

PRESS RELEASE

Alcatel-Lucent and Transtelecom JSC modernize communications on Kazakhstan's railways to improve service and strengthen trade links

Companies upgrade communications system to improve the passenger experience, efficiency of freight transportation and overall safety and reliability of rail travel across Kazakhstan

Paris, September 16, 2011 - Alcatel-Lucent (Euronext and NYSE: ALU) and Transtelecom JSC, one of Kazakhstan's leading communications service providers, have completed the modernisation of the communications network supporting Kazakhstan's railways. The new network improves communications between trains and centralized traffic control systems and supports more advanced information systems to improve passenger safety and offer a better overall experience for travellers. In addition, this new network enables the expansion of freight transport across Kazakhstan and to neighbouring countries.

The two companies worked together to upgrade the communications network of Kazakhstan Temir Zholy JSC (KTZ, Kazakh Railways), which is investing in the improvement of rail and trade links across the republic of Kazakhstan and with the neighbouring countries of Russia, China, Uzbekistan and Kyrgyzstan.

The new fiber optic network will support advanced on-board and in-station passenger information systems as well as a variety of new broadband services. It will increase efficiency and punctuality of the train network, thereby improving the overall customer experience. Operational efficiency has been enhanced with improved communications between trains, on-the-ground staff and centralized systems, to aid the transportation of freight across Kazakhstan and the export of goods to neighboring countries. With the introduction of higher-speed passenger trains onto the same rail lines as freight trains, intelligent sensors, alarms and centralized traffic control systems have enhanced the railway signaling system to ensure safety across the network.

Mr Mirbolat Ayupov, Transtelecom JSC President said, "This project provides Kazakhstan Temir Zholy JSC and its subsidiaries with a comprehensive, automated system to connect all rail transport lines. This will enable efficiencies across the network to ensure all of our customers have a safe and enjoyable experience as we help to enhance the competitiveness of Kazakhstan's international freight exports."

Mr Alexander Tikhonov, Head of Alcatel-Lucent's business in CIS said, "We see our mission as offering customers in the regions highly efficient and reliable solutions that resolve their business issues based on our product portfolio and experience solving mission-critical communications issues within various industries worldwide. Successful completion of the JSC Kazakhstan Temir Zholy network modernization project once again demonstrates how important it is to find a solution for such large-scale projects that combines optimal design with wide service capabilities and rich integration experience, like those that Alcatel-Lucent can offer."

Transtelecom JSC was originally established by Kazakhstan Temir Zholy JSC to maintain and modernize the existing rail communications system, and has since expanded to offer communications services throughout the country. By supporting the delivery of new business and consumer services, the network upgrade will enable Transtelecom JSC to expand its revenue base.

For this project Alcatel-Lucent provided “Transtelecom” JSC with a reliable integrated mission critical telecommunications infrastructure which extends the fiber-optic network to over 4,000 km and upgrades 2000 km of existing lines. Alcatel-Lucent has deployed its innovative long-haul optical transport network, which takes advantage of the latest advances in optical and IP (Internet Protocol) technology to transport huge amounts of information quickly, intelligently and cost-effectively. Alcatel-Lucent also provided comprehensive services including network design, system integration, training, installation, technical support and commissioning. For more information see the [December 2009 Press Release](#) announcing the contract.

About “Transtelecom” JSC

Joint-Stock Company Transtelecom (TTC-KZ) is one of the leading telecommunications operators in Kazakhstan. The company has 13 branches in major cities, and operates in more than 200 settlements throughout the country. TTC-KZ has the second largest share of fixed communication market in rural areas (after Kazakhtelecom). TTC-KZ revenue in 2008 amounted to USD 80 million. Currently around 2 500 employees work for the company.

About the Alcatel-Lucent Dynamic Communication Solutions for Railways

Alcatel-Lucent helps urban and main line rail operators make every journey on-time, safe and connected. Whether the need is to enhance, renew or build a communication network, Alcatel-Lucent is the trusted partner for railway communications solutions. With a comprehensive product and service portfolio and more than 30 years of experience in transportation systems integration, Alcatel-Lucent has proven expertise in designing, deploying, maintaining and operating mission-critical networks. These networks support operational systems such as train control and signaling, ground-to-train communications, and video protection, to name just a few. To learn more about our Dynamic Communication Solutions for Railways – [click here](#).

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

The long-trusted partner of service providers, enterprises, strategic industries and governments around the world, Alcatel-Lucent is a leader in mobile, fixed, IP and Optics technologies, and a pioneer in applications and services. Alcatel-Lucent includes Bell Labs, one of the world's foremost centres of research and innovation in communications technology.

With operations in more than 130 countries and one of the most experienced global services organizations in the industry, Alcatel-Lucent is a local partner with global reach.

The Company achieved revenues of Euro 16 billion in 2010 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.

ALCATEL-LUCENT PRESS CONTACTS

SIMON POULTER	simon.poulter@alcatel-lucent.com	T: +33 (0)1 40 76 50 84
VALERIE LA GAMBA	Valerie.la_gamba@alcatel-lucent.com	T: + 33 (0)1 30 77 35 91

ALCATEL-LUCENT INVESTOR RELATIONS

FRANK MACCARY	frank.maccary@alcatel-lucent.com	T : + 33 (0)1 40 76 12 11
DON SWEENEY	don.sweeney@alcatel-lucent.com	T : + 1 908 582 6153
TOM BEVILACQUA	thomas.bevilacqua@alcatel-lucent.com	T : + 1 908-582-7998
CONSTANCE DE CAMBIARE	constance.de_cambiaire@alcatel-lucent.com	T : +33 (0)1 40 76 10 13