Q4 2011 Results and 2012 Guidance

Analyst Conference Call
February 7, 2012

Forward-looking Caution

Certain statements made in the attached presentation, including, but not limited to, statements relating to our 2012 financial guidance (including revenues, EBITDA, capital expenditures, adjusted EPS and free cash flow), our FTTH network expansion plans, our objectives, plans and strategic priorities, and other statements that are not historical facts, are forward-looking. Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions which give rise to the possibility that actual results or events could differ materially from our expectations expressed in or implied by such forward-looking statements. As a result, we cannot guarantee that any forward-looking statement will materialize and you are cautioned not to place undue reliance on these forward-looking statements. For additional information on such assumptions and risks, please refer to the "Forward-looking information" section of our Q4 2011 Earnings and 2012 Guidance news release dated February 7, 2012 as well as Bell Aliant Regional Communications Inc.'s Management's Discussion and Analysis (MD&A) for the quarter ended December 31, 2011, as posted on www.bellaliant.ca and as filed on www.sedar.com.

The forward-looking statements contained in the attached presentation describe our expectations at February 7, 2012 and, accordingly, are subject to change after such date. Except as may be required by Canadian securities laws, we do not undertake any obligation to update or revise any forward-looking statements contained in the attached presentation, whether as a result of new information, future events or otherwise.

BellAliant

Agenda

- 2011 Accomplishments
- Q4 2011 Highlights
- 2012 Guidance
- Q&A

Karen Sheriff

President and CEO

2011 Accomplishments

- ✓ Exceeded FibreOP™ targets for homes passed and penetration rates while keeping costs in line
- ✓ Returned Atlantic residential revenues to positive growth
- ✓ Held non-pension operating costs to less than 1 per cent increase despite FTTH ramp-up
- ✓ Executed voluntary retirement offer to further reduce costs
- ✓ Strengthened balance sheet and gained financial flexibility

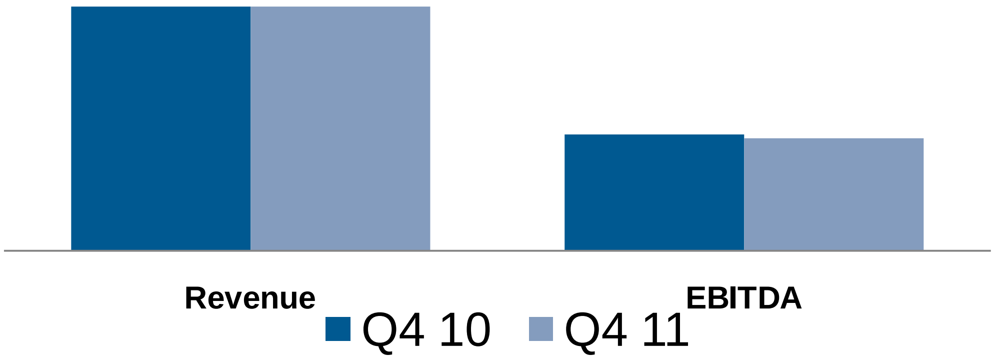
Year of solid execution with longer-term strategy producing results

Bell Aliant

Q4 2011 Financial Summary

($ millions)	Q4 2011	Y/Y Change	YTD	Y/Y Change
Revenue	**$701**	(2.0%)	**$2,775**	(1.2%)
EBITDA	**$324**	(6.0%)	**$1,327**	(3.6%)
Capital Expenditures	**$137**	(15.3%)	**$573**	16.0%
Free Cash Flow*	**$168**	12.0%	**$557**	4.8%

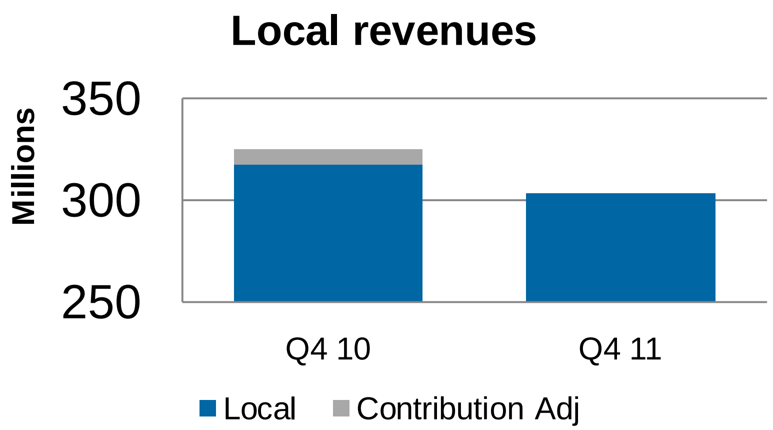
Excluding out-of-the-ordinary events

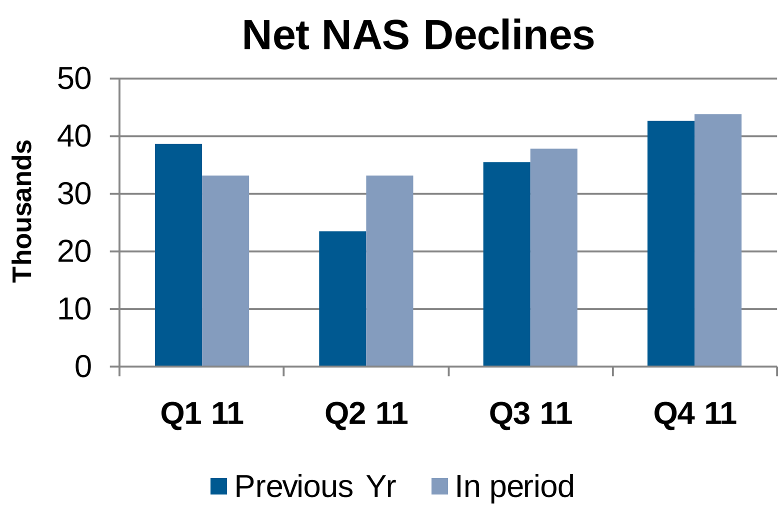


Excluding out-of-the-ordinary events in 2010,
Improved year-over-year trends continued

** Free cash flow excludes 2011 lump sum pension contributions*

Local Revenues

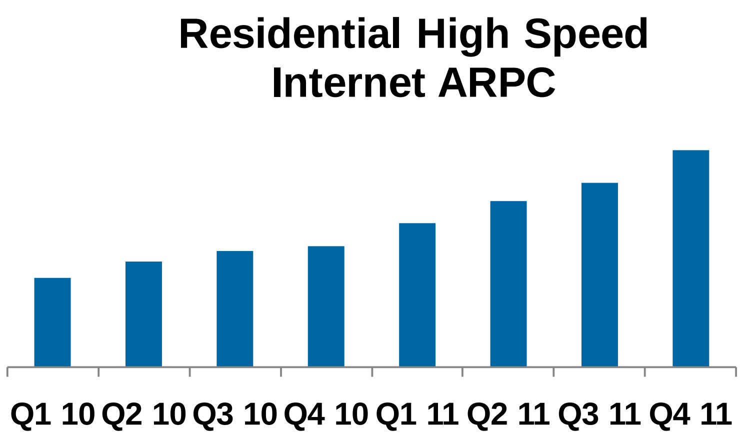


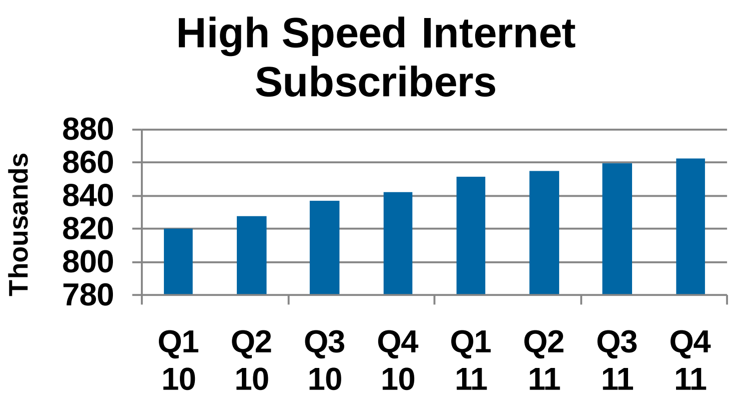


- Local revenue decline similar to prior quarters excluding contribution revenues
- NAS declines driven by
  - new competitive openings
  - competition in non-fibre territory

Significantly lower NAS churn in FTTH markets

Internet revenue growth continues



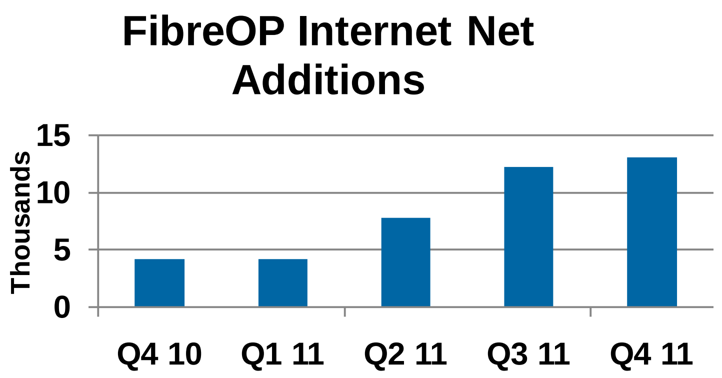


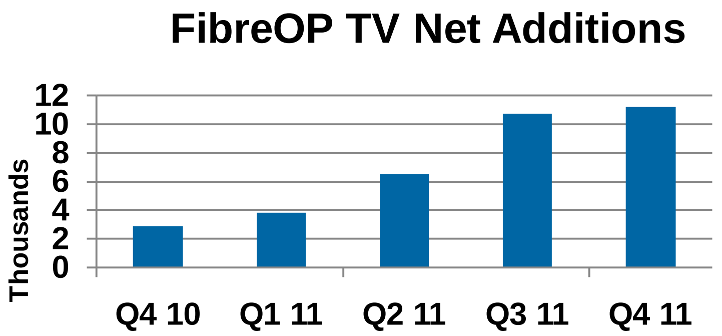
- Revenue growth of 8.7%
- Residential high-speed ARPC reaches another new high
  - Pricing, higher-tiered bundles and services, including *FibreOP* driving growth
- HS customers
  - Up 2.4% from a year ago
  - Net adds of 2K vs 5K in Q4 10
  - Slowing growth rate with focus on FibreOP and intense competitive activity in DSL markets

ARPC drives revenue growth

Solid FibreOP growth

- In quarter net additions
  - FibreOP Internet 13,000
  - FibreOP TV 11,000
- Customers as of Dec 31, 2011
  - FibreOP Internet 47,000
  - FibreOP TV 42,000
- FTTH territories have
  - Improved rates of NAS decline
  - Higher HS customer growth
  - TV customer growth





FibreOP helping to own the whole home

2012 Guidance

Strategic Priorities

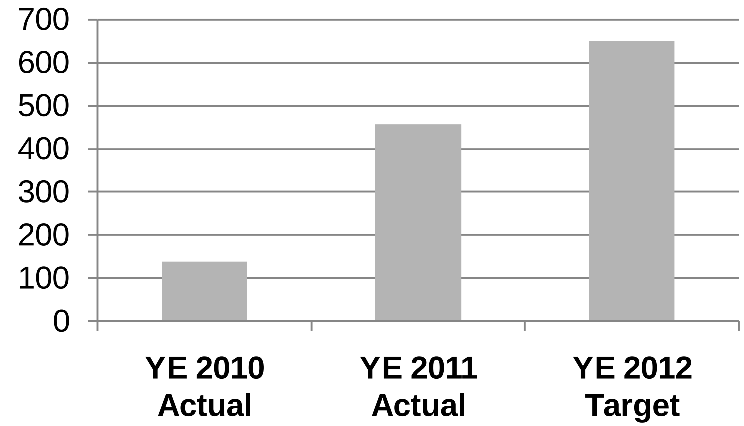
Improve The Customer Experience | **Retain Our Customers** | **Grow Broadband** | **Reset Our Cost Structure** | **Engage Employees**

- Strategic objectives consistent with prior years

- Continued focus on Growing Broadband through FTTH in 2012
  - Entering Central Canada

- Supports all other objectives
  - Improves customer experience
  - Helps retain customers
  - Lowers costs
  - Engages employees

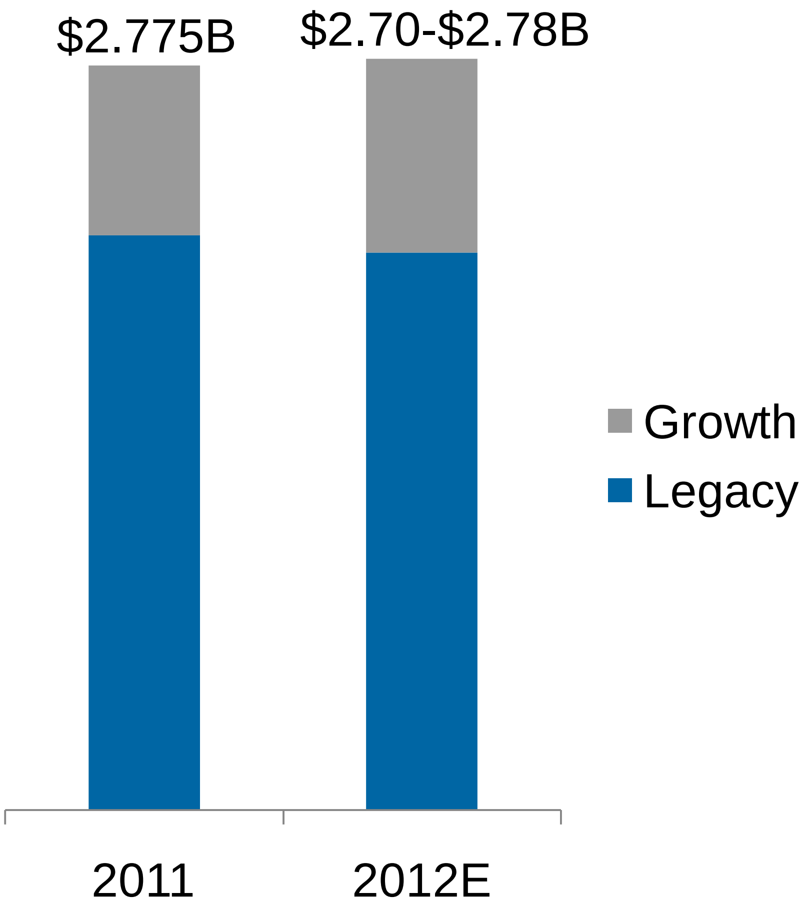
FTTH homes and businesses passed (000's)



2012 Revenue Outlook

- Legacy revenues will continue to decline
  - Competitive footprint growth
  - Technology substitution
  - NAS declines similar to 2011

- Broadband will grow
  - FibreOP customer growth
  - FTTH footprint expansion
  - TV expansion
  - Bundling retention benefits
  - APRC growth



Bell Aliant

2012 EBITDA Outlook

- Lower margin revenue mix expected to be largely offset by solid productivity gains
- Substantially lower EBITDA drag from FibreOP rollout in 2012 compared to 2011

2011 Capex Outlook

- FTTH footprint to grow by approximately 200K premises compared to 320K premises in 2011

- Lower footprint expansion costs offset by
  - More customer connections
  - Start-up in new territories
  - Slightly higher cost per home passed with less densely populated markets

Glen LeBlanc

Executive Vice President & CFO

Pension expense and funding

	2011	2012F
Pension expense		
Current service Cost (CSC) in EBITDA	$60M	$55-65M
Pension funding		
CSC funding	$66M	$65-75M
Deficit funding including lump sum contributions	$349M	$0-15M
Total funding	**$415M**	**$65-90M**

2012 Deficit funding substantially met by drawing down lump sum contributions

Bell Aliant

Income Taxes

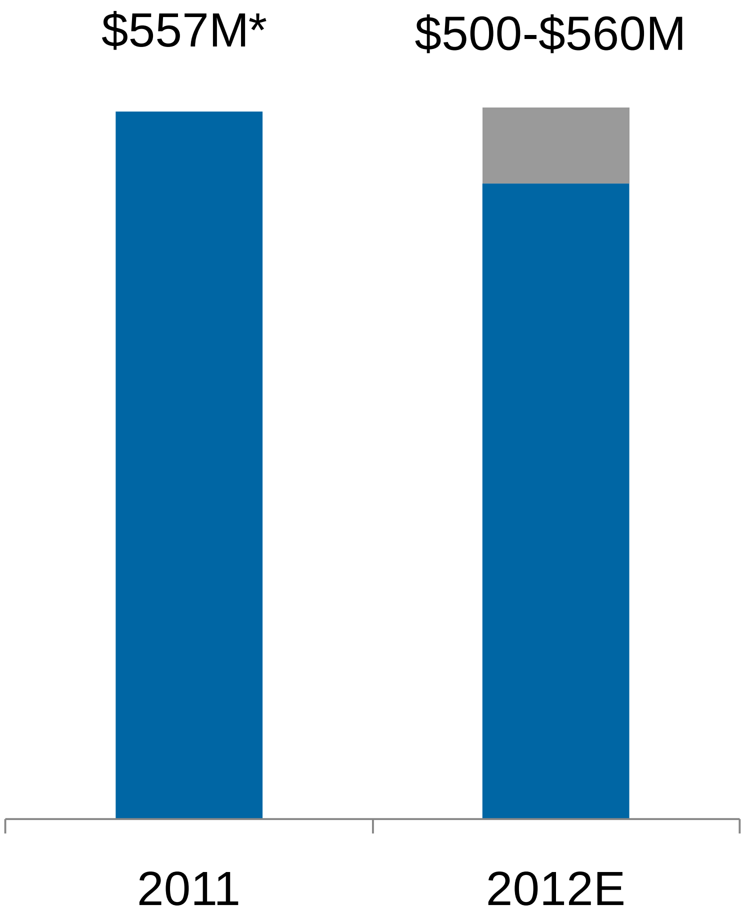
- Tax loss carry-forwards result in minimal cash taxes in 2012
- Obligation to pay cash taxes expected to begin in 2013
- Normal annual cash taxes expected to be $125 million - $145 million
- Change in partnership income deferral rules will likely result in one-time higher than normal cash taxes in 2013 or 2014

2012 Free Cash Flow Outlook

- Year over year improvements
  - Lower regular pension deficit funding
  - Lower restructuring costs
  - Working capital improvements

- Year over year declines
  - lower EBITDA

- Dividend payout between 75-85% of free cash flow



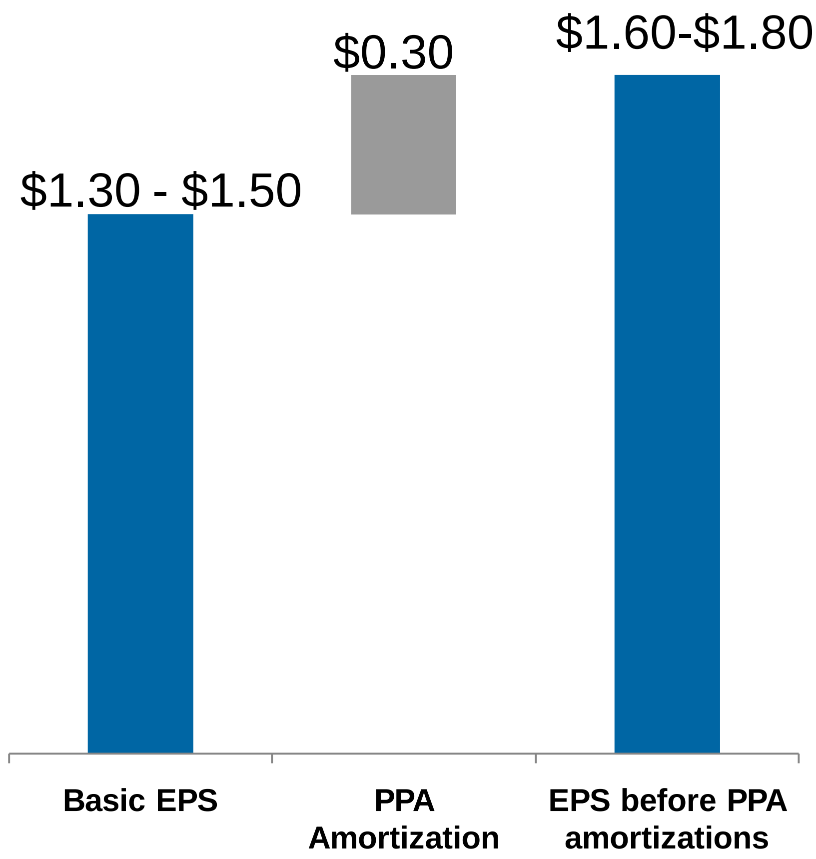
Excludes $315M lump sum pension contribution

2012 EPS Outlook

- Amortization of purchase price allocations (PPA) depresses reported annual eps in 2012 by approximately $0.30

- PPA amortizations are non-cash costs that will largely not be re-incurred

- Excluding these amortizations provides more meaningful eps metric



2012 Guidance

	2011	2012 Guidance
Revenue	$2,775M	$2,700 - $2,780M
EBITDA	$1,327M	$1,285 - $1,325M
Free Cash Flow*	$557M*	$500 - $560M
Capex	$573M	$550 - $600M
EPS before PPA amortizations	$1.70	$1.60 - $1.80

* *Excludes $315M pension contribution*

BellAliant

Questions

Bell Aliant Investor Relations
1-877-248-3113
investors@bellaliant.ca

Bell Aliant