

Press release

MTS selects Alcatel-Lucent for end-to-end LTE trial in Ukraine

Mobile World Congress, Barcelona, 17 February, 2010 - Alcatel-Lucent (Euronext Paris and NYSE: ALU) today announced that MTS-Ukraine, one of the leading mobile operators in Ukraine and a wholly-owned subsidiary of Mobile TeleSystems OJSC (NYSE: MBT), has selected Alcatel-Lucent to conduct a Long Term Evolution (LTE) trial, which will begin in the second half of 2010.

"We embrace innovation that to us is a recipe for success," said Andrei Dubovskov, Head of MTS-Ukraine. "LTE is a logical next step in the development of high-speed data transmission services. The launch of the trial LTE solution will enable us to assess the benefits of 4G technology not just in theory but through real practical experience."

Alcatel-Lucent will be leveraging its industry-leading LTE expertise to provide an end-to-end solution including LTE base stations (eNodeBs), the Evolved Packet Core (EPC), IP service routing network elements as well as operation, administration and maintenance (OAM) systems. Alcatel-Lucent will provide a range of professional services including project management, planning, installation, integration and commissioning, and testing.

"This agreement allows us to extend our long-standing partnership with MTS, enabling Alcatel-Lucent to play a prominent role in the company's network transformation and LTE projects. We consider this agreement to be a strong endorsement of Alcatel-Lucent's innovation and forward-looking strategy in the area of mobile broadband solutions and efficient high-performance IP-based networks," commented Alexander Tikhonov, Alcatel-Lucent's vice president for the CIS.

Alcatel-Lucent's LTE solution is leveraged in the majority of LTE projects being pursued by tier 1 operators around the globe, including in North America, Europe, the Middle East and Asia.

About MTS-Ukraine

MTS-Ukraine's network covers approximately 97% of the territory and 99% of the population in Ukraine. The Company provides services to more than 17.56 million subscribers. MTS-Ukraine is licensed to provide mobile services using the GSM-900/1800 and CDMA-450 standards, as well as fixed-line services. For more information on MTS-Ukraine, please visit: http://company.mts.com.ua/eng/briefly_about_MTS.php

About Alcatel-Lucent and LTE

With 40 LTE customer trials secured to date, Alcatel-Lucent is a worldwide leader in LTE. The company is actively engaged in the majority of LTE projects being pursued by tier 1 operators around the globe.

To help operators realize their potential, Alcatel-Lucent is offering a unique, pre-integrated, end-to-end LTE solution and a full set of associated professional services. The company also founded the ng Connect Program, a global initiative to drive the development of an open and diverse ecosystem of LTE device manufacturers, content providers and application partners. Through the ng Connect program and with Alcatel-Lucent's end-to-end LTE solution, wireless broadband operators benefit from open innovation, pre-integrated solutions, reduce time to market with LTE-enabled services, and the ability to drive new and non-traditional business models.

For more information about Alcatel-Lucent's end-to-end LTE solution, please visit: http://www.alcatel-lucent.com/lte

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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