

Press release

Alcatel-Lucent selected by AT&T as IP/MPLS/Ethernet/Evolved Packet Core Domain equipment supplier

Alcatel-Lucent's mobile backhaul solution selected for deployment in AT&T's next generation

LTE mobile broadband network

Dallas, Texas and Paris, July 29, 2010 — Alcatel-Lucent (Euronext Paris and NYSE: ALU) today announced its selection as one of AT&T's Domain Suppliers for IP/MPLS/Ethernet/Evolved Packet Core equipment. The domain award includes Alcatel-Lucent's entire IP/MPLS/Ethernet/Evolved Packet Core family of products needed to support AT&T's industry-leading IP-based network.

As announced earlier this year, AT&T* selected Alcatel-Lucent as one of two equipment suppliers for its planned deployment of LTE mobile broadband technology and as one of two suppliers for its Radio Access Domain. Supplier selection paves the way for planned field trials of LTE technology later this year with commercial deployment scheduled to begin in 2011.

In addition, AT&T has selected Alcatel-Lucent's mobile backhaul equipment to be used to transport voice and data traffic from wireless base stations to the core network providing the bandwidth and scalability needed to meet the demands of an advanced 4G network in the future. Alcatel-Lucent also is providing professional services for the backhaul network. Financial terms are not being disclosed.

"AT&T and Alcatel-Lucent share a common commitment to driving innovation and focusing on the customer experience," said Tim Harden, president, AT&T Supply Chain and Fleet Operations. "AT&T's selection of Alcatel-Lucent as a Domain Supplier showcases our ongoing commitment to ensure that we continue to meet the quality expectations of our subscribers while preparing for future demands."

Announced in September 2009, the AT&T Domain Supplier program facilitates a more collaborative relationship with its equipment and software suppliers, making certain that AT&T has the best technologies in place to serve its customers today and in the future.

"Our selection as an IP/MPLS/Ethernet/Evolved Packet Core Domain Supplier will help AT&T continue to roll out its ongoing mobile broadband strategy to deliver and support the next generation of mobile applications. By selecting our mobile backhaul solution as one of the first under the new domain highlights Alcatel-Lucent's role in helping AT&T provide the capacity associated with new bandwidth services and applications," said Robert Vrij, President of Alcatel-Lucent's Americas Region. "We look forward to providing AT&T with best of breed products across our IP/MPLS/Ethernet/Evolved Packet Core portfolio."

Alcatel-Lucent currently is the exclusive provider of IP/MPLS technology for AT&T's U-verse offering. Worldwide, Alcatel-Lucent has shipped more than 70,000 IP/MPLS service router portfolio systems since 2004, resulting in an installed base of more than 350 service provider customers in 110+ countries. Alcatel-Lucent was number 2 in IP/MPLS service provider edge routing with 20 percent share, rolling 4 Qs as of 1Q10, according to Dell'Oro. For more information, please visit: www.alcatel-lucent.com/ipnews

*AT&T products and services are provided or offered by subsidiaries and affiliates of AT&T Inc. under the AT&T brand and not by AT&T Inc.

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 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/blog and follow us on Twitter: http://twitter.com/Alcatel_Lucent.

Alcatel-Lucent Press Contacts

Peter Benedict Tel: + 33 (1) 40 76 50 84 <u>peter.benedict@alcatel-lucent.com</u>
Denise Panyik-Dale Tel: + 1 908 582- 4897 <u>Denise.panyik-dale@alcatel-lucent.com</u>

Alcatel-Lucent Investor Relations

Frank Maccary

Don Sweeney

Tel: + 33 (0)1 40 76 12 11

Tel: + 1 908 582 6153

Tom Bevilacqua

Tel: + 1 908-582-7998

Tony Lucido

Tel: + 1 908 582 5722

Tel: + 1 908 582 5722