Alcatel achieves major milestone with 80 million DSL lines shipped

Paris, March 9, 2006 Alcatel (Paris: CGEP.PA and NYSE: ALA) today announced that it has passed a major milestone, having cumulatively shipped more than 80 million digital subscriber lines (DSL) to customers worldwide by the end of 2005. This achievement was fueled by a 10% increase in DSL shipments over the previous year. To date over 180 service providers in more than 75 countries around the world have selected Alcatels DSL solutions.At the heart of Alcatels continued broadband access leadership is its Intelligent Services Access Manager (ISAM) product family. Purposely built with flexibility, Alcatels ISAM family is a native IP, non-blocking solution and the market's first true 100% triple play broadband access platform. Accommodating a wide range of access technologies (xDSL, FTTN, FTTU GPON) and network topologies (central offices as well as remote or rural areas), the ISAM solution also includes VoIP media gateway functionality to interconnect legacy POTS and ISDN customers to NGN backbones. In just over a year, Alcatels ISAM family has been chosen by more than 70 service providers around the globe as they move to transform their access network to an IP-based network. Alcatel, with the delivery of more than 80 million DSL lines worldwide, has once again demonstrated its ability to reach unprecedented DSL and broadband access milestones well in advance of the competition, said Erik M. Keith, Senior Analyst for Broadband Infrastructure at Current Analysis. Alcatels achievements are even more remarkable given the dynamics of the competitive landscape. The companys global market success is very strong validation of its comprehensive broadband access portfolio and Triple Play Service Delivery Architecture. Clearly, the ISAM family has been a critical solution for Alcatel, extending full native IP and distributed broadband access platform benefits that enable Alcatel to fulfill each carrier customers distinct deployment requirements.European service providers such as France Telecom, Swisscom, Telecom Italia, Wind (Italy), Telenor (Nordics), Fiberdata (Sweden), Video Networks Limited (UK), Romtelecom (Romania), Northwest Telecom (Russia) and UTG (Georgia), are deploying the ISAM solution in their networks whether for serving mature or emerging markets. In the Middle East, ISAM products are enabling Saudi Telecom to meet the growing demand for high-speed Internet access services and high quality broadband applications such as IPTV.In Asia-Pacific, Chunghwa Telecom (Taiwan), China Netcom and China Telecom have chosen the ISAM solution to offer user-centric broadband services at triple the speed of conventional ADSL technology. Alcatel has also been selected by Innove Communications of the Philippines to cost-effectively support their strategic broadband access service objectives. In the Americas, Alcatels ISAM family has been chosen by AT&T (US), BellSouth (US), TELUS (Canada), Telefnica Brazil, Telemar (Brazil) and Telefnica del Sur (Chile). About Alcatels user-centric triple play To meet todays quest for increased personalized and interactive services, Alcatel helps operators worldwide transform their networks and deliver a better consumer experience one that is simple, personalized, and predictable. Alcatels user-centric triple play (voice, high-speed internet, video) builds on its leadership in broadband access, IP networking, optics, new IP multimedia and video applications, as well as end-to-end services integration. Consumers will enjoy unique, exciting services including video on demand, personal TV, community channels, online gaming and sharing of music, photos and home videos, all delivered simply and seamlessly via a range of devices and networks.About AlcatelAlcatel provides communications solutions to telecommunication carriers, Internet service providers and enterprises for delivery of voice, data and video applications to their customers or employees. Alcatel brings its leading position in fixed and mobile broadband networks, applications and services, to help its partners and customers build a user-centric broadband world. With sales of EURO 13.1 billion and 58,000 employees in 2005, Alcatel operates in more than 130 countries. For more information, visit Alcatel on the Internet: http://www.alcatel.comAlcatel Press ContactsRgine Coqueran / HQTel: + 33 (0)1 40 76 49 24regine.coqueran@alcatel.comMark Burnworth / HQTel: + 33 (0)1 40 76 50 84mark.burnworth@alcatel.comAlcatel Investor RelationsPascal BantegnieTel: +33 (0)1 40 76 52 20pascal.bantegnie@alcatel.comNicolas LeyssieuxTel: +33 (0)1 40 76 37 32nicolas.leyssieux@alcatel.comMaria AlconTel: +33 (0)1 40 76 15 17maria.alcon@alcatel.comCharlotte Laurent-OttomaneTel: +1 703 668 7016charlotte.laurent-ottomane@alcatel.com

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