

# PRESS RELEASE

NOT FOR PUBLICATION, RELEASE OR  
DISTRIBUTION DIRECTLY OR  
INDIRECTLY IN CANADA, AUSTRALIA OR  
JAPAN

## **Alcatel-Lucent announces the approval (*visa*) of the *Autorité des marchés financiers* on the prospectus of the issuance of bonds convertible into and/or exchangeable for new or existing shares (OCEANE) maturing on 1 July 2018**

**Paris, 26 June 2013** – Alcatel-Lucent (Euronext Paris and NYSE: ALU, the “**Company**”) launched today an issuance of OCEANE maturing on 1 July 2018 (the “**Bonds**”) in an initial nominal amount of approximately EUR 547.8 million, of which the nominal value per Bond has been set at EUR 1.80 giving a premium of approximately 37% over the reference share price of Alcatel-Lucent’s shares<sup>1</sup> listed on the regulated market NYSE-Euronext in Paris (“**Euronext Paris**”).

The objective of the issuance, which is part of the Shift Plan (Alcatel-Lucent’s three-year program to industrially reposition the company as a specialist in IP Networking and Ultra-broadband, while significantly reducing costs and addressing its debt profile), is to extend the maturity of the group’s indebtedness.

The nominal amount of the issuance may be increased by a maximum of approximately 15% to a maximum nominal amount of approximately EUR 628.9 million if the over-allotment option granted to the Joint Lead-Managers and Joint Bookrunners is exercised in full no later than 1 July 2013.

The conversion / exchange ratio of the Bonds will be one new or existing Alcatel-Lucent share per Bond, subject to potential adjustments.

The Bonds will bear interest, at an annual rate of 4.25%, payable semi-annually in arrear on 1 January and 1 July of each year, commencing on 1 January 2014 (or, if such date is not a business day, the following business day), i.e. approximately EUR 0.03825 per Bond and each semester. With respect to the period from and including 3 July 2013, the issue date, up to and including 31 December 2013, the amount of interest that will be payable on 1 January 2014 (or on the following business day if such date is not a business day), will amount to approximately EUR 0.03794 per Bond.

The Bonds will be issued at par on 3 July 2013 and will be redeemed at par on 1 July 2018. At the option of Alcatel-Lucent, the Bonds may be subject to an early redemption under certain conditions.

The Bonds are rated CCC by Standard & Poor’s and Caa1 by Moody’s.

The *Autorité des marchés financiers* (the “**AMF**”) has approved the listing prospectus of the Bonds on Euronext Paris under number 13-305 dated 26 June 2013.

The Bonds were only subject to a private placement in France and outside France (but not in the United States of America, Canada, Australia or Japan) to persons referred to in article L. 411-2-II of the French Monetary and Financial Code (*Code monétaire et financier*), without a public offering in any country (including France).

<sup>1</sup> The reference share price is the volume weighted average price of Alcatel-Lucent’s shares quoted on Euronext Paris from the opening of trading on 26 June 2013 until the final terms of the Bonds are determined.

*NOT FOR PUBLICATION, RELEASE OR DISTRIBUTION DIRECTLY OR INDIRECTLY IN CANADA, AUSTRALIA OR JAPAN*

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.

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.

This is an abbreviated version of a more detailed press release which can be found online at <http://resources.alcatel-lucent.com/forms/press20130624EN.cfm>.

**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.

**ALCATEL-LUCENT PRESS CONTACTS**

SIMON POULTER	<a href="mailto:simon.poulter@alcatel-lucent.com">simon.poulter@alcatel-lucent.com</a>	T : +33 (0)1 40 76 50 84
VALERIE LA GAMBA	<a href="mailto:valerie.la_gamba@alcatel-lucent.com">valerie.la_gamba@alcatel-lucent.com</a>	T : +33 (1)1 40 76 49 91

**ALCATEL-LUCENT INVESTOR RELATIONS**

FRANK MACCARY	<a href="mailto:frank.maccary@alcatel-lucent.com">frank.maccary@alcatel-lucent.com</a>	T : + 33 (0)1 40 76 12 11
TOM BEVILACQUA	<a href="mailto:thomas.bevilacqua@alcatel-lucent.com">thomas.bevilacqua@alcatel-lucent.com</a>	T : + 1 908-582-7998
CORALIE SPAETER	<a href="mailto:coralie.spaeter@alcatel-lucent.com">coralie.spaeter@alcatel-lucent.com</a>	T : +33 (0)1 40 76 49 08

## DISCLAIMER

This press release and the information contained herein do not constitute an offer to sell or subscribe, nor the solicitation of an order to purchase or subscribe, securities in any country.

This press release does not constitute a public offering of securities or a subscription offer and shall not be considered as destined to solicit the public interest with a view to a public offering in any country.

The Bonds have been offered only by way of private placement in France and outside of France (except in the United States of America, Canada, Japan and Australia) to persons referred to in article L. 411-2 II of the French Monetary and Financial Code. The listing of the Bonds on the regulated market of NYSE Euronext in Paris will be subject to a prospectus to be approved by the AMF.

The Bonds have not been offered, directly or indirectly, to the public in France. Any offer of Bonds or distribution of any offering material relating to the Bonds has been made in France only to (i) persons providing 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*) or (ii) qualified investors acting for their own account as defined under articles L. 411-2 et D. 411-1 of the French Monetary and Financial Code and in accordance with articles L. 411-1 et L. 411-2 of the French Monetary and Financial Code.

Securities may not be offered or sold in the United States of America, or on behalf or for the benefit of US persons (as such term is defined in Regulation S under the US Securities Act) absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended, ("**US Securities Act**"). The securities referred to in this press release have not been and will not be registered under the U.S. Securities Act and Alcatel-Lucent does not intend to make a public offer of such securities in the United States of America. This notice is issued pursuant to Rule 135c under the U.S. Securities Act, as amended.

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.

The release, publication or distribution of this press release in certain jurisdictions may be restricted by laws or regulations. Therefore, persons in such jurisdictions into which this press release is released, published or distributed must inform themselves about and comply with such laws or regulations.

### Stabilization

The stabilizing agent (or any other institution acting on its behalf) will have the ability, but not the obligation as from the moment on which the final terms of this transaction become public, i.e., on 26 June 2013, to intervene so as to stabilize the market for the Bonds and/or possibly the Company's

shares in accordance with applicable laws and regulations, and in particular Regulation (EC) no. 2273/2003 of the Commission dated 22 December 2003. Such interventions may be interrupted at any time, if any, but at the latest on 1 July 2013. Such interventions may stabilize the price of the Company's shares and of the Bonds. Such interventions may also affect the price of the Company's shares and of the Bonds and could result in such prices being higher than those that might otherwise prevail.

