

Press release

Alcatel and Capgemini co-operate to enable the MVNO market

Paris, October 19, 2005 – Alcatel (Paris: CGEP. PA and NYSE: ALA) and Capgemini Telecom & Media in France (“Capgemini”) today announced that they have signed an agreement to jointly address the Mobile Virtual Network Operator (MVNO) market. Thanks to this agreement, established and potential MVNOs, as well as Mobile Network Operators (MNO), will benefit from an end-to-end integrated IT and telecom offer. This agreement lays the groundwork for Alcatel’s positioning as a Mobile Virtual Network Enabler (MVNE), in co-operation with Capgemini.

The solution jointly proposed by Alcatel and Capgemini consists in an integrated and operated platform including a set of packaged provisioning and billing services, a broad portfolio of multimedia applications and key next-generation network elements such as HLR/HSS, intelligent GGSN, wireless call servers and media gateways. This ready-to-use and modular solution is particularly well adapted to key market segments such as Media & Brand companies, fixed operators, as well as mobile operators willing to address specific customer segments.

Within the frame of this agreement, Alcatel brings to the co-operation with Capgemini its expertise in mobile communications solutions, leveraging its state-of-the-art experience with more than 300 mobile operators worldwide and its leadership in payment solutions, next-generation mobile infrastructure and video services. Capgemini builds upon its integrated solutions for enterprises, in particular in the media and entertainment sector, including Customer Relationship Management (CRM) and integrated billing solutions, together with its global strategy consulting and service integration capabilities.

“Our co-operation with Capgemini will bring the best of the IT and Telecoms worlds to the fast-growing MVNO market,” stated Marc Rouanne, Chief operating officer of Alcatel’s mobile communications activities. “This agreement is a perfect match between two highly complementary partners which are established leaders in their respective field.”

“Through its long-standing consulting and system integration experience, Capgemini has gained a unique insight of the existing and potential MVNO market needs,” added Pierre Fournier, President of Capgemini Telecom & Media. “Our co-operation with Alcatel constitutes a timely response to accelerate MVNO’s time-to-market on a global basis.”

About Alcatel

Alcatel provides communications solutions to telecommunication carriers, Internet service providers and enterprises for delivery of voice, data and video applications to their customers or employees. Alcatel brings its leading position in fixed and mobile broadband networks, applications and services, to help its partners and customers build a user-centric broadband world. With sales of EURO 12.3 billion and 56,000 employees in 2004, Alcatel operates in more than 130 countries <http://www.alcatel.com>

About the Capgemini Group

Capgemini, one of the world's leaders in consulting, IT services, and outsourcing, achieved sales of 6.3 billion Euros in 2004 and currently employs approximately 60,000 individuals worldwide.

For over 30 years Telecom, Media & Entertainment (TME), a global sector organization of Capgemini, has been helping the telecommunications, media & entertainment industries achieve strategic goals and world-class results. By combining technical expertise and thought leadership with a passion for innovation, TME delivers true value to clients worldwide. For more information visit <http://www.capgemini.com/tme>

Alcatel Press Contacts

Aurélie Boutin

Tel :+ 33 (0)1 40 76 11 79

aurelie.boutin@alcatel.com

Régine Coqueran

Tel.:+ 33 (0)1 40 76 49 24

regine.coqueran@alcatel.com

Alcatel Investor Relations

Pascal Bantegnie

Tel : +33 (0)1 40 76 52 20

pascal.bantegnie@alcatel.com

Capgemini Press Contacts

Delphine Nainani

Tel :+ 33 (0)1 49 00 42 03

delphine.nainani@capgemini.com