



Q2 2010

**Investor Conference Call
July 28, 2010**

BellAliant

Agenda



1

Strategic Highlights

2

Q2 2010 Financial Performance

3

Question Period

Forward-looking Caution

The presentation and answers today may contain forward-looking statements related to the future financial condition and results of operations of Bell Aliant. Consequently, please refer to the “Forward-looking information” section of our Q2 2010 Earnings news release dated July 28, 2010, as well as the Bell Aliant Regional Communications Income Fund and Bell Aliant Regional Communications Holdings, LP Management’s Discussion and Analysis (MD&A) for the quarter ended June 30, 2010, as posted on www.bellaliant.ca and as filed on SEDAR.

All of the forward-looking statements made in the course of this presentation describe management’s expectations at July 28, 2010, and are qualified by the cautionary statements found in the above mentioned documents, and there can be no assurance that the results or developments anticipated by us will be realized, or, even if substantially realized, they will have the expected consequences for us. Except as may be required by Canadian securities laws, we disclaim any intention and assume no obligation to update or revise any forward-looking statements even if new information becomes available, as a result of future events or for any other reason. Participants should not place undue reliance on any forward-looking statements.



Strategic Highlights

Strategic Highlights

**Improve The
Customer
Experience**

- Solid customer service performance

**Retain Our
Customers**

- 26% improvement in NAS declines

**Grow
Broadband**

- FTTH coverage expansion

**Reset Our
Cost Structure**

- \$21M in opex reductions

**Engage
Employees**

- Employee Roadshow

Union agreement

- Tentative agreement with Atlantic CEP not ratified by union membership in June
 - Represents approximately 3,000 unionized employees in Atlantic Canada
 - Existing agreement expires December 2011
- Implementing alternative cost reductions within the bounds of the current collective agreement
- Lines of communication are open

Q2 2010 Results



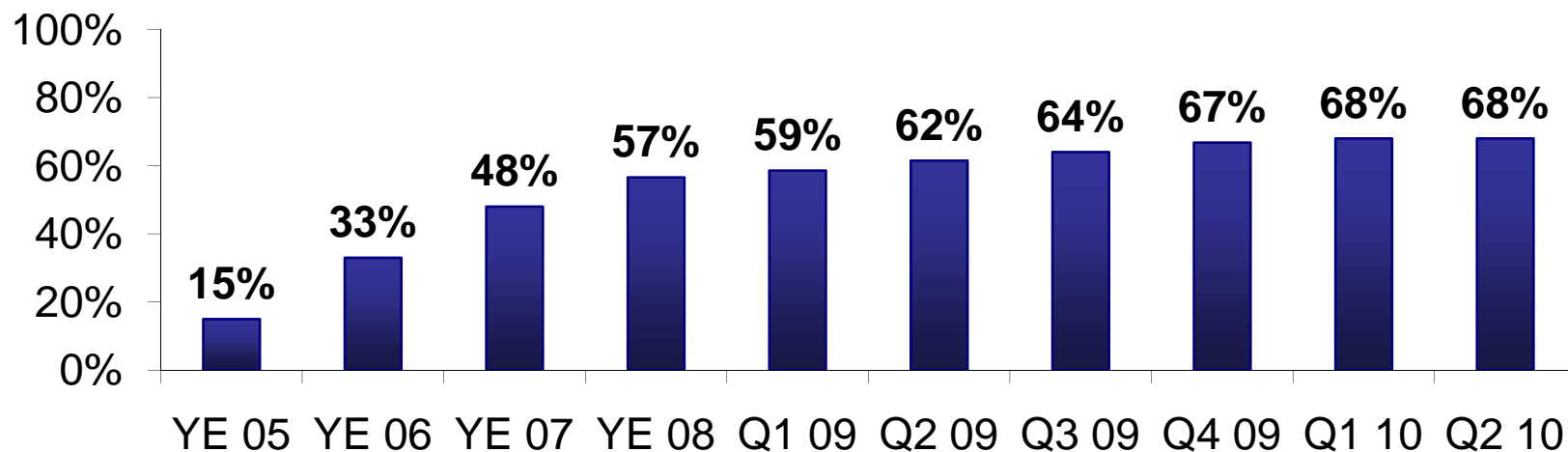
Q2 2010 Financial Highlights

<i>(\$ millions)</i>	Q2 2010	Y/Y Change	YTD	Y/Y Change
Revenue	\$753	(4.0%)	\$1,532	(4.4%)
EBITDA	\$357	(2.8%)	\$711	(2.1%)
EBITDA Margin	47.4%	0.6%	46.4%	1.1%
Capital Expenditures	\$125	2.7%	\$220	(4.1%)
Distributable Cash	\$176	(5.6%)	\$377	(1.7%)

Local and long distance

<i>\$ millions</i>	Q2 2010	Y/Y Change	YTD	Y/Y Change
Local Revenue	\$325	(4.7%)	\$648	(4.6%)
Long Distance Revenue	\$99	(6.9%)	\$196	(7.6%)

Competitive Footprint (Cable Telephony)



NAS

thousands

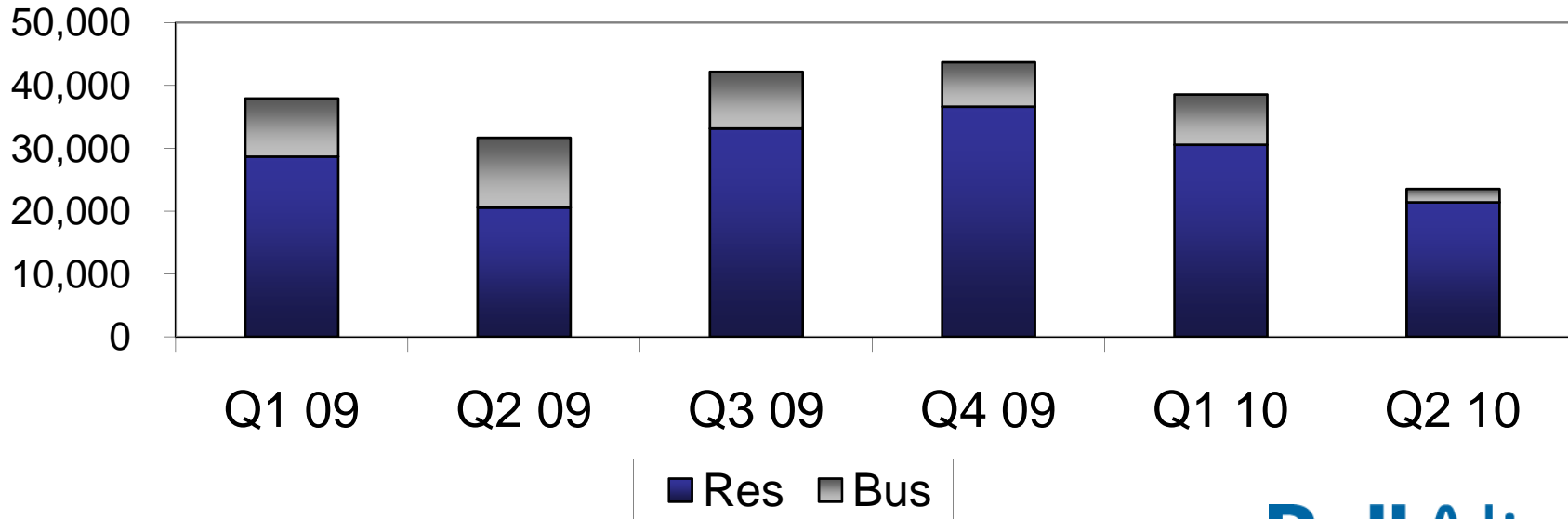
Residential

Business

Total NAS

	Q2 2010	Y/Y Change
Residential	1,867	(6.1%)
Business	997	(2.6%)
Total NAS	2,864	(4.9%)

Quarterly Net NAS Declines



Internet and Data

(\$ millions)

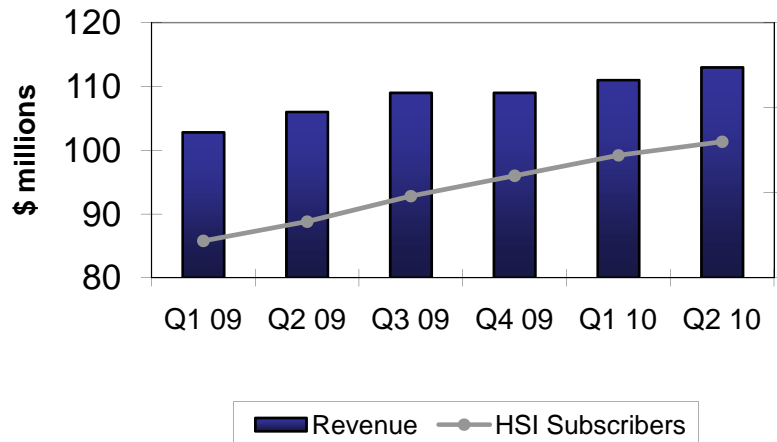
Internet Revenue

Other Data Revenue

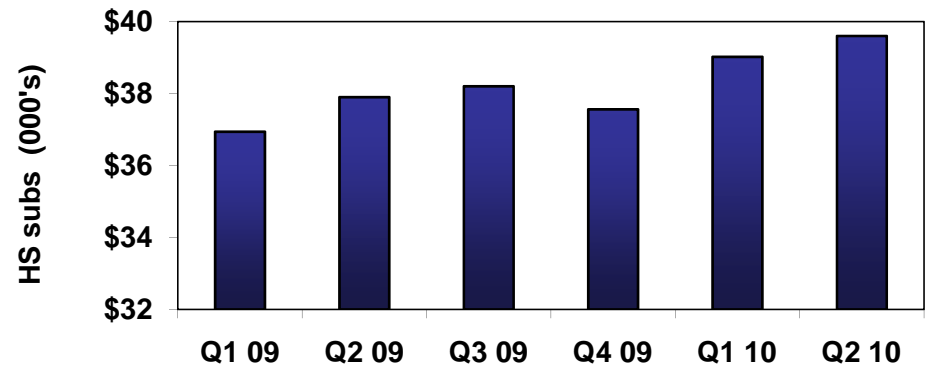
HS customers (000's) – end of period

Q2 2010	Y/Y Change	YTD	Y/Y Change
\$113	7.0%	\$225	7.6%
\$94	(7.4%)	\$187	(6.0%)
830	6.0%		

Internet Revenue and HSI Subscribers



Residential ARPC
High-Speed Internet

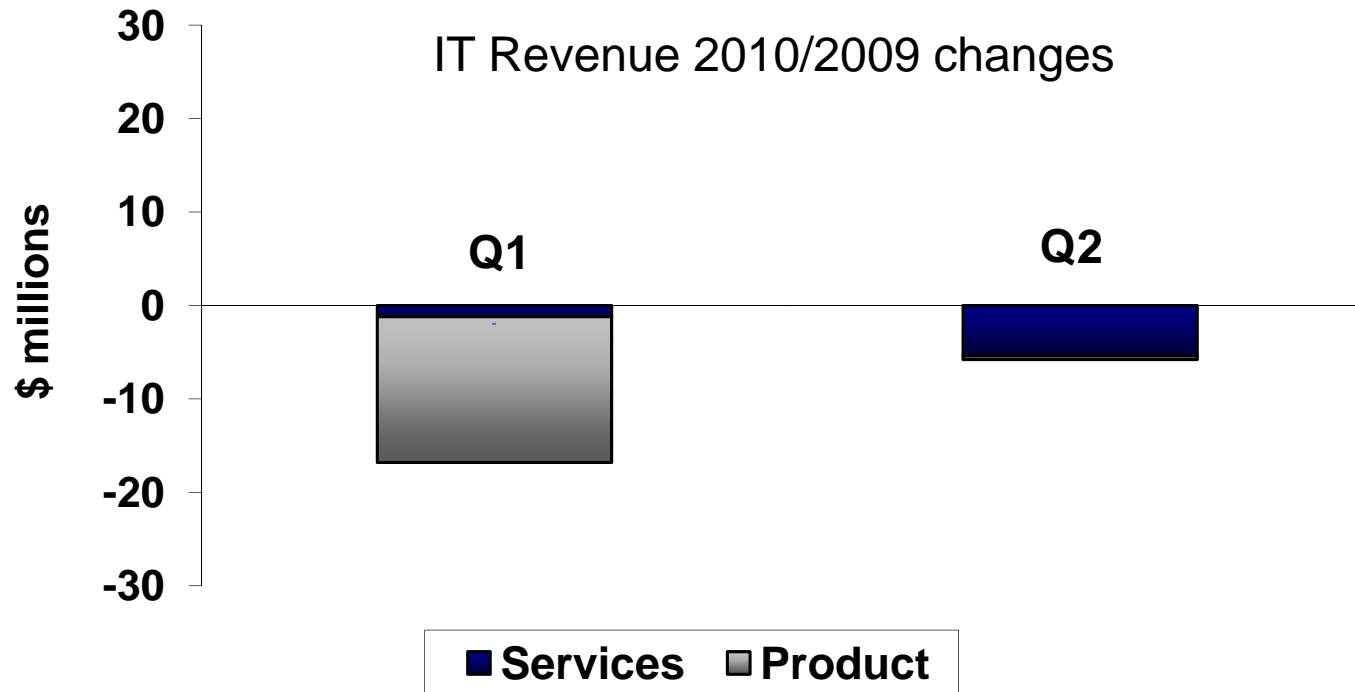


Information Technology

(\$ millions)

Revenue

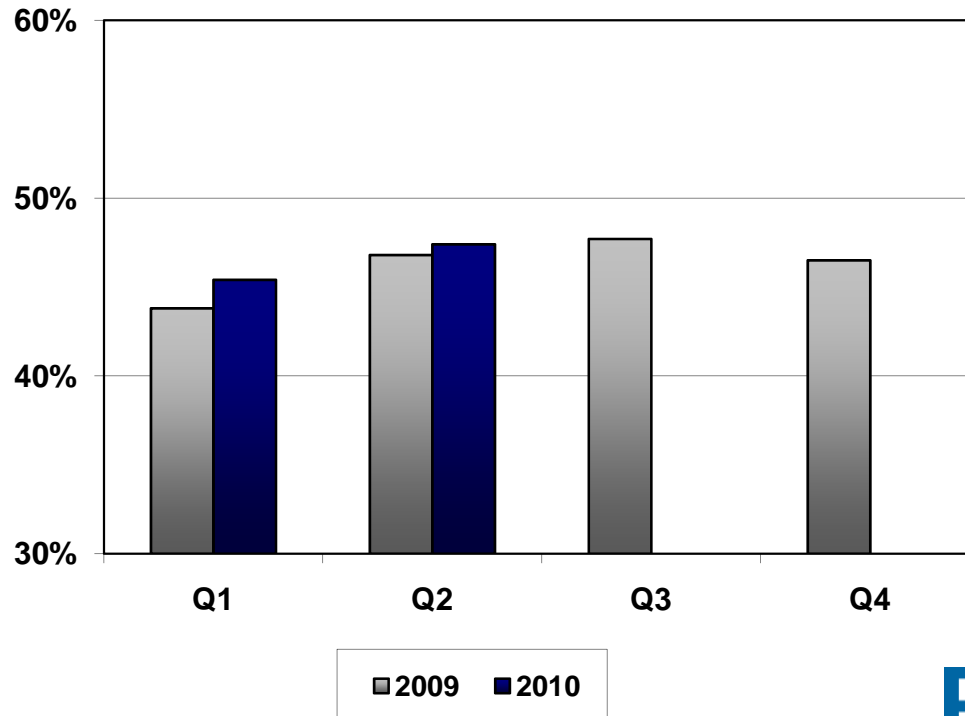
	Q2 2010	Y/Y Change	YTD	Y/Y Change
Revenue	\$59	(9.0%)	\$154	(12.8%)



EBITDA

<i>\$ millions</i>	Q2 2010	Y/Y Change	YTD	Y/Y Change
EBITDA	\$357	(2.8%)	\$711	(2.1%)

EBITDA Margin



CAPEX

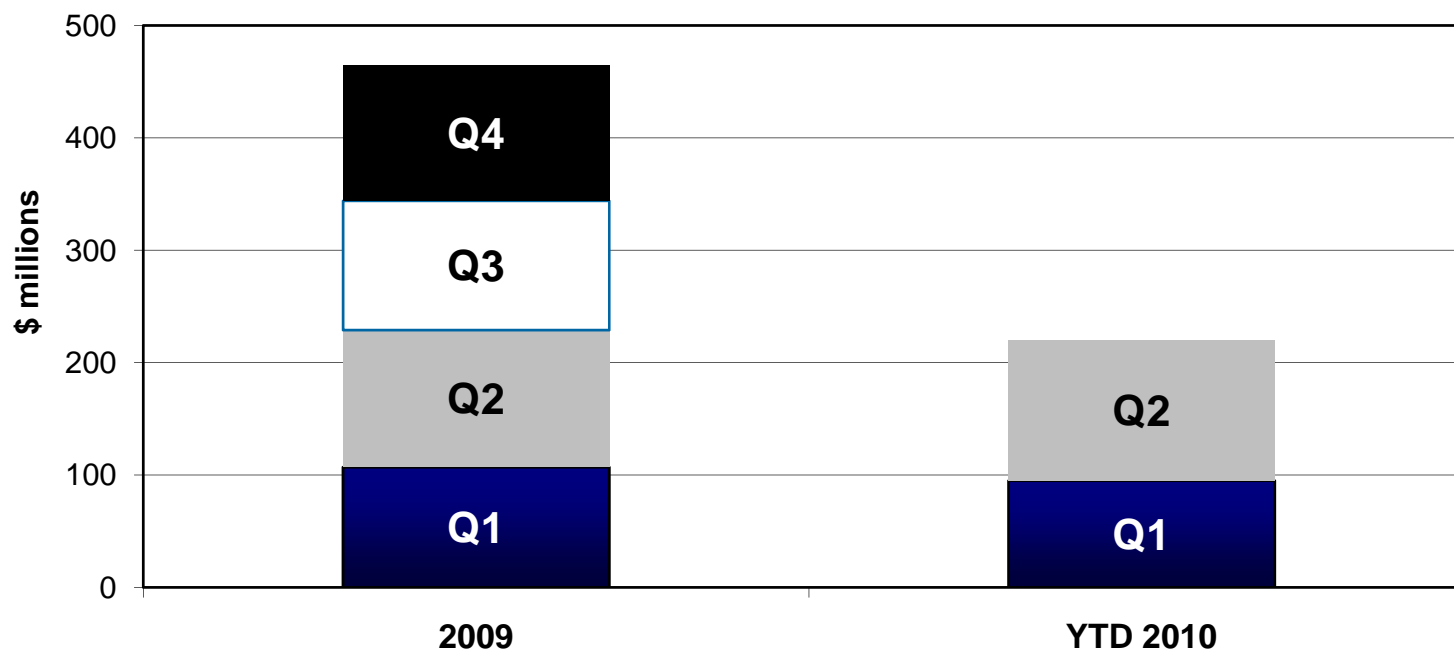
\$ millions

Capital Expenditures

Capital Intensity

	Q2 2010	Y/Y Change	YTD	Y/Y Change
Capital Expenditures	\$125	2.7%	\$220	(4.1%)
Capital Intensity	16.6%	1.1%	14.3%	-

Capex



Cash Flow

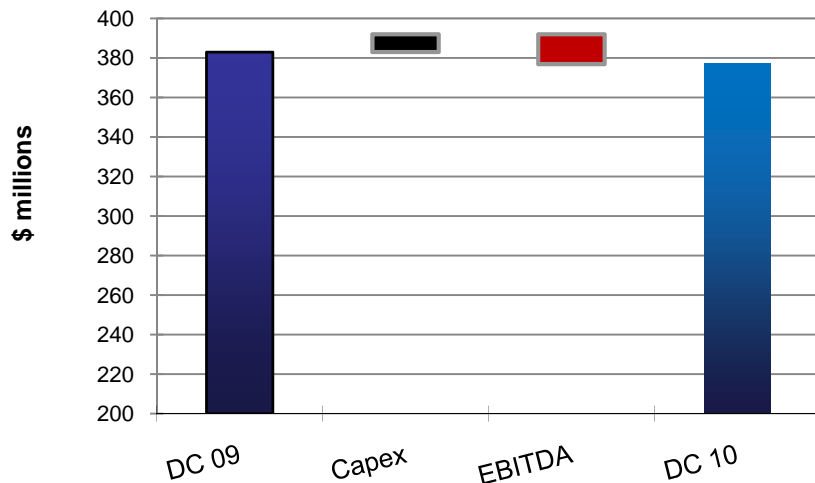
(\$ millions)

Distributable Cash

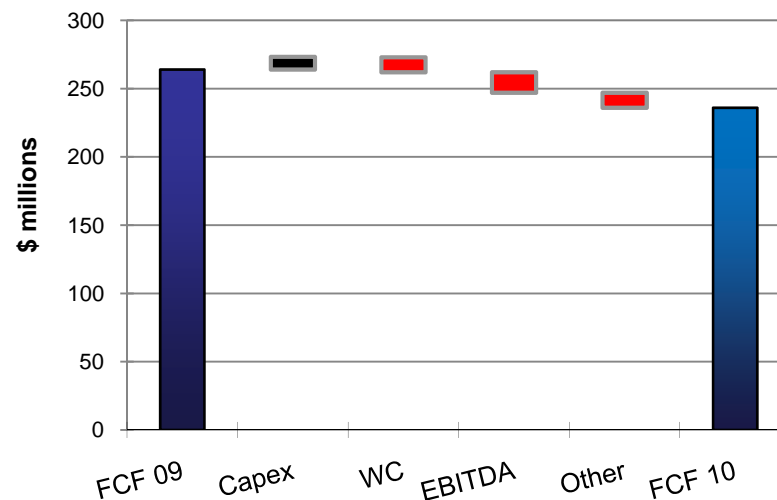
Free Cash Flow

	Q2 2010	Y/Y Change	YTD	Y/Y Change
Distributable Cash	\$176	(5.6%)	\$377	(1.7%)
Free Cash Flow	\$185	7.2%	\$236	(10.5%)

YTD Distributable Cash Y/Y Changes



YTD Free Cash Flow Y/Y Changes

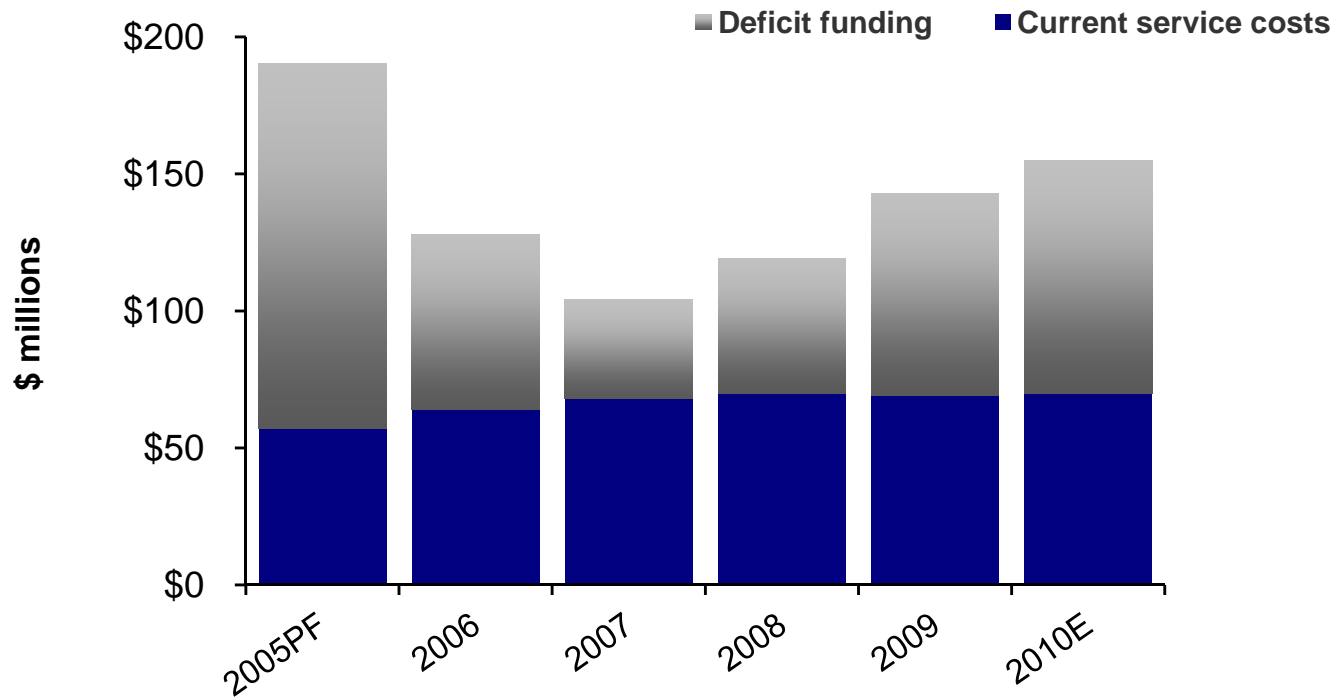


Increases
 Decreases



Pension Funding

Annual Funding



Deficit payments approximately \$85 million in 2010

2010 Guidance

	Original	Updated
Revenue	\$3,050M – \$3,150M	\$3,050M– \$3,150M
Distributable cash	\$750M – \$790M	\$690M - \$730M
Capital intensity	14% – 15%	16% - 17%

Updated to reflect one-time pole purchase in late 2010 or early 2011

Questions

Bell Aliant Investor Relations

1-877-248-3113

investors@bellaliant.ca

BellAliant