

Nortel

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As announced in January, the company expects savings in the range of \$250-\$300 million (US) per year when the operations strategy is completed within the previously announced period of 18-36 months. The company is on target for achieving results in line with the guidance for 1999, and the actions announced will have no significant impact on 1999 financial performance from ongoing operations.**

Nortel Networks delivers value to customers around the world through Unified Networks solutions, spanning mission-critical telephony and IP-optimized networks. Customers include public and private enterprises and institutions; Internet service providers; local, long-distance, cellular and PCS communications companies, cable television carriers, and utilities.

Nortel Networks' common shares are listed on the New York Toronto, Montreal, Vancouver, and London stock exchanges. Nortel Networks had 1998 revenues of \$17.6 billion (US) and has approximately 75,000 employees worldwide.

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