



Lucent Technologies and Collier Capital form independent venture firm to manage Lucent's New Ventures Group portfolio

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Collier purchases 80 percent stake in the joint venture portfolio

MURRAY HILL, N.J. – Lucent Technologies (NYSE:LU) and Collier Capital of London today announced the creation of a new venture capital partnership named New Venture Partners LLC. New Venture Partners will manage the former Lucent New Ventures Group (NVG) portfolio of businesses, which has its roots in Lucent's famed R&D arm, Bell Labs.

Under the terms of the agreement, Lucent sold 80 percent of its equity stake in the NVG portfolio to Collier Capital, an international specialist investment manager.

The core Lucent NVG team will leave Lucent and move to New Venture Partners to manage the portfolio going forward, and Lucent will retain a 20 percent limited partner's interest in the portfolio.

NVG has served as the venture development arm for Lucent, taking technology innovations from Bell Labs and growing them into independent companies. Although NVG was established in 1997, many of the 27 companies in the portfolio can trace their technology heritage back to the 1980s or early 1990s.

The portfolio includes such companies as Celiant, the largest supplier of wireless base station amplifiers in the United States; iBiquity Digital, whose technology allows the transformation of AM radio broadcast to FM audio quality, and FM to CD quality; and Intrado, a leading provider in North America of systems and services for network databases that route emergency 911 calls to public safety answering points.

"Our New Ventures Group has a solid track record of giving Bell Labs technologies that lie outside Lucent's core set of offerings the opportunity to flourish as independent ventures," said Bill O'Shea, president, Bell Labs and executive vice president, Corporate Strategy and Marketing. "The creation of an independent company to manage this portfolio will better position the portfolio companies for future success and growth, while allowing Lucent to focus its management attention and resources on innovations for our large service provider customers. We

decided to partner with Collier Capital because they responded quickly and clearly understood how to align the interests of Lucent, Collier Capital and the NVG management team."

In addition to retaining a 20 percent interest in the portfolio, Lucent also will have the opportunity to continue to work with New Venture Partners on future investments.

"Over the last 18 months, we have analyzed more than 100 opportunities to buy into private equity portfolios but walked away from them all, just waiting for an opportunity like this," said Jeremy Collier, chief executive of Collier Capital. "I believe that we have joined forces with one of the top corporate venturing teams in the United States. This is the first high-quality portfolio of technology stocks that, in our view, has come up for sale since the sector slumped last year. These companies give us a good spread of risk, encompassing software, communications, storage and other activities. They also serve a wide variety of customers in different countries and several of them are mature businesses with substantial revenues."

"The combination of Lucent's continued presence and Collier Capital's experience in private equities and technical expertise bring tremendous value to the new firm," said New Venture Partners managing partner Tom Uhlman. "Initially, New Venture Partners will focus on helping our ventures yield significant value for their shareholders. In the not too distant future, we plan to build on our unique corporate and venture experience to create new deal flow from institutional laboratories and undervalued corporate technology assets."

About Lucent Technologies

Lucent Technologies, headquartered in Murray Hill, N.J., USA, designs and delivers networks for the world's largest communications service providers. Backed by Bell Labs research and development, Lucent relies on its strengths in mobility, optical, data and voice networking technologies as well as software and services to develop next-generation networks. The company's systems, services and software are designed to help customers quickly deploy and better manage their networks and create new, revenue-generating services that help businesses and consumers. For more information on Lucent Technologies, visit its Web site at www.lucent.com.

About Collier Capital

Collier Capital is a specialist investment manager that, since its foundation in 1990, has become a leading investor in private equity "secondaries" i.e. in the purchase of stakes in venture capital, buyout and

mezzanine funds or portfolios from their original investors who are seeking liquidity before maturity. It currently has in excess of US\$1 billion under management.

Coller's first large-scale acquisition, in mid-1998, was of the private equity portfolio of the US-based Shell Pension Trust, valued at \$265 million. Two years later, Coller Capital led and became the majority investor in the transaction to purchase the former National Westminster Bank portfolio of private equity interests, involving 292 companies, from the Royal Bank of Scotland. The transaction, which was valued at \$1 billion, remains the largest secondary purchase of private equity portfolios in the world to date.

For more information about Coller Capital, visit its Web site at www.collercapital.com.

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