

# Building...

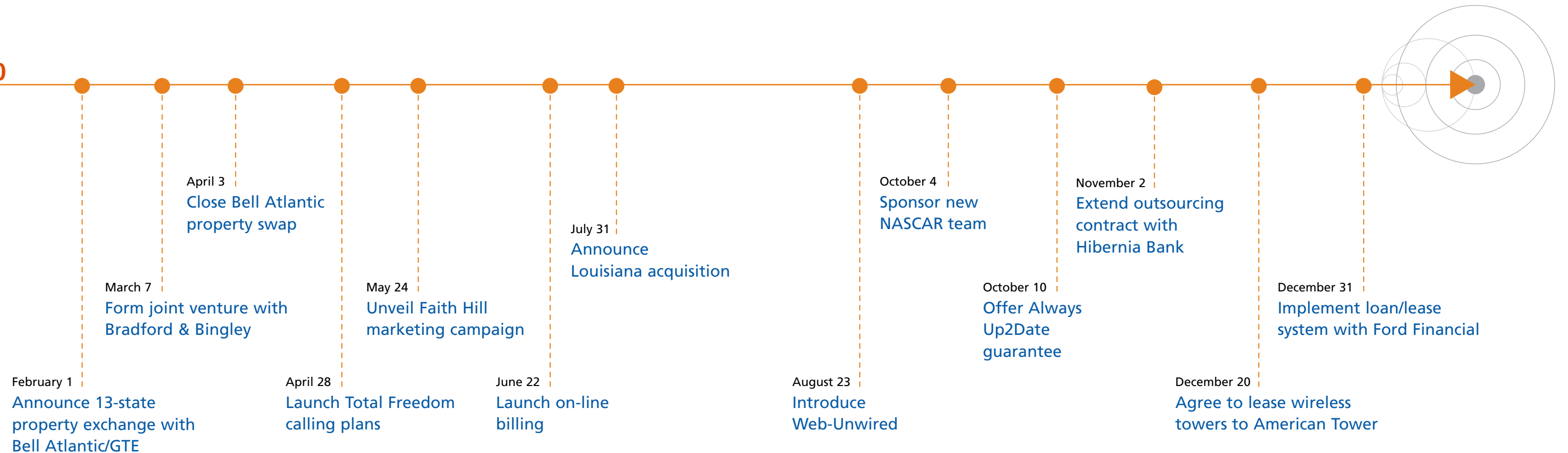
2000 ANNUAL REVIEW



# ...Value

For our first Annual Report of the new Millennium, we are introducing a new format in which we present a summary of the year's activities and financial highlights in a short, easy-to-read format along with a separate document containing the Proxy Statement and the audited Financial Statements. Supported by the Investors' section of the [www.alltel.com](http://www.alltel.com) Web site, this new approach is designed to both reduce costs and make it easier for everyone to find the information he or she wants.

2000

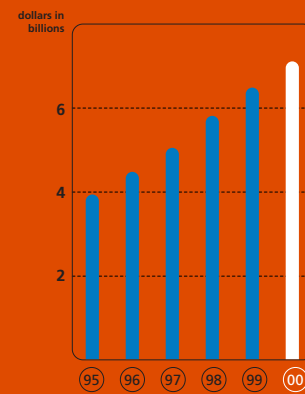


## Financial Highlights

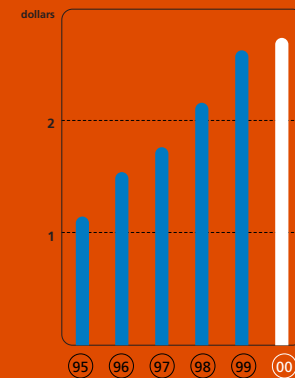
For the years ended December 31,  
(Millions, except per share amounts, customers in thousands)

	2000	1999	Increase (Decrease)		1998
			Amount	%	
<b>FROM CURRENT BUSINESSES:</b>					
Revenues and sales:					
Wireless	\$ 3,332.6	\$ 2,902.2	\$ 430.4	15	\$ 2,493.7
Wireline	1,757.4	1,677.5	79.9	5	1,499.2
Emerging businesses	399.7	280.4	119.3	43	167.3
Total communications	5,489.7	4,860.1	629.6	13	4,160.2
Information services	1,279.9	1,245.5	34.4	3	1,161.8
Other operations	634.2	579.8	54.4	9	601.3
Total business segments	7,403.8	6,685.4	718.4	11	5,923.3
Less: intercompany eliminations	325.4	224.0	101.4	45	142.6
Total revenues and sales	\$ 7,078.4	\$ 6,461.4	\$ 617.0	10	\$ 5,780.7
EBITDA:					
Wireless	\$ 1,317.2	\$ 1,237.8	\$ 79.4	6	\$ 994.2
Wireline	1,024.5	942.8	81.7	9	820.1
Emerging businesses	10.1	(19.9)	30.0	151	(23.8)
Total communications	2,351.8	2,160.7	191.1	9	1,790.5
Information services	339.1	319.4	19.7	6	301.4
Other operations	23.8	22.8	1.0	4	27.7
Total business segments	2,714.7	2,502.9	211.8	8	2,119.6
Less: corporate expenses	21.9	25.1	(3.2)	(13)	12.1
Total EBITDA	\$ 2,692.8	\$ 2,477.8	\$ 215.0	9	\$ 2,107.5
Operating income (loss):					
Wireless	\$ 879.2	\$ 886.5	\$ (7.3)	(1)	\$ 674.6
Wireline	679.3	619.1	60.2	10	530.6
Emerging businesses	(23.9)	(47.3)	23.4	49	(38.0)
Total communications	1,534.6	1,458.3	76.3	5	1,167.2
Information services	185.0	175.3	9.7	6	162.7
Other operations	22.1	21.6	0.5	2	25.9
Total business segments	1,741.7	1,655.2	86.5	5	1,355.8
Less: corporate expenses	37.3	39.6	(2.3)	(6)	22.9
Total operating income	\$ 1,704.4	\$ 1,615.6	\$ 88.8	5	\$ 1,332.9
Net income	\$ 863.1	\$ 822.5	\$ 40.6	5	\$ 660.1
Basic earnings per share	\$2.74	\$2.63	\$ .11	4	\$2.16
Diluted earnings per share	\$2.72	\$2.59	\$ .13	5	\$2.14
<b>AS REPORTED:</b>					
Revenues and sales	\$ 7,067.0	\$ 6,461.4	\$ 605.6	9	\$ 5,780.7
Operating income	\$ 1,667.5	\$ 1,525.1	\$ 142.4	9	\$ 1,025.9
Net income	\$ 1,928.8	\$ 783.6	\$ 1,145.2	146	\$ 603.1
Basic earnings per share	\$6.13	\$2.50	\$3.63	145	\$1.97
Diluted earnings per share	\$6.08	\$2.47	\$3.61	146	\$1.95
EBITDA	\$ 2,655.9	\$ 2,387.3	\$ 268.6	11	\$ 1,800.5
Weighted average common shares:					
Basic	314.4	312.8	1.6	1	305.3
Diluted	317.2	316.8	0.4	—	308.4
Annual dividend per common share	\$1.32	\$1.28	\$ .04	3	\$1.22
<b>CAPITAL EXPENDITURES</b>					
<b>AT YEAR END:</b>					
Total assets	\$12,182.0	\$10,774.2	\$1,407.8	13	\$10,155.5
Wireless customers	6,300.0	5,018.6	1,281.4	26	4,452.0
Wireline customers	2,572.3	2,433.1	139.2	6	2,181.9
Long-distance customers	1,119.0	894.2	224.8	25	576.5

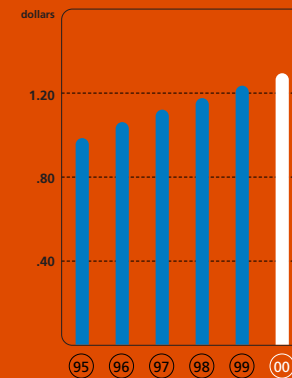
Current businesses excludes merger and integration expenses and other charges, provision to reduce carrying value of certain assets and gain on disposal of assets.  
Emerging businesses includes long-distance, local competitive access, network management, Internet access and PCS operations.  
EBITDA represents earnings before interest, taxes, depreciation and amortization.



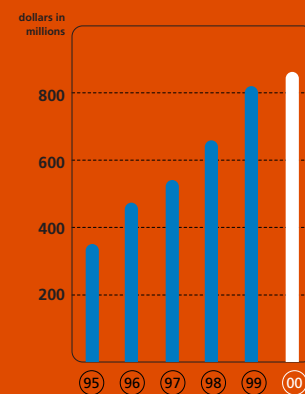
Revenues\*



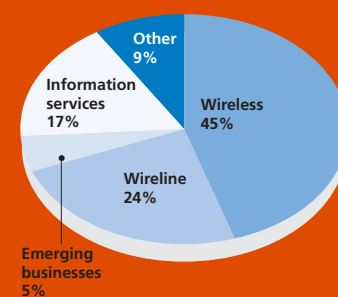
Basic Earnings per Share\*



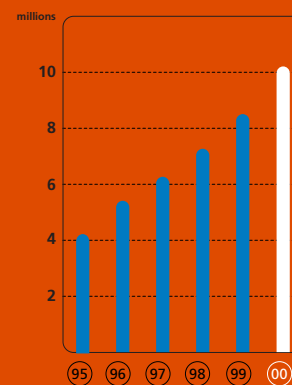
Dividends



Net Income\*



2000 Revenue Mix

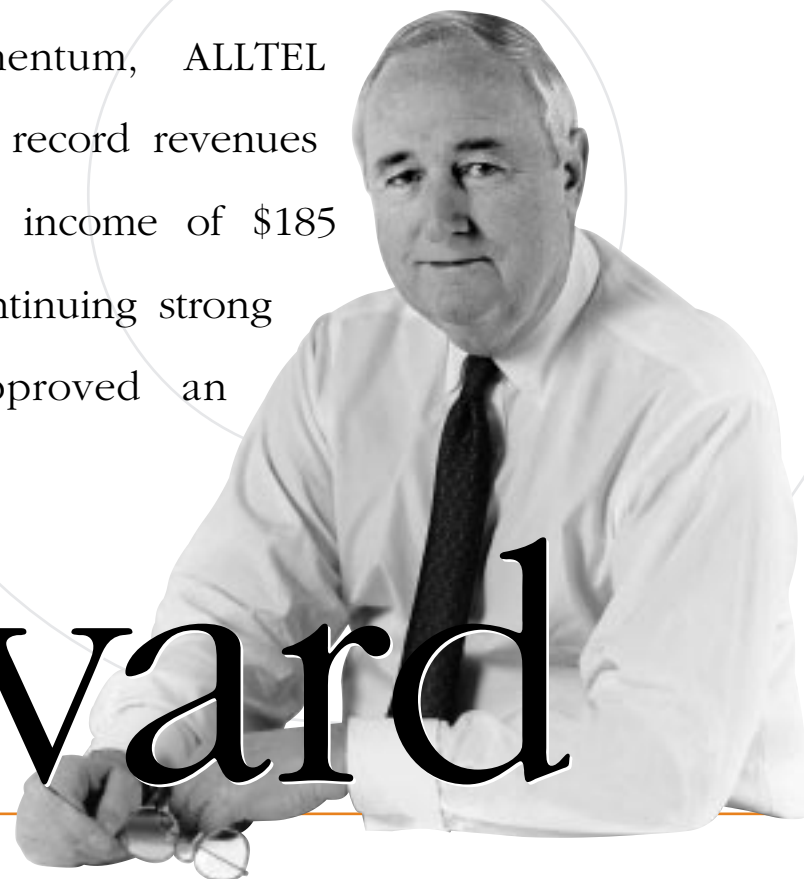


Total Communications Customers

\*From current businesses. Current businesses excludes merger and integration expenses and other charges, provision to reduce carrying value of certain assets and gain on disposal of assets.  
Emerging businesses includes long-distance, local competitive access, network management, Internet access and PCS operations.

## Letter to Stockholders

ALLTEL made a strong start to the 21st century, with revenues from current businesses of \$7.1 billion and basic earnings per share of \$2.74 — up 10 percent and 4 percent, respectively, from the prior year, despite less-than-ideal market conditions. While consolidating our major acquisitions of the past several years, and while our industry was experiencing a period of considerable change and uncertainty, our Communications business saw its revenue and operating cash flow grow 13 percent and 9 percent, respectively, to \$5.5 billion and \$2.4 billion. Likewise, while the global information services industry was working to regain pre-Y2K sales momentum, ALLTEL Information Services delivered record revenues of \$1.3 billion and operating income of \$185 million. As a result of this continuing strong performance, the Board approved an



# Forward

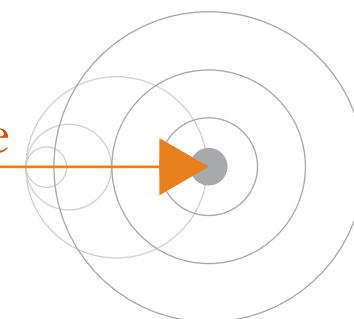
increase in the annual dividend for the 40th consecutive year, raising the indicated annual rate 3 percent to \$1.32 per common share.

With the sale of our WorldCom holdings and selected PCS licenses, and our \$660 million leasing agreement with American Tower, the Company enters 2001 with a significantly stronger balance sheet and an even tighter focus on the businesses and customers we know best. Thanks to this commitment, we have shown that we can not only hold our share of a turbulent marketplace, but continue to expand and develop. And with the assets we now possess — a nationwide wireless service platform; a rapidly expanding customer base; and larger, more clustered geographic markets, to name but three — ALLTEL remains well positioned to take advantage of the opportunities in the communications business.

A handwritten signature in black ink, appearing to read 'Joe Ford'.

Joe T. Ford  
Chairman and Chief Executive Officer  
January 26, 2001

Building Value



## Message From The President

Each year, we outline the fundamentals that have allowed ALLTEL to deliver superior value. In 2000, those same fundamentals continued to be the foundation of our success.

First, our customer relationships: the foundation for growth. During a period of rapid expansion for the Company, we have nonetheless continued to offer more services and better value within our geographically clustered markets. We are committed to offering customers value through a single point of contact, a single bundled service package and a single communications bill. We also know that our customers appreciate our rapid response to their changing needs, with flexible offerings such as our competitive wireline services (CLEC), now in 40 cities, and our national, regional and local Freedom wireless service plans.

Second, our technologies: the building blocks of our business. By investing in the lat-

# FOCUS

Scott T. Ford  
President and  
Chief Operating Officer

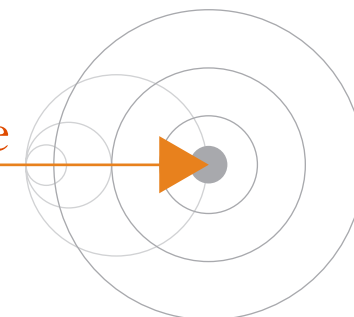


est digital infrastructure and partnering with specialist product and service developers, we have brought advanced and competitively priced services to our wireless, wireline and Internet customers, all at significantly reduced costs. For example, our Web-Unwired offering has allowed us to offer fully customizable wireless Internet access service. And, beginning in our Louisiana market, the transition to a 3-G capable digital network positions us to be among the first to offer new broadband applications over the coming years.

Third, and most importantly, our people: the employees featured on the following pages represent just a few of the thousands of ALLTEL employees dedicated to improving the lives of our customers. Throughout our ranks, you will find talented, knowledgeable, solutions-oriented people focused on our customers and their needs.

The fundamentals have not changed. By focusing on customer value, our strategy has kept us on course; it continues to deliver results; and it will drive our business into the future.

Building Value



## Redrawing the Map

February 1, 2000

The property swap with Verizon (formerly GTE, Bell Atlantic and Vodafone AirTouch) enhanced ALLTEL's presence in the Southeastern United States with stronger geographic clustering, three new metro markets and an immediate 15 percent increase in our wireless customer base. We also increased our geographic footprint in Ohio and the Southwest as part of the same agreement, while a later acquisition in Louisiana gave us Gulf Coast coverage from New Orleans to southern Florida. In total, we saw our communications customer base grow to more than 10 million during 2000.

Announce 13-state  
property exchange with  
Bell Atlantic/GTE

Close Bell Atlantic  
property swap

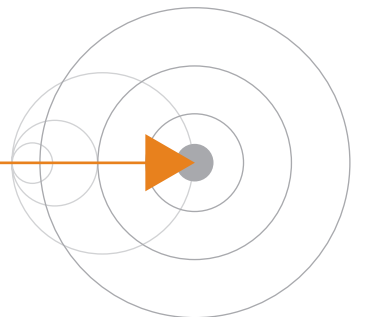
Form joint venture with  
Bradford & Bingley

March 7, 2000

April 3, 2000

# Win-Win

Building Value





# Anywhere

Launch Total Freedom calling plans

Unveil Faith Hill marketing campaign

May 24, 2000

Launch on-line billing

June 22, 2000

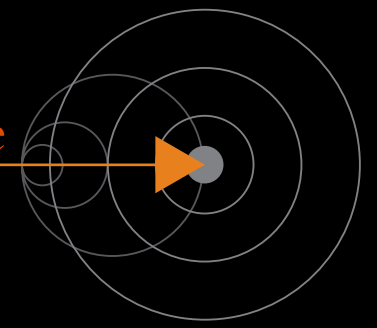
## National Footprint, Local Calls

April 28, 2000

Our roaming agreement with Verizon allows ALLTEL to deliver off-network wireless calls at on-network costs and profitably offer our customers access to the country's largest CDMA digital network. Within months, we launched our national, regional and local Freedom calling plans. This agreement also gives us a growth platform as strong as any major national wireless brand. To keep customers equipped with the latest wireless products and services, our Always Up2Date program offers customers optimum pricing at all times, while MetroTalk and Boomerang, our unlimited wireless local calling plans, also offer outstanding value in selected metropolitan trials.

Caroline Cabell  
CLEC Account Executive,  
Richmond, Virginia

Building Value





# Unwired

Announce Louisiana acquisition

July 31, 2000

Introduce Web-Unwired

Sponsor new NASCAR team

October 4, 2000

Offer Always Up2Date guarantee

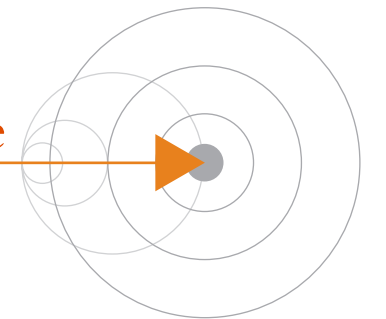
October 10, 2000

## Wireless E-mail and Internet Access

August 23, 2000

Few initiatives better illustrate ALLTEL's commitment to a wireless future than our strategic partnerships with two of the nation's leading wireless data companies. With Web-Unwired, we have led the way in customizable wireless web interfaces. With our aggressive company-wide digital rollout, 80 percent of our POPs, or population served, now have access to our digital wireless network. As part of this strategy, we installed a digital network in our Louisiana market that will make us one of the first in the country with 3G-capable technology.

Building Value







# Y2K+1

November 2, 2000  
Extend outsourcing contract with Hibernia Bank

December 20, 2000  
Agree to lease wireless towers to American Tower

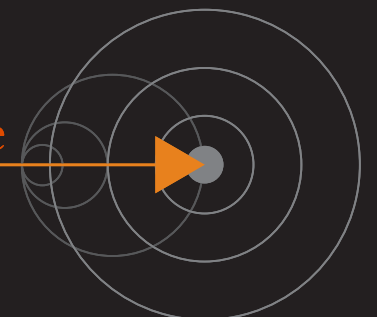
December 20, 2000  
Implement loan/lease system with Ford Financial

## Delivery Sells

December 31, 2000

Excellence in service delivery was the key driver behind more than \$1.5 billion of contract renewals and new business signings that filled ALLTEL Information Services' post-Y2K order books. Renewed growth in our traditional information technology markets was also more than matched by aggressive positioning for new and emerging opportunities. In the United Kingdom, a new alliance with financial services leader Bradford & Bingley lays the foundation for a European expansion program, while in the United States we implemented a new loan/lease system at Ford Financial, the world's largest automotive finance company.

Linda Mae Southerland  
Director,  
Ford Financial Relationship



## Directors

**John R. Belk**<sup>3,4</sup>  
President of Finance, Systems and Operations,  
Belk, Inc., Charlotte, North Carolina

**Joe T. Ford**<sup>1</sup>  
Chairman and Chief Executive Officer  
of the Company

**Scott T. Ford**  
President and Chief Operating Officer  
of the Company

**Dennis E. Foster**<sup>1</sup>  
Former Vice Chairman of the Company,  
Lexington, Kentucky

**Lawrence L. Gellerstedt III**<sup>2,4</sup>  
President and Chief Operating Officer,  
The Integral Group, Atlanta, Georgia

**Charles H. Goodman**<sup>1,3,5</sup>  
Vice President, Henry Crown and Company,  
Chicago, Illinois

**W.W. Johnson**<sup>1,4</sup>  
Chairman of the Executive Committee,  
Bank of America Corporation,  
Charlotte, North Carolina

**Emon A. Mahony Jr.**<sup>1,5</sup>  
Chairman of the Board,  
Arkansas Oklahoma Gas Corporation,  
Fort Smith, Arkansas

**John P. McConnell**<sup>2,4</sup>  
Chairman and Chief Executive Officer,  
Worthington Industries, Inc., Columbus, Ohio

**Josie C. Natorj**<sup>2</sup>  
Chief Executive Officer, The Natori Company,  
New York, New York

**Gregory W. Penske**<sup>4</sup>  
President, Penske Automotive Group, Inc.,  
El Monte, California

**Frank E. Reed**<sup>3,5</sup>  
Former Non-Management Chairman of the Board,  
360° Communications Company,  
Philadelphia, Pennsylvania

**Fred W. Smith**<sup>3</sup>  
Chairman of the Board of Trustees,  
Donald W. Reynolds Foundation,  
Las Vegas, Nevada

**Ronald Townsend**<sup>2,5</sup>  
Communications Consultant,  
Jacksonville, Florida

<sup>1</sup> Executive Committee

<sup>2</sup> Nominating Committee

<sup>3</sup> Audit Committee

<sup>4</sup> Compensation Committee

<sup>5</sup> Pension Trust Investment Committee

## Officers

**Joe T. Ford**  
Chairman and Chief Executive Officer

**Scott T. Ford**  
President and Chief Operating Officer

**Kevin L. Beebe**  
Group President—Communications

**Michael T. Flynn**  
Group President—Communications

**Jeffrey H. Fox**  
Group President—Information Services

**Francis X. Frantz**  
Executive Vice President—External Affairs,  
General Counsel and Secretary

**Jeffery R. Gardner**  
Senior Vice President—Chief Financial Officer

**John S. Haley**  
Senior Vice President—Chief Technology Officer

**Keith A. Kostuch**  
Senior Vice President—Strategic Planning

**Frank A. O'Mara**  
Vice President—Human Resources

**David A. Gatewood**  
Controller

**Scott H. Settelmyer**  
Treasurer

## Investor Information

### Corporate Headquarters

ALLTEL Corporation  
One Allied Drive  
Little Rock, Arkansas 72202  
www.alltel.com

### Annual Meeting

The Annual Meeting of ALLTEL Corporation stockholders will be held at 11 a.m. (CDT) on Thursday, April 26, 2001, at ALLTEL Arena, Washington Street box office entrance, North Little Rock, Arkansas.

### Investor Relations

Information requests from investors, security analysts and other members of the investment community should be addressed to:  
Investor Relations Department  
ALLTEL Corporation  
One Allied Drive  
Little Rock, Arkansas 72202  
toll-free 877.4.INFO.AT (877.446.3628)  
fax 501.905.5444

### Toll-free Investor Information Line

Call 877.4.INFO.AT (877.446.3628) for an automatic connection to ALLTEL's investor relations and shareholder services departments, recent news releases, stock quotes and answers to frequently asked questions.

### Common Stock Price and Dividend Information

Ticker Symbol AT  
Newspaper Listing ALLTEL

### Market Price

Year	Qtr.	High	Low	Close	Dividend Declared
2000	4th	65.63	50.50	62.44	\$.330
	3rd	64.94	47.75	52.19	.320
	2nd	70.44	59.06	61.94	.320
	1st	82.38	55.88	63.06	.320
1999	4th	91.81	69.81	82.69	\$.320
	3rd	75.00	65.63	70.38	.305
	2nd	74.56	62.38	71.50	.305
	1st	67.50	56.31	62.38	.305

The common stock is listed and traded on the New York and Pacific stock exchanges. The above table reflects the range of high, low and closing prices as reported by Dow Jones & Company, Inc.

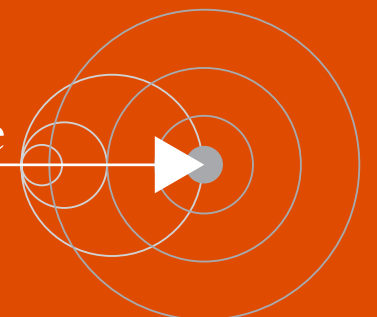
### Annual Report and Form 10-K Requests

The 2000 Annual Report and the Form 10-K Annual Report filed with the Securities and Exchange Commission are available electronically from the Company's Web site at www.alltel.com

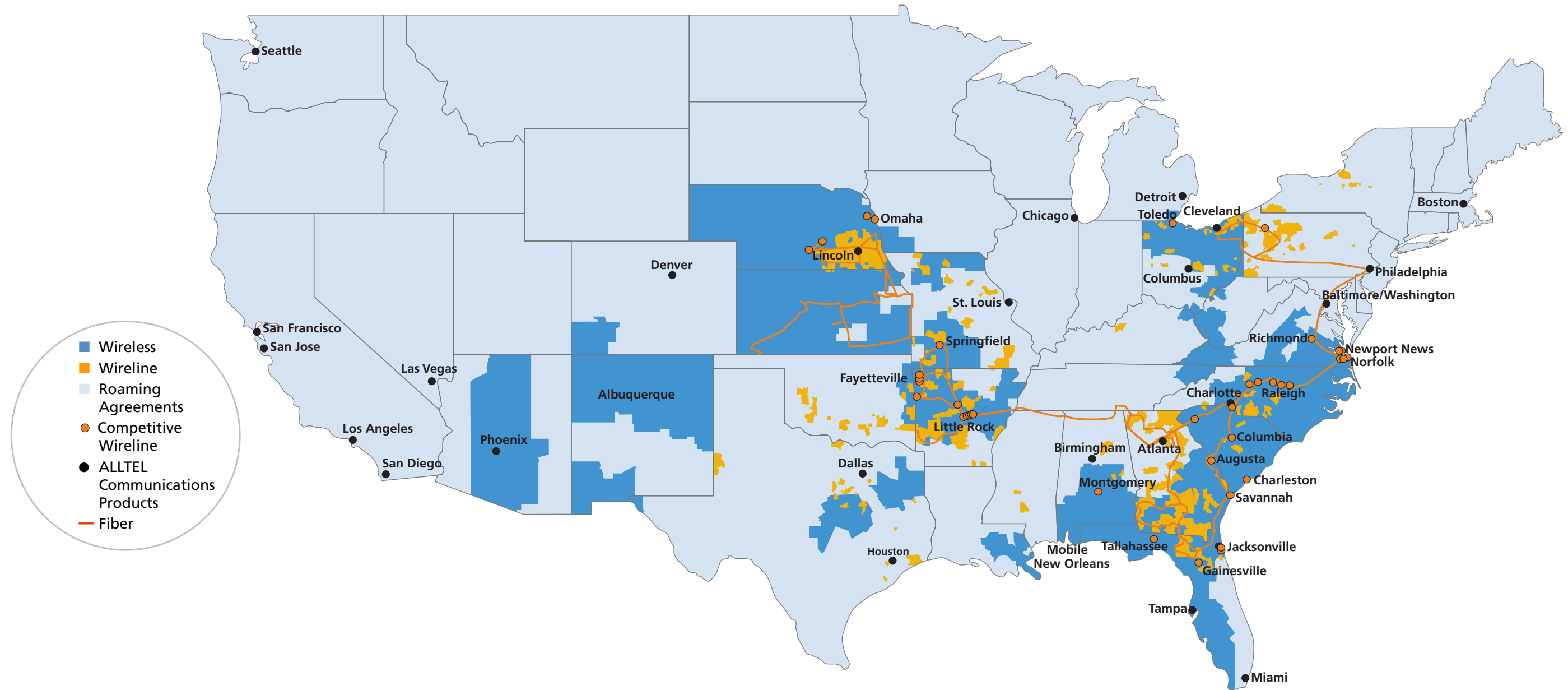


For the latest news about ALLTEL, visit our Web site at [www.alltel.com](http://www.alltel.com).

Investor relations information, including stock quotes, charts graphing ALLTEL's stock trading activity, financial reports and SEC filings, recent news releases and company presentations, is available on our Web site at [www.alltel.com](http://www.alltel.com).

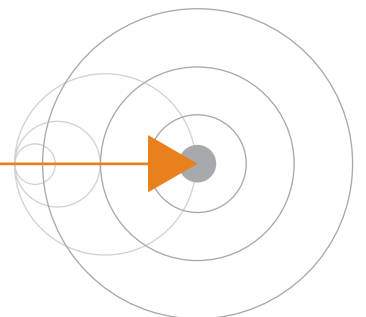


## ALLTEL Communications Operations



# Total Coverage

Building Value





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