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30 April 2013



Alcatel-Lucent announces tender offers to purchase certain Euro-denominated securities

Alcatel-Lucent (the **Company**) announces today its invitation to eligible holders of its outstanding:

- (a) €462,013,000 6.375 per cent. Notes due 2014 (ISIN:FR0010070805) (the **2014 Notes**);
- (b) €999,999,999.29 5.00 per cent. Bonds convertible into and/or exchangeable for new or existing Alcatel-Lucent shares due January 1, 2015 (ISIN: FR0010798371) (the **2015 Notes**); and
- (c) €500,000,000 8.50 per cent. Senior Notes due 2016 (ISIN: XS0564563921) (the **2016 Notes** and, together with the 2014 Notes and 2015 Notes, the **Notes** and each a **Series**)

to tender such Notes for purchase by the Company for cash (each such invitation an **Offer** and together, the **Offers**).

The Offers are made on the terms and conditions contained in a tender offer memorandum dated 30 April 2013 (the **Tender Offer Memorandum**). Capitalised terms not otherwise defined in this announcement have the same meaning as assigned to them in the Tender Offer Memorandum

	ISIN	Outstanding Nominal Amount	Purchase Price	Minimum Purchase Price	Amount subject to the relevant Offer
2014 Notes	FR0010070805	€462,013,000	104.50 per cent.	N/A	Any and all
2015 Notes	FR0010798371	€999,999,999.29	To be determined pursuant to a Modified Dutch Auction Procedure ¹	€3.290	Subject as set out in the Tender Offer Memorandum, an aggregate nominal amount of 2015 Notes of up to €300,000,000
2016 Notes	XS0564563921	€500,000,000	To be determined pursuant to a Modified Dutch Auction Procedure	106.00 per cent.	Subject as set out in the Tender Offer Memorandum, an aggregate nominal amount of 2016 Notes of up to (a) €750,000,000 less (b) the aggregate nominal amount of 2014 Notes and 2015 Notes validly tendered and accepted by the Company

¹ Such 2015 Purchase Price to include approximately €0.062 in Accrued Interest with respect to settlement on 21 May 2013.

Rationale For The Offers

The purpose of the Offers is to proactively manage upcoming redemptions of the Company's debt. Notes repurchased by the Company pursuant to the Offers will be cancelled and will not be re-issued or re-sold.

Any and All Offer for the 2014 Notes

The Company will pay the 2014 Purchase Price for the 2014 Notes validly tendered and accepted by it for purchase pursuant to the 2014 Offer as well as an Accrued Interest Payment in respect of such Notes.

If the Company decides to accept valid tenders of any 2014 Notes for purchase pursuant to the 2014 Offer it will accept for purchase all of the 2014 Notes that are validly tendered, with no *pro rata* scaling.

Details of the 2015 Offer and the 2016 Offer

The 2015 Purchase Price and the 2016 Purchase Price that the Company will pay for each such Series of Notes validly tendered and accepted for purchase pursuant to the relevant Offer will be determined pursuant to a Modified Dutch Auction Procedure. Holders of such Notes may submit Competitive Offers or Non-Competitive Offers as further described in the Tender Offer Memorandum.

The 2015 Purchase Price (expressed per Note of par value €3.23) will include approximately €0.062 in Accrued Interest assuming that settlement occurs on 21 May 2013. If for any reason the Company fails to settle the 2015 Offer on 21 May 2013, the Company will in addition to the 2015 Purchase Price pay an additional accrued interest amount of approximately €0.00044 per Note of par value €3.23 per day from and including 21 May to but excluding the actual date of settlement of such 2015 Offer.

The Company proposes to accept for purchase up to €300,000,000, in aggregate nominal amount of the 2015 Notes (the **2015 Maximum Acceptance Amount**) validly tendered for purchase pursuant to the 2015 Offer. The Company reserves the right, in its sole discretion, to accept less than such amount of 2015 Notes, or none of the 2015 Notes, for purchase pursuant to the 2015 Offer.

Based on the liquidity of the 2015 Notes, the Company does not intend to undertake a standing repurchase order ("procédure de désintéressement") for the 2015 Notes that remain outstanding following completion of the 2015 Offer, notwithstanding that up to 30 per cent. of the initial aggregate nominal amount of the 2015 Notes may be accepted for purchase. The Company nonetheless reserves the right to undertake other offers in respect of the 2015 Notes at such times and on such terms as it may determine (see "*Risk Factors and Other Considerations - Other purchases or redemptions of the Notes*" in the Tender Offer Memorandum). However, if the Company accepts for purchase between 20 per cent. and 30 per cent. of the initial aggregate nominal amount of the 2015 Notes upon completion of the 2015 Offer, and during any subsequent 12 month rolling period, the Company repurchases 2015 Notes representing in aggregate 10 per cent. or more of the 2015 Notes initially issued, the Company will undertake to implement, within two trading days of the completion of any such repurchase resulting in an aggregate of 10 per cent. of 2015 Notes having been repurchased over a 12 month rolling period, a standing repurchase order for a period of at least five consecutive trading days at a repurchase price per 2015 Note equal to (i) the highest purchase price (less accrued and unpaid interest) of the purchases made by the Company over the last twelve months and (ii) the accrued and unpaid interest on the 2015 Note since the interest payment date preceding the repurchase date until the repurchase date.

If the Company decides to accept any 2016 Notes for purchase, the Company proposes that the aggregate nominal amount of the 2016 Notes (if any), which it will accept for purchase pursuant to the 2016 Offer, will be an amount of up to €750,000,000 less the Series Acceptance Amount applicable to each of the 2014 Notes and the 2015 Notes, although the Company reserves the right, in its sole discretion, to accept less than such amount of 2016 Notes, or none of the 2016 Notes, for purchase pursuant to the 2016 Offer.

The Company will pay the 2016 Purchase Price as well as an Accrued Interest Payment in respect of the 2016 Notes accepted for purchase.

Tenders of 2015 Notes and 2016 Notes may be subject to pro-rating in certain circumstances as described in the Tender Offer Memorandum.

Tender Instructions

In order to participate in and be eligible to receive the relevant Purchase Price pursuant to the relevant Offer, Noteholders must validly tender their Notes by delivering, or arranging to have delivered on their behalf, a valid Tender Instruction that is received by the Tender Agent by 5.00 p.m. CET on 15 May 2013 (the **Expiration Deadline**). A separate Tender Instruction must be completed on behalf of each beneficial owner and in respect of each Series.

Tender Instructions must be submitted in respect of a minimum nominal amount of Notes of the relevant Series of no less than €1,000 in respect of the 2014 Notes, €3.23 in respect of the 2015 Notes and €50,000 in respect of the 2016 Notes, being the minimum denomination of each respective Series, and may thereafter be submitted in integral multiples of €1,000, in the case of the 2016 Notes or the minimum nominal amount in respect of the 2014 Notes and the 2015 Notes.

Tender Instructions will be irrevocable except in the limited circumstances described in the Tender Offer Memorandum

Indicative Timetable

The times and dates below are indicative only.

Events	Times and Dates
	(All times are CET)
<i>Commencement Date</i>	30 April 2013
<i>Expiration Deadline</i>	5.00 p.m. 15 May 2013
<i>Results Announcement Date</i>	16 May 2013 at or around 11.00 a.m.
<i>Settlement Date</i>	21 May 2013

The above times and dates are subject to the right of the Company to extend, re-open, amend, and/or terminate each of the Offers (subject to applicable law and as provided in the Tender Offer Memorandum).

Whether or not the Offers are completed, the Company may, to the extent permitted by applicable law, continue to acquire, from time to time during or at any time after the Offers, Notes other than pursuant to the Offers upon such terms and at such prices as they may determine, which could be for cash or other consideration or otherwise, whether funded out of the Company's own resources or through subsequent financing transactions, on terms more or less favourable than those contemplated in the relevant Offer(s).

Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold Notes when such intermediary would need to receive instructions from a Noteholder in order for that Noteholder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, each of the Offers before the deadlines specified in the Tender Offer Memorandum. The deadlines set by any such intermediary and each Clearing System for the submission of Tender Instructions will be earlier than the relevant deadlines specified above.

Announcements

Unless stated otherwise, announcements in connection with the 2014 Offer and the 2016 Offer will be made (i) by publication on the website of the Luxembourg Stock Exchange at www.bourse.lu and (ii) by the delivery of notices to the Clearing Systems for communication to Direct Participants. Unless stated otherwise, announcements in connection with the 2015 Offer will be made public through the Notifying News Service(s), through the Clearing Systems, on the Luxembourg Stock Exchange website at www.bourse.lu and by way of a Euronext Paris notice. Such announcements may also be found on

the relevant Reuters Insider screen and shall be made by the issue of a press release to a Notifying News Service. Copies of all such announcements, press releases and notices can also be obtained upon request from the Tender Agent, the contact details for which are below. Significant delays may be experienced where notices are delivered to the Clearing Systems and Noteholders are urged to contact the Tender Agent for the relevant announcements during the course of the Offers. In addition, Noteholders may contact the Dealer Managers for information using the contact details below.

Further Information

Citigroup Global Markets Limited and Natixis have been appointed by the Company to act as Dealer Managers for the purposes of the Offers.

Citibank, N.A., London Branch has been appointed by the Company as Tender Agent for the purposes of the Offers.

Requests for information in relation to the Offers should be directed to:

The Dealer Managers

Citigroup Global Markets Limited

Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

Telephone: +44 20 7986 8969
Attention: Liability Management Group
Email: liabilitymanagement.europe@citi.com

Natixis

47 quai d'Austerlitz
75013 Paris
France

Telephone: +33 1 58 55 08 14 / +331 58 55 02 27
Attention: Liability Management Group
Email: alcatel-tender-offers@natixis.com

Requests for information in relation to delivery of Tender Instructions, and for any documents or materials relating to the Offers should be directed to:

The Tender Agent

Citibank, N.A., London Branch

Citigroup Centre
Canary Wharf
London E14 5LB
United Kingdom

Telephone: +44 (0) 20 7508 3867
Attention: Exchange Team
Email: exchange.gats@citi.com

Disclaimer

This announcement must be read in conjunction with the Tender Offer Memorandum. This announcement and the Tender Offer Memorandum contain important information which should be read carefully before any decision is made with respect to the Offers. If any Noteholder is in any doubt as to the action it should take, it is recommended to seek its own financial advice, including in respect of any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial or legal adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to tender such Notes pursuant to the relevant Offer(s). None of the Company, the Dealer Managers or the Tender Agent makes any recommendation whether Noteholders should tender Notes pursuant to the Offers.

Offer And Distribution Restrictions

This announcement and the Tender Offer Memorandum do not constitute an invitation to participate in the Offers in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws. The distribution of this

announcement and the Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this announcement and the Tender Offer Memorandum comes are required by each of the Company, the Dealer Managers and the Tender Agent to inform themselves about, and to observe, any such restrictions.

United States

The Offers are not being made, and will not be made, directly or indirectly in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States or to any U.S. Person (as defined in Regulation S of the United States Securities Act of 1933, as amended (each a **U.S. Person**)). This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. The Notes may not be tendered in the Offers by any such use, means, instrumentality or facility from or within the United States or by persons located or resident in the United States or by, or by any person acting for the account or benefit of, a U.S. Person. Accordingly, copies of this announcement, the Tender Offer Memorandum and any other documents or materials relating to the Offers are not being, and must not be, directly or indirectly mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to any persons located or resident in the United States or to any U.S. Person. Any purported tender of Notes in the Offers resulting directly or indirectly from a violation of these restrictions will be invalid and any purported tender of Notes made by, or by any person acting for the account or benefit of, a U.S. Person or by a person located in the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

Each holder of Notes participating in an Offer will represent that it is not a U.S. Person, it is not located in the United States and is not participating in such Offer from the United States, or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in such Offer from the United States and is not a U.S. Person. For the purposes of this and the above paragraph, United States means the United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America and the District of Columbia.

Italy

None of the Offers, this announcement, the Tender Offer Memorandum or any other document or materials relating to the Offers have been submitted to the clearance procedures of the *Commissione Nazionale per le Società e la Borsa* (**CONSOB**) pursuant to Italian laws and regulations.

The Offers are being carried out in Italy as an exempted offers pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**) and article 35-bis, paragraph 4, of CONSOB Regulation No. 11971 of 14 May 1999, as amended (the **Issuer's Regulation**), or, in the case of the Offer in respect of the 2015 Notes, article 35-bis, paragraph 3 of the Issuer's Regulation.

Holders or beneficial owners of the Notes other than the 2015 Notes that are located in Italy can tender Notes for purchase in the Offers through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

In the case of the 2015 Notes, the relevant Offer can be addressed to investors located in Italy that qualify as qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of the Financial Services Act and Article 34-ter, paragraph 1, letter b) of the Issuer's Regulation. Holders or beneficial owners of the 2015 Notes that are located in Italy and qualify as qualified investors (*investitori qualificati*) can tender the 2015 Notes for purchase through authorised persons and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties *vis-à-vis* its clients in connection with the Notes or the Offers.

United Kingdom

The communication of this announcement, the Tender Offer Memorandum and any other documents or materials relating to the Offers is not being made and such documents and/or materials have not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the **Financial Promotion Order**)) or persons who are within Article 43(2) of the Financial Promotion Order or any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order.

France

The Offers are not being made, directly or indirectly, to the public in the Republic of France (**France**). Neither this announcement, the Tender Offer Memorandum nor any other document or material relating to the Offers has been or shall be distributed to the public in France and only (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*) other than individuals, all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-4 of the French *Code monétaire et financier*, are eligible to participate in the Offers. This announcement and the Tender Offer Memorandum have not been and will not be submitted for clearance to nor approved by the *Autorité des Marchés Financiers*.

Belgium

In Belgium, the Offers will not, directly or indirectly, be made to, or for the account of, any person other than to qualified investors referred to in Article 10, § 1 of the Belgian act on the public offering of investment instruments and the admission of investment instruments to trading on regulated markets dated 16 June 2006 (the **Belgian Prospectus Act**) or registered as such in accordance with the Royal Decree of 26 September 2006 on the extension of the concept of qualified investors and on the concept of institutional investors or professional investors (the **Belgian Royal Decree**), each acting on their own account. This announcement, the Tender Offer Memorandum or any other documentation or material relating to the Offer have not been and will not be submitted to the Financial Services and Markets Authority for approval. Accordingly, in Belgium, the Offers may not be made by way of a public offer within the meaning of article 3 of the Belgian act on public takeover offers dated 1 April 2007 (the **Belgian Takeover Act**) (as amended or supplemented, in each case, inter alia, by royal decree). Therefore, the Offers may not be promoted vis-à-vis, and are not being made to, any person in Belgium other than qualified investors within the meaning of article 10, § 1 of the Belgian Prospectus Act (as amended, inter alia, by royal decree) that are acting for their own account. This announcement, the Tender Offer Memorandum and any other documentation or material relating to the Offers (including memorandums, information circulars, brochures or similar documents) have not been forwarded or made available to, and are not being forwarded or made available to, directly or indirectly, any such person. With regard to Belgium, this announcement and the Tender Offer Memorandum has been transmitted only for person use by the aforementioned qualified investors and only for the purpose of the Offers. Accordingly, the information contained in this announcement and the Tender Offer Memorandum may not be used for any other purpose or be transmitted to any other person in Belgium.

Switzerland

The Offers do not constitute public offerings of securities pursuant to article 652a or article 1156 of the Swiss Federal Code of Obligations. The information presented in this announcement and the Tender Offer Memorandum does not necessarily comply with the information standards set out in the SIX Swiss Exchange listing rules.

General

This announcement and the Tender Offer Memorandum do not constitute an offer to buy or the solicitation of an offer to sell Notes (and tenders of Notes in the Offers will not be accepted from Noteholders) in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require the Offers to be made by a licensed broker or dealer and any of the Dealer Managers or any of the Dealer Managers' affiliates is such a licensed broker or

dealer in any such jurisdiction, such Offers shall be deemed to be made by such Dealer Manager or affiliate, as the case may be, on behalf of the Company in such jurisdiction.

In addition to the representations referred to above in respect of the United States, each Noteholder participating in the Offers will also be deemed to give certain representations in respect of the other jurisdictions referred to above and generally as set out in the Tender Offer Memorandum. Any tender of Notes for purchase pursuant to the Offers from a Noteholder that is unable to make these representations will not be accepted. Each of the Company, the Dealer Managers and the Tender Agent reserves the right, in its absolute discretion, to investigate, in relation to any tender of Notes for purchase pursuant to an Offer, whether any such representation given by a Noteholder is correct and, if such investigation is undertaken and as a result the Company determines (for any reason) that such representation is not correct, such tender shall not be accepted.