



Q2 2011 Results
Conference Call

July 27, 2011

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 2011 Earnings news release dated July 27, 2011, as well as Bell Aliant Regional Communications Inc.’s Management’s Discussion and Analysis (MD&A) for the quarter ended June 30, 2011, as posted on www.bellaliant.ca and as filed on www.sedar.com.

All of the forward-looking statements made in the course of this presentation describe management’s expectations at July 27, 2011, 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.



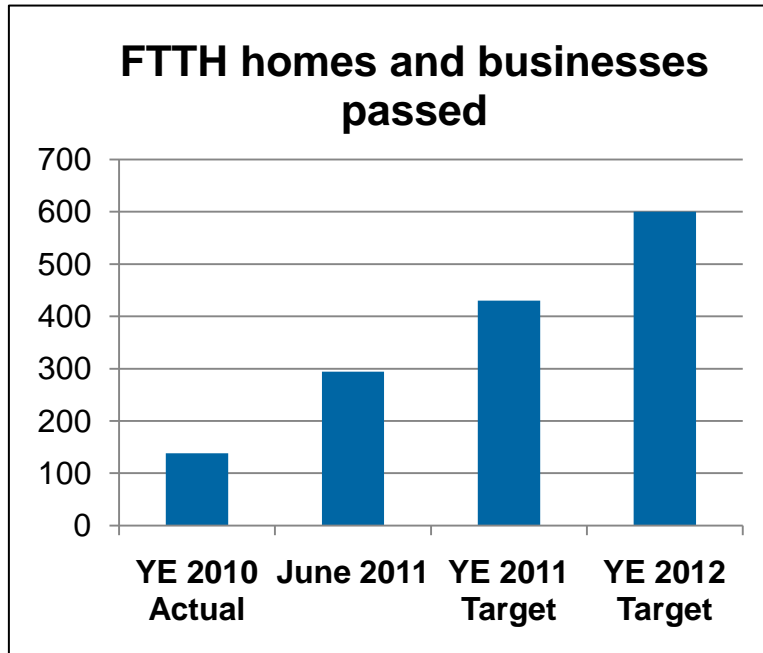
Karen Sheriff
President and CEO

Highlights

- ✓ Revenue trajectory continues on improved track
- ✓ Internet and TV growth increasingly offset legacy declines
- ✓ Atlantic residential revenue growth continues
- ✓ Residential high-speed ARPC reaches new high
- ✓ FTTH helping retention and growth

Focused execution improves revenue trajectory

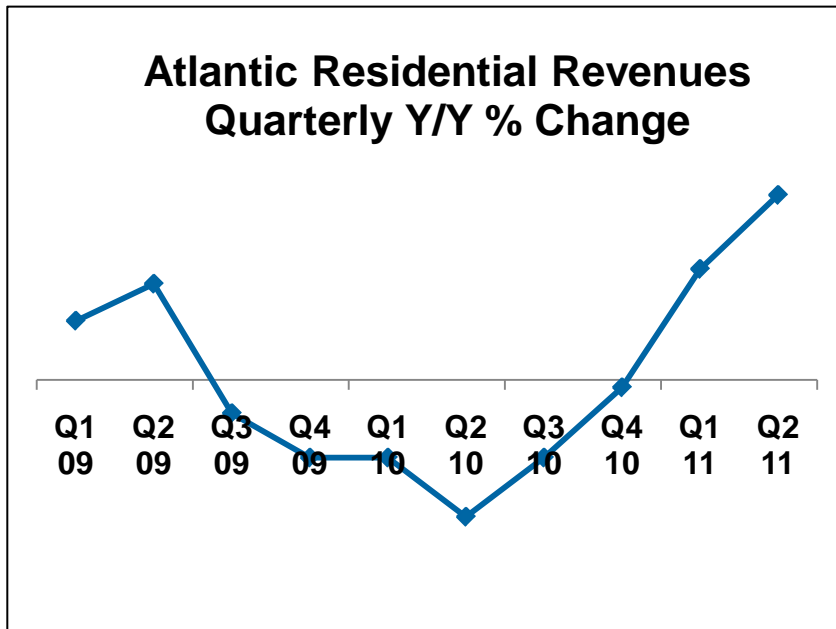
FTTH expansion accelerated



- Passed more incremental premises in Q2 11 than all of 2010
 - 116K incremental
 - 294K total
- FibreOP™ 2.0 launched

Large expansion still to come

Revenue trajectory on improved track

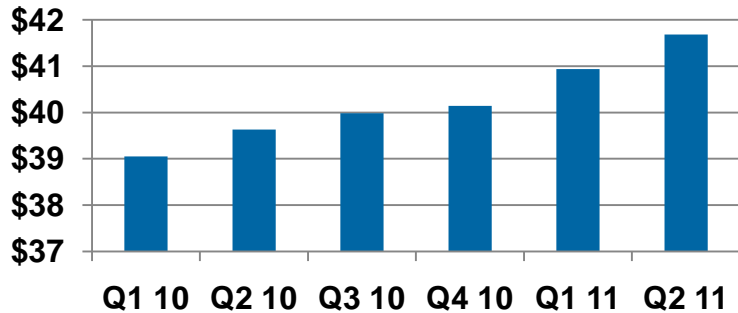


- Decline held to 1% for second consecutive quarter
- Atlantic residential revenue continues positive trajectory
- Better than expected ytd revenue performance
- Guidance being revised upwards

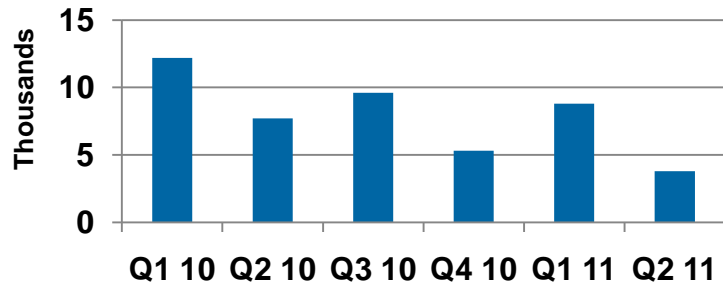
Atlantic residential revenue growth continues

Internet revenue growth continues

Residential High Speed Internet ARPS



High Speed Internet Net Additions



- Revenue growth of 7.2%
- Residential high-speed ARPC reaches another new high
 - Customer movement to higher-value and premium services
- HS customers
 - Up 3.3% from a year ago
 - Net adds of 4K compared to 8K in Q2 10
 - Slowing growth rate with lower footprint expansion

ARPC drives revenue growth

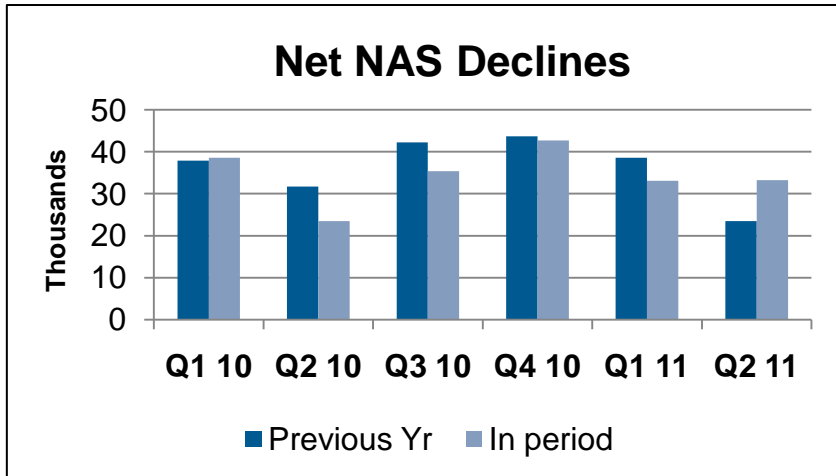
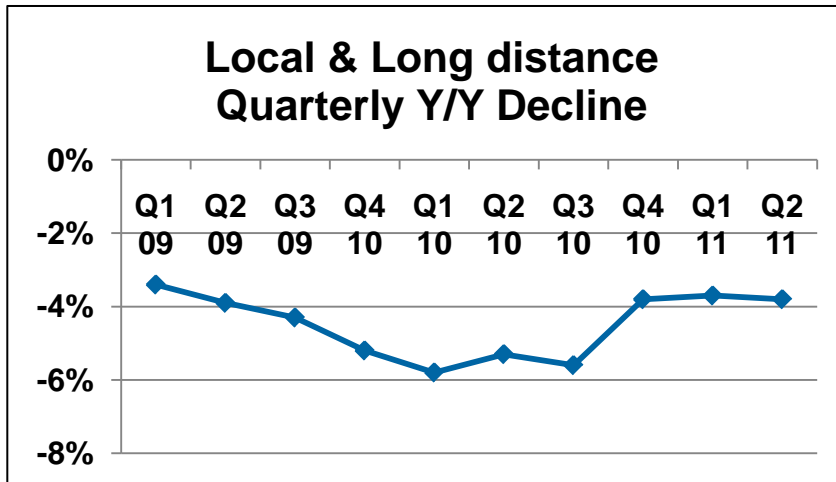
Just the beginning for FibreOP™

- Penetration rates exceeding forecasts
- Customers as of June 30, 2011
 - FibreOP Internet 22,000
 - FibreOP TV 20,000
- In quarter additions
 - FibreOP Internet 8,000
 - FibreOP TV 6,500
- Migration from DSL & FTTN improving ARPC



Expect significant revenue growth with expansion

Traditional Voice Performance



- Voice rates of decline continue improved trend from prior year
 - Higher competitor access tariffs and pricing action benefits

- Net NAS declines
 - Competitive footprint expands after year-long lull
 - Strong competitive activity

Improving rates of decline in traditional voice revenues

Expenses remain flat

- Q2 2011 non-pension expenses flat compared to Q2 2010
- Cost savings from productivity offset by
 - Increased marketing and sales for *FibreOP* rollout
 - Mark to market adjustments to share-based incentive compensation
 - Inflationary pressures
- Further cost reductions expected to be masked while FibreOP customer growth escalates

Cost reductions continue as a strategic priority

Glen LeBlanc

Executive Vice President & CFO



Q2 2011 Financial Summary

(\$ millions)	Q2 2011	Q Chg	YTD Chg
Revenue	\$693	(1.1%)	(1.1%)
EBITDA before pension current service cost	\$349	(2.0%)	(2.0%)
EBITDA	\$334	(2.8%)	(2.8%)
Capital Expenditures	\$154	23.9%	25.1%
Free Cash Flow*	\$191	5.6%	17.5%
Adjusted Earnings per share	\$0.43	n.m	n.m

* Excludes lump sum pension contribution

Consistent performance

2011 Guidance Revision

	2011 Guidance released Feb 11	Revised Guidance
Revenue	\$2,650 - \$2,750M	\$2,720 - \$2,780M
EBITDA (before pension current service cost)	\$1,360 - \$1,400M	No change
EBITDA	\$1,300 - \$1,340M	No change
Free Cash Flow*	\$525 - \$575M	No change
Capex	\$520 - \$560M	No change
EPS before PPA amortizations	\$1.60 - \$1.80	No change

* Excludes \$200M pension contribution

Questions

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BellAliant