

NORTEL NETWORKS CORPORATION
Consolidated Results (unaudited) ⁽¹⁾
Supplementary Information
(millions of U.S. dollars)

Revenues from continuing operations

	Three months ended			Six months ended		
	June 30,		% Change	June 30,		% Change
By Segments: ⁽²⁾	2002	2001		2002	2001	
Metro and Enterprise networks	\$ 1,223	\$ 1,994	(39%)	\$ 2,577	\$ 4,422	(42%)
Wireless networks	1,123	1,616	(31%)	2,259	3,161	(29%)
Optical networks	406	757	(46%)	812	2,326	(65%)
Other	21	243	(91%)	37	452	(92%)
Total	<u>2,773</u>	<u>4,610</u>		<u>5,685</u>	<u>10,361</u>	

	Three months ended			Six months ended		
	June 30,		% Change	June 30,		% Change
By Geographic Regions: ⁽³⁾	2002	2001		2002	2001	
United States	\$ 1,515	\$ 2,244	(32%)	\$ 2,949	\$ 5,089	(42%)
Canada	176	209	(16%)	367	516	(29%)
Other countries	1,082	2,157	(50%)	2,369	4,756	(50%)
Total	<u>2,773</u>	<u>4,610</u>		<u>5,685</u>	<u>10,361</u>	

Historical information ⁽²⁾

	Three months ended				
	March 31,	December 31,	September 30,	June 30,	March 31,
By Segments:	2002	2001	2001	2001	2001
Metro and Enterprise networks	\$ 1,354	\$ 1,720	\$ 1,625	\$ 1,994	\$ 2,428
Wireless networks	1,136	1,204	1,349	1,616	1,545
Optical networks	406	465	579	757	1,569
Other	16	67	141	243	209
Total	<u>2,912</u>	<u>3,456</u>	<u>3,694</u>	<u>4,610</u>	<u>5,751</u>

	Year ended December 31,	
	2001	2000
By Segments:		
Metro and Enterprise networks	\$ 7,767	\$ 11,691
Wireless networks	5,714	5,438
Optical networks	3,370	9,732
Other	660	1,087
Total	<u>17,511</u>	<u>27,948</u>

(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 results prior to the filing of its reported results for the three months and six months ended June 30, 2002.

(2) During the second quarter of 2002 Nortel Networks shifted the accountability for the metro optical portion of the Metro and Enterprise networks segment to the Optical networks segment (formerly named the Optical Long-Haul networks segment). Consequently, financial information for these two segments has been reported on the new basis commencing in the three months ended June 30, 2002, and historical comparative financial information has been restated.

(3) Revenues are attributable to geographic regions based on the location of the customer.