

Supplemental Investor Information

Second Quarter 2005

Aliant



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Supplemental Investor Information (unaudited) - Second Quarter 2005

(Thousands of dollars, except as otherwise indicated)

	Six Months Ended June 30		% Change	Three Months Ended June 30		% Change
	2005	2004 ⁽¹⁾		2005	2004 ⁽¹⁾	
Financial						
Operating revenues	\$1,041,739	\$1,022,769	1.9%	\$517,325	\$508,261	1.8%
Operating income	\$184,359	\$168,997	9.1%	\$97,797	\$79,237	23.4%
Net income	\$93,369	\$85,692	9.0%	\$49,785	\$40,035	24.4%
Earnings per average common share - Basic (EPS)	\$0.67	\$0.61	9.8%	\$0.36	\$0.28	28.6%
Cash from operating activities ⁽²⁾	\$201,646	\$199,501	1.1%	\$169,146	\$90,436	87.0%
Capital investments	\$187,155	\$129,269	44.8%	\$104,992	\$44,700	134.9%
Depreciation and amortization	\$197,576	\$199,508	(1.0%)	\$98,986	\$98,549	0.4%
Share Capital						
Weighted average number of common shares outstanding in the period ⁽³⁾	131,628,739	133,038,386	(1.1%)	130,928,405	132,685,147	(1.3%)
Trading hi-low	\$29.73 - \$25.75	\$34.70 - \$26.14		\$29.00 - \$25.75	\$31.49 - \$26.14	
As at June 30:						
Number of common shares outstanding ⁽³⁾	130,023,484	132,312,406	(1.7%)			
Common share price (AIT)	\$26.70	\$27.57	(3.2%)			
Preferred share price (AIT.PR.A)	\$25.70	\$25.97	(1.0%)			
Market capitalization	\$3,471,627	\$3,647,853	(4.8%)			

ALIAN T INC.
Supplemental Investor Information (unaudited) - Second Quarter 2005

Financial Summary

(Thousands of dollars, except as otherwise indicated)

	Six Months Ended June 30			Three Months Ended June 30		
	2005	2004 ⁽¹⁾	% Change	2005	2004 ⁽¹⁾	% Change
Operating revenues	\$1,041,739	\$1,022,769	1.9%	\$517,325	\$508,261	1.8%
Cost of operating revenues	159,158	143,677	10.8%	70,197	69,182	1.5%
Other operating expenses	450,465	465,717	(3.3%)	225,499	240,688	(6.3%)
Pension and other post employment benefits cost	50,181	40,314	24.5%	24,846	19,132	29.9%
Depreciation and amortization	197,576	199,508	(1.0%)	98,986	98,549	0.4%
Restructuring charge	-	4,556	n.m.	-	1,473	n.m.
Operating income	184,359	168,997	9.1%	97,797	79,237	23.4%
Other income (expenses)	(1,086)	5,116	n.m.	(269)	2,106	n.m.
Interest charges	35,850	37,807	(5.2%)	18,465	18,585	(0.6%)
Income taxes	52,982	49,808	6.4%	28,609	22,383	27.8%
Non-controlling interest	1,072	806	33.0%	669	340	96.8%
Net income	\$93,369	\$85,692	9.0%	\$49,785	\$40,035	24.4%
Preferred share dividends	4,769	4,769	-	2,385	2,385	-
Net income applicable to common shares	\$88,600	\$80,923	9.5%	\$47,400	\$37,650	25.9%
EPS	\$0.67	\$0.61	9.8%	\$0.36	\$0.28	28.6%

n.m. - not meaningful

Supplemental Investor Information (unaudited) - Second Quarter 2005

(Thousands of dollars, except as otherwise indicated)

	2005			2004 ⁽¹⁾				
	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total
Operating revenues *								
Telecommunications	\$458,411	\$445,830	\$904,241	\$456,011	\$452,844	\$448,751	\$442,698	\$1,800,304
Information Technology	85,906	104,830	190,736	80,352	79,421	85,227	98,465	343,465
Other and intercompany eliminations	(26,992)	(26,246)	(53,238)	(26,800)	(32,897)	(25,717)	(26,655)	(112,069)
Operating revenues	\$517,325	\$524,414	\$1,041,739	\$509,563	\$499,368	\$508,261	\$514,508	\$2,031,700
<i>Current year quarter over same prior year quarter growth (%)</i>	1.8%	1.9%		(3.9%)	(3.1%)	1.4%	0.7%	
<i>Year-to-date growth (%)</i>	1.9%	1.9%		(1.3%)	(0.4%)	1.1%	0.7%	
Operating income *								
Telecommunications	\$100,938	\$86,949	\$187,887	\$40,933	\$74,145	\$82,662	\$92,156	\$289,896
Information Technology	6,565	7,617	14,182	(3,434)	5,380	2,585	2,767	7,298
Other and intercompany eliminations	(9,706)	(8,004)	(17,710)	(11,280)	(5,924)	(6,010)	(5,163)	(28,377)
Operating income, as reported	\$97,797	\$86,562	\$184,359	\$26,219	\$73,601	\$79,237	\$89,760	\$268,817
Restructuring charge								
ERIP	-	-	-	66,598	-	-	-	66,598
Other	-	-	-	492	642	1,473	3,083	5,690
Restructuring charge (net of tax)	\$97,797	\$86,562	\$184,359	\$93,309	\$74,243	\$80,710	\$92,843	\$341,105
<i>Current year quarter over same prior year quarter growth (%)</i>	21.2%	(6.8%)		(14.9%)	(36.9%)	(25.9%)	0.4%	
<i>Year-to-date growth (%)</i>	6.2%	(6.8%)		(20.5%)	(22.4%)	(13.8%)	0.4%	
Net income								
Telecommunications	\$50,091	\$42,785	\$92,876	\$16,512	\$34,897	\$44,836	\$48,086	\$144,331
Information Technology	4,897	4,364	9,261	(2,373)	5,377	2,374	1,341	6,719
Other and intercompany eliminations	(5,203)	(3,565)	(8,768)	(6,515)	(3,042)	(7,175)	(3,770)	(20,502)
Net income, as reported	\$49,785	\$43,584	\$93,369	\$7,624	\$37,232	\$40,035	\$45,657	\$130,548
Restructuring charge (net of tax)								
ERIP	-	-	-	42,065	-	-	-	42,065
Other	-	-	-	293	386	886	1,906	3,471
Restructuring charge (net of tax)	\$49,785	\$43,584	\$93,369	\$49,982	\$37,618	\$40,921	\$47,563	\$176,084
<i>Current year quarter over same prior year quarter growth (%)</i>	21.7%	(8.4%)		(7.1%)	(37.5%)	(21.8%)	9.8%	
<i>Year-to-date growth (%)</i>	5.5%	(8.4%)		(16.0%)	(19.1%)	(7.5%)	9.8%	

* Refer to pages 9 to 12 for more information on Telecommunications results and page 13 for more information on Information Technology results.

Supplemental Investor Information (unaudited) - Second Quarter 2005

(Thousands of dollars, except as otherwise indicated)

	2005			2004 ⁽¹⁾				
	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total
Common shares (000's)								
Number of common shares outstanding at end of period	130,023	131,658		132,744	132,108	132,312	133,087	
Weighted average number of common shares outstanding in the period	130,928	132,336		132,558	132,135	132,685	133,404	
Weighted average number of common shares outstanding year-to-date	131,629	132,336		132,740	132,750	133,038	133,404	
Common shares repurchased under NCIBs ⁽³⁾	1,698	1,151	2,849	-	269	847	616	1,732
Market price per common share								
High	\$29.00	\$29.73		\$28.00	\$27.61	\$31.49	\$34.70	
Low	\$25.75	\$27.10		\$25.30	\$25.00	\$26.14	\$30.01	
Close	\$26.70	\$28.81		\$27.80	\$25.63	\$27.57	\$30.01	
<i>Book value per common share (i)</i>	\$9.97	\$10.11		\$10.25	\$10.41	\$10.45	\$10.54	
<i>Market-to-book value (times) (ii)</i>	2.7	2.8		2.7	2.5	2.6	2.8	
<i>Market capitalization (iii)</i>	\$3,471,627	\$3,793,055		\$3,690,283	\$3,385,930	\$3,647,853	\$3,993,941	
Net income	\$49,785	\$43,584	\$93,369	\$7,624	\$37,232	\$40,035	\$45,657	\$130,548
Preferred share dividends	2,385	2,384	4,769	2,384	2,384	2,385	2,384	9,537
Net income applicable to common shares	\$47,400	\$41,200	\$88,600	\$5,240	\$34,848	\$37,650	\$43,273	\$121,011
EPS								
EPS, as reported	\$0.36	\$0.31	\$0.67	\$0.04	\$0.26	\$0.28	\$0.32	\$0.91
Restructuring charge								
ERIP	-	-	-	(0.32)	-	-	-	(0.32)
Other	-	-	-	-	-	(0.01)	(0.01)	(0.03)
Quarterly	\$0.36	\$0.31	\$0.67	\$0.36	\$0.27	\$0.29	\$0.34	\$1.25
Year-to-date	\$0.67	\$0.31		\$1.25	\$0.90	\$0.63	\$0.34	
<i>Year-to-date growth (%)</i>	6.3%	(8.8%)		(13.8%)	(15.9%)	(3.1%)	17.2%	
Common share dividends	\$38,541	\$39,024	\$77,565	\$36,851	\$36,326	\$36,457	\$36,679	\$146,313
<i>Dividends declared per common share, as stated</i>	\$0.295	\$0.295	\$0.590	\$0.275	\$0.275	\$0.275	\$0.275	\$1.100
<i>Common share dividend payout ratio (iv)</i>	81.3%	94.7%	87.5%	703.3%	104.2%	96.8%	84.8%	120.9%
<i>Dividend yield (v)</i>	4.4%	4.1%		4.0%	4.3%	4.0%	3.7%	

(i) to (v) - see page 14 for definitions

ALIANT INC.
Supplemental Investor Information (unaudited) - Second Quarter 2005
Shareholder Value

(Continued)

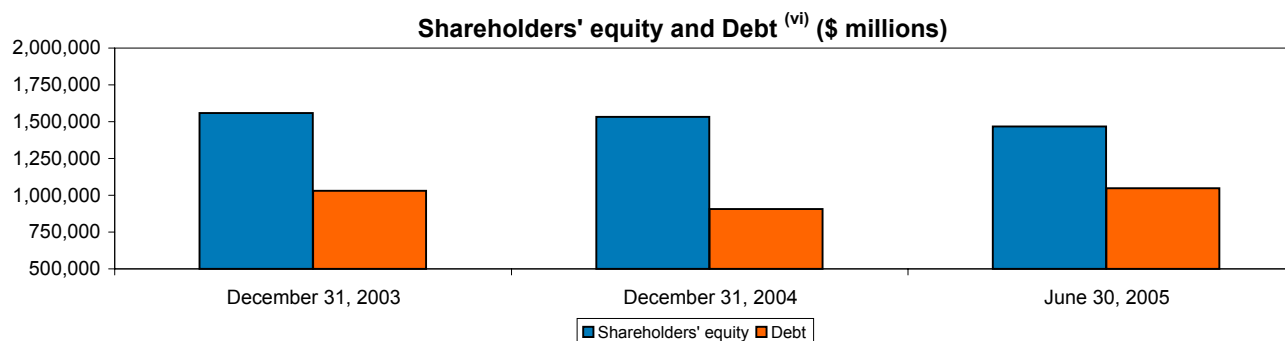
(Thousands of dollars, except as otherwise indicated)

	2005			2004 ⁽¹⁾				
	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total
Capital structure								
Shareholders' equity	58.2%	62.4%		62.7%	60.9%	61.0%	61.2%	
Non-controlling interest	0.2%	0.2%		0.2%	0.2%	0.1%	0.2%	
Debt ^(vi)	41.6%	37.4%		37.1%	38.9%	38.9%	38.6%	
	<u>100.0%</u>	<u>100.0%</u>		<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	
Return on shareholders' equity ^(vii)	14.4%	12.2%	13.3%	1.5%	10.1%	10.8%	12.3%	8.7%
Return on invested capital ^(viii)	10.0%	8.9%	9.4%	3.0%	7.8%	8.1%	8.9%	7.0%
Cash from operating activities ⁽²⁾								
Cash from operating activities before change in non-cash working capital	\$157,795	\$83,029	\$240,824	\$110,639	\$129,516	\$135,597	\$124,201	\$499,953
Change in non-cash working capital	11,351	(50,529)	(39,178)	73,160	64,358	(45,161)	(15,136)	77,221
	<u>\$169,146</u>	<u>\$32,500</u>	<u>\$201,646</u>	<u>\$183,799</u>	<u>\$193,874</u>	<u>\$90,436</u>	<u>\$109,065</u>	<u>\$577,174</u>
Interest charges								
Interest on long-term debt	\$18,190	\$17,186	\$35,376	\$17,134	\$19,619	\$18,769	\$18,855	\$74,377
Other interest	275	199	474	333	146	(184)	367	662
	<u>\$18,465</u>	<u>\$17,385</u>	<u>\$35,850</u>	<u>\$17,467</u>	<u>\$19,765</u>	<u>\$18,585</u>	<u>\$19,222</u>	<u>\$75,039</u>
Coverage ratios								
Interest coverage ^(ix)	3.9	3.6		3.6	4.4	4.8	5.0	
Cash flow to interest ^(x)	6.6	6.3		6.7	6.5	6.7	6.5	

(vi) to (x) - see page 14 for definitions

Financial strength	Standard & Poor's	Dominion Bond Rating Service
Aliant corporate credit rating	A negative outlook	A (low) negative trend
Aliant preferred shares	P-2 (high)	Pfd-2 (low) negative trend
Aliant commercial paper	A-1	R-1 (low) stable trend
Aliant Telecom unsecured long-term debt	A	A negative trend

In May 2005 DBRS and S&P changed the trend / outlook on Aliant and Aliant Telecom from 'stable' to 'negative'.



ALIANT INC.

Supplemental Investor Information (unaudited) - Second Quarter 2005

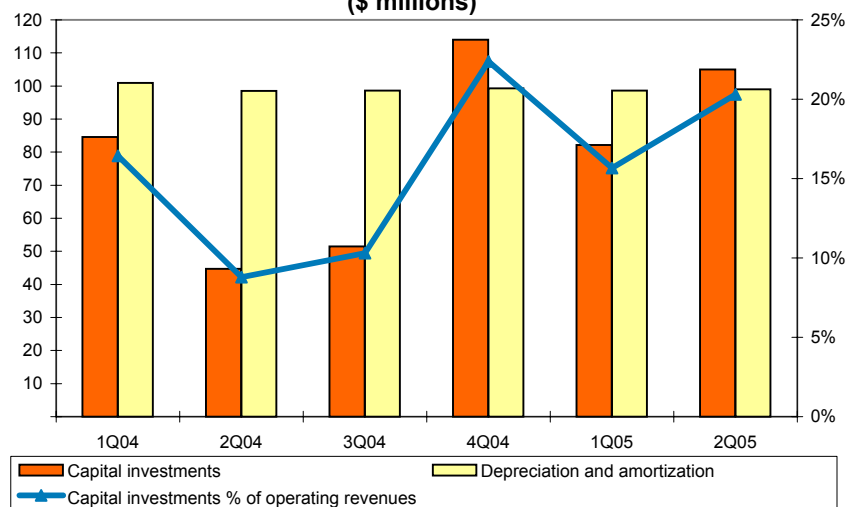
Capital Investments and Depreciation and Amortization

(Thousands of dollars, except as otherwise indicated)

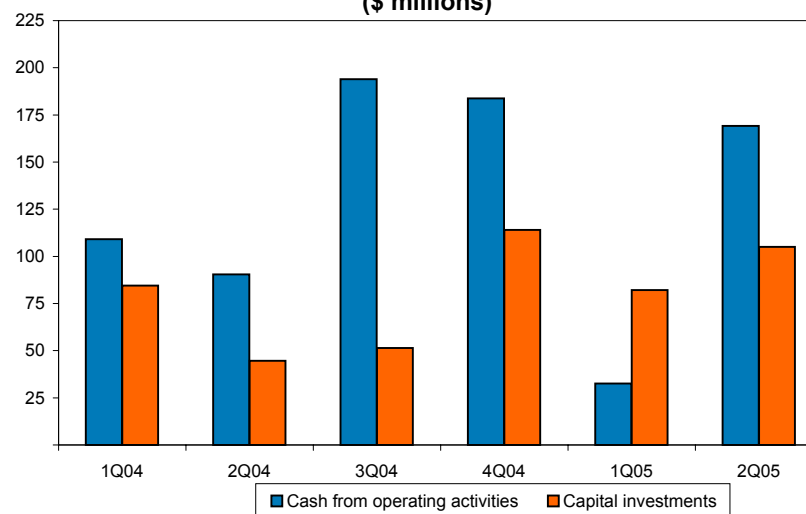
	2005			2004 ⁽¹⁾				
	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total
Capital investments								
Telecommunications	\$105,052	\$79,317	\$184,369	\$112,544	\$49,899	\$42,415	\$84,176	\$289,034
Information Technology	(60)	2,837	2,777	1,403	1,472	2,227	357	5,459
Other	-	9	9	79	67	58	36	240
	<u>\$104,992</u>	<u>\$82,163</u>	<u>\$187,155</u>	<u>\$114,026</u>	<u>\$51,438</u>	<u>\$44,700</u>	<u>\$84,569</u>	<u>\$294,733</u>
Depreciation and amortization								
Telecommunications	\$97,188	\$96,852	\$194,040	\$97,482	\$97,154	\$97,060	\$99,339	\$391,035
Information Technology	2,030	1,945	3,975	1,950	2,079	2,134	2,319	8,482
Other and intercompany eliminations	(232)	(207)	(439)	(173)	(663)	(645)	(699)	(2,180)
	<u>\$98,986</u>	<u>\$98,590</u>	<u>\$197,576</u>	<u>\$99,259</u>	<u>\$98,570</u>	<u>\$98,549</u>	<u>\$100,959</u>	<u>\$397,337</u>
Capital investments % of operating revenues								
Telecommunications	22.9%	17.8%	20.4%	24.7%	11.0%	9.5%	19.0%	16.1%
Information Technology	(0.1%)	2.7%	1.5%	1.7%	1.9%	2.6%	0.4%	1.6%
Other	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
	<u>20.3%</u>	<u>15.7%</u>	<u>18.0%</u>	<u>22.4%</u>	<u>10.3%</u>	<u>8.8%</u>	<u>16.4%</u>	<u>14.5%</u>

n.m. - not meaningful

Capital investments / Depreciation and amortization
(\$ millions)



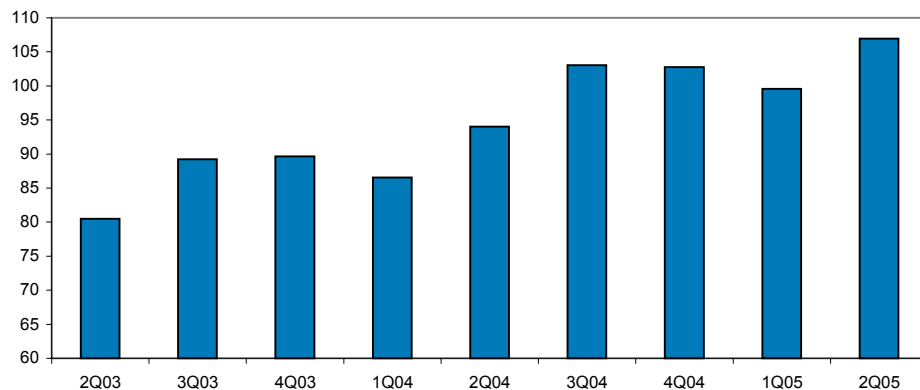
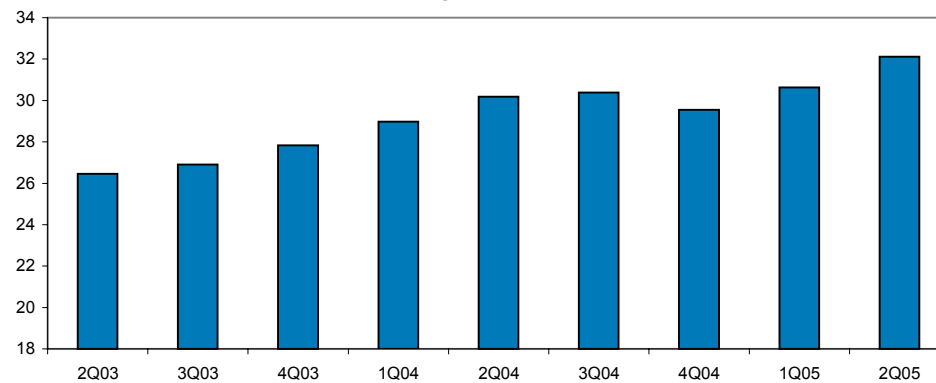
Cash from operating activities / Capital investments
(\$ millions)



ALIAN T INC.
Supplemental Investor Information (unaudited) - Second Quarter 2005
Telecommunications Financial Highlights

(Thousands of dollars, except as otherwise indicated)

	2005			2004 ⁽¹⁾				
	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total
Operating Revenues								
Local	\$184,158	\$182,487	\$366,645	\$189,918	\$183,817	\$187,850	\$188,666	\$750,251
Long distance	80,755	79,719	160,474	82,361	85,924	88,127	92,097	348,509
Wireless	106,960	99,570	206,530	102,777	103,023	94,012	86,549	386,361
Internet	32,109	30,629	62,738	29,541	30,386	30,183	28,979	119,089
Product sales	29,176	29,737	58,913	33,257	24,817	26,488	25,176	109,738
Directory	13,587	12,389	25,976	12,122	12,692	11,608	11,405	47,827
Innovatia	10,323	8,464	18,787	7,332	7,712	6,411	6,023	27,478
Other	1,343	2,835	4,178	(1,297)	4,473	4,072	3,803	11,051
	\$458,411	\$445,830	\$904,241	\$456,011	\$452,844	\$448,751	\$442,698	\$1,800,304
Cost of operating revenues	41,344	40,441	81,785	43,908	38,528	38,853	34,200	155,489
Other operating expenses	194,892	197,236	392,128	193,167	226,766	211,649	194,933	826,515
Pension and other post employment benefits cost	24,049	24,352	48,401	17,834	16,125	18,218	20,149	72,326
Depreciation and amortization	97,188	96,852	194,040	97,482	97,154	97,060	99,339	391,035
Restructuring charge	-	-	-	62,687	126	309	1,921	65,043
Operating income	\$100,938	\$86,949	\$187,887	\$40,933	\$74,145	\$82,662	\$92,156	\$289,896
Net income	\$50,091	\$42,785	\$92,876	\$16,512	\$34,897	\$44,836	\$48,086	\$144,331
<i>Contribution to EPS</i>	\$0.38	\$0.32	\$0.71	\$0.12	\$0.26	\$0.34	\$0.36	\$1.09

Wireless operating revenues (\$ millions)

Internet operating revenues (\$ millions)


LOCAL
Network access service
Business
Residential

2005	
Q2	Q1
595,191	593,095
877,624	882,322
1,472,815	1,475,417

2004			
Q4	Q3	Q2	Q1
593,946	595,995	595,475	592,734
887,954	895,418	900,904	905,405
1,481,900	1,491,413	1,496,379	1,498,139

LONG DISTANCE
Long distance minutes (000's)
Revenue per long distance minute

735,162	752,785
\$0.08	\$0.08

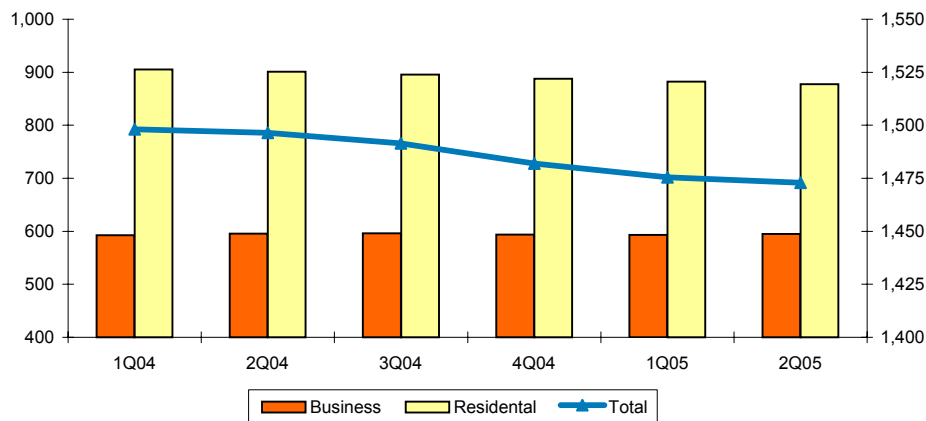
752,106	736,213	767,071	853,900
\$0.08	\$0.09	\$0.09	\$0.08

Year-to-date growth (%)
Local revenue
Long distance revenue
Network access service
Long distance minutes

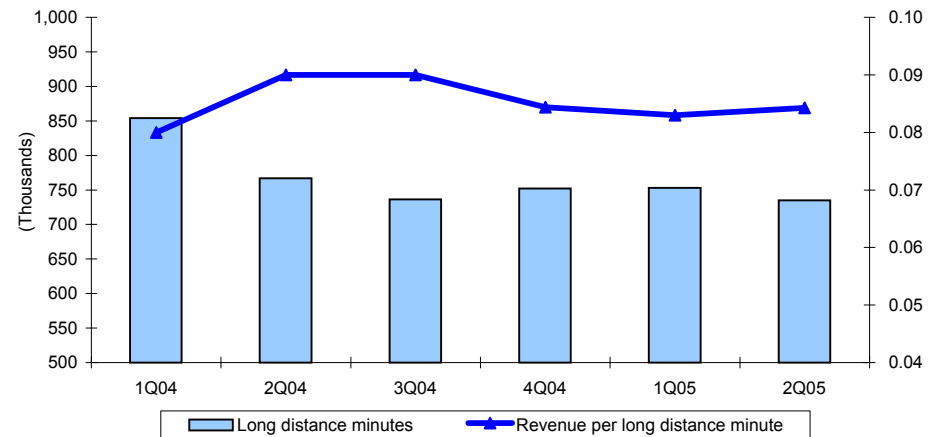
(2.6%)	(3.3%)
(11.0%)	(13.4%)
(1.6%)	(1.5%)
(8.2%)	(11.8%)

(1.9%)	(2.9%)	(1.5%)	(0.9%)
(11.6%)	(10.3%)	(9.3%)	(8.6%)
(1.3%)	(1.2%)	(1.2%)	(1.2%)
(11.2%)	(11.7%)	(11.0%)	(11.6%)

Network access service



Long distance minutes



ALIAN T INC.
Supplemental Investor Information (unaudited) - Second Quarter 2005

**Telecommunications Operating Statistics -
Wireless**

(Thousands of dollars, except as otherwise indicated)

WIRELESS

Wireless services and product sales revenues

	2005			2004 ⁽¹⁾				
	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total
Wireless services	\$106,960	\$99,570	\$206,530	\$102,777	\$103,023	\$94,012	\$86,549	\$386,361
Product sales	1,567	645	2,212	1,522	227	1,896	658	4,302
	<u>\$108,527</u>	<u>\$100,215</u>	<u>\$208,742</u>	<u>\$104,299</u>	<u>\$103,250</u>	<u>\$95,908</u>	<u>\$87,207</u>	<u>\$390,663</u>

Wireless cost of operating revenues and operating expenses

	2005			2004 ⁽¹⁾				
	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total
	\$57,933	\$53,644	\$111,577	\$59,735	\$52,782	\$52,019	\$44,910	\$209,446

Customers

Postpaid		2005			2004 ⁽¹⁾				
	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total	
Analog	68,656	76,121		85,318	99,913	109,638	118,192		
Digital	521,906	500,543		482,689	451,667	435,253	413,414		
	<u>590,562</u>	<u>576,664</u>		<u>568,007</u>	<u>551,580</u>	<u>544,891</u>	<u>531,606</u>		

Prepaid		2005			2004 ⁽¹⁾				
	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total	
Analog	38,665	42,601		45,775	46,956	47,584	45,226		
Digital	39,480	29,595		25,881	19,092	17,110	15,051		
	<u>78,145</u>	<u>72,196</u>		<u>71,656</u>	<u>66,048</u>	<u>64,694</u>	<u>60,277</u>		
	668,707	648,860		639,663	617,628	609,585	591,883		

Customer net additions

	2005			2004 ⁽¹⁾				
	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total
Analog	(11,401)	(12,371)		(15,776)	(10,353)	(6,196)	(16,950)	
Digital	31,248	21,568		37,811	18,396	23,898	25,253	
	<u>19,847</u>	<u>9,197</u>		<u>22,035</u>	<u>8,043</u>	<u>17,702</u>	<u>8,303</u>	

Churn (Blended pre/post-paid)

	2005			2004 ⁽¹⁾				
	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total
	1.4%	1.4%		1.5%	1.7%	1.2%	1.3%	

Average minutes of use per customer

	2005			2004 ⁽¹⁾				
	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total
	299	264		280	289	272	237	

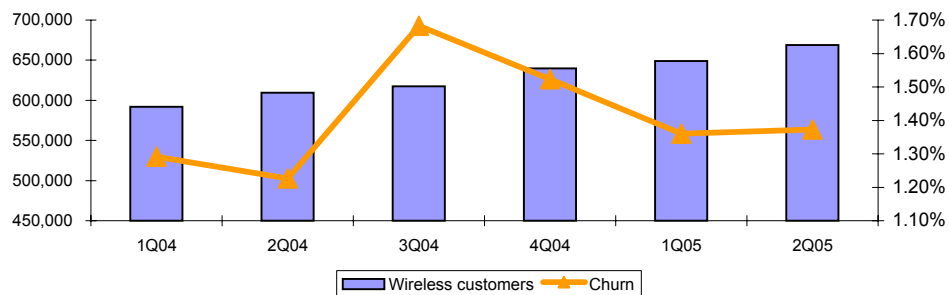
Average revenue per customer (ARPC)

	2005			2004 ⁽¹⁾				
	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total
Postpaid	\$57.32	\$54.24		\$57.79	\$58.51	\$54.24	\$50.84	
Prepaid	\$11.16	\$10.78		\$10.37	\$12.27	\$10.85	\$9.64	
Total	<u>\$52.12</u>	<u>\$49.36</u>		<u>\$52.69</u>	<u>\$53.57</u>	<u>\$49.72</u>	<u>\$46.62</u>	

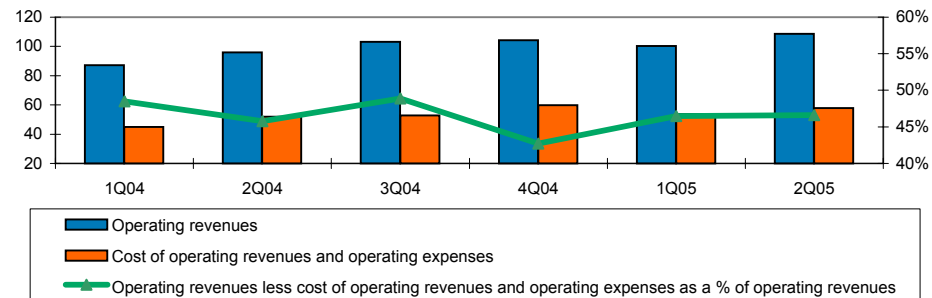
Year-to-date growth (%)

	2005			2004 ⁽¹⁾				
	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total
Operating revenues	14.4%	15.0%		16.2%	16.8%	17.5%	18.3%	
Customers - analog	(31.7%)	(27.4%)		(27.3%)	(27.6%)	(28.5%)	(31.2%)	
Customers - digital	24.1%	23.7%		26.1%	30.1%	36.2%	43.1%	
- total	9.7%	9.6%		9.6%	9.4%	10.4%	10.2%	
Average minutes of use per customer	10.3%	11.4%		9.3%	9.7%	10.4%	10.2%	
ARPC - total	5.3%	5.9%		6.8%	7.1%	7.8%	8.9%	

Wireless customers / Churn



YTD Wireless operating results (\$ millions)



INTERNET

Customers

Dial up
High speed

Customer net additions

Dial up
High speed

Churn

Average revenue per customer (ARPC)

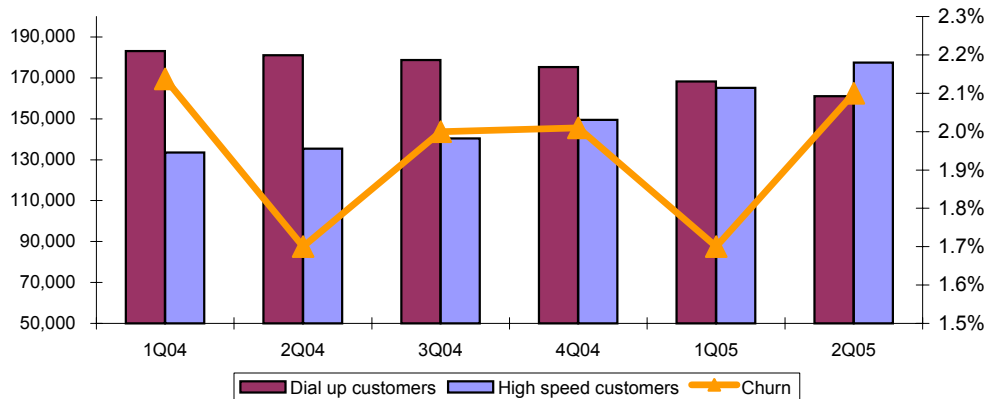
Consumer dial up
Consumer high speed
Business dial up
Business high speed

Year-to-date growth (%)

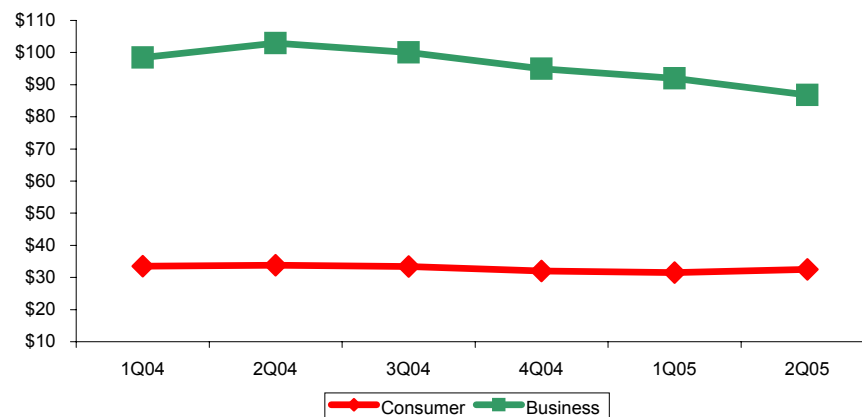
Operating revenues
Customers - dial up
- high speed
ARPC - consumer high speed
- business high speed

2005		2004			
Q2	Q1	Q4	Q3	Q2	Q1
161,040	168,285	175,236	178,782	181,023	183,080
177,544	165,059	149,460	140,349	135,367	133,474
338,584	333,344	324,696	319,131	316,390	316,554
(7,245)	(6,951)	(3,546)	(2,241)	(2,057)	(850)
12,485	15,599	9,111	4,982	1,893	10,087
5,240	8,648	5,565	2,741	(164)	9,237
2.1%	1.7%	2.0%	2.0%	1.7%	2.1%
\$18.84	\$19.02	\$19.48	\$20.24	\$20.18	\$19.68
\$32.52	\$31.48	\$32.00	\$33.44	\$33.76	\$33.48
\$47.42	\$46.77	\$45.89	\$45.77	\$44.23	\$45.49
\$86.78	\$91.98	\$94.94	\$100.04	\$102.93	\$98.49
6.0%	5.7%	11.7%	13.7%	14.1%	14.2%
(11.0%)	(8.1%)	(4.7%)	(4.1%)	(4.1%)	(4.7%)
31.2%	23.7%	21.1%	23.6%	28.8%	30.6%
(4.7%)	(6.0%)	(2.6%)	(1.5%)	(2.2%)	(1.6%)
(11.4%)	(6.6%)	4.0%	6.6%	8.9%	7.6%

Internet customers / Churn



Average revenue per customer (ARPC) - High speed

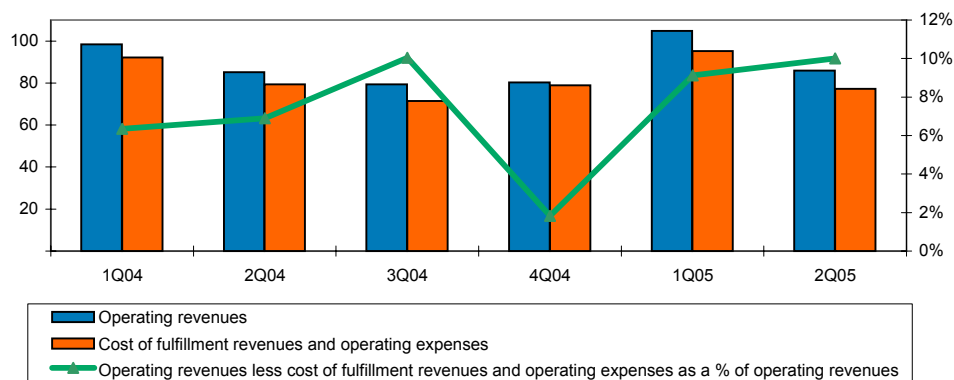
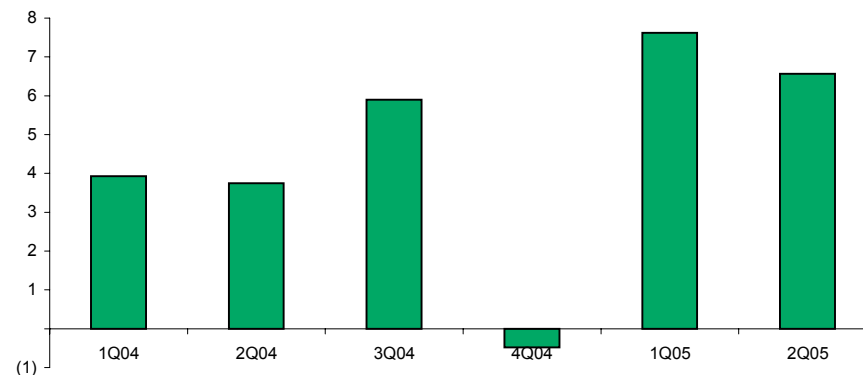


ALIAN T INC.
Supplemental Investor Information (unaudited) - Second Quarter 2005

(Thousands of dollars, except as otherwise indicated)

Information Technology Financial Highlights

	2005			2004				
	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total
Operating revenues								
IT services								
<i>External customers</i>	\$30,184	\$30,321	\$60,505	\$24,534	\$24,499	\$29,702	\$32,777	\$111,512
<i>Other Aliant lines of business</i>	22,156	20,622	42,778	20,066	25,343	22,408	21,221	89,038
	\$52,340	\$50,943	\$103,283	\$44,600	\$49,842	\$52,110	\$53,998	\$200,550
Fulfillment								
<i>External customers</i>	\$30,393	\$49,787	\$80,180	\$30,514	\$22,952	\$31,171	\$40,977	\$125,614
<i>Other Aliant lines of business</i>	3,173	4,100	7,273	5,238	6,627	1,946	3,490	17,301
	\$33,566	\$53,887	\$87,453	\$35,752	\$29,579	\$33,117	\$44,467	\$142,915
	\$85,906	\$104,830	\$190,736	\$80,352	\$79,421	\$85,227	\$98,465	\$343,465
Cost of fulfillment revenues	30,308	48,520	78,828	32,264	27,110	30,329	40,295	129,998
Operating expenses								
Delivery	32,919	33,356	66,275	31,864	31,500	34,740	37,116	135,220
Selling, general and administration	14,084	13,391	27,476	14,752	12,836	14,275	14,806	56,669
	47,003	46,748	93,751	46,616	44,336	49,015	51,922	191,889
Depreciation and amortization	2,030	1,945	3,975	1,950	2,079	2,134	2,319	8,482
Operating income (loss) before restructuring charge	6,565	7,617	14,182	(478)	5,896	3,749	3,929	13,096
Restructuring charge	-	-	-	2,956	516	1,164	1,162	5,798
Operating income (loss)	\$6,565	\$7,617	\$14,182	(\$3,434)	\$5,380	\$2,585	\$2,767	\$7,298
Net income (loss)	\$4,897	\$4,364	\$9,261	(\$2,373)	\$5,377	\$2,374	\$1,341	\$6,719
<i>Contribution to EPS</i>	\$0.04	\$0.03	\$0.07	(\$0.02)	\$0.04	\$0.02	\$0.01	\$0.05

YTD Operating results (\$ millions)

Operating income (loss) before restructuring charge (\$ millions)


1. Effective January 1, 2005, we changed our accounting policies for recognition of subscriber acquisition costs and recognition of revenues and expenses in our directory business. We have applied these changes retroactively and have restated comparative numbers accordingly.
2. Cash from operating activities is defined in accordance with Canadian generally accepted accounting principles (GAAP) as cash from or used in our principal revenue-producing activities and all other activities that are not investing or financing activities.
3. The reduction in outstanding shares is the result of purchasing activity under two normal course issuer bid (NCIB) programs. Purchases of common shares under these two NCIBs could be made during the 12-month period commencing August 6, 2003 to August 5, 2004 and the 12-month period commencing February 4, 2005 to February 3, 2006. We have acquired under these NCIB programs, from time to time, our common shares at market prices for cancellation.
4. Certain amounts presented in these schedules are rounded. Accordingly, the columns and rows may not add to the totals presented.

Definitions

- (i) Book value per common share - book value of common equity (shareholders' equity excluding preferred shares) divided by the number of common shares outstanding at end of period.
- (ii) Market-to-book value (times) - market close price per common share divided by book value per common share at end of period.
- (iii) Market capitalization - market close price per common share multiplied by the number of common shares outstanding at end of period.
- (iv) Common share dividend payout ratio - common share dividends for the period divided by net income applicable to common shares for the period.
- (v) Dividend yield - dividends declared per common share (annualized) divided by market close price per common share at end of period.
- (vi) Debt - long-term debt, long-term debt due within one year, and notes payable and bank advances.
- (vii) Return on shareholders' equity - net income applicable to common shares for the period divided by average book value of common equity (shareholders' equity excluding preferred shares) for the period. This calculation is annualized.
- (viii) Return on invested capital - net income plus total interest charges, net of taxes for the period divided by average book value of total capital (shareholders' equity, non-controlling interest and debt) for the period. This calculation is annualized.
- (ix) Interest coverage - Operating income plus other income (expense) divided by interest charges (current quarter plus three (3) previous quarters).
- (x) Cash flow to interest - Cash from operating activities (before change in non-cash working capital) divided by interest charges (current quarter plus three (3) previous quarters).

Shareholder and Investor Inquiries	Eleanor Marshall Director, Corporate Finance	Share Transfer Agents and Registrar	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
	Tanya Murphy Investor Services Manager		
	Aliant Investor Relations One Brunswick Square Saint John, NB, Canada E2L 4L4	Share Listings	Toronto Stock Exchange Common: AIT Preferred: AIT.PR.A
	Tel: 1.877.248.3113 Fax: 1.877.498.2464	Auditors	Ernst & Young LLP Chartered Accountants St. John's, NL
	e-mail: investor.relations@aliant.ca		

From its home base in Atlantic Canada, Aliant delivers a wide variety of innovative and traditional communications services, including local and long distance telephony, wireless, Internet, e-commerce, interactive multimedia, data and managed network services, to more than two million consumers and over 80,000 enterprises. Aliant complements its industry-leading telecommunications business with strengths in information technology solutions and knowledge-services applications. Aliant's approximately 8,400 employees build on its 100-plus year history by collaborating to deliver the highest quality of customer service, choice and convenience. Aliant has a market capitalization of approximately \$3.5 billion.