

PRESS RELEASE

IME and Alcatel-Lucent to Jointly Develop Advanced Silicon Photonics Technology for Cost-Effective Next Generation High Data-Rate Communications

Paris and Singapore, 15 June 2009 - The Institute of Microelectronics (IME), a research institute of Singapore's Agency for Science, Technology and Research (A*STAR), and Bell Labs, Alcatel-Lucent's (Euronext Paris and NYSE: ALU) research arm, today signed a research collaboration agreement to jointly develop advanced photonics technology for next generation cost-effective high data-rate communication networks.

The need for service providers to meet the explosion in demand for new multi-media consumer content services and governments across the Asia Pacific region to provide citizens with access to broadband networks makes the development of low cost, high data-rate communications particularly urgent. According to market consultancy IDC, Internet usage will increase by 550 million from 2006 to 2010 and the number of unique internet buyers will increase from 421 million to 686 million over the same period. Optical communications is well suited to meet this exponential demand because it supports data rates that exceed 10 Gbit/s, the highest speed at which copper-based networks operate and overcomes critical power consumption challenges and reach limitations. Despite the benefits that optical communications offers, the improved performance comes at a cost, a challenge that the collaborative research programme between Alcatel-Lucent and IME will address by delivering increased performance at reduced cost.

Professor Dim-Lee Kwong, Executive Director of IME, said "We are very pleased to collaborate with Bell Labs in developing core technology for next generation high data-rate communications. Our collaboration will build upon developed modules with new generation of low cost integrated silicon-based photonic devices and improved processes. This partnership demonstrates our commitment in bringing impactful research to the industry."

"This collaborative agreement with IME is important because it represents the next step in a series of programmes we have undertaken over the years with customers, government agencies, and academic institutions in Singapore," said Dr Rod Alferness, Chief Scientist at Alcatel-Lucent Bell Labs. "It is a prime example of the value Bell Labs brings to partners around the world," he added.

About Institute of Microelectronics

The Institute of Microelectronics (IME) is a research institute of the Science and Engineering Research Council of the Agency for Science, Technology and Research (A*STAR). Positioned to bridge the R&D between academia and industry, IME's mission is to add value to Singapore's semiconductor industry by developing strategic competencies, innovative technologies and intellectual property; enabling enterprises to be technologically competitive; and cultivating a technology talent pool to inject new knowledge to the industry. Its key research areas are in integrated circuits design, advanced packaging, bioelectronics, MEMS, nanoelectronics and photonics. For more information, visit Institute of Microelectronics on the Internet: <http://www.ime.a-star.edu.sg>

About Alcatel-Lucent

Alcatel-Lucent (Euronext Paris and NYSE: ALU) is the trusted partner of service providers, enterprises 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 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 16.98 billion in 2008 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>

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