

Press release

# VimpelCom Group and Alcatel-Lucent launches first live market pilot of LTE in 700MHz band in Kazakhstan

A major step for the adoption of mobile broadband technologies in post-Soviet territory

Paris, Tuesday, October 26, 2010 — Alcatel-Lucent (Euronext Paris and NYSE: ALU) today announced that it is partnering with KaR-Tel LLP, an affiliate of the VimpelCom Ltd group (NYSE: VIP) which is offering communications services in Kazakhstan under the Beeline brand, as its sole equipment supplier for the launch of the first live 700MHz LTE market pilot in post-Soviet territory. The new LTE network will cover the central districts of Amalty, the business capital of Kazakhstan.

Having successfully achieved preliminary LTE tests in Astana and Almaty with KaR-Tel in spring 2010, both Vimplecom and Alcatel-Lucent, in accordance with the strategic program of Kazakhstan's development up to 2030, which sets out to increase Internet penetration in the mass market, are now working to offer a range of advanced mobile broadband services made possible by the higher data speeds and lower latency of LTE. Operation of the new network in the lower frequency band (700 MHz) allows the operator to ensure the maximum coverage more efficiently. Customers can look forward to seamless connection to the Internet while on the go, increased efficiency for business users and rich, broadband multimedia services such as high-definition video, music, multiplayer video gaming, any time any place.

"We are the first to launch full-fledged live market pilot of LTE in 700MHz band in post-Soviet territory and to be at the forefront for demonstrating new telecommunications capabilities thanks to our long standing collaboration with Alcatel-Lucent. It is a very important step for our company whom one of the major priorities is to develop broadband Internet access, both fixed and mobile. We are happy that the government of Kazakhstan was the first to support our initiative, and we were supported by the local regulator. Kazakhstan's experience will be used for 4G implementation in other areas where VimpelCom is present," said Dmitry Kromsky, vice-president, Business development, VimpelCom, Commonwealth of Independent States (CIS).

"Thanks to Alcatel-Lucent's in-house IP expertise and end-to-end LTE integration capabilities, VimpelCom Group can build on our <u>High Leverage Network</u> ™ (HLN) architecture, which addresses the dual challenge of simultaneously scaling and managing network capacity to meet increasing bandwidth demands while delivering differentiated, revenue-generating services at a lower overall cost", commented Alexander Tikhonov, head of Alcatel-Lucent's business in the CIS. "We are glad to continue our cooperation with Vimpelcom on LTE development. Together with a highly professional Beeline team, we are ready to strive for our joint goal - building of next-generation information society - by implementing advanced broadband services to benefit KaR-Tel's subscribers."

In this turnkey project, Alcatel-Lucent will supply its LTE base stations, enhanced packet core and IP/MPLS backhaul equipment along with network planning, design, integration and optimisation services.

Having been selected so far by seven customers for commercial deployments, including two of the world's largest service providers, and being involved in more than 50 trials, Alcatel-Lucent has established a clear leadership position in Long Term Evolution (LTE). Our trial and contract awards span all regions of the globe.

## More information about Alcatel-Lucent in LTE: 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 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: <a href="http://www.alcatel-lucent.com/blog">http://www.alcatel-lucent.com/blog</a> and follow us on Twitter: <a href="http://twitter.com/Alcatel\_Lucent">http://twitter.com/Alcatel\_Lucent</a>.

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