Lucent Worldwide Services: Gaining Traction to Become the Leading Network Integrator





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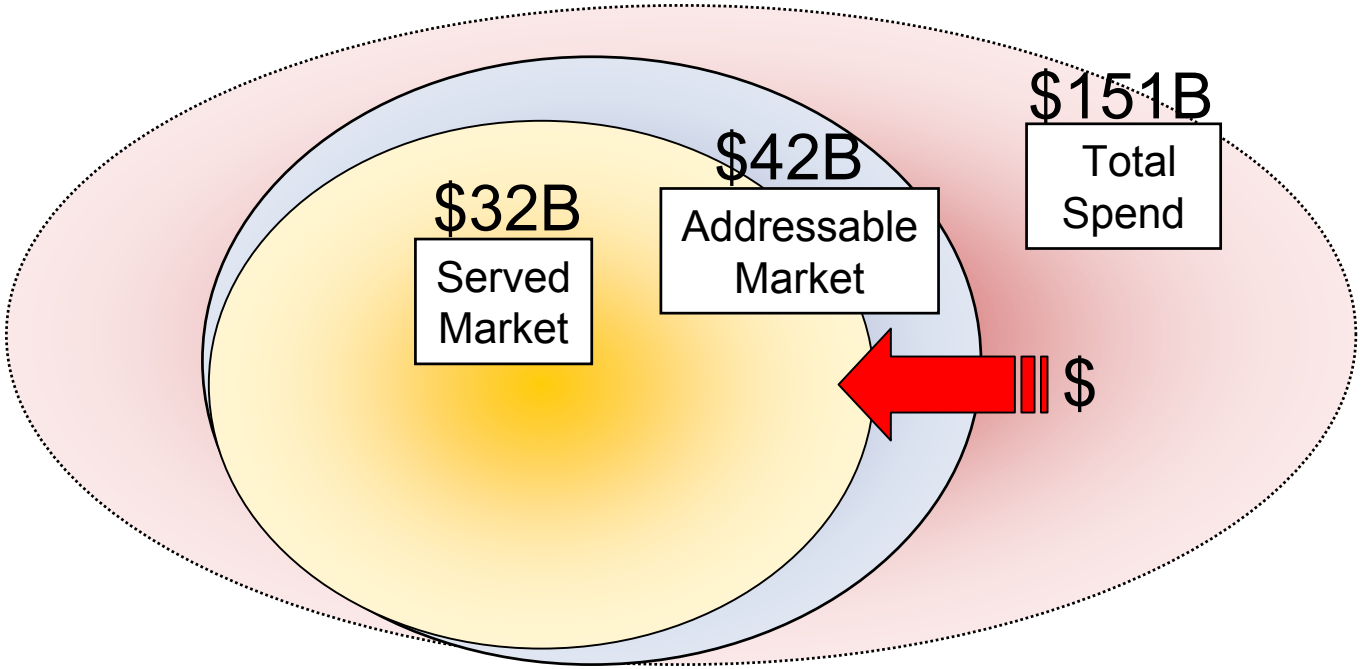
Lucent Technologies
Bell Labs Innovations

Driving a $151 Billion Market

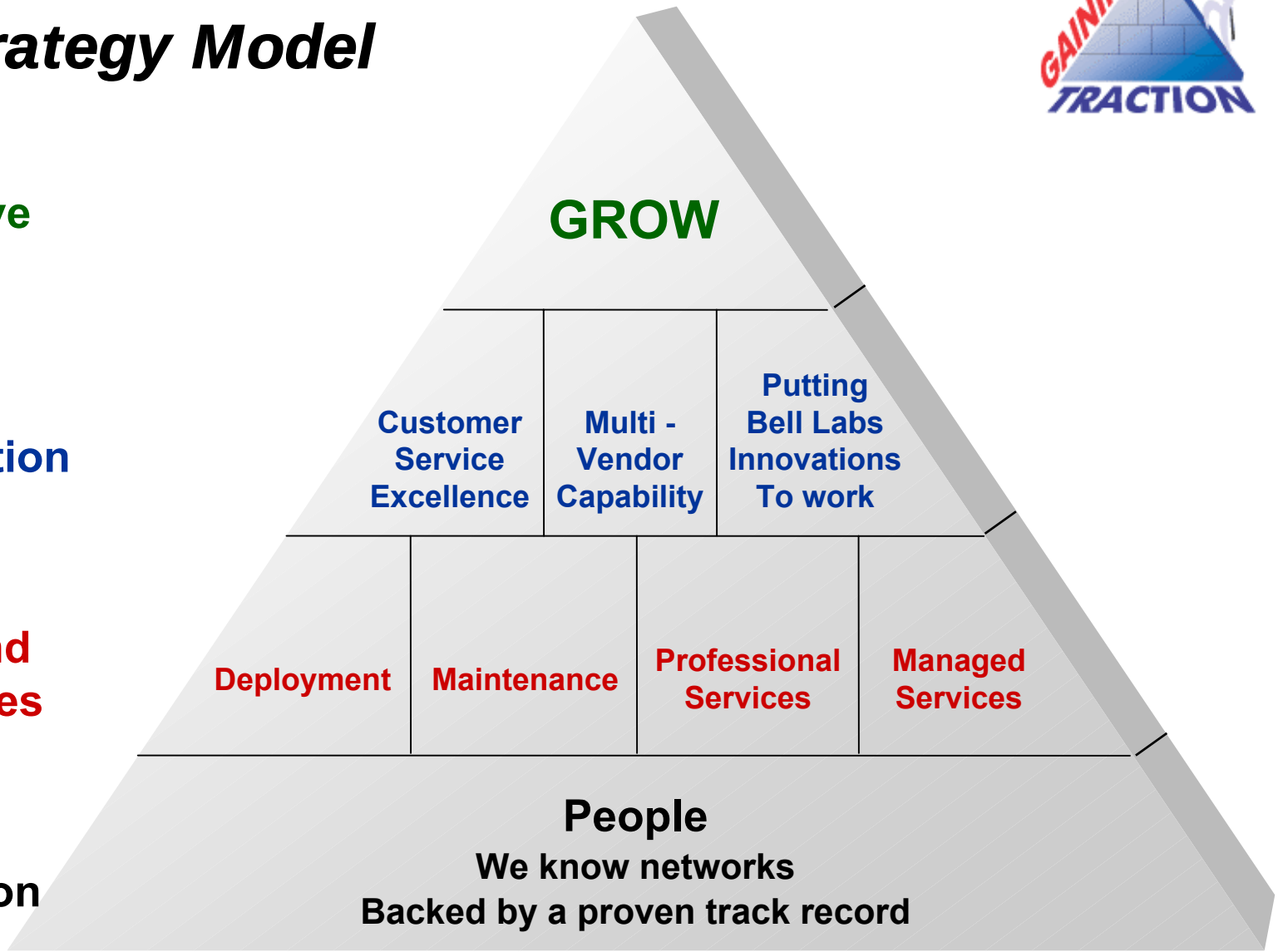


Opex Reduction	Capex Reduction	Leveraging Existing Assets	Managing Complexity	Business Continuity / Network Security

Tough Business Environment = Good Services Environment

Source: Booz Allen

Lucent Worldwide Services
Our Strategy Model



Capturing Market Growth in Four Key Areas



Professional Services

- Security and reliability
- Optimization
- Planning and design
- Revenue recovery

Deployment Services

- Multivendor deployments
- New markets and new services, (e.g., Cable, In-Building Wireless)

Managed Services

- Leveraging our base and experience in Professional Services, Deployment and Maintenance
- Tied to customer success

Maintenance Services

- Increased multivendor opportunities
- Maintenance outsourcing
- Enterprise opportunities

Introduced 20 New Services Offers

The Driving Force Behind VoIP

Subscribers want access to their communications services from many places

- Home, office, on-the-go
- Mobility isn't just wireless anymore!



And several devices

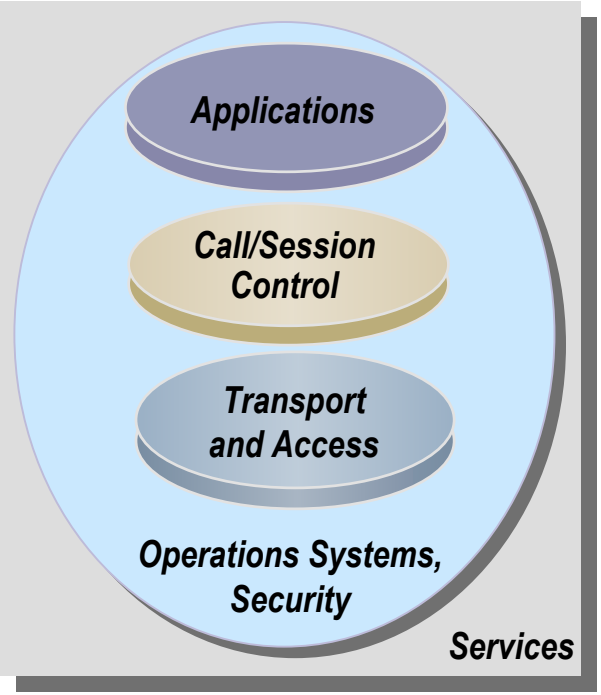
- PDA, PC, telephone, mobile phone



Without having separate accounts

- Single sign-on, common contacts, access-aware information delivery…

Accelerate VoIP Solutions – It's More Than Just Talk
It's Value Driven Solutions – Systems, Software, Services



Lucent Worldwide Services

VoIP consultants and engineers who can plan, design, integrate, maintain, and operate VoIP networks in order to speed time to market and mitigate risk.

- Accelerate Readiness Service
- Business Modeling and Analysis Service
- Network Operations Planning and Design Service
- Deployment and Maintenance Services

For Carriers, Cable Operators, Enterprises, and Individuals

Our Multivendor Experience Spans More Than 100 Vendors and 450 Products

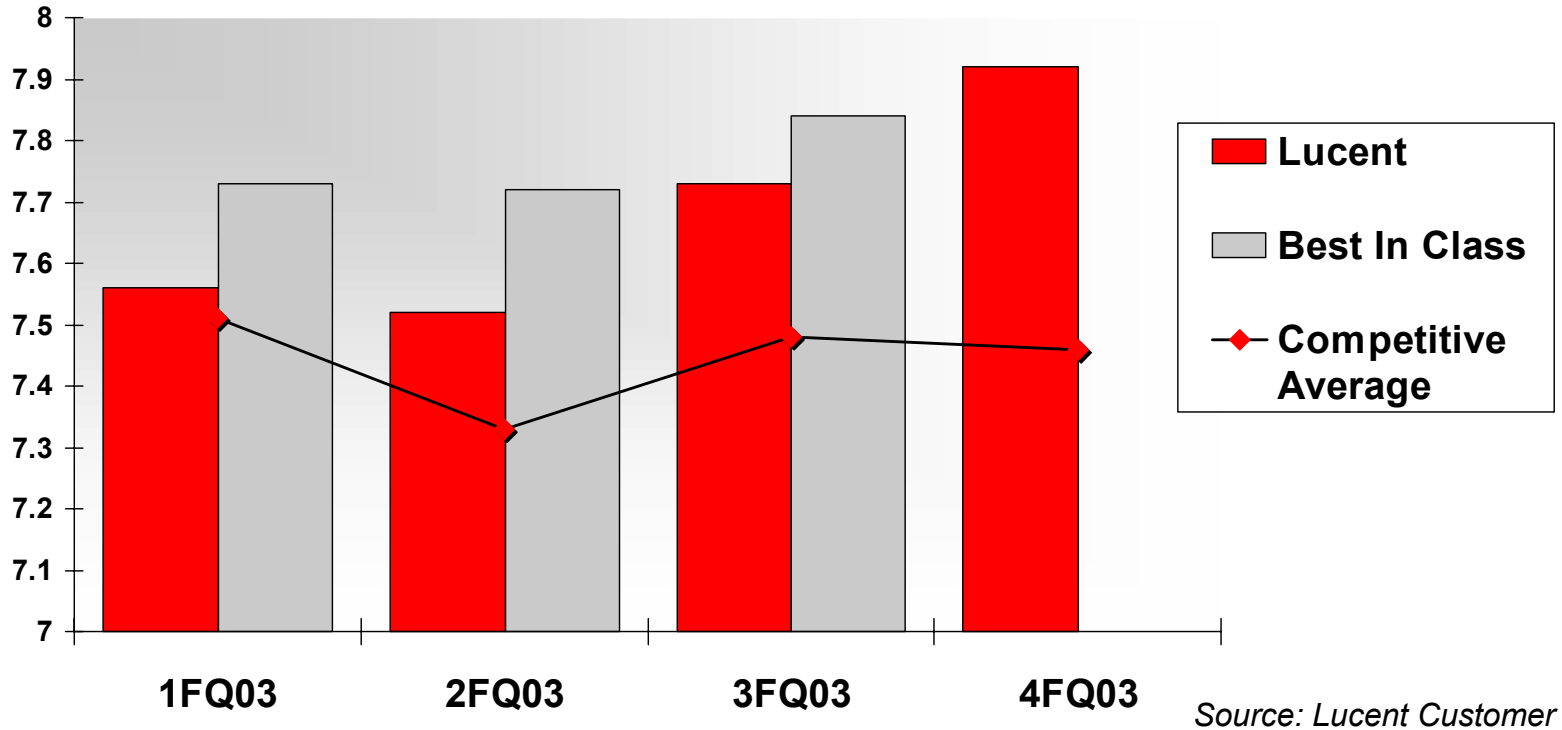




Lucent is transforming itself into the leading network integrator

Note: The above corporate signatures are the property of the companies named, and no implication of endorsement by such companies is intended.

Customer Service Excellence: LWS Is Best in Class



Source: Lucent Customer Satisfaction Survey

"We selected Lucent for its technical excellence and an in-depth understanding of network operations, which will help us to provide better services and satisfaction to our customers."

— Dave Williams, CTO, O2

Bell Labs Services Innovations

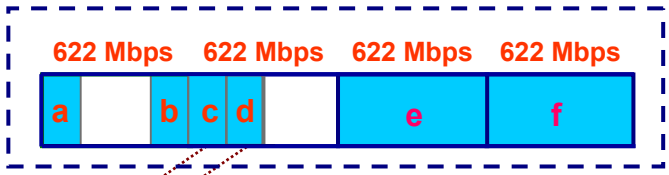


- **Bell Labs research spending quadrupled in two years**
- **20 percent of Lucent's patent portfolio is services-related**
- **One-third of LWS's portfolio uses Bell Labs network know-how**
- **20 new services using Bell Labs assets**
- **New Bell Labs-developed services**
  - RF Optimization Service based on OCELOT®
  - Records and Asset Verification Service based on NetInventory™ Auto Discovery tool

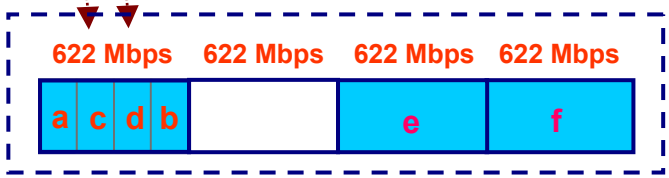
Bell Labs Model of Success

Before

2.5 Gbps Link on a Fiber



After



New request for a 622 Mbps demand rejected!

Request accommodated!

By rearranging traffic carried on different time slots, capacity on the link can be freed and reused.

Legend/Glossary			
Symbol	***Bandwidth***	***SDH***	***SONET***
Fiber/link	2.5 Gbps	STM-16	OC-48
e	622 Mbps	STM-4	OC-12
a	155 Mbps	STM-1	OC-3

2003 Publicly Announced Contract Highlights



- ***$250 million in managed services contracts***
- ***Signed contracts in every region***
- ***1,600 new/renewed maintenance contracts***
- ***$100 million in government contracts***

- ***TNZ*** – $100 million agreement to manage TNZ's CDMA mobile network
- ***Telemar*** – operations and maintenance, Managed Services - optical network
- ***O2*** – Network performance assessment - GSM and GRS
- ***Bechtel*** – rebuilding Iraq's wireline network
- ***KTF*** – deployment, integration, quality assurance
- ***Sprint PCS*** – deployment, integration, optimization and maintenance
- ***Brasil Telecom*** – deployment, network monitoring and management - broadband network
- ***Unicom Horizon/China Netcom*** – maintenance, consulting, network optimization
- ***U.S. Army*** – integration and other professional services - data network upgrade in North America and Asia
- ***Qwest*** – VoIP deployment, integration, professional services

Gained Traction in ’03

Financial

- Second consecutive quarter of increased revenues
- Gross margins up 132 percent from 2Q03 to 4Q03
- Revenue per employee up 23 percent within the fiscal year

Business improvements

- Strengthened multi-vendor capability
- Non-product attached consulting services up from 18 to 47 percent
- 33 managed services clients
- 2,350 maintenance contracts
- Best-in-class customer satisfaction
- Increased Bell Labs contributions to our results
- Established 100+person dedicated services sales team



How We Plan to Win



- Expand Multivendor Capabilities
- Separate Sales Force
- New Markets
- Leverage Bell Labs Innovations

Customers are changing the way they do business. Lucent Worldwide Services is getting them there.