

PRESS RELEASE

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Alcatel-Lucent repurchases 39.40% of the bonds convertible and/or exchangeable for new or existing Alcatel-Lucent shares (OCEANE) due 1 January 2015 in the context of the reverse bookbuilding repurchase procedure

Paris, 26 June 2013 – Alcatel-Lucent (Euronext Paris and NYSE : ALU, the "**Company**") has, simultaneously with the launch today of the issuance of the OCEANE due 1 July 2018 (the "**Bonds**"), collected through Deutsche Bank, Citi and Natixis, via a reverse bookbuilding procedure, the selling interests of certain holders of OCEANE due 1 January 2015 (the "**2015 OCEANE**") outside of the United States of America (the "**Repurchase Proposal**").

As part of the Repurchase Proposal, the Company agreed to purchase 98,396,171 2015 OCEANE, i.e. 39.40% of the outstanding 2015 OCEANE, for a price of EUR 3.37 (excluding accrued interest) per 2015 OCEANE.

The 2015 OCEANE repurchase will take place after the close of Euronext Paris on 4 July 2013, i.e. the trading day following the settlement date of the Bonds, and subject to the definitive completion of such settlement.

Further to the Repurchase Proposal, 151,309,617 2015 OCEANE, representing 48.87% of the number of 2015 OCEANE originally issued, shall remain outstanding.

The settlement of the Bonds is expected on 3 July 2013. In the absence of settlement of the issuance of the Bonds, the Repurchase Proposal will lapse and therefore its settlement will not take place.

So as to ensure an equitable treatment among all 2015 OCEANE holders, the Company is committed to carry out a standing repurchase order on the market in France.

The standing repurchase order will be completed on the terms set out below.

The Company will place the standing repurchase order on the market in France at a price of EUR 3.37 (excluding accrued interest).

The Company will acquire the 2015 OCEANE on the French market during a 5 consecutive trading day-period from the day following the settlement of the repurchase outside the scope of the 2015 OCEANE market, i.e. from the 5 July 2013 to the 11 July 2013 included (based on the indicative timetable).

Following the market repurchase period, the Company will announce the total amount of 2015 OCEANE bought back with a press release.

The repurchased 2015 OCEANE will be cancelled.



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The Company's long-term debt is rated Caa1 by Moody's (rating date: 4 December 2012), with a negative outlook since 4 December 2012 and CCC by Standard & Poor's (rating date: 21 June 2013), with a stable outlook since 21 June 2013.

AVAILABILITY OF THE PROSPECTUS

A prospectus has been submitted to the approval of the *Autorité des marchés financiers* (the "AMF") in order to list the Bonds on Euronext Paris and will be, upon approval of the AMF, available free of charge at the registered office of Alcatel-Lucent as well as on its website (www.alcatel-lucent.com) and on the AMF's website (www.amf-france.org).

The prospectus consists of the Company's reference document filed with the AMF on 12 March 2013 under number D.13-0124 (the "Reference Document"), its update filed with the AMF on 25 June 2013 under number D.13-0124-A01 and a securities note (*note d'opération*) which includes the summary of the prospectus. The Reference Document and its update are available on the Company's website (www.alcatel-lucent.com) and the AMF's website (www.amf-france.org).

Investors are invited to consider carefully all of the risk factors described in chapter 3 of the Reference Document, as well as in section 4 of the update to the Reference Document.

This press release does not constitute a subscription offer, and the offering of the Bonds does not constitute a public offering in any country, including France.



ABOUT ALCATEL-LUCENT (EURONEXT PARIS AND NYSE: ALU)

The long-trusted partner of service providers, enterprises and governments around the world, Alcatel-Lucent is a leading innovator in the field of networking and communications technology, products and services. The company is home to Bell Labs, one of the world's foremost research centers, responsible for breakthroughs that have shaped the networking and communications industry.

Alcatel-Lucent innovations are regularly recognized by international institutions for their positive impact on society. In 2012 and for the second year running, Alcatel-Lucent was named one of the Thomson Reuters Top 100 Global Innovators, recognition for the company's continued addition to its world-class patent portfolio, one of the largest in the telecom industry. Alcatel-Lucent has also been recognized for its sustainability performance. In 2012 the company was ranked Technology Supersector Leader by the Dow Jones Sustainability Index. Through its innovations, Alcatel-Lucent is making communications more sustainable, more affordable and more accessible as we pursue our mission of Realizing the Potential of a Connected World.

With operations throughout the world, Alcatel-Lucent is a local partner with global reach. The Company achieved revenues of Euro 14.4 billion in 2012 and is incorporated in France and headquartered in Paris.

For more information, visit Alcatel-Lucent on: <http://www.alcatel-lucent.com>, read the latest posts on the Alcatel-Lucent blog <http://www.alcatel-lucent.com/blog> and follow the Company on Twitter: http://twitter.com/Alcatel_Lucent.

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In member states of European Economic Area which have implemented Directive 2003/71/EC (as amended) (the "**Prospectus Directive**") other than France, this press release and any offer if made subsequently are directed exclusively at persons who are "qualified investors" within the meaning of the Prospectus Directive and any relevant implementing measures in the relevant member state.

This press release is not an invitation nor an inducement to engage in an investment activity for the purpose of Section 21 of the Financial Services and Markets Act 2000, as amended ("**FSMA**"). This press release is directed only at (i) persons outside the United Kingdom, (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Regulation**"), (iii) persons referred to in Article 49(2) (a) to (d) of the Regulation (high net worth entities, non-registered associations, etc.) and (iv) other persons to whom this document may be lawfully communicated (all persons listed in (i), (ii), (iii) and (iv) above being referred to as "**Relevant Persons**"). The Bonds are available only to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Bonds will be engaged in only with, Relevant Persons. Any person who is not a Relevant Person must not act or rely on this document or any of its contents.

This press release does not constitute an invitation to participate in the repurchase of the 2015 OCEANE in any country in which, or any person to whom, it is unlawful to make such an invitation under applicable laws and regulations. In particular, the repurchase of 2015 OCEANE is not and will not be directed to the United States of America in any manner and in any form. Persons into whose possession this press release comes are required to inform themselves about, and to observe, any such legal or regulatory restrictions.

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