

Leveraging Customer Relationships And Core Strengths For Growth

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Lucent Technologies
2003 Industry Analyst Conference
February 4-5 Boston, MA

Lucent Technologies
Bell Labs Innovations

LWS Global Experience And Expertise

More than
14,000
employees worldwide





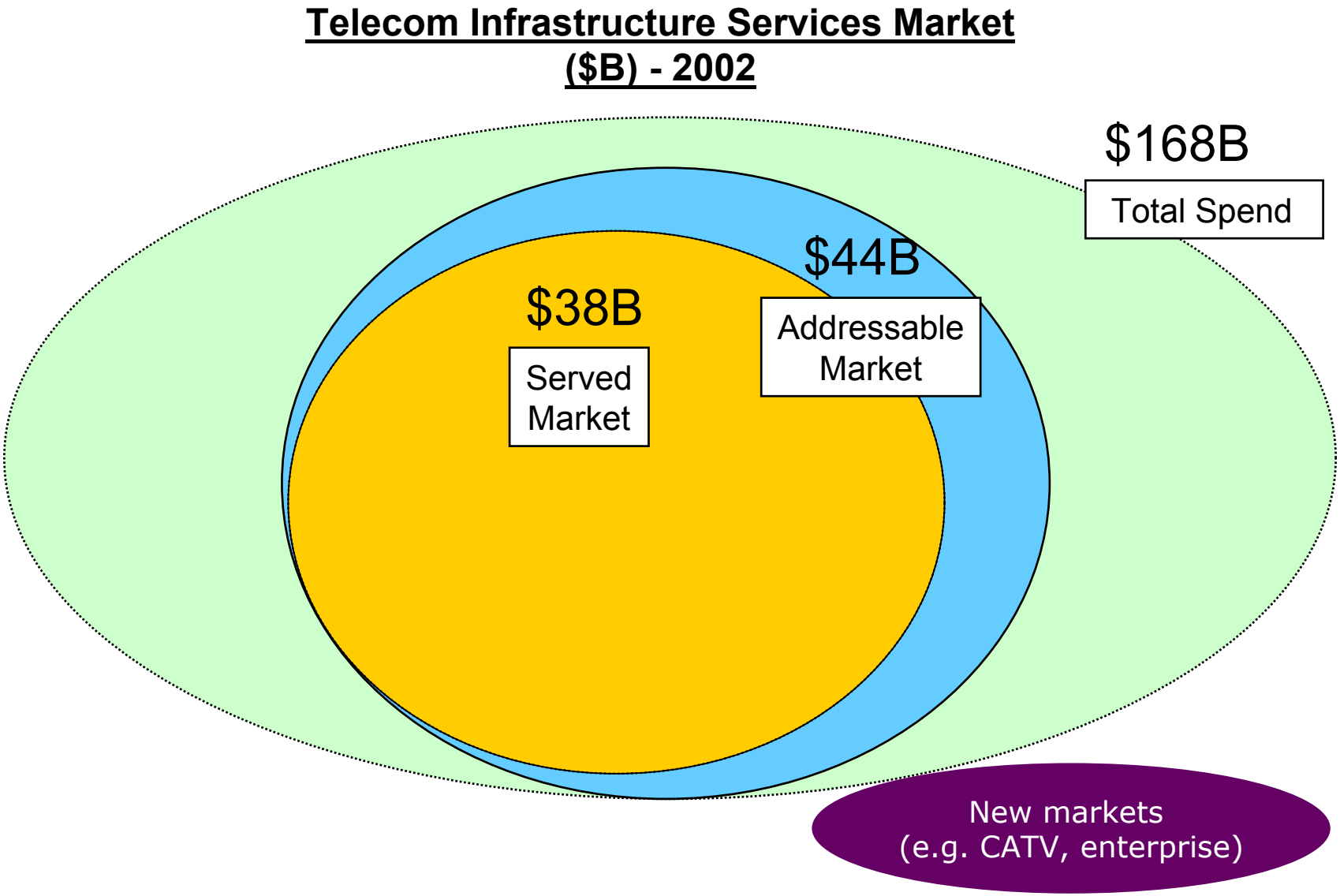
Global reach with leadership teams in Europe, Latin America, Asia Pacific and North America



Powered by Bell Labs skills, methodologies and modeling tools

LWS maximizes network value for service providers

Telecom Infrastructure Services: A $168 Billion Pool Of Current Spending



Telecom Infrastructure Services: Seizing The Opportunities

- Total growth rate for Services 2002-05 projected at 11%
- Today, Lucent has 8% of a very fragmented market
- Trend is toward more outsourcing and more spending for network modernization

Network Professional Services
Market size 2002 $7.1 B
9% growth rate 2002-05

Deployment Services
Market size 2002 $16.1 B
2% growth rate 2002-05

Maintenance Services
Market size 2002 $14.0 B
15% growth rate 2002-05

Managed Services
Market size 2002 $7.0 B
22% growth rate 2002-05

Customer Imperatives

- Seamless integration and delivery of new applications over multi-vendor networks
- Simpler and less costly provisioning of services
- Simplified and optimized network operations
- Maintenance of Quality of Services
- Leveraged existing network assets

National and international opportunity for Lucent to apply our network expertise to help customers optimize network performance and business results

Leveraging Our Core Capabilities For Growth

- Driving to world-class service performance
  - Continually improve our customer satisfaction with our customers
  - Enable our customers to improve customer satisfaction with their customers
- Focusing on large and profitable services
  - Traditional Lucent product/solution support
  - Leverage multi-vendor, multi-technology solution support
  - Leverage Professional Services
  - Grow Managed Services

Lucent Worldwide Services: A Portfolio Of End-To-End Capabilities

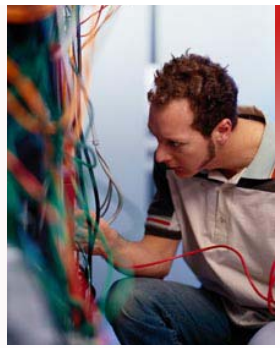


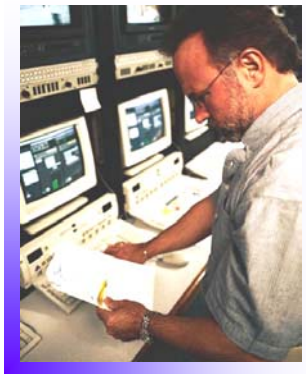
Professional Services

Network Planning & Design, Network/Operations Analysis & Optimization, Wireless RF Design, Network Reliability/Security Consulting, Integration (network, OSS/BSS, application), RF Optimization, Project Management, Capacity Management, Records & Asset Verification, Generic Retrofits

Deployment Services

Design Engineering, Equipment & Field Engineering, Equipment Installation, Staging, Test & Turn Up, Site Location & Construction, Purchased Products





Maintenance Services

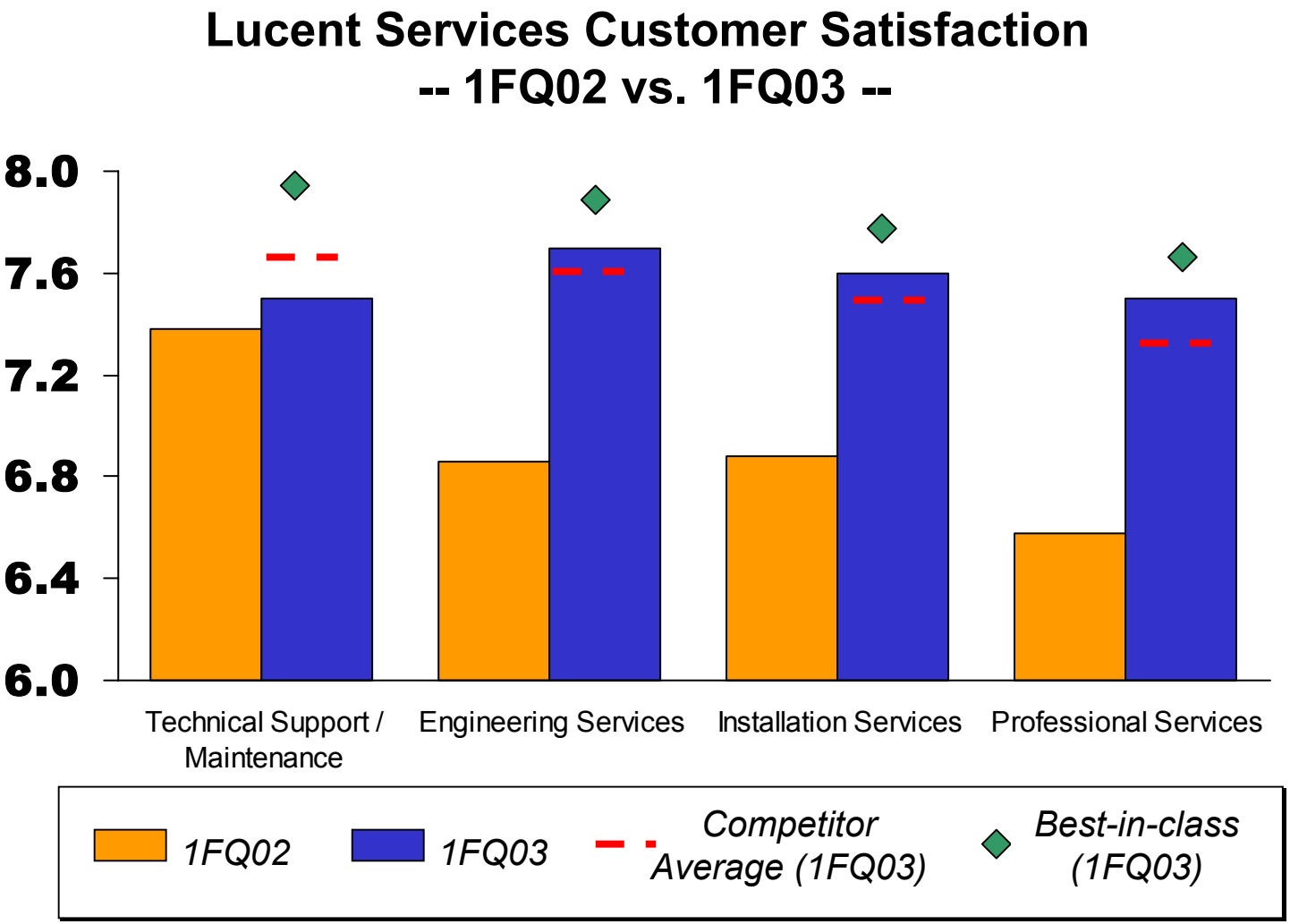
Remote Technical Support, On-Site Technical Support, Repair & Exchange

Managed Services

Network Operations & Management, Remote Network Management



Driving To World Class Services Performance



LWS Making Traction

- Maintenance
  - 1500+ maintenance contracts renewed or in progress
  - Contracts sold on wireless equipment 100% of the time
  - Contracts on ATM/data 90% of the time
- Professional Services
  - 1200 dedicated network experts
  - 10-12 new contracts in each region
  - 15-20% upscope with major carriers
- Managed Services
  - Talking to more than 15 service providers
  - Recent wins worth $100M in multiyear contracts
  - Providing multi-vendor O&M, Build/Operate/Transfer and OSS integration, and networking monitoring and 24/7 support

Winning With Our Professional Services

China Unicom

- Engaged LWS RF Optimization Service to maximize coverage and capacity of in-service radio networks
- Using Bell Labs Ocelot™ set of algorithms, LWS increased the customer's network capacity 10 to 25 percent

Network Optimization

Multi-vendor Network Integration

Australian Service Provider

- Prime Systems Integrator LWS created Internet Data Center from scratch
- Allowed customer to become a leading telecom provider with over one million corporate users

Winning In Deployment Services

- Core to our business
- Included in 90% of Lucent contracts
- Leveraging multi-vendor capabilities
- Single quarter's public announcements demonstrate our reach:
  - US Cellular — 3G CDMA 1XRTT network deployment
  - Delta Telecom — 3G CDMA2000 1X network deployment in Russia
  - Belgacom — DWDM deployment in London, Paris, and Brussels
  - Movilnet — 3G CDMA2000 network deployment in Venezuela
  - Polkomtel — ATM multi-service backbone network deployment in Poland
  - China Unicom — Multi-service data backbone network deployment
  - MetroPCS — 3G network deployment
  - Bell Canada — Next-generation broadband access deployment
  - Iusacell — 3G CDMA2000 1X network deployment in Mexico
  - T-Mobile — Network deployment for UMTS high-speed data pilot with enterprises in Germany

Maintenance Services: Growing Annuities

BT

- **Five-year contract for supporting BT's network, including optical, IP, voice and data switching elements**
- **Presented the "Investing in Excellence" award to LWS**
- ***"Lucent has a responsive, experienced services team with an in-depth knowledge of BT's technology infrastructure and market."***



Meryl Bushell
BT Group Chief Procurement Officer

Increased recognition and value of post-sales support

Managed Services

- **Next-generation cost reduction**
- **Operations and network opportunities**
- **Extension of our core capabilities and deep network experience**
- **Initial focus on Operations & Maintenance**

Network Management

Major South American Provider

- Targeting 20% cost reduction and 15% quality improvement with cost-effective LWS Operations & Maintenance outsourcing solution
- Customer has resolved network quality problems and is freed up to pursue new markets and opportunities

Key Differentiators Of Lucent Services

- **Breadth and depth of experience with networks … and customers**
  - **Design, build and maintain many of the world's largest networks**
  - **National and international workforce in customer locations**
- **Significant multi-vendor experience**
  - **One-third of our business from multi-vendor work**
- **The power of Bell Labs**
  - **Leading, world renowned R&D center for new tools, technologies, and intellectual property**

Lucent Worldwide Services…



The knowledge to maximize our customers' network value

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