



Q3 2010

**Investor Conference Call
November 3, 2010**

BellAliant

Forward-looking Caution

The presentation and answers today may contain forward-looking statements related to the future financial condition and results of operations of Bell Aliant. Consequently, please refer to the “Forward-looking information” section of our Q3 2010 Earnings news release dated November 3, 2010, as well as the Bell Aliant Regional Communications Income Fund and Bell Aliant Regional Communications Holdings, LP Management’s Discussion and Analysis (MD&A) for the quarter ended September 30, 2010, as posted on www.bellaliant.ca and as filed on SEDAR.

All of the forward-looking statements made in the course of this presentation describe management’s expectations at November 3, 2010, and are qualified by the cautionary statements found in the above mentioned documents, and there can be no assurance that the results or developments anticipated by us will be realized, or, even if substantially realized, they will have the expected consequences for us. Except as may be required by Canadian securities laws, we disclaim any intention and assume no obligation to update or revise any forward-looking statements even if new information becomes available, as a result of future events or for any other reason. Participants should not place undue reliance on any forward-looking statements.



Karen Sheriff
President and CEO

Q3 2010 Overview

**Improve The
Customer
Experience**

**Retain Our
Customers**

**Grow
Broadband**

**Reset Our
Cost Structure**

**Engage
Employees**

- Revenue and EBITDA declines in line with management expectations
- Expense reductions of \$16 million improve EBITDA margins
- Improvement in residential and business NAS declines from Q3 2009
- FibreOP™ rollout continues on target with strong TV bundle performance
- Ratification of new Atlantic Union Agreement provides labour stability through to 2014
- Sale of xwave allows us to increase focus on core business

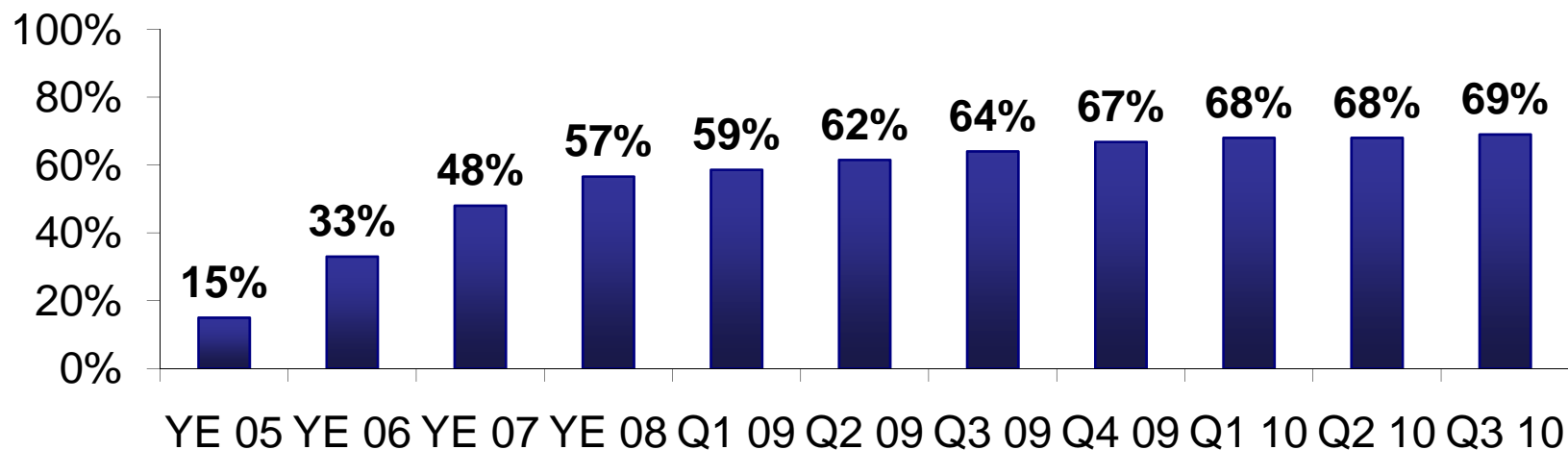
Q3 2010 Financial Summary

<i>(\$ millions)</i>	Q3 2010	Y/Y Change	YTD	Y/Y Change
Revenue	\$698	(3.7%)	\$2,076	(3.5%)
EBITDA	\$363	(2.7%)	\$1,071	(2.0%)
EBITDA Margin	51.9%	0.5%	51.6%	0.8%
Capital Expenditures	\$113	(0.8%)	\$332	(3.0%)
Distributable Cash	\$194	(6.8%)	\$570	(3.5%)

Local and long distance

<i>\$ millions</i>	Q3 2010	Y/Y Change	YTD	Y/Y Change
Local Revenue	\$325	(4.8%)	\$973	(4.7%)
Long Distance Revenue	\$103	(7.9%)	\$299	(7.8%)

Competitive Footprint (Cable Telephony)



NAS

thousands

Residential

Business

Total NAS

Q3 2010

**Y/Y
Change**

1,838

(6.0%)

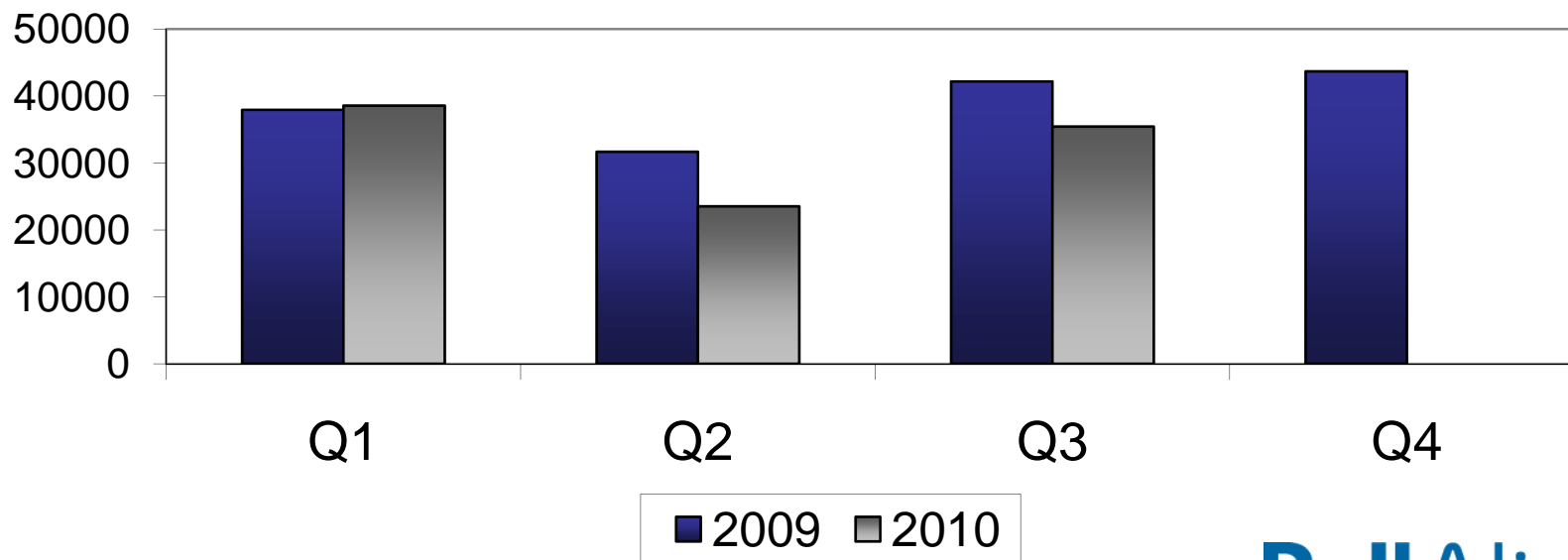
991

(2.3%)

2,829

(4.8%)

Quarterly Net NAS Declines



Internet and Data

(\$ millions)

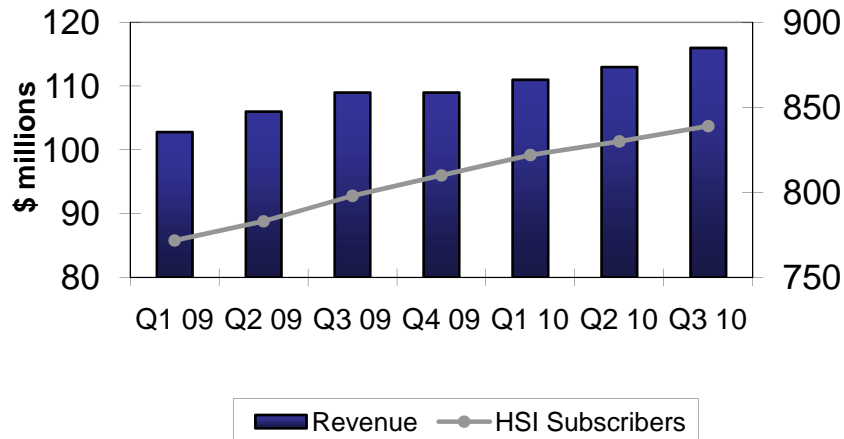
Internet Revenue

Other Data Revenue

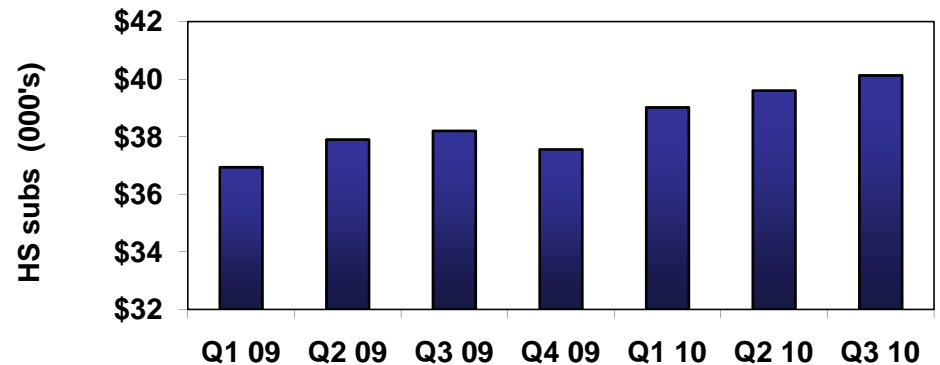
HS customers (000's) – end of period

	Q3 2010	Y/Y Change	YTD	Y/Y Change
Internet Revenue	\$116	6.0%	\$340	7.0%
Other Data Revenue	\$93	(6.0%)	\$279	(6.0%)
HS customers (000's) – end of period	839	5.2%		

Internet Revenue and HSI Subscribers



Residential ARPC
High-Speed Internet



IPTV and Fibre to the Home (*FibreOP™*)

- 5,000 IPTV customers added in Q3; 43,000 IPTV customers in service
 - Growth in both FTTH and FTTN markets
- FTTH
 - Over 106,000 homes and businesses passed at end of Q3
 - Faster penetration than FTTN rollouts
 - High TV attachment rates
 - Low churn
 - Install times declining



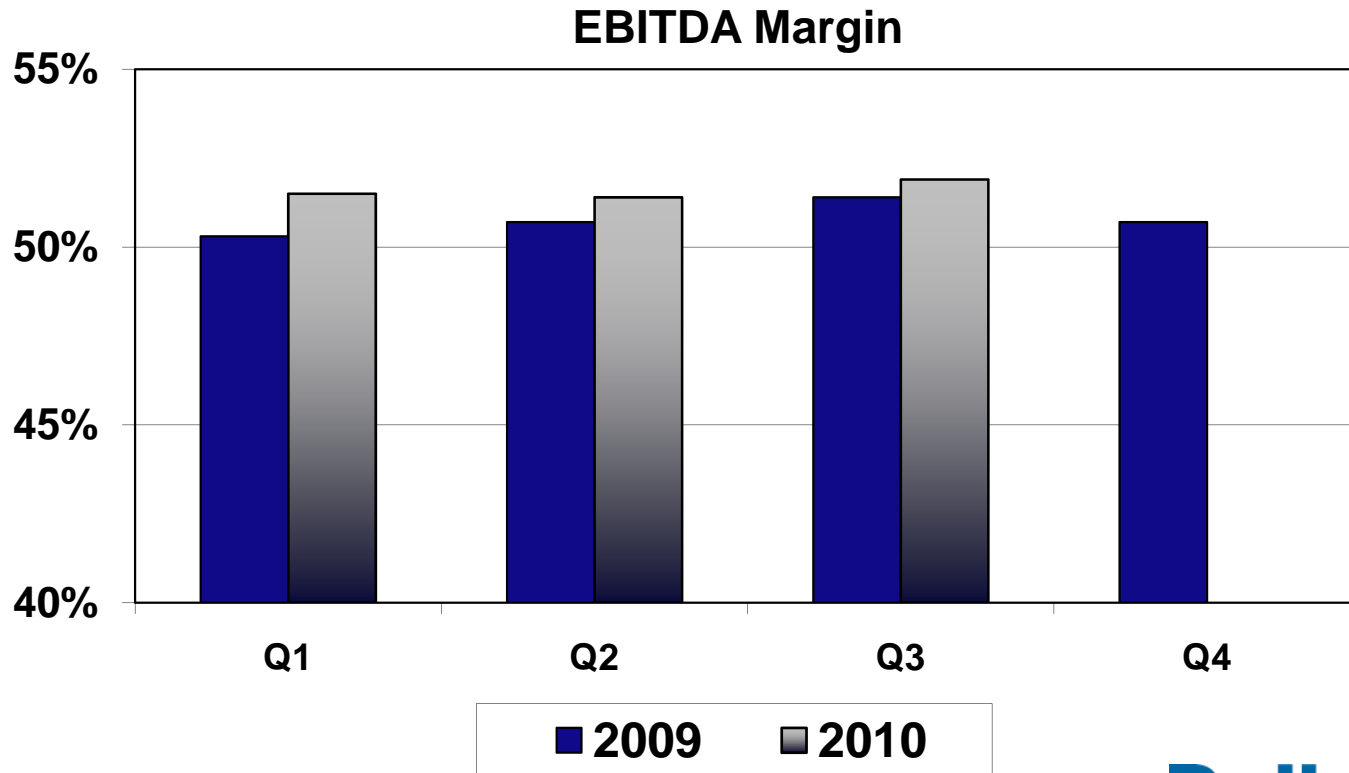
Glen LeBlanc

Executive Vice President & CFO



EBITDA

<i>\$ millions</i>	Q3 2010	Y/Y Change	YTD	Y/Y Change
EBITDA	\$363	(2.7%)	\$1,071	(2.0%)



CAPEX

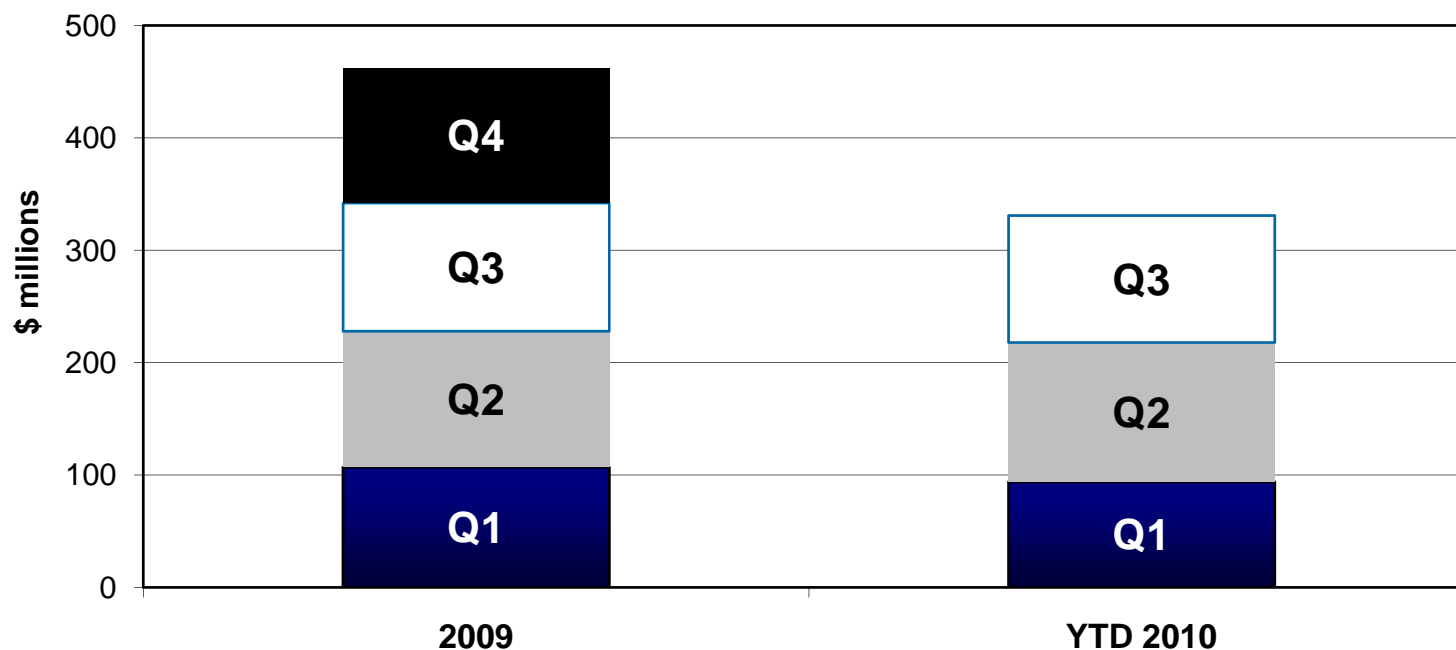
\$ millions

Capital Expenditures

Capital Intensity

Q3 2010	Y/Y Change	YTD	Y/Y Change
\$113	(0.8%)	\$332	(3.0%)
16.2%	0.4%	16.0%	0.1%

Capex



Cash Flow

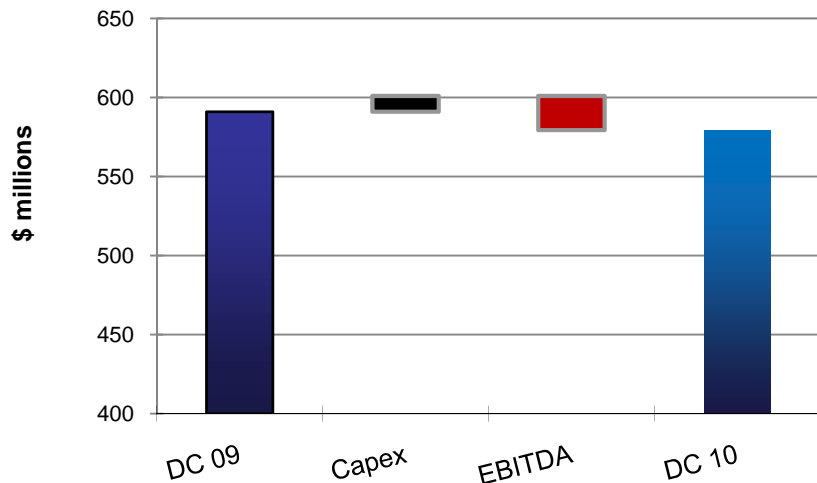
(\$ millions)

Distributable Cash

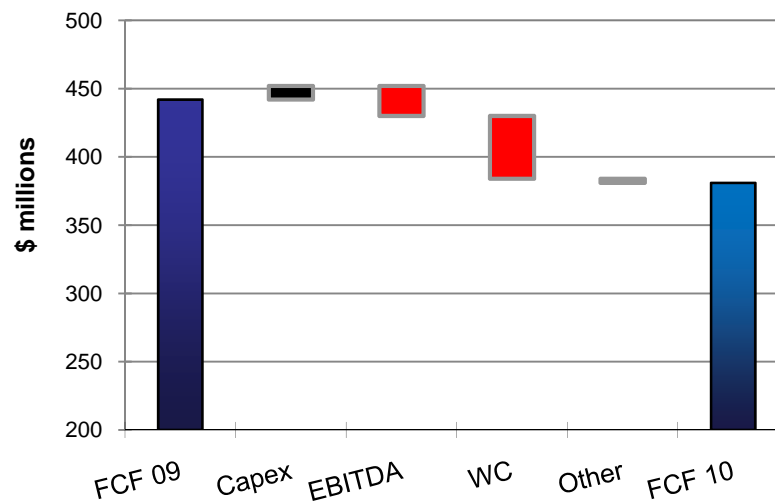
Free Cash Flow

	Q3 2010	Y/Y Change	YTD	Y/Y Change
Distributable Cash	\$194	(6.8%)	\$570	(3.5%)
Free Cash Flow	\$144	(11.4%)	\$381	(13.8%)

YTD Distributable Cash Y/Y Changes



YTD Free Cash Flow Y/Y Changes



Increases
 Decreases



2010 Guidance

	Before xwave reclassification		Updated for xwave reclassification	
	no pole purchase	with pole purchase	no pole purchase	with pole purchase
2010 Guidance				
Operating Revenues	\$3,050 million - \$3,150 million	\$3,050 million - \$3,150 million	\$2,750 million - \$2,800 million	\$2,750 million - \$2,800 million
Capital Intensity	14% - 15%	16% - 17%	15.5% - 16.0%	17.5% - 18.0%
Distributable Cash	\$750 million - \$790 million	\$690 million - \$730 million	\$750 million - \$790 million	\$690 million - \$730 million

Transition to IFRS

Changeover from Canadian GAAP to IFRS

- Starting January 1, 2011, financial statements will be prepared using IFRS and 2010 financial results will be restated

Principal areas of impact

- **Capital Assets**
 - Retrospective change in depreciation policy from Equal Life Group (ELG) to straight-line method depreciation will reduce retained earnings \$151 million
 - Depreciation lower by \$10-12 million annually
- **Pension**
 - Balance sheet more closely reflects funded position of pension plan
 - Amortization of deferred amounts no longer included as a component of pension expense
 - Retrospective application of IFRS will reduce retained earnings by \$535 million for unamortized actuarial losses

No material changes to EBITDA

No effect on cash flow

No effect on management of the business

Questions

Bell Aliant Investor Relations

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BellAliant