

Aliant Inc. - Telecommunications Group  
Third Quarter 2000 Results  
Supplemental Information – Trending Analysis

The following financial information for Aliant Inc.'s Telecommunications Group is being made available for analysis purposes only. These statements are unaudited. Certain amounts have been reclassified to conform with the current form of presentation. Further explanations can be found below.

Should you have any questions regarding this information please contact us at [investor.relations@aliant.ca](mailto:investor.relations@aliant.ca), or call us, toll free, at 1-877-248-3113.

**Aliant Inc.**  
**Telecommunications Group**  
**September 30, 2000 (Unaudited)**

*October 25, 2000 Analyst Conference Call Report*

	Three Months				Nine Months			
	2000	1999	Change (\$)	Change (%)	2000	1999	Change (\$)	Change (%)
<b>(\$000's)</b>								
Local service	213,974	222,892	(8,918)	-4.0%	647,978	634,420	13,558	2.1%
Long Distance	105,219	104,127	1,092	1.0%	317,434	327,167	(9,733)	-3.0%
Wireless	59,898	52,610	7,288	13.9%	157,079	137,321	19,758	14.4%
Other	66,751	41,368	25,383	61.4%	181,409	120,213	61,196	50.9%
<b>Total operating revenue</b>	<b>445,842</b>	<b>420,997</b>	<b>24,845</b>	<b>5.9%</b>	<b>1,303,900</b>	<b>1,219,121</b>	<b>84,779</b>	<b>7.0%</b>
Cost of revenues	70,924	48,786	22,138	45.4%	186,139	140,079	46,060	32.9%
Depreciation & amortization	72,455	80,394	(7,939)	-9.9%	230,150	235,042	(4,892)	-2.1%
Other operating expenses	172,719	175,639	(2,920)	-1.7%	532,235	517,238	14,997	2.9%
Restructuring charges	-	78,000	(78,000)	-100.0%	-	78,000	(78,000)	-100.0%
<b>Total operating expenses</b>	<b>316,098</b>	<b>382,819</b>	<b>(66,721)</b>	<b>-17.4%</b>	<b>948,524</b>	<b>970,359</b>	<b>(21,835)</b>	<b>-2.3%</b>
Operating income	129,744	38,178	91,566	239.8%	355,376	248,761	106,615	42.9%
Other income	474	595	(121)	-20.3%	3,231	7,125	(3,894)	-54.7%
Interest cost	24,270	25,942	(1,672)	-6.4%	75,995	74,255	1,740	2.3%
Income taxes	48,844	7,129	41,715	xxx	131,043	85,674	45,369	53.0%
<b>Net Income bef non-controlling interest</b>	<b>57,104</b>	<b>5,702</b>	<b>51,402</b>	<b>xxx</b>	<b>151,569</b>	<b>95,957</b>	<b>55,612</b>	<b>58.0%</b>
Non-controlling interest	64	-	64	0.0%	180	-	180	0.0%
<b>Net Inc. applc to Common Shares</b>	<b>57,040</b>	<b>5,702</b>	<b>51,338</b>	<b>xxx</b>	<b>151,389</b>	<b>95,957</b>	<b>55,432</b>	<b>57.8%</b>
<b>Net Income from Continuing Operations</b>	<b>56,794</b>	<b>48,234</b>	<b>8,560</b>	<b>17.7%</b>	<b>151,143</b>	<b>134,489</b>	<b>16,654</b>	<b>12.4%</b>
<b>EBITDA</b>	<b>202,199</b>	<b>196,572</b>	<b>5,627</b>	<b>2.9%</b>	<b>585,526</b>	<b>561,803</b>	<b>23,723</b>	<b>4.2%</b>

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	Three Months				Nine Months			
	2000	1999	Change (\$)	Change (%)	2000	1999	Change (\$)	Change (%)
<b>(\$000's)</b>								
Local service	209,103	212,657	(3,554)	-1.7%	635,290	634,420	870	0.1%
Long Distance	110,091	114,362	(4,271)	-3.7%	330,122	327,167	2,955	0.9%
Wireless	59,898	52,610	7,288	13.9%	157,079	137,321	19,758	14.4%
Other	65,976	40,531	25,445	62.8%	181,409	120,213	61,196	50.9%
<b>Total operating revenue</b>	<b>445,068</b>	<b>420,160</b>	<b>24,908</b>	<b>5.9%</b>	<b>1,303,900</b>	<b>1,219,121</b>	<b>84,779</b>	<b>7.0%</b>
Cost of revenues	66,000	48,056	17,944	37.3%	186,139	140,079	46,060	32.9%
Depreciation & amortization	72,455	80,394	(7,939)	-9.9%	230,150	235,043	(4,893)	-2.1%
Other operating expenses	177,643	176,369	1,274	0.7%	532,235	517,238	14,997	2.9%
Restructuring charges	-	78,000	(78,000)	-100.0%	-	78,000	(78,000)	-100.0%
<b>Total operating expenses</b>	<b>316,098</b>	<b>382,819</b>	<b>(66,721)</b>	<b>-17.4%</b>	<b>948,524</b>	<b>970,360</b>	<b>(21,836)</b>	<b>-2.3%</b>
Operating income	128,970	37,341	91,629	245.4%	355,376	248,761	106,615	42.9%
Other income	1,248	1,432	(184)	-12.9%	3,231	7,125	(3,894)	-54.6%
Interest cost	24,270	25,942	(1,672)	-6.4%	75,995	74,255	1,740	2.3%
Income taxes	48,844	7,129	41,715	585.1%	131,043	85,674	45,369	53.0%
<b>Net Income bef non-controlling interest</b>	<b>57,104</b>	<b>5,702</b>	<b>51,402</b>	<b>901.4%</b>	<b>151,570</b>	<b>95,957</b>	<b>55,613</b>	<b>58.0%</b>
Non-controlling interest	64	-	64	0.0%	180	-	180	0.0%
<b>Net Inc. applic to Common Shares</b>	<b>57,040</b>	<b>5,702</b>	<b>51,338</b>	<b>900.3%</b>	<b>151,389</b>	<b>95,957</b>	<b>55,432</b>	<b>57.8%</b>
<b>Net Income from Continuing Operations</b>	<b>56,794</b>	<b>48,234</b>	<b>8,560</b>	<b>17.7%</b>	<b>151,143</b>	<b>134,489</b>	<b>16,654</b>	<b>12.4%</b>
<b>EBITDA</b>	<b>201,425</b>	<b>195,735</b>	<b>5,690</b>	<b>2.9%</b>	<b>585,526</b>	<b>561,804</b>	<b>23,722</b>	<b>4.2%</b>

**Aliant Inc.**  
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**September 30, 2000 (Unaudited)**

	Three Months			Nine Months		
	2000	1999	Change (\$)	2000	1999	Change (\$)
<b>(\$000's)</b>						
Local service	(4,871)	(10,235)	5,364	(12,688)	-	(12,688)
Long Distance	4,871	10,235	(5,364)	12,688	-	12,688
Wireless	-	-	-	-	-	-
Other	(774)	(837)	63	-	-	-
<b>Total operating revenue</b>	<u>(774)</u>	<u>(837)</u>	<u>63</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cost of revenues	(4,924)	(730)	(4,194)	-	-	-
Depreciation & amortization	-	-	-	-	-	-
Other operating expenses	4,924	730	4,194	-	-	-
Restructuring charges	-	-	-	-	-	-
<b>Total operating expenses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating income	(774)	(837)	63	-	-	-
Other income	774	837	(63)	-	-	-
Interest cost	-	-	-	-	-	-
Income taxes	-	-	-	-	-	-
<b>Net Income bef non-controlling interest</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Non-controlling interest	-	-	-	-	-	-
<b>Net Inc. applic to Common Shares</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Income from Continuing Operations</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EBITDA</b>	(774)	(837)	63	-	-	-

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**Differences In Reports**

**Three Months:**

	<u>2000</u>	<u>1999</u>
Local service:		
- NBTel data access reclassification		(10,235)
- Bundles reallocated	(4,871)	
Long distance:		
- NBTel data access reclassification		10,235
- Bundles reallocated	4,871	
Other:		
- Late pay revenues for NewTel reclassified from Other income	(774)	(837)
Cost of revenues:		
- Internet transiting costs moved from Other operating expenses to Cost of revenues	(1,763)	(730)
- Internet Help Desk in NBTel moved from Other operating expenses to Cost of revenue	(3,161)	
	<u>(4,924)</u>	<u>(730)</u>
Other operating expenses:		
- Internet transiting costs moved from Other operating expenses to Cost of revenues	1,763	730
- Internet Help Desk in NBTel moved from Other operating expenses to Cost of revenue	3,161	
	<u>4,924</u>	<u>730</u>
Other income:		
- Late pay revenues for NewTel reclassified from Other income	774	837
EBITDA:		
- Late pay revenues for NewTel reclassified from Other income	(774)	(837)

**Nine Months:**

	<u>2000</u>	<u>1999</u>
Local service:		
- Bundles reallocated	(12,688)	
Long distance:		
- Bundles reallocated	12,688	

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**EBITDA Analysis**

<b><u>Three Months:</u></b>	<b>1999</b>	<b>2000</b>	
	<u>\$</u>	<u>\$</u>	<u>%</u>
EBITDA	195,731	201,424	2.9%
Revenue One Timers:			
- Increase in revenues in 3rd quarter 1999	(6,800)	2,000	
- Reduction in revenues in 3rd quarter 2000			
Revised EBITDA	188,931	203,424	<b>7.7%</b>

<b><u>Nine Months:</u></b>	<b>1999</b>	<b>2000</b>	
	<u>\$</u>	<u>\$</u>	<u>%</u>
EBITDA	561,803	585,526	4.2%
Accounting Policy:			
- Impact on EBITDA in 1999 (ytd)	(6,259)		
	555,544	585,526	<b>5.4%</b>

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**Quarterly Results**  
**(\$000's)**

	<b>Q1 1999</b>	<b>Q2 1999</b>	<b>Q3 1999</b>	<b>Q4 1999</b>	<b>Q1 2000</b>	<b>Q2 2000</b>	<b>Q3 2000</b>
Local service	210,390	211,373	212,657	215,895	208,548	217,640	209,103
Long Distance	103,551	109,254	114,362	111,278	114,681	105,349	110,091
Wireless	39,674	45,039	52,610	48,402	45,913	51,269	59,898
Other	27,527	52,155	40,531	49,634	39,453	75,980	65,976
<b>Total operating revenue</b>	<b>381,142</b>	<b>417,821</b>	<b>420,160</b>	<b>425,209</b>	<b>408,595</b>	<b>450,238</b>	<b>445,068</b>
Cost of revenues	48,683	43,341	48,056	59,064	54,650	65,489	66,000
Depreciation & amortization	77,433	77,215	80,394	78,480	78,852	78,843	72,455
Other operating expenses	168,939	171,929	176,369	180,303	177,189	177,402	177,643
Restructuring charges	-	-	78,000	-	-	-	-
<b>Total operating expenses</b>	<b>295,055</b>	<b>292,485</b>	<b>382,819</b>	<b>317,847</b>	<b>310,691</b>	<b>321,734</b>	<b>316,098</b>
Operating income	86,087	125,336	37,341	107,362	97,904	128,504	128,970
Other income	973	4,720	1,432	3,580	979	1,004	1,248
Interest cost	24,341	23,972	25,942	24,242	25,678	26,047	24,270
Income taxes	29,629	48,915	7,129	39,500	34,156	48,043	48,844
<b>Net Income bef non-controlling interest</b>	<b>33,090</b>	<b>57,169</b>	<b>5,702</b>	<b>47,200</b>	<b>39,049</b>	<b>55,418</b>	<b>57,104</b>
Non-controlling interest	-	-	-	-	64	52	64
<b>Net Inc. applic to Common Shares</b>	<b>33,090</b>	<b>57,169</b>	<b>5,702</b>	<b>47,200</b>	<b>38,985</b>	<b>55,366</b>	<b>57,040</b>
<b>Net Income from Continuing Operations</b>	<b>33,090</b>	<b>53,169</b>	<b>48,234</b>	<b>49,200</b>	<b>38,985</b>	<b>55,366</b>	<b>56,794</b>
<b>EBITDA</b>	<b>163,521</b>	<b>202,552</b>	<b>195,735</b>	<b>185,843</b>	<b>176,755</b>	<b>207,347</b>	<b>201,425</b>

Note: numbers may not balance due to rounding.