

Indonesia's TELKOM converges IP and optical networks to meet increasing traffic needs

Increasing efficiency by lowering power consumption and optimizing traffic to reduce cost per bit

Paris, September 2, 2010 - Alcatel-Lucent (Euronext Paris and NYSE: ALU) today announced that it has been selected by PT Telekomunikasi Indonesia (TELKOM), the largest service provider in Indonesia, to undertake a major transformation of its backbone network. By converging IP and optical networks, Alcatel-Lucent's solution will enable TELKOM to cope with the increasing data traffic, simplify its network, and reduce costs while providing higher efficiency and robustness.

Between the first quarter of 2009 and the first quarter of 2010, TELKOM saw the number of its fixed broadband subscribers grow by 79% and that of its mobile broadband users grow by 607%.

Leveraging Alcatel-Lucent's Converged Backbone Transformation (CBT) solution, TELKOM also addresses operational and power consumption challenges resulting from traffic growth, while simplifying the management of its existing networking equipment. The solution builds on the IP/MPLS and optical network solutions already supplied by Alcatel-Lucent to TELKOM.

"Our integrated optics and IP solution gives TELKOM a new architecture that will drastically reduce its cost of reliably transporting high volumes of traffic while providing a powerful platform to launch and support innovative new services," said Alain Biston, Head of Alcatel-Lucent's activities in North and South East Asia.

With Alcatel-Lucent's strong market presence and technology leadership in both IP routing and optical transport, service providers like TELKOM have access to the most tightly integrated, broadest range of solutions across optics and IP technologies available today - including the industry's first 100G next gen coherent solution.

Alcatel-Lucent's Converged Backbone Transformation solution is a key element of its High Leverage Network - an architecture designed to assist operators in transforming their networks to deliver advanced, revenue-generating services in a highly scalable and cost-efficient manner.

Alcatel-Lucent will supply its next-generation 1830 Photonic Service Switch (PSS) powered with Wavelength Tracker™ and GMPLS control plane functionalities combined with Alcatel-Lucent's Service Router IP/MPLS platform with integrated Tuneable DWDM (Dense Wavelength Division Multiplexing) interfaces to provide a manageable and future-proof solution for TELKOM. Alcatel-Lucent will also provide TELKOM with technical supervision and training across the solution.

Alcatel-Lucent is a global leader in both optical transport and IP routing. For more information on Alcatel-Lucent's Converged Backbone Transformation solution, please visit: www.alcatel-lucent.com/convergedbackbone.

About PT Telekomunikasi Indonesia

PT Telekomunikasi Indonesia ("TELKOM") is the largest and leading full service and network provider in Indonesia. TELKOMsel which stock is majority owned by TELKOM is the largest cellular provider in Indonesia calculated based on number of subscribers and revenue. TELKOM provides InfoCom service either directly or by associated company covering, among others, fixed wire line, wireless telephone service, mobile phone service, data & internet and network &

interconnection. TELKOM's share is registered at Indonesian Stock Exchange (IDX: TLKM) and TELKOM publishes American Depository Shares registered at New York Stock Exchange (NYSE: TLK) and London Stock Exchange (LSE: TKIA).

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>, read the latest posts on the Alcatel-Lucent's blog <http://www.alcatel-lucent.com/blog> and follow us on Twitter: http://twitter.com/Alcatel_Lucent.

About Alcatel-Lucent's [High Leverage Network™](#)

The Alcatel-Lucent High Leverage Network™ (HLN) architecture addresses the dual challenges of simultaneously scaling and managing network capacity to meet increasing bandwidth demand while delivering differentiated, revenue generating services. It achieves this by delivering scalable bandwidth at the lowest cost per bit and by embedding intelligence in the network to enable dynamic service creation and delivery. The foundation for the Alcatel-Lucent Application Enablement vision, the HLN architecture collapses multiple complex costly overlay networks into a simpler, fully optimized network that leverages technical innovations and embraces existing environments.