



Press release

Apollo and Alcatel-Lucent break submarine networking speed barrier

Yokohama, Japan, and Paris, May 11, 2010 – At the SubOptic tradeshow in Yokohama Japan today, Apollo, a UK based company who owns and operates one of the most advanced transatlantic fiber optic cable system in existence today, and Alcatel-Lucent (Euronext Paris and NYSE: ALU) announced the achievement of an industry milestone with the successful demonstration of the transmission of approximately three terabits per second (Tbit/s) of data, based on 40Gbit/s channels, per fiber pair in a submarine network.

Using Alcatel-Lucent advanced technology, this test was performed over Apollo's north cable system linking the US and the UK, a distance of 6,221 km, and almost quadrupled the original design capacity of the system (72 channels at 40Gb/s, all error-free). The test demonstrated for the first time on a live system a capacity increase of a factor of two compared to the maximum capacity achievable based on 10Gbit/s channels.

"Capacity upgrades of submarine networks using existing fiber are critical for operators as existing networks near full capacity and as terrestrial networks start supporting 40Gbit/s. These two factors drive the need to increase the capacity of submarine networks, seamlessly handingoff traffic to keep the highest level of efficiency end-to-end," said Richard Elliott, Managing Director of Apollo."

"The demonstration of 40Gbit/s technology over the Apollo system is great news for our customers. We have shown that Apollo can support the interface types and sheer volume of capacity required by our users for the foreseeable future," Elliott continued.

"Alcatel-Lucent has been deploying '40Gbit/s ready' submarine networks over the past few years, anticipating a market trend that is now consolidating as operators are exploring advanced technologies to migrate their networks for optimized service delivery. With this test we take another step in making 40Gbit/s a reality," stated Philippe Dumont, head of Alcatel-Lucent's submarine network activity. "By supporting both 10Gbit/s and 40Gbit/s signals, our solution enables cost-effective migration without re-engineering the network, while maximizing the use of existing assets."

For this trial, the Alcatel-Lucent 1620 Light Manager submarine line terminal used a phase shift keying (PSK)-based modulation format with next-generation coherent detection, over fully loaded with 72 working 40Gbit/s channels. Signal processing associated with coherent technology will allow operators to deal with transmission impairments in a cost-effective and automated manner, and also allow performance tuning through the life of the system. This flexibility in implementing different modulation formats enables Alcatel-Lucent to offer service providers the best technology option for new deployments and for existing networks that need to migrate to higher capacities without any impact on existing traffic and network operations.

About Apollo

Apollo Submarine Cable System Ltd is a UK based company. Apollo SCS Ltd owns operates and markets the Apollo Submarine Cable System, the most advanced transatlantic fibre optic cable system in operation today. Apollo North connects the United Kingdom and the USA and Apollo South directly connects France and the USA. Apollo has the highest capacity of any Atlantic system and an unparalleled track record of reliability. Apollo's customers include the worlds leading telecommunications and internet companies and the range of bandwidth intensive companies taking advantage of Apollo's first class network architecture is always growing. Apollo currently offers point to point 10 Gbit/s SDH and LAN PHY wavelengths between the major cities and carrier pops on the US Eastern seaboard and Western Europe. Apollo incorporates multiple fibre pairs throughout its 13,000 km length and provides data transmission at 10Gbit/s through Wavelength Division Multiplexing (WDM).

Apollo Contact		
Dan Hughes	+44 (0)20 7379 8825	daniel.hughes@apollo-scs.com

About Alcatel-Lucent

Alcatel-Lucent (Euronext Paris and NYSE: ALU) is the trusted transformation partner of service providers, enterprises, strategic industries such as defence, 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 and optics 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/ Read the latest posts on the Alcatel-Lucent blog http://www.alcatel-lucent.com/ Alcatel-Lucent.

Alcatel-Lucent Press Contacts Peter Benedict Francesca Cazzaniga	Tel: + 33 (0)1 40 76 50 84 Tel: + 39 039 686 4005	<u>peter.benedict@alcatel-lucent.com</u> francesca.cazzaniga@alcatel-lucent.com
Alcatel-Lucent Investor Relations Frank Maccary Don Sweeney Tom Bevilacqua Tony Lucido	Tel: + 33 (0)1 40 76 12 11 Tel: + 1 908 582 6153 Tel: + 1 908-582-7998 Tel: + 1 908 582 5722	frank.maccary@alcatel-lucent.com dsweeney@alcatel-lucent.com bevilacqua@alcatel-lucent.com alucido@alcatel-lucent.com