gaining from this partnership enable us to craft an effective strategy in an increasingly dynamic operating environment," Farwerck continued.

This is the latest in a series of transformation-related engagements that KPN has with Bell Labs and Alcatel-Lucent. Other engagements encompass activities as diverse as assessments of network reliability and security, analysis of end-to-end readiness for new technology deployments, second opinions on complex network transformations, recommendations on network architecture evolution, migrations of operational processes and systems, and analysis of potential new business models.

"KPN and a growing number of service providers around the world are increasingly viewing the use of such close partnering on strategic issues as an imperative that can enable them to navigate a dizzying array of business and technology choices and timing options," said Adolfo Hernandez, president of Alcatel-Lucent in the Europe, Middle East, and Africa region. "What makes Bell Labs particularly effective is its ability to customize methods, analytics and models to accommodate a specific operator's unique operating conditions, hone in on key metrics such as total cost of ownership across all scenarios, and perform rapid iterations that reveal the most crucial parameters. Engagements like this are a key element of our transformation strategy as we partner with our customers to help them maintain profitability despite severe financial constraints and tremendous increases in traffic on their networks."

Related information:

KPN selects Alcatel-Lucent to deploy next generation access network

KPN selects Alcatel-Lucent as lead network integrator for advanced IP Centrex / VOIP Services for business markets KPN Goes All IP with Help from Alcatel-Lucent

Alcatel-Lucent named transformation partner for BASE, Belgium's fast-growing mobile network operator Alcatel-Lucent boosts Carrier Ethernet business services with industry's first integrated Provider Backbone Bridging/Virtual Private LAN Service offering

Germany's E-Plus group is first service provider to leverage Alcatel-Lucent's new Advertising Selection Server

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

Press Contacts Alcatel-Lucent

Peter Benedict Tel: + 33 (0)1 40 76 50 84 peter.benedict@alcatel-lucent.com
Valérie La Gamba Tel: + 33 (0)1 40 76 12 28 valerie.la_gamba@alcatel-lucent.com

Alcatel-Lucent Investor Relations

Rémi ThomasTel: + 33 (0)1 40 76 50 61remi.thomas@alcatel-lucent.comDon SweeneyTel: + 1 908 582 6153dsweeney@alcatel-lucent.comTom BevilacquaTel: + 1 908-582-7998bevilacqua@alcatel-lucent.comTony LucidoTel: + 1 908-582-5722alucido@alcatel-lucent.com