

# News Release



[www.nortel.com](http://www.nortel.com)

**FOR IMMEDIATE RELEASE**

**April 19, 2006**

For more information:

Greta Brown  
+44-(0)1628 432968  
[gretab@nortel.com](mailto:gretab@nortel.com)

Bo Gowan  
972-685-8278  
[bogowan@nortel.com](mailto:bogowan@nortel.com)

## **UPC Broadband Deploys Nortel VoIP for 'Triple Play' Service in Western Europe**

AMSTERDAM, The Netherlands – UPC Broadband, a division of leading international cable operator, Liberty Global, Inc., has deployed a Nortel\* [NYSE/TSX: NT] cable VoIP solution to provide a suite of new voice services to residential and business customers in Austria, France and The Netherlands.

UPC, whose networks pass more than 11 million homes and businesses in Western Europe, is using the Nortel VoIP solution as part of its strategy to provide a simple, user-friendly 'triple play' of services – voice, broadband Internet and video - over a single network.

Using Nortel solutions and services, UPC is one of the industry's first cable operators to deploy SIP (Session Initiation Protocol) based VoIP services, laying the foundation for new feature-rich voice and multimedia services — such as presence, instant messaging, video and mobility — and taking the first step towards the integration of mobile and fixed telephony.

Nortel is also working closely with UPC Broadband to provide training, operational support and maintenance services from the Nortel Global Services portfolio.

"VoIP is a vital part of our strategy to provide a completely integrated voice, video and broadband service tailored to the needs of our residential and business customers," said Gene Musselman, president and chief operating officer, UPC Broadband. "Nortel has helped us with our packet network transformation by delivering a solution that supports next generation IMS-based services."

"As consumer and business demand for multimedia services grows, operators want scalable, reliable and open VoIP solutions that deliver services in a timely, reliable and cost-efficient manner without abandoning existing network investment," said Steve Pusey, executive vice president, Nortel and president Nortel Eurasia. "Having successfully delivered cable VoIP to other Liberty Global operators, this latest deployment extends our relationship by providing UPC Broadband with a VoIP platform for enabling them to improve service reliability and choice across Western Europe."

UPC Broadband is using an end-to-end VoIP solution that includes Nortel's PacketCable and Euro-PacketCable-qualified [Communication Server 2000-Compact softswitch](#) and AudioCodes' Mediant 5000 Cable Access Gateway. The network also includes SIP-based Embedded Multimedia Terminal Adapters (E-MTAs) to deliver primary line VoIP along with high-speed Internet access. UPC is one of the industry's first cable operators to deploy SIP-based E-MTAs, laying the foundation for new feature-rich voice and multimedia services — such as presence, instant messaging, video and mobility — and taking the first step towards the IMS architecture.

### **About Nortel**

Nortel is a recognized leader in delivering communications capabilities that enhance the human experience, ignite and power global commerce, and secure and protect the world's most critical information. Our next-generation technologies, for both service providers and enterprises, span access and core networks, support multimedia and business-critical applications, and help eliminate today's barriers to efficiency, speed and performance by simplifying networks and connecting people with information. Nortel does business in more than 150 countries. For more information, visit Nortel on the Web at [www.nortel.com](http://www.nortel.com). For the latest Nortel news, visit [www.nortel.com/news](http://www.nortel.com/news).

Certain statements in this press release may contain words such as "could", "expects", "may", "anticipates", "believes", "intends", "estimates", "plans", "envisions", "seeks" and other similar language and are considered forward-looking statements or information under applicable securities legislation. These statements are based on Nortel's current expectations, estimates, forecasts and projections about the operating environment, economies and markets in which Nortel operates. These statements are subject to important assumptions, risks and uncertainties, which are difficult to predict and the actual outcome may be materially different. Although Nortel believes expectations reflected in such forward-looking statements are reasonable based upon the assumptions in this press release, they may prove to be inaccurate and consequently Nortel's actual results could differ materially from its expectations set out in this press release. Further, actual results or events could differ materially from those contemplated in forward-looking statements as a result of the following (i) risks and uncertainties relating to Nortel's restatements and related matters including: Nortel's recently announced restatement and two previous restatements of its financial statements and related events and that the previously filed financial statements of Nortel and NNL and related audit reports should not be relied upon; the negative impact on Nortel and NNL of their announced restatement and delay in filing their financial statements and related periodic reports causing them to breach their public debt indentures and obligations under their credit facilities with the possibility that the holders of their public debt or NNL's lenders would seek to accelerate the maturity of that debt; and causing a breach of NNL's support facility with EDC with the possibility that EDC would refuse to issue additional support under the facility, terminate its commitments under the facility or require NNL to cash collateralize all existing support; legal judgments, fines, penalties or settlements, or any substantial regulatory fines or other penalties or sanctions, related to the ongoing regulatory and criminal investigations of Nortel in the U.S. and Canada; any significant pending civil litigation actions not encompassed by Nortel's proposed class action settlement; any substantial cash payment and/or significant dilution of Nortel's existing equity positions resulting from the finalization and approval of its proposed class action settlement, or if such proposed class action settlement is not finalized, any larger settlements or awards of damages in respect of such class actions; any unsuccessful remediation of Nortel's material weaknesses in internal control over financial reporting resulting in an inability to report Nortel's results of operations and financial condition accurately and in a timely manner; the time required to implement Nortel's remedial measures; Nortel's inability to access, in its current form, its shelf registration filed with the United States Securities and Exchange Commission (SEC), and Nortel's below investment grade credit rating and any further adverse effect on its credit rating due to Nortel's restatement of its financial statements; any adverse affect on Nortel's business and market price of its publicly traded securities arising from continuing negative publicity related to Nortel's restatements; Nortel's potential inability to attract or retain the personnel necessary to achieve its business objectives; any breach by Nortel of the continued listing requirements of the NYSE or TSX causing the NYSE and/or the TSX to commence suspension or delisting procedures; any default in Nortel's filing obligations extending beyond May 9, 2006, causing any Canadian securities regulatory authority to impose an order to cease all trading in Nortel's securities within the applicable jurisdiction or to impose such an order sooner if Nortel fails to comply with the alternate information guidelines of such regulatory authorities; (ii) risks and uncertainties relating to Nortel's business including: yearly and quarterly fluctuations of Nortel's operating results; reduced demand and pricing pressures for its products due to global economic conditions, significant competition, competitive pricing practice, cautious capital spending by customers, increased industry consolidation, rapidly changing technologies, evolving industry standards, frequent new product introductions and short product life cycles, and other trends and industry characteristics affecting the telecommunications industry; any material and adverse affects on Nortel's performance if its expectations regarding market demand for particular products prove to be wrong or because of certain barriers in its efforts to expand internationally; any reduction in Nortel's operating results and any related volatility in its market price of its publicly traded securities arising from any decline in its gross margin, or fluctuations in foreign currency exchange rates; any negative developments associated with Nortel's supply contract and contract manufacturing agreements including as a result of using a sole supplier for key optical networking solutions components, and any defects or errors in Nortel's current or planned products; any negative impact to Nortel of its failure to achieve its business transformation objectives; restrictions on how Nortel and its president and chief executive officer conduct its business arising from a settlement with Motorola Inc.; additional valuation allowances for all or a portion of its deferred tax assets; Nortel's failure to protect its intellectual property rights, or any adverse judgments or settlements arising out of disputes regarding intellectual property; changes in regulation of the Internet and/or other aspects of the industry; Nortel's failure to successfully operate or integrate its strategic acquisitions, or failure to consummate or succeed with its strategic alliances; any negative affect of Nortel's failure to evolve adequately its financial and managerial control and reporting systems and processes, manage and grow its business, or create an effective risk management strategy; and (iii) risks and uncertainties relating to Nortel's liquidity, financing arrangements and capital including: the impact of Nortel's recently announced restatement and two previous restatements of its financial statements; any acceleration under their public debt indentures and credit facilities, which may result in Nortel and NNL being unable to meet their respective payment obligations; any inability of Nortel to manage cash flow fluctuations to fund working capital requirements or achieve its business objectives in a timely manner or obtain additional sources of funding; high levels of debt, limitations on Nortel capitalizing on business opportunities because of credit facility covenants, or on obtaining additional secured debt pursuant to the provisions of indentures governing certain of Nortel's public debt issues and the provisions of its credit facilities; any increase of restricted cash requirements for Nortel if it is unable to secure alternative support for obligations arising from certain normal course business activities, or any inability of Nortel's subsidiaries to provide it with sufficient funding; any negative affect to Nortel of the need to make larger defined benefit plans contributions in the future or exposure to customer credit risks or inability of customers to fulfill payment obligations under customer financing arrangements; any negative impact on Nortel's ability to make future acquisitions, raise capital, issue debt and retain employees arising from stock price volatility and further declines in Nortel's market price of its publicly traded securities, or any future share consolidation resulting in a lower total market capitalization or adverse affect on the liquidity of Nortel's common shares. For additional information with respect to certain of these and other factors, see Nortel's securities filings with the SEC, which have not been updated to reflect each of these risks and uncertainties and which include financial information that Nortel announced on March 10, 2006 cannot be relied upon. Unless otherwise required by applicable securities laws, Nortel disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

-end-

\*Nortel, the Nortel logo and the Globemark are trademarks of Nortel Networks.