LUCENT TECHNOLOGIES INC. AND SUBSIDIARIES
Index to Exhibits

Exhibit A Consolidated statements of operations for the three months ended September 30, 2003, June 30, 2003 and September 30, 2002

Exhibit B Consolidated statements of operations for the years ended September 30, 2003 and September 30, 2002

Exhibit C Consolidated balance sheets as of September 30, 2003, June 30, 2003 and September 30, 2002

Exhibit D Consolidated statements of cash flows for the three months ended September 30, 2003 and June 30, 2003, and the years ended September 30, 2003 and September 30, 2002

Exhibit E Summary financial data

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

	Three months ended		
	September 30, 2003	**June 30, 2003**	**September 30, 2002**
REVENUES			
Products	$ 1,567	$ 1,526	$ 1,711
Services	460	439	566
Total revenues	2,027	1,965	2,277
COSTS			
Products (a)	837	1,041	2,040
Services	327	351	573
Total costs	1,164	1,392	2,613
Gross margin	863	573	(336)
Gross margin %	42.6%	29.2%	-14.8%
OPERATING EXPENSES			
Selling, general and administrative, before amortization of goodwill and other acquired intangibles and provision for (recovery of) bad debts and customer financings	334	439	521
Amortization of goodwill and other acquired intangibles	-	5	32
Provision for (recovery of) bad debts and customer financings	(124)	(32)	424
Selling, general and administrative	210	412	977
Research and development	335	382	685
Goodwill impairment	-	35	15
Business restructuring charges (reversals) and asset impairments, net	(21)	13	773
Total operating expenses	524	842	2,450
Operating income (loss)	339	(269)	(2,786)
Other income, net	8	31	50
Interest expense	95	85	98
Income (loss) from operations before income taxes	252	(323)	(2,834)
Provision for (benefit from) income taxes	153	(69)	(25)
Net income (loss)	99	(254)	(2,809)
Conversion and redemption costs - 8.00% redeemable convertible preferred stock	(1)	(20)	(29)
Preferred dividends and accretion	(21)	(21)	(43)
Net income (loss) applicable to common shareowners	$ 77	$ (295)	$ (2,881)
Basic and diluted earnings (loss) per share applicable to common shareowners (b)	$ 0.02	$ (0.07)	$ (0.84)
Weighted average number of common shares outstanding - basic	4,155	4,121	3,440
Weighted average number of common shares outstanding - diluted (c)	4,178	4,121	3,440

(a) For the periods presented, costs include a net business restructuring charge (reversal) related to inventory write-downs of ($21), $1 and $11, respectively.
(b) For the fourth quarter of fiscal 2003, basic and diluted earnings per share applicable to common shareowners rounds to $0.02.
(c) For the fourth quarter of fiscal 2003, the weighted average number of common shares outstanding - diluted includes the impact of employee stock options. The weighted average number of common shares for the other periods presented is the same for basic and diluted.

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

	Year ended September 30,	
	2003	**2002**
REVENUES		
Products	$ 6,666	$ 9,594
Services	1,804	2,727
Total revenues	8,470	12,321
COSTS		
Products (a)	4,360	8,416
Services	1,458	2,353
Total costs	5,818	10,769
Gross margin	2,652	1,552
Gross margin %	31.3%	12.6%
OPERATING EXPENSES		
Selling, general and administrative, before amortization of goodwill and other acquired intangibles and provision for (recovery of) bad debts and customer financings	1,717	2,466
Amortization of goodwill and other acquired intangibles	15	250
Provision for (recovery of) bad debts and customer financings	(223)	1,253
Selling, general and administrative	1,509	3,969
Research and development	1,488	2,310
Goodwill impairment	35	826
Business restructuring charges (reversals) and asset impairments, net	(158)	1,426
Total operating expenses	2,874	8,531
Operating loss	(222)	(6,979)
Other income (expense), net	(428)	292
Interest expense	353	382
Loss from continuing operations before income taxes	(1,003)	(7,069)
Provision for (benefit from) income taxes	(233)	4,757
Loss from continuing operations	(770)	(11,826)
Income from discontinued operations, net	-	73
Net loss	(770)	(11,753)
Conversion and redemption costs - 8.00% redeemable convertible preferred stock	(287)	(29)
Preferred dividends and accretion	(103)	(167)
Net loss applicable to common shareowners	$ (1,160)	$ (11,949)
Basic and diluted loss per share from continuing operations applicable to common shareowners	$ (0.29)	$ (3.51)
Basic and diluted income per share from discontinued operations applicable to common shareowners	$ -	$ 0.02
Basic and diluted net loss per share applicable to common shareowners	$ (0.29)	$ (3.49)
Weighted average number of common shares outstanding	3,950	3,427

(a) For the periods presented, costs include a net business restructuring charge/(reversal) related to inventory write-downs of ($26) and $64, respectively.

LUCENT TECHNOLOGIES INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited; $ and number of shares in millions except per share amounts)

	September 30, 2003	June 30, 2003	September 30, 2002
Assets:			
Cash and cash equivalents	$ 3,821	$ 4,339	$ 2,894
Short-term investments	686	589	1,526
Receivables, less allowances of $246, $272 and $325, respectively	1,511	1,620	1,647
Inventories	632	806	1,363
Contracts in process, net	33	70	10
Other current assets	1,150	1,181	1,715
Total current assets	7,833	8,605	9,155
Property, plant and equipment, net	1,593	1,705	1,977
Prepaid pension costs	4,641	4,483	4,355
Goodwill and other acquired intangibles, net	188	189	224
Other assets	1,492	1,954	2,080
Total assets	$ 15,747	$ 16,936	$ 17,791
Liabilities:			
Accounts payable	$ 1,072	$ 1,221	$ 1,298
Payroll and benefit-related liabilities	1,080	776	1,094
Debt maturing within one year	389	616	120
Other current liabilities	2,474	2,866	3,814
Total current liabilities	5,015	5,479	6,326
Postretirement and postemployment benefit liabilities	4,635	4,935	5,230
Pension liability	2,494	2,357	2,752
Long-term debt	4,439	4,687	3,236
Company-obligated mandatorily redeemable preferred securities of subsidiary trust	1,152	1,152	1,750
Other liabilities	1,383	1,351	1,551
Total liabilities	19,118	19,961	20,845
Commitments and contingencies			
8.00% redeemable convertible preferred stock (a)	868	933	1,680
Shareowners' deficit:			
Common stock (b)	42	41	35
Additional paid-in capital	22,252	22,096	20,606
Accumulated deficit	(22,795)	(22,894)	(22,025)
Accumulated other comprehensive loss	(3,738)	(3,201)	(3,350)
Total shareowners' deficit	(4,239)	(3,958)	(4,734)
Total liabilities, redeemable convertible preferred stock and shareowners' deficit	$ 15,747	$ 16,936	$ 17,791

(a) $1 per share par value; 875 shares issued and outstanding as of September 30, 2003, 943 shares issued and outstanding as of June 30, 2003 and 1,711 shares issued and outstanding as of September 30, 2002; $1,000 per share redemption value.

(b) $0.01 per share par value; 10,000 authorized shares; 4,170 issued and 4,169 outstanding as of September 30, 2003, 4,144 issued and 4,143 outstanding as of June 30, 2003 and 3,492 issued and 3,490 outstanding as of September 30, 2002.

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

	Three months ended		Years ended	
	September 30, 2003	June 30, 2003	September 30, 2003	September 30, 2002
Operating Activities				
Net income (loss)	$ 99	$ (254)	(770)	$ (11,753)
Less: Income from discontinued operations	-	-	-	73
Income (loss) from continuing operations	99	(254)	(770)	(11,826)
Adjustments to reconcile income (loss) from continuing operations to net cash (used in) provided by operating activities, net of effects of dispositions of businesses:				
Non-cash portion of business restructuring (reversals) charges	(26)	(6)	(205)	827
Impairment of goodwill	-	35	35	826
Depreciation and amortization	196	230	978	1,470
(Recovery of) provision for bad debts and customer financing	(124)	(32)	(223)	1,253
Deferred income taxes	(2)	(76)	(213)	5,268
Net pension and postretirement benefit credit	(197)	(181)	(685)	(972)
Gains on sales of businesses	(2)	(18)	(49)	(725)
Other adjustments for non-cash items	205	3	337	992
Changes in operating assets and liabilities:				
Decrease (increase) in receivables	187	(53)	205	2,493
Decrease in inventories and contracts in process	234	308	747	2,552
(Decrease) increase in accounts payable	(153)	31	(257)	(539)
Changes in other operating assets and liabilities	(272)	(45)	(848)	(2,375)
Net cash provided by (used in) operating activities from continuing operations	145	(58)	(948)	(756)
Investing Activities				
Capital expenditures	(65)	(38)	(291)	(449)
Dispositions of businesses and manufacturing operations, net of cash	(3)	12	9	2,576
Maturities (purchases) of short-term investments	(96)	644	845	(1,518)
Proceeds from the sale or disposal of property, plant and equipment	83	32	158	194
Other investing activities	(13)	(4)	37	(46)
Net cash (used in) provided by investing activities from continuing operations	(94)	646	758	757
Financing Activities				
Issuance of long-term debt	-	1,631	1,631	-
Issuance of 7.75% trust preferred securities	-	-	-	1,750
Repayments of credit facilities	-	-	-	(1,000)
Net repayments of other short-term borrowings	(3)	(64)	46	(104)
Repayments of long-term debt	(512)	(8)	(535)	(47)
Issuance of common stock	17	7	38	64
Repayment of preferred stock	(69)	-	(69)	-
Other financing activities	(14)	(46)	(60)	(195)
Net cash (used in) provided by financing activities from continuing operations	(581)	1,520	1,051	468
Effect of exchange rate changes on cash and cash equivalents	12	26	66	35
Net (decrease) increase in cash and cash equivalents	(518)	2,134	927	504
Cash and cash equivalents at beginning of period	4,339	2,205	2,894	2,390
Cash and cash equivalents at end of period	$ 3,821	$ 4,339	$ 3,821	$ 2,894
Interest paid	$ 116	$ 49	$ 336	$ 349
Income tax (payments) refunds, net	$ (34)	$ 144	$ 109	$ 804

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

Exhibit E

Summary of significant favorable (unfavorable) items impacting results	**Three months ended**		
	September 30, 2003	**June 30, 2003**	**September 30, 2002**
Business restructuring (charges) reversals and asset impairments, net	$ 42	$ (14)	$ (784)
Impairment of goodwill	-	(35)	(15)
Amortization of goodwill and acquired intangibles	-	(5)	(32)
Legal settlements (shareowner lawsuit)	(33)	(33)	-
Bad debt and customer financing recoveries	150	-	-
Business disposition reserve	7	10	-
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)
Asset impairment charge related to capitalized UMTS software development costs	(50)	-	(250)
Customer and supplier credits, certain adjustments to employee expenses and a sales tax refund	88	-	-
Gain on the sale of the optical fiber business	-	-	141
Impairment charges for certain investments	-	-	(100)
Impact of debt extinguishment and retirement of 8% convertible preferred stock	14	(14)	(29)
Related income tax impacts and other discrete tax items	(150)	78	13
Total	$ 68	$ (13)	$ (2,006)
Per share impact - basic & diluted	$ 0.02	$ (0.00)	$ (0.59)
The above significant items impacting results were reflected in:			
Gross margin	$ 81	$ 1	$ (711)
Operating expenses	151	(53)	(1,320)
Other income (expense), net	(13)	(19)	41
Income taxes	(150)	78	13
Conversion and redemption cost - 8.00% redeemable convertible preferred stock	(1)	(20)	(29)
	$ 68	$ (13)	$ (2,006)

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

Exhibit E

		Three months ended		
		September 30, 2003	June 30, 2003	September 30, 2002
Results by Segment *				
Total Revenues	Integrated Network Solutions (INS)	$ 1,112	$ 1,059	$ 1,253
	Mobility Solutions (Mobility)	856	826	939
	Other	59	80	85
	Total revenues	$ 2,027	$ 1,965	$ 2,277
U.S. Revenues				
	INS	$ 546	$ 537	$ 688
	Mobility	602	585	677
	Other	59	80	73
	Total revenues - U.S.	$ 1,207	$ 1,202	$ 1,438
Non-U.S. Revenues				
	INS	$ 566	$ 522	$ 565
	Mobility	254	241	262
	Other	-	-	12
	Total revenues - Non-U.S.	$ 820	$ 763	$ 839
Operating income (loss)				
	INS	$ 138	$ (47)	$ (926)
	Mobility	141	(56)	(839)
	Total segment operating income (loss)	279	(103)	(1,765)
	Amortization of goodwill and other acquired intangibles	-	(5)	(32)
	Impairment of goodwill	-	(35)	(15)
	Business restructuring (charges) reversals, net	42	(14)	(773)
	Other	18	(112)	(201)
	Total operating income (loss)	$ 339	$ (269)	$ (2,786)
Products and Services Revenues				
	Wireless	$ 634	$ 624	$ 680
	Voice networking	356	411	444
	Data & network management	301	246	252
	Optical networking	215	165	255
	Services	460	439	566
	Other	61	80	80
	Total revenues	$ 2,027	$ 1,965	$ 2,277

* Segment information for comparative periods has been reclassified to conform to the current period's presentation.

Exhibit E

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

		Year ended September 30, 2003	Year ended September 30, 2002
Results by Segment *			
Total Revenues	Integrated Network Solutions (INS)	$ 4,235	$ 6,262
	Mobility Solutions (Mobility)	4,001	5,535
	Other	234	524
	Total revenues	$ 8,470	$ 12,321
U.S. Revenues			
	INS	$ 2,205	$ 3,440
	Mobility	2,681	4,337
	Other	235	422
	Total revenues - U.S.	$ 5,121	$ 8,199
Non-U.S. Revenues			
	INS	$ 2,030	$ 2,822
	Mobility	1,320	1,198
	Other	(1)	102
	Total revenues - Non-U.S.	$ 3,349	$ 4,122
Operating income (loss)			
	INS	$ (119)	$ (2,954)
	Mobility	322	(587)
	Total segment operating income (loss)	203	(3,541)
	Amortization of goodwill and other acquired intangibles	(15)	(250)
	Impairment of goodwill	(35)	(826)
	Business restructuring (charges) reversals, net	184	(1,490)
	Other	(559)	(872)
	Total operating loss	$ (222)	$ (6,979)
Products and Services Revenues			
	Wireless	$ 3,080	$ 4,443
	Voice networking	1,557	2,117
	Data & network management	1,072	1,180
	Optical networking	706	1,345
	Services	1,804	2,727
	Other	251	509
	Total revenues	$ 8,470	$ 12,321

* Segment information for comparative periods has been reclassified to conform to the current period's presentation.