LUCENT TECHNOLOGIES INC. AND SUBSIDIARIES
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Exhibit A

LUCENT TECHNOLOGIES INC. AND SUBSIDIARIES
Statements of Operations
(Unaudited; amounts in millions, except per share amounts)

	Three months ended		
	December 31, 2002	**September 30, 2002**	**December 31, 2001**
REVENUES			
Products	$ 1,607	$ 1,723	$ 2,811
Services	468	554	768
Total Revenues	2,075	2,277	3,579
COSTS			
Products	1,218	2,041	2,510
Services	403	572	634
Total costs (a)	1,621	2,613	3,144
Gross margin	454	(336)	435
Gross margin %	21.9%	(14.8%)	12.2%
OPERATING EXPENSES			
Selling, general and administrative, before amortization of goodwill and other acquired intangibles and provision for (recovery of) bad debts and customer financings	482	521	720
Amortization of goodwill and other acquired intangibles	5	32	74
Provision for (recovery of) bad debts and customer financings	(91)	424	451
Selling, general and administrative	396	977	1,245
Research and development	389	685	621
Business restructuring charges, (reversals) and asset impairments, net	(19)	788	(79)
Total operating expenses	766	2,450	1,787
Operating loss	(312)	(2,786)	(1,352)
Other income, net	22	50	540
Interest expense	94	98	97
Loss before income taxes	(384)	(2,834)	(909)
Provision (benefit) for income taxes	(120)	(25)	(486)
Net loss	(264)	(2,809)	(423)
Conversion expense - 8% redeemable convertible preferred stock	(100)	(29)	-
Preferred dividends and accretion	(25)	(43)	(42)
Net loss applicable to common shareowners	$ (389)	$ (2,881)	$ (465)
Basic and diluted net loss per share applicable to common shareowners	$ (0.11)	$ (0.84)	$ (0.14)
Weighted average number of common shares outstanding	3,581.2	3,439.6	3,416.3

(a) For the periods presented, costs include a net business restructuring charge related to inventory write-downs of $5, $11 and $11, respectively.

LUCENT TECHNOLOGIES INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited; $ in millions except share amounts)

	December 31, 2002	September 30, 2002
Assets:		
Cash and cash equivalents	$ 2,408	$ 2,894
Short-term investments	1,330	1,526
Receivables, less allowances of $321 and $325, respectively	1,466	1,647
Inventories	1,093	1,363
Contracts in process, net	172	10
Other current assets	1,774	1,715
Total current assets	8,243	9,155
Property, plant and equipment, net	2,036	1,977
Prepaid pension costs	4,184	4,355
Goodwill and other acquired intangibles, net	219	224
Other assets	1,753	2,080
Total assets	$ 16,435	$ 17,791
Liabilities:		
Accounts payable	$ 1,114	$ 1,298
Payroll and benefit-related liabilities	843	1,094
Debt maturing within one year	193	120
Other current liabilities	3,397	3,814
Total current liabilities	5,547	6,326
Postretirement and postemployment benefit liabilities	4,949	5,230
Pension liability	2,691	2,752
Long-term debt	3,234	3,236
Company-obligated mandatorily redeemable preferred securities of subsidiary trust	1,532	1,750
Other liabilities	1,526	1,551
Total liabilities	19,479	20,845
Commitments and contingencies		
8.00% redeemable convertible preferred stock (a)	1,298	1,680
Shareowners' deficit:		
Common stock (b)	37	35
Additional paid-in capital	21,164	20,606
Accumulated deficit	(22,289)	(22,025)
Accumulated other comprehensive loss	(3,254)	(3,350)
Total shareowners' deficit	(4,342)	(4,734)
Total liabilities, redeemable preferred stock and shareowners' deficit	$ 16,435	$ 17,791

(a) $1.00 per share par value; 1,318,112 shares issued and outstanding as of December 31, 2002 and 1,710,500 shares issued and outstanding as of September 30, 2002; $1,000.00 per share redemption value.

(b) $0.01 per share par value; 10,000,000,000 authorized shares; 3,714,625,955 issued and 3,713,350,863 outstanding as of December 31, 2002 and 3,491,585,126 issued and 3,490,310,034 outstanding as of September 30, 2002.

LUCENT TECHNOLOGIES INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; $ in millions)

	Three Months Ended December 31,	
	2002	2001
Operating Activities		
Net loss	(264)	(423)
Adjustments to reconcile net loss to net cash used in operating activities, net of effects of acquisitions and dispositions of businesses and manufacturing operations:		
Non-cash portion of business restructuring (reversals) charges	(31)	21
Depreciation and amortization	254	416
Provision for (recovery of) bad debt and customer financing	(91)	451
Deferred income taxes	-	(515)
Net pension and postretirement benefit credit	(134)	(238)
Gains on sales of businesses and manufacturing operations	-	(583)
Other adjustments for non-cash items	(71)	69
Changes in operating assets and liabilities:		
Decrease in receivables	179	1,181
Decrease in inventories and contracts in process	116	697
Decrease in accounts payable	(191)	(553)
Changes in other operating assets and liabilities	(509)	(931)
Net cash used in operating activities from continuing operations	(742)	(408)
Investing Activities		
Capital expenditures	(155)	(116)
Dispositions of businesses and manufacturing operations, net of cash and cash equivalents	-	2,184
Sales and maturities of short-term investments	200	-
Other investing activities	77	74
Net cash provided by investing activities from continuing operations	122	2,142
Financing Activities		
Repayments of credit facilities	-	(1,000)
Net proceeds (repayments) of other short-term borrowings	109	(57)
Other financing activities	(1)	21
Net cash provided by (used in) financing activities from continuing operations	108	(1,036)
Effect of exchange rate changes on cash and cash equivalents	26	(1)
Net cash (used in) provided by continuing operations	(486)	697
Net cash used in discontinued operations	-	(18)
Net (decrease) increase in cash and cash equivalents	(486)	679
Cash and cash equivalents at beginning of year	2,894	2,390
Cash and cash equivalents at end of year	$ 2,408	$ 3,069

LUCENT TECHNOLOGIES INC. AND SUBSIDIARIES
SUMMARY FINANCIAL DATA
(Unaudited; $ in millions)

Exhibit D

Summary of significant items impacting results	**Three months ended**		
Items previously excluded in pro forma results:	**December 31, 2002**	**September 30, 2002**	**December 31, 2001**
Business restructuring (charges)/reversals and asset impairments, net	$ 14	$ (799)	$ 68
Amortization of goodwill and other acquired intangibles	(5)	(32)	(74)
Pretax income (loss) of optical fiber business	-	-	(73)
Gain on the sale of the optical fiber business	-	141	523
Legal settlement related to Consumer Product business	80	-	-
Tax impact	-	13	(110)
Subtotal	$ 89	$ (677)	$ 334
Per share impact	$ 0.02	$ (0.20)	$ 0.09
Other significant items:			
Inventory related charges impacting gross margin and adjustments related to certain long-term contracts and customer obligations, including a significant customer financing default	$ -	$ (700)	$ -
Bad debt provision for significant customer financing default	-	(250)	-
Recoveries on customer financings	80	-	-
Research and development asset impairment charge primarily resulting from anticipated delays in the UMTS market	-	(250)	-
Items impacting other income including gains from certain divestitures, interest income related to a tax settlement and certain investment impairment charges	-	(100)	134
Tax settlements and other tax impacts		-	8
Impact of 8% convertible preferred stock and 7.75% convertible trust preferred securities shares repurchased in exchange for common shares			
Other inc (exp) - 7.75% securities (31)			
Conversion expense - 8% securities (100)			
Tax Benefit 105			
Net impact (26)	(26)	(29)	-
Subtotal	$ 54	$ (1,329)	$ 142
Per share impact	$ 0.02	$ (0.39)	$ 0.04
Total	$ 143	$ (2,006)	$ 476
Per share impact	$ 0.04	$ (0.59)	$ 0.13

Customer Financing

	December 31, 2002		
	Total Loans and Guarantees	**Loans**	**Guarantees**
Drawn commitments	$ 683	$ 500	$ 183
Available but not drawn	61	18	43
Not available	-	-	-
Total	$ 744	$ 518	$ 226
Reserves	$ 567		

	September 30, 2002		
	Total Loans and Guarantees	**Loans**	**Guarantees**
Drawn commitments	$ 1,098	$ 909	$ 189
Available but not drawn	93	51	42
Not available	151	151	-
Total	$ 1,342	$ 1,111	$ 231
Reserves	$ 951		

	December 31, 2001		
	Total Loans and Guarantees	**Loans**	**Guarantees**
Drawn commitments	$ 1,169	$ 788	$ 381
Available but not drawn	971	938	33
Not available	347	262	85
Total	$ 2,487	$ 1,988	$ 499
Reserves	$ 718		

LUCENT TECHNOLOGIES INC. AND SUBSIDIARIES
SUMMARY FINANCIAL DATA
(Unaudited; $ in millions)

Exhibit D

		Three months ended		
		December 31, 2002	September 30, 2002	December 31, 2001
Results by Segment *				
Total Revenues	Integrated Network Solutions (INS)	$ 1,015	$ 1,240	$ 1,854
	Mobility Solutions (Mobility)	1,008	923	1,460
	Optical Fiber business	-	-	114
	Other	52	114	151
	Total revenues	$ 2,075	$ 2,277	$ 3,579
U.S. Revenues				
	INS	$ 548	$ 681	$ 1,010
	Mobility	668	663	1,045
	Optical Fiber business	-	-	61
	Other	76	94	117
	Total revenues - U.S.	$ 1,292	$ 1,438	$ 2,233
Non-U.S. Revenues				
	INS	$ 467	$ 559	$ 844
	Mobility	340	260	415
	Optical Fiber business	-	-	53
	Other	(24)	20	34
	Total revenues - Non-U.S.	$ 783	$ 839	$ 1,346
Operating income (loss)				
	INS	$ (133)	$ (924)	$ (934)
	Mobility	13	(827)	(152)
	Total segment operating loss	(120)	(1,751)	(1,086)
	Amortization of goodwill and other acquired intangibles	(5)	(32)	(74)
	Business restructuring and asset impairments, net	14	(799)	68
	Optical Fiber business	-	-	(68)
	Other	(201)	(204)	(192)
	Total operating loss	$ (312)	$ (2,786)	$ (1,352)
Products and Services Revenues				
	Switching and access	$ 655	$ 666	$ 865
	Optical networking products	174	267	477
	Wireless products	723	680	1,214
	Services	468	554	768
	Optical Fiber business	-	-	114
	Other	55	110	141
	Total revenues	$ 2,075	$ 2,277	$ 3,579

* Segment information for prior periods has been reclassified to conform to the current period presentation.