



COMING SOON:

CHANGES TO THE ALCATEL-LUCENT SAVINGS/401(k) PLAN'S RETIREMENT DATE FUNDS

EFFECTIVE STARTING MARCH 30, 2015

DESCRIPTION OF **CHANGES**

The Alcatel-Lucent Savings/401(k) Plan offers diverse, competitive and low-cost investment funds and other services to help you achieve your retirement goals. We are making changes to the Retirement Date Funds. Here's a description of those changes:

- **The Retirement Date 2055 Fund** will be added as a new investment option intended for participants with 40+ years until retirement and who plan to retire around the year 2055.
- **The Retirement Date 1995 Fund** will close and its assets will be transferred to **the Retirement Date Income Fund**, a fund with the same target investment mix and intended for participants who retired and began withdrawing from their account in 1997 or before.

IF YOU TAKE NO ACTION...

These changes will happen automatically. That said, now may be a good time to re-evaluate your investment strategy and personal circumstances to determine whether a Retirement Date Fund might make sense for you.



WHY ARE THESE CHANGES BEING MADE?

The Retirement Date 1995 Fund recently reached its final and most conservative investment mix – its “landing point” – and now has the same investment mix as the Retirement Date Income Fund. When a Retirement Date Fund reaches its landing point, it gets consolidated into the Retirement Date Income Fund.

A new fund is also being added for participants who expect to retire around the year 2055.

PLEASE READ THE INFORMATION IN THIS GUIDE CAREFULLY.

WHAT THIS MEANS TO YOU & KEY DATES

All of these changes will happen automatically, so there is no action you will be required to take. However, you should read this guide carefully and consider whether to take action.

WHAT'S HAPPENING?	WHAT CAN YOU DO?	WHEN?
<p>On March 30, 2015 at 4:00 p.m., Eastern Time (ET), the Retirement Date 1995 Fund will close to new investments and you will no longer be able to make transfers into the fund. (You will be able to make transfers and withdrawals out of the fund until 4:00 p.m., ET, on March 31, 2015.)</p> <p>Any ongoing contributions and loan repayments you have directed into the Retirement Date 1995 Fund will be automatically redirected into the Retirement Date Income Fund after March 30, 2015 at 4:00 p.m., ET.</p> <p>If you are invested in the Retirement Date 1995 Fund, on March 31, 2015 after 4:00 p.m., ET, your closing balance within this fund will be automatically transferred to the Retirement Date Income Fund.</p>	<p>Refer to page 6 in the Additional Fund Information section of this guide to review detailed information about the Retirement Date Income Fund.</p> <p>If you are interested in taking action before these changes take effect, you may:</p> <ul style="list-style-type: none"> • Transfer your current balance in the Retirement Date 1995 Fund into any other Plan fund (or funds) • Change your investment elections for future contributions (if you are currently contributing to the Plan) from the Retirement Date 1995 Fund to any other Plan fund (or funds) <p>To do either of the above before the changes take effect, log on to your account at http://resources.hewitt.com/alcatel-lucent or call the Alcatel-Lucent Benefits Center at 1-888-232-4111 (select the "Retirement and Investments" option) between the hours of 9:00 a.m. and 5:00 p.m., ET, Monday through Friday.</p>	<p>You can change your investment elections for future contributions before this change automatically takes effect at any time before 4:00 p.m., ET, on March 30, 2015.</p> <p>You can transfer your current balance in the Retirement Date 1995 Fund to another fund(s) before this change automatically takes effect at any time before 4:00 p.m., ET, on March 31, 2015.</p>
<p>The Retirement Date 2055 Fund will be added to the Plan's investment fund lineup.</p>	<p>Refer to page 7 in the Additional Fund Information section of this guide to review detailed information about the Retirement Date 2055 Fund.</p> <p>If you plan to retire around the year 2055 and are interested in investing in this fund, on or after April 1, 2015, log on to your account at http://resources.hewitt.com/alcatel-lucent or call the Alcatel-Lucent Benefits Center at 1-888-232-4111 (select the "Retirement and Investments" option) between the hours of 9:00 a.m. and 5:00 p.m., ET, Monday through Friday.</p>	<p>This fund will be available beginning on April 1, 2015.</p>

ABOUT RETIREMENT DATE FUNDS

Retirement Date Funds provide a simple, diversified, single-fund approach to investing. Each fund is designed to help manage risk while seeking to grow your retirement savings over time.



LESS RISK THROUGH BROADER DIVERSIFICATION

The Retirement Date Funds invest in 11 different underlying equity, bond and inflation-sensitive funds – many of which are the same funds you can invest in directly through the Alcatel-Lucent Savings/401(k) Plan.



A PROFESSIONALLY MANAGED INVESTMENT MIX

The Retirement Date Funds' professional investment manager, AllianceBernstein L.P., gradually shifts each fund's investment mix over time – to fewer stocks and more bonds – making the fund more conservative as you move toward and into retirement.



AUTOMATIC REBALANCING

AllianceBernstein L.P. maintains the current target investment mix, freeing you from the hassle of ongoing rebalancing. Disciplined rebalancing can be especially important during periods of market volatility.



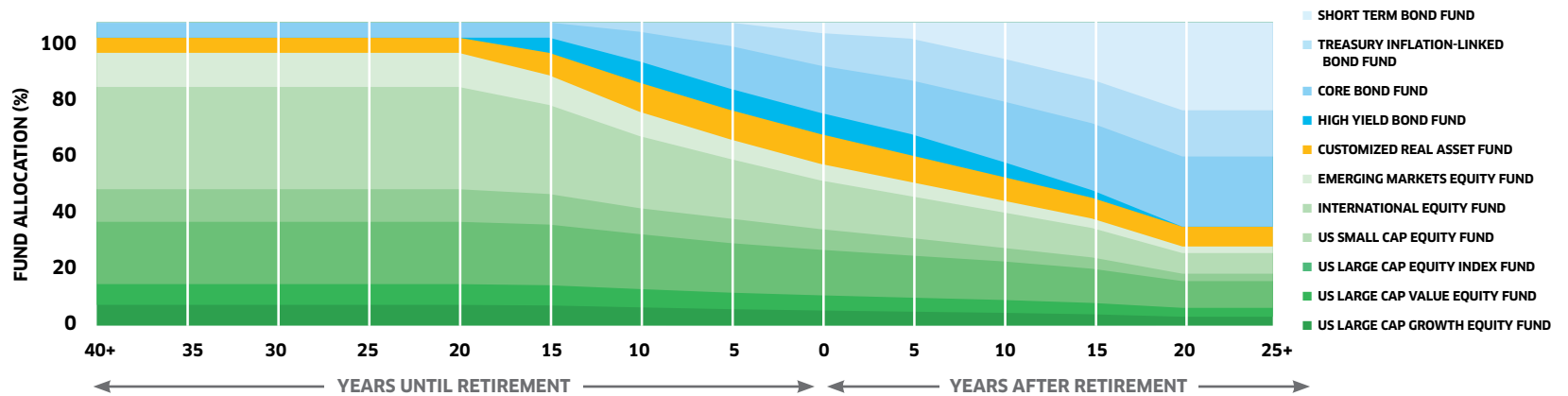
WHY CONSIDER A RETIREMENT DATE FUND?

Retirement Date Funds are a complete portfolio in a single fund that can help you avoid some common missteps in investing.

Retirement Date Funds are professionally managed and their investment mix is continually monitored, so you don't have to make asset allocation or rebalancing decisions.

RETIREMENT DATE FUNDS

The chart and table below show the target allocation to each underlying investment fund and how the investment mix of a Retirement Date Fund changes over time. When your fund reaches its target date, its investment mix will be approximately 53% equities, 10% real assets and 37% bonds. Your fund's final investment mix, 20 years after the target date, will be approximately 26% equities, 7% real assets and 67% bonds.



	YEARS UNTIL RETIREMENT									YEARS AFTER RETIREMENT				
	40+	35	30	25	20	15	10	5	0	5	10	15	20	25+
SHORT TERM BOND FUND	–	–	–	–	–	–	–	–	3.48	5.33	11.78	18.85	28.95	28.95
TREASURY INFLATION-LINKED BOND FUND	–	–	–	–	–	–	3.05	7.73	10.75	13.75	14.10	14.38	15.25	15.25
CORE BOND FUND	5.00	5.00	5.00	5.00	5.00	5.00	9.80	14.10	15.58	17.73	19.93	22.08	23.15	23.15
HIGH YIELD BOND FUND	–	–	–	–	–	5.00	7.00	7.00	7.00	7.00	5.00	2.50	–	–
CUSTOMIZED REAL ASSET FUND	5.00	5.00	5.00	5.00	5.00	7.40	9.60	9.70	9.83	8.83	7.83	6.85	6.53	6.53
EMERGING MARKETS EQUITY FUND	11.25	11.25	11.25	11.25	11.25	9.80	8.03	6.48	5.45	4.68	3.90	3.13	2.18	2.18
INTERNATIONAL EQUITY FUND	33.75	33.75	33.75	33.75	33.75	29.38	23.78	19.68	16.08	13.78	11.75	9.70	6.80	6.80
US SMALL CAP EQUITY FUND	10.75	10.75	10.75	10.75	10.75	10.08	8.55	8.08	6.80	5.78	4.48	3.73	2.45	2.45
US LARGE CAP EQUITY INDEX FUND	20.55	20.55	20.55	20.55	20.55	20.01	18.12	16.35	15.03	13.89	12.75	11.28	8.82	8.82
US LARGE CAP VALUE EQUITY FUND	6.85	6.85	6.85	6.85	6.85	6.67	6.04	5.45	5.01	4.63	4.25	3.76	2.94	2.94
US LARGE CAP GROWTH EQUITY FUND	6.85	6.85	6.85	6.85	6.85	6.67	6.04	5.45	5.01	4.63	4.25	3.76	2.94	2.94
TOTAL BONDS	5	5	5	5	5	10	20	29	37	44	51	58	67	67
TOTAL REAL ASSETS	5	5	5	5	5	7	10	10	10	9	8	7	7	7
TOTAL EQUITIES	90	90	90	90	90	83	70	61	53	47	41	35	26	26

This chart does not represent any particular Retirement Date Fund. It is meant to show how the investment mix of any Retirement Date Fund changes over a lifetime. Numbers may not sum due to rounding.

RETIREMENT DATE FUNDS (CONT'D)

Fees and Expenses: Because actual fund operating expenses, certain Plan administrative costs and total Plan assets cannot be known in advance, the total expense ratios for the Retirement Date Funds could be different from what is shown below. Fees and expenses are only one of several factors that you should consider when investing your Plan account.

FUND NAME	Estimated Annualized Fees and Expenses (As a % of Assets Invested)			Estimated Annualized Fees and Expenses (Per \$1,000 Invested)		
	Fund Operating Expenses [†]	+ Plan Administrative Costs [§]	= Total Expense Ratio	Fund Operating Expenses [†]	+ Plan Administrative Costs [§]	= Total Expense Ratio
Retirement Date Income Fund	0.28%	0.05%	0.33%	\$2.80	\$0.50	\$3.30
Retirement Date 2000 Fund	0.31%	0.05%	0.36%	\$3.10	\$0.50	\$3.60
Retirement Date 2005 Fund	0.33%	0.05%	0.38%	\$3.30	\$0.50	\$3.80
Retirement Date 2010 Fund	0.36%	0.05%	0.41%	\$3.60	\$0.50	\$4.10
Retirement Date 2015 Fund	0.39%	0.05%	0.44%	\$3.90	\$0.50	\$4.40
Retirement Date 2020 Fund	0.41%	0.05%	0.46%	\$4.10	\$0.50	\$4.60
Retirement Date 2025 Fund	0.43%	0.05%	0.48%	\$4.30	\$0.50	\$4.80
Retirement Date 2030 Fund	0.44%	0.05%	0.49%	\$4.40	\$0.50	\$4.90
Retirement Date 2035 Fund	0.42%	0.05%	0.47%	\$4.20	\$0.50	\$4.70
Retirement Date 2040 Fund	0.42%	0.05%	0.47%	\$4.20	\$0.50	\$4.70
Retirement Date 2045 Fund	0.42%	0.05%	0.47%	\$4.20	\$0.50	\$4.70
Retirement Date 2050 Fund	0.42%	0.05%	0.47%	\$4.20	\$0.50	\$4.70
Retirement Date 2055 Fund	0.42%	0.05%	0.47%	\$4.20	\$0.50	\$4.70



Refer to the Plan's Fund Fact Sheets on Your Benefits Resources™ for detailed information about each of the 13 Retirement Date Funds' current investment mixes, performance and fees.

[†]Fund Operating Expenses are the costs associated with operating the fund, including the fund's investment management fee and other operational expenses incurred by the fund's investment manager, such as custodian, legal and audit fees.

[§]Plan Administrative Costs are comprised of the fund's share of Plan-wide audit and legal fees, participant communication costs, fiduciary services costs, investment advice fees, plan administrator costs, recordkeeping fees and trustee/custodial fees.

RETIREMENT DATE INCOME FUND

Fund Objective: Retirement Date Funds provide a simple, diversified, single-fund approach to investing. Each Retirement Date Fund offers a diversified mix of investments, combining a variety of different underlying equity, bond and inflation-sensitive funds. Each seeks to maximize total return over time (total return includes capital appreciation and income) consistent with the Fund's investment mix.

Fund Strategy: The Retirement Date Income Fund is a diversified mix of equity, bond and inflation-sensitive investments. The Fund is designed for participants who retired and began withdrawing from their account in the year 1997 or before. The Fund's target investment mix is approximately 26% equities, 7% real assets and 67% bonds.

Fund Information¹:

Fund Availability in the Plan: 4/1/11

Fund Manager (since 4/1/11): AllianceBernstein L.P.

Benchmark: Custom Benchmark²

Total Expense Ratio as of 12/31/14

Annualized Fees and Expenses (As a % of Assets Invested)			Annualized Fees and Expenses (Per \$1,000 Invested)		
Fund Operating Expenses	Plan Administrative Costs	= Total Expense Ratio	Fund Operating Expenses	Plan Administrative Costs	= Total Expense Ratio
0.25%	0.05%	0.30%	\$2.50	\$0.50	\$3.00

Actual Asset Allocation as of 12/31/14

Equity Funds	
Emerging Markets Equity Fund	2.22%
International Equity Fund	6.08%
US Small Cap Equity Fund	2.62%
US Large Cap Equity Index Fund	9.84%
US Large Cap Value Equity Fund	3.13%
US Large Cap Growth Equity Fund	3.15%
Bond Funds	
Short Term Bond Fund	28.67%
Treasury Inflation-Linked Bond Fund	15.16%
Core Bond Fund	23.66%
Real Asset Funds	
Customized Real Asset Fund	5.47%

Risk: Retirement Date Funds are subject to the volatility of the financial markets, including equity and fixed income investments in the United States and abroad and may be subject to risks associated with investing in high yield, small/mid cap and foreign securities. Investments in Retirement Date Funds are not guaranteed against loss of principal. At any time, your balance in the fund can be more or less than the original amount you contributed – including at the fund's target date. Also, investing in a Retirement Date Fund does not guarantee sufficient income in retirement. Unit price, yield and return of the funds will vary.

Performance Net of Fees as of 12/31/14

Annualized (As of 12/31/14)	1 Year	3 Years	Since Inception
Total Returns %	2.92	5.67	4.90
Retirement Date Income Benchmark ³	3.11	4.99	4.23

¹The Retirement Date Funds are institutional separate accounts, not mutual funds, and are managed by AllianceBernstein L.P., which provided information on the fund.

²The benchmark for each Retirement Date Fund is a composite benchmark that has the same target asset allocation as the Fund's target asset allocation and uses index returns to represent performance of the underlying funds. The benchmark returns are calculated by weighting the monthly index returns of each underlying fund's benchmark by the Fund's monthly target allocation for underlying funds. Target allocations adjust quarterly in accordance with the Retirement Date Fund's asset allocation design. In the custom benchmark's calculation, the Russell 1000 Index is used to represent the US Large Cap Equity Index Fund, the Russell 1000 Growth Index is used to represent the allocation to the US Large Cap Growth Equity Fund, the Russell 1000 Value Index is used to represent the US Large Cap Value Equity Fund, the Russell 2000 Index is used to represent the US Small Cap Equity Fund, the MSCI World ex-USA Index is used to represent the International Equity Fund, the MSCI Emerging Markets Index is used to represent the Emerging Markets Equity Fund, the Barclays US TIPS Index is used to represent the Treasury Inflation-Linked Bond Fund, a separate custom benchmark³ is used to represent the Customized Real Asset Fund, the Citigroup High Yield Market Capped Index is used to represent the High Yield Bond Fund, the Barclays US Aggregate Index is used to represent the Core Bond Fund, and the Barclays 1-3 Year Government/Credit Index is used to represent the Short Term Bond Fund.

³The custom benchmark for the Customized Real Asset Fund is comprised of: 50% MSCI ACW Commodity Producers Index, 25% Bloomberg Commodity Index and 25% Barclays US TIPS 1-10 Year Index.

RETIREMENT DATE 2055 FUND

Fund Objective: Retirement Date Funds provide a simple, diversified, single-fund approach to investing. Each Retirement Date Fund offers a diversified mix of investments, combining a variety of different underlying equity, bond and inflation-sensitive funds. Each seeks to maximize total return over time (total return includes capital appreciation and income) consistent with the Fund's investment mix.

Fund Strategy: The Retirement Date 2055 Fund is a diversified mix of equity, bond and inflation-sensitive investments that changes its investment mix over time. The Fund's "target date" is the approximate year when you plan to retire and begin withdrawing from your account. When the Retirement Date 2055 Fund reaches its target date, its target investment mix will be approximately 53% equities, 10% real assets and 37% bonds. The Fund's final target investment mix, 20 years after the target date, will be approximately 26% equities, 7% real assets and 67% bonds.

Fund Information:

Fund Availability in the Plan: 4/1/15

Fund Manager as of 4/1/15: AllianceBernstein L.P.

Benchmark: Custom Benchmark[†]

Performance: Performance for the Retirement Date 2055 Fund, as of April 30, 2015, will be available on Your Benefits Resources in May. Performance for the Retirement Date 2055 Fund and its benchmark, as of June 30, 2015, will be available in the Quarterly Fund Performance Review in July.

Estimated Total Expense Ratio

Estimated Annualized Fees and Expenses (As a % of Assets Invested)			Estimated Annualized Fees and Expenses (Per \$1,000 Invested)		
Fund Operating Expenses	+	Plan Administrative Costs	=	Total Expense Ratio	
0.42%		0.05%		0.47%	
Fund Operating Expenses	+	Plan Administrative Costs	=	Total Expense Ratio	
\$4.20		\$0.50		\$4.70	

Target Asset Allocation as of 4/1/15

Equity Funds	
Emerging Markets Equity Fund	11.25%
International Equity Fund	33.75%
US Small Cap Equity Fund	10.75%
US Large Cap Equity Index Fund	20.55%
US Large Cap Value Equity Fund	6.85%
US Large Cap Growth Equity Fund	6.85%
Bond Funds	
Core Bond Fund	5.00%
Real Asset Funds	
Customized Real Asset Fund	5.00%

Risk: Retirement Date Funds are subject to the volatility of the financial markets, including equity and fixed income investments in the United States and abroad and may be subject to risks associated with investing in high yield, small/mid cap and foreign securities. Investments in Retirement Date Funds are not guaranteed against loss of principal. At any time, your balance in the fund can be more or less than the original amount you contributed – including at the fund's target date. Also, investing in a Retirement Date Fund does not guarantee sufficient income in retirement. Unit price, yield and return of the funds will vary.

[†]The Retirement Date Funds are institutional separate accounts, not mutual funds, and are managed by AllianceBernstein L.P., which provided information on the fund.

[‡]The benchmark for each Retirement Date Fund is a composite benchmark that has the same target asset allocation as the Fund's target asset allocation and uses index returns to represent performance of the underlying funds. The benchmark returns are calculated by weighting the monthly index returns of each underlying fund's benchmark by the Fund's monthly target allocation for underlying funds. Target allocations adjust quarterly in accordance with the Retirement Date Fund's asset allocation design. In the custom benchmark's calculation, the Russell 1000 Index will be used to represent the US Large Cap Equity Index Fund, the Russell 1000 Growth Index will be used to represent the allocation to the US Large Cap Growth Equity Fund, the Russell 1000 Value Index will be used to represent the US Large Cap Value Equity Fund, the Russell 2000 Index will be used to represent the US Small Cap Equity Fund, the MSCI World ex-USA Index will be used to represent the International Equity Fund, the MSCI Emerging Markets Index will be used to represent the Emerging Markets Equity Fund, the Barclays US TIPS Index will be used to represent the Treasury Inflation-Linked Bond Fund, a separate custom benchmark^{*} will be used to represent the Customized Real Asset Fund, the Citigroup High Yield Market Capped Index will be used to represent the High Yield Bond Fund, the Barclays US Aggregate Index will be used to represent the Core Bond Fund, and the Barclays 1-3 Year Government/Credit Index will be used to represent the Short Term Bond Fund.

^{*}The custom benchmark for the Customized Real Asset Fund is comprised of: 50% MSCI ACW Commodity Producers Index, 25% Bloomberg Commodity Index and 25% Barclays US TIPS 1-10 Year Index.

WHERE TO GET ADDITIONAL INFORMATION

More detailed information about the Plan's investment funds is contained in the **Fund Fact Sheets**. The most recently available Fund Fact Sheets may be found by visiting the BenefitAnswers Plus website at www.benefitanswersplus.com/FundFactSheets.pdf or when you view your account at <http://resources.hewitt.com/alcatel-lucent>.

Most recent performance and fee and expense information may be found in the **Quarterly Fund Performance Review** available by visiting the BenefitAnswers Plus website at www.benefitanswersplus.com/QuarterlyFundPerformanceReview.pdf or when you view your account at <http://resources.hewitt.com/alcatel-lucent>.

A glossary of investment-related terms is available by visiting the BenefitAnswers Plus website at www.benefitanswersplus.com/GlossaryofInvestmentTerms.pdf.

To obtain current month-end performance information, to view your Plan account information or to enroll in the Plan, log on to <http://resources.hewitt.com/alcatel-lucent> or contact the Alcatel-Lucent Benefits Center at 1-888-232-4111 between 9:00 a.m. and 5:00 p.m., ET, Monday through Friday, to speak with a representative.



YOUR BENEFITS RESOURCES:

Log on to your account at <http://resources.hewitt.com/alcatel-lucent> at any time to view your Alcatel-Lucent Savings/401(k) Plan account balance, make changes to your elections or update your beneficiaries.



PHONE REPRESENTATIVES:

Call the Alcatel-Lucent Benefits Center at 1-888-232-4111 (select the "Retirement and Investments" option) between 9:00 a.m. and 5:00 p.m., ET, Monday through Friday, to speak with a representative to get answers about your account or assistance with transactions.

Investment Risk

Investment funds available through the Plan, including the Money Market Fund, are not insured or guaranteed by the FDIC or any other government agency. In addition, although money market funds seek to preserve the value of your investment, it is possible to lose money by investing in the Money Market Fund.

Stock markets, especially foreign markets, are volatile and can decline in response to adverse issuer, political, regulatory, market or economic developments. The stocks of less well-known small and mid-sized companies can be more volatile than those of larger companies. Foreign securities and currencies are subject to interest rate, currency exchange rate, economic and political risks.

In general, the bond market is volatile, and fixed income securities carry interest-rate risk, which means that when interest rates in the market rise, there is generally a corresponding decline in the market values of bonds (and vice versa). This effect is generally more pronounced for longer-term bonds. Fixed income securities also carry inflation risk and credit and default risks for both issuers and counterparties. Credit risk is the risk that the issuer of a bond will not be able to make principal and interest payments when they are due. Investment return and principal value of your investment in any of the Plan's investment funds will fluctuate, so that units, when redeemed, may be worth more or less than their original cost.

Limitation of Plan Fiduciaries' Liability and Reservation of Rights

The Plan is intended to be a participant-directed individual account plan described in Section 404(c) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and regulations thereunder. This means that fiduciaries of the Plan are relieved of liability for any losses that are the direct and necessary result of investment instructions given by a participant with respect to his/her Plan account.

This document is not meant to interpret, extend or change the Plan document in any way. The Plan document is the controlling document and, in the case of any conflict or discrepancy between the information contained in this document and the terms of the Plan document, the Plan document will govern your rights and benefits. Alcatel-Lucent reserves the right (subject to any applicable collective bargaining agreement) to amend or terminate the Plan at any time and for any reason.

Other Disclosures

Information in this guide was provided by AllianceBernstein L.P. and Alcatel-Lucent and is the sole responsibility of Alcatel-Lucent.