



Q3 2011 Results
Conference Call

November 1, 2011

Forward-looking Caution

Certain statements made in the attached presentation, including, but not limited to, statements relating to our 2011 financial guidance (including revenues, EBITDA, capital expenditures, adjusted EPS and free cash flow), our FTTH network expansion plans, our voluntary retirement offer, 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 Q3 2011 Earnings news release dated November 1, 2011, as well as Bell Aliant Regional Communications Inc.’s Management’s Discussion and Analysis (MD&A) for the quarter ended September 30, 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 November 1, 2011 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.



Karen Sheriff
President and CEO

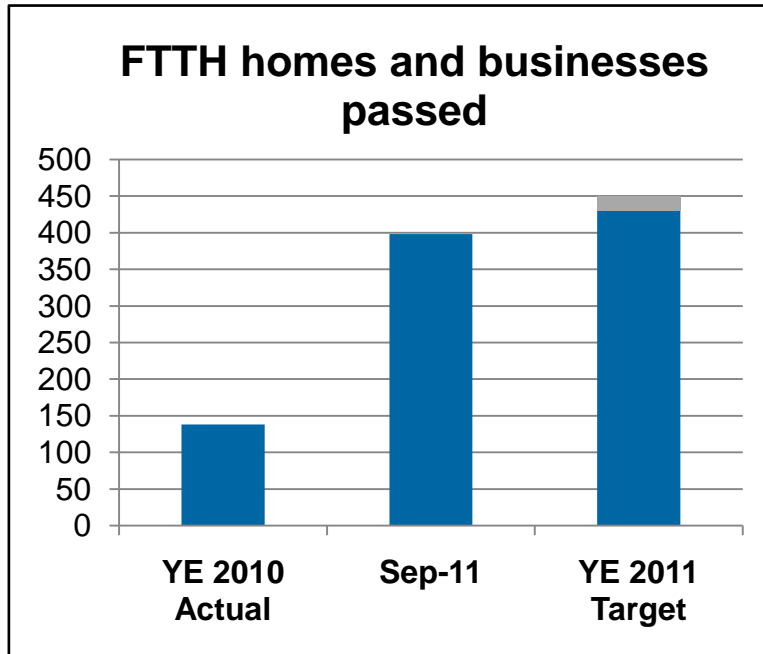
Q3 2011 Highlights



- ✓ FTTH expansion continues with very strong demand
- ✓ Solid financial performance
- ✓ Voluntary retirement plan helps further reset cost structure

Focused execution producing solid results

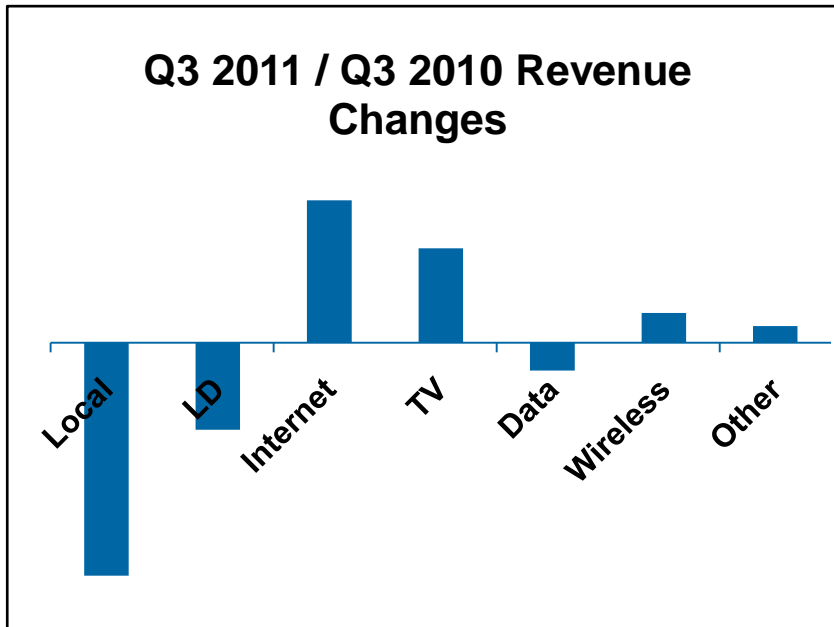
FTTH expansion



- Passed 104K incremental premises in Q3 11
 - 398K total at end of Sept 2011
- Increasing 2011 target to 450K up from 430K homes passed

Strong FibreOP™ demand driving accelerated expansion

Revenue performance improves

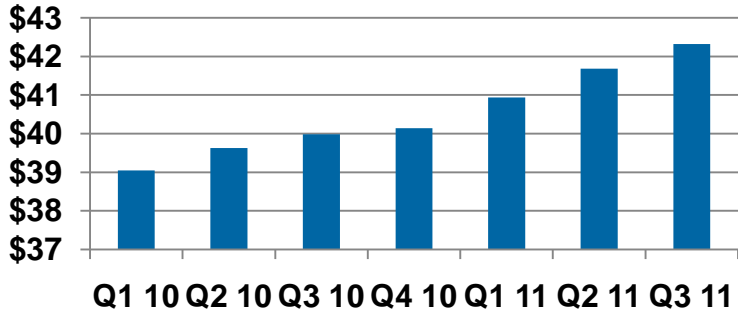


- Total decline of 0.5%
 - Internet and TV growth largely offset legacy declines
- Trend improvements in several revenue categories
- Atlantic residential revenue continues positive trajectory

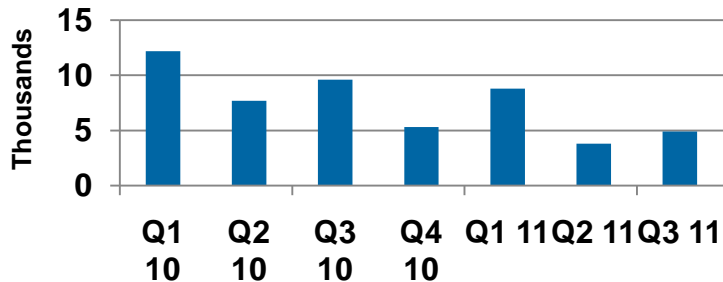
Trend improvements across multiple categories

Internet revenue growth continues

Residential High Speed Internet ARPS



High Speed Internet Net Additions

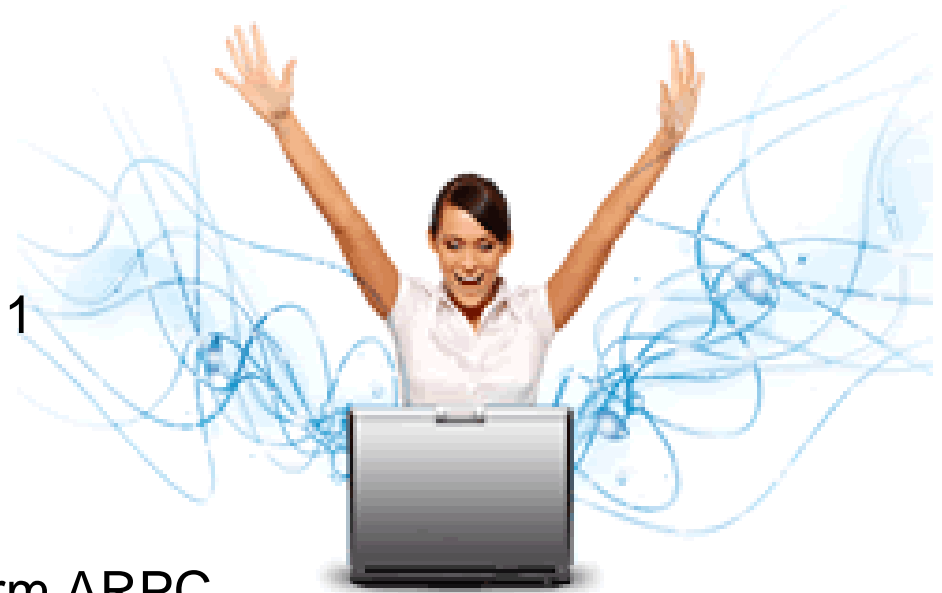


- Revenue growth of 6.7%
- Residential high-speed ARPC reaches another new high
 - Pricing, customer movement to higher-value, premium services, and increased usage
- HS customers
 - Up 2.7% from a year ago
 - Net adds of 5K vs 10K in Q3 10
 - Slowing growth rate with lower DSL footprint expansion
 - Intense competitive activity

ARPC drives revenue growth

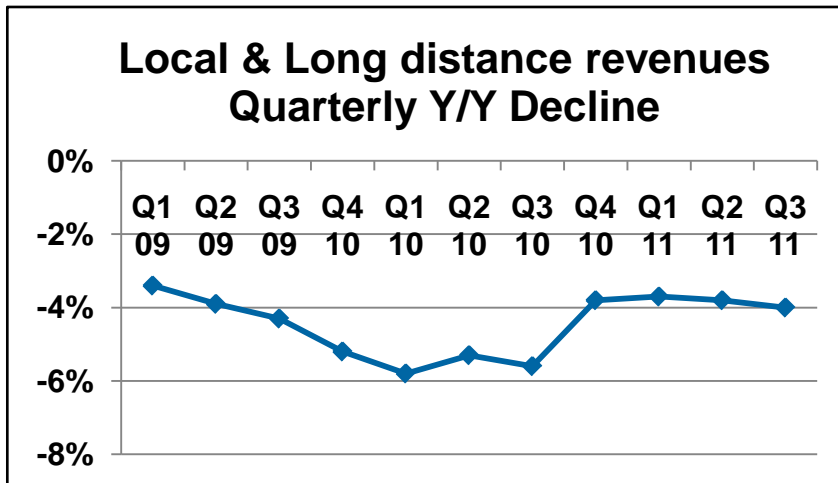
Solid FibreOP growth

- In quarter net additions
 - FibreOP Internet 12,000
 - FibreOP TV 11,000
- Customers as of Sept 30, 2011
 - FibreOP Internet 34,000
 - FibreOP TV 30,000
- DSL migrations boost long-term ARPC

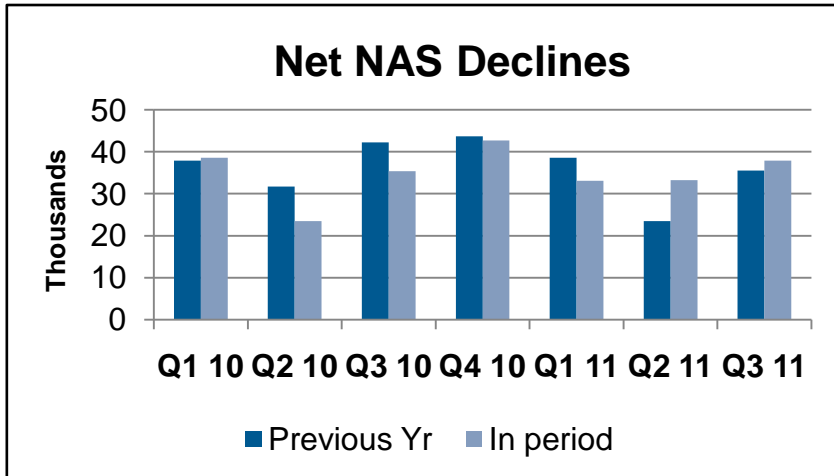


FibreOP helping to own the whole home

Traditional Voice Performance



- Voice rates of decline better than prior year
 - Higher features, competitor access tariffs and pricing action benefits offsetting NAS effects



- NAS churn significantly lower in FTTH territory

Rate of legacy declines continues improved trend

Retirement Offer

- Orderly transition
 - Plan for transition in proactive way
 - Achieve cost savings and stability for the future
- Atlantic Canadian unionized employees
 - 900 eligible for retirement by 2013
 - Accepted by 500
 - Departure dates of 2011-2014
 - Approximately 250 technicians expected to be hired in new wage scale

Major step in resetting cost structure

Glen LeBlanc

Executive Vice President & CFO



Q3 2011 Financial Summary

(\$ millions)	Q3 2011	Q Chg	YTD Chg
Revenue	\$700	(0.5%)	(0.9%)
EBITDA before pension current service cost	\$355	(1.9%)	(2.0%)
EBITDA	\$340	(2.7%)	(2.8%)
Capital Expenditures	\$162	43.0%	32.1%
Free Cash Flow	\$110	(23.5%)	2.0%*
Adjusted Earnings per share	\$0.41	n.m	n.m

* Excludes lump sum pension contribution made in Q1 2011

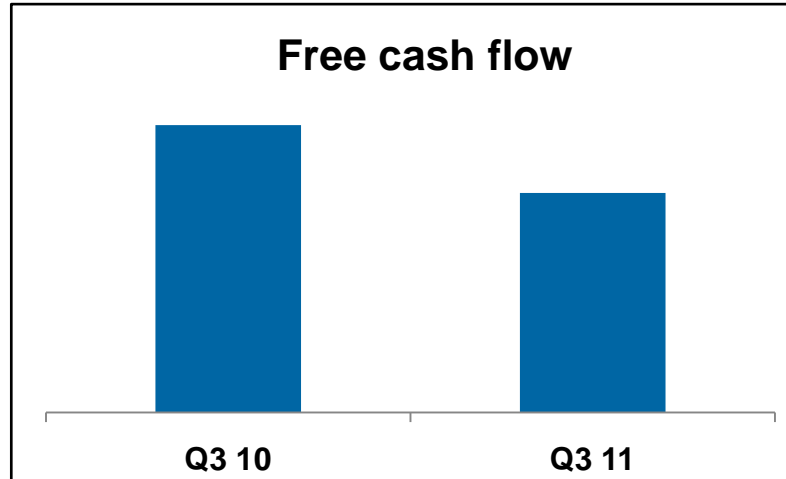
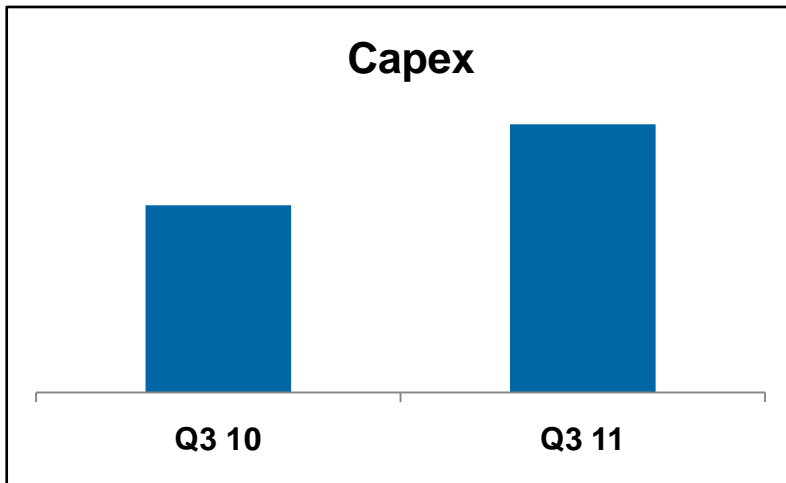
Improved year-over-year trends

Expenses and EBITDA

- Q3 2011 non-pension expenses increased 1% compared to Q3 2010
- Cost savings from productivity largely contain increases from
 - Higher TV content costs from customer growth
 - Increased marketing and sales for *FibreOP* rollout
 - Severances for union positions that will be backfilled
 - Inflationary pressures
- EBITDA down 2.7% in line with expectations
 - Higher pension current service costs contribute to decline
 - Margin remains strong at 48%

EBITDA expected firmly within guidance range

Capex and Free Cash Flow



- FTTH rollout drives higher capex
 - \$162M up \$49 million from Q3 2010
 - 2011 capex guidance increased as more homes passed moved forward to 2011
- Lower free cash flow driven by
 - Higher capex
 - Lower EBITDA
 - Offset by lower regular pension funding

2011 Guidance Revision

	2011 Guidance released July 2011	Revised Guidance
Revenue	\$2,720 - \$2,780M	No change
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	\$560 - \$575M
EPS before PPA amortizations	\$1.60 - \$1.80	No change

* Excludes \$200M pension contribution

Questions

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