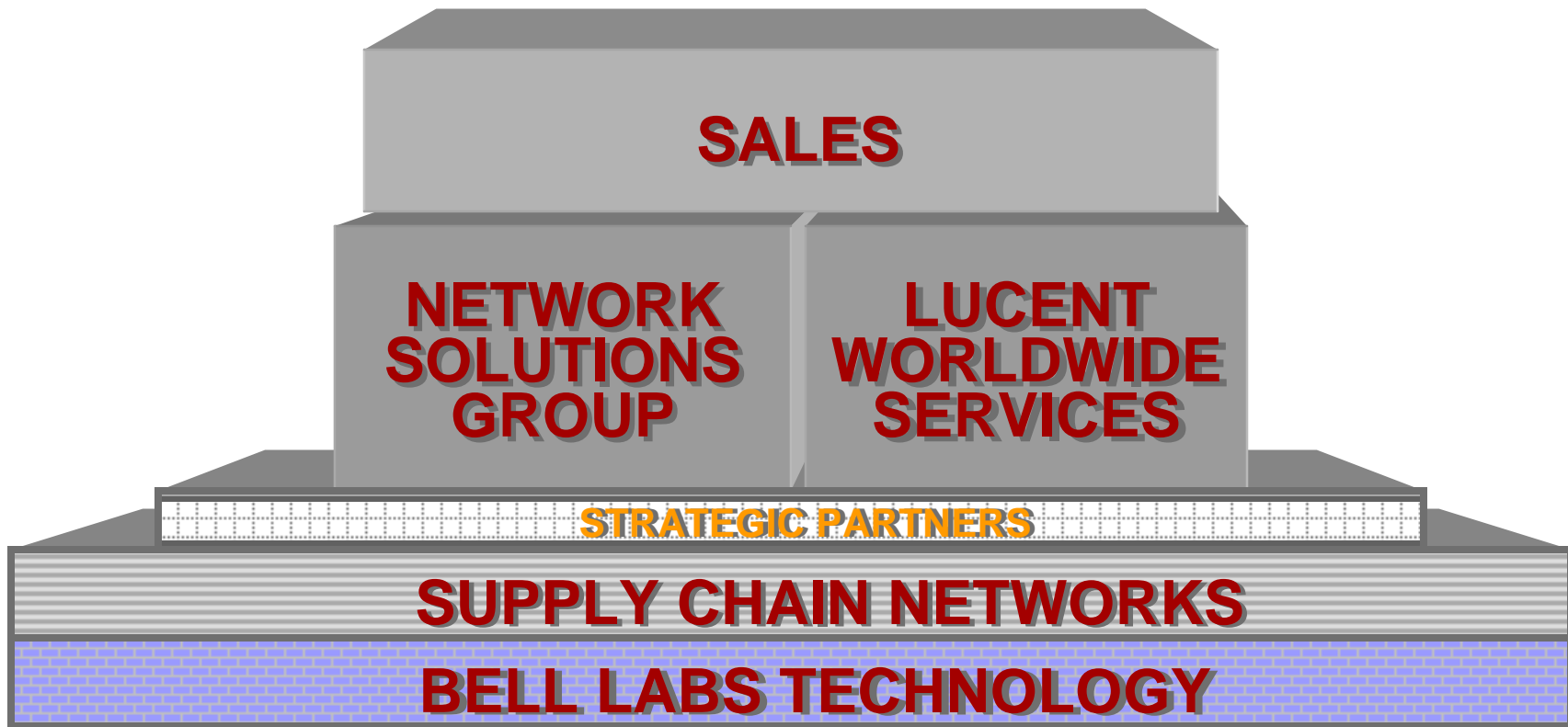


Lucent Technologies As a Leader in Telecommunication





Lucent Business Model



Lucent: a global company with a strong European presence

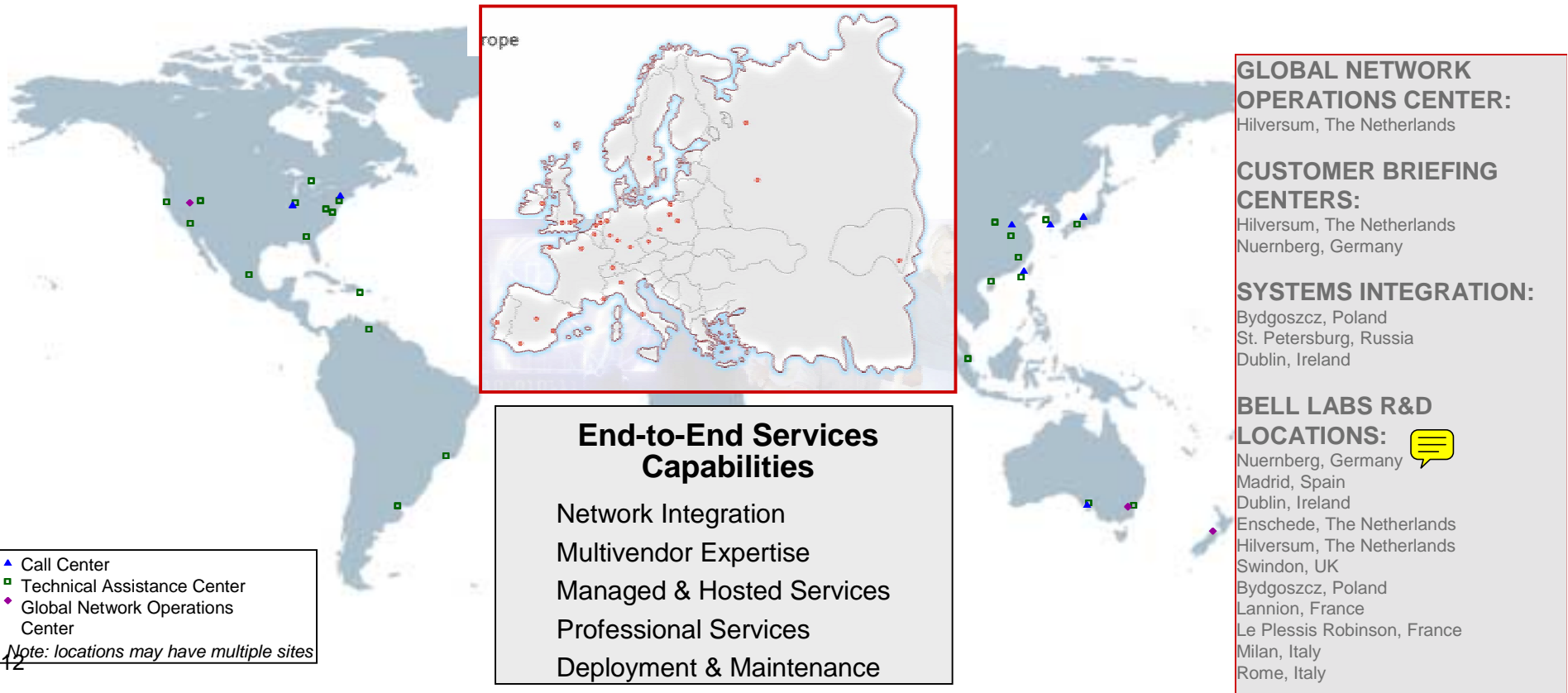


Track record

- Partner to service providers, governments and enterprises worldwide
 - 260+ customers worldwide, 50+ in Europe
 - Presence in 16+ European countries of 65+ worldwide
- 100+ years of carrier-grade experience

Capabilities and assets

- 30.200 professionals worldwide, 6.000 in the region
- 30.000 global patents
- Four Global Network Operations Centers, one of which is in region
- 60+ engineering and technical service centers, seven facilities in Europe





How Entrepreneurs See Germany

„Germany remains an export machine that keeps running and running.“

H. Schmieding, Bank of America

„If you need high productivity, very low strike disruption and zero-defect manufacturing performance, Germany is still the best place to go.“

J. Scheers, Plant Location International, Price Waterhouse

„This facility [in Germany] will allow us to take advantage of the great intellectual capital and high education standards in Europe, particularly in the fields of science and technology, and it is a tangible sign of our long-term commitment to grow in this market.“

N. Beccalli, President EMEA, General Electric



Germany from a U.S. Perspective

Ranking der Holdingstandorte in Europa aus Sicht amerikanischer Unternehmen

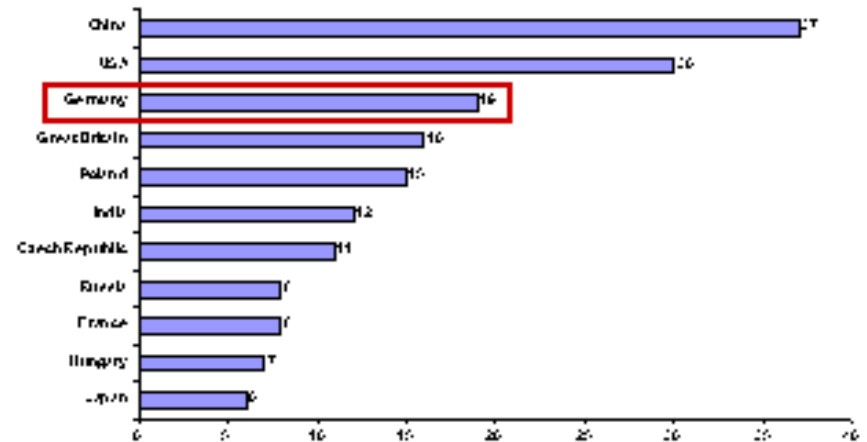
Kompetenzzentren	VJ	Verwaltungszentralen	VJ	Finanzholdings	VJ
1. Deutschland (54%) ↗		1. Großbritannien (31%) ↓		1. Großbritannien (25%) ↑	
2. Großbritannien (26%) →		2. Deutschland (29%) ↑		2. Schweiz (23%) ↘	
3. Schweiz (7%) →		3. Schweiz (15%) ↓		3. Deutschland (17%) ↗	
4. Niederlande (6%) ↗		4. Niederlande (8%) ↑		4. Niederlande (17%) ↘	
5. Belgien (3%) ↓		5. Belgien (7%) →		5. Luxemburg (7%) ↑	

Anmerkung: Pfeile zeigen Veränderung gegenüber dem Prozentwert des Vorjahres an

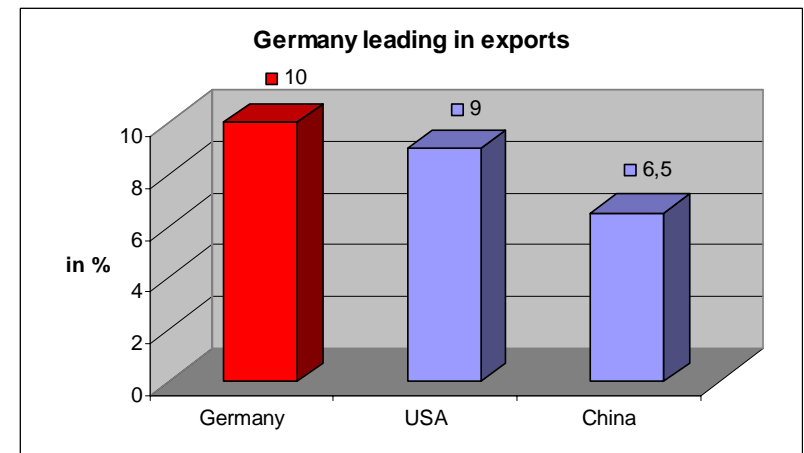
Germany is a favored location
for holdings and competence centers

Economics (I)

- Third most attractive investment location worldwide (Ernst & Young, 2004)



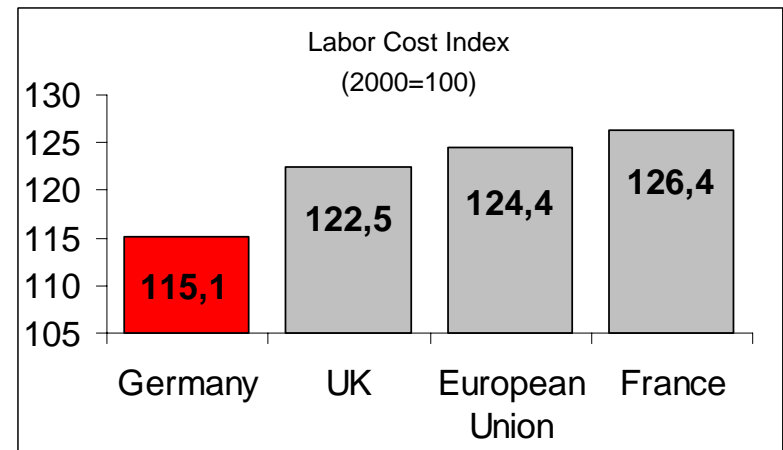
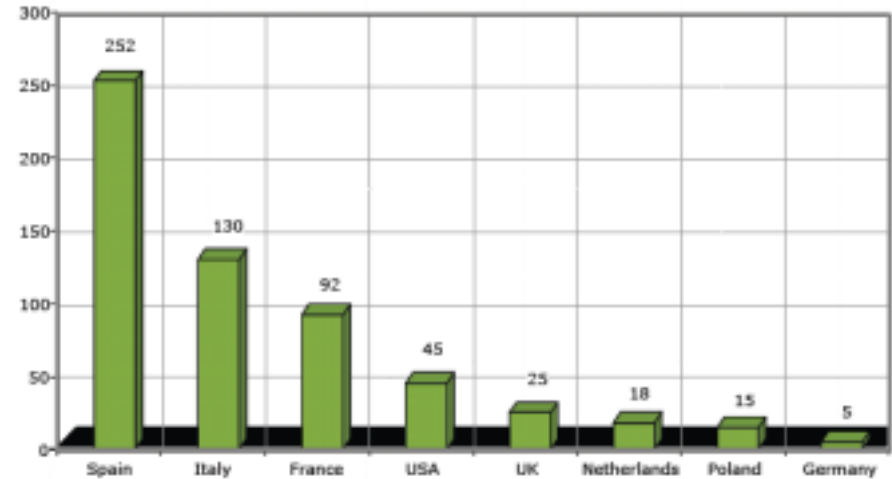
- World's n° 1 goods exporter in 2004 (Financial Times Deutschland, 2005)



Economics (III)

- Most stable labor environment in Europe (IW Köln, 1993-2002)
- Efficient transportation infrastructure
- High productivity rates are steadily lowering unit labor costs (Eurostat, 2006)

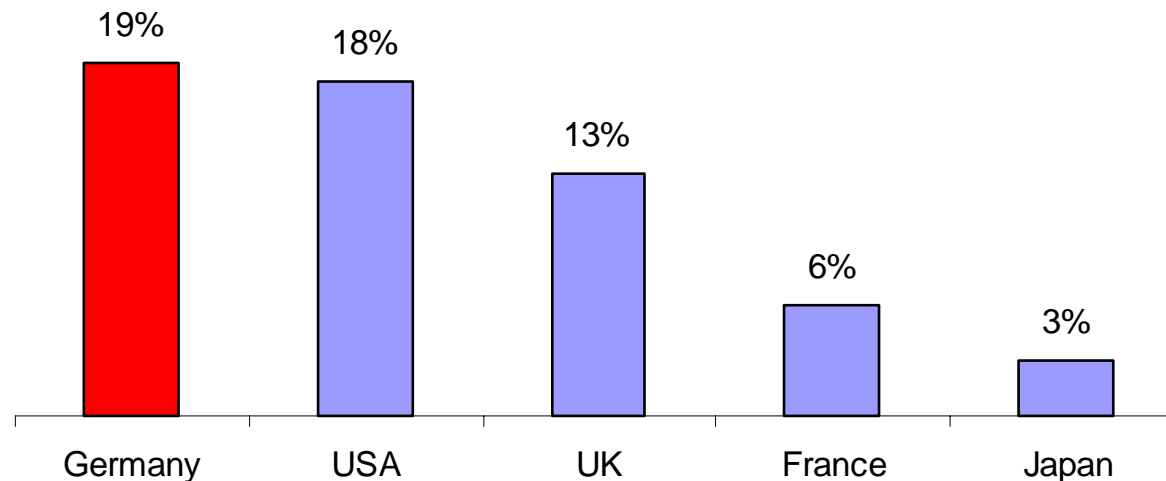
Working days lost to strikes per 1,000 inhabitants
Yearly average between 1993 and 2002





Economics (IV)

Overall Ranking of the Top 5 Countries in Terms of R&D



Corporate executives were surveyed:
Germany ranked among the top5 and was in front of its European competitors
with 3 first-place rankings (R&D, design centres and logistics)
and two second-places (production and administrative and account back offices)

(Enst & Young, 2004)



Lucent Germany – Overview

- Largest location in Europe
- Largest Bell Labs R&D center outside USA
- Second largest international legal entity (after China)
- Activities in all Business Units:
 - NSG (Wireline and Wireless), LWS, SCN, Bell Labs
- Fully equipped customer training facilities
- DTAG largest customer in EMEA





Lucent Locations in Germany

Bonn



- LU location at DTAG's doorstep –
~ 80 employees

Neu-Isenburg



- LU Germany's transport hub –
~ 40 employees

Nürnberg

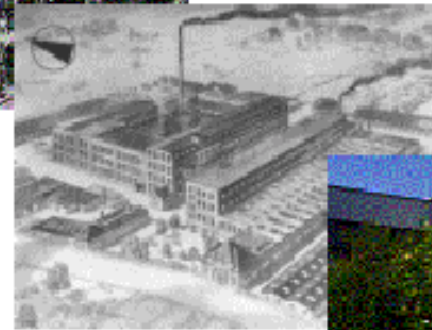


- R&D centre and main LU facility in Germany –
~ 1,250 employees



Telecommunication History in Nürnberg

Development and manufacturing of telecommunication equipment has a long-term history in Nürnberg.



Some highlights:

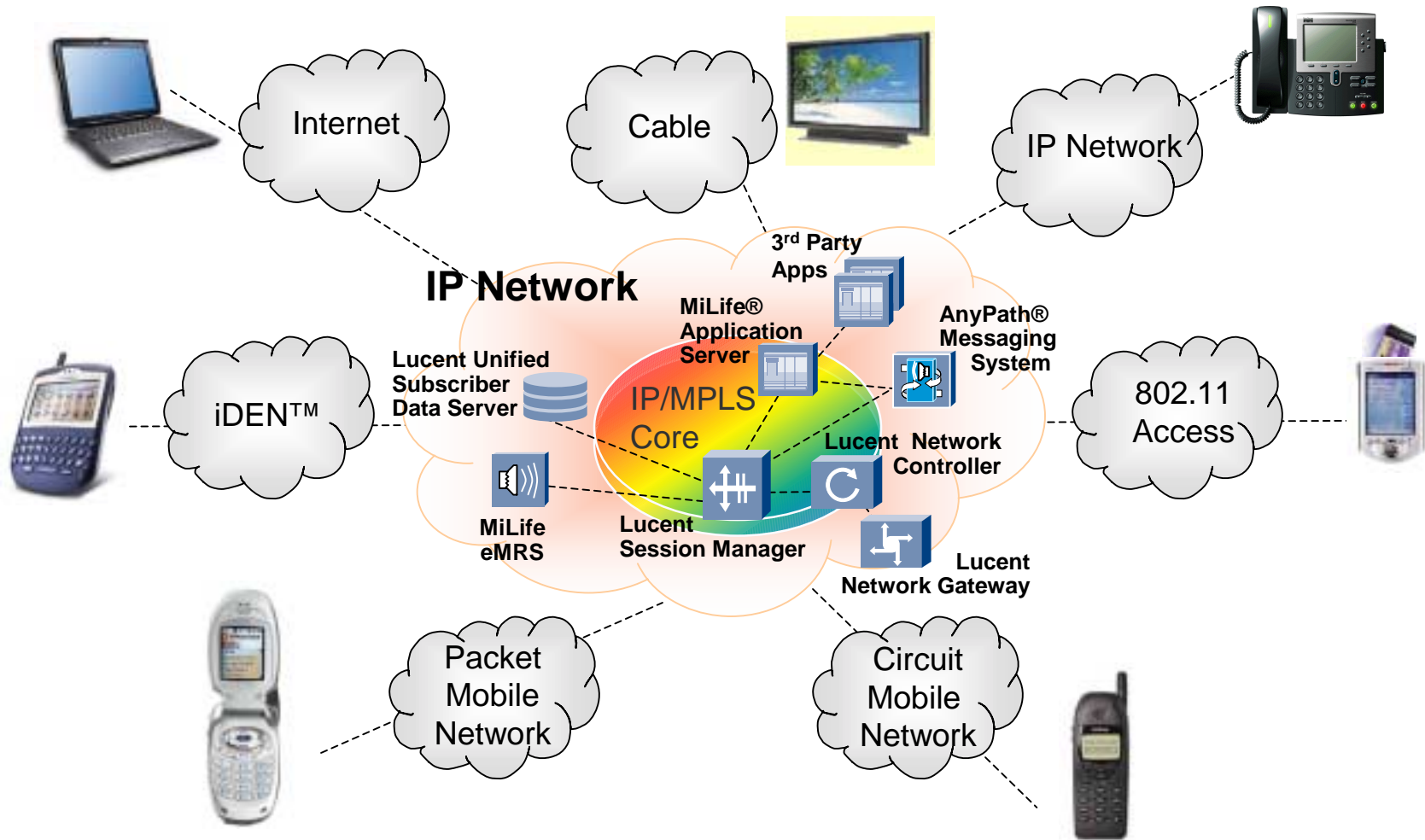
- ~ 1858 Telecommunication activities in Nürnberg by Friedrich Heller.
- ~ 1877 Heller builds his company on Bell's telephone, with own improvements.
- ~ 1906 Heller's Company is taken over by Felten & Guilleaume.
- ~ 1912 Felten & Guilleaume change into TeKaDe.
- ~ 1982 Philips Kommunikations Industry (PKI) is found.
- ~ 1991 First Digital Mobile Phone Base Station in the world
- ~ 1996 Take over of the activities by AT&T / Lucent Technologies



Friedrich Heller

Next-Gen Convergence Model: IMS

“Always-On” Access & Device-Independence



IMS seamlessly brings the network to you