

Alcatel-Lucent Savings / 401(k) Plan

MONEY MARKET FUND

ASSET CLASS: FIXED INCOME

INVESTMENT GOAL

The investment goal of this fund is to outperform the Citigroup 90-Day Treasury Bill Index, preserve principal, maintain a stable price, and to provide current income.

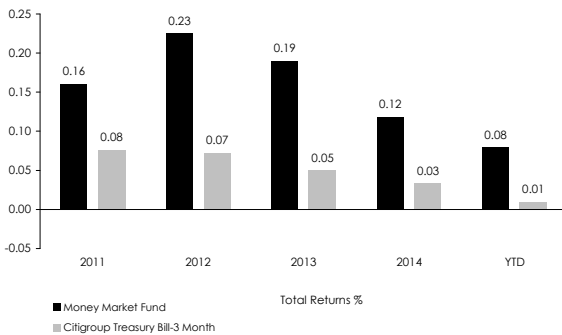
STRATEGY

The Money Market Fund invests in a diversified portfolio of high-quality, short-term debt securities known as money market instruments. These securities include those issued by the U.S. Government and its agencies, corporations, banks, supranational organizations and sovereign issuers. The fund may own a limited amount of high-quality, foreign-denominated bonds. These securities are considered relatively low-risk due to the financial strength of the issuers and the short-term maturity of the investments. Over time, growth potential for money market securities is lower than that of stocks and bonds.

BASIC FUND INFORMATION *

Fund Availability in the Plan: 07/01/2000
 Current Fund Manager: JPMorgan Chase Bank, NA (since 9/2010)
 Unit Price as of 06/30/2015: \$1.00
 Net Assets \$MM (end of period): 436.92

ANNUAL PERFORMANCE 06/30/2015



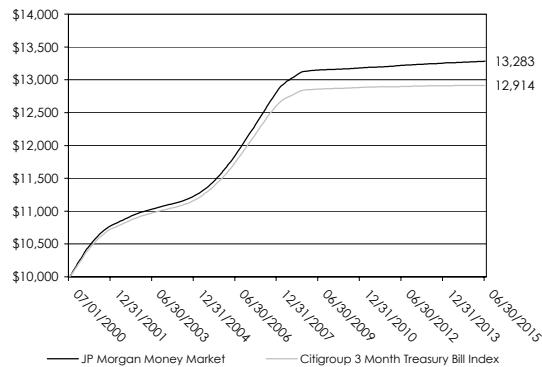
BEST, WORST & AVERAGE ANNUALIZED LIFE OF PERFORMANCE

Based on rolling 12 months for the period 07/01/2000 - 06/30/2015

	Money Market Fund		Citigroup 3 Month Treasury Bill Index	
Best %	6.11	06/30/2001	5.64	06/30/2001
Worst %	0.12	12/31/2014	0.02	06/30/2015
Annualized Life Of Fund	1.91		1.72	

HYPOTHETICAL \$10,000 INVESTED

07/01/2000 - 06/30/2015



A hypothetical investment of \$10,000 invested on 07/01/2000. Figures include reinvestment of capital gains and dividends. Chart represents month-end data points. There is no direct correlation between a hypothetical investment and the anticipated performance of the fund. It is not possible to invest directly in an index.

FEE AND EXPENSE INFORMATION

06/30/2015

Annualized Fees and Expenses (as a % of Assets Invested)			
Fund Operating Expenses	+	Plan Administrative Costs	= Total Expense Ratio
0.05%		0.04%	0.09%
Annualized Fees and Expenses (per \$1,000 Invested)			
Fund Operating Expenses	+	Plan Administrative Costs	= Total Expense Ratio
\$0.50		\$0.40	\$0.90

PERFORMANCE (NET OF FEES) **

Cumulative (as of 06/30/2015)	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Total Returns %	0.04	0.08	0.15	0.48	0.88	16.77	32.82
Citigroup Treasury Bill-3 Month	0.00	0.01	0.02	0.14	0.32	14.22	29.14
Annualized (as of 06/30/2015)	1 Year	3 Year	5 Year	10 Year	Since Inception		
Total Returns %	0.15	0.16	0.17	1.56	1.91		
Citigroup Treasury Bill-3 Month	0.02	0.05	0.06	1.34	1.72		

*The Money Market Fund is an institutional commingled fund, not a mutual fund, and is managed by JPMorgan Chase Bank, NA, which provided information on the fund.

■ Please see endnotes for additional information regarding Investment Fund Fees and Expenses

**Total returns are historical and include change in unit value and reinvestment of dividends and capital gains, if any. Cumulative total returns are reported as of the period indicated. Since inception performance is calculated from the fund's inception date in the Plan. Past performance does not guarantee future results. Periods of market strength might not be repeated and price, yield, and return will vary.

MONEY MARKET FUND

PERFORMANCE COMMENTARY

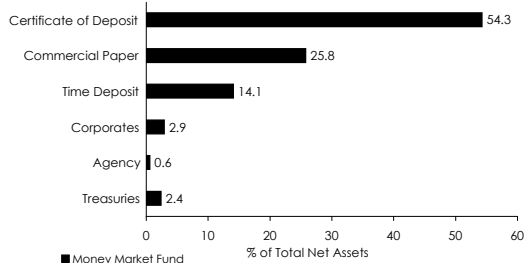
The weighted average maturity (WAM) target of the Money Market Fund was in the 45-50 day range during the quarter. Purchases were focused in the one- to six-month part of the curve in high quality, fixed rate bank paper. To hedge against higher rates, the fund increased exposure to floating rate notes, purchasing six-month to one-year floating rate securities whose coupons reset versus one-month and three-month LIBOR. Additionally, the fund continued to add one-year U.S. Treasury notes at attractive yields relative to overnight rates. Investment activity was limited to the one to three month part of the curve at levels ranging from 0.15% to 0.30%. The fund generally carried 25% to 30% in overnight liquidity and 45% to 50% in monthly liquidity during the quarter.

STATISTICAL MEASURES AS OF 06/30/2015

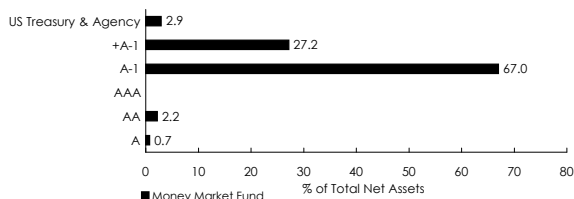
Relative to the Citigroup 3 Month Treasury Bill Index based on 3 year history.

Alpha	0.01
Beta	0.48
R ²	0.02
Standard Dev.	0.03

SECTOR BREAKDOWN † 06/30/2015



QUALITY BREAKDOWN † 06/30/2015



Quality ratings provided by Moody's and S&P

RISK

The Money Market Fund is a bank-maintained collective fund available to participants in the Alcatel-Lucent Savings/401(k) Plan and is not a mutual fund registered with the SEC. As such, the Money Market Fund is not subject to the SEC's requirements regarding the maturity, quality and diversification of a money market fund's underlying investments. There is no guarantee that this fund will maintain a stable value. The Money Market Fund is not insured or guaranteed by the FDIC or any other government agency. 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. The securities held in this fund are considered relatively low-risk due to the financial strength of the issuers and the short-term maturity of the investments. Over time, growth potential for money market securities is lower than that of stocks and bonds. Yield and return of the fund will vary.

† Securities, sectors, industries, countries, and/or credit quality ratings are specific to the investment fund as of the date shown and should not be construed as a recommendation to invest in any particular security, sector, industry, country, or credit quality. Top ten holdings do not include cash holdings, futures contracts, or exchange traded funds.

PERFORMANCE BENCHMARKS

Performance information is shown with reference to certain benchmarks or market indices.

Market Indices

The market indices are defined in the Glossary of Investment Terms available by visiting the BenefitAnswersPlus website at <http://www.benefitanswersplus.com/GlossaryofInvestmentTerms.pdf>. (Note: Website address is case-sensitive.)

Customized Benchmarks

The Balanced Real Asset Fund, Customized Real Asset Fund, and the Retirement Date Funds use customized benchmarks, as follows.

- **Retirement Date Funds.** 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. Effective April 1, 2014, 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 U.S. Large Cap Growth Equity Fund, the Russell 1000 Value Index will be used to represent the U.S. Large Cap Value Equity Fund, the Russell 2000 Index will be used to represent the U.S. Small Cap Equity Fund, the MSCI World ex-USA Net Dividend Index will be used to represent the International Equity Fund, the MSCI Emerging Markets Net Dividend Index will be used to represent the Emerging Markets Equity Fund, the Barclays U.S. 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.
- **Customized Real Asset Fund.** The custom benchmark for the Customized Real Asset Fund is comprised of: 50% MSCI ACWI Commodity Producers Index, 25% Dow Jones UBS Commodity Index, and 25% Barclays US TIPS 1-10 Year Index.
- **Balanced Real Asset Fund.** The composite benchmark for the Balanced Real Asset Fund is comprised of: 30% MSCI ACWI Commodity Producers Index, 15% Dow Jones UBS Commodity Index, and 55% Barclays US TIPS 1-10 Year Index.

Benchmark/index performance is not illustrative of any particular investment in the Plan. None of the benchmarks or indices is an actively-managed investment. It is not possible to invest directly in an index.

INVESTMENT FUND FEES AND EXPENSES

Fees and expenses include both fund operating expenses and the investment fund's share of those Plan-wide administrative costs that are paid directly out of the Plan's investment funds.

Fund Operating Expenses are the costs associated with running or operating an investment 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 investment fund's share of Plan-wide audit and legal fees, participant communications costs, fiduciary services costs, investment advice fees, plan administrator costs, recordkeeping fees, and trustee/custodial fees. Collectively, these fees and expenses are referred to as the investment fund's total expense ratio.

The information is presented both as a percentage of assets invested and as a dollar amount per \$1,000 invested. The figures shown are the actual fees and expenses for the quarter being reported, multiplied by 4 to simulate an annual figure. Because certain costs cannot be known in advance, the actual fees and expenses charged to the Plan's investment funds for the calendar year could be different from what is shown.

The cumulative effect of fees and expenses can substantially reduce an investment's return. Nonetheless, fees and expenses are only one of several factors that you should consider when investing your Plan account. Visit the Department of Labor's website for an example showing the long-term effect of fees and expenses on retirement savings at <http://www.dol.gov/ebsa/publications/understandingretirementfees.html>.

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.

The investment funds offered under the Alcatel-Lucent Savings/401(k) Plan may engage in securities lending activities. Securities lending involves the lending of securities held by the fund to a borrower in exchange for cash and/or other securities, which are then held as collateral for the securities being lent. With respect to investment funds that are institutional commingled funds cash collateral is invested at the discretion of the fund manager. With respect to those investment options that are separate accounts, cash collateral is invested at the discretion of the "lending agent" for the Plan, which is Bank of New York Mellon. Although the holding of collateral may mitigate the risk of loss for the Plan, there still exists a risk of loss in the event of the insolvency of the borrower, which could delay the recovery of the underlying securities, or in the event the collateral investments decline in value. Also, with respect to cash collateral, there exists a risk of loss in the event the investments purchased by the fund manager or Lending Agent, as applicable, declines in value.

CFTC DISCLOSURE

Under the Commodity Exchange Act (the "Act"), certain employee benefit trusts may be deemed to be commodity pools if the trusts' investment funds trade swaps, futures, options or other commodity interests. Generally, under the Act, operations of such commodity pools are required to register with the Commodity Futures Trading Commission ("CFTC") as commodity pool operators unless an exemption applies or an exclusion is claimed. The Lucent Technologies Inc. Defined Contribution Plan Master Trust (the "Trust") holds the assets of the investment funds offered by the Alcatel-Lucent Savings/401(k) Plan. Certain of those funds may, from time to time, trade swaps futures, options, and/or other commodity interests, and, as a result, the Trust might be deemed to be a commodity pool within the meaning of the Act.

ALCATEL-LUCENT INVESTMENT MANAGEMENT CORPORATION ("ALIMCO"), IN ITS CAPACITY AS A NAMED FIDUCIARY OF THE TRUST, HAS CLAIMED AN EXCLUSION FROM THE DEFINITION OF THE TERM "COMMODITY POOL OPERATOR" PURSUANT TO CFTC REGULATION 4.5(A)(4) AND OPERATES THE TRUST ON THE BASIS OF THAT EXCLUSION. THEREFORE, NEITHER ALIMCO NOR THE TRUST'S TRUSTEE IS REQUIRED TO DELIVER TO PARTICIPANTS A DISCLOSURE DOCUMENT OR CERTIFIED ANNUAL REPORT THAT SATISFIES THE REQUIREMENTS OF CFTC RULES APPLICABLE TO REGISTERED COMMODITY POOL OPERATORS. THE CFTC DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN THE INVESTMENT FUNDS OFFERED BY THE ALCATEL-LUCENT SAVINGS/401(k) PLAN.

WHERE TO GET ADDITIONAL INFORMATION

Additional information is available online at the website addresses shown below or by contacting 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. Note: Website addresses shown below are case-sensitive.

- **The most recently available Fund Fact Sheets** may be found by visiting the BenefitAnswersPlus website at <http://www.benefitanswersplus.com/FundFactSheets.pdf>.
- **Most recent performance and fee-and-expense information** may be found in the Quarterly Fund Performance Review available by visiting the BenefitAnswersPlus website at <http://www.benefitanswersplus.com/QuarterlyFundPerformanceReview.pdf>.
- **To obtain current month-end performance information or to view your Plan account information**, log on to your account at <http://resources.hewitt.com/alcatel-lucent> or contact 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.
- **A glossary of investment-related terms** is available by visiting the BenefitAnswersPlus website at <http://www.benefitanswersplus.com/GlossaryofInvestmentTerms.pdf>.

The information contained herein was provided by and is the sole responsibility of Alcatel-Lucent.