

NORTEL NETWORKS CORPORATION
Consolidated Results (unaudited)
Supplementary Information
(millions of U.S. dollars)

	U.S. GAAP					
	Three months ended			Year ended		
	December 31,			December 31,		
By segment:	2003 ⁽¹⁾	2002	% Change	2003 ⁽¹⁾	2002	% Change
Wireless Networks	\$ 1,356	\$ 1,020	33%	\$ 4,295	\$ 4,216	2%
Enterprise Networks	638	651	(2%)	2,375	2,579	(8%)
Wireline Networks	551	506	9%	2,045	2,263	(10%)
Optical Networks	281	344	(18%)	1,091	1,468	(26%)
Other	-	4	(100%)	1	43	(98%)
Total	<u>\$ 2,826</u>	<u>\$ 2,525</u>	<u>12%</u>	<u>\$ 9,807</u>	<u>\$ 10,569</u>	<u>(7%)</u>

	U.S. GAAP					
	Three months ended			Year ended		
	December 31,			December 31,		
By geographic region: ⁽²⁾	2003 ⁽¹⁾	2002	% Change	2003 ⁽¹⁾	2002	% Change
United States	\$ 1,586	\$ 1,256	26%	\$ 5,091	\$ 5,390	(6%)
EMEA ⁽³⁾	604	635	(5%)	2,371	2,562	(7%)
Canada	195	132	48%	574	655	(12%)
Other	441	502	(12%)	1,771	1,962	(10%)
Total	<u>\$ 2,826</u>	<u>\$ 2,525</u>	<u>12%</u>	<u>\$ 9,807</u>	<u>\$ 10,569</u>	<u>(7%)</u>

Percentage change in revenue by segment and geographic region

	U.S. GAAP					
	Q4 2003 vs Q3 2003 ⁽¹⁾					
	United States	EMEA	Canada	Asia Pacific	CALA ⁽⁴⁾	Total
Wireless Networks	52%	16%	80%	(13%)	26%	35%
Enterprise Networks	11%	12%	31%	(10%)	6%	10%
Wireline Networks	47%	(7%)	70%	14%	29%	26%
Optical Networks	26%	36%	38%	(37%)	80%	16%
Other	0%	0%	0%	0%	0%	0%
Total	38%	11%	56%	(13%)	28%	25%

	U.S. GAAP					
	Q4 2003 vs Q4 2002 ⁽¹⁾					
	United States	EMEA	Canada	Asia Pacific	CALA	Total
Wireless Networks	53%	2%	167%	(20%)	39%	33%
Enterprise Networks	1%	(8%)	13%	(7%)	(18%)	(2%)
Wireline Networks	9%	(5%)	142%	(2%)	22%	9%
Optical Networks	9%	(10%)	(30%)	(58%)	50%	(18%)
Other	0%	(100%)	0%	0%	0%	(100%)
Total	26%	(5%)	48%	(25%)	27%	12%

	U.S. GAAP					
	2003 vs 2002 ⁽¹⁾					
	United States	EMEA	Canada	Asia Pacific	CALA	Total
Wireless Networks	2%	11%	(21%)	(8%)	22%	2%
Enterprise Networks	(9%)	(7%)	7%	(6%)	(23%)	(8%)
Wireline Networks	(7%)	(5%)	23%	(11%)	(60%)	(10%)
Optical Networks	(22%)	(38%)	(39%)	(9%)	(12%)	(26%)
Other	(100%)	(100%)	(100%)	0%	100%	(98%)
Total	(6%)	(7%)	(12%)	(8%)	(13%)	(7%)

⁽¹⁾ These unaudited consolidated results are preliminary and are subject to change. Nortel Networks disclaims any intention or obligation to update or revise these preliminary consolidated results prior to the filing of its reported results for the year ended December 31, 2003.

⁽²⁾ Revenues were attributable to geographic regions based on the location of the customer.

⁽³⁾ The Europe, Middle East and Africa region.

⁽⁴⁾ The Caribbean and Latin America region.