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Forward-looking Caution

Some of the comments which will be made today, including comments made in response to your questions, may contain forward-looking information concerning future events, results, circumstances, performance or expectations that are not historical facts. This information is based on our current expectations and estimates as of today's date about the markets in which we operate and our beliefs and assumptions regarding these markets. These statements are not guarantees of future performance and are subject to numerous risks and uncertainties, including, but not limited to, increasing competition, our ability to achieve strategies and plans, general economic conditions, pension valuation and investment risk, reliance on systems, changing technology, required operating and capital expenditures and demand for our products and services, our relationship with BCE Inc. and Bell Canada, changing regulations, dependence on key suppliers, maintenance of credit ratings, leverage and restrictive covenants, BCE's governance rights, reliance on key personnel and labour relations, legal contingencies and changes in laws, success of acquisitions and dispositions and certain tax-related risks. Actual results or events could differ materially from results or events predicted in forward-looking information, and our assumptions may turn out to be inaccurate. A detailed discussion of these assumptions and the risks and uncertainties that can affect actual results is included in the Management's Discussion and Analysis for the period ended December 31, 2010 of Bell Aliant Regional Communications Income Fund and of Bell Aliant Regional Communications Holdings, Limited Partnership, both of which are included in our Annual Report and are available on the SEDAR website at www.SEDAR.com. Additional information is included in Bell Aliant Inc.'s and Bell Aliant Regional Communications Inc.'s Management's Discussion and Analysis for the period ended June 30, 2011, which are also available on the SEDAR website. Except as may be required by Canadian securities laws, we disclaim any intention and assume no obligation to update or revise any forward-looking information, even if new information becomes available, as a result of future events or for any other reason. You should not place undue reliance on any forward-looking information.

Agenda

- Profile of Bell Aliant
- Q2 2011 Highlights
- 2011 Outlook
- Dividend Policy
- Questions

Profile of Bell Aliant



- Our services:
 - Voice, Internet, Data, IPTV, IT
 - Wireless and Satellite TV through our partnership with Bell Canada
 - Service territory covers 6 provinces
- Assets: \$10 billion
- Annual revenues: \$2.8 billion
- EBITDA \$1.4 billion
- Approximately 7,000 employees
- 44% owned by BCE

Q2 2011 Highlights

- ✓ FibreOP™ 2.0 launched - helping retention and growth
- ✓ 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

Focused execution in strategic priorities improves revenue trajectory

FibreOP™ 2.0

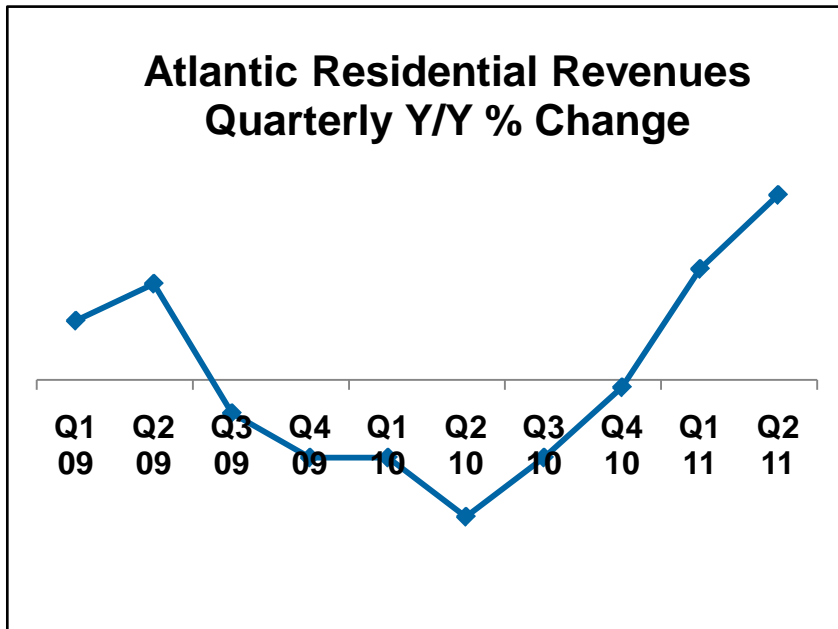
- Superior technological capabilities
 - Symmetrical upload and download speeds
 - Faster Internet
 - *Microsoft Mediaroom*® for best TV experience
- We will upgrade all FibreOP customers to 2.0 this year
 - Competitive advantage as upload speeds gain in importance
 - Consistent FibreOP platform provides maintenance and service efficiency



FibreOP 2.0 - Significant competitive advantage

® Mediaroom is a registered trademark of Microsoft Corporation

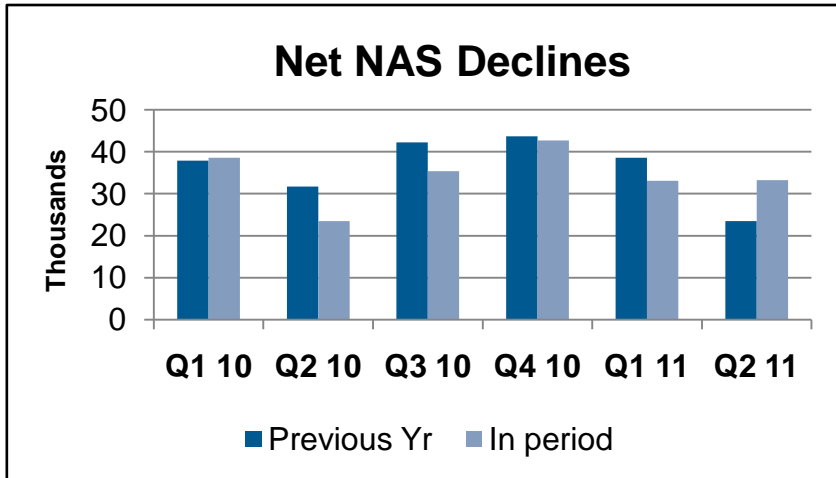
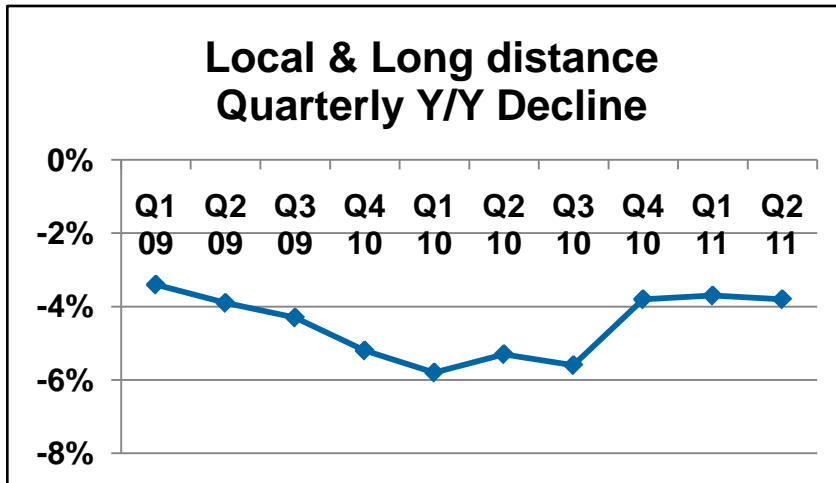
Revenue trajectory on improved track



- Decline held to 1% for second consecutive quarter
- Atlantic residential revenue continued positive trajectory
- Better than expected Q2 ytd revenue performance
- Guidance revised upwards

Atlantic residential revenue growth continues

Traditional Voice Performance



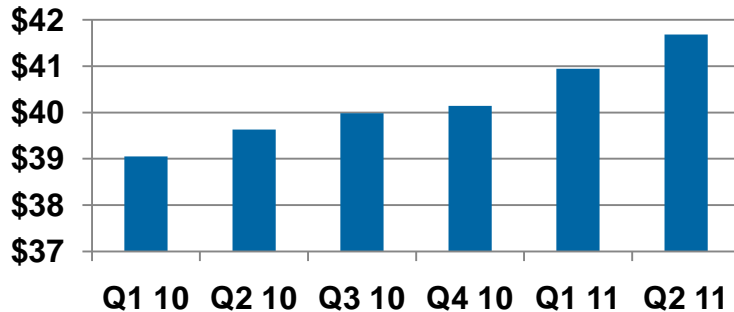
- Voice rates of decline continued improved trend from prior year
 - Higher competitor access tariffs and pricing action benefits

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

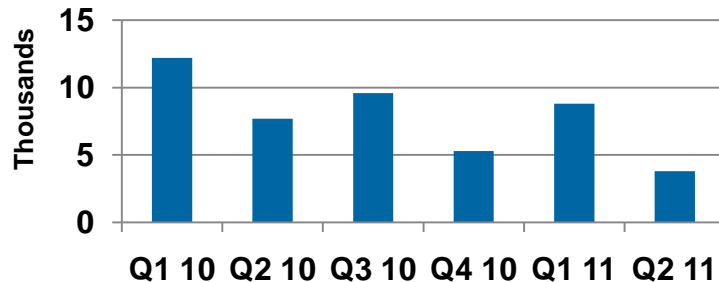
Improving rates of decline in traditional voice revenues

Continued Internet revenue growth

Residential High Speed Internet ARPC



High Speed Internet Net Additions



- Revenue growth of 7.2%
- Residential high-speed ARPC reached 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

Expenses remain flat

- YTD 2011 non-pension expenses flat compared to YTD 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 as FibreOP customer growth escalates

Cost reductions continue as a strategic priority

Financing Plan Execution

- Preferred share issue: \$287.5 million completed in March
 - Proceeds used to make \$200 lump sum pension contribution and reduce short term debt
- Pension funding
 - Lump sum expected to be partially drawn down for 2011 deficit funding
 - Funding flexibility for future years
 - Federal legislation allowing use of letters of credit provides further flexibility; may be used in future periods for specific plans
- MTN issue: \$300 million completed in April
 - Proceeds used to partially redeem September 2011 maturity

Reducing risk with attractive financing rates

2011 Outlook

	2010	2011 Outlook
Revenue	\$2,807M	\$2,720M– \$2,780M
EBITDA	\$1,429M	\$1,300M - \$1,340M
Free Cash Flow*	\$531M	\$525M - \$575M

**2011 Free cash flow excludes \$200 M lump sum pension contribution*

FTTH the key to changing revenue trajectory

Dividend Policy

- Priorities and considerations:
 - Long term sustainability of the dividend
 - Financial outlook for the business
 - Maintenance of financing flexibility and credit ratings
- Long-term target 75 – 85 per cent payout of free cash flow
- Annual dividend \$1.90
- Yield of 7% based on current prices

BellAliant