LUCENT TECHNOLOGIES INC. AND SUBSIDIARIES
Index to Exhibits

Exhibit A Consolidated statements of operations for the three months ended March 31, 2005, December 31, 2004 and March 31, 2004 and the six months ended March 31, 2005 and March 31, 2004

Exhibit B Consolidated balance sheets as of March 31, 2005, December 31, 2004 and September 30, 2004

Exhibit C Consolidated statements of cash flows for the three months ended March 31, 2005 and December 31, 2004 and the six months ended March 31, 2005 and March 31, 2004

Exhibit D Segment and product information and reconciliation of basic to diluted EPS

Exhibit E Summary of significant items impacting results

LUCENT TECHNOLOGIES INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited; amounts in millions, except per share amounts)

	Three months ended			Six months ended	
	March 31, 2005	December 31, 2004	March 31, 2004	March 31, 2005	March 31, 2004
REVENUES					
Products	$ 1,836	$ 1,815	$ 1,715	$ 3,651	$ 3,508
Services	499	520	479	1,019	945
Total revenues	2,335	2,335	2,194	4,670	4,453
COSTS					
Products	980	961	882	1,941	1,863
Services	380	390	374	770	733
Total costs	1,360	1,351	1,256	2,711	2,596
Gross margin	975	984	938	1,959	1,857
Gross margin %	42%	42%	43%	42%	42%
OPERATING EXPENSES					
Selling, general and administrative, before recovery of bad debts and customer financings	427	396	414	823	755
Recovery of bad debts and customer financings	(11)	(11)	(99)	(22)	(113)
Selling, general and administrative	416	385	315	801	642
Research and development	292	279	325	571	617
Business restructuring	(8)	1	(17)	(7)	12
Total operating expenses	700	665	623	1,365	1,271
Operating income	275	319	315	594	586
Other income (expense), net	51	(46)	(172)	5	(93)
Interest expense	85	89	97	174	210
Income before income taxes	241	184	46	425	283
Income taxes	(41)	10	(22)	(31)	(123)
Net income	282	174	68	456	406
Conversion expense - 8.00% redeemable convertible preferred stock	-	-	-	-	(1)
Preferred dividends and accretion	-	-	-	-	12
Net income applicable to common shareowners	$ 282	$ 174	$ 68	$ 456	$ 417
Basic earnings per share applicable to common shareowners	$ 0.06	$ 0.04	$ 0.02	$ 0.10	$ 0.10
Diluted earnings per share applicable to common shareowners	$ 0.06	$ 0.04	$ 0.02	$ 0.10	$ 0.09
Weighted average number of common shares outstanding - basic	4,421	4,403	4,255	4,412	4,218
Weighted average number of common shares outstanding - diluted	5,047	4,998	4,346	5,013	4,784

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

	March 31, 2005	December 31, 2004	September 30, 2004
Assets:			
Cash and cash equivalents (a)	$ 1,967	$ 2,381	$ 3,379
Marketable securities (a)	798	1,304	858
Receivables, less allowances of $98, $106 and $110, respectively	1,544	1,423	1,359
Inventories	882	892	822
Other current assets	1,615	1,603	1,813
Total current assets	6,806	7,603	8,231
Marketable securities (a)	1,342	880	636
Property, plant and equipment, net	1,302	1,339	1,376
Prepaid pension costs	5,684	5,523	5,358
Goodwill and other acquired intangibles, net	427	430	434
Other assets	856	912	928
Total assets	$ 16,417	$ 16,687	$ 16,963
Liabilities:			
Accounts payable	$ 738	$ 907	$ 872
Payroll and benefit-related liabilities	828	813	1,232
Debt maturing within one year	-	-	1
Other current liabilities	1,840	1,962	2,361
Total current liabilities	3,406	3,682	4,466
Postretirement and postemployment benefit liabilities	4,878	4,879	4,881
Pension liabilities	1,668	1,758	1,874
Long-term debt	4,722	4,810	4,837
Liability to subsidiary trust issuing preferred securities	1,152	1,152	1,152
Other liabilities	1,055	1,123	1,132
Total liabilities	16,881	17,404	18,342
Commitments and contingencies			
Shareowners' deficit:			
Common stock (b)	44	44	44
Additional paid-in capital	23,433	23,400	23,005
Accumulated deficit	(20,337)	(20,619)	(20,793)
Accumulated other comprehensive loss	(3,604)	(3,542)	(3,635)
Total shareowners' deficit	(464)	(717)	(1,379)
Total liabilities and shareowners' deficit	$ 16,417	$ 16,687	$ 16,963

(a) Cash and cash equivalents and marketable securities amounted to $4,107, $4,565 and $4,873 as of March 31, 2005, December 31, 2004 and September 30, 2004, respectively.

(b) $0.01 per share par value; 10,000 authorized shares; 4,437 issued and 4,427 outstanding as of March 31, 2005, 4,426 issued and 4,416 outstanding as of December 31, 2004; 4,396 issued and 4,395 outstanding as of September 30, 2004.

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

	Three months ended		Six months ended	
	March 31, 2005	December 31, 2004	March 31, 2005	March 31, 2004
Operating Activities				
Net income	$ 282	$ 174	$ 456	$ 406
Adjustments to reconcile net income to net cash provided by (used in) operating activities:				
Depreciation and amortization	145	165	310	345
Recovery of bad debts and customer financings	(11)	(11)	(22)	(113)
Deferred income taxes	(21)	-	(21)	(12)
Pension credit	(244)	(242)	(486)	(554)
Other adjustments for non-cash items	22	95	117	221
Changes in operating assets and liabilities:				
Receivables	(236)	86	(150)	(45)
Inventories and contracts in process	(24)	1	(23)	(87)
Accounts payable	(58)	(93)	(151)	(84)
Deferred revenue	219	(107)	112	240
Other operating assets and liabilities	(426)	(392)	(818)	(164)
Net cash (used in) provided by operating activities	(352)	(324)	(676)	153
Investing Activities				
Capital expenditures	(43)	(34)	(77)	(61)
Maturities, sales and purchases of marketable securities	33	(695)	(662)	(569)
Other investing activities	-	-	-	36
Net cash used in investing activities	(10)	(729)	(739)	(594)
Financing Activities				
Net proceeds of short-term borrowings	-	-	-	2
Repayments of long-term debt	(80)	(21)	(101)	(228)
Issuance of common stock	30	55	85	162
Repayments of preferred stock	-	-	-	(21)
Other financing activities	6	(2)	4	6
Net cash (used in) provided by financing activities	(44)	32	(12)	(79)
Effect of exchange rate changes on cash and cash equivalents	(8)	23	15	28
Net (decrease) increase in cash and cash equivalents	(414)	(998)	(1,412)	(492)
Cash and cash equivalents at beginning of period	2,381	3,379	3,379	3,821
Cash and cash equivalents at end of period	$ 1,967	$ 2,381	$ 1,967	$ 3,329

LUCENT TECHNOLOGIES INC. AND SUBSIDIARIES
SEGMENT AND PRODUCT INFORMATION
(Unaudited; $ in millions, except per share amounts)

	Three months ended			Six months ended	
	March 31, 2005	December 31, 2004	March 31, 2004	March 31, 2005	March 31, 2004
Total Revenues					
Mobility Solutions (Mobility)	$ 1,202	$ 1,152	$ 967	$ 2,354	$ 1,933
Integrated Network Solutions (INS)	589	645	721	1,234	1,505
Lucent Worldwide Services (Services)	499	520	479	1,019	945
Other	45	18	27	63	70
Total revenues	$ 2,335	$ 2,335	$ 2,194	$ 4,670	$ 4,453
U.S. Revenues					
Mobility	$ 879	$ 855	$ 688	$ 1,734	$ 1,328
INS	258	281	347	539	758
Services	267	295	258	562	514
Other	45	19	26	64	69
Total U.S. revenues	$ 1,449	$ 1,450	$ 1,319	$ 2,899	$ 2,669
Non-U.S. Revenues					
Mobility	$ 323	$ 297	$ 279	$ 620	$ 605
INS	331	364	374	695	747
Services	232	225	221	457	431
Other	-	(1)	1	(1)	1
Total non-U.S. revenues	$ 886	$ 885	$ 875	$ 1,771	$ 1,784
Operating income					
Mobility	$ 404	$ 390	$ 370	$ 794	$ 528
INS	(12)	23	73	11	283
Services	57	74	59	131	120
Total segment income	449	487	502	936	931
Recovery of bad debts and customer financings	11	11	99	22	113
Business restructuring	8	(1)	17	7	(12)
Other	(193)	(178)	(303)	(371)	(446)
Total operating income	$ 275	$ 319	$ 315	$ 594	$ 586
Products and Services Revenues					
Wireless	$ 1,202	$ 1,152	$ 967	$ 2,354	$ 1,933
Voice networking	203	242	276	445	623
Data and network management	221	200	218	421	447
Optical networking	165	203	227	368	435
Services	499	520	479	1,019	945
Other	45	18	27	63	70
Total revenues	$ 2,335	$ 2,335	$ 2,194	$ 4,670	$ 4,453

* Segment information for periods prior to fiscal 2005 was reclassified to conform to the current period's presentation.

	Three months ended			Six months ended	
Reconciliation of basic to diluted EPS:	March 31, 2005	December 31, 2004	March 31, 2004	March 31, 2005	March 31, 2004
Net income	$ 282	$ 174	$ 68	$ 456	$ 406
Conversion cost - 8.00% convertible securities	-	-	-	-	(1)
Preferred stock dividends and accretion	-	-	-	-	12
Net income applicable to common shareowners - basic	$ 282	$ 174	$ 68	$ 456	$ 417
Adjustment for dilutive securities on net income:					
Interest expense for 2.75% convertible securities	11	11	-	22	22
Net income applicable to common shareowners - diluted	$ 293	$ 185	$ 68	$ 478	$ 439
Weighted average number of shares outstanding - basic	4,421	4,403	4,255	4,412	4,218
Effect of dilutive securities:					
Stock options	62	77	91	69	75
Warrants	28	11	-	20	-
2.75% convertible securities	536	507	-	512	491
Weighted average number of shares outstanding - diluted	5,047	4,998	4,346	5,013	4,784
EPS:					
Basic	$ 0.06	$ 0.04	$ 0.02	$ 0.10	$ 0.10
Diluted	$ 0.06	$ 0.04	$ 0.02	$ 0.10	$ 0.09

Certain securities have been excluded from the above calculations from all periods presented because the effect of adjusting net income for the related interest and the number of common shares for which they would be converted or redeemed was antidilutive.

LUCENT TECHNOLOGIES INC. AND SUBSIDIARIES
SUMMARY OF SIGNIFICANT ITEMS IMPACTING RESULTS
(Unaudited; $ in millions, except per share amounts)

	Three months ended		
	March 31, 2005	**December 31, 2004**	**March 31, 2004**
Shareowner settlement	$ -	$ (71)	$ (192)
Payroll related liability reversal	-	40	-
Recovery of bad debts and customer financings	11	11	110
Business restructuring	8	(1)	17
Early extinguishment of debt obligations	(3)	-	(3)
Related income tax impacts and other discrete tax items	103	-	55
SEC settlement	-	-	(25)
Total	$ 119	$ (21)	$ (38)
Per share impact - basic	$ 0.03	$ -	$ (0.01)
Per share impact - diluted	$ 0.02	$ -	(0.01)
The above significant items impacting results were reflected in:			
Gross margin	$ -	$ 12	$ -
Operating expenses	19	38	116
Other income (expense), net	45	(71)	(191)
Income taxes	55	-	37
Net income	$ 119	$ (21)	$ (38)