Growing Lucent's Services Business

Lucent Technologies Financial Analyst Meeting

John Meyer
President, Lucent Worldwide Services

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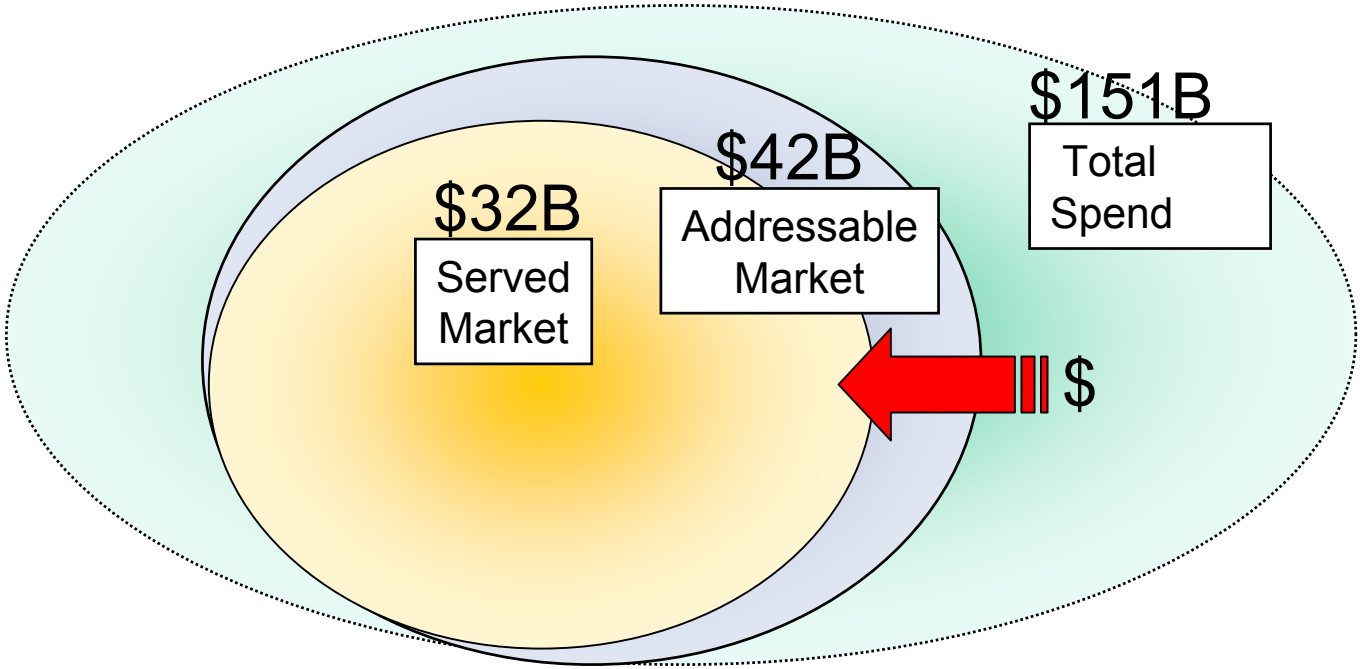
Driving a $151 Billion Market

Telecom Infrastructure Services Market 2003



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

Bad Business Environment = Good Services Environment

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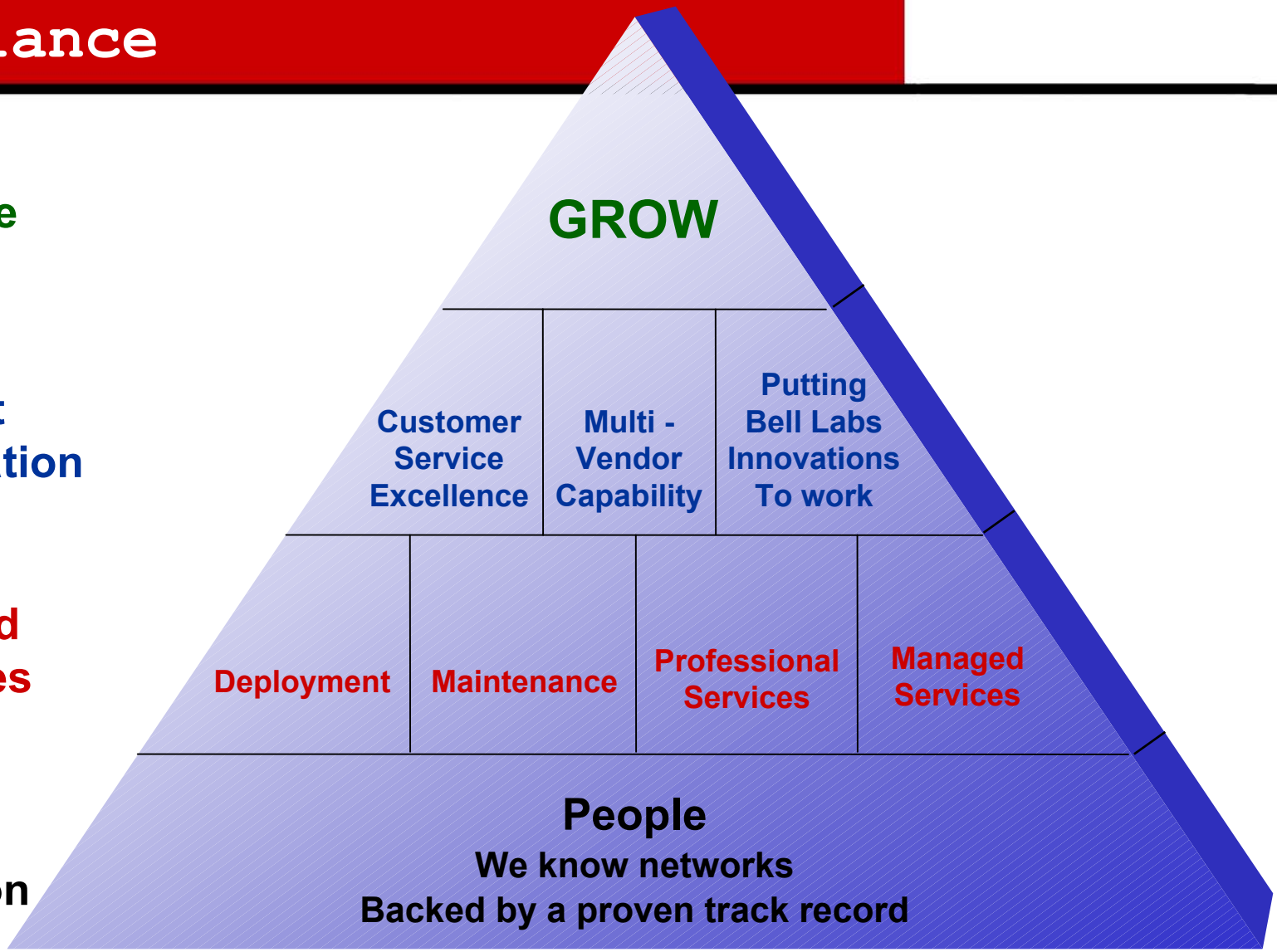
Lucent Worldwide Services At a Glance



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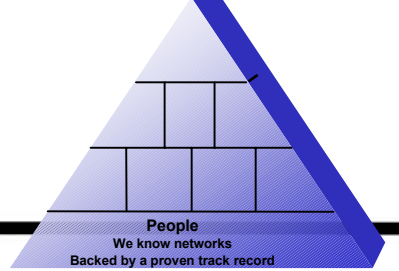
People Are Our Foundation



- Network knowledge and experience
- Passion for solving problems
- Capacity and skill to respond





Backed by a proven track record

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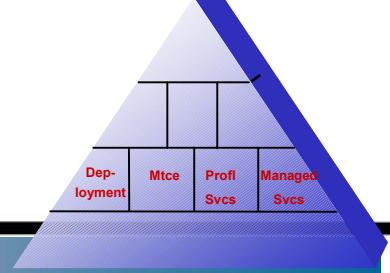
Our Offers And Businesses: Delivering End-To-End Capabilities



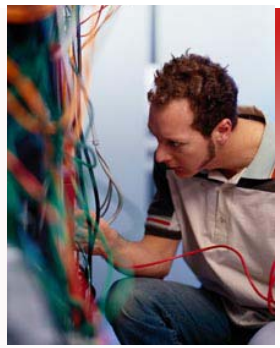


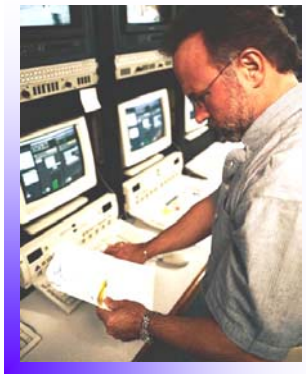
Professional Services

$6.9B market in 2003, 5% growth 2003-2005

Deployment Services

$10.8B market in 2003, -4% growth 2003-2005





Maintenance Services

$14.5B market in 2003, 2% growth 2003-2005

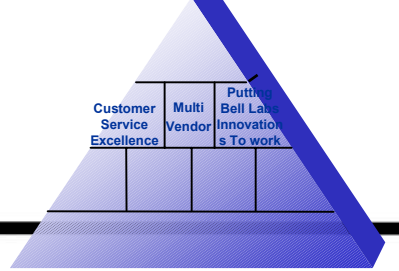


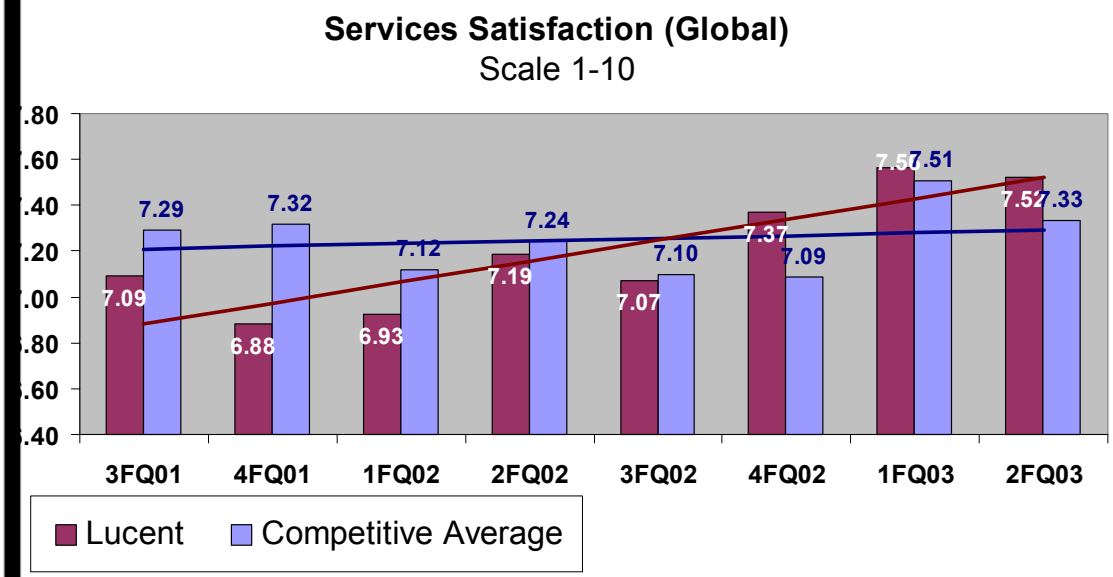
Managed Services

$9.3B market in 2003, 31% growth 2003-2005

Source: BAH Analysis

Customer Service Excellence





A services company is built on its reputation

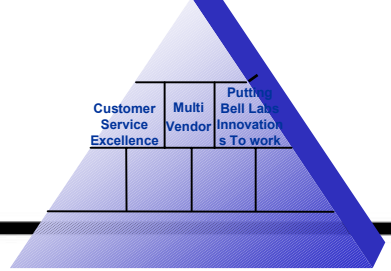
"Lucent has a responsive, experienced services team with an in-depth knowledge of BT's technology infrastructure and market."

Meryl Bushell
Chief Procurement Officer
BT Group

"We felt when choosing Lucent we were picking a company that had both a wide range of experience, a quality background, and somebody that we were happy to be able to bring on board…"

Brian Burleson
Chief Operating Officer
Priority Telecom

Multivendor Capability



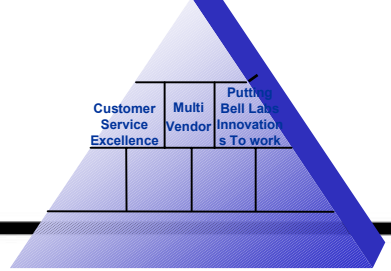
- Cisco – 3G mobility networks
- Juniper – IP/MPLS networks
- Corrigent – Preferred services partner

3COM	*Marconi*
ADC Telecom	*Microsoft*
Agilent Tech.	*Motorola*
Alcatel	*NEC*
Avaya	*Network Assoc.*
Copper Mountain	*Nortel Networks*
DPS Telecom	*River Stine Networks*
Ericsson	*Siemens*
Foundry Networks	*Sun Microsystems*
Hewlett-Packard	*Tellabs*
Juniper Networks	*Turnstone*
	Tyco

Lucent is transforming itself into a Network Integrator



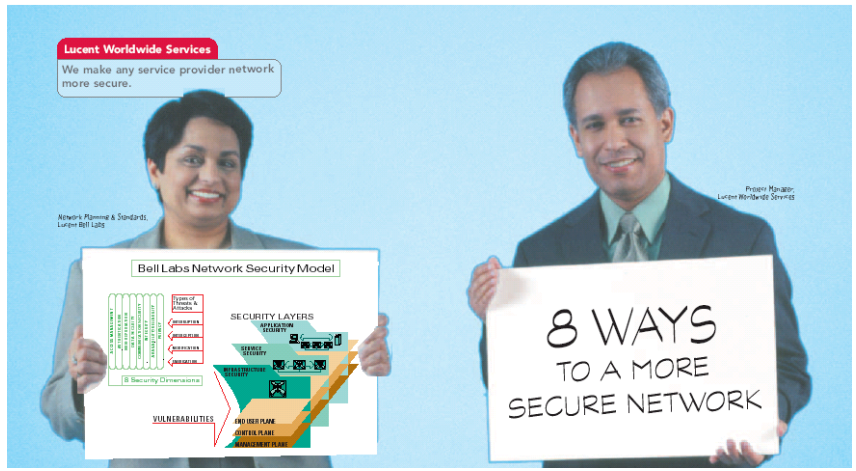
Putting Bell Labs Innovations To Work





- **Bell Labs research spending on Services has quadrupled in 2 years**
- **Services patents**





Innovation → Business Results

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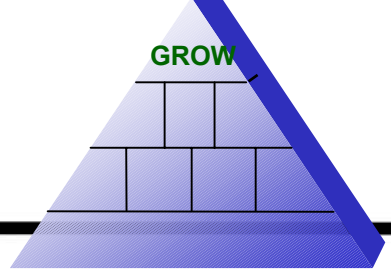
GROW by...



- Deploy a highly focused, dedicated services sales team
- Penetrate new markets and geographies through services-led sales
- Leverage deployment, maintenance, and professional services capabilities to create the Managed Services market
- Expand and increase emphasis on professional services capabilities

Customers are changing the way they do business.

Lucent Worldwide Services is getting them there.

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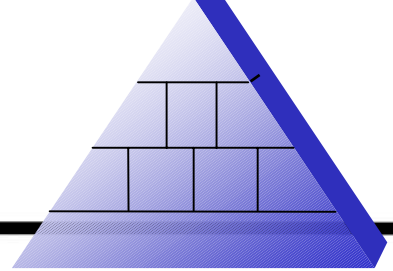
Lucent Worldwide Services...



- Sizable market opportunity
- Solid foundation of people and proven track record
- End-to-end offers and businesses
- Clear market differentiators

Lucent will transform itself into the leading Network Integrator for our customers

