

# ALIANT INC.

## Supplemental Investor Information

First Quarter 2002



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**Note**

The term EBITDA does not have a standardized meaning prescribed by Canadian Generally Accepted Accounting Principles (GAAP) and therefore may not be comparable to similar measures presented by other issuers. This term is defined on page 20.

**ALIAN T INC.**  
**Supplemental Investor Information - First Quarter 2002 (unaudited)**

**Highlights**

(Thousands of Canadian dollars, except otherwise indicated)

	Three Months Ended March 31		Growth Rate
	<u>2002</u>	<u>2001</u> (Restated <sup>3</sup> )	
<b>Financial</b>			
Revenues	\$645,647	\$638,359	1%
EBITDA	227,876	211,584	8%
Net Income Applicable to Common Shares	51,069	14,357	256%
Earnings per Average Common Share (Basic)	0.37	0.11	236%
Net Income Applicable to Common Shares (Excluding Goodwill)	51,069	20,511	149%
Earnings per Average Common Share (Basic excluding Goodwill)	0.37	0.15	147%
Capital Expenditures - Net	106,652	151,041	-29%
Free Cash Flow <sup>4</sup>	44,538	(163,418)	127%
<b>Share Capital - as of March 31</b>			
Number of Common Shares Outstanding	138,622,459	134,715,417	
Weighted Average Number of Common Shares Outstanding	137,884,851	134,571,673	
Trading Hi-Low for the Quarter Ended	\$30.60 - \$26.65	\$38.00 - \$31.50	
Common Share Price (AIT)	\$26.65	\$35.85	
Preferred Share Price (AIT.PR.A)	\$25.00	n/a	
Market Capitalization at Quarter End	\$ 3,694,289	\$ 4,829,548	

**ALIAN T INC.**  
**Supplemental Investor Information - First Quarter 2002 (unaudited)**

**Financial Summary**  
*(before restructuring charge<sup>2</sup>)*

(Thousands of Canadian dollars, except otherwise indicated)

**Revenue**

Telecommunications  
 Information Technology  
 Remote Communications  
 Emerging Business  
 Other and Intercompany Eliminations

**Total Revenue**

**Contribution to EBITDA**

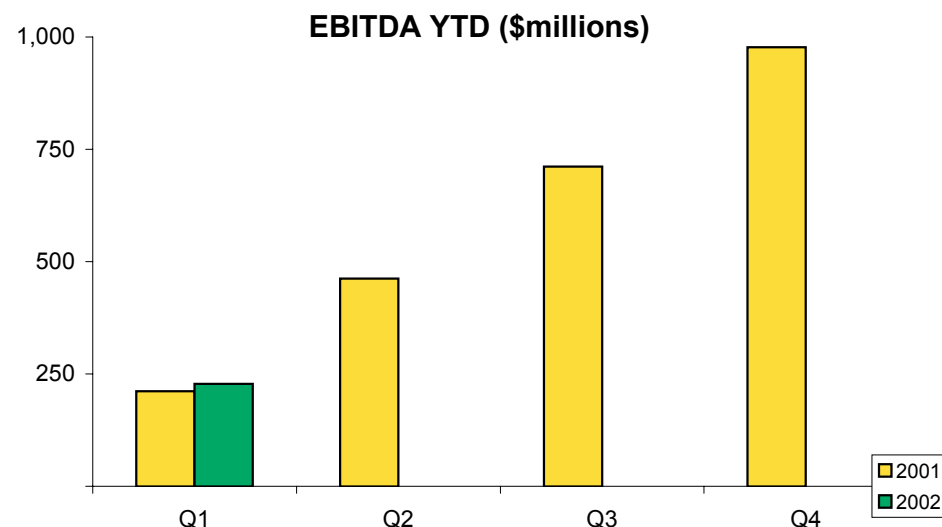
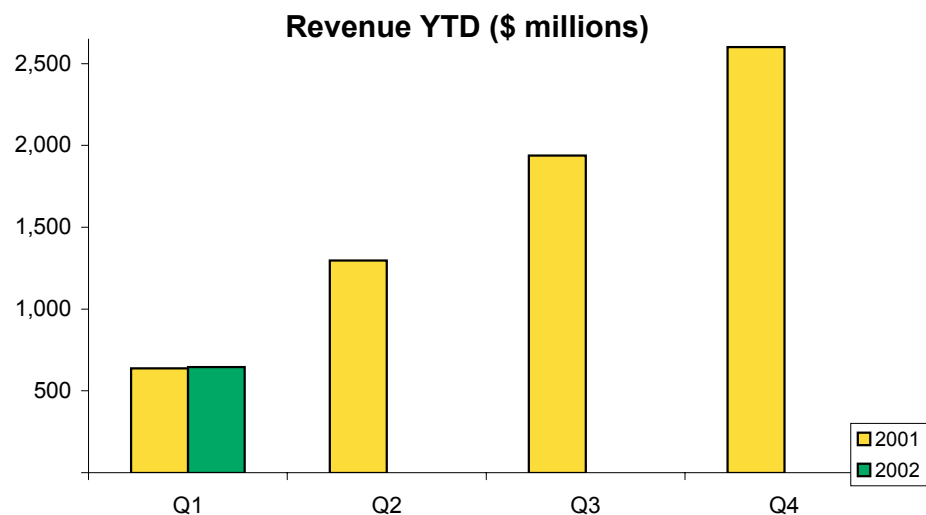
Telecommunications  
 Information Technology  
 Remote Communications  
 Emerging Business  
 Other and Intercompany Eliminations

**Total Contribution to EBITDA**

**EBITDA Margin**

Three Months Ended March 31		
2002	2001	% Change
\$414,284	\$438,292	-5.5%
121,526	109,714	10.8%
126,540	100,641	25.7%
27,032	38,206	-29.2%
(43,735)	(48,494)	9.8%
<b>\$645,647</b>	<b>\$638,359</b>	<b>1.1%</b>

\$196,930	\$188,300	4.6%
8,580	10,620	-19.2%
31,413	17,881	75.7%
(604)	2,529	-123.9%
(8,443)	(7,746)	-9.0%
<b>\$227,876</b>	<b>\$211,584</b>	<b>7.7%</b>
<b>35.3%</b>	<b>33.1%</b>	<b>2.2%</b>



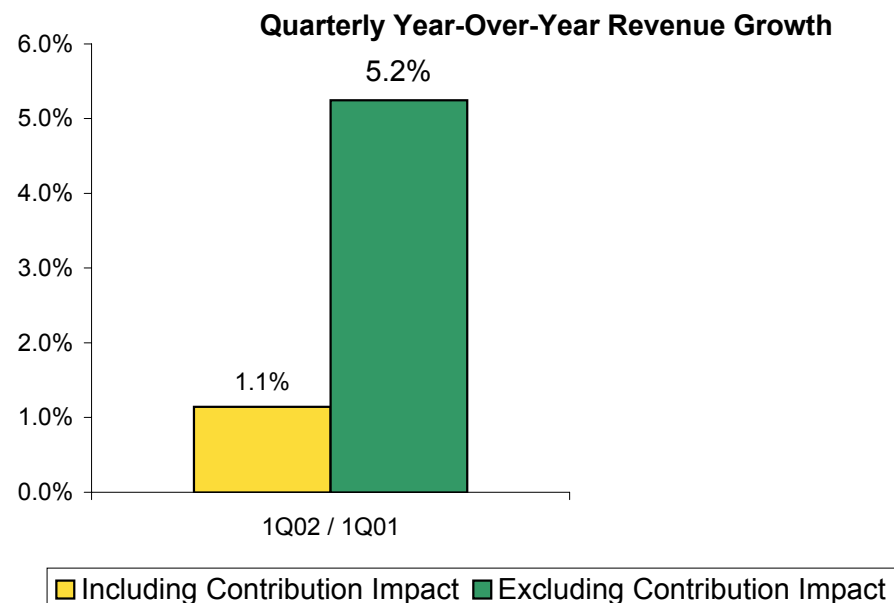
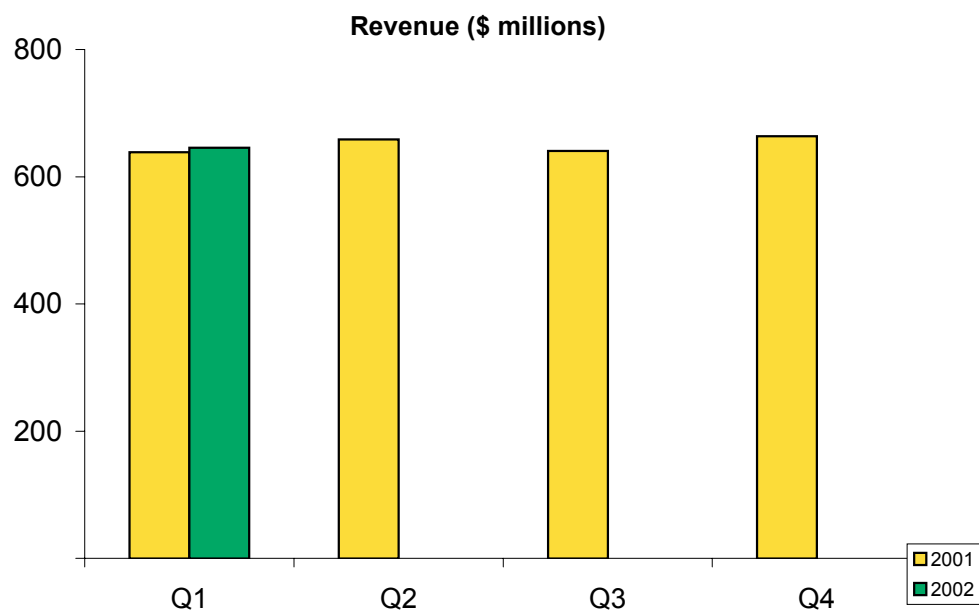
(Thousands of Canadian dollars, except otherwise indicated)

**Revenue**

Telecommunications  
 Information Technology  
 Remote Communications  
 Emerging Business  
 Other and Intercompany Eliminations

**Total Revenue**

2002	2001				
<u>Q1</u>	<u>Q4</u>	<u>Q3</u>	<u>Q2</u>	<u>Q1</u>	<u>Total</u>
\$414,284	\$470,612	\$464,937	\$473,990	\$438,292	\$1,847,831
121,526	87,922	85,316	91,192	109,714	374,144
126,540	130,514	110,831	108,918	100,641	450,904
27,032	26,461	28,433	35,786	38,206	128,886
(43,735)	(51,650)	(49,016)	(51,039)	(48,494)	(200,199)
<u>\$645,647</u>	<u>\$663,859</u>	<u>\$640,501</u>	<u>\$658,847</u>	<u>\$638,359</u>	<u>\$2,601,566</u>



(Thousands of Canadian dollars, except otherwise indicated)

**EBITDA**

Telecommunications  
 Information Technology  
 Remote Communications  
 Emerging Business  
 Other and Intercompany Eliminations

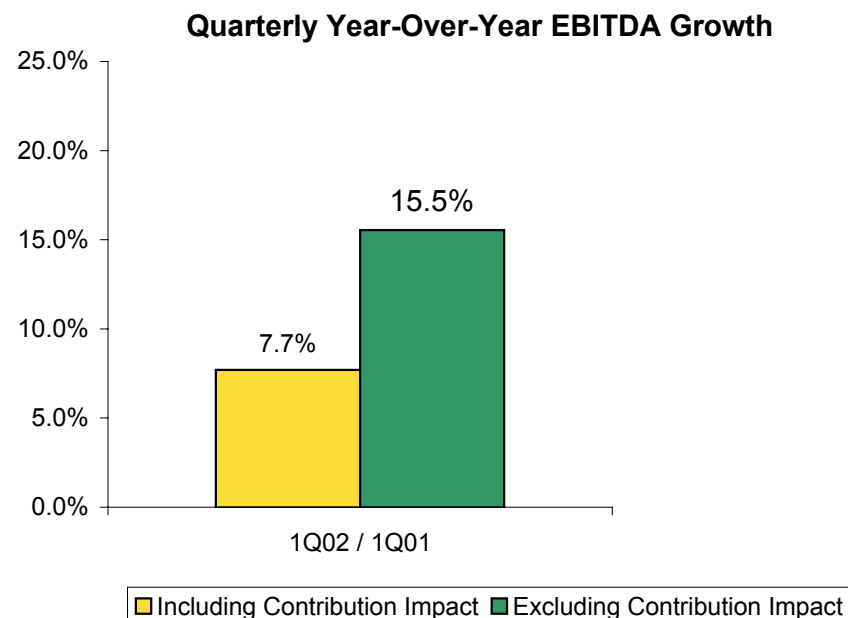
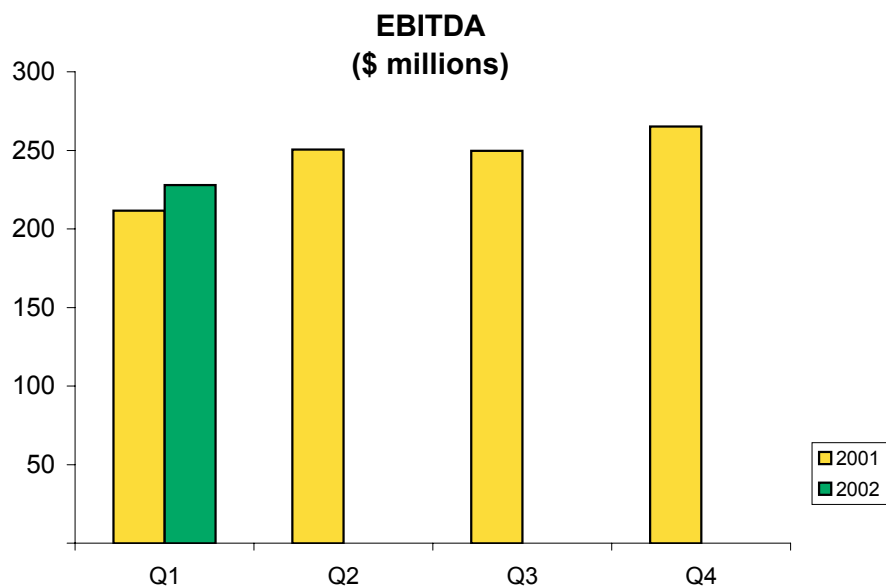
**Total EBITDA**

**EBITDA as a % of Revenue**

Telecommunications  
 Information Technology  
 Remote Communications  
 Emerging Business  
 Other and Intercompany Eliminations

**Total EBITDA Margin**

	2002	2001				
	Q1	Q4	Q3	Q2	Q1	Total
Telecommunications	\$196,930	\$235,730	\$228,072	\$225,722	\$188,300	\$877,824
Information Technology	8,580	7,002	6,587	9,026	10,620	33,235
Remote Communications	31,413	28,305	26,133	27,487	17,881	99,806
Emerging Business	(604)	(168)	(3,498)	(3,728)	2,529	(4,864)
Other and Intercompany Eliminations	(8,443)	(5,632)	(7,606)	(7,980)	(7,746)	(28,964)
<b>Total EBITDA</b>	<b>\$227,876</b>	<b>\$265,237</b>	<b>\$249,688</b>	<b>\$250,527</b>	<b>\$211,584</b>	<b>\$977,037</b>
Telecommunications	47.5%	50.1%	49.1%	47.6%	43.0%	47.5%
Information Technology	7.1%	8.0%	7.7%	9.9%	9.7%	8.9%
Remote Communications	24.8%	21.7%	23.6%	25.2%	17.8%	22.1%
Emerging Business	-2.2%	-0.6%	-12.3%	-10.4%	6.6%	-3.8%
Other and Intercompany Eliminations	n/a	n/a	n/a	n/a	n/a	n/a
<b>Total EBITDA Margin</b>	<b>35.3%</b>	<b>40.0%</b>	<b>39.0%</b>	<b>38.0%</b>	<b>33.1%</b>	<b>37.6%</b>



**ALIAN T INC.**  
**Supplemental Investor Information - First Quarter 2002 (unaudited)**

(Thousands of Canadian dollars, except otherwise indicated)

**Consolidated Net Income and Earnings per Common Share**  
*(before restructuring charge<sup>2</sup> and restated<sup>3</sup>)*

**Total Net Income applicable to Common Shares**

**Net Income excluding Goodwill Amortization**

**Average number of Common Shares (000's)**

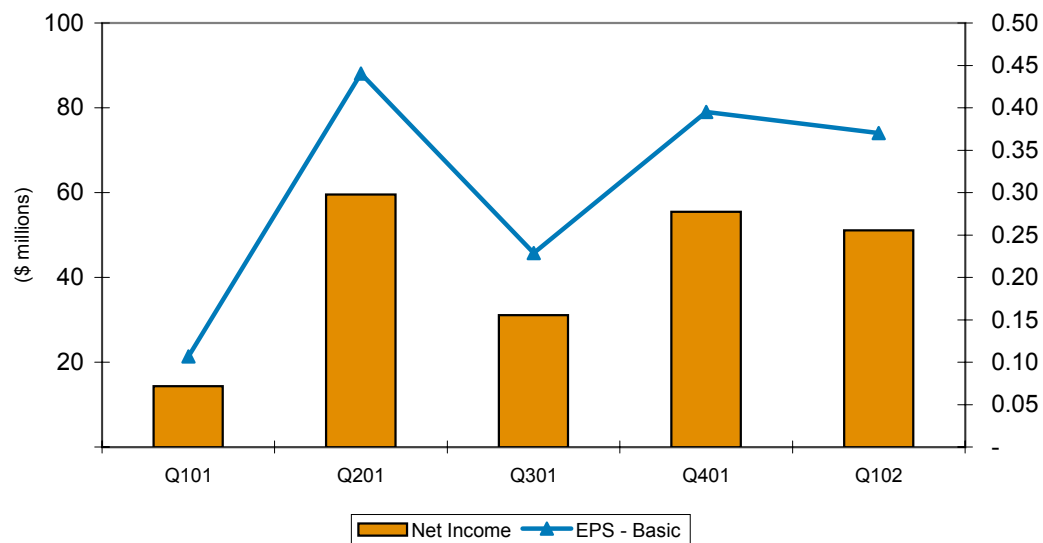
**Earnings per Common Share**  
**Basic**

**Basic excluding Goodwill Amortization**

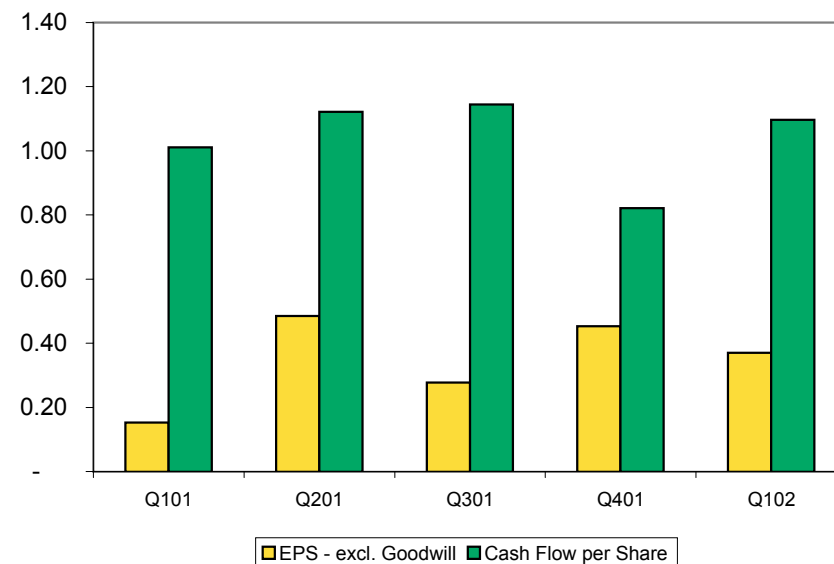
**Cash Flow per Common Share<sup>5</sup>**

2002	2001				
<u>Q1</u>	<u>Q4</u>	<u>Q3</u>	<u>Q2</u>	<u>Q1</u>	<u>Total</u>
\$51,069	\$55,458	\$31,111	\$59,524	\$14,357	\$160,450
\$51,069	\$62,007	\$37,777	\$65,541	\$20,511	\$185,836
137,885	136,861	135,975	135,111	134,572	135,615
0.37	0.40	0.23	0.44	0.11	1.18
0.37	0.45	0.28	0.49	0.15	1.37
1.10	0.82	1.14	1.12	1.01	4.10

**Net Income applicable to Common Shares**



**EPS (excluding Goodwill) and Cash Flow per Share**



# ALIAN'T INC.

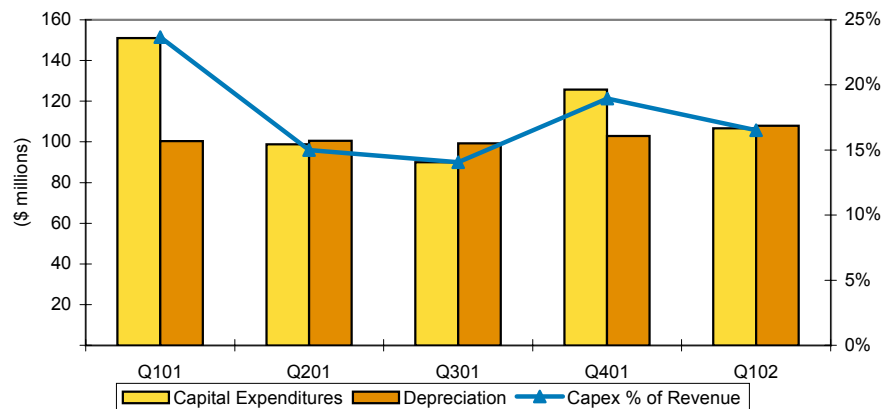
## Supplemental Investor Information - First Quarter 2002 (unaudited)

## Consolidated Capital Expenditures and Depreciation

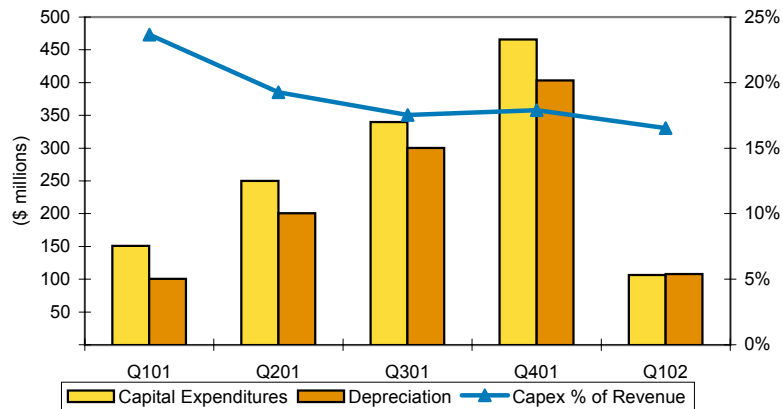
(Thousands of Canadian dollars, except otherwise indicated)

	2002		2001				
	Q1		Q4	Q3	Q2	Q1	Total
<b>Capital Expenditures</b>							
Telecommunications	\$86,830		\$110,230	\$66,653	\$76,110	\$139,964	\$392,957
Information Technology	946		491	5,783	1,188	3,982	11,444
Remote Communications	14,193		6,793	7,478	7,845	651	22,767
Emerging Business	4,583		6,193	9,212	13,471	6,407	35,283
Other and Intercompany Eliminations	100		2,033	932	189	37	3,191
<b>Total Capital Expenditures</b>	<b>\$106,652</b>		<b>\$125,740</b>	<b>\$90,058</b>	<b>\$98,803</b>	<b>\$151,041</b>	<b>\$465,642</b>
<b>Depreciation Expense</b>							
Telecommunications	\$91,327		\$87,383	\$86,140	\$87,830	\$87,895	\$349,248
Information Technology	2,855		3,103	2,897	2,283	2,372	10,655
Remote Communications	9,757		9,015	8,616	9,098	9,000	35,729
Emerging Business	3,594		3,336	1,590	1,216	1,023	7,165
Other and Intercompany Eliminations	318		109	85	81	75	350
<b>Total Depreciation Expense</b>	<b>\$107,851</b>		<b>\$102,946</b>	<b>\$99,328</b>	<b>\$100,508</b>	<b>\$100,365</b>	<b>\$403,147</b>
<b>Capital Expenditures % of Revenue</b>							
Telecommunications	21.0%		23.4%	14.3%	16.1%	31.9%	21.3%
Information Technology	0.8%		0.6%	6.8%	1.3%	3.6%	3.1%
Remote Communications	11.2%		5.2%	6.7%	7.2%	0.6%	5.0%
Emerging Business	17.0%		23.4%	32.4%	37.6%	16.8%	27.4%
Other and Intercompany Eliminations	n/a		n/a	n/a	n/a	n/a	n/a
<b>Total Capital Expenditures % of Revenue</b>	<b>16.5%</b>		<b>18.9%</b>	<b>14.1%</b>	<b>15.0%</b>	<b>23.7%</b>	<b>17.9%</b>

Capex / Depreciation - by Quarter



Capex / Depreciation - YTD



**ALIAN T INC.**  
**Supplemental Investor Information - First Quarter 2002 (unaudited)**

**Debt Summary**  
*(before restructuring charge<sup>2</sup>)*

(Thousands of Canadian dollars, except otherwise indicated)

	2002	2001				
	Q1	Q4	Q3	Q2	Q1	Total
<b>Interest Charges</b>						
Interest on Long-Term Debt	\$33,343	\$34,847	\$36,043	\$39,425	\$38,417	\$148,732
Other Interest	402	(209)	2,713	2,508	3,745	8,757
<b>Total Interest Charges</b>	<b>\$33,745</b>	<b>\$34,638</b>	<b>\$38,756</b>	<b>\$41,933</b>	<b>\$42,162</b>	<b>\$157,489</b>
<b>Capital Structure</b>						
Equity	47.3%	47.9%	46.4%	45.3%	39.0%	
Non-controlling Interest	1.9%	1.8%	1.8%	2.1%	2.0%	
Debt	50.8%	50.3%	51.8%	52.6%	59.0%	
<b>Total Capital Structure</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	

**Coverages<sup>2</sup>**

<b>Interest</b> (i)	3.6	3.1	3.1	3.5	3.6
<b>Debt to Trailing EBITDA</b> (ii)	1.76	1.71	1.91	2.02	2.30
<b>EBITDA to Interest</b> (iii)	6.7	6.2	6.0	6.1	6.4
<b>Cash Flow to Interest</b> (iv)	3.8	3.5	3.8	3.7	4.1

**Definitions**

(i) Operating Income plus Other Income divided by Total Interest Charges (Current Quarter plus three (3) previous Quarters).

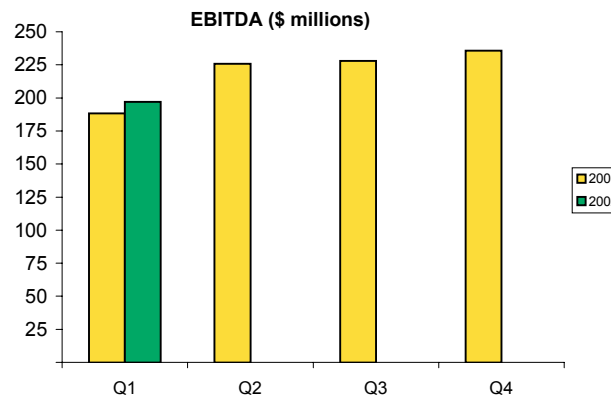
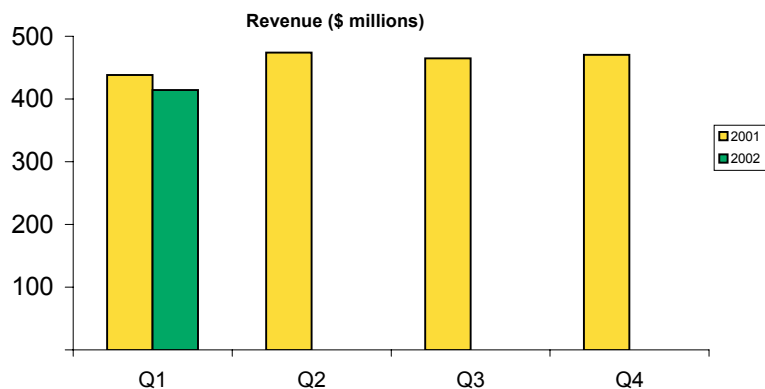
(ii) Total Debt (including Bank Indebtedness) divided by Current Quarter plus three (3) previous Quarters' EBITDA.

(iii) EBITDA divided by Total Interest Charges (Current Quarter plus three (3) previous Quarters).

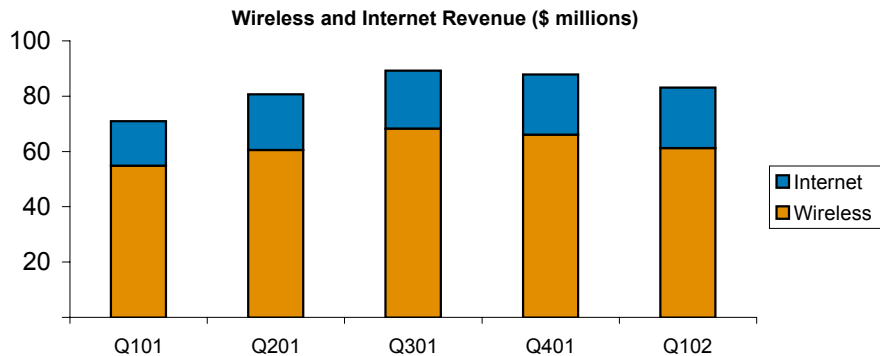
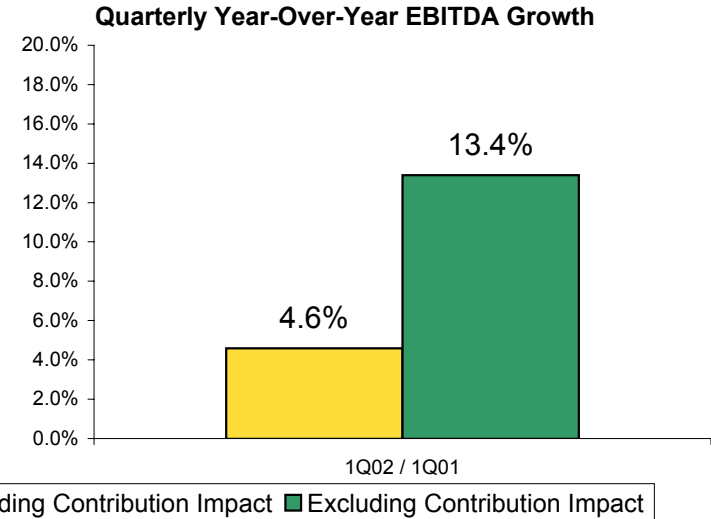
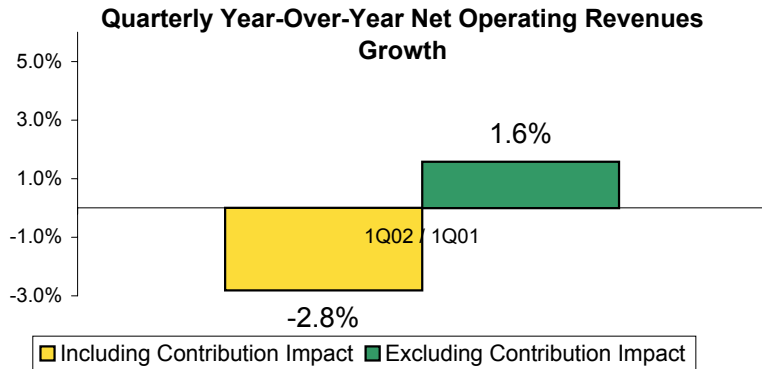
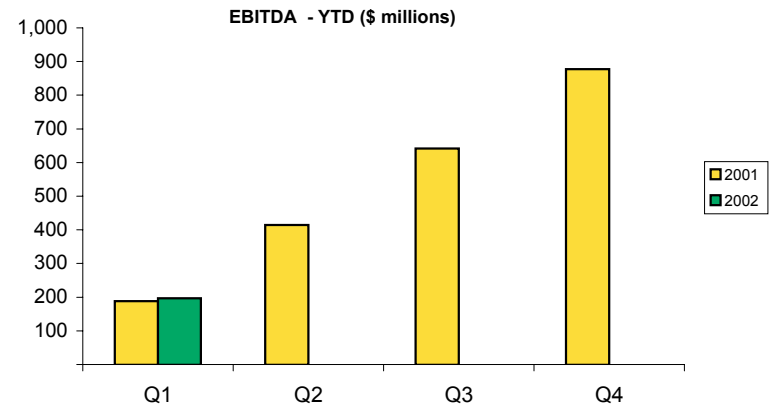
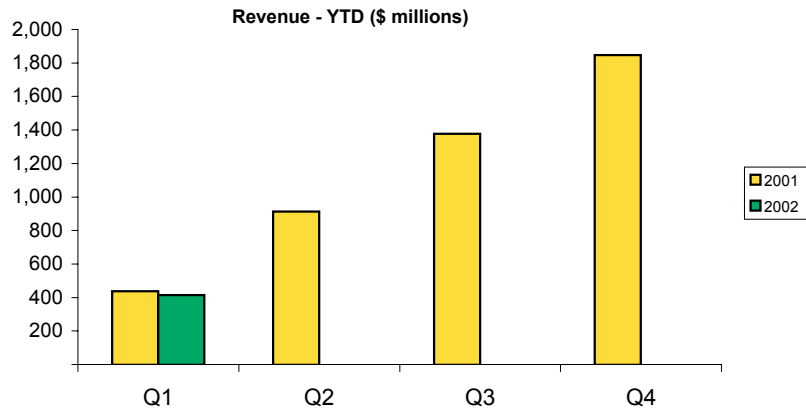
(iv) Cash from Operations (before change in non-cash working capital) divided by Total Interest Charges (Current Quarter plus three (3) previous Quarters).

(Thousands of Canadian dollars, except otherwise indicated)

	2002	2001				
	Q1	Q4	Q3	Q2	Q1	Total
<b>Revenue</b>						
Local	\$189,959	\$218,961	\$219,341	\$218,358	\$211,764	\$868,424
Long Distance	101,545	102,069	100,392	101,927	104,269	408,657
Wireless	61,224	66,083	68,317	60,585	54,912	249,897
Internet	21,848	21,751	20,909	20,094	16,084	78,838
Product Sales	18,733	33,797	26,869	27,541	27,509	115,716
Other	20,975	27,951	29,109	45,485	23,754	126,299
<b>Total Revenue</b>	<b>\$414,284</b>	<b>\$470,612</b>	<b>\$464,937</b>	<b>\$473,990</b>	<b>\$438,292</b>	<b>\$1,847,831</b>
<b>Cash Operating Expenses / Cost of Revenue</b>	<b>\$217,354</b>	<b>\$234,882</b>	<b>\$236,865</b>	<b>\$248,268</b>	<b>\$249,992</b>	<b>\$970,007</b>
<b>EBITDA</b>						
<b>Wireline</b>	\$167,109	\$201,553	\$196,340	\$201,687	\$167,342	\$766,922
% of Revenue	47.3%	49.8%	49.5%	48.8%	43.6%	48.0%
<b>Wireless</b>	29,821	34,177	31,732	24,035	20,958	110,902
% of Revenue	48.7%	51.7%	46.4%	39.7%	38.2%	44.4%
<b>Total</b>	196,930	235,730	228,072	225,722	188,300	877,824
% of Revenue	47.5%	50.1%	49.1%	47.6%	43.0%	47.5%
<b>Net Income</b>	51,134	72,583	63,342	60,621	41,619	238,165
<b>Earnings per Aliant Common Share</b>	0.37	0.53	0.47	0.45	0.31	1.76
<b>Interest Coverage</b>	5.6	5.4	5.0	4.9	4.8	
<b>Debt to Trailing EBITDA</b>	1.30	1.25	1.34	1.49	1.50	
<b>Capital Structure</b>						
Equity	50.5%	52.7%	51.5%	48.4%	49.2%	
Non-controlling Interest	0.1%	0.1%	0.1%	0.1%	0.1%	
Debt	49.4%	47.2%	48.4%	51.5%	50.7%	



(Thousands of Canadian dollars, except otherwise indicated)



(Thousands of Canadian dollars, except otherwise indicated)

**Network Access Service** (restated <sup>6</sup>)

Business  
Residential

**Total Network Access Service**

**Number of Bundled Subscribers - Business / Residential**

**Estimated Market Share**

Local (number of lines based)  
Long Distance (minute based)

**Long Distance Minutes (Thousands)**

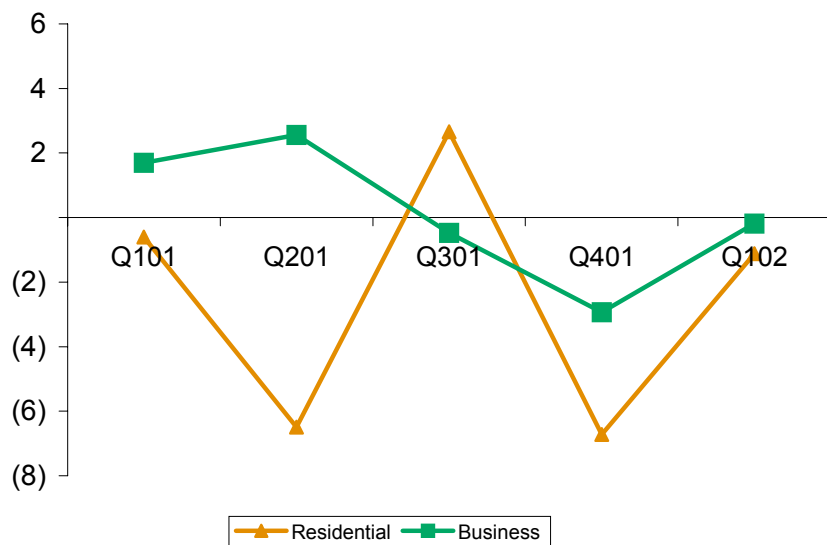
**Revenue per Long Distance Minute**

**Call Centre**

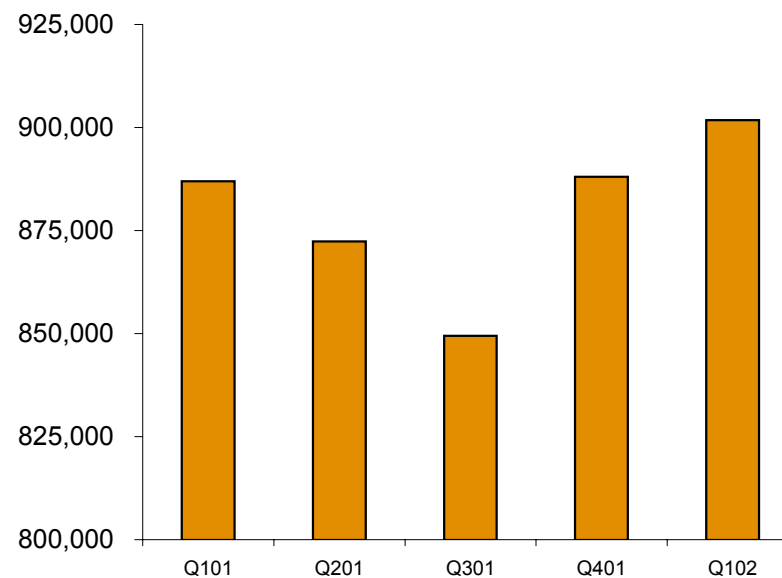
Revenue  
Revenue Growth (year over year)

	2002	2001			
	Q1	Q4	Q3	Q2	Q1
Business	587,487	587,672	590,606	591,084	588,522
Residential	937,760	938,877	945,597	942,941	949,437
<b>Total Network Access Service</b>	<b>1,525,247</b>	<b>1,526,549</b>	<b>1,536,203</b>	<b>1,534,025</b>	<b>1,537,959</b>
<b>Number of Bundled Subscribers - Business / Residential</b>	<b>296,693</b>	<b>278,517</b>	<b>265,694</b>	<b>246,373</b>	<b>238,470</b>
<b>Estimated Market Share</b>					
Local (number of lines based)	97.5%	97.5%	97.6%	97.9%	98.2%
Long Distance (minute based)	88.5%	89.0%	87.5%	87.9%	88.3%
<b>Long Distance Minutes (Thousands)</b>	<b>901,773</b>	<b>888,044</b>	<b>849,438</b>	<b>872,343</b>	<b>886,979</b>
<b>Revenue per Long Distance Minute</b>	<b>\$0.08</b>	<b>\$0.08</b>	<b>\$0.09</b>	<b>\$0.09</b>	<b>\$0.09</b>
<b>Call Centre</b>					
Revenue	\$22,118	\$23,172	\$22,810	\$22,199	\$22,432
Revenue Growth (year over year)	-1.4%	15.3%	15.6%	20.4%	35.1%

**NAS Growth (000's)**



**Long Distance Minutes (000's)**



(Thousands of Canadian dollars, except otherwise indicated)

**WIRELESS**

**Subscribers**

Analog  
 Digital  
 Prepaid

**Total Subscribers**

**Net Subscriber Additions**

Digital  
 All

**Market Share (Estimated)**

**Churn (Blended pre/post-paid)**

**Revenue Growth (Year over Year)**

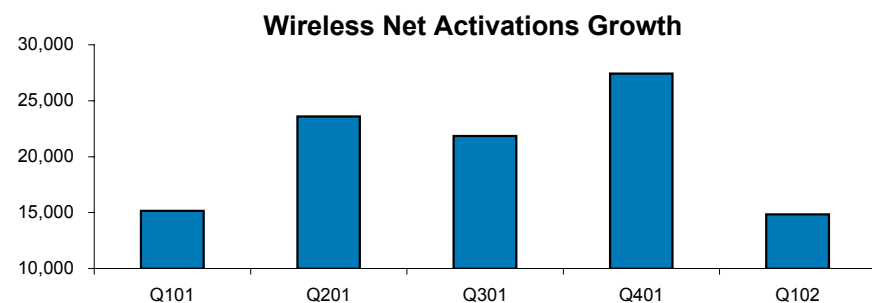
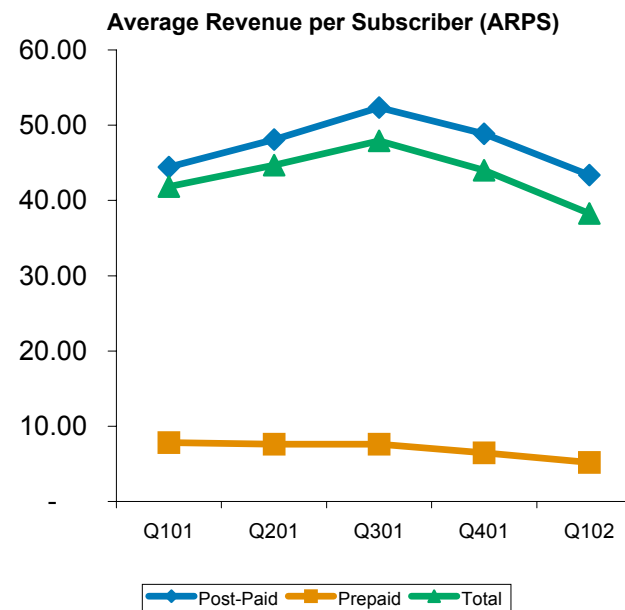
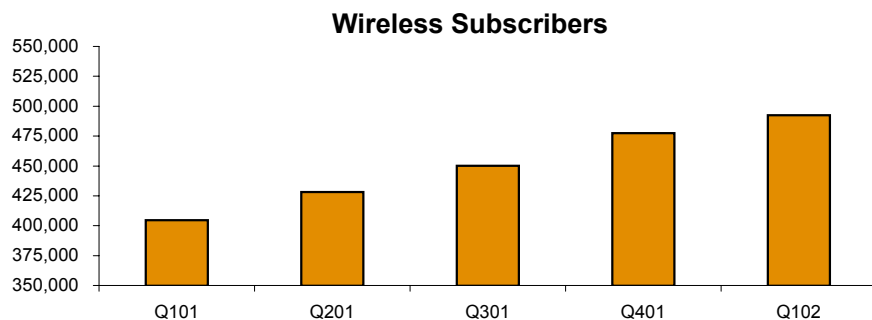
**Per Subscriber**

Average Revenue (ARPS) (\$)

Post-Paid  
 Prepaid  
 Total

Average Minutes of Use (MOU)

2002	2001			
<u>Q1</u>	<u>Q4</u>	<u>Q3</u>	<u>Q2</u>	<u>Q1</u>
267,886	280,462	293,563	304,020	307,159
155,286	137,509	109,236	85,392	66,314
69,217	59,593	47,335	38,887	31,228
492,389	477,564	450,134	428,299	404,701
17,777	28,273	23,844	19,078	11,702
14,825	27,430	21,835	23,598	15,157
74.6%	75.0%	75.0%	74.9%	74.8%
1.27%	1.47%	1.60%	1.37%	1.46%
11.5%	11.6%	14.1%	18.2%	19.6%
\$43.39	\$48.86	\$52.34	\$48.08	\$44.43
5.18	6.45	7.61	7.62	7.84
38.29	44.00	47.94	44.68	41.86
185	197	202	194	174



(Thousands of Canadian dollars, except otherwise indicated)

**INTERNET**

**Subscribers**

Dial up  
 High Speed

**Total Subscribers**

**Market Share (Estimated)**

Dial up  
 High Speed

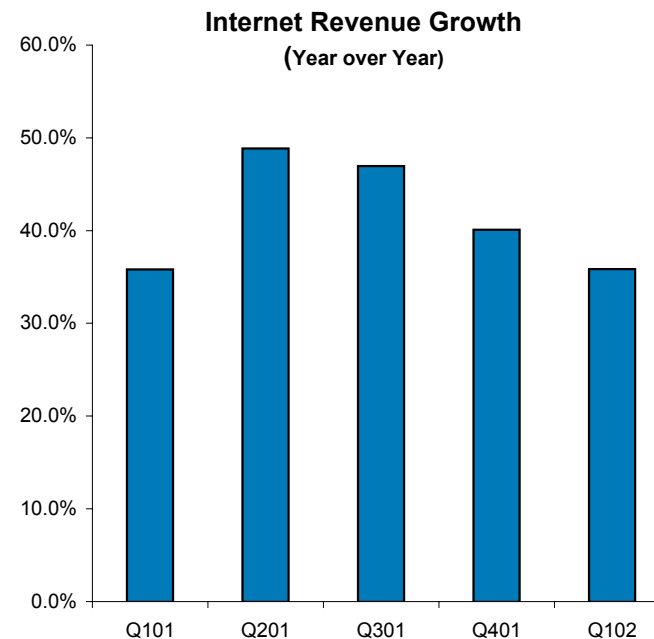
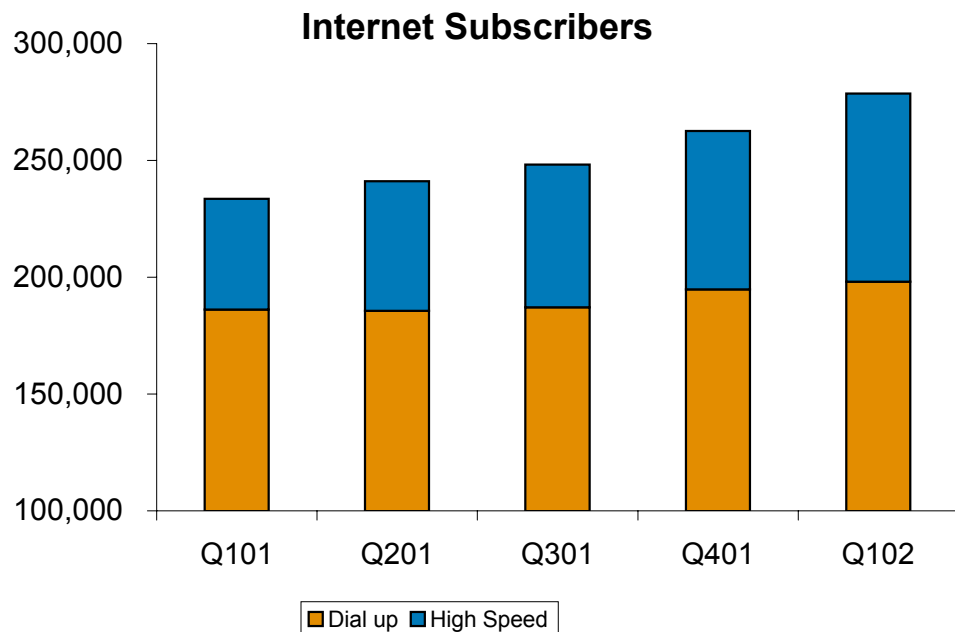
**Churn**

**Per Subscriber**

**Average Revenue (ARPS) (\$)**

Consumer Dial up  
 Consumer High Speed  
 Business Dial up  
 Business High Speed

2002	2001			
<u>Q1</u>	<u>Q4</u>	<u>Q3</u>	<u>Q2</u>	<u>Q1</u>
198,045	194,782	187,058	185,669	186,185
80,560	67,827	61,111	55,426	47,334
278,605	262,609	248,169	241,095	233,519
69.4%	69.4%	69.4%	69.4%	69.0%
61.8%	61.8%	61.8%	61.8%	63.0%
2.8%	3.6%	2.1%	2.5%	2.8%
\$18.06	\$19.21	\$18.94	\$18.59	\$16.81
33.73	37.19	38.42	33.01	32.68
67.49	75.20	74.25	73.63	77.22
111.63	146.00	145.50	143.49	199.75



(Thousands of Canadian dollars, except otherwise indicated)

**Revenue**

**Segment**

IT Services

Fulfillment

**Total Revenue by Segment**

**Source**

External Customers

Other Aliant Lines of Business

**Total Revenue by Source**

**Revenue Growth**

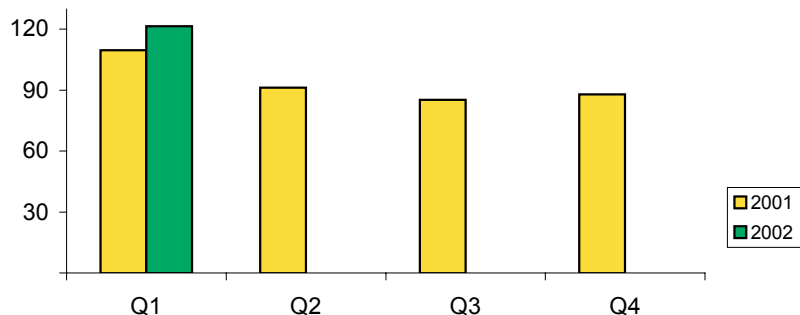
Acquisition (up to one year post acquisition date)

Organic

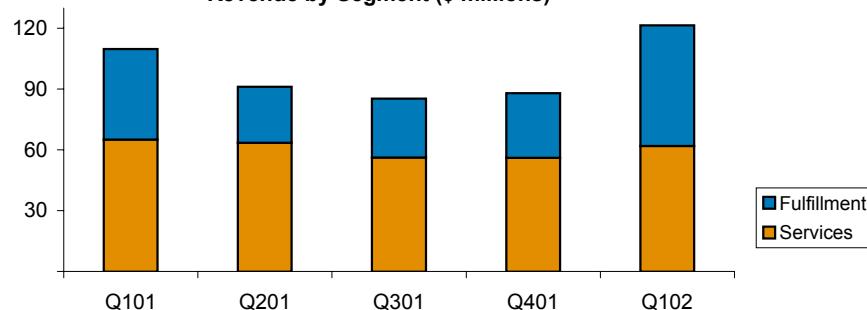
**Total Revenue Growth**

2002	2001				
	Q1	Q4	Q3	Q2	Q1
\$61,861	\$56,013	\$56,262	\$63,470	\$65,101	\$240,847
59,665	31,909	29,054	27,722	44,613	133,297
<b>\$121,526</b>	<b>\$87,922</b>	<b>\$85,316</b>	<b>\$91,192</b>	<b>\$109,714</b>	<b>\$374,144</b>
83,502	44,119	48,759	53,439	74,723	221,040
38,024	43,803	36,557	37,753	34,991	153,104
<b>121,526</b>	<b>87,922</b>	<b>85,316</b>	<b>91,192</b>	<b>109,714</b>	<b>374,144</b>
-	1,471	1,457	5,709	9,309	17,946
11,812	(4,242)	4,850	8,313	15,892	24,813
<b>11,812</b>	<b>(2,771)</b>	<b>6,307</b>	<b>14,022</b>	<b>25,201</b>	<b>42,759</b>

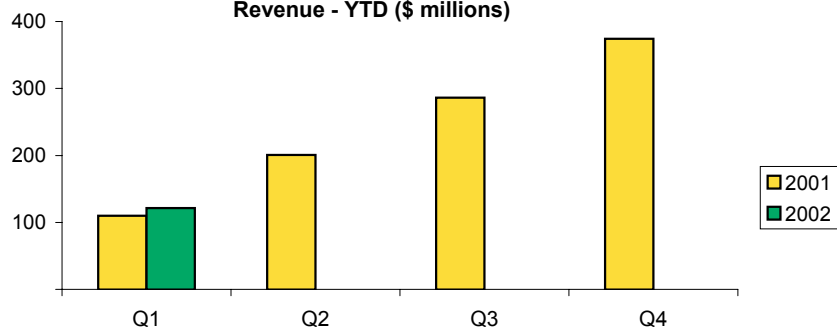
**Revenue (\$ millions)**



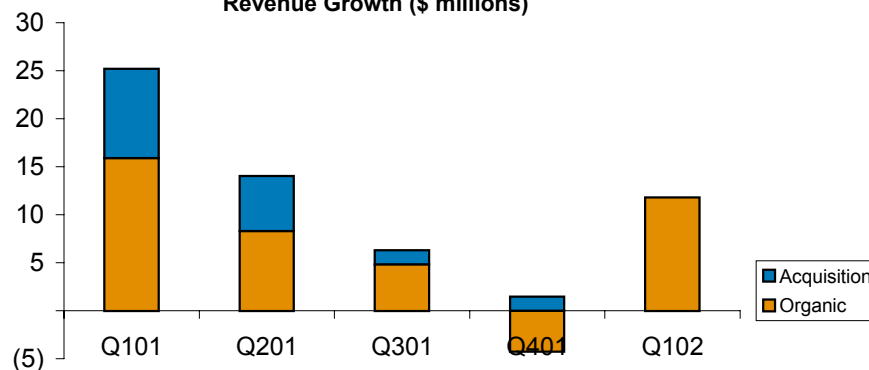
**Revenue by Segment (\$ millions)**



**Revenue - YTD (\$ millions)**



**Revenue Growth (\$ millions)**



**ALIAN T INC.**  
**Supplemental Investor Information - First Quarter 2002 (unaudited)**

**Information Technology Financial Highlights**  
*(before restructuring charge<sup>2</sup>)*

(Thousands of Canadian dollars, except otherwise indicated)

**Cost of Fulfillment Revenue**

**Cash Operating Expenses**

**Gross Margin %**

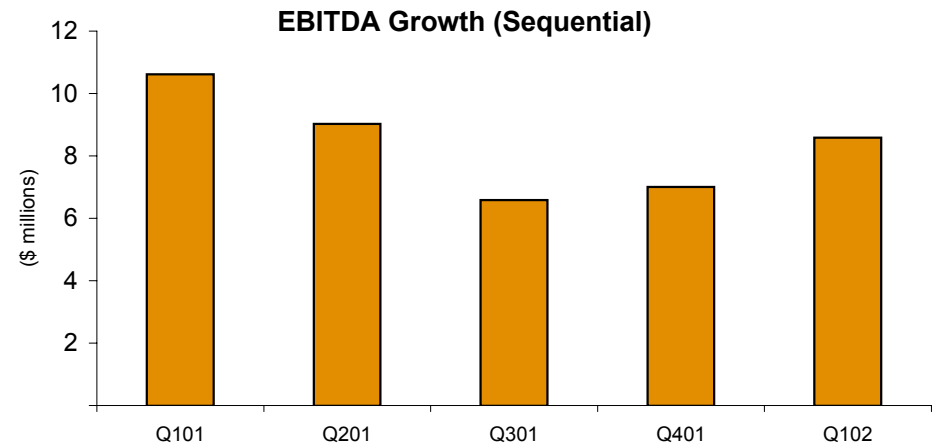
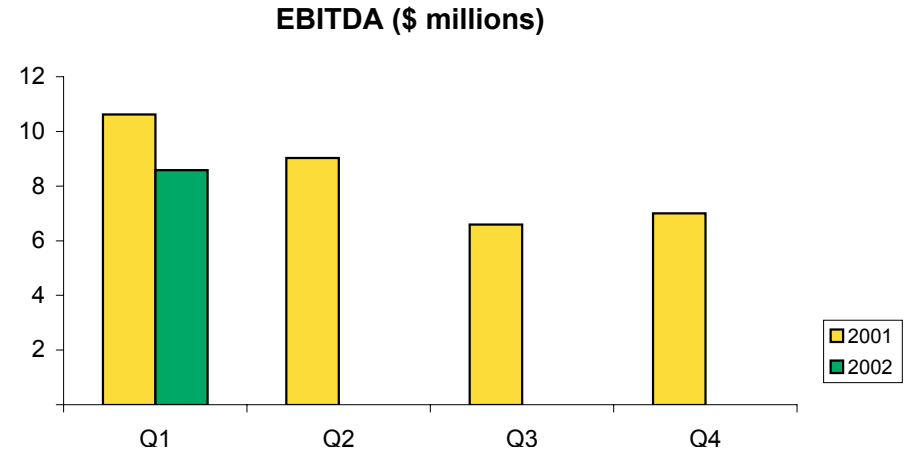
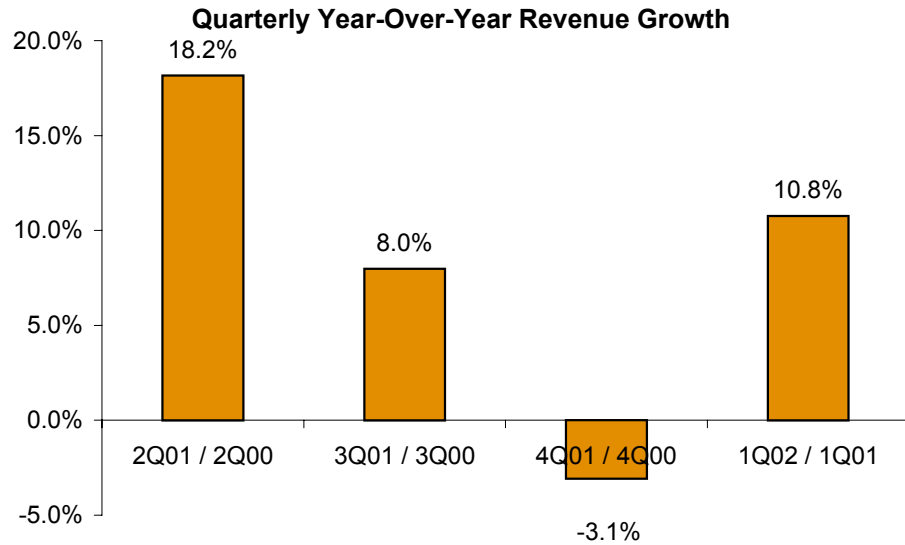
IT Services

Fulfillment

**EBITDA**

% of Revenue

	2002	2001				
	Q1	Q4	Q3	Q2	Q1	Total
Cost of Fulfillment Revenue	\$55,260	\$28,943	\$26,633	\$24,865	\$40,406	\$120,848
Cash Operating Expenses	57,686	51,977	52,096	57,301	58,688	220,061
Gross Margin %						
IT Services	33.0%	34.0%	29.6%	33.2%	35.0%	31.0%
Fulfillment	7.4%	9.3%	8.3%	10.3%	9.4%	9.3%
EBITDA	8,580	7,002	6,587	9,026	10,620	33,235
% of Revenue	7.1%	8.0%	7.7%	9.9%	9.7%	8.9%



(Thousands of Canadian dollars, except otherwise indicated)

**Revenue**

**Cash Operating Expenses / Cost of Revenue**

**EBITDA**

% of Revenue

**Net Income (Loss)**

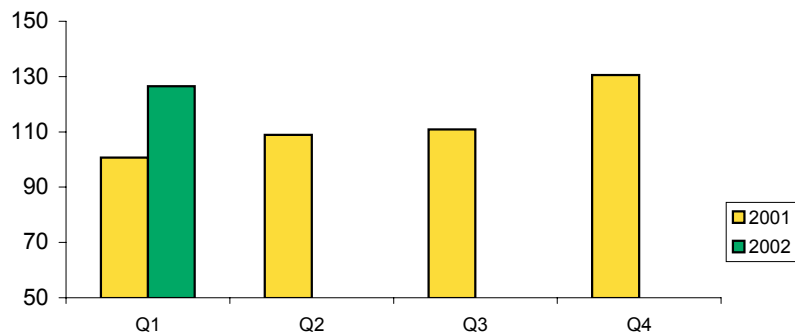
**Earnings (Loss) per Aliant Common Share**

**Interest Coverage**

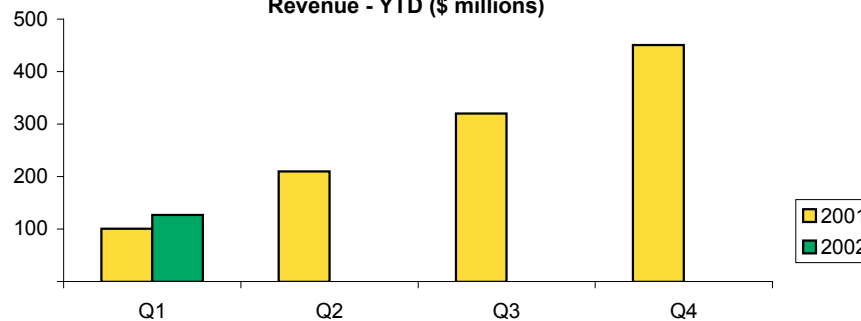
**Debt to Trailing EBITDA**

	2002	2001				
	Q1	Q4	Q3	Q2	Q1	Total
Revenue	\$126,540	\$130,514	\$110,831	\$108,918	\$100,641	\$450,904
Cash Operating Expenses / Cost of Revenue	95,127	102,209	84,698	81,431	82,760	351,098
EBITDA	\$31,413	\$28,305	\$26,133	\$27,487	\$17,881	\$99,806
% of Revenue	24.8%	21.7%	23.6%	25.2%	17.8%	22.1%
Net Income (Loss)	7,972	(3,769)	(18,729)	10,452	(26,736)	(38,782)
Earnings (Loss) per Aliant Common Share	0.06	(0.03)	(0.14)	0.08	(0.20)	(0.29)
Interest Coverage	1.0	0.6	0.4	0.1	(0.4)	
Debt to Trailing EBITDA	4.60	5.21	6.64	9.22	19.09	

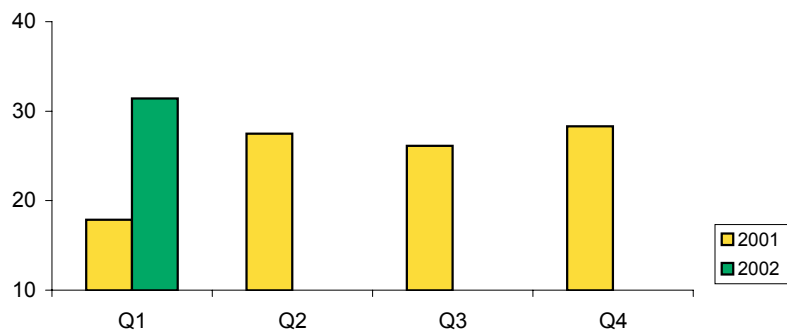
**Revenue (\$ millions)**



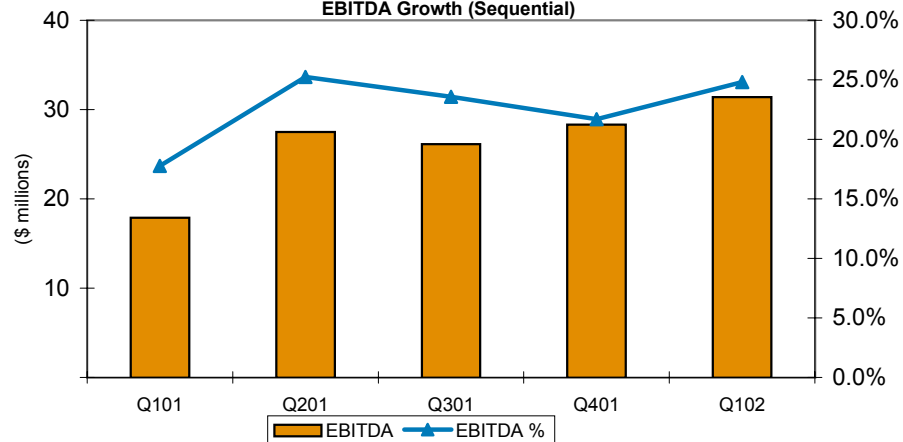
**Revenue - YTD (\$ millions)**



**EBITDA (\$ millions)**



**EBITDA Growth (Sequential)**



(Thousands of Canadian dollars, except otherwise indicated)

**Revenue**

Innovatia  
AMI Offshore  
Prexar  
Aliant Horizons  
Eliminations

**Total Revenue**

**EBITDA**

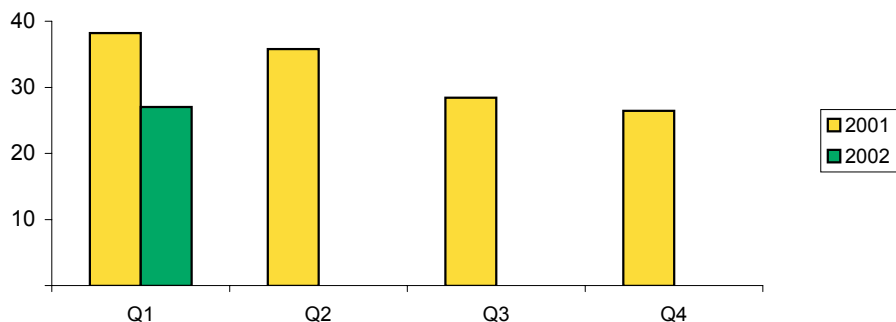
Innovatia  
*% of Revenue*  
AMI Offshore  
*% of Revenue*  
Prexar  
*% of Revenue*  
Aliant Horizons  
*% of Revenue*

**Total EBITDA**

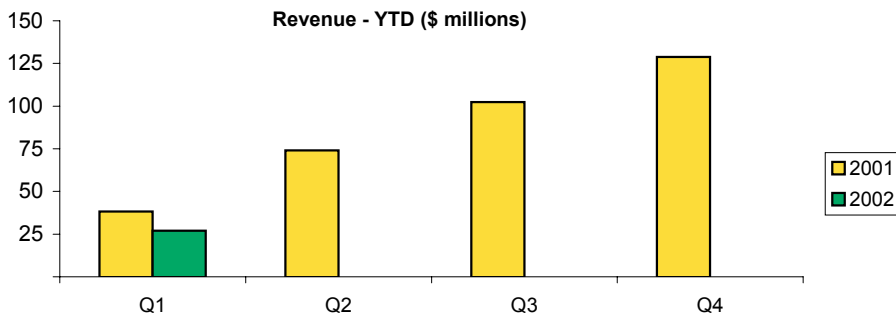
*% of Revenue*

	2002	2001				
	Q1	Q4	Q3	Q2	Q1	Total
<b>Revenue</b>						
Innovatia	\$7,273	\$5,508	\$8,425	\$10,908	\$11,345	\$36,186
AMI Offshore	15,845	17,002	17,482	19,363	20,770	74,617
Prexar	4,134	4,074	2,798	5,806	3,915	16,593
Aliant Horizons	-	-	-	24	2,431	2,455
Eliminations	(220)	(123)	(272)	(315)	(255)	(965)
<b>Total Revenue</b>	<b>\$27,032</b>	<b>\$26,461</b>	<b>\$28,433</b>	<b>\$35,786</b>	<b>\$38,206</b>	<b>\$128,886</b>
<b>EBITDA</b>						
Innovatia	(1,610)	268	(258)	(4,293)	(293)	(4,576)
<i>% of Revenue</i>	<i>-22.1%</i>	<i>4.9%</i>	<i>-3.1%</i>	<i>-39.4%</i>	<i>-2.6%</i>	<i>-12.6%</i>
AMI Offshore	1,904	1,744	1,126	1,071	1,126	5,067
<i>% of Revenue</i>	<i>12.0%</i>	<i>10.3%</i>	<i>6.4%</i>	<i>5.5%</i>	<i>5.4%</i>	<i>6.8%</i>
Prexar	(858)	(175)	(4,268)	(473)	(564)	(5,479)
<i>% of Revenue</i>	<i>-20.8%</i>	<i>-4.3%</i>	<i>-152.5%</i>	<i>-8.1%</i>	<i>-14.4%</i>	<i>-33.0%</i>
Aliant Horizons	(40)	(2,005)	(98)	(33)	2,260	124
<i>% of Revenue</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>-137.5%</i>	<i>93.0%</i>	<i>5.1%</i>
<b>Total EBITDA</b>	<b>(\$604)</b>	<b>(\$168)</b>	<b>(\$3,498)</b>	<b>(\$3,728)</b>	<b>\$2,529</b>	<b>(\$4,864)</b>
<i>% of Revenue</i>	<i>-2.2%</i>	<i>-0.6%</i>	<i>-12.3%</i>	<i>-10.4%</i>	<i>6.6%</i>	<i>-3.8%</i>

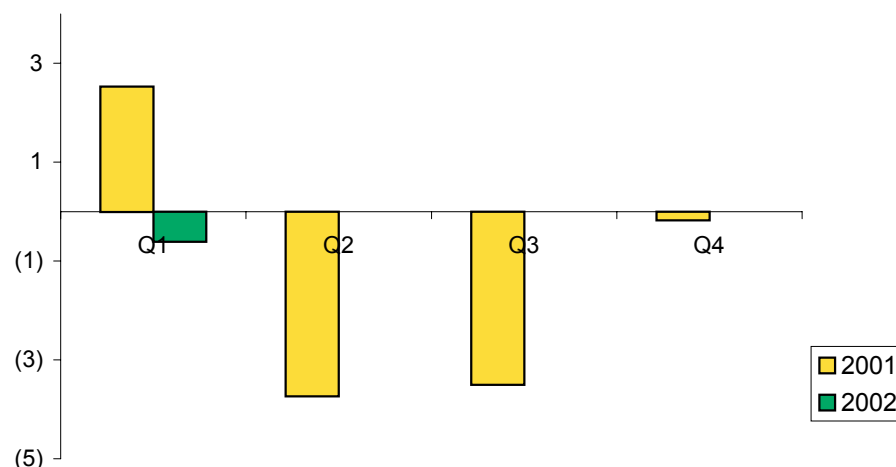
Revenue (\$ millions)



Revenue - YTD (\$ millions)



EBITDA (\$ millions)



**ALIAN T INC.**  
**Supplemental Investor Information - First Quarter 2002 (unaudited)**

**2001 Restructuring Charge  
Reconciliation**

(Thousands of Canadian dollars, except otherwise indicated)

	Year Ended December 31			Three Months Ended December 31		
	<u>2001</u> (Before)	Restructuring Charge	<u>2001</u> (After)	<u>2001</u> (Before)	Restructuring Charge	<u>2001</u> (After)
<b>Contribution to EBITDA</b>						
Telecommunications	\$877,824	(\$76,448)	\$801,376	\$235,730	(\$76,448)	\$159,282
Information Technology	33,235	(25,755)	7,480	7,002	(25,755)	(18,753)
Remote Communications	99,806	-	99,806	28,305	-	28,305
Emerging Business	(4,864)	(3,034)	(7,898)	(168)	(3,034)	(3,202)
Other and Intercompany Eliminations	(28,964)	(6,000)	(34,964)	(5,632)	(6,000)	(11,632)
<b>Total Contribution to EBITDA</b>	<b>\$977,037</b>	<b>(\$111,237)</b>	<b>\$865,800</b>	<b>\$265,237</b>	<b>(\$111,237)</b>	<b>\$154,000</b>
<b>EBITDA Margin</b>						
Telecommunications	47.5%	-4.1%	43.4%	50.1%	-16.2%	33.8%
Information Technology	8.9%	-6.9%	2.0%	8.0%	-29.3%	-21.3%
Remote Communications	22.1%	0.0%	22.1%	21.7%	0.0%	21.7%
Emerging Business	-3.8%	-2.4%	-6.1%	-0.6%	-11.5%	-12.1%
Other and Intercompany Eliminations	n/a	n/a	n/a	n/a	n/a	n/a
<b>Total EBITDA Margin</b>	<b>37.6%</b>	<b>-4.3%</b>	<b>33.3%</b>	<b>40.0%</b>	<b>-16.8%</b>	<b>23.2%</b>
<b>Net Income Applicable to Common Shares</b>						
Lines of Business	\$191,023	(\$59,556)	\$131,467	\$62,401	(\$59,556)	\$2,845
Other, Preferred Share Dividends and Eliminations	(30,573)	(3,413)	(33,986)	(6,943)	(3,413)	(10,356)
<b>Total Net Income Applicable to Common Shares</b>	<b>\$160,450</b>	<b>(\$62,969)</b>	<b>\$97,481</b>	<b>\$55,458</b>	<b>(\$62,969)</b>	<b>(\$7,511)</b>
<b>Earnings per Average Common Share (Basic)</b>						
Lines of Business	\$1.41	(\$0.44)	\$0.97	\$0.45	(\$0.44)	\$0.01
Other, Preferred Share Dividends and Eliminations	(0.23)	(0.03)	(0.25)	(0.05)	(0.02)	(0.08)
<b>Total Earnings per Average Common Share (Basic)</b>	<b>\$1.18</b>	<b>(\$0.46)</b>	<b>\$0.72</b>	<b>\$0.40</b>	<b>(\$0.46)</b>	<b>(\$0.06)</b>
<b>Weighted Average Common Shares Outstanding</b>			<b>135,614,538</b>			<b>136,860,809</b>

**Accompanying Notes**

1. EBITDA is defined by the Company as operating income plus depreciation and amortization expense. The Company has included information concerning EBITDA because it believes it is used by certain investors as one measure of the Company's financial performance. EBITDA should not be construed as an alternative to operating income or to cash flows from operating activities (as determined in accordance with Canadian generally accepted accounting principles) as a measure of liquidity.
2. The results for 2001 have been provided before the fourth quarter restructuring charge. A reconciliation to the amounts reported in the Company's consolidated financial statements has been provided on page 19.
3. Effective January 1, 2002 Aliant adopted the new CICA standards for foreign currency translation. As required, the standard was adopted on a retroactive basis and accordingly, all exchange gains or losses arising from the translation of foreign currency denominated items are included in income. For more detailed information, see note 2 to Aliant's consolidated financial statements.
4. Free Cash Flow is defined as cash from operations plus or minus cash from investing (including capital expenditures) less common and preferred dividends paid in cash.
5. Cash Flow per Common Share is defined as cash from operations (before the change in non-cash working capital balances related to operations) divided by the average number of common shares outstanding during the period.
6. In the first quarter of 2002, Aliant Telecom aligned methodologies for counting network access services to be consistent across the four Atlantic provinces. Previously, one of the predecessor companies included additional inbound only lines in their NAS count. As a result, the restated NAS numbers are lower by approximately 19,000, while NAS revenues were not impacted.
7. Certain amounts presented in these schedules are rounded. Accordingly, the columns and rows may not add to the totals presented.
8. The comparative financial information has been restated to conform to the presentation adopted for 2002.

**Corporate Information**

<p>Shareholder and Investor Inquiries</p>	<p>Linda Forbrigger Manager, Investor Relations</p> <p>Aliant Investor Relations POBox 1113, Station Central RPO Halifax, NS, Canada B3J 2X1</p> <p>Tel: 1.877.248.3113 Fax: 1.877.498.2464</p> <p>e-mail: linda.forbrigger@aliant.ca</p>	<p>Share Transfer Agents and Registrar</p> <p>Share Listings</p> <p>Preferred Share Ratings</p> <p>Aliant Telecom Long-term Debt Ratings</p> <p>Commercial Paper Ratings</p> <p>Auditors</p>	<p>CIBC Mellon Trust Company Investor Correspondence PO Box 7010 Adelaide Street Postal Station Toronto, ON M5C 2W9 Tel: 1.800.387.0825 e-mail: inquiries@cibcmellon.com</p> <p>Toronto Stock Exchange Common: <b>AIT</b> Preferred: <b>AIT.PR.A</b></p> <p>Standard &amp; Poor's <i>P-2 stable outlook</i> Dominion Bond Rating Service <i>Pfd-2 (Low) stable trend</i></p> <p>Standard &amp; Poor's <i>A stable outlook</i> Dominion Bond Rating Service <i>A stable trend</i></p> <p>Standard &amp; Poor's <i>A-1 stable outlook</i> Dominion Bond Rating Service <i>R-1 (Low) stable trend</i></p> <p>Ernst &amp; Young LLP Chartered Accountants St. John's, NF</p>
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**About Aliant**

Aliant Inc. (TSE:AIT) is one of Canada's top high-tech companies, providing integrated communications and IT solutions through subsidiaries operating worldwide. By combining industry-leading expertise from across the group of companies, Aliant utilizes the Aliant Premium™ model to deliver unique, end-to-end solutions to customers.

With more than 10,000 employees and a market capitalization of approximately \$4 billion, Aliant ranks in the top 100 publicly traded companies in the country. More information on Aliant may be found on our Web site at [www.aliant.ca](http://www.aliant.ca).