

Press release

China Mobile, China Telecom and China Unicom to sign 1.178 billion Euros framework agreement with Alcatel-Lucent

Paris, November 4, 2010 - Alcatel-Lucent (Euronext Paris and NYSE: ALU) today announced that it will ink three framework agreements valued in total at 1.178 billion Euros with China Mobile, China Telecom and China Unicom to provide network and application solutions, and integration and maintenance services.

As one of the critical commercial cooperation agreements between China and France, the agreements will be signed on November 5th in Paris, during the France visit of Hu Jintao, President of the People's Republic of China, and witnessed by the key government officials of the two countries.

The frame agreement valued at approximately 530 million Euros with China Mobile covers, among other elements, the Company's industry-leading GSM and TD-SCDMA wireless networking solutions, transmission equipment, IP routers, and IP Multimedia Subsystem (IMS) platforms and professional services.

The frame agreement with China Telecom valued at approximately 343 million Euros covers, among other elements, the Company's industry-leading CDMA wireless networking solutions, high-capacity fiber-based (xPON) and DSL access platforms, IP routers, transmission equipment, and applications.

The frame agreement with China Unicom valued at approximately 305 million Euros covers, among other elements, the Company's industry-leading WCDMA and GSM wireless networking solutions, high-capacity fiber-based (xPON) access platforms, IP routers, transmission equipment, managed services, femtocell solutions, solutions for the convergence of telecom, internet and TV broadcasting networks and 3G applications.

Leveraging Alcatel-Lucent's industry-leading technologies and solutions, China Mobile, China Telecom and China Unicom will be able to further enhance their network capacity and performances, helping them provide a wide variety of high-speed, high-quality mobile and fixed services to their end-users.

"China is a booming market and we value our role in helping bring the power of IP and broadband to the hands of its people wherever they are - on the road, at the home and in the office," said Ben Verwaayen, chief executive officer of Alcatel-Lucent.

These agreements build on Alcatel-Lucent's position as strategic partner of China Mobile, China Telecom and China Unicom. They also leverage the Group's presence in China since 1984 through its flagship company Alcatel-Lucent Shanghai Bell.

Alcatel-Lucent is a leading player in the wireless infrastructure market having deployed 350 commercial wireless networks worldwide. Alcatel-Lucent is the worldwide leader in fixed broadband access, currently involved in over 100 FTTH projects worldwide, more than 85 of which are with GPON. Additionally, the company has been the industry's leading optical vendor since 2001, is #2 in the IP/MPLS service provider edge routing market with 20 percent market share in 2009, and is a world leader in the design, deployment, management and integration of networks.

For more information on Alcatel-Lucent's High Leverage Network architecture, <u>click here</u> For more information on Alcatel-Lucent's wireless IP solutions <u>click here</u> For more information on Alcatel-Lucent's LTE solutions <u>click here</u>

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.

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