



Steven R. Kronheim
Law Vice President
Labor & Employment,
Compensation & Benefits

600 Mountain Avenue
Room 7C-408
Murray Hill, NJ 07974 USA

Phone 908 582 2273
Fax 908 582 3550
skronheim@alcatel-lucent.com

May 25, 2007

Office of Consumer Protection
Stephen Levins
Executive Director
Honolulu office (main location):
Leiopapa A Kamehameha Building
235 South Beretania Street, Room 801
Honolulu, Hawaii 96813

Dear Mr. Levins:

The purpose of this letter is to notify the Office of Consumer Protection that Lucent Technologies Inc., a subsidiary of Alcatel Lucent, ("Alcatel-Lucent") sustained a loss of personal information of approximately 300,000 of its current and former employees, including some of their dependents, between approximately April 5 and May 3, 2007. This loss occurred when a computer disk containing some personal information was lost or stolen while it was being shipped by a courier service between one of our employee benefit recordkeeping providers and our benefits consultant. The personal information on the disk included name, Social Security number, date of birth, and salary information, but did not include any credit card numbers, bank account numbers, or password information

When Alcatel-Lucent was notified of this matter on May 7, 2007, we initiated an internal investigation and also asked the U.S. Secret Service and the Federal Bureau of Investigation to investigate. We also began preparations for the release of information notifying all affected individuals of the loss and its potential impact upon their credit.

Attached are copies of an e-mail and internet posting for employees, retirees, and dependents that were distributed in connection with this matter on May 17. Further communications are planned. Please contact me at the phone number or address indicated above in the event that you have questions regarding this matter, or desire further information regarding the status.

Sincerely,

STEVEN R. KRONHEIM
Law Vice President

07 MAY 29 AM 10:22

RECEIVED

May 17, 2007

As part of the company's regular business, Alcatel-Lucent uses certain record retention providers and benefits consultants to assist with our employee programs. We learned last Monday, May 7, from one of our vendors that a computer disk containing some personal information could not be located. The disk was prepared by Hewitt Associates for delivery by UPS to another of the company's vendors, Aon Corporation. We are still investigating this matter, but we believe the disk was lost or stolen between April 5 and May 3.

The disk contained personal information including name, address, Social Security number, date of birth, and salary information for our Alcatel-Lucent U.S.-paid employees who worked for Lucent, your dependents and Lucent's retirees and their dependents. This disk did not include any credit card numbers, bank account numbers, password information or information about employee savings plan accounts, stock option accounts or pensions.

When we learned of this matter, we initiated an internal investigation and also asked the U. S. Secret Service to investigate. Additionally, we reported this to state and local law enforcement officials and continue to work with law enforcement to investigate this matter.

We are reviewing our current security policies and procedures to help us find ways to ensure that any information transmitted by our vendors is properly protected. We have also requested our vendors to suspend all similar transmissions of personal information via courier while we investigate these issues thoroughly.

We apologize and deeply regret that this has happened. Although we do not have information that any of the personal information has been misused, we are committed to making sure you have the support you need to monitor your credit and know how to respond if you identify any problems.

In particular, to assist you, we are in the process of finalizing arrangements to provide you and your dependents with identity theft protection and credit monitoring for one year free of charge. These services will include unlimited online access to your credit report and score, monitoring of all three national credit bureau reports, email alerts to inform you of key changes to your credit report, and fraud resolution and assistance.

You will receive specific information about how to sign up for these services in a letter mailed to your home address within the next several weeks. When you get this information I encourage you to proactively take advantage of these services.

You also have rights under U.S. law to place a "fraud alert" on your credit file that alerts creditors to take additional steps to verify your identity prior to granting credit in your name. There is no charge to place a fraud alert on your credit file. You may place a fraud alert in your file by simply calling just one of the three nationwide consumer reporting agencies. As soon as that agency processes your fraud alert, it will notify the other two, which then also must place fraud alerts in your file. This is an immediate action you can take to protect your personal information and I encourage you to take advantage of your rights under U.S. law.

Equifax: 1-800-525-6285; www.equifax.com
Experian: 1-888-397-3742; www.experian.com
TransUnion: 1-800-680-7289; www.transunion.com

You are also entitled under U.S. law to one free credit report annually from each of the three major credit bureaus. To order your free credit report, you can visit www.annualcreditreport.com or call toll-free (877) 322-8228. For additional information on how to further protect your personal information, you can visit the web site of the U.S. Federal Trade Commission at www.ftc.gov/idtheft/.

Again, we deeply regret any inconvenience or concern this incident may cause you. We have arranged for a toll free number for you to call if you have any questions. The number is 1-866-795-8756 which will be available between 9:00am and 5:00p.m Eastern time Monday through Friday, with extended hours today, May 17th. You also can check the information posted on the company's internet site at www.alcatel-lucent.com or on the intranet at <http://all.alcatel-lucent.com/wps/portal/region/na>.

Sincerely,

Stephen Reynolds
General Counsel



Alcatel-Lucent

Alcatel-Lucent Notifies Employees and Retirees of Former Lucent Technologies of Missing Computer Disk Containing Personal Information

MURRAY HILL, N.J. – May 17, 2007 – Alcatel-Lucent was informed on May 7 by one of the company's vendors that a computer disk containing personal information could not be located. The information contained on the computer disk included name, address, Social Security number, date of birth and salary data of Alcatel-Lucent U.S.- paid employees who worked for Lucent and their dependents, and Lucent retirees and their dependents. There was no information regarding customers or their accounts, and the disk did not contain credit card numbers, bank account numbers or password information.

The disk was prepared by Hewitt Associates for delivery by UPS to another of the company's vendors, Aon Corporation. It appears that the disk was either lost or stolen between April 5 and May 3. Although we do not have information that any of the personal information has been misused, as a precaution the company has asked the U.S. Secret Service to investigate and has reported the incident to state and local law enforcement officials. The company also has launched an internal investigation and is working closely with law enforcement officials.

"We recognize that we have a responsibility to carefully protect this type of information and deeply regret this loss," said Frank D'Amelio, chief administrative officer for Alcatel-Lucent. "We are taking steps to try to prevent this from happening in the future. In the meantime, we will provide information and assistance to our employees and retirees to help them minimize any potential risk this incident could create for them."

Today the company sent an email regarding this incident to its employees and is preparing a printed mailing to employees, retirees and their dependents to inform them of what has happened. The company is providing information on its web site where employees, retirees and dependents can get more information, including suggestions on actions they can take to protect themselves against identity fraud.

In addition, Alcatel-Lucent is arranging to provide the individuals at risk with identity theft protection and credit monitoring for one year free of charge. Credit monitoring services will include unlimited online access to a credit report and score, monitoring of all three national credit bureau reports, email alerts to inform individuals of key changes to their credit report, and fraud resolution and assistance. More information on this can be found at the company's web site at www.alcatel-lucent.com or by calling 1-866-795-8756, which will be available between 9:00 a.m. and 5:00 p.m. Eastern time Monday through Friday.

Additional Documents

To read additional Q&A responding to new questions from employees and retirees, click [here](#).

To read the company's Q&A for employees and retirees, click [here](#).

To read the company's letter to employees and retirees, click [here](#).

About Alcatel-Lucent

Alcatel-Lucent (Euronext Paris and NYSE: ALU) provides solutions that enable service providers, enterprises and governments worldwide, to deliver voice, data and video communication services

to end-users. As a leader in fixed, mobile and converged broadband networking, IP technologies, applications, and services, Alcatel-Lucent offers the end-to-end solutions that enable compelling communications services for people at home, at work and on the move. With operations in more than 130 countries, Alcatel-Lucent is a local partner with global reach. The company has the most experienced global services team in the industry, and one of the largest research, technology and innovation organizations in the telecommunications industry. Alcatel-Lucent achieved adjusted proforma revenues of Euro 18.3 billion in 2006 and is incorporated in France, with executive offices located in Paris. [All figures exclude impact of activities transferred to Thales]. For more information, visit Alcatel-Lucent on the Internet: www.alcatel-lucent.com.

Alcatel-Lucent Press Contacts

Régine Coqueran	Tel : + 33 (0)1 40 76 49 24	regine.coqueran@alcatel-lucent.com
Mary Lou Ambrus	Tel: + 1908-582-8501	mambrus@alcatel-lucent.com
Peter Benedict	Tel: + 1908-582-7710	pbenedict@alcatel-lucent.com

Alcatel-Lucent Investor Relations

Pascal Bantegnie	Tel: +33 (0)1 40 76 52 20	pascal.bantegnie@alcatel-lucent.com
Maria Alcon	Tel: +33 (0)1 40 76 15 17	maria.alcon@alcatel-lucent.com
John DeBono	Tel: + 1908-582-7793	debono@alcatel-lucent.com

Copyright © 2006 Alcatel-Lucent. All rights reserved.